



**MEETING 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 December 5, 2019, Meeting of the Board

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

Trustees Present: John Blair, Diahann Goode, Stephen Hughes, Bill Kouruklis (entered during Item 2a), Patrick McFadden, Joseph Nevius (by phone), Kevin Ochalla, James O'Rourke, Lawrence Wilson

Staff Present: Regina Tuczak, Executive Director; Margaret Fahrenbach, Legal Advisor; Brent Lewandowski, Director, Member Services; Michael Maratea, Director, Finance and Administration; Gary LeDonne, Director, Benefits Administration; Beverly Romanini, Director, Administrative Services; Jane Hawes, Director, Health Benefits; Saron Tegegne, Comptroller

Others Present: Mary Pat Burns, Burke Burns & Pinelli, Ltd.

Regina Tuczak, Executive Director, stated that Trustee Nevius had requested that he be allowed to participate in the meeting by a telephone. After confirming that a quorum of the Board was present at the meeting, it was moved by Trustee Ochalla and seconded by Trustee Goode that Trustee Nevius be allowed to participate by telephone pursuant to Section 7 of the Open Meetings Act, 5 ILCS 120/7 due to his unavailability due to family issues.

Vote Result: MOTION ADOPTED BY VOICE VOTE

Public Comment

Trustee Wilson, President of the Board, opened the meeting for public comment and no one having requested to address the Board, the next item of business on the Agenda was considered.

1. Review and Consideration of:

- a. November 7, 2019, Board Meeting Minutes

It was moved by Trustee Goode and seconded by Trustee Ochalla that the presented minutes of the Board meeting on November 7, 2019, be adopted.

Vote Result: MOTION ADOPTED BY VOICE VOTE

b. November 14, 2019, Special Board Meeting Minutes

It was moved by Trustee Goode and seconded by Trustee Blair that the presented minutes of the Special Board meeting on November 14, 2019, be adopted.

Vote Result: MOTION ADOPTED BY VOICE VOTE

2. Review and Consideration of:

a. Bills, Payroll Records

After receiving confirmation from Fund staff that the presented payments were consistent with the approved 2019 Administrative Budget, it was moved by Trustee McFadden and seconded by Trustee Blair that the Board ratify the action taken by Fund staff in remitting the indicated payments for the presented bills and payroll records in November, 2019.

Roll Call Vote:

AYES: Blair, Goode, Hughes, Kouruklis, McFadden, Nevius, Ochalla, O'Rourke,
Wilson

NAYS: None

Vote Result: MOTION ADOPTED

After receiving confirmation from Fund staff that the presented invoices for operating expenses in November, 2019, were consistent with the 2019 Administrative Budget, it was moved by Trustee McFadden and seconded by Trustee Blair that the Board approve the recommendations from Fund staff to remit payments for such presented bills.

Roll Call Vote:

AYES: Blair, Goode, Hughes, Kouruklis, McFadden, Nevius, Ochalla, O'Rourke,
Wilson

NAYS: None

Vote Result: MOTION ADOPTED

b. Annuities, Spouse and Child Annuities and Refunds

The Fund staff presented their recommendations to the Board regarding the applications for employee annuities, spouse and child annuities, and refunds and confirmed that they followed the Fund's procedures in reviewing and processing the applications in making their recommendations.

It was moved by Trustee Goode and seconded by Trustee Blair after due consideration of the applications presented to the Board and having received confirmation from Fund staff that they followed the Fund's procedures in reviewing and processing the applications, that the recommendations for the presented annuities and refunds be approved.

Roll Call Vote:

AYES: Blair, Goode, Hughes, Kouruklis, McFadden, Nevius, Ochalla, O'Rourke,
Wilson

NAYS: None

Vote Result: MOTION ADOPTED

c. Ordinary and Duty Disabilities

The Fund staff presented their recommendations to the Board regarding the applications for ordinary and duty disability benefits and confirmed that they followed the Fund's procedures in reviewing and processing the applications in making their recommendations.

It was moved by Trustee McFadden and seconded by Trustee Goode after due consideration of the disability applications presented to the Board and having received confirmation from staff that they followed the Fund's procedures in reviewing and processing the applications, that the recommendations for the presented disability applications be approved.

Roll Call Vote:

AYES: Blair, Goode, Hughes, Kouruklis, McFadden, Nevius, Ochalla, O'Rourke,
Wilson

NAYS: None

Vote Result: MOTION ADOPTED

3. Trustee Matters

a. Proposed Election of Officers and Committee Assignments

President Wilson stated that he had prepared a proposal for the trustees' consideration of those who might serve as officers on the Board, as chairs of the Board's committees and the trustees' assignments to those committees. He invited the trustees to make nominations for these positions. After discussion, the following motions were made.

It was moved by Trustee McFadden and seconded by Trustee O'Rourke that Trustee Wilson should serve as President of the Retirement Board until a successor is elected.

Vote Result: MOTION ADOPTED BY VOICE VOTE

It was moved by Trustee Hughes and seconded by Trustee O'Rourke that Trustee McFadden should

serve as Vice-President of the Retirement Board until a successor is elected.

Vote Result: MOTION ADOPTED BY VOICE VOTE

It was moved by Trustee McFadden and seconded by Trustee O'Rourke that Trustee Goode should serve as Secretary of the Retirement Board until a successor is elected.

Vote Result: MOTION ADOPTED BY VOICE VOTE

It was moved by Trustee Goode and seconded by Trustee McFadden that all the members of the Retirement Board should serve on the Investment Committee and that Trustee Ochalla should serve as Chairman. It was further moved that all so named should serve, respectively, until a successor is duly elected or appointed.

Vote Result: MOTION ADOPTED BY VOICE VOTE

It was moved by Trustee McFadden and seconded by Trustee O'Rourke that the following members of the Retirement Board should serve on the Emerging/Minority Investment Sub-Committee: Trustee Goode, Chairman; Trustee Kouruklis, Trustee Nevius, Trustee Ochalla and Trustee Wilson. It was further moved that all so named should serve, respectively, until a successor is duly elected or appointed.

Vote Result: MOTION ADOPTED BY VOICE VOTE

It was moved by Trustee Hughes and seconded by Trustee Goode that the following members of the Retirement Board should serve on the Health Benefits Committee: Trustee McFadden, Chairman; Trustee Blair, Trustee Goode, Trustee Hughes, Trustee Kouruklis, Trustee O'Rourke, and Trustee Wilson. It was further moved that all so named should serve, respectively, until a successor is duly elected or appointed.

Vote Result: MOTION ADOPTED BY VOICE VOTE

It was moved by Trustee Ochalla and seconded by Trustee O'Rourke that the following members of the Retirement Board should serve on the Legislative Committee: Trustee McFadden, Chairman; Trustee Goode, Trustee Hughes, Trustee Kouruklis, Trustee Ochalla, Trustee O'Rourke, and Trustee Nevius. It was further moved that all so named should serve, respectively, until a successor is duly elected or appointed.

Vote Result: MOTION ADOPTED BY VOICE VOTE

The trustees discussed that it would be helpful, when feasible, to schedule more than one committee meeting on a particular day in order to attain the quorum needed for purposes of the Open Meetings Act and to accommodate the trustees' schedules.

b. Review and Consideration of Proposed 2020 Board Meeting Schedule

The Executive Director stated that the proposed meeting schedule for 2020 had been prepared and was presented for the trustees' consideration. She added that the County Board meetings did not conflict with the proposed dates.

It was moved by Trustee McFadden and seconded by Trustee Goode, consistent with the recommendation of the Fund's Executive Director and the Fund's fiduciary counsel, that the proposed 2020 Meeting Schedule be adopted.

Vote Result: MOTION ADOPTED BY VOICE VOTE

Upon further consideration, the trustees noted that the Fund might be better served if the Board met on July 9, 2020, rather than on July 2, 2020, as had been approved.

It was moved by Trustee Ochalla and seconded by Trustee Blair, consistent with the recommendation of the Fund's Executive Director and the Fund's fiduciary counsel, that the proposed 2020 Meeting Schedule be amended to reflect that the July 2, 2020 meeting date be stricken and that the meeting be scheduled for July 9, 2020.

Vote Result: MOTION ADOPTED BY VOICE VOTE

c. Review and Consideration of Trustee Resolutions – R. DeGraff, J. Fitzgerald

The Executive Director stated that resolutions had been prepared for the trustees' consideration in recognition of the service performed for the Board by former Trustees Robert DeGraff and Jack Fitzgerald. The trustees reviewed the presented resolutions and recommended that a similar resolution be prepared for former Trustee Dennis White.

It was moved by Trustee Goode and seconded by Trustee McFadden that the presented resolutions acknowledging the service performed by Robert DeGraff, and John Fitzgerald as Trustees of the Retirement Board be adopted. It was also moved that a similar resolution be prepared recognizing the service provided by Dennis White.

Vote Result: MOTION ADOPTED BY VOICE VOTE

d. Distribution of 2019 Sexual Harassment Training Materials

The Executive Director stated that the trustees are required to complete their annual training regarding sexual harassment by December 31, 2019. She added that written materials to be reviewed for sexual harassment training were available on BoardEffect. Printed copies of the materials would be provided to any trustee upon request. The trustees were asked to complete the written statement included with the materials confirming that they had completed the required training.

Mary Pat Burns, fiduciary counsel, stated that the State Employees' and Officers' Ethics Act had been amended to include all trustees of pension funds governed by the Illinois Pension Code and that the trustees were required to receive annual training addressing sexual harassment issues pursuant to this Act. Ms. Burns advised that if any trustee had completed sexual harassment training as might be

required in their capacities as employees, that such training would be sufficient to satisfy the requirement for trustees of pension funds. She noted that the content of the training materials posted on BoardEffect was similar to the presentation made to the Board in 2018. The training required for 2020 would focus on preventative measures to be taken regarding sexual harassment.

4. Legislative Matters

a. Ratification of 2020 Intergovernmental Agreement

President Wilson stated that the 2020 Intergovernmental Agreement (“IGA”) between the County and the County Fund had been prepared. The IGA provided that the County would pay additional contributions to the County Fund. The IGA would need to be approved by the Board, executed on behalf of the County Fund and then delivered to the County Board for their approval. The IGA provided that the initial payment would be made by December 31, 2019,

It was moved by Trustee McFadden and seconded by Trustee Hughes that the Board approve the presented IGA with Cook County to provide additional employer contributions to the County Fund. It was further moved that Fund counsel and Fund staff should take all action reasonably necessary to effectuate the foregoing, including the execution of the IGA on behalf of the County Fund by the President of the Board and delivery of the executed document to the County.

Roll Call Vote:

AYES: Blair, Goode, Hughes, Kouruklis, McFadden, Nevius, Ochalla, O’Rourke,
Wilson

NAYS: None

Vote Result: MOTION ADOPTED

b. Update on Communication with the County Regarding Draft Legislation

The Executive Director reported that Trustee Kouruklis, Trustee Ochalla and other Fund representatives had met with County representatives on November 25, 2019, to discuss the County’s proposed legislation regarding the Fund. She presented the issues discussed and relayed that the County had asked that certain matters be addressed with the Board. The trustees engaged in a robust discussion of the issues they were asked to consider and gave directions to the Fund representatives with respect to a response to the County.

c. Update from John McCabe & Assoc. regarding 2020 Deadlines and 2019 Veto Session

The Executive Director stated that John McCabe, the Fund’s legislative representative, had prepared a written report summarizing the 2019 Veto Session. It was noted that the report provided the deadlines for introducing legislation before the General Assembly during their session that was to convene in early 2020.

The trustees discussed that the Fund had prepared legislation for actuarial based funding that had not been introduced and noted that any funding legislation would need the support of all stakeholders. They discussed that the Fund's legislation could possibly be modified to more closely track funding legislation that had been enacted for other Illinois pension funds.

5. Benefit Matters – Felony Conviction Matter, Office #129466

Trustee Wilson, President, stated that this matter would be deferred until later in the meeting.

6. Health Benefit Matters – Recommended Change in UHC Claims Administration with Respect to Medicare

Jane Hawes, Director of Health Benefits, presented a proposed change to the method used by UHC to determine benefits for members who are enrolled in Medicare Part A, but not Medicare Part B. UHC will provisionally use an in-network provider's negotiated contract price, rather than the provider's billed charges, to calculate the member's benefits. This change would be applied to claims incurred on and after January 1, 2020, and is expected to reduce costs to both the Fund and to members.

The trustees discussed the proposed change and directed Fund staff to request that the change to the calculations used by UHC for purposes of estimating benefits for members who are enrolled in Medicare Part A, but not Medicare Part B, be provisionally implemented by UHC effective January 1, 2020. The provisional implementation will allow time for the HBC to further evaluate the change and to make a recommendation to the Board about whether the change should be adopted.

7. Administrative Matters

a. CDW-G DR Services

The Executive Director stated that the Fund had engaged CDW Government LLC ("CDW-G") to provide Disaster Recovery Services since May, 2018, and that the Statement of Work ("SOW") governing the services had expired. The SOW was made pursuant to a Services Agreement between CDW-G and Cook County. She asked that the Board approve an extension of the SOW to May 3, 2020, at an approximate monthly cost of \$3,096.

It was moved by Trustee O'Rourke and seconded by Trustee Ochalla that the Board approve an extension of the SOW with CDW-G to provide Disaster Recovery Services to May 3, 2020, for the Fund's systems at a monthly cost of approximately \$3,096. It was further moved that the Executive Director be authorized to execute and deliver any related written agreement on behalf of the Fund to effectuate the foregoing.

Roll Call Vote:

AYES: Blair, Goode, Hughes, Kouruklis, McFadden, Nevius, Ochalla, O'Rourke,
Wilson

NAYS: None

Vote Result: MOTION ADOPTED

b. Executive Director Report

The Executive Director reported on the status of the certifications requested from annuitants who lived outside of the State of Illinois to verify their current addresses. The Fund attempted to contact about 2,700 of these annuitants and had not received any response from 12. At their meeting on November 7, 2019, the Board had approved the suspension of annuity benefits, but not health benefits, for such members effective December 1, 2019. The Executive Director reported that the benefits were suspended as directed by the Board. In addition, the Executive Director provided a list of last department/job of each annuitant or annuitant's spouse (in the case of a survivor annuitant), as previously requested.

The Executive Director stated that there would be a Holiday Party/Open House for Fund staff at the Fund's offices on December 20, 2019, beginning at 12:30 pm. The Fund would remain open for business during the event. No alcohol would be served and the Fund staff would provide all consumables. The trustees were all invited to attend.

The trustees were reminded that the eight hours of ethics training required by Section 1-113.18 of the Illinois Pension Code were to be completed by December 31, 2019.

The Executive Director stated that invoices for administrative expenses that were consistent with the 2019 Administrative Budget and received prior to December 31, 2019, would be paid before the year end in order to minimize the accounting required for insignificant accruals. The Board would be asked to ratify the payment of such invoices at their meeting in January. Invoices received after January 1, 2020, would be held for payment until approved by the Board.

8. 2020 Finance Matters

a. 2020 Draft Budget

The Preliminary Proposed Administration Budget for Calendar Year 2020 had been prepared for the Board and would be deferred for discussion until later in the meeting.

b. 2020 Education and Travel Pre-Approval

The Executive Director stated that a list of training sessions and conferences scheduled in 2020 was included in Section VI of the Preliminary Proposed Administration Budget for Calendar Year 2020. Attendance at these sessions would satisfy the trustees' training requirements under the Illinois Pension Code.

It was moved by Trustee Goode and seconded by Trustee Ochalla, consistent with the recommendations of the Fund staff and Fund counsel, that the expenses, including any associated travel expenses, incurred by any Trustee or Fund staff in attending any of the indicated educational conferences be approved, provided that reimbursement should be in and for amounts that are consistent with the Fund's Travel Expense Reimbursement Policy.

Roll Call Vote:

AYES: Blair, Goode, Hughes, Kouruklis, McFadden, Nevius, Ochalla, O'Rourke,
Wilson

NAYS: None

Vote Result: MOTION ADOPTED

It was moved by Trustee McFadden and seconded by Trustee Goode that the Board convene an Executive Session pursuant to Sections 2(c)(1) and 2(c)(11) of the Open Meetings Act, 5 ILCS 120/2(c)(1) to discuss personnel and litigation matters.

Roll Call Vote:

AYES: Blair, Goode, Hughes, Kouruklis, McFadden, Nevius, Ochalla, O'Rourke,
Wilson

NAYS: None

Vote Result: MOTION ADOPTED

It was moved by Trustee Hughes and seconded by Trustee Blair that the Executive Session be adjourned and that the Board return to an open session.

Vote Result: MOTION ADOPTED BY VOICE VOTE

After the Board returned to open session, the following motions were made.

It was moved by Trustee Hughes and seconded by Trustee O'Rourke that Mary Pat Burns, fiduciary counsel, contact the attorney representing the member identified by Office Number 152896 to discuss the issues raised, as directed by the Board during the closed session.

Vote Result: MOTION ADOPTED BY VOICE VOTE

It was moved by Trustee Goode and seconded by Trustee Blair that the memoranda submitted in regard to a felony conviction matter involving the member identified by Office Number 129466 be accepted into the record and that the Board take the matter under advisement for determination at the January meeting.

Vote Result: MOTION ADOPTED BY VOICE VOTE

It was moved by Trustee McFadden and seconded by Trustee Goode that the 2019 Administrative Budget be continued in and for the amounts approved by the Board until such time as an Administrative Budget is adopted for fiscal year 2020. It was further moved that the Fund obtain prior approval from the Board for any expenditure that exceeds the 2019 Administrative Budget by an annual amount of \$1,000 and for any new vendor.

Vote Result: MOTION ADOPTED BY VOICE VOTE

9. Old Business/New Business

The trustees asked that an organizational chart of the Fund staff, including a brief description of related job responsibilities, be prepared and provided to the Board.

10. Adjournment

There being no further business before the Board, it was moved by Trustee McFadden and seconded by Trustee Kouruklis the meeting be adjourned.

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

The next Board meeting is scheduled for January 9, 2020, at 9:30 a.m.