



## **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 at the City Hall building in conference room # 122 on Friday June 10, 2022, at 8:30 a.m.

The meeting was called to order at 8:13 a.m.

### **Attendance**

PRESENT: Lee Collick – Chairperson  
Bret Nelson - Vice Chairperson  
Kyle DuBuc - Trustee  
Monica Hunt – Trustee  
Paul Brake - Trustee

ALSO PRESENT: Julie Rudd – Fiscal Manager (Director of Finance – retired)  
Lisa Genord – Financial Analyst / Pension Technician  
Brian Green – Investment Advisor with AndCo

NOT PRESENT: Tony DeCamp - Bd Chief Administrative Officer/ Bd Secretary/Bd Treasurer (Interim Finance Director)

### **Public Comment**

There were no public attendees / comments.

### **Board approval of the agenda for the June 10, 2022, meeting**

*Moved by Lee Collick to approve the agenda for the June 10, 2022 meeting*

*Supported by Bret Nelson*

*MOTION ADOPTED UNANIMOUSLY 5/0*

### **Board approval of the draft minutes for the May 20, 2022 meeting**

*Moved by Lee Collick to approve the draft minutes for the May 20, 2022 meeting*

*Supported by Bret Nelson*

*MOTION ADOPTED UNANIMOUSLY 5/0*

### **INVESTMENTS**

Investment performance review presented by Brian Green of AndCo.

Market value/allocation of assets as of May 31, 2022, is \$146,001,440.

Current month – total portfolio outperformed the benchmark: 0.77% vs. 0.37% index.

3-month performance – total portfolio outperformed the benchmark: -3.25% vs. -3.96% index.

Year-to date performance – total portfolio outperformed the benchmark: -7.68% vs. -9.27% index.

1-year performance – total portfolio outperformed the benchmark: -2.19% vs. -3.66% index.

3-year performance – total portfolio outperformed the benchmark: 9.94% vs. 9.65% index.

5-year performance – total portfolio underperformed the benchmark: 7.15% vs. 7.55% index.

Inception – total portfolio underperformed the benchmark: 7.07% vs. 7.48% index.

Brian reported that May was a good month in that returns were positive, despite still being negative on a year-to-date basis. Brian also reported that equity markets are still down anywhere from 15 – 22%, and that Energy is the #1 performing sector on a year-to-date basis, up 58%, which has been a driver of strong returns in the international equity portfolio. Brian reported that for the month of May, both

Seizert Capital Mid Cap and Goldman Sachs GQG International yielded the highest returns for the portfolio. Brian also reported that, within the real estate portfolio, Prisa II will shift from quarterly to monthly valuations as well as shift from offering quarterly liquidity to monthly liquidity as of July 1, 2022. Brian reported that he anticipates day-to-day market volatility over the course of the summer. Paul Brake asked Brian if the day-to-day volatility will lead to the market remaining flat or have a negative impact. Brian reported that there are many variables – inflation, fed rate changes, supply-chain issues, mixed signals from a labor / wage inflation standpoint – that are causing inconsistent messages and a lack of directionality in the market.

The complete AndCo Investment Performance Review report dated May 31, 2022 is on file in Finance office.

*Moved by Lee Collick to receive and file.*

*Supported by Bret Nelson*

*MOTION ADOPTED UNANIMOUSLY 5/0*

PGIM Real Estate Prisa II - Fund Review 1Q 2022

*Moved by Lee Collick to receive and file.*

*Supported by Bret Nelson*

*MOTION ADOPTED UNANIMOUSLY 5/0*

PGIM Real Estate Prisa II LP - Financial Statements 1Q 2022

*Moved by Lee Collick to receive and file.*

*Supported by Bret Nelson*

*MOTION ADOPTED UNANIMOUSLY 5/0*

PGIM Real Estate Prisa II UHC, LP – Financial Statements 1Q 2022

*Moved by Lee Collick to receive and file.*

*Supported by Bret Nelson*

*MOTION ADOPTED UNANIMOUSLY 5/0*

TerraCap Partners V LP– Q1 2022 Financial Report and Market Update

*Moved by Lee Collick to receive and file.*

*Supported by Bret Nelson*

*MOTION ADOPTED UNANIMOUSLY 5/0*

## **LEGAL**

None

## **OTHER**

None

## **NEXT MEETING AND ADJOURNMENT**

Next regular meeting is scheduled immediately following the retirement system board meeting at approximately 8:30 a.m. on Friday, July 22, 2022 at the City Hall Building at 203 South Troy Street, in the 1<sup>st</sup> floor conference room # 122.

*Moved by Lee Collick to adjourn the meeting (8:25 a.m.) and confirm the next meeting for Friday, July 22, 2022, immediately following retirement system board meeting at approximately 8:30 a.m.*

*Supported by Bret Nelson*

*MOTION ADOPTED UNANIMOUSLY 5/0*