

**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**

December 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; Diahann Goode, Vice-President; Tanya Anthony, Lakeisha Marvel, Kevin Ochalla, Jerry Pray; Tracy Reed, Samuel Richardson, Jr.,

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

Others Present: Mary Pat Burns, Burke Burns & Pinelli, Ltd.; Ann O'Bradovich, Callan, LLC; John Jackson, Callan, LLC; Andrew Jatico, Cook County Treasurer's Office

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

1. Review and Consideration of November 2, 2023, Board Meeting Minutes

It was moved by Trustee Richardson and seconded by Trustee Goode that the presented minutes of the Board meeting on November 2, 2023, be adopted.

Vote Result: MOTION ADOPTED BY VOICE VOTE

2. Review and Consideration of:

a. Bills, Payroll Records

It was moved by Trustee Richardson and seconded by Trustee Goode, 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, 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 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, 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 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 disability applications be approved.

Roll Call Vote:

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

NAYS: None

Vote Result: MOTION ADOPTED

3. Trustee Matters

a. Proposed Election of Officers and Approval of Committee Assignments

President McFadden stated that he had prepared a proposal for the Board's consideration of trustees to serve as officers, committee chairs and committee members

It was moved by Trustee Goode and seconded by Trustee Richardson that Trustee McFadden be nominated and elected to serve as the President of the Board until a successor is duly elected.

Vote Result: MOTION ADOPTED BY VOICE VOTE

It was moved by Trustee Ochalla and seconded by Trustee Richardson that Trustee Goode be nominated and elected to serve as the Vice-President of the Board until a successor is duly elected.

Vote Result: MOTION ADOPTED BY VOICE VOTE

It was moved by Trustee Pray and seconded by Trustee Reed that Trustee Dardick be nominated and elected to serve as the Secretary of the Board until a successor is duly elected.

Vote Result: MOTION ADOPTED BY VOICE VOTE

The trustees then addressed the chairs of the various committees and the assignments of the trustees to those committees. It was noted that, in order to facilitate discussion at the committee level, it might be preferable if the president not also serve as the chair of a committee. The trustees discussed that those trustees with experience in the subject matter of a committee had served as chairs even during their terms as president.

The Board, having reviewed the recommendations for the chairs and trustee assignments to the Investment Committee, the Emerging Manager Investment Sub-Committee and the Legislative and Rules Committee made the following motions by Consent Agenda:

It was moved by Trustee Goode and seconded by Trustee Ochalla that all the trustees shall serve on the Investment Committee and that Trustee Ochalla shall serve as the Chair. It was further moved that all so named shall serve, respectively, until a successor is duly elected or appointed.

Vote Result: MOTION ADOPTED BY VOICE VOTE

It was moved by Trustee Goode and seconded by Trustee Ochalla that Trustee Reed, Trustee Anthony, Trustee Dardick, Trustee Goode and Trustee Ochalla shall serve on the Emerging Manager Investment Sub-Committee (EMIC) and that Trustee Reed shall serve as the Chair. It was further moved that all so named shall serve, respectively, until a successor is duly elected or appointed.

Vote Result: MOTION ADOPTED BY VOICE VOTE

It was moved by Trustee Goode and seconded by Trustee Ochalla that Legislative Committee be identified as the Legislatives & Rules Committee. It was further moved that Trustee Anthony, Trustee Dardick, Trustee Marvel, Trustee Pray, Trustee Ochalla, Trustee Reed and Trustee Richardson, shall serve on the Legislative and Rules Committee and that Trustee Pray shall serve as the Chair. It was further moved that all so named shall serve, respectively, until a successor is duly elected or appointed.

Vote Result: MOTION ADOPTED BY VOICE VOTE

After the conclusion of those matters considered by Consent Agenda, the Board addressed those trustees who would serve on the Health Benefits Committee. It was moved by Trustee Goode and seconded by Trustee Richardson that Trustee Goode, Trustee McFadden, Trustee Pray, Trustee Reed and Trustee Richardson shall serve on the Health Benefits Committee and that Trustee McFadden shall serve as the Chair. It was further moved that all so named shall serve, respectively, until a successor is duly elected or appointed.

Vote Result: Seven trustees voting “Aye” and one trustee voting “Nay”, MOTION ADOPTED BY VOICE VOTE

b. Review and Consideration of proposed 2024 Board Meeting Schedule

Brent Lewandowski, Executive Director, presented a proposed schedule for the Board meetings in 2024. He noted that the Board meetings were typically held on the first Thursday of each month.

It was moved by Trustee Reed and seconded by Trustee Goode that the proposed schedule for the Board meetings in 2024 be adopted.

Vote Result: MOTION ADOPTED BY VOICE VOTE

c. Review and Consideration of proposed 2024 Committee Meeting Schedule

The Executive Director presented a proposed schedule for committee meetings in 2024. He noted that the proposed schedule reflected the Board's preference to convene committee meetings on Thursdays. He would work with the new chairs of the committees to confirm the meeting dates.

It was moved by Trustee Richardson and seconded by Trustee Goode that the proposed 2024 Committee Meetings Schedule be adopted.

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 an investment manager that they had received an email purportedly from Fund staff. The email had not originated from the Fund and appeared to be a 'phishing' attempt. No assets in the portfolio managed by the investment manager were misdirected. The Executive Director stated that the email appeared fraudulent and should be reported 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 Reed and seconded by Trustee Richardson that the Board find that there were reasonable suspicions that the identified communication from third parties to an investment manager appeared 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 incident on behalf of the Board to the Cook County State's Attorney.

5. Legislative Matters – Review and Consideration of Legislative Committee Recommendations:

a. Consideration of recommendation regarding 2024 Legislative Initiatives

The Executive Director stated that he had contacted the Forest Preserve District about possible technical amendments to the funding legislation that had been passed by the General Assembly. The technical amendments would assist the Fund in the administration of the new legislation, but the Fund could proceed in the nearterm without the technical amendments, the Executive Director stated. The Executive Director reported that the Forest Preserve District was interested in advancing legislation that would provide a substantive amendment to Article 10 of the Pension Code, which could include the amendments proposed by the Fund, but it did not plan to do so at the present time. The trustees discussed that any possible amendment proposed by the Fund did not need to be introduced in the next legislative session.

6. Investment Matters – Review and Consideration of Investment Committee Recommendations

a. Consideration of recommendation regarding follow-on Investment with Mesirow Real Estate Value Fund V

The Executive Director stated that the Investment Committee considered the County Fund's investments in Mesirow Financial Real Estate Value Funds II, III and IV at their meeting on November 30, 2023. Based upon the recommendations from Callan, LLC, and the Fund's CIO, the Committee had recommended a follow-on investment of \$45M in Mesirow Financial Real Estate Value Fund V.

It was moved by Trustee Goode and seconded by Trustee Anthony, having received the disclosures required by the Illinois Pension Code, that the Board adopt the recommendation made by the Investment Committee at their meeting on November 30, 2023, that the County Fund allocate a follow-on investment in the Mesirow Financial Real Estate Fund V in the amount of \$45M subject to satisfactory side letter contract negotiations.

Roll Call Vote:

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

NAYS: None

Vote Result: MOTION ADOPTED

b. Consideration of recommendation regarding selection of Private Infrastructure Manager

The Executive Director stated that the Fund had conducted an RFP to search for investment managers for an allocation of \$250M by the County Fund into private infrastructure. He stated that the Investment Committee had heard the presentations of the finalists of the RFP at their meeting on November 30, 2023. Based on recommendations from Callan, LLC and the Fund's CIO, the Investment Committee recommended that the allocation be divided among three identified finalists. The trustees discussed their concerns that any approval of the allocations was subject to successful contract negotiations.

It was moved by Trustee Goode and seconded by Trustee Anthony that the Board, following an RFP and having received the disclosures required by the Illinois Pension Code, adopt the recommendation made by the Investment Committee at their meeting on November 30, 2023, that the IFM Global Infrastructure Fund and the Brookfield Super-Core Infrastructure Partners each receive a mandate of \$50M from the County Fund and that the Pantheon Global Infrastructure Fund IV receive a mandate of \$150M from the County Fund subject to successful contract negotiations.

Roll Call Vote:

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

NAYS: None

PASS: McFadden

Vote Result: MOTION ADOPTED

c. Consideration of recommendation regarding Emerging and Minority Manager Utilization Goals

The Executive Director stated that under the Illinois Pension Code, the Board was required to annually approve utilization goals for the assets allocated to emerging and minority managers.

The matter was referred to EMIC, which made a recommendation to the Investment Committee about the goals to be adopted. The utilization goals proposed by EMIC were consistent with the recommendations from Callan, LLC and the Fund's CIO. The Investment Committee, at their meeting on November 30, 2023, had approved the recommendations made by EMIC about the utilization goals to be adopted by the Board.

It was moved by Trustee Anthony and seconded by Trustee Goode that the Board adopt the recommendation made by the Investment Committee at their meeting on November 30, 2023, based upon the recommendations from Callan, LLC and the Fund's CIO, and as proposed by the EMIC, that the presented Emerging and Minority Manager Utilization Goals be approved.

Roll Call Vote:

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

NAYS: None

Vote Result: MOTION ADOPTED

d. Consideration of recommendation regarding Real Estate Manager

Callan had reported to the Investment Committee about a material change in personnel at an identified real estate manager. Due to this material change, Callan, LLC and the Fund's CIO had recommended that both the County Fund and the Forest Fund submit redemption requests to the investment manager.

It was moved by Trustee Goode and seconded by Trustee Pray that the Board adopt the recommendation made by the Investment Committee at their meeting on November 30, 2023, that the County Fund and the Forest Fund submit redemption requests to the J.P. Morgan Strategic Property Fund as soon as might be practicable.

Roll Call Vote:

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

NAYS: None

Vote Result: MOTION ADOPTED

7. Administrative Matters

a. Review and Consideration of Intergovernmental Agreement with Cook County

The Executive Director stated that the Fund had negotiations with the County regarding an Intergovernmental Agreement (IGA) that would facilitate the payment of an additional \$53M, which was the projected cost for annuitant health benefits in 2024, by the County to the Fund. The final form of the IGA was presented to the Board for their approval.

It is moved by Trustee Richardson and seconded by Trustee Reed that the Board approve the IGA. It was further moved that Fund fiduciary counsel and Fund staff should take all action reasonably necessary to effectuate the foregoing, including the execution of the IGA and its delivery to the County by the Fund President.

Roll Call Vote:

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

NAYS: None

Vote Result: MOTION ADOPTED

- b. Review and Consideration to Authorize the Execution of a Contract with Com-Graphics, Inc., d/b/a D4 Solutions, for 1099-R, 1095, and Advice Printing And Distribution

The Executive Director stated that in prior years, the Fund staff had prepared the printing and distribution of federal tax forms 1099-R and 1095 and the Direct Deposit Advices to the annuitants. The services could be performed more efficiently by an external vendor. The Fund had identified two vendors that were able to perform the required services, and the evaluations of the vendors were presented to the trustees. The Fund staff recommended that D4 Solutions be retained. Because the distribution of the tax forms needed to be completed by the end of January, the Fund was requesting authority to engage D4, subject to successful contract negotiations.

It was moved that the Board approve the engagement of Com-Graphics, Inc., d/b/a/ D-4 Solutions, to provide 1099-R and 1095 Printing and Distribution for FY 2023 and to provide Advice Printing and Distribution effective as of January 1, 2024, at a cost not to exceed \$24,000. 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 Non-Disclosure Agreement and the Master Services Agreement, to be approved as to form by fiduciary counsel, on behalf of the Fund by the Executive Director.

Roll Call Vote:

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

NAYS: None

Vote Result: MOTION ADOPTED

- c. Executive Director Report

The Executive Director stated that the Fund generally followed the holidays observed by Cook County government. He stated that in 2024, the County offices will be closed on February 12th, which is Abraham Lincoln's birthday, and on March 4th, in observance of Casimir Pulaski Day. In the past, the Fund has remained open on those holidays in order to accommodate the significant volume of annuity applications to be presented to the Board at the meeting in March. In lieu of a holiday on February 12th, the Fund's offices will be closed on July 5th. Similarly, in lieu of a holiday on March 4th, the Fund's offices will be closed on December 24th. The floating holiday for all employees will be November 24th, the day after Thanksgiving. The schedule of Fund holidays will be posted on the website.

An update on the Fund's Pension Verification Program was provided. For the December 1, 2023, annuity payments, the Fund will hold 65 checks until a Benefit Eligibility Form is returned. Of the 65 held payments, 35 were from the Board meeting in July, 2023, and 30 were from 2022.

The Executive Director stated that there will be a Holiday party for Fund employees on December 20, 2023, beginning at approximately 12:30 p.m. The Fund's offices will remain

open, but a minimal number of appointments will be scheduled after 1:00 pm. All trustees were invited to attend.

A new employee, Thomas Downer, joined the Fund staff on November 3, 2023. He will have responsibility as a document specialist.

8. Finance Matters

It was moved by Trustee Reed and seconded by Trustee Richardson, pursuant to Section 2(c)(1) of the Open Meetings Act, 5 ILCS 120/2(c)(1) that the Board convene an Executive Session to discuss personnel matters.

Roll Call Vote:

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

NAYS: None

Vote Result: MOTION ADOPTED

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

Vote Result: MOTION ADOPTED VOICE VOTE

a. 2024 Draft Budget

No motion was made, or was required to be made, for Item 8a following the return to an open session.

b. Review and Consideration of 2024 Education and Travel Approval

After the return to an open session, it was moved by Trustee Goode and seconded by Trustee Ochalla that the Board approve the attendance by any trustee or employee, as might be approved by the Executive Director, at the seminars identified in the presented 2024 Draft Budget and that the costs incurred, including travel expenses, by attending any of the indicated conferences may be reimbursed to the trustee or employee so long as the requests for reimbursement are consistent with the Fund's travel reimbursement policy.

Roll Call Vote:

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

NAYS: None

Vote Result: MOTION ADOPTED

9. Consideration and Possible Action Regarding Personnel Matters

No motion was made, or was required to be made, for Item 9 following the return to an open session.

10. Old Business/New Business

President McFadden suggested that the cost for providing the name of the Executive Director on the door to the Fund's offices be determined for consideration.

11. Adjournment

It was moved by Trustee Goode and seconded by Trustee Richardson that the meeting be adjourned.

Vote Result: MOTION ADOPTED BY VOICE VOTE

The next Board meeting was scheduled for January 4, 2023, at 9:30 am.