

**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**

**September 7, 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:** Patrick McFadden, President; Jerry Pray, Secretary; Tanya Anthony, Hal Dardick, Diahann Goode, Lakeisha Marvel, Kevin Ochalla, Samuel Richardson, Jr.

**Staff Present:** Brent Lewandowski, Executive Director; Saron Tegegne, Deputy Executive Director; Margaret Fahrenbach, Legal Advisor; Gary LeDonne, Director, Benefits Administration; Uwe Schillhorn, Chief Investment Officer; Francis Gonzalez-Crussi, Senior IT Manager

**Others Present:** Mary Pat Burns, Burke Burns & Pinelli, Ltd.; Lawrence Wilson, Cook County Comptroller; Cathryn Marsico, Office of the Cook County CFO; Theresa Odum, Forest Preserve District; Bridget Turner; Adam Glueckert, Commissioner Gainer's Office; Patrick McCool, Cook County Sheriff's Office; Craig Goesel, Alliant Insurance Services; Jake Jemmi, Alliant Insurance Services

Vice President McFadden opened the meeting as the presiding officer. He stated that Trustee Reed requested that she be allowed to participate in the meeting through a video connection and asked if any trustee would make a motion to allow her to do participate remotely.

It was moved by Trustee Richardson and seconded by Trustee Goode, there being a quorum present in the meeting room and pursuant to Section 7(a) of the Open Meetings Act, that trustees not able to be physically present at the meeting be allowed to participate remotely.

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

1. Designation of Board Officers

Vice-President McFadden stated that the long serving Board President, Lawrence Wilson, had stepped down from the Board and that the trustees should discuss a replacement to fill the vacancy. The trustees discussed that Trustee McFadden was currently Vice-President of the

Board and that he was well qualified to assume the responsibilities as President until December, 2023, when new officers would be elected.

It was moved by Trustee Ochalla and seconded by Trustee Pray that Trustee McFadden serve as the President of the Retirement Board until such time in December, 2023, when new officers are elected.

Vote Result: MOTION ADOPTED BY VOICE VOTE

2. Public Comment

President McFadden asked if there was any member of the public present who would like to address the Board. Mr. Patrick McCool, a representative of Veterans' Affairs from the Cook County Sheriff's Office stated that the new legislation which allowed County employees to purchase service credit for military service was not proceeding well. He expressed concerns about the type of discharge that would allow a member to purchase service credit, how duty in the reserves would be considered and other matters.

President McFadden then addressed former President Wilson and thanked him for his leadership on the Retirement Board. He stated that President Wilson had provided guidance to the Fund throughout his tenure which most recently resulted in legislation requiring actuarially based contributions from the employer.

3. Review and Consideration of August 3, 2023, open and closed Board Meeting Minutes

Brent Lewandowski, Executive Director, stated that the Fund would withdraw the presented minutes for the closed session on August 3, 2023, from consideration by the Board and would present such minutes at a later meeting.

It was moved by Trustee Richardson and seconded by Trustee Pray that the presented minutes of the open session of the Board meeting on August 3, 2023, be adopted.

Vote Result: MOTION ADOPTED BY VOICE VOTE

4. Review and Approval of:

a. Bills, Payroll Records

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

NAYS: None

Vote Result: MOTION ADOPTED

b. Annuities, Spouse and Child Annuities and Refunds

The Executive Director reported that a member had died in 1997, but his surviving spouse only recently completed the application for spouse annuity benefits. Based upon Article 9, the spouse annuity benefit would relate back to the member's death. Other local funds would limit the initial payment to one year retroactive to the application being filed. The Board might consider legislation which would provide the same limitation for purposes of the spouse annuities administered by the Fund.

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 annuities and refunds be approved.

Roll Call Vote:

AYES: Anthony, Dardick, Goode, Marvel, McFadden, Ochalla, Pray,  
Richardson

NAYS: None

Vote Result: MOTION ADOPTED

c. Ordinary and Duty Disabilities

It was moved by Trustee Goode 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 disability applications be approved.

Roll Call Vote:

AYES: Anthony, Dardick, Goode, Marvel, McFadden, Ochalla, Pray,  
Richardson

NAYS: None

Vote Result: MOTION ADOPTED

5. Health Benefit Matters

a. PBM RFP Selection

The Executive Director stated that the Health Benefits Committee (“HBC”) had a meeting on August 31, 2023, and made recommendations to the Board regarding the matters considered at the meeting. He stated that Segal, on behalf of the Fund, had conducted an RFP for a pharmaceutical benefits manager (“PBM”) for both the commercial and EGWP programs. The final candidates made presentations to the HBC. Following the RFP, Segal had recommended that CVS be identified as the successful candidate and that the HBC concurred with that recommendation.

It was moved by Trustee Anthony and seconded by Trustee Pray that the Board adopt the recommendation made by the Health Benefits Committee at their meeting on August 31, 2023, as was consistent with the recommendation from Segal Consulting, that CVS be identified as the successful candidate for the RFP for a PBM to administer pharmaceutical benefits provided by the CCPF Health Benefits Plan for the period from January 1, 2024 through December 31, 2026, and that the Board authorize the Fund and legal counsel to negotiate the terms of an agreement that is to be presented to the Retirement Board before it is executed on behalf of the Fund.

Roll Call Vote:

AYES: Anthony, Dardick, Goode, Marvel, McFadden, Ochalla, Pray,  
Richardson

NAYS: None

Vote Result: MOTION ADOPTED

b. United Healthcare Contract Extension

The Executive Director stated that the Board had directed Segal and Fund staff to negotiate a potential multi-year renewal of the engagement with United Healthcare (“UHC”) to provide administrative services for medical benefits beginning on January 1, 2024. The proposed 3-year renewal increased the administrative fees by 1.8% effective January 1, 2024, but would remain constant through December 31, 2026. Under the proposed plan, members would not have telephone access to a nurse regarding medical issues because that feature was not frequently used. The members would have access to virtual visits with health care professionals. The trustees discussed the proposed renewal and noted that the Fund did not conduct an RFP for this vendor because it was not cost effective to do so.

It was moved by Trustee Richardson and seconded by Trustee Goode that the Board adopt the recommendation made by the HBC at their meeting on August 31, 2023, as is consistent with the recommendation from Segal Consulting, that the Board accept the proposed renewal terms to extend the contract with UnitedHealthcare, from January

1, 2024 to December 31, 2026, as presented and that the Board authorize the Fund and legal counsel to negotiate the terms of an agreement for the extension that is to be presented to the Retirement Board before it is executed on behalf of the Fund.

Roll Call Vote:

AYES: Anthony, Dardick, Goode, Marvel, McFadden, Ochalla, Pray,  
Richardson

NAYS: None

Vote Result: MOTION ADOPTED

c. Health Plan Rates for 2024

The Executive Director stated that Segal conducted an analysis of the anticipated health benefit costs for 2024 based upon the results of the RFP for a PBM and the extension of the contract with UHC. They projected that the expenses would total about \$98.1M, which was an increase of approximately 4.6%. They had recommended that the annuitants and survivors have a 56% participant share and that the Fund have a 44% share of the proposed rates. The HBC also discussed that members who were required to purchase Medicare Part A be allowed an additional \$60 credit.

It was moved by Trustee Ochalla and seconded by Trustee Richardson that the Board adopt the recommendation made by the HBC at their meeting on August 31, 2023, as is consistent with the recommendation from Segal Consulting, that the Board approve the annuitant and survivor rates for the CCPF Health Plan as proposed and prepared by Segal and a premium reduction rate of \$60 for those members required to purchase Medicare Part A, to be effective from January 1, 2024, through December 31, 2024.

Vote Result: MOTION ADOPTED BY VOICE VOTE

The Executive Director reported that UHC offered a gym membership program, known as “One-Pass” as a voluntary benefit for members. The program offers access to thousands of gyms and on-line classes. The Fund would be required to pay a one-time set-up fee of \$2,500 to allow members to participate in the program.

It was moved by Trustee Goode and seconded by Trustee Pray that the Board amend the CCPF Health Plan to allow members to participate in the UHC One-Pass gym membership program at a one-time set-up fee to the Fund not to exceed \$2,500.

Roll Call Vote:

AYES: Anthony, Dardick, Goode, Marvel, McFadden, Ochalla, Pray,  
Richardson

NAYS: None

Vote Result: MOTION ADOPTED

d. Dental Plan Renewal with Guardian Life Insurance Company of America

President McFadden stated that Guardian had agreed to extend the dental plan under the same terms and conditions that are currently in effect, from January 1, 2024 through December 31, 2025, without increasing the premiums due from the members. He noted that the premiums were paid directly by the members to the broker and that the Fund does not incur any costs.

It was moved by Trustee Pray and seconded by Trustee Richardson that the Board that adopt the recommendation made by the HBC at their meeting on August 31, 2023, that the Board approve the continuation of the Dental Plan offered by Guardian, having no changes to the benefits or administration of the plan, at the rates presented, effective from January 1, 2024 through December 31, 2025.

Roll Call Vote:

AYES: Anthony, Dardick, Goode, Marvel, McFadden, Ochalla, Pray,  
Richardson

NAYS: None

Vote Result: MOTION ADOPTED

6. Investment Matters-August 24, 2023, Consideration and Approval of Investment Committee Recommendations relating to:

a. Modification of Forest Preserve Fund Asset Allocation

The Executive Director stated that in 2022, the Board had approved asset allocations of 2% each in infrastructure and private credit for the County Fund. At that time, Callan did not recommend similar allocations for the Forest Preserve Fund because its funding policy was not amendable to investments in illiquid assets. The funding policy for the Forest Preserve Fund has changed and Callan reviewed the asset allocation policy for the Forest Preserve Fund. At the Investment Committee Meeting on August 24, 2023, Callan presented its review of the asset allocation policy for the Forest Preserve Fund and recommended that its allocations be as similar to the County Fund as might be practicable and should include allocations for private credit and private equity.

It was moved by Trustee Richardson and seconded by Trustee Goode that the Board adopt the recommendation made by the Investment Committee at their meeting on August 24, 2023, proposed by Callan and the Fund investment staff, that the asset allocation for the Forest Preserve District Fund include an allocation of 2% for private credit and an allocation for private equity of 6%.

Vote Result: MOTION ADOPTED BY VOICE VOTE

- b. RFP for Private Credit Manager
- c. RFP for Private Infrastructure Manager

The Executive Director stated that in June, 2022, the Board had approved allocations of 2% each to private infrastructure and private credit for the County Fund. The Investment Committee had considered Callan’s proposal at their meeting on August 24, 2023, that the Fund proceed with the searches. It was discussed that the RFP for private infrastructure for the County Fund should proceed first and should be followed by the RFP for private credit that would include the County Fund and the Forest Preserve Fund.

It was moved by Trustee Richardson and seconded by Trustee Dardick that the Board adopt the recommendation made by the Investment Committee at their meeting on August 24, 2023, based upon the recommendations made by Callan and the Fund investment staff, that the Fund be authorized to conduct a Request for Proposal (“RFP”) for a private credit manager for the County Fund with a mandate of \$250M and that the Forest Preserve District Fund be included in the RFP with the mandate of \$4M.

Roll Call Vote:

AYES: Anthony, Dardick, Goode, Marvel, McFadden, Ochalla, Pray,  
Richardson  
NAYS: None

Vote Result: MOTION ADOPTED

It was moved by Trustee Richardson and seconded by Trustee Dardick that the Board adopt the recommendation made by the Investment Committee at their meeting on August 24, 2023, based upon the recommendations made by Callan and the Fund investment staff, that the Fund be authorized to conduct a Request for Proposal (“RFP”) for a private infrastructure manager for the County Fund with a mandate of \$250M.

Roll Call Vote:

AYES: Anthony, Dardick, Goode, Marvel, McFadden, Ochalla, Pray,  
Richardson  
NAYS: None

Vote Result: MOTION ADOPTED

- d. Modification of Investment Policy Statement Guidelines

The Executive Director stated that the Fund’s Investment Policy Statement Guidelines (“IPS”) had allowed loan participation instruments for Core and Core Plus accounts. In 2021, the IPS was changed to no longer allow loan participation instruments for Core

Plus accounts. Investment managers who held these instruments before 2021 came out of compliance when the IPS was changed. The trustees discussed that the guidelines for Core and Core Plus accounts should be parallel and that the IPS should be amended to permit this type of investment.

It was moved by Trustee Goode and seconded by Trustee Richardson that the Board adopt the recommendation made by the Investment Committee at their meeting on August 24, 2023, based upon the recommendations made by Callan and the Fund investment staff, that the Investment Policy Statement Guidelines (“IPS”) be amended as presented and that investment managers be allowed to maintain such positions that are consistent with the revised IPS.

Vote Result: MOTION ADOPTED BY VOICE VOTE

e. Fixed Income Mandate

The Executive Director stated that Callan reported to the Investment Committee in May, 2022, that the Fund should transition assets held by an investment manager because of the retirement of key personnel. It was discussed that immediate transition might not be advisable because some of the positions held by the investment manager were illiquid and would not allow for an orderly transition that would be favorable to the Fund. It was discussed at the Investment Committee meeting on August 24, 2023, that the investment manager had not made progress in the sale of the illiquid positions during the past year. The trustees discussed how the assets should be transitioned and that any illiquid positions should be monitored until the transition could be completed.

It was moved by Trustee Dardick and seconded by Trustee Richardson that the Board adopt the recommendation made by the Investment Committee at their meeting on August 24, 2023, based upon the recommendations made by Callan and the Fund investment staff, that the liquid assets held by the identified investment manager be transferred to the named emerging investment manager, that any additional cash proceeds received by the investment manager be transferred to an account at BNY and that the identified manager prudently sell the illiquid assets in a process to be monitored by the Fund.

Roll Call Vote:

AYES: Anthony, Dardick, Goode, Marvel, McFadden, Ochalla, Pray,  
Richardson

NAYS: None

Vote Result: MOTION ADOPTED

f. Allocation for Private Equity

The Executive Director stated that Callan had reviewed the Fund’s private equity investments and reported that this asset class continued to outperform public equities



and remained one of the Fund’s strongest asset classes. While the asset class exceeded its target allocation due to stronger than expected performance, future commitments are designed to reduce the allocation to the target of 5% and to maintain this level. It was recommended by Callan that \$100M be committed by the County Fund to the Mesirow Private Equity Fund.

It was moved by Trustee Goode and seconded by Trustee Anthony that the Board adopt the recommendation made by the Investment Committee at their meeting on August 24, 2023, based upon the recommendations made by Callan and the Fund investment staff, that the County Fund allocate \$100M in 2024 to the Mesirow Private Equity fund of funds. It was further moved that the Executive Director and Fund staff be authorized to take all action reasonably necessary to effectuate the foregoing including the execution and delivery of related written agreements by the Executive Director, subject to legal review, on behalf of the County Fund.

Roll Call Vote:

AYES: Anthony, Dardick, Goode, Marvel, McFadden, Ochalla, Pray,  
Richardson

NAYS: None

Vote Result: MOTION ADOPTED

7. Administrative Matters

a. Consideration and Approval of Renewal of Cyber Insurance

Craig Goesel and Jake Jemmi from Alliant Insurance Services, Inc. (“AIS”) reported that the premium for the fiduciary insurance renewal that the Board approved at the last meeting would be reduced by \$1,300 from what had been presented. In regard to the proposed renewal of the cyber security policy, they recommended that the Fund maintain the same profile and coverage limits. The policy limit of \$2M was appropriate for a public pension fund the size of the Cook County Pension Fund. The premium was competitive because the Fund had taken steps to improve its IT protocols. The representative from AIS recommended that the Fund coordinate the terms of the fiduciary and cyber insurance policy so that the Board could consider future renewals as the same time. The trustees inquired how the size of the pension fund was related to coverage limits and possible exposure to ransom activity. The AIS representatives stated that the size of a pension fund contributed to its increased risk for cyber security breaches because there were more records that could be subject to such breaches.

It was moved by Trustee Goode and seconded by Trustee Richardson that the Board approve a renewal of the cyber security insurance policy offered by Beazley Insurance for a term from October 8, 2023, through September 30, 2024, as presented, at a premium not to exceed the total amount of \$27,450. It was further moved that Fund staff should take all action reasonably necessary to effectuate the foregoing including

the execution and delivery of any related written agreement on behalf of the Fund by the Executive Director.

Roll Call Vote:

AYES: Anthony, Dardick, Goode, Marvel, McFadden, Ochalla, Pray,  
Richardson

NAYS: None

Vote Result: MOTION ADOPTED

b. Consideration and Approval of Renewal for CDW-G Server Workstation  
Endpoint Management Change Order

The Executive Director stated that network monitoring services and workstation endpoint management are provided by CDW Government LLC (CDW-G) under a Professional Services Agreement between Cook County and CDW-G. The services provided to the Fund are described in a Statement of Work (“SOW”) that is to expire on September 8, 2023. CDW-G had executed a Change Order which would continue the SOW to September 7, 2024, at annual cost of \$48,600, that was presented to the Board. The terms were substantially similar to the SOW that was to expire. The costs for the services were included in the 2023 Administrative Budget.

It was moved by Trustee Anthony and seconded by Trustee Goode that the Board authorize the Executive Director, on behalf of the Fund, to execute the presented Change Order with CDW-G to provide network monitoring services and workstation endpoint management effective from September 8, 2023 through September 7, 2024, at an annual cost not to exceed \$48,600.

Roll Call Vote:

AYES: Anthony, Dardick, Goode, Marvel, McFadden, Ochalla, Pray,  
Richardson

NAYS: None

Vote Result: MOTION ADOPTED

c. Consideration and Approval of Purchase of Nutanix Servers

The Executive Director reported that the Nutanix system was comprised of hardware and software components that serve as the foundation for the Fund’s servers and network infrastructure. The Nutanix system, installed in 2017, consists of three servers. The 2023 Administrative Budget included the cost of replacing one of the servers at a cost of \$28,542.00, and that the other servers would be replaced in subsequent years. The Fund has been advised that the Nutanix system operates as a unit and that all three servers needed to be replaced at the same time at a cost of \$84,155.50. The upgrade to the Nutanix system will improve response times and the security footprint.

It was moved by Trustee Anthony and seconded by Trustee Richardson that the Board authorize the Fund to purchase three Nutanix servers through CDW-G in a total amount not to exceed \$84,155.50. It was further moved that the Executive Director be authorized, on behalf of the Fund, to take all action reasonably necessary to effectuate the foregoing including the execution and delivery of any related written agreement, subject to review by fiduciary counsel.

Roll Call Vote:

AYES: Anthony, Dardick, Goode, Marvel, McFadden, Ochalla, Pray,  
Richardson

NAYS: None

Vote Result: MOTION ADOPTED

d. Executive Director Report

The Executive Director stated that the Fund provides member data to the Illinois Department of Public Health (“IDPH”) weekly as part of its process to determine whether members have passed and are not eligible for annuity benefits. IDPH then provides a report to the Fund. IDPH reported that between March and May of 2023, a breach had occurred affecting twelve members who were identified on the report the Fund received from IDPH. The Fund has been advised that IDPH notified the estates of the impacted members of the breach.

The trustees were reminded that they need to complete 8 hours of ethics training each year. The Fund will provide the trustees the training needed regarding sexual harassment and cyber security in 2023. The trustees should notify the Fund of the ethics training that they have completed.

The reports for GASB 68, which relates to pensions, and GASB 75, which relates to health benefits, were prepared by the Fund’s auditors and provided to the employers on August 18, 2023.

The Executive Director welcomed Kimberly Lau who started on August 30, 2023, as the Fund’s benefit payment analyst.

8. Legal Matters

It was moved by Trustee Richardson and seconded by Trustee Goode pursuant to Section 2(c)(11) of the Open Meetings Act, 5 ILCS 120/2(c)113), that the Board convene an Executive Session to discuss litigation matters.

Roll Call Vote:

AYES: Anthony, Dardick, Goode, Marvel, McFadden, Ochalla, Pray,  
Richardson

NAYS: None

Vote Result: MOTION ADOPTED

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

Vote Result: MOTION ADOPTED BY VOICE VOTE

a. Legal Report

No motion was made or was required to be made following the return to an open session.

b. Consideration and Approval of Hearing Officer Appointment

It was moved by Trustee Richardson and seconded by Trustee Pray that the Board authorize the Fund to request that the Board appoint Mr. Francis P. Cuisinier to serve as a hearing officer from time-to-time for administrative hearings that might be conducted.

Vote Result: MOTION ADOPTED BY VOICE VOTE

9. Old Business/New Business

The Board asked that the Fund staff provide a list and description of all current policies.

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 October 5, 2023, at 9:30 am.