

MINUTES OF THE MEETING
BOARD OF TRUSTEES
CTA RETIREE HEALTH CARE TRUST
200 West Adams Street, 17th Floor, Chicago, Illinois
April 30, 2019

TRUSTEES PRESENT

Keith Hill	Chairman
Thomas McKone	Secretary
Joseph J. Burke	
Kenneth Franklin	
John Burkard	(alternate for Christopher Kasmer)
April Morgan	
Paul Sidrys	

ALSO PRESENT

John V. Kallianis	Executive Director
Stephen J. Rosenblat	Fund Counsel, Baum Sigman Auerbach & Neuman, Ltd.
Justin Lannoye	Dowd, Bloch, Bennett, Cervone, Auerbach & Yokich on behalf of the ATU Local 241 appointed Trustee
Anita Tanay	General Counsel, ATU Local 308 on behalf of ATU Local 308 appointed Trustees
Daniel R. Salemi	Morgan Lewis & Bockius, LLP on behalf of the RTA
James P. Daley	Jackson Lewis, P.C. on behalf of the CTA appointed Trustees
Miguel Zarate	Investment Consultant, Marquette Associates
Dan Levin	Benefits Consultant, Segal Consulting
Dorothy Stawiarski	Benefits Consultant, Segal Consulting

CALL TO ORDER

The meeting was called to order at 11:32 a.m.

ROLL CALL

Mr. Kallianis took roll and a quorum was declared present.

APPROVAL OF MINUTES OF PREVIOUS MEETING

The Minutes of the March 28, 2019 meeting had previously been distributed to the Trustees. Consequently, the reading of the Minutes was dispensed with. Upon motion made and seconded, the following Resolution was adopted:

RESOLVED: To approve the Minutes of the March 28, 2019 Board of Trustees meeting.
Mr. Burkard abstained.

REPORT OF INVESTMENT COMMITTEE

Mr. Zarate directed the attention of the Trustees to the Marquette Associates meeting book, a copy of which is attached and made part of these Minutes. For fiscal year 2019 through March, the Fund returned 7.7% compared to the policy benchmark return of 7.9%. Asset allocation versus the targets were then reviewed. Mr. Zarate noted an overweight to U.S. Equities. The target is 35% and the current allocation is 37.4%. The ending market value as of March 31, 2019 was \$863,739,051. As of April 29, 2019, the ending market value of the Fund's assets were \$881,522,627.73. Individual managers were then reviewed. Mr. Zarate noted that the Artisan International Small/Mid Fund was funded at \$25 million. Mr. Zarate directed the attention of the Trustees to the annualized return versus annualized standard deviation for the five years ending March 31, 2019. The Fund composite returned slightly less than the benchmark with a slightly higher standard deviation.

Individual manager performance was then reviewed. Mr. Zarate noted that active managers had difficulty in outperforming their benchmarks. The small cap managers underperformed their benchmarks. For the first quarter of 2019, unprofitable companies were up 20%. Profitable companies were up 12% in the first quarter. He recommended that the Investment

Committee review the asset allocation. Mr. Zarate was thanked for his report.

OLD BUSINESS

2011-2017 Payroll Audit Update

Mr. Kallianis said that Legacy expects to meet its timeline regarding its payroll compliance audit. Legacy completed its field work at both Local 241 and 308. Field work at the CTA should begin shortly.

Status of Contributions for Unrepresented Employees, ATU Apprentices, Iron Workers

Mr. Rosenblat reported that the next status hearing is in June and recommended that any detailed questions about the ongoing litigation should be addressed during the executive session.

Summary of Litigation from Fund Counsel

Mr. Kallianis said the reports were distributed by email last week, but hard copies were not distributed at today's meeting. The litigation report which had previously been distributed to the Trustees and is attached and made part of these Minutes. In response to Mr. McKone's question, Mr. Rosenblat and Mr. Kallianis reported that there has not been much movement on the Wakpamni bond litigation since the March Board meeting.

Segal Update of 2019 Significant Dates

Ms. Stawiarski addressed the Trustees. She referred the Trustees to the Significant Dates that were distributed to the Trustees and are attached and made part of these Minutes. On May 17 the G.A. Committee will review the non-Medicare coverage RFP response. During the week of June 10 there should be another G.A. Committee meeting for finalist presentations for the non-Medicare provider. Mr. Levin said three of five vendors that received the RFP responded. Ms. Stawiarski also said a Humana Medicare Advantage Plan meeting will be scheduled for July

17 or 18.

RFP for Investment Consulting Services

Mr. Kallianis reported that response were due on April 5 and he is working on getting Trustees' evaluations to those responses.

REPORT OF GENERAL ADMINISTRATION COMMITTEE

Mr. Burkard reported that applications for benefits and bills and remittances are in the meeting materials. Mr. Burkard moved for approval of applications for benefits, and bills and remittances. Mr. Franklin asked about the declined coverage for Mr. Allison. Mr. Kallianis reported that Mr. Allison, himself, declined coverage. Mr. Franklin then seconded the motion. The following Resolution was unanimously adopted:

RESOLVED: That the applications for benefits and bills and remittances be approved as presented.

There were no requests for education preapprovals.

EXECUTIVE SESSION

Upon motion made by Mr. Sidrys and seconded by Mr. Franklin, the following Resolution was unanimously adopted:

RESOLVED: To enter Executive Session.

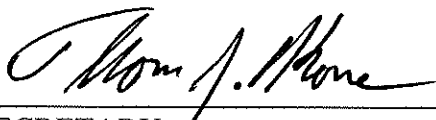
The room was secured and the executive session began at 11:57 a.m. At 12:13 p.m., the Trustees ended the executive session. Mr. Rosenblat reported that during the executive session, Mr. Vesselinovitch reported on the Hampton and Williams cases and Mr. Rosenblat reported on the Wheatley case.

ADJOURNMENT

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

RESOLVED: That the meeting be adjourned.

The meeting was adjourned at 12:13 p.m.



SECRETARY

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