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**Laborers' and Retirement Board Employees'
Annuity and Benefit Fund of Chicago
Minutes of Regular Board Meeting No. 1060**

August 22, 2023

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

August 22, 2023

Report of Meeting No. 1060 held on August 22, 2023, starting at 12:01 p.m. at the office of the Laborers' and Retirement Board Employees' Annuity and Benefit Fund of Chicago ("Fund" or "LABF"). The meeting was held in-person and the following notes attendance:

Board Members:

Victor Roa	– President
Chasse Rehwinkel	– Vice-President
Michael LoVerde	– Secretary
James Capasso, Jr.	– Trustee
Melissa Conyears-Ervin*	– Trustee (<i>arrived at 12:21 pm, left at 1:37 pm</i>)
Thomas Crivellone	– Trustee
Jill Jaworski	– Trustee
Jeffrey Levine*	– Trustee (<i>arrived at 12:36 pm</i>)
Craig Slack**	– Proxy for Trustee Conyears-Ervin

Board Members Absent: None

Staff & Consultants:

Taylor Muzzy	– Jacobs, Burns, Orlove & Hernandez LLP, Fund Counsel
James Wesner*	– Marquette Associates, Investment Consultant
Neil Capps*	– Marquette Associates, Investment Consultant
Derek Blaida	– Derek Blaida & Associates, Legislative Liaison
Tina Consola	– Executive Director
Mark Oliver	– Comptroller
Andrew Plautz	– Senior Investment Manager
John Carroll	– Compliance Administrator
Sheila Jones	– Administrative Coordinator
Gladys Bernal*	- Benefits Manager
Laura Biggs*	– Assistant Benefits Manager
Irene Velazquez*	– Member Services Supervisor
Chris Lucas*	– Staff Actuary
Nicole Evangelista*	– Benefits Payment Manager

Guest(s):

George Adams	– Office of the CFO, City of Chicago
Mark Myslinski	– Office of the Treasurer, City of Chicago
Craig Goesel*	- Alliant Insurance Services, Inc
Jake Jemmi*	- Alliant Insurance Services, Inc

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

** *Acted as proxy prior to Trustee Conyears-Ervin's arrival.*

President Roa determined that a quorum was present after Secretary LoVerde took attendance. He also noted that the meeting is being recorded.

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Board Members:

I am transmitting herewith the minutes for the meeting of the Retirement Board which was held on August 22, 2023. 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. Refund to Heirs of Deceased Members
- 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
- Alliant Fiduciary Liability Insurance Presentation
- Investments Report
- Administrative Report
- Legal Report
- Executive Session
- Legal Report Continued
- 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 Capasso, seconded by Trustee LoVerde that the regular minutes of meeting number 1059 held on July 18, 2023, be approved.

Roll call: For -- Trustees Roa, Rehwinkel, LoVerde, Capasso, Crivellone, Jaworski, and Slack.
Against -- None.

It was moved by Trustee Crivellone, seconded by Trustee LoVerde that the executive session minutes of meeting number 1059 held on July 18, 2023, be approved.

Roll call: For -- Trustees Roa, Rehwinkel, LoVerde, Capasso, Crivellone, Jaworski, and Slack.
Against -- None.

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. 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

Mr. Muzzy explained the circumstances of a refund to heirs listed in Schedule A(2) where the refund payment for suspended annuity payments to an Alternate Payee (“AP”) would be made to the Illinois Department of Healthcare and Family Services (“IDHFS”). Mr. Muzzy noted that the IDHFS had paid for the AP’s care for a number of years and submitted a Small Estate Affidavit to LABF in order to claim a portion of the amount paid for the AP’s care. He noted that the AP’s children were provided written notice of IDHFS’s claim and LABF had received no response from them.

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

Roll call: For -- Trustees Roa, Rehwinkel, LoVerde, Capasso, Crivellone, Jaworski, and Slack.
Against -- None.

FIDUCIARY LIABILITY AND CYBER INSURANCE PRESENTATION

Craig Goesel of Alliant Insurance Services, Inc. presented the Trustees with an overview of the provisions and options for renewal of the Fund’s fiduciary liability insurance coverage and cyber liability coverage, which are approaching their expiration date. The Trustees asked questions about various provisions and coverages under consideration.

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It was moved by Trustee LoVerde, seconded by Trustee Rehwinkel, to renew the policies shown as Option 2 for fiduciary liability coverage and Option 1 for cyber liability coverage in the presentation.

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

INVESTMENTS REPORT

Market Environment

Mr. Wesner reviewed the Market Environment Report.

July 31, 2023 Preliminary Performance Report

Mr. Wesner reviewed the Fund's July 31, 2023 Preliminary Performance Report. The Trustees discussed and asked questions about certain parts of the report.

2Nd Quarter 2023 Performance Report

Mr. Wesner presented to Trustees the Fund's 2nd Quarter 2023 Performance Report.

Watch List

Mr. Wesner reviewed the Watch List status of Attucks Asset Management ("Attucks") and he recommended removing Attucks from the Watch List and recommended leaving Vontobel Asset Management ("Vontobel") and Wasatch Global Investors ("Wasatch") on the list. Mr. Wesner suggested that an in-depth review of Vontobel and Wasatch would be presented at a future meeting.

It was moved by Trustee LoVerde, seconded by Trustee Capasso, to remove Attucks from the Watch List.

Roll call: For -- Trustees Roa, Rehwinkel, LoVerde, Capasso, Conyears-Ervin, Crivellone, Levine, and Jaworski.
Against -- None.

ADMINISTRATIVE REPORT

Legislative Update

Mr. Blaida gave an update on the State's Fiscal year 2024 Budget and also contrasted it with some aspects of the 2023 State Budget. He reported that Senate Bill 1646, LABF's subpoena bill, and Senate Bill 1648, LABF's OCDX bill, were signed by the Governor and are now State Law. Mr. Blaida noted that the Safe Harbor Tier 2 Pension matter has been considered by the House Pensions and Personnel Committee, but he noted that this matter is in its initial stage of consideration. He also updated the Board on "green" investing matters, OMA matters, and some discussions he has had regarding the City of Chicago's Pension Task Force. Trustee Jaworski also provided some insight on the City's Pension Task Force.

Miscellaneous:

Trustee Election – Ms. Consola announced that the LABF incumbent, James Capasso, ran unopposed in the 2023 Annuitant Member Trustee Election and therefore was declared to be the winner. The Board congratulated Trustee Capasso.

Signature Verification Forms – Ms. Consola reported that, to date, there were only 19 annual Signature Verification Forms outstanding, which were due by July 31, 2023. She explained that Fund staff is calling and emailing the members who have not returned their forms, and the Fund would begin suspending payments of members who do not return their forms on October 1, 2023. She noted that once the suspended members turn in their completed forms, the suspended annuities are immediately reinstated.

Funding Update – Ms. Consola reported that Cook County announced that the second installment of property tax bills are scheduled to be released on October 1, 2023, with a due date of December 1, 2023. This will delay the City's receipt of property tax proceeds. The City's current required employer contributions balance

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payable in 2023 to LABF is \$30,355,882, and the City has offered to pay the remaining balance as needed prior to the receipt of the property tax levy proceeds in order to avoid asset liquidations by the LABF.

LEGAL REPORT

Underwood Update

Ms. Consola gave an update on the Underwood matter and reported that the plaintiff's attorney had filed an appeal in the appellate court on June 22, 2023. With respect to Mr. Krislov's filings for attorney's fees, Ms. Consola noted that the Fund filed a response brief on August 2, 2023, and the Fund is due back in court on September 7, 2023.

Member QILDRO Matter

Mr. Muzzy gave an update on an Order entered by the Circuit Court of Cook County related to a QILDRO for a retired member of LABF and his former spouse. Mr. Muzzy gave some additional background information on the matter and answered questions from the Board. After further discussion, the Trustees determined that the discussion of this matter should be continued in executive session because it deals with pending or probable litigation against or affecting the Fund.

EXECUTIVE SESSION NO. 1

At 1:52 p.m., Trustee Loverde requested an executive session under 5 ILCS 120/2(c)(11) to discuss pending or probable litigation against or affecting the Fund. Trustee Capasso seconded the motion.

Roll call: For -- Trustees Roa, Rehwinkel LoVerde, Capasso, Crivellone, Levine, Jaworski and Slack.
Against -- None.

At 2:08 p.m., Trustee LoVerde made a motion, seconded by Trustee Crivellone, that the executive session be adjourned and that the Board return to open session.

Roll call: For -- Trustees Roa, Rehwinkel, LoVerde, Capasso, Crivellone, Levine, Jaworski and Slack.
Against -- None.

The Trustees gave Fund Counsel direction to file a Motion to Reconsider to the Court Order that was discussed at the meeting.

Review of Executive Session Minutes

Ms. Consola gave some background regarding the Funds obligation to review closed meeting minutes pursuant to the Open Meetings Act. The Board reviewed a list of recommended executive session minutes that could be made available for public inspection.

It was moved by Trustee LoVerde, seconded by Trustee Levine, to approve the recommendations of LABF staff and Fund Counsel to make available for public inspection items 1-15 in the memo which was reviewed with the Trustees. A copy of the memo is on file in the Fund office.

Roll call: For -- Trustees Roa, Rehwinkel LoVerde, Capasso, Crivellone, Levine, Jaworski and Slack.
Against -- None

ADJOURNMENT

With no further business, at 2:10 p.m., Trustee Capasso made a motion to adjourn the meeting. Trustee Levine seconded the motion.

Roll call: For -- Trustees Roa, Rehwinkel LoVerde, Capasso, Crivellone, Levine, Jaworski and Slack.
Against -- None.