



EFL Associates

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**CHICAGO TRANSIT AUTHORITY RETIREMENT PLAN AND
RETIREE HEALTH CARE TRUST
EXECUTIVE DIRECTOR**

POSITION SPECIFICATIONS

CLIENT

EFL Associates is pleased to be assisting our client, the **Chicago Transit Authority Retirement Plan and Retiree Health Care Trust (RP/RHCT or “the Plans”)** with their **Executive Director** search.

Retirement Plan

The **Retirement Plan (RP)** is a single-employer, contributory defined benefit public pension plan covering all full-time CTA permanent employees. The **RP** is classified as a “governmental plan” and is, therefore, exempt from certain provisions of the Employee Retirement Income Security Act (ERISA) of 1974

The **RP** provides retirement, survivor, and disability benefits to approximately 18,000 active and retired members. Current assets under management are approximately \$2.1 billion. As of January 1, 2022, the funded ratio of the **RP** was 55%. The **RP** is governed by an 11-member Board of Trustees responsible for administrative oversight and the investment policy, including the selection of external managers, of the **RP**. Composition of the **RP** Board of Trustees is as follows: five (5) members are appointed by the Chicago Transit Board, three (3) members are appointed by the Amalgamated Transit Union, Local 241; one (1) member is appointed by the Amalgamated Transit Union, Local 308; one (1) member is appointed to represent employees not represented by the Amalgamated Transit Union; and, one (1) member is appointed by the Regional Transportation Authority.

The **RP** was originally negotiated for members of Divisions 241 and 308 of the Amalgamated Associates of Street, Electric Railway, and Motor Coach Employees of America but was extended to all other eligible employees by action of the Chicago Transit Board in 1949. In 1952, the Chicago Motor Coach Company was purchased by the Chicago Transit Authority and the employees of the former were added to the plan in 1953.

Health Plan

The **RHCT** was authorized by legislation passed by the Illinois General Assembly in 2008. The primary responsibility of the **RHCT** is to provide and administer health care benefits for CTA retirees and their dependents and survivors.

The **RHCT** provides medical and dental coverage to approximately 8,000 eligible retirees of the Chicago Transit Authority. The current assets held in trust for the **RHCT** are approximately \$1.1 billion. The **RHCT** is governed by a seven (7) member Board of Trustees. Composition of the **RHCT** Board of Trustees is as follows: three (3) members

are appointed by the CTA Board, one (1) member is appointed by the Amalgamated Transit Union, Local 241, one (1) member is appointed by the Amalgamated Transit Union, Local 308, one (1) member is appointed by the trade unions, and, one (1) member is appointed by the Regional Transportation Authority.

The **Plans** employ a number of external advisors including Marquette Associates as external investment consultant, Buck as the actuarial consultant for **RP**, Segal Consulting for actuarial and benefits consulting for the **RHCT**, and Northern Trust as the custodian bank.

For more information, visit the **RP/RHCT** website at www.ctaretirement.org.

THE EXECUTIVE DIRECTOR ROLE

The **Executive Director**, under the general direction of the Boards of Trustees of the **Retirement Plan (RP)** and **Retiree Health Care Trust (RHCT)**, is responsible for overseeing all aspects related to the administration of retirement, and retiree health plans for the CTA retirees and dependents.

The **Executive Director** has overall executive responsibility for the operational, technical, and organizational administration of the **RP/RHCT** in accordance with the respective Trust Agreements and Plan Documents adopted by the Trustees. This responsibility includes developing, implementing, and monitoring policies, programs, standards, and procedures to ensure compliance with all relevant local, state, and federal statutes, regulations, and requirements. The **Executive Director** represents the **RP/RHCT** in all aspects of leadership, management, strategic planning, public relations, and negotiations, as determined by the Boards of Trustees.

The **Executive Director** has primary responsibility for developing and implementing the strategic business, financial and technology initiatives of the **RP/RHCT**. The **Executive Director** must effectively set goals for, direct and motivate the **RP/RHCT** staff and interact collaboratively with the Boards of Trustees, Unions, Employer, professional advisors, and colleagues at all levels both inside and outside the organization. The Executive Director leads a staff of approximately 13 through three direct reports: Deputy Director; Finance Officer; and an Executive Assistant. The total administrative budget oversight is in excess of \$2.6 million.

Primary Responsibilities include:

Administrative/Operational

- Oversees and monitors the day-to-day operations of the **RP/RHCT** and accounting functions to ensure financial and operational accuracy and compliance.
- Oversees all administrative areas within the **RP/RHCT** and conducts regular meetings with staff to keep apprised of day-to-day operational and staff issues.
- Participates actively with the Boards of Trustees in business planning processes and implements short-term and long-term goals and objectives of the **RP/RHCT**.
- Establishes and monitors **RP/RHCT** policies, procedures, and standards to ensure the highest level of professionalism and prompt, accurate service to members and

employers.

- Oversees the development of communication materials for members and for the employer. Responsible for effectively communicating Plan and policy changes to **RP/RHCT** staff, members, Employer, the Unions, and service vendors, as applicable.
- Coordinates appeals from members, beneficiaries, or legal representatives. Research appeals, confers with **RP/RHCT** Legal Counsel and consultants, and prepares reports for the Trustees' consideration.
- Communicates regularly with the Boards of Trustees, special committees, Unions, Employer, members, professional advisors, and governmental agencies.
- Establishes and maintains professional relationships with CTA officials, Union Officers, CTA employees, and retirees.
- Responds to requests from members of the Illinois General Assembly and staff, and from other pension funds and entities. Stays current on significant changes at other funds and in legislation affecting the Plans.
- Coordinates, prepares materials for, and attends all Boards of Trustee meetings. Attends other meetings as directed by the Boards of Trustees.
- Maintains necessary records in accordance with HIPAA and auditing standards.

Technical

- Oversees all aspects of technology used in the administration of the **RP/RHCT**, including the evaluation, acquisition and maintenance of technology and equipment required by the **RP/RHCT**.
- Works with the **RP/RHCT** systems and IT support vendors to develop an IT plan and ensures that adequate systems and technology are maintained to support the **RP/RHCT** recordkeeping, processing, and customer service needs.
- In the capacity of the **RP/RHCT** Security Official, works with the **RP/RHCT** systems and IT support vendors to establish and enforce procedures and controls to secure **RP/RHCT** systems, equipment, programs, and data to prevent unauthorized or improper use or access.

Operational/Leadership

- Oversees management of all **RP/RHCT** staff (directly responsible for managing a group of approximately 13 internal staff members).
- Leads the strategic direction of the office by identifying and implementing projects to reduce risk, improve efficiency, improve customer service, etc.
- Provides vision, leadership, guidance and motivation to **RP/RHCT** staff. Conducts performance reviews on an annual basis and recommends compensation increases as appropriate.
- Ensures appropriate staffing levels are maintained and utilized effectively to accomplish the short-term and long-term goals and objectives of the **RP/RHCT**. Responsible for both hiring and dismissal decision making.
- Oversees the development and implementation of training programs for staff to maintain current knowledge/skills and ensure professional growth. Approves

attendance at professional activities as appropriate.

- Works with, monitors, coordinates and assists outside advisors (i.e., attorneys, actuaries, consultants, auditors, and investment advisors).
- Ensures that participant service standards are met and benefits are paid in a timely and accurate manner.
- Works closely with the investment consultant and the Boards of Trustees to implement the asset allocation of each Plan and to ensure adherence to the investment policies, rebalancing the Plans' assets to pay benefits as needed.
- Analyzes benefits utilization trends, costs, and risk factors.
- Responsible for overall planning and directing of benefits projects, including the health care open enrollment, benefits software maintenance and ongoing Plan administration.
- Prepares and delivers presentations relating to the **RP** and **RHCT** benefits as needed.

Financial

- Oversees all financial matters related to the administration of the **RP/RHCT**.
- Develops and manages the annual operating budget for administration of the **RP/RHCT** and provides quarterly updates to each Board.
- Maintains accounting and cash control procedures to ensure adequacy and accuracy of the cash flow and timely investment of monies.
- Reviews and monitors monthly investment reports provided by the investment advisors.
- Oversees all day-to-day **RP/RHCT** expenses.
- Works closely with the **RP/RHCT** auditors in the preparation of auditors' reports and other financial statements. Reviews and approves financial reports and statements before publication.
- Maintains adequate levels of liability and other forms of insurance and bonding to protect members of the Boards of Trustees, **RP/RHCT** management and **RP/RHCT** equipment and furnishings.

Regulatory Compliance

- Ensures compliance with administrative, operational and regulatory procedures for administration of the **RP/RHCT**.
- Consults with outside professionals (e.g., auditors, attorneys, actuaries, investment managers, custodian, insurance carrier(s), etc.) on compliance matters/requirements as needed.
- Ensures completion of all government compliance filings and annual reporting requirements, including tax related (1099s). Coordinates information required by or from outside professional advisors.
- Represents the Boards of Trustees, in conjunction with legal counsel, in contacts with governmental agencies (Internal Revenue Service, Social Security Administration, etc.).

- Maintains understanding of IRC, PPACA and HIPAA requirements and other areas of fiduciary responsibility. Works with **RP/RHCT** staff to ensure compliance with all appropriate regulations.
- Remains informed of all Plan provisions for **RP/RHCT**.
- Reports directly to Boards of Trustees on issues requiring administrative interpretation, legal interpretation, or general guidance.
- May be required to serve as the Privacy Officer for the **RP/RHCT**.

Public Relations

- Promotes a positive image of the **RP/RHCT** on behalf of the Boards of Trustees and the **RP/RHCT**.
- Networks regularly with colleagues in the industry and professional organizations to stay informed as to recent events and other situations that could affect the **RP/RHCT**.

EDUCATION AND EXPERIENCE

- Bachelor's degree from a recognized four-year college or university; an advanced degree in a relevant field is preferred.
- Substantial (ideally ten (10) or more years) in benefit plan administration, as well as five (5) or more years of senior-level management experience, preferably in a public pension or health fund.
- Certification as a CEBS or other appropriate credentialing with distinguish the most attractive candidates.
- Strong understanding of benefit plan design, actuarial valuations, actuarial funding methods, financial controls and reporting, and accounting is highly desired.
- Solid background with modern portfolio theory and institutional investments concepts and principles is desired.
- Strong understanding of pension law, trust and retirement tax laws, as well as health benefit laws is highly desired.
- Prior experience working with/reporting to a board is preferred.
- Prior experience working with members, elected officials, the media, and the general public is preferred.
- Experience serving as a spokesperson for an organization will be viewed favorably.

PERSONAL CHARACTERISTICS

- The highest ethics and integrity; strength of character to hold self and others accountable to high standards of performance and “doing the right thing”.
- Highly developed communication skills: an excellent listener who is also an accomplished presenter, both orally and in written communications.
- Proven leadership ability: can articulate a shared vision and obtain staff “buy-in”.

- Solid talent management skills; inspires others to high standards of operational effectiveness and efficiency.
- Outstanding interpersonal skills: ability to deal with a wide variety of constituents and personality styles.
- Strong project management skills, including the ability to interact with staff at all levels of the organization as well as outside professionals and service providers.
- Strong work ethic and sense of commitment and dedication; an individual who will “roll up his/her sleeves” and do whatever is needed.
- Intelligence, maturity, common sense, and good judgment.
- Fair, even and impartial; acts and responds factually and without favoritism.
- Ability to identify conflict and facilitate action.

COMPENSATION

The **RP/RHCT** will offer the successful candidate a competitive base compensation along with a comprehensive benefits package which includes health, dental and vision insurance, life insurance, short- and long-term disability coverage, generous vacation and sick leave policy, and participation in a defined contribution retirement plan.

APPLICATION PROCESS

EFL Associates, an executive search firm, is assisting the **RP/RHCT** with this important search. All calls and inquiries should be made through the search firm representatives listed below. Referrals and applications will be held in confidence. Review of applications will begin immediately and will continue until the position is filled.

NON-DISCRIMINATION

Our client and EFL Associates firmly support the principle and philosophy of equal opportunity for all individuals, regardless of age, race, gender, creed, national origin, disability, veteran status, or any other protected category pursuant to applicable federal, state, or local law.

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