

**Laborers' and Retirement Board Employees'
Annuity and Benefit Fund of Chicago
Minutes of Regular Board Meeting No. 1025**

September 22, 2020

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

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

September 22, 2020

Report of Meeting No. 1025 held on September 22, 2020, starting at 12:03 p.m. As permitted by P.A. 101-0640, the meeting was held via teleconference. The following notes attendance:

Board Members:

Victor Roa	– President
James Joiner	– Vice-President
Michael LoVerde	– Secretary
James Capasso, Jr.	– Trustee
Melissa Conyears-Ervin	– Trustee
Stephen Skardon	– Trustee

Staff & Consultants:

Joseph Burns	– Jacobs, Burns, Orlove & Hernandez, Outside Counsel
Taylor Muzzy	– Jacobs, Burns, Orlove & Hernandez, Outside Counsel
James Wesner*	– Marquette Associates, Investment Consultant
Kweku Obed*	– Marquette Associates, Investment Consultant
Neil Capps*	– Marquette Associates, Investment Consultant
Craig Goesel*	– Alliant/Mesirow Insurance Services
Bruno Amici*	– Alliant/Mesirow Insurance Services
Dr. Terence Sullivan*	– Fund's Physician
Tina Consola	– Executive Director
Peggy Grabowski	– Interim Executive Director/Comptroller
John Carroll	– Compliance Administrator
Sheila Jones	– Administrative Coordinator
Nadia Oumata	– Director of Investments
Tina Rhoten	– Benefits Manager

Absent:

Reshma Soni	– Trustee
Jennie Bennett	– Trustee

Guest(s):

Mauricio Banuelos	– Office of the Treasurer, City of Chicago
Zack Cziryak	- Financial Investment News

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 or prudent because of the COVID-19 pandemic. President Roa then confirmed the attendance of all Board members, Fund staff, consultants, and general public and 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.

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



**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 September 22, 2020. The minutes are comprised of the following:

- 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 Uncashed Checks of Deceased Members
 - Schedule I: Payment of Administrative Expenses
 - Alliant/Mesirow Fiduciary Liability Insurance Presentation
 - Investments Report
 - Administrative Report
 - Legal Report
 -
- 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' AND RETIREMENT BOARD EMPLOYEES'
ANNUITY AND BENEFIT FUND OF CHICAGO**

September 22, 2020

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. 1024 held on August 18, 2020 be approved as submitted.

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

It was moved by Trustee LoVerde, seconded by Trustee Joiner, that the executive session minutes of Meeting No. 1024 held on August 18, 2020 be approved as submitted.

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

APPROVAL OF NEW BUSINESS APPLICATIONS AND PAYMENTS SCHEDULES A - I

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

- 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 Uncashed Checks of Deceased Members
- Schedule I: Payment of Administrative Expenses

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

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

ALLIANT / MESIROW PRESENTATION

Fiduciary Liability Insurance

Craig Goesel and Bruno Amici of Alliant/Mesirow Insurance Services reviewed a revised fiduciary liability and cyber liability insurance coverage presentation. Mr. Goesel reported that, after the LABF Board approved renewing the current coverage level on the terms presented at the August 2020 Board meeting, the primary carrier ULLICO changed the previously offered renewal terms as a result of changes in the fiduciary liability insurance marketplace. Mr. Goesel presented the Trustees with alternative renewal options and explained the differences in the coverage options presented. He also discussed how the other City Funds were renewing their fiduciary liability coverage. Mr. Goesel recommended Option 7 of the revised proposal, which was based upon a new quote from Euclid Insurance Services as the primary carrier.

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

September 22, 2020

It was moved by Trustee LoVerde, seconded by Trustee Joiner, to approve the fiduciary liability insurance coverage renewal Option 7 as recommended by Alliant/Mesirow.

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

INVESTMENTS REPORT

Market Tracker

Mr. Obed reviewed the Market Tracker Report for August 2020.

August 31, 2020 Preliminary Performance Report

Mr. Obed reviewed the August 31, 2020 Preliminary Performance Report and discussed performance for the month.

Fixed Income Allocation Review

Mr. Wesner reviewed the Fixed Income Allocation Report and noted that the fixed income portfolio was performing well and that there are no issues to report.

Ms. Wesner did not recommend any changes.

Watchlist/Investment Contract Fee Matter

Mr. Wesner informed the Board that Symphony Asset Management (“Symphony”) had announced that Jenny Rhee, Head of High Yield and Co-Portfolio Manager of their BayCity Long-Short Credit Fund (BayCity Fund), will be leaving the firm in November 2020 and discussed other changes at Symphony as a result of this departure. Mr. Wesner provided an update on the BayCity Fund performance and the investor redemptions that have occurred since March 2020. He also reported that Symphony agreed to a 1-yr management fee concession with no changes to the current incentive fee in place. The Trustees asked further questions about the BayCity Fund performance. Marquette will continue to monitor the portfolio.

Mr. Wesner recommended that the Board place BayCity Fund on the Watch List due to organizational changes.

A motion was made by Trustee LoVerde, seconded by Trustee Joiner, to add Symphony’s BayCity Long-Short Credit Fund to the Watch List due to organizational changes.

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

Jamie Wesner, Kweku Obed and Neil Capps exited the call at this time.

ADMINISTRATIVE REPORT

Annuitant Member Trustee Election Updates

Ms. Consola announced that Trustee Capasso ran unopposed in the election and that the Election Committee certified him as the winner. The Trustees offered their congratulations to Mr. Capasso who will serve a term beginning December 2, 2020 and ending December 1, 2023.

Non-Employee Policy and Notice

Ms. Consola gave an overview to the Board on a proposed policy and notice regarding protections for non-employees of the LABF and requested that Board approve the policy.

A motion was made by Trustee LoVerde, seconded by Trustee Joiner, to approve the Non-Employee Policy and Notice.

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

September 22, 2020

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

Legislative Liaison RFI

Ms. Consola identified the three firms that responded to the Legislative Liaison RFI that was issued by LABF in August 2020, and the Board decided to interview all three respondents at the November 17, 2020 Board meeting.

Approval of Educational Items

Mr. Carroll reviewed a list of educational opportunities available for the Trustees that count toward the annual training requirement. He also asked Trustees to send him any educational hours they have completed this year.

Mr. Carroll noted that Chris Lucas, LABF's staff actuary, would be attending the Annual Conference of Consulting Actuaries virtually this year. Trustees were informed that Marquette Associates annual symposium had been cancelled due to the pandemic, but that Marquette would work with staff to provide other educational opportunities for the Trustees.

Miscellaneous

Hearing Request Update – The hearing for LABF member, Louis Robinson, is scheduled for the October 20, 2020 Board meeting.

Retiree Health Insurance Open Enrollment – Ms. Consola reported that open enrollment information for City retiree health insurance would be included in the LABF's upcoming newsletter.

LABF Health Insurance Renewal – The renewal of the health insurance for LABF staff and LABF retirees will be presented at the October 20, 2020 Board meeting.

LEGAL REPORT

Underwood Litigation

Ms. Consola reported that on September 30, 2020 there will be a hearing before Judge Cohen to consider the class certification motion for this case.

ADJOURNMENT

With no further business, at 1:33 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.