

**NOTICE**

**RETIREMENT ALLOWANCE COMMITTEE MEMBERS AND ALTERNATES**

THIS IS TO ANNOUNCE THAT THE MEETING OF THE SUBCOMMITTEE ON GENERAL ADMINISTRATION WILL BE HELD TUESDAY, JAN. 28, 1997, 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 {revised}

### FOR THE 576<sup>th</sup> RETIREMENT MEETING OF JANUARY 28, 1997

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 575<sup>th</sup> Meeting held December 19, 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) Daniel Santana - #5731 - request for retro-activity to 01-01-97.
  - d) Presentation of Death Benefits for approval.
  - e) Presentation of Refunds of Contributions for approval.
  - f) Presentation of Bills and Remittances for approval.
  - g) Manuel D. Tavaréz - #6766 - Resigned and vested under Section 11 of the Plan.
  - h) Alvin Harrison - #6298 - returned to duty - January 14, 1997
  - i) Angelo Serritella - #D3126 - returned to duty - January 23, 1997
7. Old Business
8. New Business
9. Financial Report
10. Executive Session
11. Adjournment

## RETIREMENT PLAN FOR CHICAGO TRANSIT AUTHORITY

The 576th Meeting of the Retirement Allowance Committee was held on Tuesday, January 28, 1997, at The Northern Trust Company, 50 South La Salle Street, 6th Floor Director's Dining Room. The following were in attendance:

Mr. I. Thomas, Chairman  
Mr. J. Williams

Mr. E. Hill, Vice Chairman  
Mr. T. Stevens  
Mr. W. Buetow  
Ms. S. Leonis

Mr. Baughn sat in Ms. Black's stead. Mr. M. Caffrey sat in Mr. Brown's stead. Mr. Dennis Anosike, new member of the Retirement Allowance Committee, was in attendance. Alternates also present were C. Lang, L. Sanford and P. Beavers. J. Forte, W. Ross and A. Dungan of the Pension Office Staff were in attendance. Mr. R. Burke of Burke, Warren and MacKay was present. Messrs. C. Wesley, C. Spears, J. Henderson, J. Guerrero and B. Bradley were also in attendance.

1. The Chairman called the meeting to order at 9:55 A.M.
2. A roll call was taken which indicated that a quorum of Committee Members was present.
3. A revision was made to the Minutes of the 575th Meeting. On page 3, line 1, "Nation" was changed to *National*.
4. Mr. W. Buetow, Vice Chairman of the Investment Subcommittee, reported on the meeting held this date.

The Committee was advised that the decision had been made by the Northern Trust Company as Trustee of the Plan that it would adopt, by letter agreements, the investment management agreements heretofore existing between the various investment managers and Harris Trust and Savings Bank. The effect would be that the investment managers would reaffirm their obligations under the investment management agreement and Northern Trust would assume the rights and responsibilities of Harris Trust. If a new money manager were selected, then there would be a new investment management agreement that would run directly from that investment manager to Northern Trust.

The Committee had reviewed most recently the announcement by ABN AMRO that it had acquired Chicago Corporation. The Plan Attorney advised the Subcommittee

members that Northern Trust desires to establish a new relationship with ABN AMRO and to initiate that proceeding it would be appropriate that ABN AMRO be recommended by the Committee to Northern Trust as an investment manager. On a motion made by Mr. Baughn and seconded by Mr Stevens, the Committee unanimously recommended to Northern Trust, as Trustee, ABN AMRO as an investment manager to succeed to the portfolio previously administered by the Chicago Corporation.

Mr. Hill then reminded the Committee that recently a presentation had been made to the Committee by Piper Capital and by RXR in regard to assuming investment responsibilities. On a motion made by Mr. Stevens, seconded by Mr. Williams, the Committee unanimously recommended to Northern Trust Company that it consider the retention of Piper Capital to handle an investment portfolio of \$25,000,000 and the retention of RXR to handle an investment portfolio of \$25,000,000.

Mr. Joachimi added that he thought it would be appropriate that the fixed income area of the investment managers be reviewed at the next meeting.

Mr. Buetow reported that DeLoitte Touche, the independent auditor, was involved in a transitional audit for the transfer of funds from Harris Trust and Savings Bank to Northern Trust Company. He reported that there were certain loose ends in the transaction and that DeLoitte would resolve these with Northern Trust. Mr. Hill requested that DeLoitte Touche make a presentation to the Committee at the next meeting as to the status of their audit even if they are having problems in order that the Committee would be aware of the status.

Their being no further business to report before the Committee, Mr. Buetow concluded his report.

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

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

Mr. Williams asked the Plan Attorney to report on the status of our real estate. The Lake/Wacker Property is almost down. RREEF has bids out for a parking lot. A contract was signed for the Lake County Property. It was approved by the Subcommittee and the full Committee.

On a motion by Mr. Stevens, seconded by Mr. Baughn, The Committee unanimously approved moving \$25 million to Capital Association.

6. **Mr. T. Stevens, Chairman of the General Administration Subcommittee, reported on the meeting held this date.**

**The following members were present: I. Thomas, W. Buetow, J. Williams, Sr. and T. Stevens.**

**Mr. Stevens requested approval of items a through i plus the additional of i which is Paul Daniely and Ann Gorgone.**

**Mr. Forte brought up the fact that Mr. Paul Daniely and Anne Gorgone retired Jan. 1 and they wanted to know if they could revoke their pensions and retire under the incentive program. The Plan Attorney asked if the application was processed in December. Mr. Thomas felt we should honor their request. On a motion by R. Baughn, seconded by Mr. Stevens, the Committee unanimously approved the two employees requests.**

**Donald C. Angell, an employee who was one of the Security Police when the unit was disbanded, is looking to extend the time of paying back pension money withdrawn. At the time he did not have the money because he had been out of work. This request was denied.**

**Mr. Forte brought up the fact that money will be needed for the February checks. Mr. Ross said that \$5 to \$6 million will be needed. Mr. Hill suggested using money from the Index Fund.**

**On a motion by Mr. Thomas, seconded by Mr. Williams, the Committee unanimously approved the General Administration Subcommittee Report.**

7. **Old Business - None**

8. **New Business - Election of the Officers. The nominations for the election of Chairman and Vice-Chairman of the Retirement Allowance Committee were presented. Mr. Thomas nominated Mr. E. Hill to serve as Chairman of the Retirement Allowance Committee and asked if there were any other nominations. There were none. The motion was seconded by Mr. Stevens, and the Committee unanimously approved Mr. Hill to serve as Chairman of the Retirement Allowance Committee.**

**Mr. Hill nominated Mr. Thomas to serve as Vice-Chairman of the Retirement Allowance Committee. There were no other nominations. The motion was seconded by Mr. Stevens, and the Committee unanimously approved Mr. Thomas to serve as Vice-Chairman of the Retirement Allowance Committee.**

Chairman Hill then appointed the following subcommittees:

**INVESTMENT SUBCOMMITTEE**

**William Buetow, Chairman**  
**Tom Collins, Vice Chairman**  
**Susan Leonis, Member**  
**Wanda Black, Member**  
**Dennis Anosike, Member**  
**Thomas Stevens, Member**  
**Jerry Williams, Sr., Member**

**REAL ESTATE SUBCOMMITTEE**

**Thomas Stevens, Chairman**  
**Jerry Williams, Sr., Vice Chairman**  
**Loid Brown, Member**  
**Susan Leonis, Member**  
**Dennis Anosike, Member**  
**Wanda Black, Member**

**GENERAL ADMINISTRATION SUBCOMMITTEE**

**Tom Collins, Chairman**  
**Thomas Stevens, Vice Chairman**  
**Loid Brown, Member**  
**William Buetow, Member**  
**Jerry Williams, Sr., Member**  
**Wanda Black, Member**

By virtue of their offices, the Chairman and Vice Chairman of the Retirement Allowance Committee will serve on all subcommittees

9. **Financial Report - Mr. Ross then turned the Committee's attention to Report of Deposits, Disbursements and Investment in the Trustee Summary and noted that for the month of December, the performance for the total fund was  $-.67\%$ , and the value of the total assets of the Plan as of December 31, 1996, amounted to \$1,492,934,514.**
10. **Executive Session - None**

11. There being no further business on a motion from Mr. Thomas, seconded by Mr. Williams, the Committee unanimously agreed to adjourn at 10:15 A.M.



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Executive Director,  
Retirement Allowance Committee

Dated: 2-24-97



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Chairman,  
Retirement Allowance Committee