



## **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, Tuesday, June 4, 2019 at 8:30 a.m.

The meeting was called to order at 8:48 a.m.

### **Attendance**

PRESENT: Lee Collick- Chairperson  
Bret Nelson- Vice Chairperson  
Kim Gibbs- Trustee  
Don Johnson – Trustee

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

ABSENT: Kyle DuBuc- Trustee

**Public Comment-** none

### **Board approval of the draft minutes for May 6, 2019 meeting**

*Moved by Bret Nelson to approve the May 6, 2019 meeting minutes*

*Supported by Kim Gibbs*

*MOTION ADOPTED UNANIMOUSLY 4/0*

### **INVESTMENTS**

Preliminary performance summary as of May 31, 2019 presented by Brian Green

Market value/allocation of assets as of May 31, 2019 is \$126,254,756.

Current month – total portfolio underperformed the benchmark: -4.04% vs. -3.91% index.

YTD performance – total portfolio underperformed the benchmark: 7.57% vs. 7.62% index.

Brian provided a market update as of May 31, 2019, reporting that due to trade wars / tariffs, the equity markets were negatively affected in May. Despite this negative effect on the equity rates, the equity market has still had a solid performance in 2019. Long-term key rates have declined from 12/31/18 to 5/31/19, indicating that the Federal Reserve will likely cut rates in September and again in December of 2019, which is good news for the equity market. Brian reported AndCo intends on being more opportunistic with cash and use it more deliberately. Brian also fully expects the Fed to make a 25-basis point cut in September and more cuts in 2020.

*The complete AndCo Investment Preliminary Performance Review report dated May 31, 2019 is on file in Finance Office.*

*Moved by Bret Nelson to receive and file report.*

*Supported by Kim Gibbs*

*MOTION ADOPTED UNIANIMOUSLY 4/0*

Prisa II UHC LLP Consolidated Financial Statement 1Q19

*Moved by Bret Nelson to receive and file*

*Supported by Kim Gibbs*

*MOTION ADOPTED UNIANIMOUSLY 4/0*

Prisa II – Quarterly Report 1Q19  
*Moved by Bret Nelson to receive and file*  
*Supported by Kim Gibbs*  
MOTION ADOPTED UNANIMOUSLY 4/0

Prisa II LP Financial Statement 1Q19  
*Moved by Bret Nelson to receive and file*  
*Supported by Kim Gibbs*  
MOTION ADOPTED UNANIMOUSLY 4/0

**LEGAL** - none

**OTHER** - none

**NEXT MEETING AND ADJOURNMENT**

Next regular meeting is scheduled immediately following the retirement system board meeting at approximately 8:30am on Monday – July 1, 2019 at city hall room 309.

*Moved by Lee Collick to adjourn the meeting (9:02 a.m.) and confirm next meeting for July 1, 2019 immediately following retirement system board meeting at approximately 8:30 a.m.*

*Supported by Kim Gibbs*  
MOTION ADOPTED UNANIMOUSLY 4/0