AGENDA
FOR THE 486TH RETIREMENT MEETING OF JUNE 19, 1989

1. Meeting will be called to order at 9:00 a.m., Steamboat Room, Holiday Inn – Mart Plaza.

2. Roll call

3. Approval of the Minutes of the 485th Meeting held May 15, 1989.

4. Investment Subcommittee report.

5. Real Estate Subcommittee report.

   a) Announcement of deaths reported since the last meeting.
   b) Presentation of Pre-Retirement Surviving Spouse Allowances for approval.
   c) Presentation of new retirement applications for approval.
   d) Presentation of Death Benefits for approval.
   e) Presentation of Refunds of Contributions for approval.
   f) Presentation of Bills and Remittances for approval.

7. Report by Secretary of Deposits, Disbursements and Investments.
   a) Report on results of the asset allocation model.

8. Unfinished Business.
   a) Discussion of the calculation of compensation for pension earnings purposes for all union officers.

a) Barbara Davis - D-2451 - returned to duty on 6-5-89.

b) Thirteen month period to repay refund of contributions and interest expired—recommendation that the following be granted a 30 day grace period.

<table>
<thead>
<tr>
<th>Name &amp; Badge No.</th>
<th>13 Month Period Expired</th>
<th>Entered Service Date</th>
<th>Amount Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kevin McCrea #35937</td>
<td>5/15/89</td>
<td>08/28/74</td>
<td>$10,387.26</td>
</tr>
<tr>
<td>Larry Lee #34621</td>
<td>6/17/89</td>
<td>11/19/73</td>
<td>$14,133.63</td>
</tr>
</tbody>
</table>

c) Francisco Barreto - #2736 - repaid $3,945.30 due under Rule No. 21. Original pension seniority date of 2/15/79 restored.

d) Loid Brown revoked his application for retirement which was approved at the Retirement Allowance Committee meeting of May 15, 1989 and which was to have become effective June 1, 1989.

9) Adjournment.
The 486th Meeting of the Retirement Allowance Committee was held Monday, June 19, 1989 at 9:00 A.M., in the Steamboat Room - Holiday Inn, Mart Plaza. The following were in attendance:

Mr. E. Gresham, Vice Chairman  C. Andersen
A. Kasmer, Jr.  C. Burrus, Chairman
C. Knox  A. Mandolini

Mr. D. Perk, Executive Director, was present. Alternate L. Morris sat in W. Black's stead. Alternate H. Williams sat in I. Thomas' stead. Alternate D. Carter sat in E. Hill's stead. Ms. K. Laing was present. Messrs. W. Ross, R. Pirovano and Ms. P. Williams of the Pension Office staff were in attendance. Ms. S. Luthy and Mr. F. Duda of the Harris Trust and Savings Bank were present. Mr. J. Baratka of the Wyatt Company was also present. Mr. R. Burke of Burke, Wilson & McIlvaine was in attendance. Mr. B. Scholz, pensioner representative, was present.

(1) The Chairman called the meeting to order at 9:15 A.M.
(2) A roll call was taken which resulted in a quorum of the Committee members.
(3) On the call for approval of the Minutes of the 485th meeting, held May 15, 1989, Mr. Knox made a motion for approval, Mr. Andersen seconded the motion and the Committee unanimously approved.
(4) Mr. Mandolini, Chairman of the Investment Subcommittee, reported on the topics of discussion at his meeting (copy of meeting minutes attached).

(5) With regards to this item, Mr. Kasmer, Chairman of the Real Estate Subcommittee reported on the topics of discussion at his meeting (copy of meeting minutes attached). Recommendations by Piedmont Realty Advisors resulted in two motions which were approved by the subcommittee.

(6) With regards to this item, Mr. Andersen, Chairman of the General Administration and Annuities Management Subcommittee reported on the topics of discussion at his meeting. He also noted that there was a review of Agenda items 6(a) - (f) and 8(a) & (b), including the July 1st disability retirement for Howard Cosetti to be made retroactive to May 1st. A motion was then made by Mr. Andersen, seconded by Mr. Williams to accept the report and approve the above mentioned Agenda items. The Committee unanimously approved.

(7) The Executive Director turned the Committee’s attention to the Report on Deposits, Disbursements and Investments in the Trustee Summary and noted that the May 1989 performance for the total Fund was 2.23% and the value of the total assets of the Plan as of May 31, 1989 amounted to $908,374,559.00.

(7a) Mr. W. Ross then presented a report on the results of the
asset allocation model which indicated that from inception to date (thru 5/31/89) value added by the Boston Company was -2.91%. The report also identified the asset allocation changes since inception and indicated that the market value of the Boston Company account was $57,046,167.00 as of May 31, 1989.

(8a) This issue was deferred.

(9) There being no further business, the Committee unanimously agreed to adjourn at 10:10 A.M.

EXECUTIVE DIRECTOR
RETIREMENT ALLOWANCE COMMITTEE

CHAIRMAN
RETIREMENT ALLOWANCE COMMITTEE

DATED
The Real Estate Subcommittee meeting was held Wednesday, June 14, 1989 at 10:00 A.M., in the Pension Office, 221 N. LaSalle, Suite 2026. The following were in attendance:

A. Kasmer, Jr., Chairman  
C. Knox  
E. Hill  
A. Mandolini

Mr. D. Perk, R. Pirovano and Ms. P. Williams of the Pension Office staff were present. Messrs. S. Grant and R. Zerbst of Piedmont Realty Advisors, Inc. were present. Messrs. T. Ahern and K. Lynch of the Townsend Group were also in attendance. Mr. R. Burke, Plan Attorney was also present.

The Chairman called the meeting to order at 10:35 A.M.

Dr. Zerbst then presented the Direct Real Estate report for the first quarter, 1989 noting that the total return net of fees for the first quarter was 7.55%.

Dr. Zerbst then reviewed each of the properties and made the following report:

20 N. Michigan:
Dr. Zerbst noted that the net operating income exceeded the budget, occupancy has remained the same, and an existing tenant, Illinois State Medical Society has offered to purchase 40% of the general partnership.

Country Lakes Apartments:
Net operating income was less than budget. Occupancy has increased. Interest is being accrued to the note balance and Piedmont will not recognize the interest accrual portion of the loan until the property is appraised during the fourth quarter.

333 W. Lake:
Net operating income exceeded budget. Occupancy has remained the same. The City Council has tentatively approved a 29 to 1 floor area ratio (FAR) zoning which would result in an increase in the property value.

3660 Lake Shore Drive:
The Plan will retain its residual 10% interest from the to-be-built Phase II and III properties. The Borrower has requested a buy-out of the Plan's residual interest and an agreement is under negotiation for this.