The 419th Meeting of the Retirement Allowance Committee was held on Monday, November 21, 1983, at 10:30 A.M., in the Sauganash Ballroom – West, the Holiday Inn Mart Plaza. The following were in attendance:

Mr. C. Andersen  Mr. D. Perk
Mr. C. Hall      Mr. I. Thomas
Mr. P. Kole      Mr. J. Weatherspoon

Mr. H. Hegarty, alternate for Mr. E. Flowers, was present.
Mr. L. Brown, alternate for Mr. A. Kasmer, was present.
Mr. R. Bartkowicz, alternate for Mr. R. Fleming, was present.
Mrs. A. Curtis, alternate for Mr. J. Gallagher, was present.
Messrs. L. Morris, R. Goldman and A. Kemp were present. Messrs. G. Nagle, J. Mullen and Ms. C. Cox were present. Messrs. D. Lemi, W. Ashley and J. Bidwill were present. Messrs. W. Leszinske, M. O'Leary, J. Cyr and J. Fitzpatrick of Continental Bank were present. Messrs. R. Harrell and C. Heatter of Lowry, Raclin, Harrell & Howerdd were present. Mr. J. Baratka of The Wyatt Company was present. Mr. R. Burke, the Plan Attorney, was present.
Mr. B. Scholz, pensioner representative, was present. A group of CTA pensioners from various retirement clubs were also present.

The Chairman called the meeting to order at 10:30 A.M. The Chairman welcomed all visiting retirees noting that their attendance at the meeting was a first in the history of the Retirement Plan.
Mr. Leszinske of Continental Bank turned the Committee's attention to a letter, dated November 10, 1983, entitled "October Market Summary," and noted that short term interest rates were basically unchanged during the month while long term rates were up from 30 to 40 basis points. Mr. Leszinske stated that rates will continue to be approximately at the current level although fluctuating up and down from this point. Mr. Leszinske noted that come next spring and summer there should be some modest improvement in rates.

The Chairman asked for approval of the Minutes of the 418th Meeting of the Retirement Allowance Committee held Monday, October 17, 1983. A motion for approval was made by Mr. Thomas and seconded by Mr. Perk. Mr. Hegarty questioned the retirement date of Mr. Selmon Echols stating that he was under the impression that Mr. Echols had applied for a retroactive retirement. The Assistant Secretary noted that a request for retroactive retirement of an employee had to be done through the employee's department and recommended that Mr. Echols contact his department head and ask that a written request for retroactive retirement be forwarded to the Secretary's Office. The Chairman asked Mr. Hegarty to contact Mr. Echols and inform him of the proper procedures. There being no further discussion, the Committee unanimously approved the Minutes of the 418th Meeting, held October 17, 1983.

The Assistant Secretary made the announcement of deaths since the last meeting, per the attached list.

The Assistant Secretary presented a total of twenty (20) Survivorship Options for approval. On a motion by Mr. Kole,
seconded by by Mr. Hall, the Committee unanimously approved the Survivorship Options.

The Assistant Secretary presented fifteen (15) Pre-Retirement Surviving Spouse Options for approval. On a motion by Mr. Kole, seconded by Mr. Hall, the Committee unanimously approved the Pre-Retirement Surviving Spouse Options.

The Assistant Secretary presented eight (8) Applications for Retirement which included a request that Robert L. Dennis' disability retirement be made retroactive to November 1, 1983 because the employee was given late notice of his eligibility for retirement. On a motion by Mr. Kole, seconded by Mr. Perk, the Committee unanimously approved the Applications for Retirement including the request for the November 1, 1983 retroactive disability retirement of Robert L. Dennis.

The Assistant Secretary reported that five (5) employees who were receiving Disability Retirement Benefits were examined or had their file reviewed.

The Assistant Secretary presented twenty-nine (29) refunds of contributions, totaling $230,285.29 for approval. The comparison figures for the same period of time one year ago were twenty-four (24) refunds, totaling $169,336.35. On a motion by Mr. Kole, seconded by Mr. Brown, the Committee unanimously approved the refunds of contributions to be paid November 30, 1983.

The Assistant Secretary presented the report of Deposits, Disbursements and Investments noting that as of October 31, 1983 there was a total of $521,055,966.20 in cash and investments at book value, which totaled $583,123,727.53 at market value.
The Assistant Secretary reported that there was one (1) CTA bill, totaling $44,629.78; fourteen (14) Operating bills, totaling $148,148.78; and, nine (9) Remittances, totaling $269,326.11, for a sub-total of twenty-four (24) bills, totaling $462,104.67. The Assistant Secretary also reported that the Federal Income Tax Deposit for the first month, fourth quarter, was $71,660.20. On a motion by Mr. Thomas, seconded by Messrs. Hegarty and Hall, the Committee unanimously approved payment of the bills and remittances, totaling $553,764.87.

The Assistant Secretary submitted for approval thirty-five (35) Death Benefits, totaling $88,500.00. The comparison figures for the same period of time one year ago were twenty-eight (28) Death Benefits, totaling $67,500.00. On a motion by Mr. Hall, seconded by Mr. Kole, the Committee unanimously approved payment of the Death Benefits, as per the attached list.

The Assistant Secretary brought to the Committee's attention the request by Mr. Richard G. Rusinak, an ex-Security Department employee, who was seeking an extension of repayment of his refunded contributions. The Assistant Secretary noted that the requested medical reports from Mr. Rusinak had been received, however, verification of insurance coverage had not been acquired, and asked that the matter be held in abeyance until the next meeting. On a motion by Mr. Kole, seconded by Mr. Hall, the Committee unanimously approved that Mr. Rusinak's request for extension of repayment be held in abeyance until the next meeting.

The Assistant Secretary informed the Committee that the Real Estate Subcommittee had met on November 8, 1983 to discuss
the Securities Lending Program and asked Mr. Kole to give a report on this meeting. Mr. Kole stated that the Subcommittee reviewed the proposal presented by Capital Advisors to handle securities lending of our bond program. Mr. Kole noted that after receiving a favorable response from the Continental Bank and the Plan Attorney it was the recommendation of the Subcommittee that we accept the proposal of Capital Advisors to handle the Securities Lending Bond Program for six months at which time their progress would be reviewed for further participation. Mr. Kole made a motion for participation in the Securities Lending Program through Capital Advisors for six months, Mr. Hall seconded the motion and the Committee unanimously approved.

The Assistant Secretary noted that at the last committee meeting a vote was taken regarding the adoption of a rule to decline the use of a "Power of Attorney," and turned the Committee's attention to a copy of a draft of Rule No. 29 which was included in the meeting material. The Assistant Secretary asked the Plan Attorney to comment on the draft. The Plan Attorney noted that provisions of Section 17 of the Plan prohibit an assignment or transfer by a participant of his interest in the Plan and noted that Rule No. 29 served to effectuate that rule. The Plan Attorney read and explained Rule No. 29 after which a motion for adoption was made by Mr. Thomas, seconded by Mr. Hegarty and unanimously approved by the Committee.

The Assistant Secretary turned the Committee's attention to a draft of a form for reinstated ex-security department personnel who have returned to duty and not informed the Secretary's Office whether or not they wish to repay their refunded retirement contributions. The Assistant Secretary asked the Plan Attorney to
elaborate on this matter. The Plan Attorney noted that the form was designed to be given to those ex-Security Department employees who have returned to work and have not made their intentions known to the Secretary's Office as to whether or not they wish to repay their refunded retirement contributions and, if not, are aware that they will be given a new seniority date for retirement purposes. The Assistant Secretary noted that the Secretary's Office would like to distribute the forms to the respective department managers in order that they can obtain the signature(s) from their employee(s). On a motion by Mr. Perk, seconded by Mr. Kole, the Committee unanimously approved the form to be given to ex-Security Department employees who have returned to work but failed to inform the Secretary's Office of their intentions.

The Assistant Secretary requested that the appointment of the Plan Actuary for 1983 be held in abeyance until the next meeting. On a motion by Mr. Kole, seconded by Mr. Hall, the Committee unanimously approved that the appointment of the Plan Actuary for 1983 be held in abeyance until the next meeting.

The Assistant Secretary brought to the Committee's attention the tentative approval, in February 1983, of Mr. Harry Hawkes' Post Retirement Survivorship Option subject to the establishment of his wife's date of birth. The Assistant Secretary noted that the Secretary's Office was willing to use the date given on documents provided by Mr. Hawkes, however, Mr. Hawkes would not agree to this date and would only agree to use the date which he provided on his Survivorship Option application. The Assistant Secretary requested a motion to rescind Mr. Hawkes' Survivorship Option. A discussion
ensued between Committee Members, the Plan Attorney and the Assistant Secretary after which Mr. Kole made a motion that the date provided on the documents presented by Mr. Hawkes be accepted as Mr. Hawkes' wife's date of birth unless the employee can provide further evidence proving otherwise and that the pension payment would be based on the present Survivorship Option. Mr. Perk seconded the motion and the Committee unanimously approved.

The Assistant Secretary informed the Committee that Mariano Imbraguglio revoked his Pre-Retirement Surviving Spouse Option of September 1, 1978, effective December 1, 1983.

The Assistant Secretary reported that Zita M. Doublin who had been on disability retirement since October 1, 1976 had returned to duty effective October 31, 1983.

The Assistant Secretary informed the Committee that at a meeting held November 8, 1983 the Real Estate Subcommittee voted to accept a proposal involving a rehabilitation project on building located at 20 North Michigan Avenue noting that the project was recommended by Dr. Zerbst and approved by Continental Bank. The Assistant Secretary stated that at the request of the Subcommittee a telephone poll of all Retirement Allowance Committee Members was taken which resulted in approval of participation in this investment proposal.

The Assistant Secretary informed the Committee that the Pre-Retirement Surviving Spouse Option booklets were being distributed to all work locations.

The Assistant Secretary requested that signature authority be given to some individual(s) on the Committee in order that docu-
ments can be signed in the absence of the Chairman. The Chairman recommended that Messrs. J. Gallagher and E. Flowers be given authority to sign in his absence. On a motion by Mr. Kole, seconded by Mr. Perk, the Committee unanimously approved signature authority for Messrs. J. Gallagher and E. Flowers.

Mr. R. Harrell of Lowry, Raclin, Harrell & Howerdd gave a brief background report on his company to the visiting retirees and explained his company's relationship with the Retirement Plan. Mr. Harrell then gave a slide presentation which showed the investment records of various money managers in the Fund's portfolio as compared to the S & P 500. Mr. Harrell informed the retirees that one of his company's prime functions was to monitor the performance of each money manager to be certain that they were providing the best rate of return possible on the Fund's investments. Mr. Harrell ended his report by answering questions from the retirees.

There being no further business, on a motion by Mr. Hegarty, seconded by Mr. Perk, the Committee unanimously agreed to adjourn at 11:48 P.M.
ASSISTANT SECRETARY
RETIREMENT ALLOWANCE COMMITTEE

CHAIRMAN
RETIREMENT ALLOWANCE COMMITTEE

DATED ____________________________