



## **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, July 1, 2019 at 8:30 a.m.

The meeting was called to order at 9:18 a.m.

### **Attendance**

PRESENT: Lee Collick- Chairperson  
Bret Nelson- Vice Chairperson  
Kim Gibbs- Trustee  
Corey O'Donohue – Police Chief / Assistant City Manager / Acting 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

ABSENT: Kyle DuBuc- Trustee

**Public Comment-** none

### **Board approval of the draft minutes for June 4, 2019 meeting**

*Moved by Bret Nelson to approve the June 4, 2019 meeting minutes*

*Supported by Kim Gibbs*

**MOTION ADOPTED UNANIMOUSLY 4/0**

### **INVESTMENTS**

Preliminary performance summary as of June 30, 2019 provided via email from Brian Green  
Market value/allocation of assets as of June 30, 2019 is \$132,618,261.

Current month – total portfolio underperformed the benchmark: 4.60% vs. 4.78% index.

YTD performance – total portfolio underperformed the benchmark: 12.53% vs. 12.90% index.

Brian reported via email that June was beyond kind to investors as we saw strong gains across the board in stark contrast to May's returns. Seizert Mid Cap had a great month, outpacing their benchmark by almost 1.00%. AndCo believes that this is the start of a recovery in performance for the portfolio. Templeton Global Bond underperformed in June, which was not at all surprising given their position that rates will remain stable or rise.

*The complete AndCo Investment Preliminary Performance Review report dated June 30, 2019 is on file in Finance Office.*

*Moved by Kim Gibbs to receive and file report.*

*Supported by Bret Nelson*

**MOTION ADOPTED UNIANIMOUSLY 4/0**

PGIM Real Estate - Prisa II, LP Cash Flow Distribution – memo dated 6/24/19

*Moved by Kim Gibbs to receive and file*

*Supported by Bret Nelson*

**MOTION ADOPTED UNIANIMOUSLY 4/0**

PGIM Real Estate – Prisa II May 2019 Advisory Council Meeting Report  
*Moved by Kim Gibbs to receive and file*  
*Supported by Bret Nelson*  
**MOTION ADOPTED UNIANIMOUSLY 4/0**

PGIM Real Estate – Prisa II May 2019 Advisory Council Meeting Minutes  
*Moved by Kim Gibbs to receive and file*  
*Supported by Bret Nelson*  
**MOTION ADOPTED UNIANIMOUSLY 4/0**

**LEGAL**

Memo from Vanoverbeke, Michaud, & Timmony, P.C. dated June 18, 2019 regarding Michigan case update - Kendzierski, et al. v. Macomb County  
Tom Michaud discussed the significance of the above case relative to retiree health care coverage. Tom emphasized the importance of understanding what the city's liability for retiree health care is and reviewing all bargaining unit contracts to ensure that the terms are clearly stated and being met by the city retiree health care fund.  
*Moved by Kim Gibbs to receive and file*  
*Supported by Bret Nelson*  
**MOTION ADOPTED UNIANIMOUSLY 4/0**

**OTHER**

2019 Renewal for Fiduciary Liability Insurance is in the process - update

**NEXT MEETING AND ADJOURNMENT**

Next regular meeting is scheduled immediately following the retirement system board meeting at approximately 8:30am on Tuesday – August 6, 2019 at city hall room 309.  
*Moved by Lee Collick to adjourn the meeting (9:26 a.m.) and confirm next meeting for August 6, 2019 immediately following retirement system board meeting at approximately 8:30 a.m.*  
*Supported by Kim Gibbs*  
**MOTION ADOPTED UNIANIMOUSLY 4/0**