

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 May 3, 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: John Fitzgerald, Alexis Herrera, Lauren W. Gore, Brent Lewandowski and Patrick J. McFadden

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; Colleen Lakis, Comptroller, 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; Katie Sabo, Cook County; Sandor Goldstein; Goldstein and Associates, Colin Thompson, Legacy Professionals LLP; Karl Gawlas, Legacy Professionals LLP; Theron Pickett, Cabrera Capital; Angela Myers, Loop Capital; Sharon Piet; Podesta

It was moved by Trustee McFadden and seconded by Trustee Herrera that, pursuant to Section 7(a) of the Open Meetings Act, Trustee Benjamin and Trustee Balanoff be allowed to attend the meeting by means of audio conference.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

1. Review and Consideration of:
 - a. April 5, 2012 Board Meeting Minutes.

It was moved by Trustee McFadden and seconded by Trustee Herrera that the minutes of the April 5, 2012, Board Meeting be adopted.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

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

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

Roll Call Vote:

AYES: Fitzgerald, Gore, Herrera, Lewandowski, McFadden

NAYS: None

Vote Result: MOTION ADOPTED

2. Other Benefit Matters

a. Boens

It was moved by Trustee Herrera and seconded by Trustee Gore that Retired Judge Michael C. Close be appointed to serve as the hearing officer in the administrative hearing requested by Mr. Boens.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

b. Radice

It was moved by Trustee Herrera and seconded by Trustee Gore that Retired Judge Michael C. Close be appointed to serve as the hearing officer in the administrative hearing requested by Ms. Radice.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

c. Godley

It was moved by Trustee McFadden and seconded by Trustee Lewandowski that Mr. Godley has demonstrated reasonable cause for delay in filing the application for duty disability benefits and that he is eligible for the benefits requested.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

d. Kahn

It was moved by Trustee McFadden and seconded by Trustee Herrera that the annuity granted to Ms. Kahn be revoked and that the Fund staff be authorized to take to all action reasonably necessary to recover the annuity payments previously paid.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

3. FY 2011 Audited Financial Statements

It was moved by Trustee Herrera and seconded by Trustee Gore that the 2011 Audit of the County Fund as prepared by Legacy Professionals be received and filed.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

It was moved by Trustee Herrera and seconded by Trustee Gore that the 2011 Audit of the Forest Fund as prepared by Legacy Professionals be received and filed.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

4. 2011 Actuarial Valuations

It was moved by Trustee Lewandowski and seconded by Trustee Gore that the 2011 Actuarial Valuation of the County Fund as prepared by Goldstein & Associates be received and filed.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

It was moved by Trustee Lewandowski and seconded by Trustee Gore that the 2011 Actuarial Valuation of the Forest Fund as prepared by Goldstein & Associates be received and filed.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

5. Consideration of April 24, 2012 Investment Committee Recommendations

It was moved by Trustee McFadden and seconded by Trustee Lewandowski that the Board adopt the recommendation of the Investment Committee to ratify the consent to the one-year extension of the ARCH Venture Fund V, and that the Investment Staff in consultation with Fund's Legal Counsel and Investment Consultant, be authorized to take all action reasonably necessary to effect and communicate the same.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

It was moved by Trustee McFadden and seconded by Trustee Lewandowski that the Board adopt the recommendation of the Investment Committee to ratify the consent to the two-year extension of the Pacific Venture Group II and that the Investment Staff in consultation with Fund's Legal Counsel and Investment Consultant, be authorized to take all action reasonably necessary to effect and communicate the same.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

6. PBMS-Upgrade-Finance

It was moved by Trustee McFadden and seconded by Trustee Herrera, consistent with the recommendation of the Fund's professional staff, that JC Consulting Group be retained to provide enhancements to PBMS, including but not limited to, standardizing and improving check printing processes, providing increased security and retention of retirees' banking information and other efficiencies to PBMS as presented, at a cost not to exceed \$30,000, and it is further moved that the Fund's staff be authorized to 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 executed on the Fund's behalf by the Executive Director.

Roll Call Vote:

AYES: Fitzgerald, Gore, Herrera, Lewandowski, McFadden

NAYS: None

Vote Result: MOTION ADOPTED

7. Trustee Indemnification

It was moved by Trustee McFadden and seconded by Trustee Lewandowski, that the Trustee Indemnification Agreement as presented by Ms. Burns be approved subject recommended changes by her as fiduciary legal counsel after further consultation with the Executive Director and Trustees.

Roll Call Vote:

AYES: Fitzgerald, Gore, Herrera, Lewandowski, McFadden

NAYS: None

Vote Result: MOTION ADOPTED

8. Legislative Update

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

9. Old Business/New Business

It was moved by Trustee Herrera and seconded by Trustee Lewandowski, 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: Fitzgerald, Gore, Herrera, Lewandowski, McFadden

NAYS: None

Vote Result: MOTION ADOPTED

At this time Trustee Benjamin was in attendance via audio conference.

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

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

10. 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 June 7, 2012.