

AGENDA
For the 652nd Retirement Allowance Committee Meeting of
May 29, 2003

1. Meeting will be called to order at 8:30 A.M., Northern Trust Co., 50 South LaSalle Street, Director's Dining Room, 6th floor.
2. Roll call
3. Approval of the Minutes of the 651st meeting.
4. Investment Subcommittee
 - a.) Investment Manager Presentation
 - b.) Hopewell Ventures Presentation
 - c.) 1st Quarter Investment Results
 - d.) Policy #10
 - e.) Gray and Company contract
5. Real Estate Subcommittee
 - a.) Policy #10
6. Subcommittee on General Administration
 - a.) Announcements of deaths reported since last meeting.
 - b.) Presentation of pre-retirement surviving spouse allowances for approval.
 - c.) Presentation of new retirement applications for approval.

Margaret Ottley - #4989 – applied for retirement benefits effective 06-01-03 and is requesting that pension earnings for the years 1990 and 1991 be used to calculate his retirement benefits.

Annie G. Fitzpatrick #5460 – applied for retirement benefits effective 06-01-03 and revoked her application.

Sheldon O. Mackey #22863 – applied for retirement benefits effective 06-01-03 and revoked his application.

James Christman #4926 – returned to work from disability on 04-15-03.

- d.) Presentation of death benefits for approval.
- e.) Presentation of refunds of contributions for approval.
- f.) Presentation of bills and remittances.
- g.) Question of proper pension credit for reinstated Employee William Collins #13632.

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7. Old business
 - a.) Part-time union officials
8. New business
 - a.) Information Request from the Sun-Times
 - b.) Burke, Warren, MacKay & Serritella rates
9. Executive Session
 - a.) Litigation
 - b.) Personnel Matters
10. Adjournment

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The 652nd 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 April 22, 2003 at the Northern Trust. The Chairman and the Executive Director were present. A quorum being present, the meeting was called to order at approximately 10:50 a.m..

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

Dennis Anosike
Marcellus Barnes
Loid Brown
Linda Fuller as an alternate for Dorval Carter
Ethel Carter
Claudette Ogletree
Leon London as an alternate for Lee Robinson
Pamela Beavers as an alternate for Richard Winston

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 6h, which dealt with various benefits, bills and remittances was approved on a motion by Mr. Brown.

Investment Subcommittee Report

Mr. Kallianis gave a brief report on the meeting of the Investment Subcommittee, including the presentation by the representatives of Friess and Associates.

The report on the Subcommittee meeting was approved on a motion by Mr. Anosike.

Real Estate Subcommittee Report

Ms. Ogletree gave a brief report on the Real Estate Subcommittee, including an update on the opt out of the Bay Meadows investment within the Paine Webber Real Estate fund.

The report on the Subcommittee was approved on a motion by Mr. Barnes.

Old Business

The Part-Time Union item was deferred until the next meeting.

New Business

There was no new business.

Executive Session

The Committee adjourned to Executive Session to discuss litigation related to the Plan.

II. General Administration Subcommittee Minutes

A regular meeting of the General Administration Subcommittee was held on April 22, 2003 at the offices of the Northern Trust. The Chairman and the Executive Director were present. A quorum being present, the meeting was called to order at 8:45 am.

Mr. Barnes presented for approval items 6a through 6h., including the pre-retirement surviving spouse allowances, the regular retirements, disability allowances, death benefits, refunds of contributions, payment of bills and remittances, discussion of policy on refunds of paid in items and scheduling a General Administration meeting on disability. Mr. Barnes stated that the total of bills and remittances for the month was \$5,583,823.25:

Mr. Brown made a motion to approve the items that Mr. Barnes had presented.

On the question, Ms. Ogletree made a motion to amend the earlier motion. Ms. Ogletree made a motion to pay for the premium costs related to the healthcare provided by the BCBS PPO, instead of the amount indicated on page 26 of the agenda. A voice vote was taken as follows: Mr. Anosike -no, Mr. Barnes-yes, Mr. Brown-no, Ms. Fuller-no, Ms. Carter-yes, Mr. Robinson-yes, Ms. Beavers-no. The motion to amend did not carry.

On a motion by Mr. Brown, the Subcommittee approved the items on the agenda for the General Administration Subcommittee.

III. Investment Subcommittee Minutes

A regular meeting of the Investment Subcommittee was held on April 22, 2003 at the offices of 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..

Mr. Joe Fields and Mr. Bill D'Alonzo from Freiss and Associates came in to give the Committee an update on their investment activity.

Mr. Ross then indicated that, per the FCS report, the Fund had a ytd return of -2.02% versus a March, 2002 ytd return of 1.04%. Mr. Ross also indicated that the fund stood at approximately \$1.284 billion at the end of March, 2003.

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

IV. Real Estate Subcommittee Minutes

A regular meeting of the Real Estate Subcommittee was held on April 22, 2003 at the offices of the Northern Trust. The Vice-Chairman and the Executive Director were present. A quorum being present, the meeting was called to order at 10:00 a.m..

Mr. Kallianis gave the Committee an update on the UBS/Paine Webber fund in that we had officially "opted out" of the Bay Meadows investment.

The Real Estate Subcommittee was adjourned on a motion by Mr. Barnes.

Executive Director

Chairman