

**Laborers' and Retirement Board Employees'
Annuity and Benefit Fund of Chicago
Minutes of Regular Board Meeting No. 1033**

May 18, 2021

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

May 18, 2021

Report of Meeting No. 1033 held on May 18, 2021, starting at 12:06 p.m. As permitted by P.A. 101-0640, the meeting was held via videoconference/teleconference. The following notes attendance:

Board Members:

Victor Roa*	– President (<i>entered at 1:46 p.m.</i>)
James Joiner	– Vice-President
Michael LoVerde	– Secretary
James Capasso, Jr.	– Trustee
Melissa Conyears-Ervin	– Trustee
Reshma Soni*	– Trustee
Stephen Skardon	– Trustee
Jennie Bennett*	– Trustee (<i>entered approximately 12:30 p.m.</i>)

Staff & Consultants:

Joseph Burns*	– Jacobs, Burns, Orlove & Hernandez LLP, Outside Counsel
Taylor Muzzy	– 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
Brett Graffy*	– Marquette Associates, Investment Consultant
Dr. Terence Sullivan*	– Fund's Physician
Alex Rivera*	– Gabriel, Roeder, Smith & Company
Jeff Tebeau*	– Gabriel, Roeder, Smith & Company
Tina Consola	– Executive Director
Peggy Grabowski	– Comptroller
John Carroll	– Compliance Administrator
Sheila Jones	– Administrative Coordinator
Nadia Oumata	– Director of Investments
Paul Rzeszutko	– Benefits Manager
Chris Lucas	– Senior Developer & Staff Actuary

Absent: None

Guest(s):

Lindsay Saienni	– Financial Investment News
Stephanie Neely	– JP Morgan
Kevin	– FundMap

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

Vice President Joiner 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 or prudent because of the COVID-19 pandemic. Vice President Joiner 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. Vice President Joiner 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.*



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Board Members:

I am transmitting herewith the minutes for the meeting of the Retirement Board which was held on April 20, 2021. 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
- Actuarial Presentation
- Investments Report
- Executive Session No. 1
- Executive Session No. 2
- Administrative Report
- Legal Report
- Adjournment

All the foregoing matters were checked and were found to be hereinafter set forth.

Sincerely,

A black rectangular box redacting the signature of 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 Capasso, that the regular minutes of Meeting No. 1032 held on April 20, 2021 be approved as submitted.

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

It was moved by Trustee LoVerde, seconded by Trustee Skardon, that the executive session minutes of Meeting No. 1032 held on April 20, 2021 be approved as submitted.

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

APPROVAL OF NEW BUSINESS APPLICATIONS AND PAYMENTS SCHEDULES A - I

Vice President Joiner and the Trustees reviewed the New Business Schedules A – I 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
 - b. Refunds to Active Member due to Errors in Deductions
 - c. Refunds of Contributions in Lieu of Annuity
 - d. Refunds to other Funds due to Errors in Deductions
- 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

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

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

GABRIEL, ROEDER, SMITH & COMPANY PRESENTATION

Alex Rivera and Jeff Tebeau, of Gabriel, Roeder, Smith & Company (GRS), presented and reviewed a summary of the 2020 actuarial valuation and GASB 67/68 reports. GRS also presented the Trustees with the Actuarial Report Fact Sheet.

Alex Rivera and Jeffrey Tebeau exited the meeting following the presentation.

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INVESTMENTS REPORT

Market Tracker

Mr. Wesner reviewed the Market Tracker Report for April 30, 2021.

Trustee Bennett arrived during the Investments Report.

April 30, 2021 Preliminary Performance Report

Mr. Obed reviewed the Fund's April 30, 2021 Preliminary Performance Report.

1st Quarter 2021 Performance Report

Mr. Obed reviewed portions of the Fund's 1st Quarter 2021 Performance Report.

Investment Policy Statement Review

Ms. Consola reviewed a portion of the LABF's Investment Policy Statement regarding the restriction on holding securities of an assault weapon manufacturer and noted that it was set to expire on May 31, 2021. She then explained that the Board could choose to extend the restriction, not extend it, or maintain it and remove the expiration language. She requested the Board's direction.

It was moved by Trustee LoVerde, seconded by Trustee Capasso, to maintain without expiration the Investment Policy Statement's restriction on holding securities of an assault weapon manufacturer.

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

Private Credit Overview

Brett Graffy from Marquette Associates conducted an educational session for the Trustees on private credit investing. The Trustees asked questions about this investment product and how it would fit within the LABF portfolio.

Trustee Soni exited the meeting before the beginning of Executive Session No. 1.

Watch List Review

This topic was discussed in executive session.

Investment Contract Matters

This topic was discussed in executive session.

EXECUTIVE SESSION NO. 1

At 1:30 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. Trustee Capasso seconded the motion.

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

At 1:50 p.m., Trustee LoVerde made a motion, seconded by Trustee Capasso, that the executive session be adjourned and that the Board return to open session.

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

The Trustees took no action.

*Trustee Bennett exited the meeting near the beginning of Executive Session No. 1.
Trustee Roa entered the meeting at 1:46 pm.*

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EXECUTIVE SESSION NO. 2

At 1:53 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. Trustee Capasso seconded the motion.

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

At 2:07 pm Trustee LoVerde made a motion, seconded by Trustee Capasso, that the executive session be adjourned and that the Board return to open session.

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

The Trustees took no action.

Jamie Wesner, Kweku Obed, Neil Capps, and Brett Graffy, of Marquette Associates, left the meeting.

ADMINISTRATIVE REPORT

Recoupment Policy Approval

Ms. Consola presented a draft Recoupment Policy based on the Board's direction from the April 20, 2021 meeting. The Trustees discussed when, how, and how much interest should be applied to the recoupment of overpayments. The Trustees indicated a preference for adopting an interest rate that tracks the Fund's assumed rate of return at the time of the first overpayment. The Trustees requested that Fund Counsel update the Recoupment Policy for the next meeting on June 22, 2021.

2021 Active Member Election

The Trustees continued the discussion on the election format for the Active Employee Trustee Election scheduled for October 2021. Ms. Consola provided information for various election formats. The Trustees agreed that the format should allow for as many eligible members to vote as possible. They also discussed the costs associated with the different election formats.

The Trustees discussed ways to increase the voter participation and they asked staff to provide the deadlines for selecting the election format.

Miscellaneous

Audit – Ms. Consola reported that the LABF audit was completed as of May 10, 2021 and recognized the hard work of the Fund's staff with special thanks to Peggy Grabowski, Nadia Oumata, and Chris Lucas. She added that they not only completed the financial statements and audit work expeditiously, but also made improvements to the annual processes that will benefit the Fund for years to come.

LEGAL REPORT

Underwood Litigation

Ms. Consola informed the Board that on May 3, 2021, the Fund's counsel filed a motion for summary judgment on behalf of the LABF in the Underwood matter and on May 6, 2021 Plaintiffs filed a motion to compel the Funds to answer the 6th amended complaint. Ms. Consola reported on other upcoming matters in this case and noted that the next hearing date is set for June 10, 2021.

ADJOURNMENT

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With no further business, at 3:18 p.m., Trustee Skardon made a motion to adjourn the meeting. Trustee LoVerde seconded the motion.

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