

# **CTA Retiree Health Care Trust**

55 W. Monroe, Suite 1950  
Chicago, IL 60603

April 28, 2016

## **Meeting Minutes**

A regular meeting of the Board of Trustees of the Retiree Health Care Trust (“RHCT”) was held on April 28, 2016 at One North Franklin Street, on the 27th Floor.

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

Joan Coogan (Chair)  
Chris Kasmer (Secretary)  
Joseph J. Burke  
Kenneth Franklin  
Georgette Hampton  
Tommy Sams  
Paul Sidrys

John Kallianis was present as the Executive Director. Tom Paravola of BWM&S was present as General Counsel for the Retirement Plan. James Daley of Jackson Lewis, LLP appeared on behalf of the CTA-appointed Trustees. Justin Lannoye of Dowd, Bloch, Bennett, Cervone, Auerbach & Yokich 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 was Miguel Zarate of Marquette Associates, and Ruth Donahue of Segal and Co.

On motion by Mr. Burke, seconded by Mr. Franklin, the Board approved the minutes of the March 24, 2016 RHCT Regular Board meeting.

## **Administrative Committee**

Mr. Kasmer presented items 4a and 4b, including benefits and bills for consideration. On motion by Mr. Kasmer, seconded by Mr. Franklin, the Board approved Items 4a and 4b on the General Administration Committee agenda.

There was no business under Item 4c.

### **Investment Subcommittee**

Mr. Zarate reviewed the February Flash report and also reported that the market value for the fund as of the prior day's close of business was \$726,499,632.15. He noted that the return for the Fund for the first quarter of 2016 was 1.7%. Mr. Zarate also summarized the current under-weights and over-weights to the allocation due to moving into our new allocation.

Mr. Zarate noted that he would report on the cash holdings within the RHCT at the next meeting as well.

### **Old Business**

Mr. Kallianis reported that the Payroll Review Committee would be meeting on May 4<sup>th</sup> and that he would circulate the meeting to all Trustees.

Ruth Donahue from Segal reported that the meeting for Humana to review the performance of the Medicare Advantage program would take place on July 15, 2016. Mr. Kallianis indicated that he would circulate the invitation.

### **New Business**

Tim Bowen from Mesirow Insurance Services presented a \$10M Fiduciary Liability Renewal Proposal from Ullico. The coverage would be for a period of one year from June 1, 2016 through May 31, 2017. The proposed premium would be \$63,976 which was a small increase from \$61,845 for the current, expiring policy. Mr. Bowen described the specifics of the coverage as spelled out in his summary booklet and pointed out that the policy would cover the Trust, the past, present and future trustees; directors and officers; as well as past present and future employees and staff. On a motion by Mr. Kasmer, seconded by Mr. Burke, the Board approved the renewal policy with Ullico.

Ms. Coogan confirmed with the Board that the June, 2016 RHCT Board meeting would be moved from the 23<sup>rd</sup> to the 30<sup>th</sup>, consistent with the Retirement Plan.

On a motion by Mr. Kasmer, seconded by Mr. Burke, the Board voted to go into Executive Session to discuss possible litigation related to Hughes Capital Management.

On a motion by Mr. Kasmer, seconded by Mr. Franklin, the board adjourned the meeting.