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Discussion of 2019 Results

We started 2020 with celebrations of many 2019 success stories. The Cook County Pension Fund (the Fund) reached an historical high of over \$11 billion in assets at December 31, 2019. The investment portfolios of the Cook County and Forest Preserve Funds experienced exceptional investment returns, with the Cook County Fund earning over \$1.8 billion of investment income and a 19.1% net return, and the Forest Preserve Fund earning over \$33 million and an 18.6% net return. The Fund calculated and finalized over 1,010 new annuities in 2019 as these members began their well-earned retirement during the year. In addition, over 1,640 members joined the Fund as they began employment with Cook County or the Forest Preserve. The Fund staff also operated very efficiently during this busy year and for the third consecutive year reduced administrative expenses. In fact, the administrative expenses in 2019 were the lowest incurred since 2014.



Despite these positive financial results, the Fund continues to operate at a deficit with contributions into the Fund less than benefit payments made. With respect to contributions into the Fund, the Cook County Fund received over \$520 million in contributions from the employer in 2019, including \$320 million in supplemental contributions through an intergovernmental agreement in which Cook County government provides additional funding to the Fund through Home Rule Sales Tax. As the intergovernmental agreement is renewed annually, throughout 2019, the Fund worked with its actuary, legislation liaison, fiduciary counsel and the employer to address the funding shortfall and to identify permanent long-term solutions that can be enacted as statutory requirements within the Illinois Pension Code.

2020 Events and the Pandemic

There was not much time to celebrate the many successes of 2019, as the Fund, like the rest of the country, soon faced the challenges associated with the pandemic. Within several days in mid-March, the Fund's staff successfully transitioned to providing member service in a primarily remote environment. Equipped with laptops and other resources, the Fund's staff continues to provide the outstanding service that members expect. In addition, throughout the entire pandemic period, a core group of management-team members has been in the office every day servicing member needs, including responding to phone calls, receiving incoming materials (mail, faxes, packages, payments), and processing of member requests. Beginning in mid-June, a larger group of staff has been on-site at the Fund's office.

For member requests, please note that until it is safe to do so, in-person appointments and services are suspended. Phone assistance is available by calling **312-603-1200** during the business hours of 8:30am to 4:30pm and following the prompts for the requested matter. In the event you are not connected with a live person, leave a voice message clearly stating your name, phone number where you can be reached and the nature of your inquiry. Your call will be returned as soon as possible. In addition, email inquiries can be sent to info@countypension.com. Benefit applications, forms and documents may be sent via US mail or faxed to the Fund at **312-603-9760**.

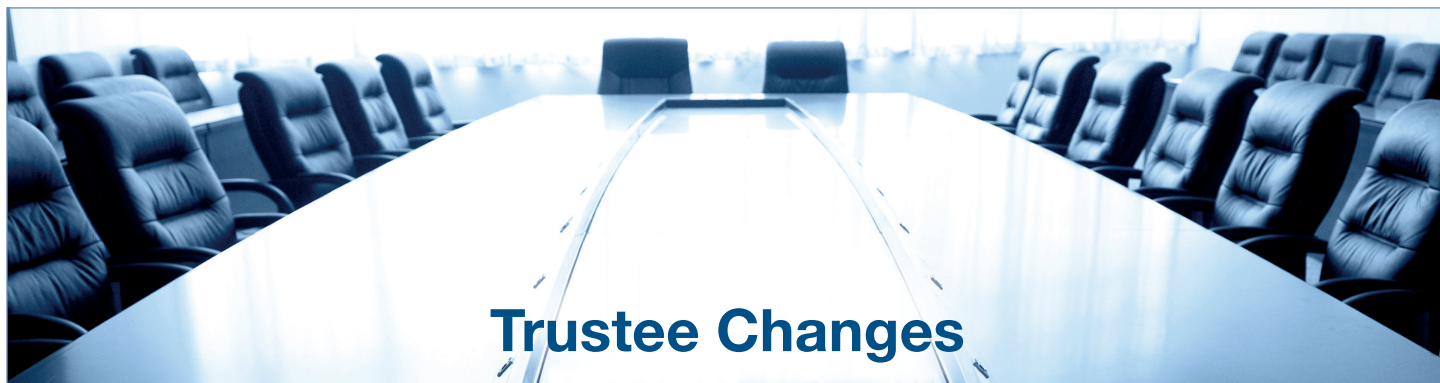
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Continued - A Look Back and A Look Forward by the Executive Director

Note that during this time period, member calls have been and will continue to be returned, benefit calculations continue, service matters are addressed promptly and member needs are met. Benefit payments continue uninterrupted and all payments since the onset of the pandemic in mid-March have been made timely.

As the Fund continues into the second-half of 2020, the Fund's staff will continue to find ways to service the membership in these unprecedented times. While some services will be delivered differently, staff will continue to find innovative ways to service the needs of the membership. In addition, in collaboration with the Retirement Board and other interested stakeholders, CCPF continues to advocate for a long-term funding solution for the Fund to ensure members' earned benefits well into the future.

–Regina Tuczak, Executive Director



In the last quarter of 2019, the Fund welcomed three new Trustees to the Retirement Board. Mr. John Blair was elected by Cook County employees on October 30, 2019, to serve as a Cook County Employee Trustee. As the sole candidate for the Cook County Annuitant Trustee election in 2019, Mr. James O'Rourke was declared the winner by acclamation, in accordance with Retirement Board rules. On November 14, 2019, the Retirement Board appointed Mr. Stephen Hughes to fill the vacancy of Forest Preserve Employee Trustee that had occurred with the resignation of Mr. Dennis White. CCPF congratulates Trustee Blair, Trustee Hughes and Trustee O'Rourke in their achievement of this important position.

CCPF also congratulates Mr. Joseph Nevius, the sole candidate for the Forest Preserve Annuitant Trustee election in 2019. Trustee Nevius was declared the winner by acclamation. CCPF looks forward to Trustee Nevius' continued contributions to the Retirement Board, a position he has held since 2015.

CCPF thanks Mr. Dennis White who resigned his Trustee position on October 24, 2019, to become the Executive Director of another large pension fund in the Chicago area. CCPF wishes Mr. White all the best in his new role and sends its sincere appreciation for his dedication to the Fund.

Mr. Robert DeGraff decided not to seek election for another Trustee term and completed his responsibilities as Cook County Employee Trustee on November 30, 2019. Mr. DeGraff continues his employment as a Deputy Sheriff with the Cook County Department of Corrections. CCPF thanks Mr. DeGraff for his service to the Fund and wishes Mr. DeGraff and his family all the best in his continued work for Cook County.

Last, after almost fifty years of service to the Cook County Pension Fund, Mr. Jack Fitzgerald decided not to seek election for another Trustee Term and completed his responsibilities as Cook County Annuitant Trustee on November 30, 2019. Mr. Fitzgerald began his work for the Fund on June 1, 1970, and rose to the position of Executive Director, a position he held for many years. Upon retiring as Executive Director, Mr. Fitzgerald continued to serve the Fund as an Annuitant Trustee, including service as the President of the Board of Trustees. While former Trustee Fitzgerald has undoubtedly seen many, many changes within Cook County government and the Retirement Board during his long tenure, his dedication to the membership and the Fund has not wavered.

We would like to extend our heartfelt wishes to former Trustee Fitzgerald in his continued retirement, that he may enjoy good health and good times with family and friends. His leadership and dedication will truly be missed.

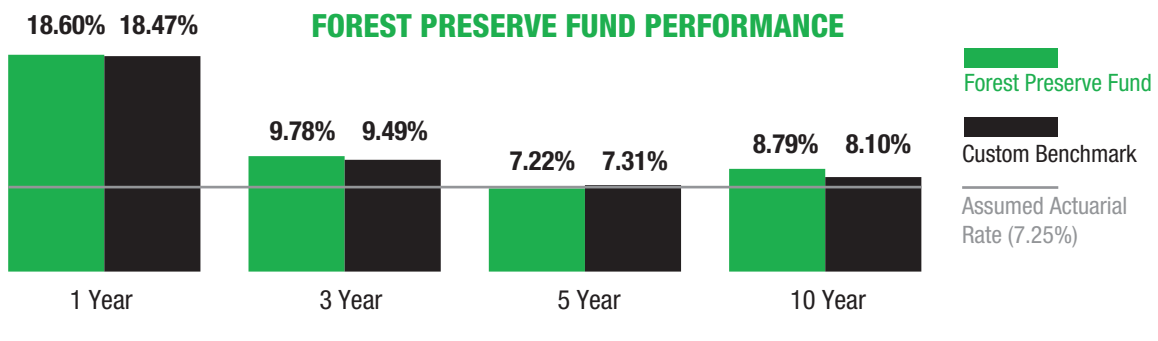
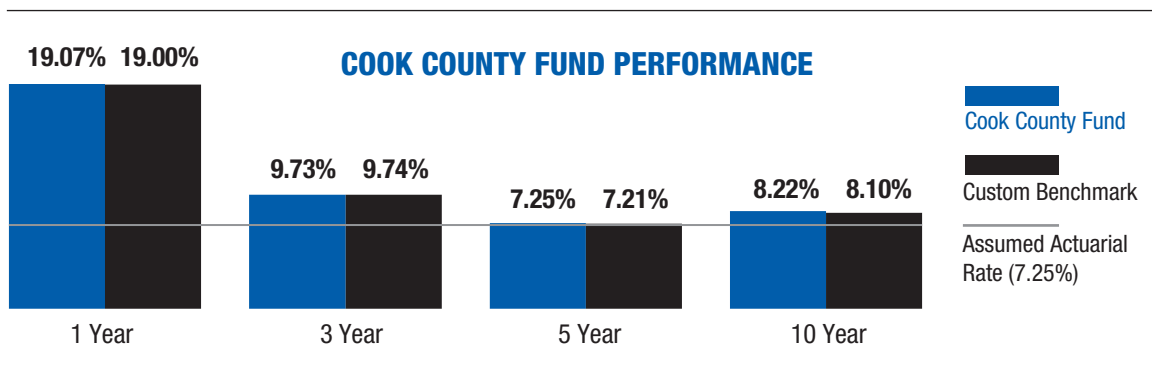
INVESTMENT HIGHLIGHTS

For 2019, the Fund experienced a very strong year of investment returns. For the year ended December 31, 2019, the Cook County Fund realized a 19.07% net return on investment and the Forest Preserve Fund realized an 18.60% net return on investment. Strong returns came from domestic and international equities as stock markets around the globe rallied during 2019. Fixed income investments also contributed with returns at or above 8% as the Federal Reserve continued to cut short-term interest rates.

Both Funds continued to generate positive returns on a 3-, 5-, and 10-year basis. Specifically, the 10-year returns remained above the actuarial assumed rate of return of 7.25%.

Investment Returns and Performance – Ten Year Annualized:

Cook +8.22% | Forest +8.79%



ASSET GROWTH (in billions)



As a result, both the Cook County Fund and the Forest Preserve Fund reached record asset levels at the end of 2019. While investment performance is a strong contributor to CCPF and is an increasing source of current benefit payments to members, the investment strategy of CCPF is designed to grow assets over the long-term.

2019 FINANCIAL SNAPSHOT

Source: 2019 Cook County Fund and Forest Preserve Fund Financial Statements;
2019 Actuarial Valuations for the Cook County Fund and Forest Preserve Fund

Fair Value of Assets	Cook County Fund \$11.5 billion	Forest Preserve Fund \$211.7 million
New Retirements	992	20
Retiree Membership Information		
Retired Annuitants	16,305	390
Annuitant Beneficiaries	2,838	142
Average Annuity	\$43,900	\$33,224
Average Annuitant Age	72.3	72.3
Employee Membership Information		
Active Employee Members	19,551	546
Average Employee Salary	\$79,459	\$64,206
Average Employee Age	47.8	45.7
Benefit Payments		
Annuity Benefits	\$811.9 million	\$17.3 million
Health Benefits	\$38.2 million	\$1.0 million
Refunds	\$37.7 million	\$0.8 million
Disability Benefits	\$11.1 million	\$0.2 million
Sources of Income		
Investment Income	\$1,865.6 million	\$33.7 million
Employer Contributions	\$526.2 million	\$4.3 million
Employee Contributions	\$134.8 million	\$3.0 million
2019 Funded Ratio	61.2%	59.3%
2018 Funded Ratio	60.8%	60.3%

Fund management is pleased to report that the audits of the Funds' financial statements as of and for the year ended December 31, 2019, have been completed. Consistent with prior years, the Funds received unmodified opinions (also referred to as a "clean" opinion) from the Funds' independent auditors on the 2019 financial statements. These audited financial statements along with the Funds' actuarial valuation reports as of December 31, 2019, are available on the Funds' website at www.cookcountypension.com.

ELECTION NOTICE

Notice is hereby given to all Cook County Employees that an election for a Cook County Employee Trustee will be held on October 28, 2020. Only Cook County employees may vote for a Cook County employee trustee. There is no election this year for a Forest Preserve Employee Trustee.

THERE WILL BE NO IN-PERSON VOTING FOR THE OCTOBER 2020 ELECTION. YOU CAN ONLY VOTE BY MAIL.

You will receive a ballot in the mail. Mail-in ballots will be mailed no later than September 28, 2020 to your address on record with CCPF. If you do not receive a ballot you must contact Brent Lewandowski by email at blewandowski@countypension.com or by telephone at **312-603-1218** by October 16, 2020, to request another ballot to be mailed out.

To learn about the qualifications of candidates running for a trustee position, each candidate is permitted to submit a candidate statement. These candidate statements are expected to be posted to the CCPF website around September 23, 2020. Further information about the election will be available on the CCPF website, www.CookCountyPension.com.



PENSION*Notes*

Fall 2020 Employee Newsletter

Cook County Pension Fund
70 W. Madison St, Suite 1925
Chicago, IL 60602

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Retirement Board

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Patrick J. McFadden, Vice-President
Diahann Goode, Secretary
John Blair
Stephen Hughes
Bill Kouruklis
Joseph Nevius
Kevin Ochalla
James M. O'Rourke

Upcoming Office Closings

Columbus Day, October 12, 2020
Veterans Day, November 11, 2020
Thanksgiving Holiday,
November 26-27, 2020
Christmas Eve and Christmas Day,
December 24-25, 2020

Upcoming Retirement Board Meeting Dates

October 1, 2020
November 5, 2020
December 3, 2020

Contact Us

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Forest Preserve District Employees' Annuity and Benefit Fund of Cook County
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