

Meeting of the Retirement Plan for CTA Employees

Board of Trustees

200 West Adams Street

17th Floor

Chicago, Illinois

Regular Session

Meeting Minutes

A regular meeting of the Board of Trustees of the Retirement Plan for Chicago Transit Authority Employees was held at 200 W. Adams Street, 17th Floor, Chicago, Illinois on December 19, 2019 commencing at 9:45 a.m., and adjourning at 10:41 a.m.

Mr. Keith Hill, the Chairman, called the meeting to order at 9:45 a.m.

At the direction of Mr. Hill, a roll call was taken and established that the following Trustees were present:

Mr. Keith Hill, the Chairman

Mr. Tom McKone, the Vice Chairman

Ms. Toi Bowers

Mr. John Burkard

Mr. Joseph Burke

Mr. Woodrow Eiland

Mr. Ronald Ester

Mr. Jeremy Fine

Mr. Kenneth Franklin

Ms. April Morgan (*arrived while meeting in progress*)

Mr. Paul Sidrys

John Kallianis was present as the Executive Director. Richard Burke of Burke, Warren, MacKay & Serritella, P.C. appeared as General Counsel. Appearing on behalf of the CTA Trustees was James P. Daley of Jackson Lewis, PC. Appearing on behalf of the ATU 241 Trustees was Ron Willis of Dowd, Bloch, Bennett, Cervone, Auerbach & Yokich. Appearing on behalf of the ATU 308 Trustee was Anita Tanay. Appearing on behalf of the RTA Trustee was Dan Salemi of Morgan, Lewis, & Bockius. Also present was Kweku Obed of Marquette Associates.

Mr. Kallianis reported that a quorum was present.

Consideration of Minutes from prior Meetings

Mr. Hill called for consideration of the minutes from prior meetings. Mr. Franklin moved to approve the minutes of the meeting of September 19, 2019, which was seconded by Mr. Sidrys. Mr. Fine abstained from voting. The motion was approved. There was consideration of the minutes of the meeting of November 26, 2019. Mr. Franklin moved to approve the minutes, which motion was second by Mr. Burke. The motion was approved. Finally there was consideration of

the minutes of the Executive Session of the meeting of November 26, 2019. My Sidrys made a motion to approve which was seconded by Mr. Burke and approved.

Investment Committee

Mr. Obed then gave the Investment Committee Report. (*Mr. Biggs joined the meeting until Ms. Morgan's arrival*).

Mr. Obed stated that the market value of the portfolio as of the close of business on December 18, 2019 was \$1,847,799,859.93. Of that amount \$4,339,905.00 was in cash. In making his presentation Mr. Obed referred to the discussions at the Committee level in regard to changes in the asset allocation. Mr. Sidrys moved to approve the Marquette Portfolio D as contained in the report to the Trustees as the target asset allocation for the Plan. The motion was seconded by Mr. Hill and approved.

After discussion, Mr. Sidrys made a motion to direct Marquette & Associates to issue an RFP for a global low-volatility manager. Mr. Burkard seconded the motion and it was approved. (*Ms. Morgan joined the meeting.*) After discussion, Mr. Sidrys made a motion to approve a proposed amendment to the Limited Partnership Agreement for Aberdeen US Private Equity Fund VII. It was seconded by Mr. Franklin and approved.

Old Business

Mr. Hill called for a report on the 2011-2017 payroll audit. Mr. Kallianis reported that he shortly will be setting a date for the General Administration Committee to meet and review the work of Legacy to date.

Mr. Hill called for a report in regard to the actuary selection. Mr. Franklin replied the RFP process had been followed. He made a motion that the Buck firm be retained as actuary, which motion was seconded by Mr. Hill. The motion was approved.

In regard to the summary of litigation, Mr. Richard Burke directed the Trustees' attention to the report which was the packet of material distributed to the Trustees. He added that there is a court hearing scheduled for December 20, 2019 in regard to discussion of a settlement of the Hampton claim.

General Administration

The General Administration Committee made a report by Mr. Franklin. Mr. Franklin moved to approve Items 6a through 6i, which motion was seconded by Mr. Burkard and approved. Mr. Kallianis reported on the proposed benefit review by Mitchell Titus. In the review Mitchell Titus is to take a sample of the procedures used in determining benefits under both the Health Care Trust and the Retirement Plan. Mr. McKone made a motion to engage Mitchell Titus, which motion was seconded by Mr. Franklin and approved. The charge for the review is to be shared equally by the Retirement Plan and the Health Care Trust.

Mr. Kallianis directed the Trustees' attention to the proposal of a cyber security annual review by BDO, the cost of which would be borne equally by the Health Care Trust and the Retirement Plan. Mr. Burke made a motion to accept the proposal from Mr. Kallianis which was seconded by Mr. McKone and approved.

Mr. Kallianis then directed the Trustees' attention to the Plan Office Budget for the coming year. Mr. Franklin moved to approve the budget, which motion was seconded by Mr. Burkard and approved.

There was no call for Executive Session. Mr. Hill stated he would entertain a motion to adjourn, which was made by Mr. Franklin and seconded by Mr. Burke. The motion was approved and the meeting adjourned at 10:41 a.m.