

## REVISED AGENDA

### FOR THE 539TH RETIREMENT MEETING OF DECEMBER 23, 1993

1. Meeting will be called to order at 10:30 a.m., Harris Trust & Savings Bank, 111 West Monroe Street, Executive Dining Rooms - 37th floor.
2. Roll call.
3. Approval of the Minutes of the 538th Meeting held November 23, 1993.
4. Investment Subcommittee report.
5. Real Estate Subcommittee report.
6. Subcommittee on General Administration.
  - 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.
    - (i) Isaaah Washington - #3926 - request for retroactivity to 12/01/93.
    - (ii) Granville Fields - #6201 - request for retroactivity to 12/01/93.
    - (iii) Jose Morales - #21535 - request for retroactivity to 12/01/93.
    - (iv) Katie Lowe - #9111 - request for retroactivity to 11/01/93.
    - (v) Joe Lockhart - #32941 - requesting that 1982 earnings be used in his benefit calculation.
  - d) Presentation of Death Benefits for approval.
  - e) Presentation of Refunds of Contributions for approval.
  - f) Presentation of Bills and Remittances for approval.
  - g) Mary Gallagher - #847 - Disability allowance approved for 8/1/93 - requesting retroactivity to 5/1/91.
  - h) Assignment of new pension seniority date for John A. Menegheni - Thirteen month period to repay \$6,203.82 under Rule #31 expired November 27, 1993. New seniority date for pension purposes only - July 9, 1991.

i) Thomas L. Marasovich - #18038 - repaid \$828.75 under Rule #31.  
Pension seniority date - September 11, 1985.

j) Leamuel Taylor - #7807 - returned to duty on 11/16/93.

7. Old business.

a) Pension Office space discussion.

b) Compensation - Exempt Pension Office Personnel.

c) Evelyn Stewart - found fit to return to duty on 9/27/93.

8. Report by Executive Director.

9. Adjournment.

rev. 12/16/93

RETIREMENT PLAN FOR CHICAGO TRANSIT AUTHORITY EMPLOYEES

The 539th Meeting of the Retirement Allowance Committee was held on Thursday, December 23, 1993 at the Harris Trust and Savings Bank, 111 West Monroe Street, Executive Dining Rooms - 37th floor. The following were in attendance:

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

Mr. D. Perk, Executive Director was in attendance. Mr. C. Lang sat in C. Burrus stead. Mr. L. Morris sat in W. Black's stead. Messrs. R. Pirovano and Ms. P. Williams of the Pension Office staff were present. Messrs. B. Baker and F. Duda of the Harris Trust and Savings Bank were present. Messrs. B. Scholz and J. Henderson, pensioner representatives were also present. Mr. T. Paravola of Burke, Warren & MacKay was also in attendance.

(1) The meeting was called to order at 11:10 A.M.

(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 Mr. Stevens, the Committee unanimously approved the Minutes of the 538th Meeting held November 23, 1993.

(4) Mr. W. Buetow, Chairman of the Investment Subcommittee reported on the meeting held on December 23, 1993 noting that the subcommittee members that were in attendance were I. Thomas, T. Stevens, E. Hill, M. Holzman (copy of Meeting Minutes attached.) He indicated that there was a conference call between Mr. Joachimi and the subcommittee regarding the discussion of funding the international equity managers (Morgan Stanley and Bank of Ireland) and whether or not the funding would have to come from the termination and liquidation of Pan Agora's portfolio or from the other equity managers. He noted that there was a motion made at the subcommittee level which needs to be approved by the full Committee. The motion was to eliminate Pan Agora, with the exception that if somehow, within the next week, they meet or exceed their benchmark as proposed, that this firm be revisited, but if they do not meet the benchmark within the next week, go forward with terminating their relationship with the Fund and transferring the monies from the liquidation of that portfolio to fund the \$50M international equity involvement.

The motion as presented to the full Committee by Mr. Buetow, was seconded by Mr. Brown and the Committee unanimously agreed to the decision that was presented at the subcommittee level.

(5) Mr. Stevens, Chairman of the Real Estate Subcommittee noted that there was a meeting held on December 16, 1993 at the offices of Burke, Warren and MacKay which included a report on the Plan's portfolio by the Townsend Group. He indicated that there was a discussion with RREEF regarding concerns at the Meridian Business Campus for additional capital calls from the investors, updating selling and refinancing proposals for the property, and a revised budget for this property. He also indicated that the 711 Jorie property was discussed and choosing a manager for this property and there was also concerns about the fees, which Mr. Stevens indicated should be discussed in an executive session. He also indicated that he would like to discuss the 191 N. Wacker property in an executive session. The Strategic Plan was also discussed and he indicated that if any Members have any additional concerns about this document to forward them to him and he will forward this to W. Keller to finalize the document. On a motion by Mr. Brown, seconded by Mr. Forte, the Committee unanimously agreed to accept the report of the Real Estate Subcommittee.

(6) Mr. T. Collins, Chairman of the General Administration noted that there was a meeting held earlier this morning and noted agenda items 6 (a) - (j) were reviewed and requested approval for items 6 (b) - (i). He indicated that there was a concern with item 6 (c) regarding the retirement applications. He indicated that a discussion was led that the applicants who made application for January 1st would be notified of the advantages of waiting until February 1st to retire under a Voluntary Early Retirement program. Mr. Collins also noted that with regards to agenda item 6 (h) Mr. John Menegheni was granted a 30 day extension to repay his pension contributions under Rule #21. On a motion by Mr. Thomas, seconded by Mr. Forte, the Committee unanimously approved agenda items 6 (b) - (i).

There was then discussion regarding the Pension Office space search and it was noted that 10 So. Riverside was researched as a possible vacancy as it fulfills the needs of the Pension Department. Mr. Collins also indicated that Pension Office staff was also asked to look at 20 North Michigan and if there are any vacancies in the future, to address this issue at that time. Mr. Collins indicated that at this time there was a recommendation to relocate the Pension Office to 10 So. Riverside if no suitable space is available in the near term at 20 North Michigan.

Mr. Collins also reported that with regards to agenda item 7 (b) it was noted that this issue has to be deferred because of a lack of information.

With regards to agenda item 7 (c), it was noted that there was a position found for Ms. Evelyn Stewart in the same job classification as she held in the past and this employee should no longer receive a benefit from the Retirement Fund.

There was also a discussion regarding employees in Areas 605 and 629 who were assigned light duty jobs were found not to have benefits paid to them once they were sick or injured and some type of investigation should be carried out to find exactly what is going on with these employees. It was noted that this would be tracked or investigated by the Human Resources Department. Also it was brought up that due to the fact that the health insurance premiums for pensioners have increased tremendously over the last few years, this issue should be looked into by the Insurance Department and other members of the Committee.

Mr. Collins also indicated that there was a vacant position in the Pension Department to be held over for discussion in the Executive Session. On a motion by Mr. Lang, seconded by Mr. Forte, the Committee unanimously agreed to accept the report of the General Administration Subcommittee.

(8) The Executive Director then turned the Committee's attention to the Report of Deposits, Disbursements and Investments in the Trustee Summary and noted that for the month of November, 1993 the performance for the total Fund was -0.86% and the value of the total assets of the Plan as of November 30, 1993 amounted to \$1,230,425,191. With regards to the Pan Agora account it was noted that as of November 30, 1993, the account was valued at \$82,256,321 compared to the value of \$83,007,335 at October 31, 1993. He indicated that at the close of business on December 22, 1993 the portfolio was valued at \$84,977,030.66. He also noted that Pan Agora had the Fund invested 90% in stocks and 10% in bonds. The amount of cash in the cash account was \$6,261,099.59. He indicated that all of the equity managers were in negative numbers for the month, with the exception of Ariel Capital and American National Bank. For year to date, however, the 14 equity managers outperformed the S & P 500 index. The Executive Director also indicated with regards to the Real Estate portfolio, he indicated that there are negotiations as to the sale of DFW East-West at \$5.4M, 1 North Hudson was sold off for \$550,000, East-West Tech was sold off to the Illinois Credit Union League and there were two offers on the Adams Building in Houston. He indicated that this property was on the books for \$1,850,000, had an offer for \$1,850,000, a counteroffer for \$2,400,000 and a final offer was made for \$2,020,000 and the property will be sold. He indicated that within the next quarter, four of the PRITA properties would be sold off and, hopefully, the remainder of the properties would be settled at the second or third quarter of 1994.

The Committee unanimously agreed to recess to an Executive Session at 11:50 A.M. for discussion of various business matters.

The Committee reconvened and, there being no further business, the December 23, 1993 meeting of the Retirement Allowance Committee was adjourned at 12:51 P.M.



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EXECUTIVE DIRECTOR,  
RETIREMENT ALLOWANCE COMMITTEE

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CHAIRMAN,  
RETIREMENT ALLOWANCE COMMITTEE

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DATED