

**Meeting of the Trustees of the CTA Retirement Plan**  
**April 25, 2024**  
***VIA MICROSOFT TEAMS AND IN PERSON***

**Regular Session**  
**Meeting Minutes**

The Board of Trustees of the Retirement Plan for Chicago Transit Authority Employees, by way of Microsoft Teams and physical presence, and in compliance with the Illinois COVID-19 Executive Order, convened a meeting on April 25, 2024 at 200 W. Adams, Chicago, Illinois commencing at 9:45 a.m. and adjourned at 10:48 a.m. Participants in the meeting were:

**Appearances:**

Mr. Keith Hill, Chairman  
Mr. Thomas McKone, Vice-Chairman  
Mr. Woodrow Eiland  
Mr. Tiant Gatewood  
Mr. Mike Bowen (for Theresa Fletcher-Brown)  
Mr. Jeremy Fine  
Ms. April Morgan (arrived at 10:17)  
Mr. Joseph Burke (virtual)  
Mr. Andrew Fuller (virtual)  
Ms. Pennie McCoach (virtual)  
Mr. John Burkard

**Alternate Trustees:**

Ms. Georgette Hampton (virtual - initially for April Morgan)  
Mr. Mark Weems (virtual)  
Mr. Marqueal Williams (virtual)  
Mr. Chris Kasmer (virtual)  
Ms. Michelle Curran (virtual)

**Also Present:**

Mr. Paul Sidrys, Executive Director  
Ms. Rachel Bossard, Plan Counsel  
Mr. Norman Buckwalter  
Mr. Brad Hampton (virtual)  
Mr. Craig Goesel  
Mr. Jake Jemmi  
Mr. Stanley Mui  
Ms. Elsa Trejo  
Ms. Rosa Rios (virtual)  
Ms. Anita Tanay (virtual)

Ms. Lindsay Goodman (virtual)  
Mr. Ron Willis  
Mr. Hector Flores

### **Consideration of Minutes from prior Meeting**

The Chairman inquired as to the presence of a quorum. Mr. Sidrys called the roll and reported that a quorum was present.

Mr. Eiland made a motion to defer the minutes from the February 22, 2024 Board Meeting. Mr. The motion was seconded by Mr. Burkard. The roll was taken, and the motion passed. Mr. McKone made a motion to approve the minutes from the March 28, 2024 Board Meeting. The motion was seconded by Mr. Eiland. The roll was taken, and the motion passed. Ms. McCoach made a motion to defer the February 22, 2024 minutes from Executive Session. The motion was seconded by Mr. Bowen. The roll was taken and the motion passed.

Once April Morgan joined the meeting, Mr. Gatewood made a motion to approve the February regular session and executive session minutes. The motion was seconded by Mr. Eiland. The roll was taken, and the motion passed. Mr. Morgan noted that she was present during the February meeting.

### **Investment Committee**

The Investment Committee Report was given by Mr. Brad Hampton. Mr. Hampton stating that it has been a strong first three months of the year for equities, a little less so for fixed income. Bank loans are up 2.5 percent. Markets are dependent upon what the Fed will do as far as cutting rates. The Plan's fixed income portfolio is up about half a percent while the broad market is down about 1 percent. The Magnificent Seven technology companies are now down to the Fab Four or Fab Five. As a result, value stocks are starting to show their benefit. In March, value outperformed by about 3 percent compared to growth. The S&P through the end of March was up 26 percent. Q1 economic growth was about 1.6 percent, which was below expectations of 2.4 percent. The strength of the dollar has tracked closely with interest rates. Real estate has not done well since 2022 and property values have come down about 14 percent. On the positive side of real estate is infrastructure. The Plan is seeing healthy performance out of private equity.

In response to a question from Mr. Sidrys, Mr. Hampton explained that a drop in the GDP numbers could be a sign that the Fed will be more accommodating with interest rates.

In response to a question from Mr. McKone, Mr. Hampton explained that when there is conflict in the Middle East, energy prices go up, which is generally bad for the economy.

The total market value as of April 24, 2024 was \$1,978,329,643, with a cash balance of \$3,122,991. Markets have pulled back about 1.8 percent in April. Fixed income is underweight, which has been a positive. Private equity assets have done well. The 4 percent liquidation with Partners Group should come through in June or July and can be used to funnel back into the underweight areas. Equity continued to carry the bulk of the load in terms of performance and was up about 6.6 percent, with U.S. equities up 9 percent versus non-U.S. equities at 3.6 percent. The Plan's assets

have benefitted from the Magnificent Seven, with Edgar Loman and Parading at 6 percent of the portfolio. Small cap value has deviated from large cap and is doing well. Global Low Vol has been a good addition to dampen some of the volatility. Brown Capital has seen some growth. The Plan has good exposure on both privately held and publicly held assets in infrastructure. The Plan has had a 1.2 percent gain over the market in fixed income. Edgar Lomax and Paradigm has outperformed over the broad market about 2.5 to 3 percent. The Plan has seen a 4.3 percent return with Global Low Vol through Rhumblin and Fidelity. ARGA has outperformed pretty significantly. There has been a 3 percent pullback on real estate and infrastructure.

### **Old Business**

In response to an inquiry from the Chairman, Mr. Bossard reported that there was no litigation summary to report.

Norm Buckwalter from Segal reported that the pension software project is still in green light status, slightly ahead of schedule, and is 28 percent complete. He reported that they have started the data conversion and have successfully extracted files from the old FoxPro System and converted them to the Procentia system. There will likely be some amount of data cleanup, which is normal. They are expecting to have the first walkthrough of the configured system in late May, which is also ahead of schedule. Procentia should be invoicing for the first phase of the project. Segal will be validating the invoicing.

Mr. Sidrys reminded the Trustees about their ethics requirements and the deadline of May 1, 2024.

Mr. Sidrys reported on the status of the participant appeal on the interest paid on his refund of contributions. Ms. Bossard explained that the appeal relates to the way the FoxPro System was programmed decades ago by Jerry Taylor, who reportedly programmed it pursuant to instructions by the Board. Discussion was held among the Trustees and a decision was made to defer the matter to the May meeting.

### **General Administration Committee**

The General Administration Committee report was then given by Ms. McCoach. Mr. Hill made a motion to approve the report including the items set forth in Section 7A through 7J. The motion was seconded by Mr. Burkard. A roll call vote was taken. The motion passed unanimously. Ms. McCoach reported that there were two requests to attend educational conference. One from Mr. Williams and one from Ms. Trejo. Mr. Gatewood made a motion to approve. The motion was seconded by Mr. Eiland. A roll call vote was taken. The motion passed unanimously.

Mr. McKone made a motion to conclude the meeting and go into Joint Session with Trustees of the Retiree Health Care Trust. Mr. Hill seconded the motion. A roll call vote was taken. The motion passed unanimously.

During the Joint Session a discussion was held on the Trustee's performance evaluation of Mr. Sidrys.