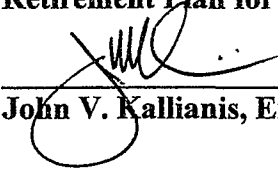


Retirement Plan for CTA Employees

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TO: Board of Trustees
Retirement Plan for CTA Employees

FROM: 

John V. Kallianis, Executive Director

DATE: September 21, 2009

RE: Board Meeting for September, 2009

This is to announce that the Board of Trustees Meeting will be held Tuesday, September 29, 2009, at 9:30 a.m., at the National City Bank, 1 North Franklin, on the 3rd floor, conference room.

Attached is the agenda for the meeting.

If you have any questions, please call me at (312) 463-0350.

JVK:gmb

AGENDA
Retirement Plan for CTA Employees – Board of Trustees
September 29, 2009

1. Meeting will be called to order at 9:30 a.m., at the National City Bank, 1 North Franklin, on the 3rd floor, conference room.
2. Roll call
3. Consideration of the Minutes of the July 23, 2009 and August 27, 2009 Meetings.
4. General Administration Subcommittee Issues
 - a.) Announcements of deaths reported since last meeting
 - b.) Presentation of pre-retirement allowances for approval
 - c.) Presentation of new retirement applications for approval
 - d.) Return to work from disability allowances
 - e.) Presentation of death benefits for approval
 - f.) Presentation of refunds of contributions for approval
 - g.) Presentation of bills and remittances for approval
5. Investment Subcommittee Issues
 - a.) 2nd Quarter Performance (Gray and Co.)
 - b.) Discussion about Investment Decisions
6. Real Estate Subcommittee Issues
 - a.) 2nd Quarter Performance (Townsend)
7. Old Business
 - a.) Rule on Spousal Consent
 - b.) Code of Conduct
 - c.) Prescription Drug Rebates
 - d.) Subrogation on HC Claims
 - e.) EE/ER Contribution Timing
 - f.) Joint Meeting Resolution
 - g.) Status of RFP's
8. New Business
 - a.) Outline of Executive Director Responsibilities
 - b.) Outside Counsel Guidelines
9. Executive Session
 - a.) Litigation (Fluker, Matthews)
 - b.) Personnel Issues
10. Adjournment

The Retirement Plan for CTA Employees

Board of Trustees

10 S. LaSalle Street
Suite 1100
Chicago, IL 60603

PROPOSED **Meeting Minutes**

A regular meeting of the Board of Trustees of the Retirement Plan for CTA Employees was held on September 29, 2009 at One North Franklin Street, 3rd Floor. The Chairman and the Executive Director were present.

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

Theresa Mintle
Darrell Jefferson
Carlos Acevedo
John Burkard
Donald Franklin
Dan Hrycyk
Robert Kelly
Gia Morris
Lynn Sapyta
Paul Sidrys
Peter Xilas

Appearing on behalf of the Retirement Plan was Richard Burke, of Burke, Warren, MacKay, & Serritella. 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 Doerr of Kaizen, Inc.. James Daley of K&L Gates LLP, was present on behalf of the CTA Trustees. Also present was Ivory Day, Larry Gray and Christopher Kuhn of Gray and Company; and Sarah Cachat of The Townsend Group.

On a motion by Mr. Kelly, seconded by Mr. Acevedo, the Board of Trustees deferred the July and August minutes until further review and edit.

General Administration Subcommittee Items

Mr. Acevedo presented for approval items 4 (a) through 4 (g), including the death reports since last meeting, pre-retirement allowances, new retirement applications, return to work from disability allowance, disability summary, election of deferred vested old age retirement allowance, death benefits, refunds of contributions, bills and remittances. The total amount of bills and remittances including federal income tax for the month was \$3,145,798.10.

There was also discussion on several death reports. Mr. Kallianis indicated that Mr. Means would follow up with Ms. Sapyta on the questions she had with those reports.

On a motion by Mr. Jefferson, seconded by Ms. Sapyta, the Board of Trustees approved the General Administration Subcommittee items.

Investment Subcommittee Items

Mr. Gray, Mr. Day and Mr. Kuhn from Gray and Company gave a presentation on the market volatility.

On a motion by Mr. Kelly, seconded by Mr. Jefferson the Board accepted Mr. Day's advice to go "full in". After some further discussion, Mr. Kelly amended his motion to invest in accordance with the percentages in column F of Ivory's handout, with the exception of lines 45 and 47 related to hedge funds and private equity.

Mr. Kuhn then spoke about the concerns that he had about the Plan' investment in the Sandell / Castlerigg hedge fund due to changes in staffing at Sandell / Castlerigg. He recommended termination of the investment. On a motion by Mr. Kelly, seconded by Mr. Jefferson the Board approved termination of Sandell / Castlerigg.

Real Estate Subcommittee Items

Sarah Cachat from The Townsend Group gave an update on the real estate performance through the second quarter of 2009.

Old Business

There was discussion about a resolution and possible amendment to the Plan requiring spousal consent on survivorship options. Mr. Burns indicated that he would follow up with Mr. Virgil and Mr. Daley about concerns related to ERISA conformance.

On a motion by Mr. Kelly, seconded by Mr. Acevedo, the Board approved the conforming version of the Code of Conduct related to the procurement policies adopted for investment managers and advisors.

There was a lengthy discussion about the timing of contributions to the Retirement Plan. Mr. Sidrys suggested that staff get the facts from Northern Trust about the timing of deposits.

Ms. Morris made a motion to adopt the resolution allowing periodically to hold joint meetings with the Retiree Health Care Trust. Mr. Burkard second the motion. There was a roll call vote: Mintle-yes, Jefferson-no, Acevedo-no, Burkhard-yes, Franklin-yes, Hrycyk-no, Kelly-abstained, Morris-yes, Sapyta-yes, Sidrys-yes, Xilas-yes. The motion passed.

On a motion by Mr. Kelly, seconded by Mr. Sidrys, the Board approved to extend the deadline for the legal services and actuarial services RFPs from October 13th to November 2nd.

Ms. Sapyta asked that an item on Part Time Union Officials be included on the next agenda, as there had been a notice sent to the Executive Director about documentation and remittance.

On a motion by Mr. Franklin, seconded by Mr. Sidrys, the meeting was adjourned.