

Meeting of the Retirement Plan for CTA Employees Board of Trustees

10 S. LaSalle Street
Suite 1100
Chicago, IL 60603

Meeting Minutes

A regular meeting of the Board of Trustees of the Retirement Plan for CTA Employees was held on October 27, 2011 at One North Franklin Street, 24th Floor. The Chairman and Executive Director were present.

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

Javier M. Perez, Jr., Chairman
Joan Coogan
Sandra Simmons as an alternate for Marcellus Barnes
John Burkard
Joseph Pass
Joseph J. Burke
Robert Kelly
Ronald Puskarits
Judith Kelley as an alternate for Peter Xilas
Erin Kleist as an alternate for Karen Walker
Paul Sidrys

James O'Connell was present as General Counsel for the Retirement Plan. Appearing on behalf of the Union Trustees was Joseph Burns, of Jacobs, Burns, Orlove and Hernandez. Appearing on behalf of the Regional Transit Authority appointed Trustee was Andrew Malahowski of Franczek Radelet, PC. James Daley of K&L Gates appeared on behalf of the CTA Trustees. Also present was Ivory Day of Gray & Company.

On motion by Mr. Kelly, seconded by Mr. Pass, the Board approved the draft minutes of September 22, 2011, with the spelling correction noted.

General Administration Subcommittee Items

A motion was made by Mr. Burke, and seconded by Mr. Burkard, to approve items 4(a) through 4(g) of the General Administration committee agenda, with the amendment that for Ms. Sawyer, her pension be approved for commencement November 1. The motion passed unanimously.

Investment Subcommittee Items

Mr. Day provided the Trustees with a report, advising that assets had a market value of \$1,694,097,724 as of October 24, 2011. He also reviewed returns for the year to date, and the plan's long-range assumptions.

Real Estate Subcommittee Items

Mr. Kallianis advised that responses to the request for proposal that had been published are due November 18. After receipt, Mr. Kallianis indicated that he would schedule a subcommittee meeting to review the responses.

Old Business

Mr. Kallianis reported that he had had a kick-off meeting with Legacy, and also an initial meeting between the CTA and Legacy. It was agreed that Legacy would generate a proposed schedule for the audit, beginning with the accumulation of data from the Plan office.

With respect to the health care transition audit, Mr. Kallianis reported that an additional letter was being sent from the Plan to the CTA, requesting additional information on the CTA's assertion of a right of offset for administrative costs.

New Business

Mr. Kallianis reported that proposals for the provision of actuarial services had been received, along with evaluations, and that a subcommittee meeting would be scheduled for interviews of the top candidates, to enable the subcommittee to make a recommendation for consideration at the November board meeting.

Executive Session

On motion by Mr. Burkard, seconded by Ms. Coogan, the Board voted unanimously to enter executive session for the purpose of discussing litigation.

Open Session

Mr. O'Connell noted for the record that the discussion in executive session concerned the pending Matthews case, and other matters where it appeared that litigation is likely.

On a motion by Mr. Sidrys, seconded by Mr. Burke, the Board approved adjournment of the meeting.