

**Laborers' and Retirement Board Employees'
Annuity and Benefit Fund of Chicago
Minutes of Regular Board Meeting No. 1006**

February 19, 2019

***Suite 1300 • 321 N Clark Street • Chicago Illinois 60654-4739
(312) 236-2065 • Fax (312) 236-0574***

**LABORERS' & RETIREMENT BOARD EMPLOYEES'
ANNUITY & BENEFIT FUND OF CHICAGO**

February 19, 2019

Report of Meeting No. 1006 held on February 19, 2019, starting at 1:03 p.m. at the office of the Laborers' and Retirement Board Employees' Annuity and Benefit Fund of Chicago ("Fund" or "LABF"). The following notes attendance:

Board Members:

Victor Roa	– President (Union Appointed Member)
Michael LoVerde	– Secretary (Active Employee Elected Member)
Carol Hamburger	– Trustee (Managing Deputy Comptroller, City of Chicago)
Kurt Summers, Jr.	– Trustee (City Treasurer, City of Chicago) (1:30 pm arrival)
James Capasso, Jr.	– Trustee (Annuitant Elected Member)
James Joiner	– Trustee (Active Employee Elected Member)

Staff & Consultants:

Graham Grady	– Taft Stettinius & Hollister LLP, Fund's Counsel
Cary Donham	– Taft Stettinius & Hollister LLP, Fund's Counsel
Dr. Terence Sullivan	– Fund's Physician
James Wesner	– Marquette Associates, Fund's Investment Consultant
Kweku Obed	– Marquette Associates, Fund's Investment Consultant
Neil Capps	– Marquette Associates, Fund's Investment Consultant
Jeremy Zerín	– Marquette Associates, Fund's Investment Consultant
Michael Walsh	– Executive Director and Chief Investment Officer
Peggy Grabowski	– Comptroller
Sheila Jones	– Administrative Coordinator
Nadia Oumata	– Manager of Accounting and Investments
Tina Rhoten	– Benefits Manager
Paul Rzeszutko	– Assistant Benefits Manager
Nicole Evangelista	– Payment Services Coordinator

Absent:

Erin Keane	– Vice President (City Comptroller, City of Chicago)
Carole Brown	– Trustee (Chief Financial Officer, City of Chicago)

Observers: None

President Roa determined that a quorum was present after Secretary LoVerde took attendance.



*Laborers' and Retirement Board Employees'
Annuity and Benefit Fund of Chicago*

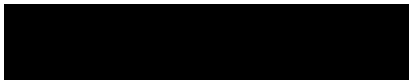
Board Members:

I am transmitting herewith the minutes for the meeting of the Retirement Board which was held on February 19, 2019. The minutes are comprised of the following:

- Public Participation
- Approval of Minutes from Prior Meetings
- Schedule A: Applications for Refunds
 1. Refund of Contributions Due to Separation from Service
 2. Miscellaneous Refunds
- Schedule B: Applications for Annuities
 1. Employee Annuities
 2. Spouse and Child Annuities
- Schedule C: Adjustment Refunds to New Annuitants
- Schedule D: Applications for Duty Disability Benefits
- Schedule E: Applications for Ordinary Disability Benefits
- Schedule F: Applications for Extension of Duty Disability Benefits
- Schedule G: Applications for Extension of Ordinary Disability Benefits
- Schedule H: Payment of Uncashed Checks of Deceased Members
- Schedule I: Payment of Administrative Expenses
- Investments Report
- Executive Session No. 1
- Administrative Report
- Legal Report
- Executive Session No. 2
- Executive Session No. 3
- Legal Report Continued
- Executive Session No. 4
- Executive Session No. 5
- Adjournment

All the foregoing matters were checked upon receipt in the office of the Retirement Board and were found to be hereinafter set forth.

Sincerely,



Michael R. LoVerde
Retirement Board Secretary

**LABORERS' & RETIREMENT BOARD EMPLOYEES'
ANNUITY & BENEFIT FUND OF CHICAGO**

February 19, 2019

PUBLIC PARTICIPATION

None.

APPROVAL OF MINUTES FROM PREVIOUS MEETINGS

It was moved by Trustee LoVerde, seconded by Trustee Joiner, that the regular minutes of Meeting No. 1005 held on January 22, 2019 be approved as submitted.

Roll-call: For -- Trustees Roa, LoVerde, Hamburger, Capasso and Joiner.
Against -- None

It was moved by Trustee LoVerde, seconded by Trustee Hamburger, that the minutes of Executive Sessions 1, 2 and 3 of Meeting No. 1005 held on January 22, 2019 be approved as submitted.

Roll-call: For -- Trustees Roa, LoVerde, Hamburger, Capasso and Joiner.
Against -- None

SCHEDULE A – APPLICATIONS FOR REFUNDS

1. Refund of Contributions Due to Separation from Service

It was moved by Trustee LoVerde, seconded by Trustee Joiner, that the applications presented for Refunds of Contributions Due to Separation from Service be approved and ordered paid.

Roll-call: For -- Trustees Roa, LoVerde, Hamburger, Capasso and Joiner.
Against -- None

2. Miscellaneous Refunds

It was moved by Trustee Capasso, seconded by Trustee Joiner, that the applications presented for Miscellaneous Refunds of Contributions be approved and ordered paid.

Roll-call: For -- Trustees Roa, LoVerde, Hamburger, Capasso and Joiner.
Against -- None

SCHEDULE B – APPLICATIONS FOR ANNUITIES

1. Employee Annuities

It was moved by Trustee Joiner, seconded by Trustee LoVerde, that the applications for Employee Annuities be approved and ordered paid.

Roll-call: For -- Trustees Roa, LoVerde, Hamburger, Capasso and Joiner.
Against -- None

2. Spouse and Child

It was moved by Trustee Joiner, seconded by Trustee Capasso, that the applications for Spouse and Child Annuities be approved and ordered paid.

Roll-call: For -- Trustees Roa, LoVerde, Hamburger, Capasso and Joiner
Against -- None

SCHEDULE C – ADJUSTMENT REFUNDS TO NEW ANNUITANTS

It was moved by Trustee LoVerde, seconded by Trustee Hamburger, that the Adjustment Refunds to New Annuitants be approved and ordered paid.

Roll-call: For -- Trustees Roa, LoVerde, Hamburger, Capasso and Joiner.
Against -- None

**LABORERS' & RETIREMENT BOARD EMPLOYEES'
ANNUITY & BENEFIT FUND OF CHICAGO**

February 19, 2019

SCHEDULE D – APPLICATIONS FOR DUTY DISABILITY BENEFITS

This item was taken out of order and discussed later in the meeting. It was moved by Trustee LoVerde, seconded by Trustee Joiner, that the applications for Duty Disability Benefits be approved and ordered paid.

Roll-call: For -- Trustees Roa, LoVerde, Hamburger, Capasso and Joiner.
Against -- None

SCHEDULE E – APPLICATIONS FOR ORDINARY DISABILITY BENEFITS

It was moved by Trustee Hamburger, seconded by Trustee Joiner, that the applications for Ordinary Disability Benefits be approved and ordered paid.

Roll-call: For -- Trustees Roa, LoVerde, Hamburger, Capasso and Joiner.
Against -- None

SCHEDULE F – EXTENSION OF DUTY DISABILITY BENEFITS

It was moved by Trustee Joiner, seconded by Trustee Capasso, that the applications for Extension of Duty Disability Benefits be approved and ordered paid.

Roll-call: For -- Trustees Roa, LoVerde, Hamburger, Capasso and Joiner.
Against -- None

SCHEDULE G – EXTENSION OF ORDINARY DISABILITY BENEFITS

It was moved by Trustee LoVerde, seconded by Trustee Capasso, that the applications for Extension of Ordinary Disability Benefits be approved and ordered paid.

Roll-call: For -- Trustees Roa, LoVerde, Hamburger, Capasso and Joiner.
Against -- None

SCHEDULE H – PAYMENT OF UNCASHED CHECKS OF DECEASED MEMBERS

It was moved by Trustee LoVerde, seconded by Trustee Joiner, that the applications for payment of uncashed checks of deceased members be approved and ordered paid.

Roll-call: For -- Trustees Roa, LoVerde, Hamburger, Capasso and Joiner.
Against -- None

SCHEDULE I – PAYMENT OF EXPENSES

It was moved by Trustee LoVerde, seconded by Trustee Capasso, that Administrative Expenses be approved and ordered paid.

Roll-call: For -- Trustees Roa, LoVerde, Hamburger, Capasso and Joiner.
Against -- None

INVESTMENTS REPORT

4th Quarter 2018 Performance Report

Mr. Wesner reviewed the Fund's 4th Quarter 2018 Performance Report.

Watch List

Mr. Wesner reviewed managers currently on the Watch List. Marquette Associates recommended making no changes to the Watch List.

Market Tracker

Mr. Obed reviewed the January 2019 market performance.

**LABORERS' & RETIREMENT BOARD EMPLOYEES'
ANNUITY & BENEFIT FUND OF CHICAGO**

February 19, 2019

January 31, 2019 Preliminary Performance Report

Mr. Obed reviewed the Fund's January 31, 2019 Preliminary Performance Report.

Trustee Summers entered at 1:30 p.m.

Infrastructure Fund RFP

This item was discussed in executive session.

EXECUTIVE SESSION NO. 1

At 1:31 p.m., Trustee LoVerde requested an executive session under 5 ILCS 120/2(c)(7) to discuss the sale or purchase of securities, investments or investment contracts. Trustee Hamburger seconded the motion.

Roll-call: For -- Trustees Roa, LoVerde, Hamburger, Summers, Capasso and Joiner.
Against -- None

At 2:00 p.m., Trustee LoVerde made a motion, seconded by Trustee Capasso that the executive session be adjourned and that the Board return to open session.

Roll-call: For -- Trustees Roa, LoVerde, Hamburger, Summers, Capasso and Joiner.
Against -- None

The Trustees took no action.

Asset Allocation Follow-Up / Implementation Discussion

This item was not discussed at the meeting.

ADMINISTRATIVE REPORT

LABF Handbook revisions

This topic was deferred to March Board meeting.

Public Act 100-0023 Employer Contribution Mechanics

Mr. Donham discussed the contents of a draft letter to the City of Chicago's Corporation Counsel requesting the opportunity to discuss with all stakeholders a resolution to issues, arising from Public Act 100-0023, regarding the determination of employer contributions associated with members on leaves of absence working for local labor organizations. Mr. Donham noted that the letter had not yet been sent.

Miscellaneous

Financing Request (Tax Levy) Update – Mr. Walsh reported that he is scheduled to meet with the City of Chicago Budget Director to discuss the matter of the loss associated with tax levy collections and he will report back to the Board on the outcome of that meeting at the next Board meeting.

Special Meeting – Mr. Walsh reminded the Board of the Special Board Meeting that is scheduled for March 7, 2019 at 9:00 a.m.

LEGAL REPORT

Executive Session Minutes Review

This topic was discussed in Executive Session.

**LABORERS' & RETIREMENT BOARD EMPLOYEES'
ANNUITY & BENEFIT FUND OF CHICAGO**

February 19, 2019

EXECUTIVE SESSION NO. 2

At 2:13 p.m., Trustee LoVerde requested an executive session under 5 ILCS 120/2(c)(21) to discuss minutes of meetings lawfully closed under the Open Meetings Act. Trustee Joiner seconded the motion.

Roll-call: For -- Trustees Roa, LoVerde, Hamburger, Summers, Capasso and Joiner.
Against -- None

At 2:19 p.m., Trustee LoVerde made a motion, seconded by Trustee Hamburger that the executive session be adjourned and that the Board return to open session.

Roll-call: For -- Trustees Roa, LoVerde, Hamburger, Summers, Capasso and Joiner.
Against -- None

It was moved by Trustee LoVerde, seconded by Trustee Summers, to approve the recommendations of Fund staff and Fund Counsel to make available for public inspection items 1–33 of the memo that was reviewed with the Trustees. A copy of the memo is on file in the Fund office.

Carmichael Litigation

There was no report with respect to the Carmichael matter.

Underwood Litigation

This topic was discussed in Executive Session.

EXECUTIVE SESSION NO. 3

At 2:20 pm, Trustee LoVerde requested an executive session under 5 ILCS 120/2(c)(11) to discuss pending or probable litigation against, affecting or on behalf of the Fund. Trustee Joiner seconded the motion.

Roll-call: For -- Trustees Roa, LoVerde, Hamburger, Summers, Capasso and Joiner.
Against -- None

At 2:33 p.m., Trustee LoVerde made a motion, seconded by Trustee Capasso that the executive session be adjourned and that the Board return to open session.

Roll-call: For -- Trustees Roa, LoVerde, Hamburger, Summers, Capasso and Joiner.
Against -- None

The Trustees took no action.

Fraud Matter

This topic was discussed in executive session.

EXECUTIVE SESSION NO. 4

At 2:34 p.m., Trustee LoVerde requested an executive session under 5 ILCS 120/2(c)(11) to discuss pending or probable litigation against, affecting or on behalf of the Fund. Trustee Joiner seconded the motion.

Roll-call: For -- Trustees Roa, LoVerde, Hamburger, Summers, Capasso and Joiner.
Against -- None

At 2:37 p.m., Trustee Hamburger made a motion, seconded by Trustee LoVerde that the executive session be adjourned and that the Board return to open session.

**LABORERS' & RETIREMENT BOARD EMPLOYEES'
ANNUITY & BENEFIT FUND OF CHICAGO**

February 19, 2019

Roll-call: For -- Trustees Roa, LoVerde, Hamburger, Summers, Capasso and Joiner.
Against -- None

The Trustees took no action.

EXECUTIVE SESSION NO. 5

At 2:40 p.m., Trustee LoVerde requested an executive session under 5 ILCS 120/2(c)(1) to discuss appointment, employment, compensation, discipline, or dismissal of specific employees of the public body or legal counsel for the public body. Trustee Capasso seconded the motion.

Roll-call: For -- Trustees Roa, LoVerde, Hamburger, Summers, Capasso and Joiner.
Against -- None

At 2:50 p.m., Trustee Loverde made a motion, seconded by Trustee Capasso that the executive session be adjourned and that the Board return to open session.

Roll-call: For -- Trustees Roa, LoVerde, Hamburger, Summers, Capasso and Joiner.
Against -- None

The Trustees took no action.

ADJOURNMENT

With no further business, at 2:50 p.m., Trustee LoVerde made a motion to adjourn the meeting. Trustee Summers seconded the motion.

Roll-call: For -- Trustees Roa, LoVerde, Hamburger, Summers, Capasso and Joiner.
Against -- None