

Meeting of the Chicago Transit Authority Retiree Health Care Trust
February 27, 2014

Meeting Minutes

A regular meeting of the Board of Trustees of the Chicago Transit Authority Retiree Health Care Trust (“RHCT”) was held on February 27, 2014 at One North Franklin Street, on the 24th Floor. The Chair and Executive Director were present.

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

Javier Perez, Jr., Chair
Joan Coogan, Secretary
Joseph J. Burke
John Burkard as an alternate for Christopher Kasmer
Robert Kelly
Paul Sidrys
Patricia Thomas-Miller as an alternate for Omar Brown

James O’Connell was present as General Counsel for the Retirement Plan. Appearing on behalf of the ATU-appointed Trustees was Joseph Burns, of Jacobs, Burns, Orlove and Hernandez. Appearing on behalf of the Regional Transit Authority-appointed Trustee were Andrew Malahowski and Daniel Salemi of Franczek Radalet, PC. David Novak of Schuyler Roche & Crisham appeared on behalf of the CTA-appointed Trustees.

Also present were Ivory Day of Gray & Company, Ruth Donahue and Barb Zaveduk of The Segal Company, and David Dorfman of Group Administrators.

On a motion by Ms. Coogan, seconded by Mr. Kelly, the Board approved the proposed minutes for the January 2014 meeting.

On motion by Mr. Sidrys, seconded by Mr. Burkard, the Trustees approved Joan Coogan as Chair, and Javier Perez as Secretary of the Board of Trustees. At Ms. Coogan’s request, Mr. Perez finished the meeting as Acting Chair.

Administrative Subcommittee

On a motion by Mr. Kelly, seconded by Mr. Burke, the Board approved the bills and remittances submitted.

Investment Subcommittee

Mr. Day provided a report, and advised that assets as of February 25, 2014 were \$707,138,425.14.

Old Business

Mr. Kallianis reported that the payroll audit subcommittee of the Retirement Plan met, but the RHCT subcommittee technically did not, although some of the members are the same and the two subcommittees have some common issues. Mr. Kallianis indicated he would be scheduling a meeting for the subcommittee in the near future.

Ms. Donahue provided the Board with Segal's recommendations for 2015, and recommended consideration of going out for a competitive bid. Among the factors noted in her recommendation, Ms. Donahue noted that Blue Cross has indicated that it now is offering a Medicare Advantage Plan, and other vendors, including Cigna, Humana, and United Health Care, have advised that there are many services becoming available in 2015 that were not available in prior years. After some discussion, on motion by Mr. Kelly, seconded by Ms. Coogan, the Trustees voted to go out to bid for vendors of health care services to the RHCT.

Mr. Kallianis reported that he was working with Segal to tabulate hours of service for participants, in order to confirm that hours are being counted as intended by the Trustees.

Mr. Kallianis advised the Trustees that the Retirement Plan subcommittee for the investment consultant RFP had been established in the Retirement Plan meeting earlier that day.. On motion by Mr. Burke, seconded by Mr. Burkard, the Trustees approved the substitution of Charlie Peacock for Mr. Burns on the subcommittee resulting in the subcommittee being made-up of Omar Brown, Carlos Acevedo, Joe Burke, John Burkard, and Charlie Peacock.

Mr. Dorfman provided a report the Trustees concerning the administration of health care benefits.

Executive Session

On motion by Mr. Burkard, seconded by Mr. Kelly, the Trustees voted unanimously to go to executive session to discuss the *Matthews* case.

Open Session

On motion by Mr. Sidrys, seconded by Mr. Kelly, the Board voted to adjourn the meeting.