

**Laborers' and Retirement Board Employees'
Annuity and Benefit Fund of Chicago
Minutes of Regular Board Meeting No. 1043**

March 22, 2022

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

March 22, 2022

Report of Meeting No. 1043 held on March 22, 2022, starting at 12:08 p.m. As permitted by P.A. 101-0640, the meeting was held via videoconference/teleconference and in-person. 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>entered at 12:14 p.m.</i>)
Stephen Skardon	– Trustee

Board Members Absent:

Reshma Soni	– Trustee
Jennie Bennett	– Trustee

Staff & Consultants:

Joseph Burns	– Jacobs, Burns, Orlove & Hernandez LLP, Outside Counsel
Taylor Muzzy	– Jacobs, Burns, Orlove & Hernandez LLP, Outside Counsel
James Wesner*	– Marquette Associates, Investment Consultant
Kweku Obed*	– Marquette Associates, Investment Consultant
Neil Capps*	– Marquette Associates, Investment Consultant
Tina Consola	– Executive Director
John Carroll	– Compliance Administrator
Sheila Jones	– Administrative Coordinator
Paul Rzeszutko*	– Benefits Manager
Chris Lucas*	– Senior Developer/Staff Actuary
Mark Oliver	– Senior Investments Manager

Guest(s):

Mark Myslinski*	– Office of the Treasurer, City of Chicago
Craig Slack*	– Office of the Treasurer, City of Chicago
Gar Chung	– Financial Investment News
Damaris Rivera	– Fairview Capital Partners
Joe Ebisa	– With Intelligence

** Denotes partial attendance during the open portion of the meeting.*

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

President Roa read a statement regarding P.A. 101-0640 which establishes guidelines for the Open Meetings Act as it pertains to remote meetings during this or any other disaster or emergency and determined that an in-person meeting was not practical, prudent, or feasible because of the COVID-19 pandemic. President Roa then confirmed the attendance of all Board members, Fund staff, consultants, and the general public, verified that each person could hear clearly, and informed all participants that the meeting was being recorded. President Roa further informed the Board that all votes would be taken by roll call with each Board member identifying themselves before voting.



**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 March 22, 2022. The minutes are comprised of the following:

- Roll Call
- Public Participation
- Approval of Minutes of 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, Child, and Reversionary 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 Administrative Expenses
- Investments Report
- Administrative Report
- Executive Session No. 1
- Administrative Report Continued
- Legal Report
- Adjournment

All the foregoing matters were checked and were found to be hereinafter set forth.

Sincerely,



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 Skardon, that the regular minutes of Meeting No. 1042 held on February 15, 2022, be approved as submitted.

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

It was moved by Trustee LoVerde, seconded by Trustee Skardon, that the executive session minutes of Meeting No. 1042 held on February 15, 2022, be approved as submitted.

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

APPROVAL OF NEW BUSINESS APPLICATIONS AND PAYMENTS SCHEDULES A - H

President Roa and the Trustees reviewed the New Business Schedules A – H of the Proposal.

- Schedule A: Applications for Refunds
 1. Refund of Contributions Due to Separation from Service
 2. Miscellaneous Refunds
 - a. Refund to Heirs of Deceased Member
- Schedule B: Applications for Annuities
 1. Employee Annuities
 2. Spouse, Child, and Reversionary 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 Administrative Expenses

Ms. Consola reported that Dr. Sullivan confirmed that Schedules D, E, F and G were all in order.

It was moved by Trustee LoVerde, seconded by Trustee Skardon, that Schedules A – H be approved and ordered paid as listed in the Proposal.

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

INVESTMENTS REPORT

Market Tracker

Mr. Wesner reviewed the Market Tracker Report for February 28, 2022.

February 28, 2022 Preliminary Performance Report

Mr. Obed reviewed the Fund's February 28, 2022 Preliminary Performance Report.

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Investment Contract

This topic was not discussed.

Ramirez Market Presentation

Mr. Wesner introduced Ramirez Asset Management (“Ramirez”) for a presentation about their firm. The presenters for Ramirez were Sam Ramirez, Jr., Lou Sarno, Helen Yee, and Jim Haddon. Mr. Ramirez gave an overview of their firm and its history, goals, commitment to diversity, and their performance record. The Board followed up with questions and thanked the Ramirez team for their presentation.

Jamie Wesner, Kweku Obed and Neil Capps of Marquette Associates left the meeting at this time.

ADMINISTRATIVE REPORT

Member Portal RFP

Ms. Consola presented an RFP that she prepared seeking vendors to provide a secure online portal for members to access LABF documents and noted that if approved by the Board, she would issue the RFP on March 22, 2022. Ms. Consola answered questions from the Trustees about the service and noted that members would still have the option of receiving paper documents.

It was moved by Trustee LoVerde, seconded by Trustee Capasso, to issue the Member Portal RFP.

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

Investment Consultant Search

This topic was discussed in executive session.

EXECUTIVE SESSION NO. 1

At 1:23 p.m., Trustee Skardon made a motion to go into executive session under 5 ILCS 120/2(c)(7) to discuss the sale or purchase of securities, investments, or investment contracts. Trustee LoVerde seconded the motion.

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

At 1:37 p.m., Trustee Skardon 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, and Skardon.
Against -- None.

No action taken.

Fund Physician

Ms. Consola reported that she has been in negotiations with Concentra to provide Fund Physician services for LABF and its members. She noted that Concentra had just returned their comments to the draft agreement and noted that negotiations are continuing.

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Legislative Update

Ms. Consola reported that two of the LABF's proposed pension code amendments, the Treasurer's proxy bill and the union leave of absence bill, have passed through the House Committee. She stated that there has been no movement on the third amendment regarding Tier 2 disability annuities.

Miscellaneous

Fraud Cases – Ms. Consola reported that there have been number of cases of fraud occurring at various public pension funds across the State of Illinois. In late February 2022, the LABF was informed that three large pension funds had received fraudulent change of address and direct deposit forms for some of their highest paid annuitants. This prompted LABF staff to review the direct deposit change requests received since December 2021, and determined that two fraudulent forms had been submitted to LABF. One of the cases was caught before the falsified form was processed. For the other case, payment had been made to the fraudulent bank account, but nearly the entire payment has been recovered.

Ms. Consola also stated that the State Funds that were impacted by this fraud have already reported these matters to the Illinois State Police and the LABF's cases have been included with that report. Ms. Consola let the Board know that she also plans to report the fraudulent cases to the Illinois State's Attorney and the Chicago Police Department. She added that as an added precaution going forward, the LABF staff will also be calling all members who submit change of direct deposit forms for verification. The Trustees suggested that the LABF inform members about the fraudulent scheme via letter or email.

Special Investment Board Meeting – Ms. Consola reminded the Board that the Special Board meeting is scheduled for April 6, 2022 at 9:00 a.m.

2021 Required Employer Contribution – Ms. Consola updated the Board on this matter and reported that the City of Chicago has indicated that they will remit the final 2021 employer contributions by the end of March 2022.

Statement of Economic Interests – Ms. Consola informed the Trustees that they may now have received an email from the Cook County Board of Ethics regarding the filing of their annual Statement of Economic Interest. Ms. Consola noted that the due date for the completed statements is May 2, 2022.

LEGAL REPORT

Underwood Matter

Ms. Consola reported that there has been no movement in the Underwood case since the February 2022 Board meeting.

Korshak Matter

Ms. Consola reported that there is a status hearing scheduled for March 30, 2022 regarding the City's uncashed checks of retiree healthcare premiums.

ADJOURNMENT

With no further business, at 1:45 p.m., Trustee Skardon made a motion to adjourn the meeting. Trustee Capasso seconded the motion.

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