

**Meeting of the Chicago Transit Authority Retiree Health Care Trust**  
July 16, 2013

**Meeting Minutes**

A regular meeting of the Board of Trustees of the Chicago Transit Authority Retiree Health Care Trust (“RHCT”) was held on July 16, 2013 at One North Franklin Street, on the 3rd Floor. The Executive Director was present.

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

Carlos Acevedo for Javier Perez, Jr.  
Joan Coogan  
William Lachman as an alternate for Joseph J. Burke  
Christopher Kasmer  
Robert Kelly  
Eva-Dina Delgado as an alternate for Paul Sidrys  
Omar Brown

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-appointed Trustees. Present on behalf of the Regional Transit Authority-appointed Trustee were Andrew Malahowski of Franczek Radalet, PC and John Doerrer of John A. Doerrer and Associates, PC. James Daley of Schuyler Roche & Crisham was present on behalf of the CTA-appointed Trustees. Also present were Ruth Donahue and Barb Zaveduk of The Segal Company, and Ivory Day of Gray & Company.

On a motion by Mr. Kasmer, seconded by Mr. Kelly, the Board approved the proposed minutes for June 2013.

**Administrative Subcommittee**

On a motion by Mr. Kasmer, seconded by Ms. Coogan, the Board approved the bills and remittances submitted.

**Investment Subcommittee**

Mr. Day provided an update, advising that the fund was up 4.88% for the March quarter. Assets as of July 15, 2013 were \$683,069,323.72.

Mr. Kallianis reported that he had provided an updated cash flow summary, and advised that the large difference from one month to the next was due to the one-time payment of back-pay.

### **Old Business**

Mr. Kallianis reported that a meeting is scheduled for July 18 between the CTA and Legacy to answer questions relating to the payroll audit.

Ruth Donahue advised the Trustees that the fund is liable for a fee for the Patient-Centered Outcomes Research Institute, under the Affordable Care Act. She advised that Segal had calculated the amount due under the alternative formulas available and had determined that the best formula for the RHCT was the snapshot formula, which produced a fee payable for the RHCT of \$2,192. She also reported that renewal information was being received and analyzed.

### **New Business**

Mr. Kallianis referred the Trustees to an item which had also been discussed at the Retirement Plan board meeting, related to recommended raises for staff of the Plan office. On motion by Mr. Kasmer, seconded by Ms. Coogan, the Trustees approved a 1.5% raise for Plan staff, effective July 1, 2013, payable beginning with the July 26, 2013 paychecks.

Mr. Kelly asked to be provided with a summary of the total legal fees paid by the RHCT in 2012 as compared with 2009.

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