

RETIREMENT PLAN  
FOR  
CHICAGO TRANSIT AUTHORITY EMPLOYEES

The 338th Meeting of the Retirement Allowance Committee was held on Monday, April 18, 1977, in the Board Room, Room 734, Merchandise Mart, and the following were in attendance:

Mr. W. Ashley	Mr. W. Spears
Mr. J. Hastings	Mr. J. Tiffy
Mr. P. Kole	Mr. J. Touhy
Mr. E. Langosch	

Mr. T. Hill, alternate for Mr. Blaa was present. Neither Mr. Barley, Sr. nor his alternate were present; neither Mr. Brabec nor his alternate were present. Messrs. E. Hamilton and W. Leszinske of Continental; Mr. R. Harrell of Eppler, Guerin and Turner, Inc.; Messrs. Lemm and Mullen and Mr. C. Heatter, Superintendent of Pensions, were also present.

The Chairman called the meeting to order at 10:37 A.M.

Mr. Leszinske began his presentation by referring to a report as prepared by Continental for the quarter ended March 31, 1977.

Mr. Leszinske continued his presentation by referring to a written report relative to the current economic environment, pointing out factors which attributed both to the strength and weaknesses of the current and projected economic scene.

Mr. Leszinske continued his presentation by referring to a proposal as was prepared by Continental relative to investing in Real Estate.

Mr. Touhy asked Mr. Leszinske why Real Estate is so attractive. Mr. Leszinske responded by stating that Real Estate has a better Rate of Return than Fixed Income Securities.

He also asked the type of Real Estate we would invest in. Mr. Leszinske referred to the report in each Committee Member's pass out material indicating Continental would invest mainly in Commercial and Industrial Real Estate.

Mr. Kole asked how much the Trustee's Fee is to manage the Real Estate Account. Mr. Leszinske responded by indicating that it would be equivalent to reducing the rate of return by one percent (1%).

Mr. Ed Hamilton reported that the Fund will be credited with \$125.00 for the late payment of interest, as was pointed out in the Discrepancies Section of the Callan Associates, Inc. Report ending December 31, 1976.

Each Committee Member was given their personal copy of all reports as presented by Continental. A copy of each report is part of the Committee's records in the Secretary's Office.

Messrs. Hamilton and Leszinske concluded their presentations at 11:12 A.M. and left the meeting.

A presentation was made by Mr. R. Harrell of Eppler, Guerin and Turner, Inc. relative to the Retirement Fund's Performance and Money Management Alternatives.

Mr. Harrell recommended that at his next meeting with the Committee, an Investment Policy be prepared after each Committee Member has thoroughly reviewed all materials which were distributed.

The Secretary suggested that we have a special meeting once Mr. Hastings has revised Section 18 of the Retirement Plan and after he has reviewed the Investment Policy Draft as presented by Mr. Harrell.

Each Committee Member was given their personal copy of the Eppler, Guerin and Turner Reports. A copy of these Reports are a part of the Committee's records in the Secretary's Office.

After a discussion between various Committee Members and Mr. Harrell, relative to future course of action, Mr. Harrell concluded his presentation at 12:15 P.M. and left the meeting.

Mr. Kole left the meeting due to a business appointment.

The Secretary then asked for the election of a Chairman Pro Tempore. On a motion by Mr. Tiffy, seconded by Mr. Spears, Mr. Touhy was elected Chairman Pro Tempore.

The Chairman asked for the approval of the Minutes of the 336th Special Meeting, held on March 16, 1977 and the 337th Meeting, held on March 21, 1977.

On a motion by Mr. Hastings, seconded by Mr. Tiffy, the Minutes of the 336th Special Meeting, held March 16, 1977 and the 337th Meeting, held March 21, 1977, were unanimously approved.

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

The Secretary presented four (4) Survivorship Options for approval at this meeting. On a motion by Mr. Tiffy, seconded by Mr. Hill, the Committee unanimously approved the four (4) Survivorship Options submitted by the Secretary.

The Secretary advised that nineteen (19) Applications for Retirement were submitted for approval. On a motion by Mr. Spears, seconded by Mr. Tiffy, the Committee unanimously approved the nineteen (19) applications submitted by the Secretary.

The Secretary reported that during the month, five (5) employees on Total and Permanent Disability were examined by the Medical Department or their records reviewed.

The Secretary presented thirty-five (35) refunds totaling \$177,892.55 for approval at this meeting. On a motion by Mr. Langosch, seconded by Mr. Spears, the refunds to be paid April 30, 1977 were unanimously approved.

The Secretary read a report of deposits, disbursements, and investments during the month of March, as per the attached statement.

The Secretary pointed out the new format for the aforementioned report indicating that Purchases will be presented indicating Approximate Yield and Sales will indicate amount of Loss or Gain and Approximate Yield.

The Secretary presented The Chicago Transit Authority bills, totaling \$15,516.28, and other bills, totaling \$114,207.78. On a motion by Mr. Spears, seconded by Mr. Tiffy, the Committee unanimously approved payment of these bills.

The Secretary reported for the payment of April 30, 1977, Death Benefits numbering twenty-four (24) and amounting to \$52,000.00 were submitted for approval. On a motion by Mr. Tiffy, seconded by Mr. Spears, the Committee unanimously approved the Death Benefits, as per the attached list.

Mr. Hastings reported to the Committee that he talked to Mr. Sherman Carmell, Division 241's Attorney, and have come to the opinion that if the Plan is amended the Committee could extend a repayment period of contributions and earned interest to employees who are reinstated and are unable to reimburse the Fund prior to returning to work. Mr. Hastings indicated that this would require that the revision be presented to all member unions and approved. Mr. Touhy asked who would pay to have a new amendment presented and voted upon. The Secretary responded by indicating the unions would have to pick up the costs. Mr. Touhy then raised the question of whether the Employees Welfare Fund could be used as collateral for loans from the credit unions. The Secretary said he would have to research this matter and report back to the Committee.

The Secretary reported that Mr. Adrian C. Miller approved for Total and Permanent Disability, effective

July 1, 1976, returned to duty on March 30, 1977; and that Mr. Earnest Patrick approved for Total and Permanent Disability, effective January 1, 1977, returned to duty on March 16, 1977 and returned to Total and Permanent Disability on March 21, 1977.

The Secretary reported that on May 25, 1976, Mr. Homer Barron was approved for non-operating work with restrictions and as a result of no positions being available, Mr. Barron went on Total and Permanent Disability on October 1, 1976 subject to being called in when the next position became available.

On March 14, 1977, the Personnel Department sent a letter regarding a vacancy for a Ticket Agent or Collector; for which, based on the last medical examination, Mr. Barron could qualify. On March 21, 1977, Mr. Barron responded to the letter and was scheduled for an interview at 3:00 P.M. on March 22, 1977. Mr. Barron failed to come in for the interview. The Secretary reported that beginning with the April 30, 1977 check, the Secretary will hold Mr. Barron's Disability Retirement Allowance Benefits in accordance with Section 12 of the Retirement Plan.

The Secretary reported that Mr. Steven G. Anthon, currently on Total and Permanent Disability, has failed to produce a statement from his attending physician since the first request by the Secretary's Office on September 13, 1976 and after a number of subsequent requests, therefore, the Secretary's Office will continue holding Mr. Anthon's

Disability Retirement Allowance Checks in accordance with Section 12 of the Retirement Plan.

The Secretary called the Committee's attention to the pass out material to an insert to be distributed on April 30, 1977 to retired employees covered under the Regular Group Hospital and Medical Insurance Coverage to insure coverage and premium payments are correct.

The Secretary also referred the Committee's attention to the article titled, "Looking for the Yankee (RENT) Dollar" as was in each Committee Member's pass out material and recommended that the article be read.

There being no further business, on a motion by Mr. Spears, seconded by Mr. Hill, the Committee unanimously agreed to adjourn at 12:45 P.M.

  
SECRETARY  
RETIREMENT ALLOWANCE COMMITTEE

  
CHAIRMAN  
RETIREMENT ALLOWANCE COMMITTEE

DATED:                     MAY 16 1977