

RETIREMENT PLAN  
FOR  
CHICAGO TRANSIT AUTHORITY EMPLOYEES

The 342nd Meeting of the Retirement Allowance Committee was held on Monday, July 18, 1977, in the Board Room, Room 734, Merchandise Mart, and the following were in attendance:

|                    |                 |
|--------------------|-----------------|
| Mr. W. Ashley      | Mr. E. Langosch |
| Mr. E. Barley, Sr. | Mr. S. Miller   |
| Mr. S. Bianchi     | Mr. J. Tiffy    |
| Mr. E. Brabec      | Mr. J. Touhy    |
| Mr. P. Kole        |                 |

Mr. Kasmer, alternate for Mr. Langosch; Mr. Hegarty, alternate for Mr. Spears; Mr. Wool, alternate for Mr. Brabec; Mr. DeFranco, alternate for Mr. Kole; Mr. Hall, alternate for Mr. Barley; and Mr. Lemm were also present. Mr. E. Hamilton and Mr. W. Leszinske of Continental Bank were also present.

The Chairman called the meeting to order at 10:37 A.M.

Mr. Leszinske of Continental Bank began his presentation by distributing copies of Continental's Report on the Basic Fund and the New Fund "E" for the period March 31, 1977 to June 30, 1977.

Mr. Leszinske pointed out that both funds outperformed the S & P 500 and Dow Jones for the period on a Dollar Weighted Percent Change Basis.

Mr. Leszinske also stated that another five million dollars had been placed in the New "E" Fund.

Mr. Brabec asked if the actual cost of each of the holdings could be shown on this statement. The Chairman also indicated his desire that these amounts be shown. Mr. Leszinske indicated that this could be done, but that we are currently providing total cost information in our monthly review. After some discussion, it was decided that Mr. Ashley's Office would xerox the investment review and include it in the prepared material.

Mr. Leszinske concluded his presentation at 11:00 A.M. and he and Mr. Hamilton left the meeting.

The Chairman asked for the approval of the Minutes of the 340th Meeting, held June 20, 1977, and the 341st Meeting, held July 11, 1977. On a motion by Mr. Miller, seconded by Mr. Touhy, the Minutes of the 340th and 341st Meetings were unanimously approved.

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

The Secretary presented eleven (11) Survivorship Options for approval at this meeting. On a motion by Mr. Brabec, seconded by Mr. Touhy, the Committee unanimously approved the eleven (11) Survivorship Options submitted by the Secretary.

The Secretary advised that twenty (20) Applications for Retirement were submitted for approval. On a motion by Mr. Brabec, seconded by Mr. Touhy, the Committee unanimously approved the twenty (20) Applications submitted by the Secretary.

The Secretary reported that during the month, eight (8) employees on Total and Permanent Disability were examined by the Medical Department or their records reviewed.

The Secretary presented thirty-six (36) refunds totaling \$181,123.63 for approval at this meeting. On a motion by Mr. Touhy, seconded by Mr. Brabec, the refunds to be paid July 31, 1977, as per the attached statement, were unanimously approved.

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

The Secretary presented the Chicago Transit Authority bills, totaling \$13,785.32, and other bills totaling \$157,168.45. On a motion by Mr. Tiffy, seconded by Mr. Touhy, the Committee unanimously approved payment of these bills.

The Secretary reported for the payment of July 31, 1977, Death Benefits numbering thirty-one (31) and amounting to \$62,500.00 were submitted for approval. On a motion by Mr. Touhy, seconded by Mr. Brabec, the Committee unanimously approved the Death Benefits, as per the attached list.

The Secretary reported that he and Mr. Touhy had not yet contacted the Employee's Welfare Fund Committee with regard to the matter of using the Welfare Fund for collateral of loans made by reinstated employees, who are required to reimburse the Retirement Fund for any withdrawn contributions and interest. The Secretary indicated he was awaiting Mr. Touhy's return to work after being off work because of illness.

The Secretary informed the Committee that he received a letter from the Labor Relations Department regarding the

reinstatement of an employee, William Green, and the fact that the employee was reinstated without reimbursing the Retirement Contributions.

After general discussion regarding the problems of reinstated employees returning Retirement Contributions, it was agreed that the Secretary would contact Mr. Hastings, the Committee's counsel, to review his opinion regarding the refunded contributions, which was discussed at several meetings, and his conference with Mr. Sherman Carmell. It was also agreed that some attempt be made by the Committee to resolve this difficult problem within the confines of the Retirement Plan.

Mr. Touhy asked that a matter of record be made that this question be brought before the coming Labor Negotiations.

The Secretary informed the Committee that the Pension Section had been relocated from the 4th Floor, Room 429, to the 8th Floor, Room 805-A. He stated that an insert regarding this change of location would be with the July 31, 1977 Pension Checks.

The Secretary reported that Ernest Patrick, approved for Total and Permanent Disability on January 1, 1977, returned to work on July 6, 1977.

The Secretary passed out samples of a new proposed Retirement Benefit Check to Committee Members advising that this type of check would be pre-stuffed and the amount, name and address would be printed by computer. He indicated that these checks would eliminate the twenty-five (25) plus hours of clerical time needed to stuff the checks each month. He also indicated that the check would have a stub, which would show the

current payment and deductions, with accumulated year-to-date totals. There would also be an area where a short message could be imprinted by the computer for the pensioners.

The Secretary indicated that one of the problems would be that it is impossible to stuff the Monthly Union Deductions Cards for Division 241. After general discussion, Mr. Barley and Mr. Touhy agreed that they would look into the matter and see if the union cards could be accommodated in some other manner.

Mr. Kole advised the Committee that he wished to propose the name of a new attorney to be appointed as the attorney for the Retirement Committee, replacing Mr. Hastings. Mr. Kole felt that because of the many changes in the pension area throughout the country, an attorney should be engaged who does this work on a day-to-day basis. Mr. Kole proposed the name of Mr. Richard Burke.

After general discussion, Mr. Touhy asked whether or not another name could be proposed. Mr. Hegarty proposed that Mr. Martin Burns, who represents Division 308, be named. Further discussion was held and it was agreed that the Secretary obtain resumes from both attorneys for review by the Committee.

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After general discussion, Mr. Touhy asked whether or not another name could be proposed. Mr. Touhy proposed that Mr. Martin Burns, who represents Division 308, be named. Further discussion was held and it was agreed that the Secretary obtain resumes from both attorneys for review by the Committee.

There being no further business, on a motion by Mr. Touhy, seconded by Mr. Tiffy, the Committee unanimously agreed to adjourn at 11:46 A.M.

W. A. Ashley  
SECRETARY  
RETIREMENT ALLOWANCE COMMITTEE

Paul J. Kole  
CHAIRMAN  
RETIREMENT ALLOWANCE COMMITTEE

DATED: AUG 15 1977