

AGENDA

FOR THE 491ST RETIREMENT MEETING OF NOVEMBER 27, 1989

1. Meeting will be called to order at 9:30 a.m., Steamboat Room - Holiday Inn - Mart Plaza.
2. Roll call.
3. Approval of the Minutes of the 490th Meeting held October 24, 1989 and the Special Meeting of November 2, 1989.
4. Investment Subcommittee report.
5. Real Estate Subcommittee report.
6. General Administration and Annuities Management Subcommittee report.
 - 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.
 - 1.) Claudis Toran - retroactive to 11/01/89.
 - 2.) Charles Tabb - retroactive to 09/01/89.
 - d) Presentation of Death Benefits for approval.
 - e) Presentation of Refunds of Contributions for approval.
 - f) Presentation of Bills and Remittances for approval.
 - g) Oliver Watson - #D-2486 - returned to duty on 10/05/89.

- h) Thirteen month period to repay refund of contributions and interest expired - recommendation that the following be granted a 30 day grace period.

<u>Name & Badge No.</u>	<u>13 Month Period Expired</u>	<u>Entered Service Date</u>	<u>Amount Due</u>
Karie Kareem #9843	10/19/89	10/14/74	\$10,335.56
Howard Taylor #9575	09/23/89	04/04/66	\$15,581.78
Lianne Merrill #3129	09/03/89	07/24/75	\$ 7,996.80

- i) Assignment of new seniority date for Larry Bell. Thirty day extension to repay refund of \$2,343.79 expired September 28, 1989. New seniority date for pension purposes only 09-06-79.
- j) Assignment of new seniority date for Kevin McCrea. Thirty day extension to repay refund of \$10,387.26 expired July 19, 1989. New seniority date for pension purposes only 04-15-88.

7. Report by Executive Director of Fund performance.

8. Unfinished business

a) Discussion of the calculation of compensation for pension earnings purposes for all union officers.

b) By-laws Subcommittee report.

9. Adjournment.

RETIREMENT PLAN FOR CHICAGO TRANSIT AUTHORITY EMPLOYEES

The 491st Meeting of the Retirement Allowance Committee was held Monday, November 27, 1989 at 9:30 A.M. in the Steamboat Room, Holiday Inn - Mart Plaza. The following were in attendance:

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

Mr. D. Perk, Executive Director was present. Alternate W. Buetow sat in A. Mandolini's stead. Alternate L. Morris sat in W. Black's stead who arrived late to the meeting. Alternate L. Brown sat in A. Kasmer's stead who arrived late to the meeting. Alternates H. Williams and H. Hegarty were present. Alternates A. Curtis, J. Lawrie were also present. Messrs. R. Pirovano, W. Ross and Ms. P. Williams of the Pension Office staff were present. Ms. S. Luthy and Mr. F. Duda of the Harris Trust and Savings Bank were in attendance. Mr. R. Burke of Burke, Wilson & McIlvaine was present. Mr. B. Scholz, pensioner representative was present.

(1) The Chairman called the meeting to order at 9:42 A.M.

(2) A roll call was taken which indicated that a quorum of the Committee members was present.

(3) On the call for approval of the Minutes of the 490th Meeting held October 24, 1989 and the Special Meeting held November 2, 1989, Mr. Thomas made a motion for approval, Mr. Hill seconded the motion and the Committee unanimously approved.

(4) Mr. Holzman reported on the topics of discussion at the Investment Subcommittee meeting for Chairman Mandolini who was absent (copy of meeting minutes attached). Mr. Fred Duda then reported on the Harris Bank CD program noting that the program has not been as successful as anticipated. He also passed out a listing of the financial institutions that are being canvassed for the program and asked for additional names from the Committee members. There was a suggestion by the Plan Attorney that the Harris make this program more attractive by offering these funds at the Treasury rate. There was also a discussion regarding the possibility of taking these funds outside the Cook County area in order to make the program work. Mr. Duda then noted that he would review this program and report back to the Investment Subcommittee. There was also a discussion on whether the Committee desired to change their investment policy to include a fixed income category. The Chairman suggested that the Investment Subcommittee review this asset class and report back to the full Committee at its January meeting.

Mr. Holzman reviewed the Wellesley data and the Harris Bank's decision to disapprove NCM because the company's history in equities did not meet the history of performance criterion in the Trust Agreement. The Plan Attorney suggested that the Trust Agreement be amended via a document signed by the Committee, the Authority, Locals 241 and 308 and the Harris Trust which would provide that there would be a special category of investment created which would allocate a percentage of the total Fund to be set aside for placement with investment managers as approved by the committee. He recommended that a cap of no more than \$30 million to be allocated to this special managers account. He also noted that managers that are chosen for this category should be monitored for future prospects which would allow them to participate under the customary investment guidelines. A motion was made by Mr. Knox, seconded by Mr. Holzman, that the Committee accept the proposal as recommended by the Plan Attorney. The Committee unanimously approved. On a motion by

Mr. Knox, seconded by Mr. Holzman, the Committee unanimously agreed to accept the Investment Subcommittee report.

(5) The Real Estate Subcommittee report was not given as there was no scheduled meeting.

(6) Mr. Andersen, Chairman of the General Administration and Annuities Management Subcommittee reported on the topics of discussion at his meeting of Wednesday, November 22, 1989. He noted that item nos. 6 (a) - (g) were reviewed and recommended approval for items 6 (b) - (i). On a motion by Mr. Andersen, seconded by Mr. Hill, the Committee unanimously approved agenda items 6 (b) - (i). Item 6 (j) was deferred pending litigation between the Authority and the employee.

(7) The Executive Director turned the Committee's attention to the Report on Deposits, Disbursements and Investments in the Trustee Summary and noted that the October 1989 performance for the total Fund was $-.42\%$ and the value of the assets of the Plan as of October 31, 1989 amounted to \$940,758,438.00.

(8) There was a discussion regarding this issue and the Plan Attorney noted that he had circulated a piece of correspondence to the Authority to expedite in the resolution of this matter. This was then deferred until further information has been provided.

(8b) Mr. Knox, Chairman of the By-Laws Subcommittee distributed copies of the revised By-Laws noting that the revisions to this document have been highlighted.

The Committee unanimously agreed to schedule its next Retirement Allowance Committee meeting on December 18 due to the Christmas Holiday.

The Committee unanimously agreed to go into an executive session for discussion of personnel matters.

(9) There being no further business, the Committee unanimously agreed to adjourn at 11:35 A.M.

Executive Director
Retirement Allowance Committee

Chairman
Retirement Allowance Committee

Dated