

Meeting of the Retirement Plan for CTA Employees
Board of Trustees
February 23, 2023
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 February 23, 2023, at 9:30 a.m. Participants in the meeting were:

Mr. Keith Hill, Chairman
Mr. Tom McKone, Vice-Chairman
Mr. Joseph Burke
Mr. John Burkard
Mr. Eric Dixon
Mr. Woodrow Eiland
Mr. Jeremy Fine
Ms. Theresa Fletcher-Brown
Mr. Andrew Fuller
Mr. Tiant Gatewood
Ms. April Morgan

Also present:

Mr. Paul Sidrys
Interim Executive Director

Mr. Richard W. Burke
General Counsel

Mr. Dan Salemi,
on behalf of RTA Appointed Trustee

Mr. Michael Bowen,
General Manager, HR Services

Mr. Marquel Williams, Local No. 241

Ms. Michele Curran, Deputy CFO and Comptroller

Mr. George Hampton, Senior Manager, Human Resources

Mr. Jairo Naranjo, CTA

Appearances:

Mr. Michael Spsychalski,
Marquette Associates

Consideration of Minutes from prior Meeting

Mr. Sidrys called the roll and advised the attendees that a quorum was present with 11 Trustees. Mr. McKone advised the Trustees that it was timely on the two-year rotation to have a change in the Chair and Vice Chair. Whereupon Ms. Morgan made a motion to appoint Mr. Hill as Chair and Mr. McKone as Vice Chair of the Board. The motion was seconded by Mr. Eiland. A roll call vote was taken and passed on a vote of 11 yeases. Mr. Eiland made a motion to approve the minutes of the January 26, 2023 meeting with two additions, to reflect the attendance of Mr. Jeff Bora and Mrs. Anita Tanay. The motion was seconded by Mr. Burke and a roll call vote taken. The motion passed on a vote of 10 yeases and one abstention, namely, Mr. Dixon.

Investment Committee

The Investment Committee report which was given by Mr. Spsychalski from Marquette. Mr. Spsychalski first gave a market overview. Thereafter, he gave the investment report. Mr. Spsychalski stated that as of the close of business on February 22, 2023, the total market value was \$1,928,478,950, including a cash position of \$7,986,009.88. He also went on to say that the market value at the end of January was \$1,950,064,886. He added that there was no need for rebalancing the portfolio at this time.

Old Business

There was then a report on the summary of litigation by Mr. Burke directing the Trustee's attention to the report which he had distributed prior to the meeting.

Mr. Sidrys stated that he had asked for a proposal from Plante Moran to complete an internal controls review. One of the responses from Plante Moran was that there was a need for a documented process and procedures in the office. The proposal from Plante Moran is to undertake in collaborative fashion such a review. Mr. Sidrys recommended to the Board that it approve the proposal. Mr. Sidrys made the proposal for two reasons. First of all, because it is very difficult to double check work without having a series of written procedures, and secondly, by having people from Plante Moran, you are dealing with people who have expertise in this area. He further recommend that the Board accept the proposal and accept option number two. He believes that option number two is the best blend between a level of detail and keeping the costs low. The work would be done only on behalf of the Retirement Plan. Mr. Fuller made a motion to accept the

proposal for option number two which motion was seconded by Mr. Eiland. A roll call vote was taken. The motion passed on a vote of 11 yeases.

Mr. Sidrys gave an update on the pension administration software. Segal has been putting together pieces from other proposals that they have done that are similar and they are coupling that with specific technical and functional requirements that they have identified in the office. That work is ongoing. The goal is to circulate a first draft to the chairs and then to the administration subcommittee by the 15th of March with a goal of getting it out on the street the following week. He added that the procedure was to be sent out to legal counsel to review in order to make sure it would be a procedure acceptable and consistent with other governmental bodies seeking the same RFP process.

Mr. McKone gave a status report in regard to the search for the Executive Director. Applications for the position have been filed by interested parties and the next step will be review of the applications by the search committee. A number of candidate -vetting interviews are scheduled for March 2nd. Other interviews will be scheduled following a supplemental questionnaire to be completed by the applicants. No indication has yet been received from EFL & Associates, the search firm, as to when there would be reviews by the search committee.

The General Administration Committee

The General Administration Committee report was given by Chairman Dixon. Prior to the meeting, all the Trustees had received a copy of the Board package including the application for benefits and bills and remittances, including item 6A through 6J.

Mr. Sidrys called to the attention of the Trustees, two clarifications in the report. The first of the two changes was an addition for an application for disability retirement for Ms. Pamela Smith, badge no. 34165. The second item was a clarification in regard to staffs that the Plan Office allocates 75 percent to the Pension Plan and 25 percent to the Retirement Healthcare Trust. The packet that went out to the Trustees had that allocation for Mr. Sidrys' contract of employment. This had the effect of Mr. Sidrys' contract with the Retirement Plan going to \$6,831.00 and the same amount for the Retirement Healthcare Trust. Trustee Eiland then moved to approve the Plan material as amended and it was seconded by Trustee Gatewood. A roll call vote was called for and the motion passed unanimously.

New Business

There was no call for an Executive Session.

Mr. Spychalski responded to a question raised during his presentation as to comparative performance. He said that the Retirement Plan ranked in the 35th percentile of a total of 59 plans and in a larger, broader universe of 1500 plans, the Retirement Plan ranked in the 10th percentile.

Mr. Sidrys then called to the attention of the Trustees, their individual obligation to have an eight hour educational program requirement and he recalled reminding them of the need to complete that requirement. Trustee Gatewood then made a motion to adjourn which was seconded by Mr. Eiland. A roll call vote was taken, and the motion passed unanimously. The meeting adjourned at 10:29 a.m.