

MINUTES OF THE MEETING
BOARD OF TRUSTEES
CTA RETIREE HEALTH CARE TRUST
Via Microsoft Teams Videoconference
December 21, 2021

TRUSTEES PRESENT

Keith Hill	Chairman
Thomas McKone	Secretary
Joseph J. Burke	
Eric Dixon	
Christopher Kasmer	
April Morgan	
Paul Sidrys	

ALSO PRESENT

John V. Kallianis	Executive Director
Stephen J. Rosenblat	Fund Counsel, Baum Sigman Auerbach & Neuman, Ltd.
Ronald M. Willis	Dowd, Bloch, Bennett, Cervone, Auerbach & Yokich, on behalf of the ATU Local 241 appointed Trustee
Anita Tanay	General Counsel for ATU Local 308, on behalf of the ATU Local 308 appointed Trustee
Daniel Salemi	Morgan Lewis & Bockius, LLP on behalf of the RTA appointed Trustee
Jeff Bora	Counsel on behalf of the CTA appointed Trustees
Michael Bowen	Alternate Trustee
John Burkard	Alternate Trustee
Georgette Hampton	Alternate Trustee
Mark Weems	Alternate Trustee
Miguel Zarate	Investment Consultant, Marquette Associates
Dan Levin	Benefits Consultant, Segal Consulting
Barbara Zaveduk	Actuary, Segal Consulting
Alexander Vesselinovitch	Litigation Counsel, Freeborn & Peters
Kathleen Ehrhart	Litigation Counsel, Freeborn & Peters

CALL TO ORDER

The Chairman called the meeting to order at 1:09 p.m.

ROLL CALL

Mr. Kallianis called roll and a quorum was declared present.

CONSIDERATION OF THE MINUTES OF THE NOVEMBER 23, 2021 MEETING

The Minutes of the November 23, 2021 meeting had previously been distributed to the Trustees. A copy of those Minutes is 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 November 23, 2021 meeting are approved as presented.

REPORT OF THE INVESTMENT COMMITTEE

Mr. Zarate directed the attention of the Trustees to the Retiree Health Care Trust Monthly Update dated November 30, 2021. A copy of that report is attached and made part of these Minutes. Mr. Zarate asked the Trustees to refer to the return summary on page 3 which showed a November 2021 return of -1.2%, compared to the benchmark return of -1%. Fiscal year-to-date, the Fund returned 9.5%, compared to the benchmark return of 9.7%. The overall asset allocation shows a 3.7% underweight to fixed income and a 3.2% overweight to U.S. equities. Mr. Zarate said he believes that the current allocation is appropriate. Mr. Zarate reported that as of yesterday, the total value of the Fund's assets was \$1,137,823,646.60. Asset allocation was further reviewed. American Realty Advisors called \$1.9 million. Mr. Zarate said that infrastructure capital calls have been slow.

Performance was then reviewed. Year-to-date the overall Fund performance through November 30, 2021 was 9.5%. Eagle has given back some of its returns, but still has good absolute returns, although it has fallen behind the index. He noted that Garcia Hamilton has underperformed. Kayne Anderson has also underperformed, but has chipped away at its first quarter underreporting. Mr. Zarate commented on the return of the Lazard international equity performance. An Investment Committee meeting scheduled for the beginning of 2022 will review asset allocation and underperforming managers. Mr. McKone raised a question regarding the interest rate and the interest environment. Mr. Zarate said infrastructure protects against rising interest rates as does the Parametric strategy. Discussion ensued regarding other fixed income alternatives which would be further discussed at the Investment Committee meeting. Mr. Zarate was thanked for his report.

OLD BUSINESS

A. Payroll Audit Committee

Ms. Morgan reported that the Payroll Audit Committee met on December 14, 2021. The Committee discussed gross and net eligible contributions from the ATU Locals. The Committee discussed the importance of a uniform approach for the collection of contributions and return of ineligible contributions. The Committee is planning to meet again in January.

B. Litigation Report

Mr. Rosenblat referred the Trustees to the Litigation Report which was previously distributed to the Trustees and is attached and made part of these Minutes. He indicated that there were no decisions required by the Trustees at this time, but anticipated an Executive Session later on to review certain litigation issues. There were no questions and Mr. Rosenblat was thanked for his report.

C. Summary of Upcoming Decisions on 2022 RFPS

Significant dates for 2021 and 2022 prepared by Segal Consulting were distributed to the Trustees and are attached and made part of these Minutes. Mr. Levin said that decisions regarding whether to do requests for proposals for certain of the providers would be required to be made at the January meeting and that the General Administration Committee could review the matter and make a recommendation. Mr. Kallianis was asked to schedule a General Administration Committee meeting for January.

NEW BUSINESS

A. Consideration of 2022 Budget

The proposed 2022 budget will be considered at the January 2022 meeting.

B. Agreed Upon Procedures Benefit Review for 2022/2021

This matter was deferred to the January 2022 Board meeting.

C. Commercial Insurance Proposal

This matter was deferred to the January 2022 Board meeting.

GENERAL ADMINISTRATION COMMITTEE ISSUES

A. and B. Applications for Benefits and Bills and Remittances

Mr. Kasmer reported that applications for benefits and bills and remittances had been provided to the Trustees for their review. Upon motion made and seconded, the following Resolution was unanimously adopted:

RESOLVED: To approve the applications for benefits and bills and remittances, as presented.

C. Trustee Education

The Trustees were requested to submit their trustee education reports to the Fund Office.

D. Educational Conferences Preapprovals

Mr. Kasmer reported that there were no requests for pre-approvals for the Board to consider.

EXECUTIVE SESSION

The Trustees requested that the meeting move to Executive Session. Upon motion made by Mr. Kasmer and seconded by Mr. Burke, the following Resolution was unanimously adopted:

RESOLVED: That the Trustees go in Executive Session.

The Trustees asked the Alternate Trustees, counsel for the individual Trustees, Mr. Kallianis and Mr. Rosenblat to stay. Mr. Willis excused himself.

The Trustees went into Executive Session at 1:36 p.m.

The Executive Session ended at 2:08 p.m.

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

RESOLVED: To accept the recommendation of the Burke Warren firm regarding Devon Archer.

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 2:10 p.m.

SECRETARY