

RETIREMENT PLAN FOR CHICAGO
TRANSIT AUTHORITY EMPLOYEES.

The Third Meeting of the Retirement Allowance Committee was held on October 17, 1949, at 10:30 A.M., in Room 408 - 79 West Monroe Street. Those present were:

Mr. E. A. Imhoff	Mr. R. J. McKinney, alternate for
Mr. J. E. Hastings	Mr. W. A. Hall
Mr. P. J. O'Connor	Mr. A. C. Jann, alternate for
Mr. C. J. Burns	Mr. P. J. Meinardi
	Mr. J. Devane, alternate for
	Mr. J. J. Kehoe
	Mr. E. Bedore, alternate for
	Mr. D. J. McNamara
	Miss A. A. Sikora, alternate for
	Mr. H. B. Storm.

The meeting was called to order by Chairman Imhoff. The reading of the minutes of the previous meeting was dispensed with, inasmuch as all members had received a copy in advance. Mr. Jann made a motion that the minutes be accepted and this motion was seconded by Mr. McKinney. Mr. Hastings made a motion that minutes of all meetings be also forwarded to alternates on this Committee; this motion was seconded by Mr. O'Connor.

Mr. Imhoff stated that in the absence of Mr. Storm, a Secretary, pro tem, would have to be elected. Mr. O'Connor nominated Mr. McKinney; this nomination was seconded by Mr. Devane. Mr. McKinney was unanimously elected.

In the first meeting of this Committee, on September 7, 1949, Mr. Hastings was asked to investigate the question as to whether a retiring employe should receive both Pension Payments and Accident and Sickness Insurance when disabled at the time he accepts retirement. Mr. Hastings informed the Committee that he found nothing in the Pension Plan which would

prohibit such duplicate payments, but that he would like to have more time to further analyze Accident and Sickness provisions of the labor contracts before rendering a final decision.

Also, at the meeting of September 7, 1949, Mr. Hastings was requested to render an opinion as to whether a retiring employe should be paid both Pension Payments and Vacation Pay, or should Pension Payments be withheld until Vacation Pay has been completed. Mr. Hastings informed the Committee that these payments could not be duplicated because, under the terms of Pension Plan a retirement pension is based on total compensation received by the employe during his active service which would include his Vacation Pay. Because of unusual conditions which might arise governing the exact day when the employe chooses to retire, and because of difficulty encountered by the employe in choosing his vacation in accordance with seniority, it was the opinion of the Committee that if an employe chooses to retire as of the first day of any particular month, and if the employe had not yet taken his vacation, he should be paid up in full, including his vacation pay as of the last day of his active service, immediately prior to retirement date. It was also the opinion of the Committee that where possible and in order to avoid confusion, it was desirable that this matter be explained to the employe who contemplated retirement, and special arrangements be made, where possible, so that the employe could actually take his vacation prior to the designated day of retirement. Mr. Hastings will give this matter further consideration and prepare a rule governing same, to be presented at

next meeting. Mr. Burns added that he thought vacation pay had nothing to do with the retiring employe going on Pension and that they should be separate and apart, and that it should be clarified between Management and Union. Mr. Hastings stated that Mr. Schroeder and Mr. Zimring would clear this point. Mr. Imhoff added that he thought when a man goes on Pension the first of the month, that he receive Vacation Pay prior to that time. Mr. McKinney stated that he thought the man should be advised prior to retiring as to when his payments will be started.

Mr. McKinney, Secretary Pro Tem, presented the month's accumulation of Retirement Applications and stated that, because of the unusually large volume of applications, it was his recommendation that the Committee waive the process of acting on each application individually, and act upon them in one "lot". It was the opinion of the Committee that inasmuch as the payments to be approved on these particular applications must, because of necessity (increase in payments not made to any as yet), be made in accordance with the terms of the former Pension Plans, and then later to be adjusted to the terms of the CTA Plan, it would be appropriate, in the interest of avoiding delay in the further processing of these applications, to act on these applications in one "lot". Miss Sikora informed the Committee that there were several different kinds of applications to be considered, i.e., Normal Retirement, Early Retirement and Total and Permanent Disability Retirement; also a few from employes who are members of other unions than Division 241 and 308. Mr. Imhoff stated that because the authority of this Committee is limited to acting only upon applications of those employes

who are participants in the CTA Plan at this time, this Committee has no right to pass on applications of employes other than those who are members of Division 241 and Division 308. He further stated that because it is obvious that reasonably soon it is anticipated that all employes will be participants in the CTA Plan, perhaps the Committee might in some way give "conditional" approval to the applications of these "other" employes, in order to avoid unnecessary delay in the processing of these applications. Following a general discussion of the problem confronting the Committee in this regard, the Committee took the following action in the disposal of these applications:

On motion of Mr. O'Connor, and seconded by Mr. Devane, the Committee unanimously approved the applications of those members of Division 241, with the understanding that payments for the time being with exception of early retirements, which shall be in accordance with the new Plan, would be made in accordance with the terms of the former Surface Lines Retirement Plan.

On motion of Mr. Burns, and seconded by Mr. Jann, the Committee unanimously approved the applications of those members of Division 308 who applied for normal retirement, and disability retirement, with the understanding that payments, for the time being be made in accordance with the terms of the former Rapid Transit Plan No. 1.

On motion of Mr. Hastings, and seconded by Mr. Burns, the Committee unanimously approved applications of those members of Division 308 covering early retirement, with payments to be in accordance with new Plan.