

**AGENDA**  
**For the 649<sup>th</sup> Retirement Allowance Committee Meeting of**  
**February 21, 2003**

1. Meeting will be called to order at 8:30 A.M., Northern Trust Co., 50 South LaSalle Street, Director's Dining Room, 6<sup>th</sup> floor.
2. Roll call
3. Approval of the Minutes of the 648<sup>th</sup> meeting.
4. Investment Subcommittee
  - a.) 4<sup>th</sup> quarter, 2002 results
  - b.) Brokerage presentation
5. Real Estate Subcommittee
  - a.) 4<sup>th</sup> quarter, 2002 results
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.

**Sylvia A. Broadnax #7222** applied for retirement benefits effective 04-01-03 and revoked her application.  
**Maria D. Cruz #3273** applied for retirement benefits effective 03-01-03 and revoked her application.  
**Catonas J. Jones #3587** applied for disability benefits retroactive to 09-01-02.

  - d.) Presentation of death benefits for approval
  - e.) Presentation of refunds of contributions for approval
  - f.) Presentation of bills and remittances
7. Old business
  - a.) Part-time union officials
  - b.) Designation of beneficiary
8. New business
  - a.) GRS Actuarial Assessment

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9. Executive Session
10. Adjournment

# **The 648<sup>th</sup> 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 January 22, 2003 at the offices of Burke, Warren, McKay and Serritella. 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  
Dorval Carter  
Ethel Carter  
Leon London as an alternate for Claudette Ogletree  
Lee Robinson  
Lynn Sapyta  
Richard Winston

On a motion by Mr. Brown, the minutes of the 647<sup>th</sup> 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 6f, which dealt with various benefits, bills and remittances was approved on a motion by Mr. Brown.

### **Investment Subcommittee Report**

Mr. Winston gave a brief report on the meeting of the Investment Subcommittee, including the progress on the funding of the investment in Goode Investment Management.

The report on the Subcommittee meeting was approved on a motion by Ms. Sapyta.

### **Real Estate Subcommittee Report**

Mr. Carter gave a brief report on the Real Estate Subcommittee, including an update on the potential sale of Paine Webber by UBS Warburg and on the Subcommittee's approval of the third amendment to the Capri Select Income LLC agreement.

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

### **Old Business**

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

Mr. Kallianis then talked to the Committee briefly about the issue of designation of a beneficiary by a member of the fund. The issue had arisen recently about having the ability to designate an entity, rather than a person.

After some discussion, Mr. Anosike asked that these two items remain on the agenda for next month.

### **New Business**

On a motion by Mr. Anosike, Mr. Robinson was nominated and elected as the Chairman of the Retirement Allowance Committee.

### **Executive Session**

The RAC adjourned to Executive Session at 10:00 a.m. to discuss the administration of health care benefits related to the Plan retirees.

The Retirement Allowance Committee returned from Executive Session and was adjourned at approximately 10:30 a.m. on a motion made by Ms. Ogletree.

## **II. General Administration Subcommittee Minutes**

A regular meeting of the General Administration Subcommittee was held on January 22, 2003 at the offices of Burke, Warren, McKay and Serritella. 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 6f., including the pre retirement surviving spouse allowances, the regular retirements, disability allowances, 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 \$4,467,600.98.

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 January 22, 2003 at the offices of Burke, Warren, McKay and Serritella. 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. Kallianis then gave the Committee a brief update on the funding of Goode Investment Management in the Stable Value allocation, indicating that almost half of their allocation had been funded.

Mr. Ross then indicated that, per the FCS report, the Fund had a year end return of -11.37%. Mr. Ross also indicated that the fund stood at approximately \$1.368 billion at the end of 2002.

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

#### **IV. Real Estate Subcommittee Minutes**

A regular meeting of the Real Estate Subcommittee was held on January 22, 2003 at the offices of Burke, Warren, McKay and Serritella. The Vice-Chairman and the Executive Director were present. A quorum being present, the meeting was called to order at 9:30 a.m..

Mr. Carter then asked Mr. Kallianis to speak about an item that was not on the agenda having to do with Capri Capital's agreement with the fund. Mr. Kallianis presented the Committee with Capri Select Income's request for a third amendment to its' LLC agreement in which the advisory committee (which was eliminated in the 2<sup>nd</sup> amendment) would be replaced , in effect, with a majority-in-interest of the shareholders of the fund.

Mr. Kallianis recommended that the Committee accept the third amendment and indicated that he had sought the opinion of the Townsend group and the Plan Counsel's office. Both had recommended that we could proceed with the amendment.

Mr. Kallianis then gave the committee an update on the potential sale of Paine Webber by UBS. Mr. Kallianis indicated that Townsend still had not received a written proposal from Paine Webber on the potential sale and that he was in contact with Steve Burns at the Townsend Group on the issue.

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

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Executive Director

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Chairman