

RETIREMENT PLAN

FOR

CHICAGO TRANSIT AUTHORITY EMPLOYEES

The 356th Meeting of the Retirement Allowance Committee was held on Monday, July 17, 1978, in the Board Room, Room 734, Merchandise Mart, and the following were in attendance:

Mr. W. Ashley	Mr. S. Miller
Mr. S. Bianchi	Mr. T. O'Mahony
Mr. R. Goldman	Mr. W. Spears
Mr. P. Kole	Mr. J. Weatherspoon
Mr. E. Langosch	

Mr. Wool, alternate for Mr. Brabec, was also present.

Messrs. Hall, Heatter, Kasner and Knox were also present. Messrs. E. Hamilton and W. Leszinske of Continental Bank were also present.

The Chairman called the meeting to order at 10:47 A.M.

The Chairman asked that Mr. John M. Weatherspoon, the newly elected President of Local 241, of the Amalgamated Transit Union, introduce the new Retirement Allowance Committee Members as a result of the recent union election.

Mr. Weatherspoon introduced the new members and appointed the new Committee Members as follows:

John M. Weatherspoon - replacing Earl Barley, Sr.

Charles R. Hall - alternate for J. M. Weatherspoon

Timothy V. O'Mahony - replacing John F. Tiffy

James B. Edwards - alternate for T. V. O'Mahony

Richard Goldman - replacing James E. Touhy

Leonard W. Morris - alternate for R. Goldman

Mr. Leszinske of Continental Bank began his presentation

by circulating a written report to each Committee Member and reviewed the report relative to the Fixed Income Portion of the Fund.

Mr. Leszinske indicated that the sales in the Fixed Income Portion of the Fund were made in anticipation of the interest rates going up and the possibility of investing the money at a higher interest rate.

Mr. Leszinske concluded his presentation at 10:57 A.M.. He and Mr. Hamilton left the meeting.

The Chairman asked for the approval of the Minutes of the 355th Meeting, held June 26, 1978.

On a motion by Mr. Miller, seconded by Mr. Langosch, the Committee unanimously approved the Minutes of the 355th Meeting, held June 26, 1978.

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

The Secretary submitted six (6) Survivorship Options for approval. On a motion by Mr. Spears, seconded by Mr. Langosch, the Survivorship Options, as submitted, were unanimously approved.

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

The Secretary reported that during the month, five (5) employees on Total and Permanent Disability were examined by the Medical Department or their records reviewed.

The Secretary presented twenty-nine (29) refunds, totaling \$146,184.54 for approval at this meeting. On a motion by Mr. Langosch, seconded by Mr. Spears, the refunds to be paid on July 31, 1978, as

per the attached statement, were unanimously approved.

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

The Secretary presented the Chicago Transit Authority bills totaling \$16,779.22 and other bills totaling \$162,681.63 for approval. On a motion by Mr. Wool, seconded by Mr. Bianchi, the Committee unanimously approved payment of these bills.

The Secretary presented, for payment on July 31, 1978, Death Benefits numbering twenty-three (23) and amounting to \$61,000.00. On a motion by Mr. Langosch, seconded by Mr. Bianchi, the Committee unanimously approved the Death Benefits, as per the attached list.

The Secretary informed the Committee that Mr. Hall has been unable to meet relative to Mr. James B. Edwards' contributions to the Retirement Fund, but will arrange a meeting for the near future.

Mr. Spears asked when the subcommittee to elect the Plan Attorney would meet. Mr. Kole indicated that the subcommittee was scheduled to meet on Tuesday, July 18, 1978, at 9:00 A.M., in Mr. Kole's Office.

The Secretary reported that Ms. Lillie M. Willis was found fit for duty on June 7, 1978. However, due to an administrative error, the Human Resources Department failed to advise the Insurance and Pension Department relative to Ms. Willis not reporting to be placed in a position. Subsequently, Dr. Siler indicated that there was a question whether Ms. Willis is capable of returning to work and requested that Ms. Willis present a statement from her attending physician. The Secretary indicated that it was his recommendation

that due to the administrative error by the Human Resources Department and Dr. Siler's request for a statement from Ms. Willis' physician, that Ms. Willis remain on the Disability Retirement Rolls until Dr. Siler reviews Ms. Willis' physician's statement.

Mr. Spears asked whether it would be the prerogative of Dr. Siler to determine whether Ms. Willis was capable of returning to work. The Secretary indicated, in accordance with the Retirement Plan, that if Dr. Siler, the physician for the Committee, after reviewing the statement from Ms. Willis' physician decides Ms. Willis is in fact capable of returning to duty, and if work is available, Ms. Willis must return to duty.

On a motion by Mr. Miller, seconded by Mr. Langosch, the Committee unanimously agreed to continue Ms. Willis' disability payments until a decision is rendered by the Committee's physician.

The Secretary reported that Mr. Milan H. Norum, D-1911, was found fit to return to duty on May 9, 1978, and could have returned to work as a conductor immediately but due to an agreement between Division 308 and Labor Relations, permission was granted for Mr. Norum to remain on Disability Retirement until the next pick in order to be reinstated as a Towerman.

The Secretary recommended that due to the fact that the Human Resources Department did not communicate this to the Committee, there be no attempt to recover Disability Benefits paid from May 9, 1978 to July 2, 1978.

On a motion by Mr. Spears, seconded by Mr. Miller, the Committee unanimously agreed to the Secretary's recommendation.

The Secretary reported that in response to the Chairman's request at last meeting, the Plan Actuary (The Wyatt Company) submitted an estimated annual fee for the Plan Year 1978 of approximately \$12,000.00. The 1977 Actuarial Fee was \$10,187.00.

The Secretary reported that he has not received the Plan Auditor's (Arthur Young & Company) estimated annual fee, but indicated he would hope to submit this report at the next Committee meeting.

The Secretary introduced Mr. Robert Harrell, the Fund's Investment Consultant, and indicated that Mr. Harrell was asked to meet with the new Committee Members after the regular meeting to discuss the Investment Policy of the Committee.

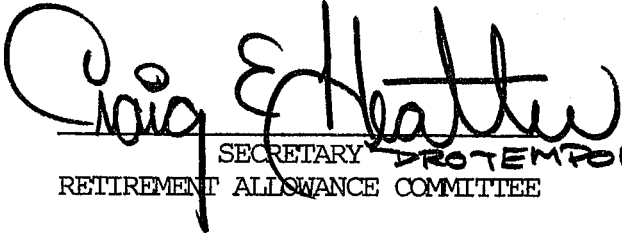
Mr. Spears indicated that he would like Union Labor Life to make a presentation to the Committee on Guaranteed Investment Contracts. Mr. Harrell responded by indicating that Union Labor Life, in the analysis conducted at a prior meeting, was not the best company to purchase Guaranteed Investment Contracts. Mr. Harrell indicated that he would be glad to sit down with Union Labor Life and discuss the company's performance figures at any time.

Mr. O'Mahony presented a pamphlet, as circulated by the Policeman's Pension Fund to all its participants, and recommended that the Committee look into the possibility of issuing a similar statement to Chicago Transit Authority participants.

The Secretary responded by indicating that his office was currently working on a new informational booklet for the Retirement

Plan and would consider the pamphlet in the development of the booklet.

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


SECRETARY PRO TEMPORE
RETIREMENT ALLOWANCE COMMITTEE


CHAIRMAN
RETIREMENT ALLOWANCE COMMITTEE

DATED AUG 21 1978