

AGENDA

FOR THE 543RD RETIREMENT MEETING OF APRIL 26, 1994

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 542nd Meeting held March 22, 1994.
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) Alvin Sparrow - #05263 - request for retroactivity to 12/01/93.
 - (ii) Tony Pittman - #20049 - request for retroactivity to 03/01/94.
 - (iii) Gloria Danzie - #4430 - request for retroactivity to 03/01/94.
 - (iv) Edna Parker - #1355 - request for retroactivity to 04/01/94.
 - (v) John Knighten - #13499 - request for retroactivity to 10/01/92.
 - d) Presentation of Death Benefits for approval.
 - e) Presentation of Refunds of Contributions for approval.
 - f) Presentation of Bills and Remittances for approval.
 - g) Barry M. Lloyd - Request for extension of 30 days to repay \$3,292.09 under Rule No. 21.
8. Report by Executive Director.
9. Adjournment.

RETIREMENT PLAN FOR CHICAGO TRANSIT AUTHORITY EMPLOYEES

The 543rd Meeting of the Retirement Allowance Committee was held on Tuesday, April 26, 1994 at the Harris Trust and Savings Bank, 111 West Monroe Street, Executive Dining Room - 37th floor. The following were in attendance:

Ms. W. Black
L. Brown
T. Collins
T. Stevens

Mr. E. Hill, Chairman
W. Buetow
M. Holzman
J. Williams

Mr. R. Pirovano sat in Executive Director's stead. Alternate L. Morris sat in I. Thomas' stead. Mr. C. Lang sat in Mr. C. Burrus' stead. Alternates B. Rayford, P. Beavers and L. Murray were also present. Messrs. J. Forte, W. Ross, C. Lewis and B. Powell of the Pension Office staff were in attendance. Mr. B. Baker of the Harris Trust and Savings Bank was present. Mr. R. Burke of Burke, Warren & MacKay was present. Messrs. B. Scholz, C. Spears, R. Goldman and J. Henderson were also in attendance.

- (1) The Chairman called the meeting to order at 10:30 A.M.
- (2) A roll call was then taken which indicated that a quorum of Committee members was present.

The Retirement Allowance Committee Chairman then suggested that there should be a revision to the Minutes of the 542nd meeting. He noted that the revision on page 2 under item #5 in the second sentence should read as follows,... "The concept presented to the Board concerning the mortgage on 20 N. Michigan was approved. Also, a committee consisting of T. Stevens, I. Thomas and E. Hill, who would work with RREEF was approved and was granted the power to approve an agreement, which it did. A second revision came shortly thereafter concerning the motions on page 1 under item #3 and on page 2 under item 7 in the second paragraph and should read as follows,... *page 1* "second by I. Thomas" ... *page 2* "second by T. Stevens."

- (3) On a motion by Mr. Collins, seconded by Ms. Black, the Committee unanimously approved the Minutes of the 542th Meeting, held March 22, 1994 with the above mentioned revisions.

- (4) Mr. Buetow, Chairman of the Investment Subcommittee reported on the meeting held on Tuesday, April 26, 1994 at the Holiday Inn. The special meeting and the synopsis today centered on the fact that the CTA; because of the incentive retirement, our liability have been expanded to about \$80M per year. In lieu of that dollar amount needed, it was suggested that we would work with Mr. Joachimi to make sure our 90 day cash need is on hand in order to satisfy the dollar amount stated as per our liability. Items voted on in motion format by the

Subcommittee were an indication that we must adjust our asset allocation model to a 65% equity and 35% fixed that will necessitate a policy statement change which should be brought forth to the full committee. A recommendation that Newbold be terminated. An equity manager undergoing a management change, has lost several accounts and is not performing well. Recommendation from the Investment Subcommittee in a motion that Ark Capital be approved with an investment of \$7M. The involvement is predicated on statements involving companies that would be forthcoming from the firm. On a motion by Ms. Black, seconded by Mr. Stevens, the Committee unanimously approved the report of the Investment Subcommittee.

Mr. Hill then introduced and welcomed Mr. Louis Sanford, Vice President of Service Delivery Administration to the Board of Trustees of the Retirement Allowance Committee who will be an Alternate Committee Member in the stead of Michael Brogan.

(5) Mr. Stevens, Chairman of the Real Estate Subcommittee reported the meeting held on April 19, 1994. A presentation of the portfolio highlights by Kevin Lynch. A presentation on the Metric Institutional Apartment Fund by Vern Bennett. In 1993 the investment rate of return was 16.3%. The restructuring of the mortgage at 20 North Michigan was completed. We have an update on Lake Shore Drive which was carried on our books, and we sold the lien on the note for \$17,500 which was developmental construction. On a motion by Mr. Lang, seconded by Mr. Stevens, the subcommittee unanimously approved the report of the Real Estate Subcommittee.

(6) Mr. Collins, Chairman of the General Administration Subcommittee reported on the meeting held on April 11, 1994. He indicated items 6(a) - (g) were reviewed and requested approval. On a motion by Mr. Collins, seconded by Ms. Black, the subcommittee unanimously approved agenda items 6(a) - (g).

There were three other items of concern:

- The new location of the Pension Office - 10 South Riverside Plaza, Suite 1625, Chicago, IL 60606, (312) 441-9694.
- Correspondence from the Plan Attorney was discussed in the Executive Session
- The matter of eligibility of Disability Benefits for Romana Bolden was discussed and deferred to next month's meeting.

(8) The Executive Director report was given by Mr. R. Pirovano. For the month of March the portfolio performance was -3.27% and the value of Plan assets were \$1,209,171,316. At the close of business on April 25, 1994 the Fund had a value of \$1,216,110,250. The cash balance as of April 25, 1994 was \$32.5M.

(9) There being no further business the Committee unanimously agreed to adjourn.

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- f) Presentation of Bills and Remittances for approval.
 - g) Adrian Miller - #9926 - Retirement approved effective 05/01/94 - request for retroactivity to 02/01/94.
 - h) Richard Tesch - #15688 - retirement approved effective 05/01/94 - request for retroactivity to 03/01/94.
 - i) Alexandra V. Eiva - #19805 - Resigned and vested under Section 11 of the Plan.
 - j) Jose L. Velazquez - #6604 - Repaid his refund of contributions and interest under Rule No. 21. His original seniority date of 5/20/76 is restored.
8. Report by Executive Director.
9. Unfinished Business.
- a) Ramona Bolden - status of application for disability benefits.
10. New Business.
- a) Presentation by Harris Bank Investors Center.
11. Adjournment.

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