

MINUTES OF THE MEETING OF  
THE CTA RETIREE HEALTH CARE TRUST  
200 West Adams Street, Chicago, IL  
August 28, 2025

TRUSTEES PRESENT

Keith Hill  
Thomas McKone  
April Morgan  
Christopher Kasmer  
Andrew Fuller  
Mark Weems  
Joseph Burke (via Teams)

Chairman  
Secretary

ALSO PRESENT

Michael Bowen	Alternate Trustee
Marqueal Williams	Alternate Trustee
Paul Sidrys	Executive Director
Hector Flores	Deputy Executive Director for Benefits
Elsa Trejo	Deputy Executive Director of Finance and Accounting
Stanley Mui	Fund Accountant
Stephen J. Rosenblat (via Teams)	Fund Counsel, Baum Sigman Auerbach & Neuman, Ltd.
Destiny A. Collins	Fund Counsel, Baum Sigman Auerbach & Neuman, Ltd.
Lindsay M. Goodman (via Teams)	Counsel on behalf of the RTA appointed Trustee
Anita Tanay	Counsel on behalf of the Local 308 appointed Trustee
Ronald Willis	Counsel on behalf of the ATU Local 241 appointed Trustee
Jeffrey Bora	Counsel on behalf of the CTA appointed Trustees
Michael Barry	Investment Consultant, Marquette Associates
Daniel A. Levin	Benefits Consultant, Segal Consulting
Barbara Zaveduk	Actuarial Consultant, Segal Consulting
Joseph Illichman	Benefits Consultant, Segal Consulting
Nicole Z. Llorens	Actuarial Consultant, Segal Consulting
Miguel Zarate	Investment Consultant, Marquette Associates

CALL TO ORDER

A quorum being present, the meeting was called to order at 12:11 p.m.

## APPROVAL OF MINUTES OF PREVIOUS MEETING

The Minutes of the June 26, 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 adopted:

RESOLVED: That the Minutes of the June 26, 2025 meeting of the CTA Retiree Health Care Trust be revised to correct the spelling of John Burkard's last name, and then subsequently approved as amended.

## REPORT OF INVESTMENT COMMITTEE

Mr. Zarate directed the attention of the Trustees to the Marquette Associates, RHCT Monthly Executive Summary dated July 31, 2025. A copy of that report is attached and made part of these Minutes. The ending market value on July 31, 2025 for the Fund was \$1,145,000,000. Mr. Zarate then reviewed the report with the Trustees. The market value of the Fund's assets as of July 31, 2025 was \$1,145,131,361. The one-month return for July was 0.7%. The year-to-date return through July 31 was 6.3%, which was slightly behind the benchmark return of 6.7%. The assets are well within the range of the target allocations. Mr. Zarate then reviewed the summary of cash flows. Year-to-date through July 31, 2025, net outflows were -\$18,541,868 while unrealized gains from positive returns through July 31, 2025 were \$70,728,167. He pointed out that over the last three years the Fund had net outflows of -\$158,519,858. During that same period of time, the net investment change was a positive \$248,461,202 so investment returns outpaced disbursements over the last three years.

Mr. Zarate said that managers performed well during this volatile market environment. There is a slight overweight to U.S. equities, but that allocations are close to the policy targets. He said that the Trustees hired a new manager, non-U.S. equities manager, GQG. The non-U.S.

equities were underperforming primarily due to GQG underperforming because of its conservative portfolio. Marquette will attempt to renegotiate fees with GQG due to its recent underperformance. Marquette will continue to monitor GQC's performance. Mr. Zarate also commented on Ullico which has underperformed. He said that Marquette will continue monitoring Ullico's performance as well. He said that SSGA was performing well. The new Indian tariffs are not currently affecting the market, but Indian stocks have contributed to the broad market's underperformance.

Mr. Zarate then reviewed alternative asset classes. He noted that real estate managers were moving slowly in paying redemptions. On August 6, 2025, an allocation was received from the redemption from Intercontinental. On July 7, 2025, \$1.4 million in capital was received from Carlyle. Since there has been a lot of activity in the second half of the year regarding private debt, the Fund is close to its private debt allocation goal.

Mr. Zarate said that Marquette received 37 submissions in response to the request for proposal for a fixed income manager. Mr. Zarate recommended that the Board schedule an Investment Committee to evaluate the submissions. Mr. Zarate was thanked for his report.

#### OLD BUSINESS

a. Summary of Litigation from Fund Counsel

Ms. Collins reported that there was no litigation upon which to report.

b. Segal Update

Mr. Levin reported that the Aetna contract expires on December 31, 2025. Discussion ensued. Upon motion made and seconded, the following Resolution was unanimously adopted:

RESOLVED: To renew Aetna as a network provider for 2026 through 2028.

Mr. Levin reported that Humana will continue its current terms through 2026. He said that Humana declined to offer future rate guarantees because of market uncertainty. He said that this matter did not need to be voted on.

Ms. Llorens presented two options for the 2026 retiree contributions rates. For the first option, all the rates would remain unchanged. For the second option, most contribution rates would remain unchanged except for select service buckets. A copy of the rate sheet was distributed to the Trustees and is attached and made part of these Minutes. Discussion ensued. Upon motion made and seconded, the following Resolution was adopted:

RESOLVED: To select option 1, that 2026 premium rates remain unchanged.

Mr. Weems voted no.

Ms. Llorens directed the attention of the Trustees to the actuarial valuation as of January 1, 2025. A copy of the January 1, 2025 actuarial valuation is attached and made part of these Minutes. Ms. Llorens reported that the actuarial valuation as of January 1, 2025 does not consider the items recently voted upon. The actuarial valuation analyzed the long-term data regarding benefits that were and will be paid to present and future retirees. That data was then compared to the assets and the present value of all of the future income that will come into the plan. Upon motion made and seconded, the following Resolution was unanimously adopted:

RESOLVED: That the Actuarial Valuation as of January 1, 2025 be approved as presented.

c. Update Regarding Software

Mr. Sidrys reported that the Retiree Healthcare Trust is using IntelliPen for daily processing. He said that he has experienced minor issues with using the system, but that Procentia is onsite assisting with all the issues. He said that he is currently working on the member self-service portal. The portal will be released in three waves through the course of spring 2026.

d. Update Regarding Budget v. Actual

Mr. Sidrys reported on the budget versus actual. A copy of that report is attached and made part of these Minutes. Mr. Sidrys said that there were no line items that the Board should be concerned about.

NEW BUSINESS

Mr. Hill recommended that the Board establish a committee to review the different options for the retirees' rates. He said that the Board should start this review process early.

Mr. Weems said that the last RFP for Fund Counsel was in 2016. Mr. Weems requested this matter to be put on the agenda.

GENERAL ADMINISTRATION COMMITTEE ISSUES

Mr. Kasmer reported that the Trustees received copies of applications for benefits and bills and remittances under items 7.a. and b. He said that everything appeared to be in order. Consequently, the following motion was unanimously adopted:

RESOLVED: That items 7.a. and b., applications for benefits and bills and remittances be approved as presented.

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 12:50 p.m.

  
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SECRETARY