

**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**

July 7, 2022 - 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: Lawrence Wilson, President; Patrick McFadden, Vice-President; Stephen Hughes, Secretary; John Blair, Bill Kouruklis, Joseph Nevius, Kevin Ochalla, James O'Rourke

Staff Present: Regina Tuczak, Executive Director; Margaret Fahrenbach, Legal Advisor; Michael Maratea, Director, Finance and Administration; Fernando Vinzons, Director, Investments; Gary LeDonne, Director, Benefits Administration; Brent Lewandowski, Director, Member Services

Others Present: Mary Pat Burns, Burke Burns & Pinelli, Ltd.; Ann O'Bradovich, Callan, LLC; John Jackson, Callan, LLC; Bo Abesamis, Callan, LLC; David Zee, Callan, LLC; Nathan Wong, Callan, LLC; Colin Kruse, Office of Commissioner Gainer

After confirming that a quorum of the Board was present, it was noted that Trustee Nevius and Trustee O'Rourke each requested that he be allowed to participate remotely. It was moved by Trustee Hughes and seconded by Trustee Blair, pursuant to the Open Meetings Act, 5 ILCS 120/7, that Trustee Nevius and Trustee O'Rourke be permitted to participate by audio or telephone conference.

Vote Result: MOTION ADOPTED BY VOICE VOTE

President Wilson asked if any member of the public wanted to address the Board, but no one requested to do so.

1. Review and Consideration of June 2, 2022, Board Meeting Minutes

It was moved by Trustee McFadden and seconded by Trustee Blair that the Board adopt the presented minutes from the Board meeting on June 2, 2022.

Vote Result: MOTION ADOPTED BY VOICE VOTE

2. Review and Consideration of:

a. Bills, Payroll Records

After receiving confirmation from Fund staff that the presented payments were consistent with the administrative budgets approved for 2022, it was moved by Trustee McFadden and seconded by Trustee Hughes that the action taken by Fund staff in remitting the indicated payments for the presented bills and payroll records in June, 2022, be ratified and that the Board approve the recommendations from Fund staff to remit payments for the expenses incurred in June, 2022.

Roll Call Vote:

AYES: Blair, Hughes, Kouruklis, Nevius, McFadden, Ochalla, O'Rourke,
Wilson

NAYS: None

Vote Result: MOTION ADOPTED

b. Annuities, Spouse and Child Annuities, and Refunds

The Fund 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 Blair and seconded by Trustee McFadden 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: Blair, Hughes, Kouruklis, Nevius, McFadden, Ochalla, O'Rourke,
Wilson

NAYS: None

Vote Result: MOTION ADOPTED

c. Ordinary and Duty Disabilities

The Fund 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 Hughes and seconded by Trustee Blair after due consideration of the disability 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 disability applications be approved.

Roll Call Vote:

AYES: Blair, Hughes, Kouruklis, Nevius, McFadden, Ochalla, O'Rourke,
Wilson

NAYS: None

Vote Result: MOTION ADOPTED

3. Benefit Matters

a. Review and Consideration of Office #154648 Disability Application Filing

The Executive Director stated that this Member had been denied duty disability benefits because she did not file the application while she was disabled as required by Section 9-156 of the Illinois Pension Code or within six months after she returned to work as is permitted by the policy adopted by the Board. The Member filed a request for an administrative hearing and, in the course of the proceeding, was able to produce records that supported her contention that she had a reasonable cause for delay in filing the application. The Fund staff reviewed the records and determined that there was a reasonable cause to explain the delayed filing of her application. The Executive Director stated that if the Board were to determine that the late filing would be allowed, the application would be presented to the Board for approval at the next meeting along with the other scheduled applications for benefits.

It was moved by Trustee McFadden and seconded by Trustee Hughes that the Board make a determination that the Member had presented a reasonable cause for delay in filing the application for duty disability benefits and that the Fund process the application in accordance with its procedures.

Vote Result: MOTION ADOPTED BY VOICE VOTE

b. Review and Possible Suspension of Annuitant Benefits Pending Further Notification

The Executive Director provided an update on the Fund's ongoing process to communicate with all annuitants to obtain confirmation about their continued eligibility for benefits as required by the Illinois Pension Code. Under the procedures approved by the Board, annuitants are required to return a notarized form verifying their addresses and contact information. She reported that an additional 14 annuitants had failed to respond to three separate letters sent to them asking for the requested certifications. The

Board was asked to allow the Fund to suspend the direct deposit authorizations for these annuitants' monthly benefits. The payments would be processed as checks, which would be held at the Fund until the members' eligibility could be verified.

The trustees discussed the action taken by the Fund to determine the members' continued eligibility for benefits. The trustees engaged in a thorough discussion about whether personal visits should be made to the members' last reported addresses to determine their status and whether such a process was necessary and feasible. The Fund staff was asked to investigate and present to the Board about whether to conduct further outreach when members failed to respond to the Fund's communications.

It was moved by Trustee Hughes and seconded by Trustee Blair that the Board approve the suspension of the payment of annuity benefits by direct deposit as of August 1, 2022, for the members identified on Exhibit A and that the annuity payments be issued by checks which are to be retained by the Fund until the members' eligibility for such benefits has been confirmed. Trustee Kouruklis and Trustee Nevius stated that they would vote to approve the suspensions, but did so on the condition that the Fund would provide further information about additional follow-up with the members.

Roll Call Vote:

AYES: Blair, Hughes, Kouruklis, Nevius, McFadden, Ochalla, Wilson
NAYS: O'Rourke

Vote Result: MOTION ADOPTED

4. Trustee Election Matters

a. Consideration and Possible Approval of Retained Attorney

The Executive Director said that the letter for the Retained Attorney to provide services related to the election in October, 2022, had been signed and approved by fiduciary counsel. The trustees noted that the letter did not direct that any changes regarding the Election Rules needed to be brought to the Board. The Fund staff and fiduciary counsel were directed to revise the letter for the Retained Attorney to include that change. The Board's approval of such letter would be deferred to a later meeting.

b. Review and Approval of Election Rules

The Executive Director presented the proposed rules for the annuitant trustee elections and the employee trustee election. It was noted that the annuitant trustee election rules provided that the annuitants would be mailed ballots, which would include the guardians of any child annuitant. The trustees noted that some funds allowed child annuitants to vote and that others do not.

It was moved by Trustee Kouruklis and seconded by Trustee Blair that the Board adopt the presented Cook County Employee Member Trustee Election Rules for 2022 and the

Cook County Annuitant Member and Forest Preserve District Annuitant Member Election Rules for 2022.

Roll Call Vote:

AYES: Blair, Hughes, Kouruklis, Nevius, Ochalla, Wilson

NAYS: O'Rourke

PASS: McFadden

Vote Result: MOTION ADOPTED

5. Finance Matters

a. Review and Consideration of GASB Reporting for Pension and Postemployment Healthcare Amounts

The Executive Director stated that RSM US LLP, (RSM) the Fund's auditor, had prepared the accounting and disclosures for employer liabilities as required by Government Accounting Standard Board (GASB) numbers 69 and 75. These reports had been emailed to the trustees for review so that they could be distributed to the employers by June 30, 2022. No issues with the reports or the audit opinions were noted.

It was moved by Trustee Hughes and seconded by Trustee Blair that the presented 2021 Schedule of Pension Amounts and the 2021 Schedule of Postemployment Healthcare Amounts for the County Fund as presented by RSM be received and filed and that any action taken by the Executive Director to distribute the Schedules be ratified.

Vote Result: MOTION ADOPTED BY VOICE VOTE

It was moved by Trustee Hughes and seconded by Trustee Blair that the presented 2021 Schedule of Pension Amounts and the 2021 Schedule of Postemployment Healthcare Amounts for the Forest Preserve Fund as presented by RSM be received and filed and that any action taken by the Executive Director to distribute the Schedules be ratified.

Vote Result: MOTION ADOPTED BY VOICE VOTE

b. Distribution of Final Communications and Deliverables from 2021 Audits and Actuarial Valuations

The Executive Director stated that the 2021 financial statement audits of the Cook County Fund and the Forest Preserve District Fund prepared by RSM were issued on June 1, 2022, and June 3, 2022, respectively. The communications from RSM to the Board regarding the 2021 audits were included in the meeting materials. There were no significant matters noted in the communications. She also stated that final bound copies of the 2021 financial reports were available for distribution to the trustees.

6. Administrative Matters – Executive Director Report

The Executive Director stated that a Health Benefits Committee meeting was scheduled for Wednesday, July 27, 2022 at 9:30 am. The primary purpose of the meeting was to discuss the proposed rates effective January 1, 2023 for the retiree health plan.

It was reported that Commissioner Gainer had inquired about the vacancy in the position for a Director of Investments at the Fund. The Executive Director had responded to the Commissioner that the Fund was actively seeking to fill the position and would continue to receive services from Callan, LLC, the Fund’s Investment Consultant, during the transition period. The Commissioner had also requested that the Fund provide the financial status of the Fund to the Cook County Pension Committee at a date in late July that would be determined.

The Executive Director reported that Francis Gonzalez-Crussi was retained as the Senior Manager of Information Technology and would begin on July 18, 2022.

It was reported that the Fund worked diligently to meet the close deadline of June 30, 2022, to participate in the Blackstone Real Estate Partners Fund X (BREP X). The Board had approved an allocation of \$30M, but the Fund was informed by BREP X that it was oversubscribed and that the Fund’s capital commitment would be limited to \$28.5.

The Executive Director stated that it was recently learned that the County Fund and the Forest Preserve Fund were awarded the Government Finance Officer’s Association’s Certificate of Achievement for Excellence in Finance Reporting for their December 31, 2020, Comprehensive Annual Financial Reports (CAFR). She thanked Mike Maratea, Director of Finance and Administration; Saron Tegegne, Comptroller and Debora Pemberton, Accountant for their work on the Fund’s financial statements to achieve these awards.

7. Investment Matter – Review and Possible Action Regarding Fixed Income Mandate

It was moved by Trustee Blair and seconded by Trustee Hughes, pursuant to Section 2(c)(1), Section 2(c)(7) and Section 2(c)(11) of the Open Meetings Act that the Board convene an Executive Session to discuss personnel, investment contract and litigation matters.

Roll Call Vote:

AYES: Blair, Hughes, Kouruklis, Nevius, McFadden, Ochalla, O’Rourke,
Wilson

NAYS: None

Vote Result: MOTION ADOPTED

It was moved by Trustee Blair and seconded by Trustee Hughes that the Executive Session be adjourned and that the Board return to open session.

Vote Result: MOTION ADOPTED BY VOICE VOTE

President Wilson left the meeting during the closed session and Vice-President McFadden presided over the meeting.

There was no motion made or required to be made following the return to open session regarding Item 7.

8. Legal Matters

The Executive Director reported that the Fund had received five recommendations from Mr. William P. Motto, the hearing officer who had conducted administrative reviews of denials of certain members' disability applications. In each of the matters, the hearing officer made findings of fact, conclusions of law and a recommendation that the Board's denial of the benefits be upheld. The recommendations were presented to the Board for their consideration. Fiduciary counsel stated that she had reviewed the recommendations and that they were in compliance with administrative review requirements.

The Board, having reviewed the proposed recommendations, made the following motions by Consent Agenda:

a. Consideration and Possible Adoption of Hearing Officer's Recommendation for Office #150646

It was moved by Trustee Blair and seconded by Trustee Hughes that the Board adopt the Hearing Officer's Recommendation regarding the Member identified by Office Number 150646 and that the Board reaffirm its earlier denial of the benefits the Member had requested. It is further moved that the Board's action is a final agency decision pursuant to Section 9-236 of the Illinois Pension Code.

Roll Call Vote:

AYES: Blair, Hughes, Kouruklis, McFadden, Nevius, Ochalla, O'Rourke

NAYS: None

Vote Result: MOTION ADOPTED

b. Consideration and Possible Adoption of Hearing Officer's Recommendation for Office #168794

It was moved by Trustee Blair and seconded by Trustee Kouruklis that the Board adopt the Hearing Officer's Recommendation regarding the Member identified by Office Number 168794 and that the Board reaffirm its earlier denial of the benefits

the Member had requested. It was further moved that the Board's action is a final agency decision pursuant to Section 9-236 of the Illinois Pension Code.

Roll Call Vote:

AYES: Blair, Hughes, Kouruklis, McFadden, Nevius, Ochalla, O'Rourke
NAYS: None

Vote Result: MOTION ADOPTED

- c. Consideration and Possible Adoption of Hearing Officer's Recommendation for Office #169318

It was moved by Trustee Blair and seconded by Trustee Kouruklis that the Board adopt the Hearing Officer's Recommendation regarding the Member identified by Office Number 169318 and that the Board reaffirm its earlier denial of the benefits the Member had requested. It was further moved that the Board's action is a final agency decision pursuant to Section 9-236 of the Illinois Pension Code.

Roll Call Vote:

AYES: Blair, Hughes, Kouruklis, McFadden, Nevius, Ochalla, O'Rourke
NAYS: None

Vote Result: MOTION ADOPTED

- d. Consideration and Possible Adoption of Hearing Officer's Recommendation for Office #185834

It was moved by Trustee Blair and seconded by Trustee Kouruklis that the Board adopt the Hearing Officer's Recommendation regarding the Member identified by Office Number 185934 and that the Board reaffirm its earlier denial of the benefits the Member had requested. It was further moved that the Board's action is a final agency decision pursuant to Section 9-236 of the Illinois Pension Code.

Roll Call Vote:

AYES: Blair, Hughes, Kouruklis, McFadden, Nevius, Ochalla, O'Rourke
NAYS: None

Vote Result: MOTION ADOPTED

- e. Consideration and Possible Adoption of Hearing Officer's Recommendation for Office #192161

It was moved by Trustee Blair and seconded by Trustee Kouruklis that the Board adopt the Hearing Officer's Recommendation regarding the Member identified by Office Number 192161 and that the Board reaffirm its earlier denial of the benefits

the Member had requested. It was further moved that the Board's action is a final agency decision pursuant to Section 9-236 of the Illinois Pension Code.

Roll Call Vote:

AYES: Blair, Hughes, Kouruklis, McFadden, Nevius, Ochalla, O'Rourke

NAYS: None

Vote Result: MOTION ADOPTED

9. Consideration and Possible Action Regarding Personnel Matters

There was no motion made or required to be made following the return to open session regarding Item 9.

10. Old Business/New Business

There was no old business or new business discussed.

11. Adjournment

It was moved by Trustee Blair and seconded by Trustee Hughes that the meeting be adjourned.

Vote Result: MOTION ADOPTED BY VOICE VOTE

The next Board meeting was scheduled for August 4, 2022, at 9:30 am.