

# **CTA Retiree Health Care Trust**

55 W. Monroe, Suite 1950

Chicago, IL 60603

December 22, 2016

## **Approved Meeting Minutes**

A regular meeting of the Board of Trustees of the Retiree Health Care Trust (“RHCT”) was held on December 22, 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 Burke

Kenneth Franklin

Georgette Hampton

Tommy Sams, Jr.

Paul Sidrys

John Kallianis was present as the Executive Director of the RHCT. Richard Burke and Rachel Yarch of BWM&S were present as General Counsel for the RHCT. and Rachel Yarch was also present from BWM&S. 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. Joseph Burns 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 of Marquette Associates, Ruth Donahue and Barb Zaveduk of Segal and Co..

On a motion by Mr. Kasmer, seconded by Mr. Burke, the minutes of the November, 2016 Board meeting were approved. Ms. Coogan, Mr. Sams and Ms. Hampton abstained.

### **Administrative Committee**

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

There was no business to consider related to Item 4c. 2

### **Investment Committee**

Mr. Obed provided the Trustees with the Flash Report for the month of November, 2016. Mr. Obed reported the market value for the Fund as of the prior day's close of business was \$754,128,533.10.

Mr. Obed briefly covered performance for specific managers and some of the overall allocations within the portfolio for the RHCT and he reported that the Trust had a year to date return of approximately 6.5%, %.

### **Old Business**

Ms. Coogan indicated that Item 6a regarding Legal Counsel would be discussed in Executive Session.

Mr. Kallianis reported that the Payroll Review Committee would tentatively be meeting on January 23rd, the day before the January, 2017 Board meeting. He reported that Legacy staff had made significant progress on the large volume of settlement agreements provided.

Ms. Donahue from Segal and Co. provided the Board with an updated calendar of events for 2017. She and Mr. Kallianis also provided the Board with a summary of the Open Enrollment meeting.

### **New Business**

Mr. Kallianis presented the proposed budget for the RHCT for 2017. He described some of the line items that represent shared administrative costs between the Retirement Plan and the RHCT. He also described how he had broken out legal fees between general matters and litigation and that the litigation budget estimate could vary based on activity in the Matthews case and others in 2017. On a motion by Mr. Kasmer, seconded by Mr. Burke, the Board approved the proposed budget for 2017.

On a motion by Mr. Kasmer, seconded by Mr. Franklin, the Board voted unanimously to move into Executive Session to discuss the retention of Legal Counsel.

Upon returning from Executive Session, on a motion by Mr. Burke, seconded by Mr. Kasmer, the Board retained Baum Sigman as Legal Counsel for the Retiree Health Care Trust.

On a motion by Mr. Kasmer seconded by Mr. Sidrys, the Board approved adjournment of the meeting.