

# CITY OF DETROIT POLICE AND FIRE RETIREE HEALTHCARE TRUST



## Board Meeting Minutes

Monday, April 28, 2025

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

### Trustees:

Chet Opolski  
Tracy Shippy  
Richard Kosmack  
Dan Bojalad  
Greg Trozak  
Brian Roehl  
Floyd Allen (*via phone*)

### Role:

Chairman  
Vice-Chair  
Trustee  
Trustee  
Trustee  
Trustee  
Trustee

Others present: Rob Roberts, Priority Health

Brian Green, Mariner  
Jean Young, Justin Chambers and Philip Femminineo, Plante Moran (*via Teams*)  
Louis Sinagra (*via phone*)

Legal Representation: Aaron Castle, VMT Law

BeneSys Representation: Violet Gjorgjevski and Jennifer Crosby

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

The meeting was called to order by Chairman Opolski at 9:31 am.

**Motion** – To accept the agenda for April 28, 2025: *By D. Bojalad, seconded by T. Shippy.*

- Motion Carried – Unanimously

### Public Comment – None

### Regular Minutes

**Motion** – To approve the Regular Meeting Minutes from March 24, 2025, and the Admin Committee Meeting Minutes from April 14, 2025: *By R. Kosmack, seconded by G. Trozak*

- Motion Carried – Unanimously

## **Financial Consultant – Brian Green, Mariner**

### **A. Daily Market Returns for April 25, 2025**

Mr. Green reviewed the overall market as of April 25, 2025, showing that although there is a high degree of uncertainty in the markets, the VEBA Trust portfolio is up 0.87% year to date.

### **B. Fixed Income Discussion (Updated)**

This information was presented at the Admin Committee meeting held on April 14, 2025 as a point of reference for the Board.

### **C. Fixed Income Recommendation**

Mr. Green provided a fixed income recommendation: Mariner recommends the current corporate bond ladders with PIMCO and Eaton Vance/Parametric can be replaced with allocations to the Vanguard Short Term Bond Index and the Vanguard Immediate Term Bond Index. The change in allocation will allow for greater diversification, lower costs, and enhanced yield. The Eaton Vance/Parametric portfolio should be allocated to the Vanguard Short Term Bond Index. The PIMCO portfolio should be allocated to the Vanguard Intermediate Bond Index.

**Motion** – To, per the recommendation of Mariner and the Admin Committee, terminate the Eaton Vance/Parametric portfolio and move those funds to the Vanguard Short Term Bond Index and terminate the PIMCO portfolio and move those funds to the Vanguard Intermediate Term Bond Index: ***By G. Trozak, seconded by B. Roehl***

- Motion Carried – Unanimously

## **Priority Health – Rob Roberts**

Mr. Roberts addressed the Board and stated that Priority Health is seeing favorable increases from CMS for 2026. Priority Health did operate at a 1% loss for 2024, but their actuary team is working on renewals for 2026. He stated that now would be a good time to start looking at potential enhancements if desired. They do have some utilization reports for some areas of interest. Discussion took place.

Mr. Roberts went on to inform the Board that Priority Health did meet their Performance Guarantees for 2024. The Board stated their appreciation of that.

Lastly Mr. Roberts said that Chairman Opolski brought to his attention that there is some confusing verbiage on the Tru Hearing appointment verification letters that are sent to members. These letters could lead members to believe that they will be responsible for a portion of the cost for their hearing aids, but the Trust is paying for a full hearing aid benefit. Mr. Roberts is working with Tru Hearing to make this verbiage less confusing.

**Plante Moran – Jean Young, Justin Chambers and Philip Femminineo**

**A. Draft Financial Statement December 31, 2024**

**B. Audit Presentation**

Mr. Femminineo reviewed the presentation. Plante Moran issued an unmodified opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position of the City of Detroit Police and Fire Retiree Health Care Trust as of December 31, 2024, and the changed in its fiduciary net position for the year then ended, in accordance with accounting principles generally accepted in the United States of America. He reviewed the Statement of Fiduciary Net Position showing that as of December 31, 2024, the fund's Net Position restricted for retiree health care was \$219,196,682, an increase of \$1,689,537 from 2023. Ms. Young discussed that there were no material weaknesses, and no significant weaknesses found. She reviewed the required communication that there are management estimates included within the financial statements for harder to value investments such as City of Detroit B Notes, based upon third-party valuations firm or other various sources. No other recommendations were given. There is an unrecorded possible adjustment for Fifth Third accrued income in the amount of \$750,000 which will be reported in next year's audit.

**Motion** – To accept and approve and have finalized the Financial Statement for December 31, 2024, as presented today by Plante Moran: ***By B. Roehl, seconded by R. Kosmack***

- Motion Carried – Unanimously

**D. Engagement Letter**

Mr. Castle informed the Board that he has reviewed and revised the Plante Moran audit engagement letter and is comfortable in having it executed by the Board Chair.

**Motion** – to approve and authorize the Chair to execute the Audit Engagement Letter as presented: ***By D. Bojalad, seconded by B. Roehl.***

- Motion Carried – Unanimously

**D. End of Audit Letter**

**E. Management Rep Letter**

**Financial Reports**

BeneSys provided the March 2025 Fifth Third Traditional Statement and the Financial Statement for February 2025. Outstanding invoices were presented by BeneSys to the Board for approval.

**Motion** - pay the Bills as provided: *By D. Bojalad, seconded by T. Shippy.*

- Motion Carried – Unanimously

### **Administrative Reports**

#### **A. BeneSys Claims Accuracy Report 1<sup>st</sup> Quarter 2025**

Ms. Crosby reviewed the first quarter of 2025 claims accuracy report with the Board. She informed the Board that BeneSys did meet the performance guarantee for claims accuracy for the first quarter of 2025.

#### **B. BeneSys Claims Performance Report 1<sup>st</sup> Quarter 2025**

Ms. Crosby reviewed the first quarter of 2025 claims performance report with the Board. She informed the Board that BeneSys did meet the performance guarantee for claims performance for the first quarter of 2025.

#### **C. BeneSys Telephone Response Time Report 1<sup>st</sup> Quarter 2025**

Ms. Crosby reviewed the first quarter of 2025 telephone response time report with the Board. She informed the Board that BeneSys did meet the performance guarantee for telephone response time for the first quarter of 2025.

#### **D. Enrollment Changes December 2024 to January 2025**

Ms. Crosby provided the Board with the enrollment changes between December 2024 and January 2025 to show the Open Enrollment changes. Discussion took place and the Board would like to see this reporting quarter going forward.

### **Legal Report**

#### **A. VEBA Grant Funds**

Mr. Castle stated there was not an update at this time.

Mr. Castle did request that the Board approve the Admin Committee's recommendation to open a P.O. Box in the name of the City of Detroit Police & Fire Retiree Health Care Trust..

**Motion** – to approve and authorize Legal Counsel to obtain a P.O. Box as recommended by the Admin Committee: *By B. Roehl, seconded by T. Shippy.*

- Motion Carried – Unanimously

**Correspondence - None**

**Business Agent Report**

Mr. Opolski updated the Board that he and Vice-Chair Shippy met with Mr. Roberts and his team from Priority Health as well as Ms. Gjorgjevski to discuss potential benefit enhancement options for 2026.

**New Business - None**

**Unfinished Business**

**A. Audit December 31, 2024**

The audit for December 31, 2024, has been completed.

**B. Actuarial Valuation December 31, 2024**

GRS is currently working on completing the Actuarial Valuation for December 31, 2024.

**Trustee Comment/Open Forum**

**Adjournment**

**Motion** – to adjourn: *by G. Trozak, seconded by D. Bojalad*

- Motion Carried - Unanimously

Meeting adjourned at 10:26 a.m.