

Meeting of the Chicago Transit Authority Retiree Health Care Trust
September 24, 2013

Meeting Minutes

A regular meeting of the Board of Trustees of the Chicago Transit Authority Retiree Health Care Trust (“RHCT”) was held on September 24, 2013 at One North Franklin Street, on the 27th Floor. The Chair and the Executive Director were present.

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

Javier Perez, Jr., Chair
Joan Coogan
Joseph J. Burke
Christopher Kasmer
Robert Kelly
Paul Sidrys
Omar Brown

James O’Connell was present as General Counsel for the Retirement Plan. Appearing on behalf of the Union-appointed Trustees was Tiffany Reeves, of Jacobs, Burns, Orlove and Hernandez. Appearing on behalf of the Regional Transit Authority-appointed Trustee was Andrew Malahowski of Franczek Radalet, PC and John Doerrer of John A. Doerrer and Associates, PC. David Novak of Schuyler Roche & Crisham appeared on behalf of the CTA-appointed Trustees.

Also present were Ruth Donahue and Barb Zaveduk of The Segal Company, Ivory Day of Gray & Company, and Kenneth Yu of Mitchell & Titus.

On a motion by Mr. Kasmer, seconded by Ms. Coogan, the Board approved the proposed minutes for August 2013.

Administrative Subcommittee

On a motion by Mr. Kasmer, seconded by Mr. Burke, the Board approved the bills and remittances submitted.

Investment Subcommittee

Day provided an update on the market, and reported that assets as of September 20, 2013 were \$698,982,641.41.

Old Business

Mr. Kallianis reported that Legacy had sent draft findings to the CTA and Locals 308 and 241, and requested any responses or additional information within 30 days.

Ruth Donahue reviewed the January 1, 2014 Renewal Summary with the Trustees. With respect to the dental plans offered, Ms. Donahue summarized some options available for plan design changes. After discussion, and a motion by Mr. Burke, seconded by Mr. Kasmer, the Trustees voted not to make any plan design changes. On motion by Mr. Sidrys, seconded by Mr. Burke, the Trustees also voted to accept the renewals as outlined in the Renewal Summary.

Ms. Zaveduk passed out a sheet with proposed premium rates for 2014, along with a proposed modification of the previously-adopted increases in future contribution rates for actives. On motion by Mr. Kasmer, seconded by Mr. Burke, the Trustees voted to approve the rates proposed, as reflected on the handout.

Ms. Zaveduk referred the Trustees to her draft valuation for the RHCT as of January 1, 2013, noting that a prior draft had been presented earlier. She reviewed the elements the Illinois Pension Code required, and answered questions. On motion by Mr. Sidrys, seconded by Mr. Kasmer, the Trustees voted to approve the valuation.

New Business

Mr. Yu presented the 2012 audited financial statement for the RHCT, noting that his firm provided an unqualified opinion of the financial statement for the Trust. On motion by Mr. Burke, seconded by Mr. Kasmer, the Trustees voted to accept the 2012 audit results.

After a motion was made and seconded, the Board voted to adjourn the meeting.