

**AGENDA**  
**For the 660<sup>th</sup> Retirement Allowance Committee Meeting of**  
**January 26, 2004**

1. Meeting will be called to order at 8:30 A.M. at the LaSalle Bank, 135 S. LaSalle, on the 6<sup>th</sup> floor, room 625.
2. Roll call
3. Approval of the Minutes of the 659<sup>th</sup> meeting.
4. Investment Subcommittee
  - a.) Manager Presentation – MDL Capital
  - b.) Securities Litigation Appointments
    - Bernstein, Litowitz, Berger & Grossman
    - Bernstein, Liebhard & Lifshitz
    - Abbey Gardy
  - c.) Large Cap Passive/Active Analysis
  - d.) Large Cap Fee Proposals
  - e.) Member Seminars
5. Real Estate Subcommittee
  - a.) 3<sup>rd</sup> Quarter Review
  - b.) Champion Ventures
  - c.) CNL Update
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.

**Peco Serovski #1593** applied effective 11-01-03 and was deferred by the Committee.

**Thurman Collier III #30623** applied for disability benefits effective 02-01-04, retroactive to 01-01-04.

**John M. Smith #24650** applied for disability benefits effective 02-01-04, retroactive to 08-01-03.

**Judy A. Murchison #25557** applied for disability benefits effective 02-01-04, retroactive to 01-01-04.

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**Rosa E. Alfaro #6733** applied for retirement benefits effective 01-01-04 and revoked.

**Ernesto Antonio #15063** applied for retirement benefits effective 01-01-04 and revoked.

**Michele Cash #15888** applied for retirement benefits effective 04-01-04 and revoked.

**Michele Cash #15888** applied for retirement benefits effective 05-01-04 and revoked.

**Frank Kleczka, Jr. #15816** applied for retirement benefits effective 02-01-04 and revoked.

**Margie LaBoy #9151** applied for retirement benefits effective 02-01-04 and revoked.

**Janice Lewis #13467** applied for retirement benefits effective 01-01-04 and revoked.

**Janice Lewis #13467** applied for retirement benefits effective 03-01-04 and revoked.

**Miguel A. Perez #13619** applied for retirement benefits effective 01-01-04 and revoked.

**William Roman #2743** applied for retirement benefits effective 01-01-04 and revoked.

**Jose Garcia #15180** returned to work from disability on 01-09-04 and applied for early retirement benefits effective 02-01-04.

- 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.) Disability Management Update
- b.) Social Security Disability Advocacy Update
- c.) Open Meetings Act
- d.) Part-time Board Members
- e.) Lease/Move Update
- f.) Fiduciary Liability Update

8. New Business

- a.) Memorandum of Agreement on Plan Changes

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9. Executive Session
  - a.) Litigation
10. Adjournment

## **The 659<sup>h</sup> Retirement Allowance Committee Meeting of the Retirement Plan for Chicago Transit Authority Employees.**

### **I. Full Meeting Minutes**

A regular meeting of the Retirement Allowance Committee was held on December 18, 2003 at the LaSalle Bank building at 135 S. LaSalle on the 43<sup>rd</sup> Floor. The Chairman and the Executive Director were present. A quorum being present, the meeting was called to order at approximately 9:10 a.m..

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

Dennis Anosike  
Marcellus Barnes  
John Burkard  
Hector Flores as an alternate for Ethel Carter  
Linda Fuller as an alternate for Dorval Carter  
Leon London  
Lynn Sapyta  
Richard Winston

On a motion by Marcellus Barnes, Javier Perez was unanimously voted to Chair the Retirement Allowance Committee.

*(The Committee then went into General Administration matters.)*

After dealing with General Administration -related matters and some items in "Old Business" the Committee came back into full session. The following members were present:

Marcellus Barnes  
John Burkard  
Hector Flores as an alternate for Ethel Carter  
Linda Fuller as an alternate for Dorval Carter  
Leon London  
Javier Perez  
Lynn Sapyta  
Joyce Coleman as an alternate for Dennis Anosike (via telephone)

On a motion by Mr. Burkard, the minutes of the 657<sup>th</sup> approved and the minutes of the 658<sup>th</sup> meeting were approved as amended.

On a motion by Mr. Burkard, the Committee approved the actions taken by Mr. Kallianis to purchase "tail" insurance for the Trustees on the old Fiduciary Liability Policy.

Mr. Ivory Day gave a quick update on the fund as it relates to the 3<sup>rd</sup> Quarter performance.

Mr. Ross then gave the Committee an update from the FCS Report and indicated to the Committee that the market value of the Plan as of December 17, 2003 was \$1.37 Billion.

#### **General Administration Subcommittee Report**

A brief report was given by Mr. Barnes on the General Administration Subcommittee Meeting.

#### **Real Estate Subcommittee Report**

The Real Estate Subcommittee had no business on the agenda.

#### **Old Business**

Mr. London made a motion that, effective January 1, 2004, the Plan adjust retroactive to April 1995 the pension benefits paid to the retirees who, during their employment, received earnings from both the CTA and the Union by taking into account their total earnings as reported by the CTA and by the Union on the IRS W2, together with interest at an annual rate of 5 percent compounded monthly.

*(There was a caucus to discuss the matter.)*

Mr. London then amended his motion to strike the part about paying interest on the earnings. There was a roll call vote. Barnes-yes, Burkard-yes, Flores-yes, Fuller-no, London-yes, Perez-yes, Sapyta-no, Coleman-no. The motion did not pass.

After some discussion on the issue, Ms. Fuller made a motion to adopt the meeting policy that the Plan Counsel had negotiated with the State's Attorney's Office. After some additional discussion there was a roll call vote. Barnes-no, Burkard - no, Flores-no, Fuller-yes, London-no, Perez-no, Sapyta-yes, Coleman-yes. The motion did not pass.

#### **New Business**

There was no new business.

#### **Executive Session**

There was no Executive Session.

On a motion by Mr. Flores, the Committee voted to adjourn.

## II. General Administration Subcommittee Minutes

A regular meeting of the General Administration Subcommittee was held on December 18, 2003 at the offices of LaSalle Bank. The Chairman and the Executive Director were present. A quorum being present, the meeting was called to order at 9:15 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, payment of bills and remittances. Mr. Barnes stated that the total of bills and remittances for the month was \$11,043,093.75.

On a motion by Mr. London, the Subcommittee approved the extension request of Mr. Kenneth Sampson to repay his refund of contributions within 30 days.

Mr. Flores made a motion to allow Mr. Peco Serovski to retire effective November 1, 2003. After some discussion, Mr. Flores withdrew his motion. The Committee asked Mr. Kallianis to provide all of the members with a copy of the letter drafted by the Plan Counsel and the other documents gathered with regard to Mr. Serovski's case.

On a motion by Mr. Barnes, Ms. Evelyn Rosado was added to the list for disability applications effective 12.1.03.

After some discussion, there was a motion made by Mr. London to approve all of the bills and remittances with the exception of the 1/10th reimbursement of health care cost underpayments and the costs incurred by the retirees for the month of October, 2003. There was a roll call vote: Anosike - no, Barnes -yes, Burkard - yes, Flores - yes, Fuller - no, London-yes, Perez - yes, Sapyta - no. The motion did not pass.

Mr. Anosike made a motion to pay all of the bills and remittances. There was a roll call vote: Anosike -yes, Barnes- no, Burkard - Yes, Flores - no, Fuller - yes, London - no, Perez - no, Sapyta -yes, Coleman - yes. The motion did not pass.

*(During the roll call vote on the last item, Mr. Barnes asked for a caucus and Mr. Anosike had to leave the meeting. Mr. Coleman replaced Mr. Anosike from this point via telephone.)*

On a motion by Mr. Barnes, the Subcommittee voted via unanimous roll call to approve the benefits related to items 6a through 6e on the agenda, with the exception of benefits for Peco Serovski.

Mr. Flores made a motion to pay the bills on pages 31 and 32 of the agenda. A roll call vote was taken: Barnes - yes, Burkard -yes, Flores - yes, Fuller -yes, London - yes, Perez - yes, Sapyta - no. The motion did not pass.

Mr. London made a motion to pay the bills on pages 33 and 34 of the agenda.