The 408th Meeting of the Retirement Allowance Committee was held on Monday, December 20, 1982, at 10:30 A.M., in the Conference Room, Room 750, Merchandise Mart. The following were in attendance.

Mr. W. Ashley  Mr. A. Kasmer  
Mr. R. Fleming  Mr. J. Weatherspoon  
Mr. E. Flowers  

Mr. R. Goldman, alternate for Mr. C. Hall, was present. 
Mr. L. Morris, alternate for Mr. I. Thomas, was present. 
Mrs. A. Curtis, alternate for Mr. P. Kole was present. Mr. S. Bianchi, alternate for Mr. J. Gallagher, was present. Neither Mr. D. Perk, nor his alternate was present. Messrs. A. Kemp and L. Brown were present. Messrs. D. Lenn, G. Nagle and Ms. C. Cox were present. Mr. J. Bidwill was present. Mrs. K. Ford and Mr. E. Hamilton of Continental Bank were present. Mr. B. Scholz, Pensioner, was also present. 

The Vice Chairman called the meeting to order at 10:39 A.M. 

Mr. E. Hamilton of Continental Bank turned the Committee's attention to a letter, dated December 14, 1982, entitled "December Market Summary." (A copy is attached to these minutes). 
Mr. Hamilton noted that interest rates continued to decline somewhat and housing starts were up 27%. Mr. Hamilton indicated that the GNP for 1983 does not look very encouraging stating that it should be somewhere in the area of 2-1/2 to 3-1/2% based upon the forecast for the latter part of 1983. Mr. Hamilton also noted that interest rates were still fluctuating and may increase slightly beginning
with the third quarter of 1983.

The Secretary informed the Committee that the Lowry, Raclin, Harrell & Howard report would be presented by Mr. Harrell at the Special Meeting on Tuesday, December 21, 1982.

The Chairman asked for approval of the Minutes of the 407th Meeting of the Retirement Allowance Committee, held November 15, 1982. On a motion by Mr. Bianchi, seconded by Mr. Fleming, the Committee unanimously approved the Minutes of the 407th Meeting, held November 15, 1982.

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

The Secretary presented a total of twenty-seven (27) Survivorship Options for approval. On a motion by Mr. Kasper, seconded by Mr. Flowers, the Committee unanimously approved the Survivorship Options.

The Secretary presented a total of seven (7) Pre-Retirement Surviving Spouse Options for approval. On a motion by Mr. Fleming, seconded by Mr. Kasper, the Committee unanimously approved the Surviving Spouse Options.

The Secretary submitted one hundred twenty-four (124) Applications for Retirement for approval, including a request for retroactive retirement for Lawrence F. Dungca. On a motion by Mr. Bianchi, seconded by Mr. Morris, the Committee unanimously approved the Applications for Retirement, including the request that the retirement of Lawrence F. Dungca be made retroactive to November 1, 1982.

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

The Secretary presented twenty-one (21) refunds, totaling $209,880.30 for approval. The comparison figures for the same period of time one year ago were forty (40) refunds, totaling $343,456.87. On a motion by Mr. Morris, seconded by Mr. Kasmer, the Committee unanimously approved the refunds of contributions to be paid December 31, 1982.

The Secretary presented the report of Deposits, Disbursements and Investments noting that as of the end of November there was a total of $475,759,692.46 in cash and equivalents.

The Secretary presented one (1) Chicago Transit Authority bill, totaling $33,607.80; eight (8) Operating bills, totaling $46,145.99; and, eight (8) Remittances, totaling $290,647.70. On a motion by Mr. Flowers, seconded by Mr. Bianchi, the Committee unanimously approved payment of the bills and remittances, totaling $370,401.49.

The Secretary submitted for approval nineteen (19) Death Benefits, totaling $50,000.00. The comparison figures for the same period of time one year ago were thirty-four (34) Death Benefits, totaling $65,000.00. On a motion by Mr. Morris, seconded by Mr. Fleming, the Committee unanimously approved payment of the Death Benefits, as per the attached list.

The Secretary turned the Committee's attention to the matter involving Isaac T. Clark which had been held in abeyance since the last meeting in order that a union representative could contact the employee. The Vice Chairman informed the Committee that Mr. Clark
had been contacted and wished to reimburse the $15,815.69 refund of contributions at the rate of $200.00 per month. A discussion ensued during which Mr. Goldman made a motion to allow Mr. Clark to reimburse the Fund the $15,815.69 in withdrawn contributions at the rate of $200.00 per month. Mr. Kasmer seconded the motion and the Committee unanimously approved.

Mr. Flowers made a motion that the matter regarding the reimbursement of refunded contributions for Diane Stanley and Jesus M. Nunez be held in abeyance until the next meeting in order that they could be contacted by the union. Mr. Goldman seconded the motion and the Committee unanimously agreed.

The Secretary asked that the review of the Growth Screen Fund be held in abeyance until the Special Meeting on Tuesday, December 21, 1982.

The Secretary brought to the Committee's attention the fact that Thomas D. Sulzer, a Security Officer, who was on Disability Retirement during the time that the department was abolished had been approved to return to duty. The Secretary noted that on the advice of the Plan Attorney he was recommending that the employee be taken off the Disability Retirement rolls and transferred to the Authority. On a motion by Mr. Kasmer, seconded by Mr. Morris, the Committee unanimously agreed that Mr. Sulzer be taken off the Disability Retirement rolls and transferred to the Authority.

The Secretary brought to the Committee's attention the case of Louis Wade. After bringing the Committee up to date on the case, the Secretary recommended that Mr. Wade be returned to the Disability Retirement rolls retroactive to November 8, 1982. On a motion by
Mr. Morris, seconded by Mr. Flowers, the Committee unanimously agreed to place Mr. Louis Wade back on Disability Retirement retroactive to November 8, 1982.

The Secretary informed the Committee that Thomas E. Freeman revoked his Pre-Survivorship Option. The Secretary also noted that George F. Levenberger revoked his Pre-Survivorship Option due to the death of his spouse.

The Secretary informed the Committee that Eddie Mitchell, who retired on Disability Retirement on December 1, 1976, returned to duty November 29, 1982; and, Joseph P. Irwin, who retired on Disability Retirement May 1, 1982, returned to duty on November 29, 1982.

The Secretary informed the Committee that Leonard C. Morris, who was laid off and reinstated on September 7, 1982 had failed to reimburse the Fund the amount of $17,090.44. Mr. Morris made a motion that this matter be held in abeyance until the union could contact Mr. Morris to ascertain if he would like to make arrangements to reimburse the Fund. Mr. Flowers seconded the motion and the Committee unanimously agreed.

The Secretary informed the Committee that Howard L. Ward had revoked his Option B-1/2 which was approved October 18, 1982.

The Secretary informed the Committee that a motion was necessary to set the interest rate on the Plan as provided under Section 15, Paragraph 6C. On a motion by Mr. Flowers, seconded by Mr. Morris, the Committee approved the declaration of 3 per cent interest on the Plan.
The Secretary informed the Committee that Mr. William Ramseyer of Pension Realty Advisors, Inc. would make his presentation at the Special Meeting on Tuesday, December 21, 1982.

The Secretary brought to the Committee's attention the case of Willa Hayward who was placed on Disability Retirement on February 1, 1982 and found fit to return to duty in her regular position on December 9, 1982. The Secretary noted that upon contacting the Placement Department his office was advised that there were no positions available in Ms. Hayward's job classification. The Secretary stated that it was his opinion that since this employee was approved to return to her regular duties and because of her seniority her original position should be made available to her. After general discussion, it was agreed that Ms. Hayward should be returned to her regular position and Mrs. Curtis would work out the matter with Mr. Flowers. On a motion by Mr. Flowers, seconded by Mr. Kasmer, it was agreed that Ms. Hayward would continue to receive Disability Retirement Benefits until she had been returned to duty in her regular position.

The Secretary informed the Committee that the Chairman of the Retirement Committee had arranged to host a dinner party for the Committee on January 21, 1983, at the Como Inn, beginning at 5 P.M.

There being no further business, on a motion by Mr. Goldman, seconded by Mr. Bianchi, the Committee unanimously agreed to adjourn at 11:19 A.M.

The Plan Attorney arrived after adjournment and informed the Committee that he was in receipt of important information
regarding recent tax law changes.

The Vice Chairman reconvened the meeting at 11:23 A.M.

The Plan Attorney explained the law and presented to the Committee Rule No. 28 which would ensure the Plan's qualification under the new government guidelines. (A copy of Rule No. 28 is attached to these minutes). The Plan Attorney explained that Rule No. 28 was a statement providing that the benefits which we have will not be in violation of the actuarial computation which the IRS insists on following. Otherwise, the payments into the Plan could be viewed as being in violation of the tax act. A discussion ensued between the Committee during which a motion for adoption of Rule No. 28 was made by Mr. Kasmer, seconded by Mr. Fleming and unanimously approved by the Committee.

At the request of the Vice Chairman, Mr. Fleming made a motion for readjournment at 11:29 A.M., Mr. Bianchi seconded the motion and the Committee unanimously agreed.

__________________________
SECRETARY
RETIREMENT ALLOWANCE COMMITTEE

__________________________
CHAIRMAN
RETIREMENT ALLOWANCE COMMITTEE

DATED ______________________