



**MEETING OF THE LEGISLATIVE COMMITTEE OF THE RETIREMENT BOARD
OF THE COUNTY EMPLOYEES' AND OFFICERS' ANNUITY AND BENEFIT FUND
OF COOK COUNTY AND EX OFFICIO FOR THE FOREST PRESERVE DISTRICT
EMPLOYEES' ANNUITY AND BENEFIT FUND OF COOK COUNTY**

**70 W. Madison, Suite 1925
Chicago, IL 60602**

Minutes for the August 21, 2019, Meeting of the Committee

The County Employees' and Officers' Annuity and Benefit Fund of Cook County and the Forest Preserve District Employees' Annuity and Benefit Fund of Cook County are herein collectively referred to as the "Fund."

Call to Order and Roll Call at 9:30 am.

Trustees Present: Patrick J. McFadden (Chair), Robert DeGraff, John E. Fitzgerald, Bill Kouruklis, Kevin Ochalla, Dennis White (entered during Item 2), Joseph Nevius, Lawrence L. Wilson

Staff Present: Regina Tuczak, Executive Director; Margaret Fahrenbach, Legal Advisor; Gary LeDonne, Director Benefits Administration

Others Present: John McCabe, John McCabe and Associates; Sarah Boeckman, Burke Burns & Pinelli, Ltd.; Antonio Favela, Cook County Bureau of Finance

Public Comment

Trustee McFadden, Chair of the Legislative Committee, opened the meeting for public comment. No one requested to address the Committee and the next item of business on the Agenda was addressed.

1. Approval of April 24, 2019, Legislative Committee Meeting Minutes

It was moved by Trustee Fitzgerald and seconded by Trustee DeGraff that the presented minutes of the Legislative Committee meeting held on April 24, 2019, be adopted.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE

2. Discussion of Draft Legislation

Regina Tuczak, Executive Director, stated that the proposed legislation for actuarial based funding considered by the Retirement Board at their meeting on August 1, 2019, had been revised pursuant to the trustees' directions. The Fund's actuary, Cavanaugh MacDonald Consulting LLC, provided the calculations for a three year contribution ramp increase which would then be followed by the actuarial required contributions necessary to obtain 100% funding for both the County Fund and the Forest Preserve District Fund amortized over 30 years. Burke Burns & Pinelli, Ltd. revised the legislation to reflect the actuary's calculations. The actuary's analysis, which included the healthcare liability, and the revised legislation, were presented for the Committee's consideration.

The Executive Director stated that the contributions due from Cook County in payment year 2022, the first ramp year, were more than the combined statutory contributions required under the Illinois Pension Code and the additional contributions anticipated from an Intergovernmental Agreement ("IGA"). It was discussed that the legislation provided for specific contributions in the ramp payment years of 2022, 2023 and 2024 and noted that an actuary's analysis would be needed to determine the contributions needed for subsequent years. The actuary's analysis did not distinguish between levy years and the years that the payments would be made by the employer to the Fund. While the levy for the final payment under the 30 year amortization period would be assessed in 2050, the draft legislation should reflect that the payment would not be received until 2051. John McCabe, the Legislative Representative, stated that he and Mr. Robert Molaro would discuss potential sponsors for the legislation.

The trustees noted that the County intended to address other matters, in addition to funding, in its draft legislation. They discussed that funding needs were critical and should be given priority, particularly since the County's representatives did not appear to express a sincere interest in compromise on their proposal when they met with the Board of Trustees on April 4, 2019, and again when meeting with the Fund's representatives on May 17, 2019. The Executive Director stated that following the Retirement Board meeting on August 1, 2019, she had contacted the County's Chief Financial Officer, Mr. Ammar Rizki, to let him know that the Fund's Board wants to keep the dialogue open with the County and after the September Board meeting, plans to have something to provide to the County representatives. Ms. Tuczak indicated that Mr. Rizki stated he would like to continue to work with the Fund.

The trustees considered how the proposed legislation should be shared with the employer and labor representatives. The Executive Director was directed to prepare a letter to be considered by the Retirement Board at their meeting on September 5, 2019, communicating that the legislation was structured based upon the recommendation from the Fund's actuary to adopt a funding policy that would achieve 100% funding amortized over 30 years. The letter should explain why enactment of the proposed legislation was necessary and request their support.

It was moved by Trustee Fitzgerald and seconded by Trustee DeGraff that the Legislative Committee recommend to the Retirement Board that the proposed legislation, as modified, be introduced to the General Assembly; that the Fund's Legislative Representative John McCabe & Associates, be authorized to submit the proposed legislation to the Legislative Reference Bureau without delay; and that the Executive Director prepare draft transmittal letters for the employer and labor, to be sent with the proposed legislation, to be considered by the Retirement Board at the September 5, 2019, meeting.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE

3. Old Business/New Business

There was no old business or new business discussed.

4. Adjournment

There being no further business before the Committee, it was moved by Trustee Fitzgerald and seconded by Trustee DeGraff that the meeting be adjourned at 10:44 am.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE