

MINUTES OF THE MEETING OF THE
CTA RETIREE HEALTH CARE TRUST
March 28, 2024
200 West Adams Street, Chicago, Illinois

TRUSTEES PRESENT

Thomas McKone	Chairman
Keith Hill	Secretary
Michael Bowen (for Andrew Fuller)	
Joseph Burke (via Teams)	
John Burkard (for Christopher Kasmer)	
April Morgan	
Mark Weems	

ALSO PRESENT

Georgette Hampton	Alternate Trustee
Marqueal Williams	Alternate Trustee
Paul Sidrys	Executive Director
Elsa Trejo	Deputy Executive Director of Finance and Accounting
Hector Flores	Deputy Executive Director of Benefits and Operations
Stanley Mui	Accountant
Anita Tanay	Counsel on behalf of the ATU Local 308 appointed Trustee
Ronald Willis (via Teams)	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
Stephen J. Rosenblat	Fund Counsel, Baum Sigman Auerbach & Neuman, Ltd.
Jesus Jimenez	Investment Consultant, Marquette Associates
John Kerulis (via Teams)	Fund Auditor, Legacy Professionals
Colleen Batty (via Teams)	Benefits Consultant, Segal Consulting
Daniel A. Levin (via Teams)	Benefits Consultant, Segal Consulting
Barbara Zaveduk (via Teams)	Actuarial Consultant, Segal Consulting

CALL TO ORDER

A quorum being present, the meeting was called to order at 10:50 a.m.

APPROVAL OF MINUTES OF PREVIOUS MEETING

The Minutes of the February 22, 2024, meeting of the CTA Retiree Health Care Trust were presented for approval. The Minutes were previously distributed to the Trustees. A copy of the

Minutes is attached and made part of these Minutes. Upon motion made and seconded, the following Resolution was adopted:

RESOLVED: That the Minutes be approved as presented.

Messrs. Burkard and Bowen abstained.

REPORT OF INVESTMENT COMMITTEE

The attention of the Trustees was directed to Mr. Jimenez. A copy of the Retiree Health Care Trust Update dated February 29, 2024 from Marquette Associates was distributed to the Trustees and is attached and made part of these Minutes. As of yesterday, March 27, 2024, the market value of the Fund's assets was \$1,045,990,876.30. Mr. Jimenez discussed interest rates and the rally in the equity markets. Asset allocation was reviewed. The overweight in equities has been reduced since the February 29, 2024 report was issued by Marquette. Year-to-date return for the total Fund was 2.6% through February 29, 2024. As of February 29, 2024, the market value of the Fund's assets was \$1,034,285,746. Mr. Jimenez said that the real estate redemptions that have been submitted will take some time to become satisfied. Mr. Jimenez also reported that the GQG Partners International Equity Fund will be funded in April 2024. Individual managers were then reviewed. Seven stocks continued to dominate the market with 60% of market return being generated by those seven stocks. Fixed income managers were reviewed. Real estate and infrastructure were reviewed. Mr. Jimenez commented that the Ullico holdings are more concentrated as an infrastructure manager. IFM has defensive allocations with 25% of holdings in utilities. Mr. Jimenez was thanked for his report.

OLD BUSINESS

Litigation Report

Mr. Rosenblat reported that there was no pending litigation and, consequently, there were no matters on which to report.

Software Update

Mr. Sidrys reported that conversion to the updated software system is proceeding ahead of schedule. Data conversion is currently underway.

Payroll Audit Committee

The attention of the Trustees was directed to Mr. Kerulis who reported on the payroll audit findings for the CTA, Local 241 and Local 308. Brief discussion ensued. Mr. Kerulis reported that there were no disputed issues. Upon motion made and seconded, the following Resolution was unanimously adopted:

RESOLVED: To accept and approve the payroll audit reports presented by Legacy Professionals on the Chicago Transit Authority, ATU Local 241 and ATU Local 308.

Segal Update

The valuation team is working on the 2023 valuation.

NEW BUSINESS

There will be a Medicare update for educational purposes due to new premium rates and the Inflation Reduction Act.

REPORT OF GENERAL ADMINISTRATION COMMITTEE

Mr. Burkard reported that copies of applications for benefits and bills and remittances under items 7 (a) and (b) of the agenda 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 items 7 (a) and (b) as presented.

Education conference preapprovals for Mr. Hill and Mr. Weems were presented under 7(c) of the meeting agenda. Upon motion made and seconded, the following resolution was unanimously adopted:

RESOLVED: That education conference preapprovals for Mr. Hill and Mr. Weems be approved.

NEW BUSINESS

Discussion ensued regarding procedures to eliminate the introductions of online participants.

Discussion ensued regarding the evaluation of Fund Office staff, including the Executive Director.

EXECUTIVE SESSION

There was no need for an 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 11:23 a.m.

SECRETARY