

**Laborers' and Retirement Board Employees'
Annuity and Benefit Fund of Chicago
Minutes of Regular Board Meeting No. 1016**

December 17, 2019

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

December 17, 2019

Report of Meeting No. 1016 held on December 17, 2019, starting at 9:05 a.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
James Joiner	– Vice-President
Michael LoVerde	– Secretary
James Capasso, Jr.	– Trustee
Melissa Conyears-Ervin*	– Trustee (<i>arrived at 9:46 am</i>)
Jennie Bennett*	– Trustee (<i>arrived at 9:07am</i>)
Reshma Soni*	– Trustee
Stephen Skardon*	– Trustee

Staff & Consultants:

Joseph Burns	– Jacobs, Burns, Orlove & Hernandez, Outside Counsel
Taylor Muzzy	– Jacobs, Burns, Orlove & Hernandez, Outside Counsel
Kweku Obed*	– Marquette Associates, Investment Consultant
Neil Capps*	– Marquette Associates, Investment Consultant
Michael Walsh	– Executive Director and Chief Investment Officer
Peggy Grabowski	– Comptroller
John Carroll	– Compliance Administrator
Nadia Oumata*	– Manager of Accounting and Investments
Tina Rhoten*	– Benefits Manager
Paul Rzeszutko*	– Assistant Benefits Manager

Absent: None

Observer(s):

Hector Dox*	– Office of the City Treasurer, City of Chicago
Ashley Evans*	– Office of the City Treasurer, City of Chicago
Michael Tish*	– City Bureau's Chicago Documenters

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

* *Denotes partial attendance.*



**LABORERS' AND RETIREMENT BOARD EMPLOYEES'
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Board Members:

I am transmitting herewith the minutes for the meeting of the Retirement Board which was held on December 17, 2019. The minutes are comprised of the following:

- Public Participation
- Approval of Minutes of Prior Meetings
- Election of Officers
- 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 Extension of Duty Disability Benefits
- Schedule F: Applications for Ordinary 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
- Executive Session No. 1
- Private Equity RFP Interviews
- Executive Session No. 2
- Investment Report
- Executive Session No. 3
- Administrative Report
- Executive Session No. 4
- Administrative Report Continued
- Legal Report
- 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,

A handwritten signature in cursive script that reads "Michael R. LoVerde".

Michael R. LoVerde
Retirement Board Secretary

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PUBLIC PARTICIPATION

None.

APPROVAL OF MINUTES OF PREVIOUS MEETINGS

It was moved by Trustee LoVerde, seconded by Trustee Joiner, that the regular minutes of Meeting No. 1015 held on November 19, 2019 be approved as submitted.

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

It was moved by Trustee LoVerde, seconded by Trustee Capasso, that the executive session minutes of Meeting No. 1015 held on November 19, 2019 be approved as submitted.

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

ELECTION OF OFFICERS

It was moved by Trustee Capasso, seconded by Trustee Soni, to elect Victor Roa as President, James Joiner as Vice-President, and Michael LoVerde as Secretary of the Board of Trustees of the LABF for the year 2020.

Roll-call: For -- Trustees Roa, Joiner, LoVerde, Capasso, Soni, and Skardon.
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, Joiner, LoVerde, Capasso, Bennett, Soni, and Skardon.
Against-- None.

2. Miscellaneous Refunds

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

Roll-call: For -- Trustees Roa, Joiner, LoVerde, Capasso, Bennett, Soni, and Skardon.
Against-- None.

SCHEDULE B – APPLICATIONS FOR ANNUITIES

1. Employee Annuities

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

Roll-call: For -- Trustees Roa, Joiner, LoVerde, Capasso, Bennett, Soni, and Skardon.
Against -- None.

2. Spouse and Child and Reversionary Annuities

NONE.

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SCHEDULE C – ADJUSTMENT REFUNDS TO NEW ANNUITANTS

It was moved by Trustee LoVerde, seconded by Trustee Joiner, that adjustment refunds to new annuitants be approved and ordered paid.

Roll-call: For -- Trustees Roa, Joiner, LoVerde, Capasso, Bennett, Soni, and Skardon.
Against -- None.

SCHEDULE D – APPLICATIONS FOR DUTY DISABILITY BENEFITS

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, Joiner, LoVerde, Capasso, Bennett, Soni, and Skardon.
Against -- None.

SCHEDULE E – 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, Joiner, LoVerde, Capasso, Bennett, Soni, and Skardon.
Against -- None.

SCHEDULE F – APPLICATIONS FOR ORDINARY DISABILITY BENEFITS

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

Roll-call: For -- Trustees Roa, Joiner, LoVerde, Capasso, Bennett, Soni, and Skardon.
Against -- None.

SCHEDULE G – EXTENSION OF ORDINARY DISABILITY BENEFITS

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

Roll-call: For -- Trustees Roa, Joiner, LoVerde, Capasso, Bennett, Soni, and Skardon.
Against -- None.

SCHEDULE H – PAYMENT OF UNCASHED CHECKS OF DECEASED MEMBERS

It was moved by Trustee Joiner, seconded by Trustee LoVerde, that the applications for Payments of Uncashed Checks of Deceased Members be approved and ordered paid.

Roll-call: For -- Trustees Roa, Joiner, LoVerde, Capasso, Bennett, Soni, and Skardon.
Against -- None.

SCHEDULE I – PAYMENT OF ADMINISTRATIVE EXPENSES

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

Roll-call: For -- Trustees Roa, Joiner, LoVerde, Capasso, Bennett, Soni, and Skardon.
Against -- None.

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Dr. Sullivan left the meeting.

PRIVATE EQUITY RFP INTERVIEWS

The Board entered executive session to discuss this matter.

EXECUTIVE SESSION NO. 1

At 9:10 a.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 Capasso seconded the motion.

Roll-call: For -- Trustees Roa, Joiner, LoVerde, Capasso, Bennett, Soni, and Skardon.
Against -- None.

At 9:12 a.m. Trustee LoVerde made a motion, seconded by Trustee Joiner, that the executive session be adjourned and that the Board return to open session.

Roll-call: For -- Trustees Roa, Joiner, LoVerde, Capasso, Bennett, Soni, and Skardon.
Against -- None.

The Trustees took no action.

PRIVATE EQUITY RFP INTERVIEWS CONTINUED

The Trustees next conducted interviews of the finalists for the Private Equity RFP Search. The Board listened to presentations from each of the finalists and asked questions of the presenters. The Board then went into executive session to discuss the presentations.

Trustee Bennett left the meeting after the third presentation.

EXECUTIVE SESSION NO. 2

At 11:31 a.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 Capasso seconded the motion.

Roll-call: For -- Trustees Roa, Joiner, LoVerde, Capasso, Conyears-Ervin, Soni, and Skardon.
Against – None.

At 12:22 p.m., Trustee LoVerde made a motion, seconded by Trustee Joiner, that the executive session be adjourned and that the Board return to open session.

Roll-call: For -- Trustees Roa, Joiner, LoVerde, Capasso, Conyears-Ervin, Soni, and Skardon.
Against – None.

The Trustees took no action.

INVESTMENTS REPORT

Market Tracker Report

This report was not discussed in the meeting.

November 30, 2019 Preliminary Performance Report

Mr. Obed reviewed the Fund's November 30, 2019 Preliminary Performance Report.

Watch List

This item was discussed in executive session.

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EXECUTIVE SESSION NO. 3

At 12:24 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 Skardon seconded the motion.

Roll-call: For -- Trustees Roa, Joiner, LoVerde, Capasso, Conyears-Ervin, Soni, and Skardon.
Against -- None.

At 12:39 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, Joiner, LoVerde, Capasso, Conyears-Ervin, Soni, and Skardon.
Against -- None.

Trustee LoVerde made a motion, seconded by Trustee Joiner, to approve issuing a Manager of Manager RFP.

Roll-call: For -- Trustees Roa, Joiner, LoVerde, Capasso, Conyears-Ervin, Soni, and Skardon.
Against -- None.

Mr. Obed and Mr. Capps left the meeting.

ADMINISTRATIVE REPORT

2020 Administrative Budget

This item was taken out of order. Mr. Walsh introduced the 2020 Administrative Budget.

EXECUTIVE SESSION NO. 4

At 12:40 p.m., Trustee LoVerde requested an executive session under 5 ILCS 120/2(c)(2) to discuss the salary schedules. Trustee Joiner seconded the motion.

Roll-call: For -- Trustees Roa, Joiner, LoVerde, Capasso, Conyears-Ervin, Soni, and Skardon.
Against -- None.

At 12:51 p.m., Trustee LoVerde made a motion, seconded by Trustee Skardon, that the executive session be adjourned and that the Board return to open session.

Roll-call: For -- Trustees Roa, Joiner, LoVerde, Capasso, Conyears-Ervin, Soni, and Skardon.
Against -- None.

It was moved by Trustee LoVerde, seconded by Trustee Capasso, to approve LABF's 2020 Administrative Budget.

Roll-call: For -- Trustees Roa, Joiner, LoVerde, Capasso, Conyears-Ervin, Soni, and Skardon.
Against -- None.

Trustees Soni and Skardon left the meeting.

Tier 2 Ordinary Disability Credit Expiration (ODCX) Discussion

Mr. Walsh reviewed a document designed to assist the Board in deciding if a Tier II member whose ordinary disability benefits have expired is eligible for an annuity. See attached summary. The Board reviewed and discussed the options outlined in the document and asked Fund Counsel for a recommendation. Fund Counsel recommended providing an annuity. The Board requested the Fund staff work with LABF's legislative liaison to make key members of the Illinois General Assembly aware of the ambiguities in the Pension Code with respect to the aforementioned situation.

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After the Board concluded its discussion of the ODCX matter, the Board returned to New Business Schedule A(1) which was considered earlier in the meeting. A motion was made by Trustee LoVerde, seconded by Trustee Capasso, to amend Schedule A(1) of the proposal by removing the starred case from the list of applications for refunds.

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

The Board then returned to New Business Schedule B(1) which was considered earlier in the meeting. A motion was made by Trustee LoVerde, seconded by Trustee Joiner, to approve the starred annuity application case on Schedule B(1) of the Proposal.

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

Legislative Update and Miscellaneous

These items were not discussed in the meeting.

LEGAL REPORT

Intercept Litigation

This item was discussed in executive session.

EXECUTIVE SESSION NO. 5

At 1:19 p.m., Trustee LoVerde requested an executive session under 5 ILCS 120/2(c)(11) to discuss potential or current litigation of the Fund. Trustee Joiner seconded the motion.

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

At 1:26 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, Joiner, LoVerde, Capasso and Conyears-Ervin.
Against -- None.

The Trustees took no action.

Treadwell Litigation

This item was not discussed at the meeting.

Underwood Litigation

This item was not discussed at the meeting.

ADJOURNMENT

With no further business, at 1:26 p.m., Trustee LoVerde made a motion to adjourn the meeting. Trustee Capasso seconded the motion.

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