

RETIREMENT PLAN
FOR
CHICAGO TRANSIT AUTHORITY EMPLOYEES

The 310th Meeting of the Retirement Allowance Committee was held on February 18, 1975, in the Conference Room - Room 444, Merchandise Mart, and the following were in attendance:

Mr. W. A. Ashley	Mr. A. Kemp
Mr. J. L. Aurand	Mr. P. J. Kole
Mr. L. Beatty	Mr. J. O'Brien
Mr. T. Hill	Mr. J. Tiffy

Mr. F. Mullen, alternate for Mr. J. Hastings, was also present. Neither Mr. McCrea nor his alternate were present.

The Chairman called the meeting to order at 11:07 a.m.

On a motion by Mr. Kole, seconded by Mr. Aurand, the minutes of the 309th Meeting held on January 20, 1975 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 no (0) Survivorship Options were submitted for approval at this meeting.

The Secretary advised that twenty-three (23) applications for retirement were submitted to this office for presentation at this meeting. One application was for an Arthur S. Rudd, Real Estate Department. It was found that instead of being born on October 25, 1915, evidence was produced to indicate he was born on October 25, 1905. Mr. Rudd will only be given credit and benefits then available under the Plan at his 65th birthday on October 25, 1970.

On a motion by Mr. O'Brien, seconded by Mr. Kemp, the Committee approved the twenty-three (23) applications submitted by the Committee.

The Secretary reported that during the month three (3) employes on Total and Permanent Disability were examined by the Medical Department or their records reviewed.

On a motion by Mr. Aurand, seconded by Mr. Kemp, the refunds numbering twenty-nine (29) and totaling \$125,927.42 to be paid February 28, 1975, as per the attached statement, were unanimously approved.

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

The Secretary presented the Chicago Transit Authority bills totaling \$8,250.33 and miscellaneous bills totaling \$70,772.93 for approval. On a motion by Mr. O'Brien, seconded by Mr. Hill, the Committee unanimously approved payment of these bills.

The Secretary reported that for the payment of February 28, 1975, Death Benefits numbering forty (40) and amounting to \$67,000.00 were submitted for approval. On a motion by Mr. Aurand, seconded by Mr. Kemp, the Committee unanimously approved payment of the Death Benefits, as per the attached list.

The Secretary advised that there was no activity to report on the sub-committee.

The Secretary informed the Committee that Dorothy A. Etcheid, who had been approved for Total and Permanent Disability on February 1, 1975, returned to duty on January 28, 1975.

The Secretary informed the Committee that the December 1, 1974 Amendment was in the Stenographic Department and would be run off shortly. He stated the January 1, 1974 Amendment would go out at the same time as the December 1, 1974 Amendment. He stated the Unions would first have to execute both sets before execution by the Chairman of the Board.

There was a discussion concerning the deposits of retirement contributions. The Chairman was told that the employee contributions for the months of November and December had not been deposited. Mr. Beatty stated that he was not aware of this and asked Mr. Kole why this had not been done. Mr. Kole stated that funds were not available and it was a matter of meeting the payroll or making the contributions. The Chairman said he understood Mr. Kole's position but the matter was an extremely sensitive one and that he was going to take it up with the Chairman of the Board.

The Secretary advised the Committee that he is contemplating a reorganization of the Pension Section of the Insurance and Pensions Department and was requesting the Committee's support in this venture. The Secretary advised that in 1950 the Retirement Section had a table of organization of 14 employees and the check writing and recording of other information for employees was done manually on Sunstrand machines.

In April, 1952, the entire process was placed on punch card accounting and the section was reduced to 3 employees. Approximately 3 years ago, because of the increased workload, the section was increased to 4 people.

Because of the Pension Reform Act and the great need for a pre-retirement and post-retirement program, the Secretary is asking for the support of the Committee to reorganize the Pension Section adding a Director and one more employee.

On a motion by Mr. Kemp, seconded by Mr. O'Brien, the Committee unanimously approved the reorganization of the Pension Section.

At 11:45 a.m., the regular business of the Committee was concluded and the Investment Committee of the Continental Illinois National Bank and Trust Company was invited into the meeting to discuss the status of the Retirement Fund and particularly its performance over the past years. The following representatives of the Trustee were present:

Messrs. William O. Leszinske
Gerald L. Uslander
Sam Schuster

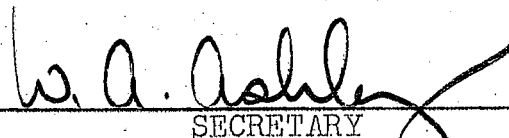
The Trustee presented each Committee Member with a packet which included a brief summary of the Trustee's record of past performances which included a review of performance of Common Stock Investments from the period 1966 to 1973, the percentage of total funds committed to Common Stocks and the accumulative annual rates of return of the total fund for the same time period.

It was the Trustee's opinion, based on comparison with the other banks in the area, that the Trustee has compiled an admirable record and their rate of return on both Common Stock and Total Fund was higher than any of the banks with which they were compared.

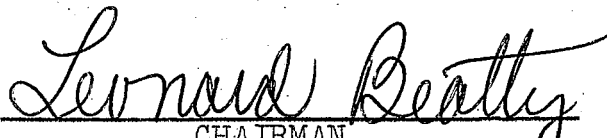
The Trustees talked briefly on Real Estate Investments, indicating the possibilities of investments in this field, and stating that potential might be there. The Chairman recommended a written report be prepared for the Committee and submitted in time so that further consideration could be given to this type of investment in the next meeting.

Mr. Hill asked what type of restrictions had been placed on investments and if there were restrictions for these in writing. Mr. Ashley responded that there was no such list. Mr. Kole said that he would like the bank to prepare a list for the next meeting so that it could be discussed.

There being no further business, the meeting adjourned at 12:45 p.m.



SECRETARY
RETIREMENT ALLOWANCE COMMITTEE



CHAIRMAN
RETIREMENT ALLOWANCE COMMITTEE

DATED: MAR 17 1975