

Meeting of the Chicago Transit Authority Retiree Health Care Trust
May 24, 2012

Draft Meeting Minutes

A meeting of the Board of Trustees of the Chicago Transit Authority Retiree Health Care Trust (“RHCT”) was held on May 24, 2012 at One North Franklin Street, on the 27th Floor. The Chair and Executive Director were present.

A roll call was taken. The following members were present:

Joan Coogan, Chair
Marcellus Barnes as an alternate for Joseph Pass
Joseph J. Burke
Christopher Kasmer
Robert Kelly
Paul Sidrys
Paul Volpe

James O’Connell was present as General Counsel for the Trust. Joseph Burns of Jacobs, Burns, Orlove & Hernandez was present on behalf of the Union Trustees. Present on behalf of the Regional Transit Authority appointed Trustee were Andrew Malahowski of Franczek Radelet, PC, and John Doerrer. James Daley of Schuyler Roche & Crisham was present on behalf of the CTA Trustees. Also present was Ivory Day of Gray & Company

On a motion by Mr. Kelly, seconded by Mr. Sidrys, the Board approved the proposed minutes for April 26, 2012.

Administrative Subcommittee

On a motion by Mr. Kasmer, seconded by Mr. Burke, the Board approved the payment of the General Administration Subcommittee bills submitted.

Investment Subcommittee

Mr. Day provided a quarterly performance report. The value of the RHCT assets as of May 23, 2012 was \$607,906,365.75.

Old Business

Mr. Kallianis briefed the Trustees on recent developments with respect to the payroll audit, and advised that Legacy had completed field work, and was comparing files to generate exception reports.

Mr. Kallianis updated the Trustees on the subcommittee formed to consider additional detail concerning the definition of service for the RHCT. The committee discussed a request

for information from the CTA on the most common categories of pay, and contemplated a follow-up meeting when the information was received.

Mr. Barnes reported that he met with the Speaker on the topic of a health reimbursement arrangement. Mr. Barnes reported that the Speaker had some questions, and indicated that he would not be prepared to do anything this session. Mr. Barnes advised that he planned to follow up again during the veto session of the legislature.

New Business

Mr. Kallianis directed the Trustees to the item in their packets concerning a renewal of the fiduciary liability insurance policy. The coverage limits are the same, and the premium is reduced from \$65,402 to \$62,104 annually. On motion of Mr. Kelly, seconded by Mr. Kasmer, the Board approved the renewal proposal.

Mr. O'Connell reported that the hearing officer for the Illinois Department of Labor issued an opinion rejecting the claim filed by Mr. Moreno seeking a refund of his contributions to the RHCT.

On motion by Mr. Kelly, seconded by Mr. Burke, the meeting was adjourned.