

RETIREMENT PLAN FOR CTA EMPLOYEES

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NOTICE

TO: Retirement Allowance Committee Members and Alternates

FROM:



John V. Kallianis
Executive Director

DATE: October 16, 2001

RE: RETIREMENT ALLOWANCE COMMITTEE MEETING

This is to announce that the meetings listed below will be held Tuesday, October 23, 2001 at the Northern Trust Company, 50 S. LaSalle Street, in the Director's Dining Room on the 6th floor. The agenda for the full Retirement Allowance Committee Meeting is attached.

- The Subcommittee on General Administration at 8:30 A.M.
- The Investment Subcommittee will immediately follow the Subcommittee on General Administration.
- The Real Estate Subcommittee will immediately follow the Investment Subcommittee.
- The Retirement Allowance Committee Meeting will immediately Follow the Real Estate Subcommittee.

If you have any questions on the agenda, please call me at (312) 463-0350.

JVK:gmb
attachment

AGENDA
For the 633rd Retirement Allowance Committee Meeting of
October 23, 2001

1. Meeting will be called to order at 8:30 A.M., Northern Trust Co., 50 South LaSalle Street, Directors' Dining Room, 6th floor.
2. Roll call
3. Approval of the Minutes of the 632nd meeting held September 25, 2001.
4. Investment Subcommittee
No business
5. Real Estate Subcommittee
 - a.) Report on 2nd Quarter, 2001 performance
6. Subcommittee on General Administration
 - a.) Announcement of deaths reported since last meeting.
 - b.) Presentation of pre-retirement surviving spouse Allowances for approval.
 - c.) Presentation of new retirement applications for approval.

David Gaston #13526 applied for disability allowance effective 11-01-01 and is requesting retroactivity to 05-01-01.
 - d.) Presentation of death benefits for approval.
 - e.) Presentation of refunds of contributions for approval.
 - f.) Presentation of bills and remittances for approval.
 - g.) ***Ralph Horne #2941*** returned to work from disability on 09-28-01.
 - h.) ***Audrey Smith #5547*** returned to work from disability on 10-01-01.

AGENDA
For the 633rd Retirement Allowance Committee Meeting of
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7. Old Business
 - a.) Part-time union officials
 - b.) Gabriel, Roeder, Smith & Company proposal
8. New Business

No business
9. Executive Session
10. Adjournment

The 633rd Retirement Allowance Committee Meeting for the Retirement Plan for the Chicago Transit Authority Employees.

I. Full Meeting Minutes

A regular meeting for the Retirement Allowance Committee was held on October 23, 2001 at the Northern Trust. The Chairman was present. A quorum being present, the meeting was called to order at approximately 10:05 a.m.

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

Dorval Carter
Dennis Anosike
Marcellus Barnes
Wanda Black
Loid Brown
Claudette Ogletree
Joyce Coleman as an alternate for Lynn Sapyta
Jerry Williams
Richard Winston
Kevin Thompson as an alternate for Sue Leonis

On a motion by Ms. Black, the minutes of the 633rd meeting were approved.

General Administration report

A brief report was given by Mr. Barnes on the General Administration Subcommittee Meeting. The report of the Subcommittee, including items 6a through 6h on the subcommittee agenda, which dealt with various benefits, bills and remittances was approved on a motion by Mr. Winston. A discussion occurred regarding the Board's Fiduciary statements, with a vote expected at the November meeting.

Investment Report

Mr. Winston gave a brief report on the Investment Subcommittee Meeting. Invesco's Structured Products Group gave a report on our Structured Core Equity account presented by Sal Albanese and Donna Wilson.

Real Estate Report

A brief report was given by Ms Ogletree on the Real Estate Subcommittee Meeting. Steve Burns of Townsend Group reviewed the second quarter real estate report. The report on the Subcommittee was approved on a motion by Mr. Brown.

Old Business

Discussion regarding part time union officers pension earnings is getting closer to a resolution with a possible meeting prior to the November meeting. Mr. Harris of 308 had some questions with regards to the Executive Director's letter requesting union information needed to calculate part union officers pension eligible earnings. Ms. Black requested that this issue be left in Old Business until it is resolved.

New Business

Mr. Carter made a motion to implement pension benefits with regards to the ratified union contract between the CTA and Local 308. After some discussion, a voice vote was taken. Wanda Black no, Dennis Anosike yes, Marcellus Barnes no, Loid Brown abstain, Jerry Williams yes, Claudette Ogletree no, Kevin Thompson yes, Dorval Carter yes, Richard Winston yes, Joyce Coleman yes. The motion did not pass.

II. General Administration Subcommittee Minutes

A regular meeting of the General Administration Subcommittee was held on October 23, 2001 at the Northern Trust. The Chairman was present. A quorum being present, the meeting was called to order at 8:45a.m.

Mr. Barnes 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. Included in the disability retirements was the payment of retroactive benefits for Mr. David Gaston to 5/1/01. Mr. Barnes stated that the total bills and remittances for the month was \$4,638,206.45.

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 October 23, 2001 at the Northern Trust. The Chair of the Subcommittee was present. A quorum being present, the meeting was called to order at 9:00a.m.

S. Albanese and D. Wilson of Invesco made a presentation on our Core Equity Account. Mr. Gray suggested for next month meeting we might want to review a Private Equity Account.

Mr. Ross gave a brief update on the financial status of the Plan per the FCS Report. The market value for the Plan as indicated in the FCS report for September 30, 2001 was \$1,593,129,791 with performance of -6.13%. The YTD return was -12.40%.

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

IV. Real Estate Subcommittee Minutes

A regular meeting of the Real Estate Subcommittee was held on October 23, 2001 at the Northern Trust. Ms. Ogletree was chair of the Subcommittee. A quorum being present, the meeting was called to order at approximately 9:50a.m.

Steve Burns of Townsend gave a 2nd quarter 2001 update on the Real Estate investment portfolio.

The Real Estate Subcommittee was adjourned on the motion by Mr. Williams.

Executive Director

Chairman