

**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**

**May 4, 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, Kevin Ochalla, Tracy Reed, Samuel Richardson, Jr.

**Staff Present:** Brent Lewandowski, Executive Director; Margaret Fahrenbach, Legal Advisor; Michael Maratea, Director, Finance and Administration; Gary LeDonne, Director, Benefits Administration; Saron Tegegne, Comptroller

**Others Present:** Mary Pat Burns, Burke Burns & Pinelli, Ltd.; Sarah Boeckman, Burke, Burns & Pinelli, Ltd; Cathryn Marsico, Office of the CFO; Colin Kruse, Cook County Government; John McCabe, John McCabe & Associates; Derek Blaida, John McCabe & Associates

President Wilson asked if anyone present wanted to address the Board, but no one requested to do so.

1. Review and Consideration of April 6, 2023 open and closed Board Meeting Minutes

It was moved by Trustee Ochalla and seconded by Trustee Ricahrdsen that the presented minutes of the open and closed sessions of the Board meeting on April 6, 2023, be adopted. It was further moved that the minutes from the closed session remain closed.

Vote Result: MOTION ADOPTED BY VOICE VOTE

2. Review and Consideration of:

a. Bills, Payroll Records

It is moved by Trustee Ochalla and seconded by Trustee Dardick having received confirmation from Fund staff that the indicated payments were consistent with the

2023 administrative budget, that the Board ratify the action taken by Fund staff in paying the presented bills for expenses incurred in 2023 and that the Board approve the recommendations from Fund staff to remit payments for the presented bills for expenses incurred in 2023.

Roll Call Vote:

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

NAYS: None

Vote Result: MOTION ADOPTED

Following the Board's approval of the presented bills and benefit payments, President Wilson congratulated Mr. Brent Lewandowski as the Fund's newly appointed Executive Director.

3. Legislative Matters

- a. Review and possible action relating to Cook County Proposed Legislation  
Brent Lewandowski, Executive Director, summarized the status of the legislation proposed by Cook County regarding the Fund. He stated that on May 1, 2023, the County had sent him proposed legislation that had been revised from its first draft. The revised legislation added a new section that required the Fund to provide separate reporting to the County about health benefits based upon actuarial valuation. The County also wanted to maintain the health benefits provided at the levels set for 2023. The County continued to seek the authority to appoint two additional trustees to the Board. The proposed legislation for actuarial based funding (“ARC”), Tier 2 revisions and military service remained substantially the same. The Executive Director was seeking direction from the Board about how to respond to the County.

The trustees discussed the proposed governance changes and recognized that the legislature wanted the County and the Board to come to an agreement about the proposed legislation. The Board noted that both the County and the Fund would benefit from ARC funding, but that there were no other funds in Illinois where the transition to ARC funding had been tied to governance changes. The County maintained that the advice provided by the additional employer-appointed trustees would be beneficial. The trustees discussed that the Board already retained consultants to provide advice on matters before them, as was consistent with their fiduciary duties, and that they were committed to that process. The trustees noted that other stakeholders were opposed to changes in governance because there was no serious justification to support such changes. The Board directed the Executive Director to communicate to the County that they agreed with the legislation for changes related to ARC funding, health benefit considerations, Tier 2 revisions and military service benefits. However, the Board could not support any changes to governance.

- b. Update from Legislative Liaison

John McCabe of McCabe & Associates, the Fund’s legislative liaison, stated that if the Board and the County cannot agree about the governance issues, the legislators might make a counter-proposal to add only one additional appointed trustee. He stated that according to the General Assembly’s calendar, bills were expected to pass the second chamber by May 12 and that the session was to end by May 19. If the legislation for the Fund did not pass the second chamber, it might be continued into the fall veto session. The Executive Director thanked the legislative liaison for keeping him informed about these matters.

#### 4. Trustee Matters

- a. Review and possible action relating to Legislative Committee Meeting  
Recommendations

The Executive Director stated that the Legislative Committee had met immediately prior to the Board’s meeting to discuss the trustee election scheduled in October, 2023.

He stated that the Legislative Committee discussed the processes followed in earlier years regarding the method of voting and the appointment of an ad hoc Election Committee. They also discussed the retention of service providers to assist in the election process. The Legislative Committee had made recommendations to the Board about how the election should be conducted and the following motions were made based upon the Committee's recommendations.

It was moved by Trustee Pray and seconded by Trustee McFadden that the Board adopt the recommendation made by the Legislative Committee at their meeting on May 4, 2023, for purposes of the election of a Cook County Employee Trustee to be elected in October, 2023, that all active members eligible to vote as of a date certain in accordance with the Election Rules to be approved by the Board, be mailed a ballot to be returned to a designated USPS post box. It was further moved that the Board adopt the Legislative Committee's recommendation that there shall be no in-person voting conducted for the election in 2023.

Vote Result: MOTION ADOPTED BY VOICE VOTE

It was moved by Trustee Pray and seconded by Trustee Reed that the Board adopt the recommendation made by the Legislative Committee at their meeting on May 4, 2023, for purposes of the election in 2023, that an ad hoc Election Committee be established to be comprised of three trustees, none of whom shall be a candidate in the election.

Vote Result: MOTION ADOPTED BY VOICE VOTE

It was moved by Trustee Pray and seconded by Trustee McFadden that the Board adopt the recommendation made by the Legislative Committee at their meeting on May 4, 2023, for purposes of the election in 2023, that The Hensley Company be retained as the election service provider and that the Fund be authorized to conduct contract negotiations with the vendor for terms that shall be presented to the Board for approval before the contract is executed on behalf of the Fund.

Vote Result: MOTION ADOPTED BY VOICE VOTE

It was moved by Trustee Pray and seconded by Trustee McFadden that the Board adopt the recommendation made by the Legislative Committee at their meeting on May 4, 2023, for purposes of the election in 2023, that Matthew Welch, of Montana & Welch, be engaged as the Retained Attorney and that the Fund be authorized to conduct negotiations for an Engagement Letter for his services that shall be presented to the Board for approval before the document is executed on behalf of the Fund

Vote Result: MOTION ADOPTED BY VOICE VOTE

- b. Consideration and possible action as Board President's 2023 Election Committee

It was moved by Trustee Pray and seconded by Trustee McFadden that Trustee McFadden, Trustee Reed and Trustee Richardson be appointed to the ad hoc Election Committee for purposes of the 2023 election and that they serve as provided in the Election Rules for the 2023 election to be approved by the Board.

Vote Result: MOTION ADOPTED BY VOICE VOTE

- c. Consideration and possible action as to process to fill Forest Preserve Trustee Vacancy

The Executive Director stated, due to the retirement of Trustee Hughes, that there was a vacancy on the Board for the Forest Preserve District Employee member. He added that under Section 9-187 of the Illinois Pension Code that the Board had the authority to appoint a successor from the employees of the Forest Preserve District to serve during the remainder of the unexpired term. The Executive Director summarized the processes that had been followed in earlier years to fill vacancies on the Board. The trustees discussed the procedures that could be followed to fill the current vacancy.

It was moved by Trustee McFadden and seconded by Trustee Reed that the Executive Director post notices of the vacancy of the Forest Preserve District Employee Member position on the Board with the employer and on the Fund's website inviting eligible employees to notify the Fund of their interest in filling the vacancy.

Vote Result: MOTION ADOPTED BY VOICE VOTE

- d. Consideration and possible action relating to adoption of Trustee Resolution honoring S. Hughes

The Executive Director stated that the Fund had prepared a resolution for the Board's consideration to acknowledge former Trustee Hughes for his service on the Board.

It was moved by Trustee Richardson and seconded by Trustee Pray that the presented Resolution acknowledging the service performed by Stephen Hughes as Trustee of the Retirement Board be adopted.

Vote Result: MOTION ADOPTED BY VOICE VOTE

## 5. Finance Matters

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

The Executive Director reported that in April, 2023, two falsified checks had been presented for payment to BNY/Mellon. There were also emails transmitted to investment managers that appeared to have been sent by Fund staff requesting

information about the Fund's account and that funds be made available for transfer from the accounts. The Fund did not incur any losses, but the Board was obligated to report the incidents to the Cook County State's Attorney

It was moved by Trustee Reed and seconded by Trustee Pray that the Board find that there were reasonable suspicions that the identified checks and the communications from third parties to certain investment managers appeared to constitute 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

6. Health Benefit Matters

a. Review and Consideration for Authority to Negotiate UnitedHealthcare Agreement

The Executive Director stated that the contract with UnitedHealthcare expires on December 31, 2023. Segal, the Fund's health benefits consultant, believed that UHC was most likely the best vendor to provide the services and proposed that a renewal be negotiated. Segal's services to negotiate the renewal are included in the Master Contract and would not require additional fees.

It was moved by Trustee Dardick and seconded by Trustee McFadden that the Fund be authorized to engage Segal Consulting, pursuant to the Master Contract and without any additional fees, to negotiate a renewal of the agreement with UnitedHealthcare to provide services as a third-party administrator for the retiree health care plan as presented. It was further moved that the final terms of any renewal agreement negotiated by Segal be presented to the Board for final approval before the document would be signed on behalf of the Fund.

Vote Result: MOTION ADOPTED BY VOICE VOTE

7. Administrative Matters

a. Review and possible approval of Change Order with AIS regarding Managed Backup and Disaster Recovery Services

The Executive Director stated that the Fund received Managed Backup and Disaster Recovery Services from CDW-G. through a Master Agreement with Cook County. The services were actually provided by All Information Service, Inc. ("AIS") as a subcontractor to CDW-G. The agreement expired on May 4, 2023, but the fees proposed by CDW-G for a renewal increased by 45%. AIS could provide the services directly to the Fund for a lower cost. CDW-G had no objection to the Fund contracting

directly with AIS. The Executive Director requested authority to extend the agreement with CDW-G for an additional three months to allow time for the Fund to finalize the terms with AIS.

It was moved by Trustee McFadden and seconded by Trustee Dardick that the Board approve the proposed Change Order with CDW-G to provide managed backup and disaster recovery services, through its subcontractor AIS, for the Fund from May 4, 2023, through August 4, 2023, at a monthly fee not to exceed \$3,095 and that the Executive Director, subject to legal review, be authorized to execute and deliver the presented Change Order, or any other related written agreement, on behalf of the Fund, to effectuate the foregoing.

Roll Call Vote:

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

NAYS: None

Vote Result: MOTION ADOPTED

b. Review and possible approval of Renewal for General Liability Insurance and Workers' Compensation Policies

The Executive Director stated that the Fund's General Liability and Workers' Compensation Policies, issued by Hartford, were to expire on May 18, 2023, and that the Fund was able obtain renewal policies that were largely consistent with the 2023 administrative budget. The General Liability policy now included endorsements for fraudulent transfers that were not provided in the expiring policy.

It was moved by Trustee Reed and seconded by Trustee Richardson that the Board approve the renewal of the General Liability Policy with Hartford Insurance and the Workers' Compensation Insurance Policy with Hartford Insurance as presented and that the Executive Director be authorized to sign any written document related to the renewal, subject to approval by fiduciary counsel, to effectuate the foregoing on behalf of the Fund.

Roll Call Vote:

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

NAYS: None

Vote Result: MOTION ADOPTED

c. Update on the Pension Administration System Project

Gary LeDonne, Director, Benefits Administration, provided a summary of the process followed by the Fund to procure a vendor to design and install a pension administration system ("PAS"). He stated that the Fund had engaged a consultant and conducted an RFP for vendors to design a PAS that would meet the Fund's requirements. Two

finalists had been identified through the RFP, but due to administrative changes at the Fund, a successful candidate was not selected. He reported that the Fund had reconvened with the PAS consultant to develop a path forward for the project. A timeline had been developed to review and finalize the Fund's requirements for a PAS and to share those requirements with the two finalists so that they could provide updated proposals, It was expected that any updated proposals would be reviewed by October, 2023. The Fund would keep the Board advised about the status of the PAS project.

d. Review and possible action relating to adoption of Employee Resolution-honoring S. Taylor

The Executive Director stated that an employee of the Fund, Stephanie Taylor, has provided exceptional assistance to members which had been acknowledged by the Board at their last meeting. At the request of the trustees, a Resolution had been prepared for the Board's consideration regarding Ms. Taylor's service.

It was moved by Trustee McFadden and seconded by Trustee Richardson that the presented Resolution acknowledging the service performed by Stephanie Taylor, an employee of the Cook County Pension Fund, be adopted

Vote Result: MOTION ADOPTED BY VOICE VOTE

e. Executive Director Report

The Executive Director reported that the Fund's financial statements and actuarial valuations for 2022 were in process and would be reported to the Board at the meeting in June.

He stated that a Health Benefits Committee ("HBC") was scheduled for May 18, 2023, and that an Investment Committee meeting was scheduled for May 23, 2023. President Wilson noted that former Trustee Hughes had been on the HBC and asked that the meeting be deferred until the vacancy was filled.

8. Consideration and Possible Action Regarding Personnel Matters

It was moved by Trustee McFadden and seconded by Trustee Ochalla, 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, McFadden, Ochalla, Pray, Reed, Richardson, Wilson

NAYS: None

Vote Result: MOTION ADOPTED



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

Vote Result: MOTION ADOPTED BY VOICE VOTE

9. Old Business/New Business

There was no old business or new business discussed.

10. Adjournment

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

Vote Result: MOTION ADOPTED BY VOICE VOTE

The next Board meeting was scheduled for June 1, 2023, at 9:30 am.