

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

200 West Adams Street  
17<sup>th</sup> Floor  
Chicago, IL

## **Meeting Minutes**

A regular meeting of the Board of Trustees of the Retirement Plan for Chicago Transit Authority Employees was held on October 25, 2018 at 200 West Adams Street, 17th Floor commencing at 9:41 a.m. and adjourning at 10:41 a.m.

Mr. John Burkard called the meeting to order at 9:41 a.m.

At the direction of Mr. Burkard, the Vice Chairman, a roll call was taken indicating that the following Trustees were present:

Mr. Mike Bowen (appearing for Tom McKone)  
Ms. Toi Bowers  
Mr. John Burkard  
Mr. Joseph Burke  
Mr. Woodrow Eiland  
Mr. Jeremy Fine  
Mr. Andrew Fuller (appearing for Sherri Thornton Pierce)  
Mr. Keith Hill  
Mr. Paul Sidrys  
Ms. Patricia Thomas-Miller (appearing for Ron Ester)  
Mr. Mark Weems (appearing for Ken Franklin)

Mr. Kallianis reported that a quorum was present.

John Kallianis was present as the Executive Director. Richard W. Burke and Rachel E. Yarch of Burke, Warren, MacKay & Serritella, P.C. appeared as General Counsel. Appearing on behalf of the Local 241 Trustee was Justin J. Lannoye of Dowd, Bloch, Bennett, Cervone, Auerbach & Yokich. Appearing on behalf of the CTA Trustees was James P. Daley of Jackson Lewis PC. Appearing on behalf of the ATU Local 308 Union Trustee was Anita Tanay, General Counsel of ATU, Local 308.

Also present were Mr. Miquel Zarate, Mr. Jesus Jimenez and Mr. Kweku Obed of Marquette Associates

Mr. Weems made a motion to change the order of business permitting the Investment Subcommittee to make the report head of the administration committee. Mr. Eiland seconded the motion. Mr. Weems also stated that the order of business would be investment committee, then old business, new business, consideration of minutes from prior meetings, and general administration issues followed by executive session then adjournment. The motion passed.

## **Investment Subcommittee**

In regard to the Investment Committee, Mr. Obed gave the report. He stated that as of the close of business on October 24, 2018 the value of the portfolio was \$1,767,379,328.31.

Mr. Sidrys made a motion to approve J.O. Hambro as the investment manager for the emerging market small cap fund of \$50,000,000. The fee structure would be 70 basis points and then a 15% performance bonus on excess returns to a cap of 95 basis points. In addition, in regard to the performance based bonus, if J.O. Hambro underperforms one year, then the following year it does not receive a performance bonus until it has recouped the losses of the prior year. The motion was seconded by Mr. Eiland and the motion was passed unanimously.

Mr. Kallianis then gave a report in regard to the status of the Legacy data request for the year 2017 payroll audit. He stated that the accounting firm which is going to assist with Legacy on the audit will be meeting with Local 241, with Local 308, and with the CTA some time in November to start the field work.

## **Litigation**

Mr. Richard Burke then distributed a report on the status of litigation.

## **New Business**

There was no new business

## **Old Business**

The meeting moved to consider the minutes of prior meetings. Mr. Joseph Burke moved to approve the minutes of the September 27, 2018 regular session meeting which motion was seconded by Mr. Sidrys. Roll call was taken to approve the minutes. The minutes were approved with abstentions from Mr. Burkard, Ms. Thomas-Miller, Mr. Weems and Mr. Fuller. On the vote to approve the minutes of the executive session of September 27, 2018, a motion passed with abstentions by Mr. Burkard, Ms. Thomas-Miller, Mr. Fine and Mr. Weems.

## **General Administration**

Mr. Weems gave the report of the General Administration subcommittee. Mr. Burke moved to approve agenda items 7(a) through 7(i). Mr. Hill seconded the motion which passed..

There was no need for executive session.

At 10:41 on motion made by Mr. Hill, and seconded by Mr. Burke, the meeting adjourned.