



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 remotely via Zoom, on Friday January 22, 2021 at 8:30 a.m.

The meeting was called to order at 8:57 a.m.

Attendance / Roll Call performed

PRESENT: Lee Collick, attending from Royal Oak, Michigan - Chairperson
Bret Nelson, attending from Troy, Michigan - Vice Chairperson
Kyle DuBuc, attending from Royal Oak, Michigan – Trustee
Paul Brake, attending from Royal Oak, Michigan – Trustee
Monica Hunt, attending from Royal Oak, Michigan - Trustee

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

Members of the public were able to participate in the meeting by joining on Zoom Webinar using Meeting ID 87584853291 & password 543913. Participation could be either online or by calling in:
Online: <https://us02web.zoom.us/j/87584853291?pwd=UFRFR1k5TTFBK3hJTldTWC8zOENWQT09>
iPhone: 1 929 205 6099 or 1 301 715 8592
Phone: 1 929 205 6099 or 1 301 715 8592 or 1 312 626 6799 or 1 669 900 6833 or 1 253 215 8782 or 1 346 248 7799. There were no public attendees / comments.

Board approval of the agenda for January 22, 2021 meeting

Moved by Lee Collick to approve the January 22, 2021 meeting agenda

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

Board approval of the draft minutes for December 18, 2020 meeting

Moved by Lee Collick to approve the December 18, 2020 meeting minutes

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

INVESTMENTS

Investment performance review as of December 31, 2020 presented by Brian Green of AndCo.

Market value/allocation of assets as of December 31, 2020 is \$145,286,244.

Current month – total portfolio outperformed the benchmark: 3.96% vs. 3.33% index.

3-month performance – total portfolio outperformed the benchmark: 11.19% vs. 10.57% index.

Year-to date performance – total portfolio underperformed the benchmark: 11.70% vs. 14.48% index.

1-year performance – total portfolio underperformed the benchmark: 11.70% vs. 14.48% index.

3-year performance – total portfolio underperformed the benchmark: 7.87% vs. 9.77% index.

Inception – total portfolio underperformed the benchmark: 7.90% vs. 9.83% index.

Brian reported that 2020 was a solid year from an investment standpoint, despite the COVID-19 pandemic, and that there were strong gains in mid-November through December of 2020 as value-

oriented stocks began coming into favor and showed marked performance improvement. Brian also reported that Seizert Capital Mid Cap, had a huge turnaround in the end of the 4th quarter of 2020 and was 8 – 9% ahead of the benchmark.

The complete AndCo Investment Performance Review report dated December 31, 2020 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 LP Distribution Letter dated December 18, 2020

Moved by Lee Collick to receive and file.

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

PGIM Real Estate Quarterly Insights – United States 4Q2020

Moved by Lee Collick to receive and file.

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

PGIM Real Estate Trends for 2021 dated January 2021

Moved by Lee Collick to receive and file.

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

Seizert Capital Partners (SCP) Directions Newsletter 4Q2020 as of December 31, 2020

Moved by Lee Collick to receive and file.

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

Seizert Capital Partners (SCP) Quarterly Report dated December 31, 2020

Moved by Lee Collick to receive and file.

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

LEGAL

VanOverbeke, Michaud, & Timmony, P.C. Memo re: Michigan Public Act 254 of 2020, Open Meetings Act Amendments, dated December 30, 2020. Tom Michaud, board attorney, reported that there was a legislative amendment to the Michigan Public Act 254 of 2020, Open Meetings Act, that extended the allowance of virtual participation by retiree investment board trustees until March 31, 2021. Beginning April 1, 2021, retiree investment board trustees may only attend meetings virtually if they meet one of the following three criteria: 1) are in the military, 2) have a medical / health concern, or, 3) if a State of Emergency has been declared.

Moved by Lee Collick to receive and file.

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

OTHER

Audited revenues and expenditures for audited year-ending June 30, 2020 was provided. This report is provided in accordance with board policy that allows the finance director to approve trust payments without the board's specific approval. Julie Rudd stated that this report provides the detailed audited revenues and expenditures from the Comprehensive Annual Financial Report (CAFR).

Moved by Lee Collick to receive and file.

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

Form 5572 State of Michigan OPEB report. Julie Rudd noted that on line 30 of Form 5572 State of Michigan OPEB report, that the calculated funding ratio using uniform assumptions is 90.5%.

Moved by Lee Collick to receive and file.

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

NEXT MEETING AND ADJOURNMENT

Next regular meeting is scheduled immediately following the retirement system board meeting at approximately 8:30 a.m. on Friday, February 19, 2021, via remote Zoom webinar.

Moved by Lee Collick to adjourn the meeting (9:14 a.m.) and confirm next meeting for February 19, 2021 immediately following retirement system board meeting at approximately 8:30 a.m.

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0