



**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 October 3, 2019, Meeting of the Board**

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:** Robert DeGraff, Jack Fitzgerald, Diahann Goode, Bill Kouruklis, Patrick McFadden, Joseph Nevius, Kevin Ochalla, Dennis White (entered during Public Comment), Lawrence Wilson

**Staff Present:** Regina Tuczak, Executive Director, Margaret Fahrenbach, Legal Advisor; Brent Lewandowski, Director, Member Services; Gary LeDonne, Director, Benefits Administration; Michael Maratea, Director, Finance and Administration; Beverly Romanini, Director, Administrative Services; Jane Hawes, Director, Health Benefits; Fernando Vinzons, Director, Investments; Saron Tegegne, Comptroller; Bravetta Hassell, Sr. Communications Specialist

**Others Present:** Mary Pat Burns, Burke Burns & Pinelli, Ltd.; John McCabe & Associates, Ltd.; Bob Molaro, John McCabe & Associates, Ltd.; Marcus Feldman, UNITE HERE Local 1; Pedro Bortoto, UNITE HERE Local 1; Antonio Favela, Cook County Bureau of Finance; Nicholas Kolokotronis, Cook County Treasurer's Office; Martha Merrill, AFSCME 31

**Public Comment**

Trustee Wilson, President of the Board, opened the meeting for public comment. Mr. Marcos Feldman of UNITE HERE Local 1 addressed the Board and identified some on-going labor matters at properties owned by CBRE Global Investors U.S. Strategic Partners Fund VII. The commenter was thanked for addressing the Board.

**1. Review and Consideration of:**

- a. September 5, 2019, Board Meeting Minutes

It was moved by Trustee Goode and seconded by Trustee Nevius that the presented minutes of the Board meeting on September 5, 2019, be adopted.

Vote Result: MOTION ADOPTED BY VOICE VOTE

2. Review and Consideration of:

a. Bills, Payroll Records

It was moved by Trustee Fitzgerald and seconded by Trustee White, that the action taken by Fund staff in remitting the indicated payments for the presented bills and payroll records in September, 2019, the Board having received confirmation from Fund staff that the payments were consistent with the approved 2019 administrative budget, that the payments be ratified.

Roll Call Vote:

AYES: DeGraff, Fitzgerald, Goode, Kouruklis, McFadden, Nevius, Ochalla, White, Wilson

NAYS: None

Vote Result: MOTION ADOPTED

It was moved by Trustee Fitzgerald and seconded by Trustee White, having received confirmation from Fund staff that the presented bills for operating expenses incurred in September, 2019, were consistent with the 2019 administrative budget, that the Board approves the recommendations from Fund staff to remit payments for such presented bills.

Roll Call Vote:

AYES: DeGraff, Fitzgerald, Goode, Kouruklis, McFadden, Nevius, Ochalla, White, Wilson

NAYS: None

Vote Result: MOTION ADOPTED

b. Annuities, Spouse and Child Annuities and Refunds

The Fund's 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 Goode and seconded by Trustee Nevius 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: DeGraff, Fitzgerald, Goode, Kouruklis, McFadden, Nevius, Ochalla, White, Wilson

NAYS: None

Vote Result: MOTION ADOPTED

c. Ordinary and Duty Disabilities

The Fund's 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 Fitzgerald and seconded by Trustee DeGraff after due consideration of the disability applications presented to the Board and having received confirmation from 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: DeGraff, Fitzgerald, Goode, Kouruklis, McFadden, Nevius, Ochalla, White, Wilson

NAYS: None

Vote Result: MOTION ADOPTED

3. Legislative Matters

a. Update on Communication to County Regarding Draft Legislation

Regina Tuczak, Executive Director, reported that a draft letter had been prepared for the County that articulated the communications between the parties regarding pension reform legislation and which reiterated the Board's interest in collaboratively working with the employer on the County's proposed legislation. The letter included a general overview of the Board's response to proposed legislation. While the Board remained open to discussions with the County about pension reform legislation, it sought confirmation from the County about whether such communications would be beneficial.

After discussion among the trustees about the draft communication, it was moved by Trustee Ochalla and seconded by Trustee Kouruklis that the Board approve the presented communication regarding the Board's response to the legislation proposed by Cook County and that the Executive Director be authorized to deliver the communication to the identified recipients as soon as might be practicable.

Vote Result: MOTION ADOPTED BY VOICE VOTE

b. Update on Legislation Prepared by the Board

The Executive Director stated that the Board had approved funding legislation for both the County Fund and the Forest Fund, but had not yet authorized John McCabe & Associates, the Fund's Legislative Representative, to introduce the legislation before the General Assembly. She stated that John McCabe and Robert Molaro were present to advise the Board about the timeline for introducing legislation during the upcoming veto session.

Mr. McCabe and Mr. Molaro stated that the veto session was scheduled from October 28-30, 2019 and then from November 12-14, 2019. Mr. Molaro stated that if all stakeholders were in agreement with the legislation by November 1, 2019, it would be possible to have it passed during the veto session. If the legislation was introduced late in the veto session, it would not likely be heard until January, 2020. The last date for introducing a bill in the veto session would be November 14, 2019. Mr. McCabe reported that sponsorship of the bill had not yet been

finalized, but he did not expect it to be problematic.

The Executive Director requested direction regarding trustees' attendance at any meeting that might be convened with the County. The trustees discussed that given the requirements of the Open Meetings Act, only two trustees would be in attendance. It was determined that Trustee Kouruklis and Trustee Ochalla should participate and that Trustee McFadden would serve as first alternate, and Trustee Fitzgerald serving as second alternate. The trustees requested that the Executive Director should also attend any such meeting along with Fund staff as she might request. The Board stated that the Fund's fiduciary counsel, Ms. Mary Pat Burns, should also attend. Mr. McCabe stated that any continued dialogue between the Board and the County would be of interest to potential sponsors of the Fund's legislation.

#### 4. Election Matters – Independent Election Administrator Report

- a. Proclamation of Election and Declaration of the Winner of the Cook County Annuitant Member Election to be Held on October 30, 2019

The Executive Director stated that the Fund had received a report from the Independent Election Administrator (“IEA”) confirming that two candidates would be on the ballot for the position of the Cook County Employee Member and that the election would proceed on October 30, 2019. She also stated, as reported by the IEA, that Mr. James M. O’Rourke was the sole candidate for the Cook County Annuitant Member and that Mr. Joseph N. Nevius was the sole candidate for the Forest Preserve District Annuitant Member. She presented the IEA reports and the Proclamations for the Board declaring that Mr. James M. O’Rourke and Mr. Joseph N. Nevius prevailed in their respective elections.

It was moved by Trustee McFadden and seconded by Trustee Nevius that the Report of the Independent Election Administrator of the Sole Candidacy for Cook County Annuitant Member Trustee Position dated September 20, 2019, be accepted as a true and accurate report and that, consistent therewith, that Mr. James M. O’Rourke was elected as the Cook County Annuitant Member Trustee.

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

It was moved by Trustee McFadden and seconded by Trustee Nevius that the Proclamation of Election and Declaration of the Winner of the Cook County Annuitant Member Election Scheduled to be held on October 30, 2019, be accepted and, consistent therewith, that Mr. James M. O’Rourke be declared the winner of that election and that he be administered and execute the Oath of Office. It is further moved that the Fund staff take all action necessary to file a copy of the Oath of Office with the Cook County Clerk as required by Section 9-186 of the Illinois Pension Code.

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

- b. Proclamation of Election and Declaration of the Winner of the Forest Preserve Annuitant Member Election to be Held on October 30, 2019

It was moved by Trustee McFadden and seconded by Trustee Goode that the Report of the Independent Election Administrator of the Sole Candidacy for the Forest Preserve District Annuitant Member Trustee Position dated September 20, 2019, be accepted as a true and

accurate report and that, consistent therewith, that Mr. Joseph N. Nevius, was elected as the Forest Preserve District Annuitant Member Trustee.

Vote Result: MOTION ADOPTED BY VOICE VOTE

It was moved by Trustee McFadden and seconded by Trustee Goode that the Proclamation of Election and Declaration of the Winner of the Forest Preserve District Annuitant Member Election scheduled to be held on October 30, 2019, be accepted and, consistent therewith, that Mr. Joseph N. Nevius be declared the winner of that election and that he be administered and execute the Oath of Office. It is further moved that the Fund staff take all action necessary to file a copy of the Oath of Office with the Cook County Clerk as required by Section 9-186 of the Illinois Pension Code.

Vote Result: MOTION ADOPTED BY VOICE VOTE

5. Felony Conviction Matter – Office #129466

The Board was advised by the Executive Director that a jury had returned a verdict against an annuitant identified by Office Number 129466 finding that she was guilty of perjury for testimony that she had given before a grand jury. The member is scheduled to be sentenced on November 19, 2019, in the United States District Court for the Northern District of Illinois. Consistent with the advice of fiduciary counsel, the Fund notified the annuitant that the Board would consider whether her conviction related to her service as a County employee at their meeting on November 7, 2019, and whether her annuity benefits should be revoked pursuant to Section 9-235 of the Illinois Pension Code. The annuitant was also notified of her right to be represented by counsel and to present evidence before the Board. The Board was advised that the annuity benefits paid to the member had exceeded the total amount of contributions she paid to the Fund while she was employed.

The Board discussed how the matter would proceed on November 7, 2019. It was discussed that the Board could elect to suspend her annuity benefits effective December 1, 2019, so long as the sentencing proceeded as scheduled for November 19, 2019.

6. Health Benefit Matters

- a. Approval of Health Benefits Committee Recommendation Regarding Health Benefits Exception Policy

The Executive Director stated that the Health Benefits Committee considered a revision to the Health Benefits Exception Policy at their meeting on September 19, 2019. The Committee approved the revised policy and recommended that it be adopted by the Board.

It was moved by Trustee McFadden and seconded by Trustee Fitzgerald that the Board approve the recommendation made by the Health Benefits Committee at their meeting on September 19, 2019, to adopt the Health Benefits Exception Policy as presented.

Vote Result: MOTION ADOPTED BY VOICE VOTE

- b. Approval of Health Benefits Committee Recommendation Regarding Benefit Plan Change – Acute Inpatient Rehabilitation Services

The Executive Director reported that the Health Benefits Committee also considered a plan change at their meeting on September 19, 2019, that would provide coverage for acute inpatient rehab for non-Medicare members to 150 days of inpatient hospital coverage. Benefits for skilled nursing would be provided separately and be limited to 90 days each plan year. The Health Benefits Committee recommended that the Board adopt these plan changes for both the Choice and Choice Plus plans effective January 1, 2010.

It was moved by Trustee McFadden and seconded by Trustee DeGraff that the Board approve the recommendation made by the Health Benefits Committee at their meeting on September 19, 2019, that a change be made to both the Choice and the Choice Plus plan to allow acute inpatient rehab benefits for non-Medicare members to 150 days of inpatient hospital coverage and separate benefits for skilled nursing limited to 90 days each plan year effective January 1, 2020.

Vote Result: MOTION ADOPTED BY VOICE VOTE

7. Administrative Matters

a. Cogent Contract

The Executive Director stated that the Fund utilizes Cogent Communications as its primary internet service provider and that the current agreement will expire on October 26, 2019. She had discussed the use of the services with CDW-G and learned that the bandwidth currently provided was much greater than was utilized by the Fund. After inquiries from Fund staff, Cogent agreed to provide a reduced bandwidth at a rate that would be approximately half of the current cost. In addition, the term of the contract would not automatically renew. The trustees discussed the Fund's use of the current bandwidth and were advised that the peak usage occurred when software was downloaded, noting such procedure can be scheduled outside of the Fund's office hours. If the usage would approach or exceed the maximum bandwidth, the Fund would still have internet access, but such access would be at a slower pace. The trustees also requested that should the Fund need to increase the access, such increase could be provided as a modification to the current terms.

It was moved by Trustee Nevius and seconded by Trustee Fitzgerald that the Board approve the customer order form with Cogent Communications, Inc. for a continuation of internet services for a one year period beginning on October 27, 2019, at monthly fee of \$950 as presented. It is further moved that the Executive Director be authorized to execute and deliver any related written documents on behalf of the Fund to effectuate the foregoing.

Roll Call Vote:

AYES: DeGraff, Fitzgerald, Goode, Kouruklis, McFadden, Nevius, Ochalla, White, Wilson

NAYS: None

Vote Result: MOTION ADOPTED

b. Executive Director Report

The Executive Director reported that hearings by the Senate Special Committee on State and Pension Fund Investments to address the utilization of minority and female investment managers would be convened on October 23 and October 24, 2019. She stated that the Fund requested that

October 23, 2019, be its designated hearing date because Board committee meetings had been scheduled for October 24. The Senate Committee has requested that the Executive Director, the Director of Investments, the President of the Retirement Board and a representative from Callan be present to testify, with other trustees encouraged to attend.

The Board was advised that the Fund continued to contact out-of-state annuitants to verify their current addresses and other information, and that after October 15, 2019, Fund staff will attempt a final request communication for non-respondents. The Board may be asked at the meeting on November 7, 2019, to suspend annuities, but not health benefits, for those members who did not respond to the numerous requests. The Director of Finance, Michael Maratea, was asked to provide at the next Board meeting the percentage of annuity payments that are made by direct deposit.

The Executive Director stated that the Open Enrollment events would occur at two new locations this year because the sites used in prior years could not provide contractual terms acceptable to the Fund. The event planned for November 1, 2019, would take place at the Dan Ryan Woods Pavilion, a Forest Preserve District facility, and the event scheduled for November 8, 2019, would occur at the Irish American Heritage Center. The event on November 6, 2019, will be held at the Cook County Administration Building as has been done previously.

The trustees were advised that if they needed additional hours of the required annual ethics training that they could attend the Callan College event on October 29-30, 2019. Any trustee who wanted to attend this seminar should contact Fund staff.

The trustees were reminded that a Health Benefits Committee meeting was scheduled on October 10, 2019, and both the Investment and Legislative Committees were scheduled to meet on October 24, 2019. The trustees inquired about the expected matters to be discussed at the Health Benefits Committee meeting on October 10, 2019. The Director of Health Benefits, Jane Hawes, stated that the Committee would discuss a diabetes management program and contracts for the EGWP and CVS pharmaceutical benefits programs. The Open Enrollment events would also be discussed. The trustees requested that a legal review of the EGWP and CVS contracts be performed before the Committee considers the agreements. After discussion, it was determined that the Health Benefits Committee would also meet on October 24, 2019, at 8:30 am. The Investment Committee would follow at 10:00 am and the Legislative Committee would meet at 12:30 pm.

The Executive Director reported that the Fund had used a new vendor for the design and printing of the 2018 Comprehensive Annual Financial Reports ("CAFR") because the prior vendor was no longer able to provide the services needed. She stated that the Fund had signed a SOW with Fuse, the new vendor, to provide the services in the amount of \$3,180, which was less than the \$4,500 that had been budgeted. The vendor had provided a professional product and was very responsive to the Fund's staff requirements during the process. Because of the additional time required to complete the project, she requested that incremental design hours be allowed as an expense up to the budgeted amount of \$4,500. Upon inquiry from the trustees, it was determined that the additional design hours could be attributed to changes made by the Fund and that the vendor had been amenable to making the changes so requested.

It was moved by Trustee Fitzgerald and seconded by Trustee Goode that the Board approve payment to the CAFR design and printing vendor of the budgeted amount of \$4,500.

Roll Call Vote:

AYES: DeGraff, Fitzgerald, Goode, Kouruklis, McFadden, Nevius, Ochalla, White, Wilson

NAYS: None

Vote Result: MOTION ADOPTED

8. Old Business/New Business

Trustee White stated that he intended to resign from his position as a trustee because he was pursuing other opportunities and would no longer be a Forest Preserve District employee effective October 24, 2019. The Board thanked him for his service, particularly for his tenure as an interim executive director. Trustee White stated that he enjoyed working with the trustees and the staff in both capacities.

Trustee Wilson noted that the Board would lose three incumbent trustees due to the election process and the recent resignation. He stated that the remaining trustees would be expected to fill leadership positions on the Board's committees and that he would reach out to them to discuss their respective interests. He also encouraged the trustees to attend the upcoming Callan College seminar.

The trustees then discussed the process to be followed to fill the vacancy in the Forest Preserve District Employee Member position on the Board pursuant to Section 9-187 of the Illinois Pension Code. The Board directed that a Notice of the Trustee Vacancy be posted on the website and that the employer be asked to post the notices at the employees' worksites. The notice should provide how prospective candidates might express their interest in the position to the Board. Depending on the number of prospective candidates, the Board might be able to select a candidate to fill the position at the meeting on November 7, 2019, or may need to convene a special meeting to make that determination.

9. Adjournment

There being no further business before the Board, it was moved by Trustee Fitzgerald and seconded by Trustee DeGraff the meeting be adjourned.

Vote Result: MOTION ADOPTED BY VOICE VOTE

The next Board meeting is scheduled for November 7, 2019, at 9:30 a.m.