

**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**

November 2, 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, Tracy Reed, Samuel Richardson, Jr., Tracy Reed

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

Others Present: Mary Pat Burns, Burke Burns & Pinelli, Ltd.; Cathryn Marsico, Office of the Cook County CFO

President McFadden stated that there was a quorum of the Board present at the meeting and that certain trustees had asked to participate remotely. It was moved by Trustee Richardson and seconded by Trustee Reed pursuant to Section 7(a) of the Open Meetings Act, that the Board allow trustees who are not able to be physically present at the meeting to participate remotely.

Vote Result: MOTION ADOPTED BY VOICE VOTE

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

1. Review and Consideration of October 5, 2023, Open and Closed Board Meeting Minutes

It was moved by Trustee Richardson and seconded by Trustee Goode that the presented minutes of the open session and the closed session of the Board meeting on October 5, 2023, be adopted and that the minutes of the closed session remain closed.

Vote Result: MOTION ADOPTED BY VOICE VOTE

2. Review and Consideration of:

a. Bills, Payroll Records

It was moved by Trustee Anthony 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, Ochalla, Pray, Reed,
Richardson, McFadden
NAYS: None

Vote Result: MOTION ADOPTED

b. Annuities, Spouse and Child Annuities and Refunds

It was moved by Trustee Richardson and seconded by Trustee Dardick, 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, Ochalla, Pray, Reed,
Richardson, McFadden
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, Marvel, Ochalla, Pray, Reed, Richardson,
McFadden
ABSTAIN: Goode
NAYS: None

Vote Result: MOTION ADOPTED BY VOICE VOTE

3. Election Matters – Declaration of Election Winner

a. Cook County Active Member – Sole Candidacy

Brent Lewandowski, Executive Director, stated that the Fund had received a Final Report dated October 30, 2023, in a letter from Matthew Welch, who was the retained attorney appointed by the Election Committee under the Election Rules for 2023. Mr. Welch confirmed that the Fund had received nominating petitions from only one candidate, Mr. Kevin Ochalla, for the position as a Cook County Employee Trustee for the election on October 25, 2023. No one had challenged the petitions within the required period and Mr. Ochalla met the service requirements for the office. Mr. Welch had submitted a Proclamation and Declaration of Winner stating that Mr. Ochalla was the sole candidate and the winner of the election that, if acceptable, should be signed by the trustees.

It was moved by Trustee Reed and seconded by Trustee Anthony that the Final Report of the Retained Attorney, Montana & Welch, LLC, as submitted by Matthew M. Welch, dated October 30, 2023, which concerned the Sole Candidacy for the Cook County Employee Member Trustee Position be accepted as a true and accurate report and, consistent therewith, that Mr. Kevin Ochalla was elected as the Cook County Employee Member.

Vote Result: MOTION ADOPTED BY VOICE VOTE

It was moved by Trustee Reed and seconded by Trustee Marvel that the Proclamation of Election and Declaration of the Winner of the Cook County Employee Member Election held on October 25, 2023, be accepted and that, consistent therewith, that Mr. Kevin Ochalla be declared the winner of that election and that he be administered and execute the Oath of Office. It was 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

4. Benefit Matters

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

The Executive Director stated that the Fund had been advised by two investment managers that they had received suspicious emails that were purportedly from Fund staff. The emails had not originated from the Fund and no assets in the portfolios managed by the investment managers were misdirected. The Fund had also received an income verification letter from a potential landlord that a certain member had been approved for disability benefits. The member had not been approved for disability benefits and the letter had not been prepared by the Fund. The Executive Director

stated that the emails and letter appeared fraudulent and it appeared that they should be directed to the Cook County State's Attorney's Office as required by Section 1-135 of the Illinois Pension Code.

It was moved by Trustee Goode and seconded by Trustee Anthony that the Board find that there are reasonable suspicions that the identified communications from third parties to certain investment managers and the award letter presented for income verification appear 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

One of the trustees noted that she had received email requests from the Department of Insurance that appeared suspicious. The trustees noted that it was difficult to stop spam emails, but that any questions about suspicious emails could be directed to the Fund's Senior IT Manager for review.

- b. Review and Consideration of Vendor for Outsourcing 1099-R, 1095 and Advice Printing and Distribution

The Executive Director stated that the Fund had issued 1099-Rs, 1095s and the Advices for Direct Deposit information to the annuitants by utilizing internal Fund resources. He stated that under the RFP for a new custodian, it was anticipated that these services would be provided by BNY/Mellon beginning some time after January 1, 2025. The Fund did not have adequate staff to prepare and distribute these records in-house and was interested in outsourcing these functions. The Fund staff was gathering information from two potential vendors to perform these services and would provide additional information to the Board at the December meeting. It was expected that the programming and printing costs for these services would not exceed \$35,000. Fund staff was seeking authority to negotiate with possible vendors and return a contract to the Board for approval.

It was moved by Trustee Richardson and seconded by Trustee Anthony that the Board approve the Fund staff's request to negotiate with possible vendors for services regarding the production and mailing of the indicated statements and that any contract for such services should be presented for Board approval before it is executed on behalf of the Fund.

Vote Result: MOTION ADOPTED BY VOICE VOTE

5. Administrative Matters

- a. Review and Consideration of Intergovernmental Agreement for Cook County Fund Employees and Annuitants Health Benefits

The Executive Director stated that Fund employees receive health benefits through the County and also participate in the County's 457 deferred compensation plan. The County had proposed an Intergovernmental Agreement ("IGA") that would formalize this arrangement. After discussions between the County and the Fund, a final IGA was prepared for the Board's consideration. The Board discussed the IGA and requested that it be executed on behalf of the County before being executed by the Fund.

It was moved by Trustee Richardson and seconded by Trustee Marvel that the Board approve the presented Intergovernmental Agreement ("IGA") with Cook County regarding health benefits and deferred compensation benefits offered to Fund employees. It was further moved that, after the IGA had been executed by the County, Fund fiduciary counsel and Fund staff should take all action reasonably necessary to effectuate the foregoing, including the execution and delivery of the IGA on behalf of the Fund by the President of the Board and delivery to the County.

Roll Call Vote:

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

NAYS: None

Vote Result: MOTION ADOPTED

b. Review and Consideration of Actuarial Services Contract

The Executive Director stated that the agreement with the Fund's actuary, Cavanaugh MacDonald Consulting, LLC ("Cav Mac") would expire on December 31, 2023. The Fund would like to extend the engagement for an additional year in accordance with the Third Amendment to the Actuarial Services Agreement that had been signed on behalf of Cav Mac and approved as to form by the Fund's fiduciary counsel. The Fund would conduct an RFP for actuarial services after the valuations for 2023 had been prepared.

It was moved by Trustee Dardick and seconded by Trustee Richardson that the Board approve the presented Third Amendment to Actuarial Services Agreement which had been executed on behalf of Cavanaugh MacDonald Consulting, LLC, and approved as to form by fiduciary counsel, to extend the engagement for actuarial services with the Fund through December 31, 2024, and to provide the payment of annual fees in the amount of \$71,343.17 as calculated pursuant to the Actuarial Services Agreement. It was further moved that the Fund be authorized to take all reasonable action necessary to effectuate the foregoing including the execution and delivery of the Third Amendment on behalf of the Fund by the Executive Director.

Roll Call Vote:

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

NAYS: None

Vote Result: MOTION ADOPTED

c. Executive Director Report

The Executive Director reported that the Fund had received a letter from the office of the Illinois Attorney General inquiring about the processes followed to allow members to purchase military service credit pursuant to the newly amended Section 9-179.1 of the Pension Code. In response, the Fund advised the Attorney General's office that it calculated the amounts required to purchase military service credit in accordance with the Pension Code, which included the contributions due based upon the member's salary when they entered Cook County service and calculation of interest from the date of the member's discharge. It was noted that some Illinois funds utilize different methods that would be consistent with their governing articles in the Pension Code, but could be more costly than the process followed by the Fund. It was discussed that any changes would likely require amendments to the Pension Code that should be proposed by the employer.

The Executive Director reported that the Fund held 72 payments for the annuity benefits due on November 1, 2023, because the member had not returned the Benefit Eligibility Form to the Fund. Of these, 42 were from the Board meeting in July, 2023 and the remaining 30 were carried over from 2022.

Two new employees joined the Fund staff on October 10, 2023. Charnise Bain was hired as a benefits counselor and David Wolk started as an accountant.

The trustees were advised that there will be a Legislative Committee meeting at 9:00 am on November 16, 2023, followed by an EMIC meeting at 11:00 am on the same date. The Investment Committee will meet on November 30, 2023, at 9:30 am.

6. Legislative Matters

a. Review and Consideration of Renewal of Lobbyist Contract

The Executive Director stated that the agreement with John McCabe & Associates to provide legislative representation to the Fund would expire on December 31, 2023. The vendor had agreed to extend the engagement through December 31, 2025, with a modest increase in the annual fees. He stated that the services provided by John McCabe & Associates were satisfactory to the Fund. An agreement signed on behalf of the legislative representative and approved as to form by fiduciary counsel was presented to the Board.

It was moved by Trustee Richardson and seconded by Trustee Goode that the Board approve the presented Legislative Representation Agreement which had been executed on behalf of John McCabe & Associates, Ltd., and approved as to form by fiduciary counsel, for lobbyist services from January 1, 2024, through December 31, 2025, at an

annual fee of \$33,000. It was further moved that the Fund be authorized to take all reasonable action necessary to effectuate the foregoing including the execution and delivery of the Agreement on behalf of the Fund by the Executive Director.

Roll Call Vote:

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

NAYS: None

Vote Result: MOTION ADOPTED

7. Legal Matters

a. Review and Consideration of the Findings of Fact for Office Number 141197

The Executive Director stated that the Board heard the proceedings for the Member identified by Office Number 14119 regarding his request to purchase additional service credit at their meeting on October 5, 2023, that had been remanded to the Board by the Circuit Court of Cook County. The Board would need to formalize the process by receiving and filing the presented transcript of the proceedings and adopting the findings of fact prepared by Burke Burns & Pinelli.

It was moved by Trustee Goode and seconded by Trustee Richardson that the Board receive and file the presented Transcript of Proceedings regarding Office Number 141197 at the Retirement Board Meeting on October 5, 2023.

Vote Result: MOTION ADOPTED BY VOICE VOTE

It was moved by Trustee Richardson and seconded by Trustee Goode, upon remand from the Circuit Court of Cook County and after consideration of the arguments based in equity advanced by the Member, that the Board adopt the presented Findings of Fact, Conclusion and Decision regarding Office Number 141197 and that the Board affirm its earlier decision that the Member identified by Office Number 141197 was not eligible to purchase service credit pursuant to Section 9-219(f) of the Illinois Pension Code.

Roll Call Vote:

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

ABSTAIN: Anthony

NAYS: None

Vote Result: MOTION ADOPTED

7. Old Business/New Business

President McFadden stated that it would be a good practice for the Fund to obtain a credit card that could be used as required for Fund expenses that might arise from time to time. The credit card would be kept in the sole custody of the Executive Director. Details about obtaining such a credit card should be submitted to the Board for consideration.

8. 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 December 7, 2023, at 9:30 am.