

COUNTY EMPLOYEES' ANNUITY & BENEFIT FUND OF COOK COUNTY
And Ex-Officio for the
FOREST PRESERVE DISTRICT ANNUITY & BENEFIT FUND
MEETING OF THE BOARD OF TRUSTEES
33 N. DEARBORN STREET-STE. 1000
CHICAGO, ILLINOIS 60602

Minutes for November 3, 2011 Meeting of the Board

The County Fund and the Forest Preserve District Fund are herein collectively referred to as the "Fund".

Call to Order and Roll Call.

Trustees Present: Clem Balanoff, Robert Benjamin, John Fitzgerald, Alexis Herrera, Robert Janura, Patrick J. McFadden and Kurt Summers;

Staff Present: Daniel R. Degnan, Executive Director; Nickol Hackett, Chief Investment Officer; Angela McMillin, Director of Health Benefits; Margaret Fahrenbach, Attorney; Michael Maratea Director of Finance; Paul Rzeszutko, Director of Annuity Benefits; Gary LeDonne, Senior Benefits Advisor; Sharon Ryan, Office Manager;

Others Present: Mary Pat Burns, Burke Burns & Pinelli, LTD; Mark Rosenfeld, Office of Commissioner Bridget Gainer; Jason Parks, Loop Capital; Sharon Piet, Posesta & Company;

1. Review and Consideration of:
 - a. October 6, 2011 Board Meeting Minutes.

It was moved by Trustee Balanoff and seconded by Trustee McFadden that the minutes of the October 6, 2011, Board Meeting be adopted.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

- b. Bills, Payroll Records, Annuities, Spouse & Child Annuities, Ordinary & Duty Disabilities and Refunds.

It was moved by Trustee McFadden and seconded by Trustee Herrera that the presented payroll, bills and recommendations for annuities, disabilities and refunds be approved.

Roll Call Vote:

AYES: Balanoff, Benjamin, Herrera, Janura, McFadden, Fitzgerald

PRESENT: Summers

NAYS: None

Vote Result: MOTION ADOPTED

2. Other Benefit Matters

a. Lavelle/Kubiak Refund Application.

It was moved by Trustee McFadden and seconded by Trustee Benjamin that the Designation of Beneficiary form was not filed with the Board before the employee's death as required by Section 9-166 of the Illinois Pension Code.

Roll Call Vote:

AYES: Benjamin, Herrera, Janura, McFadden, Fitzgerald, Summers

PRESENT: Balanoff

NAYS: None

Vote Result: MOTION ADOPTED

It was moved by Trustee McFadden and seconded by Trustee Benjamin that the refund requested by Margaret Kubiak pursuant to the 'Application For Refund Deceased Employee Account' filed with the Board on October 25, 2011, be denied and it is further moved that the Board's decision be final for purposes of the Illinois Administrative Review Law.

Roll Call Vote:

AYES: Benjamin, Herrera, Janura, McFadden, Fitzgerald, Summers

PRESENT: Balanoff

NAYS: None

Vote Result: MOTION ADOPTED

b. Interpleader-Matter of Joseph Jordan

It was moved by Trustee McFadden and seconded by Trustee Balanoff, consistent with the order entered by the Circuit Court of Cook County, under docket number 10 CH 06782, that Joyce Jordan is eligible for spousal benefits pursuant to the Illinois Pension Code, following the death of Joseph Jordan and that Leslie French Jordan is not eligible for such benefits.

Roll Call Vote:

AYES: Balanoff, Benjamin, Herrera, Janura, McFadden, Fitzgerald, Summers

NAYS: None

Vote Result: MOTION ADOPTED

3. 2011 Election Results

a. Report of Independent Election Administrator

It was moved by Trustee Benjamin and seconded by Trustee McFadden that the Report of the Independent Election Administrator dated November 2, 2011, be accepted as a true and accurate report of the results of the election held on October 26, 2011, and consistent therewith, that Brent Lewandowski was duly elected as the Cook County Employee Member Trustee.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

b. Proclamation of Election and Declaration of the Winner of the Cook County Employee Member Election Held on October 26, 2011

It was moved by Trustee Benjamin and seconded by Trustee McFadden that the Proclamation of Election and Declaration of the Winner of the Cook County Employee Member Election Held on October 26, 2011, be accepted and, consistent therewith, that Brent Lewandowski be declared the winner of that election and that he be administered and execute the Oath of Office. It is further moved that the Fund's staff take all action necessary to file a copy of the executed Oath of Office with the Cook County Clerk as required by Section 5/9-186 of the Pension Code.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

4. Consideration of October 25, 2011 Investment Committee Recommendations

a. Optimum Investment Advisors Large Cap Growth

It was moved by Trustee McFadden and seconded by Trustee Benjamin that the Board approve the recommendation of the Investment Committee made at their meeting on October 25, 2011, to not retain Optimum Investment Advisors for their Large Cap Growth mandate and it is further moved that the Fund Investment Staff, including the Executive Director, be authorized to take all action reasonably necessary to effectuate the foregoing, including the execution and delivery of related written documents on the Fund's behalf by the Executive Director.

Roll Call Vote:

AYES: Balanoff, Benjamin, Herrera, Janura, McFadden, Fitzgerald

PRESENT: Summers

NAYS: None

Vote Result: MOTION ADOPTED

b. NCM Capital Large Cap Core

It is moved by Trustee McFadden and seconded by Trustee Benjamin that the Board approve the recommendation of the Investment Committee made at their

meeting on October 25, 2011, to not retain NCM Capital Management for the Large Cap Core mandate. It is further moved that the Board approve the transfer of these assets which total approximately \$50 million, to Rhumblin's S&P 500 portfolio and that the Fund Investment Staff, including the Executive Director, be authorized to take all action reasonably necessary to effectuate the foregoing, including the execution and delivery of related written documents on the Fund's behalf by the Executive Director.

Roll Call Vote:

AYES: Balanoff, Benjamin, Herrera, Janura, McFadden, Fitzgerald

PRESENT: Summers

NAYS: None

Vote Result: MOTION ADOPTED

c. Core Real Estate Open end Fund Search

It was moved by Trustee McFadden and seconded by Trustee Benjamin that the Board approve the recommendation of the Investment Committee made at their meeting on October 25, 2011, to select J.P. Morgan's Select Property Fund for a \$75 million mandate for the Cook County Fund; to select Prudential's PRISA for a \$75 million mandate for the Cook County Fund; and to select J.P. Morgan's Select Property Fund for a \$3 million mandate for the Forest Preserve District Fund, all of which are to be funded from the current fund structure implementation and subject to satisfactory completion of final due diligence and successful contract negotiations. It is further moved that the Fund Investment Staff, including the Executive Director, be authorized to take all action reasonably necessary to effectuate the foregoing, including the execution and delivery of related written documents on the Fund's behalf by the Executive Director.

Roll Call Vote:

AYES: Balanoff, Benjamin, Herrera, Janura, McFadden, Fitzgerald

PRESENT: Summers

NAYS: None

Vote Result: MOTION ADOPTED

d. Core Plus Fixed Income Search

It was moved by Trustee McFadden and seconded by Trustee Benjamin that the Board approve the recommendation of the Investment Committee made at their meeting on October 25, 2011, to select MacKay Shields for an approximate \$300 million mandate for the Cook County Fund to be funded from the current fund structure implementation and subject to satisfactory completion of final due diligence and successful contract negotiations. It is further moved that the Fund Investment Staff, including the Executive Director, be authorized to take all action reasonably necessary to effectuate the foregoing, including the execution and delivery of related written documents on the Fund's behalf by the Executive Director.

Roll Call Vote:

AYES: Balanoff, Benjamin, Herrera, Janura, McFadden, Fitzgerald

PRESENT: Summers

NAYS: None

Vote Result: MOTION ADOPTED

5. Cash Flow Report

It was moved by Trustee Herrera and seconded by Trustee McFadden that the Fund Staff, on behalf of the Forest Preserve District Fund, shall have authority to withdraw cash in an aggregate amount not to exceed \$1.8 million dollars to cover projected expenses through December 31, 2011. It is further moved that the Fund's staff shall be authorized to take all steps reasonably necessary to effectuate the foregoing.

Roll Call Vote:

AYES: Balanoff, Benjamin, Herrera, Janura, McFadden, Fitzgerald,
Summers

NAYS: None

Vote Result: MOTION ADOPTED

6. Legislative Update

Mr. Degnan conveyed the Funds' lobbyist report regarding the first week of the Fall Veto Session of the Illinois Legislature. The lobbyist reported that HB 3813 and HB 3815 were introduced in order to address recent developments regarding local union officials participating in those funds while serving as a union official and basing those pension benefits on their union salary. The Trustees discussed the extent to which the legislation impacted the Fund.

7. Old Business/New Business

After consideration of all other items of business, it was moved and seconded that the meeting be adjourned.

Vote Result: MOTION ADOPTED UNANIMOUSLY BY VOICE VOTE.

The Board's next regular meeting is scheduled for DECEMBER 8, 2011.