

**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**

April 3, 2025 - 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: Kevin Ochalla, President; Tracy Reed, Vice-President; Hal Dardick, Secretary; Tanya Anthony; Siobhain Martin; Lakeisha Marvel; Patrick McFadden; Jerry Pray, Samuel Richardson, Jr.

Staff Present: Brent Lewandowski, Executive Director; Saron Tegegne, Deputy Executive Director; Gary LeDonne, Director, Benefits Administration; Stephen Wolff, Director of Investments; Margaret Fahrenbach, Legal Advisor; Rosemary Ihejirika, Benefits Manager; Francis Gonzalez-Crussi, Senior IT Manager; Madeline Bouck, Administrative Coordinator

Others Present: Mary Patricia Burns, Burke Burns & Pinelli, Ltd.; Ashley Ramchandani, Cook County Deputy CFO; Carolyn Johnson, Annuitant; John McCabe, John McCabe & Associates; Derek Blaida, John McCabe & Associates; Angela Meyers, Loop Capital

President Ochalla stated that there was a quorum of the Board present at the meeting and that certain trustees had asked to participate remotely. It was moved by Trustee Richardson and seconded by Trustee Marvel pursuant to Section 7(a) of the Open Meetings Act that the Board allow trustees who were not able to be physically present at the meeting to participate remotely.

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

President Ochalla asked if anyone present wanted to address the Board. Carolyn Jackson, a Cook County Annuitant, asked if the Board was looking for healthcare benefits that might be more cost efficient for retirees. The cost of healthcare through the Fund was especially problematic for retirees who were not eligible for Medicare and those with children who might be able to participate. President Ochalla stated that the high cost for healthcare affected everyone and not just Fund retirees. He added that these costs were reviewed every year by the Fund and would be under consideration at the next Health Benefits Committee meeting on June 17, 2025.

1. Review and Consideration of:
 - a. Approval of March 6, 2025, Board Meeting Minutes

It was moved by Trustee Reed and seconded by Trustee Richardson that the presented minutes from the Board meeting on March 6, 2025, be approved.

Vote Result: MOTION ADOPTED BY VOICE VOTE

2. Review and Consideration of Approval of the following items:

a. Bills, Payroll Records

It was moved by Trustee Dardick and seconded by Trustee Marvel having received confirmation from Fund staff that the listed payments were consistent with the 2025 administrative budget, that the Board ratify the action taken by Fund staff in March 2025 in paying the presented bills for expenses incurred in 2025 and that the Board approve the recommendations from Fund staff to remit payments for the presented bills for expenses incurred in 2025.

Roll Call Vote:

AYES: Anthony, Dardick, Martin, Marvel, McFadden, Pray, Reed,
Richardson, Ochalla

NAYS: None

Vote Result: MOTION ADOPTED

b. Annuities, Spouse and Child Annuities and Refunds

It was moved by Trustee Reed and seconded by Trustee Richardson, 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: Anthony, Dardick, Martin, Marvel, McFadden, Pray, Reed,
Richardson, Ochalla

NAYS: None

Vote Result: MOTION ADOPTED

c. Ordinary and Duty Disabilities

It was moved by Trustee Richardson and seconded by Trustee Marvel, 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: Anthony, Dardick, Martin, Marvel, McFadden, Pray, Reed,
Richardson, Ochalla

NAYS: None

Vote Result: MOTION ADOPTED

3. Legislative Matters
 - a. Update from the Legislative Liaison

John McCabe, McCabe & Associates, stated that HB 2478 had been introduced. It would amend Article 9 to allow employees to purchase up to four years of military service. The trustees discussed that the employer advised the sponsor about problems the legislation presented, particularly regarding how interest would be calculated to purchase the service credit. The trustees asked the executive director and the legislative liaison to reach out to the sponsor to discuss how the benefit might be administered.

The legislative liaison also stated that HB 1700 might have an impact on the Fund's deposits and investments with banks that would have to be in compliance with the Illinois Community Reinvestment Act if they accepted public pension fund deposits. Fiduciary counsel stated that the proposed legislation would be evaluated to determine if it would apply to the Fund.

It was also noted that SB 1456 would require the Department of Insurance to develop a training curriculum for all trustees of public pension funds. Other legislation that would allow Tier 2 members to participate in Tier 1 benefits would likely cost the State in excess of \$31 billion, so such legislation was not likely to go forward. It was possible that legislation for safe harbor provisions for Tier 2 benefits could proceed.

4. Review and Consideration of Approval of Investment Committee Recommendations

- a. March 25, 2025

- i. Review and Consideration of Approval of Recommendation regarding selection of International Equity Manager Finalists

Brent Lewandowski, Executive Director, stated that Callan presented a structural review of the County Fund's international equity portfolio in November 2024. After due consideration, the Investment Committee recommended and the Board approved a search for two new international equity mandates in the amounts of \$300 million for an active core portfolio and \$150 million for an active value portfolio. At the meeting on March 25, 2025, the Investment Committee heard presentations from five finalists and discussed their relative qualifications. The Investment Committee recommended, as was consistent with the recommendations from Callan and the Director of Investments, that the Board approve commitments to Acadian Asset Management and ARGA Investment Management for international equity mandates for the County Fund in the amounts of \$300 million (Core) and \$150 million (Value) respectively.

It was moved by Trustee Dardick and seconded by Trustee Anthony, after due consideration of the disclosures required by Section 1-113.21 of the Illinois Pension Code, that the Board adopt the recommendation made by the Investment Committee at the meeting on March 25, 2025, as was consistent with the recommendations from Callan and the Director of Investments, to commit capital to Acadian Asset Management and ARGA Investment Management to manage international equity mandates for the County Fund in the amounts of \$300 million (Core) and \$150 million (Value), respectively, subject to successful legal review and negotiations.

Roll Call Vote:

AYES: Anthony, Dardick, Martin, Marvel, McFadden, Pray, Reed, Richardson, Ochalla

NAYS: None

Vote result: MOTION ADOPTED

5. Administrative Matters

a. Review and Consideration of Approval of Referral of Matters Pursuant to 40 ILCS 5/1-135

The executive director stated that several investment managers reported that they had received emails that were purportedly from the Fund that appeared to be ‘phishing’ attempts. No action was taken in response to the emails and no assets were misdirected. Fund staff believed that the emails appeared to be fraudulent and recommended that the incidents be reported to the Cook County State’s Attorney pursuant to Section 1-135 of the Illinois Pension Code.

It is moved by Trustee Anthony and seconded by Trustee Marvel that the Board find that there were reasonable suspicions that the indicated emails constituted false statements or falsified records within the meaning of Section 1-135 of the Illinois Pension Code, 40 ILCS 5/1-135. In accordance with 40 ILCS 5/1-135, the Fund was authorized to report the incidents on behalf of the Board to the Cook County State’s Attorney

Vote Result: MOTION ADOPTED BY VOICE VOTE

b. Review and Consideration of Approval of Engagement Letters with RSM LLP for 2024 Audit

The executive director stated that there were differences between the Fund and RSM about the provisions in the engagement letters regarding cyber security and other matters. He reported that the differences had been resolved, and he presented the engagement letters which were signed on behalf of RSM. He requested authority from the Board to allow the President of the Board, the executive director and the deputy executive director to sign the engagement letters for both the County Fund and the Forest Preserve District Fund.

It was moved by Trustee Anthony and seconded by Trustee Marvel that the Board approve the presented engagement letters from RSM to perform the 2024 audits for the County Fund and the Forest Preserve District Fund, as signed on behalf of RSM, and authorize the President of the Board, the executive director and the deputy executive director to sign the presented engagement letters on behalf of the County Fund and the Forest Preserve District Fund.

Roll Call Vote:

AYES: Anthony, Dardick, Martin, Marvel, McFadden, Pray, Reed, Richardson, Ochalla

NAYS: None

Vote Result: MOTION ADOPTED

c. Executive Director Report

The executive director reported that the REX project was on hold because the selected vendor was not able to host the data received from the reciprocal systems. The reciprocal systems were considering the next steps, which could include finding either a separate vendor or having a reciprocal system other than SURS host the data. Fund staff also summarized the possibility of the reciprocal funds retaining their data on their own servers. The data would be encrypted and then sent to the servers at other funds to identify any matches. The trustees asked how reciprocal systems in other states share their data. Fund staff would survey other states and report to the Board how they share the data.

The executive director provided a status report about the RFP to retain a vendor for a new pension administration system. He stated that between March 17 through March 19, three candidates demonstrated for Fund staff and certain trustees how their respective systems functioned. During the presentations, Fund staff and the trustees were able to interact with the systems and the vendors' proposed teams. The next step was to request the best and final offers from the vendors and to conduct site visits with pension funds who were utilizing the vendors' systems.

6. Legal Matters

a. Review and Consideration of Approval of Hearing Officer Recommendation involving Office #182523

The executive director reported that the Retirement Board denied an application for a continuation of ordinary disability benefits that had been filed by the Member identified by Office #182523. The Member filed a request for an administrative hearing. The hearing officer conducted a telephone conference call, which included the Member and the Fund legal advisor, to schedule the administrative hearing and to discuss how it would proceed. During the call, the Member stated that she did not want to proceed with the hearing and moved to dismiss her appeal. The hearing officer entered an order dismissing the Member's request for an administrative hearing and prepared a report of the proceedings for the Board.

It was moved by Trustee McFadden and seconded by Trustee Marvel that the Board received and file the Hearing Officer's Report regarding the Member identified by Office Number 182523 and reaffirm its earlier denial of the benefits the Member had requested as a final administrative decision pursuant to Section 9-236 of the Illinois Pension Code.

Roll Call Vote:

AYES: Anthony, Dardick, Martin, Marvel, McFadden, Pray,
Reed, Richardson, Ochalla

NAYS: None

Vote Result: MOTION ADOPTED

7. Old Business/New Business

A trustee raised a question about when an employee was entitled to receive interest on the contributions paid to the Fund. In response to the trustee's question, Fund staff stated that a participant was only entitled to receive interest on contributions while employed. If a person withdrew from employment and requested a refund, the interest would be calculated through the date the employee withdrew from service.

8. Adjournment

It was moved by Trustee Richardson and seconded by Trustee Ochalla that the meeting be Adjourned.

Vote Result: MOTION ADOPTED BY VOICE VOTE

The next Board meeting was scheduled for May 1, 2025, at 9:30 a.m.