

Meeting of the Chicago Transit Authority Retiree Healthcare Trust
December 22, 2009

Approved
Meeting Minutes

A regular meeting of the Board of Trustees of the Chicago Transit Authority Retiree Healthcare Trust was held on December 22, 2009 at One North Franklin Street, 24th Floor. The Chairman and the Executive Director were present.

A roll call was taken indicating that the following members were present:

Theresa Mintle
Joseph Pass
James Kasmer
Don Franklin
Robert Kelly
Lynn Sapyta
Paul Sidrys

Appearing on behalf of the Health Care Trust was Chuck Wolf, of Vedder Price, PC. Appearing on behalf of the Union Trustees was Joe Burns, of Jacobs, Burns, Orlove, Stanton & Hernandez, and appearing on behalf of the Regional Transit Authority appointed Trustee, John Doerrer of Kaizen, Inc. and Andrew Malahowski of Franczek Sullivan, PC. Jim Daley of K&L/Gates was present on behalf of the CTA Trustees. Also present was Ivory Day of Gray and Company; Mitch Bramstaedt, Barbara Zaveduk and Ruth Donahue of Segal Co.

On a motion by Mr. Kasmer, seconded by Ms. Sapyta, the Board approved the November minutes.

Administrative Subcommittee

There was brief discussion on the some of the bills presented for approval. On a motion by Mr. Kasmer, seconded by Ms. Sapyta, the Board approved the payment of all of the bills.

Investment Subcommittee

Mr. Day from Gray and Company gave the Committee an update on market conditions and the next round of investments in large cap and mid cap managers.

On a motion by Mr. Sidrys, seconded by Mr. Kasmer, the Board approved the funding of Allegiant, Lynmar and Systematic at the beginning of January. Mr. Kelly voted "no".

Old Business

There was a discussion on the medical RFP's and the coordinated prescription drug RFP.

Mr. Franklin will continue to represent the Trust at the coordinated prescription drug meetings.

Mr. Kallianis and Mr. Bramstaedt provided an update on the status of the Unicare transition.

An Open Enrollment package was sent out to over 400 retirees, which allows them to choose from HMOIL, HMOIL Classic and BCBS PPO. The changes will be effective February 1, 2010.

There was a discussion on the possibility of using a third party to do the 2008 Medicare Part D reconciliation. Mr. Kallianis indicated that there was still some analysis to be done, but there could potentially be additional subsidy.

Mr. Bramstaedt then spoke about additional decisions that the Board needed to make with regard to eligibility and benefit provisions. After some discussion about the topic, it was decided that a special meeting would take place on January 29, 2010 to review these items with Segal.

New Business

There was then discussion regarding the various policies that need to be adopted related to PA 96 0006.

On a motion by Ms. Sapyta, seconded by Ms. Mintle, the Board approved the adoption of the policy, as amended, for Utilization of Emerging Managers.

On a motion by Mr. Sidrys, seconded by Mr. Kelly, the Board approved the adoption of the policy, as amended, for Utilization of Minority Brokers.

On a motion by Mr. Sidrys, seconded by Ms. Sapyta, the Board approved the adoption of the policy, as amended, for Utilization of Minority Businesses.

On a motion by Ms. Sapyta, seconded by Mr. Sidrys, the Board approved the adoption of the policy, as amended, for Diversity of Staff and Fiduciaries.

Executive Session

On a motion by Mr. Kelly, seconded by Mr. Kasmer, the Board approved moving to Executive Session to discuss personnel matters.

Open Session

Upon returning from Executive Session, on a motion by Mr. Kelly, seconded by Mr. Kasmer the meeting was adjourned.