

**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**

June 5, 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; 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; Francis Gonzalez-Crussi, Senior IT Manager; Madeline Bouck, Administrative Coordinator

Others Present: Mary Pat Burns, Burke Burns & Pinelli, Ltd.; William Sarb, RSM US LLP; Chad McCoy, RSM US LLP; Larry Langer, Cavanaugh MacDonald Consulting; Wendy Ludbrook, Cavanaugh MacDonald Consulting; Ryan Gunderson, Cavanaugh MacDonald Consulting; Stephen James, Farmhouse Consulting

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

1. Review and Consideration of Approval of May 1, 2025, Board Meeting Minutes

It was moved by Trustee Richardson and seconded by Trustee Dardick that the presented minutes from the Board meeting on May 1, 2025, be approved.

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

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

a. Bills, Payroll Records

The trustees discussed the payment for the replacement of the electronic card system used to access the Fund's office. Fund staff confirmed that the vendor was used by the

building manager and was more competitive than the estimates provided by other vendors. It was moved by Trustee Richardson and seconded by Trustee Anthony having received confirmation from Fund staff that the indicated payments were consistent with the 2025 administrative budget, that the Board ratify the action taken by Fund staff in May, 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, Reed,
Richardson, Ochalla

NAYS: None

Vote Result: MOTION ADOPTED

b. Annuities, Spouse and Child Annuities and Refunds

The trustees noted that one of the Retirement Board's former trustees, Robert Agnes, had passed and asked that Fund staff send a condolence note to his surviving spouse. It was moved by Trustee Richardson 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: Anthony, Dardick, Martin, Marvel, McFadden, Reed,
Richardson, Ochalla

NAYS: None

Vote Result: MOTION ADOPTED

c. Ordinary and Duty Disabilities

It was moved by Trustee Richardson 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 disability applications be approved.

Roll Call Vote:

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

NAYS: None

Vote Result: MOTION ADOPTED

3. Review and Consideration of Acceptance of FY2024 Financial Statements

Bill Sarb and Chad McCoy of RSM US LLP, presented the final financial statements for the County Fund and the Forest Preserve District Fund. The financial statements for both funds were a combination of their pension plan fiduciary net position and their postemployment healthcare plan net positions as of December 31, 2024. There were no changes to the drafts of the financial statements that had been delivered to the Board and the statements were final. Mr. Sarb described the scope of the audit and the procedures followed. He stated that no material weaknesses were identified in the audit. They issued clean opinions for both the County Fund and the Forest Preserve District Fund, including the related GASB 68 and 75 Schedules.

Chad McCoy provided an overview of the audit procedures. These procedures included a review of the Funds' investments, member contributions, employer contributions and benefit distributions. The auditors did not identify any concerns with the methods and assumptions used by the Fund's actuary to perform the actuarial valuations and they were reasonable for GASB reporting purposes. The trustees discussed that an experience study would be performed in 2026 regarding the appropriate assumptions to be used for actuarial valuations.

It was moved by Trustee Richardson and seconded by Trustee Reed that the Board receive and file the 2024 Financial Statements of the County Fund as audited by RSM US, LLP.

Vote Result: MOTION ADOPTED BY VOICE VOTE

It was moved by Trustee Marvel and seconded by Trustee Richardson that the Board receive and file the 2024 Financial Statements of the Forest Preserve District Fund as audited by RSM US, LLP.

Vote Result: MOTION ADOPTED BY VOICE VOTE

4. Review and Consideration of Acceptance of FY 2024 Actuarial Valuations

The representatives from Cavanaugh Macdonald Consulting, LLC presented the actuarial valuations for the County Fund and the Forest Preserve District Fund as of December 31, 2024. They reported that market returns and increases to payroll and salary growth were higher than expected and impacted the funding ratios. It was noted that for the County Fund, the number of Tier 2 employees was greater than the number of Tier 1 employees. The Forest Preserve District Fund had an increase in the number of active members. The funded ratio for the County Fund in 2024 was 65.9%, which was the same as in 2023. The unfunded actuarial accrued liability (UAAL) for the County Fund increased from \$7.05B in 2023 to 7.24B in 2024. For the Forest Preserve District Fund, the funded ratio decreased from 55.1% in 2023 to 54.6% in 2024. The UAAL for the Forest Preserve District Fund increased from \$173.14M in 2023 to \$180.85M in 2024. The actuaries noted

that full funding of initial pension liabilities remained on track for the County Fund by 2046 and for the Forest Preserve District Fund by 2054.

It was moved by Trustee Anthony and seconded by Trustee Reed that the Board receive and file the 2024 Actuarial Valuations of the County Fund as prepared by Cavanaugh Macdonald Consulting, LLC.

Vote Result: MOTION ADOPTED BY VOICE VOTE

It was moved by Trustee Richardson and seconded by Trustee Marvel that the Board receive and file the 2024 Actuarial Valuations of the Forest Preserve District Fund as prepared by Cavanaugh Macdonald Consulting, LLC.

Vote Result: MOTION ADOPTED BY VOICE VOTE

5. 2026 Funding Review

- a. Review and Consideration of Approval of Cook County's 2026 Tax Levy Resolution
- b. Review and Consideration of Approval of Cook County's 2026 Tax Levy Resolution

The executive director presented the resolutions for both the County Fund and the Forest Preserve District Fund. The Fund provides resolutions to Cook County so that it can levy the amounts needed to be contributed by the employers under the Illinois Pension Code. The trustees discussed the resolutions and noted certain minor items that needed to be corrected for the County Fund.

It was moved by Trustee Dardick and seconded by Trustee Marvel that the Board approve and adopt the presented resolution, as amended, for the 2025 Tax Levy for the County Fund.

Vote Result: MOTION ADOPTED BY VOICE VOTE

It was moved by Trustee Reed and seconded by Trustee Marvel that the Board approve and adopt the resolution for the 2025 Tax Levy for the Forest Preserve District Fund.

Vote Result: MOTION ADOPTED BY VOICE VOTE

6. Review and Consideration of Approval of May 29, 2025, Investment Committee Recommendations

- a. Review and Consideration of Recommendation to Approve Proposed Changes to Large Cap Value Strategy

The executive director stated that the Investment Committee discussed the Strategic Large Cap Value strategy currently used by Great Lakes Advisors in its management of

a \$598M mandate for the County Fund. It was discussed that the assets could be managed under the Large Cap Value strategy by a different portfolio team within Great Lakes Advisors and that the Investment Committee recommended the change.

It was moved by Trustee Richardson and seconded by Trustee Reed that the Board adopt the recommendation from the Investment Committee at their meeting on May 29, 2025, as was consistent with the recommendations from Callan and the Fund's Director of Investments, that the mandate from the County Fund to Great Lake Advisors be modified from the current Strategic Large Cap Value strategy to the Large Cap Value strategy and that, subject to successful negotiations and approval by fiduciary counsel, the Executive Director be authorized to sign and deliver any written document necessary to effectuate the foregoing on behalf of the Fund.

Roll Call Vote:

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

NAYS: None

Vote result: MOTION ADOPTED

b. Review and Consideration of Recommendation Regarding Issuance of Transition Manager RFP

The executive director stated that the Investment Committee had discussed at their meeting on May 29, 2025, the need to retain transition managers. The Fund had contracted with three transition managers for these services, but each of those agreements was set to expire on December 31, 2025. The Investment Committee had recommended that an RFP be issued to for the purpose of retaining transition managers as needed.

It was moved by Trustee Richardson and seconded by Trustee Anthony that the Board adopt the recommendation made by the Investment Committee at the meeting on May 29, 2025, as was consistent with the recommendations from Callan and the Fund's Director of Investments, that the presented RFP for transition managers be approved and that it be posted as soon as practicable.

Roll Call Vote:

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

NAYS: None

Vote result: MOTION ADOPTED

7. Trustee Election Matters

a. Review and Consideration of Election Services Provider RFP and Selection of Successful Candidate

The executive director provided a summary of the RFP process. The Fund wanted the election services provider to facilitate the use of mail-in ballots and electronic voting. Two entities, The Hensley Company and Merriman River Associates, responded to the RFP, and both were deemed qualified to provide the requested services. The Fund interviewed both candidates and summarized the services and costs for the Board. The Hensley Company had provided election services to the Fund beginning in 2009, most recently by the use of mail-in balloting. Hensley had not provided electronic voting for the Fund, but would retain a subcontractor, Simply Voting, to perform those services. Merriman would provide services for both mail-in balloting and electronic voting. Both entities would provide tabulation services on the day of the election.

The trustees discussed the responses to the RFP and found that Merriman would provide the needed services for less money than the amount proposed by Hensley. The executive director stated that Hensley provided satisfactory services in prior years, but that the other candidate was less costly.

It was moved by Trustee Reed and seconded by Trustee Dardick that the Fund be authorized, following the RFP, to retain Merriman River Associates as an Election Services Provider as presented and that, subject to successful negotiations and approval by fiduciary counsel, the contract signed by the vendor shall be submitted to the Board before the Executive Director is authorized to sign and deliver the written agreement on behalf of the Fund.

Roll Call Vote:

AYES:	Anthony, Dardick, Martin, Marvel, Reed, Richardson, Ochalla
PASS:	McFadden
NAYS:	None

Vote result: MOTION ADOPTED

8. Administrative Matters

a. Review and Consideration of Pension Administration System Vendor RFP and Selection of Successful Candidate

Stephen James of Farmhouse Consulting summarized the procurement process which began in 2017 when the Fund conducted an operational needs assessment of its pension administration system (PAS) and issued an RFP. The process was paused in 2018 and reconsidered in 2024. Due to changes in the vendor community and new trends in PAS

development, the Fund updated its requirements and re-issued the RFP in November 2024.

Seven responses were received in January 2025. All the responses were reviewed and evaluated. The consultant, Fund staff and selected trustees were on a steering committee and received presentations and demonstrations from the three best candidates. The committee then engaged in a best and final offer process (BAFO) with the lead candidate. The steering committee sought clarification about the proposed PAS and were able to see demonstrations of systems that had been recently installed with local clients. It was recommended that the Fund proceed with Procentia.

The executive director stated that the design of the PAS would take about four years. The contract should define the members of the Procentia team who would be responsible for the project. Additionally, the number of Fund staff who could be involved in the development would help maintain the development schedule. He stated that the Fund had been expanding its staff in recent years, so it is now able to devote the time necessary for the development and implementation of a new PAS.

It was moved by Trustee Richardson and seconded by Trustee Anthony that the Board authorize the Fund, following the RFP, to retain Procentia as a PAS vendor as presented, subject to successful contract negotiations and approval by fiduciary counsel. A contract signed by the vendor will be submitted to the Board before the executive director is authorized to sign and deliver any written agreement on behalf of the Fund.

Roll Call Vote:

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

NAYS: None

Vote result: MOTION ADOPTED

b. Legislative Report

The executive director stated that HB 3193 passed both legislative chambers. It amended Article 1 of the Pension Code to require all systems to indemnify trustees. Fiduciary counsel noted that the Fund already provided such indemnification. The bill also made changes to Article 9 regarding the calculation of interest when members purchase military service credit. The interest will now be calculated from the date that the member entered County service rather than from the date of discharge.

He also noted that SB 1937 was introduced during the last week of the session and proposed significant changes for Tier 2 members. It would also allow downstate police and fire funds and the City's police and fire funds to become reciprocal systems. The bill was not called for a vote. It was further noted that HB 3657, which was passed by

the legislature, proposed changes for Tier 2 members for the City's police and fire funds.

The trustees discussed whether the County would need access to the Fund's data compiled by its actuary to review the impact of the proposed Tier 2 legislation in SB 1937.

c. Executive Director Report

The executive director stated that the annual statutory financial reports will be provided to Cook County government by June 14, 2025. The Fund will provide the Combined Actuarial Valuations as of December 31, 2024; the Audited Financial Statements as of December 31, 2024; and the Resolution for the 2026 Tax Levy for both the County Fund and the Forest Preserve District Fund.

He stated that the County Fund is required to notify Cook County government by June 14, 2025, of the total payments/subsidies made pursuant to Section 9-239 of the Pension Code for retiree health costs in 2024. The County Fund is also required to notify Cook County government pursuant to Section 9-240 of the anticipated costs for retiree healthcare expected to be paid in 2026. This information will be provided by June 14, 2025.

The executive director stated that Teagan Kusbel started with the Fund on June 2, 2025, as an investment analyst. She was an intern with the Finance Department in the summer of 2024 and now has graduated from Indiana University.

The Health Benefits Committee has a meeting scheduled for June 17, 2025, at 9:30 am. Reviews of the medical plan and the pharmacy benefit plan will be discussed.

The Legislative and Rule Committee will meet on June 26, 2025, at 9:30 am. The Fund's legislative representatives will report on legislation considered in the spring session. The Committee will also discuss the trustee election rules and policies affecting the Fund.

9. Legal Matters

a. Referral to Administrative Hearing Officer

- i. Office #153428
- ii. Office #176701
- iii. Office #183036
- iv. Office #185193

The executive director stated that Fund staff had identified four matters that should be referred to an administrative hearing officer for consideration. The members did not file applications for disability benefits within the timeframe required by the Illinois

Pension Code. The four members have each requested their cases be presented to a hearing officer to determine if the members had a reasonable cause for the delay.

It was moved by Trustee Richardson and seconded by Trustee Reed that the Board approve the referral of the administrative hearings requested by the Members identified by Office Numbers 153428 and 176701 to Mr. William Motto and approve the referral of the administrative hearings requested by the Members identified by Office Numbers 183036 and 185193 to Mr. Dennis Fleming.

Vote Result: [MOTION ADOPTED BY VOICE VOTE](#)

10. Old Business/New Business

There was no old business or new business discussed.

11. 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 July 10, 2025, at 9:30 a.m.