

CITY OF DETROIT POLICE AND FIRE RETIREE HEALTHCARE TRUST



Board Meeting Minutes

Monday, October 22, 2018

9:30 am at RDPFFA Office Sterling Heights Michigan
Conference Call in: 1-866-730-7512 Access Code 700275 Host 484296

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| Trustees: | Chet Opolski | Chairman |
| | John Clark | Vice Chairman |
| | Shirley Berger | Secretary |
| | Don Taylor | Trustee |
| | Tom Sheehan | Trustee |
| | John Barr | Trustee |
| | Floyd Allen – (T) | Trustee |
| | Andy Dillon – (T) | Trustee |

ABS Representation: Lisa Duncan

Legal Representation: Michael VanOverbeke

BeniSys Representation: Violet Gjorgjevski, Samarah Murray

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 for October 22, 2018: By T. Sheehan, seconded by J. Clark

- Motion Carried – Unanimously

Motion – To approve the meeting minutes from September 17, 2018 as amended: By T. Sheehan, seconded by J. Clark

- Motion Carried – Unanimously

Graystone Consulting – Burton Carlson

B Notes Summary – Currently the price of the bond is at \$83.69 per J.J. Kenny Drake. Trading has been flat for a few months, the price has dropped slightly since last month's report.

Cash Flow – Updated information through September 2018. The VEBA's cash balance declines approximately 2 million dollars each year due to plan changes. The report shows that through December of 2019, at no time does the cash balance drop below 16 million.

Discussion on the Asset Allocation of the Investment plan implementation and the contracts that legal is reviewing. Graystone believes we are in last stages of finalizing the implementation.

Motion – To move to the presentation by Willis Towers Watson rep Vincent Nabozny: by J. Barr, seconded by T. Sheehan

- Motion Carried – Unanimously

Presentation by Vincent Nabozny from Willis Towers Watson. Vincent gave a recap on the pre 65 assistance program that the board offers to help members find health insurance. Vincent would like to come back around February to present the numbers from this open enrollment and discuss new products.

Public Comment

- No one present

Correspondence

Motion – to review and accept the Wilmington and Fifth Third statements: by T. Sheehan, seconded by J. Clark

- Motion Carried – Unanimously

Accounting Report

Motion – to review and accept the Receipts and Disbursements: by T. Sheehan, seconded by J. Clark

- Motion Carried – Unanimously

Motion – to review and accept the final bill from BCBS from Oct. 2015 – Dec. 2015: by T. Sheehan, seconded by J. Clark

- Motion Carried – Unanimously

Discussion held on whether or not a formal legal letter was needed – Legal advised it was not.

Motion – to review and accept the receipts provided by Chet Opolski: by T. Sheehan, seconded by J. Clark

- Motion Carried – Unanimously

Legal Report

Updated on the Priority W-9 request. Legal advised the board that a new updated W-9 form will need to be filled out and submitted to the IRS. Legal also gave an update on the documents with Grayston and Morgan Stanley.

Administrator Report

ABS presented the board with the Ullico renewal. Legal asked that they hold off signing it until he can have a discussion with about the changes that will occur in 2019

ABS will send the renewal to Legal

Administrative Committee

Motion – to approve the Administrative Committee meeting minutes from the 10-8-2018 meeting as amended: by T. Sheehan, seconded by J. Clark

- Motion Carried – Unanimous

Business Agent Report

Chet Opolski discussed that the appeals are slowing down slightly. The 18th newsletter went out with a 61% open rate. Chet also advised the board that he will be purchasing new equipment for the office, a scanner and additional storage.

Finance Committee Board

No Report

Unfinished Business

BeneSys open enrollment update. There were approximately 100 people who attended the OE meeting. Everything went well.

333 members completed the on line registration and over 500 forms have been filled out and sent back in. BeneSys will have a call stat update at the next meeting.

The age in process is still being looked into by BeneSys, but they do have what they need to handle the age in process from here on.

Segal Renewal update – legal was asked by the board to see if they could move the renewal date to a calendar year, since that is when new trustees would be appointed.

Board notification that the 2018 Audit will be performed by BeneSys – ABS is working on gathering the information that will be needed.

Board notification that ABS will not be doing run out, BeneSys will handle everything after 12-31-2018 – ABS is working on gathering all the information needed.

Mr. Schwartz still has not communicated with ABS or Chet as to his selection.

New Business

The RDPFFA office sent the trust a letter advising them of the re-appointed trustee's and the new trustee's that will begin as of 1-1-2019.

- Re-appointed trustee's – Andy Dillon, John Barr and Chet Opolski
- Newly appointed trustee's – Daniel Bojalad, Brian Roehl and Tracy Shippy

The board will reach out to the Mayor's office to confirm Mr. Dillon and Mr. Floyds appointments.

The new trustees are able to attend the current meetings. A meeting will be held with the new trustees to bring them up to speed on the boards activities.

Yvonne Moore from the pension system call and needed clarification on which VEBA ABS was administering and which BeneSys is administrating – different deduction codes will need to be created.

The board asked BeneSys to clarify the HRA submission rules. BeneSys stated that members will need to submit substantiation for all HRA claims every month, regardless of if the claim is more than what the actual HRA payment is for, the member will still need to submit it again the following month. BeneSys stated that they will discuss this issue with Jim (CEO) as the board specified that this was discussed during the RFP process.

Questions as to whether member George Orzack is in this VEBA or the post 2015 VEBA. ABS states that the member is in the Post 2015. Further review was completed and the member is in the correct HRA.

Next Full Board Meeting November 26, 2018

Adjournment

Motion – to adjourn by T. Sheehan, seconded by J. Clark

- Motion Carried - Unanimously

Meeting adjourned at 11:25 am

Lisa Duncan