

Meeting of the Retirement Plan for CTA Employees
Board of Trustees
October 28, 2021
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 October 28, 2021 at the hour of 9:38 a.m., and adjourned at 12:13 p.m. There was no Executive Session.

At the direction of the Chairman, a roll call was taken and established that the following Trustees were participating. Mr. Kallianis reported that a quorum was present.

Mr. Tom McKone, Chairman
Mr. Keith Hill, Vice-Chairman
Mr. David Biggs
Ms. Toi Bowers
Mr. John Burkard
Mr. Eric Dixon
Mr. Woodrow Eiland
Mr. Jeremy Fine
Mr. Andrew Fuller (filling vacancy)
Ms. April Morgan
Mr. Paul Sidrys

John Kallianis participated as the Executive Director. Rachel E. Bossard of Burke, Warren, MacKay & Serritella, P.C. participated as General Counsel. Victoria Collado of Burke, Warren, MacKay & Serritella, P.C. Participating on behalf of CTA Trustees was James P. Daley. Participating on behalf of the ATU 241 Trustees was Ron Willis of Dowd, Bloch, Bennett, & Cervone. Participating on behalf of the ATU Local 308 Trustee was Anita Tanay. Participating on behalf of the RTA was Dan Salemi of Morgan Lewis & Bockius. Also participating was Miguel Zarate of Marquette Associates and Mark Weems of the Retirement Plan for CTA Employees.

Consideration of Minutes from prior Meetings

The Chairman called for consideration of the minutes of the September 23, 2021 meeting. Mr. Dixon made a motion to approve the minutes, which was seconded by Mr. Burkard. A roll call vote was taken. The motion passed on the vote of 8 yeases and 3 abstentions.

Investment Committee

The Chairman called for the report of the Investment Committee which was given by Mr. Zarate. Mr. Fine joined the meeting during the report. Mr. Zarate stated that the market value of the investments, as of October 27, 2021, was \$2,102,860,083.05 and of that amount \$14,195,367.48 was in cash. Mr. Obed spoke of the market environment for the month of October and reviewed the portfolio.

Old Business

Mr. Kallians gave a report of the payroll audit committee activities for the payroll audit review period of 2011 to 2017. The Trustees deferred action in regard to a motion incidental to the payroll audit committee work in regard to excess contributions and contributions have not been made

Summary of Litigation

Ms. Victoria Collado reported that the summary was contained in the written report before the Committee. She stated that the attorneys were awaiting a ruling from Judge Walker in the Williams' case. In regard to the Hampton case, it has been continued to allow Hampton to retain new counsel. We have not received introduction of that counsel.

General Administration

Mr. Kallianis gave a report of the responses made to the Illinois Auditor General's inquiries. Mr. Kallianis stated that in response to the Auditor General's inquiries, the investment consultant had responded that the consumer rate of return and the inflation rates were within a reasonable range. The report was filed with the Auditor General by September 30 in response to the questions which have been posed. Mr. Kallianias stated that the Auditor General had posed certain other questions for which he is working on a response with Marquette and Buck.

Mr. McKone posed a question which Mr. Kallianis responded to that he would provide some history in regard to the payroll audit process at both the CTA and local level. Mr. Kallianis stated it would be the first item on next month's agenda at the payroll audit committee meeting

Mr. Dixon gave the report of General Administration Committee. Mr. Dixon requested a motion to approve Items 6a through 6i on the agenda but excluding the approval for the items involving the two Trustees. Mr. Dixon clarified that the first motion would be to approve Items 6a through 6b and the second Motion would be to approve 6d through 6i. Mr. Burkard made the portion which was seconded by Mr. Burke. A roll call vote was taken. The motion passed on a vote of 11 yeses and 0 nos.

Mr. Sidrys made a motion to approve Item 6c which was seconded by Mr. Burkard. A roll call vote was taken. The motion passed on a vote of 9 yeases and two abstentions.

Mr. Kallianis reported that the auditors were not able to be present at the meeting because of an emergency. Therefore, there was not a presentation in regard to Items 7a or 7b on the agenda. Those items will be delayed until November.

Mr. Kallianis reported that both of the audits were finalized and they plan to present them at the next meeting of the Trustees.

New Business

The Chairman then called to the attention of the Trustees of the passing of Charles Peacock who had been an ATU 308 alternative member, and he extended his thanks for Mr. Peacock's services and extended his sympathy to the family.

Mr. Kallianis reported that there were two items to be discussed in Executive Session: one potential litigation and the other, a personnel issue.

A motion to adjourn was made by Mr. McKone, which was seconded by Mr. Burke. A roll call vote was taken. The motion passed on a vote of 11 yeases and 0 nos.

The meeting adjourned at 10:48 a.m.

At 12:06 the executive session ended, and regular session resumed. Mr. McKone made a motion to retain counsel recommended by Plan Counsel to consider the item under Personnel issues discussed in Executive Session. The motion was seconded by Mr. Hill. A roll call vote was taken. The motion passed on a vote of 11 yeases and 0 nos.

Mr. McKone made a motion to elect a special subcommittee on personnel issues nominating Mr. Dixon, Mr. Burkard, Ms. Morgan, Mr. Fuller and Mr. Joseph Burke as members. The motion was seconded by Mr. Hill. A roll call vote was taken. The motion passed on a vote of 11 yeases and 0 nos.

Mr. Hill made a motion to commence engagement with the CTA in regard to its claim for indemnity. The motion was seconded by Mr. Dixon. A roll call vote was taken. The motion passed on a vote of 4 yeases and 7 abstentions. The motion did not pass because it only had 4 affirmative votes and not the required 6.

Mr. Hill made a motion to adjourn and seconded by Ms. Bowers. A roll call vote was taken. The motion passed on a vote of 11 yeases and 0 nos.

The meeting adjourned at 12:13 p.m.