

RETIREMENT PLAN FOR CHICAGO TRANSIT AUTHORITY EMPLOYEES

The 527th Meeting of the Retirement Allowance Committee was held Tuesday, December 22, 1992, 10:30 A.M. at the Harris Trust and Savings Bank, 111 West Monroe Street - 37th floor. The following were in attendance:

Mr. I. Thomas, Chairman	Mr. W. Buetow
Ms. W. Black	Mr. E. Hill
Mr. T. Collins	Mr. M. Holzman
Mr. L. Brown	Mr. T. Stevens
Mr. J. Forte	

Mr. D. Perk, Executive Director was present. Alternate L. Murray sat in C. Burrus' stead. Alternates L. Morris, M. Caffery, D. Washington, R. Baughn, C. Lang, P. Beavers and R. Schultz were also present. Mr. A. Mandolini was in attendance. Messrs. R. Pirovano, W. Ross, L. Smith and Ms. P. Williams of the Pension Office staff were in attendance. Mr. B. Baker and Mrs. S. Ross of the Harris Trust & Savings Bank were present. Messrs. B. Scholz, R. Goldman, J. Henderson, T. Vernon and R. Crawford were also present. Mr. R. Burke, Plan Attorney was in attendance.

(1) The Chairman called the meeting to order at 10:32 A.M.

The Chairman then requested that the Retirement Allowance Committee and the pension representatives introduce themselves for the benefit of the new Committee Member and Alternates.

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

(3) On a motion by Mr. Brown, seconded by Ms. Black, the Committee unanimously approved the Minutes of the 526th Meeting held November 24, 1992.

(4) Mr. T. Collins, Chairman of the Investment subcommittee reported on the meeting held Tuesday, December 22, 1992 (copy of meeting minutes attached). On a motion by Ms. Black, seconded by Mr. Brown, the Committee unanimously approved to accept the Investment subcommittee report.

(5) Mr. E. Hill, Chairman of the Real Estate subcommittee then reported on the meeting held Tuesday, December 15, 1992 (copy of meeting minutes attached). On a motion by Mr. Collins, seconded by Mr. Brown, the Committee unanimously approved to file the minutes of the meeting. Mr. Thomas then stated that he would like to have presentations made by other firms than those suggested by the Townsend Group (Capital Associates and JMB). He requested that if any subcommittee members had names of additional firms that they be presented at the next subcommittee meeting.

(6) Ms. W. Black, Chairperson of the General Administration subcommittee reported on the meeting held December 21, 1992. She noted that the subcommittee reviewed agenda items 6 (a) - (f) and at this time requested Committee approval for these items and asked that item 6 (g) be open for Committee discussion. On a motion by Mr. Collins, seconded by Mr. Brown, the Committee unanimously approved agenda items 6 (b) - (f). Mr. Stevens abstained from voting on item 6 (f). Mr. Buetow then stated that he had some concerns with agenda item 6 (f), specifically with the approval of travel expenses for D. Hillock who is no longer an alternate member of the Committee. He noted that D. Washington has taken the place of Mr. Hillock for this requested travel expense. It was noted that Mr. Hillock had paid for his airfare and Chairman Thomas noted that this being the case it would be appropriate to allow Mr. Hillock to attend as a courtesy for years of service on the Committee.

There was then Committee discussion regarding item 6 (g), Ramona Bolden's eligibility for disability pension. Ms. Black raised the question of eligibility for Ramona Bolden. The Plan Attorney then recapped the specifics of Ms. Bolden's case noting that she has requested a disability retirement retroactive to December 1, 1992. Much of Ms. Bolden's CTA employment was full-time temporary (FTT). The question of her eligibility revolved around whether her full-time temporary employment should be considered "continuous service" under the Plan. Chairman Thomas appointed an Ad Hoc Committee composed of Ms. Black, Mr. Buetow and Mr. Burke to investigate the facts to determine whether or not Ms. Bolden is eligible for a pension. This Ad Hoc Committee will report their findings to the Chairman and to the Executive Director. There was then a motion made by Mr. Holzman, seconded by Mr. Brown to direct the Ad Hoc Committee to research this case and if the employee is eligible for disability retirement to start payment on her benefit and if not, to report back to the Committee.

Mr. Burke stated that he would prepare a piece of correspondence for the Committee members with the results of their findings. On a motion by Mr. Collins, seconded by Mr. Brown, the Committee unanimously approved filing of the report.

(7) The Committee's attention was then turned to the issue of the contracts for the retired independent contractors and Mr. Thomas stated that he has been in contact with the Plan Attorney who had some documents for his review and signature. Mr. Thomas stated that at the next meeting he will make a decision on whether or not he will sign off on these documents.

(8) The Executive Director then turned the Committee's attention to the Report on Deposits, Disbursements and Investments in the Trustee Summary and noted that for the month of November the performance for the total Fund was 2.88% and the value of the total assets of the Plan as of November 30, 1992 amounted to \$1,154,089,772.

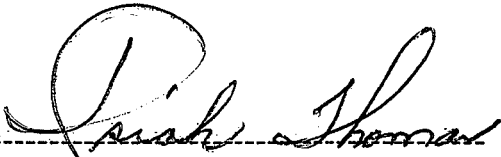
The status of the Pan Agora account was discussed and it was noted that for the month of November this account added 3.8% to the Fund. On October 31, the account was valued at \$77,562.00, as of November 30, the account was at \$81,433.00 and at December 21, 1992 the Pan Agora account was valued at \$82,288,085. The Executive Director then noted the total value of the Fund for the past three months. As of October 31, the Fund was valued at \$1.12B, November 30, \$1.15B and as of December 21, 1992 the Fund was valued at highest it has ever been at \$1,156,821,284.13.

There was some discussion centering around the last page of the Trustee Summary regarding fixed income managers and he noted that the staff had some concerns regarding some of the managers because the Executive Director recalled that the Fund really did not want to enter into a relationship with any managers with bond ratings less than an "A" grading. He stated that the staff looked into the contractual agreements with the seven fixed income managers and there is a requirement that states investment grade as defined by one of the major rating agencies and there are some "BAA" and "BA" rated bonds in the portfolio. There was then a suggestion made that there be a review of these fixed income managers with the consultant to see if they are in compliance with their investment agreements as far as their bond ratings.

(9) There being no further business, the Committee unanimously agreed to adjourn at 12:08 P.M.



EXECUTIVE DIRECTOR,
RETIREMENT ALLOWANCE COMMITTEE



CHAIRMAN,
RETIREMENT ALLOWANCE COMMITTEE

December 22, 1992

DATED