

A G E N D A

FOR THE 451ST RETIREMENT MEETING OF JULY 16, 1986

1. Meeting will be called to order at 10:30 A.M., Sauganash-East Ballroom, 14th floor, Holiday Inn Mart Plaza.
2. Approval of the Minutes of the 450th Meeting held June 16, 1986.
3. Report by Trustee.
4. Report on Plan Financial Statements -- Mr. James Martin, Arthur Young.
5. Report on Plan Actuarial Valuation -- Mr. John Baratka, The Wyatt Company
6. Announcement of deaths reported since the last Meeting.
7. Presentation of Survivorship Options.
8. Announcement of Pre-Retirement Surviving Spouse Allowances.
9. Presentation of new retirement applications for approval.
10. Employees on Disability Retirement re-examined.
11. Presentation of Refunds of Contributions to be paid July 31, 1986.
12. Presentation of Bills and Remittances.
13. Death Benefits for approval.
14. Report by Secretary of Deposits, Disbursements and Investments.
  - a.) Report on payment on the Certificate of Indebtedness for 1981 Employer Contributions.
15. Unfinished Business.
  - a.) Issue of whether \$600 lump sum payment and the vacation buy back will be considered pension earnings -- report by Plan Attorney.
  - b.) Victor E. Collins - D-2305 - request for retroactive disability.
  - c.) Update report on development of program to invest in CD's of local financial institutions

16. New Business

- a.) William E. Miller -- D-2334 returned to duty 06-11-86.
- b.) John D. Jackson -- disability retiree as of 07-01-86  
requesting retroactive disability retirement to 06-01-86.

17. Adjournment.

RETIREMENT PLAN  
FOR  
CHICAGO TRANSIT AUTHORITY EMPLOYEES

The 451st Meeting of the Retirement Allowance Committee was held Wednesday, July 16, 1986, in the Sauganash East Ballroom, 14th Floor, Holiday Inn Mart Plaza. The following were in attendance:

Mr. C. Andersen	Mr. G. Nagle
Mr. E. Flowers	Mr. D. Perk
Mr. E. Gresham	

Mr. H. Reed sat in Ms. W. Black's stead, Mr. L. Morris sat in Mr. I. Thomas' stead; Mr. J. Weatherspoon sat in Mr. W. Clark's stead; Mr. L. Brown, alternate for Mr. A. Kasmer, was present. Mr. Jania served in the fifth management Committee Member position which was unfilled by the Chicago Transit Board. Messrs. H. Hegarty, H. Williams, and R. O'Connor were also present. Messrs. J. Mullen, W. Ross, Ms. P. Williams and Ms. C. Cox were present. Mr. J. Martin and Ms. L. Buckley, Arthur Young & Company, were present. Mr. G. Schedler, the Harris Bank & Trust Company, was present. Mr. R. Burke, the Plan Attorney, was present. Mr. J. Baratka, The Wyatt Company, was present. Mr. B. Scholz, pensioner representative, was also present.

The Vice Chairman called the meeting to order at 10:43 A.M.

The Secretary informed the Committee that a new management Committee Member, Walter H. Clark, and Alternate Mem-

ber, John M. Weatherspoon, had been appointed by the Board. He further noted that it was necessary to appoint a Committee Chairman to fill the vacancy and complete the term which was left by Mr. Gallagher who is no longer on the Committee and suggested that nominations be taken. Mr. C. Andersen nominated Mr. D. Perk for Chairman, Mr. R. Jania seconded the nomination. Mr. L. Morris nominated Mr. E. Gresham for Chairman, Mr. H. Reed seconded the nomination. Mr. Gresham noted that a management Committee Member should be appointed to complete the term as historically a management representative served a term and then a union representative served a term. Messrs. Morris and Reed withdrew the nomination and second for Mr. Gresham to be appointed Chairman. There being no further nominations, the Committee unanimously appointed Mr. D. Perk as Chairman.

The Chairman called for approval of the Minutes of the 450th Meeting held June 16, 1986. A motion for approval was made by Mr. Andersen and seconded by Mr. Flowers. On the question, Mr. Gresham noted that the name of one of the new retirees being presented for approval was incorrectly spelled - Ray Shores should be Roy Shores. The Secretary noted that this correction would be made to the Master Copy of the Minutes which are on file in the Secretary's Office. The Committee unanimously approved the Minutes of the 450th Meeting as corrected.

Mr. G. Schedler of the Harris Bank & Trust Company presented the Trustee Report on the activity in the market for the past 30 day period.

Mr. James Martin of Arthur Young & Company intro-

duced Ms. Linda Buckley to the Committee and presented a report on the Plan Financial Statements and the 1985 Annual Plan Year Audit.

Mr. J. Baratka, The Wyatt Company, presented to the Committee a report on the Plan Actuarial Valuation.

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

The Secretary presented a total of five (5) Survivorship Options for approval. On a motion by Mr. Weatherspoon, seconded by Mr. Andersen, the Committee unanimously approved the Survivorship Options.

The Secretary informed the Committee that there was one (1) Pre-Retirement Surviving Spouse Allowance to be reported effective June 1, 1986.

The Secretary informed the Committee that there were ten (10) Retirement Applications being presented for approval. On a motion by Mr. Flowers, seconded by Mr. Weatherspoon, the Committee unanimously approved the new retirement applications.

The Secretary reported that six (6) employees who are presently receiving Disability Retirement Benefits were examined or had their file reviewed.

The Secretary presented fourteen (14) Refunds of Contributions for approval, totaling \$121,115.30. The comparison figures for the same period of time one year ago were fifteen Refunds, totaling \$153,492.58. On a motion by Mr. Gresham, seconded by Mr. Weatherspoon, the Committee unanimously approved

the Refunds of Contributions to be paid July 31, 1986.

The Secretary presented one (1) Chicago Transit Authority bill, totaling \$38,807.79; twenty (20) Operating bills, totaling \$121,793.82; ten (10) Remittances, totaling \$446,204.21; and the FIT Deposit, totaling \$133,626.13. On a motion by Mr. Andersen, seconded by Mr. Morris, the Committee unanimously approved payment of the Bills and Remittances, totaling \$740,431.95.

The Secretary presented for approval thirty (30) Death Benefits, totaling \$73,500.00. The comparison figures for the same period of time one year ago were fifteen (15) Death Benefits, totaling \$65,000.00. On a motion by Mr. Flowers, seconded by Messrs. Weatherspoon and Morris, the Committee unanimously approved payment of the Death Benefits, as per the attached list.

The Secretary turned the Committee's attention to the report on Deposits, Disbursements and Investments in the Trustee Summary noting that as of June 30, 1986 the total portfolio had a market value of \$754,046,705.42 at a cost of \$628,360,839.69. He further noted that the rate of return for the month of June was 0.98% and the year to date rate was 12.60%.

At the Secretary's request, Mr. J. Mullen presented a report on the Certificate of Indebtedness noting that the June payment in the amount of \$705,829.39 had been received from the Authority which leaves a balance of \$12,704,928.87.

At the request of the Chairman for an updated report on the matters of the \$600 lump sum payment and the vacation buy back, the Secretary turned the Committee's attention

to a letter from James P. Daley of Bell, Boyd & Lloyd which was received in response to a letter sent to Mr. Cardilli and asked the Plan Attorney to expound. The Plan Attorney noted that as the letter states it is the Authority's position that as these issues were initially voluntarily submitted to Arbitrator Healy, it would be prudent to await the issuance of Mr. Healy's award. The Plan Attorney was then directed by the Committee to correspond with Arbitrator Healy informing him of the Committee's interpretation in regard to these issues. (A copy of both letters are attached to these Minutes).

The subject of Victor E. Collins' request was again brought to the Committee's attention. The Secretary noted that he had received a memorandum from Ms. A. Curtis and Mr. C. Andersen which indicated that when Mr. Collins completed his 26-weeks of A&S Insurance Benefits he was not properly informed of his eligibility to apply for Disability Retirement Benefits. A discussion ensued between Committee Members during which the Secretary made a motion that Victor Collins, who is currently on Disability Retirement, be awarded retroactive Disability Retirement benefits for the period January 1, 1985 to June 30, 1985, Mr. Weatherspoon seconded the motion, and the Committee unanimously approved.

At the request of the Chairman for an updated report on the development of the program to invest in CD's at local financial institutions, the Secretary informed the Committee that contact had been made with representatives of several local institutions and meetings would continue to be

held to determine how to best structure the CD program.

The Secretary informed the Committee that William E. Miller, who had been on Disability Retirement, returned to duty on June 11, 1986.

The Secretary brought to the Committee's attention a request from John J. Jackson for a July 1, 1986 retroactive Disability Retirement. The Secretary presented the facts concerning Mr. Jackson's request and suggested that the matter be held in abeyance until further information was secured. On a motion by Mr. Reed, seconded by Mr. Weatherspoon, the Committee unanimously agreed that Mr. Jackson's request for a retroactive July 1, 1986 Disability Retirement be held in abeyance.


The Secretary informed the Committee that the Condensed Financial Statement was available for those who wished to have one. He further noted that the statement would be distributed to all employees with their paycheck and to pensioners by mail.


The Secretary further noted that the Plan Annual Report was currently being printed and would be available soon.

Mr. L. Morris of Local No. 241 informed the Secretary that after researching the matter he found that Local 241 Board Members were not receiving proper credit for the number of hours worked conducting union business and asked the Secretary to look into the matter. The Secretary noted that he would have the pension records checked.



There being no further business, on a motion by Mr. Weatherspoon, seconded by Mr. Flowers, the Committee unanimously agreed to adjourn at 12:08 P.M.

  
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SECRETARY  
RETIREMENT ALLOWANCE COMMITTEE

  
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CHAIRMAN  
RETIREMENT ALLOWANCE COMMITTEE  
DATED     AUGUST 19, 1986