

**Department of Finance
33 N. LaSalle, 7th Floor
Chicago, IL 60602**

Meeting open to the public.

Attendees:

Amer Ahmad, Comptroller
David Seery, Department of Law
Joe Gagliardo, Laner Muchin
Leemore Dafney, Board Member
Michael Knitter, Board Member
Will Irving, Board Member
Nancy Currier, Department of Finance
Andy Sheils, Department of Finance
Jim Raussen, Department of Finance
Rebecca McApline, The Civic Federation
Barb Molloy, Molloy Consulting
Holly Stutz, Department of Finance
Alex Holt, Budget Director

Minutes

1. The first order of business was a brief welcome by Amer Ahmad and the introduction of the reconstituted board and staff members in attendance.
 - a. Goals and Objectives
 - b. Recommendations to the Mayor

New Board Members: Leemore Dafney, Associate Professor of Management and Strategy, and the Herman Smith Research Professor in Hospital and Health Services at the Kellogg School of Management at Northwestern University.

Will Irving, Laborers Union, Local 1001.

Michael Knitter, Executive Director of Compensation & Benefits at the University of Chicago.

Members were provided with the following materials:

- ✓ Summary of Korshak Terms
- ✓ Korshak Settlement Agreement
- ✓ Segal Reports

- ✓ Current Rate Sheets
 - ✓ Reconciliation Reports
 - ✓ Reconciliation Order
 - ✓ Relevant Pension Code Provisions
 - ✓ Second Amended Opinion and Memo of Law
2. David Seery and Joe Gagliardo provided a presentation to familiarize the commission members with the history of Korshak, the role of the RHBC, and the indemnification of the members.
 - a. Indemnification: RHBC members except members who are representing pension funds are indemnified against all liabilities, judgments, costs, and expenses with the exception of exemplary or punitive damages, which may in any way accrue against them for any act or omission occurring within the scope of their duties as members of the RHBC.
 3. Nancy Currier provided a presentation on the Current Retiree Healthcare Plan.
 - a. Annuitant Settlement Health Care Plans
 - i. Eligibility
 - ii. Plans Offered
 - iii. Prescription Drug Plan
 - iv. Medicare Supplement
 - v. Rates and Reconciliations
 - vi. Defined Costs of Plans
 - vii. Reductions to Defined Costs
 4. Alex Holt provided a presentation on the Financial Position of the City.
 - a. Budget Facts & Issues
 - b. Preliminary Corporate Fund Gap
 - c. Corporate Fund Local Tax Revenue
 - d. Projected Expenditures and Revenues
 - e. Closing the Gap
 5. Barb Molloy provided a presentation of emerging annuitants.
 - a. Open Group Forecast: Projected Emerging Covered Lives
 - i. Annuitant and Employee Ages
 6. Scheduling Discussion
 - a. The next meeting of the RHBC will be held at 9:00 on Friday, July 13th at 33 N LaSalle on the 7th floor.
 7. Adjournment