

TRANSIT AUTHORITY EMPLOYEES.

The Fifth Meeting of the Retirement Allowance Committee was held on December 1, 1949, at 10:00 A.M., in the Secretary's office, 79 West Monroe Street - Room 408, and the following were in attendance:

Mr. J. J. Kehoe	Mr. P. J. Meinardi
Mr. D. J. McNamara	Mr. P. J. O'Connor
Mr. J. E. Hastings	Mr. J. H. Finch, alternate for
Mr. H. B. Storm	Mr. E. A. Imhoff
	Mr. R. J. McKinney, alternate for
	Mr. W. A. Hall

In the absence of Mr. E. A. Imhoff, Chairman, Mr. J. J. Kehoe moved that Mr. P. J. Meinardi be elected Chairman Pro Tem for this meeting. This was seconded by Mr. R. J. McKinney, and Mr. Meinardi was unanimously elected Chairman Pro Tem.

Mr. Meinardi asked the Secretary to bring the Committee up to date in regard to the Trust Agreement with the Continental Illinois National Bank and Trust Company of Chicago. The Secretary read letters from Mr. Allan B. Hussander of the Continental Illinois National Bank and Trust Company of Chicago, dated November 28, 1949, in reference to the charges and their approval of the Trust Agreement as redrawn by Mr. D. O. Zimring, with the exception that they would like to drop the word "negligence" on page 5 and page 9 thereof. Mr. J. J. Kehoe presented the following motion:

"I hereby move that the Continental Illinois National Bank and Trust Company of Chicago be appointed Trustee of the "Retirement Plan for Chicago Transit Authority Employees" and that their compensation for acting as Trustee under the Plan shall be in accordance with their letter of November 28, 1949 addressed to Mr. H. B. Storm, Supervisor of Insurance, Chicago Transit Authority, as follows:

<u>Assets</u>	<u>Rate per \$1,000</u>
First \$1,000,000	\$ 2.50
Next 1,000,000	1.50
Next 3,000,000	1.25
Next 5,000,000	1.00

'The above charges will be based on the average book value during the year, reflecting the application of contributions made to the plan and payments made to retired employes. We are suggesting that for a fair basis in arriving at this average, we take the book value at the beginning of the year and the book value at the end of the year, as we believe this will approximately reflect the true average book value.

Our charge for paying, handling, sorting and reconciling checks and verifying their endorsements will be at the rate of 7¢ for each check.'

It is understood that the above rates apply only to the first \$10,000,000 of the Fund and when such Fund is in excess of \$10,000,000 the Secretary is hereby authorized to negotiate further with the Trustee for a rate covering, and report to the Committee.

It is further moved that the Secretary is hereby instructed to submit the Trust Agreement when approved by the attorneys for the Association and the Authority, in duplicate, to the Association and the Authority for them to subscribe thereto, as called for in Section 18, Paragraph 18.5."

The above motion was seconded by Mr. McKinney, and adopted unanimously.

Mr. Meinardi explained to the Committee that we were faced with buying the necessary equipment to set up a Pension Department and if the equipment and the supplies were purchased by the Authority, it would necessitate advertising for same and would probably be many weeks before an order could be placed. It was the feeling of the Committee that inasmuch as this equipment and


the cost thereof would be borne by the "Retirement Plan for Chicago Transit Authority Employees" as called for under Section 6, Paragraph 6.1 of the Plan, the Committee should order the necessary equipment for setting up such an office. Mr. R. J. McKinney moved that the Secretary be authorized to order such machines, equipment, and supplies necessary to properly equip a Pension Record Office, and the bills for such items be presented to the Committee for certification and payment. This motion was seconded by Mr. D. J. McNamara and adopted unanimously.

On the motion of Mr. D. J. McNamara and seconded by Mr. J. E. Hastings, the meeting adjourned at 10:45 A.M.



Secretary, Retirement Allowance
Committee

APPROVED:


Date Dec 19, 1949