

RETIREMENT PLAN FOR CHICAGO
TRANSIT AUTHORITY EMPLOYEES.

The 9th Meeting of the Retirement Allowance Committee was held on March 20, 1950, in the Office of the Secretary, 79 West Monroe Street - Room 408, and the following were in attendance:

Mr. E. A. Imhoff,
Mr. H. B. Storm,
Mr. D. J. McNamara,
Mr. P. J. O'Connor,
Mr. J. E. Hastings,
Mr. C. J. Burns,

Mr. A. C. Jann - alternate for
Mr. P. J. Meinardi,
Mr. J. Devane - alternate for
Mr. J. J. Kehoe,
Mr. T. O'Connor - alternate for
Mr. R. J. McKinney.

The Meeting was called to order by Chairman Imhoff at 10:35 A.M.

A Motion was made by Mr. McNamara and seconded by Mr. Burns to approve the minutes of the 8th Meeting, as written.

Mr. Hastings reported that in discussing with Mr. Schroeder the payment of pensioners whose amounts were less as a result of re-calculation than they formerly received, they were both of the opinion that Section 23 of the Plan with reference to payment of re-calculated amounts implied that an increase in the amount was contemplated and that no payment would be less than formerly received and that if Mr. Zimring would approve this action, they know of no legal barrier to payment under this interpretation.

Mr. Storm in reviewing the applications of William J. Cleland and Jens K. Royn pointed out to the Committee that there was apparently no real break in continuous service in the records of these employees, that both men were absent for a very short time as a result of lay-offs during the depression and had not actually left the service voluntarily. The Committee concurred in Mr. Storm's opinion and it was agreed that the service of Mr. Cleland and Mr. Royn would be considered continuous for pension purposes. The Committee was agreed that in following Mr. Hastings' interpretation of Section 23, Philip Salvatore, William B. McGeean and Wilbur J. Barryman would receive no less than

the amounts paid them at the time of their retirement. A motion was made by Mr. McNamara and seconded by Mr. P. O'Connor to make the foregoing adjustments in the amounts of payment for these five pensioners.

Mr. Storm reported that with regard to the application of W. T. Garvos, on which action was deferred at the last meeting, we now have information from Mr. Garvos' doctor in our files to justify the acceptance of Mr. Garvos' application for disability allowance, retroactive to March 1, 1950. Application was accepted.

Mr. Storm advised that he was in the process of making preliminary arrangements for an audit and actuarial survey of the retirement fund. He stated that he thought by the time of the next meeting he could present the names of two actuaries and auditing companies for Committee approval, and at that time it would be desirable for the Committee to determine the extent of the survey.

Mr. Storm stated that as yet the extent of the payroll posting of the individual amounts of contributions to and credit in the fund had not been determined and that the decision as to the number of Sundstrand operators necessary to do this work would hinge on the volume of posting to be done.

Mr. Storm read a report on the deaths of pensioners which have not been previously reported.

Announcement was made that A. Gustafson, Retirement No. D-93, retired on Total and Permanent Disability August 1, 1948, became 65 years of age on March 10, 1950. He will be transferred to regular retirement effective April 1, 1950 under new retirement No. 3563.

William Haarz, Retirement No. D-9, who retired on Total and Permanent Disability June 1, 1947, became 65 years of age on March 1, 1950. He will be transferred to regular retirement effective March 1, 1950 under new retirement No. 3562.

Mr. Storm announced that William Zimmerman, Badge No. 1714, from 69th Street depot, who had been granted Total and Permanent Disability on September 1, 1948, and had been reinstated as a flagman on April 27, 1949, is now unable to perform the duties of a flagman and requests reinstatement of his disability allowance. Reinstatement met the approval of the Committee.

Mr. McNamara made a motion to accept all applications, as per attached list, which Mr. Storm had reviewed and approved. Motion was seconded by Mr. Burns and unanimously approved.

Motion was made by Mr. McNamara and seconded by Mr. P. O'Connor to approve payment of invoices covering supplies received for the administration of the Retirement Plan, as per attached list dated March 20, 1950 totaling \$1,135.44. Motion was unanimously carried.

Mr. McNamara made a motion seconded by Mr. P. O'Connor to approve payment of bills rendered by the Chicago Transit Authority, chargeable to the Retirement Fund, totaling \$7,369.29, as per attached list dated March 20, 1950. Motion was unanimously carried.

Mr. McNamara made a motion seconded by Mr. P. O'Connor to approve payment of invoices covering equipment received for the administration of the Retirement Plan totaling \$17,822.03, as per attached list dated March 20, 1950. Motion was unanimously carried.

Mr. Storm read a letter dated March 15, 1950 from the Trustee acknowledging the receipt of \$1,750,000 in Securities which had been transferred to the Trustee from the First National Bank of Chicago.

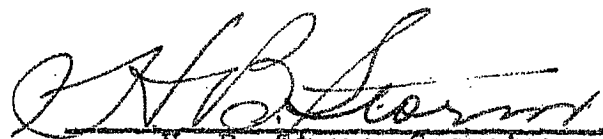
Mr. Storm discussed the method that would be followed in posting the record of earnings and contributions for active employes from the payrolls to be provided by the Accounting Department. He stated that as yet no definite decision had been made as to whether these postings would be made each pay period or would only be done at some longer interval.

Mr. Storm stated that in connection with payment of the supplemental benefit, that is Social Security equivalent as provided in the Plan, there were still a number of unresolved questions. He said that, in his opinion, it would greatly facilitate payment if deductions for Federal Old Age Benefit terminated at the same time as contributions to the regular Plan.

Mr. Hastings, quoting Paragraph 9.3 of the Plan, stated that with regard to the contributions prescribed in Section 7 "The Authority shall make no contributions after the employe's normal retirement date", this, in his opinions, could be construed to mean that the Federal Old Age Benefit equivalent contribution might be discontinued at the normal retirement date. Mr. Storm said that he would seek an opinion as to this question from Mr. Zimring and Mr. Schroeder.

Mr. Hastings stated that he and Mr. Levine had been getting together the necessary data to file the Retirement Plan with the Department of Internal Revenue, and that at the moment they were awaiting the development of some necessary figures by the Accounting Department.

There being no other pertinent business Mr. P. O'Connor made a motion for adjournment which was seconded by Mr. Burns. Motion was unanimously carried and the meeting was adjourned at 11:25 A.M.



H. B. Storm, Secretary,
Retirement Allowance Committee

APPROVED:

E. A. Lindhoff.
Date April 17, 1956