

RETIREMENT PLAN FOR CHICAGO TRANSIT AUTHORITY EMPLOYEES

The 483rd Meeting of the Retirement Allowance Committee was held Monday, March 20, 1989 at 10:00 A.M., in the Merchants Room, Holiday Inn - Mart Plaza. The following were in attendance:

Mr. E. Gresham, Vice Chairman  
Mr. C. Knox

Mr. C. Andersen  
Mr. C. Burrus, Chairman  
Mr. E. Hill  
Mr. M. Holzman  
Mr. A. Mandolini

Mr. D. Perk, Executive Secretary, was present. Alternate H. Williams sat in I. Thomas' stead. Alternate L. Morris sat in W. Black's stead. Alternates A. Curtis, E. Bedore, J. Lawrie, D. Carter and W. Buetow were present. Alternate H. Hegarty was in attendance. Mr. W. Ross and Ms. P. Williams of the Pension Office staff were present. Ms. S. Luthy of the Harris Trust and Savings Bank was in attendance. Mr. N. Joachimi of the Wellesley Group, Inc. was present. Mr. J. Baratka of the Wyatt Company was also present. Mr. R. Wood of SEI, Inc. was present. Mr. S. Grant of Piedmont Realty Advisors, Inc. was present. Mr. R. Burke of Burke, Wilson & McIlvaine was in attendance. Mr. B. Scholz, pensioner representative was present.

The Chairman noted that the Chicago Transit Board has appointed the following new Retirement Allowance Committee members: Messrs. E. Hill and A. Mandolini (replacing J. Hughes and D. Perk) and as an alternate Mr. E. Bedore (replacing E. Hill).

- (1) The Chairman called the meeting to order at 10:10 A.M.
- (2) On the call for approval of the Minutes of the 482nd meeting, held February 17, 1989, Mr. Holzman made a motion for approval, Mr. Knox seconded the motion and the Committee unanimously approved.

The Chairman then reported on the status of the three subcommittees. He noted that there was a change in the name of the Pensioner Benefits subcommittee. This committee should now be called the General Administration and Annuities Management subcommittee. The subcommittee members and the chairmen of each subcommittee were agreed upon as follows:

Investment Subcommittee

A. Mandolini, Chairman  
E. Gresham  
M. Holzman  
I. Thomas

Real Estate Investment Subcommittee

A. Kasmer, Jr., Chairman  
E. Gresham  
C. Knox

General Administration and Annuities Management Subcommittee

C. Andersen, Chairman  
W. Black  
E. Hill  
C. Knox

There was a discussion regarding who should attend these meetings. The Chairman stated that subcommittee meetings would be open to all full Committee members and alternates. As far as voting rights, he recommended that alternates can exercise voting rights only in

the stead of absent members. Mr. Holzman then made a motion to concur with the Chairman's recommendation, Mr. Hill seconded the motion and the Committee unanimously approved.

A second motion was then made by Mr. Holzman, establishing the three suggested subcommittees, Mr. Gresham seconded the motion, and the Committee unanimously approved.

(3) Ms. S. Luthy of the Harris Trust and Savings Bank presented a report on the activity in the markets over the last 30 days and year to date.

(4) Mr. S. Grant then reviewed the 1988 direct real estate performance noting that the total net income plus unrealized appreciation for the Fund was 10.73%. He also noted that the total return since inception (1/83) was 12.96%.

With regard to the Bannockburn property he noted that the transaction was closed and that the Plan received \$3,275,000.00 from the sale on March 10, 1989.

(5) Mr. R. Wood presented the 1988 SEI Report.

(6) The Executive Secretary made the Announcement of Deaths, since the last meeting, as per the attached list.

(7) The Executive Secretary informed the Committee that five (5) employees who are presently receiving Disability Retirement Benefits were examined or had their files reviewed.

(8) The Executive Secretary reported that there were no Pre-Retirement Surviving Spouse Allowances.

The Chairman asked for the Committee's agreement to approve all measures before the Committee with an omnibus motion. The Committee agreed to this. Therefore, all payments and other measures requiring Committee approval were held for said omnibus motion.

(9) The Executive Secretary presented twenty (20) Retirement Applications for approval, including the disability applications for R. Alfaro, L. Bolton, R. Kremer, S. Moore, L. Walls and R. Jones which were subject to medical evaluation. The applications for R. Alfaro and D. Perk are to be approved retroactive to 1/1/89 and 2/1/89, respectively.

(10) The Executive Secretary presented for approval twenty-one (21) Death Benefits, totaling \$63,000.00.

(11) The Executive Secretary presented for approval twenty-two (22) Refunds of Contributions, totaling \$145,786.00.

(12) The Executive Secretary presented for approval one (1) Chicago Transit Authority Bill, totaling \$26,149.36; twenty (20) Operating Bills, totaling \$114,256.24; nine (9) Remittances, totaling \$628,568.70, and the FIT Deposit, totaling \$224,541.54.

(13) The Executive Secretary turned the Committee's attention to the Report on Deposits, Disbursements and Investments in the

Trustee Summary and noted that the February, 1989 performance for the Fund was 0.08% and the value of the total assets of the Plan as of February 28, 1989 amounted to \$859,356,511.92.

(13a) Mr. W. Ross presented a report on the results of the asset allocation model which indicated that from inception to date (thru 02/28/89) value added by the Boston Company was 0.69%. The report identified the asset allocation changes since inception and indicated that the market value of the Boston Company account was \$79,494,171.00 as of February 28, 1989.

(14a) With regard to this discussion, the issue had not been reviewed by the Finance, Audit and Budget Committee and was deferred until the next meeting.

(14b) This issue was discussed at the beginning of the meeting.

(15) The Executive Secretary reported that Ida Williams, #D-2469, returned to duty on February 6, 1989.

(15b) The Executive Secretary reported that Moses Rasberry, #D-2479, returned to duty on January 6, 1989.

The Chairman then entertained a motion for the omnibus for approval of Item nos. 9, 10, 11, and 12. On a motion by Mr. Hill, seconded by Mr. Mandolini, the Committee unanimously approved all items.

(16) There being no further business, the Committee adjourned  
at 11:30 A.M.

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EXECUTIVE SECRETARY  
RETIREMENT ALLOWANCE COMMITTEE

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CHAIRMAN  
RETIREMENT ALLOWANCE COMMITTEE

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DATED