

July 23, 2009 Meeting of the Chicago Transit Authority Retiree Healthcare Trust

Meeting Minutes

A regular meeting of the Board of Trustees of the Chicago Transit Authority Retiree Healthcare Trust was held on July 23, 2009 at One North Franklin Street, 24th Floor. The Chairman and the Executive Director were present.

A roll call was taken indicating that the following members were present:

Theresa Mintle
Joseph Pass
James Kasmer
Don Franklin
Robert Kelly
Lynn Sapyta
Paul Sidrys

Appearing on behalf of the Health Care Trust was Chuck Wolf, of Vedder Price, PC. Appearing on behalf the union trustees was Joe Burns, of Jacobs, Burns, Orlove, and Stanton & Hernandez, and appearing on behalf of the Regional Transit Authority appointed trustee, John Doerrer of Kaizen, Inc. and Andrew Malahowski of Franczek Sullivan, PC. Eugene Munin of the CTA was present on behalf of the CTA Trustees. Also present was Ivory Day of Gray and Company; Mitch Bramstaedt, Ruth Donahue of Segal & Company; Ronald Lawlor, David Dorfman of Group Administrators, Ltd..

On a motion by Mr. Kelly, seconded by Mr. Kasmer, the Board of Trustees approved the minutes from the June meeting.

Administrative Subcommittee

On a motion by Mr. Kasmer, seconded by Mr. Franklin, the Board approved the payment of the Consolidated, Compsych, Converged Communications, Diane-Carole Reporting and Gray & Company bills.

On a motion by Mr. Pass, seconded by Mr. Sidrys, the Board approved the payment of all CTA healthcare bills, UniCare and a portion of Jim Kasmer's IFEBP registration.

Investment Subcommittee

Mr. Day from Gray and Company gave the Committee a recap on the two Small Cap Managers (WCM and Kayne Andersen) that made brief presentations last month.

On a motion by Mr. Kelly, seconded by Ms. Sapyta, the Board approved hiring both firms and splitting the fees between the two of them, if they agreed.

Old Business

Mitch Bramstaedt from the Segal Company along with Ronald Lawlor and David Dorfman from Group Administrators joined the meeting to present data regarding RHCT participants. There was discussion about the data presented and the possibility of employing means testing.

On a motion by Mr. Franklin, seconded by Mr. Kelly the Board agreed to look at the data from Group Administrators, relative to the population and to have an analysis prepared by Segal on the means testing idea and the costs to the RHCT.

New Business

On a motion by Mr. Kelly, seconded by Mr. Franklin the Board authorized Plan Counsel to obtain a ruling from the IRS on refunds of contributions.

Mr. Wolf described a proposed amendment to the Plan bylaws requested by the IRS in conjunction with the Private Letter Ruling. After discussion, Mr. Pass made a motion, seconded by Mr. Kelly to adopt an amendment, so long as there is agreement on the amendment between Mr. Wolf, Mr. Burns and Mr. Greenblatt. The motion was approved.

There was discussion about the Outside Counsel Guidelines for the RHCT. Don Franklin read a resolution (attached as part of the minutes). On a motion by Mr. Kelly, seconded by Mr. Kasmer, the motion was approved to adopt the resolution as read.

On a motion by Ms. Mintle, seconded by Mr. Kelly the meeting was adjourned.