

North Los Angeles County Regional Center
Post-Retirement Medical Trust Committee
Meeting Minutes
January 30, 2019

Present: Dan Becerra, Elena Burnett, Debra Newman, Kim Rolfes, and George Stevens – Committee Members
Anne Wimmer – HighMark Capital Representative
Tim Banach – U.S. Bank Representative
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 Revised Agenda

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

B. Approval of Minutes of the October 30th Meeting

Tim noted that the deadline referred to in the last sentence of section VI.A. should be December 31, not December 30.

M/S/C (D. Becerra/G. Stevens) To approve the minutes as modified.

IV. Committee Business

A. HighMark Capital Report: Statement of Current Trust Value

Anne provided 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. As of December 31, 2018, the value of the trust assets was \$22,752,227, a decrease of \$2,048,881 since the last quarterly report. The rate of return for the quarter was -8.37 (net of fees) and for the last 12 months was -5.36 (net of fees). The quarter that ended December 31, 2018 saw a sharp correction in the stock market, driven by rising interest rate concerns, escalating risk of a trade war, geopolitical turmoil, and the government shutdown. The annualized rate of return since the trust's inception (November 1, 2004) was 5.41% (gross of fees).

B. 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 December 31, 2018. During this period of time, the center has contributed \$15,403,799 to the trust (including fees), which has gained \$7,346,276 in interest for a total trust value of \$22,750,076. 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.

C. Quarterly PRMT Fees Report – Deferred

D. Report on Contributions to Reduce Unfunded Retirement Liability

Vini announced that the center has not made any recent contributions to the PRMT as we are focusing first on reducing the unfunded liability of our CalPERS fund.

E. U.S. Bank Letter

Copies of a letter that was sent to NLACRC on October 30th were provided. This is a standard letter that goes out on an annual basis that confirms that the PRMT is invested according to the investment objectives decided upon by the board. Attached to the letter was a list of PRMT's assets as of September 30, 2018, and an investment performance report comparing portfolio performance related to specific indices.

V. Board Meeting Agenda Items

The following items were identified for the committee's section of the February 13th board meeting agenda:

- A. Minutes of the January 30th Meeting
- B. Statement on Current Trust Value

VI. Announcements/Information/Public Input

- A. Next Meeting: Wednesday, April 24th, at 5:30 p.m.

VII. Adjournment

Debra adjourned the meeting at 5:55 p.m.

Submitted by,

Jennifer Kaiser

Jennifer Kaiser
Executive Assistant

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