

**Laborers' and Retirement Board Employees'
Annuity and Benefit Fund of Chicago
Minutes of Regular Board Meeting # 978**

October 18, 2016

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

October 18, 2016

Report of Meeting No. 978 held on October 18, 2016, starting at 1:05 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 (Local 1001, Union)
Erin Keane, Vice President (City Comptroller, City of Chicago)
Michael LoVerde, Secretary (Active Employee Elected Member)
Carol Hamburger, Trustee (Managing Deputy Comptroller, City of Chicago)
James Capasso, Jr., Trustee (Annuitant Elected Member)
James Joiner, Trustee (Active Employee Elected Member)

Staff & Consultants:

Graham Grady – Taft Stettinius & Hollister LLP, Fund's Attorney
Cary Donham – Taft Stettinius & Hollister LLP, Fund's Attorney
Dr. Terence Sullivan – Fund's Physician
Michael Cairns – NEPC, LLC, Fund's Investment Consultant
Kristin Finney-Cooke – NEPC, LLC, Fund's Investment Consultant
Michael Walsh – Executive Director and Chief Investment Officer
Peggy Grabowski – Comptroller
John Carroll – Compliance Administrator
Sheila Jones – Administrative Coordinator
Nadia Oumata – Manager of Accounting and Investments
Tina Rhoten – Benefits Manager
Paul Rzeszutko – Assistant Benefits Manager
Margie Grazevich – Payment Services Manager
Irene Velazquez – Payment Services Assistant
Nicole Evangelista – Payment Services Coordinator

Absent: Kurt Summers, Jr., Trustee (City Treasurer, City of Chicago)
Carole Brown, Trustee (Chief Financial Officer, City of Chicago)

Observers: Angela Meyers – Loop Capital Markets
Joseph Healy – Local 1092
Aiden Ford – Putnam Capital
Michelle McGuire
Emmitt McGuire

President Roa determined that a quorum was present.

It was moved by Trustee LoVerde, seconded by Trustee Joiner, that the regular minutes of Meeting No. 977 held on September 20, 2016 be approved as submitted.

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

It was moved by Trustee Hamburger, seconded by Trustee LoVerde, that the minutes of the executive sessions 1 and 2 of Meeting No. 977 held on September 20, 2016 be approved as submitted.

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



***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 **October 18, 2016**. The minutes are comprised of the following:

- Approval of minutes from prior meetings
- Public Participation
- 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
 3. Reversionary 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
- Petition for the Waiver of Guardianship – Peco
- Petition for the Waiver of Guardianship – Skinner
- Investments Report
- Administrative Report
- Executive Session No. 1
- Legal Report
- Adjournment

All the foregoing matters were checked upon receipt into 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**

October 18, 2016

PUBLIC PARTICIPATION

None.

SCHEDULE A – APPLICATIONS FOR REFUNDS

1. Refund of Contributions Due to Separation from Service

It was moved by Trustee Capasso, seconded by Trustee LoVerde, that Refunds of Contributions Due to Separation from Service be approved and ordered paid.

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

2. Miscellaneous Refunds – Refund to Heirs of Deceased Members and Errors in Deductions

It was moved by Trustee LoVerde, seconded by Trustee Joiner that Refund to Heirs of Deceased Members and Errors in Deductions refunds be approved and ordered paid.

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

SCHEDULE B – APPLICATIONS FOR ANNUITIES

1. Employee Annuities

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

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

2. Spouse and Child Annuities

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

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

3. Reversionary Annuities

It was moved by Trustee LoVerde, seconded by Trustee Capasso, that applications presented for Reversionary Annuities be approved and ordered paid.

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

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, Keane, LoVerde, Hamburger, Capasso and Joiner.
Against -- None.

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

October 18, 2016

SCHEDULE D – APPLICATIONS FOR DUTY DISABILITY BENEFITS

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

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

SCHEDULE E – 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, Keane, LoVerde, Hamburger, Capasso and Joiner.
Against -- None.

SCHEDULE F – EXTENSION OF DUTY DISABILITY BENEFITS

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

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

SCHEDULE G – EXTENSION OF ORDINARY DISABILITY BENEFITS

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

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

SCHEDULE H – PAYMENT OF UNCASHED CHECKS OF DECEASED MEMBERS

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

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

SCHEDULE I – PAYMENT OF ADMINISTRATIVE EXPENSES

Administrative Invoices and Investment Invoices

It was moved by Trustee Joiner, seconded by Trustee LoVerde, that Administrative and Investment Invoices be approved and ordered paid.

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

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

October 18, 2016

Petition for the Waiver or Guardianship

Petition for the Waiver of Guardianship – Peco

Mr. Carroll reviewed the details of the Petition for the Waiver of Guardianship for Luke Peco, an annuitant of the Fund.

It was moved by Trustee LoVerde, seconded by Trustee Hamburger, to waive guardianship proceedings pursuant to 40 ILCS 5/11-223(c) for Mr. Peco and make monthly annuity payments to his wife, Antoinette Peco, as payee for the benefit of Luke Peco. See attached decision of the Board.

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

Petition for the Waiver of Guardianship – Skinner

Mr. Carroll reviewed the details of the Petition for the Waiver of Guardianship for Margaret Skinner, a widow annuitant of the Fund.

It was moved by Trustee Hamburger, seconded by Trustee LoVerde, to waive guardianship proceedings pursuant to 40 ILCS 5/11-223(c) for Ms. Skinner and make monthly annuity payments to her son, Tommie Skinner, as payee for the benefit of Margaret Skinner. See attached decision of the Board.

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

INVESTMENT REPORT

September 30, 2016 Preliminary Performance Report

Mr. Cairns presented the Preliminary Performance Report for September 30, 2016.

Private Equity Program

Ms. Finney-Cooke gave a general review of the private equity markets and reviewed LABF's current private equity program. Ms. Finney-Cooke discussed the suggested future investments needed to reach LABF's private equity target allocation.

Manager Review / Manager Update

None.

ADMINISTRATIVE REPORT

Cash Needs/Capital Calls & Distributions

Mr. Walsh reviewed the capital calls and distributions for the month of September.

Legislative Funding Update

Mr. Walsh reported that as of yet, the LABF has not received a draft of the City of Chicago's proposed legislation related to the funding solution discussed at the May 24, 2016 Board meeting. The Trustees directed Mr. Walsh to compose a letter to the City requesting a copy of the proposed legislation.

Mr. Walsh suggested preparing an impact statement based on the details of the proposed legislation once the LABF receives it. The Board instructed Mr. Walsh to follow the current procedures in place for requesting impact statements from the actuary.

Disability Service Rule

This item was deferred to a later date.

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October 18, 2016

Miscellaneous

- 2017 Board Meetings Schedule – Mr. Walsh informed the Board that a draft of the proposed Board meetings scheduled for 2017 would be sent to them prior to the November Board meeting. Mr. Walsh asked that Trustees send him any conflicts that they may have with the proposed schedule of meetings.

- Trustee Education – Mr. Walsh presented the Trustees with a summary indicating their year-to-date educational hours.

LEGAL REPORT

Underwood Litigation

This item was taken out of order. The Trustees decided to discuss this matter in executive session.

EXECUTIVE SESSION NO. 1

At 2:00 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, Keane, LoVerde, Hamburger, Capasso and Joiner.
Against -- None.

At 3:21 p.m., Trustee LoVerde made a motion, seconded by Trustee Keane, that the executive session be adjourned and that the Board return to open session.

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

The Trustees scheduled a Special Meeting for Monday, October 24, 2016 at 1:00 pm to discuss this matter further.

Carmichael Litigation

Mr. Donham gave a status report on this matter and noted that he is currently preparing a brief that is due in court by Monday, October 24, 2016. He stated that he would have a draft ready for the Board to review by Thursday, October 20, 2016.

Coveliers Litigation

Mr. Donham updated the Board on the Coveliers litigation and noted that he will file a brief during the following week.

ADJOURNMENT

With no further business, at 3:23 p.m., Trustee LoVerde made a motion to adjourn. Trustee Capasso seconded the motion.

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