The County Fund and the Forest Preserve District Fund are herein collectively referred to as the “Fund”.

Call to Order and Roll Call.

Trustees Present: Clem Balanoff, Robert Benjamin, John E. Fitzgerald, Robert Janura, Constance M. Kravitz, Patrick McFadden,

Staff Present: Daniel R. Degnan, Executive Director, Penny Finch, Chief Operating Officer, Nickol Hackett, Chief Investment Officer, Michael Maratea, Director of Finance.

Others Present: Mary Pat Burns, Burke, Burns & Pinelli, Christine M. Trzos, Annuitant, Maria Thompson, M.R. Beal, Sharon Piet, Podesta, Theron Picketts, Cabrea Capital.

Mr. Fitzgerald stated that he met with Cook County Commissioner Bridget Gainer, Chairman of the Cook County Pension Committee. He stated that it was an introductory meeting and that he explained to her that the Board was looking forward to working with her and the Committee to address the Fund’s issues. He further relayed to her that the Board of Trustees will always abide by its fiduciary responsibility to the members of the Fund.

1. Review and Consideration of:

a. December 7, 2010 Board Meeting Minutes.

   It was moved by Trustee Kravitz and seconded by Trustee Balanoff that the minutes of the December 7, 2010, Board Meeting be adopted.

   **Vote Result:** MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.


   It was moved by Trustee Kravitz and seconded by Trustee Balanoff that the presented payroll, bills and recommendations for annuities, disabilities and refunds be approved.
2. Other Benefit Matters – In the Matter of David Raso

Based on the fact that Mr. Raso was allowed to file for duty disability benefits after the time of injury in the past, it was moved by Trustee Balanoff and seconded by Trustee McFadden that Mr. Raso had reasonable cause for delay pursuant to Section 9-156 of the Illinois Pension Code, in filing an application for duty disability benefits for the period from July 6, 2005, through September 8, 2005.

It was further moved, having found that Mr. Raso had reasonable cause for delay in filing an application for duty disability benefits for the period from July 6, 2005, through September 8, 2005, that he is eligible for the benefits requested.

Roll Call Vote:
AYES: Balanoff, Benjamin, Janura, McFadden, Kravitz, Fitzgerald
NAYS: None
Vote Result: MOTION ADOPTED

3. Former Trustee Resolutions

It was moved by Trustee McFadden and seconded by Trustee Balanoff that the presented resolutions honoring the service of Trustees Granberry, Pritchett, Kilgallon and Damato by adopted.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

4. Administrative Matters

a. 2011 Regular Board Meeting Schedule

It was moved by Trustee McFadden and seconded by Trustee Balanoff that, due to a conflict with the Cook County Board of Commissioners Board Meeting, the Regular Board Meeting in December 2011 be moved from December 1, 2011 at 9:30 am, to December 8, 2011 at 9:30 am. It was further moved that the Fund’s administrative staff shall take all steps necessary to post the dates, times and locations of these meetings as required by the Illinois Open Meetings Act.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

b. Education and Travel Approval.
The following were moved by Trustee Balanoff and seconded by Trustee McFadden.

It was moved consistent with the recommendations of the Fund’s professional staff and the Fund’s counsel, that the expenses, including any associated travel expenses, incurred by any Trustee or Employee in attending the IPPFA’s Certified Trustee Program 27 on January 20, February 24, March 24 and April 27, 2011, or Program 29 on May 10-13, 2011, in Hoffman Estates, Illinois, at a program cost of $1,000 per attendee be approved, provided that reimbursement shall be in and for amounts consistent with the Fund’s Travel Expense Reimbursement Policy.

It was moved, consistent with the recommendations of the Fund’s professional staff and the Fund’s counsel, that the expenses, including any associated travel expenses, incurred by any Trustee or Employee in attending the IPPFA’s Regional Training Seminars to be held in 2011 on various dates and at various locations at an estimated program cost of $150.00 per attendee be approved, provided that reimbursement shall be in and for amounts consistent with the Fund’s Travel Expense Reimbursement Policy.

It was moved, consistent with the recommendations of the Fund’s professional staff and the Fund’s counsel, that the expenses, including any associated travel expenses, incurred by any Trustee or Employee in attending the NCPERS Trustee Education Seminar on May 22-26, 2011, in Miami, Florida, at a program cost not to exceed $750 per attendee, be approved, provided that reimbursement shall be in and for amounts consistent with the Fund’s Travel Expense Reimbursement Policy.

It was moved, consistent with the recommendations of the Fund’s professional staff and the Fund’s counsel, that the expenses, including any associated travel expenses, incurred by any Trustee or Employee in attending the Opal Emerging Managers Summit, in May, 2011, in Chicago, Illinois, at a program cost of $300 per attendee, be approved, provided that reimbursement shall be in and for amounts consistent with the Fund’s Travel Expense Reimbursement Policy.

It was moved, consistent with the recommendations of the Fund’s professional staff and the Fund’s counsel, that the expenses, including any associated travel expenses, incurred by any Trustee or Employee in attending the 6th Annual Illinois Public Employees’ Retirement Systems Summit (ILPERS), in June, 2011, in Chicago, Illinois, at a program cost of $295 per attendee, be approved, provided that reimbursement shall be in and for amounts consistent with the Fund’s Travel Expense Reimbursement Policy.

Roll Call Vote:
AYES: Balanoff, Benjamin, Janura, McFadden, Kravitz, Fitzgerald
NAYS: None
c. Certification of 2010 Trustee Education.

It was moved by Trustee Balanoff and seconded by Trustee Benjamin pursuant to Section 1-113.18 of the Illinois Pension Code, and based upon the Executive Director’s report establishing that each of the trustees has met the statutory requirements of at least 8 hours of ethics, fiduciary and investment training as of December 31, 2010, (with the exceptions of the newly appointed Trustee Kravitz who was sworn to her office on October 5, 2010, and the newly elected Trustee Janura who was sworn to his office on December 7, 2010), that the proposed 2010 Annual Certification of Trustee Training be approved and that the President of the Board be authorized to execute the same on behalf of the Board. It was further moved that the Fund’s staff shall file said 2010 Annual Certification of Trustee Training with the Department of Financial and Professional Regulation, Division of Insurance, as required by Section 1-133.18 of the Illinois Pension Code.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

d. Actuarial Services.

It was moved by Trustee McFadden and seconded by Trustee Balanoff that the firm of Goldstein & Associates be retained for a one year period commencing on January 1, 2011, to provide actuarial services as described in a letter to the Funds dated December 2010, including: 1) an actuarial valuation as of December 31, 2010 of each Fund and actuarial reports based on those valuations for a fee of $86,000; and 2) performing such other actuarial services as the Board might request from time to time at the following hourly rates: Consulting Actuary (Sandor Goldstein)-$210; Actuary (Carl Smedinghoff)-$150; and Actuarial Assistant (Ryan Gunderson)-$115. It was further moved that the Executive Director be authorized to take all action reasonably necessary to effectuate the foregoing, including subject to legal review and sign off, execution of related written agreements on behalf of the Funds.

Roll Call Vote:
AYES: Balanoff, Benjamin, Janura, McFadden, Kravitz, Fitzgerald
NAYS: None

Vote Result: MOTION ADOPTED

e. Audit Services.

It was moved by Trustee McFadden and seconded by Trustee Kravitz, consistent with the recommendations of the Fund’s professional staff, that Legacy Professionals LLP be retained for a three year period commencing with the 2010 Audit, to provide auditing services, at fees of $65,000 for the 2010 Audit;
$65,000 for the 2011 Audit; $15,000 for the 2011 Procedural Audit and $67,000 for the 2012 Audit with two (2) one-year renewal options at the Fund’s sole discretion beginning with the 2013 Audit. It was further moved that the Executive Director be authorized to take all action reasonably necessary to effectuate the foregoing, including subject to legal review and sign off, execution of related written agreements on behalf of the Funds.

Roll Call Vote:
AYES: Balanoff, Benjamin, Janura, McFadden, Kravitz, Fitzgerald
NAYS: None
Vote Result: MOTION ADOPTED

f. JCCG Administrative Services.

It was moved by Trustee Balanoff and seconded by Trustee McFadden, consistent with the recommendations of the Fund’s professional staff and the Fund’s counsel, that JC Consulting Group be retained for 2011 to provide maintenance and support for the PBM and HB system for an annual fee of $90,000 and that JC Consulting Group be retained for 2011 to provide IT desktop support at an hourly rate of $115. It was further moved that the Executive Director be authorized to take all action reasonably necessary to effectuate the foregoing, including subject to legal review and sign off, execution of related written agreements on behalf of the Funds.

Roll Call Vote:
AYES: Balanoff, Benjamin, Janura, McFadden, Kravitz, Fitzgerald
NAYS: None
Vote Result: MOTION ADOPTED

g. Lobbyist Services.

It was moved by Trustee McFadden and seconded by Trustee Balanoff that the firm of John McCabe & Associates, Ltd. be retained for a one year period commencing on January 1, 2011, to provide professional services and information on behalf of the Funds in regard to legislation before the Illinois General Assembly at an annual fee of $24,000, which is to be paid in four installments of $6,000 each on the following dates in 2011: April 1; July 1; October 1; and December 15. It was further moved that the Executive Director be authorized to take all action reasonably necessary to effectuate the foregoing, including subject to legal review and sign off, execution of related written agreements on behalf of the Funds.

Roll Call Vote:
AYES: Balanoff, Benjamin, Janura, McFadden, Kravitz, Fitzgerald
NAYS: None
Mr. Fitzgerald then explained that with the end of the legislative session the Board should consider its legislative agenda. He further explained that the Fund introduced three items last year that did not pass: 1) to expand allowable sources of contributions from the County Board beyond the tax levy; 2) to make the levying of taxes for the purpose for funding pensions a subject of exclusive State jurisdiction; and 3) to change the basis of the employers’ contribution to one based on actuarially required contribution in lieu of the current fixed multiple. The Trustees discussed the various pieces of legislation.

It was moved by Trustee McFadden and seconded by Trustee Balanoff that the Fund reintroduce the legislation described and further moved that the Executive Director, legal counsel and Fund lobbyist be authorized to take all action reasonably necessary to effectuate the foregoing.

Vote Result: MOTION ADOPTED BY VOICE VOTE

MS. KRAVITZ VOTED PRESENT ON THE MATTER.

Next the Trustees discussed a letter from Illinois House Speaker Michael Madigan seeking insight into any particular pension abuses of which they may be aware. It was moved by Trustee McFadden and seconded by Trustee Janura that the Executive Director along with Fund legal counsel draft a response to the letter indicating that we are not aware of any particular abuses but we are concerned with the trend of the funded ratio.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.


It was moved by Trustee Kravitz and seconded by Trustee Janura that the Cook County Fund shall have authority to withdraw cash in an aggregate amount not to exceed $30 million dollars to cover projected expenses through March 31, 2011. It was further moved that the Fund’s staff shall be authorized to take all steps reasonably necessary to effectuate the foregoing.

Roll Call Vote:
AYES: Balanoff, Benjamin, Janura, McFadden, Kravitz, Fitzgerald
NAYS: None

Vote Result: MOTION ADOPTED

It is moved that the Forest Preserve District Fund shall have authority to withdraw cash in an aggregate amount not to exceed $1.5 million dollars from identified investment advisors to cover projected expenses through March 31, 2011. It was further moved that the Fund’s staff shall be authorized to take all steps reasonably necessary to effectuate the foregoing.
Roll Call Vote:
AYES: Balanoff, Benjamin, Janura, McFadden, Kravitz, Fitzgerald
NAYS: None
Vote Result: MOTION ADOPTED

6. Adjournment

After consideration of all other items of business, it was moved and seconded that the meeting be adjourned.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

The Board’s next regular meeting is scheduled for February 3, 2011.