

MINUTES OF THE MEETING OF THE
CTA RETIREE HEALTH CARE TRUST
April 27, 2023

TRUSTEES PRESENT

Keith Hill	Chairman
Thomas McKone	Secretary
Joseph Burke	
Mark Weems for Eric Dixon	
Andrew Fuller	
Christopher Kasmer	
April Morgan	

ALSO PRESENT

John Burkard	Alternate Trustee
Michael Bowen	Alternate Trustee
Paul Sidrys	Interim Executive Director
Elsa Trejo	Deputy Executive Director – Finance and Accounting
Stanley Mui	Fund Office
Stephen J. Rosenblat	Fund Counsel, Baum Sigman Auerbach & Neuman, Ltd.
Ronald Willis	Dowd, Bloch, Bennett, Cervone, Auerbach & Yokich, on behalf of the ATU Local 241 appointed Trustee
Jeffrey Bora	Counsel on behalf of the CTA appointed Trustees
Dan Salemi	Morgan, Lewis and Bockius, on behalf of the RTA appointed Trustee
Miguel Zarate	Investment Consultant, Marquette Associates
Barbara Zaveduk	Actuarial Consultant, Segal Consulting
Colleen Batty	Benefits Consultant, Segal Consulting
Dan Levin	Benefits Consultant, Segal Consulting
Katheleen Ehrhart	Smith Gambrell Russell, Counsel for the Williams case
Daniel Cummings	EFL Associates

CALL TO ORDER

A quorum being present, the meeting was called to order at 11:01 AM.

PRESENTATION OF MINUTES FOR APPROVAL

The Minutes of March 1 2023 Regular and Executive Sessions, March 8, 2023 Regular and Executive Sessions, March 15, 2023 Regular and Executive Sessions and March 23, 2023 Regular

and Executive Sessions were presented for approval. The March 1, 2023 Regular and Executive Session Minutes presented for approval corrected the spelling of Katheleen Ehrhart's name. Upon motion made and seconded, the following Resolution was unanimously adopted:

RESOLVED: To approve the Minutes of the March 1, 2023 Regular and Executive Sessions as corrected.

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

RESOLVED: To approve the Minutes of the March 8, 2023 Regular and Executive Sessions as presented.

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

RESOLVED: That the Minutes of the March 23, 2023 Regular and Executive Sessions be approved.

Mr. Fuller abstained.

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

RESOLVED: That the Minutes of the March 15, 2023 Regular and Executive Sessions are approved.

REPORT OF INVESTMENT COMMITTEE

The attention of the Trustees was directed to Mr. Zarate who referred to the Marquette Associates fourth quarter 2022 report. A copy of that report was previously distributed to the Trustees and is attached and made part of these Minutes. For the year ended December 31, 2022, the Fund returned -(12.9)%. In 2022 most fixed income managers performed within expectations. More traditional fixed income managers performed better than the more aggressive managers, who slightly underperformed. U.S. equity managers slightly outperformed the broad benchmarks. The equity managers returned -(18.2)%. However the market returned -(19.2)%. Mr. Zarate said overall

the managers protected on the downside. AmalgaTrust Copeland Capital did an excellent job protecting on the downside in its small cap equity allocation.

International equity managers were then reviewed. There was some underperformance with international equity growth managers, particularly William Blair, which was underweight to China throughout most of the year. SSGA, an emerging market manager, did well against its benchmark. Real estate had a pretty good year, despite being down in the fourth quarter. Infrastructure had a positive fourth quarter. Private equity had a positive fourth quarter.

The attention of the Trustees was then turned to the March 31, 2023 Marquette Associates report. That report was previously distributed to the Trustees and is attached and made part of these Minutes. The Fund had a positive 4.1% return for the first quarter. As of yesterday, April 26, 2023, the total value of the Fund's assets was \$1,025,594,404.45. Mr. Zarate reported that the Ullico will be calling capital for its infrastructure allocation tomorrow. The real estate allocation of 8% is the current target. There will be redemptions in real estate because the Fund is currently at 12.3%. Individual manager performance was reviewed. Fixed income managers are doing well. It has been a difficult year for Kayne Anderson in 2022. Discussion ensued regarding the impact of the debt ceiling crisis on the markets and the Fund in particular. Mr. Zarate reported that this Fund has already begun to derisk. Discussion ensued regarding future Investment Committee meetings to review the RFP responses for an international equity manager. Mr. Zarate was thanked for his report.

REPORT OF FUND COUNSEL

Mr. Rosenblat referred the Trustees to the litigation report which was previously distributed to the Trustees and is attached and made part of these Minutes. Mr. Rosenblat anticipated an Executive Session later in the meeting to discuss the ongoing Williams case.

SEGAL UPDATE

Mr. Levin reported that the City of Chicago Coalition for prescription benefit managers has been moving along with its RFP process. Discussion ensued regarding the proposed CVS amendment. Mr. Levin has a call scheduled with CVS before the May meeting. On May 9, 2023 there will be an annual report from Humana to the General Administration Committee.

REPORT OF GENERAL ADMINISTRATION COMMITTEE

Mr. Kasmer noted that the bills and remittances were previously distributed to the Trustees and are attached and made part of these Minutes. Upon motion made and seconded, the following Resolution was unanimously adopted:

RESOLVED: To approve the bills and remittances as presented.

There were no requests for educational reimbursements.

EXECUTIVE SESSION

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

RESOLVED: That the meeting go into Executive Session.

The Trustees went into Executive Session.

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

RESOLVED: That the Executive Session end.

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

RESOLVED: To reallocate assets as discussed during Executive Session.

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 12:46 p.m.

SECRETARY

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