

Meeting of the Retirement Plan for CTA Employees Board of Trustees

55 West Monroe Street
Suite 1950
Chicago, IL 60603

November 19, 2015

Approved Meeting Minutes

A regular meeting of the Board of Trustees of the Retirement Plan for CTA Employees was held on November 19, 2015 at One North Franklin Street, 27th floor.

The following Trustees were present:

John Burkard, Chair
Joan Coogan, Vice-Chair
Carlos Acevedo
David Biggs as an Alternate for Ronald Ester
Joseph J. Burke
Erin Kleist
Kenneth Franklin
Valerie Matthews-Wilson
Tom McKone
Tommy Sams, Jr.
Paul Sidrys

Executive Director, John Kallianis, was present. Mike Virgil of BWM&S was present as General Counsel for the Retirement Plan. Appearing on behalf of the ATU Local 308 appointed Trustee was Brandon Anderson, of Jacobs, Burns, Orlove and Hernandez. Appearing on behalf of the ATU Local 241 appointed Trustees was Justin Lannoye of Dowd, Bloch, Bennett, Cervone, Auerbach & Yokich. Appearing on behalf of the CTA-appointed Trustees was James P. Daley, of Jackson Lewis, LLP. Appearing on behalf of the Regional Transit Authority-appointed Trustee was Daniel Salemi of Franczek Radelet, PC.

Also present were Kweku Obed and Miguel Zarate of Marquette Associates.

On motion by Mr. Acevedo, seconded by Mr. Sams, the Board approved the minutes for the October 22, 2015 Regular meeting.

On motion by Mr. Sams, seconded by Mr. Burke, the Trustees accepted the appointment of Carlos Acevedo, Mark Weems, Joan Coogan, and Tom McKone to the Payroll Review Subcommittee.

On a motion by Mr. Acevedo, seconded by Mr. Sidrys, the Trustees appointed Ken Franklin as Chair and Ms. Coogan as Vice-Chair, Tommy Sams as member and Ron Ester as member of the General Administration Subcommittee.

General Administration Committee Items

Mr. Franklin presented the General Administration items 4a through 4i, including benefit applications and bills and remittances, for approval. On a motion by Mr. Acevedo, seconded by Mr. Sams, the Board approved items 4a through 4i.

Mr. Franklin presented to the Trustees a report of the IFEBP conference that he and Mr. Weems attended. He indicated that the conference covered many important subjects relative to financial managing, decision making, and forecasting for pension funds, and that they found the conference to be very beneficial.

Investment Committee Items

Mr. Obed, of Marquette Associates, reported that the market value of the fund from the previous day's close was \$1,737,116,163.52. He provided information on the market environment report for the Retirement Plan for the month of October, 2015. He focused on the recent market volatility and the effect on the Plan's assets. Mr. Obed, then reviewed the performance of the Retirement Plan for the month of October 2015, and indicated that as we continue to move toward the approved asset allocations, we are seeing overweight in some asset classes such as US Equities, hedge funds and cash, but we will bring those down to help us fund the new mandates.

Mr. Obed then presented the timeline of what is on the table for November and December 2015, educational sessions, reviewing RFP for Emerging Market Small Cap, transition from Amalgatrust Intermediate to Amalgatrust Core Fixed Income and issuing new RFPs for Mezzanine, Bank Loans, and Infrastructure. He indicated that Marquette is currently reviewing the responses received regarding the RFP for Emerging Market Small Cap.

Mr. Obed then presented the summary of manager changes over the last 12 months, showing that the Retirement Plan has gone thru 21 changes so far. Mr Obed considered these changes significant and he indicated that all those 21 changes could not be possible without the behind the scenes work of Marquette and staff office.

Mr. Kallianis reminded the trustees that we have 2 trainings coming up from Marquette. One schedule on December 3 and the second one scheduled for December 10th of 2015. The topics to be discussed are Mezzanine and Infrastructure. He indicated that everyone in attendance should self-report their hours to Rosa in the template provided by Rosa.

Old Business

Mr. Franklin indicated that the General Administration Subcommittee reviewed, modified and updated the bylaws of the Retirement Plan and reached a conclusion that the bylaws should be approved as presented to the Board. On a motion by Mr. Burke, seconded by Mr. Sams, the Trustees approved the bylaws of the Retirement Plan.

Mr. Franklin and Mr. Weems passed out a report from the Payroll Review Committee. Mr. Weems reported that there were about eight items that needed to be resolved and four out of those eight have been resolved by the committee. He indicated that the committee will meet again on Monday, December 7th, at 1:30pm.

Mr. Franklin then asked Mr. Daley if he knows when CTA will provide the additional requested documentation. Mr. Daley responded that by the middle of the week, they should have all the information requested.

New Business

There was no new business discussed.

On a motion by Mr. Acevedo, seconded by Mr. Sams, the Board voted to adjourn the meeting.