**Notes**
**Meeting of the Trustees of the CTA Retirement Plan**
**February 26, 2026**
***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 February 26, 2026, at 50 S. LaSalle Street, Chicago, Illinois commencing at 9:42 a.m. and adjourned at 10:45 a.m. Participants in the meeting were:

**Appearances:**

Mr. Hill
Mr. McKone
Mr. Williams
Mr. Gatewood
Mr. Bowen (for Mr. Fine)
Ms. Fletcher-Brown
Ms. Morgan (joined remotely before arriving at 10:11 a.m.)
Mr. Fuller (remote)
Mr. Burkard (remote)
Mr. Weems (for Ms. McCoach)
Mr. Burke (remote)

**Alternate Trustees:**

Ms. Townsend
Mr. Kasmer
Mr. Belue
Ms. Noble
Ms. Smith

**Also Present:**

Paul Sidrys
Rachel Bossard
Elsa Trejo
Stanley Mui
Ron Willis
Kweku Obed
Miguel Zarate
Mike Barry

Anita Tanay (remote)
Lindsay Goodman (remote)
Jeff Bora (remote)
Norm Buckwalter (remote)
Kayal Abdullah-Peebles (remote)
Lois Hammond (remote)
Stephen Rosenblat

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

**Consideration of Minutes from Prior Meeting**

A motion was made to approve the minutes from the January 22, 2026, Board Meeting. The motion was seconded. The roll was taken, and the motion passed.

**Public Comment**

There was no public comment.

**Investment Committee**

Mr. Kweku Obed reported the market value through the close of business on January 21, 2026 was $2,291,974,164.66, with $43.5 million in cash. Mr. Obed reported his belief that this is an all time high for the Plan.

The Investment Committee Report was given by Mr. Miguel Zarate. Mr. Zarate reported that for the fourth quarter of 2025, GDP came in at 1.4 percent, which was significantly less than the third quarter, but below expectations. There were 181,000 jobs created in 2025, which was the lowest since 2020. CPI fell to 2.4 percent, the lowest level in five years. The market is still expecting two more rate cuts in 2026. The markets reacted well to the appointment of Kevin Warch to lead the Federal Reserve. We can expect some volatility as we get closer to the midterm elections. The expectations are for higher tax returns and there is talk of a tariff rebate. Lower gas prices have come to fruition.

Mr. Zarate reported that 2026 has started off strong. The S&P 500 is up 1.5 percent for the month. Value stocks are outperforming growth stocks across the board. The non-U.S. equity markets continue to perform well. The MSCI ACWI is up 6 percent for the month. Emerging markets are up 8.9 percent for the month. Fixed income is slightly up at .1 percent for the month. We are starting to see a shift away from the AI trade. We have seen strong results for the Magnificent 7. Software companies were down almost 22 percent. The market is starting to differentiate between the winners and losers when it comes to AI. The Korean market was up 99 percent in 2025. The EU has entered into favorable trade deals with India and Latin America.

In response to a question from Mr. McKone, Mr. Zarate explained that when there is full Republican control, it leads to deregulation. With a divided government, nothing gets done, which is generally positive for the market.

Mr. Obed gave the flash report. The plan is up 2.4 percent for the month of January. For the one-year ending January 31st, the portfolio appreciated 231 million. For the three-month period ending January 31st, the portfolio gained 81 million. The global fixed income composite is up 2.2 percent. The dollar depreciation has been a tailwind for the international fixed income. The U.S. composite is strong, particularly Edgar Lomax. Paradigm performed a bit better than the core index, which was up 1.4 percent for the month. Investors are showing more discernment with respect to AI. Value is being rewarded. Small caps did really well in January. The international composite has had a very solid start to the year. We have rebalanced and reduced the overall impact of Brown Capital on the portfolio. In the non-U.S. part of the portfolio, LSV is up 50.3 percent for the one-year period. The Northern Trust Index is up 43 percent; Argo is up 62 percent and J.O. Hambro is up 37.3 percent. The index itself is up 35.2 percent.

We are seeing single digit returns for infrastructure. We expect real estate to do well as interest rates come down. FlexSares is up 2.8 percent for the month and IFM strategy is up 10 basis points. IFM has averaged an annualized return of 10.8 percent net of fees.

In response to a question from Mr. McKone, Mr. Obed reported that the deviation from the index last year was the result of the aggressive stocks being rewarded, whereas the plan's active managers are a bit more cautious. He explained that at some point, the market will return to rewarding good companies and we should see less tracking error in 2026.

Mr. Obed reported that there were 8 responses to the RFP for infrastructure. They narrowed it down to two candidates. CBRE and Ullico. They recommend a $50 million allocation to CBRE and a $10 million allocation to Ullico. CBRE is a larger manager and a good diversifier to the large-cap exposures. They compliment IFM nicely. Ullico is a North American-focused strategy. They are a manager that is yielding cash and would add more diversification to the portfolio. IFM is the core anchor of the portfolio with CBRE being the core-plus complement and Ullico being the domestic-leaning complement.

Mr. Weems made a motion to accept the recommendation. The motion was seconded by Mr. Gatewood. The roll was taken, and the motion passed.

Mr. Sidrys noted that Ms. Morgan had joined the meeting.

**Summary of Litigation**

Ms. Bossard reported that the Brown matter is still pending, that the Browns recently obtained new counsel, and there is a hearing on March 17, 2026.

**Old Business**

Mr. Buckwalter reported on the status of the software update. He reported that the awareness flyers were sent to the retirees in late December. Mr. Buckwalter stated that he was out of the office for three weeks, causing a bit of delay in the progress of the self-service portal. They wanted to add a second website address to make it easier for retirees. This meant that the registration letters needed to be rewritten and approved. The updated letters went to the printers yesterday. This has resulted in a one-month delay in the rollout. The Plan staff can expect to see a spike in calls during March. Then the focus will shift to active members, which will likely rollout in late April.

Procentia continues to go above and beyond in addressing issues that arise. We are just past the six-month part on the warranty.

In response to a question from Mr. Sidrys, Mr. Buckwalter reported that Procentia has submitted a request for the holdback payment and they plan to release the payment.

Mr. Sidrys reported that all of the trustees should have received the responses to the RFP for legal services. Mr. Weems requested an extension of one week to review. After some discussion, it was agreed that the deadline for the scores would be March 16, 2026.

**General Administration**

The General Administration Committee report was then given by Mr. Weems. Mr. Gatewood made a motion to accept the items set forth in Section 8A 1 through 10 on the agenda. The motion was seconded by Mr. Williams. A roll call vote was taken, and the motion passed. There were no requests for educational conferences.

**New Business**

Mr. McKone made a motion to move the March Board meeting to March 19, 2026. The motion was seconded by Mr. Burke. The roll was taken, and the motion passed.

**Appeals**

Ms. Lois Hammond made a brief statement regarding her appeal relating to her refund of contributions. After a brief discussion, the trustees agreed that some additional investigation was warranted. The matter was deferred to the March meeting.

There were multiple motions and seconds to adjourn. A roll call vote was taken, and the motion passed.