

Bridget Gainer  
Cook County Commissioner – Tenth District

District Office  
5533 N. Broadway  
Chicago, IL 60640  
Tel: (773) 561-1010  
Fax: (773) 561-1025



Downtown Office  
118 N. Clark Street  
Chicago, IL 60602  
Tel: (312) 603-4210  
Fax: (312) 603-3695

**NEWS**

***For Immediate Release***

June 28, 2011

**For More Information Contact:**  
Office of Commissioner Bridget Gainer  
Telephone: (312) 603-4210  
Email: [Info@BridgetGainer.com](mailto:Info@BridgetGainer.com)

***Commissioner Gainer Calls Pension Committee Meeting to take lead on  
Long-term Strategies to Protect County Pension System***

CHICAGO - Cook County Board Commissioner Bridget Gainer has called a Pension sub-committee meeting tomorrow morning to take the lead on a comprehensive discussion on the future of Cook County and Forest Preserve Pension Funds.

“We need to start by asking, what should the benefits look like to attract and retain new generations of employee , provide a stable retirement for workers and be fiscally responsible to the taxpayers?” said Gainer.

The Cook County Pension Fund provides a defined benefit pension plan to its current employees and retirees. Cook County Employees do not participate in Social Security and the majority of county employees annually contribute 8.5% of their salary to their retirement. At the end of 2010 the Cook County Pension Fund had a funded ratio of 60.7%. To put that in perspective, the City of Chicago’s four pension funds have a funded ratio average of 43% and the State of Illinois has a funded ratio average of 39%.

Commissioner Gainer went on to say, “We also need to consider what a 401k type plan would look like for a workforce without social security. 401k plans are neither a boogiemen nor a panacea. They move risk from the employer to the individual, but structured correctly, they can provide stable retirement income, even when there is no defined benefit or social security option.” Now is the time to construct the right kind of 401k option that avoids the loans, withdrawals and cashouts that have degraded 401k retirement income for so many in the private sector.

continued

Bridget Gainer  
Cook County Commissioner – Tenth District

District Office  
5533 N. Broadway  
Chicago, IL 60640  
Tel: (773) 561-1010  
Fax: (773) 561-1025



Downtown Office  
118 N. Clark Street  
Chicago, IL 60602  
Tel: (312) 603-4210  
Fax: (312) 603-3695

The County Pension Fund Board of Trustees is comprised of 75% employees, 25% ex-officio, “when we think about governance the question on the table is, we have employees represented and the County as the as employer represented - what about the taxpayers? They are paying a large part of the benefit and should be involved in the decisions - like independent members of a corporate board; appointed members can bring transparency and a new perspective. Board members with relevant experience such as investment, finance, legal backgrounds are also important for those overseeing billions in retirement assets. And lastly, for appointed members, what is the public review process to ensure they are not paybacks for political supporters?”

The Cook County and Forest Preserve Pension funds are not in dire funded status, but the funded status has dropped 30% over the last 10 years. “The good news is, the average worker isn't dying at 64 anymore, so it goes without saying that we have to adjust our retirement system to meet that reality. There are about 8 or 9 factors that impact the cost of a pension plan - the COLA, the retirement age, the final average salary among others. Employees know that these measures need to be changed to counteract longer lifespan, but so far the decisions have been made largely behind closed doors. At this hearing we will bring information, best practices and the lessons learned in other states to add some more light to the heated debate.”

“It is important that we, as elected representatives, seriously address these issues to ensure that we can continue to recruit the best brightest of future generated by offering our employees a secure retirement in a manner beneficial to county tax payers. A commitment to a stable retirement has been made to all public service workers and it must be honored, but, to do so will require some no-nonsense reforms and a willingness by all parties to talk openly and honestly about immediate and long term solutions.”

###