

Meeting of the Retirement Plan for CTA Employees
Board of Trustees
October 27, 2022
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 a meeting on October 27, 2022 at 9:58 a.m. and adjourned at 10:57 a.m.

At the direction of the Chairman, a roll call was taken and established that the following Trustees were participating.

Mr. Tom McKone, Chairman
Mr. Keith Hill, Vice-Chairman
Mrs. Toi Bowers
Mr. Joseph Burke
Mr. John Burkard
Mr. Woodrow Eiland
Mr. Eric Dixon
Ms. Georgette Hampton (for Jeremy Fine)
Ms. Theresa Fletcher-Brown
Mr. Andrew Fuller
Ms. April Morgan

Mr. Paul Sidrys
Interim Executive Director

Mr. Richard Burke
General Counsel

Appearances:

Dowd Bloch Bennett & Cervone
8 South Michigan Avenue, 19th Floor
Chicago, IL 60603
By: Mr. Ron Willis on behalf of the ATU 241 Union Trustee

Morgan Lewis & Bockius
77 W. Wacker Drive
Chicago, IL 60601
By: Mr. Dan Salemi on behalf of the RTA Appointed Trustee

Also Present:

Mr. Jeff Bora on behalf of the CTA Trustees

Anita Tanay on behalf of the ATU 308 Union Trustee

Mr. Michael Spsychalski of Marquette Associates

Mr. Gary Behnke
Mr. Jeffrey Mills
Representing Segal

Mr. Mark Weems

Consideration of Minutes from prior Meetings

Chairman McKone called the meeting to order at 9:58 a.m. Mr. Sidrys reported that a quorum was present. Mr. McKone called for consideration of the minutes of the September 22, 2022 meeting of the Trustees. Mr. Dixon made a motion to accept the minutes of the meeting which motion was seconded by Mr. Burkard. A roll call vote was taken. The motion passed on a vote of eight yeases and two abstentions.

Investment Committee

The report was given by Mr. Spsychalski of Marquette Associates. He first gave the report on the market environment. Mr. Spsychalski stated that at the end of September the market value of the Investment Portfolio was approximately \$1.8 billion. The entire portfolio is down 14.4 percent for the year to date. The average public pension fund is down about 18.2 percent. The cash balance of the portfolio was approximately \$8½ million dollars.

Old Business

Chairman McKone called for the final report from Segal in regard to the Operational Assessment of the Plan. At the last month's meeting of the Trustees, a draft report was prepared and during the intervening month time was recorded for the input from Trustees. Mr. Burke then made a motion to accept the Final Report from Segal, which motion was seconded by Mr. Fuller. A roll call vote was taken. The motion passed with ten yeases and zero nos. The Chairman noted that Georgette Hampton had joined in the vote.

Summary of Litigation

There was a summary of litigation which was provided in the packet of information to the Trustees. Mr. Richard Burke added that the *Okere* case was in arbitration on behalf of the Retirement Plan.

He also noted that there are negotiations on-going between the Health Care Trust and the Plaintiffs in the *Williams* case in regard to a settlement.

New Business

The Chairman then asked for the status of the implementation of the items from the New Collective Bargaining Agreement. The Trustees considered the Memorandum of Richard Burke in regard to a procedure to be followed incidental to giving credit for prior service to employees who pursuant to the Agreement opted into the Plan. The recommendation from General Counsel would be that the prior service be credited to individuals once the parties to the Collective Bargaining Agreement so agreed. If implemented, this would be an amendment to the Plan which calls for adoption by the bargaining parties, not by the Trustees. The amendment would be to Section 4.5 of the Plan.

Mr. McKone made a motion to accept the recommendation of Counsel that the individuals who might be opting back into the Plan would be entitled to receive the credit for their prior service once the parties to the Collective Bargaining Agreement, namely Locals 241 and 308 and the Authority had so moved to amend the Plan. The motion was seconded by Ms. Morgan. A vote by the Trustees would not amend the Plan but would be a recommendation to the bargaining parties. A roll call was taken on the motion. The motion passed with 11 votes, and it was a unanimous vote.

The next item under consideration was the Internal Controls Review. Mr. Sidrys stated that he was working with Mr. Dixon, Chairman of the Subcommittee on General Administration to have available individuals to make a proposal for consideration at a future meeting of the Trustees. A presentation would be made at a General Administration meeting sometime prior to the November Trustees' meeting.

Mr. Weems inquired as to the procedures to be followed regarding those individuals who had been fired but then came back to work. Those individuals would have some time to repay their pension contributions. Mr. Sidrys said he would have a report on this at a subsequent meeting.

Mr. Dixon chaired the report of the General Administration Committee. Mr. Hill made a motion to approve the applications, bills and remittances as set forth in Item 6(a) through 6(j) of the agenda, which motion was seconded by Mr. Burke. A roll call vote was taken. The motion passed on a vote of 11 yeses.

Mr. Dixon stated there were no Educational Conference requests pending. There was a report that there was no need for an Executive Session.

At the request of the Chairman, Mr. Richard Burke stated that prior to the Regular Trustees meeting on this date, there was an Executive Session where at there was a discussion in regard to retention of a search firm to assist in the retention of an Executive Director. At the request of the Chairman, Mr. Burke stated that at the Executive Session there was an appointment of a committee to work with the search firm on the appointment of the Executive Director. The Trustees so appointed were Mr. McKone, Ms. Morgan, Mr. Hill, Mr. Dixon, Mr. Kasmer and Mr. Burke.

A motion was made by Ms. Morgan to approve the designation of the committee members, which was seconded by Mr. Eiland. A motion was made in regard to the retention of the Executive Director search firm. A roll call vote was taken and passed with a vote of 11 yeses.

The Chairman stated that in response to an inquiry from Mr. Hill, he would attempt to restructure the meeting format to have the actual meetings rather than virtual meetings.

Mr. Dixon made a motion to adjourn which was seconded by Mr. Eiland and a roll call was taken. The motion passed on a vote of 11 yeses and the meeting adjourned at 10:57 a.m.