

RETIREMENT PLAN
FOR
CHICAGO TRANSIT AUTHORITY EMPLOYEES

The 315th Meeting of the Retirement Allowance Committee was held on July 21, 1975, in the Conference Room - Room 444 - Merchandise Mart, and the following were in attendance:

Mr. W. A. Ashley	Mr. E. Langosch
Mr. E. Barley, Sr.	Mr. J. Tiffy
Mr. L. Beatty	Mr. J. Touhy
Mr. J. Blaa	

Mr. F. Mullen, alternate for Mr. J. Hastings and Mr. H. Brown, alternate for Mr. P. Kole were present. Neither Mr. J. Aurand nor his alternate were present. Also present were Mr. C. R. Hall, Mr. T. Hill and Mr. A. Kemp.

The Chairman called the meeting to order at 10:30 A. M.

On a motion by Mr. Langosch, seconded by Mr. Brown, the minutes of the 314th Meeting held on June 24, 1975 were unanimously approved.

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

The Secretary advised that nine (9) Survivorship Options were submitted for approval at this meeting. This included a Survivorship Option for Irving Ross. The Secretary explained that both Mr. Ross' own doctor, as well as our Medical Department, found Mr. Ross to be in poor health and since he filed for the Option within six (6) months of his retirement date, the Secretary recommended that his Option not be approved. On a motion by Mr. Brown, seconded

by Mr. Langosch, the Committee unanimously agreed to decline the Option for Mr. Ross.

On a motion by Mr. Langosch, seconded by Mr. Barley, the Committee unanimously approved the remaining eight (8) Survivorship Options submitted by the Secretary.

The Secretary advised that twenty-five (25) applications for retirement were submitted to this office for presentation at this meeting. An application for Mr. Raymond L. Desmore of the Transportation Department is being submitted retroactive to June 1, 1975, as the papers reached the Secretary's Office too late for the June 24th Meeting.

On a motion by Mr. Tiffy, seconded by Mr. Barley, the Committee approved the twenty-five (25) applications submitted by the Committee.

The Secretary reported that during the month six (6) employees on Total and Permanent Disability were examined by the Medical Department or their records reviewed.

The Secretary presented thirty-three (33) refunds totaling \$114,884.58 for approval at this meeting.

On a motion by Mr. Langosch, seconded by Mr. Blaa, the refunds to be paid July 31, 1975, as per the attached statement, were unanimously approved.

The Secretary read a report of the deposits, disbursements, and investments during the month of June, as per the attached statement. The Secretary also informed the Committee that the Trustee would be in at 11 A. M. to present the Trustee's Quarterly Report.

The Secretary presented the Chicago Transit Authority bills totaling \$8,102.58 and miscellaneous bills totaling \$101,034.27 for approval. On a motion by Mr. Touhy, seconded by Mr. Brown, the Committee unanimously approved payment of these bills.

The Secretary reported that for the payment of July 31, 1975, Death Benefits numbering thirty-nine (39) and amounting to \$59,500.00 were submitted for approval. On a motion by Mr. Langosch, seconded by Mr. Brown, the Committee unanimously approved payment of the Death Benefits, as per the attached list.

The Secretary advised that a meeting of the Investment Subcommittee was conducted on June 25, 1975, at 2:30 P. M., in Mr. Aurand's Office, to interview the last company offering measurement services. Upon review of the three (3) Investment Measurement Services, the Investment Subcommittee would make a final determination. The Chairman informed the new members of the Retirement Allowance Committee that he would be available for any questions regarding the purpose of the Investment Subcommittee and their function with the Retirement Allowance Committee.

The Secretary stated that the Ordinance amending the Trust Agreement to allow the Trustee to invest in Real Estate was tabled by the Board. The Secretary advised that he

would contact the Board to discuss the Ordinance and would advise the Committee.

The Secretary presented a review of the rate schedules for the Wyatt Company and Arthur Young & Company reflecting their increase in rates from 1974 to 1975.

At 11:00 A. M., the regular business of the Committee was concluded and the Investment Committee of the Continental Illinois National Bank of Chicago was invited into the meeting to discuss the status of the Retirement Fund. The following representatives of the Trustee were present:

Messrs: William O. Leszinske
Sam Shuster
Gerald L. Uslander

The Trustee presented each Committee Member with a packet which included a brief summary of the Trustee's record of performance for the second quarter of 1975 and the first six months of 1975, as compared to Standard and Poor's 500 and the Dow Jones Industrial Average for the same period. The report also provided investment changes from March 31, 1975 to June 30, 1975, which included the number of shares purchased and the type of stock purchased during that period.

Mr. Barley asked the Trustees how they determined what stocks to buy and not to buy. The Trustee provided a

detailed explanation of the functioning of their Trust Investment Division. The Trustee also presented an investment summary which provided the unrealized gain or loss during the quarter, the approximate annual income, and the current yield for common stock investments and fixed income investments. It was the Trustee's opinion, based on comparison with other banks in the area, that the Trustee has compiled a good record and the rate of return on both common stock and total fund was good.

Several members of the Committee asked questions regarding Fund Performance, which were answered by the Trustee.

The Secretary asked the Trustee to elaborate on their letter of June 27, 1975 discussing the Fund's Evaluation Service of Becker Securities Corporation.

Mr. Leszinske stated that because of the legal ramifications involved, direct brokerage may be in conflict with the Securities Reform Act of 1975. He stated the Trustee's Legal Department is studying this problem and completion of the study is expected in the next 30 to 60 days.

There being no further business, on a motion by Mr. Tiffy, seconded by Mr. Mullen, the Committee unanimously agreed to adjourn at 11:34 A. M.

W. A. Ashley

SECRETARY
RETIREMENT ALLOWANCE COMMITTEE

Leonard Beatty

CHAIRMAN
RETIREMENT ALLOWANCE COMMITTEE

DATED: AUG 18 1975