

**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 May 7, 2020, Meeting of the Board

The meeting was conducted to allow all trustees and other attendees to participate by telephone as permitted by the Illinois Governor Executive Order Number 2020-07 dated March 16, 2020, as extended by Executive Order 2020-33 dated April 30, 2020

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, Patrick McFadden, Joseph Nevius, Kevin Ochalla, James O'Rourke, Lawrence Wilson

Staff Present: Regina Tuczak, Executive Director; Caroline Vullmann, Deputy Executive Director; Margaret Fahrenbach, Legal Advisor; Michael Maratea, Director, Finance and Administration; Gary LeDonne, Director, Benefits Administration; Jane Hawes, Director, Health Benefits; Brent Lewandowski, Director, Member Services; Fernando Vinzons, Director, Investments

Others Present: Mary Pat Burns, Burke Burns & Pinelli, Ltd.; Fiduciary Counsel; Noureen Hashim, Office of Commissioner Bridget Gainer; Danielle Correa, Financial Investment News; Martha Merrill, AFSCME

Public Comment

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

1. Review and Consideration of:

- a. April 2, 2020, Board Meeting Minutes

It was moved by Trustee McFadden and seconded by Trustee Blair that the presented minutes of the Board meeting on April 2, 2020, be adopted.

Vote Result: MOTION ADOPTED BY VOICE VOTE

b. April 2, 2020, Audio Transcript of Board Meeting

It was moved by Trustee McFadden and seconded by Trustee Blair that the presented transcription of the audio recording of the Board meeting on April 2, 2020, be accepted and filed.

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 bills for expenses incurred in December, 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

After receiving confirmation from Fund staff that the presented payments were consistent with the approved 2020 administrative budget, it was moved by Trustee McFadden and seconded by Trustee Blair that the action taken by Fund staff in remitting the indicated payments for the presented bills and payroll records in April, 2020, be ratified.

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 Blair, having received confirmation from Fund staff that the presented bills for expenses incurred in April, 2020, were consistent with the 2020 administrative budget, 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 McFadden 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 Blair after due consideration of the disability 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 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. Administrative Matters

a. Approval of Audit Engagement Letters

Regina Tuczak, Executive Director, stated that the Fund had received six engagement letters from Legacy Professionals LLP to perform the financial reporting for the fiscal year ending on December 31, 2019. In July of 2015, Legacy had provided a letter detailing audit fees for each of the years 2015 through 2019. Since July, 2015, additional financial reporting requirements were issued, and the Fund has been requested to provide financial reporting for the employer pursuant to GASB 68, for pension amounts, and GASB 75, for Other Post Employment Benefits, or health benefits. Legacy has requested additional fees of \$2,000 to prepare each of the financial reports relating to GASB 68 and GASB 75. Ms. Tuczak also

indicated that Legacy indicated an hourly fee is necessary to perform audit procedures on alternative investments at the rates provided in the letter dated July 13, 2015. The Executive Director recommended that the engagement letters for both the Cook County Fund and the Forest Preserve Fund be executed and requested authority from the Board to do so. She added that the 2019 audits would be the final year for the services contemplated by Legacy's letter dated July 13, 2015, and that she expected the Fund to issue an RFP for future audit services.

It was moved by Trustee McFadden and seconded by Trustee Blair that the Board approve the engagement letters presented by Legacy Professionals LLP for the fiscal year 2019 audits of both the County Fund and the Forest Preserve Fund and that, subject to legal review, the Executive Director be authorized to execute and deliver the engagement letters on behalf of the Board.

Vote Result: MOTION ADOPTED BY VOICE VOTE

- b. Approval of Change Order with CDW-G Regarding Managed Backup and Disaster Recovery Services

The Executive Director stated that since May, 2018, the Fund has received Disaster Recovery services from All Information Services, Inc. ("AIS"), which is an approved service partner of CDW Government LLC ("CDW-G"). The relationship is governed by the Professional Services Agreement between CDW-G and Cook County that was executed on May 11, 2019. The specific services provided by AIS for Disaster Recovery are governed by a SOW with the Fund. The current SOW expired on May 4, 2020, but AIS continues to provide the needed services. The Executive Director stated that although the Fund continued to evaluate both the vendor and the services required, she recommends that given the challenges of the current environment that such engagement be renewed through May 4, 2021. The extension would be reflected in a Change Order to the SOW, but the terms and conditions would otherwise be unchanged. The monthly fee would be approximately \$3,095.

It was moved by Trustee McFadden and seconded by Trustee Blair that the Board approve the Change Order to the SOW with CDW-G for Managed Backup and Disaster Recovery Services to continue the existing SOW for the same services from May 5, 2020 through May 4, 2021, at monthly cost not to exceed \$3,100. It was further moved that Fund staff should take all steps reasonably necessary to effectuate the foregoing including, subject to legal review, the execution and delivery of any related written agreement on behalf of the Fund by the Executive Director.

Roll Call Vote:

AYES: Blair, Goode, Hughes, Kouruklis, McFadden, Nevius, Ochalla,
O'Rourke, Wilson
NAYS: None

Vote Result: MOTION ADOPTED

- c. Executive Director Report
 - i. Management of Operations during COVID 19 situation

The Executive Director stated that the action taken by the Fund with respect to its operations during the COVID 19 pandemic continued in the same manner as was reported to the Board at their meeting on April 2, 2020. The employees working remotely were required to work from 8:30 am to 4:30 pm and to submit daily task logs recording their activity to the Executive Director. The skeleton crew of employees present at the office received the mail, faxes and courier deliveries. They also retrieved correspondence and applications that were printed at the Fund by employees working remotely and prepared them for mailing or scanning. All inbound and outbound member communications have continued. Because Governor Pritzker had announced that his executive order regarding ‘shelter in place’ directives would be extended to May 30, 2020, she indicated that the Fund’s staff would continue these procedures until at least that date.

The Executive Director stated that the annuity benefits due on May 1, 2020 and the disability benefits due on April 30, 2020 had been paid. The hard copy checks for those annuitants who did not receive direct deposits were mailed on April 27, 2020.

ii. Families First Coronavirus Response Act (“FFCRA”)

The Executive Director reported that Congress enacted the Families First Coronavirus Act (“FFCRA”) on March 18, 2020. Among other things, FFCRA required health plans to waive co-pays for COVID-19 diagnostic testing, including related provider fees, urgent care center costs and emergency room visits. The Fund received notice of these requirements from both UHC and Segal.

On March 12, 2020, UHC notified the Fund that it would comply with these FFCRA requirements beginning on April 1, 2020, which would retroactively be applied to claims for services incurred on March 18 and subsequent. Under the FFCRA, the Fund would be expected to absorb the co-pay amounts that would typically have been paid by members from March 18, 2020, through June 18, 2020. The Fund was advised that it could ‘opt out’ of this requirement by so notifying UHC no later than March 20, 2020. If it elected to opt-out, the Fund was asked to provide UHC an opinion from its legal counsel that the Fund is exempt from the FFCRA requirements. Segal had advised that these FFCRA requirements applied to retiree plans. After consultation with external fiduciary counsel and the Chair of the Health Benefits Committee, the Fund did not elect to opt out of the FFCRA requirement.

The Executive Director reported that on April 14, 2020, Segal sent the Fund guidelines issued by the Departments of Labor; Health and Human Services and the Treasury stating that retiree plans were not required to comply with the \$0 co-pay requirements of FFCRA. Given these guidelines, Fund staff evaluated the impact of the FFCRA \$0 co-pay requirements. Because Medicare had waived cost-sharing for COVID 19 testing, all Fund participants who received Medicare benefits would not be required to make the co-payments for those services. The Fund has another 3,000 non-Medicare members who were covered under the Choice Plan which does not have co-payment requirements for those services. The remaining 400 non-Medicare members enrolled in the Choice Plus plan would receive an enhanced benefit under FFCRA. UHC estimated that the cost for these members would be about \$40,000 or about 0.1% of the health plan’s total cost. If the Fund elected to eliminate the FFCRA requirement before June 18, 2020, it would take UHC about six weeks to implement that change. Given the totality of the circumstances, the Fund staff intended to continue the implementation of the FFCRA requirements to June 18, 2020.

It was moved by Trustee McFadden and seconded by Trustee Goode that the Board ratify the

action taken by the Fund staff to implement the FFCRA requirement that health plans waive co-pays for COVID-19 diagnostic testing, including related provider fees, urgent care center costs and emergency room visits for the period from March 18, 2020 through June 18, 2020, which was anticipated to only apply to the Fund's 400 non-Medicare members in the Choice Plus plan at an estimated cost of \$40,000.

Roll Call Vote:

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

NAYS: None

Vote Result: MOTION ADOPTED

Following the motion, the trustees discussed whether the Fund could be reimbursed for these costs in any state or federal emergency declarations related to the COVID-19 pandemic. It was also discussed whether these costs could be used as a wellness item that could be paid under the UHC agreement. The trustees requested that Fund staff separately track any costs it incurred that were unique to COVID 19 for possible reimbursement under CARES, FEMA or other legislation.

iii. Licensing Requirements

The Executive Director reported that the Fund has many applications required for its technology platforms and three applications require license renewals in May. The applications requiring renewals were Microsoft 365, Adobe Creative Cloud and GoDaddy, which issues security certificates for the Fund's webmail and email services. In order to avoid disruption, these applications will be renewed in the respective amounts of \$2,100, \$950 and \$400.

iv. Upcoming Committee Dates

The Executive Director advised the Board that the Investment Committee would meet on Wednesday, May 27, 2020 at 9:30 am. In response to a trustee's question, she stated that the Forest Fund had closed its year- end financial statements and that although behind schedule, she expected the County Fund to close later in the week so that the information could be turned over to the auditors.

5. Old Business/New Business

There was no Old Business or New Business discussed, but the trustees extended greetings for a Happy Mother's Day to all.

6. Adjournment

It was moved by Trustee McFadden and seconded by Trustee Blair that the meeting be adjourned.

Vote Result: MOTION ADOPTED BY VOICE VOTE

The next Board meeting was scheduled for June 4, 2020.