

North Los Angeles County Regional Center  
**Post-Retirement Medical Trust Committee**  
**Meeting Minutes**  
October 29, 2014

**Present:** Jenean Glover, Kim Rolfes, and Tavia Wooley – Committee Members  
Anne Wimmer – HighMark Capital Representative  
Tim Banach and Roya Assadi – U.S. Bank Representatives  
Debra Newman – Board Member  
Diane Ambrose, Lucy Gezalyan, Jennifer Kaiser, Michele Marra, and Vini Montague – Staff Members

**Absent:** Dan Becerra and George Stevens

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**I. Call to Order & Introductions**

The meeting was called to order by Jenean Glover, chair, at 5:35 p.m.

**II. Public Input**

Tim introduced Roya to the group. She is the PRMT's new account manager and is taking Tessie Powers' position who is retiring in March.

**III. Consent Items**

A. Approval of Agenda

Item IV.C. was deferred to the next quarterly meeting.

**M/S/C** (T. Wooley/K. Rolfes) To approve the agenda as modified.

B. Approval of Minutes of July 30<sup>th</sup> Meeting

**M/S/C** (T. Wooley/K. Rolfes) To approve the minutes as presented.

**IV. Committee Business**

A. Review the PRMT's Investment Strategy

The PRMT currently has a "balanced portfolio" which gives the expectation of a 7% return. A balanced strategy has 0-20% invested in cash, 25-45% in fixed income, and 50-70% in equity.

**Action:** The committee deferred a decision about whether or not to recommend changing the PRMT's investment strategy until the next quarterly meeting when they can review information provided by the center's actuary.

B. HighMark Capital Report: Statement on 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 key concerns. This was followed by the investment portfolio summary, asset allocation summary, market values, selected period performance, current asset allocation, and strategic asset allocation. The report's appendix included graphs from 2004 to present on real gross domestic product, consumer spending, capital spending, federal government purchases, CPI core, CPI, the unemployment rate, and treasury yield curves.

The value of the trust assets as of October 28, 2014 was \$18,146,176, an increase of \$353,136 since the last quarterly report. The increase was attributed to a contribution the center made to the trust in the amount of \$400,000. The rate of return for the quarter ending September 30, 2014 was -1.32%, the rate of return for the previous 12 months was 8.12%, and the annualized rate of return since the trust's inception, 119 months ago, was 6.08% (all gross of fees).

1. Information on standard deviations

Anne included this information on page 10 of her report.

2. Current asset allocation pie chart, including international equity holdings

Dan Becerra had requested this information at the last quarterly meeting. Anne included this information on page 9 of her report.

3. Information on comparing large cap stocks to S&P 500, and other asset classes to comparable benchmarks

Dan had also requested this information at the last quarterly meeting. Anne provided a more detailed performance report on page 8, showing large cap stocks compared to S&P 500 Index, small cap stocks compared to the Russell 2000, etc.

- C. Covering the Under-Funding of the PRMT – Deferred
- D. Quarterly PRMT Market Value History Report

Kim provided copies of the report to everyone present which showed the trust's market value for each quarter since its inception in September 2004 to September 30, 2014. During that time, the center made \$13,390,179.00 in contributions and paid \$145,439.46 in fees for a total of \$13,135,618.46; \$4,457,988.92 in interest has been made for a total trust value of \$17,993,607.38.

## V. Board Meeting Agenda Items

The following items were identified for the PRMT's section of the November 12<sup>th</sup> board meeting agenda:

- A. Minutes of October 29<sup>th</sup> Meeting
- B. Statement on Current Trust Value

## VI. Announcements/Information/Public Input

- A. Next Meeting: Wednesday, January 28, 2015, at 5:30 p.m.

**Action:** Tim graciously offered to buy everyone dinner at the next meeting from Kinnara Thai. Jennifer will work with him to make the arrangements.

## VII. Adjournment

Jenean adjourned the meeting at 6:15 p.m.

Submitted by,

*Jennifer Kaiser*

Jennifer Kaiser  
Executive Assistant

