

RETIREMENT PLAN  
FOR  
CHICAGO TRANSIT AUTHORITY EMPLOYEES

The 289th meeting of the Retirement Allowance Committee was held on June 18, 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. D. M. Flynn	Mr. F. McCrea
Mr. G. S. Graybiel	Mr. D. J. McFadden
Mr. J. E. Hastings	Mr. J. F. Tiffy

Mr. C. Loughran, alternate for Mr. L. Beatty and Mr. W. C. Platt, alternate for Mr. P. J. Meinardi were also present.

The Secretary called the meeting to order at 10:30 AM.

The Secretary advised the Committee that in the absence of the Chairman, a Chairman Pro-Tempore must be elected. Mr. Tiffy made a motion, seconded by Mr. McCrea that Mr. Flynn be elected Chairman Pro-Tempore. There being no further nominations, the Committee unanimously elected Mr. Flynn Chairman Pro-Tempore.

On a motion by Mr. Tiffy, seconded by Mr. King the minutes of the 288th meeting held on May 21, 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 no Survivorship Options were submitted for approval at this meeting.

The Secretary advised that thirty-six (36) applications for Retirement were submitted to this office for presentation at this meeting. One (1) application for John W. Koger for Total & Permanent Disability was submitted by the Shops and Equipment Department with a request that it be retroactive to June 1, 1973.

One (1) application for Frank A. Gricus was submitted with a letter from the Transportation Department requesting that it be retroactive to June 1, 1973. One (1) application from Fred O. Boldt was submitted as a working copy and was not signed by the employe because of a serious illness of the employe. This application is submitted for regular Retirement on July 1, 1973. On a motion by Mr. King, seconded by Mr. McCrea the Committee unanimously approved the thirty-six (36) applications submitted by the Secretary.

The Secretary reported that during the month one (1) employe on Total and Permanent Disability was examined by the Medical Department and his record reviewed.

On a motion by Mr. Flynn, seconded by Mr. King, the re-funds numbering fifty-five (55) and totaling \$136,109.41 to be made June 30, 1973 as per the attached statement were unanimously approved.

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

The Secretary presented Chicago Transit Authority bills totaling \$5,850.32 and Miscellaneous bills totaling \$74,582.82 for approval. The Secretary advised that included in the bills was one (1) from Attorney James S. Gordon for \$7,500 as a retainer and \$4,500 as an advance on costs for initiating the lawsuit involving the Penn Central R.R. Common Stock. Mr. Hastings advised that the legal costs will be shared on a percentage basis with other plaintiffs involved in the suit. Mr. Hastings advised the Committee that his Law Firm will not receive any referral fee from

Attorney Gordon relative to the suit against the Trustee due to the litigation in regard to the Penn Central case. On a motion by Mr. McCrea, seconded by Mr. Tiffy the Committee unanimously approved payment of these bills.

The Secretary also advised the Committee that a new telephone "hot line" will be installed in the Retirement section in the near future. The "hot line" will be used to provide expeditious handling of the retired employes telephone contacts with the Insurance Department. The retired employes will be advised of this new service by mail & CTA Magazine article.

The Secretary reported that for the payment of June 30, 1973 Death Benefits numbering thirty-four (34) and amounting to \$55,000.00 are submitted for approval. On a motion by Mr. King, seconded by Mr. McFadden the Committee unanimously approved payment of the Death Benefits as per the attached list.

The Secretary advised the Committee that Mr. Roger C. Williams had not as of this date made any arrangements to reimburse the Retirement Fund for the \$1,607.64 that was refunded to him upon his separation. After discussion, the Committee agreed that the decision made at the meeting of May 21, 1973 requiring reimbursement of the contributions by Mr. Williams would stand.

Copies of the Rule # 21 were distributed to the Committee. Mr. Hastings advised the Committee as to the reasons for preparing Rule # 21 outlined on the following page:

RULE NO. 21

6-18-73

When an active employe whose continuous service has been broken as provided under Section 3, Paragraph 3.7 (3) and, is subsequently re-instated in his regular place and rate within the three (3) years as provided in this paragraph, the active employe must reimburse the Retirement Fund the total amount of any Retirement Contributions plus interest that may have been refunded to him at the time of his termination.

After considerable discussion it was recommended that the last line of Rule # 21 be revised to read as follows:

RULE NO. 21

6-18-73

When an active employe whose continuous service has been broken as provided under Section 3, Paragraph 3.7 (3) and, is subsequently re-instated in his regular place and rate within the three (3) years as provided in this paragraph, the active employe must reimburse the Retirement Fund the total amount of any Retirement Contributions plus interest that may have been refunded to him in connection with the termination

On a motion by Mr. King, seconded by Mr. Loughran, the Committee unanimously approved revised Rule # 21.

The Secretary advised that it will be necessary to appoint an Actuary and Auditor for the Plan Year 1973. The Secretary recommended that because of satisfactory performance, the Wyatt Company be named Actuary and that the Arthur Young Company be named Auditor. On a motion by Mr. McCrea, seconded by Mr. Loughran the Committee unanimously agreed to appoint the Arthur Young Company as Auditor for the Plan Year 1973 and the Wyatt Company as Actuary for the Plan Year 1973.

The Secretary reported that Morton Libert, D-1725 who was approved for Total & Permanent Disability on 11-1-72, returned to duty on 5-16-73.


At 11:15 AM, 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 & submit their regular quarterly report. The following representatives of the Trustee were present:

Mr. Norbert J. Biderman  
Mr. William O. Leszinske  
Mr. Gerald L. Uslander

Mr. Biderman opened the discussion by advising the Committee as to the Trustee's feeling as to inflation trends, Union Wage Settlements and the affect of the dollar devaluation on the funds investment position. Mr. Biderman answered various questions from Committee members regarding the current down-trend of the stock market and he indicated that for the future for the remaining part of 1973 and 1974 that the financial picture would improve.

Mr. Leszinske then passed out to each Committee member a resume of the assets of the fund and he discussed each page of the report showing the funds performance.

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

  
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CHAIRMAN PRO TEM  
RETIREMENT ALLOWANCE COMMITTEE

  
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SECRETARY  
RETIREMENT ALLOWANCE COMMITTEE

Dated: JUL 16 1973  
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