

AGENDA

For the 612th Retirement Allowance Committee Meeting of January 25, 2000

1. Meeting will be called to order at 08:30 A.M., Northern Trust Company, 50 South LaSalle Street, Directors Dining Room - 6th Floor.
2. Roll call.
3. Approval of the Minutes of the 611th Meeting held December 28, 1999
4. Investment Subcommittee report.
 - a) Financial Report
5. Real Estate Subcommittee report.
 - a) Presentation: Alliance Investment Management
6. Subcommittee on General Administration
 - a) Announcement of deaths reported since the last meeting.
 - b) Presentation of Pre-Retirement Surviving Spouse Allowances for approval.
 - c) Presentation of new retirement applications for approval.
 - (i) Carmen Betances - #3802 - (disability) - request for retro-activity to 09-01-99.
 - (ii) Elgie B. Delaney - #2572 - (disability) - request for retro-activity to 01-01-2000.
 - (iii) Sarah Brown - #11857 - (disability) - request for retro-activity to 01-01-2000.
 - d) Presentation of Death Benefits for approval.
 - e) Presentation of Refunds of Contributions for approval.
 - f) Presentation of Bills and Remittances for approval.
7. Old Business
8. New Business
9. Executive Session
10. Adjournment

The 612th Retirement Allowance Committee Meeting for the Retirement Plan for Chicago Transit Authority Employees.

I. Full Meeting Minutes

A regular meeting of the Retirement Allowance Committee was held on January 25, 2000 at The Northern Trust. The Chairman and the Secretary (Executive Director) were present. A quorum being present, the meeting was called to order at approximately 10:30 a.m.. The minutes of the 611th meeting were approved as corrected.

A roll call was taken indicating that the following members were present:

Wanda Black
Isaiah Thomas (for Claudette Ogletree)
Loid Brown
Jerry Williams
Susan Leonis
Dick Winston
Dennis Anosike
Marcel Acosta
Craig Lang

General Administration Report

A brief report was given by Ms. Black in the absence of Mr. Barnes on the General Administration Subcommittee Meeting. The report on the Subcommittee meeting, including all of the items included in the agenda for the General Administration Subcommittee, was approved on a motion by Susan Leonis. This included the necessary corrections to the "bills and remittances" section.

Investment Report

A brief report was given by Mr. Williams on the Investment Subcommittee Meeting. The report on the Subcommittee meeting was approved on a motion by Ms. Leonis.

Real Estate Report

A brief report was given by Mr. Acosta on the Real Estate Subcommittee Meeting. The report on the Subcommittee meeting was approved on a motion by Mr. Brown.

Old Business

There was a motion made by Ms. Black that we approve the payments to the Law Firm of Collins and Bargione in relation to them representing us in the case with FFS. The motion was approved.

New Business

There was motion made by Mr. Williams to increase the hourly fee paid to Burke, Warren, McKay from \$125 per hour to \$150 per hour. The motion was approved.

Also under new business, Ms. Black informed the Committee that Mr. Willie Means Jr. would be replacing Leonard Morris as the alternate to Claudette Ogletree now that Mr. Morris has become the Assistant to the Deputy Executive Director at the Pension Office.

The meeting was adjourned at approximately 11:15 a.m. on a motion made by Mr. Winston.

II. General Administration Subcommittee Minutes

A regular meeting of the General Administration Subcommittee was held on January 25, 2000 at The Northern Trust. The Chairman and the Secretary (Executive Director) were present. A quorum being present, the meeting was called to order at approximately 8:45 a.m..

Ms. Black presented for approval the pre-retirement surviving spouse allowances, the regular retirements, disability retirements, death benefits, refunds of contributions and payment of bills and remittances.

Ms. Black reported on the number deaths since the last meeting.

Mr. Kallianis pointed out that on page twenty-five (25) the Lucent Technologies lease figure of \$4,950 should be stricken and the number on page twenty 26 for Lucent Technologies should read \$18,957.00. There was a \$5,000 discount by making a decision by January 28, 2000. Lucent had a Y2K promotion going on. So the cost is \$18,957.00 as opposed to \$22,988.00.

Ms. Black stated that total of remittances for this month \$3,046,552.13 with the corrections.

Mr. Kallianis gave a brief report on the office including office clean up, keeping Irma Muniz on as an hourly employee, the new phone system, the new Local Area Network (LAN) and the Pitney Bowes Postage machine.

Mr. Kallianis also asked for leave from the Committee to pay regular operating bills in advance of the meeting dates so as to not incur late fees.

On a motion by Loid Brown, the committee approved that Irma Muniz be kept on for another month at request of the Executive Director, also the minor bills that came in such as phone, copy paper will be paid prior to approval of this committee, but they have to be listed on the committee report for office operating bills.

At Mr. Kallianis' request, Ms. Rayford gave a brief update on the Disability Pension Project that includes follow up exams beginning on 2/17/00 and Physician's Questionnaires.

There was general discussion about calculation and payment of benefits to Part-Time union officers by the Subcommittee. Mr. Burke indicated that he would again attempt to get the CTA and Union attorneys together for a meeting, but would give an opinion as to the calculations short of a meeting. The final discussion on this matter was cleared up by Ms. Black and Mr. Burke.

The Subcommittee on General Administration was adjourned on a motion made by Mr. Brown.

III. Investment Subcommittee Minutes

A regular meeting of the Investment Subcommittee was held on January 25, 2000 at The Northern Trust. The Chairman and the Secretary (Executive Director) were present. A quorum being present, the meeting was called to order at approximately 9:30 a.m..

Mr. Kallianis reported that the Audit and the Actuarial Assessment for 1998 would be completed by the next Meeting.

Mr. Williams want to know what going to happen to asset allocation. He wants Ned to give us a report on what should happen in that arena.

There was general discussion about the timeline for the appointment and termination of Investment Managers.

There was also some discussion on the need for the Investment Managers to also be Registered Investment Advisors.

Mr. Ross gave a brief update on the Financial Status of the Plan. The market value for the Plan was approximately \$1,910,000,000. The return figure for the current month was 5.37% and for the year was 13.46%. The last five years market has been very good for us. The low figure for the five years was 12%.

The Subcommittee on Investments was adjourned on a motion made by Mr. Brown.

IV. Real Estate Subcommittee Minutes

A regular meeting of the Real Estate Subcommittee was held on January 25, 2000 at The Northern Trust. The Chairman and the Secretary (Executive Director) were present. A quorum being present, the meeting was called to order at approximately 10:00 a.m..

A special presentation was made by Alliance Investment Management. AIM is a minority owned company categorized as an emerging market company. AIM makes

investments in the Chicago land Area that affect the minority community by develop jobs and creating housing opportunities .

Mr. Lynch of the Townsend Group gave a brief update on the status of Townsend acting as a Registered Investment Advisor for several of the nominated Real Estate Managers.

The Real Estate Subcommittee was adjourned on the motion of Ms. Black.

Executive Director

Chairman