

**Laborers' and Retirement Board Employees'
Annuity and Benefit Fund of Chicago
Minutes of Regular Board Meeting No. 1042**

February 15, 2022

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

February 15, 2022

Report of Meeting No. 1042 held on February 15, 2022, starting at 12:06 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
Michael LoVerde	– Secretary
James Capasso, Jr.	– Trustee
Melissa Conyears-Ervin	– Trustee
Reshma Soni*	– Trustee (<i>arrived at 12:11 p.m.</i>)
Jennie Bennett*	– Trustee (<i>arrived at 12:11 p.m.</i>)
Stephen Skardon	– Trustee

Board Members Absent:

James Joiner	– Vice-President
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Staff & Consultants:

Joseph Burns*	– Jacobs, Burns, Orlove & Hernandez LLP, Outside Counsel
Taylor Muzzy*	– Jacobs, Burns, Orlove & Hernandez LLP, Outside Counsel
Marissa Longoria*	– 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
Dr. Terrence Sullivan*	– Fund Physician
Tina Consola	– Executive Director
Peggy Grabowski	– Comptroller
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
Lindsay Saienni	– Financial News
Damaris Rivera	– Fairview Capital Partners

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.

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



**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 February 15, 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
- Legal Report
- Executive Session No. 1
- 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

**LABORERS' AND RETIREMENT BOARD EMPLOYEES'
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PUBLIC PARTICIPATION

None.

APPROVAL OF MINUTES OF PREVIOUS MEETINGS

It was moved by Trustee Capasso, seconded by Trustee Skardon, that the regular minutes of Meeting No. 1041 held on January 18, 2022, be approved as submitted.

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

It was moved by Trustee Capasso, seconded by Trustee Skardon, that the executive session minutes of Meeting No. 1041 held on January 18, 2022, be approved as submitted.

Roll call: For -- Trustees Roa, LoVerde, Capasso, Coneyears-Ervin, and Skardon.
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. 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

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

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

Roll call: For -- Trustees Roa, LoVerde, Capasso, Coneyears-Ervin, Soni, Bennett, and Skardon.
Against -- None.
Abstain -- Trustee LoVerde abstained from voting on Schedule D.

INVESTMENTS REPORT

Market Tracker

Mr. Wesner reviewed the Market Tracker Report for January 31, 2022.

January 31, 2022 Preliminary Performance Report

Mr. Obed reviewed the Fund's January 31, 2022 Preliminary Performance Report.

4th Quarter 2021 Performance Report

Mr. Obed and Mr. Wesner reviewed the Fund's 4th Quarter 2021 Performance Report.

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Investment Contract

Mr. Muzzy reported that contract negotiations are ongoing with Partners Group and Victory Park.

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

Trustee Bennett left during the Investments Report.

ADMINISTRATIVE REPORT

Approval for Write-Off

Ms. Consola requested Board approval for specific cases to be written off pursuant to LABF's Recoupment Policy. She stated that neither the LABF nor its collection law firm were able to collect on the cases for various reasons, and that the statute of limitations on these claims had now expired.

Ms. Consola explained that the LABF currently uses multiple services to monitor and provide death notifications to the Fund and that LABF has improved its collection process. The Trustees asked questions about the cases and LABF's Recoupment Policy.

It was moved by Trustee LoVerde, seconded by Trustee Skardon, to approve the write-off of the specific accounts as recommended by Fund staff and the Fund's collection law firm.

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

State Comptroller's Local Debt Recovery Program IGA

Ms. Consola discussed the State of Illinois' Local Debt Recovery Program (LDRP) which is a program that allows local public agencies to place claims on the State Comptroller's payment system. The State then offsets payments to individuals against which the LABF has a claim. She added that the LABF would limit claims to cases where the Fund's collection law firm has obtained a judgment. Ms. Consola noted the LABF would be the first pension fund to participate in the LDRP. She requested approval to execute an intergovernmental agreement with the State of Illinois to participate in the LDRP.

It was moved by Trustee Skardon, seconded by Trustee Capasso, to approve execution of the intergovernmental agreement with the Illinois Office of the Comptroller.

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

Draft Investment Consulting Services RFP

Ms. Consola reported that per the Illinois pension code, the Fund is required to do a search for investment consulting services every five years and that the contract for Marquette & Associates expires April 30, 2022. She presented a draft RFP to the Board and stated that if approved, the LABF would post the RFP on February 15, 2022 and that the due date for proposals would be March 15, 2022.

It was moved by Trustee Skardon, seconded by Trustee LoVerde, to publish the RFP for investment consulting services.

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

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Change to March Special Meeting Date

Ms. Consola proposed to move the special meeting that was scheduled for early March to early April. She stated that she would work with Trustees to find a date that works best for everyone.

Fund Physician

Ms. Consola announced that the Fund's Physician, Dr. Terrence Sullivan, has decided to terminate his relationship with the LABF. She reported that his agreement with the Fund requires a 30-day notice, but he has agreed to stay on for a reasonable period of time to assist with the transition. She stated that she has been researching Concentra as an option for a Fund Physician. She reported that Concentra would perform fit-for-duty assessments, has 18 locations, Members could make appointments at their convenience, and that she anticipates that utilizing Concentra would result in a cost savings to the Fund. She noted that the Municipal Employees' Annuity and Benefit Fund of Chicago (MEABF) recently began utilizing Concentra's services and noted that we would receive the same pricing terms in place with MEABF. Mr. Rzeszutko, LABF's Benefits Manager, added that they also accept walk-ins and noted their short wait times. The Trustees discussed the possible transition and asked questions about how the program with Concentra would work for the LABF and its Members.

The Trustees thanked Dr. Sullivan for his 22 years of service to LABF and its Members.

It was moved by Trustee Skardon, seconded by Trustee LoVerde, to direct staff to engage in contract negotiations with Concentra for physician services.

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

Legislative Update

Ms. Consola provided an update of LABF's bills that are being considered in Springfield. She stated that two of the LABF's proposed pension code amendments have passed through the Senate Committee: the Treasurer's proxy bill and the union leave of absence bill. She added that Derek Blaida will keep the Fund updated on the progress on the third proposed amendment regarding ordinary disability annuities for Tier 2 members.

Miscellaneous

Contribution Accounting – Ms. Consola provided an update on the 2021 Employer Contributions. She stated that the Fund is waiting to receive a payment date from the City of Chicago for the final 2021 employer contributions due of approximately \$456,000.

Statement of Economic Interests – Ms. Consola informed the Trustees that they should expect an email from the Cook County Board of Ethics during the third week of March 2022 regarding the filing of their annual statements. Ms. Consola noted that the due date for the completed statements is May 2, 2022.

LEGAL REPORT

Underwood Matter

Ms. Consola reported that Krislov has filed a cross-motion for judgement in the Underwood case regarding the Funds' obligation to provide healthcare. Fund Counsel is working with the other Funds' attorneys on a response.

Executive Session Minutes Review

Ms. Consola reviewed the process that LABF staff and Fund Counsel use in determining which executive session minutes are recommended to be opened for public inspection. The Board reviewed the list of recommended executive session minutes to be made available for public inspection.

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It was moved by Trustee LoVerde, seconded by Trustee Skardon, to make available for public inspection items 1-9 of the memo reviewed with the Trustees as recommended by LABF staff and Fund Counsel. A copy of the memo is on file in the Fund office.

Rollcall: For -- Trustees Roa, LoVerde, Capasso, Conyears-Ervin, Soni, and Skardon.
Against -- None.

Joseph Burns, Taylor Muzzy, and Marissa Longoria of Jacobs, Burns, Orlove & Hernandez LLP left the meeting at this time.

Potential Board Appointment

This topic was discussed in Executive Session.

EXECUTIVE SESSION NO. 1

At 1:27 p.m., Trustee Skardon requested an executive session under 5 ILCS 120/2(c)(1) to discuss appointment, compensation, discipline, performance, or dismissal of specific employees or legal counsel. Trustee Capasso seconded the motion.

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

At 1:49 p.m., Trustee Loverde made a motion, seconded by Trustee Skardon, that the executive session be adjourned and that the Board return to open session.

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

It was moved by Trustee Skardon, seconded by Trustee Capasso, to appoint the professional service provider pursuant to 5 ILCS 5/11-197 of the Illinois Pension Code as discussed in Executive Session.

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

ADJOURNMENT

With no further business, at 1:51 p.m., Trustee Skardon made a motion to adjourn the meeting. Trustee Capasso seconded the motion.

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