

APPROVAL OF MINUTES OF PREVIOUS MEETING

Minutes of the August 17, 2017 Board of Trustees Meeting had previously been distributed to the Trustees. Upon motion made and seconded, the following Resolution was adopted:

RESOLVED: To approve the Minutes of the August 17, 2017 Meeting.

Trustees Hill and Bowen abstained.

GENERAL ADMINISTRATION COMMITTEE ISSUES

The applications for benefits and bills and remittances were reviewed. Discussion ensued. It was noted that the invoice from the law firm of Freeborn & Peters was deferred from the last meeting. Questions regarding that invoice have been reviewed and resolved. Upon motion made and seconded, the following Resolution was unanimously adopted:

RESOLVED: To approve all applications for benefits and bills and remittances presented, including the previously tabled invoice from Freeborn & Peters.

No educational or conference pre-approvals were submitted for the Trustees' consideration.

The attention of the Trustees was then directed to Ms. Irene Davis of the accounting firm Mitchell Titus to present the 2016 audited financial statements. Copies of the 2016 audit results and required communications to the Board of Trustees and a draft of the financial statements and supplementary information for the years ended December 31, 2016 and 2015 with independent auditors' report were distributed to the Trustees and are attached and made part of these Minutes.

The report issued a clean, unqualified opinion stating, in part:

In our opinion, the financial statements referred to above present fairly, in all material aspects, the financial position of the Plan as of December 31, 2016 and 2015, and changes in its financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Ms. Davis noted that there were no issues regarding shared expenses between the Retiree Health Care Plan and the Retirement Trust. Upon motion made and seconded, the following Resolution was unanimously adopted:

RESOLVED: To approve the independent auditors' report for the year ended December 31, 2016.

REPORT OF INVESTMENT CONSULTANT

Mr. Zarate referred to a document entitled, "Marquette Associates, Retiree Health Care Trust, Monthly Update, August 31, 2017." A copy of that report is attached and made part of these Minutes. That report was distributed to the Trustees. Mr. Zarate reported that as of yesterday, September 27, 2017, the value of Fund assets was \$828,637,532.74. Asset allocations and individual managers were then reviewed. Mr. Zarate noted that the Fund is underweight to fixed income holdings by \$19,272,174. The Fund is slightly overweight to non-U.S. fixed income which has been a strongly performing asset class. Mr. Zarate noted the strong performance of Eagle MCG, a mid-cap growth manager that has returned 20% year-to-date through August 31, 2017, compared to the Russell Mid-Cap Growth Index which returned 14.1%. Non-U.S. equity composite returns were also given special attention. The Lazard International Equity Fund underperformed its benchmark year-to-date. However, the other three non-U.S. equity managers, OFI Global International, William Blair Emerging Markets Leaders Fund and SSgA Active Emerging Markets Small-Cap Fund all outperformed their benchmarks year-to-date through August 31, 2017. Mr. Zarate was then thanked for his presentation.

OLD BUSINESS

Mr. Kallianis reported that the agreed upon part-time Union officer payroll report form has been finalized and will be used by the Locals beginning on or about October 1, 2017.

It was further reported that a lawsuit has been filed on behalf of the Fund regarding the amounts found to be due pursuant to a payroll audit for the period from the inception of the Fund through 2011. A payroll audit for the period 2011 through 2016 is in process.

REPORT OF SEGAL CONSULTING

Ms. Zaveduk then directed the attention of the Trustees to the actuarial valuation as of January 1, 2017. A copy of that report is attached and made part of these Minutes. Ms. Zaveduk noted that she presented and reviewed a draft of the report at the prior meeting. The final report now before the Trustees is slightly different regarding application of accounting standards. The funding percent has not changed. Upon motion made and seconded, the following Resolution was unanimously adopted:

RESOLVED: To approve the actuarial valuation as of January 1, 2017, including the accounting disclosures for the year ended December 31, 2016 as presented.

Ms. Donahue then directed the attention of the Trustees to a Memorandum dated September 25, 2017 regarding renewal of contracts effective January 1, 2018. A copy of that Memorandum is attached and made part of these Minutes. The Memorandum with the attached Memoranda summarized Segal's recommendations on the Humana Medicare Advantage PPO and HMO contract, the Blue Cross Blue Shield of Illinois PPO and HMO contract and the MetLife Dental contract. Segal recommended that these contracts be renewed. Discussion ensued. Upon motion made and seconded, the following Resolution was adopted:

RESOLVED: That the Humana Medicare Advantage PPO and HMO plan contract for 2018 be approved. Mr. Franklin abstained.

Upon motion made and seconded, the following Resolution was adopted:

RESOLVED: That the Blue Cross Blue Shield of Illinois PPO and HMO contract for 2018 be approved. Mr. Franklin abstained.

Upon motion made and seconded, the following Resolution was adopted:

RESOLVED: That the MetLife Dental plan for 2018 be approved. Mr. Franklin abstained.

The attention of the Trustees was then directed to a summary of the proposed premium rates for 2018. A copy of that summary is attached and made part of these Minutes. Mr. Lannoye questioned whether the rates distributed accurately reflected the direction approved by the General Administration Committee. A lengthy discussion ensued. Upon motion made and seconded, the following Resolution was adopted:

RESOLVED: To approve the proposed rates as presented.

Mr. Franklin opposed the motion.

Ms. Donahue reviewed a key dates chart with the Trustees. A copy of that document is attached and made part of these Minutes. Ms. Donahue also referred to a September 21, 2017 letter in the materials distributed to the Trustees in which she announced that she will be moving to a part-time position at Segal Consulting effective January 1, 2018 in anticipation of full retirement in early April 2018. She introduced Daniel Levin who will be added to the Segal Consulting team responsible for providing service to the Fund. The Trustees thanked Ms. Donahue for her service to the Fund and its participants.

ADJOURNMENT

There being no further business to come before the Board, upon motion made and seconded, the following Resolution was unanimously adopted:

RESOLVED: To adjourn the meeting.

The meeting was adjourned at 1:04 p.m.

SECRETARY

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