

RETIREMENT PLAN  
FOR  
CHICAGO TRANSIT AUTHORITY EMPLOYEES

The 272nd Meeting of the Retirement Allowance Committee was held on January 17, 1972, in the Secretary's Office, Room 746 in the Merchandise Mart, and the following were present:

Mr. W. A. Ashley	Mr. F. McCrea
Mr. D. M. Flynn	Mr. D. McFadden
Mr. A. G. Kohler	Mr. W. E. Scholl

Mr. O. R. Hamlink, alternate for Mr. Hastings, Mr. W. C. Platt, alternate for Mr. P. J. Meinardi, Mr. G. A. Riley, alternate for Mr. C. E. Keiser and Mr. W. Donnelly, alternate for Mr. Loughran were also present.

The Chairman called the meeting to order at 11:00 A.M.

On a motion by Mr. McCrea, seconded by Mr. Riley, the Minutes of the 271st Meeting held on December 20, 1971 were unanimously approved.

The announcements of deaths since the last meeting were made by the Secretary as per the attached listing.

The Secretary advised that eight (8) employes submitted Survivorship Options for presentation at this meeting. Four of these applications, those of John Curran, Charles Andrews, Arthur Schnee and James Dowe were received in their departmental offices on time but were received in the Secretary's Office late. After considerable discussion it was unanimously agreed that the evidence of good health would be waived for

these employes.

The Secretary advised that twenty-nine (29) applications for retirement were submitted to this office for presentation at this meeting. On a motion by Mr. McFadden, seconded by Mr. Kohler the Committee unanimously approved the twenty-nine (29) applications submitted by the Secretary.

The Secretary reported that during the month, two (2) employes on Total & Permanent Disability were examined by the Medical Department or their records reviewed.

On a motion by Mr. Flynn, seconded by Mr. Donnelly, the refunds numbering sixty-one (61) and totaling \$145,047.07 to be made January 31, 1972, as per the attached statement were unanimously approved.

The Secretary read a report of deposits, disbursements and investments during the month of December as per the attached statement.

The Secretary presented Chicago Transit Authority bills totaling \$11,543.16 and miscellaneous bills totaling \$48,822.16 for approval. On a motion by Mr. McFadden, seconded by Mr. McCrea, the Committee unanimously approved payment of these bills.

The Secretary reported that for the payment of January 31, 1972, death benefits numbering thirty (30) and amounting to \$45,250.00 are submitted for approval. On a motion by Mr. Flynn, seconded by Mr. McFadden, the Committee unanimously approved payment of the death benefits as per the attached listing.

The Secretary informed the Committee that the Pitney-Bowes postal metering machine became inoperative during the month and could not be repaired. Pursuant to the instructions of the Committee, the Secretary ordered on December 23, 1971, a new Pitney-Bowes metering machine which cost \$2,074.50. The Secretary advised that the new machine and bill will be received in a few days.

The Secretary reported that pursuant to instructions at the last meeting, he sent a letter to Mr. Thomas Withers who is on disability retirement and requested that he appear at the Medical Department for a physical examination, during the period December 28, 1971 to December 30, 1971. Mr. Withers did not respond to this letter. An investigation was made which determined that Mr. Withers is a full time student at a Chicago college and works fifteen (15) hours each week for the college. The Secretary conferred with the Committee's Attorney, Mr. Hastings and had been counseled that Mr. Withers should be removed from the Retirement Roles in accordance with Paragraph 12.4. After considerable discussion, on a motion by Mr. Kohler, seconded by Mr. Donnelly, the Committee unanimously agreed that Mr. Withers should be removed from the Retirement Rolls. The Secretary was instructed to send a registered letter to Mr. Withers advising him of the Committee action.

The Secretary informed the Committee that the Secretary's Office has not heard from Mr. Michael Mick or any of his relatives since Mr. Mick's son contacted the Secretary in January, 1971 and advised that Mr. Mick desired to return to work. After considerable discussion, it was recommended that no action be taken at the present time in regard to Mr. Mick.

The Secretary advised the Committee that Mr. Charles M. Sheehy who applied for early retirement at the last meeting withdrew his application and that Edward L. Kniaz approved for Total and Permanent Disability on August 1, 1971 returned to duty on January 10, 1972 and that Jacob C. Jacobson approved for Total and Permanent Disability effective December 1, 1970 returned to duty on January 12, 1972.

The Secretary advised the Committee that the gross income of the fund for the Plan Year ending December 31, 1971 for interest earned and the net gains or losses on sales of securities was \$3,929,545.59. The net income for the above mentioned Plan Year after deduction of \$127,267.56 for expenses during the Plan Year was \$3,802,278.03. Using the formula set forth in Paragraph 15.6 of the Plan, the interest earned on the net income during the Plan Year was 4.207%. On a motion by Mr. Flynn, seconded by Mr. Kohler, the Committee unanimously approved the setting of the interest rate at 2.1% on the employe's contributions for the Plan Year ending December 31, 1971 in accordance with the maximum amount to be applied

to the total contributions up to December 31, 1970.

The Secretary advised the Committee that there was a 20% increase in the cost of rent for the space used by the Retirement Section and that a retro-active assessment had to be paid for 1970 Real Estate Property Taxes.

The Secretary informed the Committee that the normally scheduled day of the next retirement meeting falls on February 21, 1971 and that Washington's Birthday is celebrated on the 21st of February and it was recommended that the next monthly Retirement Allowance Committee Meeting be held on Tuesday, February 22, 1972 at 10:30 A.M. On a motion by Mr. McFadden seconded by Mr. Donnelly the Committee unanimously approved that the next meeting be changed to February 22, 1972.


The Secretary informed the Committee that recent changes in the State of Illinois Revenue procedures require that the Retirement Plan for Chicago Transit Authority Employees withhold 2 $\frac{1}{2}$ % from all retired employees who currently have a voluntary deduction withheld for Federal Income Tax purposes.

The Secretary also advised it will be necessary that the State of Illinois be furnished with Form W2P indicating the actuarial equivalent investment of each employe in the Retirement Plan. This actuarial equivalent must be based on the evaluation of the Plan as of December 31, 1969. The Secretary advised that the State of Illinois established the initial deadline to furnish this information as of January 31, 1972; however, it is absolutely impossible to comply with this deadline. The Secretary advised that until such time as the means for

implementing can be established, the Secretary will be unable to provide these forms to the State.

There being no further business, on a motion by Mr. Donnelly, seconded by Mr. Kohler, the Committee unanimously agreed to adjourn.

The meeting adjourned at 11:45 A.M.

  
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SECRETARY  
RETIREMENT ALLOWANCE COMMITTEE

  
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CHAIRMAN  
RETIREMENT ALLOWANCE COMMITTEE

Dated: FEB 22 1972

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Att'd.