

COOK COUNTY/FOREST PRESERVE
ANNUITY AND BENEFIT FUND
MEETING OF THE BOARD

REPORT OF PROCEEDINGS had at the audio/video meeting of the above entitled matter, held at 70 West Madison Street, Suite 230, in the City of Chicago, County of Cook, State of Illinois, on Thursday, January 6, 2022, commencing at the hour of 9:30 a.m.

APPEARANCES

TRUSTEES:

LAWRENCE L. WILSON, President
PATRICK MCFADDEN, Vice-President
JOHN BLAIR
BILL KOURUKLIS
JOSEPH NEVIUS
KEVIN OCHALLA
TRACY REED

STAFF:

REGINA TUCZAK, Executive Director
MARGARET FAHRENBACH, Legal Advisor
MICHAEL MARATEA, Director of Finance and Administration
FERNANDO VINZONS, Director of Investments
BRENT LEWANDOWKSI, Director of Member Services
GARY LEDONNE, Director of Benefits Administration

ATTORNEY FOR THE BOARD:

BURKE, BURNS AND PINELLI, LTD.
BY: MS. MARY PATRICIA BURNS

ALSO PRESENT:

ADAM REES, With Intelligence
MADELINE RAMOS, Member
NOUREEN HASHIM, Board of Commissioners
OLYVIA JARMOSZKA, Bureau of Finance

PRESIDENT WILSON: There may not be a quorum of trustees physically present at the meeting location. Some trustees however are present at the meeting location as well as the Executive Director and Fund's counsels. The remaining trustees will participate by video conference as allowed by the Governor's Executive Orders.

For the record, the public has received notice of this meeting and their ability to participate by video conference or to be physically present at the meeting. In addition, the Fund is recording this meeting and a transcript of the proceedings will, after future approval by the Board, be made available on the Fund's website.

Roll call please.

MR. LEWANDOWSKI: Trustee Blair.

TRUSTEE BLAIR: Here.

MR. LEWANDOWSKI: Trustee Kouruklis.

TRUSTEE KOURUKLIS: Here.

MR. LEWANDOWSKI: Trustee McFadden.

TRUSTEE MCFADDEN: Here.

MR. LEWANDOWSKI: Trustee Nevius.

TRUSTEE NEVIUS: Here.

MR. LEWANDOWSKI: Trustee Ochalla.

TRUSTEE OCHALLA: Here.

MR. LEWANDOWSKI: Trustee O'Rourke

MR. LEWANDOWSKI: Trustee Reed.

TRUSTEE REED: Here.

MR. LEWANDOWSKI: President Wilson.

PRESIDENT WILSON: Here.

PRESIDENT WILSON: Thank you. We have a quorum for today's meeting.

Consistent with Public Act 91-0715 and reasonable constraints determined by the Board of Trustees, at each meeting of the Board, members of the public may request a brief time to address the Board on relevant matters within its jurisdiction.

Are there any requests for public comment today? If any member of the public wants to speak, please identify yourself for the record.

MS. BURNS: Yes, Sir. We have one member of the public whom we are bringing up to address the Board.

MS. RAMOS: Hi, my name is Madeline Ramos. Good morning everyone.

TRUSTEE BLAIR: Good morning.

MS. RAMOS: I am here today to ask the Board Trustee members to reconsider my Ordinary Disability benefits. I have applied for ordinary disability and I have been on a no pay status since June 24 of 2021. I followed all the processing steps that are

needed to follow for my disability claim and I am asking that it be approved.

MS. BURNS: Ms. Ramos, is there anything else you would like to add?

MS. RAMOS: Yes, but I am a little nervous.

MS. BURNS: That's okay, you have three minutes to present to the Board. Take your time.

MS. RAMOS: I have sent emails out.

TRUSTEE MCFADDEN: Don't be nervous.

MS. RAMOS: I'm sorry.

TRUSTEE MCFADDEN: Don't be nervous, you're a member.

MS. RAMOS: I do apologize, sorry. Okay, I am going to start all over again. Please accept this email as my request for the Pension Board to reconsider hearing my ordinary disability claim. I have submitted an ordinary disability claim in a timely manner. The Pension Fund staff has not followed through with processing my claim in accordance with the required steps that should have been followed. I have been given the run around and my claim has been treated unfairly and I am requesting that this matter be looked into and my ordinary disability claim be reviewed and approved and may all payments due to me be expedited. I have attached the following emails to Mr. Brent Lewandowski and Regina Tuczak. I do apologize if I pronounced it wrong. Please accept this email as a request for the Pension

Board to reconsider hearing my ordinary disability claim that was received by your office on November 24, 2021 at the next Board meeting on January 6, 2022. My ordinary disability claim is not related to my workman's compensation claim. Although I never received the letter of denial of this claim, I am requesting my claim to be submitted and heard by the Pension Board. The process has not been completed by your office and I have not been sent to Concentra before your decision was made for the claim not to be heard at the last board meeting on December 2, 2021. Thank you all for your assistance in this matter.

MS. BURNS: Thank you. The board will take this matter under advisement, okay? We'll be in touch. Thank you so much.

PRESIDENT WILSON: Thank you. Thank you for your comments.

Moving on to the next item of regular business. Review and consideration of the December 2, 2021 Board Meeting Minutes.

May I have a motion that the presented minutes of the board meeting on December 2nd be adopted?

TRUSTEE BLAIR: Moved.

TRUSTEE KOURUKLIS: Second.

PRESIDENT WILSON: Okay, it's been moved by Trustee Blair.
Second by Trustee Kouruklis.

Roll call please, Brent.

MR. LEWANDOWSKI: Trustee Blair.

TRUSTEE BLAIR: Aye.

MR. LEWANDOWSKI: Trustee Kouruklis.

TRUSTEE KOURUKLIS: Aye.

MR. LEWANDOWSKI: Trustee McFadden.

TRUSTEE MCFADDEN: Aye.

MR. LEWANDOWSKI: Trustee Nevius.

TRUSTEE NEVIUS: Aye.

MR. LEWANDOWSKI: Trustee Ochalla.

TRUSTEE OCHALLA: Aye.

MR. LEWANDOWSKI: Trustee Reed

TRUSTEE REED: Aye.

MR. LEWANDOWSKI: President Wilson.

PRESIDENT WILSON: Aye.

PRESIDENT WILSON: Thank you. The motion has been approved, adopted and the minutes have been approved.

The next item is Review and Consideration of Bills and Payroll Records. I would like to have a motion that takes both matters the paid bills (end of video 1)

NOTE: Due to an unavoidable recording error, a portion of the meeting was not recorded and is not included in the transcript. The official minutes of the meeting reflect all action items taken by the Board.

(beginning of video 2)

PRESIDENT WILSON: Okay, it's been moved.

PRESIDENT WILSON: The next item is a motion I'd like to have for that the Board authorize the Fund to remit to a member a net monthly annuity that was due January 1st in the amount of \$20,381.50 that was deposited into an incorrect account as long as the member provides the appropriate documentation that they had no knowledge of the matter. If I can get a motion and a second then we'll go to discussion.

TRUSTEE MCFADDEN: Approval.

TRUSTEE KOURUKLIS: Second.

PRESIDENT WILSON: Okay, It's been moved and seconded.

Any discussion or question on the motion? Gina, give us some background on this please.

MS. TUCZAK: Thank you, yes. We had two direct deposit forms that were fictitiously, appear to be fictitiously, completed. There were signatures on them, the signatures were checked and they seemed to be a reasonable match. The documentation on the direct deposit form matched our records in terms of address and Social Security number so we honored the direct deposit request and unfortunately the two accounts for two separate members received the January annuity. We got a call from the member shortly after January 3rd when we opened the office and they advised us that they had not received the funds. So we are having them complete affidavits that they did not receive their direct deposit. Meanwhile, we have immediately changed our

control procedures on direct deposit forms. So now, whenever we receive a direct deposit form, we are going to call the member with the number we have on file and send an affirmation letter to their address prior to any other address change, indicating this direct deposit change. That might slow down direct deposit changes because that may take a little bit of time, but we want to be proactive in trying to prevent this. We have made a reclaim with BNY Mellon to try to recover these funds. At this time, I don't know if we will be able to, we just made the reclaim within the past day or two; it does take a little bit of time for that to sort out but we are trying to recover the funds.

TRUSTEE MCFADDEN: So the motion covered two of these incidents and I am wondering, have the funds been withdrawn from the account that they were deposited in?

MS. TUCZAK: That's what BNY Mellon is working with the receiving banks.

TRUSTEE MCFADDEN: You don't know yet?

MS. TUCZAK: I don't know.

TRUSTEE MCFADDEN: How old is this? How far back?

MS. TUCZAK: One of them we learned about yesterday and the other one, I learned about on Tuesday.

TRUSTEE MCFADDEN: Okay. So it's possible that the funds are still in the account?

MS. TUCZAK: It's possible.

TRUSTEE MCFADDEN: It's not possible that the person gave us the wrong account number?

MS. TUCZAK: We are going to have them complete an affidavit attesting to that.

TRUSTEE MCFADDEN: Okay.

PRESIDENT WILSON: I have a question for fiduciary counsel.

MS. BURNS: Yes, Sir.

PRESIDENT WILSON: Mary Pat, what type of legal action do you recommend? What options do we have? What have others done because this sounds like it's something that was fraudulent and since there's two of these matters and, we won't get information for a while in that sometimes banks don't cooperate with individuals with employers until there's actually a legal investigation or law enforcement involved, just I'm guessing, but I'm curious whether these two matters were related, if they went to a debit card, did they go to a bank, and just how this happened.

MS. BURNS: I think what Gina, your Executive Director articulated, are exactly the same steps that other public Pension Funds and public Universities, who have dealt with this type of issue, have instituted. I recommended to Gina when she explained it to me last evening that perhaps we'd also implement those same types of procedures for any vendors that we pay by

mail or by wire. If we change any account information for them, we also get that kind of verification both in writing and verbally because many Universities, recently, have been hit by a fraud that the FBI has determined to be systemic where they go in and indicate a changed bank account, the staff process it, the payments are made, and the real vendor comes back and says you never paid me the money. The money generally, in the cases that we have been involved with, has left the country relatively quickly, it's withdrawn.

PRESIDENT WILSON: Yes. In my experience, it's gone to a debit card which is not traceable and it's been more online where you can enroll for the benefit and make changes online. Okay, thank you.

Any other questions on this matter? Okay, hearing none.

Roll Call, please.

I beg your pardon, I was muted.

Any further questions on this matter? Hearing none.

Roll Call, please.

TRUSTEE OCHALLA: I think the main room froze up.

PRESIDENT WILSON: Yes, it appears.

TRUSTEE OCHALLA: I am seeing you but I am not seeing them doing anything.

PRESIDENT WILSON: I see them.

TRUSTEE OCHALLA: Let me text Mary Pat.

PRESIDENT WILSON: Thank you.

TRUSTEE OCHALLA: I hear you, Gary.

PRESIDENT WILSON: We hear you.

MS. TUCZAK: We're back here. Do you see us?

PRESIDENT WILSON: Yes. I believe where we left off, we were getting ready to call for a motion on Item 5, the two items to replace two payments of one in the amount of \$20,381.52 and the second in the amount of 12,536.22.

MS. TUCZAK: I can also add, President Wilson that we did look into the insurances. Our cyber insurance does not cover fraudulent wire instructions, but our general liability we do believe that there might be an avenue to file a claim in that matter. So we will wait to see if we can get these funds back and then if not, we can move forward with filing those claims with our general liability policy.

MS. BURNS: And that was my recommendation before we were cutoff so I think that's a really good move. The second thing is, just to finish the thought, I do think that a meeting with a State's attorney, which Trustee O'Rourke and Trustee Blair indicated earlier might be an option, would be a good idea because now, you are really out money. In the other cases, there was no loss to the Fund. Now, there may be a loss to the Fund even if it's reimbursed by the insurance. So that will give you

a good opportunity to go in and discuss how these are handled with the State's attorney.

MR. PRESIDENT: Okay, sounds good.

TRUSTEE MCFADDEN: I have one little question.

MR. PRESIDENT: Certainly.

TRUSTEE MCFADDEN: I would find it remarkable if the signatures could be remotely alike, if this was done by someone in Russia. So I'd like to see the four signatures, the two pair.

MS. TUCZAK: Sure, let me take a note of that.

TRUSTEE MCFADDEN: I don't need it right now. I just like to see it for myself. Okay?

PRESIDENT WILSON: Noted.

Roll call, please.

MR. LEWANDOWSKI: Trustee Blair.

TRUSTEE BLAIR: Aye.

MR. LEWANDOWSKI: Trustee Hughes.

MR. LEWANDOWSKI: Trustee Kouruklis.

TRUSTEE KOURUKLIS: Aye.

MR. LEWANDOWSKI: Trustee McFadden.

TRUSTEE MCFADDEN: Aye.

MR. LEWANDOWSKI: Trustee Nevius.

TRUSTEE NEVIUS: Aye.

MR. LEWANDOWSKI: Trustee Ochalla.

TRUSTEE OCHALLA: Aye.

MR. LEWANDOWSKI: Trustee O'Rourke

MR. LEWANDOWSKI: Trustee Reed

TRUSTEE REED: Aye.

MR. LEWANDOWSKI: President Wilson.

PRESIDENT WILSON: Aye.

Thank you. The two matters have been approved. Thank you very much. Moving on to Administrative matters, item 6: Consideration and possible action regarding terms with Novitas Business and Technology.

Gina, give us an overview about this, please.

MS. TUCZAK: Yes, certainly. Thank you.

Novitas Business and Technology is our Pension Administration System Consultant. We have an agreement with them where we pay them a monthly retainer for a bank of hours and they do various programming and maintenance on our Pension Administration System. Over the years, the past couple of years, the bank of hours that we had been paying for has been on the high end so over time, I have reduced the retainer with them to a smaller number of hours. You may recall that last year, there was such a large balance left that we went back, at the Board's request. We went back and negotiated availability of those hours for the next three years as needed. We have about 100 hours left from this past year. A lot of their time is going to be needed on the benefit pay project that we are working on. The

programming, the data transmission, troubleshooting, design - we're going to need their services. So what I did was worked with them and reduced the retainer a little bit more, going down from 50 hours a month to 45 hours a month, about a 10% reduction which is going to be an annual fee of \$94,500. They will make any hours not used last year, the 100 hours, will roll those over along with the bank that we have. We have an agreement between them which has been signed as to form by fiduciary counsel and signed also by Mr. Chang as President of the organization, and I'm requesting the Board to approve this retainer for 2022.

TRUSTEE MCFADDEN: Move approval.

PRESIDENT WILSON: It's been moved by Trustee McFadden. Is there a second?

TRUSTEE BLAIR: Second.

PRESIDENT WILSON: It's been moved and seconded.

Any discussion on the motion? Hearing none.

Roll call please, Brent.

MR. LEWANDOWSKI: Trustee Blair.

TRUSTEE BLAIR: Aye.

MR. LEWANDOWSKI: Trustee Hughes.

MR. LEWANDOWSKI: Trustee Kouruklis.

TRUSTEE KOURUKLIS: Aye.

MR. LEWANDOWSKI: Trustee McFadden.

TRUSTEE MCFADDEN: Aye.

MR. LEWANDOWSKI: Trustee Nevius.

TRUSTEE NEVIUS: Aye.

MR. LEWANDOWSKI: Trustee Ochalla.

TRUSTEE OCHALLA: Aye.

MR. LEWANDOWSKI: Trustee O'Rourke

MR. LEWANDOWSKI: Trustee Reed

TRUSTEE REED: Aye.

MR. LEWANDOWSKI: President Wilson.

PRESIDENT WILSON: Aye.

The matter, the contract has been approved.

Item B and C - contract renewals update. Gina, give us your informational presentation please.

MS. TUCZAK: This is really just for information on some of the contract matters that we have been working on - a status. And I think if there's anything to note, it's those contracts that are expiring this year or the end of this year whether there is an interest from the Board to do any RFPs for the services and I can certainly come back to you with recommendations on that. Most notably when I look at the contracts that we have that are going to be expiring, we have the election service vendor that was a one year contract. We have an annual renewal with Concentra that does our disability physician evaluations. Cavanaugh McDonald, we had a one year

extension for this year. And, we also have something with Guardian Dental which does the dental for retirees, that's also a two year arrangement that will be expiring this year. In addition, we have information technology vendor AIS and CDW, those renewals have been annual and those will be expiring in May and September of this year. So I think that's probably what the highlights are in terms of the efforts on securing them for future years or RFP consideration which I can come back to you but really, it's just kind of laying that out for information.

TRUSTEE MCFADDEN: I am sorry, I was not focused. What was the remark about RFPs?

MS TUCZAK: Given this schedule that shows the expirations of the contracts, what I can do with this information is whether the Board consider or evaluate the agreements that are expiring either during this year or at the conclusion of this year whether there's interest in renewing with the current vendor or seeking an RFP to solicit a larger basket of responses.

TRUSTEE MCFADDEN: Mr. President, I think I would like to see an RFP for the Actuarial services and Cavanaugh McDonald along with the Segal group goes out until 2024?

MS TUCZAK: We just renewed.

PRESIDENT WILSON: Carry on.

TRUSTEE MCFADDEN: Segal, I'll not speak to today. The Actuarial service for sure, I feel strongly that we should do an RFP. That's all I had.

PRESIDENT WILSON: Does anyone else have any comments or thoughts on the matter?

Gina, in those two - just give as an idea. Let's talk about first, the Actuarial contract. We talked about this a couple of meetings back, last year. What year are we in the term and what were the original contract terms just for our background, again?

TRUSTEE MCFADDEN: Can I interrupt?

PRESIDENT WILSON: No, I'd like to hear Gina answer if you would? I'd like to at least hear the answer to my questions. Gina?

MS. TUCZAK: When the RFP for Actuarial services was conducted in 2018, we signed a three year arrangement with them to do the valuations for the year of 2018, 2019 and 2020 when services expiring at the end of 2021. Recall that they do the actuary work in the subsequent year. So, we did a one year renewal with them to do the 2021 valuations with the contract that we have expiring end of 2022.

PRESIDENT WILSON: Remind me, did the original contract, what renewal options were authorized under that procurement or were there any?

MS. TUCZAK: The contract I believe at the time said that we could elect one year extension as part of the RFP. We did elect the one year extension and the fee increase that he has given us is the lesser of 2% or CPI, which I think is going to be 2% for this year.

PRESIDENT WILSON: Was that included in the proposal at that time, the renewal fee?

MS. TUCZAK: I think I had to ask him for what the fee was. He quoted that to me and Mary Pat worked on the contract and we put that in the contract for 2022.

PRESIDENT WILSON: Okay. What about the Segal contract, can you give us the background on that one?

MS. TUCZAK: The Segal arrangement was a three year arrangement with a one year extension that expired at the end of last year. So Mr. Levin prepared a proposal for the Board in the Fall and the proposal had a fee of a \$120,000 a year for three years beginning this year, 2022, and taking us through the end of 2024. In that proposal, he outlined the services that were in scope and those that were out of scope. We actually wound-up with an agreement that's a little bit less than what had been in place before because in prior year, there had been special projects that had been added in to the fee and had a higher overall fee. And so, the arrangement that we have for this year,

and the next two, is more of a basic service package, if you will.

PRESIDENT WILSON: My last question is what were your intentions on the vendor? Well, we probably should not talk about that and not sure if we should be talking about in an open session. I will stop there, thank you.

MS. TUCZAK: And I do want to add one item on the Cavanaugh McDonald is that, we were due, based on the pattern of the past, for an Actuarial Experience Study to be conducted at the conclusion of 2021 which I took to the Board and that is under way for a fee that was outlined in the RFP process in 2018 and I believe the result of that will be presented at the next meeting.

PRESIDENT WILSON: Okay, Thank you.

Any other discussion on this matter?

Let's go in to your Executive Director Report.

Thank you.

MS. TUCZAK: Thank you.

A couple of things to report. I provided a write-up here with respect to the meeting I had with Commissioner Gainer on December 3rd and then the presentation to the County Board of Commissioners on Dec 15th. I provided all of you the PowerPoint that was utilized for that presentation that was covered and we did receive some thank you for the strong performance of the

Fund, especially from the Investment side. There was discussion at the Commissioner Committee meeting with respect to ESG Initiatives and Measurement and there was a resolution that was part of the Cook County Board meeting materials. There's an attachment here, with respect to ESG Investing. In reviewing the Cook County Commissioner Meeting, it appears that that resolution was deferred to the Pension Committee of Commissioner Gainer.

PRESIDENT WILSON: Keep going.

MS. TUCZAK: So I just outlined what the flavor of their questions was, which is they're interested in the transparency into the Alternative Investment portfolio with respect to Social Impacts from Private Equity and Hedge Fund returns, how they are generated as well as climate change exposures. I will note that when we spoke with Commissioner Gainer prior to the meeting, and there was questions on the components of our portfolio, Callan was on that call with us and stressed how ESG is a very loose term, that can mean many different things and that there are many different interpretations of ESG, it's a very wide umbrella. And, also caution with when you are requesting specific information on security holdings, the action steps associated with that. So, there wasn't any formal request made to me but there certainly was interest in understanding what type of securities we hold with respect to climate.

PRESIDENT WILSON: So, is there a formal request for additional information at this point or are there any outstanding matters for the Pension Committee or Commissioner Gainer?

MS. TUCZAK: I don't believe so but I do think that there is a possibility that there will be subsequent discussions on this matter.

PRESIDENT WILSON: Okay, thank you.

Keep going please.

MS. TUCZAK: Okay. I sent an email yesterday on the Fund COVID situation. So, I have at this time allowed staff the option to work remotely for the remainder of this week and next week. We have had some of my staff that has COVID and with the current environment; I am providing the remote option through next Friday. I will evaluate every Friday and determine what the conditions are. Whether or not I should have all staff back in the office but I will note, as we have the entire pandemic period, I will ensure that member service is not interrupted and there will be a core team on site on a daily basis to make sure that the physical requirements of getting member material out, are met.

The next thing I wanted to bring up is the Statement of Economic Interests. Every year, at the end of January, we have to file the names and information on the Trustees, so if there's

been any change in your contact information, please let us know. Otherwise, we're going to use the same contact information that we used from last year. Trustee Reed, I will reach out to you for your information as you are a new Trustee and are probably new to this process. Once we file that information, the Statement of Economic Interests from the Trustees are due June 1st.

The next item is with respect to Disability Administrative Hearings. We had a number of hearings on Dec 6th at the Fund's office. There were a number of members that requested continuances but there were three hearings that were completed. That will be the subject of I believe the next agenda item. You will see the hearing officer's recommendations on those matters. We are scheduled to have another series of hearings on Thursday, January 13th, a week from today. We may have to continue those. With Peggy's absence, I don't know if she will be able to be on site next week. We will take that under consideration but I want to continue and have this process moving. So, I have outlined here the next ten members that have requested hearings. These are in chronological order, not numerical order and I'd like to begin the process of setting up hearings conducted by Mr. Motto for these members.

The last item is just a reminder that we have an Investment Committee Meeting on Tuesday, January 25th and the main topic of

this meeting, which will be a comprehensive discussion, is the Asset Liability Study that Callan has been preparing for us, which will include some Investment Mix Alternatives to our current target allocations. So that will be the topic of the meeting and I look forward to see everybody on that day. That's the conclusion of my report.

PRESIDENT WILSON: Thank you very much.

Are there any questions, comments on the Executive Director's report?

Okay, hearing none.

Question, we do have an item that I'd like to change the agenda order for the convenience. Are there any items in the, let's see. No, I think we're alright.

So Item 7, legal matters. Do we need to go into Executive Session for item 7; is there any need for that at this point?

MS. BURNS: It's not a legal need to do that, sir. But it's up to the Trustees if they'd like to discuss these matters in closed session. These matters are similar to the matters we discussed last month, I believe. So, we have reviewed the proposed recommendations. Peggy's reviewed the proposed recommendations. We are signed off on them and can make these recommendations to the Board.

PRESIDENT WILSON: Trustees, what's your pleasure?

TRUSTEE BLAIR: We don't need to go in Executive Session to talk about it. There's no need to.

MS. BURNS: I agree with that.

PRESIDENT WILSON: Okay, item 7a.

Gina, give us an overview.

MS. TUCZAK: Okay. 7a.

These are the Hearing officer recommendations with respect to three members that had been denied Disability benefits and requested a hearing. The summary from Peggy is here and if you'd like, I can discuss that, but behind tab A is the actual hearing officer's recommendations. Would you like me to go any in details on this case? In essence, what we are requesting is if you are willing to accept the hearing officer's recommendations than these would be a final decision by the Board and documentation will be sent to the member advising them that this is a final decision and their Disability application is denied and they do have a right in the Circuit Court to file Administrative review on the Board's decision.

Mary Pat, would you like to add anything?

MS. BURNS: I think that's perfect, what the Executive Director said, and I think the Board is ready to proceed.

PRESIDENT WILSON: So at this point, the Executive Director and the Fiduciary Counsel are seeking action, seeking a motion

on item 7a that we adopt the hearing officer's recommendation.
Is that the motion that you are seeking?

MS. BURNS: Yes, sir and if you'd like to do that by consent agenda, you can do it for item numbers 129428, 182168 and 175915.

PRESIDENT WILSON: May I have a motion for those three items, which are agenda items 7a, b and c. May I have a motion?

TRUSTEE BLAIR: Moved.

TRUSTEE KOURUKLIS: Second.

PRESIDENT WILSON: It's been moved and seconded.

Is there any discussion on the motion? Hearing none.

Roll call, please.

MR. LEWANDOWSKI: Trustee Blair.

TRUSTEE BLAIR: Aye.

MR. LEWANDOWSKI: Trustee Hughes.

MR. LEWANDOWSKI: Trustee Kouruklis.

TRUSTEE KOURUKLIS: Aye.

MR. LEWANDOWSKI: Trustee McFadden.

TRUSTEE MCFADDEN: Aye.

MR. LEWANDOWSKI: Trustee Nevius.

TRUSTEE NEVIUS: Aye.

MR. LEWANDOWSKI: Trustee Ochalla.

TRUSTEE OCHALLA: Aye.

MR. LEWANDOWSKI: Trustee O'Rourke.

MR. LEWANDOWSKI: Trustee Reed

TRUSTEE REED: Aye.

MR. LEWANDOWSKI: President Wilson.

PRESIDENT WILSON: Aye.

PRESIDENT WILSON: Thank you. Those items have been approved.

Trustee Blair, do we need to go in to Executive Session, do you want to give us an update on Item 8, personnel matters?

TRUSTEE BLAIR: I don't believe that there is need to go into Executive Closed Session. Due to some personal issues, there hasn't been any movement on that.

PRESIDENT WILSON: Okay.

TRUSTEE BLAIR: Thank you.

PRESIDENT WILSON: You're welcome.

Is there any old or new business to come before the Board?

TRUSTEE MCFADDEN: I am wondering about the, are we going to leave the Actuarial services be or are we going to do an RFP. That question was left hanging a few minutes ago. The reason I am talking about it is, because while the firm's names have changed, the same individual has been responsible for the reports for 12 years, or perhaps 9 years, and I think actuarial services should be RPP'd and looked at by someone else. See if there's another opportunity out there.

TRUSTEE KOURUKLIS: Are you talking about Cavanaugh?

TRUSTEE MCFADDEN: Yes.

TRUSTEE KOURUKLIS: So, if I remember correctly. We had a version of them and then they split and then we brought back Cavanaugh, right? So there was one larger company and then we did an RFP in 18 or 17, late 17 and 18, we hired Cavanaugh. I am for an RFP but I am just saying, I want to be clear for the record that it has not been the same company since 8 or 9 years.

TRUSTEE MCFADDEN: I thought I suggested that in my comments, but the fellow responsible for both entities for coming in here and giving us a report and generating the report has not changed.

TRUSTEE KOURUKLIS: Right. I agree. Yes, I'm for it.

TRUSTEE MCFADDEN: Mr. President, do we have a motion to do this, to ask the staff to do an RFP for Actuarial services effective next year?

MS. TUCZAK: We can certainly do that.

MS. BURNS: A direction will be sufficient.

MS. TUCZAK: When we actually have the document ready, we will need approval on the RFP documents so we can have direction to get that started.

TRUSTEE MCFADDEN: Well, rather than having you go through all that, we should have a formal direction to proceed.

PRESIDENT WILSON: Are there any other Trustees have any comment on this matter?

What is the timeframe? What can you do Gina, in terms of, what are the recommendations? Well, two things I'm asking. 1) What's the time period required to do an Actuarial RFP in terms of being able to put something together and 2) What would be the effective date?

MS. TUCZAK: If it's okay, I will answer the last question first. The effective date would be effective January 1, 2023. The plan is to use Cavanaugh McDonald to complete the Experience Study and then based on those results; they will do the 2021 valuation. So, to have an effective date of a new Actuary of January 1, 2023, I would recommend that we would have the RFP issued probably, I would say by April. Gary, do you agree?

MR. LEDONNE: We did it in the late summer. The previous actuarial RFP was done right after the valuation I think was when it was initiated. I don't know if you remember when you were coming on the last time, I think it was October kind of when RFP process finished so that we were ready to select, that might be little late for ending. I mean, I think we'd wanted to know who the Actuary is by the October meeting so that we can then transition during the next couple of months. Certainly, earlier won't hurt but I don't know if it's ideal to be going through the RFP while they are doing the work? I don't know if there's conflict there or not.

MS. TUCZAK: If that's an issue, we could..

TRUSTEE MCFADDEN: Are you suggesting there might be conflict?

MR. LEDONNE: There should not be, absolutely not.

TRUSTEE MCFADDEN: Well, then that does not impact the timeframe. You can do it as soon as you're able to do it.

MS. TUCZAK: I am just trying to get ahead of things and not have it be an emergency, which I know we have had our share of those.

TRUSTEE MCFADDEN: Right, I agree. The sooner, the better.

MS. TUCZAK: So, I thought we could issue the RFP sometime in the spring. Staff is going to need time to review them, evaluate them, interview them and then bring finalists to the Board, then we have contract negotiations so I just wanted to make sure we have time for all those things. I don't think we need to issue it like next month but I would say probably look at April to bring it the Board for a final look, and that's what I am imagining in my head right now.

PRESIDENT WILSON: Let me go back. Gary, can you reinstate from a practical stand point when you believe the decision should be made so that a firm can staff up and be prepared to service us in January 2023. How much advance notice do they need?

MR. LEDONNE: It was done last time with maybe a November execution, that was a limited timeframe so it should be done

before that. The involvement with legal is probably one of processes, kind of afterwards, that I am not really involved with but can take time obviously because there can be back and forth between the parties. I think as Gina expressed, the earlier the better certainly. I don't have a date, I think, if the Board selects in July or August, there should be plenty of time to negotiate and finish that, so that we can transition and have it up and running early 2023.

MS. BURNS: Absolutely, I will suggest we add a formal contract to the RFP.

TRUSTEE MCFADDEN: That sounds familiar. Why don't we, so that they know what the expectation is, rather than negotiating it afterwards.

MS. BURNS: Certainly.

MS. TUCZAK: That's what I was thinking we will do, but I just want to make sure that from the time of the RFP issuance, we need to look at all the responses, have interviews, and bring them to Board for final decision. We have to have enough time for that. Absolutely, that will be part of the RFP document.

PRESIDENT WILSON: Okay, so we will ask that can you bring us a tentative schedule for the next Board meeting?

MS. TUCZAK: That's a good idea.

PRESIDENT WILSON: Did you want to talk about the matter of Segal?

MS. TUCZAK: We just signed a renewal with them so I don't know that, certainly if there's interest in taking that out to RFP, we don't have to use the entire term of the contract, I'm confident that there are termination clauses in that renewal. I think that probably a bigger priority from my perspective on the Health Benefit side, and this has been budgeted for, is some type of specialist that I can contact on Health Benefit matters. Because I think the thought was that that's going to be an outside consultant that I will use as needed but that will be part of an RFP process. So I was talking to the Chair of the Health Benefits Committee earlier today that I wanted to work on that or have something ready possibly by the February meeting, possibly.

PRESIDENT WILSON: Does that address your concern. Trustee McFadden?

TRUSTEE MCFADDEN: Absolutely. Thank you.

PRESIDENT WILSON: Any other business to come before us today? Hearing none.

May I have to motion for adjournment?

TRUSTEE MCFADDEN: Moved.

TRUSTEE BLAIR: Second.

PRESIDENT WILSON: All in favor. Any opposed?

We are adjourned. Thank you very much. Have a great week. Be safe.

MS. BURNS: Thank you, everyone.

MS. TUCZAK: Stay healthy. Thank you.