

ANNUAL REPORT OF THE RETIREMENT BOARD OF THE COUNTY EMPLOYEES' ANNUITY & BENEFIT FUND OF COOK COUNTY

	2009	2008
PARTICIPANT INFORMATION		
Retirements During the Year	565	640
New Survivor Beneficiaries	169	177
Service Withdrawals with Refunds	1,942	2,220
Employees at Year End	23,570	23,436
Employee Annuitants	12,145	11,967
Spouse and Child Annuitants	2,462	2,460
FINANCIAL INFORMATION		
<i>Revenues</i>		
Net Tax Levy	\$183,713,870	\$183,916,221
Employee Contributions	\$127,795,881	\$123,776,705
Earnings on Investments (1)	\$1,013,615,250	\$1,858,853,846
All Other Sources of Income	\$11,741,894	\$7,081,386
Total Revenues	\$1,336,866,895	\$1,544,079,534
<i>Expenditures</i>		
Pensions Paid	\$397,064,066	\$373,738,148
Retiree Group Hospital Premiums	\$41,433,222	\$40,480,343
Disability Benefits Paid	\$13,510,567	\$13,234,974
Refunds of Employee Contributions	\$20,404,911	\$24,724,102
Administrative Expense	\$4,248,287	\$4,172,536
Total Expenditures	\$476,661,053	\$456,350,103
<i>Investment Portfolio</i>		
Common and Preferred Stocks	\$3,889,588,571	\$3,022,867,340
U.S. Government Obligations	\$1,451,418,088	\$907,279,130
Corporate Bonds	\$637,045,459	\$432,453,258
Limited Partnerships	\$128,651,024	\$156,161,392
Index Funds - Fixed Income	\$298,195,886	\$1,089,900,570
Index Funds - Equity	\$28,906,700	\$24,098,280
Short Term Investment Fund	\$173,788,743	\$145,275,775
Total Invested Assets	\$6,607,594,471	\$5,778,035,745

For 2009, the total investment rate of return was 18.0%. The Cook County Fund was 63.2% funded as of December 31, 2009.

(1) Earnings on investments are listed net of investment expense and includes net securities lending income.

ANNUAL REPORT OF THE RETIREMENT BOARD OF THE FOREST PRESERVE DISTRICT EMPLOYEES' ANNUITY & BENEFIT FUND OF COOK COUNTY

	2009	2008
PARTICIPANT INFORMATION		
Retirements During the Year	13	18
New Survivor Beneficiaries	15	18
Service Withdrawals with Refunds	84	93
Employees at Year End	461	442
Employee Annuitants	342	347
Spouse and Child Annuitants	159	151
FINANCIAL INFORMATION		
<i>Revenues</i>		
Net Tax Levy	\$2,543,694	\$2,023,448
Employee Contributions	\$2,418,794	\$2,119,208
Earnings on Investments (1)	\$24,683,791	\$46,414,013
All Other Sources of Income	\$219,919	\$127,464
Total Revenues	\$29,866,198	\$42,143,893
<i>Expenditures</i>		
Pensions Paid	\$10,697,260	\$10,323,165
Retiree Group Hospital Premiums	\$1,479,173	\$1,608,240
Disability Benefits Paid	\$247,088	\$227,996
Refunds of Employee Contributions	\$472,953	\$518,400
Administrative Expense	\$112,729	\$138,550
Interfund Transfers and Other Expenditures	\$118,734	\$119,434
Total Expenditures	\$13,127,957	\$12,696,917
<i>Investment Portfolio</i>		
Common and Preferred Stocks	\$91,977,030	\$71,182,809
U.S. Government Obligations	\$33,051,002	\$13,527,057
Corporate Bonds	\$16,466,158	\$6,566,481
Index Funds - Fixed Income	\$8,885,373	\$41,233,827
Index Funds - Equity	\$4,606,017	\$3,032,440
Short Term Investment Fund	\$5,690,413	\$7,680,461
Total Invested Assets	\$160,675,993	\$143,223,075

For 2009, the total investment rate of return was 17.9%. The Forest Preserve Fund was 68.8% funded as of December 31, 2009.

NOTICE OF ELECTION FOR COOK COUNTY ANNUITANT MEMBER TRUSTEE

Notice is hereby given to all annuitants of the County Employees' and Officers' Annuity & Benefit Fund of Cook County that the Election of a Cook County Annuitant Member Trustee to the Board of Trustees of the County Employees' Annuity & Benefit Fund of Cook County will be held on Wednesday, October 27, 2010.

In-person voting will take place from 7:00 a.m. until 5:00 p.m. on Wednesday, October 27, 2010, in Room 885 of the Cook County Building at 118 North Clark Street, Chicago, Illinois. To those who do not wish to vote in person, mail ballots will also be available. An application for a mail ballot will be sent to each eligible annuitant on or before Monday, September 27, 2010. Any annuitant who does not receive an application for a mail ballot should contact the Independent Election Administrator at (708) 228-8209 no later than Monday, October 4, 2010, to request that another application be sent to the annuitant.

Nominating petitions can be obtained at the Fund's main office, which is located at 33 North Dearborn, Suite 1000, Chicago, Illinois beginning on Thursday, August 26, 2010. Nominating petitions must be filed at the Fund's main office between 9:00 a.m. on Tuesday, September 7, 2010, and 4:30 p.m. on Friday, September 10, 2010.

NOTICE OF ELECTION FOR COOK COUNTY EMPLOYEE MEMBER TRUSTEE

Notice is hereby given to all employees of Cook County that the Election of a Cook County Employee Member Trustee to the Board of Trustees of the County Employees' and Officers' Annuity & Benefit Fund of Cook County will be held on Wednesday, October 27, 2010.

In-person voting will take place from 7:00 a.m. until 5:00 p.m. on Wednesday, October 27, 2010, in Room 885 of the Cook County Building at 118 North Clark Street, Chicago, Illinois. To those who do not wish to vote in person, mail ballots will also be available. An application for a mail ballot will be sent to each eligible member on or before Monday, September 27, 2010. Any employee who does not receive an application for a mail ballot should contact the Independent Election Administrator at (708) 228-8209 no later than Monday, October 4, 2010, to request that another application be sent to the employee.

Nominating petitions can be obtained at the Fund's main office, which is located at 33 North Dearborn, Suite 1000, Chicago, Illinois beginning on Thursday, August 26, 2010. Nominating petitions must be filed at the Fund's main office between 9:00 a.m. on Tuesday, September 7, 2010, and 4:30 p.m. on Friday, September 10, 2010.

NOTICE OF ELECTION FOR FOREST PRESERVE ANNUITANT MEMBER TRUSTEE

Notice is hereby given to all annuitants of the Forest Preserve District of Cook County that the Election of a Forest Preserve Annuitant Member Trustee to the Board of Trustees of the County Employees' and Officers' Annuity & Benefit Fund of Cook County and Ex Officio for the Forest Preserve District Annuity and Benefit Fund of Cook County will be held on Wednesday, October 27, 2010.

In-person voting will take place from 7:00 a.m. until 5:00 p.m. on Wednesday, October 27, 2010, in Room 885 of the Cook County Building at 118 North Clark Street, Chicago, Illinois. To those who do not wish to vote in person, mail ballots will also be available. An application for a mail ballot will be sent to each eligible member on or before Monday, September 27, 2010. Any employee who does not receive an application for a mail ballot should contact the Independent Election Administrator at (708) 228-8209 no later than Monday, October 4, 2010, to request that another application be sent to the employee.

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NOTICES OF TRUSTEE ELECTIONS

Trustee elections will be held on October 27, 2010. Three positions are up for election: Cook County Employee Member Trustee, Forest Preserve Employee Member Trustee and Cook County Annuitant Trustee.

Details for the three elections are set forth below:

MEDICARE 101



Once you reach the age of 65, you may be eligible for Medicare. Medicare benefits are not automatic; you must apply for them. It's beneficial to apply for both Medicare Part A (hospital coverage) and Medicare Part B (major medical). If you are eligible for Medicare, your cost for medical coverage is substantially less.

Even if you don't qualify for Medicare from your work record, you may be eligible through your spouse's — or a former spouse's—work record. If you qualify through a younger spouse, you may be eligible for Medicare benefits when your spouse reaches age 62. It's important that you make the inquiry in January of the year that your spouse will turn 62 to assure timely enrollment in Medicare Part A and Part B. Contact your local Social Security office for more information and to determine if you are eligible through your spouse's or former spouse's record.

Important: Since the Fund provides you with a prescription benefit that is at least equal to Medicare Part D, you should not enroll in Medicare Part D. If you do choose to enroll into Medicare Part D, you will lose your rights to be enrolled in the Fund's entire Group Health Benefit (medical and prescription).

HEALTH BENEFIT QUALIFYING EVENTS – WHEN TO NOTIFY THE FUND

You MUST notify the Fund immediately when any one of the following events occur:

- Event #1: Medicare Eligibility**
Action: Notify the Fund within 60 days of the date of Medicare eligibility*
- Event #2: Death of a spouse or dependent**
Action: Notify the Fund within 30 days of the event
- Event #3: Divorce**
Action: Notify the Fund within 30 days of the event
- Event #4: Dependent reaches the age limitation (26) for participation in plan**
Action: Notify the Fund within 30 days of the event*
- Event #5: Coverage cancellation for any annuity and/or family member**
Action: The Fund must be notified 30 days prior to the event for effective date change in premium.
- Event #6: Surviving spouse remarries**
Action: Such an event removes eligibility to the Group Health Benefit. The Fund must be notified within 30 days of the event for an effective date cancellation/reimbursement.



**Note: The Fund will proactively reach out to the member 60 days prior to the event*

When you become eligible for Medicare Part A, it's advantageous to enroll for the optional Medicare Part B. The monthly premium for Medicare Part B coverage will be deducted from your monthly Social Security payments. If you are not eligible for a Social Security payment, Social Security will bill you quarterly for your Part B premium. Part B will pay up to 80% of approved physician's charges and other outpatient medical services after satisfying an annual deductible.

Important: The Fund provides you with a supplemental benefit to coordinate with your Medicare Part A and Part B benefits. This means that after Medicare has reviewed the claim, it is passed on to our medical carrier (BCBS). They then process the remaining claim against the Medicare Supplement coverage. What is not covered by the Fund, is then your responsibility.

An annuitant or spouse ("member") who elects to NOT enroll and pay for Medicare Part B coverage will face a substantial financial burden. The Cook County and Forest Preserve Group Health Benefit will pay for and BCBS will process claims as though you, the member, has Part B coverage.

Enrollment for Medicare Part B is open for 3 months before and after you reach age 65. In addition, a general annual enrollment for Part B is held January 1 through March 31. For the annual enrollment, the Part B coverage begins July 1 of that same year. Medicare imposes a penalty for late enrollment into Part B.

For more information, call the Social Security Administration at 1-800-772-1213



Save the Date

This year's Health Insurance Open Enrollment Meeting will be held on Friday November 5th at the Headquarters of IUOE Local 399.

This informative annual meeting educates enrollees on how to best utilize the plan to manage health and wellness, answers many questions, and helps guide them towards the plan that's best suited to them. Remember: our health plan only covers eligible retirees. Employees are covered under the Cook County Health Plan.

YOUR BENEFICIARY FORM: Keeping it Up To Date

When was the last time you updated your beneficiary form with the Fund? If you have moved, changed phone numbers or experienced a relationship change that impacts your beneficiary designation, you should let us know.

If you have changes to make, please contact the Fund at 312-603-1200 to request a new form.

UPDATE ON... HealthCare Reform

The Fund continues to actively monitor updates from the Patient Protection Act and its relevance to the Fund's Group Health Benefit. As we close in on the 2014 effective date, the Fund will continue to review plan design and the effectiveness of managing high cost and chronic health conditions, to ensure we are within guideline parameters.



CONSIDERING RETIREMENT? Inquire BEFORE you RETIRE

Believe it or not, planning for retirement is something many people take for granted - but it's one of the most important steps when considering your future.

How will YOU know when the time is right to retire? And what steps need to be taken to ensure you receive the benefits you're entitled to? These and many other questions can be answered with one simple phone call to the Fund.

Our experienced counselors are here to help you navigate through the benefits in order to make an informed decision that is right for you.

Call us today at 312-603-1200

County Employees' Annuity &
Benefit Fund of Cook County
33 N. Dearborn St., Suite 1000
Chicago, IL 60602

Comments or Suggestions?

Write to:
The Cook County Pension Fund
33 North Dearborn, Suite 1000
Chicago, IL 60602

If you have any questions about the Pension Plan or your benefits, please contact the Pension Fund office and we will be happy to help.

PHONE: 312- 603-1200

FAX: 312 603-9760

www.cookcountypension.com

Office Hours: Monday-Friday
8:30am to 4:30pm



BOARD OF TRUSTEES:

Joseph Fratto, President

Robert Agnes

Clem Balanoff

Robert Benjamin

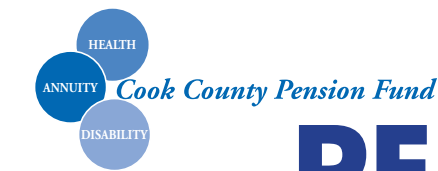
John E. Fitzgerald

William Granberry

Mark Kilgallon

Patrick J. McFadden

Antoinette Williams



PENSIONNOTES

SUMMER 2010

Newsletter for Member's of the County Employees' Annuity & Benefit Fund of Cook County and Forest Preserve District Employees' Annuity & Benefit Fund of Cook County

Retiree Health Insurance Reminders

We'd like to remind our retirees to watch for information on the Fund's health benefit open enrollment period and the annual health benefit meeting. Once again, we will focus on utilizing the Plan to manage your health and well being

This year's meeting will be held at the Headquarters of IUOE Local 399 on November 5th. We hope to build on the success of last year's meeting and encourage all retirees to attend. Please look for your save the date card with date/time in September or, check our website - www.cookcountypension.com for information. Remember: our health plan only covers eligible retirees. Employees are covered under the Cook County Health Plan.

Trustee Elections

Trustee elections will take place this October. Please see page 3 for specific election notices.

We encourage you to participate in the Trustee elections and hope that you'll continue to share your comments and input regarding any of our *Pension Notes* newsletters.



2009 Annual Audit and Financial Statements

We are proud to announce that once again we have received clean audit opinions for both Funds. On page 2 you will find summaries of our 2009 audited financial statements. Total invested assets increased to \$6.6 billion for the County Fund and to \$160.6 million for the Forest Preserve Fund. While both Funds achieved positive investment gains for the year ended 2009 they did experience a decline in the funded ratios. The declines are primarily due to the significant investment losses incurred in 2008 and the result of changes in assumptions made by our actuary for purposes of calculating the funded ratio. The modified assumptions include such things as mortality rates, termination rates, retirement rates and future salary trends.

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