

**COUNTY EMPLOYEES' ANNUITY & BENEFIT FUND OF COOK COUNTY**  
**And Ex-Officio for the**  
**FOREST PRESERVE DISTRICT ANNUITY & BENEFIT FUND**  
**MEETING OF THE BOARD OF TRUSTEES**  
**33 N. DEARBORN STREET-STE. 1000**  
**CHICAGO, ILLINOIS 60602**

**Minutes for April 5, 2012 Meeting of the Board**

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: Robert Benjamin, John Fitzgerald, Alexis Herrera, Lauren W. Gore, Brent Lewandowski, Patrick J. McFadden and Kurt Summers

Staff Present: Daniel R. Degnan, Executive Director; Nickol Hackett, Chief Investment Officer; Angela McMillin, Director of Health Benefits; Paul Rzeszutko, Director of Annuity Benefits; Michael Maratea, Director of Finance; Margaret Fahrenbach, Attorney; Gary LeDonne, Senior Benefit Advisor; Sharon Ryan, Office Manager

Others Present: Mary Pat Burns, Burke Burns & Pinelli, LTD; Mark Rosenfeld, Office of Commissioner Bridget Gainer; Sandor Goldstein; Goldstein and Associates, Theron Pickett, Cabrera Capital; Jason Parks, Loop Capital, Sharon Piet; Podesta

1. Review and Consideration of:

a. March 8, 2012 Board Meeting Minutes.

It was moved by Trustee McFadden and seconded by Trustee Herrera that the minutes of the March 8, 2012, Board Meeting be adopted.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

b. March 27, 2012, Reconvened Board Meeting Minutes.

It was moved by Trustee Benjamin and seconded by Trustee McFadden that the minutes of the March 27, 2012, reconvened Board meeting be adopted.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

c. Bills, Payroll Records, Annuities, Spouse & Child Annuities, Ordinary & Duty Disabilities and Refunds.

It was moved by Trustee McFadden and seconded by Trustee Herrera that the presented payroll, bills and recommendations for annuities, disabilities and refunds be approved.

Roll Call Vote:

AYES: Benjamin, Fitzgerald, Gore, Herrera, Lewandowski, McFadden, Summers

NAYS: None

Vote Result: MOTION ADOPTED

2. Consideration of March 22, 2012, Health Benefits Committee Recommendations

It was moved by Trustee McFadden and seconded by Trustee Lewandowski that the Board approve the recommendation of the Health Benefits Committee to retain HMS Employer Solutions to conduct a Medical Claims and Operational Audit of the Blue Cross and Blue Shield retiree health benefit plans for the period from January 1, 2010, through December 31, 2011, at a cost not to exceed \$46,500 and it is further moved that the Fund's staff take all action reasonably necessary to effectuate the foregoing including, subject to legal review and sign-off, the execution and delivery of related written agreements by the Executive Director.

Roll Call Vote:

AYES: Benjamin, Fitzgerald, Gore, Herrera, Lewandowski, McFadden, Summers

NAYS: None

Vote Result: MOTION ADOPTED

It was moved by Trustee Herrera and seconded by Trustee Benjamin that the Board approve the recommendation of the Health Benefits Committee to retain Segal Company as the Health Benefits Consultant for the period from May 1, 2012, through April 30, 2013, at a cost not to exceed \$41,000, and it is further moved that the Fund's staff take all action reasonably necessary to effectuate the foregoing including, subject to legal review and sign-off, the execution and delivery of related written agreements by the Executive Director.

Roll Call Vote:

AYES: Benjamin, Fitzgerald, Gore, Herrera, Lewandowski, McFadden, Summers

NAYS: None

Vote Result: MOTION ADOPTED

3. Consideration of March 27, 2012, Investment Committee Recommendations

It was moved by Trustee McFadden and seconded by Trustee Herrera that the Board approve the recommendation of the Investment Committee, consistent with the recommendation of the Investment Consultant and with the concurrence of the

Fund Investment Staff, to approve a competitive request for proposals with respect to Value Added Real Estate assets for the County Fund in accordance with the Fund's procurement policy and it is further moved that the Fund Investment Staff be authorized to take all action reasonably necessary to effectuate the foregoing, including legal review of any needed search related forms.

Roll Call Vote:

AYES: Benjamin, Fitzgerald, Gore, Herrera, Lewandowski, McFadden, Summers

NAYS: None

Vote Result: MOTION ADOPTED

It was moved Trustee McFadden and seconded by Trustee Herrera that the Board ratify the objection of the County Fund, as recommended by the Investment Committee, to the William Blair Capital Partners VII's second one-year term extension should the General Partner fail to provide a concession on management fees as communicated by the Fund Investment Staff, in consultation with Fund's Legal Counsel and Investment Consultant.

Roll Call Vote:

AYES: Benjamin, Fitzgerald, Gore, Herrera, Lewandowski, McFadden, Summers

NAYS: None

Vote Result: MOTION ADOPTED

It was moved by Trustee McFadden and seconded by Trustee Herrera that the Board ratify the consent of the County Fund, as recommended by the Investment Committee, to the proposed one year term extension request of Evergreen IV, as communicated by the Fund Investment Staff, in consultation with Fund's Legal Counsel and Investment Consultant and it is further moved that the Fund's staff take all action reasonably necessary to effectuate the foregoing including, subject to legal review and sign-off, the execution and delivery of related written documents by the Executive Director.

Roll Call Vote:

AYES: Benjamin, Fitzgerald, Gore, Herrera, Lewandowski, McFadden, Summers

NAYS: None

Vote Result: MOTION ADOPTED

4. Cash Flow

It was moved by Trustee McFadden and seconded by Trustee Lewandowski that the County Fund shall have authority to withdraw cash in an aggregate amount not to exceed \$60 million dollars to cover projected expenses through June 30,

2012, and it is further moved that the Fund's staff shall be authorized to take all action reasonably necessary to effectuate the foregoing.

Roll Call Vote:

AYES: Benjamin, Fitzgerald, Gore, Herrera, Lewandowski, McFadden, Summers

NAYS: None

Vote Result: MOTION ADOPTED

It was moved by Trustee Gore and seconded by Trustee Benjamin that the Forest Preserve District Fund shall have authority to withdraw cash in an aggregate amount not to exceed \$2.7 million dollars to cover projected expenses through June 30, 2012, and it is further moved that the Fund's staff shall be authorized to take all action reasonably necessary to effectuate the foregoing.

Roll Call Vote:

AYES: Benjamin, Fitzgerald, Gore, Herrera, Lewandowski, McFadden, Summers

NAYS: None

Vote Result: MOTION ADOPTED

5. 2012 Election

a. Election Rules

It was moved by Trustee McFadden and seconded by Trustee Herrera that the amendments proposed to the Annuitant Trustee Election Rules and the Employee Member Trustee Election Rules be adopted.

Roll Call Vote:

AYES: Benjamin, Fitzgerald, Gore, Herrera, Lewandowski, McFadden, Summers

NAYS: None

Vote Result: MOTION ADOPTED

b. Independent Election Administrator

It was moved by Trustee McFadden and seconded by Trustee Lewandonski that the Law Offices of Simon & Griseta be retained as the Independent Election Administrator for the trustee elections in 2012 and 2013 at a rate not to exceed \$185 per hour.

Roll Call Vote:

AYES: Benjamin, Fitzgerald, Gore, Herrera, Lewandowski, McFadden, Summers

NAYS: None

Vote Result: MOTION ADOPTED

6. Fund Insurance

a. Fiduciary Liability Insurance

It was moved by Trustee Benjamin and seconded by Trustee Herrera that the proposal for a \$10,000,000 Fiduciary Liability Insurance Policy offered by ULLICO/Hudson for the period of April 23, 2012, to April 23, 2013, at an annual premium of \$69,456 be accepted and further that proposal for a \$5,000,00 excess policy offered by Chubb at an annual premium of \$38,000 for the same period be accepted and that the Funds' staff and counsel take all action reasonably necessary to effectuate the foregoing including, subject to legal review and sign off, execution of related written agreements on the Funds' behalf by the Executive Director.

Roll Call Vote:

AYES: Benjamin, Fitzgerald, Gore, Herrera, Lewandowski, McFadden, Summers

NAYS: None

Vote Result: MOTION ADOPTED

b. General Liability and Workers' Compensation Insurance

It was moved by Trustee McFadden and seconded by Trustee Benjamin that the Funds renew the General Liability Policy, including umbrella coverage, with Hartford Casualty Insurance Company at an annual premium not to exceed \$9,662.00, such policy to commence on May 18, 2012, and to expire on May 18, 2013. It is further moved that the Funds' staff take all action reasonably necessary to effectuate the foregoing including, subject to legal review and sign off, execution of related written agreements on the Funds' behalf by the Executive Director.

Roll Call Vote:

AYES: Benjamin, Fitzgerald, Gore, Herrera, Lewandowski, McFadden, Summers

NAYS: None

Vote Result: MOTION ADOPTED

It was moved by Trustee McFadden and seconded by Trustee Benjamin that the Funds renew the Workers' Compensation Insurance Policy with Hartford Insurance Company at an annual premium of \$6,749, such policy to commence on May 18, 2012, and to expire on May 18, 2013. It is further moved that the Funds' staff take all action reasonably necessary to effectuate the foregoing including, subject to legal review and sign off, execution of related written agreements on the Funds' behalf by the Executive Director.

Roll Call Vote:

AYES: Benjamin, Fitzgerald, Gore, Herrera, Lewandowski, McFadden, Summers

NAYS: None

Vote Result: MOTION ADOPTED

7. Training and Travel Approval

It was moved by Trustee McFadden and seconded by Trustee Benjamin that the expenses, including any associated travel expenses, incurred by any Fund employee in attending the State and Local Government Benefits Association 2012 National Conference on April 15-18, 2012, in San Francisco, California, at a cost not to exceed \$1,500 per employee, be approved provided that reimbursement shall be in and for amounts consistent with the Funds' Travel Expense Reimbursement Policy.

Roll Call Vote:

AYES: Benjamin, Fitzgerald, Gore, Herrera, Lewandowski, McFadden, Summers

NAYS: None

Vote Result: MOTION ADOPTED

It was moved by Trustee McFadden and seconded by Trustee Benjamin that the expenses, including any associated travel expenses, incurred by any Fund employee in attending the Milken Institute Global Conference on April 29-May 2, 2012, in Los Angeles, California, at a cost not to exceed \$2,500, be approved provided that reimbursement shall be in and for amounts consistent with the Funds' Travel Expense Reimbursement Policy.

Roll Call Vote:

AYES: Benjamin, Fitzgerald, Gore, Herrera, Lewandowski, McFadden, Summers

NAYS: None

Vote Result: MOTION ADOPTED

It was moved by Trustee McFadden and seconded by Trustee Benjamin that the expenses, including any associated travel expenses, incurred by any Trustee in attending the International Foundation of Employee Benefit Plans Washington Legislative Update on May 7-8, 2012, in Washington, D.C., at a program cost of \$1,170, be approved provided that reimbursement shall be in and for amounts consistent with the Funds' Travel Expense Reimbursement Policy.

Roll Call Vote:

AYES: Benjamin, Fitzgerald, Gore, Herrera, Lewandowski, McFadden, Summers

NAYS: None

Vote Result: MOTION ADOPTED

8. Legislation Update

Mr. Degnan summarized a report from the Fund's lobbyist regarding the current State of Illinois Legislative session.

9. Response to President Preckwinkle's Request

The Trustees reviewed and discussed a draft of a response to Cook County Board President Preckwinkle. The Trustee's recommended some changes to the draft and directed that the letter be finalized and forwarded to the President.

10. Executive Director Transition

It was moved by Trustee Benjamin and seconded by Trustee Herrera that the Board convene an Executive Session pursuant to Section 2(c)(1) of the Open Meetings Act in order to discuss the employment of specific employees.

Roll Call Vote:

AYES: Benjamin, Fitzgerald, Gore, Herrera, Lewandowski, McFadden, Summers

NAYS: None

Vote Result: MOTION ADOPTED

There being no further matters to discuss and no action having been taken, it was moved by Trustee Balanoff and seconded by Trustee Herrera that the Executive Session be adjourned and that the Board return to open session.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

11. Old Business/New Business

12. 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 May 3, 2012.