

RETIREMENT PLAN
FOR
CHICAGO TRANSIT AUTHORITY EMPLOYEES

The 296th Meeting of the Retirement Allowance Committee was held on December 17, 1973, in the Secretary's Office, Room 746, Merchandise Mart, and the following were in attendance:

Mr. W. A. Ashley	Mr. J. D. King
Mr. L. Beatty	Mr. F. McCrea
Mr. D. M. Flynn	Mr. P. J. Meinardi
Mr. G. S. Graybiel	Mr. J. Tiffy
Mr. J. E. Hastings	

Neither Mr. D. McFadden nor his alternate was present.

The Chairman called the meeting to order at 10:32 A.M.

On a motion by Mr. Beatty, seconded by Mr. Flynn, the minutes of the 294th meeting held on November 19, 1973, and the 295th Special Meeting held on November 27, 1973, were unanimously approved.

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

The Secretary advised that one (1) Survivorship Option was submitted for approval at this meeting. On a motion by Mr. Beatty, seconded by Mr. King, the Committee unanimously approved the one (1) Survivorship Option submitted by the Secretary.

The Secretary advised that forty-one (41) applications for retirement were submitted to this office for presentation at this meeting. On a motion by Mr. Flynn, seconded by Mr. Graybiel, the Committee unanimously approved the forty-one (41) applications submitted by the Committee.

The Secretary advised that Jerry Thomas, Operator No. 2707, 77th Street, who is to retire because of a disability on January 1, 1974, had been approved by our Medical Department for light work and was offered a ticket agent's job on October 26 and November 26, 1973, but refused both times. Mr. Thomas would not be allowed to retire on January 1, 1974, pursuant to Section 12 Paragraph 12.1, and any action will be deferred until the next Retirement Allowance meeting.

The Secretary reported that during the month five (5) employees on Total & Permanent Disability were examined by the Medical Department or their records reviewed.

On a motion by Mr. Flynn, seconded by Mr. Hastings, the refunds numbering fifty-seven (57) and totaling \$174,657.09 to be paid December 31, 1973, as per the attached statement were unanimously approved.

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

The Secretary presented the Chicago Transit Authority bills totaling \$7,189.55 and miscellaneous bills totaling \$60,288.93 for approval. On a motion by Mr. Beatty, seconded by Mr. McCrea, the Committee unanimously approved payment of these bills.

The Secretary reported that for the payment of December 31, 1973 Death Benefits numbering thirty-one (31) and amounting to \$42,000 were submitted for approval. On a

motion by Mr. Graybiel, seconded by Mr. Hastings, the Committee unanimously approved payment of the Death Benefits as per the attached list.

The Secretary informed the Committee that the matter of Mr. Samuel Glover, Retirement No. 13536, who retired on October 1, 1973, at the age of 65, was discussed with Mr. Walker, Attorney with the Legal Aid, together with the Secretary and Mr. Hastings. The discussion resulted with Attorney Walker being satisfied that the Retirement Committee had acted reasonably, and would not pursue the matter further. However, the Secretary informed the Committee that Mr. Glover is now suing the Chicago Transit Authority through the Fair Employment Practices Commission.

The Secretary reported for the Committee's information, Stanley McClure, Retirement No. D-1787, who has been retired on disability since November 1, 1973, had talked to the Pension Department about resigning so that he could go to Colorado. The Secretary stated that this was just for the Committee's information since Mr. McClure has this right to make a decision as to whether he wants to stay on disability pension or resign.

The Chairman stated that there should be an election for a Chairman for the Plan Year 1974. The Chairman opened the floor for nominations. Mr. Flynn nominated Mr. Meinardi. Mr. Beatty seconded the nomination, and there being no further nominations, Mr. Meinardi was unanimously re-elected as Chairman for the Plan Year 1974.

The Secretary distributed to each Committee member a letter from the Continental Bank regarding an increase in fees for administering the Retirement Plan. The Secretary pointed out that his calculations indicated a 15% increase for the first year and a 29% increase in fees for the duration of the contract. He stated that in the past, the basis for calculating the fee was on book value, but that this will now be done on market value of investments.

The Secretary pointed out that this was only the second increase since 1950 by the Continental Bank for handling the Retirement Plan. The first increase was in 1956 and the second increase was just a few years ago.

Mr. Beatty asked whether the increase was in line with other Retirement Plan Administrations. The Secretary pointed out that there was no way to measure this at the present time.

Mr. Meinardi brought up an incident that happened in New York regarding a Retirement Plan that he knew about which was considering going from a bank to an investment counselor, but found that the investment counselor's rates were higher than the bank's.

After a general discussion regarding the proposed increase, the Secretary advised that Mr. Uslander was present with the Trust Officers to address the Committee and would discuss in detail the proposed increase in the Trust fees.

The Committee generally agreed to hold this matter in abeyance until after Mr. Uslander's explanation and to take action at the meeting of January 21, 1974.

The following representatives of the Trust Department of the Continental Bank were brought in to address the Committee at 11:07 A.M.

Mr. G. L. Uslander
Mr. W. O. Leszinske
Mr. N. J. Biderman

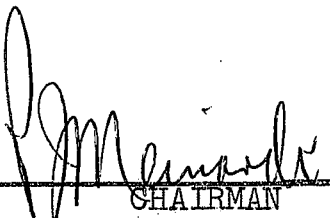
Mr. Uslander discussed the proposed increase in fees and answered questions of the Committee Members.

Mr. Leszinske and Mr. Biderman addressed the Committee regarding the position of the Trust and the financial outlook for 1974.

There being no further business, on a motion by Mr. Flynn, seconded by Mr. McCrea, the meeting adjourned at 12:00 Noon.



SECRETARY
RETIREMENT ALLOWANCE COMMITTEE



CHAIRMAN
RETIREMENT ALLOWANCE COMMITTEE

JAN 21 1974

DATED: _____

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