

# **CTA Retiree Health Care Trust**

55 W. Monroe, Suite 1950  
Chicago, IL 60603

February 25, 2016

## **Meeting Minutes**

A regular meeting of the Board of Trustees of the Retiree Health Care Trust (“RHCT”) was held on February 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. David Novak 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. Joe 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 and Brian Wrubel of Marquette Associates.

On motion by Mr. Kasmer, seconded by Mr. Burke, the Board approved the minutes of the January 28, 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. Burke, the Board approved Items 4a and 4b on the General Administration Committee agenda.

There was no business under Item 4c.

### **Investment Subcommittee**

Mr. Obed reported that the market value for the fund as of the prior day's close of business was \$693,910,903.43. Mr. Wrubel summarized the current under-weights and over-weights to the allocation due to moving into our new allocation.

Mr. Obed then summarized the RFP process for the Emerging Market Small Cap search for approximately \$14M. He reported that there were 14 responses and that State Street Global Advisors was being recommended due to their performance and competitive fees. On a motion by Mr. Burke, seconded by Mr. Franklin, the Board approved the recommendation of Marquette to hire SSGA as an Emerging Markets Small Cap manager.

Mr. Obed then summarized the RFP process for an International Small Cap Manager for approximately \$35M. He reported that there were 29 responses and that Oppenheimer was recommended due to their performance over and above the other candidates as well as lower fees. On a motion by Mr. Sidrys, seconded by Mr. Kasmer, the Board approved the recommendation of Marquette to hire Oppenheimer as an International Small Cap manager.

### **Old Business**

It was noted that the counsels to the parties would work on the agreed upon language in a notice regarding the change in eligibility for health care.

Mr. Kallianis circulated the summary from the February 11<sup>th</sup> meeting of the Payroll Review Committee. Mr. Burns suggested that Elvira Beltran, an employee of the CTA, might be able to help the parties gather historical records related to the Payroll Review.

Mr. Kasmer summarized the status of the HRA, based on the meeting in February. He indicated that there was some additional work to be done on the Plan Summary and on the FAQs. He also indicated that the several trustees were concerned about implementing an HRA prior to any kind of a decision on the Matthews case.

Mr. Kallianis reported that there were some suggested dates in May from Humana to provide a 2015 year in review. He indicated that he would send those dates out to the Board.

### **New Business**

There was no new business discussed.

On a motion by Mr. Kasmer, seconded by Mr. Sams, the Board voted to adjourn the meeting.