



COOK COUNTY BOARD OF COMMISSIONERS PENSION COMMITTEE

SEPTEMBER 21, 2022



COOK COUNTY PENSION FUND |

KEY FUND FINANCIALS AND DEMOGRAPHICS FOR 2021

	Cook County Fund	Forest Preserve Fund
Net Position	\$14.3 Billion	\$235.2 Million
Actuarial Liability	\$19.1 Billion	\$367.9 Million
Net Investment Income	\$2.0 Billion	\$27.0 Million
Benefit Payments and Refunds	\$968.8 Million	\$19.4 Million
Employee Contributions	\$133.4 Million	\$3.1 Million
Employer Contributions	*\$541.3 Million	**\$3.9 Million
Net Allocation for Healthcare	\$34.2 Million	\$0.8 Million
Administrative Expense	\$5.1 Million	\$0.2 Million
Active Members	18,320	516
Annuitants	19,856	536

*Includes \$340.0 million of contributions from the Intergovernmental agreement (IGA) with Cook County.

**The Forest Preserve Fund does not have an IGA.

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INVESTMENT ALLOCATION COOK COUNTY FUND

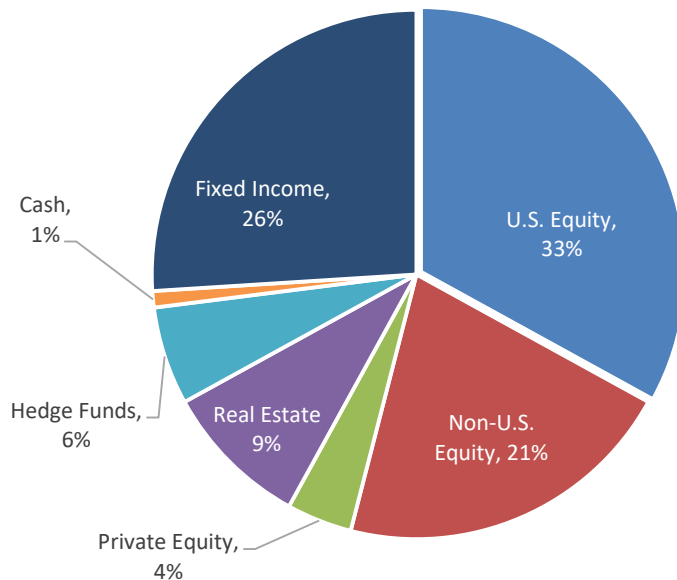
The Retirement Board has established a long term investment policy for both Funds. Portfolios are diversified across classes with investments in public and private markets.

Total Assets as of December 31, 2021: \$14.3 Billion

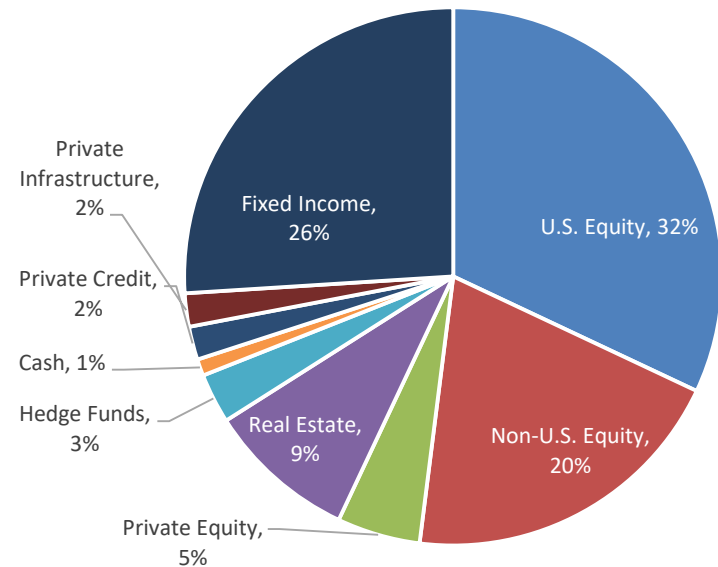
Total Assets as of December 31, 2020: \$12.6 Billion

Investment Earnings for 2021: \$2.0 Billion

Cook County Fund Target Allocation 12/31/2021



Cook County Fund New Target Allocation



COOK COUNTY PENSION FUND |

INVESTMENT ALLOCATION FOREST PRESERVE FUND

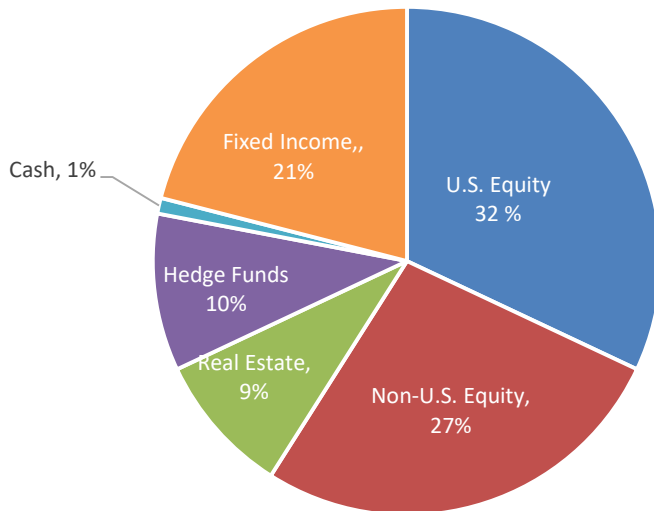
The Retirement Board has established a long term investment policy for both Funds. Portfolios are diversified across classes with investments in public and private markets.

Total Assets as of December 31, 2021: \$235.2 Million

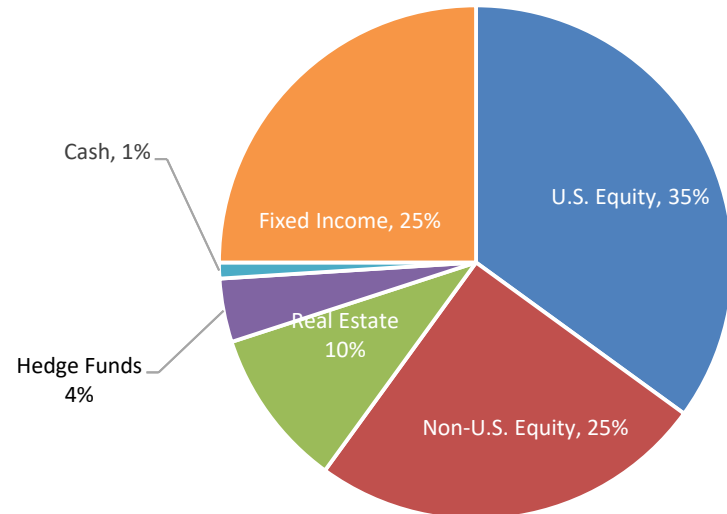
Total Assets as of December 31, 2020: \$221.4 Million

Investment Earnings for 2021: \$27.0 Million

Forest Preserve Fund Target Allocation 12/31/2021



Forest Preserve Fund New Target Allocation



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2022 INVESTMENT UPDATE

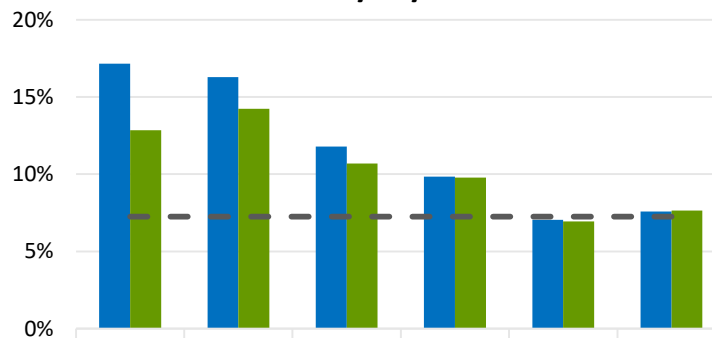
- The Retirement Board engaged Callan LLC in 2021 to prepare an asset liability study for both the Cook County and Forest Preserve Funds. The study demonstrated that the investment program cannot generate sufficient returns to prevent eventual depletion of assets under the current statutory funding policy. Codified long-term actuarial-based funding would improve expected funded status and reduce net cash outflows for the Funds.
- Assuming continued supplemental contributions such as received through the IGA, the Retirement Board approved a new asset allocation policy for the Cook County Fund that includes a modest increase to private equity and diversifying strategies including private credit and infrastructure, with decreases to hedge funds and public equities. The new policy is expected to be implemented in 2023 after completion of manager searches for new asset classes.
- With respect to the Forest Preserve Fund, which does not have an IGA, assuming the current funding policy, the Retirement Board approved an asset allocation policy that maintains a growth orientation and modestly reduces allocations to illiquid investments. The new policy is expected to provide comparable expected return/risk profile, and has been implemented.

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INVESTMENT PERFORMANCE

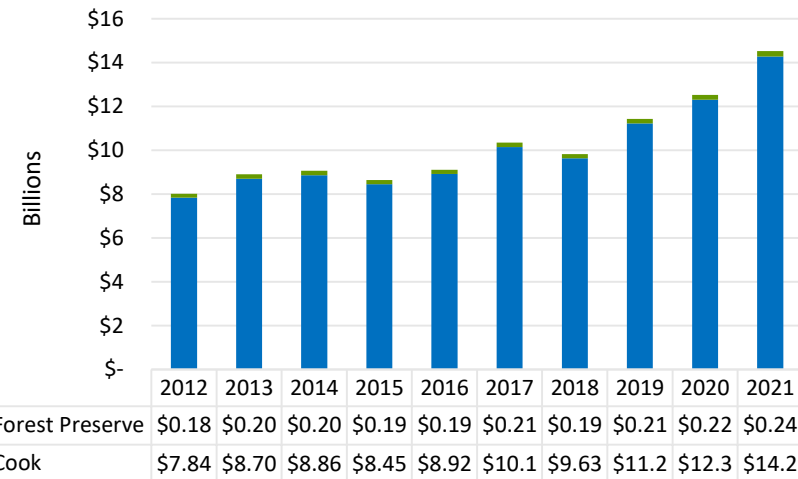
For most periods noted, the Funds met or exceeded the 7.25% actuarial assumed rate of return.

Returns as of 12/31/2021



Cook	17.15%	16.29%	11.78%	9.85%	7.04%	7.58%
Forest Preserve	12.85%	14.23%	10.70%	9.79%	6.95%	7.64%
U.S. Public Median	12.96%	14.13%	10.14%	8.92%	6.78%	7.68%
Peer Median (>\$1BN Assets)	13.57%	14.68%	10.64%	9.31%	6.50%	7.79%
Actuarial ROR	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%

Total Assets (in billions)



Source: Callan LLC

Source: Callan LLC & BNY Mellon; returns are net-of-fees

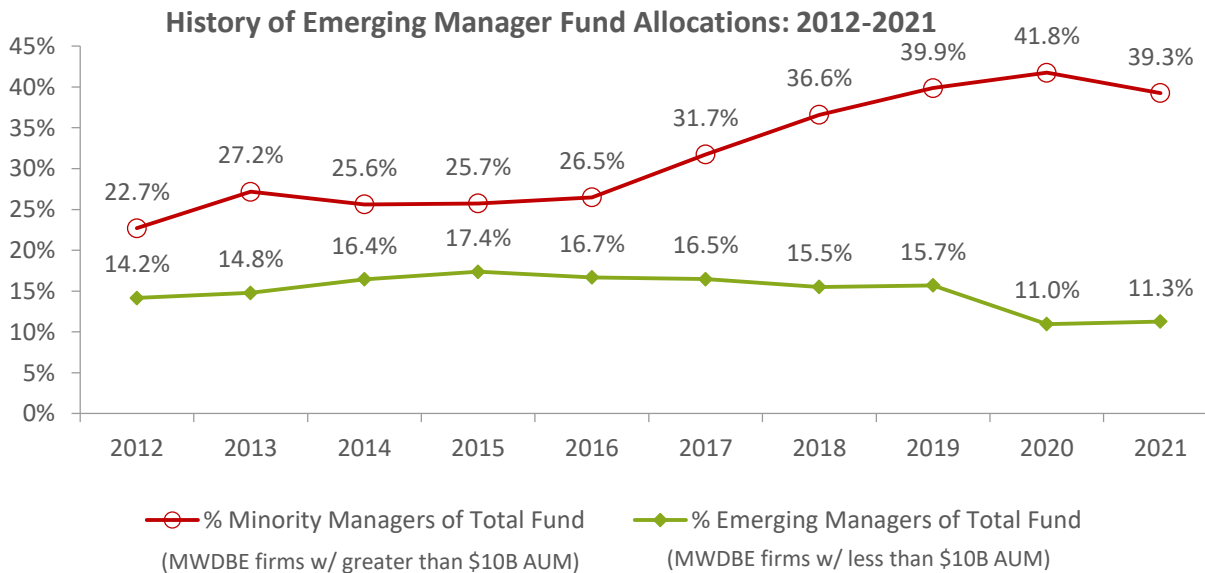
The actuarial rate of return was changed to 7.0% as of December 31, 2021.
The Funds are long-term diversified investors.

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EMERGING AND MWDBE UTILIZATION UPDATE



- The Funds have a long and steady track record of working with emerging and MWDBE firms in every asset class.



2021 Highlights

- Funded a new emerging international equity manager, with \$200 million in Q1 2021
- \$50 million awarded to two emerging real estate managers will increase alternatives utilization
- Fund continues to assess new opportunities to rebuild its emerging manager program after closure of Progress in 2020

	2021 EM Allocation In Dollars (MMs)*	2021 Emerging Mgr. Utilization Rate
Domestic Equity	\$439.3	9.2%
Fixed Income	\$621.5	19.0%
Intl. Equity	\$342.2	12.1%
Alternatives	\$137.7	5.1%

* Combines Cook County and Forest Preserve actual allocations

COOK COUNTY PENSION FUND | DECEMBER 2021



LOCAL AND STATE FUND INVESTMENT PERFORMANCE COMPARISON

Cook County's and Forest Preserve's investment performance compares favorably against local and IL state plans.

Fund Name	Funded Ratio	Performance					AUM as of 12-31-2021
		Q4	1Yr	3Yr	5Yr	10Yr	
Cook County Pension Fund*	67.2%	5.3% (1)	17.2% (1)	16.3% (3)	11.8% (3)	9.9% (4)	\$14.3BN
Forest Preserve District Fund*	59.4%	4.7% (2)	12.9%	14.2%	10.7%	9.8%	\$0.2BN
IL Teachers Retirement System (TRS)	42.5%	3.8%	16.8% (2)	12.7%	10.1%	9.5%	\$66.0BN
IL Municipal Retirement Fund (IMRF)	98.6%	4.4% (4)	16.6% (3)	17.0% (1)	12.1% (1)	10.7% (1)	\$57.3BN
IL State Board of Investments (ISBI)	n/a	4.6% (3)	14.9% (4)	15.3% (5)	11.3% (5)	10.0% (3)	\$25.9BN
State University Retirement System (SURS)	43.8%	3.9%	14.7%	14.2%	10.6%	9.7% (5)	\$24.2BN
Chicago Teachers' Pension Fund (CTPF)	47.5%	4.2% (5)	14.4%	16.5% (2)	11.9% (2)	10.3% (2)	\$13.4BN
Chicago Municipal Pension Fund (MEABF)	22.0%	4.0%	13.6%	13.6%	9.7%	9.1%	\$3.7BN
Chicago Policemen 's Pension Fund (PABF)	24.0%	2.8%	13.1%	14.0%	10.5%	9.1%	\$3.0BN
Chicago Laborer's Pension Fund (LABF)	44.5%	3.0%	11.6%	15.1%	11.0%	9.1%	\$1.2BN
Chicago Firemen's Pension Fund (FABF)	20.1%	3.6%	14.8% (5)	16.0% (4)	11.7% (4)	10.7% (1)	\$1.1BN
Chicago Park District Pension Fund (PEABF)	32.0%	3.4%	14.6%	13.9%	9.9%	9.5%	\$0.4BN
Median		4.0%	14.7%	14.7%	10.9%	9.7%	

* The Cook County and Forest Preserve District Pension Funds are the only funds listed that do not have statutory actuarial funding.

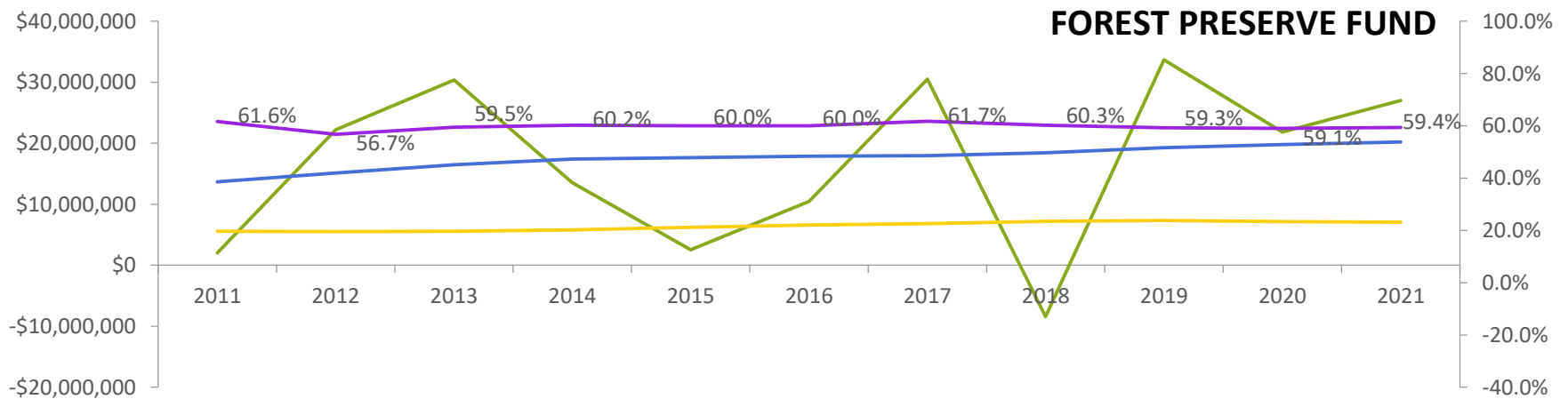
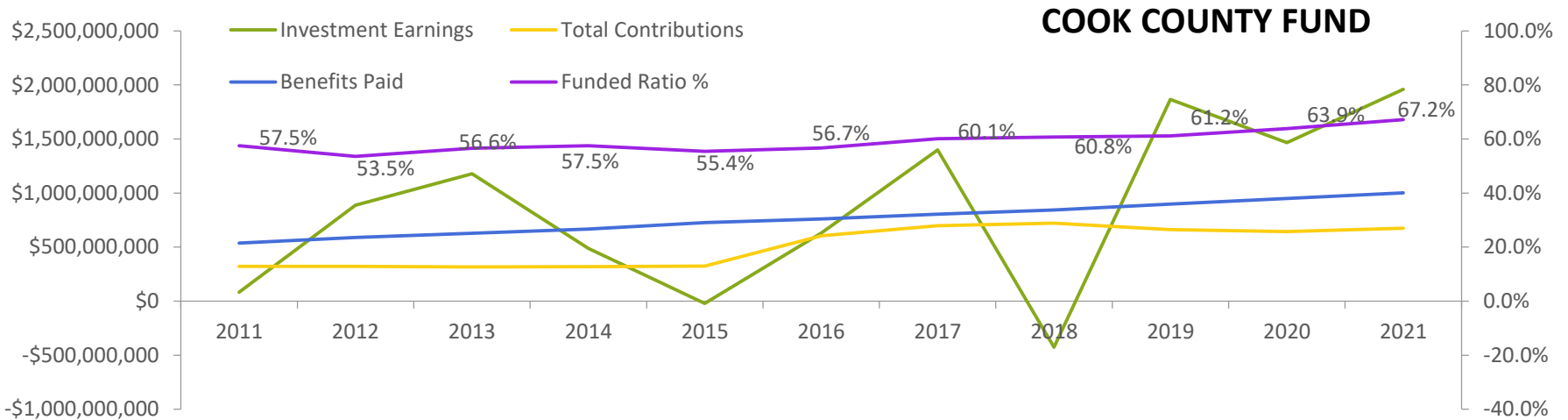
Source: Plan websites or information provided by respective Funds' staff and may not be subject to audit.

Returns are net-of-fees. Returns over 1Yr are annualized.



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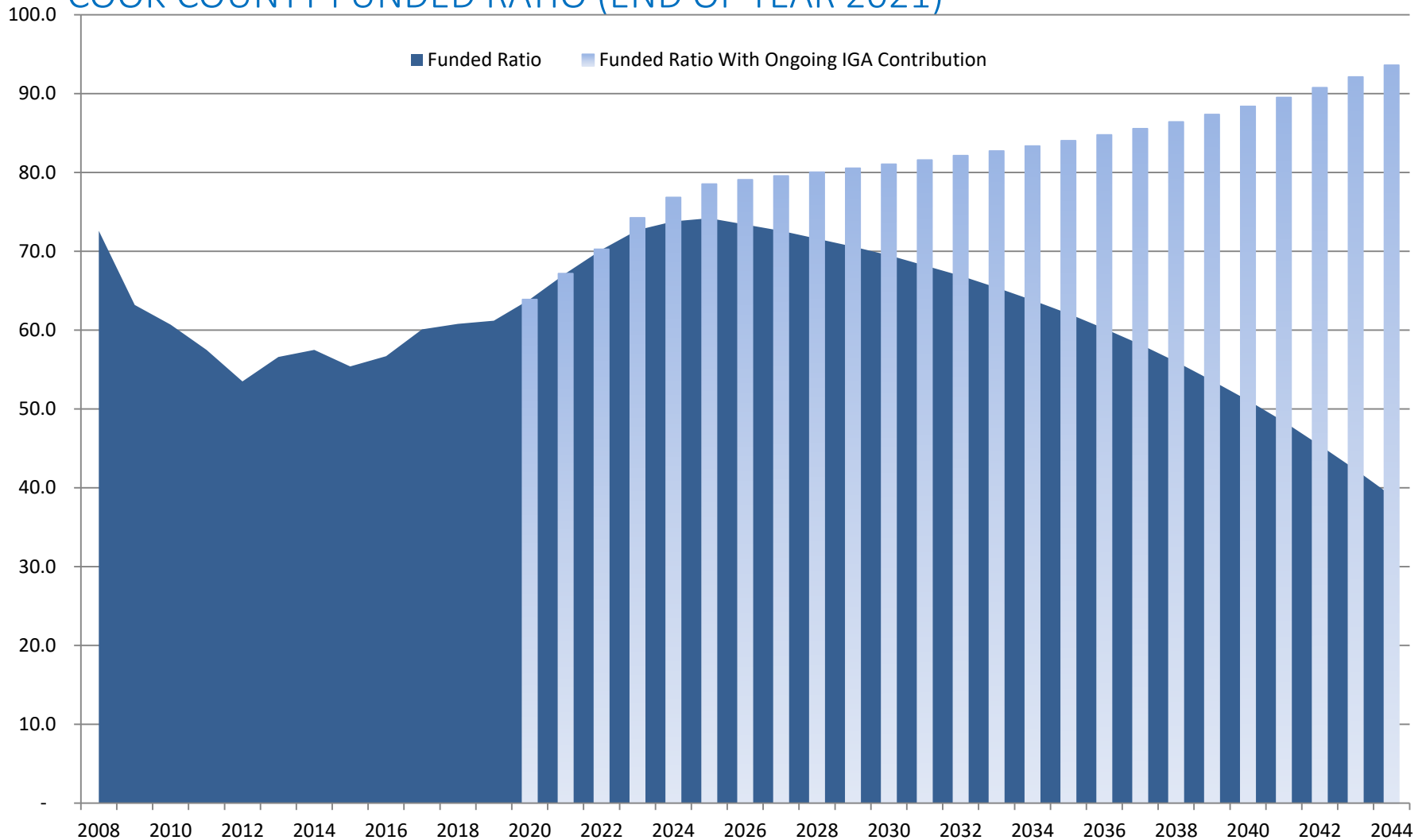
BENEFITS, CONTRIBUTIONS, AND INVESTMENT RETURNS



Benefits amounts are based on Net Health Benefits cost and Total Contributions include Employee and Employer contributions

COOK COUNTY PENSION FUND |

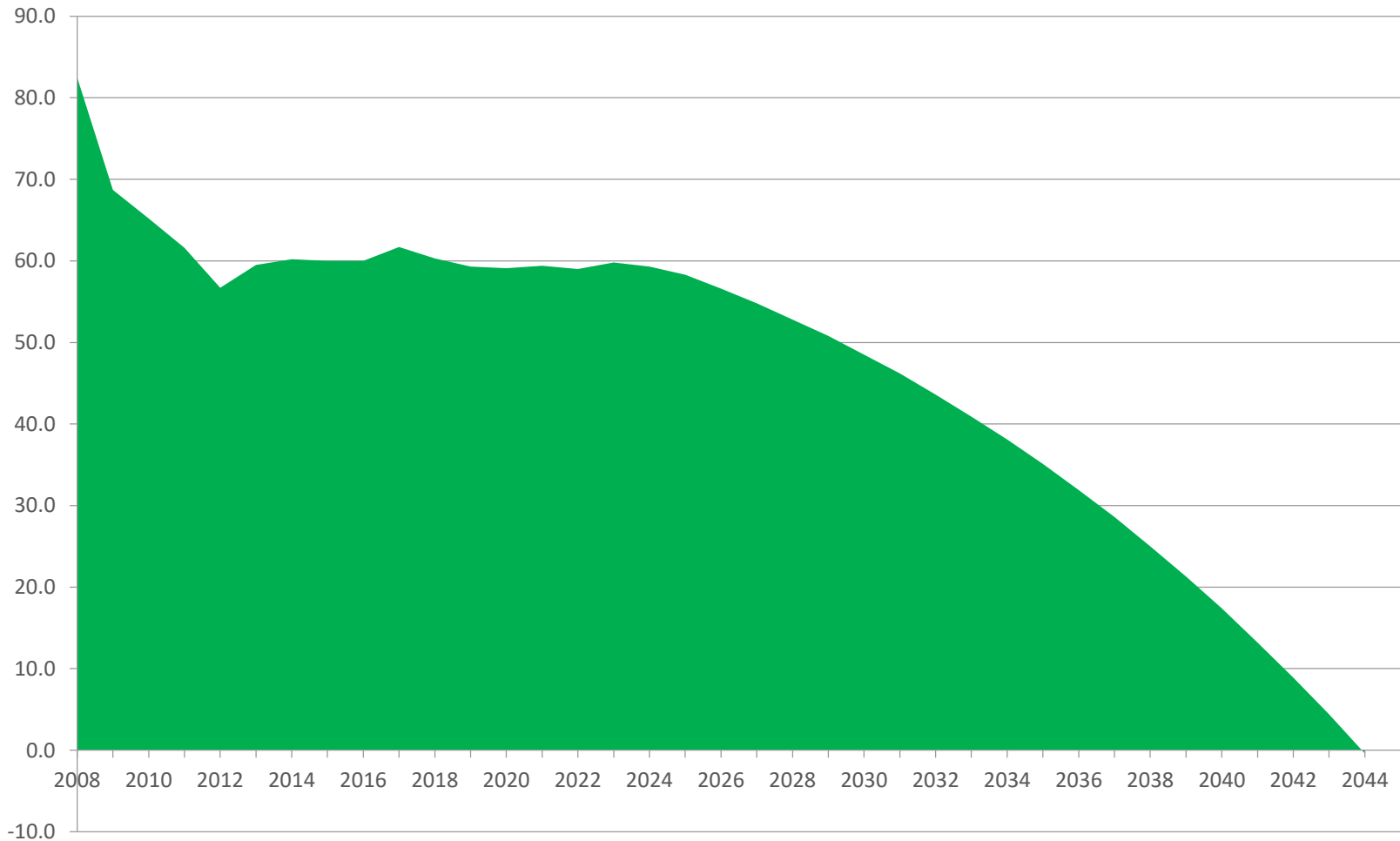
COOK COUNTY FUNDED RATIO (END OF YEAR 2021)



Cook County and Forest Preserve are the only funds without statutory actuarial funding in Illinois. Under current statutory funding, asset depletion for the Cook County Fund is projected in 2054. If the IGA is annually renewed, full pension funding is projected in 2043.

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FOREST PRESERVE FUNDED RATIO (END OF YEAR 2021)



Note the Forest Preserve Fund does not receive IGA contributions. The only source of funding is the property tax receipts of the 1.30x multiplier that has been in place since 1973. Under current statutory funding, asset depletion for the Forest Preserve Fund is projected in 2044.



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MEMBER SERVICE INFORMATION

Beginning in mid-August of 2021, the Fund opened its doors to resume in-person counseling sessions by appointment. Since that date, the Fund has welcomed approximately 770 members into the office to service their needs in-person. Other service support platforms such as email and phone continue.

	Full Year 2021	June 30, 2022
Annuity Payments Made	246,297	124,713
Annuities Calculated	1,265	643
Refunds Paid	2,743	1,350
Disability Case Applications	1,002	464
Phone Calls Incoming	33,000	18,500
Emails Received	5,444	2,497