

Meeting of the Retirement Plan for CTA Employees
Board of Trustees
August 27, 2020
VIA MICROSOFT TEAMS

Regular Session
Meeting Minutes

The Board of Trustees of the Retirement Plan for Chicago Transit Authority Employees, by way of Microsoft Teams and telephone conference calls, and in compliance with the Illinois COVID-19 Executive Order, convened on August 27, 2020 at the hour of 9:41 a.m., and adjourned at 10:53 a.m.

At the direction of the Chairman, a roll call was taken and established that the following Trustees were participating:

Mr. Keith Hill, the Chairman
Mr. Tom McKone, the Vice Chairman
Ms. Toi Bowers
Mr. John Burkard
Mr. Joseph Burke
Mr. Woodrow Eiland
Mr. David Bigg (for Mr. Jeremy Fine)
Mr. Kenneth Franklin
Ms. April Morgan
Mr. Paul Sidrys
Ms. Erin Kleist Gaynor (for Ms. Pat Thomas Miller)

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

The Chairman asked the Executive Director to call the roll. The Executive Director reported that a quorum was present.

Consideration of Minutes from prior Meetings

The Chair then called for the attendees to address the minutes of prior meetings. Whereupon Mr. Joseph Burke made a motion to accept the minutes of the Regular meeting on June 25, 2020, which was seconded by Mr. Franklin. A roll call vote was taken. The motion passed with 9 yeases and 2 abstentions, namely Mr. Biggs and Ms. Kleist Gaynor. Mr. Hill then brought to the attention of the attendees the Executive Session minutes for the month of June. Mr. Sydris made a motion to accept the minutes, which was seconded by Mr. Burke. A roll call vote was taken. The motion passed with 9 yeases and 2 abstentions, namely Mr. Biggs and Ms. Kleist Gaynor. Mr. Hill called the attendees' attention to the minutes of Regular meeting on July 23, 2020. Mr. Burkard moved to accept the minutes and his motion was seconded by Mr. Sydris. A roll call vote was taken. The motion passed with 8 yeases and 3 abstentions, namely Ms. Bowers, Mr. Biggs and Ms. Kleist Gaynor.

Investment Committee

The Investment Committee Report was presented by Mr. Obed. He stated that as of the close of business on August 26, 2020, the market value of the investment portfolio was \$1,767,726,063.47. And of that sum cash represents \$16.2 million. Mr. Sydris made a motion to pass Marquette's recommendation to rebalance the portfolio by transferring \$10 million from Danali MidCap value to Xponance (formerly Piedmont) S&P 400 Index Fund, transferring \$12.5 million from Paradigm to Northern Trust S&P 500 Index and transferring \$5 million from Edgar Lomax to Northern Trust S&P 500 Index. Mr. Franklin seconded the motion. A roll call vote was taken. The motion passed with 11 yeases and 0 nos.

Old Business

Mr. Hill asked for a report in regard to the 2011-2017 payroll audit. Mr. Kallianis stated that prior to the upcoming September 2020 Board meeting, the Trustees will be receiving a draft of the expedited report for the Locals 241 and 308 members that will be distributed for comment. On October 16, 2020 the auditors will be prepared to issue a draft report for the balance of the audit. This would include the audit of the CTA payroll from 2011 to 2017 and also the other Locals 241 and 308 full and part time members, namely the non-expedited people. The one thing that the report would not include would be the settlement agreements which are numbered in the hundreds.

Mr. Richard Burke gave a summary of litigation and directed the Trustees' attention to the written report which was submitted as part the pack of information for the Trustees.

General Administration

Mr. Franklin gave the report of the General Administration Committee. Mr. Franklin made a motion to approve Items 6a through 6i on the agenda. The motion was seconded by Mr. Burke. A roll call vote was taken. The motion passed with 11 yeases and 0 nos. Mr. Franklin made a motion to approve Item 6j which is the Rebate Case Litigation bills. Mr. Hill seconded the motion. A roll call was taken. The motion passed with 6 yeases and 5 abstentions, namely, Messrs. McKone, Biggs, Sidrys, Ms. Morgan and Ms. Kleist Gaynor. Franklin made a motion to approve the educational request for individuals which was set forth in Agenda Item 6k. The motion was seconded by Mr. Burke. A roll call was taken. The motion passed with 11 yeases and 0 nos.

New Business

The Trustees then considered the appointment of a Joint Payroll Audit Committee to address both the Retirement Plan and Healthcare Trust. Mr. Franklin made a motion that the members of the Joint Payroll Audit Committee be Mr. Eiland, Mr. Weems, Ms. Morgan, Mr. Fuller and Mr. Burke. The motion was seconded by Mr. Hill. They were nominated as the members of the Joint Payroll Audit Committee which would serve both the Retirement Plan and the Health Care Trust. A roll call was taken. The motion passed with 11 yeases and 0 nos.

Mr. Hill announced that there was no need for an Executive Session. He stated he would entertain a motion to adjourn, which was made by Mr. Franklin and seconded by Mr. Eiland. A roll call was taken. The motion was approved with 11 yeases and 0 nos.

The meeting adjourned at 10:53 a.m.