

AGENDA

For the 615th Retirement Allowance Committee Meeting of April 25, 2000

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 614th meeting held March 28, 2000.
4. Investment Subcommittee report.
 - a.) Consultant search
 - b.) Financial Report
 - c.) WPG Distributions
 - d.) Ark Capital
5. Real Estate Subcommittee report
 - a.) Sale of 191 W. Wacker
 - b.) Sale of Elk Grove Village Property
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.
 - i.) Michael Hartman - #19328 – request for disability – retro to 04-01-00.
 - d.) Presentation of Death Benefits for approval.
 - e.) Presentation of Refunds of contributions for approval.
 - f.) Presentation of Bills and Remittances for approval.
7. Old Business
 - a.) Part-time Union Officer Suggested Resolution.
8. New Business
 - a.) Hill, Taylor 1999 Audit
9. Executive Session
 - a.) Pension Office Personnel Matters
10. Adjournment

The 615th 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 25, 2000 at The Northern Trust. The Chairman and the Secretary (Executive Director) were present. A quorum being present, the meeting was called to order at approximately 9:50 a.m..

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

Marcel Acosta
Linda Fuller as an Alternate for Dennis Anosike
Marcellus Barnes
Wanda Black
Loid Brown
Pam Beavers as an Alternate for Susan Leonis
Isaiah Thomas as an Alternate for Claudette Ogeltree
Jerry Williams
Robert Smith as an Alternate for Richard Winston

The minutes of the 614th meeting were approved.

General Administration Report

A brief report was given by Mr. Barnes on the General Administration Subcommittee Meeting. The report on the Subcommittee was approved on a motion by Ms. Black.

Investment Report

A brief report was given by Mr. Williams on the Investment Subcommittee Meeting. The report on the Subcommittee meeting was approved on a motion by Mr. Brown.

Real Estate Report

A brief report was given by Mr. Acosta on the Real Estate Subcommittee Meeting. The report on the Subcommittee meeting was approved on a motion by Mr. Thomas.

Old Business

Ms. Black reported that the discussion on the proposed resolution to the Part Time Union Officials matter would be moved to the May, 2000

New Business

The Committee approved Hill and Taylor to begin work on the 1999 Audit. The meeting was adjourned at approximately 10:10 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 April 25, 2000 at The Northern Trust. The Chairman and the Secretary (Executive Director) were present. A quorum being present, the meeting was called to order at 8:30 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 \$4,399,074.48.

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

III. Investment Subcommittee Minutes

A regular meeting of the Investment Subcommittee was held on April 25, 2000 at The Northern Trust. The Chairman and the Secretary (Executive Director) were present. A quorum being present, the meeting was called to order at 8:45 a.m..

At Mr. William's request, Mr. Kallianis gave an update on the progress that had been made in selecting a Consultant for the fund. Mr. Kallianis indicated that the two finalists, Marco Consulting and Gray & Company had presented a joint proposal whereby Marco Consulting would be responsible for the Investment Policy, Asset Allocation, Proxy Voting and Manager Searches and Gray & Co. would provide Performance Evaluation and Analysis for the Fund. The total cost for the two consultants would be \$250,000 annually, with Marco and Gray each receiving \$125,000.

On a motion by Mr. Williams, the Committee approved accepting the joint proposal of Marco Consulting and Gray & Co. to provide Consulting services to the Fund. The contracts would be for one year and would contain language that would allow for the Fund and either of the consultants to cancel the contract with 30 days notice.

Mr. Ross gave a brief update on the financial status of the Plan. The market value for the Plan as indicated in the FCS report on March 31st was \$1,966,057,379. The return figure for the month of March was 6.46% and 5.49% year to date.

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

IV. Real Estate Subcommittee Minutes

A regular meeting of the Real Estate Subcommittee was held on March 28, 2000 at The Northern Trust. The Chairman and the Secretary (Executive Director) were present. A quorum being present, the meeting was called to order at approximately 9:10 a.m..

At Mr. Acosta's request, Kevin Lynch and Steve Burns from The Townsend Group gave an update on the properties that the Fund had recently sold, including the Lake/Wacker, Elk Grove and Jeffrey Manor properties.

Also at Mr. Acosta's request, Kevin Lynch and Steve Burns gave the Committee a brief summary of the work they had done to draft a proposed Investment Policy and Strategic Plan for the Fund with regard to investments in Real Estate.

Mr. Acosta directed Mr. Kallianis to schedule a special meeting of the Real Estate Subcommittee between the April and May meetings to review the proposed Investment Policy and Strategic Plan with The Townsend Group and that he would like to bring the

Mr. Acosta asked The Townsend Group and Mr. Burke to give the Committee an update on the status of Capri Capital Management's funding. Mr. Lynch and Mr. Burke indicated that they had not yet received any of the necessary paperwork from Capri to initiate the funding. Mr. Lynch also noted that the Committee had nominated Capri to receive the \$15 million investment early in 1999.

On a motion made by Mr. Acosta, the Committee approved making the previous \$15 million commitment to the Capri Fund contingent upon the Capri Fund having a total investment of at least \$75 million, including the CTA's \$15 million. Also approved as part of the same motion was a cutoff date of September 30, 2000 for Capri to finalized the necessary investment documents.

The Real Estate Subcommittee was adjourned on the motion of Mr. Brown.

Executive Director

Chairman