

**Meeting of the Retirement Plan for CTA Employees
Board of Trustees**

200 West Adams Street
17th Floor
Chicago, IL

Meeting Minutes

A regular meeting of the Board of Trustees of the Retirement Plan for CTA Employees was held on June 19, 2017 at 200 West Adams Street, 17th Floor commencing at 9:50 a.m.

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

Toi Bowers
John Burkard
Joseph Burke
Woodrow Eiland
Ron Ester
Jeremy Fine
Kenneth Franklin
Andrew Fuller, as an alternate for Paul Sidrys
Keith Hill
Thomas McKone, Chair
SherriThornton-Pierce

John Kallianis was present as the Executor Director. Richard W. Burke and Rachel Yarch of Burke, Warren, MacKay & Serritella, P.C. were present as General Counsel for Retirement Plan. Appearing on behalf of ATU Local 308 appointed Trustees was Joseph M. Burns of Jacobs, Burns, Orlove and Hernandez. Appearing on behalf of the CTA Appointed Trustees was James P. Daley of Jackson Lewis LLP. Appearing on behalf of the RTA appointed Trustee was Daniel R. Salemi of Franczek Radelet, P.C. Appearing on behalf of the ATU Local 241 appointed Trustees was Justin J. Lannoye of Dowd, Bloch, Bennett & Cervone. Also present were Kweku Obed and Miguel Zarate of Marquette Associates.

Mr. Kallianis stated that a quorum was present. Mr. Kallianis announced that Mr. Burns was sending out amendments to the proposed minutes of the meeting of May 25, 2017. Mr. Franklin moved to defer the consideration of the minutes of the May 25, 2017 meeting until the July meeting. Mr. Burke seconded the motion which passed unanimously.

General Administration Items

Mr. Franklin made a motion to approve the general administration items 3(a) through 3(i) on the agenda. Mr. Burke seconded the motion and the motion was approved unanimously.

Investment Subcommittee Items

Mr. Obed made a presentation. He stated that the value of the Plan's assets as of the close of business on June 16, 2017 was \$1,787,100,486.20. Year to date as of May 31, 2017 plan performance resulted in \$105.6 million in cash inflows for the Plan and for the three month period ending in May, there was \$51.6 million in cash inflow. Mr. Obed then gave a market overview and the performance of the Plan funds. He stated that the Plan was looking to find an MWBE active manager to take over the \$55 million recent allocation to Northern Trust. The RFP for emerging markets manager received 11 responses. In the coming weeks the investment subcommittee will meet to determine a short list of candidates who would then be brought in for interviews followed by a selection. Mr. Kallianis stated that he anticipated a decision in August for the MWBE Manager and in July for the private equity manager. Mr. Obed mentioned that the Plan funds invested in a Northern Trust index fund or an ETF for listed infrastructure had a 3.6 percent return for May.

Old Business

Mr. Kallianis directed the Trustees attention to the letter sent by Mr. Kopecky to the CTA on June 9, 2017 in regard to the collection of items identified in Agenda as 5B, 5C and 5D. The resolution of Mr. Burke in regard to assigning costs of payroll audits was deferred to the agenda of the payroll committee. Mr. McKone asked that the Legacy document request of the CTA, Locals 241 and 308, and the Plan office be placed on the agenda of the payroll audit review.

New Business

Mr. McKone requested that at the next Board meeting there be presented a budget update addressing actual versus budget. Mr. Kallianis said that it would be done. Mr. Hill requested a report at the July meeting of the amount of growth month by month in the investments of the Plan for the first six months of this year.

Mr. Kallianis stated there was no reason for an Executive Session.

Mr. Richard Burke stated that Mr. Kopecky had recently filed a complaint on the prescription rebate matter. He also reported on the DV Urban litigation. There is no recovery sought against the Plan on this real estate investment partnership but the litigation could affect the amount of the distribution from the partnership to the Plan. In regard to the Matthews case, Mr. Burke asked for a special meeting of the Trustees during July to discuss the case. In

advance of the meeting, Mr. Burke is to distribute to the Trustees a memorandum providing historical context of the case.

There being no further business to come before the meeting, on a motion by Mr. Hill, seconded by Mr. Burke, the meeting was adjourned at 10:06 a.m.