

A G E N D AFOR THE 442ND RETIREMENT MEETING OF OCTOBER 21, 1985

1. Meeting will be called to order at 10:30 A.M., Steamboat Room, 14th floor, Holiday Inn Mart Plaza.
2. Approval of the Minutes of the 441st Meeting held September 16, 1985.
3. Report by Trustee and proposal to extend the maturities of a portion of the liquid cash reserve investments.
4. Announcement of Deaths Reported since last Meeting.
5. Presentation of Survivorship Options.
6. Announcement of Pre-Retirement Surviving Spouse Allowances.
7. Presentation of new applications for approval.
8. Employees on Disability Retirement re-examined.
9. Presentation of Refunds of Contributions to be paid October 31, 1985.
10. Report by Secretary of Deposits, Disbursements and Investments.
  - a.) Report on payment on the Certificate of Indebtedness for 1981 Employer Contributions.
  - b.) Report on Price to Book ratio of the S&P 400.
11. Presentation of Bills and Remittances.
12. Death Benefits for approval.
13. Unfinished Business.
  - a.) Status report on the Investment Consultant Search.
  - b.) Update report on ex-security department employees who have not worked since 09-29-81 and who are eligible to vest or retire. Status report on litigation brought by these employees. Report by Plan Attorney.
14. New Business.
  - a.) Ricky L. Witt -- D-2227 - retired 08-01-83 - returned to duty 09-16-85.
  - b.) Edmund Hinkle -- D-2172 - retired 02-01-82 - returned to duty 10-01-85.

c.) Assignment of New Pension Seniority Dates as a result of the non-payment of Contribution refunds within a 13 month period as provided in Rule 21.

NAME	REINSTATEMENT DATE	ENTERED SERVICE DATE	AMOUNT OWED
Valerie E. Coleman	09-05-84	05-05-80	\$ 1,272.29
Ray Evans	09-11-84	09-15-72	12,631.55
Daniel B. Glover	09-05-84	05-07-80	1,482.77
Michael R. Hopkins	09-05-84	05-12-80	1,487.86
Richard L. Joiner	09-04-84	01-10-80	1,630.46
Ernest K. Leaks	09-04-84	02-28-80	1,787.72
Robert Locke	09-05-84	04-30-80	1,282.74
Willie J. Peoples	09-05-84	07-31-80	5.15
Sharon L. Perry	09-04-84	12-27-79	1,977.31
Elgena J. Saddler	09-04-84	02-21-80	1,339.49
Elliott J. Smith	09-04-84	12-10-79	2,250.78
Lenora Townsen	09-04-84	12-13-79	1,795.47
Jesse L. Walker	09-05-84	04-03-80	1,372.69
Johnnie J. Williams	09-05-84	05-07-80	1,573.34

15. Adjournment.

RETIREMENT PLAN  
FOR  
CHICAGO TRANSIT AUTHORITY EMPLOYEES

The 442nd Meeting of the Retirement Allowance Committee was held Monday, October 21, 1985, in the Steamboat Room, 14th Floor, Holiday Inn Mart Plaza. The following were in attendance:

Mr. C. Andersen	Mr. G. Nagle
Mr. E. Flowers	Mr. D. Perk
Mr. E. Gresham	Mr. I. Thomas
Mr. A. Kasmer	

The Secretary noted that Mr. R. Jania was sitting in Mr. Andrzejewski's stead; and Mr. R. O'Connor was sitting in Mr. Gallagher's stead. Neither Ms. W. Black nor her alternate was present. Messrs. L. Brown, H. Williams, L. Morris and Ms. A. Curtis were present. Messrs. J. Mullen, Ms. P. Williams and Ms. C. Cox were present. Mr. J. Weatherspoon was present. Mr. G. Schedler of the Harris Trust & Savings Bank was present. Mr. J. Baratka of The Wyatt Company was present. Mr. R. Burke, the Plan Attorney, was present. Mr. B. Scholz, pensioner representative, was also present.

In the absence of the Chairman, the Vice Chair-

man called the meeting to order at 10:43 A.M.

The Vice Chairman called for approval of the Minutes of the 441st Meeting, held September 16, 1985. On a motion by Mr. Kasmer, seconded by Mr. Perk, the Committee unanimously approved the Minutes of the 441st Meeting, held September 16, 1985.

Mr. G. Schedler of the Harris Trust & Savings Bank distributed copies of and explained to the Committee a report on the activity in the market for the last 30-day period.

The Secretary then turned the Committee's attention to a proposal, a copy of which was distributed to Committee Members, to extend the maturities of a portion of the liquid cash reserve investments by placing it in a special short term investment fund at the Harris Bank. He explained that the current cash reserves of approximately \$113 million are invested in the Harris Investment Reserve Fund (IRF) which is designed to provide daily liquidity and therefore has an average maturity of 30 to 40 days. An alternate cash management vehicle called the Harris Intermediate Term Reserve Fund (ITRF) invests in short term securities that have slightly longer maturities, specifically, an average of approximately eleven (11) months. As a result, the ITRF Fund has historically returned 100 basis points in excess of the return of the Intermediate Reserve Fund. A discussion ensued between Committee Members during which Mr. O'Connor made a motion that the Harris Bank and the Pension Department staff be given authorization to move ahead with the investments. Further discussion ensued

during which Messrs. Gresham and Perk stated that they disagreed with the motion because it would give Harris Bank and the Pension Department staff cart blanche on investing a portion of the Fund's monies. Mr. Andersen suggested that a study be done and a presentation made to the Committee prior to entering into a venture of this type. Messrs. Flowers, Perk, and Gresham agreed that a study and presentation be made prior to making a decision on this matter. Mr. Thomas made a motion that this matter be deferred to the next meeting at which time an indepth presentation could be made. Mr. Flowers seconded the motion, and the Committee unanimously agreed.

The Secretary made the announcement of deaths since the last meeting, as per the attached list.

The Secretary informed the Committee that there were two (2) Survivorship Options for approval. On a motion by Mr. Perk, seconded by Mr. Kasmer, the Committee unanimously approved the Survivorship Options.

The Secretary informed the Committee that there was one (1) Pre-Retirement Surviving Spouse Allowance to report which became effective October 1, 1985.

The Secretary presented ten (10) new Retirement Applications for approval, including a request for the May 1, 1985 retroactive retirement for Naomi Tillman. The Secretary noted that the request for retroactive retirement for Ms. Tillman was being made because Ms. Tillman had been on laid-off status for a three (3) year period and had not been returned to any type of gainful employment. Ms. Curtis

questioned the request noting that during the past week there has been some discussion regarding the possibility of a job offer for Ms. Tillman. After a brief discussion, Mr. Perk made a motion that Ms. Tillman's application for retirement be deferred until the next meeting, Mr. Kasmer seconded the motion, and the Committee unanimously approved. The Secretary then made a motion that the remainder of the applications for retirement be approved as presented. Mr. Perk seconded the motion, and the Committee unanimously approved.

The Secretary reported that three (3) employees who are presently receiving Disability Retirement benefits were examined or had their file reviewed.

The Secretary presented nineteen (19) Refunds of Contributions for approval, totaling \$111,734.66. The comparison figures for the same period of time one year ago were nineteen (19) Refunds, totaling \$165,382.86. On a motion by Mr. Perk, seconded by Mr. Jania, the Committee unanimously approved the Refunds of Contributions to be paid October 31, 1985.

The Secretary turned the Committee's attention to the Trustee Summary and presented the report of Deposits Disbursements and Investments noting that the total portfolio had a market value of \$612,590,135.62 at a cost of \$578,498,930.60.

The Secretary turned the Committee's attention to the report on the payment on the Certificate of Indebtedness

and asked Mr. J. Mullen to expound. Mr. Mullen informed the Committee that the \$1,411.658 figure shown represented the September and October payment received from the Authority.

The Secretary informed the Committee that the current level of the Price to Book ratio was 1.55 which requires the Fund to be at a 60 per cent equity exposure - which is the Fund's present level.

The Secretary reported that there was one (1) Chicago Transit Authority bill, totaling \$23,332.12; twenty-two (22) Operating bills, totaling \$95,129.37; nine (9) Remittances, totaling \$414,466.35; and the FIT Deposit, totaling \$116,514.03, for approval. On a motion by Mr. Perk, seconded by Mr. Flowers, the Committee unanimously approved payment of the Bills and Remittances, totaling \$649,441.87, to be paid October 31, 1985.

The Secretary presented for approval thirty-six (36) Death Benefits, totaling \$79,250. The comparison figures for the same period of time one year ago were twenty-six (26) Death Benefits, totaling \$75,500. On a motion by Mr. Perk, seconded by Mr. Flowers, the Committee unanimously approved the Death Benefits.

At the request of the Vice Chairman for the status report on the Investment Consultant Search, the Secretary noted that the matter had been carried over from the last meeting due to the absence of the Chairman and Vice Chairman and asked the Committee how they wished to proceed on the matter since the Chairman was not in attendance at today's meeting. A discussion ensued between Committee Members during which the Vice Chairman

suggested that the matter be deferred until the next meeting. Mr. Perk turned the Vice Chairman's suggestion into a motion, and Mr. Thomas seconded the motion. On the question, Mr. Flowers asked if it would be possible for the representatives of the two companies who are being considered for the position of Investment Consultant to make a presentation before the full Committee prior to a final decision being made. After further discussion, Mr. Perk asked that his motion be amended to read that the matter be deferred to the next meeting at which time the representatives of the two companies seeking the position as the Investment Consultant for the Plan would make a presentation before the full Committee, Mr. Thomas seconded the amended motion. On the call for a vote, all Members except Mr. Kasmer voted for approval of the motion which resulted in its approval.

The Vice Chairman called for an update report by the Plan Attorney on the status of the litigation initiated by the ex-Security Department employees who were displaced in 1981 and are now eligible to vest or retire. The Plan Attorney noted that the court decision was being appealed and asked that these employees be kept in their present status and that matter be reviewed again in December of this year. The Secretary made a motion that the matter be deferred until the December meeting, Mr. Thomas seconded the motion, and the Committee unanimously agreed.

The Secretary informed the Committee that

Ricky L. Witt and Edmund Hinkle, both of whom had been on disability retirement, returned to duty.

The Secretary turned the Committee's attention to the next item on the agenda, the assignment of new pension seniority dates as a result of the non-payment of contribution refunds within a 13-month period as provided in Rule No. 21. The Secretary added the following names to the list: Michael Ollins, reinstated September 4, 1984, entered service February 7, 1980, and owed \$1,558.33; and Ella Hinton, reinstated September 10, 1984, entered service May 13, 1977, and owed \$4,291.89. The Secretary further noted that as a result of the fact that many of these people had moved and left no forwarding address, notices had to be sent to work locations; and, that there had not been ample time for some of the individuals to respond. He also noted that the last group of reinstatements had been granted a 30-day grace period to repay refunds. A discussion ensued between Committee Members during which Mr. Thomas made a motion that the assigning of new seniority dates for the individuals on the list be held in abeyance and they be granted a 30-day extension to repay the refunded contributions and resume their original seniority date for pension purposes, the Secretary seconded the motion, and the Committee unanimously approved.

Mr. Perk asked if the November meeting could be rescheduled from the 18th to the 25th as he and Mr. Kasmer would be attending a seminar during the week of the 18th. After a brief discussion, Mr. Perk made a motion that the November

meeting be rescheduled from November 18th to November 25th, Mr. Kasmer seconded the motion, and the Committee unanimously approved. Further discussion ensued during which the Secretary raised a question regarding the approval for payment of the November bills. The Plan Attorney noted that in past instances when the meeting date was rescheduled authority for the payment of bills was given by the Committee at the previous month's meeting via a motion. The Secretary made a motion that the Pension Department staff be given authority to process the November payments, Mr. Perk seconded the motion, and the Committee unanimously approved.

There being no further business, on a motion by Mr. Flowers, seconded by Messrs. Jania and Andersen, the Committee unanimously agreed to adjourn at 12:12 P.M.

---

SECRETARY  
RETIREMENT ALLOWANCE COMMITTEE

---

CHAIRMAN  
RETIREMENT ALLOWANCE COMMITTEE

DATED \_\_\_\_\_