

RETIREMENT PLAN
FOR
CHICAGO TRANSIT AUTHORITY EMPLOYEES

A Special Meeting of the Retirement Allowance Committee was held on Friday, April 26, 1985, in the Law Department Conference Room, Room 440, Merchandise Mart, at 10:30 A.M. The following were in attendance:

Mr. C. Andersen	Mr. E. Gresham
Ms. W. Black	Mr. G. Nagle
Mr. E. Flowers	Mr. D. Perk
Mr. J. Gallagher	Mr. I. Thomas

Mr. L. Brown, alternate for Mr. A. Kasmer, was present. Mr. R. Bartkowicz acted as alternate for Mr. R. Andrzejewski. Messrs. R. Jania, R. O'Connor, L. Morris, H. Hegarty, and Mrs. A. Curtis were also present. Mr. J. Mullen and Ms. C. Cox were present. Mr. R. Burke, the Plan Attorney, was present. Messrs. R. Walker and G. Schedler of the Harris Trust & Savings Bank were also present.

The Chairman called the meeting to order at 10:39 A.M. and explained that the meeting was called at the direction of the Vice Chairman at the April 15, 1985 Meeting.

The Chairman then asked the Plan Attorney to explain the information in the handout material, after which the Committee would be given time to read the documents. The Plan Attorney noted that he wrote a letter to Mr. Cardilli which had been reviewed by Messrs. Gallagher, Gresham and Flowers prior to mailing. (A copy is attached to these Minutes). The Plan Attorney stated that he had received a response (A copy is attached to these Minutes) and had then prepared a legal opinion for the Committee. The Plan Attorney noted that all

of the communications could be found in the packets which had been distributed to the Committee Members. The Chairman then called for a five minute recess in order that the Committee Members could have an opportunity to read the documents.

The meeting reconvened at 10:50 A.M. at which time the Chairman called for any questions by the Committee Members. A discussion ensued during which several questions were put to the Plan Attorney regarding the Committee's fulfillment of its fiduciary duty to the Retirement Plan in light of the response received from the Authority regarding the payment of contributions. The Plan Attorney responded to the many questions by referencing his legal opinion which he outlined in his letter to the Committee Members dated April 25, 1985. (A copy is attached to these Minutes). In conclusion, the Plan Attorney recommended that the Committee take no legal action at this time as it had fulfilled its fiduciary responsibility in its letter of inquiry, dated April 19, 1985, to the Chairman of the Chicago Transit Authority. Further, it was his opinion that the Committee has no fiduciary legal duty to sue the Chicago Transit Authority while arbitration is pending.

After further discussion, Mr. Flowers made a motion that the Retirement Allowance Committee move forward with a suit to have the Authority pay the committed level of contributions to the Retirement Plan, Mr. Gresham seconded the motion. At the request of the Chairman for a roll call vote, the Committee Members responded as follows: Mr. Flowers, Aye; Mr. Thomas, Aye; Mr. Brown, Aye; Mr. Gresham, Aye; Ms. Black, Aye; Mr. Perk, Nay; Mr. Bartkowicz, Nay; Mr. Andersen, Nay; Mr. Nagle, Nay; Mr. Gallagher, Nay.

The Chairman noted that pursuant to the Bylaws the motion failed. Mr. Flowers asked the Chairman for clarification of the roll call vote. The Chairman responded that it was a tie vote and, therefore, the motion fails. Mr. Hegarty asked what would have to be done in order for the matter to go into arbitration. Mr. Gresham read Section 5.4 of the Retirement Plan. Mr. Flowers stated that it was his desire that the matter be submitted to arbitration. The Chairman stated that it was his assumption that the demand for arbitration by either party would require a unanimous decision by that particular unit. The Plan Attorney stated that this was correct. The Chairman further stated that in order to handle the matter in an orderly manner it was his suggestion that a letter signed by all parties in the unit be sent to the Secretary of the Committee. The Plan Attorney stated that it could be done verbally or in writing. Mr. Flowers stated that he preferred that it be done by written communication.

There being no further business, on a motion by Mr. Bartkowicz, seconded by Mr. Flowers, the Committee unanimously agreed to adjourn at 11:20 A.M.

SECRETARY
RETIREMENT ALLOWANCE COMMITTEE

CHAIRMAN
RETIREMENT ALLOWANCE COMMITTEE
DATED _____