



**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**

**May 5, 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; Stephen Hughes, Secretary; John Blair, Bill Kouruklis, Joseph Nevius, Kevin Ochalla, Tracy Reed

**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:** Sarah Boeckman, Burke Burns & Pinelli, Ltd.; Olyvia Jarmoszka, Cook County

After confirming that a quorum of the Board was present, it was noted that two trustees had requested that they be allowed to participate remotely. It was moved by Trustee Blair and seconded by Trustee Nevius, pursuant to the Open Meetings Act, 5 ILCS 120/7, that the trustees be permitted to participate by video and 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 April 4, 2022, Board Meeting Minutes

It was moved by Trustee Reed and seconded by Trustee Blair that the Board adopt the presented minutes from the Board meeting on April 4, 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 Blair and seconded by Trustee Kouruklis that the action taken by Fund staff in remitting the indicated payments for the presented bills and payroll records in April, 2022, be ratified and that the Board approve the recommendations from Fund staff to remit payments for the expenses incurred in April, 2022.

Roll Call Vote:

AYES: Blair, Hughes, Kouruklis, Nevius, Ochalla, Reed, 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 Nevius and seconded by Trustee Blair 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, Ochalla, Reed, 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 Reed 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, Ochalla, Reed, Wilson

NAYS: None

Vote Result: MOTION ADOPTED

3. Benefit Matters

Note: Item 3b was considered by the Board before Item 3a; the following summary of the discussion and action taken by the Board are presented in the order provided in the posted agenda.

a. Review and Possible Approval of Suspension of Annuitant Benefits Pending Further Notification

The Executive Director, Regina Tuczak, stated that each week the Fund follows a process to identify deceased annuitants and, if a death has been reported, their benefits are terminated as required by Section 1-140 of the Illinois Pension Code. In addition to the statutory requirement, the Fund began a project in 2021 to contact all annuitants and request signed and notarized certifications from them to confirm their addresses and continued eligibility for benefits. In May, 2021, the Fund sent certification forms to the County Fund annuitants who were over age 80 and to all of the Forest Preserve Fund annuitants that were to be completed, signed, notarized and returned. Follow-up mailings were sent to the non-responders. The Fund also searched its records for contact information for the non-responders and calls made to the non-responders were not successful. She stated that there have been 15 non-responders whose continued eligibility for benefits cannot be confirmed. She recommended that the direct deposits of the annuity benefits for the non-responders identified on Exhibit A be suspended beginning with the payment due on June 1, 2022. The benefit payments would be issued by a check, but the payment will be held at the Fund office. As soon as Fund staff receives satisfactory communication from the member or their representative about the eligibility for annuity benefits, payment will be released. The non-responder's access to health benefits would not be interrupted.

The trustees discussed the process that the Fund used for determining the annuitants' eligibility for benefits. Further suggestions involving technology were suggested for future efforts. The trustees thanked the Fund staff for their efforts in this important undertaking.

It was moved by Trustee Blair and seconded by Trustee Nevius that the Board approve the suspension of the payment of annuity benefits by direct deposit for the fifteen members identified as of June 1, 2022, as presented, until the members' eligibility for such benefits has been confirmed.

Roll Call Vote:

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

NAYS: None

Vote Result: MOTION ADOPTED

b. Consideration and Possible Approval of Referral of Matter Pursuant to 40 ILCS 5/1-135

The Executive Director reported that that Fund received what appeared to be a fraudulent record related to a direct deposit authorization. She stated that the direct deposit authorization was sent by a facsimile transmission to the Fund and involved a member for whom the Fund had previously received a fraudulent request related to a direct deposit authorization. The Fund contacted the member and confirmed that the request was not valid. The Fund did not implement the change in the direct deposit instructions.

It was moved by Trustee Blair and seconded by Trustee Nevius that the Board find that there were reasonable suspicions that the identified direct deposit authorization, appeared to constitute a false statement or falsified record 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.

Roll Call Vote:

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

NAYS: None

Vote Result: MOTION ADOPTED

4. Trustee Election Matters

a. Review and Consideration of Legislative Committee Meeting Recommendations

The Executive Director reported that the Legislative Committee had met on April 26 2022. At the meeting, the Legislative Committee considered various matters concerning the election in 2022 that had been referred to it by the Board. She stated that the Legislative Committee had discussed the format for the election and issues related to voter eligibility. They also discussed the need for an Election Committee and the vendors needed to conduct the election. The Committee reviewed the processes followed in earlier elections and determined that mail-in

balloting would be appropriate and that there was no need for in-person voting on election day in 2022. The list of eligible voters would be established by a certain date in the Election Rules, to be approved by the Board, for both annuitants and active members. However, those members whose annuities are approved by the Board at the October meeting, would be sent a ballot after the date of the approvals. The issue of whether the guardians of child annuitants and adult annuitants were eligible to cast votes had been referred to fiduciary counsel and is pending. She stated that once a recommendation had been received from fiduciary counsel, it would be shared with the Trustees.

The Legislative Committee also discussed the establishment of an ad hoc Election Committee for purposes of the 2022 election to make decisions that might arise during the election process. They discussed that for 2021, three trustees were appointed to an ad hoc Election Committee by the President of the Board, but that none of the trustees appointed were candidates in the 2021 election.

It was discussed by the Legislative Committee that The Hensley Company had provided services for the printing and mailing of ballots in 2021. They also provided services for the opening and tabulation of ballots on Election Day. Mr. Matthew Welch, from Montana & Welch, had provided services in accordance with the Election Rules in 2021. These vendors provided fair and efficient services for the 2021 elections and could be recommended to provide those services in 2022. Following the presentation and discussion of the Legislative Committee's recommendations, the following motions were made.

It was moved by Trustee Blair and seconded by Trustee Reed that the Board adopt the recommendation made by the Legislative Committee at their meeting on April 26, 2022, that all members eligible to vote as of a date certain in accordance with the Election Rules to be approved by the Board, be mailed a ballot to be returned to the designated USPS post box and that all those members whose applications for annuity benefits are approved at the Board meeting on October 6, 2022, be sent a ballot in a separate mailing from the other eligible annuitants to be returned to the designated USPS post box. It was further moved that there would be no in-person voting conducted for the election in 2022.

Vote Result: MOTION ADOPTED BY VOICE VOTE

It was moved by Trustee Blair and seconded by Trustee Kouruklis that the Board adopt the recommendation made by the Legislative Committee at their meeting on April 26, 2022, for purposes of the election in 2022, that an ad hoc Election Committee be established comprised of three trustees, none of whom shall be a candidate in the election.

Vote Result: MOTION ADOPTED BY VOICE VOTE

It was moved by Trustee Blair and seconded by Trustee Nevius that the Board adopt the recommendation made by the Legislative Committee at their meeting on April 26, 2022, for purposes of the election in 2022, that The Hensley Company be retained as the election service provider and that the Fund be authorized to conduct contract negotiations for terms that shall be presented to the Board for approval before the contract is executed on behalf of the Fund.

Vote Result: MOTION ADOPTED BY VOICE VOTE

It was moved by Trustee Blair and seconded by Trustee Nevius that the Board adopt the recommendation made by the Legislative Committee at their meeting on April 26, 2022, for purposes of the election in 2022, that Matthew Welch, of Montana & Welch, be engaged as the Retained Attorney and that the Fund be authorized to conduct negotiations for an Engagement Letter for his services that shall be presented to the Board for approval before the document is executed on behalf of the Fund.

Vote Result: MOTION ADOPTED BY VOICE VOTE

b. Confirmation of Board President's 2022 Election Committee

President Wilson appointed Trustee Kouruklis as the Chair of the ad hoc Election Committee for 2022 and appointed Trustee Ochalla and Trustee Reed to serve as the two additional members.

5. Administrative Matters

a. Review and Possible Approval of Change Order with AIS regarding Managed Backup and Disaster Recovery Services

The Executive Director stated that the Fund had received Backup and Disaster Recovery Services for its IT systems from All Information Service, Inc. ("AIS") since May, 2018. AIS had been engaged by the Fund through the Master Agreement between CDW-G and Cook County that was entered on May 23, 2019, which provides the general terms of the engagement. The specific terms are provided through a separate Statement of Work between AIS and the Fund which expired on May 4, 2022. She stated that the Fund continues to evaluate its vendors, but the Fund is requesting authority to enter a Change Order which would extend the agreement with AIS to May 4, 2023. The Fund had received a signed Change Order from AIS which would allow for this extension at an annual fee of \$37,140.00. She requested that once the agreement had been approved by fiduciary counsel, that the Board provide her the authority to sign the document on behalf of the Fund.

It was moved by Trustee Blair and seconded by Trustee Nevius that the Board approve the proposed Change Order with AIS to provide managed backup and disaster recovery services

for the Fund from May 5, 2022, through May 4, 2023, at an annual fee not to exceed \$37,140.00 and that the Executive Director, subject to legal review, be authorized to execute and deliver the presented Change Order, or any other related written agreement, on behalf of the Fund, to effectuate the foregoing.

Roll Call Vote:

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

NAYS: None

Vote Result: MOTION ADOPTED

b. Review and Possible Approval of General Insurance Liability Renewal

The Executive Director stated the Fund had filed claims against its General Insurance Liability Policy, issued by Hartford Insurance, when it had received fraudulent direct deposit authorizations and misdirected certain annuity payments. Hartford advised the Fund that it needed to obtain certain endorsements for the policy before such claims could be paid. The Fund had received information about the proposed endorsements, but was still working with the broker and underwriter to provide a quote for the additional coverage. She requested that the Board allow the current policy to be renewed. Once the Fund was advised about the costs for adding the endorsements, she would return to the Board for authority to add them if it was cost effective to do so.

It was moved by Trustee Nevius and seconded by Trustee Kouruklis that the Board approve the renewal of the General Liability Policy with Hartford Insurance as presented and that the Executive Director be authorized to sign any written document related to the renewal, subject to approval by fiduciary counsel, to effectuate the foregoing on behalf of the Fund.

Roll Call Vote:

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

NAYS: None

Vote Result: MOTION ADOPTED

c. Executive Director Report

The Executive Director reported that at the Board meeting on March 3, 2022, it was noted that the Fund had approximately \$12M, or 0.09% of its portfolio, in Russian investments. Based on a recently enacted Russia law, many of the investment managers were converting their depository receipts into local shares. Further detail was provided in Exhibit A to the Executive

Director report, and the matter may be discussed at the Investment Committee meeting on May 24, 2022.

Mr. William P. Motto conducted administrative hearings on April 7, 2022, and had provided recommendations regarding three matters for the Board's consideration. The hearing officer will conduct further hearings on May 12, 2022, including some that had been continued from earlier dates.

The Executive Director stated that the Fund had utilized COTG as a vendor to provide toner for all printers and service for the two copiers. She said that the service provided was inconsistent and that she would terminate the agreement. The Fund had been in contact with Cook County government to secure toner through its supplier and would search for another vendor to service the copiers.

It was reported that the Fund's Senior Investment Analyst had accepted a position in the private sector and would leave the Fund. The responsibilities of the departing employee were discussed. The Executive Director stated that the job position would be posted soon.

The Investment Committee would meet on May 24, 2022, and would consider the 1Q 2022 results and continue its review of the asset liability allocation study. They will also consider the Real Estate strategic plan and performance review. Callan will also provide the Board with education on the consideration of ESG investment matters.

6. Health Benefit Matters

- a. United Healthcare 2021 Medical Plan Performance Review
- b. CVS 2021 Pharmacy Benefit Plans Performance Review

The Executive Director stated that the Fund had received a 2021 Health Plan Performance Review from UHC and 2021 Pharmacy Benefit Review from CVS. These reviews were provided to the Trustees with the Board materials. She stated that Trustee McFadden, the Chair of the Health Benefits Committee ("HBC") had requested that these reports be referred to the HBC.

7. Legislative Matters – Update from legislative Liaison

The Executive Director reported that the Fund had received a Legislative Report from John F. McCabe and Derek Blaida summarizing activity before the General Assembly. They noted that there was no immediate action requested from the Board at this time. The bills introduced on behalf of the Fund for ARC legislation under Articles 9 and 10 remained in committee. The ARC



funding legislation proposed by the employer under Article 10 also remained in committee. Other legislation of interest was also summarized for the Board, but these matters were also in committee.

## 8. Legal Matters

The Executive Director reported that the Fund had received three recommendations from Mr. William P. Motto, the hearing officer who had conducted administrative reviews of denials of certain members' disability applications on April 7, 2022. The recommendations were presented to the Board for their consideration. Fiduciary counsel reported 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 #168119

It was moved by Trustee Nevius and seconded by Trustee Reed that the Board adopt the Hearing Officer's Recommendation regarding the Member identified by Office Number 168119 and that the Board reaffirm its earlier denial of the benefits the Member had requested. It was further moved that the Board's action be a final agency decision pursuant to Section 9-236 of the Illinois Pension Code.

Roll Call Vote:

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

NAYS: None

Vote Result: MOTION ADOPTED

- b. Consideration and Possible Adoption of Hearing Officer's Recommendation for Office #169833

It was moved by Trustee Nevius and seconded by Trustee Reed that the Board adopt the Hearing Officer's Recommendation regarding the Member identified by Office Number 169833 and that the Board reaffirm its earlier denial of the benefits the Member had requested. It was further moved that the Board's action be a final agency decision pursuant to Section 9-236 of the Illinois Pension Code.

Roll Call Vote:

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

NAYS: None

Vote Result: MOTION ADOPTED

- c. Consideration and Possible Adoption of Hearing Officer's Recommendation for Office #173807

It was moved by Trustee Nevius and seconded by Trustee Reed that the Board adopt the Hearing Officer's Recommendation regarding the Member identified by Office Number 173807 and that the Board reaffirm its earlier denial of the benefits the Member had requested. It was further moved that the Board's action be a final agency decision pursuant to Section 9-236 of the Illinois Pension Code.

Roll Call Vote:

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

NAYS: None

Vote Result: MOTION ADOPTED

- d. Other Matters

Sarah Boeckman, of Burke Burns & Pinelli, reported that a complaint had been filed by a member who had challenged his designation as a Tier 2 employee. The member's attorney had been contacted by fiduciary counsel and it was expected that the matter could be resolved without litigation. Fiduciary counsel would report the status to the Board at the next meeting.

9. Consideration and Possible Action Regarding Personnel Matters

There was no discussion or action taken by the Board under this Item 9.

10. Old Business/New Business

There was no old business or new business discussed.

11. Adjournment

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

Vote Result: MOTION ADOPTED BY VOICE VOTE

The next Board meeting was scheduled for June 2, 2022, at 9:30 am.