

North Los Angeles County Regional Center
Post-Retirement Medical Trust Committee Meeting Minutes
January 30, 2013

Present: Yolanda Bosch, Craig Girard, Eric Leh, Kim Rolfes, and George Stevens – Committee Members
Duane Joslin and Katie Mead – Board Members
Anne Wimmer – Union Bank Representative
Tessie Powers and Tim Banach (via teleconference) – U.S. Bank Representatives
Tony Arrow and Roger Bulosan – Lautze & Lautze
Diane Ambrose, Jennifer Kaiser, Michele Marra, and Vini Montague – Staff Members

Absent: All present

I. Call to Order & Introductions

The meeting was called to order by Yolanda Bosch, chair, 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/C. Girard) To approve the revised agenda as presented.

B. Approval of Minutes of October 24th Meeting

M/S/C (C. Girard/G. Stevens) To approve the minutes as presented.

IV. Committee Business

A. U.S. Bank Staff Update

To ensure an enhanced service experience, U.S. Bank creates a dedicated service team for NLACRC's PRMT. Tessie will continue to serve as the account manager, handling all of the day-to-day trust administration, and Tim Banach will serve as the new relationship manager. Both of them will participate in the quarterly PRMT meetings.

B. Union Bank Report: Statement on Current Trust Value

Anne provided everyone with copies of Union Bank'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, selected period performance, and HighMark's investment objectives and their strategic ranges. The report's appendix included graphs from 2003 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 January 28, 2013 was \$11,488,137 an increase of \$445,532 since the last quarterly report. The rate of return for the quarter ending December 31, 2012 was 1.30%, the rate of return for the previous 12 months was 11.2%, and the annualized rate of return since the trust's inception, 98 months ago, was 4.88% (all net of fees).

C. 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 December 30, 2012. During that time, the center made \$8,865,179.00 in contributions to the trust and \$2,288,193.04 in interest and financial gains have been made for a total trust value of \$11,153,372.04. The center has paid \$169,658.57 in trust-related fees since inception. Unfortunately, the amount of the trust's unfunded liability has increased from \$16,458,824 to \$25,479,567.

Kim announced that the center is planning to deposit \$95,000 from FY 2010-11 funds and \$1 million for FY 2011-12 funds into the trust. We did not make these deposits earlier due to cash flow issues.

V. Board Meeting Agenda Items

- A. Minutes of January 30, 2013 Meeting
- B. Statement on Current Trust Value

VI. Announcements

- A. **Next Meeting:** Wednesday, April 24, 2013, at 5:30 p.m.

VII. Adjournment

Yolanda adjourned the meeting at 5:50 p.m.

Submitted by,

Jennifer Kaiser

Jennifer Kaiser
Executive Assistant

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