



CITY OF ROYAL OAK RETIREE HEALTH CARE INVESTMENT BOARD MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES

A meeting of the Retiree Health Care Investment Board of Trustees was conducted in the city hall conference room 309, Royal Oak MI, Monday, January 6, 2020 at 8:30 a.m.

The meeting was called to order at 9:38 a.m.

Attendance

PRESENT: Lee Collick- Chairperson
Bret Nelson- Vice Chairperson
Kim Gibbs- Trustee
Kyle DuBuc- Trustee
David Gillam – City Attorney / Interim City Manager

ALSO PRESENT: Julie Rudd - Bd Chief Administrative Officer/ Bd Secretary/Bd Treasurer
Lisa Genord- Administrative Assistant / Pension Technician
Tom Michaud – Bd attorney with VanOverbeke Michaud and Timmony
Brian Green – AndCo Investment Advisor

Public Comment

None

Board approval of the agenda for January 6, 2020 meeting

*Moved by Kim Gibbs to approve the January 6, 2020 meeting agenda
Supported by Kyle DuBuc
MOTION ADOPTED UNANIMOUSLY 5/0*

Board approval of the draft minutes for December 9, 2019 meeting

*Moved by Bret Nelson to approve the December 9, 2019 meeting minutes
Supported by Kyle DuBuc
MOTION ADOPTED UNANIMOUSLY 5/0*

INVESTMENTS

Investment performance review (preliminary) as of December 31, 2019 presented by Brian Green of AndCo.

Market value/allocation of assets as of December 31, 2019 is \$137,456,268.

Current month – total portfolio outperformed the benchmark: 2.17% vs. 2.04% index.

Three-month performance – total portfolio underperformed the benchmark: 5.29% vs. 5.72% index.

YTD performance – total portfolio underperformed the benchmark: 19.52% vs. 19.92% index.

Brian reported that 2019 finished on a strong note, and that overall 2019 was a solid year. Brian reported that he anticipates a volatile start to 2020 due to the political turmoil in Iraq and Iran. Brian also reported that most of the domestic equity index returns were over 30% for 2019. Julie Rudd asked if Seizert could cut their fees. Brian will contact Seizert Capital Partners to request a reduction in their fees.

The complete AndCo (Preliminary) Investment Performance Review report dated December 31, 2019 is on file in Finance Office.

Moved by Bret Nelson to receive and file

Supported by Kyle DuBuc

MOTION ADOPTED UNANIMOUSLY 5/0

PGIM Real Estate – Prisa II, LP Cash Flow Distribution letter dated December 23, 2019

Moved by Bret Nelson to receive and file

Supported by Kyle DuBuc

MOTION ADOPTED UNANIMOUSLY 5/0

PGIM Real Estate – Prisa II Advisory Council Meeting November 2019

Moved by Bret Nelson to receive and file

Supported by Kyle DuBuc

MOTION ADOPTED UNANIMOUSLY 5/0

PGIM Real Estate – Prisa II Advisory Council Meeting Minutes Fall 2019

Moved by Bret Nelson to receive and file

Supported by Kyle DuBuc

MOTION ADOPTED UNANIMOUSLY 5/0

PGIM Real Estate – Quarterly Insights United States

Moved by Bret Nelson to receive and file

Supported by Kyle DuBuc

MOTION ADOPTED UNANIMOUSLY 5/0

PGIM Real Estate – Quarterly Insights Europe

Moved by Bret Nelson to receive and file

Supported by Kyle DuBuc

MOTION ADOPTED UNANIMOUSLY 5/0

PGIM Real Estate – Quarterly Insights Asia Pacific

Moved by Bret Nelson to receive and file

Supported by Kyle DuBuc

MOTION ADOPTED UNANIMOUSLY 5/0

LEGAL

None

OTHER

Revenue and expenditure (audited) variance report for year-ending June 30, 2019. This report is provided in accordance with board policy that allows finance director to approve trust payments without the board's specific approval.

Tom Michaud made motion to adopt the above policy with respect to the retirement health care investment board and as previously adopted by the retirement board.

Moved by Lee Collick

Supported by Kyle DuBuc

MOTION ADOPTED UNANIMOUSLY 5/0

Moved by Bret Nelson to receive and file the Revenue and expenditure (audited) variance report for year-ending June 30, 2019.

Supported by Kyle DuBuc

MOTION ADOPTED UNANIMOUSLY 5/0

Form 5572 State of Michigan OPEB report

Moved by Bret Nelson to receive and file

Supported by Kyle DuBuc

MOTION ADOPTED UNANIMOUSLY 5/0

NEXT MEETING AND ADJOURNMENT

Next regular meeting is scheduled immediately following the retirement system board meeting at approximately 8:30am on Monday, February 3, 2020 at city hall room 309.

Moved by Lee Collick to adjourn the meeting (9:47 a.m.) and confirm next meeting for February 3, 2020 immediately following retirement system board meeting at approximately 8:30 a.m.

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0