

MINUTES OF THE MEETING OF THE
CTA RETIREE HEALTH CARE TRUST
May 23, 2024
50 S. LaSalle Street, Northern Trust Conference Room
Chicago, IL 60603

TRUSTEES PRESENT

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

ALSO PRESENT

Georgette Hampton	Alternate Trustee
Paul Sidrys	Executive Director
Elsa Trejo	Deputy Executive Director of Finance and Accounting
Stanley Mui	Accountant
Anita Tanay	Counsel on behalf of the ATU Local 308 appointed Trustee
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
Stephen J. Rosenblat	Fund Counsel, Baum Sigman Auerbach & Neuman, Ltd.
Miguel Zarate	Investment Consultant, Marquette Associates
Mike Barry	Investment Consultant, Marquette Associates
Nicole Llorens (via Teams)	Actuarial Consultant, Segal Consulting
Dan 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 11:02 a.m.

APPROVAL OF MINUTES OF PREVIOUS MEETING

The Minutes of the April 25, 2024 meeting of the CTA Retiree Health Care Trust and of the Joint Session of the CTA Retiree Healthcare Trust and CTA Retirement Plan held on April 25, 2024 were previously distributed to the Trustees and are attached and made part of these Minutes.

Reading of the Minutes was dispensed with. Upon motion made and seconded, the following Resolution was adopted:

RESOLVED: That the Minutes of the CTA Retiree Health Care Trust held on April 25, 2024 be approved as presented.

Mr. Burkard and Mr. Fuller abstained.

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

RESOLVED: That the Minutes of the Joint Session of the CTA Retiree Health Care Trust and CTA Retirement Plan held on April 25, 2024 be approved as presented.

Mr. Fuller abstained.

REPORT OF INVESTMENT COMMITTEE

The attention of the Trustees was then directed to Mr. Zarate. Mr. Zarate directed the attention of the Trustees to the Marquette Associates Monthly Update dated April 30, 2024. A copy of that report is attached and made part of these Minutes. Year-to-date through April 30, 2024, the Fund returned 1.4% compared to the policy benchmark return of 1.5%. April returns were bad as a result of inflation reports announced in March. The ending market value of the Fund's assets as of April 30, 2024 was \$1,000,027,426. Mr. Zarate reported that as of yesterday, May 22, 2024, the market value of the Fund's assets was \$1,051,552,117. May's return, so far, has been excellent. Asset allocation was reviewed. Mr. Zarate reminded the Trustees that the portfolio is in the process of being rebalanced to recently adopted asset allocations. Private debt commitment was reviewed. Turning Rock Partners Fund II has an unfunded commitment of \$1,702,742 and the Carlyle Direct Lending Fund IV has an unfunded commitment of \$14,384,388.

Individual managers were then reviewed. Kayne Anderson and Artisan gave up a lot of their excess return during April. The SSgA Emerging Markets Small Cap Fund is doing well with a year-to-date return of 8.6% compared to the benchmark return of 3.1%. Discussion ensued

regarding the remaining commitment on private debt being called. There were no changes on real estate redemptions. Mr. Zarate was thanked for his report.

OLD BUSINESS

Summary of Litigation

Mr. Rosenblat reported that there was no pending litigation upon which to report.

Report of Segal Consulting

The attention of the Trustees was directed to Mr. Levin. He discussed the Inflation Reduction Act impact on Humana rates. Humana has not yet provided final costs. He is continuing to work on long-term modeling.

Executive Director's Report

Mr. Sidrys reported that the software upgrade is ahead of schedule with about one-third of the project being completed. He expects the entire conversion to be completed by the end of 2024 or early 2025.

NEW BUSINESS

The Trustees considered canceling the July 2024 meeting. No action was taken.

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.

Mr. Burkard said there were no education conference preapprovals for consideration He was thanked for his report.

EXECUTIVE SESSION

Mr. Rosenblat said that 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 11:25 a.m.

SECRETARY

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