



**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 West Madison, Suite 1925
Chicago, IL 60602**

February 2, 2023 - 9:30 A.M.

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: Lawrence Wilson, President; Patrick McFadden, Vice-President; Jerry Pray, Secretary; Hal Dardick, Diahann Goode, Stephen Hughes, Kevin Ochalla, Tracy Reed, Samuel Richardson, Jr.

Staff Present: Brent Lewandowski, Interim Executive Director; Margaret Fahrenbach, Legal Advisor; Michael Maratea, Director, Finance and Administration; Gary LeDonne, Director, Benefits Administration; Francis Gonzalez-Crussi, Senior IT Manager; Saron Tegegne, Comptroller

Others Present: Mary Pat Burns, Burke Burns & Pinelli, Ltd.; Tanya Anthony, Cook County Chief Financial Officer ("CFO"); Dean Constantinou, Deputy CFO; Adelaide Del Angel, Office of the CFO; Lindsay Hollander, Office of the CFO; Martha Merrill, AFSCME; Andrea Kluger, Chicago Federation of Labor; Colin Kruse, Cook County government; John McCabe, John McCabe & Associates, Legislative Liaison; Derek Blaida, Legislative Liaison

President Wilson asked if any member of the public wanted to address the Board, but no one requested to do so.

1. Review and Consideration of January 5, 2023 Board Meeting Minutes

It was moved by Trustee Hughes and seconded by Trustee Reed that the presented minutes of the Board meeting on January 5, 2023, be adopted.

Vote Result: MOTION ADOPTED BY VOICE VOTE

2. Review and Consideration of:

a. Executive Session Meeting Minutes

- i. March 3, 2022
- ii. June 2, 2022
- iii. July 7, 2022
- iv. August 4, 2022
- v. September 1, 2022
- vi. October 6, 2022

Mary Pat Burns, fiduciary counsel, stated that the Board was asked to approve the presented minutes from closed sessions for the indicated meetings. She stated that approval of the minutes did not mean that they would become open and available to the public. It was recommended that the presented minutes be approved but remain closed.

It was moved by Trustee McFadden and seconded by Trustee Hughes that the Board approve the presented minutes from the Executive Sessions convened on the indicated dates and that the presented minutes remain closed.

Vote Result: MOTION ADOPTED BY VOICE VOTE

3. Review and Consideration of:

a. Bills, Payroll Records

It is moved by Trustee Goode and seconded by Trustee McFadden, having received confirmation from Fund staff that the indicated payments were consistent with the 2022 and 2023 administrative budgets, that the Board ratify the action taken by Fund staff in paying the presented bills for expenses incurred in 2022 and 2023 and that the Board approve the recommendations from Fund staff to remit payments for the presented bills for expenses incurred in 2022 and 2023.

Roll Call Vote:

AYES: Dardick, Goode, Hughes, McFadden, Ochalla, Pray, Reed, Richardson,
Wilson
NAYS: None

Vote Result: MOTION ADOPTED

b. Annuities, Spouse and Child Annuities and Refunds

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

Roll Call Vote:

AYES: Dardick, Goode, Hughes, McFadden, Ochalla, Pray, Reed, Richardson,
Wilson

NAYS: None

Vote Result: MOTION ADOPTED

c. Ordinary and Duty Disabilities

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

Roll Call Vote:

AYES: Dardick, Goode, Hughes, McFadden, Ochalla, Pray, Reed, Richardson,
Wilson

NAYS: None

Vote Result: MOTION ADOPTED

4. Legislative Matters

a. Presentation by Cook County Representative Regarding Proposed County Legislation

Ms. Tanya Anthony, Cook County Chief Financial Officer, stated that the County had proposed legislation regarding funding for the County Pension Fund and other matters. She stated that the County intended to build on the Fund's successes and to engage in a collaborative process regarding the proposed changes. The legislation would codify the Intergovernmental Agreement ("IGA") that has been in place for several years and would

protect pensions. Ms. Anthony introduced Mr. Dean Constantinou, the Deputy Chief Financial Officer, who gave a presentation about the County's proposed legislation. Mr. Constantinou stated that the legislation would address actuarial based funding for the County Fund, provide health benefit funding and would add two members to the Board who would be appointed by the County. It also addressed military benefits and contributions for Tier 2 employees.

The trustees asked the about whether the additional appointed trustees would add value to the Board processes and outcomes since the Fund has already retained outside consultants to advise on investment, health benefit and other matters. It was noted that the change in the Board composition was unusual, if not unprecedented, as part of legislation regarding funding for public pension funds in the State of Illinois. The trustees also had concerns about the proposals regarding health benefits. The President of the Board thanked the County representatives for their presentation and stated that the Fund would be in contact with them regarding legislation.

b. Consideration and Possible Action Regarding Legislative-Related Matters

The Interim Executive Director stated that HB 1469 had been introduced and would permit Tier 2 Sheriff's Office Police to retire at age 55 with 20 years of service. The Fund had been asked by the bill's sponsor to provide an actuarial analysis of the impact of the proposed legislation. He stated that the Fund's actuary could perform the analysis for \$3,500 and it could be extrapolated if HB 1469 were amended to include correctional officers. The trustees discussed that any actuarial analysis should only be made available at the present time to the Fund and not to members of the legislature.

It was moved by Trustee Reed and seconded by Trustee Goode that the Fund be authorized to retain Cavanaugh MacDonald Consulting, LLC, the Fund's actuary, at a fee not to exceed \$3,500, to provide an analysis of the impact of HB 1469 that had been introduced before the General Assembly to allow persons who are members of the Cook County Police Department as Tier 2 participants with 20 years of service credit, to be eligible for a retirement annuity at age 55 and who are otherwise eligible for an annuity under Article 9 of the Illinois Pension Code, but that the actuary's analysis be shared only with the Fund and not with members of the legislature at the present time. It was further moved that Fund staff was authorized to take all steps necessary to effectuate the foregoing including, subject to review by fiduciary counsel, the execution and delivery of any written agreement on behalf of the Fund by the Interim Executive Director.

Roll Call Vote:

AYES: Dardick, Goode, Hughes, McFadden, Ochalla, Pray, Reed, Richardson,
Wilson

NAYS: None

Vote Result: MOTION ADOPTED

c. Update from Legislative Liaison

John McCabe, Legislative Liaison, gave a status report regarding various matters before the General Assembly. He reported that the funding legislation for the Forest Preserve District Fund had passed both houses, but had not yet been sent to the Governor. He had received the Legislative Reference Bureau's ("LRB") review of the Fund's proposed legislation regarding election workers. He had also received the LRB review of the funding legislation that was to be introduced to the House, but he was waiting for the version to be introduced to the Senate. He would keep the Fund advised about any updates in this process.

5. Benefit Matters

a. Review and Possible Approval of Suspension of Annuitant Benefits Pursuant to the Fund's Verification Policy

The Interim Executive Director reported on the process approved by the Board to determine a member's eligibility for continued annuity benefits that has been conducted since 2021. When a member has not responded to the Fund's requests to determine their eligibility, the Board has authorized the Fund to cease direct deposits of monthly benefits and to hold the benefits in a check form until the member's eligibility can be determined. Since July, 2022, the Fund has identified additional members who have not responded to the Fund's requests regarding their eligibility. These members were listed on Exhibit B that had been presented to the Board. He asked that the Fund be allowed to discontinue the direct deposit authorizations for these members with the annuity benefit due as of March 1, 2023. Hard copy checks of the benefits would be held at the Fund's offices. Once the Fund determined that the member was eligible for benefits, the checks could be released to the annuitant.

It was moved by Trustee McFadden and seconded by Trustee Hughes that the Board approve the suspension of the payment of annuity benefits by direct deposit as of March 1, 2023 for the members identified on the indicated Exhibit B and that the annuity payments be issued as checks which are to be retained by the Fund until the members' eligibility for such benefits has been confirmed.

Roll Call Vote:

AYES: Dardick, Goode, Hughes, McFadden, Ochalla, Pray, Reed, Richardson,
Wilson

NAYS: None

Vote Result: MOTION ADOPTED BY VOICE VOTE

6. Administrative Matters

a. Review and Possible Approval of Concentra Contract Extension

The Interim Executive Director stated that the Fund was using Concentra to provide the disability reviews required under the Illinois Pension Code. Under the current contract, Concentra provided these services at a cost of \$54 for each review. The contract was to expire on February 28, 2023. The contract could be renewed for an additional year by entering an amendment to the existing agreement, but the charge would increase to \$57 for each review. He added that the Fund was generally satisfied with the services provided by the vendor and requested that the engagement be continued through February 28, 2024. A copy of the Fifth Amendment to the contract to provide for the extension had been signed by Concentra and approved as to form by fiduciary counsel.

It was moved by Trustee McFadden and seconded by Trustee Goode that the Board approve the proposed Fifth Amendment to the Agreement with Occupational Health Centers of Illinois, P.C., d/b/a Concentra Medical Centers to perform disability evaluations as required under the Illinois Pension Code extending the engagement from March 1, 2023, through February 28, 2024, at a rate of \$57 per evaluation, as presented and as signed on behalf of Concentra and approved as to form by fiduciary counsel. It was further moved that the Interim Executive Director be authorized to sign the presented Amendment to effectuate the foregoing on behalf of the Fund

Roll Call Vote:

AYES: Dardick, Goode, Hughes, McFadden, Ochalla, Pray, Reed, Richardson, Wilson

NAYS: None

Vote Result: MOTION ADOPTED

b. Review and Possible Approval of Engagement Letters with RSM

The Interim Executive Director stated that the Fund had conducted an RFP in October, 2020, for the selection of a certified public accounting firm to conduct the annual independent audits of the financial statements of the County Fund and the Forest Preserve District Fund. RSM US LLP (“RSM”) was the successful candidate. RSM performed the audits for fiscal years 2020 and 2021. They have proposed the presented Arrangement Letters to provide the audit services for fiscal year 2022. The Arrangement Letters are consistent with the RFP, have been

reviewed by fiduciary counsel and have been signed on behalf of RSM. The work on the audits for 2022 can begin once the Arrangement Letters have been signed on behalf of the Fund and returned to RSM.

It was moved by Trustee Hughes and seconded by Trustee Richardson that the Board approve the proposed Audit Arrangement Letters from RSM US LLP (“RSM”) to perform the 2022 Audits for the County Fund and the Forest Fund as presented and signed on behalf of RSM and approved as to form by fiduciary counsel. It was further moved that the Interim Executive Director be authorized to sign the presented Audit Arrangement Letters to effectuate the foregoing on behalf of the County Fund and the Forest Fund.

Roll Call Vote:

AYES: Dardick, Goode, Hughes, McFadden, Ochalla, Pray, Reed, Richardson,
Wilson

NAYS: None

Vote Result: MOTION ADOPTED

c. Interim Executive Director Report

The Interim Executive Director stated that a former employee of the County Board of Review had pled guilty to felony bribery charges that may have been committed while he was employed by the County. The member resigned from County employment and took a full refund of his contributions to the Fund. He was not eligible for annuity benefits from the Fund.

The Cook County Pension Committee has scheduled a meeting on February 8, 2023, to discuss the financial implications of pension legislation. Commissioner Gainer, who chairs the committee, had not asked the Fund to attend the meeting or to provide any materials.

The Fund conducted seven in-person interviews with candidates for the CIO position. Four of the candidates were selected for second interviews which were to be conducted in February at the Fund’s office.

The Investment Committee will have a meeting on February 28, 2023, at 9:30 am. The performance results of 4Q 2022, a presentation about the outlook for capital markets, a manger-presentation from Lazard and Investment Policy Statement changes will be topics of discussion.

7. Legal Matters

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

Roll Call Vote:

AYES: Dardick, Goode, Hughes, McFadden, Ochalla, Pray, Reed, Richardson,
Wilson

NAYS: None

Vote Result: MOTION ADOPTED

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

Vote Result: MOTION ADOPTED BY VOICE VOTE

a. Motion for Reconsideration Regarding Felony Forfeiture – Office No. 170434

It was moved by Trustee Goode and seconded by Trustee Richardson that the Member had not presented any grounds to support his motion for reconsideration and that the Board should direct fiduciary counsel to advise the Member by letter that the Board would not reconsider its decision regarding his eligibility for annuity benefits.

Vote Result: MOTION ADOPTED BY VOICE VOTE

b. Legal Report

There was no motion made or required to be made for Item 7b following the return to an open Session.

8. Consideration and Possible Action Regarding Personnel Matters

There was no motion made or required to be made for Item 8 following the return to an open Session.

9. Old Business/New Business

A trustee proposed that the Board consider posting the agenda and Board materials on a platform that he suggested. It was noted that the agenda was posted on the Fund's website and at the Fund's office as required under the Open Meetings Act.

10. Adjournment

It was moved by Trustee Richardson and seconded by Trustee Goode that the meeting be adjourned.

Vote Result: MOTION ADOPTED BY VOICE VOTE

The next Board meeting was scheduled for March 2, 2023, at 9:30 am.