North Los Angeles County Regional Center  
Post-Retirement Medical Trust Committee  
Meeting Minutes  
April 25, 2018

Present:  Dan Becerra (via teleconference), Elena Burnett, Debra Newman, Kim Rolfes, and George Stevens – Committee Members  
Sarah Murray – Actuary, Milliman  
Anne Wimmer – HighMark Capital Representative  
Tim Banach – U.S. Bank Representative (via teleconference)  
Ruth Janka, Jennifer Kaiser, Michele Marra, and Vini Montague – Staff Members

Absent:  All present

I. Call to Order & Introductions

Debra Newman, chair, called the meeting to order at 5:30 p.m. and introductions were made.

II. Public Input – There was no public input.

III. Consent Items

A. Approval of Agenda

M/S/C (G. Stevens/K. Rolfes) To approve the agenda as presented.

B. Approval of Minutes of the January 31st Meeting

M/S/C (D. Becerra/G. Stevens) To approve the minute as presented.

IV. Committee Business

A. Actuarial Report (Sarah Murray)

Sarah Murray presented a PowerPoint presentation entitled, “NLACRC Review of Actuarial Valuation of Retiree Health Benefits.” For the fiscal year ending June 30, 2017, the center had a projected retiree health benefit liability of $45.8 million, plan assets of $22.5 million, and an unfunded liability of ($23.3) million. NLACRC’s unfunded retiree health benefit liability decreased by $6,818,448 as compared to the prior fiscal year. The decrease in the unfunded retiree health benefit liability was due to both an increase in plan assets and a decrease in
liability. The decrease in liability was a result of changes in actuarial assumptions (both demographic assumptions and assumptions regarding health benefit costs), an experience gain on health costs, and a demographic experience gain based on changes in the plan population.

B. HighMark Capital Report: Statement of Current Trust Value

Anne provided everyone with copies of HighMark Capital’s quarterly report on the activity of the center’s PRMT and reviewed it with them. The report began with a look at the current financial environment, including economic conditions, interest rates/inflation, and outlook. This was followed by the asset allocation summary, holdings report by asset class, selected period performance, and economic data charts. The value of the trust assets as of April 20, 2018 was $23,895,101, an increase of $504,696 since the last quarterly report. The increase was due to a deposit for investment fees made offset by a loss in investments. The rate of return for the quarter was -.86% (net of fees) and for the last 12 months was 7.07% (net of fees). The annualized rate of return since the trust’s inception (November 1, 2004) was 6.05% (gross of fees).

C. Quarterly PRMT Market Value History Report

Kim provided copies of the report which reported the trust’s market value for each quarter since its inception in September 2004 through March 31, 2018. During this period of time, the center has contributed $15,320,139 to the trust (in fees) but the trust lost $743,512 in investments, for a total trust value of $23,756,424. Kim also provided the committee with a report on the dates and amounts of all the contributions the center has made since the inception of the trust. At the last estimate, the trust’s unfunded liability was at $23.2 million.

V. Board Meeting Agenda Items

The following items were identified for the committee’s section of the May 9th board meeting agenda:

A. Minutes of the April 25th Meeting
B. Statement on Current Trust Value

VI. Announcements/Information/Public Input

A. Next Meeting: Wednesday, July 25th, at 5:30 p.m.
VII. Adjournment

Debra adjourned the meeting at 6:16 p.m.

Submitted by,

Jennifer Kaiser
Jennifer Kaiser
Executive Assistant

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