Forest Preserve District Employees' Annuity and Benefit Fund of Cook County, a Component Unit of Forest Preserve District of Cook County, Illinois

Financial Statements

December 31, 2010

FOREST PRESERVE DISTRICT EMPLOYEES' ANNUITY AND BENEFIT FUND OF COOK COUNTY

FINANCIAL STATEMENTS WITH ADDITIONAL INFORMATION

DECEMBER 31, 2010 AND 2009

CONTENTS

LEGACY
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REPORT OF INDEPENDENT AUDITORS

To the Board of Trustees of
Forest Preserve District
Employees' Annuity and
Benefit Fund of Cook County

We have audited the accompanying combining statements of pension plan and postemployment healthcare plan net assets of Forest Preserve District Employees' Annuity and Benefit Fund of Cook County (the Plan) as of December 31, 2010 and 2009, and the related combining statements of changes in pension plan and postemployment healthcare plan net assets for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform an audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Plan's management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial status of Forest Preserve District Employees' Annuity and Benefit Fund of Cook County as of December 31, 2010 and 2009 and the changes in its financial status for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis on pages 3 through 3e, and the required supplementary information consisting of the schedule of funding progress, the schedule of employer contributions and the notes to those schedules on pages 20 through 22 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

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Our audits were conducted for the purpose of forming an opinion on the financial statements taken as a whole. The additional information on pages 23 through 26 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audits of the financial statements and, in our opinion for 2010 and 2009, is fairly stated in all material respects in relation to the financial statements taken as a whole.

We also have previously audited the financial statements for the years ended December 31, 2008, 2007, 2006, and 2005 (which are not presented herein), and we expressed unqualified opinions on those financial statements. In our opinion, the information on page 25 is fairly stated in all material respects in relation to the basic financial statements from which it has been derived. Our reports for 2008, 2007, 2006 and 2005 on the required supplementary information (pages 20 and 21) stated that we applied limited procedures, which consisted principally of inquiries of management regarding the methods of measurements and presentation of the supplementary information, but did not audit the information and expressed no opinion on it.

Legacy Professionals LLP

April 22, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

This section presents Management's Discussion and Analysis of the financial position and performance of the Forest Preserve District Employees' Annuity and Benefit Fund of Cook County's (Plan) for the year ended December 31, 2010. This discussion is presented as an overview of the financial activities of the Plan and should be read in conjunction with the Plan's financial statements.

Overview of the Financial Statements

The following discussion and analysis is intended to serve as an introduction to the Plan's basic financial statements. The financial statements are prepared on an economic sources focus and accrual basis of accounting in accordance with Governmental Accounting Standards Board (GASB) pronouncements. The basic components of the financial package are described below:

Combining Statements of Pension Plan and Postemployment Healthcare Plan Net Assets provides a snapshot of account balances and net assets held in trust for future benefit payments and any liabilities as of the Plan's year end. Over time, increases and decreases in net assets may serve as a useful indicator of whether the financial position of the Plan is improving or deteriorating.

Combining Statements of Changes in Pension Plan and Postemployment Healthcare Plan Net Assets shows the revenues (additions) and expenses (deductions) during the year, where additions less deductions equal net increase (decrease) in net assets. The net increase (decrease) in net assets reports the change in net assets as reported in the Statements of Plan Net Assets of the prior year and the current year.

Notes to the Financial Statements provides additional information that is essential to achieving a better understanding of the data provided in the financial statements.

Required Supplementary Information provides two schedules and related notes concerning actuarial information, funded progress and employer contributions.

Additional Information includes schedules of administrative expenses, professional and consulting fees, investment expenses, additions by source and deductions by type and taxes receivable.

Financial Highlights

Net assets increased by $11,840,912 or 7.3% from $162,057,788 at December 31, 2009 to $173,898,700 at December 31, 2010. Comparatively, net assets increased by $16,738,241 or 11.5% from $145,319,547 at December 31, 2008 to $162,057,788 at December 31, 2009. The change in net assets for both years was primarily due to the fluctuation in the fair market value of the investments.

The **rate of return** of the Plan's investment portfolio was 13.1% for 2010, 17.9% for 2009 and -24.1% for 2008.

The **actuarial funded ratio** of the combined pension and the postemployment healthcare plans for 2010 was 65.19% compared to 68.75% for 2009. The decrease in the funded ratio during 2010 was due to the actuarial smoothing of 2008 investment losses over a five year period. The 2008 funded ratio was 82.49%.

Plan Net Assets

The condensed Statements of Plan Net Assets reflects the resources available to pay benefits to members. A summary of the Plan Net Assets is as follows:

Plan Net Assets
As of December 31,

				Current Year Increase/(Decrease) in	
	2010	2009	2008	Dollars	Percent
Total assets	$ 186,211,633	$ 174,499,289	$ 153,364,798	$ 11,712,344	6.7%
Total liabilities	12,312,933	12,441,501	8,045,251	(128,568)	-1.0%
Net assets	$ 173,898,700	$ 162,057,788	$ 145,319,547	$ 11,840,912	7.3%

Changes in Plan Net Assets

The condensed Statements of Changes in Plan Net Assets reflects the changes in the resources available to pay benefits to members. A summary of the Changes in Plan Net Assets is as follows:

Changes in Plan Net Assets
For the Years Ended December 31,

	2010	2009	2008	Current Year Increase/(Decrease) in Dollars	Percent
Additions:					
Employer contributions	$ 2,660,034	$ 2,543,694	$ 2,023,448	116,340	4.6%
Employee contributions	2,452,696	2,418,794	2,119,208	33,902	1.4%
Investment income (loss) (includes security lending activities)	20,250,639	24,683,791	(46,414,013)	(4,433,152)	-18.0%
Other	227,553	219,919	127,464	7,634	3.5%
Total additions	25,590,922	29,866,198	(42,143,893)	(4,275,276)	-14.3%
Deductions:					
Benefits	13,043,407	12,423,521	12,159,401	619,886	5.0%
Refunds	343,863	472,953	518,400	(129,090)	-27.3%
Employee transfers to (from) Cook County	257,975	118,754	(119,434)	139,221	117.2%
Administrative expenses	104,765	112,729	138,550	(7,964)	-7.1%
Total deductions	13,750,010	13,127,957	12,696,917	622,053	4.7%
Net increase (decrease)	11,840,912	16,738,241	(54,840,810)	(4,897,329)	-29.3%
Net assets:					
Beginning of year	162,057,788	145,319,547	200,160,357	16,738,241	11.5%
End of year	$ 173,898,700	$ 162,057,788	$ 145,319,547	$ 11,840,912	7.3%

Additions to Plan Net Assets

Total additions were $25,590,922 in 2010, $29,866,198 in 2009 and $(42,143,893) in 2008.

Employer contributions increased to $2,660,034 in 2010 from $2,543,694 in 2009 and $2,023,448 in 2008. Employer contributions are statutorily set at 1.30 times employee contributions collected two years prior.

Employee contributions, including permissive service credit purchases, increased to $2,452,696 in 2010 from $2,418,794 in 2009 and $2,119,208 in 2008. Employees contribute 8.5% of covered wages.

Net investment income totaled $20,250,639 for 2010 compared to $24,683,791 for 2009. Comparatively, net investment (loss) totaled $(46,414,013) for 2008. The increase (decrease) in investment earnings resulted primarily from the overall performance of the financial markets from year to year.

Deductions to Plan Net Assets

Total deductions were $13,750,010 in 2010, $13,127,957 in 2009 and $12,696,917 in 2008.

Benefits increased to $13,043,407 in 2010 from $12,423,521 in 2009 and $12,159,401 in 2008 due primarily to the 3% annual cost of living increases for annuities.

Refunds decreased to $343,863 in 2010 from $472,953 in 2009 and decreased from $518,400 in 2008 due to fluctuations in refund applications.

Plan member transfers to (from) Cook County resulted from Forest Preserve District employees transferring employment to (from) Cook County. The accrued pension benefit obligation is transferred to (from) the Forest Preserve Fund (to) from the Cook County Fund.

The cost to administer the Plan decreased to $104,765 in 2010 from $112,729 in 2009, primarily due to a decrease in allocated professional and consulting fees. Comparatively, the cost to administer the Plan decreased to $112,729 in 2009 from $138,550 in 2008.

Funding Status

The actuarial assets, liabilities and funding status for the Plan, which includes the pension and postemployment healthcare plans, are provided below:

Actuarial Values
December 31,

	2010	2009	2008	Current Year Increase/(Decrease) in Dollars	Percent
Actuarial assets	$ 184,077,516	$ 188,396,534	$ 196,277,679	$ (4,319,018)	-2.3%
Actuarial liabilities	282,391,153	274,032,351	237,927,630	8,358,802	3.1%
Unfunded actuarial liabilities	$ 98,313,637	$ 85,635,817	$ 41,649,951	$ 12,677,820	14.8%
Funded ratio	65.19%	68.75%	82.49%		

Actuarial assets decreased to $184,077,516 in 2010 from $188,396,534 in 2009 due to large investment losses during 2008 after using the five-year smoothing of market values used to determine the actuarial value of assets. Comparatively, actuarial assets decreased to $188,396,534 in 2009 from $196,277,679 in 2008.

Actuarial liabilities increased to $282,391,153 in 2010 from $274,032,351 in 2009 due to increased benefits accrued by plan participants. Comparatively, actuarial liabilities increased to $274,032,351 in 2009 from $237,927,630 in 2008.

The **funded ratio** is one indicator of the financial strength of the Plan, measuring the ratio of net assets available to meet the actuarially determined future liabilities of the Plan. The decrease in the funded ratio to 65.19% in 2010 from 68.75% in 2009 was due to the changes in the actuarial assets and actuarial liabilities as explained in the preceding paragraphs. Comparatively, the funded ratio decreased to 68.75% in 2009 from 82.49% in 2008.

Contact Information

This financial report is designed to provide the employer, plan participants and others with a general overview of the Plan's finances and show accountability for money it receives. Questions concerning any data provided in the report or requests for additional information should be addressed to:

Forest Preserve Employees' Annuity
and Benefit Fund of Cook County
Attention: Executive Director
33 North Dearborn Street
Suite 1000
Chicago, IL 60602

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

Combining Statements of Pension Plan and Postemployment Healthcare Plan Net Assets

December 31, 2010 and 2009

	2010			2009		
	Total	Pension	Postemployment Healthcare	Total	Pension	Postemployment Healthcare
Assets						
Cash	$ 73,928	$ 73,928	$ -	$ 80,373	$ 80,373	$ -
Receivables						
Employer contributions less allowance of $168,921 in 2010 and $121,658 in 2009	2,933,055	2,392,088	540,967	2,553,587	2,435,168	118,419
Employee contributions	54,447	54,447	-	9,099	9,099	-
Accrued investment income	657,917	657,917	-	618,970	618,970	-
Receivable for securities sold	1,527,150	1,527,150	-	725,816	725,816	-
Total receivables	5,172,569	4,631,602	540,967	3,907,472	3,789,053	118,419
Investments						
Equities	100,862,750	100,862,750	-	91,977,030	91,977,030	-
U.S. Government and government agency obligations	37,873,435	37,873,435	-	33,051,002	33,051,002	-
Corporate bonds	17,610,482	17,610,482	-	16,466,158	16,466,158	-
Collective investment funds	6,421,555	6,421,555	-	13,491,390	13,491,390	-
Alternative investments	3,158,336	3,158,336	-	-	-	
Short term investments	5,044,831	5,044,831	-	5,690,413	5,690,413	-
Total investments	170,971,389	170,971,389	-	160,675,993	160,675,993	-
Collateral held for securities on loan	9,993,747	9,993,747	-	9,835,451	9,835,451	-
Total assets	186,211,633	185,670,666	540,967	174,499,289	174,380,870	118,419
Liabilities						
Accounts payable	59,720	59,720	-	57,747	57,747	-
Healthcare insurance payable	540,967	-	540,967	118,419	-	118,419
Due to County Employees' and Officers' Annuity and Benefit Fund of Cook County	1,321,867	1,321,867	-	1,179,097	1,179,097	-
Payable for securities purchased	302,617	302,617	-	1,151,757	1,151,757	-
Securities lending collateral	9,993,747	9,993,747	-	9,835,451	9,835,451	-
Securities lending payable	94,015	94,015	-	99,030	99,030	-
Total liabilities	12,312,933	11,771,966	540,967	12,441,501	12,323,082	118,419
Net assets held in trust for						
Pension benefits	173,898,700	173,898,700	-	162,057,788	162,057,788	-
Postemployment healthcare benefits	-	-	-	-	-	-
Total	$ 173,898,700	$ 173,898,700	$ -	$ 162,057,788	$ 162,057,788	$ -

See accompanying notes to financial statements.

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

Combining Statements of Changes in Pension Plan and Postemployment Healthcare Plan Net Assets

Years Ended December 31, 2010 and 2009

	2010			2009		
	Total	Pension	Postemployment Healthcare	Total	Pension	Postemployment Healthcare
Additions						
Employer contributions	$ 2,660,034	$ 1,333,140	$ 1,326,894	$ 2,543,694	$ 1,282,642	$ 1,261,052
Employee contributions						
Salary deductions	2,281,109	2,281,109	-	2,308,641	2,308,641	-
Refund repayments	87,086	87,086	-	61,103	61,103	-
Former and miscellaneous service payments	25,770	25,770	-	13,126	13,126	-
Deductions in lieu of disability	58,731	58,731	-	35,924	35,924	-
Total employee contributions	2,452,696	2,452,696	-	2,418,794	2,418,794	-
Investment income						
Net appreciation in fair value of investments	16,213,001	16,213,001	-	21,293,389	21,293,389	-
Dividends	1,817,202	1,817,202	-	2,134,853	2,134,853	-
Interest	2,417,898	2,417,898	-	1,387,313	1,387,313	-
	20,448,101	20,448,101	-	24,815,555	24,815,555	-
Less investment expenses	(227,756)	(227,756)	-	(204,323)	(204,323)	-
Net investment income	20,220,345	20,220,345	-	24,611,232	24,611,232	-
Securities lending						
Income	37,827	37,827	-	85,076	85,076	-
Expenses	(7,533)	(7,533)	-	(12,517)	(12,517)	-
Net securities lending income	30,294	30,294	-	72,559	72,559	-
Other						
Medicare Part D subsidy	92,989	-	92,989	98,510	-	98,510
Prescription plan rebates	81,828	-	81,828	119,611	-	119,611
Miscellaneous	52,736	52,736	-	1,798	1,798	-
Total other additions	227,553	52,736	174,817	219,919	1,798	218,121
Total additions	25,590,922	24,089,211	1,501,711	29,866,198	28,387,025	1,479,173
Deductions						
Benefits						
Annuity						
Employee	9,559,956	9,559,956	-	9,144,321	9,144,321	-
Spouse and children	1,615,256	1,615,256	-	1,552,939	1,552,939	-
Disability						
Ordinary	335,420	335,420	-	225,234	225,234	-
Duty	31,064	31,064	-	21,854	21,854	-
Healthcare	1,501,711	-	1,501,711	1,479,173	-	1,479,173
Total benefits	13,043,407	11,541,696	1,501,711	12,423,521	10,944,348	1,479,173
Refunds	343,863	343,863	-	472,953	472,953	-
Employee transfers to Cook County	257,975	257,975	-	118,754	118,754	-
Administrative expenses	104,765	104,765	-	112,729	112,729	-
Total deductions	13,750,010	12,248,299	1,501,711	13,127,957	11,648,784	1,479,173
Net increase	11,840,912	11,840,912	-	16,738,241	16,738,241	-
Net assets held in trust for benefits						
Beginning of year	162,057,788	162,057,788	-	145,319,547	145,319,547	-
End of year	$ 173,898,700	$ 173,898,700	$ -	$ 162,057,788	$ 162,057,788	$ -

See accompanying notes to financial statements.

FOREST PRESERVE DISTRICT EMPLOYEES' ANNUITY AND BENEFIT FUND OF COOK COUNTY

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2010 AND 2009

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Forest Preserve District Employees' Annuity and Benefit Fund of Cook County is administered in accordance with Chapter 40, Article 5/10 of the Illinois Compiled Statutes (formerly Chapter 108-1/2, Article 10 of the Illinois Revised Statutes).

New Accounting Pronouncement - Effective during the year ended December 31, 2010, the Plan implemented GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*. The statement addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. The adoption of the statement did not have a significant impact on the Plan.

Method of Accounting - The financial statements are prepared using the accrual basis of accounting. Employer contributions are recognized in the levy year. Employee contributions are recognized in the period in which contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Investments - Investments are reported at fair value, which generally represents reported market value as of the last business day of the year. Alternative investments are carried at fair value as estimated by each partnership's general partner. Short term investments are carried at cost which approximates fair value. Where less than an entire holding is sold, average value is used to determine realized gain or loss.

Allocated Expenses - Administrative expenses are initially paid by the County Employees' and Officers' Annuity and Benefit Fund of Cook County (County Fund). These expenses are allocated between the County Fund and the Plan on a pro rata basis as applicable.

Capital Assets - The Plan has set a capitalization threshold of $100,000 for all capital asset types. As of December 31, 2010, the Plan does not have any capital assets.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

Subsequent Events - Subsequent events have been evaluated through April 22, 2011, which is the date the financial statements were available to be issued.

NOTE 2. PLAN DESCRIPTION

The Forest Preserve District Employees' Annuity and Benefit Fund of Cook County was established on July 1, 1931 and is governed by legislation contained in the Illinois Compiled Statutes, particularly Chapter 40, Article 5/10. The Plan can be amended only by the Illinois Legislature. The Forest Preserve District Employees' Annuity and Benefit Fund of Cook County is a single employer defined benefit pension plan with a defined contribution minimum. The Plan was created for the purpose of providing retirement, death and disability benefits for full-time employees of the Forest Preserve District of Cook County, Illinois (Forest Preserve District) and the dependents of such employees. The Plan is considered to be a component unit of Forest Preserve District of Cook County, Illinois and is included in the Forest Preserve District's financial statements as a pension trust fund.

The Statutes authorize a Board of Trustees (Board) of nine members to carry out the provisions of the Article. According to the Article, two members of the Board are ex officio, four are elected by the employee members of the Plan and three are elected by the annuitants of the Plan. The two ex officio members are the Comptroller of Cook County, or someone chosen by the Comptroller, and the Treasurer of Cook County, or someone chosen by the Treasurer. All members of the Board are fiduciaries with respect to the Plan and are statutorily mandated to discharge their duties, as such, solely in the interest of the Plan's participants and beneficiaries.

The Board has the powers and duties required in the Article to collect all contributions due to the Plan, to invest the Plan's reserves, to have an annual audit, to appoint employees, to authorize or suspend payment of any benefit and to have exclusive original jurisdiction in all matters relating to or affecting the Plan. The Board approves its own budget, which is prepared by the administrative staff of the Plan. The Board is required annually to submit to the Forest Preserve District Board of Cook County a detailed report of the financial affairs and status of the Plan. Provisions in other articles of Chapter 40 require the Board to submit its annual audit and actuarial valuation reports to the State of Illinois Department of Insurance, as well as another detailed annual report, the form and content of which is specified by the Department of Insurance.

Covered employees are required to contribute 8.5% of their salary to the Plan. If an employee leaves covered employment without qualifying for an annuity, accumulated contributions are refunded with interest (3% or 4% depending on when the employee became a participant). The Forest Preserve District's total contribution is the amount of contributions made by the employees to the Plan in the calendar year two years prior to the year for which annual applicable tax is levied, multiplied by 1.30. The source of funds for the Forest Preserve District's contributions has been designated by State Statute as the Forest Preserve District's annual property tax levy. The Forest Preserve District's payroll for employees covered by the Plan for the years ended December 31, 2010 and 2009 was $24,397,376 and $24,967,115 respectively.

NOTE 2. PLAN DESCRIPTION (CONTINUED)

The Forest Preserve District Employees' Annuity and Benefit Fund provides retirement as well as death and disability benefits. Employees age 50 or over with at least 10 years of service are entitled to receive a minimum formula annuity of 2.4% for each year of credited service to a maximum benefit of 80% of the final average monthly salary. For retirees between age 50 and age 60, the monthly retirement benefit is reduced 1/2 percent for each month the participant is under age 60. This reduction is waived for participants having 30 or more years of credited service.

At December 31, 2010 and 2009, participants consisted of the following:

	2010	2009
Retirees and beneficiaries currently receiving benefits:		
Employees	344	342
Spouse	150	148
Children	11	11
Disability	9	8
	514	509
Current employees:		
Vested	239	249
Nonvested	209	212
	448	461
Total	962	970

Participants should refer to the summary plan description or applicable State Statutes for more complete information.

NOTE 3. FUNDED STATUS AND FUNDING PROGRESS

As of December 31, 2010, the most recent actuarial valuation date, the Plan was 65.19% funded on an actuarial basis. The actuarial accrued liability for benefits was $282,391,153 and the actuarial value of assets was $184,077,516, resulting in an unfunded actuarial accrued liability (UAAL) of $98,313,637. The covered payroll (annual payroll of active employees covered by the Plan) was $24,397,376, and the ratio of the UAAL to the covered payroll was 402.97%.

NOTE 3. FUNDED STATUS AND FUNDING PROGRESS (CONTINUED)

The Schedule of Funding Progress, presented as required supplemental information (RSI) following the notes to the financial statements, present multi-year trend information about whether the actuarial values of the Plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Additional information as of the latest actuarial valuation is as follows:

Valuation date	December 31, 2010
Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar - Open
Remaining amortization period	30 years
Asset valuation method	Five Year Smoothed Average Market

Actuarial assumptions:

Investment return rate	7.5% compounded annually
Projected salary increases	
Inflation	3.0% per year
Merit	2.0% per year
Total	5.0% per year
Postretirement annuity increase	3.0% compounded per year
Mortality rates	UP-1994 Mortality Table for Males, rated down 2 years; UP-1994 Mortality Table for Females, rated down 1 year
Termination rates	Based on recent experience of the Plan
Retirement rates	Rates of retirement for each age from 50 to 75 based on recent experience of the Plan. All employees are assumed to retire by age 75
Medical trend rate	8.0% in the first year, decreasing by .5% per year until an ultimate rate of 5.0% is reached

NOTE 4. SUMMARY OF EMPLOYER FUNDING POLICIES

Employer contributions are funded primarily through a Forest Preserve District tax levy which is currently limited when extended to an amount not to exceed an amount equal to the total contributions by the employees to the Plan made in the calendar year two years prior to the year for which the annual applicable tax is levied, multiplied by 1.30.

The combined actuarial valuations of the pension and retiree health insurance benefits of the Plan as of December 31, 2010 and December 31, 2009 indicate the annual required contribution to be $10,653,889 and $7,273,214 for 2010 and 2009, respectively. The annual required contribution is based on an annual projected payroll of $24,397,376 for 448 active members as of December 31, 2010 and $24,967,115 for 461 active members as of December 31, 2009 and is computed as follows.

	2010	2009
Normal cost	$ 5,805,265	$ 5,878,215
30-year level dollar amortization of the unfunded liability	6,970,829	3,390,342
	12,776,094	9,268,557
Less estimated employee contributions	(2,122,205)	(1,995,343)
Actuarially determined contribution requirement	10,653,889	7,273,214
Expected net employer contribution from tax levy after 2.7% loss	(2,680,595)	(2,512,857)
Expected employer contribution short-fall of actuarially determined contribution requirement	$ 7,973,294	$ 4,760,357
Required tax levy multiple	5.17	3.76
Present authorized multiple	1.30	1.30

A Schedule of Funding Progress is located in the Required Supplementary Information on page 20. This schedule provides information about progress made in accumulating sufficient assets to pay benefits when due.

NOTE 5. INVESTMENT SUMMARY

The Plan is authorized to invest in bonds, notes, certificates of indebtedness, mortgage notes, real estate, stocks, shares, debentures, or other obligations or securities as set forth in the "prudent person" provisions of the State Statutes. All of the Plan's financial instruments are consistent with the permissible investments outlined in the State Statutes and any index-linked financial instruments are limited to those indices that replicate the permissible investments outlined in the State Statutes. The following table presents a summarization of the fair value (carrying amount) of the Plan's investments as of December 31, 2010 and 2009. Investments that represent 5% or more of the Plan's net assets held in trust for benefits are separately identified.

Investments	2010	2009
Equities	$ 100,862,750	$ 91,977,030
U.S. Government and government agency obligations	37,873,435	33,051,002
Corporate bonds	17,610,482	16,466,158
Collective investment funds:		
Equity	6,421,555	4,606,017
Fixed income:		
NTGI Daily Aggregate Bond Index Fund	-	8,885,373
Alternative investments	3,158,336	-
Short term investments	5,044,831	5,690,413
Total investments	$ 170,971,389	$ 160,675,993

Investment Risk

Government Accounting Standards Board (GASB) Statement No. 40, *Deposit and Investment Risk Disclosures*, specifies the disclosure requirements for deposits that are not covered by depository insurance and investment securities that are uninsured and are not registered in the name of the government or trust agent.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities in the possession of an outside party.

The Plan had no investments that were uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent, but not held in the Plan's name as of December 31, 2010 and 2009.

NOTE 5. INVESTMENT SUMMARY (CONTINUED)

Investment Risk (continued)

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. For the years ended December 31, 2010 and 2009, the Plan's investment policy set the average credit quality for each manager's total fixed income portfolio (corporate and U.S. Government holdings) of not less than A- by two out of three credit agencies (Moody's Investor Service, Standard & Poors and/or Finch). The following table presents a summarization of the Plan's credit quality ratings of investments at December 31, 2010 and 2009 as valued by Moody's Investors Service, Standard & Poor's and/or Finch:

Type of Investment	Rating	2010	2009
U.S. Government and government agency obligations	Aaa/AAA	$ 20,875,259	$ 20,108,071
	Aa/AA	26,705	-
	A/A	91,252	33,316
	Baa/BBB	-	29,072
	Not Rated	-	105,906
	U.S. Government	16,880,219	12,774,637
		$ 37,873,435	$ 33,051,002
Corporate bonds	Aaa/AAA	$ 1,533,496	$ 1,418,072
	Aa/AA	1,731,777	1,486,857
	A/A	8,461,991	7,939,589
	Baa/BBB	5,883,218	5,621,640
		$ 17,610,482	$ 16,466,158
Collective investment funds - fixed income	Not Rated	$ -	$ 8,885,373
Short term investments	Aaa/AAA	$ -	$ 139,410
	Not Rated	5,044,831	5,551,003
		$ 5,044,831	$ 5,690,413

NOTE 5. INVESTMENT SUMMARY (CONTINUED)

Investment Risk (continued)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. For the years ended December 31, 2010 and 2009, the Plan's investment policy set the duration for each manager's total fixed income portfolio to fall within plus or minus 30% of the duration for the fixed income performance benchmark (*Barclays Capital Aggregate Fixed Income,* which was 4.81 years at December 31, 2010 and 4.55 years at December 31, 2009). The following table presents a summarization of the Plan's debt investments at December 31, 2010 and 2009 using the segmented time distribution method:

Type of Investment	Maturity	2010	2009
U.S. Government and government agency obligations	< 1 year	$ 1,045,722	$ -
	1 - 5 years	18,331,533	15,239,218
	6 - 10 years	4,177,278	4,776,850
	Over 10 years	14,318,902	13,034,934
		$ 37,873,435	$ 33,051,002
Corporate bonds	< 1 year	$ 101,144	$ -
	1 - 5 years	8,377,425	7,765,932
	6 - 10 years	6,245,932	6,224,228
	Over 10 years	2,885,981	2,475,998
		$ 17,610,482	$ 16,466,158

NOTE 5. INVESTMENT SUMMARY (CONTINUED)

Investment Risk (continued)

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. For the years ended December 31, 2010 and 2009, the Plan's investment policy limited the amount of investments in foreign equities to 20% of total Plan assets. The Plan's exposure to foreign currency risk at December 31, 2010 and 2009 is as follows:

Type of Investment	Fair Value (USD) 2010	Fair Value (USD) 2009
Equities:		
Australian dollar	$ 227,071	$ 352,257
British pound	6,952,302	5,422,194
Danish krone	698,572	501,152
European euro	5,245,940	6,093,492
Hong Kong dollar	195,068	779,315
Israeli skekel	162,812	-
Japanese yen	3,061,127	2,244,192
Norwegian krone	199,268	559,266
Singapore dollar	-	197,151
Swiss franc	1,952,957	1,874,927
U.S. dollar	82,167,633	73,953,084
Total equities	$ 100,862,750	$ 91,977,030

For the years ended December 31, 2010 and 2009, net realized gain (loss) on investments sold, reflecting the difference between the proceeds received and cost value of securities sold, was $3,250,992 and ($4,690,677) respectively. These amounts are included in the net appreciation (depreciation) in fair value of investments as reported on the Combining Statements of Changes in Pension Plan and Postemployment Healthcare Plan Net Assets. The calculation of realized gains and losses is independent of the calculation of net appreciation (depreciation) in the fair value of plan investments. Investments purchased in a previous year and sold in the current year result in their realized gains and losses being reported in the current year and their net appreciation (depreciation) in plan assets being reported in both the current year and the previous year.

NOTE 6. DERIVATIVES

The Plan's investment policy permits the use of financial futures for hedging purposes only. Speculation and leveraging of financial futures within the portfolio is prohibited. The Plan uses financial futures to mange portfolio risk and to facilitate international portfolio trading.

A derivative security is a financial contract whose value is based on, or "derived" from, a traditional security, an asset, or a market index. Derivative instruments include futures and forward contracts as part of the Plan's portfolio.

Derivative transactions involve, to varying degrees, credit risk, interest rate risk and market risk. Credit risk is the possibility that a loss may occur because a party to a transaction fails to perform according to the previously agreed upon terms. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Market risk is the possibility that a change in interest or currency rates will cause the value of a financial instrument to decrease or become more costly to settle.

Forward contracts are used to hedge against fluctuations in foreign currency-denominated assets used primarily in portfolio trade settlements. These contracts are a cash contract in which a seller agrees to deliver a specific cash commodity to a buyer sometime in the future. Forward agreements are subject to the creditworthiness of the counterparties, which are principally large financial institutions. At December 31, 2010 and 2009, the Plan's investments included the following forward currency contract balances:

	2010	2009
Forward Currency Contract Receivables	$ -	$ 453,367
Forward Currency Contract Payables	$ -	$ 454,433

All of the Plan's financial instruments are carried at fair value on the Combining Statement of Pension Plan and Postemployment Healthcare Plan Net Assets included in investments. The gain or loss on financial instruments is recognized and recorded on the Combining Statement of Changes in Pension Plan and Postemployment Healthcare Plan Net Assets as part of investment income.

NOTE 7. SECURITIES LENDING

State Statutes and the investment policy permit the Plan to lend its securities to broker-dealers and other entities with a simultaneous agreement to return collateral for the same securities in the future. The Plan's custodian, acting as the lending agent, lends securities for collateral in the form of cash, U.S. Government obligations and irrevocable letters of credit equal to 102% of the fair value of domestic securities plus accrued interest and 105% of the fair value of foreign securities plus accrued interest.

The Plan has a limit as to the amount of securities on loan of $10 million. The Plan does not have the right to sell or pledge securities received as collateral unless the borrower defaults. The average term of securities loaned was 102 days for 2010 and 119 days for 2009; however, any loan may be terminated on demand by either the Plan or the borrower. Cash collateral is invested in a separately managed portfolio, which had an average weighted maturity at December 31, 2010 and 2009 of 104 and 91 days, respectively.

As of December 31, 2010 and 2009, the fair value (carrying amount) of loaned securities was $9,753,433 and $9,584,272 respectively. As of December 31, 2010 and 2009, the fair value (carrying amount) of collateral received by the Plan was $9,993,747 and $9,835,451 respectively.

Although the Plan's securities lending activities are collateralized as described above, they involve both market and credit risk. In this context, market risk refers to the possibility that the borrower of securities will be unable to collateralize the loan upon a sudden material change in the fair value of the loaned securities. Credit risk refers to the possibility that counterparties involved in the securities lending program may fail to perform in accordance with the terms of their contracts.

Indemnification deals with the situation in which a client's securities are not returned due to the insolvency of a borrower. The contract with the lending agent requires indemnification to the Plan if borrowers fail to return the securities fail to pay the Plan for income distributions by the issuers of securities while the securities are on loan.

During 2008, a security within the collateral pool became insolvent resulting in an insufficiency in the collateral pool. To prevent any one investor from incurring an additional loss should another investor exit the securities lending program, the Plan's custodian allocated a portion of the insolvent security to each investor in the collateral pool. As a result of the allocation, the Plan incurred an unrealized investment loss and corresponding securities lending payable in the amount of $99,030 during the year ended December 31, 2008. The securities lending payable was $94,015 and $99,030 as of December 31, 2010 and 2009 respectively.

During 2010 and 2009, there were no losses due to default of a borrower or the lending agent.

NOTE 7. SECURITIES LENDING (CONTINUED)

A summary of securities loaned at fair value as of December 31:

	2010	2009
Securities loaned - cash collateral:		
Equities	$ 7,304,188	$ 3,395,450
U.S. Government and government agency obligations	1,947,942	6,188,813
Corporate bonds	347,845	9
Total securities loaned - cash collateral	9,599,975	9,584,272
Securities loaned - non-cash collateral:		
Equities	14,528	-
U.S. Government and government agency obligations	138,930	-
Total securities loaned - non-cash collateral	153,458	-
Total	$ 9,753,433	$ 9,584,272

NOTE 8. COMMITMENT

As of December 31, 2010, the Plan had capital commitments of $3,000,000 for various limited partnerships.

NOTE 9. POSTEMPLOYMENT GROUP HEALTHCARE BENEFIT PLAN

The Plan has adopted GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, which establishes uniform financial reporting standards for Other Postemployment Benefits (OPEB) plans.

Plan Description

The Forest Preserve District Employees' Annuity and Benefit Fund of Cook County administers a Postemployment Group Healthcare Benefit Plan (PGHBP), a single-employer defined benefit postemployment healthcare plan. PGHBP provides a healthcare premium subsidy to annuitants who elect to participate in PGHBP. The Plan is currently allowed, in accordance with State Statutes, to pay all or a portion of medical insurance premiums for the annuitants. Presently, the Plan subsidizes approximately 55% and 70% of the monthly premiums for employees and spouse annuitants, respectively. The remaining premium cost is borne by the annuitant.

NOTE 9. POSTEMPLOYMENT GROUP HEALTHCARE BENEFIT PLAN (CONTINUED)

Plan Description (continued)

PGHBP is administered in accordance with Chapter 40, Article 5/10 of the Illinois Compiled Statutes, which assigns the authority to establish and amend benefit provisions to the Plan's Board of Trustees.

At December 31, 2010 and 2009, the number of annuitants and surviving spouses whose cost to participate in the program was subsidized, totaled 275 and 282 respectively.

Summary of Significant Accounting Policies

Method of Accounting - PGHBP's financial statements have been combined with the Plan's financial statements and are presented using the accrual basis of accounting. The Plan considers the premium subsidy an additional retirement benefit, with no contribution rate or asset allocation associated with it. The cost for postemployment group health benefits is approximately equal to the premium subsidy. Actual costs may differ based on claims experience. Healthcare premium subsidies are recognized when due and payable.

Contributions - The Plan funds PGHBP on a "pay-as-you-go" basis.

Administrative Costs - Administrative costs associated with PGHBP are paid by the Plan.

Medical Trend Rate - 8.0% in the first year, decreasing by .5% per year until an ultimate rate of 5.0% is reached.

Funded Status and Funding Progress

As of December 31, 2010, the most recent actuarial valuation date, PGHBP was 0.00% funded on an actuarial basis. The actuarial accrued liability for benefits was $43,102,510 and the actuarial value of assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $43,102,510. The covered payroll (annual payroll of active employees covered by the Plan) was $24,397,376, and the ratio of the UAAL to the covered payroll was 176.67%.

NOTE 10. RELATED PARTY TRANSACTIONS

The Plan has common Trustees and shares office space with the County Fund. The Plan reimburses the County Fund for shared administrative services provided by the County Fund. During the years ended December 31, 2010 and 2009, the County Fund allocated administrative expenditures of $63,455 and $66,184 respectively.

As of December 31, 2010 and 2009, the Plan owes the County Fund $1,321,867 and $1,179,097 respectively. These amounts include plan transfers of plan members transferring from one plan to another.

NOTE 11. PRONOUNCEMENTS ISSUED NOT YET EFFECTIVE

In March 2009, GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions.* This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Statement No. 54 is effective for the Plan's fiscal year ending December 31, 2011.

In December 2009, GASB issued Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans.* This statement considers the timing and frequency of the measurement of actuarial liabilities for OPEB by agent employers and also considers the guidelines regarding the use of the alternative measurement method by agent employers with small individual OPEB plans. The provisions related to the frequency and timing of measurements are effective for the Plan's fiscal year ending December 31, 2012.

In June 2010, GASB issued Statement No. 59, *Financial Instruments Omnibus.* This statement updates and improves existing standards regarding financial reporting and disclosure requirements of certain financial instruments and external investment pools for which significant issues have been identified in practice. Statement No. 59 is effective for the Plan's fiscal year ending December 31, 2011.

In November 2010, GASB issued Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements.* This statement improves financial reporting by addressing issues related to service concession arrangements, which are a type of public-private or public-public partnership. Statement No. 60 is effective for the Plan's fiscal year ending December 31, 2012.

In November 2010, GASB issued Statement No. 61, *The Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and No. 34.* This statement improves financial reporting for a governmental financial reporting entity by modifying certain requirements for inclusion of component units in the financial reporting entity. This statement also amends the criteria for reporting component units as if they were part of the primary government in certain circumstances. The statement also clarifies the reporting of equity interests in legally separate organizations. Statement No. 61 is effective for the Plan's fiscal year ending December 31, 2013.

In December 2010, GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.* This statement is to incorporate into GASB's authoritative literature certain accounting and financial reporting guidance that is included in certain pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements. Statement No. 62 is effective for the Plan's fiscal year ending December 31, 2012.

The Plan is currently evaluating the impact of adopting the above Statements.

REQUIRED SUPPLEMENTARY INFORMATION

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

Required Supplementary Information

Schedule of Funding Progress

Year Ended December 31,		Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/(c)
Pension Benefits							
2005	(2)	$ 189,066,378	$ 217,588,298	$ 28,521,920	86.89%	$ 18,077,621	157.77%
2006		$ 193,511,049	$ 196,983,226	$ 3,472,177	98.24%	$ 19,172,756	18.11%
2007		$ 203,043,217	$ 205,392,258	$ 2,349,041	98.86%	$ 21,078,316	11.14%
2008		$ 196,277,679	$ 212,373,326	$ 16,095,647	92.42%	$ 23,474,621	68.57%
2009	(1)	$ 188,396,534	$ 244,625,664	$ 56,229,130	77.01%	$ 24,967,115	225.21%
2010		$ 184,077,516	$ 252,877,596	$ 68,800,080	72.79%	$ 24,397,376	282.00%
Postemployment Group Healthcare Benefit Plan (PGHBP)							
2006		$ -	$ 39,448,815	$ 39,448,815	0.00%	$ 19,172,756	205.75%
2007		$ -	$ 40,605,811	$ 40,605,811	0.00%	$ 21,078,316	192.64%
2008		$ -	$ 36,004,405	$ 36,004,405	0.00%	$ 23,474,621	153.38%
2009	(1)	$ -	$ 43,142,977	$ 43,142,977	0.00%	$ 24,967,115	172.80%
2010		$ -	$ 43,102,510	$ 43,102,510	0.00%	$ 24,397,376	176.67%
Changes in Actuarial Assumptions							
2006	(3)	$ -	$ (9,851,148)	$ (9,851,148)	0.00%		
2007	(4)	$ -	$ (11,877,875)	$ (11,877,875)	0.00%		
2008	(4)	$ -	$ (10,450,101)	$ (10,450,101)	0.00%		
2009	(4)	$ -	$ (13,736,290)	$ (13,736,290)	0.00%		
2010	(4)	$ -	$ (13,588,953)	$ (13,588,953)	0.00%		
Combined							
2005		$ 189,066,378	$ 217,588,298	$ 28,521,920	86.89%	$ 18,077,621	157.77%
2006		$ 193,511,049	$ 226,580,893	$ 33,069,844	85.40%	$ 19,172,756	172.48%
2007		$ 203,043,217	$ 234,120,194	$ 31,076,977	86.73%	$ 21,078,316	147.44%
2008		$ 196,277,679	$ 237,927,630	$ 41,649,951	82.49%	$ 23,474,621	177.43%
2009	(1)	$ 188,396,534	$ 274,032,351	$ 85,635,817	68.75%	$ 24,967,115	342.99%
2010		$ 184,077,516	$ 282,391,153	$ 98,313,637	65.19%	$ 24,397,376	402.97%

(1) = Change in actuarial assumptions.
(2) = The information for 2005 includes the PGHBP.
(3) = Due to a change in the interest rate assumption for the PGHBP (pension benefits and combined reports - 7.5%, PGHBP - 5.0%).
(4) = Due to a change in the interest rate assumption for the PGHBP (pension benefits and combined reports - 7.5%, PGHBP - 4.5%).

See notes to required supplementary information.

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

Required Supplementary Information

Schedule of Employer Contributions

Year Ended December 31,		Annual Required Contribution (ARC) (a)	Required Statutory Basis (1) (b)	Employer Contributions (c)	Percent of ARC Contributed (c/a)
Pension Benefits					
2005	(2)	$ 7,466,836	$ 2,846,034	$ 3,224,743	43.19%
2006		$ 2,691,753	$ 2,577,485	$ 1,532,343	56.93%
2007		$ 2,809,494	$ 3,329,502	$ 1,995,300	71.02%
2008		$ 3,329,502	$ 2,138,669	$ 523,928	15.74%
2009	(1)	$ 4,498,036	$ 2,512,857	$ 1,282,642	28.52%
2010		$ 7,626,778	$ 2,680,595	$ 1,333,140	17.48%
Postemployment Group Healthcare Benefit Plan (PGHBP)					
2006		$ 3,747,117	$ -	$ 1,187,670	31.70%
2007		$ 3,729,144	$ -	$ 1,291,740	34.64%
2008		$ 3,785,850	$ -	$ 1,499,520	39.61%
2009		$ 3,490,173	$ -	$ 1,261,052	36.13%
2010		$ 3,876,537	$ -	$ 1,326,894	34.23%
Changes in Actuarial Assumptions					
2006	(3)	$ (1,063,504)	$ -		
2007	(4)	$ (611,216)	$ -		
2008	(4)	$ (1,021,036)	$ -		
2009	(4)	$ (714,995)	$ -		
2010	(4)	$ (849,426)	$ -		
Combined					
2005		$ 7,466,836	$ 2,846,034	$ 3,224,743	43.19%
2006		$ 5,375,366	$ 2,577,485	$ 2,720,013	50.60%
2007		$ 5,927,422	$ 3,329,502	$ 3,287,040	55.45%
2008		$ 6,094,316	$ 2,138,669	$ 2,023,448	33.20%
2009		$ 7,273,214	$ 2,512,857	$ 2,543,694	34.97%
2010		$ 10,653,889	$ 2,680,595	$ 2,660,034	24.97%

(1) = Tax levy after 2.7% overall loss.
(2) = The information for 2005 includes PGHBP.
(3) = Due to a change in the interest rate assumption for the PGHBP (pension benefits and combined reports - 7.5%, PGHBP - 5.0%).
(4) = Due to a change in the interest rate assumption for the PGHBP (pension benefits and combined reports - 7.5%, PGHBP - 4.5%).

See notes to required supplementary information.

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

Required Supplementary Information

Notes to Schedule of Funding Progress and Schedule of Employer Contributions

The information presented in the required supplementary schedules was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	December 31, 2010
Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar - Open
Amortization period	30 years
Asset valuation method	Five Year Smoothed Average Market
Actuarial assumptions	
Investment rate of return	
Pension benefits	7.5% compounded annually
Retiree health insurance plan	4.5% compounded annually
Combined	7.5% compounded annually
Projected salary increases	
Inflation	3.0% per year
Merit	2.0% per year
Total	5.0% per year
Postretirement annuity increases	3.0% compounded per year for employee and widow(er) annuitants
Medical trend rate	
2012	8.0%
2013	7.5%
2014	7.0%
2015	6.5%
2016	6.0%
2017	5.5%
2018 and later	5.0%
Mortality rates	UP-1994 Mortality Table for Males, rated down 2 years UP-1994 Mortality Table for Females, rated down 1 year
Retirement age assumptions	Based on actual past experience assume all employees retire by age 75

ADDITIONAL INFORMATION

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

Schedules of Administrative Expenses and Professional and Consulting Fees

Years Ended December 31, 2010 and 2009

	2010	2009
Administrative expenses		
Administrative expenses allocated from County Employees' and Officers' Annuity and Benefit Fund of Cook County	$ 63,455	$ 66,184
Bank charges	6,076	7,446
Election expense	2,627	2,588
Membership	435	-
Professional and consulting fees	24,172	27,511
Regulatory filing fees	8,000	9,000
Total	$ 104,765	$ 112,729
Professional and consulting fees		
Actuarial service	$ 1,643	$ 3,349
Audit	18,275	20,000
Consulting	2,414	1,284
Legal	1,101	2,547
Lobbyist	739	331
Total	$ 24,172	$ 27,511

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

Schedules of Investment Expenses

Years Ended December 31, 2010 and 2009

	2010	2009
Investment manager expense		
American Realty Advisors	$ 9,308	$ -
Ariel Capital Management	-	152
BNY Mellon CIS	9,125	4,589
Channing Capital Management	30,157	24,754
Fiduciary Management Associates	8,872	7,395
Lazard Asset Management, LLC	71,588	78,083
LM Capital Group, LLC	35,483	34,804
Northern Trust Quantitative Advisors	662	6,291
RhumbLine Advisers	5,107	4,350
TIAA-CREF	8,387	-
William Blair & Company	39,553	34,489
Total investment manager expenses	218,242	194,907
Investment consulting fees		
Marquette Associates, Inc.	4,514	4,416
Investment custodian fees		
BNY Mellon	5,000	5,000
Total investment expenses	$ 227,756	$ 204,323

FOREST PRESERVE DISTRICT EMPLOYEES' ANNUITY AND BENEFIT FUND OF COOK COUNTY

ADDITIONS BY SOURCE

Year Ended December 31,	Employer Contributions (1)	Employee Contributions (2)	Net Investment and Net Securities Lending Income (Loss) (3)	Other (4)	Total Additions
2005	$ 3,224,743	$ 2,627,465	$ 8,107,038	$ 4,760	$ 13,964,006
2006	$ 2,720,013	$ 1,690,781	$ 18,117,244	$ 175,844	$ 22,703,882
2007	$ 3,287,040	$ 1,986,605	$ 9,989,189	$ 245,951	$ 15,508,785
2008	$ 2,023,448	$ 2,119,208	$ (46,414,013)	$ 127,464	$ (42,143,893)
2009	$ 2,543,694	$ 2,418,794	$ 24,683,791	$ 219,919	$ 29,866,198
2010	$ 2,660,034	$ 2,452,696	$ 20,250,639	$ 227,553	$ 25,590,922

DEDUCTIONS BY TYPE

Year Ended December 31,	Benefits	Refunds	Employee Transfers to (from) Cook County	Administrative Expenses	Total Deductions
2005	$ 11,108,689	$ 730,332	$ 186,159	$ 113,138	$ 12,138,318
2006	$ 11,465,912	$ 346,117	$ 345,410	$ 108,566	$ 12,266,005
2007	$ 11,868,717	$ 464,666	$ 130,674	$ 114,674	$ 12,578,731
2008	$ 12,159,401	$ 518,400	$ (119,434)	$ 138,550	$ 12,696,917
2009	$ 12,423,521	$ 472,953	$ 118,754	$ 112,729	$ 13,127,957
2010	$ 13,043,407	$ 343,863	$ 257,975	$ 104,765	$ 13,750,010

1 - Includes net tax levy.

2 - Includes deductions in lieu of disability.

3 - Includes realized net gain or loss on investments sold and net securities lending income.

4 - Includes Medicare Part D, prescription plan rebates and miscellaneous income.
2006 is the first year for Medicare Part D and prescription plan rebates.

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

Schedule of Taxes Receivable

December 31, 2010

Levy Year	Gross Levy	Uncollected Balance	Reserve for Loss and Costs	Net Uncollected Balance
2009	$ 2,582,587	$ 347,006	$ 94,545	$ 252,461
2010	2,754,970	2,754,970	74,376	2,680,594
Total		$ 3,101,976	$ 168,921	$ 2,933,055

Note:

Uncollected taxes for the years 2008 and prior are fully reserved.
2009 tax levy includes net Illinois Replacement Tax of $258,558.
2010 tax levy includes net Illinois Replacement Tax of $275,773.