

AGENDA

FOR THE 473RD RETIREMENT MEETING OF MAY 16, 1988

1. Meeting will be called to order at 9:30 a.m., Lakes House Room, 14th floor, Holiday Inn Mart Plaza.
2. Approval of the Minutes of the 472nd Meeting held April 18, 1988.
3. Report by Trustee.
4. Real Estate Consulting Services presentations: Gernstetter Associates, Townsend Group and J.H. Elwood & Associates.
5. Presentation of 1st Quarter, 1988 Wellesley Group report.
6. Announcement of deaths reported since the last meeting.
7. Announcement of Pre-Retirement Surviving Spouse Allowances.
8. Presentation of new retirement applications for approval.
9. Employees on Disability Retirement re-examined.
10. Presentation of Refunds of Contributions to be paid May 31, 1988.
11. Presentation of Bills and Remittances.
12. Death Benefits for approval.
13. Report by Secretary of Deposits, Disbursements and Investments.
 - a) Report on results of the asset allocation model.
14. Unfinished Business
 - a) Discussion of an International Equity Allocation.
 - b) Assignment of new seniority date for Charles L. Hawkins. Thirty day extension to repay refund of \$13,944.60 expired 05-09-88. New seniority date for pension purposes only -- 03-09-87.
 - c) Assignment of new seniority date for Nathaniel Hutton. Thirty day extension to repay refund of \$15,302.59 expired 05-09-88. New seniority date for pension purposes only -- 03-09-87.

- d) Thirteen month period to repay refund of contributions and interest expires -- recommendation that the following be granted a 30-day grace period.

Name & Badge No.	13 Month Period Expires	Entered Service Date	Amount Due
Thomas A. Hall #18077	04-19-88	06-02-69	\$14,758.40
William Z. Cornelius #22690	05-03-88	09-10-71	11,618.83

- e) Morton Libert - question of pension calculation.

15. New Business

- a) Bernard Barton - approved for 05-01-88 retirement at Retirement Allowance Committee meeting of 04-18-88 passed away on 04-22-88.
- b) Harry Brown - revoked his retirement application and his B-ALL Survivorship Option which were approved at the Retirement Allowance Committee meeting of 04-18-88 and which were to have become effective on 05-01-88.
- c) Clarence Guse - approved for 05-01-88 disability allowance at Retirement Allowance Committee meeting of 04-18-88 -- returned to work on 04-25-88.
- d) Clavorn Giner - D-2362 - returned to duty 03-15-88.
- e) Patricia Marshall - D-2387 - returned to duty 05-02-88.
- f) Raymond Rumppe - D-2381 - returned to duty 04-04-88.
- g) Discussion of the calculation of compensation for pension earnings purposes for individuals on leave of absence holding full-time union positions.
- h) Proposed amendment to the redemption provisions of the RREEF USA III Fund.

16. Adjournment

RETIREMENT PLAN FOR CHICAGO TRANSIT AUTHORITY EMPLOYEES

The 473rd Meeting of the Retirement Allowance Committee was held Monday, May 16, 1988 at 9:30 A.M., in the Lakes House Room - Holiday Inn, Mart Plaza. The following were in attendance:

Mr. E. Gresham, Chairman	Mr. W. Clark
Mr. C. Knox	Mr. G. Nagle, Secretary
	Mr. D. Perk, Vice Chairman
	Ms. V. Wendorf

Alternate H. Reed sat in W. Black's stead. Alternate L. Morris sat in I. Thomas' stead. Alternates H. Williams, and H. Hegarty were in attendance. Mr. W. Ross and Ms. P. Williams of the Pension Office staff were present. Ms. S. Luthy of the Harris Trust and Savings Bank was present. Mr. R. Gernstetter of Gernstetter Associates was present. Messrs. T. Ahern and K. Lynch of the Townsend Group were present. Mr. J. Elwood and Ms. S. McVickers of J. H. Elwood and Associates were also in attendance. Mr. N. Joachimi, of the Wellesley Group, Inc. was present. Mr. R. Burke, the Plan Attorney was present. Mr. B. Scholz, pensioner representative was also present.

(1) The Chairman called the meeting to order at 9:50 A.M.

(2) On the call for approval of the Minutes of the 472nd meeting, held April 18, 1988, Mr. Perk made a motion for approval, Mr. Reed seconded the motion, and the Committee unanimously approved.

(3) Ms. S. Luthy of the Harris Trust and Savings Bank presented a report on the activity in the markets over the last 30 days and year to date.

(4) The Committee heard presentations on real estate consulting services from: Gernstetter Associates, Townsend Group and J. H. Elwood & Associates. The Secretary then moved that the Committee contract with the Townsend Group to provide the real estate consultant services outlined in their proposal including a due diligence review of the direct properties, with the stipulation that they open a Chicago office. Furthermore, the contract would be for a 2 year period effective 7/1/88 at a fee of \$47,000.00 for the first year and \$31,000.00 for the second year. The motion was seconded by Mr. Perk and the Committee unanimously approved.

(5) Mr. Joachimi presented the 1st Quarter, 1988 Wellesley Group report indicating that he would arrange a meeting with Atalanta Sosnoff in order that they could be questioned regarding their below average performance within their peer group.

(6) The Secretary made the Announcement of Deaths since the last meeting, as per the attached list.

(7) The Secretary reported that there were two Pre-Retirement Surviving Spouse Allowances; Shirley A. Kasniak, effective 3/1/88 and Mary F. Barton, effective 4/1/88.

(8) The Secretary presented twenty-two (22) Retirement Applications for approval, including a request for retroactivity to 5/1/88 for Mr. George A. Hunt. The Secretary noted that this employee was discharged April 28, 1988 for misconduct, however, a memorandum is forthcoming from Mr. Hunt's department manager requesting retroactivity because he was allowed reinstatement for retirement purposes and would qualify for a 5/1/88 retirement. The disability allowance applications for Maria Agnew, Charles Lyons and Eloise Wilkinson were approved pending medical evaluation. On a motion by Mr. Reed, seconded by Mr. Knox, the Committee unanimously approved the retirement applications as presented including the request for retroactivity for Mr. Hunt.

(9) The Secretary informed the Committee that seventeen (17) employees who are presently receiving Disability Retirement Benefits were examined or had their files reviewed.

(10) The Secretary presented twenty-four (24) Refunds of Contributions totaling \$140,899.25 for approval. On a motion by Mr. Morris, seconded by Mr. Perk, the Committee unanimously approved the Refunds of Contributions to be paid May 31, 1988.

(11) The Secretary presented for approval one (1) Chicago Transit Authority Bill, totaling \$43,600.49, twenty (20) Operating Bills, totaling \$115,976.33, nine (9) Remittances, totaling \$478,425.92 and the FIT Deposit, totaling \$204,042.54. On a motion by Mr. Perk, seconded by Mr. Morris, the Committee

unanimously approved the Bills and Remittances, totaling \$842,045.28.

(12) The Secretary presented for approval thirty (30) Death Benefits, totaling \$92,000.00. On a motion by Mr. Morris, seconded by Mr. Knox, the Committee unanimously approved the Death Benefits to be paid May 31, 1988.

(13) The Secretary turned the Committee's attention to the Report on Deposits, Disbursements and Investments in the Trustee Summary and noted that the April, 1988 performance for the Fund was 1.29% and the market value of the total assets of the Plan as of April 30, 1988 was \$800.2 million.

(13a) The Secretary presented a report on the results of the asset allocation model which indicated that the inception to date (thru 4/30/88) value added by the Boston Company was 1.76%. The report also identified the asset allocation changes since inception and indicated that the market value of the Boston Company account was \$81,054,729.00 as of April 30, 1988.

The Secretary then asked Mr. Burke to expound on the Age Discrimination in Employment Act. Mr. Burke noted that there was a new development regarding the provisions of this Act which he would address in a handout at the June Committee meeting.

(14a) The Secretary provided a handout of an excerpt from Arbitrator Healy's Award, dated 11/08/86 with regards to the in-

ternational investment policy. The Plan Attorney explained that the Award did not preclude the Committee from allocating funds to international equities on an unrestricted basis with regard to South Africa. The Secretary and Mr. Joachimi reviewed with the Committee handouts which addressed the previously raised questions in regard to international equities. At the conclusion of discussion on this item, the Committee accepted Mr. Joachimi's suggestion that he prepare a policy statement that would address the concerns regarding South Africa with respect to international investing.

(14b) The Secretary recommended that the Committee assign a new pension seniority date for Charles L. Hawkins whose thirty day extension to repay a refund of \$13,944.60 expired 5/9/88. On a motion by Mr. Morris, seconded by Mr. Perk, the Committee unanimously approved a new pension seniority date of 3/9/87 for Mr. Hawkins.

(14c) The Secretary recommended that the Committee assign a new pension seniority date for Nathaniel Hutton whose thirty day extension to repay a refund of \$15,302.59 expired 5/9/88. On a motion by Mr. Nagle, seconded by Mr. Knox, the Committee unanimously approved a new pension seniority date of 3/9/87 for Mr. Hutton.

(14d) The Secretary informed the Committee that the following employee's thirteen month period for repayment of contributions


had expired and recommended that they be granted a 30-day grace period: Thomas A. Hall and William Z. Cornelius. On a motion by Mr. Nagle, seconded by Mr. Perk, the Committee unanimously approved.

(14e) The Secretary distributed a memo which provided information on the pension calculation for Morton Libert.

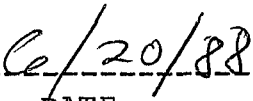
The Plan Attorney then noted that there was no quorum and therefore, the Chairman suspended the meeting at 2:45 P.M.



EXECUTIVE SECRETARY
RETIREMENT ALLOWANCE COMMITTEE



CHAIRMAN
RETIREMENT ALLOWANCE COMMITTEE



DATE