



Board of Commissioners of Cook County

118 North Clark Street
Chicago, IL

Legislation Details

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Title:	PROPOSED RESOLUTION				

PROVIDING ONGOING PENSION STABILIZATION AS AUTHORIZED IN THE ANNUAL BUDGET RESOLUTION

WHEREAS, to serve the interests of current and future Cook County ("County") residents and taxpayers, significant investment has been by Cook County to address actuarially projected shortfalls associated with the County Officers' and Employees' Annuity and Benefit Fund ("the Annuity Fund"); and

WHEREAS, the County has an annual Intergovernmental Agreement ("IGA") with the Annuity Fund, which includes supplemental payments in addition to the statutorily required maximum contribution; and

WHEREAS, the supplemental payments made to the Annuity Fund will total, by the end of FY20, over \$1.6 Billion, allowing the Annuity Fund to keep its assets invested and take advantage of good market performance; and

WHEREAS, the FY21 budget included nearly \$342 million in supplemental pension to the Annuity Fund; and

WHEREAS, the FY20 and FY21 Annual Appropriation Ordinance through the Budget Resolution provides that the Chief Financial Officer may from time to time transfer into a Pension Stabilization Account within the Pensions and Annuity Fund otherwise permissible funds, provided that each transfer of funds into the Pension Stabilization Account is, in the opinion of the Chief Financial Officer, feasible and prudent, taking into account the then-current and projected state of the County's revenues and authorized expenditures; provided further that such transfers do not, in the aggregate, exceed \$20,000,000 in FY20 and FY21; and

WHEREAS, such transfers for additional pension stabilization requires that the Chief Financial Officer notify the Board of Commissioners immediately upon such transfer; and

WHEREAS, the Budget Resolution provides that funds transferred into the Pension Stabilization Account shall be available for payment to the Annuity and Benefit Fund, provided the disbursement, receipt, and purposes of such funds are authorized through an intergovernmental agreement between the County and the Annuity Fund; and

WHEREAS, the Chief Financial Officer desires to assign General Fund Balance for pension stabilization in an amount not to exceed \$20,000,000 in FY20 and desires to hold such funds for pension stabilization within the General Fund instead of the Pension and Annuity Benefit Fund, such contribution will be based on an analysis of projected year-end General Fund Balance; and

WHEREAS, the Chief Financial Officer seeks the authority to make such assignments in the General Fund in FY21 as well as future years for pension stabilization and said assignments will continue to be based on an analysis of projected year-end General Fund Balance.

NOW, THEREFORE, BE IT RESOLVED, that the President and the Cook County Board of Commissioners do hereby authorize the Chief Financial Officer or designee which may include the Comptroller to assign General Fund Balance for pension stabilization in an amount not to exceed \$20,000,000 from FY20 and authorizes the Chief Financial Officer to hold such funds for pension stabilization within the General Fund instead of the Pension and Annuity Benefit Fund, any such contribution will be based on an analysis of projected year-end General Fund Balance; and

BE IT FURTHER RESOLVED, that the Chief Financial Officer or designee which may include the Comptroller shall be authorized to make such transfers and/or assignments in the General Fund in FY 21 as well as future years for pension stabilization if authorized in the Annual Budget Resolution and said assignments will continue to be based on an analysis of projected year-end General Fund Balance..

Sponsors: TONI PRECKWINKLE (President), JOHN P. DALEY, DEBORAH SIMS, BRIDGET GAINER, SCOTT R. BRITTON, PETER N. SILVESTRI, LARRY SUFFREDIN, BRIDGET DEGNEN, KEVIN B. MORRISON, DONNA MILLER, ALMA E. ANAYA

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
12/17/2020	1	Board of Commissioners	approve as amended in the errata	Pass