

# **CTA Retiree Health Care Trust**

55 W. Monroe, Suite 1950

Chicago, IL 60603

## **Approved Meeting Minutes**

A regular meeting of the Board of Trustees of the Retiree Health Care Trust (“RHCT”) was held on April 23, 2015 at One North Franklin Street, on the 27th Floor.

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

Chris Kasmer, Chair  
Joan Coogan, Secretary  
Joseph Burke  
Lisa Walik as an alternate for Omar Brown  
Kenneth Franklin  
Tommy Sams  
Paul Sidrys

John Kallianis was present as Executive Director. Mike Virgil of BWM&S was present as General Counsel for the Retirement Plan. David Novak of Jackson Lewis, LLP appeared on behalf of the CTA-appointed Trustees. Justin Lannoye of Dowd, Bloch, Bennet and Cervone appeared on behalf of the ATU Local 241-appointed Trustee. Anita Tanay of Jacobs, Burns, Orlove and Hernandez appeared on behalf of the ATU Local 308-appointed Trustee. Daniel Salemi of Franczek Radelet, PC appeared on behalf of the Regional Transit Authority-appointed Trustee.

Also present were Kweku Obed and Miguel Zarate of Marquette Associates.

On a motion by Ms. Coogan, seconded by Ms. Walik, the Board went into Executive Session for the purpose of discussing litigation. The vote was unanimous.

The Board returned from Executive Session.

Mr. Kasmer asked if anyone wished to nominate a replacement for him as Chair of the General Administration Subcommittee. There were no nominations and Mr. Kasmer remained as Chair. On a motion by Ms. Coogan, seconded by Mr. Sidrys, the Board appointed Mr. Brown as Vice Chair of the General Administration Subcommittee.

On motion by Mr. Franklin, seconded by Mr. Sams, the Trustees approved the minutes of the March 26, 2015 RHCT Board meeting. Mr. Burke abstained as he was not present at the March 26<sup>th</sup> Board meeting.

## **Administrative Subcommittee**

Mr. Franklin asked for clarification on the cost-sharing between the Retirement Plan and the RHCT as it related to the Matthews litigation. Mr. Kasmer explained that the RHCT and the Retirement Plan were co-defendants, along with the CTA. He further explained that the RHCT and the Plan share their costs 50/50 and that neither pays for the CTA's defense in the Matthews case.

Mr. Franklin also asked about the sharing of premium costs between the RHCT and the participants. Mr. Kallianis explained that the premium costs are shared between the RHCT and the participants and that the cost to the participant depends on the years of service.

On motion by Mr. Burke, seconded by Mr. Franklin, the Board approved Items 5(a) and 5(b) on the General Administration Subcommittee agenda.

Mr. Kallianis reported that he would work with the General Administration Subcommittee to set up a follow-up date with Segal staff about implementation of the HRA benefit and circulate the meeting date.

## **Investment Subcommittee**

Mr. Zarate reviewed the monthly flash report for March, 2015. He focused on the executive summary and the macroeconomic conditions for the prior quarter.

Mr. Zarate then summarized the progress the Board had made towards the updated asset allocation it had adopted. He indicated that he would have a first-quarter 2015 summary at the next Board meeting.

Mr. Zarate reviewed Marquette's memorandum on the recommendation to issue an RFP for a core, open-end real estate search. On a motion by Mr. Sidrys, seconded by Mr. Burke, the Board authorized Marquette to issue an RFP for a core, open-end real estate search.

Mr. Zarate reviewed Marquette's memorandum on the recommendation to issue an RFP for an emerging market, equity search. On a motion by Mr. Sidrys, seconded by Mr. Franklin, the Board authorized Marquette to issue an RFP for an emerging market, equity search.

## **New Business**

There was no new business discussed.

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