

**Laborers' and Retirement Board Employees'
Annuity and Benefit Fund of Chicago
Minutes of Regular Board Meeting No. 1057**

May 23, 2023

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

May 23, 2023

Report of Meeting No. 1057 held on May 23, 2023, starting at 12:02 p.m. The meeting was held via teleconference and in person. The following notes those Board members in attendance in person, unless noted as being by video or audioconference:

Board Members:

Victor Roa	– President
Michael LoVerde	– Secretary
James Capasso, Jr.	– Trustee
Thomas Crivellone	– Trustee
Melissa Conyyears-Ervin*	– Trustee (<i>arrived at 12:27 p.m.</i>) (via videoconference)
Craig Slack	– Proxy for Trustee Conyyears-Ervin

Board Members Absent:

Reshma Soni	– Vice-President
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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	- Legislative Liaison
Tina Consola	– Executive Director
Peggy Grabowski	– Comptroller
John Carroll	– Compliance Administrator
Sheila Jones	– Administrative Coordinator
Mark Oliver	– Senior Investment Manager
Laura Biggs*	– Assistant Benefits Manager
Irene Velazquez*	– Member Services Supervisor
Chris Lucas	– Staff Actuary
Nicole Evangelista*	– Benefits Payment Manager
Ryan Kirby*	– Senior Benefits Data Analyst
Andrew Plautz	– Benefits Analyst
Seleste Ventura-Aviles*	– Department Support Assistant

Guest(s):

Mark Myslinski	– Office of the Treasurer, City of Chicago
Joe Ebisa	– With Intelligence
Gar Chung	– FIN News Daily

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

President Roa confirmed the attendance of all Board members, Fund staff, consultants, and the general public. President Roa determined that an in-person quorum was present after Secretary LoVerde took attendance and informed all participants that the meeting was 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 May 23, 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
 3. Refunds to other Funds
- 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
- 2022 Actuarial Valuation Presentation by Gabriel, Roeder, Smith & Company
- Investments Report
- Administrative Report
- Legal Report
- 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 LoVerde, seconded by Trustee Capasso that the regular minutes of Meeting Number 1056 held on April 18, 2023, be approved as submitted.

Roll call: For -- Trustees Roa, LoVerde, Capasso, Crivellone, 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
 3. Refund to other Funds
- 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

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, LoVerde, Capasso, Crivellone, and Slack.
Against -- None.

GABRIEL, ROEDER, SMITH & COMPANY PRESENTATION

Alex Rivera and Jeff Tebeau of Gabriel, Roeder, Smith & Company (GRS) reviewed a summary of the December 31, 2022 actuarial valuation and GASB 67/68 reports. GRS also presented the Trustees with the Actuarial Report Fact Sheet. The Trustees asked questions about some of the factors that affected the results presented in the December 31, 2022 Valuation Report.

INVESTMENTS REPORT

Market Environment

Mr. Wesner reviewed the Market Tracker Report for April 30, 2023.

April 30, 2023 Preliminary Performance Report

Mr. Wesner reviewed the Fund's April 30, 2023 Preliminary Performance Report.

1st Quarter 2023 Performance Report

Mr. Wesner reviewed the First Quarter 2023 Performance Report.

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Watch List

Mr. Wesner reviewed the performance of Wasatch International Small Equity and Vontobel and reported that they underperformed in 2022 and 2023. He stated that Marquette is recommending no changes regarding either manager at this time and noted that they will continue to monitor their performance closely and keep the Trustees informed.

Nuveen Investments Long-Short Credit Fund

Mr. Wesner reminded the Trustees that at the April Board meeting the Board had discussed fully liquidating Nuveen Investments Long-Short Credit Fund (Nuveen) for needed liquidity and to consolidate the managers in the Hedge Fund space.

It was moved by Trustee LoVerde, seconded by Trustee Capasso, to terminate Nuveen Long-Short Credit Fund.

Roll call: For – Trustees Roa, LoVerde, Capasso, Crivellone, and Slack.
Against – None.

Trustee Conyears-Ervin left the meeting during the Investment Report prior to the vote.

ADMINISTRATIVE REPORT

Legislative Update

Mr. Blaida reported that the General Assembly was scheduled to adjourn Friday, May 19, 2023, and discussed factors that will affect the State's fiscal year 2024 budget currently being discussed in Springfield. He reported that Senate Bill 1646, LABF's subpoena bill, passed the House Personnel and Pensions Committee and is expected to proceed to the House floor for a final vote at the end of May 2023, and to be signed by the Governor in August 2023. He added that Senate Bill 1648, LABF's OCDX bill, also passed the House Personnel and Pensions Committee and is expected to be signed into law by the Governor by Labor Day.

Regarding the Open Meetings Act, Mr. Blaida reported that no legislative language has been filed to address whether members of the public body may participate in meetings remotely as the Governor's final COVID 19-related Disaster Proclamation expired on May 11, 2023.

Miscellaneous:

Trustee Election – Ms. Consola reported that the Fund's Annuitant Member Trustee Election for the position currently held by James Capasso is scheduled for October 2023. She presented items for the Board to consider in preparation for the upcoming election which included the method of voting, the election date, and the Election Committee. Trustee Roa, Trustee Crivellone, and Proxy Slack volunteered to serve on the Election Committee. Ms. Consola added that staff will finalize the election rules and present them at the June 2023 board meeting for the Board's approval.

Annual Audit – Ms. Consola reported that the audit for the fiscal year ending December 31, 2022, has been completed with no findings or issues. She thanked Ms. Grabowski, Mr. Lucas, and Mr. Oliver for their efficiency and hard work.

Required Employer Contribution – Ms. Consola reported that the amount of employer contribution required to be paid in 2023 is \$116,549,222, of which 73.5% has been paid, leaving a balance of approximately \$30.1 million. She specified that this amount paid does not include the \$12.1 million paid by the City on January 3, 2023, which was separate from the City's statutorily defined required employer contribution for the payment year 2023.

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Annual Mailings – Ms. Consola reported that the Annual Participant Statements to active and inactive members, and the Annual Signature Verification Forms to all annuitants, were mailed in early May 2023. The Signature Verification Forms are due by July 31, 2023.

LEGAL REPORT

Underwood

Ms. Consola reported that on April 24, 2023, the Funds' motions for summary judgment were granted. She added that the Plaintiffs' cross motion for summary judgment was denied and the Plaintiffs' motion for leave to file an amended 9th complaint was denied. The counsel for Plaintiffs filed a motion for final judgment, which enables them to file an appeal, which is scheduled to be heard on May 23, 2023.

ADJOURNMENT

With no further business, at 1:14 p.m., Trustee LoVerde made a motion to adjourn the meeting. Trustee Capasso seconded the motion.

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