

RETIREMENT PLAN

FOR

CHICAGO TRANSIT AUTHORITY EMPLOYEES

The 355th Meeting of the Retirement Allowance Committee was held on Monday, June 26, 1978, in the Board Room, Room 734, Merchandise Mart, and the following were in attendance:

Mr. W. Ashley	Mr. S. Miller
Mr. E. Barley, Sr.	Mr. W. Spears
Mr. P. Kole	Mr. J. Tiffany
Mr. E. Langosch	Mr. J. Touhy

Mr. Hill, alternate for Mr. Bianchi and Mr. Wool, alternate for Mr. Brabec were present. Messrs. Heatter, Hegarty, Kasmer, Mullen, O'Mahoney and Sykora were also present. Mr. Edward Hamilton and Mr. William Leszinske of Continental Bank were also present.

The Chairman called the meeting to order at 10:34 A.M.

Mr. Leszinske referred the Committee to the written report in each Committee Member's pass out material, relative to the Fixed Income Portion of the Fund and reviewed the report.

Mr. Hamilton indicated that as Continental is Trustee of the Retirement Fund, he as the Trust Officer visited each of the new investment advisers and reported that there are no operational problems and the Continental Bank is satisfied relative to the new investment advisers' performance. Mr. Hamilton reported that during his visit with the investment advisers, as recommended by Mr. Robert Harrell of William Lowry and Associates, he requested that E. W. Axe & Company, Inc. align the Chicago Transit Authority Fund's Quality Rank similarly to that of the E. W. Axe & Company, Inc.'s Commingled Fund and that Capital Guardian Trust Company align the Chicago Transit Authority's Fund Quality Rank and Price Earnings Multiple Rank similarly to that of Capital Guardian Trust Company's Commingled Fund.

The Chairman asked for the approval of the Minutes of the 354th Meeting, held May 15, 1978.

On a motion by Mr. Touhy, seconded by Mr. Miller, the Committee unanimously approved the Minutes of the 354th Meeting, held May 15, 1978.

The Secretary made the announcements of deaths reported since the last meeting, as per the attached list.

The Secretary submitted seven (7) Survivorship Options for approval. On a motion by Mr. Barley, seconded by Mr. Touhy, the Survivorship Options, as submitted, were unanimously approved.

The Secretary advised that there were thirty-two (32) Applications for Retirement submitted for approval. The Secretary indicated that amongst the thirty-two (32) applications was one for Mr. James E. Lane, which was accompanied by a letter from the Transportation Department requesting that Mr. Lane's application be made retroactive to June 1, 1978 due to the fact Mr. Lane was unable to make application on or before the 14th day of May as a result of illness. An application was also submitted for Mr. Paul M. Locassio accompanied by a letter from the Transportation Department requesting that Mr. Locassio's application be made retroactive to June 1, 1978, due to the fact Mr. Locassio was unable to make application on or before the 14th day of May as a result of illness; also, one for Mr. James D. Roeber, which was accompanied by a letter from the Human Resources Department requesting that Mr. Roeber's application be made retroactive to June 1, 1978 due to the fact that Mr. Roeber did not understand the procedure for filing an Application for Retirement.

On a motion by Mr. Touhy, seconded by Mr. Tiffy, the Committee unanimously approved the thirty-two (32) Applications for Retirement submitted for approval including Messrs. Lane, Locassio and Roeber, retroactive to June 1, 1978.

The Secretary reported that during the month, ten (10) employees on Total and Permanent Disability were examined by the Medical Department or their records reviewed.

The Secretary presented forty-five (45) refunds, totaling \$209,263.99 for approval at this meeting. On a motion by Mr. Touhy, seconded by Mr. Wool, the refunds to be paid on June 30, 1978, as per the attached statement, were unanimously approved.

The Secretary presented a report of Deposits, Disbursements and Investments for the month of May.

The Secretary presented the Chicago Transit Authority bills totaling \$16,178.30 and other bills totaling \$132,026.99 for approval. On a motion by Mr. Touhy, seconded by Mr. Spears, the Committee unanimously approved payment of these bills.

The Secretary presented, for payment on June 30, 1978, Death Benefits numbering thirty-eight (38) and amounting to \$64,000.00 for approval.

On a motion by Mr. Touhy, seconded by Mr. Wool, the Committee unanimously approved the Death Benefits, as per the attached list.

The Secretary reported that Mr. Hall was to meet with him relative to Mr. James B. Edwards' failure to make contributions to the Retirement Fund, but Mr. Hall had to cancel the meeting due to unforeseen circumstances. The Secretary indicated that he would

arrange another meeting in the near future.

The Secretary followed up from last meeting on Mr. Henry Waller, D-1782, who has been on Disability Retirement since October 1, 1973, who was approved for light duty and declined a position as a Ticket Agent on May 11, 1978. The Secretary indicated that the reason Mr. Waller declined the Ticket Agent position was due to the fact that his physician indicated that he could not perform the job. The Secretary requested a statement from Mr. Waller's physician substantiating the physician's position. Subsequently, Mr. Waller presented the Secretary's Office with a medical statement indicating that Mr. Waller has had an apparent relapse of his condition and the Medical Director considers Mr. Waller unfit for any work at present. The Secretary's Office will have Mr. Waller re-examined in one (1) year.

The Secretary advised that it will be necessary to appoint an Actuary and Auditor for the Plan Year 1978. The Secretary recommended that because of satisfactory performance The Wyatt Company be named Actuary and the Arthur Young Company be named Auditor for the Plan Year.

On a motion by Mr. Langosch, seconded by Mr. Touhy, the Committee unanimously approved The Wyatt Company as Actuary and the Arthur Young Company as Auditor for the Plan Year 1978.

The Secretary, at the request of Mr. Spears, brought up the matter of the Supplemental Memorandum of Agreement.

Mr. Spears indicated to the Committee that it was his intention to have the new provisions written in terms that were

easily understood by an employee.

The Secretary responded that the Supplemental Memorandum of Agreement is written in terms consistent with the Retirement Plan Booklet and indicated that an explanation booklet will be worked on in the future, written in terms that were easily understood by the average employee.

Mr. Spears indicated that this would be satisfactory to Division 308.

Mr. Touhy asked when the sub-committee to elect the new Plan Attorney would meet. Mr. Kole responded by asking the sub-committee members to step outside of the regular meeting to set up a time and date on which the sub-committee would meet. The sub-committee stepped out of the meeting.

The Secretary explained the method and procedures involved to notify eligible employees relative to the Pre-Retirement Survivorship Option and reviewed the procedures on how an individual makes application for the Pre-Retirement Survivorship Option.

Mr. Touhy recommended that a poster and an article for the Transit News be prepared advising employees of the Pre-Retirement Survivorship Option.

The sub-committee to elect a new Plan Attorney returned and Mr. Kole indicated that the sub-committee would meet on July 18, 1978, at 9:00 A.M., in Mr. Kole's Office.

There being no further business, on a motion by
Mr. Laongsch, seconded by Mr. Touhy, the Committee unanimously
agreed to adjourn at 11:55 A.M.

W. A. Ashley
SECRETARY
RETIREMENT ALLOWANCE COMMITTEE

Paul J. Foley
CHAIRMAN
RETIREMENT ALLOWANCE COMMITTEE

DATED JUL 17 1978