

**Laborers' and Retirement Board Employees'
Annuity and Benefit Fund of Chicago
Minutes of Regular Board Meeting No. 1063**

November 17, 2023

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

November 17, 2023

Report of Meeting No. 1063 held on November 17, 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 Present:

Victor Roa	– President
Chasse Rehwinkel	– Vice-President
Michael LoVerde	– Secretary
James Capasso, Jr.	– Trustee
Melissa Conyyears-Ervin*	– Trustee (<i>arrived at 12:06 pm, left before end of meeting</i>)
Thomas Crivellone	– Trustee
Jill Jaworski*	– Trustee (<i>arrived at 12:07 pm</i>)
Jeffrey Levine	– Trustee
Craig Slack	– Proxy for Trustee Conyyears-Ervin**

Board Members Absent: None.

Staff & Consultants:

Tina Consola	– Executive Director
Mark Oliver	– Comptroller
Andrew Plautz	– Senior Investment Manager
John Carroll	– Compliance Administrator
Gladys Bernal*	- Benefits Manager
Laura Biggs*	– Assistant Benefits Manager
Nicole Evangelista*	– Benefits Payment Manager
Ryan Kirby*	- Senior Benefits Data Analyst
Taylor Muzzy	– Jacobs, Burns, Orlove & Hernandez LLP, Fund Counsel
James Wesner	– Marquette Associates, Investment Consultant
Neil Capps	– Marquette Associates, Investment Consultant

Guest(s):

George Adams - City of Chicago, CFO's Office

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

***Acted as Proxy only during Trustee Conyyears-Ervin's absence.*

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 November 17, 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
- 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 1063 held on October 24, 2023, be approved.

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

It was moved by Trustee Rehwinkel, seconded by Trustee LoVerde that the executive session minutes of meeting number 1063 held on October 24, 2023, be approved.

Roll call: For – Trustees Roa, Rehwinkel, LoVerde, Capasso, Crivellone, Levine, 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

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, Levine, and Slack.
Against – None.

INVESTMENTS REPORT

Market Environment

Mr. Wesner reviewed the Market Tracker Report with the Trustees.

October 31, 2023 Preliminary Performance Report and Watch List

Mr. Wesner reviewed the Fund's investment performance on the October 31, 2023 Preliminary Performance Report. It was requested that additional information be added to the performance reports.

As a follow-up from the November 1, 2023 special meeting, he discussed Brown Capital Management, an investment manager in the Manager of Emerging Manager Program ("MOEM"), and noted that Brown, due to its size, is not eligible to remain in the MOEM. Marquette Associates expressed concerns about Brown's

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asset levels dropping and personnel changes. Mr. Wesner noted that he, and LABF staff, have been in discussion with Attucks, the manager of the MOEM, regarding Brown's eligibility to participate in the MOEM Program and the other issues of concern. The Board further discussed other actions that could and could not be taken regarding its investment with Brown.

Mr. Wesner reviewed the Fund's investment with Wasatch and the Board discussed what could be done with this manager that is already on LABF's Watch List. The Board reviewed various historical data and returns for Wasatch. Mr. Wesner recommended leaving Wasatch on the Watch List and noted that Marquette Associates would continue to monitor their progress very closely.

The Board reviewed its investment with Vontobel Investments, another manager on the Watch List. Mr. Wesner suggested that the Board launch an RFP for this asset class, and the Board directed staff to present an RFP for the Board to review at the December 19, 2023 Board meeting.

3rd Quarter 2023 Performance Report

Mr. Wesner reviewed the Third Quarter 2023 Performance Report.

ADMINISTRATIVE REPORT

The Assumed Rate of Return

Ms. Consola presented an updated Assumed Rate of Return (ARR) report with the changes that were requested by the Trustees at the November 1, 2023 special meeting. The Board reviewed the scenarios presented and asked questions about the impact of the possible changes. The Board discussed the current assumed Rate of Return and what the implications would be if it were lowered. Mr. Wesner noted that the risk in the portfolio may be reduced if the assumed rate of return were lowered, but also noted this needs to be balanced with maximization of returns. Mr. Wesner indicated there would be updated asset allocation scenarios for the Board to consider at a future meeting once a decision is made on the ARR.

The Board further discussed the Assumed Rate of Return.

It was moved by Trustee LoVerde, seconded by Trustee Levine, to lower the Fund's Assumed Rate of Return to 6.75%.

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

Miscellaneous:

2024 Budget – Ms. Consola stated that next month she would be presenting the 2024 budget to the Board for approval. She added that she would be reaching out to each Trustee to schedule meetings beginning the week of December 4, 2023.

Election of Officers – Ms. Consola stated that the election of Board officers would take place at the December 19, 2023 Board meeting.

Trustee Education – Ms. Consola stated that Mr. Carroll had sent out to each Trustee a 2023 summary of their individual education hours. She requested that they inform Mr. Carroll if they have additional educational hours that are not listed on the summary.

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LEGAL REPORT

Member QILDRO Matter

Mr. Muzzy gave an update on a continuing QILDRO matter and noted a favorable outcome to its Motion to Reconsider that was recently ruled upon.

Underwood Update

Ms. Consola gave a brief status update on the Underwood matter.

ADJOURNMENT

With no further business, at 1:01 p.m., Trustee LoVerde made a motion to adjourn the meeting. Trustee Capasso seconded the motion.

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