

AGENDA

FOR THE 479TH RETIREMENT MEETING OF NOVEMBER 21, 1988

1. Meeting will be called to order at 10:00 a.m., Addams Room, Hyatt Regency Chicago.
2. Approval of the Minutes of the 478th Meeting held October 20, 1988 and the Special Meeting of November 7, 1988.
3. Report by Trustee.
4. Presentation of Third Quarter SEI Report - Randall Wood.
5. Announcement of deaths reported since the last meeting.
6. Announcement of Pre-Retirement Surviving Spouse Allowances.
7. Presentation of new retirement applications for approval.
 - a) Terrence Mulligan - disability - retroactive to 11-01-88.
8. Employees on Disability Retirement re-examined.
9. Presentation of Refunds of Contributions to be paid November 30, 1988.
10. Presentation of Bills and Remittances.
11. Death Benefits for approval.
12. Report by Secretary of Deposits, Disbursements and Investments.
 - a) Report on results of the asset allocation model.
13. Unfinished Business
 - a) Discussion of the calculation of compensation for pension earnings purposes for individuals on leave of absence holding full-time union positions.
 - b) Establishment of Investment Policy Subcommittee.
14. New Business
 - a) Earcle Lipscomb - eligibility for disability benefits.
 - b) Samuel Clark, Jr. - D-2443 - returned to duty on 11-07-88.
 - c) Wilfred Dowdell - D-2467 - returned to duty on 10-20-88.
 - d) Discussion - Summary Plan Description.
15. Adjournment

RETIREMENT PLAN FOR CHICAGO TRANSIT AUTHORITY EMPLOYEES

The 479th Meeting of the Retirement Allowance Committee was held Monday, November 21, 1988 at 10:00 A.M., in the Addams Room - Hyatt Regency, Chicago. The following were in attendance:

Ms. W. Black	Mr. C. Andersen
Mr. E. Gresham, Chairman	Mr. C. Burrus
Mr. A. Kasmer, Jr.	Mr. M. Holzman
Mr. C. Knox	Mr. D. Perk
Mr. I. Thomas	

Mr. R. Pirovano, Acting Executive Secretary, was present. Alternate D. Carter sat in Ms. J. Hughes' stead. Alternates A. Curtis, W. Buetow and E. Hill were in attendance. Alternates H. Williams, L. Brown and H. Hegarty were present. 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 in attendance. Mr. G. Nagle was also present. Mr. R. Wood of SEI was present. Mr. J. Baratka of the Wyatt Company was present. Mr. T. Paravola of Burke, Wilson & McIlvaine was present. Mr. B. Scholz, pensioner representative was also in attendance.

- (1) The Chairman called the meeting to order at 10:10 A.M.
- (2) On the call for approval of the Minutes of the 478th meeting, held October 20, 1988 and the Special Meeting held November 7, 1988, Mr. Kasmer made a motion for approval, Mr. Thomas 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) Mr. R. Wood presented the third quarter, 1988 SEI report.

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

(6) The Acting Executive Secretary reported that there were no Pre-Retirement Surviving Spouse Allowances.

(7) The Acting Executive Secretary presented thirteen (13) Retirement Applications for approval, including requests from Personnel Administration for retroactivity to November 1, 1988 for Fernando Torres and Terrence Mulligan because of administrative problems. On a motion by Mr. Kasmer, seconded by Mr. Hegarty, the Committee unanimously approved the retirement applications as presented, including the requests for retroactivity.

(8) The Acting Executive Secretary informed the Committee that ten (10) employees who are presently receiving Disability Retirement Benefits were examined or had their files reviewed.

(9) The Acting Executive Secretary presented twenty-nine (29) Refunds of Contributions, totaling \$161,941.87 for approval. On a motion by Ms. Black, seconded by Mr. Kasmer, the Committee unanimously approved the Refunds of Contributions to be paid

November 30, 1988.

(10) The Acting Executive Secretary presented for approval one (1) Chicago Transit Authority Bill, totaling \$32,359.28, eighteen (18) Operating Bills, totaling \$21,638.39, nine (9) Remittances, totaling \$480,159.78, and the FIT Deposit, totaling \$214,989.81. On a motion by Mr. Holzman, seconded by Mr. Kasmer, the Committee unanimously approved the Bills and Remittances, totaling \$749,147.26.

(11) The Acting Executive Secretary presented for approval twenty-five (25) Death Benefits, totaling \$69,573.66. On a motion by Ms. Black, seconded by Mr. Kasmer, the Committee unanimously approved the Death Benefits to be paid November 30, 1988.

(12) The Acting Executive Secretary turned the Committee's attention to the Report on Deposits, Disbursements and Investments in the Trustee Summary and noted that the October 1988 performance for the Fund was .84% and the value of the total assets of the Plan as of October 31, 1988 amounted to \$839.4 million.

(12a) Mr. W. Ross then presented a report on the results of the asset allocation model which indicated that the inception to date (thru 10/31/88) value added by the Boston Company was 2.13%. The report also identified the asset allocation changes since inception and indicated that the market value of the Boston

Company account was \$85.5 million as of October 31, 1988.

The Acting Executive Secretary then reported on the issue of a Pre-Retirement program, noting that some Committee members attended a 2-night seminar which was held to introduce and acquaint the members with the program. He mentioned that the cost of this program would amount to approximately \$240.00 per couple. A discussion then ensued between Committee members on the benefits that this would have for those active employees nearing retirement age, as far as being notified of their health benefits, survivorship options, life insurance benefits, etc. A motion was made by Mr. Holzman, seconded by Mr. Kasmer, that a subcommittee be formed to further evaluate the pre-retirement program concept. The Committee unanimously approved and Ms. Black, Mr. Perk and Mr. Hegarty were appointed to the subcommittee.

Mr. G. Nagle then presented an update on the J. P. Morgan Petroleum Fund II. He noted that the line item in the Trustee Summary report called "Special Situations - Equity" gave the asset distribution of the Fund as of October 31, 1988 and also noted that the market value of the Fund is \$822,000.00. He stated that 9/30/88 is the fiscal year end for the J. P. Morgan Fund.

(13a) The discussion of the calculation of compensation for pension earnings for individuals on leave of absence holding

full-time union positions was deferred until the next meeting.

(13b) The establishment of the Investment Policy Subcommittee was deferred until the next meeting.

(14a) The Acting Executive Secretary reported that Earcle Lipscomb is not eligible for disability benefits. He noted that Ms. Lipscomb was approved last month for a disability pension beginning November 1, 1988. The Pension Office had been informed that she was disabled with ten years of continuous service and had exhausted her 26 weeks of A & S insurance. Additional documentation had been received which stated that her A & S insurance had ended prior to the time that she had completed 10 years of service and therefore, she is not eligible for a disability pension.

(14b) The Acting Executive Secretary reported that Samuel Clark, Jr., (D-2443) returned to duty on November 7, 1988.

(14c) The Acting Executive Secretary reported that Wilfred Dowdall, (D-2467) returned to duty on October 20, 1988.

(14d) The Acting Executive Secretary turned the Committee's attention to a handout referencing the Summary Plan Description in which he noted that this is a condensed booklet in question and answer form which explains the major provisions of the Retirement Plan. After a brief discussion by Committee members,

on a motion by Mr. Thomas, seconded by Ms. Black, the Committee unanimously approved that the Acting Executive Secretary have this booklet printed for distribution to new and current employees.

Mr. Kasmer then entertained a motion that Mr. Pirovano be entitled to compensation or a wage increase retroactive to the date that Greg Nagle terminated his services as Executive Secretary. After a discussion among Committee members, Mr. Kasmer and Mr. Hegarty rescinded their motions. The Chairman then appointed a subcommittee consisting of Mr. Burrus, Mr. Buetow, Mr. Knox and himself to further look into this issue and report back to the full Committee.

(15) There being no further business, on a motion by Mr. Kasmer, seconded by Mr. Hegarty, the Committee unanimously agreed to adjourn at 12:00 P.M.

ACTING EXECUTIVE SECRETARY
RETIREMENT ALLOWANCE COMMITTEE

CHAIRMAN
RETIREMENT ALLOWANCE COMMITTEE

DATED