

**Laborers' and Retirement Board Employees'
Annuity and Benefit Fund of Chicago
Minutes of Regular Board Meeting No. 1019**

March 24, 2020

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

March 24, 2020

Report of Meeting No. 1019 held on March 24, 2020, starting at 12:04 p.m. As permitted by Executive Order 2020-07, 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
Reshma Soni*	– Trustee
Jennie Bennett*	– Trustee (<i>arrived at 12:12 pm</i>)
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
Peggy Grabowski	– Interim Executive Director/Comptroller
John Carroll	– Compliance Administrator
Sheila Jones	– Administrative Coordinator
Nadia Oumata	– Director of Investments
Tina Rhoten	– Benefits Manager

Absent:

Dr. Terence Sullivan	– Fund's Physician
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Guest(s):

Lindsay Saienni*	– Financial Investment News
Farvine Kahn*	– Wellington Financial Group, Inc.
Mauracio Banuelos*	– Office of the Treasurer, City of Chicago
Erica Knox*	– City Bureau

President Roa determined that a quorum was present after Secretary LoVerde took attendance.

** 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 March 24, 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
- Investments Report
- Administrative Report
- Legal Report
- Executive Session No. 1
- 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,

A handwritten signature in cursive script, appearing to read 'Michael R. LoVerde'.

Michael R. LoVerde
Retirement Board Secretary

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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. 1018 held on February 18, 2020 be approved as submitted.

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

It was moved by Trustee LoVerde, seconded by Trustee Joiner, that the executive session minutes of Meeting No. 1018 held on February 18, 2020 be approved as submitted.

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

SCHEDULE A – APPLICATIONS FOR REFUNDS

1. Refund of Contributions Due to Separation from Service

It was moved by Trustee LoVerde, seconded by Trustee Joiner, that the applications presented for Refunds of Contributions Due to Separation from Service be approved and ordered paid.

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

2. Miscellaneous Refunds

It was moved by Trustee LoVerde, seconded by Trustee Joiner, that the applications presented for Miscellaneous Refunds be approved and ordered paid.

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

SCHEDULE B – APPLICATIONS FOR ANNUITIES

1. Employee Annuities

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

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

2. Spouse, Child, and Reversionary Annuities

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

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

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SCHEDULE D – APPLICATIONS FOR DUTY DISABILITY BENEFITS

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

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

SCHEDULE E – EXTENSION OF DUTY DISABILITY BENEFITS

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

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

SCHEDULE F – 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, Joiner, LoVerde, Capasso, Conyears-Ervin, Soni, Bennett, and Skardon.
Against -- None.

SCHEDULE G – EXTENSION OF ORDINARY DISABILITY BENEFITS

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

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

SCHEDULE H – PAYMENT OF UNCASHED CHECKS OF DECEASED MEMBERS

None.

SCHEDULE I – PAYMENT OF ADMINISTRATIVE EXPENSES

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

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

INVESTMENTS REPORT

Portfolio / Market Update

Mr. Wesner reviewed the performance of LABF's total portfolio (portfolio) and discussed the effects of the COVID-19 pandemic on the portfolio and the market. Mr. Wesner and Ms. Oumata discussed the liquidations that occurred to supplement the \$30 million capital call made by ULLico Infrastructure Taxable Fund, LP due on March 27, 2020, and noted that no liquidations were needed to pay for April, 2020 benefit payments and other Fund expenditures. The Board asked Mr. Wesner various questions about the portfolio and requested market updates during this volatile period.

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Trustees Skardon, Bennett, and Soni exited the call.

Investment Contract Matters

This item was moved to the executive session at the end of the meeting.

Private Equity RFP

In connection with the Private Equity RFP, Ms. Oumata explained that the Board had previously given direction to staff to start contract negotiations with HarbourVest Partners, LLC and Fairview Capital Partners, Inc. (for clarification: the direction given by the Board pertained to a \$10 million investment in HarbourVest 2020 Global Fund L.P. and a \$10 million investment in Fairview Private Markets Fund V, L.P.) and noted that a motion in open session by the Board pertaining to Fairview Capital and Harborvest was needed.

It was moved by Trustee LoVerde, seconded by Trustee Joiner, to approve the private equity mandates with HarbourVest Partners, LLC and Fairview Capital, Inc, subject to contract negotiations.

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

Mr. Wesner, Mr. Obed, and Mr. Capps exited the call.

ADMINISTRATIVE REPORT

Participant Repayment Request

Ms. Rhoten reviewed the details of a case in which a retired LABF member had returned to work for Chicago Public Schools (CPS) and the annuitant's proposal for repayment. She explained that annuities must be suspended when an annuitant returns to work for an employer. The Trustees, on the advice of Fund Counsel, decided to discuss this matter in executive session at the end of the meeting.

Participant Hearing Request

Ms. Rhoten summarized a case of an active member who is requesting a hearing before the Board related to his 2017 duty disability application and a dispute regarding the calculation method. The Board agreed to grant the member a hearing before the Board, but asked staff to inform the member that the scheduling of the hearing date will be postponed due to the COVID-19 pandemic.

Legislative Update

Ms. Grabowski reported that the Fund was contacted by Speaker Madigan's staff regarding a letter that was sent to the Speaker regarding certain ambiguities in the Illinois Pension Code regarding members on a union leave of absence and ODCX annuities for Tier 2 and 3 members. Fund staff, Fund Counsel, and the Fund's Legislative Liaison participated in a conference call with a staff member from the Speaker's Office to provide further clarity on the issues.

Miscellaneous

COVID-19 Update – Ms. Grabowski informed the Board how the office is operating during the Governor's Stay at Home order. Following the guidance of the CDC, the Governor, and the Mayor, the LABF had closed its office to visitors and most staff were working remotely. Communications with members are handled through emails, telephone, fax, and the website.

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Statement of Economic Interest – Mr. Carroll informed the Trustees that they should have received an email from the Cook County Ethics Department with information for filing their annual statements. He offered his assistance to anyone who may have questions.

Personnel Matter

This topic was deferred to a future meeting.

LEGAL REPORT

Carmichael

Ms. Grabowski reported that the April 10th status hearing in Carmichael will most likely be postponed. LABF staff and the staff of Local 1001 have completed the audit of the escrow account and will forward the reconciliation to Cary Donham.

Intercept Matter

Ms. Grabowski reported that the 2018 and 2019 employer contribution underpayments that were the subject of the intercept have now been received from the City of Chicago.

EXECUTIVE SESSION NO. 1

At 12:59 p.m., Trustee LoVerde requested an executive session under 5 ILCS 120/2(c)(7) to discuss the sale or purchase of securities, investments or investment contracts and 5 ILCS 120/2(c)(11) to discuss potential or current litigation. Trustee Joiner seconded the motion.

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

At 1:30 p.m., Trustee LoVerde made a motion, seconded by Trustee Joiner, that the executive session be adjourned and that the Board return to open session.

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

The Trustees took no action.

ADJOURNMENT

With no further business, at 1:30 p.m., Trustee LoVerde made a motion to adjourn the meeting. Trustee Joiner seconded the motion.

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