

CITY OF DETROIT POLICE AND FIRE RETIREE HEALTHCARE TRUST



Board Meeting Minutes

Monday, December 11, 2017

9:30 am at RDPFFA Office Sterling Heights Michigan
Conference Call In: 1-866-730-7512 Access Code 795253 Host 133963

Trustees:	Chet Opolski	Chairman
	John Clark	VP Chairman
	Shirley Berger - excused	Secretary
	Don Taylor	Trustee
	Tom Sheehan	Trustee
	(Left the meeting at 11:20)	
	John Barr	Trustee
	Floyd Allen - (T)	Trustee
	Andy Dillon - (T)	Trustee

ABS Representation: Lisa Duncan

Legal Representation: Aaron Castle

The meeting was held at the offices of the Retired Detroit Police & Fire Fighters Association

The meeting was called to order at 9:30.

Motion – To accept the agenda dated September 25, 2017, as amended: By T. Sheehan, seconded by J. Clark

- Motion Carried – Unanimously

Motion – To approve the meeting minutes from October 23, 2017: By T. Sheehan, seconded by J. Clark

- Motion Carried – Unanimously

Motion – To approve the Closed Session meeting minutes from October 23, 2017: By T. Sheehan, seconded by J. Clark

- Motion Carried – Unanimously

Graystone Consulting

Burton Carlson called into the meeting.

Discussion held on B Note Summary and Cash flow. Graystone received the actuarial numbers from GRS, based on those numbers they do not see the VEBA needing to draw from the Line of Credit. Burton recapped the October reports and will present November and December at the next meeting.

Discussion held on the Line of Credit (LOC) – currently the LOC is \$10,750,000. A. Dillon suggested eliminating the LOC completely, F. Allen agreed. J. Clark would like to improve the HRA benefits

Motion – To reduce the Line of Credit down to 5 million: By T. Sheehan, seconded by J. Barr

- Motion Carried – A. Dillon opposes

Legal will prepare documentation to reduce the LOC and stated that the board would need to procure a Broker for the sale of the B notes.

Motion – to move to item 5.F, GRS presentation, on the agenda: by J. Barr, seconded by T. Sheehan

- Motion Carried – Unanimously

Ken Albert's from GRS called into the meeting. GRS reviewed the 2016 Actuarial Valuation Report

Motion – to move to back to regular agenda, 5.A: by J. Barr, seconded by T. Sheehan

- Motion Carried – Unanimously

Correspondence

Motion – to review and accept the Wilmington and Fifth third statements: by T. Sheehan, seconded by D. Taylor

- Motion Carried – Unanimously

Motion – to review and accept the waivers from J. Barr, C. Opolski and D. Taylor: by T. Sheehan, seconded by D. Taylor

- Motion Carried – Unanimously

Accounting Report

Motion – to review and accept the Cash Activity report: by T. Sheehan, seconded by J. Barr

- Motion Carried – Unanimously

Motion – To approve the paid payables (receipts and disbursements): by T. Sheehan, seconded by J. Clark

- Motion Carried – Unanimously

Legal reviewed the contract with Bassett and Bassett and there is language supporting the charge for website maintenance.

Motion – To accept the HRA claims report: by T. Sheehan, seconded by J. Clark

- Motion Carried – Unanimously

Motion – To accept the Financials: by J. Clark, seconded by J. Barr

- Motion Carried – Unanimously

Legal Report

Discussion held on the Willis Towers Watson contract, legal is comfortable with the contract.

Motion – To accept the Willis Towers Watson contract: by T. Sheehan, seconded by J. Clark

- Motion Carried – Unanimously

Discussion held on the quorum rules for the board. Currently 5 board members are needed for a quorum. The November Board meeting did not occur due to a lack of quorum and it was suggested that the Board consider amending the quorum rule. Legal presented the board with a proposed amendment to Section 8.6 of the RHC Trust Agreement amending the quorum requirement from five (5) voting members of the board to four (4).

Motion – To accept the quorum amendment: by T. Sheehan, seconded by J. Barr

Discussion held on the voting of the 4 quorum members.

Motion – To amend above motion by adding language reflecting that a minimum of 4 votes would be required to make a decision: by D. Taylor, seconded by J. Clark

- Motion To Amend Carried Unanimously
- Original Motion Carried (6-1) – T. Sheehan opposes

Administrator Report

Motion – To move to closed session for appeal discussion, to protect the individuals privacy rights to his/her protected health information under HIPAA: by T. Sheehan, seconded by J. Barr

- Roll call vote:
 - Allen – aye
 - Barr – aye
 - Clark – aye
 - Dillon – aye
 - Opolski – aye
 - Sheehan – aye
 - Taylor – aye

The board re-entered open session at 11:20

Motion – To approve Steve Plieth appeal subject to submission of proper documentation verifying his claims to ABS: by J. Barr, seconded by D. Taylor

- Motion Carried – Unanimously

Motion – To approve Ronald Lopez appeal in the amount of \$652.22: by D. Taylor, seconded by J. Clark

- Motion Carried – Unanimously

Motion – To deny William Broadwell's appeal: by T. Sheehan, no second

- Motion Failed for lack of support

Motion – To approve William Broadwell appeal subject to submission of proper documentation verifying his claims to ABS: by D. Taylor, seconded by J. Clark

- Motion Carried (5-2) – T. Sheehan and J. Barr opposed

Motion – To approve the appeals of Sidney Bogan and David Winegar: by J. Barr, seconded by D. Taylor

- Motion Carried – Unanimously

Discussion on Priority Health Performance Guarantee and Survey. The Chair would like this filled out and submitted back to Priority. ABS will fill out their portion and send to Legal.

Break 11:37 – 11:43

Administrative Committee

Discussion on amending the meeting minutes before they are sent back to the admin committee for approval.

Unfinished Business

Discussion held on the new position for a Business Agent. The board agrees there is a need for this position. Discussion on minute taking and board meeting preparation: The RFP for a new TPA indicates that the TPA will take minutes and do the board packets for all meetings.

Motion – To approve position and document, minus #3, at a salary of \$200.00 per day for the calendar year 2018: by D. Taylor, seconded by J. Clark

Motion Carried – C. Opolski abstained from voting

Discussion on salary – C. Opolski believes \$200 per day is excessive.

Candidates for the position will be discussed at next board meeting.

Motion – To approve the agreement of the Office Use Agreement with the RDPFFA effective 1-1-2018: by D. Taylor, seconded by J. Barr

- Motion Carried – Unanimously

New Business

Motion – To approve the Non-Disclosure Agreement requested by the City of Detroit: by D. Taylor, seconded by J. Barr

- Motion Carried – Unanimously

Motion – To go into closed session for the purposes of discussing confidential financial information pertaining to the RHC Trust's investment holdings, by D. Taylor, seconded by J. Clark

- Roll call vote:

- Allen – aye
- Barr – aye
- Clark – aye
- Dillon – aye
- Opolski – aye
- Sheehan – aye
- Taylor – aye

The Board went into Closed Session at 12:08.

The Board re-entered Open Session at 12:39.

Motion – To approve the RHC Trust Summary Annual Report as of 12/31/2016 and to authorize its publication to the website, by Taylor, seconded by Barr

- Motion Carried – Unanimously

Motion – To approve the Request for Proposals for Third Party Administrator services, and authorize its issuance, by Taylor, seconded by Clark

- Motion Carried – Unanimously

Adjournment

Motion – To adjourn: By J. Barr, seconded by D. Taylor

- Motion Carried – Unanimously

Meeting adjourned at 1:00