

Cook County Pension Fund
33 N. Dearborn St., Suite 1000
Chicago, IL 60602

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PENSIONNOTES

SUMMER 2012

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

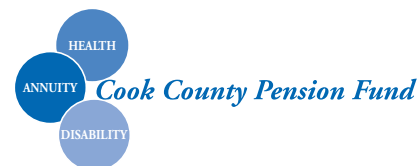
Save the Date

Our Annual Health Benefits Open Enrollment meeting for our Annuitant members will be held on Friday, November 2, 2012. The location will be the same as last year: IUOE Local 399 Headquarters. Look for your "Save the Date" postcard in September for details, or visit our website for information.



www.cookcountypension.com

The Health Benefits Open Enrollment period will be the month of November and there will also be open enrollment for the Guardian Dental Plan at the same time.



BOARD OF TRUSTEES:

John E. Fitzgerald, President
Clem Balanoff, Vice President
Alexis Herrera, Secretary
Robert Benjamin
Lauren Gore
Robert Janura
Brent Lewandowski
Patrick J. McFadden
Kurt Summers

EXECUTIVE DIRECTOR:

Daniel R. Degnan

Welcome

Welcome to the Summer 2012 edition of *Pension Notes*. We hope that you thoroughly read and enjoy this issue. Remember to stay cool and hydrated this summer.

2011 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 2011 audited financials. The County and the Forest Preserve funds are currently funded at 57.5% and 61.6% respectively. Those ratios are down slightly this year, mostly due to the realization of the 2008 investment losses.

You can see our full financial reports in our 2011 Comprehensive Annual Financial Reports (CAFR) which are available on our website.

Retiree Health Open Enrollment

This year's Open Enrollment Meeting will be held on November 2nd at the IUOE Local 399 Headquarters. For more details, please see page 4.

We're pleased to tell you that we had an impressive initial enrollment into the new retiree dental plan with almost 2,000 annuitants joining. We will have an additional Dental Open Enrollment period in November coinciding with our Annual Health Benefits Open Enrollment. Dental benefits are available to all annuitants including those who opted out of Health Benefits. More information will be available at the Open Enrollment Meeting.

Trustee Elections

There will be three Trustee positions open this year and the elections will take place in October. Please see page 3 for the election notices.

We encourage all members to participate in the Trustee elections. As the election nears you will be able to find Candidate Statements on our website.



Legislation

The state legislature was active this spring in regard to public pensions. As of this time, no bills have been introduced to recommend major changes to the Cook County Funds. However, you may have heard of one proposed change, Senate Bill 1673, which affects the State of Illinois systems. In its current state, this Bill would require members to make a choice between access to Retiree Health Benefits or retaining their full annual 3% compound post-retirement increases. Those State members choosing to maintain Retiree Health Benefits would elect to receive lower post retirement increases. This Bill has not been voted on and does not affect your Cook County benefits.

The Metropolitan Water Reclamation District Fund also saw a change. Senate Bill 4513 passed both houses and will likely be signed into law by the Governor. The Bill increases employees' contributions from 9% to 12% over the next few years. In addition, the Bill will nearly double the employer contribution. Again, this legislation does not affect your Cook County benefits or contributions.

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

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

	2011	2010
PARTICIPANT INFORMATION		
Retirees During the Year	1,009	726
New Survivor Beneficiaries	188	211
Service Withdrawals with Refunds	2,316	2,135
Employees at Year End	22,037	23,165
Employee Annuitants	13,023	12,460
Spouse and Child Annuitants	2,532	2,518

FINANCIAL INFORMATION

Revenues		
Net Tax Levy	\$195,337,621	\$181,509,323
Employee Contributions	\$127,577,473	\$129,449,866
Earnings on Investments (1)	\$82,701,033	\$832,882,639
All Other Sources of Income	\$17,614,316	\$12,966,051
Total Revenues	\$423,230,443	\$1,156,807,879

Expenditures

Employee Annuities	\$429,527,599	\$393,525,707
Spouse and Child Annuities	\$33,003,057	\$30,307,794
Retiree Healthcare	\$46,904,340	\$44,900,801
Disability Benefits	\$13,961,631	\$13,789,106
Refunds of Employee Contributions	\$29,165,335	\$25,041,818
Administrative Expense	\$4,078,843	\$4,074,955
Total Expenditures	\$556,640,805	\$511,640,181

Investment Portfolio

Common and Preferred Stocks	\$2,814,605,044	\$4,257,488,939
U.S. Government Obligations	\$1,969,108,673	\$1,866,360,719
Corporate Bonds	\$755,644,972	\$736,287,144
Index Funds - Equity	\$44,816,703	\$45,286,175
Exchange Traded Funds	\$483,793,099	\$740,314
Alternative Investments	\$272,948,895	\$206,483,563
Short Term Investment Fund	\$908,806,760	\$364,252,693
Total Invested Assets	\$7,249,724,146	\$7,476,899,547

For 2011, the total investment rate of return was 1.2%. The Cook County Fund was 57.5% funded as of December 31, 2011.

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

PARTICIPANT INFORMATION

	2011	2010
Retirees During the Year	23	19
New Survivor Beneficiaries	12	12
Service Withdrawals with Refunds	97	76
Employees at Year End	408	448
Employee Annuitants	348	344
Spouse and Child Annuitants	160	161

FINANCIAL INFORMATION

Revenues		
Net Tax Levy	\$3,255,609	\$2,660,034
Employee Contributions	\$2,289,027	\$2,452,696
Earnings on Investments (1)	\$2,021,094	\$20,250,639
All Other Sources of Income	\$512,709	\$227,553
Total Revenues	\$8,078,439	\$25,590,922

Expenditures

Employee Annuities	\$10,042,232	\$9,559,956
Spouse and Child Annuities	\$1,815,262	\$1,615,256
Retiree Healthcare	\$1,324,476	\$1,501,711
Disability Benefits	\$420,518	\$366,484
Refunds of Employee Contributions	\$604,314	\$343,863
Administrative Expense	\$103,220	\$104,765
Interfund Transfers and Other Expenditures	-\$328,586	\$257,975
Total Expenditures	\$13,981,436	\$13,750,010

Investment Portfolio

Common and Preferred Stocks	\$74,987,009	\$100,862,750
U.S. Government Obligations	\$44,590,427	\$37,873,435
Corporate Bonds	\$17,768,478	\$17,610,482
Index Funds - Equity	\$8,536,411	\$6,421,555
Exchange Traded Funds	\$8,539,681	\$0
Alternative Investments	\$6,670,674	\$3,158,336
Short Term Investment Fund	\$4,721,216	\$5,044,831
Total Invested Assets	\$165,813,896	\$170,971,389

For 2011, the total investment rate of return was 1.1%. The Forest Preserve Fund was 61.6% funded as of December 31, 2011.

NOTICES OF TRUSTEE ELECTIONS

Trustee Elections will be held on October 31, 2012. 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:

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 31, 2012.

In-person voting will take place from 7:00 a.m. until 5:00 p.m. on Wednesday, October 31, 2012, 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, October 1, 2012. 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 Tuesday, October 9, 2012, 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 16, 2012. Nominating petitions must be filed at the Fund's main office between 9:00 a.m. on Tuesday, September 4, 2012, and 4:30 p.m. on Friday, September 7, 2012.

NOTICE OF ELECTION FOR FOREST PRESERVE EMPLOYEE MEMBER TRUSTEE

Notice is hereby given to all employees of the Forest Preserve District that the Election of a Forest Preserve 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 31, 2012.

In-person voting will take place from 7:00 a.m. until 5:00 p.m. on Wednesday, October 31, 2012, 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, October 1, 2012. 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 Tuesday, October 9, 2012, to request that another application be sent to the employee.

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NOTICE OF ELECTION FOR COOK COUNTY ANNUITANT 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 Trustee to the Board of Trustees of the County Employees' Annuity & Benefit Fund of Cook County will be held on Wednesday, October 31, 2012.

In-person voting will take place from 7:00 a.m. until 5:00 p.m. on Wednesday, October 31, 2012, 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, October 1, 2012. 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 Tuesday, October 9, 2012, to request that another application be sent to the annuitant.

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This is intended to be a summary of the financial condition of the two pension funds. Interested parties can view the Consulting Actuaries or Auditors reports on our website, www.cookcountypension.com. The investments are reported at fair value, which generally represents the reported market value as of the last business day of the year.