

CITY OF DETROIT POLICE AND FIRE RETIREE HEALTHCARE TRUST



Board Meeting Minutes

Monday, February 28, 2022

9:30 am at BeneSys Office, Troy, MI via In-Person and via Conference Call

<u>Trustees:</u>	<u>Role:</u>
Chet Opolski	Chairman
Tracy Shippy	Trustee
Richard Kosmack	Trustee
Dan Bojalad	Trustee
Brian Roehl	Trustee

Others present: Burton Carlson & Erik Burger, Graystone Consulting (via phone)
Floyd Allen (via phone)
Louis Sinagra (via phone)

Legal Representation: Aaron Castle

BeneSys Representation: Violet Gjorgjevski and Jennifer Crosby (via phone)

The meeting was held In-Person at the BeneSys Office, Troy, MI

The meeting was called to order by Chairman Opolski at 9:30 am.

Motion – To accept the agenda for February 28, 2022: *By T. Shippy, seconded by B. Roehl.*

- Motion Carried – Unanimously

Public Comment - None

Regular Minutes - None

Graystone Financial – Burton Carlson & Erik Burger (via phone)

B. Carlson gave a brief update on the B Notes. The B Notes have fallen to \$91, pricing algorithms driving the current pricing as well and increase in interest rate has caused lower pricing. No trade activity for several months.

B. Carlson reviewed the Cash Flow Projection. A new year was added to the cash flow projection, 2023 now on report. He discussed the need to develop a strategy to allow cash to become free to pay benefits going into 2023. Not a cause for concern as there is 24 months to put strategy into place.

Discussion took place regarding the presentation that was given by Boyd Watterson at the last Admin Committee meeting.

Motion – To make a commitment to Boyd Watterson with \$4M to GSA and \$1M to State fund: ***By B. Roehl, seconded by D. Bojalad.***

- Motion Carried – Unanimously

Financial Reports

BeneSys provided the January 2022 Morgan Stanley Statement for review.

BeneSys provided the January 2022 Fifth Third Statement for review.

BeneSys provided the December 2021 Financial Statements for review.

Motion – to review and accept the Morgan Stanley, Fifth Third, BeneSys Financial Statement as provided and to pay the Bills for Approval: ***By T. Shippy, seconded by B. Roehl.***

- Motion Carried – Unanimously

Administrative Reports

A. Direct Deposit Update

Ms. Gjorgjevski updated the Board that an issue has occurred with Fifth Third. They only accept one file per day and because Member and Spouse accounts are separate on BeneSys reporting a solution to the problem is needed. A solution is being worked on currently and another file will be transferred to Fifth Third next week.

Some of the Board members mentioned that they are still getting paper checks for their stipends, but they signed up for direct deposit. Ms. Gjorgjevski will look into this matter and report back.

B. BeneSys Fee Renewal

Ms. Gjorgjevski informed the Board that she has not been able to go back and review this for the Board but will be sure to do so for the next meeting.

Legal Report

Mr. Castle updated the Board regarding an influx of cash in Lansing, MI currently and how those funds are planning on being spent. Some of the funds are schedule to go to state and local governments tailored toward shoring up those that underfunded retirement and retiree health care plans. This Trust is overfunded and the City of Detroit isn't required to make annual contributions so it doesn't appear that the Trust would be eligible for any of these funds as the legislation is currently written.

Correspondence - None

Business Agent Report

Chairman Opolski shared that the bulk of concerns since last meeting have been around the hearing aid coverage. He has been in communication with Priority Health regarding this because the members feel they have to jump through hoops to use this coverage. Feedback from members regarding the Priority Health OTC benefit has been very positive.

Mr. Opolski followed up on his concerned discussed with Mary Weir of BeneSys as the meeting last month. His concerns lie with appropriate and helpful responses from the BeneSys Member Services and Eligibility Teams and the mail not being processed timely. These issues can no longer be excused by the Pandemic. He has requested to conduct a surprise visit to BeneSys' third-party mail sorting/scanning facility and see how their process works and how far behind they may be.

Ed Wolyniec, President of BeneSys joined the meeting. He thanked the Board for their business and addressed the concerns brought forward by Mr. Opolski. He explained that BeneSys brought all their staff back to work in the office and some people enjoyed working from home, so they decided to leave BeneSys. He also let the Board know that a new manager has been brought into the mail room at the Benesys office to improve the processes on-site. He will reach out to the Board in 30 days with an update.

New Business - None

Unfinished Business

A. Life Insurance Rates/Coverage

Trustee Shippy informed the Board that there is not much of an update as to who will quote it. She does think bringing in a consultant and looking at bundling it with Dental and Vision coverage may be a possibility. Discussion took place regarding this matter. Perhaps a death benefit could be offered to members? The opinion of Board was to direct Legal Counsel to send a letter to consultants to bundle dental, vision and death benefit.

B. 2021 Audit with Plante Moran

Ms. Gjorgjevski updated the Board that Ms. Crosby had begun the field work with Plante Moran and the process is on schedule.

Trustee Comment/Open Forum

Trustee Roehl stated that the Actuarial Valuation is going to be especially important this year as investment earnings will be down. The Board would really like to review Dental/Vision coverage and any enhancements that may be possible for members.

Adjournment

Motion – to adjourn: *by B. Roehl, seconded by T. Shippy.*

- Motion Carried - Unanimously

Meeting adjourned at 11:00 am.