

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

321 N. Clark Street, Suite 1300, Chicago, IL 60654

**Special Meeting – Regular Minutes**

October 13, 2022

11:07 AM

Via Teleconference and In Person

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

**October 13, 2022**

Report of the Special Meeting held on October 13, 2022, starting at 11:07 a.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 Capasso, Jr.	– Vice President
	Michael LoVerde	– Secretary
	Melissa Conyears-Ervin*	– Trustee
	Stephen Skardon*	– Trustee (arrived at 11:11 a.m.)
	Jennie Bennett *	– Trustee (arrived at 11:40 a.m.)
	Thomas Crivellone	– Trustee
Board Members Absent:	Reshma Soni	– Trustee
Staff & Consultants:	Taylor Muzzy	– Jacobs, Burns, Orlove & Hernandez LLP, Outside Counsel
	James Wesner	– Marquette Associates, Investment Consultant
	Neil Capps	– Marquette Associates, Investment Consultant
	Tina Consola	– Executive Director
	Peggy Grabowski	– Comptroller
	John Carroll*	– Compliance Administrator
	Sheila Jones	– Administrative Coordinator
	Mark Oliver	– Director of Investments
	Paul Rzeszutko	– Benefits Manager
	Chris Lucas	– Senior Developer/Staff Actuary
Guests:	Mark Myslinski	– Office of the City Treasurer, City of Chicago
	Craig Slack	– Office of the City Treasurer, City of Chicago

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

President Roa determined that a quorum was present after Secretary LoVerde took attendance. There was no public participation.

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 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.

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**EMPLOYER CONTRIBUTION DISCUSSION**

Ms. Consola provided an overview of a \$14 million employer contribution payment that the City of Chicago ("City") was proposing to make to the LABF. The Trustees discussed how LABF and the City may account for the contribution and reviewed a draft of LABF's acknowledgment of the payment. The Board directed the Executive Director to send the acknowledgment letter to the City.

It was moved by Trustee Conyears-Ervin, seconded by Trustee Capasso, to acknowledge and accept the employer contribution payment from the City via the letter drafted by the Fund's Executive Director.

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

Following the motion, Mr. Wesner noted that liquidity needs for the remainder of the year need to be considered.

**INVESTMENTS**

Review of Portfolio Asset Allocation

Mr. Wesner reviewed a report outlining the LABF's current asset allocation compared to its target allocation and noted the areas where the fund is overweight and underweight. He also reviewed the Fund's historical returns and its expected long-term rate of return given the recent market conditions.

Emerging Manager and MWDBE Manager Mid-Year Review

Ms. Consola reported to the Board LABF's Emerging Manager and MWDBE manager utilization statistics for mid-year 2022. The Trustees asked Fund Staff and Marquette Associates to continue to work toward meeting minimum goal for the equity asset allocation in the Emerging Manager policy.

Manager of Emerging Manager Program Review

Mr. Oliver and Ms. Consola reviewed options with the Trustees regarding the treatment of emerging managers who have exceeded or will soon exceed \$10 billion in total assets under management (AUM), including various options for graduating or transitioning successful emerging managers from the Manager of Emerging Managers Program managed by Attucks Asset Management ("Attucks") into a direct manager relationship with LABF. Mr. Wesner outlined Marquette's recommendations related to emerging managers that have AUM near or over the \$10 billion cap. The Trustees also reviewed changes recommended by staff and Marquette Associates regarding the asset allocation in the investment guidelines, and the related management fees, within the investment management agreement with Attucks. The Trustees reiterated the need to keep finding new Emerging Managers for the Program.

It was moved by Trustee Capasso, seconded by Trustee Crivellone, to amend the Investment Management Agreement with Attucks to reflect the new asset allocation targets and management fees based on the discussion and recommendations of Marquette Associates.

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

It was moved by Trustee Crivellone, seconded by Trustee Capasso, to amend the Investment Policy and the investment management agreement with Attucks regarding the process for graduating Emerging Managers.

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

*Trustee Conyears-Ervin left the meeting at this time.*

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**TRUSTEE EDUCATION**

Patrick Silvestri, Sinclair Nagy, and Ridwaan Ismail of Attucks Asset Management conducted an educational session for the Trustees regarding emerging manager programs.

*Trustee Bennett left the meeting during the Trustee Education.*

**ADJOURNMENT**

With no further business, at 1:20 p.m., Trustee Capasso made a motion to adjourn. Trustee Crivellone seconded the motion.

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