

RETIREMENT PLAN FOR CTA EMPLOYEES

10 SOUTH RIVERSIDE PLAZA

SUITE 1625

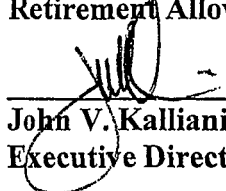
CHICAGO, ILLINOIS 60606

(312) 441-9694

NOTICE

TO: Retirement Allowance Committee Members and Alternates

FROM:



John V. Kallianis
Executive Director

DATE: May 23, 2002

RE: RETIREMENT ALLOWANCE COMMITTEE MEETING

This is to announce that the meetings listed below will be held Thursday, May 30, 2002, at the Northern Trust Company, 50 S. LaSalle Street, in the Director's Dining Room on the 6th floor. The agenda for the full Retirement Allowance Committee Meeting is attached.

- The Subcommittee on General Administration at 8:30A.M.
- The Investment Subcommittee will immediately follow the Subcommittee on General Administration.
- The Real Estate Subcommittee will immediately follow the Investment Subcommittee.
- The Retirement Allowance Committee Meeting will immediately follow the Real Estate Subcommittee.

If you have any questions on the agenda, please call me at (12) 463-0350.

JVK:gmb
attachment

AGENDA
For the 640th Retirement Allowance Committee Meeting of
May 30, 2002

1. Meeting will be called to order at 8:30 A.M., Northern Trust Co., 50 South LaSalle Street, Directors' Dining Room, 6th floor.
2. Roll call
3. Approval of the Minutes of the 639th meeting held April 30, 2002.
4. Investment Subcommittee
 - a.) Manager Presentation
 - b.) First Quarter 2002 Results
5. Real Estate Subcommittee
 - a.) Update on RREEF Sale
 - b.) Update on Paine Webber
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.

Greffin Harrington #23452 applied for disability allowance effective 05-01-02 and is requesting retroactivity to 10-01-01.

 - d.) Presentation of death benefits for approval.
 - e.) Presentation of refunds of contributions for approval.
 - f.) Presentation of bills and remittances.
 - g.) Web Site Proposal
7. Old Business
 - a.) Part-time union officials
8. New Business
9. Executive Session
10. Adjournment

The 640th 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 May 30, 2002 at The Northern Trust. The Chairman and the Executive Director were present. A quorum being present, the meeting was called to order at approximately 10:10 a.m.

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

Robert Smith as an alternate for Dennis Anosike
Marcellus Barnes
Wanda Black
Loid Brown
Pam Beavers as an alternate for Dorval Carter Jr.
Sue Leonis
Leon London as an alternate for Claudette Ogletree
Lynn Sapyta
Jerry Williams
Richard Winston

On a motion by Mr. Brown, the minutes of the 639th 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 6g, which dealt with various benefits, bills and remittances was approved on a motion by Mr. Brown.

Investment Subcommittee Report

A brief report was given by Mr. Winston on the Investment Subcommittee meeting.

The Investment Subcommittee met prior to the general meeting, hearing from Jim Coffin from Janus.

The Investment Subcommittee also heard from Larry Gray from Gray & Co. regarding first quarter, 2002 results.

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

Real Estate Subcommittee Report

Mr. Kallianis gave an update on the purchase of RREEF by Deutsche Bank. He reported that Townsend's only concern was that there was no plan for the mid-level people to move up and participate in management and profit of the firm. Townsend has since been satisfied that there is a plan in place to address this issue and will issue a letter advising us to consent.

Mr. Kallianis also indicated that Steve Burns was invited to the June meeting, and will have the first quarter results.

Mr. Kallianis also gave an update on the potential selling of Paine Webber by UBS Warburg.

Old Business

Mr. Williams reported that a judge ruled that the arbitrator was outside of his authority when he made his decision regarding the Part Time Officers and overturned the decision.

Mr. Burke indicated that he thought the committee should wait to see the results of a possible appeal because the staff may end up having to "undo" any changes to benefits in the future.

New Business

There was a motion by Mr. Brown to have a luncheon for the retiring Vice Chair (Ms. Black), of the Retirement Allowance Committee in July 2002. The committee approved.

The Retirement Allowance Committee meeting was adjourned at approximately 10:30 a.m. on a motion made by Ms. Black.

Executive Session

There was no Executive Session.

II. General Administration Subcommittee Minutes

A regular meeting of the General Administration Subcommittee was held on May 30, 2002 at The Northern Trust. The Chairman and the Executive Director were present. A quorum being present, the meeting was called to order at 8:45 a.m.

Mr. Barnes presented for approval items 6a through 6f., including the pre retirement surviving spouse allowances, the regular retirements, disability allowances, death benefits, refund of contributions and payment of bills and remittances. Mr. Barnes stated that the total of bills and remittances for the month was \$4,144,966.92.

Mr. Kallianis presented item g., Web-site for the Plan, and is working on proposal from our current email provider. Mr. Kallianis asked the Committee for approval to have the website put together by Gubman, Inc. for the coast of \$2,600.00

On a motion by Mr. Williams, the Committee approved item g.

Ms. Black indicated that the Unions have filed a law suite (of conflicting medical coverage), which is still pending.

The Subcommittee on General Administration was adjourned on a motion made by Ms. Black.

III. Investment Subcommittee Minutes

A regular meeting of the Investment Subcommittee was held on May 30, 2002 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 9:00 a.m.

Mr. James Coffin from Janus gave the Subcommittee updates on Janus' recent performance and indicated that they had made some changes to day to day administration of the fund for the better. He asked for the Committee's patience.

Mr. Gray than give the Subcommittee a report on the first quarter results of the overall fund.

Mr. Day from Marco Consulting Group then presented three managers , PRIMCO, Dwight and Goode that he asked the Committee to consider for the increase in Stable Value. Mr. Kallianis indicating that the Special Investment Subcommittee meeting was set for June 14, 2002 at 9:00 a.m.

Mr. Ross briefly reported on the financial market value. - Current month performance of -1.86%. Year to date - 84%. Currently at close of business on May 29, the market value of the total Portfolio was approximately 1,610,000,000.

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 May 30, 2002 at The Northern Trust. The Chairman and the Executive Director were present. A quorum being present, the meeting was called to order at 9:50 a.m..

Mr. Kallianis gave an update on the purchase of RREEF by Deutsche Bank. He reported that Townsend's only concern was that there was no plan for the mid-level people to move up and participate in management and profit of the firm. Townsend has since been satisfied that there is a plan in place to address this issue and will issue a letter advising us to consent.

Mr. Kallianis also indicated that Steve Burns was invited to the June meeting, and will have the first quarter results.

Mr. Kallianis also gave an update on the potential selling of Paine Webber by UBS Warburg.

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

Executive Director

Chairman