

AGENDA
For the 624th Retirement Allowance Committee Meeting of
January 23, 2001

1. Meeting will be called to order at 8:30 A.M., Northern Trust Company, 50 South LaSalle Street, Directors' Dining Room, 6th floor.
2. Roll Call
3. Approval of the Minutes of the 623rd meeting held December 19, 2000.
4. Investment Subcommittee
 - a.) Status on Asset Allocation
 - b.) Acquisitions, Mergers and Reorganizations
 - i.) Mentor
 - ii.) Aeltus
 - iii.) Capri/Capital Associates
 - iv.) ABN/AMRO
 - v.) Chicago Capital
5. Real Estate Subcommittee
 - a.) Funding status for various commitments
6. Subcommittee on General Administration
 - a.) Announcement of deaths reported since last meeting.
 - b.) Presentation of pre-retirement surviving spouse allowances for Approval.
 - c.) Presentation of new retirement applications for approval.

Charles A. Andersen - #15195 – request for retroactive benefits to 12-01-00.

Leoni R. Smalling - #23237 – request for disability allowance effective 02-01-01, retroactive to 06-01-99.

- d.) Presentation of death benefits for approval.
- e.) Presentation of refunds of contributions for approval.
- f.) Presentation of bills and remittances for approval.
- g.) Report on Disability Allowance Project.

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- h.) Pension Representatives attendance at IFEBP Training Conference.
 - i.) Loid Brown attendance at RREEF Conference.
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- 7. Old Business.
 - a.) Part-time union officials.
 - b.) Pedro Lebron
 - 8. New Business
 - 9. Executive Session
 - 10. Adjournment

The 624th Retirement Allowance Committee Meeting for the Retirement Plan for Chicago Transit Authority Employees.

I. Full Meeting Minutes

A regular meeting of the Retirement Allowance Committee was held on January 23, 2001 at The Northern Trust. The Chairman and the Executive Director were present. A quorum being present, the meeting was called to order at approximately 8:45 a.m..

A roll call was taken indicating that the following members were present:

Linda Fuller as an Alternate for Marcel Acosta
Dennis Anosike
Marcellus Barnes
Wanda Black
Willie Means as an Alternate for Loid Brown
Susan Leonis
Claudette Ogletree
Lynn Sapyta
Jerry Williams
Richard Winston

On a motion by Mr. Barnes, the minutes of the 623rd meeting were approved.

General Administration Subcommittee Report

A brief report was given by Mr. Barnes on the General Administration Subcommittee Meeting. The report of the Subcommittee, including items 6a through 6i on the subcommittee agenda, which dealt with various benefits, bills and remittances was approved on a motion by Mr. Williams.

Investment Subcommittee Report

Mr. Williams gave a brief report on the Investment Subcommittee Meeting. He indicated that there were four private equity managers including Ark, William Blair, Mesirov Financial and Trident Capital that came in to give presentations and that the Committee would be considering investments in these funds in the future. The report on the Subcommittee meeting was approved on a motion by Mr. Barnes.

Real Estate Subcommittee Report

A brief report was given by Mr. Kallianis on the Real Estate Subcommittee Meeting, including the status of the Fund's investment in Prudential to be funded at \$22.2 million as Core Real Estate Manager for the Fund. The report on the Subcommittee meeting was approved on a motion by Mr. Williams.

Old Business

Ms. Black updated the committee on the status of the Part Time Arbitration, indicating that Mr. Healy had issued a clarification on his previous ruling. According to Ms. Black, Mr. Healy said that his prior ruling is still in effect and that any changes needed to be addressed via contract negotiations. Ms. Black asked that this issue be left on the agenda for discussion at the next meeting.

Mr. Kallianis and Mr. Burke then explained the issue of Pedro Lebron's request to pay back pension contributions in order to apply for deferred-vested benefits from the Plan. After some discussion, on a motion by Ms. Sapyta the Committee voted to approve Mr. Lebron's request to repay his refund of contributions. A condition of Mr. Lebron's repayment is that it be made with interest, compounded at 6% annually, and that it be repaid within 60 days of this date.

New Business

There was no new business.

The Retirement Allowance Committee meeting was adjourned at approximately 11:45 a.m. on a motion made by Mr. Williams.

II. General Administration Subcommittee Minutes

A regular meeting of the General Administration Subcommittee was held on January 23, 2001 at The Northern Trust. The Chairman and the Executive Director were present. A quorum being present, the meeting was called to order at a.m..

Mr. Barnes presented for approval the pre-retirement surviving spouse allowances, the regular retirements, disability retirements, death benefits, refunds of contributions and payment of bills and remittances. Mr. Barnes stated that the total of bills and remittances for the month was \$4,277,390.10.

On a motion by Mr. Williams, the various benefits, bills and remittances were approved for payment by the Subcommittee.

The Subcommittee on General Administration was adjourned on a motion made by Mr. Winston.

III. Investment Subcommittee Minutes

A regular meeting of the Investment Subcommittee was held on January 23, 2001 at The Northern Trust. The Chairman of the Subcommittee and The Executive Director were present. A quorum being present, the meeting was called to order at 9:20 a.m..

The Committee then heard presentations from four private equity managers, including Ark, William Blair, Trident Capital and Mesirov Financial. Mr. Williams indicated that there would be no action taken today on these funds, but that they would be considered in the near future.

At the request of the Committee, Todd Davis and Dave Erfort from Marco Consulting gave a brief description of the mergers and acquisitions related to the Plan. On a motion by Mr. Barnes, the Committee nominated the four "new" managers from 4(b)i,ii,iv and v that resulted from the mergers and acquisitions reported to the fund. Per Mr. Erfort and Mr. Davis, if there are issues that arise after these mergers take place, they will bring them to our attention. The fifth merger on the agenda 4(b)iii (Capri/Capital Associates) would be brought to the Real Estate Subcommittee at the next meeting.

Mr. Ross gave a brief update on the financial status of the Plan per the FCS Report. The market value for the Plan as indicated in the FCS report for December 2000 was \$1.915 billion. The return figure for the month of December, 2000 was 4.93 %. The YTD return was 8.85%, gross of fees.

The Subcommittee on Investments was adjourned on a motion made by Mr. Winston.

IV. Real Estate Subcommittee Minutes

A regular meeting of the Real Estate Subcommittee was held on January 23, 2001 at The Northern Trust. The Chairman of the Subcommittee and the Executive Director were present. A quorum being present, the meeting was called to order at approximately 11:00 a.m..

Mr. Kallianis and Mr. Burke gave a brief summary of the status of investments with Prudential PRISA to manage \$22.2 million each in the Core area of the Real Estate Portfolio. It was indicated that, due to timing issues, the investment would be made at the beginning of the second quarter.

The Real Estate Subcommittee was adjourned on the motion of Ms. Sapyta.

Executive Director

Chairman