

# The 666<sup>th</sup> meeting of the Retirement Plan for Chicago Transit Authority Employees

## I. Full Meeting Minutes

A regular meeting of the Retirement Allowance Committee was held on August 26, 2004 at LaSalle Bank. The Chairman and the Executive Director were present. A quorum being present, the meeting was called to order at approximately 10:00 a.m.

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

Dennis Anosike  
Marcellus Barnes  
John Burkard  
Hector Flores as an alternate for Ethel Carter  
Paul Fish as an alternate for Dorval Carter  
Carl Lingenfelter  
Leon London  
Rodney Richmond  
Lynn Sapyta  
Richard Winston

On a motion by Mr. Flores, the Committee approved the minutes of the 665<sup>th</sup> meeting of the RAC.

### **Investment Subcommittee Report**

A brief report was given by Mr. Winston on the Investment Subcommittee Meeting. The report of the Subcommittee, including the performance report for the 2<sup>nd</sup> Quarter of 2004, the report from Paradigm Investments and the FCS results for July 2004 was approved on a motion by Mr. Means.

### **General Administration Subcommittee Report**

A brief report was given by Mr. Means on the General Administration Subcommittee Meeting. The report of the Subcommittee, including items 6a through 6i was approved by the Subcommittee on a motion by Ms. Sapyta.

### **Real Estate Subcommittee Report**

There was no business for the Real Estate Subcommittee.

### **Old Business**

There was discussion on the item regarding the administration of benefits following the arbitration award issued last November. Mr. Kallianis indicated that he had received a

copy of the final version of the Plan that had been agreed to by the CTA and the Association. On a motion by Mr. Winston, the Committee authorized Mr. Kallianis to administer the Plan according to the provisions that had been agreed to by the CTA and the Association.

There was then discussion on the September, 2004 meeting date. After some discussion, it was agreed that the meeting date for September, 2004 would be September 27, 2004.

There was then discussion by the Committee regarding Mr. Daryl Jones' request to have his disability benefits reinstated. Mr. Jones' benefits were terminated in 2002 for repeated failure to make himself available for physician's examinations. After some discussion and a recommendation by Mr. Kallianis, the Committee voted, on a motion by Mr. Flores return Mr. Jones to the disability rolls effective July 1, 2004. The Committee would discuss the possibility of retroactive benefits at the next meeting.

#### **New Business**

There was no new business.

#### **Executive Session**

On a motion by Mr. London, the Committee adjourned to Executive Session for the purpose of discussing benefits related to specific Part-Time Union Board members.

After some discussion regarding the payment of retroactive benefits related to the recent Plan changes, the meeting was adjourned on a motion by Mr. Barnes.

## **II. General Administration Subcommittee Minutes**

A regular meeting of the General Administration Subcommittee was held on August 26, 2004 at the offices of LaSalle Bank. The Chairman and the Executive Director were present. A quorum being present, the meeting was called to order at 8:45 am.

Mr. Barnes presented for approval items 6a through 6i, including the pre-retirement surviving spouse allowances, the regular retirements, revoking of applications, disability allowances, death benefits, refunds of contributions, payment of bills and remittances. Mr. Means stated that the total of bills and remittances for the month was \$12,828,915.88.

There was brief discussion on the bills for BWM&S and the associated cases.

Mr. Richmond asked that Ark Capital, Commission Recapture and AA Capital be placed on the agenda for the next meeting.

On a motion by Mr. Barnes, the Subcommittee voted to accept the report and approve the items on the agenda for the General Administration Subcommittee.

### III. Investment Subcommittee Minutes

A regular meeting of the General Administration Subcommittee was held on August 26, 2004 at the offices of LaSalle Bank. The Chairman and the Executive Director were present. A quorum being present, the meeting was called to order at 9:10 a.m.

Mr. Mac Nickey from Northern Trust then gave the Committee an update on the Securities Lending program administered by the Northern Trust on behalf of the Retirement Plan. He indicated that the Plan had earned approximately \$3.4 million since beginning with Northern Trust in 1996.

Mr. Ivory Day from Gray and Company then gave the Committee an update on the investment performance of the fund through the 2<sup>nd</sup> Quarter of 2004. He indicated that the fund had an overall return of 3.8% year to date and a one-year return of 15.6% for the period ending June 30, 2004. Mr. Day recommended that MDL Capital stay on the watch list until the end of 2004.

Mr. James Francis from Paradigm Investment Management briefly updated the Committee on the performance of the large cap product managed on behalf of the fund. He also gave the Committee some information on a new product that they've been offering to existing client and new clients. The Committee asked Mr. Francis to forward the specific information with respect to the new product to Mr. Day and Mr. Kallianis for review.

Mr. Ross then gave the Subcommittee an update on the status of the Fund from the Financial Control Systems report. The Fund earned -2.22% for July of 2004. Year to date, the fund had earned 0.90%. The market value of the Fund at the close of business from the prior day was approximately \$1.274 Billion.

On a motion by Mr. Lingenfelter, the Investment Subcommittee voted to accept the report.

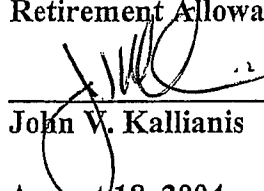
### IV. Real Estate Subcommittee Minutes

There was no business.

## Retirement Plan for CTA Employees

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**TO:** Retirement Allowance Committee Members and Alternates

**FROM:**   
John V. Kallianis

**DATE:** August 18, 2004

**RE:** Retirement Allowance Committee Meeting

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This is to announce that the meetings listed below will be held Thursday, August 26, 2004 at the LaSalle Bank, 135 S. LaSalle, on the 43<sup>rd</sup> floor, in the ABC Room. 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, please call me at (312) 463-0350.

JVK:gmb

AGENDA  
For the 666<sup>th</sup> Retirement Allowance Committee Meeting of  
August 26, 2004

1. Meeting will be called to order at 8:30 A.M. at the LaSalle Bank, 135 S. LaSalle, 43<sup>rd</sup> floor, ABC room.
2. Roll call
3. Approval of the Minutes of the 665<sup>th</sup> meeting.
4. Investment Subcommittee
  - a.) Securities Lending Update/Overview
  - b.) Paradigum update
  - c.) 2<sup>nd</sup> Quarter 2004 results
5. Real Estate Subcommittee

No business
6. Subcommittee on General Administration
  - a.) Announcements of deaths reported since last meeting.
  - b.) Presentation of pre-retirement surviving spouse Allowances for approval.
  - c.) Presentation of new retirement applications for approval.
  - d.) Request for retroactive benefits.
  - e.) List of retirement applications that were revoked.
  - f.) Presentation of death benefits for approval.
  - g.) Presentation of refunds of contributions for approval.
  - h.) Election of Deferred Vested Old-Age Retirement Allowance.
  - i.) Presentation of bills and remittances.
7. Old Business
  - a.) Administration of Arbitration Award/MOA
  - b.) Part-time union board members
  - c.) Fiduciary Liability Insurance
  - d.) Daryl Jones Disability Allowance
8. New Business
9. Executive Session
10. Adjournment