

**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 2, 2024 - 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; Hal Dardick, Secretary; 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; Derek Blaida, John McCabe & Associates; John McCabe, John McCabe & Associates

President McFadden stated that there was a quorum of the Board present at the meeting and that certain trustees had asked to participate remotely. It was moved by Trustee Richardson and seconded by Trustee Pray, pursuant to Section 7(a) of the Open Meetings Act, that the Board allow trustees who were not able to be physically present at the meeting to participate remotely.

Vote Result: MOTION ADOPTED BY VOICE VOTE

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

1. Review and Consideration of Approval for the April 4, 2024, Board Meeting Minutes

It was moved by Trustee Reed and seconded by Trustee Richardson that the presented minutes of the open session of the Board meeting on April 4, 2024, be adopted.

Vote Result: MOTION ADOPTED BY VOICE VOTE

2. Review and Approval of:
 - a. Bills, Payroll Records

Saron Teegne, Deputy Executive Director, stated that the overage noted at the last meeting between the budget and actual expenditures was due to an error that has now been corrected.

It was moved by Trustee Richardson and seconded by Trustee Pray, having received confirmation from Fund staff that the indicated payments were consistent with the 2024 administrative budget, that the Board ratify the action taken by Fund staff in April, 2024, in paying the presented bills for expenses incurred in 2024 and that the Board approve the recommendations from Fund staff to remit payments for the presented bills for expenses incurred in 2024.

Roll Call Vote:
AYES: Anthony, Dardick, 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 Dardick, 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, Dardick, Goode, Marvel, Ochalla, Pray, Reed,
Richardson, McFadden
NAYS: None

Vote Result: MOTION ADOPTED

c. Ordinary and Duty Disabilities

It was moved by Trustee Pray and seconded by Trustee Dardick, 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, Dardick, Goode, Marvel, Ochalla, Pray, Reed,
Richardson, McFadden
NAYS: None

Vote Result: MOTION ADOPTED

3. Legislative Matters

a. Update from the Legislative Liaison

John McCabe, Legislative Liaison, stated that legislative bills addressing Tier 2 concerns and other pension matters were not likely to move during the current session. There was some possibility that those items would be considered during the veto session or in January, 2025.

It was also noted that the Governor's Omnibus Insurance legislation (HB 5395) had passed the House and could move forward. This legislation would prohibit health plans from requiring the use of generic drugs as a first step if the patient's physician prescribed a name-brand drug. Additionally, it would place limits on the need to obtain prior authorizations for some medications prescribed by a patient's physician. CVS, the pharmacy benefit manager for the CCPF Retiree Health Plan, estimated that the legislation would increase costs by \$3 million to \$6 million. The trustees said they needed more information from CVS about the actual impact on the Fund. They also discussed whether the Fund should seek to be excluded. Even if the Fund were excluded, the trustees could implement those aspects of the legislation that might be favorable, but the Board needed more information so that it could make an informed decision about the legislation.

4. Administrative Matters

a. Review and Consideration of Approval of General Liability and Workers' Compensation Policies

The Executive Director stated that the Fund's General Liability Policy and its Workers' Compensation Policy were both to expire on May 18, 2024. These policies have the coverage that is required under the Fund's lease for its administrative offices. He stated that the annual renewal rates for the General Liability Policy and the Workers' Compensation Policy were \$6,488 and \$6,726, respectively. These renewal rates were consistent with the 2024 Administrative Budget.

It was moved by Trustee Reed and seconded by Trustee Anthony that the Board approve the renewal of the General Liability Policy with Hartford Insurance and the Workers' Compensation Insurance 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: Anthony, Dardick, Goode, Marvel, Ochalla, Pray, Reed,
Richardson, McFadden

NAYS: None

Vote Result: MOTION ADOPTED

b. Pension Administration System Review Update

The Executive Director summarized how the Fund would operate its Pension Benefit Management System (PBMS) if there were changes in key personnel at the current vendor. He stated that daily operations could proceed, but there might be a need to obtain a third party familiar with PBMS to address certain issues that sporadically arise. Also, the necessary year-end data reconciliation and review would need additional support from staff or possibly a third party. Programming changes needed for large scale projects such as the outsourcing of annuity payments or the migration of data to a new pension administration system (PAS) would require the support from the current vendor. If they become unavailable, the Fund would need to engage a new vendor which would likely entail higher costs for the services and consume additional staff resources.

The Executive Director provided a status report on the search for a vendor to develop and support a PAS. The Fund had conducted an RFP to identify a consultant who would then lead the search for a vendor to prepare a PAS. Linea Solutions was retained as the consultant, and a project manager from Linea worked with Fund staff to develop an RFP for the vendor in 2018. Two finalists had been selected, but the project was put on hold in late 2018. The Fund did not have further contact with Linea until March, 2023. At that time, the Fund learned that the project manager from Linea who had worked on preparing the RFP was no longer with that firm. The Fund met with Linea and discussed how to move forward. After providing a report to the Board about the meeting with Linea, it was determined that an updated RFP was needed to move the project forward.

In order to obtain better insight into this process, Fund staff attended a Public Retirement Information Systems Management Conference (PRISM). The attendees confirmed that pension funds who needed to replace a PAS should engage a consultant and select a vendor through an RFP to build a customized off the shelf solution (COTS). The consultant would prepare the RFP and continue to represent the pension fund while the vendor developed the system. The Executive Director recommended that the Fund follow this process. The trustees discussed how the consultant could help update the RFP. If the services were satisfactory, the same consultant could be used for the design and development phase. The trustees directed the Executive Director to reach out to Linea and to the project manager who worked on the RFP process in 2018 and ask them for proposals to update the RFP, which would be presented for the Board's approval.

c. Executive Director Report

The Executive Director stated that the Fund held 48 of the annuity payments issued on May 1, 2024, because the members had not returned the required Benefit Eligibility Forms (BEF). Of those payments held, 27 were from the Board meeting in July 2023, and 21 were from the BEF project in 2022. He also summarized those members whose payments had been withheld, but who had recently returned their BEFs, and had their withheld annuity payments remitted to them.

The financial audits and actuarial valuations for 2023 were in process and would be presented to the Board at the meeting on June 6, 2024.

The Request for Information regarding insurance procurement was expected to be released in May.

A meeting of the Legislative Committee was scheduled for May 23, 2024. The Fund's legislative liaisons were expected to provide a summary of the legislation pending before the Illinois General Assembly. The Committee would also address matters relating to the election of trustees in October 2024, and the policies and procedures affecting the Board and the Fund. It was discussed whether electronic voting should be implemented for this election.

A meeting of the Investment Committee was scheduled for May 30, 2024. Callan, LLC would present the performance review for 1Q 2024 and the real estate strategic plan. A manager presentation regarding real estate assets was also scheduled.

The Executive Director provided an update about Fund staff. He stated that Teagan Kusbel started at the Fund as an intern for this summer. He also reported that the Fund had completed its search for a Director of Investments and had identified the successful candidate.

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

Roll Call Vote:

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

NAYS: None

Vote Result: MOTION ADOPTED

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

Vote Result: MOTION ADOPTED BY VOICE VOTE

5. Old Business/New Business

Mary Pat Burns stated that the Circuit Court of Cook County, upon Administrative Review, had recently affirmed the Board's decision regarding the denial of disability benefits to Scott Budlove. There were no other changes to the legal status report that had been recently presented to the Board.

There was no old business or new business discussed.

6. Adjournment

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

Vote Result: MOTION ADOPTED BY VOICE VOTE

The next Board meeting was scheduled for June 6, 2024, at 9:30 am.