MINUTES FROM MEETING OF
THE REGIONAL TRANPORTATION AUTHORITY PENSION COMMITTEE
February 14, 2025

The Pension Committee members of the Regional Transportation Pension Plan met in regular session on February 14, 2025, pursuant to notice.

Chairperson Allison Noback (RTA) was present and presided.

Also Present:

Joseph Ellyin – PACE
Tom Stuebner– METRA
Paul Rotatori - RTA
John Milano – METRA
Jim Caronis – Pace
William Lachman – RTA, Chair, RTA Board of Pension Trustees

Support Staff Present included:

Katie Rak – McGuire Woods
Rob Reed – Alliance Pension Consultants, LLC
Pamela Grundt – Alliance Pension Consultants, LLC
Jeff Van Wagner – Alliance Pension Consultants, LLC

Call to Order

Ms. Noback called the meeting to order at 10:08 a.m. Roll call was conducted whereupon a quorum was declared to be present.

Approval of Minutes from the November 8, 2024 meeting

Upon motion by John Milano and seconded by Paul Rotatori, the above minutes were approved with 6 ayes.

Public Comment

Mr. Reed indicated there was no one wishing to make public comment, and no one from the public present.

Update Retirement Choice and the Purchase of Pension Service Credit

The following activity has occurred on the Retirement Choice option:

> 9 individuals from the RTA elected the 401(k), (3 new hire elected the pension).
> 10 individuals from Pace elected the 401(k).
> 27 individuals from Metra elected the 401(k), 29 waiting for election.

The following activity has occurred this year on the Purchase Pension Service:

No activity.

There was a discussion about whether the employer contributions could be contributed as a Roth contribution under Secure 2.0 in the 401(k) and the 457 plans. Katie to research and follow up at May meeting.

Discussion Related to Benchmarking Pension Plan Benefits

The agencies have not met on this subject yet. Item will remain on the agenda for next meeting.

Update on GRS Contract Extension and RFP

Presentation of bidders is on February 26, 2025.

Update on Potential Use of Proxies or Alternate Members in the Absence of a Committee Member

Ms. Rak discussed the options of using proxies in the meeting. Options included attending the meeting and reporting back information from the meeting but not vote on any issues. Robert's Rules of Order would not prevent the use of some form of proxy if it was permitted in the Committee by-laws.

One of two methods could be used.

1) The committee could discuss an issue that would be voted on in the next meeting. A proxy could be used at the next meeting for only the subject(s) that was deferred.

2) Could have an agency proxy where the agency member who is in attendance can vote the 2 votes for the agency on the matter but only for that meeting. To be valid a quorum would need to be present at the meeting.

Procedures would be critical and the biggest issue. It should have limited scope, and all requests should flow through the chair. The proxy should state how the person would vote.

There was also a discussion whether an interim person could be a solution. The initial question came up related to the Trustees. If there was an extended leave of one of the Trustees what is the protocol for covering the absence. An alternate or interim individual would still need to be appointed by the board for outside directors and be appointed by the agency director for inside directors. They would need to go through fiduciary training.

Whichever direction taken it should be as simple as possible.

Discussion on Alliance Pensions, Participant Portal for the Pension Participants

Mr. Van Wagner discussed the advantages and feasibility of using Alliance's Standard Pension Service Center and the Participant Portal for the pension participants.

The first step would be to adopt the Standard Pension Service Center model providing the following advantages:

1 It's safer and has more individuals available to provide services

2) No additional cost

Second phase in multiple steps—

- Have more security
- All forms would be online
- Can collect personal data to help identify participants better
- Benefit calculations could be on the personal web site
- Participant statement could be available on the web site
- History can be stored on site

Could be rolled out in phases
Pending Retirements
Actives
Retirees
Deferred vested

Hardest part is the communication material and getting out to the participants.

Alliance is to provide the outline and cost for the portal before the next meeting in May and vote on the concept at the May meeting.

Mr. Milano made a motion based on Mr. Van Wagner's recommendation to expand Alliance's current services to add its Traditional Standard Pension Service Model with its dedicated teams as outlined today, at no additional cost. Second by Mr. Caronis with 6 ayes

<u>Update on the "Fiscal Cliff"</u>
Still working on it. No new information.

<u>Administrator's Report</u>
Mr. Reed presented the attached Administrator's report.

New Business

Ms. Noback raised the question about pensionable earnings to make sure all agencies are treating certain income consistently. The issue relates to individuals who reach the top of their salary scale and receive a lump sum merit increase. All agencies indicated that they are not reporting it as pensionable earnings and view it like a bonus.

Ms. Rak stated that she has not heard back from the CTA about the RMD issue. She will continue to follow up and has asked for a current copy of the Supplemental Plan

Next meeting May 16, 2025, 10 a.m. at Pace

Mr. Milano moved to adjourn, second by Mr. Caronis at 11:21 a.m. with 6 ayes