

**DRAFT**

MINUTES OF THE MEETING OF  
THE CTA RETIREE HEALTH CARE TRUST  
200 W. Adams Street, 17<sup>th</sup> Floor, Chicago, IL 60606  
February 27, 2025

**TRUSTEES PRESENT**

Keith Hill Chairman  
Michael Bowen (on behalf of Tom McKone)  
Joseph Burke (via telephone)  
Andrew Fuller  
Christopher Kasmer  
April Morgan  
Mark Weems

**TRUSTEES ABSENT**

Tom McKone Secretary

**ALSO PRESENT**

James Battle	Alternate Trustee
John Burkard	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	Fund Accountant
Stephen J. Rosenblat	Fund Counsel, Baum Sigman Auerbach & Neuman, Ltd.
Ron Willis	Counsel on behalf of the Local 241 appointed Trustees
Anita Tanay (via Teams)	Counsel on behalf of the Local 308 appointed Trustee
Jeffrey Bora (via Teams)	Counsel on behalf of the CTA appointed Trustees
Lindsay Goodman	Counsel on behalf of the RTA appointed Trustee
Miguel Zarate	Investment Consultant, Marquette Associates
Michael Barry	Investment Consultant, Marquette Associates
Daniel A. Levin	Benefits Consultant, Segal Consulting
Colleen Batty	Benefits Consultant, Segal Consulting
Nicole Llorens	Actuarial Consultant, Segal Consulting
Barbara Zaveduk	Actuarial Consultant, Segal Consulting

**CALL TO ORDER**

Six member were present when the meeting began. A quorum being present, the meeting was called to order at 10:59 a.m.

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**ELECTION OF OFFICERS**

It was noted that pursuant to the Trust Agreement, the Chairman had to be a Trustee appointed by one of the Unions. Upon motion made and seconded, the following Resolution was unanimously adopted:

RESOLVED: That Keith Hill be Chairman. There were six yes votes, all members present voting yes.

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

RESOLVED: That Tom McKone be Secretary. All six members present voted yes.

**APPROVAL OF MINUTES OF PREVIOUS MEETING**

The Minutes of the January 23, 2025 meeting of the CTA Retiree Health Care Trust were previously distributed to the Trustees and are attached and made part of these Minutes. Consequently, the reading of the Minutes was dispensed with. Upon motion made and seconded, the following Resolution was unanimously adopted:

RESOLVED: That the Minutes of the January 23, 2025 meeting of the CTA Retiree Health Care Trust be approved as presented.

**REPORT OF INVESTMENT COMMITTEE**

The attention of the Trustees was directed to Mr. Zarate who advised the Trustees that Mr. Barry would give the report on behalf of Marquette Associates. Mr. Barry referred the Trustees to the Marquette Associates Flash Report for January 2025. A copy of that report is attached and made part of these Minutes. Mr. Barry reported that January had a positive return of 1.7% with a trailing 1-year return of 11.5%. For 2024, the return was 9.9%. Two private debt managers have not yet reported their 4<sup>th</sup> quarter 2024 returns.

Mr. Barry reported that as of yesterday, the market value of the Fund's assets was \$1,102,735,481.54.

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Mr. Barry then directed the attention of the Trustees to outstanding items for adding real estate and private debt investments. Real estate redemptions are beginning to come through. Both Clarion and Intercontinental are in redemption mode. The Fund received \$1.6 million from Clarion last quarter and Intercontinental is scheduled to pay-out 4% of the fund, meaning the RHCT will receive just under \$200,000 tomorrow, February 28, 2025. Regarding private debt and unfunded commitments, Mr. Barry noted that the original commitment to Carlyle was \$30 million, but was increased to \$45 million. There was a \$3.4 million capital call in January so that leaves an unfunded commitment of around \$10 million.

The Fund's investment allocations are near the policy targets. Some rebalancing has been done. Specifically, U.S. equities went from the S&P 500 to the Russell 3000 to increase diversification within the U.S. equity markets. Regarding non-U.S. equity, Artisan, which was liquidated at the end of January, had proceeds settle in the beginning of February. Those amounts were allocated equally between Lazard and GQG. Further attention was directed to the real estate and infrastructure holdings. Individual managers were reviewed. Ullico, an infrastructure manager, returned 2.4% for the 4<sup>th</sup> quarter of 2024, outperforming its benchmark. Fixed income managers all outperformed the U.S. aggregate. Regarding U.S. equity, the two small cap managers underperformed the benchmark. Mr. Barry noted that moving into the Xponance Russell 3000 Fund was designed to capture more of the upside in U.S. equities.

Mr. Barry noted that the Trustees liquidated the Artisan holdings. The SSGA Emerging Markets Small Cap Fund's return was down, mostly due to tariffs. Their trailing three and five year performance has outperformed its benchmark. Finally, regarding Parametric, Mr. Barry reported that it has added to the overall return. Mr. Barry was thanked for his report.

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### OLD BUSINESS

a. Report on Litigation

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

b. Proposed Budget for 2025

Mr. Sidrys directed the attention of the Trustees to the Proposed 2025 Budget and the historical numbers for 2024. A copy of the proposed budget is attached and made part of these Minutes. Discussion ensued. Upon motion made and seconded, the following Resolution was unanimously adopted:

RESOLVED: That the 2025 Budget be approved as presented.

### REPORT OF BENEFITS CONSULTANT

Mr. Levin reported that the RFP for a dental provider will be released tomorrow, February 28, 2025. Responses are due by the end of March. Segal will review the responses and report to the GA Committee. The report for the GA Committee will likely be ready at the end of April or the beginning of May. Mr. Levin was thanked for his report.

### REPORT ON SOFTWARE UPDATE

Mr. Sidrys reported that the conversion is about 5% behind the timeline. The conversion of the data has been more complex than anticipated. There are also several modifications being made to the system so that it conforms to the needs of the Fund.

### NEW BUSINESS

a. Educational Opportunities

Mr. Sidrys noted that he compiled a list of benefit education opportunities which were distributed to the Trustees. The attention of the Trustees was then directed to Mr. Kasmer. He

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noted that the Trustees had received copies of Applications for Benefits and Bills and Remittances for the Health Care Trust. Consequently, the following motion was unanimously adopted:

RESOLVED: That items 8(a) and (b), Applications for Benefits and Bills and Remittances be approved.

Mr. Burke had trouble logging onto the meeting through the Teams application and was on Trustee Weems phone. A motion to approve the Applications for Benefits and Bills and Remittances included Mr. Burke's yes vote. The vote was seven in favor.

Under item 8(c) were requests for pre-approvals for Mr. Weems and Mr. Williams at 50% and Mr. Battle at 100% for the International Foundation for Employee Benefits Annual Conference. Discussion ensued regarding the CTA's efforts to increase state funding. The motion was called for vote. There were four yes votes. There were three no votes. The motion carried.

**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 11:20 a.m.

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SECRETARY