



## **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 virtually via Zoom, on Tuesday, April 14, 2020 at 8:30 a.m.

The meeting was called to order at 8:55 a.m.

### **Attendance**

PRESENT: Lee Collick- Chairperson  
Bret Nelson- Vice Chairperson  
Kim Gibbs- Trustee  
Kyle DuBuc- Trustee  
David Gillam – 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 could have participated in the meeting electronically by providing public comment on any city-related matter, whether on the agenda or not, by leaving a recorded comment at 248-246-3411 between the hours of 7:00 and 8:00p.m. on Monday, April 13, 2020. Recorded comments would have been played for the retirement board during the public comment portion of the agenda. There were no public comments.

### **Board approval of the agenda for April 14, 2020 meeting**

*Moved by Bret Nelson to approve the April 14, 2020 meeting agenda  
Supported by Kim Gibbs  
MOTION ADOPTED UNANIMOUSLY 5/0*

### **Board approval of the draft minutes for March 11, 2020 meeting**

*Moved by Bret Nelson to approve the March 11, 2020 meeting minutes  
Supported by Dave Gillam  
MOTION ADOPTED UNANIMOUSLY 5/0*

### **INVESTMENTS**

Investment performance review as of March 31, 2020 presented by Brian Green of AndCo.  
Market value/allocation of assets as of March 31, 2020 is \$115,048,183.

Current month – total portfolio underperformed the benchmark: -10.45% vs. – 9.55% index.

3-month performance – total portfolio underperformed the benchmark: -15.71% vs. -14.39% index.

Year-to date performance – total portfolio underperformed the benchmark: -15.71% vs. -14.39% index.

1-year performance – total portfolio underperformed the benchmark: -7.61% vs. -5.34% index.

Inception performance – total portfolio underperformed the benchmark: 0.12% vs. 2.05% index.

Brian reported that the markets reflected concerns over the economic and social impact of the continued Coronavirus outbreak. Brian also reported that March was the ultimate reminder that markets can turn against investors very quickly, and that outside of cash, every other part of the traditional equity and fixed income markets were in negative territory. Brian reported that the portfolio performed as expected

under the circumstances and that we won't know how our real estate investments will impact the portfolio until probably the 3<sup>rd</sup> quarter of this year.

*The complete AndCo Investment Performance Review report dated March 31, 2020 is on file in Finance Office.*

*Moved by Kyle DuBuc to receive and file*

*Supported by Bret Nelson*

*MOTION ADOPTED UNANIMOUSLY 5/0*

PGIM Real Estate Prisa II LP Newsletter

*Moved by Kyle DuBuc to receive and file*

*Supported by Bret Nelson*

*MOTION ADOPTED UNANIMOUSLY 5/0*

PGIM Real Estate Prisa II 4Q 2019 Report

*Moved by Kyle DuBuc to receive and file*

*Supported by Bret Nelson*

*MOTION ADOPTED UNANIMOUSLY 5/0*

PGIM Real Estate Distribution Letter March 25, 2020

*Moved by Kyle DuBuc to receive and file*

*Supported by Bret Nelson*

*MOTION ADOPTED UNANIMOUSLY 5/0*

PGIM Real Estate Market Watch Prisa II FAQ Newsletter as of March 31, 2020

*Moved by Kyle DuBuc to receive and file*

*Supported by Bret Nelson*

*MOTION ADOPTED UNANIMOUSLY 5/0*

## **LEGAL**

Tom Michaud of VanOverbeke, Michaud and Timmony, P.C. briefly reviewed the three legal memos below and stated that his office felt that it was important for the retirement boards to conduct business and meetings as usual, and as best as they can during the COVID-19 pandemic health crisis. Mr. Michaud's office will continue to update the board with all federal and state legislature changes that may impact the retirement boards and his office is available for legal counsel as needed. Dave Gillam stated that Governor Whitmer's Executive Order 2020-15 (COVID-19) regarding the Open Meetings Act and allowance of remote / virtual public meetings is set to expire on April 15, 2020, so we should know this week if the order is revised or extended.

VanOverbeke, Michaud & Timmony, P.C. 4-1-2020 Memo re: CARES Act

*Moved by Bret Nelson to receive and file*

*Supported by Dave Gillam*

*MOTION ADOPTED UNANIMOUSLY 5/0*

VanOverbeke, Michaud & Timmony, P.C. 4-6-2020 Memo re: FOIA Requests During State of Emergency

*Moved by Bret Nelson to receive and file*

*Supported by Dave Gillam*

*MOTION ADOPTED UNANIMOUSLY 5/0*

VanOverbeke, Michaud & Timmony, P.C. 3-24-2020 Memo re: Remote Public Meetings – COVID 19

*Moved by Bret Nelson to receive and file*

*Supported by Dave Gillam*

*MOTION ADOPTED UNANIMOUSLY 5/0*

## **OTHER**

FY 2020-2021 training budget request. The training budget is split between the retirement board and health care board and will remain that way. Julie Rudd advised that the FY 2019 -2020 budget for the health care investment board training was \$1000 and requested that the board members advise which conference(s) they may want to attend. Tom Michaud stated that due to the COVID-19 pandemic health crisis, the spring 2020 MAPERS conference was cancelled, but the fall 2020 MAPERS conference was still scheduled for September as of now.

*Moved by Lee Collick to increase the health care investment board training budget for the FY 2020 – 2021 to \$1250, which is the same amount as the retirement board training budget for FY 2020 – 2021.*

*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, May 8, 2020 at city hall room 309.

*Moved by Lee Collick to adjourn the meeting (9:15 a.m.) and confirm next meeting for May 8, 2020 immediately following retirement system board meeting at approximately 8:30 a.m.*

*Supported by Kyle DuBuc*

*MOTION ADOPTED UNANIMOUSLY 5/0*