Legislation Details

File #:	23-1178	**Version:**	1	**Name:**	REQUESTING A HEARING OF THE COOK COUNTY PENSION COMMITTEE
Type:	Resolution			**Status:**	Held / Deferred in Committee
File created:	1/26/2023			**In control:**	Pension Committee
On agenda:	1/26/2023			**Final action:**	
Title:	PROPOSED RESOLUTION				

REQUESTING A HEARING OF THE COOK COUNTY PENSION COMMITTEE TO DISCUSS THE FINANCIAL IMPLICATIONS OF PENSION LEGISLATION

WHEREAS, the Illinois Pension Code (40 ILCS 5/9-101) establishes the creation of a pension fund in each county of more than 3,000,000 inhabitants a County Employees' and Officers' Annuity and Benefit Fund shall be created, set apart, maintained and administered, in the manner prescribed in this Article, for the benefit of the employees and officers herein designated and their beneficiaries, and;

WHEREAS, the County Employees' and Officers' Annuity and Benefit Fund is a single defined benefit, single employer pension and other post-employment benefits plan established by Illinois Compiled Statutes (Chapter 40, Acts 5/9 and 5/10), and;

WHEREAS, the Cook County Pension Fund provides pension, disability and other benefits to employees of both Cook County and the Forest Preserve District. While the County Fund and the Forest Fund are separate entities, the benefits provided to Cook County employees and Forest Preserve District employees are the same, and;

WHEREAS, the pension system is supported through two statutorily set and mandated sources: the employee contribution made by active County employees and the employer contribution of 1.54% of total salary made by the County, both of which are set by state law, and;

WHEREAS, the financial returns on the invested assets of Annuity and Benefit Fund are, historically, the greatest portion of the annual input to the pension fund, and;

WHEREAS, the determination of the allocation of assets and the choice of investments and the resulting financial returns are overseen and approved by the nine members of the Board of Trustees of the Annuity and Benefit Fund, and;

WHEREAS, the Cook County President and the Cook County Board of Commissioners have independently elected, via an intergovernmental agreement (IGA) with the Pension Benefit and Annuity Fund, to make supplemental pension payments beyond the statutory requirements, approximately $2.5B as of the end of FY23, and;

WHEREAS, the County, unlike other pension funds, pays for retiree healthcare costs for annuitants out of pension assets, and;

WHEREAS, in FY2023, Annuity and Benefit allocations to the Pension Fund are budgeted at $512.1 million, which consists of $200.4 million in statutory payments, as per the Illinois Pension code, and an additional $291.7 million in supplemental pension payments paid for by a voluntary incremental payment, and a $20.0 million allocation to the pension reserve account for future pension payment increases, via an Intergovernmental Agreement approved by the Cook County Board of Commissioners on December 15, 2022, and;

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WHEREAS, there are many future needs to ensure the continuity and health of the pension system. In order to pass meaningful legislation at a County level that addresses these future challenges, it's essential to have a comprehensive understanding of the financial impact of the pension system and any potential impact on the retirement security of Cook County annuitants.

THEREFORE BE IT RESOLVED, a hearing of the Cook County Pension Committee to be convened on Wednesday, February 8 at 10:00 a.m. in order to discuss any changes that may be made to the statutory makeup of the County's contribution.

Sponsors: BRIDGET GAINER

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
3/16/2023	1	Board of Commissioners	defer	Pass
3/14/2023	1	Pension Committee	defer	Pass
1/26/2023	1	Board of Commissioners	refer	Pass

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