

Meeting of the Chicago Transit Authority Retiree Health Care Trust

March 22, 2012

Meeting Minutes

A meeting of the Board of Trustees of the Chicago Transit Authority Retiree Health Care Trust (“RHCT”) was held on March 22, 2012 at One North Franklin Street, on the 27th Floor. The Chair and Executive Director were present.

A roll call was taken. The following members were present:

Joan Coogan, Chair
Joseph Pass
Joseph J. Burke
Christopher Kasmer
Robert Kelly
Paul Sidrys
Paul Volpe

James O’Connell was present as General Counsel for the Trust. Joseph Burns of Jacobs, Burns, Orlove & Hernandez was present on behalf of the Union Trustees. Present on behalf of the Regional Transit Authority appointed Trustee were Andrew Malahowski of Franczek Radelet, PC, and John Doerrer. James Daley of K&L Gates was present on behalf of the CTA Trustees. Also present were Ivory Day of Gray & Company; and Nancy Yourell of Aetna.

On a motion by Mr. Kasmer, seconded by Mr. Pass, the Board approved the proposed minutes for February, 2011.

Administrative Subcommittee

On a motion by Mr. Kasmer, seconded by Mr. Burke, the Board approved the payment of the General Administration Subcommittee bills submitted, not including the Vedder Price bill for work on the Weisfelner case.

On motion by Mr. Kelly, seconded by Mr. Burke, the Board approved payment of expenses for travel and educational sessions for Mr. Kasmer, at the next annual meeting of the International Foundation of Employee Benefit Plans.

Investment Subcommittee

Mr. Day provided a report. The value of the RHCT assets as of March 20, 2012 was \$629,149, 242.00. Mr. Day noted that equities are up this year, and that he expected a

better return this year than the 1.63% the RHCT earned last year. He provided some materials for consideration on the question of active versus passive managers.

Old Business

Mr. Kallianis briefed the Trustees on recent developments with respect to the payroll audit, noting that field work meetings have been scheduled.

Mr. Kallianis discussed the schedule for communications meetings with participants.

Ms. Yourell from Aetna provided the Trustees with preliminary comments on a letter from a participant that Mr. Kelly brought to the meeting, and offered to provide follow-up after reviewing the matter in more detail.

With respect to the description of the RHCT Investment Policy posted on the website, Mr. Kasmer moved that the description of the RHCT as a VEBA (Voluntary Employee Benefits Association) be corrected. Mr. Pass seconded the motion, and the Board voted to approve the correction to the Investment Policy, deleting reference to the RHCT as a VEBA.

On motion by Mr. Kelly, seconded by Mr. Kasmer, the meeting was adjourned.