

RETIREMENT PLAN FOR CTA EMPLOYEES

10 SOUTH RIVERSIDE PLAZA

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NOTICE

RETIREMENT ALLOWANCE COMMITTEE MEMBERS AND ALTERNATES

THIS IS TO ANNOUNCE THAT THE MEETING OF THE SUBCOMMITTEE ON GENERAL ADMINISTRATION WILL BE HELD TUESDAY, OCT. 22, 1996, AT 8:30 A.M.

THIS WILL BE FOLLOWED BY THE INVESTMENT SUBCOMMITTEE AT 9:30 A.M., THE REAL ESTATE SUBCOMMITTEE AT 10:30 A.M., AND THE RETIREMENT ALLOWANCE COMMITTEE MEETING AT 11:30 A.M.

THE MEETINGS WILL BE HELD AT THE NORTHERN TRUST COMPANY, 50 S. LA SALLE STREET, IN THE DIRECTORS' DINING ROOM ON THE 6TH FLOOR.



AGENDA

FOR THE 573RD RETIREMENT MEETING OF OCTOBER 22, 1996

1. Meeting will be called to order at 11:30 A.M., Northern Trust Company, 50 South LaSalle Street, Directors Dining Room - 6th Floor.
2. Roll call.
3. Approval of the Minutes of the 572nd Meeting held September 24, 1996.
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) Philip A. Irwin - #21803 - request for retro-activity to 10-01-96.
 - (ii) Radomir Radic - #1588- request for retro-activity to 11-01-93
 - d) Presentation of Death Benefits for approval.
 - e) Presentation of Refunds of Contributions for approval.
 - f) Presentation of Bills and Remittances for approval.
 - g) Rogelio Arcoe - #20093 - Resigned and vested under Section 11 of the Plan.
 - h) Terrence Griffin - #13337 - 30 days extension to repay refund of \$8,713.73 has expired - new seniority date for pension purposes only - July 5, 1995.
 - i) Sarah Hall - #1296 - returned to duty - September 24, 1996
7. Old Business
8. New Business
9. Financial Report
10. Executive Session
11. Adjournment

RETIREMENT PLAN FOR CHICAGO TRANSIT AUTHORITY

The 573rd Meeting of the Retirement Allowance Committee was held on Tuesday, October 22, 1996, at The Northern Trust Company, 50 South LaSalle Street, 6th Floor Directors' Dining Room. The following were in attendance:

Mr. I. Thomas, Chairman
Mr. T. Collins
Mr. J. Williams
Ms. W. Black

Mr. E. Hill, Vice Chairman
Mr. T. Stevens

Mr. D. Perk, Executive Director, was in attendance. Mr. M. Caffery sat in Mr. L. Brown's stead. Ms. L. Murray sat in Ms. S. Leonis' stead. Mr. L. Sanford sat in Mr. Holzman's stead. Ms. P. Beavers sat in Mr. W. Buetow's stead. Alternates also present were L. Morris, R. Baughn, B. Rayford and R. Schultz. W. Ross and C. Lewis of the Pension Office Staff were in attendance. Mr. R. Burke of Burke, Warren & MacKay was present. Messrs. B. Scholz, C. Spears, J. Henderson and Bill C. Gilmore were also in attendance.

1. The Chairman called the meeting to order at 08:45 A.M.
2. A roll call was taken which indicated that a quorum of Committee members was present.
3. On a Motion by Mr. J. Williams, seconded by Ms. P. Beavers, the Committee unanimously approved the Minutes of the 572nd Meeting.
4. Mr. T. Collins, Chairman of the Investment Subcommittee, reported on the meeting held this date.

Mr. Collins reported, that based on a conversation he, Mr. Thomas and Mr. Ned Joachimi had, and in anticipation that Messrs. Thomas and Hill would be involved in negotiations, it was deemed not necessary that Mr. Joachimi attend this month's Retirement Allowance Committee meeting.

Plan Counsel R. Burke, reported that ARK Capital is registered as an Investment Advisor. Chairman Thomas was so advised and he signed documents that relate to this venture capital investment. Mr. Burke stated that he discussed ARK's initial draw request and recommended funding. Attorney Burke reminded the Committee that under the terms of the Agreement with ARK, it could appoint a member to serve as a member of the ARK advisory committee. Committee agreed that Mr. Jerry Williams will serve in that capacity. Mr. Stevens asked Counsel if Mr. Williams' service on the advisory committee creates a liability. Mr. Burke responded that the advisory committee does not become involved in investment decisions. Further, that

he did not see any liability because of the committee's limited functions. Committee asked that Mr. Burke check into it.

On a Motion by Mr. Collins, seconded by Mr. Hill, the Committee unanimously approved the Investment Subcommittee Report and that Mr. Williams serve as a member of the Advisory Committee with ARK.

5. Mr. Jerry Williams, Chairman of the Real Estate Subcommittee, reported on the meeting held this date.

Mr. Williams reported that Jeffery Manor is now 100% occupied. The mortgage payoff of \$8 million to the 20 North Michigan property was received. Mr. Hill asked Plan Attorney to explain 20 North Michigan, He explained, we held the mortgage on 20 North Michigan with another entity that had a smaller piece. The owner of the property came in and paid off the mortgage. On October 16, 1996 the Retirement Allowance Committee received \$8,047,391.00, mortgage thus satisfied. Mr. Hill asked Plan Counsel to give the committee a summary of this investment. Mr. Williams continued to report, Lake County Industrial contracts are being negotiated for approximately \$9 million. 711 Jory Blvd., McDonald's is fulfilling its lease obligation and as of now has not exercised its option to purchase that property.

Mr. T. Stevens requested that Kevin Lynch be placed on the agenda for next month to provide the committee with an up-date and overview. Lake Wacker Building is being demolished, work to be completed by early spring. RREEF will investigate parking lot options.

Plan Counsel discussed CNL investment, delay involving this investment because of a public offering, it has been concluded and they seek to wrap it up. Mr. Lynch will provide the Committee with an update on this investment. Funding of this investment is something the Committee must consider. Mr. Williams reported that there is no activity on the Elk Grove vacant lot.

On a motion by Mr. Stevens, seconded by Mr. Hill, the Committee unanimously approved the Investment Subcommittee Report.

6. Mr. T. Stevens, Chairman of the General Administration Subcommittee, reported on the meeting held this date. Mr. Stevens requested approval of items 6a through 6i, *agenda attached, James W. Hentz retro-active to 10-01-96 (listed on page 6 of the Meeting Material)*.

On a motion by Mr. Hill, seconded by Mr. Morris, the Committee unanimously approved the General Administration Subcommittee Report.

7. Old Business - None
8. New Business - None
9. Financial Report - The Executive Director then turned the Committee's attention to Report of Deposits, Disbursements and Investment in the Trustee Summary and noted that for the month of September, 1996, the performance for the total fund was 4.06%, and the value of the total assets of the Plan as of September, 1996, amounted to \$1,430,065,632.
10. At the request of the Chairman, the Committee moved to Executive Session.
11. There being no further business, the Committee unanimously agreed to adjourn at 11:40 A.M.



EXECUTIVE DIRECTOR,
RETIREMENT ALLOWANCE COMMITTEE



CHAIRMAN,
RETIREMENT ALLOWANCE COMMITTEE

Dated: November 26, 1996