

RETIREMENT PLAN  
for  
CHICAGO TRANSIT AUTHORITY EMPLOYEES

The 39th Meeting of the Retirement Allowance Committee was held on September 15, 1952, in the Secretary's office, Room 748 of the Merchandise Mart, and the following were in attendance:

Mr. C. Burns	Mr. T. E. Nolan, alternate
Mr. J. E. Hastings	for Mr. D. J. McNamara
Mr. A. C. Jann, alternate	Mr. P. J. O'Connor
for Mr. P. J. Meinardi	Mr. T. B. O'Connor
Mr. T. J. Murray	Mr. P. L. Simons
	Mr. H. B. Storm

Neither Mr. E. A. Imhoff nor his alternate was present.

The Secretary called the meeting to order at 10:40 A.M. and advised the Committee that the first order of business would be to elect a Chairman Pro-Tem to serve in the absence of Mr. McNamara. On motion by Mr. P. J. O'Connor, seconded by Mr. Burns, Mr. T. B. O'Connor was unanimously elected Chairman Pro-Tem.

On motion by Mr. Murray, seconded by Mr. P. J. O'Connor, the Committee unanimously approved the minutes of the 38th meeting held August 18, 1952, as written.

Announcement of deaths reported since the last meeting was made by the Secretary, as per attached list.

On motion by Mr. P. J. O'Connor, seconded by Mr. Burns, the fifty-six (56) applications which had been recommended by the Secretary were unanimously approved, as per attached list dated 9/15/52.

The Secretary read a report of the receipts, disbursements, and investments during the month of August 1952, as per attached list.

The Secretary read the list of Chicago Transit Authority bills totaling \$9,660.49 and miscellaneous bills totaling \$12.84, as per attached lists. On motion by Mr. Murray, seconded by Mr. Jann, the Committee unanimously approved payment of these bills.

In accordance with the motion passed at the August 18, 1952 meeting of the Committee, which motion stated that an employe is not entitled to a refund when his service falls short of a year even though his termination date overlaps the completion of a year, the Secretary submitted Rule No. 11, copy attached hereto, which defines the phrase "one year of service with the Authority" as used in the first sentence of Paragraph 15.2. On motion by Mr. Murray, seconded by Mr. Burns, the Committee unanimously adopted Rule No. 11.

The Secretary reported he had received a legal opinion covering Section 22 (Supplemental Benefits and Contributions) jointly signed by Attorneys for the Authority and Divisions 241 and 308 of the Association. The Attorneys were of the opinion that the original intent of Section 22 was to assure all employes of the Authority who were participating in the Plan that they would not suffer any loss due to the fact that Authority employes were not covered under the Social Security Act beginning October 1, 1947. It is their opinion that employes whose Social Security benefits are based on the "new start" formula covered by the 1950 amendments to the Act, are not entitled to any supplemental benefit. In order to clarify Section 22 in regard to the Act in effect at the time the Plan was accepted, the Attorneys proposed that Rules No. 12 and 13, including application form for supplemental benefits, copies attached, be adopted by the Committee. It was moved by Mr. P. J. O'Connor, seconded by Mr. Murray, and unanimously approved by the Committee.

The Attorneys proposed further in their letter of August 18, 1952, that Paragraph 22.3, which calls for separate accounts to be maintained between the regular and supplemental funds, be amended in the following manner:

Section 22.3 is amended by adding the following:

Effective October 1, 1952, the separate account of the Fund provided for in Paragraph 22.3 shall be discontinued, and the balance shown in such separate account shall be credited to and made a part of the same account as are contributions under Section 7. The benefits, refunds and interest provided for in Section 22 shall thereafter be chargeable generally against the Fund.

After a discussion by the Committee and further explanation by Mr. Hastings, it was moved by Mr. Murray that the Secretary be instructed to advise the C. T. A. and all of the organizations who are a party to the Plan that the Committee favors the adoption of such an amendment to the Plan and recommendations that the Authority and the organizations adopt the proposed amendment to Paragraph 22.3. This motion was seconded by Mr. P. J. O'Connor and unanimously approved by the Committee.

The Secretary reported that the I. B. M. section of the Accounting Department is working on the Pension records on an overtime basis. It is hoped that this will be completed before the first of the year. He also reported that additional information which must be taken from the Secretary's files has now been practically completed and will shortly be turned over to an outside agency for recording on I. B. M. cards. When this is completed, there will be a duplication of some of the information now being prepared by the Accounting Department. However, this will serve as a check as to the accuracy of the records.

The Secretary reported that all Retirement Plan booklets on hand have been corrected by inserting therein the amendments effective June 1, 1952. Any new booklets ordered in the future, the amendments effective June 1, 1952 will be printed in the paragraph affected.

There being no further business, on motion by Mr. Hastings,  
seconded by Mr. P. J. O'Connor, the Committee unanimously approved  
that the meeting be adjourned. Meeting adjourned at 11:30 A.M.



Secretary  
Retirement Allowance Committee

APPROVED:



Dated: OCT 20 1952