

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 January 23, 2020 commencing at 9:44 a.m. and adjourning at 11:15 a.m.

Mr. Keith Hill, the Chairman, called the meeting to order at 9:44 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. Joseph Burke

Mr. Woodrow Eiland

Mr. Chris Kasmer (sitting in for Mr. John Burkard)

Mr. Ronald Ester

Mr. Andrew Fuller (sitting in for Mr. Jeremy Fine)

Mr. Kenneth Franklin

Ms. April Morgan

Mr. Paul Sidrys

John Kallianis was present as the Executive Director. Rachel Yarch 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 Trustees was Anita Tanay. Appearing on behalf of the RTA Trustee was Dan Salemi of Morgan, Lewis, & Bockius. Also present was Jesus Jiminez and Miguel Zarate of Marquette Associates.

Mr. Kallianis reported that a quorum was present.

Consideration of Minutes from prior Meetings

Mr. Franklin moved to approve the minutes of the December 19, 2019 meeting, which motion was seconded by Mr. Burke. The minutes were approved.

Investment Committee

Mr. Jiminez gave the Investment Committee Report. He reported that the market value as of the close of business on January 22 was \$1,900,197,154.09 and of that the cash balance was \$130,279,859.81. Mr. Sidrys made a motion to move the available funds to Rhumblin contingent on legal review and if it does not pass the review, the fund be moved temporarily to the Northern Trust. The motion was seconded by Mr. Kasmer.

Mr. Kallianis clarified that the money is directed to be indexed with Rhumblin unless it is not approved by Northern Trust in which event the monies would be indexed with Northern Trust.

Mr. Sidrys withdrew his motion. Mr. McKone made a motion to approve the recommendation to invest with Rhumblin in Global Low Volatility equity pending the legal review between the Trust and the Northern Trust. If Northern Trust does not approve then the monies are to be invested in an index fund provided that the fund has been approved by the Board as an index in Global Low Volatility equity. Ms. Bowers seconded the motion. The motion was approved.

Mr. Sidrys then made a motion to request the Executive Director to consult with legal counsel and review the Directed Trustee relationship and determine whether it is appropriate for the Retirement Plan. There was no second for the motion and the motion did not come to a vote.

Old Business

Mr. Kallianis reported that Legacy has received all of the terms of the part-time union officers. There are 400 plus individuals who have been part-time officers of Locals 241 and 308 in the audit period from 2011 to 2017. Legacy has the data from the Locals. Legacy is waiting on a report from the CTA. The report will provide Legacy with the daily schedules for all the people who are involved in the study for the time frame 2011 to 2017. Legacy will then compare the time schedules to the information received from Local 241 and Local 308 and produce the portion of its payroll audit report having to do with part-time union officers. It is paper intensive and labor intensive dealing with individual dates, and individual schedules both at the Locals and at the CTA. He added that he thought the report would be forthcoming from the CTA within a month.

Rachel Yarch then gave a litigation report and referred to the nine page Memorandum prepared in regard to litigation, which had been distributed to the Trustees.

General Administration

For the General Administration Committee, Mr. Franklin gave the report. Mr. Franklin made a motion to approve Item 6a through 6i on the Agenda for the General Administration Subcommittee. Mr. Hill seconded the motion. The motion was unanimously approved. Mr. Franklin then made a motion to approve Item 6j which is the Rebate Case Bills. It was seconded by Ms. Bowers. A rollcall was taken, the motion passed.

New Business

Mr. Hill stated that there was no new business to be considered.

Mr. McKone made a motion to adjourn to Executive Session to discuss potential litigation. The motion was seconded by Mr. Franklin and the meeting adjourned at 11:02 a.m.

The meeting resumed at 11:11 a.m. whereupon Ms. Bowers made a motion to adjourn, which was seconded by Mr. Sidrys and was approved.

The meeting adjourned at 11:15 a.m.