NEW ISSUE – BOOK ENTRY ONLY **RATINGS: SEE "RATINGS" HEREIN**

Subject to compliance by the County with certain covenants, in the opinion of Co-Bond Counsel, under present law, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations. Interest on the Bonds is not exempt from present State of Illinois income taxes. See "TAX EXEMPTION" herein for a more complete discussion.

$119,855,000
THE COUNTY OF COOK, ILLINOIS

GENERAL OBLIGATION REFUNDING BONDS, SERIES 2010G

Dated: Date of Issuance **Due: See Inside Cover**

The General Obligation Refunding Bonds, Series 2010G (the "**Bonds**") are direct and general obligations of The County of Cook, Illinois (the "**County**"). The full faith and credit of the County is pledged to the punctual payment of principal of and interest on the Bonds. Direct annual taxes have been levied on all taxable real property in the County in amounts sufficient to pay principal of and interest on the Bonds as those amounts come due. These taxes are to be extended for collection without limitation as to rate or amount. Collections of such taxes are to be deposited directly by the County Collector with The Bank of New York Mellon Trust Company, N.A., Chicago, Illinois, as trustee (the "**Trustee**"), for the purpose of paying principal of and interest on the Bonds. The Bonds are being reoffered for sale in book-entry only form and will be registered in the name of Cede & Co., the nominee of The Depository Trust Company, New York, New York ("**DTC**"). DTC will act as securities depository for the Bonds.

The Bonds are being issued to provide funds to be used with other moneys to refund certain outstanding general obligation bonds of the County and pay certain costs of issuance of the Bonds.

The Bonds are issuable in denominations of $5,000 and any integral multiples thereof. Interest on the Bonds is payable on each May 15 and November 15 beginning May 15, 2011. The principal of the Bonds is payable at the principal office maintained for that purpose by the Trustee or its successor. Interest on the Bonds, together with the principal of the Bonds, will be paid by the Trustee directly to DTC so long as DTC or its nominee is the registered owner of the Bonds. The final disbursements of such payments to the Beneficial Owners (as defined herein) will be the responsibility of the DTC participants or indirect participants. See "Book-Entry Only System" for more information.

The Bonds are subject to optional and mandatory redemption prior to maturity as described herein.

Maturities, Principal Amounts, Interest Rates, Prices and CUSIP Numbers are set forth on the inside cover page.

The Bonds are offered when, as and if issued and accepted by the Underwriters and subject to delivery of separate approving legal opinions by Chapman and Cutler LLP, Chicago, Illinois, and Pugh, Jones, Johnson & Quandt, P.C., Chicago, Illinois, Co-Bond Counsel. Certain legal matters will be passed upon for the Underwriters by Perkins Coie LLP, Chicago, Illinois, and Tyson Strong Hill Connor, LLP, Chicago, Illinois, Co-Underwriters' Counsel. It is expected that the Bonds will be available for delivery through the facilities of DTC on or about October 15, 2010.

MORGAN STANLEY **RICE FINANCIAL PRODUCTS COMPANY**

CABRERA CAPITAL MARKETS **CITI**

J.P. MORGAN **WILLIAM BLAIR & COMPANY**

Dated: September 17, 2010

MATURITY SCHEDULE

Maturity November 15	Principal Amount	Interest Rate	Price*	CUSIP[†]
2025	$22,580,000	5.000%	110.058%	213185EF4
2026	15,000,000	5.000	109.269	213185EG2

$82,275,000 5.000% Term Bonds due November 15, 2028 Price: 108.227%* CUSIP[†]:213185EE7

*Priced to the November 15, 2020 par call.

No dealer, broker, salesman or other person has been authorized to give any information or to make any representation other than as contained in this Official Statement. Any such other information or representations must not be relied upon as statements of the County or of the Underwriters. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful to make such an offer, solicitation or sale. The information set forth in this Official Statement is not guaranteed as to accuracy or completeness. Unless otherwise indicated, the County is the source of the tables and statistical and financial information contained in this Official Statement, except information relating to governmental bodies other than the County, which has been obtained from those governmental bodies or from other sources. The information and opinions expressed in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of Bonds made under it shall, under any circumstances, create any implication that there has been no change in the financial condition or the operations of the County since the date of this Official Statement. The County is not making any representations regarding its financial condition beyond the date of the auditor's opinion nor, for interim financial information presented, beyond the date of this Official Statement.

This Official Statement should be considered in its entirety and no one factor considered less important than any other by reason of its position in this Official Statement. Where statutes, resolutions, reports or other documents are referred to in this Official Statement, reference is made to those items for more complete information.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE BOND ORDINANCE OR INDENTURE BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE BONDS HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING TRANSACTIONS, IF BEGUN, MAY BE ENDED OR INTERRUPTED AT ANY TIME WITHOUT NOTICE. THE UNDERWRITERS MAY OFFER AND SELL THE BONDS TO CERTAIN DEALERS AND DEALER BANKS AND BANKS ACTING AS AGENTS AT PRICES LOWER OR YIELDS HIGHER THAN THE PUBLIC OFFERING PRICES OR YIELDS STATED ON THE INSIDE COVER PAGE HEREOF AND SAID PUBLIC OFFERING PRICES AND YIELDS MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS WITHOUT NOTICE.

THE COUNTY OF COOK, ILLINOIS

PRESIDENT

Hon. Todd H. Stroger

CHAIRMAN, COMMITTEE ON FINANCE

John P. Daley

MEMBERS OF THE BOARD OF COMMISSIONERS

William M. Beavers
Jerry Butler
Forest Claypool
Earlean Collins
John P. Daley
Bridget Gainer
Elizabeth Ann Doody Gorman
Gregg Goslin
Joseph Mario Moreno
Joan P. Murphy
Anthony J. Peraica
Edwin Reyes
Timothy O. Schneider
Peter N. Silvestri
Deborah Sims
Robert L. Steele
Larry Suffredin

COUNTY TREASURER
EX-OFFICIO COUNTY COLLECTOR

Hon. Maria Pappas

CHIEF FINANCIAL OFFICER

Jaye Morgan Williams

COUNTY COMPTROLLER

Constance M. Kravitz

OVERVIEW

This Overview does not constitute a part of the Official Statement for the issuance and sale by The County of Cook, Illinois of its $119,855,000 aggregate principal amount General Obligation Refunding Bonds, Series 2010G (the ***"Bonds"****) and does not purport to be complete. This Overview is for informational purposes only and is subject to a more complete discussion contained in the Official Statement. Capitalized terms used in this Overview are defined in the Official Statement.*

Issuer

The County of Cook, Illinois (the **"County"**). The population of Cook County is currently estimated at 5,287,037, making it the second largest county in the United States. The County performs three principal functions: the protection of persons and property, the provision of public health services and the maintenance of County highways. The County is a home rule unit of government under the 1970 Constitution of the State of Illinois, whose powers are exercised through the President, as Chief Executive Officer, and a 17-member Board of Commissioners (the **"County Board"**). The Commissioners are elected from single member districts to four-year terms, while the President is elected by the voters of the entire County to a four-year term. The terms of the present members of the County Board, including the President, expire in December, 2010. The President of the County Board and the members of the County Board have the responsibility for administration of the financial affairs of the County.

Within Cook County, there are 128 municipalities, including the City of Chicago (the **"City"**), 30 townships, 236 special districts, and 152 school districts. The City and the suburban municipalities account for approximately 85% of the County's 946 square miles, while unincorporated areas make up the remaining 15%. The unincorporated areas of the County are under the jurisdiction of the County Board. The City has a population of 2,851,268, which is 53.9% of the County's estimated 2009 population. Approximately 47% of the Equalized Assessed Valuation of taxable property in the County is located in the City.

Among the residents of the County, 24.3% are under 18 years of age, 11.7% are over 65 years of age and 51.3% of the population is female. Cook County is racially diverse: 44.9% is white, 25.5% are black or African American and 23.2% are of Hispanic or Latino origin of any race. Also, 19.8% is foreign born and 30.8% of the population speaks at least one of 5 languages, other than English, at home. Of the population 25 or older, 77.7% are high school graduates and 28% are college graduates.

The median household income in 2008 was $54,559, while 14.8% of the population is below the poverty line. The unemployment rate for Cook County in July 2010 was 10.8%. This compares with 11.7% in January 2010 and the current national average of 9.5%.

For a more complete discussion of the County and its operations, see "THE COUNTY."

Authority

The Bonds are being issued pursuant to the County's home rule powers under the 1970 Constitution of the State of Illinois and an authorizing ordinance adopted by the County Board on September 17, 2008, as most recently amended, as supplemented by a 2010G Bond Order and Notification of Sale (the **"Bond Order"**) delivered by the County. The ordinance and the Bond Order are referred to herein as the **"Bond Ordinance"**.

The Bonds

$119,855,000 General Obligation Refunding Bonds, Series 2010G

Ratings

Moody's Investors Service, Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. and Fitch Ratings have assigned their long-term ratings of Aa2, AA and AA, respectively, to the Bonds. See "RATINGS."

Plan of Finance

Proceeds of the Bonds will be used to refund all or a portion of certain maturities of outstanding general obligation bonds of the County and to pay costs of issuance thereof. See "PLAN OF FINANCE – The Refunding."

Security for the Bonds	The full faith and credit of the County are irrevocably pledged to the punctual payment of the principal of and interest on the Bonds. The Bonds are direct and general obligations of the County and the County is obligated and covenants and agrees in the Bond Ordinance to levy ad valorem taxes upon all the taxable property in the County for the payment of the Bonds and the interest thereon, without limitation as to rate or amount (the **"Pledged Taxes"**). A separate account will be established for the Bonds within the "General Obligation Bonds, Series 2010, Bond Fund" created under the Bond Ordinance (the **"Bond Fund"**). All Pledged Taxes will be deposited by the Trustee into the appropriate account and applied to pay principal of and interest on the Bonds. Interest or principal coming due at any time when there are insufficient funds on hand from the Pledged Taxes to pay the same will be paid promptly by the County when due from current funds on hand and when the Pledged Taxes have been collected, reimbursement will be made to said funds in the amount so advanced. See "SECURITY FOR THE BONDS" in the Official Statement. For a discussion of the levy and extension procedures for the ad valorem taxes levied by the County for the payment of the Bonds, see "REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES" in the Official Statement. For a discussion of the establishment and operation of the Bond Fund, see "APPENDIX D - Summary of Certain Provisions of the Bond Ordinance - Bond Fund."
Interest Payment Dates	Interest on the Bonds will be payable on each May 15 and November 15, beginning May 15, 2011, until maturity or earlier redemption. Interest is computed on the basis of a 360-day year consisting of twelve 30-day months at the rates set forth on the inside cover of the Official Statement.
Redemption	The Bonds are subject to optional and mandatory redemption prior to maturity at the times and at the redemption prices determined as described in the Official Statement. See "THE BONDS —Redemption."
Trustee	The Bank of New York Mellon Trust Company, N.A., Chicago, Illinois, will serve as Trustee and Paying Agent.
Book-Entry Form and Denominations	The Bonds will be issued in fully registered book-entry form in denominations of $5,000 or any integral multiple thereof.
Tax Exemption	In the opinion of Chapman and Cutler LLP, Chicago, Illinois and Pugh, Jones, Johnson & Quandt, P.C., Chicago, Illinois, Co-Bond Counsel, (i) subject to compliance by the County with certain covenants, under present law, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, and (ii) interest on the Bonds is not exempt from present State of Illinois income taxes, all to the extent described in the Official Statement under the heading "TAX EXEMPTION."
Delivery	The Bonds are expected to be available for delivery through the facilities of DTC in New York, New York on or about October 15, 2010.
Legal Matters	Certain legal matters will be passed upon for the parties to the financing as set forth on the cover page to the Official Statement.
Additional Information	Additional information may be obtained upon request to the County's Chief Financial Officer, 118 North Clark Street, Room 1127, Chicago, Illinois 60602, telephone (312) 603-5287 or facsimile (312) 603-3681.

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OFFICIAL STATEMENT

$119,855,000
THE COUNTY OF COOK, ILLINOIS

GENERAL OBLIGATION REFUNDING BONDS,
SERIES 2010G

INTRODUCTION

General

This Official Statement is furnished by The County of Cook, Illinois (the "**County**"), to provide information about its $119,855,000 aggregate principal amount of General Obligation Refunding Bonds, Series 2010G (the **"Bonds"**). The Bonds are being issued pursuant to the County's home rule powers under the 1970 Constitution of the State of Illinois (the **"Illinois Constitution"**) and an authorizing ordinance adopted by the Board of Commissioners of the County (the "**County Board**") on September 17, 2008, as most recently amended (said ordinance, as supplemented by a 2010G Bond Order and Notification of Sale, the "**Bond Ordinance**").

The Bonds are direct and general obligations of the County. The full faith and credit of the County has been pledged to the punctual payment of the principal of and interest on the Bonds. The County has levied ad valorem real property taxes in an amount that will be sufficient to provide for the payment of the principal of and interest on the Bonds as those amounts come due. These taxes are required to be extended for collection against all taxable real property within the County, without limitation as to rate or amount. Collections of the Pledged Taxes (as hereinafter defined) are to be deposited directly by the County Collector with The Bank of New York Mellon Trust Company, N.A., Chicago, Illinois, as trustee, for the purpose of paying principal of and interest on the Bonds. See "SECURITY FOR THE BONDS."

The Bonds are being issued to provide funds to be used with other moneys to refund certain outstanding general obligation bonds of the County and pay certain costs of issuance of the Bonds, all as more particularly described herein. See "PLAN OF FINANCE."

Additional Information

Certain factors concerning the Bonds are described throughout this Official Statement, which should be read in its entirety. All references herein to laws, ordinances, resolutions, agreements and documents are qualified in their entirety by reference to the definitive forms thereof, and all references to the Bonds are further qualified by reference to the information with respect thereto contained in the Bond Ordinance.

All statements, information and statistics contained in this Official Statement are believed to be correct but are not guaranteed by the County, the Underwriters (as defined under the heading "UNDERWRITING"), Co-Bond Counsel, Co-Underwriters' Counsel, Co-Financial Advisors (as defined under the heading "FINANCIAL ADVISORS" or the Trustee, and all expressions of opinion, whether or not expressly so stated, are intended merely as such and not as representations of fact. The information contained herein regarding The Depository Trust Company, New York, New York ("**DTC**") and the global book-entry system (the "**Book-Entry Only System**") was provided by DTC and has not been verified by the County, the Underwriters, Co-Bond Counsel, Co-Underwriters' Counsel, Co-Financial Advisors or the Trustee. The information contained herein is provided as of the date hereof and is subject to change.

Copies of statutes, ordinances, resolutions or other documents referred to in this Official Statement are available, upon request, from the County's Chief Financial Officer (the **"Chief Financial Officer"**), 118 North Clark Street, Room 1127, Chicago, Illinois 60602, telephone (312) 603-5287 or facsimile (312) 603-3681.

THE BONDS

General

The Bonds are dated their date of issuance (the "**Date of Issuance**") and bear interest at the rates per annum set forth on the inside cover page hereof and are issuable as fully registered Bonds without coupons. The Bonds will mature on November 15 of the years and in the principal amounts as set forth on the inside cover page hereof. The Bonds are subject to optional and mandatory redemption prior to maturity at the times and at the redemption prices determined as described under "THE BONDS – Redemption". The Bonds will initially be registered through the Book-Entry Only System operated by DTC. Details of payments of the Bonds when in the book-entry only form and the Book-Entry Only system are described in APPENDIX C hereto. The Bank of New York Mellon Trust Company, N.A., Chicago, Illinois, will serve as the trustee (the "**Trustee**") for the Bonds pursuant to the Bond Ordinance.

Interest on the Bonds is payable on each May 15 and November 15, beginning May 15, 2011. The Bonds will be issued in denominations of $5,000 or integral multiples thereof.

Each Bond will bear interest from the later of the Date of Issuance or the most recent interest payment date to which interest has been paid or duly provided for. Interest on the Bonds will be computed on the basis of a 360-day year consisting of twelve-30 day months.

Redemption

Optional Redemption. The Bonds are subject to optional redemption on November 15, 2020, and on any date thereafter in whole or in part and, if in part, in such principal amounts and from such maturities as may be determined by the County, at a redemption price of 100% of the principal amount thereof, plus accrued interest on such Bonds to the date fixed for redemption.

Mandatory Redemption. The Bonds maturing on November 15, 2028 are Term Bonds and are subject to mandatory redemption prior to maturity, by lot, at a redemption price of par, without premium, plus accrued interest to the date fixed for redemption on November 15 of the years and in the principal amounts as set forth below:

Year (November 15)	Principal Amount
2026	$31,300,000
2027	24,865,000
2028 (maturity)	26,110,000

In connection with any mandatory redemption of Term Bonds, the principal amounts of such Term Bonds to be mandatorily redeemed in each year may be reduced through the earlier optional redemption thereof, with any partial optional redemptions of such Term Bonds credited against future mandatory redemption requirements in such order of the mandatory redemption dates as the Chief Financial Officer may determine. In the absence of such determination, partial optional redemptions of such Term Bonds shall be credited against future mandatory redemption requirements in inverse chronological order of such payments beginning with the amount scheduled to become due at stated maturity, then the amount subject to mandatory redemption in the year preceding stated maturity, and so on. In addition, on or prior to the 60th day preceding any mandatory redemption date, the Trustee may, and if directed by the Chief Financial Officer shall, purchase Bonds of such maturities in an amount not exceeding the amount of such Term Bonds required to be retired on such mandatory redemption date and at a price not exceeding par plus accrued interest. Any such Term Bonds so purchased shall be cancelled and the principal amount thereof shall be credited against the payment required on such next mandatory redemption date.

Notice of Redemption. Unless waived by the registered owners of Bonds to be redeemed, notice of redemption shall be given by the Trustee on behalf of the County by mailing the redemption notice by first class U. S. mail not less than thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to each registered owner of the Bonds to be redeemed at the address shown on books for the registration and transfer of the Bonds to be kept by the Trustee on behalf of the County (the "**Bond Register**") or at such other address as is furnished in writing by such registered owner to the Trustee. Neither the failure to mail such notice nor any defect in any notice so mailed to any particular registered owner of Bonds shall affect the sufficiency of such notice with respect to other registered owners. Notice having been properly given, failure of a registered owner to receive such notice will not be deemed to invalidate, limit or delay the effect of the notice or redemption action described in the notice.

All official notices of redemption shall identify the Bonds or portions thereof to be redeemed and will state (a) the redemption date, (b) the redemption price, (c) if less than all of the Outstanding Bonds of a particular maturity are to be redeemed, the identification (and, in the case of partial redemption of Bonds within such maturity, the respective principal amounts) of the Bonds to be redeemed, (d) a statement that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after the date fixed for redemption, and (e) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment will be the office designated for such purpose by the Trustee.

Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed shall have been received by the Trustee prior to the giving of such notice of redemption, such notice of optional redemption may, at the option of the County, state that the redemption shall be conditional upon the receipt of such moneys by the Trustee on or prior to the date fixed for redemption. If such moneys are not received, the redemption notice shall be of no force and effect, the County shall not redeem such Bonds, and the Trustee shall give notice, in the same manner in which the notice of redemption was given, that such moneys were not received and that such Bonds will not be redeemed.

Redemption Payments; Effect of Deposit of Redemption Moneys. Official notice of redemption having been given, the Bonds or portions thereof to be redeemed shall, unless such notice states that such redemption is conditional as described above, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the County shall default in the payment of the redemption price) such Bonds or portions thereof shall cease to bear interest. If any Bonds or portion thereof called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid, bear interest from the redemption date at the rate borne by the Bond or portion thereof so called for redemption.

Partial Redemption. If less than all of the Bonds of a single maturity are to be redeemed prior to maturity, the particular Bonds of such maturity to be redeemed shall be selected by lot by the Trustee for the Bonds of such maturity by such method of lottery as the Trustee shall deem fair and appropriate (see APPENDIX C for information regarding DTC's customary procedures and practices for selecting book-entry bonds for redemption); provided, that such lottery shall provide for the selection for redemption of Bonds or portions thereof so that each $5,000 principal amount of such Bond shall be as likely to be called for redemption as any other such $5,000 portion.

Book-Entry Only System

DTC will act as Securities Depository for the Bonds. The Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee). One fully-registered Bond certificate will be issued for each maturity of the Bonds in the aggregate principal amount of each such maturity of the Bonds, and will be deposited with DTC. The Bonds will initially be available for purchase only in book-entry only form in authorized denominations.

In reading this Official Statement it should be understood that, while the Bonds are in the Book-Entry Only System, references in other sections of this Official Statement to registered owners should be read to include the Beneficial Owner, but (a) all rights of ownership must be exercised through DTC and the Book-Entry Only System, (b) notices that are to be given to registered owners by the County or the Trustee will be given only to DTC and (c) the method of selecting Bonds for redemption in the event Bonds of a single maturity are to be redeemed prior to maturity will be governed by DTC procedures. Information about the Book-Entry Only System and DTC is set forth in APPENDIX C.

Provisions Applicable When Not in Book-Entry System

The following two paragraphs apply to the Bonds when not in the Book-Entry System:

The Trustee will be the registrar for the Bonds. Bonds may be transferred upon surrender of such Bonds at the principal office maintained for the purpose by the Trustee, together with an assignment satisfactory to the Trustee, duly executed by such holder or such holder's duly authorized attorney. The Bonds may be exchanged at the principal office maintained for the purpose by the Trustee for a like aggregate principal amount of Bonds in authorized denominations. The Trustee shall not be required to transfer or exchange any Bond after notice calling such Bond or portion of such Bond for redemption has been mailed or during the 15 day period preceding the mailing of notice calling the Bonds for redemption. The Trustee will charge to the owner for every such transfer and every exchange of a Bond sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such transfer or exchange. Notwithstanding the foregoing, when Bonds are held in the Book-Entry System, transfers of beneficial ownership for the Bonds will be made pursuant to rules and procedures established by the Securities Depository.

The principal or redemption price of the Bonds is payable, upon surrender of such Bonds, at the principal office maintained for the purpose by the Trustee. Interest on the Bonds will be to the registered owner as of the close of business on the record date with respect to an interest payment date, by check mailed by first class mail on the applicable interest payment date, provided that payment of interest on the Bonds will be made by the Trustee by wire transfer to any owner of $1,000,000 or more in aggregate principal amount of the Bonds respectively upon such owner providing the Trustee with written wire transfer instructions acceptable to the Trustee before the applicable record date. If and to the extent there shall be a default in the payment of the interest due with respect to any Bonds on such interest payment date, such defaulted interest shall be paid to the related Bondholders in whose names any such Bonds (or any Bond or Bonds issued upon registration of transfer or exchange thereof) are registered at the close of business on the business day next preceding the date of payment of such defaulted interest.

SECURITY FOR THE BONDS

The full faith and credit of the County are irrevocably pledged to the punctual payment of the principal of and interest on the Bonds. The Bonds are direct and general obligations of the County and the County is obligated and covenants and agrees in the Bond Ordinance to levy ad valorem taxes upon all the taxable property in the County for the payment of the Bonds and the interest thereon, without limitation as to rate or amount. The Bonds comprise a portion of the general obligation bonds authorized by the Bond Ordinance to be issued for various County project, pension funding and refunding purposes.

For the purpose of providing the funds required to pay the principal of and interest on the Bonds promptly as the same become due, there is levied by the Bond Ordinance upon all taxable property in the County a direct annual tax (the "**Pledged Taxes**") which, together with the receipts, if any, of taxes levied and collected for the payment of the Refunded Bonds (as defined below) will be applied to pay principal of and interest on the Bonds. The County has pledged the Pledged Taxes to secure the Bonds. All receipts of the Pledged Taxes received by the County Collector shall be deposited daily, as far as practicable, with the Trustee. All other moneys appropriated or used by the County for the payment of the principal or redemption price of and interest on the Bonds shall be paid to the Trustee. Interest or principal coming due at any time when there are insufficient funds on hand from the Pledged Taxes to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the Pledged Taxes; and when the Pledged Taxes shall have been collected, reimbursement shall be made to said funds in the amount so advanced. All Pledged Taxes, and all such moneys, shall be deposited by the Trustee into the "General Obligation Bonds, Series 2010, Bond Fund" created under the Bond Ordinance (the "**Bond Fund**") and shall be applied to pay principal of and interest on the Bonds. See "APPENDIX D - Summary of Certain Provisions of the Bond Ordinance - Bond Fund."

In the Bond Ordinance, the County covenants and agrees with the purchasers and registered owners of the Bonds that so long as any of the Bonds remain outstanding, the County will take no action or fail to take any action which in any way would adversely affect the ability of the County to levy and collect the Pledged Taxes. The County and its officers have covenanted to comply with all present and future applicable laws in order to assure that the Pledged Taxes will be levied, extended and collected as provided in the Bond Ordinance and deposited into the Bond Fund.

Whenever and only when other funds from any lawful source are made available for the purpose of paying any principal of and interest on the Bonds so as to enable the abatement of the Pledged Taxes levied by the Bond Ordinance for the payment thereof, the County Board shall, by proper proceedings, direct the deposit of such funds into the Bond Fund and further shall direct the abatement of the Pledged Taxes by the amount so deposited.

The Pledged Taxes and other moneys, securities and funds so pledged are required by the Bond Ordinance to be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge created by the Bond Ordinance. The County is required at all times, to the extent permitted by law, to defend, preserve and protect the pledge of the Pledged Taxes and other moneys, securities and funds pledged under the Bond Ordinance and all the rights thereto of the holders of the Bonds under the Bond Ordinance against all claims and demands of all persons whomsoever.

In the event of a failure to pay the principal of and interest on the Bonds when due, or the occurrence of any other "Event of Default" under the Bond Ordinance, the Trustee, upon the written request of the registered owners of twenty-five percent (25%) in principal amount of Bonds affected by the Event of Default and then outstanding, is required to enforce the rights of the holders of the Bonds. See "APPENDIX D - Summary of Certain Provisions of the Bond Ordinance - Events of Default" and "-Remedies."

For a discussion of additional financings currently contemplated by the County, see "FUTURE FINANCINGS" herein.

PLAN OF FINANCE

The proceeds of the Bonds will be used to refund all or a portion of certain maturities of outstanding general obligation bonds of the County (collectively, the "**Refunded Bonds**") and to pay costs of issuance thereof. The following table sets forth the series designation, maturity date, interest rate, principal amount and redemption date and price for each maturity of the general obligation bonds being refunded with proceeds of the Bonds:

Series	Maturity Date	Interest Rate	Principal Amount	Redemption Date	Redemption Price
1999A	11/15/25	5.000%	$22,835,000(1)	11/15/10	100.000%
1999A	11/15/26	5.000	23,975,000(1)	11/15/10	100.000
1999A	11/15/27	5.000	25,175,000(1)	11/15/10	100.000
1999A	11/15/28	5.000	26,435,000(2)	11/15/10	100.000
2001A	11/15/26	5.125	22,605,000(3)	5/15/11	100.000
2004B	11/15/11	5.000	1,400,000		
2004B	11/15/11	3.600	2,000,000		
2009D	11/15/11	3.250	1,250,000		

(1) Sinking fund payment of November 15, 2028 term bond.
(2) Stated maturity payment of November 15, 2028 term bond.
(3) Stated maturity payment of November 15, 2026 term bond.

To provide for the payment and retirement of the Refunded Bonds, proceeds of the Bonds will be used to purchase securities constituting direct obligations of the United States of America (collectively, the "**Government Obligations**"). The principal of and interest on the Government Obligations will be sufficient (i) to pay when due the interest on the Refunded Bonds to their respective maturity or redemption dates and (ii) to pay or redeem the Refunded Bonds on their respective maturity or redemption dates at their respective principal amounts or redemption prices.

The Government Obligations purchased with the proceeds of the Bonds will be held in an escrow account (the "**Escrow Account**") created pursuant to an Escrow Agreement between the County and The Bank of New York Mellon Trust Company, N.A., as escrow agent (the "**Escrow Agreement**"). The County will, by entering into the Escrow Agreement, irrevocably determine to pay at maturity or call for redemption each of the Refunded Bonds on its applicable maturity date or redemption date. Neither the maturing principal of the Government Obligations nor the interest to be earned thereon will serve as security or be available for the payment of the principal of or the interest on the Bonds.

The mathematical computation of (i) the adequacy of the Escrow Account to provide for payments on the Refunded Bonds as described above and (ii) the actuarial yields on the Bonds and the Government Obligations will be verified at the time of the delivery of the Bonds by Robert Thomas CPA, LLC, independent certified public accountants. See "CERTAIN VERIFICATIONS."

SOURCES AND USES

The following table sets forth the estimated sources and uses of funds in connection with the issuance of the Bonds and the implementation of the Plan of Finance described above:

SOURCES OF FUNDS	
Par Amount of Bonds	$119,855,000.00
Net Original Issue Premium	10,430,210.65
Total Sources of Funds	$130,285,210.65
USES OF FUNDS	
Refunding of Refunded Bonds	$129,521,355.33
Costs of Issuance(1)	763,855.32
Total Uses of Funds	$130,285,210.65

(1) Includes Underwriters' Discount.

COOK COUNTY

General Description

Cook County was created on January 15, 1831 by an act of the Illinois State Legislature and became the 54th county established in Illinois. On May 7, 1831, the County elected its first officials. The population of the County is currently estimated at 5,287,037, making it the second largest county in the United States.

Within Cook County, there are 128 municipalities, including the City of Chicago (the **"City"**), 30 townships, 236 special districts, and 152 school districts. The City and the suburban municipalities account for approximately 85% of the County's 946 square miles, while unincorporated areas make up the remaining 15%. The unincorporated areas of the County are under the jurisdiction of the County Board. The City has a population of 2,851,268, which is 53.9% of the County's estimated 2009 population. Approximately 47% of the Equalized Assessed Valuation of taxable property in the County is located in the City. Nine other municipalities located in the County have populations in excess of 55,000, based on the 2000 Census: Arlington Heights, Cicero, Des Plaines, Evanston, Mount Prospect, Palatine, Schaumburg, Skokie and Oak Lawn. These are generally located in the north and northwestern areas of the County, with the exception of Oak Lawn, which is located in southern Cook County.

Under the Illinois Constitution, the County is a home rule unit of government and, except as limited by State law, may exercise any power and perform any function relating to its government and affairs, including the power to borrow money and levy taxes. There are no current statutory limitations on the power of the County to levy real property taxes or to issue general obligation bonds or notes. However, the Illinois Constitution contains a provision that limits the maturity of County debt payable from ad valorem property taxation to 40 years.

The County's powers are exercised through a 17-member Board of Commissioners. The County Board is the legislative authority which is led by its President. The Commissioners are elected from single member districts to four-year terms, while the President is elected by the voters of the entire County to a four-year term.

Among the residents of the County, 24.3% are under 18 years of age, 11.7% are over 65 years of age and 51.3% of the population is female. Cook County is racially diverse: 44.9% are white, 25.5% are black or African American and 23.2% are of Hispanic or Latino origin of any race. Also, 19.8% are foreign born and 30.8% of the population speaks at least one of 5 languages, other than English, at home. Of the population 25 or older, 77.7% are high school graduates and 28% are college graduates.

The median household income in 2008 was $54,559, while 14.8% of the population is below the poverty line. The unemployment rate for Cook County in June 2010 was 10.8%. This compares with 11.7% in January 2010 and the current national average of 9.5%.

The County shares an overlapping tax base with the City of Chicago, the Board of Education of the City of Chicago (the **"Chicago Board of Education"**), the Metropolitan Water Reclamation District, the Forest Preserve District of Cook County (the **"Forest Preserve District"**), the Chicago Park District, the Cook County Community College District No. 508 (the **"Chicago City Colleges"**) and various municipalities and local school, library and park districts within the boundaries of the County. See "OTHER LOCAL GOVERNMENTAL UNITS."

Principal Functions of Cook County Government

The County presently performs three principal functions: the protection of persons and property; the provision of public health services; and general governmental services including, among others, the assessment of property, levy, collection and distribution of taxes and maintenance of certain highways.

Protection of Persons and Property (Public Safety Fund). Protection of persons and property consists mainly of the operation of the Circuit Court of Cook County, prosecution of persons charged with criminal offenses, operation of the County Jail and operation of a Sheriff's police department. The Circuit Court of Cook County is the second largest unified court system in the United States, and the County Jail is the largest single site jail facility in the country.

Cook County Health and Hospitals Systems ("CCHHS") (formerly Cook County Bureau of Health Services) (Health Fund) - General. The CCHHS operates a health care delivery system composed of the following elements: John H. Stroger, Jr. Hospital of Cook County, Provident Hospital of Cook County, Oak Forest Hospital of Cook County, the Ambulatory and Community Health Network of Cook County, Cermak Health Services of Cook County, the Ruth M. Rothstein CORE Center and the Cook County Department of Public Health.

The CCHHS is the third largest hospital system in the United States operated by a unit of local government and is the largest provider of medical care to the uninsured, underinsured and Medicaid populations within the State of Illinois.

John H. Stroger, Jr. Hospital of Cook County, which opened in December 2002 and replaced the old Cook County Hospital, is located on the West side of Chicago and is currently operating 464 beds. The hospital is the tertiary hub of the CCHHS, providing a full array of highly specialized services, including the City of Chicago's largest Level 1 Trauma center, Neonatology intensive care unit, and HIV/AIDS service. The John H. Stroger, Jr. Hospital of Cook County receives referrals from throughout the CCHHS as well as from other institutions around the County. Its emergency services are the largest in the Midwest, with approximately 132,444 visits in FY 2009.

Provident Hospital of Cook County is a community teaching hospital located on the South side of Chicago. Currently staffed for 113 beds, Provident Hospital of Cook County had approximately 4,707 admissions in FY 2009. Provident Hospital of Cook County's emergency department is one of the busiest in Chicago with more than 39,582 visits in FY 2009.

After closure of the Acute Care Facility within Oak Forest Hospital of Cook County in FY 2007, Oak Forest Hospital of Cook County now operates 126 rehabilitation, acute care, ventilator and sub-acute beds. Located in the South suburbs, Oak Forest Hospital of Cook County also provides emergency room and specialty outpatient care services for these communities.

The Ambulatory and Community Health Network of Cook County operates 17 clinics throughout Chicago and suburban Cook County. Located in hospital, community and school settings, the network experienced 607,684 visits in 2009 from largely uninsured patients.

Cermak Health Services of Cook County is the largest single jail health facility in the country, providing a full spectrum of public health, mental health and acute care services for more than 150,000 clinic visits annually.

The Ruth M. Rothstein CORE Center is an outpatient facility dedicated to the care of patients with HIV/AIDS and related infectious diseases. This facility is a collaboration with Rush University Medical Center. The facility has been deemed by the United States Department of Health and Human Services to be a model for the rest of the country.

The Cook County Department of Public Health is responsible for the public and environmental health protection of suburban Cook County. In addition to its regulatory and protective functions, the Department provides approximately 132,000 clinical visits (well-baby, communicable disease screenings, etc.) each year. The Department is supported by federal and state grants in addition to the County.

The CCHHS has also developed partnerships with community hospitals to assure John H. Stroger, Jr. Hospital of Cook County's role for tertiary referrals. These relationships include: St. Anthony Hospital, St. Elizabeth's and Roseland Hospitals (partners in specialty pediatric and maternal services). In addition, partnerships exist with community clinics, the Veterans Administration (services for pregnant veterans), and the Chicago Department of Public Health.

Cook County Health and Hospitals Systems Board (Health Fund) - Medicaid Developments. Since 1991, the State and County have cooperated under several Intergovernmental Transfer Agreements (the "**IGT Agreements**") that specify the County's Medicaid reimbursement from the State and the County's fund transfers to the State to finance a portion of the State Medicaid program. In 2000 and 2001, federal legislation was enacted and regulations were promulgated by the Center for Medicare and

Medicaid Services ("**CMS**") that had the prospective effect of restricting the State's ability to make payments to the County consistent with then-existing IGT Agreements. The federal legislation also substantially increased the State's authority to make disproportionate share hospital ("**DSH**") payments to the County. The IGT Agreements were amended in 2005 to conform to the federal regulations and legislation. The IGA Agreements were further amended to implement, retroactive to July 1, 2008, the term of the Illinois Medicaid State Plan Amendment, approved by the federal Centers for Medicare & Medicaid Services on December 4, 2008, as that amendment pertains to payments to the health care facilities of the Cook County Health and Hospitals System, as approved by the County Board on April 15, 2009.

Administration of the County

The President of the County Board, the County Board and the County Treasurer share responsibility for the administration of the financial affairs of the County. The President of the County Board appoints, with the approval of the County Board, a Chief Financial Officer and the County Comptroller.

The next election for County officers, including the President of the County Board, all members of the County Board and the County Treasurer, will be held on November 2, 2010, with all newly elected officials to be sworn into office on December 6, 2010.

President of the County Board. The President of the County Board is Todd H. Stroger, who was elected on November 7, 2006. Prior to his election, President Stroger served as the Alderman for the 8th Ward of the City of Chicago continuously from 2001. Prior to that time, he served for ten years as the State Representative for the 31st Legislative District of Illinois. President Stroger attended Xavier University in New Orleans, Louisiana and received a Bachelor of Arts degree in History in 1988.

The President is elected for a four-year term by the voters of the entire County. The President is the chief executive officer of the County and presides over the meetings of the County Board. The President has the power to veto resolutions and ordinances of the County Board. On November 9, 2009, Public Act 96-0816 became effective, reducing the vote required to override a veto by the President of the County Board to an affirmative vote of three-fifths of the County Board from the original requirement of four-fifths. The effect of this legislation is to reduce the number of votes necessary to override a veto from 14 to 11.

The President is required to submit to the Committee on Finance of the County Board an Executive Budget that provides the basis upon which the Annual Appropriation Bill is prepared and enacted.

County Board. The County Board is the legislative body for County government. The County Board consists of 17 Commissioners elected for four-year terms. The Commissioners are elected from single member districts. The present Commissioners, all of whose terms expire in December 2010, are as follows:

William M. Beavers	Elizabeth Ann Doody Gorman	Timothy O. Schneider
Jerry Butler	Gregg Goslin	Peter N. Silvestri
Forest Claypool	Joseph Mario Moreno	Deborah Sims
Earlean Collins	Joan P. Murphy	Robert L. Steele
John P. Daley	Anthony J. Peraica	Larry Suffredin
Bridget Gainer	Edwin Reyes	

Chairman, Committee on Finance. John P. Daley is the Chairman of the Committee on Finance of the County Board. The Committee on Finance of the County Board consists of all the members of the County Board.

County Treasurer. The County Treasurer is Maria Pappas. The County Treasurer was re-elected November 7, 2006 for a four-year term. The County Treasurer is responsible for the receipt and custody of County funds, and, as ex-officio County Collector, is responsible for the collection and distribution of real property taxes.

Chief Financial Officer. The Chief Financial Officer is Jaye Morgan Williams, who was appointed by President of the County Board and approved by the County Board effective September 16, 2009. The County's Chief Financial Officer is responsible for the management and direction of the Bureau of Finance which oversees the Department of Budget and Management Services, the Purchasing Agent, the Office of Contract Compliance, the Department of Revenue, the Office of the Comptroller and the Department of Risk Management. Mrs. Williams brings over 25 years of experience in banking, corporate finance and strategic management to the Chief Financial Officer position. She previously served as Corporate Senior Vice President and Managing Director of Bank One Corporation (predecessor organization to JP Morgan Chase) and President of Bank One's Community Development Corporation responsible for the nationwide community development business activities of the bank. During her corporate banking career, Mrs. Williams was engaged in management roles in leveraged buyout advisory services, acquisition debt syndications, treasury management electronic banking, credit and portfolio management, product and project management, private investing and lending, and international banking. She has also served as senior banker to large energy companies. Mrs. Williams currently serves as Board Member to the educational project, Facing History and Ourselves, as Board Member and Steering Committee Member of the University of Chicago Women's Board, and as a member of the Economic Club of Chicago. Mrs. Williams earned a Bachelor of Science degree in finance from the University of Illinois at Urbana/Champaign and an MBA in finance and accounting from Northwestern University's Kellogg Graduate School of Management.

County Comptroller. The County Comptroller is Constance M. Kravitz, who was appointed by the President of the County Board and approved by the County Board effective October 20, 2009. The County Comptroller authorizes all payments in accordance with the County's Budget including bi-weekly salary compensation to over 22,000 employees. The County Comptroller also maintains the financial records and prepares annual financial statements and estimates of revenues for each fiscal year. Ms. Kravitz has over 20 years of government accounting and auditing experience, both in the private and public sectors. Ms. Kravitz served as the Comptroller of the Chicago Park District from 2006-2009, and as the Assistant Comptroller of the City of Chicago from 2002-2006. Prior to this, Ms. Kravitz was a Senior Auditor with Deloitte & Touche, LLC and RSM McGladrey, Inc. She also served the County of St. Clair, Illinois, where she held the titles of Finance Director and Deputy Clerk, from 1990-1997. Ms. Kravitz currently serves as a Board Member and Treasurer for the not-for-profit The Glass Slipper Project, as a Board Member of Women in Public Finance and as a Board Member of the Women's Executive Committee of the Illinois CPA Society. Ms. Kravitz is a licensed certified public accountant and has earned a Master's Degree in Public Policy and Administration from Northwestern University (in process of completing thesis) and a Bachelor's Degree in both Business Administration and Accounting from McKendree University.

Retirement Board of the County Employees' and Officers' Annuity and Benefit Fund. The Retirement Board of the County Pension Fund (the "**Retirement Board**") is responsible for the management of the County and the Forest Preserve District Pension Funds. It consists of two statutory members, the County Treasurer (or someone chosen by the County Treasurer) and the County Comptroller (or someone chosen by the County Comptroller), and seven other members elected by active or retired employees. By statute, the County Board levies a property tax toward the required employer contribution to the County Pension Fund. The County Pension Fund can be amended only by the General Assembly of the State. The County Pension Fund is a single employer defined benefit pension plan with a defined contribution minimum created for the purpose of providing retirement, death (spouse or children) and disability benefits for full-time employees of the County and the dependents of such employees.

The Retirement Board collects all contributions due to the County Pension Fund, invests the Fund's reserves, oversees an annual audit, appoints employees, authorizes or suspends payment of any benefit and has exclusive jurisdiction in all matters relating to or affecting the County Pension Fund. The Retirement Board prepares and approves its own budget and is required to submit annually to the County Board a detailed report of the financial affairs and status of the reserves of the County Pension Plan.

The following summarizes the funding status of the County Pension Plan for the years ended December 31, 2009, 2008 and 2007:

Valuation Date (Dec. 31)	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as % of Covered Payroll
2009	$7,945,567,096	$11,489,081,298	$3,543,514,202	69.16%	$1,498,161,713	236.52%
2008	8,036,074,797	10,097,027,865	2,060,953,068	79.59	1,463,372,408	140.84
2007	8,059,879,804	9,386,287,797	1,326,407,993	85.87	1,370,844,734	96.76

Sources: The report of Goldstein & Hartman, actuaries to the County Pension Plan, dated May 19, 2010 and the audited financial statements of the County Pension Plan prepared by Legacy Professionals LLP, dated May 21, 2010.

The Retirement Board also administers the Healthcare Premium Plan (the **"Healthcare Plan"**), which is a single-employer defined benefit postemployment healthcare plan. The Healthcare Plan provides a healthcare premium subsidy to annuitants who elect to participate. Under State law, the Healthcare Plan is allowed to pay all or a portion of the medical insurance premiums for the annuitants. Contribution requirements for the Healthcare Plan members and the County are based on projected "pay as you go" financing requirements. The Healthcare Plan considers the premium subsidy an additional retirement benefit with no contribution rate or asset allocation associated with it.

The following summarizes the funding status of the Healthcare Plan for the years ended December 31, 2009, 2008 and 2007:

Valuation Date (Dec. 31)	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as % of Covered Payroll
2009	$ 0	$1,686,872,018	$1,686,872,018	0.00%	$1,498,161,713	112.60%
2008	0	1,448,828,756	1,448,828,756	0.00	1,463,372,408	99.01
2007	0	1,554,123,496	1,554,123,496	0.00	1,370,844,734	113.37

Sources: The report of Goldstein & Hartman, actuaries to the Healthcare Plan, dated May 19, 2010 and the audited financial statements of the Healthcare Plan prepared by Legacy Professionals LLP, dated May 21, 2010.

Based on a combined actuarial valuation of the County Pension Plan and the Healthcare Plan, the actuarial value of assets as of December 31, 2009 was $7,945,567,096 and the actuarial liability was $12,575,515,749, a funded ratio of 63.2%. AAL increased $1,502,334,400 from the December 31, 2008 AAL of $11,073,181,349. The December 31, 2009 increase in AAL was due primarily to a net rate of investment return substantially below assumptions and a change in actuarial assumptions, primarily the morality rates.

Additional information relating to the funding of the County Pension Plan and the Healthcare Plan is contained in the County's audited financial statements attached to this Official Statement as Appendix A and the "Required Supplementary Information" contained therein. Copies of the current actuarial reports and audited financial statements of the County Pension Plan and Healthcare Plan can be obtained from the Retirement Board.

In addition to the County Pension Plan, the County maintains a defined benefit pension plan covering substantially all full-time permanent union and nonunion employees (the "**Retirement Plan**"). Under the Retirement Plan, the County is obligated to match contributions of employees at specified rates related to particular programs under the Retirement Plan. Prior to June 30, 2005, participants in the Retirement Plan could elect to accrue an additional pension credit through the payment of an additional employee contribution (the "**Optional Pension Program**"). Participants opting for this aspect of the Retirement Plan were not required to make their contribution until the earlier of when the benefit was distributed or at any time the Optional Pension Program was discontinued. Contributions made by employees at the time of the discontinuation of the Optional Pension Program resulted in a one-time County matching obligation of approximately $100,000,000 (the "**County Optional Pension Matching Obligation**"). The Optional Pension Program was allowed to expire on June 30, 2005. On July 2, 2010, the County paid the County Optional Pension Matching Obligation in full.

See "ACCOUNTING AND FINANCIAL INFORMATION – Fiduciary Funds."

Other offices. There are eleven additional Cook County governmental offices. Nine of the offices have their own independently elected officers. Two have officers appointed by other officials. The independently elected officials are the Assessor, the three commissioners of the Board of Review, the Chief Judge of the Circuit Court, the Clerk of the Circuit Court, the County Clerk, the Recorder of Deeds, the Sheriff, the State's Attorney and the Treasurer. The appointed officials are the Chairman of the Board of Election Commissioners, who is elected by and from the three commissioners who are appointed by the Circuit Court; and the Public Administrator, who is appointed by the Governor of Illinois. Although these offices are directed by their elected and appointed officials, the President and the Board of Commissioners have the primary fiscal responsibilities.

Employees. The County has budgeted the following number of positions for all of its departments in each of the five most recent fiscal years:

Year	Number
2010	23,892
2009	24,454
2008	24,988*
2007	23,707
2006	25,576

*FTE for FY2008 restated to reflect accurate FTE count.

Approximately 22,000 employees of the County are covered by collective bargaining agreements, the majority of which expired on November 30, 2008. Negotiations for successor collective bargaining agreements have commenced, but no wage adjustments or health care benefits and concessions have been finalized or agreed upon. It is not known at this time when those negotiations will result in ratified successor agreements or what the terms of the successor agreements will be. The County believes that its relationships with its employees, including its unionized employees, are satisfactory.

County's Continuing Capital Improvement Program

Due to the scope and nature of its activities and the need to maintain its current facilities, the County has and will continue to have various ongoing capital improvement projects. For fiscal years 2010 through 2014, the County has a capital improvement plan in the approximate amount of $610 million for County-wide physical plant, CCHHS and public safety improvements, certain of which have been financed with proceeds of earlier borrowings. In addition, the County Highway Department has a capital improvement plan in place for the same period in the approximate amount of $118 million for improvements to streets and highways throughout the County, which improvements are not expected to be financed with the proceeds of any borrowing.

To coordinate planning and to manage the development of County construction projects, the President of the County Board has appointed a Director of Capital Planning and Policy. The Director reviews all current and planned capital projects.

The Forest Preserve District of Cook County

While the Forest Preserve District is a separate governmental entity from the County, it is coterminous with the County and is governed by a board composed of the members of the County Board. The President of the County Board serves as President of the Forest Preserve District. The Forest Preserve District establishes, maintains and operates forest preserves in the County. Within the forest preserves are numerous recreation facilities including 80 miles of bicycle trails, 10 golf courses and 4 driving ranges. The Brookfield Zoo and the Chicago Botanic Garden, operated by private, not-for-profit organizations, are located on property owned by the Forest Preserve District. The Forest Preserve District includes amounts in its property tax levy to pay a portion of costs of the operations of these two institutions.

The Forest Preserve District, as a non-home rule unit of government, is subject to the State Limitation Law described below under the heading "REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES - State and County Limitation Laws." Obligations of the Forest Preserve District are not obligations of the County. The cash of the Forest Preserve District is not commingled with the cash of the County. The Retirement Board for the County serves also as the retirement board for the Forest Preserve District.

The financial operations of the Forest Preserve District are included in the County's Comprehensive Annual Financial Report as a Special Revenue Fund in the Non Major Governmental Funds. See "APPENDIX A – Audited Basic Financial Statements For The Fiscal Year Ended November 30, 2009."

Economic Condition and Outlook

As the largest of 102 counties in the State of Illinois (the **"State"**), the County is the economic and cultural hub of the State, and is one of the major metropolitan areas in the nation after Los Angeles and New York. The County is the most populous county in Illinois and represents 45% of the State's economic activity.

The County is a diverse industrial center and a leading economic center of the Midwest. The County's nominal personal income growth rate of an average 4.0% annually from 1998-2008 exceeded the State's rate of 3.6% and equaled the national growth rate of 4.0%. Income figures for the County exceed State and national rates; the County's 2008 per capita personal income of $46,475 equaled 109% and 116% of State and national figures, respectively.

Professional and business services, finance, insurance, real estate, information, educational and health sectors accounted for 41.2% of overall earnings in 2008. Health and education led total economic growth, with growth rates of 5.6%. The County's industrial profile resembles that of the U.S., with a slightly larger services sector and somewhat smaller governmental presence. The County has a strong transportation network, with current expansion of Chicago O'Hare International Airport and the Illinois Tollway. Leading service sector industries in the County include health care and related services. Some of the leading private local employers with regional or national headquarters located in the County are J.P. Morgan Chase & Co., AT&T Inc., United Airlines, Motorola, Inc., Resurrection Health Care, American Airlines, Allstate Corp., Bank of America N.A., and Exelon Corp.

The County's unemployment rate reached 11.7% in January 2010, compared with 11.3% for the State and 9.7% for the nation in the same period. The County's unemployment rate has since fallen to 10.8% in July 2010 reflecting possible improvement in the local economy.

The County's property tax base has increased at an average 9.0% annually since 2000 and 9.1% annually from 2003 through 2008. Estimated market value reached $656.5 billion in 2007, reflecting a cumulative increase of more than 80% in a decade. This growth was driven by both appreciation and new construction, with residential markets exhibiting particular strength until 2008. As has been the case throughout the country, the housing market in the County has been significantly eroded and is projected to continue to decline through 2010. Residential housing values have dropped an estimated 27% since peaking in September 2006. Those values have returned to the level seen in July 2002 and remain 23% above the level of January 2000. Foreclosures remain at historically high levels, with 34% of home sales in 2009 being foreclosure related.

Due to its broad and diverse nature, the County believes that its economy will continue to grow, but at a reduced pace for the next several years.

Recent Economic Development – County Sales Tax Rollback

Effective July 1, 2008, the County home rule sales tax was increased from 0.75% to 1.75%. On November 17, 2009 the County Board passed an ordinance rolling back the sales tax from 1.75% to 1.25%, which rollback became effective July 1, 2010. The County has analyzed the impact of this recent rollback on its operating budgets for fiscal years 2010 and 2011.

As a result of the State statutory process for collection and distribution of sales tax revenues, the impact of the rollback will affect only the last two months of fiscal year 2010. The County has reduced its sales tax revenue projections for fiscal year 2010 from $661.0 million to $629.5 million. County management has adjusted department spending limits to compensate for the projected $31.5 million shortfall.

For fiscal year 2011, the first full fiscal year to be impacted by the sales tax rollback, the County has reduced its sales tax revenue projections by $190 million, which represents 6.6% of the $3.025 billion operating budget for fiscal year 2010. The County plans to reduce operating appropriations to compensate for this shortfall and will take other measures to the extent necessary to balance the fiscal year 2011 budget.

OTHER LOCAL GOVERNMENTAL UNITS

There are more than 800 governmental units (the "Units") located in whole or in part within the boundaries of the County, each of which (i) is separately incorporated and derives its power and authority under laws of the State, (ii) has an independent tax levy or revenue source, and (iii) maintains its own financial records and accounts; and most of which are authorized to issue debt obligations. Although the taxing units share tax bases to some extent, they are separate entities with separate financial circumstances.

Approximately 47% of the Equalized Assessed Valuation of taxable property in the County is located within the City of Chicago. The remainder is located in other municipalities and unincorporated areas.

Other major governments within the County include the Forest Preserve District, the City of Chicago, the Metropolitan Water Reclamation District of Greater Chicago, the Chicago Park District, the Chicago Board of Education and the Chicago City Colleges. The Chicago School Finance Authority, which was created in 1980 to provide financial assistance to and oversight of the Chicago public school system, has been dissolved as of June 1, 2010. The financial impact of these units of government is further described in the tables captioned "Taxation of Real Property – Statistical Information Tax Rates Extended by City-Wide Local Governmental Units for Real Property in the City of Chicago" and "DEBT INFORMATION - Direct and Overlapping Debt."

A variety of special purpose entities have been created under Illinois law to facilitate the operations and financing of municipal, park, educational, transportation, health, sports, convention and port facilities, highways, housing, industrial development and other activities, none of which are authorized to impose real property taxes. These include (1) the Public Building Commission of Chicago, which issues bonds to finance the acquisition, construction and improvement of public buildings and leases its facilities to certain other governmental units; (2) the Regional Transportation Authority ("**RTA**"), which provides planning, funding, coordination and fiscal oversight of public mass transportation services in a six-county area of northeastern Illinois, including the County (the RTA Act provides for three service boards, including the Chicago Transit Authority ("**CTA**"), the suburban rail division ("**METRA**") and the suburban bus division ("**PACE**"); (3) the CTA, which owns, operates and maintains a transportation system (including both rail and bus transport) in the metropolitan area of the County and receives an annual $2,000,000 contribution from the County which is required by State law; (4) the Metropolitan Pier and Exposition Authority, which owns and operates the McCormick Place convention, exposition and related hotel facilities and Navy Pier; and (5) the Illinois Sports Facilities Authority which has issued bonds to provide funds for the construction of U.S. Cellular Field (formerly known as Comiskey Park) and the reconstruction of Soldier Field and the provision of lakefront improvements, which bonds are primarily supported by hotel tax revenues.

REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES

Information under this caption describes the procedures in effect as of the date of this Official Statement for real property assessment, tax levy and tax collection in the County. There can be no assurance that the procedures described herein will not be changed. Illinois laws relating to real property taxation are contained in the Illinois Property Tax Code (the "**Property Tax Code**").

Assessment

The County Assessor, who is elected by the voters of the County, is responsible for the assessment of all taxable real property within the County, except for certain railroad property, low sulphur dioxide emission coal-fueled devices and pollution control equipment which are assessed directly by the State. One-third of the real property in the County is reassessed each year on a repeating triennial schedule established by the County Assessor statute. The suburbs in the southwestern and southern portions of the County were reassessed in 2008. The City of Chicago was reassessed in 2009. The suburbs in the northern and northwestern portions of the County were last reassessed in 2007 and next will be reassessed in 2010.

Real property in the County is separated into classifications for assessment purposes. After the County Assessor establishes the fair market value of a parcel of property, that value is multiplied by the appropriate classification percentages to arrive at the assessed valuation (the "**Assessed Valuation**") for the parcel. The current classification percentages range from 10 to 25 percent depending on the type of property (e.g., residential, industrial, commercial) and whether it qualified for certain incentives for reduced rates.

The County Board has adopted various amendments to the County's Real Property Assessment Classification Ordinance (the "**Classification Ordinance**"), pursuant to which the Assessed Valuation of real property is established. Among other things, these amendments have reduced certain property classification percentages, lengthened certain renewal periods of classifications and created new property classifications.

Procedures have been established enabling taxpayers to contest their tentative Assessed Valuations. Once the County Assessor certifies the Assessed Valuations, a taxpayer can seek review of the assessment by the Cook County Board of Review (the "**Board of Review**") consisting of three commissioners elected by the voters of the County. The Board of Review has powers to review and adjust Assessed Valuations set by the Assessor.

Property taxpayers can appeal decisions of the Board of Review to the Illinois Property Tax Appeal Board (the "**PTAB**"), a state-wide administrative body. The PTAB has the power to determine the Assessed Valuation of real property based on equity and the weight of the evidence. Depending on the amount of the proposed change in Assessed Valuation, taxpayers may appeal decisions of the PTAB to either the Circuit Court of Cook County or the Illinois Appellate Court under the Illinois Administrative Review Law.

In a series of recent PTAB decisions, the PTAB reduced the assessed valuations of certain commercial and industrial property in the County based upon the application of median levels of assessment derived from Illinois Department of Revenue sales-ratio studies instead of utilizing the assessment percentages provided in the Classification Ordinance. On appeal, the Illinois Appellate Court determine that it was improper for the PTAB, on its own initiative, to use the sales-ratio studies when such studies were not even raised as an issue by the taxpayer before the Board of Review or in its appeal to the PTAB.

The Appellate Court decisions do not preclude a taxpayer in a properly presented case from introducing into evidence sales-ratio studies for the purpose of obtaining an assessment below what which would result from application of the Classification Ordinance. No prediction can be made whether any currently pending or future case would be successful. The County believes that the impact of any such case on the County would be minimal, as the County's ability to levy or collect real property taxes would be unaffected.

As an alternative to seeking review of Assessed Valuations by the PTAB, taxpayers who have first exhausted their remedies before the Board of Review may file an objection in the Circuit Court of Cook County. In addition, subject to certain time limits, in cases where the County Assessor agrees that an assessment error has been made after the assessment process is completed, the County Assessor can correct the Assessed Value, and thus reduce the amount of taxes due, by issuing a certificate of error.

All reviews of assessments, whether before the Board of Review, the PTAB or the courts, are decided on a case-by-case basis.

Equalization

After the Assessed Valuation for each parcel of real estate in a county has been determined for a given year (including any revisions made by the Board of Review), the Illinois Department of Revenue reviews the assessments and determines an equalization factor (the "**Equalization Factor**"), commonly called the "**multiplier**," for each county. The purpose of equalization is to bring the aggregate assessed value of all real estate in each county, except farmland and undeveloped coal, to the statutory requirement of 33-1/3 percent of estimated fair cash value. Adjustments in Assessed Valuation made by the PTAB or the courts are not reflected in the Equalization Factor. The Assessed Valuation of each parcel of real estate in the County is multiplied by the County's Equalization Factor to determine the parcel's equalized assessed valuation (the "**Equalized Assessed Valuation**").

The Equalized Assessed Valuation for each parcel is the final property valuation used for determination of tax liability. The aggregate Equalized Assessed Valuation for all parcels in any taxing body's jurisdiction, after reduction for all applicable exemptions, plus the valuation of property assessed directly by the State, constitutes the total real estate tax base for the taxing body and is the figure used to calculate tax rates (the "**Assessment Base**").

The following table sets forth the Equalization Factors for the last ten years for which information is available.

Tax Year[(1)]	Equalization Factor
2009	3.1062
2008	2.9786
2007	2.8439
2006	2.7076
2005	2.7320
2004	2.5757
2003	2.4598
2002	2.4689
2001	2.3098
2000	2.2235
1999	2.2505

[(1)] Information for 2009 is tentative

Tax bills in Cook County are based on the Assessment Base for the preceding year. Property taxes billed in 2010 (for the 2009 tax year) will be based on the 2009 Equalized Assessed Valuation.

Exemptions

The Illinois Constitution allows homestead exemptions for residential property. Pursuant to the Property Tax Code, property must be occupied by the owner as a principal residence on January 1 of the tax year for which the exemption will be claimed.

The annual general homestead exemption provides for the reduction of the Equalized Assessed Valuation ("EAV") of certain property owned and used exclusively for residential purposes by the amount of the increase over the 1977 EAV, up to a maximum reduction of $5,000. There is an additional homestead exemption for senior citizens (individuals at least 65 years of age), for whom the Assessor is authorized to reduce the EAV by $3,000. An additional exemption is available for homes owned and exclusively used for residential purposes by disabled veterans or their spouses, for whom the Assessor is authorized to annually exempt up to $58,000 of the Assessed Valuation. An exemption is available for homestead improvements by an owner of a single family residence of up to $75,000 of the increase in the fair cash value of a home due to certain home improvements to an existing structure for at least four years from the date the improvement is completed and occupied. Senior citizens whose household income is $45,000 or less, and who are either the owner of record or have a legal or equitable interest in the property, qualify to have the EAV of their property frozen in the year in which they first qualify for the so-called "freeze" and each year thereafter in which the qualifying criteria are maintained.

On July 12, 2004, the Property Tax Code was amended to permit each county in the State, by enacting an ordinance within six (6) months of the effective date of the law, to limit future increases in the taxable value of residential property in such a county to an annual increase of not more than 7% per year. This is known as the Alternative Homestead Exemption. Upon adoption of such an ordinance, homestead property will generally be entitled to an annual homestead exemption equal to the difference between the property's EAV and the property's "adjusted homestead value." The County adopted an ordinance electing to be governed by this law. The exemption provided for under this law cannot exceed $20,000 in any taxable year. The purpose of the law is to reduce the increase in the taxable value of residential property that otherwise occurs when home values rise rapidly.

In 2007, the Alternative Homestead Exemption law enacted in 2004 was allowed to sunset. Since that time, two Public Acts have been enacted, each of which extends the Alternative Homestead Exemption law for an additional three years, in each case, subject to certain provisions and adjustments to the prior law. The first such Public Act was Public Act 95-0644, enacted in 2007, and pursuant to which the maximum exemption will be $33,000 in EAV in the first year, decreasing to $26,000 in the second year, and $20,000 in EAV in the third or final year. In the County, this increased exemption will be "phased in" over a three-year period: 2006 through 2008 in the City, 2007 through 2009 in the northern and northwestern portions of the County, and 2008 through 2010 in the western and southern portions of the County. In 2010, Public Act 096-1418 was enacted, pursuant to which the maximum exemption will be $20,000 for the first year, decreasing to $16,000 for the second year and $12,000 for the third and final year. Upon the expiration of the extension of the Alternative Homestead Exemption law authorized by Public Act 95-0644 and Public Act 096-1418, the above-described general homestead exemption will apply.

Aside from homestead exemptions, upon application, review and approval by the Board of Review, or upon an appeal to the Illinois Department of Revenue, there are exemptions generally available for properties of religious, charitable, and educational organizations, as well as units of federal, state and local governments.

Additionally, counties have been authorized to create special property tax exemptions in long-established residential areas or in areas of deteriorated, vacant or abandoned homes and properties. Under such an exemption, long-time, residential owner-occupants in eligible areas would be entitled to a deferral or exemption from that portion of property taxes resulting from an increase in market value because of refurbishment or renovation of other residences or construction of new residences in the area. On June 5, 2001, the County enacted the Longtime Homeowner Ordinance, which provides property tax relief from dramatic rises in property taxes directly or indirectly attributable to gentrification in the form of an exemption. This is generally applicable to homeowners; (i) who have resided in their homes for 10 consecutive years (or five consecutive years for homeowners who have received assistance in the acquisition of the property as part of a government or nonprofit housing program), (ii) whose annual household income for the year of the homeowner's triennial assessment does not exceed 115 percent of the Chicago Primary Metropolitan Statistical Area median income as defined by the United States Department of Housing and Urban Development, (iii) whose property has increased in assessed value to a level exceeding 150 percent of the current average assessed value for properties in the assessment district where the property is located, and (iv) who, for any triennial assessment cycle, did not cause a substantial improvement which resulted in an increase in the property's fair cash value in excess of the $45,000 allowance set forth in the Property Tax Code.

Tax Levy

In addition to the County, the major Units having taxing power over real property within the County include the Forest Preserve District, the Metropolitan Water Reclamation District of Greater Chicago, the City of Chicago, the Chicago Park District, the Chicago Board of Education and the Chicago City Colleges.

As part of the annual budgetary process of the Units, proceedings are adopted by the governing body for each Unit each year in which it determines to levy real estate taxes. Such proceedings levy the Units' respective real estate taxes in terms of a dollar amount. Each Unit certifies its real estate tax levy, as established by the proceedings, to the County Clerk's Office. The remaining administration and collection of the real estate taxes is statutorily assigned to the County Clerk and the County Treasurer, who is ex-officio the County Collector.

After the Units file their annual tax levies, the County Clerk computes the annual tax rate for each Unit by dividing the levy of each Unit by the Assessment Base of the respective Unit. If any tax rate thus calculated or any component of such a tax rate (such as a levy for a particular fund) exceeds any applicable statutory rate limit, the County Clerk disregards the excessive rate and applies the maximum rate permitted by law.

The County Clerk then computes the total tax rate applicable to each parcel of real property by aggregating the tax rates of all of the Units having jurisdiction over that particular parcel. The County Clerk enters the tax (determined by multiplying the total tax rate by the Equalized Assessed Valuation of that parcel) in the Warrant Books prepared for the County Collector, along with the tax rates, the Assessed Valuation and Equalized Assessed Valuation. The Warrant Books are the County Collector's authority for the collection of taxes and are used by the County Collector as the basis for issuing tax bills to all property owners.

The Illinois Truth in Taxation Law contained within the Property Tax Code imposes procedural limitations on a Unit's real estate taxing powers and requires that notice in the prescribed form must be published if the aggregate annual levy is estimated to exceed 105% of the levy of the preceding year, exclusive of levies for debt service, election costs and payments due under public building commission leases. A public hearing must also be held, which may not be in conjunction with the budget hearing of the Unit on the adoption of the annual levy. No amount in excess of 105% of the preceding year's levy may be used as the basis for issuing tax bills to property owners unless the levy is accompanied by a certification of compliance with the foregoing procedures. This Law does not impose any limitations on the rate or the amount of the levy to pay principal of and interest on County general obligation bonds and notes.

Collection

Property taxes are collected by the County Collector, who remits to each Unit its share of the collections. Taxes levied in one year are extended and become payable during the following year in two installments, the first due on March 1 and the second on the later of August 1 or 30 days after the mailing of the tax bills. Historically, the first installment has been an estimated bill equal to one-half of the prior year's tax bill. Pursuant to the provisions of Public Act 96-0490, approved and effective August 14, 2009, beginning with the first installment of property taxes payable in 2010 (which taxes were due March 2, 2010), the first installment is now an estimated bill equal to 55% of the prior year's tax bill. The second installment is for the balance of the current year's tax bill, and is based on the current levy, Assessed Valuation and Equalization Factor and applicable tax rates, and reflects any changes from the prior year in those factors. Taxes on railroad real property used for transportation purposes are payable in one lump sum on the same date as the second installment.

The following table sets forth the second installment penalty date (that is the date after which interest is due on unpaid amounts) for the last ten years for which information is available; the first installment penalty date has been March 1 for all years.

Tax Year[1]	Second Installment Penalty Date
2008	December 2, 2009
2007	November 3, 2008
2006	December 3, 2007
2005	September 1, 2006
2004	November 1, 2005
2003	November 15, 2004
2002	October 1, 2003
2001	November 1, 2002
2000	November 1, 2001
1999	October 2, 2000

(1) Information for 2009 is not available

During periods of peak collections, the County Collector, as recipient of tax collections, forwards tax receipts to each Unit, including the County, on no less than a weekly basis. Upon receipt of taxes from the County Collector, the County Treasurer, as holder of County funds, promptly credits the taxes received to the funds for which they were levied. Amounts for debt service for certain bonds issued by the County in the past are deposited directly with escrow agents or trustees for those obligations. Tax receipts collected to pay debt service on the Bonds will be deposited by the County Collector directly with the Trustee.

At the end of each collection year, the County Collector presents the Warrant Books to the Circuit Court and applies for a judgment for all unpaid taxes. The court order resulting from the application for judgment provides for an annual sale of all unpaid taxes shown on that year's Warrant Books (the "**Annual Tax Sale**"). The Annual Tax Sale is a public sale, at which time successful tax buyers pay the unpaid taxes plus penalties. Unpaid taxes accrue penalties at the rate of 1.5% per month from their due date until the date of sale. Taxpayers can redeem their property by paying the amount paid at the sale, plus a maximum of 18% interest for each six-month period after the sale. If no redemption is made within the applicable period (ranging from six months to two and one-half years depending on the type and occupancy of the property) and the tax buyer files a petition in Circuit Court, notifying the necessary parties in accordance with applicable law, the tax buyer receives a deed to the property. In addition, there are miscellaneous statutory provisions for foreclosure of tax liens and for civil actions to collect taxes.

If there is no sale of the tax lien on a parcel of property at the Annual Tax Sale, and the taxes remain unpaid, the taxes are forfeited and eligible to be purchased at any time thereafter at an amount equal to all delinquent taxes and interest to the date of purchase. Redemption periods and procedures are the same as applicable to the Annual Tax Sale.

A scavenger sale (the "**Scavenger Sale**"), like the Annual Tax Sale, is a sale of unpaid taxes. The Scavenger Sale is scheduled every two years on all property on which two or more years' taxes are delinquent. The sale price of the unpaid taxes is the amount bid at the Scavenger Sale, which may be less than the amount of the delinquent taxes. Redemption periods vary from six months to two and one-half years, depending upon the type and occupancy of the property.

The Annual Appropriation Bill of the County has a provision for an allowance for uncollectible taxes. The County reviews this provision annually and makes adjustments accordingly. The allowance for uncollected taxes is 3% for fiscal year 2010. For financial reporting purposes, uncollected taxes are written off by the County at the end of the fiscal year immediately following the year in which the taxes become due, although taxes remain liens against the properties taxed.

State and County Limitation Laws

Through a combination of strong financial controls and the adoption of the Cook County Tax Relief Ordinance (described below), the County has controlled the growth of property taxes that it imposes on its citizens. By virtue of its constitutional home rule powers, the enactment of any legislation by the State applying any statutory tax rate limit to the County would require a three-fifths vote of each house of the Illinois General Assembly. No legislation is currently pending to impose a limit on the property tax rates which may be levied by home-rule units of government in Illinois, nor has any such legislation been proposed in the recent past, although the State has recently enacted, with the required three-fifths vote of each house, legislation which imposes limitations on the ability of home-rule units, such as the County, to increase real property transfer taxes. It is not possible to predict whether, or in what form, any property tax limitations applicable to the County would be enacted by the Illinois General Assembly. The adoption by the Illinois General Assembly of any such limits on the extension of real property taxes may, in future years, adversely affect the County's ability to levy property taxes to finance operations at current levels and the County's power to issue additional general obligation debt without the prior approval of voters. However, any property tax limits that might be imposed by the Illinois General Assembly after the issuance of the Bonds would not affect the amount of taxes levied to pay the principal of and interest on the Bonds.

The State Limitation Law. As the result of certain legislation enacted by the State in 1991, and amended in 1995 (the "**State Limitation Law**"), the Property Tax Code limits (a) the amount of property taxes that can be extended for non-home rule units located in the County and counties contiguous to the County and (b) the ability of those taxing districts to issue unlimited tax general obligation bonds without voter approval (the "**State Tax Cap**"). Generally, the extension of property taxes for a taxing district subject to the State Tax Cap may increase in any year by 5% or the percent increase in the Consumer Price Index, whichever is less, or the amount approved by referendum. In 1995, the State Tax Cap was amended to authorize the issuance of "limited bonds" payable from the "debt service extension base" and to exclude from the State Tax Cap "double-barreled alternate bonds" issued pursuant to Section 15 of the Local Government Debt Reform Act of the State. Pursuant to Public Act 96-0501, commencing with the 2009 levy year, a taxing district's debt service extension base will increase each year by the lesser of five percent or the percentage increase in the Consumer Price Index during the twelve month calendar period preceding the levy year.

The Cook County Tax Relief Ordinance. On March 1, 1994, the County Board approved Ordinance No. 94-O-15, known as the Cook County Property Tax Relief Ordinance (the "**County Ordinance**"). Beginning with the real estate tax levies for the Corporate, Public Safety and Health Funds for 1995 for taxes paid in 1996 and thereafter, the County Board has resolved not to increase the aggregate tax levy for such funds for any year over the prior year's aggregate levy by an amount greater than five percent or the percentage increase in the Consumer Price Index during the calendar year preceding the levy year, whichever is less. The County Board may adopt an aggregate levy for any year in excess of the foregoing limitations if approved by a two-thirds vote of the members of the County Board then in office. Tax levy increases for pensions, elections and debt service are excluded from the limit imposed by the County Ordinance. The County Ordinance can be repealed or amended by the County Board.

TAXATION OF REAL PROPERTY – STATISTICAL INFORMATION

The Equalized Assessed Valuation and the estimated fair market value of real property in the County over recent years are set forth below. The figures shown for each year for estimated fair market value correspond to the Equalized Assessed Valuation for the same year.

Estimated Fair Market Value(1)(2)

Tax Year	Chicago	Outside Chicago	Total Cook County
2008	$310,888,609,224	$305,274,984,918	$616,163,594,142
2007	320,503,503,311	335,971,241,010	656,474,744,321
2006	329,770,773,208	336,452,288,416	666,223,061,624
2005	283,137,884,228	298,233,410,475	581,371,294,703
2004	262,080,627,240	279,861,423,208	541,942,050,448
2003	223,572,427,499	248,399,241,436	471,971,668,935
2002	201,938,231,141	226,167,676,714	428,105,907,855
2001	185,912,245,582	206,294,563,482	392,206,809,064
2000	162,593,364,370	186,372,890,734	348,966,255,104
1999	135,522,332,920	173,910,877,420	309,433,210,340

(1) Source: Civic Federation, Chicago, Illinois, based upon information from the Cook County Assessor's Office and the Illinois Department of Revenue.
Excludes railroad property, pollution control property or that part of O'Hare International Airport in DuPage County.
(2) Information for 2009 not yet available.

Equalized Assessed Valuation(1)

Tax Year	Chicago	Outside Chicago	Total Cook County
2008	$80,977,543,020	$92,664,404,974	$173,641,947,994
2007	73,645,316,037	85,621,597,612	159,266,913,649
2006	69,511,192,285	74,833,590,915	144,344,783,200
2005	59,304,530,189	74,067,183,541	133,371,713,730
2004	55,277,096,114	66,285,459,114	121,562,555,228
2003	53,168,632,414	59,332,812,042	112,501,444,456
2002	45,330,892,358	59,754,320,644	105,085,213,002
2001	41,981,912,323	52,927,743,804	94,909,656,127
2000	40,480,077,486	46,828,104,949	87,308,182,435
1999	35,354,802,059	47,305,121,590	82,659,923,649

(1) Source: Cook County Clerk, Tax Extension Division; information for 2009 not yet available.

Equalized Assessed Valuation (in thousands) by Property Type(1)(2)

Tax Year	Residential	Commercial	Industrial	Railroad	Farm	Totals
2008	$109,189,810	$43,372,930	$20,878,458	$193,338	$ 7,412	$173,641,948
2007	99,210,511	40,296,203	19,574,172	179,073	6,954	159,266,913
2006	87,209,147	38,638,355	18,327,403	162,588	7,287	144,344,780
2005	77,653,159	37,824,888	17,731,155	154,599	7,913	133,371,714
2004	69,102,041	35,699,598	16,598,200	154,646	8,070	121,562,555
2003	61,930,532	34,580,261	15,830,733	150,989	8,928	112,501,443
2002	56,590,845	32,427,922	15,617,940	439,664	8,839	105,085,210
2001	49,288,711	30,633,742	14,567,049	410,981	9,170	94,909,653
2000	43,798,090	29,351,360	13,775,950	373,298	9,484	87,308,182
1999	39,681,038	28,761,783	13,761,652	343,219	12,232	82,559,924

(1) Source: Cook County Clerk, Tax Extension Division.
(2) Information for 2009 not yet available

The following tables show (i) the rates at which taxes have been extended for collection in the City of Chicago; (ii) the rates at which taxes have been extended for collection for the various County funds; (iii) the dollar amount of taxes extended for collection for each of the various County funds; and (iv) the dollar amount of taxes extended and collected for the County.

Tax Rates Extended by City-Wide Local Governmental Units for Real Property in the City of Chicago (Per $100 Equalized Assessed Valuation)(1)(5)

Tax Year(2)	Cook County	Forest Preserve District	Metropolitan Water Reclamation District	City of Chicago	Chicago Park District	Chicago School Finance Authority(4)	Chicago Board of Education	Chicago City Colleges	Total Rate
2008	.415	.051	.252	0.928	.323	.117	2.472	.156	4.714
2007	.446(3)	.053	.263	1.004	.355	.091	2.583	.159	4.954
2006	.500	.057	.284	1.012	.379	.118	2.697	.205	5.252
2005	.533(3)	.060	.315	1.243	.443	.127	3.026	.234	5.981
2004	.593	.060	.347	1.302	.455	.177	3.104	.242	6.280
2003	.630(3)	.059	.361	1.380	.464	.151	3.142	.246	6.433
2002	.690	.061	.371	1.591	.545	.177	3.562	.280	7.277
2001	.746(3)	.067	.401	1.637	.567	.223	3.744	.307	7.692
2000	.824	.069	.415	1.660	.572	.223	3.714	.331	7.808
1999	.854(3)	.070	.419	1.860	.627	.255	4.104	.347	8.536

(1) After abatement.
(2) Based on taxes extended for collection in the succeeding year as a percentage of the Equalized Assessed Valuation for the tax year.
(3) In addition, a tax of $.012 for 2007, $.014 for 2005, $0.029 for 2003, $0.032 for 2001 and $0.023 for 1999 was extended against all real property in the County outside the City of Chicago for election costs.
(4) The Chicago School Finance Authority has been dissolved as of June 1, 2010.
(5) Information for 2009 not yet available.

County Tax Rates by Fund Tax Year[1]

(Per $100 Equalized Assessed Valuation)

Fund	2008	2007	2006	2005	2004
Corporate	$0.007	$0.008	$0.009	$0.009	$0.010
Health	0.086	0.093	0.103	0.112	0.123
Public Safety	0.123	0.167	0.130	0.147	0.144
Election[2]	0.025	0.012	0.012	0.014	0.023
Bond and Interest	0.105	0.116	0.125	0.135	0.135
Employees' Annuity and Benefits	0.069	0.062	0.120	0.130	0.158
TOTALS	$0.415	$0.458	$0.499	$0.547	$0.593

(1) Taxes for a tax year are extended for collection in the succeeding year.
(2) In addition, a tax of $0.012 for 2007 and $0.014 for 2005 was extended against all real property in the County outside the City of Chicago for election costs.

County Tax Extensions by Fund Tax Year [1]

Fund	2009	2008	2007	2006	2005
Corporate	$ 12,546,222	$ 12,546,222	$ 12,546,222	$ 12,546,222	$ 12,546,222
Health	148,853,737	148,853,737	148,853,737	148,853,737	148,853,737
Public Safety	203,836,519	182,230,414	265,212,731	187,682,920	195,631,920
Election[2]	19,000,000	44,000,000	10,000,000	17,729,811	10,100,000
Bond and Interest	209,147,064	212,729,169	184,941,441	180,870,852	180,500,663
Employees' Annuity and Benefits	127,100,000	120,124,000	98,929,411	172,800,000	172,851,000
TOTALS	$720,483,542	$720,483,542	$720,483,542	$720,483,542	$720,483,542

(1) Taxes for a tax year are extended for collection in the succeeding year
(2) Includes tax for the years 2009, 2007 and 2005 extended on all property in the County outside the City of Chicago for election costs.

County Tax Extensions and Collections
(Calendar Years)

				First Calendar Year Collections of Net Extensions [1]			Total Cumulative Collections as of December 31, 2009		
Tax Year[2]	Gross Tax Extensions[3]	Allowance for Uncollected Taxes[4]	Net Tax Extensions	Amount Collected	Percent Gross	Percent Net	Amount Collected	Percent Gross	Percent Net
2008	$720,483,542	$11,628,911	$708,854,631	$627,070,439	87.03%	88.46%	$627,070,439	87.03%	88.46%
2007	720,483,542	13,096,381	707,387,161	686,769,823	95.32	97.09	712,769,970	98.93	100.76
2006	720,483,542	11,004,381	709,479,161	633,557,185	87.93	89.30	707,163,839	98.15	99.67
2005	720,483,544	11,013,957	709,469,587	697,087,879	96.75	98.25	712,822,485	98.94	100.47
2004	720,483,544	16,687,104	703,796,440	694,569,706	96.40	98.69	694,569,706	96.40	98.69
2003	725,149,925	16,685,946	708,463,979	659,259,628	90.91	93.05	727,475,627	100.32	102.68
2002	725,087,969	16,883,713	708,204,256	710,375,867	97.97	100.31	710,375,867	97.97	100.31
2001	724,962,913	16,903,012	708,059,901	681,715,120	94.03	96.28	721,299,787	99.49	101.87
2000	719,419,423	17,255,782	702,163,641	698,636,984	97.11	99.50	712,566,264	99.05	101.48
1999	716,795,926	16,807,636	699,988,290	698,651,461	97.47	99.81	712,471,569	99.40	101.78

(1) Source: Cook County Treasurer. Beginning with second installment penalty date in year of extension. Collections for Tax Year 2009 still in progress.
(2) Taxes for a tax year are extended for collection in the succeeding year. From 1997 to 2003, reflects net of adjustments by the County Clerk at extension.
(3) Numbers may not match the sums reflected in the County Tax Extensions by Funds Tax Year above due to rounding.
(4) The allowance for uncollected taxes was 3% for 1999 through 2008.

DEBT INFORMATION

The following tables describe the County's general obligation bonded debt as set forth below.

Direct and Overlapping Debt

The following table sets forth the direct and overlapping bonded debt of certain major governmental units applicable to the County as of September 17, 2010, taking into account the issuance of the Bonds and the refunding of the Refunded Bonds (except as noted below).

Direct Debt	
General Obligation Bonds	$ 3,583,275,000
PLUS: The Bonds	119,855,000
LESS: The Refunded Bonds	125,675,000
Total Direct Debt	$ 3,577,455,000
Overlapping Debt(1)(6)	
City of Chicago	$ 6,952,388,000
Chicago Board of Education (2) (3)	5,263,309,000
Chicago School Finance Authority(4)	0
Chicago Park District (2) (3)	802,815,000
Community College District No. 508(2)	0
Metropolitan Water Reclamation District(5)	1,949,177,000
Forest Preserve District	108,665,000
Total Overlapping Debt(6)	$15,076,354,000
Total Direct Debt and Overlapping Debt(6)	$18,653,809,000

(1) Excludes short-term cash flow notes.
(2) Includes responsibility for principal amounts of bonds issued by the Public Building Commission.
(3) Includes "alternate bonds"; which are secured by a dedicated pledge of revenues and the general obligation taxing ability of the issuer.
(4) The Chicago School Finance Authority has been dissolved as of June 1, 2010.
(5) Includes loans payable to the Illinois Environmental Protection Agency.
(6) Does not include debt issued by other governmental units located within Cook County.

Selected Debt Statistics

2009 Estimated Population	5,287,037 [1]
2008 Equalized Assessed Valuation	$173,641,947,994
2007 Estimated Fair Market Value	$656,474,744,321

	Per Capita[3]	% of Equalized Assessed Valuation	% of Estimated Fair Market Value
Direct Debt	$ 676.65	2.060	0.545
Direct and Overlapping Debt[2]	3,528.22	10.743	2.842

(1) Source: U.S. Census Estimate.
(2) Does not include debt issued by other governmental units within Cook County.
(3) For illustrative purposes; estimated highest per capita debt is within the boundaries of the City of Chicago.

The County of Cook, Illinois
General Obligation Bond Debt Service as of September 17, 2010
(Taking into account the issuance of the Bonds and the refunding of the Refunded Bonds.)

	Outstanding Debt		Plus: The Bonds		Less: Refunded Bonds		Total Debt Service			% Principal Repaid	
Year	Principal	Interest(1)(2)(3)	Principal	Interest	Principal	Interest(1)	Principal	Interest	Total Principal and Interest	Annual	Cumulative
2010	77,840,000	80,971,938	-	-	-	$ 3,131,066	$ 77,840,000	$ 77,840,873	$ 155,680,873	2.18%	2.18%
2011	114,315,000	176,009,977	-	$ 6,492,146	$ 4,650,000	6,262,131	109,665,000	176,239,991	285,904,991	3.07	5.24
2012	119,130,000	175,414,417	-	5,992,750	-	6,079,506	119,130,000	175,327,661	294,457,661	3.33	8.57
2013	124,365,000	170,395,417	-	5,992,750	-	6,079,506	124,365,000	170,308,660	294,673,660	3.48	12.05
2014	114,540,000	164,392,524	-	5,992,750	-	6,079,506	114,540,000	164,305,768	278,845,768	3.20	15.25
2015	120,425,000	158,638,965	-	5,992,750	-	6,079,506	120,425,000	158,552,209	278,977,209	3.37	18.62
2016	114,350,000	152,941,482	-	5,992,750	-	6,079,506	114,350,000	152,854,725	267,204,725	3.20	21.81
2017	120,220,000	147,285,019	-	5,992,750	-	6,079,506	120,220,000	147,198,263	267,418,263	3.36	25.17
2018	126,510,000	141,270,567	-	5,992,750	-	6,079,506	126,510,000	141,183,810	267,693,810	3.54	28.71
2019	133,060,000	134,916,612	-	5,992,750	-	6,079,506	133,060,000	134,829,855	267,889,855	3.72	32.43
2020	140,235,000	128,248,239	-	5,992,750	-	6,079,506	140,235,000	128,161,483	268,396,483	3.92	36.35
2021	147,535,000	121,173,499	-	5,992,750	-	6,079,506	147,535,000	121,086,743	268,621,743	4.12	40.47
2022	141,465,000	113,739,509	-	5,992,750	-	6,079,506	141,465,000	113,652,753	255,117,753	3.95	44.43
2023	149,980,000	106,494,797	-	5,992,750	-	6,079,506	149,980,000	106,408,040	256,388,040	4.19	48.62
2024	157,100,000	98,820,897	-	5,992,750	-	6,079,506	157,100,000	98,734,140	255,834,140	4.39	53.01
2025	151,795,000	90,615,014	$ 22,580,000	5,992,750	22,835,000	6,079,506	151,540,000	90,528,258	242,068,258	4.24	57.25
2026	141,380,000	82,816,215	46,300,000	4,863,750	46,580,000	4,937,756	141,100,000	82,742,209	223,842,209	3.94	61.19
2027	149,125,000	75,671,094	24,865,000	2,548,750	25,175,000	2,580,500	148,815,000	75,639,344	224,454,344	4.16	65.35
2028	157,810,000	68,613,988	26,110,000	1,305,500	26,435,000	1,321,750	157,485,000	68,597,738	226,082,738	4.40	69.75
2029	198,305,000	61,121,407	-	-	-	-	198,305,000	61,121,407	259,426,407	5.54	75.30
2030	208,610,000	50,935,083	-	-	-	-	208,610,000	50,935,083	259,545,083	5.83	81.13
2031	197,110,000	40,056,213	-	-	-	-	197,110,000	40,056,213	237,166,213	5.51	86.64
2032	205,770,000	28,987,327	-	-	-	-	205,770,000	28,987,327	234,757,327	5.75	92.39
2033	132,730,000	16,504,514	-	-	-	-	132,730,000	16,504,514	149,234,514	3.71	96.10
2034	139,570,000	8,693,815	-	-	-	-	139,570,000	8,693,815	148,263,815	3.90	100.00
Total(4)	$3,583,275,000	$2,594,728,529	$119,855,000	$99,108,646	$125,675,000	$103,346,291	$3,577,455,000	$2,590,490,884	$6,167,945,884		

(1) Interest rate on variable rate bonds assumed to be 5.00% for the Series 2002A Bonds and the 2004D Bonds and 4.50% for the Series 2002B Bonds.
(2) Net of capitalized interest.
(3) No effect given to receipt of payments from the federal government in connection with "Build America Bonds".
(4) Totals may not add due to rounding.

FUTURE FINANCINGS

The County is not presently contemplating any additional financings.

ACCOUNTING AND FINANCIAL INFORMATION

Description of Accounting Practices

Pursuant to its home rule authority, the County enjoys significant discretion in managing its governmental and fiscal affairs. The County's management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the County are protected from loss, theft or misuse, and to ensure the adequate compilation of accounting data to enable the preparation of financial statements in conformity with generally accepted accounting principles (GAAP).

The accounting system of the County is operated and maintained on a fund accounting basis implemented to present the financial position and results of operations of each fund. The accounting system of the County is also designed to provide budgetary control over the revenues and expenditures of each fund. For a summary of significant accounting practices of the County, see "APPENDIX A – Audited Basic Financial Statements For The Fiscal Year Ended November 30, 2009 - Notes to Basic Financial Statements."

The County's Comprehensive Annual Financial Report ("**CAFR**") for the fiscal year ended November 30, 2009 and several prior years are available online at the County's website at www.cookcountygov.com. The CAFR, including Management's Discussion and Analysis, is intended to provide the reader with a broad overview of the financial position and operating results of the County's governmental and business-type activities and its major funds.

Cash Management

The cash records of all County funds, except those of the Forest Preserve District and the County Pension Funds, are maintained by the County Treasurer and Comptroller. Except for cash escrowed and held by trustees for debt service, capital improvements, and other bond-related accounts as directed by the County Board, the County Treasurer deposits all cash into the County's master operating account. On no less than a weekly basis, scheduled payments are made to third parties, and funds from the master operating bank account are transferred to four disbursement accounts; Salary, Supply, Juror and Election. Unused daily balances earn interest through the use of an automated sweep account. Cash temporarily idle during the year is invested in instruments authorized by State statute, including United States Treasury Securities, tax-exempt municipal securities, certificates of deposit, mutual funds, time deposits and interest-bearing savings accounts. Investments are made on an aggregate basis, but the interest thereon is posted to the individual funds.

Investment Policy

The County Treasurer, who is responsible for the investment of certain County funds, has a written investment policy applicable to County funds. Under the current policy, safety of principal is the primary investment objective, followed by liquidity and rate of return. All public moneys are deposited in banks that are required to collateralize deposited funds with approved securities equal to 102% of market value. The County Treasurer maintains a system to monitor the market value of such collateral securities. All collateral is held at third party safekeeping institutions acting as custodian. Securities approved for investment include (1) U.S. Treasury Bills, Notes and Bonds, (2) certificates of deposit or time deposits issued by national or state chartered banks within Cook County, and (3) certain other investments permitted by State law, including, (a) interest-bearing savings accounts constituting direct obligations of a bank, (b) shares or other securities issued by savings and loan associations, provided they are insured by the Federal Deposit Insurance Corporation, (c) securities guaranteed by the full faith and credit of the United States of America as to principal and interest, and (d) short-term discount obligations of Fannie Mae. This investment policy is subject to change by the County Treasurer in accordance with applicable law. In addition, the Treasurer is authorized to invest in the Illinois Treasurer's Investment Pool pursuant to an ordinance adopted by the County Board.

Fiduciary Funds

County Pension Fund and Retirement Plan. The pension plans of both the County and Forest Preserve District (the **"Pension Plans"**) are defined benefit, single employer pension plans. See "COOK COUNTY – Principal Functions of Cook County Government – *Retirement Board of the County Employees' and Officers' Annuity and Benefit Fund*." Assets exceed pension benefit obligations for only the Forest Preserve District's Pension Fund based on the actuarial present value of credited projected benefits method of calculating pension benefit obligations as required by GASB Statements Number 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans and Statement Number 27, Accounting for Pensions by State and Local Governmental Employers. The Pension Plans have 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. Additionally, the actuarial determined liability under GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions, is included in the actuarial liability and related GASB Statement No. 43 disclosure. An actuarial evaluation is performed annually by pension actuaries using Illinois Compiled Statutes that provide that the Entry Age Normal Method must be used as the actuarial funding method to compute the actuarial liability for retirement benefits and the necessary contribution requirements for both Pension Funds. The 2009 levy for the County represents the maximum authorized by Statute. As the County and Forest Preserve District continue to fund the pensions, it becomes more difficult to keep the funding levels up as the economic crisis continues and the market value of the pension assets decline.

Agency Funds. The Agency Funds consist of all funds received by the County as an agent. These funds will be expended or invested by the entities in its agency capacity at a scheduled time in the future. Such Agency Funds account for the property tax as collected by the County Treasurers Office as the fiscal agent for all taxing bodies within the County. The Treasurer's Office then disburses the allocated taxes to the 1,700 local governmental agencies and sub-agencies across the County. Similarly, the County Circuit Clerk's Office collects statutory and court ordered fines, fees, penalties, costs and assessments and then disburses to the County, State and other units of local government.

Special Revenue Funds

The Special Revenue Funds consist of funds of the County and the Forest Preserve District that are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally or, through regulation, restricted to expenditure for specific purposes and other funds considered restricted by management. Special Revenue Funds are comprised of budgeted funds included in the Annual Appropriation Bill (Budget) and nonbudgeted funds.

Pursuant to State statute, the County is responsible for certain election costs in the City in even-numbered years causing the allocation of the property tax levy for the Election Fund to be significantly lower in odd-numbered years.

Working Cash

The County's taxes levied for its budget for a fiscal year are extended for collection in the calendar year following the end of the fiscal year. Thus, taxes levied for operating expenses for the County's 2009 fiscal year ending November 30, 2009, will be extended for collection in calendar year 2010. In order to finance operations pending the collection of taxes and to provide for month-to-month cash flow needs, the County maintains a Working Cash Fund.

The County maintains a consolidated Working Cash Fund for corporate, public safety, health and election purposes. The money to establish and increase this Working Cash Fund was obtained from the issuance of long-term bonds and from legally available County funds.

Working Cash Funds Available Amounts
(as of November 30)

Fund	Projected 2009 Unaudited(1)	2008(2)	2007	2006	2005
Corporate	$ 22,231,941	$ 22,219,471	$24,719,432	$24,298,701	$24,112,602
Public Safety	78,053,171	79,051,664	78,956,964	77,915,796	88,627,123
County Health	95,348,428	83,437,638	112,337,638	112,292,175	128,893,830
Subtotals	**$195,633,540**	**$184,708,773**	**$216,014,034**	**$214,506,672**	**$241,633,555**
Election	23,943,902	23,918,902	23,894,582	23,713,683	23,252,965
Totals	**$219,577,442**	**$208,627,675**	**$239,908,616**	**$238,220,355**	**$264,886,520**

(1) In the Fiscal Year 2009 appropriation bill, the County Board approved a permanent transfer of $18.0 million to the General Fund

(2) On November 25, 2008 The County Board approved a resolution authorizing the office of the Comptroller to expend up to $28.9 million to settle the Self Insurance Fund Obligation due and owing as approved as of November 25, 2008 through May 31, 2009. The resolution also required the final repayment of Working Cash Fund transfer by May 31, 2009. Repayment of the full amount was made on May 29, 2009.

In addition to advances from the Working Cash Fund, cash credited to the operating funds that is not currently required for operations may also be borrowed by other funds on a temporary basis to cover needs for cash prior to anticipated cash receipts by the borrowing fund. These interfund borrowings result from the issuance of checks in amounts in excess of the cash credited to the fund for which the check was issued. No interfund borrowings are made from funds maintained for debt service.

Financial Information (Budgetary Basis)

The financial information on the following pages pertaining to the County's FY2009 and 2008 Budgets and the FY2008 unaudited actual revenues and expenditures is prepared on a legally prescribed budgetary basis of accounting that differs from generally accepted accounting principles (GAAP). Such financial information as presented herein was prepared based on records maintained by the County Comptroller and this presentation has not been examined by the County's external auditors. A vote on the FY2009 Budget took place on February 20, 2009.

The significant differences in accounting practices between the operating statements presented under GAAP and the budgetary operating statements follow:

i) Property tax levies and personal property replacement taxes ("**PPRT**") are recognized as revenue in the budgetary statements in the year levied or the year replacement personal property taxes would have been levied. The fund operating statements prepared under GAAP recognize property tax levies as revenue in the subsequent year when they become available; PPRT are recognized when collected by the County.

ii) Expenditures related to specific property tax levies (i.e., pension obligation, principal and interest on general obligation bonds, rental obligations, and allowances for uncollectible taxes) are recognized in the budgetary statements in the year the taxes are levied. The GAAP fund operating statements recognize these expenditures when the related liability is incurred with the exception of principal and interest on general long-term debt, which is recognized when due.

iii) Encumbrances are combined with expenditures in the budgetary statements but are excluded in the GAAP fund operating statements.

iv) Incurred obligations (i.e., accounts payable and accrued salaries) are recognized as expenditures when paid in the budgetary statements while the GAAP fund operating statements recognize these items when the related liability is incurred.

v) Revenue is recognized when received in the budgetary statements, while the GAAP fund operating statements recognize these items when measurable and available for financing current obligations.

Reconciliation of the differences between the GAAP and budgetary operating statements for the year ended November 30, 2009 is set forth in "Appendix A – Audited Basic Financial Statements For The Fiscal Year Ended November 30, 2009 - Notes to Financial Statements - Note 2."

Cook County, Illinois

Corporate Fund Statement of Revenues and Expenditures and Encumbrances for 2009 and 2010 Budget Information — Budgetary Basis

	2010 Budget	2009 Budget	2009 Actual[1]
REVENUES			
Real Estate Property Tax	$ 11,459,925	$ 12,169,835	$ 12,169,835
Fees Offices	112,636,678	121,322,220	130,570,087
County Sales Tax[2]	38,770,967	1,500,000	1,425,133
Inter-governmental	4,015,440	9,154,924	6,525,232
Cable T.V. Franchise	1,000,000	1,000,000	1,088,367
Miscellaneous	8,361,575	22,387,864	4,517,508
Fund Balance	25,000,000	0	0
Total Revenues	**$201,244,585**	**$167,534,843**	**$156,296,162**
EXPENDITURES AND ENCUMBRANCES			
Government Management and Support Services	$130,550,464	$101,324,715	$ 91,928,226
Control of Environment	2,147,701	2,108,134	2,146,509
Economic and Human Development	1,306,798	2,375,576	2,258,848
Assessment and Collection of Taxes	52,190,904	45,081,089	48,832,954
Transportation	15,048,718	16,645,329	16,353,260
Total Expenditures and Encumbrances	**$201,244,585**	**$167,534,843**	**$161,519,797**

(1) Unaudited.
(2) Change due to reallocation of sales tax collections among County funds.
Source: Cook County Comptroller

Cook County, Illinois

Public Safety Fund Statement of Revenues and Expenditures and Encumbrances for 2009 and 2010 Budget Information — Budgetary Basis

REVENUES	2010 Budget	2009 Budget	2009 Actual[1]
Real Estate Property Tax	$186,187,626	$197,721,423	$197,721,423
Fee Offices	145,380,103	146,598,501	147,461,475
Reimbursement from Others	25,345,976	20,188,651	23,689,648
Motor Fuel Tax Fund Grant	44,500,000	43,500,000	43,500,000
Retail Sale of Motor Vehicles	1,800,000	2,765,000	2,005,829
Retailers' and Service Occupation Tax	2,800,000	4,400,000	2,982,731
Wheel Tax	2,000,000	2,000,000	1,878,261
State Income Derivative Share	10,000,000	10,500,000	9,602,339
County Sales Tax	394,081,256	396,743,000	376,941,101
Allowance for TAN Repayment	0	(122,000,000)	(121,814,369)
Juvenile Detention Sales Tax Allocation[2]	0	(27,500,000)	(26,127,443)
County Use Tax	36,000,000	46,000,000	35,611,087
Alcoholic Beverage Tax	26,000,000	27,000,000	26,717,665
Cigarette Tax	112,000,000	128,000,000	107,411,832
Gasoline Tax/Diesel Tax	95,400,000	100,000,000	89,940,077
Amusement Tax	22,500,000	22,000,000	20,257,771
Parking Lot and Garage Operations Tax	36,500,000	39,500,000	36,555,787
Off Track Betting Commission	2,500,000	3,000,000	2,820,507
Miscellaneous	20,251,000	25,318,563	14,567,383
TOTAL REVENUES	**$1,163,245,961**	**$1,065,735,138**	**$991,723,104**
EXPENDITURES AND ENCUMBRANCES			
Government Management and Support Services	$46,317,647	$42,870,820	$45,758,392
Judicial Administration	1,207,187	1,147,745	1,169,114
Sheriff	459,490,895	423,200,881	429,316,098
State's Attorney	101,175,133	95,305,125	98,788,450
Medical Examiner	8,586,460	7,521,618	7,465,704
Public Defender	58,051,097	51,434,216	55,440,358
Chief Judge	158,754,013	150,390,252	150,703,083
Clerk of Circuit Court	80,419,118	80,789,605	81,787,366
Public Administrator	1,212,475	1,081,703	1,169,175
Juvenile Temporary Detention Center	39,525,228	0	0
Office of Adoption Child Custody Advocacy	732,899	771,766	789,365
Fixed Charges and Special Purpose Appropriations	207,773,809	211,221,407	228,881,727
TOTAL EXPENDITURES AND ENCUMBRANCES	**$1,163,245,961**	**$1,065,735,138**	**$1,101,268,832**

(1) Unaudited.
(2) 2009 Juvenile Detention Sales Tax Budgeted Amount was $27,500,000. Actual collections were $26,127,443.

Source: Cook County Comptroller.

Cook County, Illinois

Health Fund Statement of Revenues and Expenditures and Encumbrances for 2009 and 2010 Budget Information — Budgetary Basis

REVENUES	2010 Budget	2009 Budget	2009 Actual[(1)]
Real Estate Property Tax	$135,965,450	$144,388,125	$144,388,125
Patient Fees	579,000,000	469,147,429	663,388,461
County Sales Tax	228,147,777	295,200,000	280,466,230
Cigarette Tax	25,000,000	35,000,000	29,380,366
Miscellaneous	5,737,425	24,091,574	23,509,945
TOTAL REVENUES	**$973,850,652**	**$967,827,128**	**$1,141,133,127**

EXPENDITURES AND ENCUMBRANCES	2010 Budget	2009 Budget	2009 Actual[(1)]
Cermak Health Services of Cook County	$ 41,278,455	$35,705,117	$30,765,533
Health Services – Juvenile Detention Center	3,677,600	0	0
Office of the Chief Health Administrator	140,648,324	127,197,793	145,681,177
Provident Hospital of Cook County	97,052,895	93,324,098	81,855,048
Ambulatory and Community Health of Cook County	51,793,734	48,889,961	43,527,640
The Ruth M. Rothstein CORE Center	11,841,106	11,201,858	10,889,095
Department of Public Health	17,438,553	15,963,403	14,759,493
John H. Stroger, Jr. Hospital of Cook County	436,765,313	427,661,957	402,852,745
Oak Forest Hospital of Cook County	90,459,606	90,406,273	79,762,260
Fixed Charges and Special Purpose Appropriations	82,895,066	117,476,668	114,550,842
TOTAL EXPENDITURES AND ENCUMBRANCES	**$973,850,652**	**$967,827,128**	**$924,643,833**

(1) Unaudited.
Source: Cook County Comptroller.

DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION

Discussion of Financial Operations (Budgetary Basis)

This discussion is based on the County's fiscal year 2009 and 2010 Budgets and fiscal year 2009 unaudited actual revenues and expenditures prepared on the budgetary basis of accounting. The budgetary basis of accounting is different in several respects from GAAP. The financial information presented herein was prepared based on records maintained by the County Comptroller. The County does not budget an ending fund balance. Any balance at the beginning of a year is appropriated as a revenue source in that year's budget; unexpended appropriations or revenues in excess of budget provide the ending fund balance. The County anticipates maintaining a fund balance in the operating funds of at least 5% of expenditures.

The introduction of the County sales tax in 1992 and the implementation of several additional revenue sources have alleviated some of the reliance of the operating funds on the property tax levy. Certain revenue sources, such as the property tax, patient fees and court fees, are required to be expended in the respective funds. The sales tax, however, may be allocated to any of the operating funds. From year to year the County may change that allocation.

For a discussion of the recent action of the County Board rolling back the currently effective sales tax of 1.75% to 1.25% and the potential impact on the fiscal year 2010 and 2011 County budgets, see "COOK COUNTY - Pending Economic Development – County Sales Tax Rollback."

Principal Sources of Revenues and Expenditures

In the County's Budget for its fiscal year ending November 30, 2010, the principal sources of revenues for the County are: fees (approximately 25.2%); property taxes (approximately 20.2%); home rule taxes (approximately 28.5%); and intergovernmental transfers (approximately 10.5%). Corporate Fund appropriations account for approximately 5.6% of the County's 2010 Budget, Health Fund appropriations account for approximately 27.2% of the County's 2010 Budget, and Public Safety Fund appropriations account for approximately 32.5% of the County's 2010 Budget. Other major appropriations are for Bond and Interest (approximately 5.3%), Employees' Annuity and Benefits (approximately 5.2%), and Capital Improvements (approximately 14.5%).

Major Fund Revenues and Expenditures: 2009 Unaudited Actual through 2010 Budget

Corporate Fund. The major Corporate Fund functions include government management and support services; the assessment of real property; the levy, extension and collection of taxes; the recording of real property transfers and transportation.

2010 Budget. Overall expenditures are expected to increase $33.7 million, or 20.1% in fiscal year 2010, due to partial payment of a pension obligation and increased labor costs related to unionization of County Assessor's personnel. Corporate Fund major revenue sources are projected to be fee revenues (56.6%), property taxes (5.7%), county sales tax (19.3%) and intergovernmental revenues (2.0%).

2009 Budget. Overall expenditures are expected to decrease $1.1 million, or 0.7% in fiscal year 2009, due primarily to a Budget appropriation reduction initiative. Corporate Fund major revenue sources are projected to be fee revenues (72.4%), property taxes (7.3%), and intergovernmental revenues (5.5%).

2009 Actual (Unaudited). As compared to fiscal year 2008, expenditures increased $12.5 million, or 8.4%, in fiscal year 2009. Revenues decreased $21.1 million, or 11.9%, in fiscal year 2009, due to decreases in fee revenues.

Public Safety Fund. The major Public Safety Fund functions relate to the protection of persons and property. The major expenditures include the Sheriff's Office, which includes operation of the County Jail, the Circuit Court and the State's Attorney's Office.

2010 Budget. Expenditures are expected to increase $97.5 million, or 9.1% in fiscal year 2010, due primarily to including the Juvenile Temporary Detention Center within the Sheriff's Department budget. Public Safety Fund major revenue sources are projected to be fee revenues (12.5%), property taxes (16.0%), home rule taxes (62.4%) and intergovernmental revenues (7.3%).

2009 Budget. Expenditures were expected to decrease $18.5 million, or 1.7% in fiscal year 2009. This decrease did not impact the County's continuing commitment in ensuring the justice and the safety of its citizens. The overall decrease in projected FY2009 expenditures activity included the shift of Cermak Health Services activity from Public Safety Fund to the Health Fund. Public Safety Fund major revenue sources were projected to be fee revenues (13.8%), property taxes (18.5%), home rule taxes (57.7%) and intergovernmental revenues (7.7%).

2009 Actual (Unaudited). As compared to fiscal year 2008, expenditures increased $30.7 million, or 2.9% in fiscal year 2009 for all Public Safety Fund functions. Overall revenues decreased $37.5 million, or 3.6%, due to the repayment of Tax Anticipation Notes and Juvenile Detention Sales Tax allocation.

Health Fund. The major Health Fund functions relate to providing health care for the citizens of the County. Major expenses include the operations of Stroger Hospital of Cook County, Provident Hospital of Cook County and Oak Forest Hospital.

2010 Budget. Expenditures are expected to increase $6.0 million, or 0.6% in fiscal year 2010, due primarily to expected increases as a result of provision for collective bargaining agreements. County Health Fund major revenue sources are projected to be fee revenues (59.5%), property taxes (14.0%) and home rule taxes (26.0%).

2009 Budget. Expenditures were expected to increase $91.6 million, or 10.5% in fiscal year 2009. This increase primarily reflected both the fact that health care expenditures are increasing nationally and the shift of Cermak Health Services from Public Safety Fund to Health Fund. The projected expenditures also reflected the continued restructuring of the Cook County Health and Hospitals system. County Health Fund major revenue sources were projected to be fee revenues (48.5%), property taxes (14.9%) and home rule taxes (34.1%). Fee revenues were expected to increase due to the expected receipt of Federal Economic Stimulus Aid. Additional funding of $20.0 million in Federal and State Medicaid programming funds was also expected.

2009 Actual (Unaudited). As compared to fiscal year 2008, expenditures increased $135.8 million or 17.2%, in fiscal year 2009. Revenues increased by $257.1 million, or 63.3%, due to increases in patient fees and $46.3 million, or 17.6%, in home rule taxes.

Self-Insurance

The County self-insures all risks, including medical malpractice, workers' compensation, general, automobile and other liability. The County is a defendant in lawsuits alleging medical malpractice, work-related injuries, highway cases and other claims in which it is involved. Cases related to these areas are in various stages of the legal process.

The County engages an external actuary to provide an actuarial estimate of its liabilities for self-insured expenses. The liability recorded reflects a 5% discount factor. If the discounted estimate were not used, the ultimate liability for the self-insured programs would be approximately $53.7 million higher than the amount recorded in the audited financial statements at November 30, 2009.

Beginning in fiscal year 2001, the County purchased excess liability insurance coverage related to medical malpractice and other claims. The medical malpractice policy is on a claims made basis. The liability recorded as of November 30, 2009 (audited) reflects the net liability of the County.

The County funds its self-insurance liabilities, including those of the Health Facilities, on a current basis and has the authority to finance such liabilities through the levy of property taxes. While it is difficult to estimate the timing or amount of expenditures, management of the County believes that the self-insurance liabilities recorded at November 30, 2009 (audited) are adequate to provide for potential losses resulting from medical malpractice, workers' compensation and other claims including incurred but not reported claims. The self-insurance liabilities recorded are based on facts known at the current time; however, the discovery of additional information concerning specific cases could affect estimated costs in the future.

For the fiscal year ended November 30, 2009 (audited), amounts charged by the self-insurance fund to other County funds for worker's compensation are reported as revenues to the self-insurance fund and expenditure/expenses of the fund charged.

The following table describes the activity during fiscal years 2008 and 2009 for the primary classifications of liabilities (in millions):

Type	Insurance and Claim Payouts	Expense, Net of Actuarial Adjustments	Balance at Nov. 30, 2008	Insurance and Claim Payouts	Expense, Net of Actuarial Adjustments	Balance at Nov. 30, 2009
Medical Malpractice	($37.9)	$21.8	$184.5	($16.5)	$ 2.6	$170.6
Workers Compensation	(19.7)	26.1	97.0	(24.4)	(13.8)	58.8
General	(0.3)	(1.2)	4.1	(0.2)	(0.2)	3.7
Automobile	(3.8)	(13.2)	11.6	(0.7)	(4.3)	6.6
Claim Expense Reserves	0.0	1.4	27.8	0.0	(1.0)	26.8
Other	(19.6)	7.6	104.0	(7.6)	9.8	106.2
Total Internal Service Fund Claims Liability	($81.3)	$42.5	$429.0	($49.4)	($ 6.9)	$372.7

Source: Cook County Department of Risk Management.

BUDGETARY PROCEDURES AND INFORMATION

The fiscal year of the County begins on December 1. The County Board adopted the Annual Appropriation Bill for fiscal year 2010 on November 19, 2009.

The development of the annual budget begins with each department submitting a detailed request for appropriation. Meetings are then held by the President of the County Board, Chief Financial Officer and Budget Director with each department to review the requests. Based on department requests and available resources, an Executive Budget is prepared for the President of the County Board by the Chief Financial Officer, in conjunction with the County Comptroller and the Budget Director.

Concurrently with this process the Chief Financial Officer and County Comptroller prepare and submit a report of estimates of revenues and other available resources to the County Board, prior to submission of the Executive Budget.

The Executive Budget, as approved by the President of the County Board, is submitted to the Committee on Finance, which in turn holds hearings involving each department. The Committee on Finance prepares the Annual Appropriation Bill in tentative form, which is made available for public inspection for at least ten days prior to final action. Public hearings on the tentative Annual Appropriation Bill are then held. Amendments to the tentative Annual Appropriation Bill are then approved by the Committee on Finance. Subsequently, the Executive Budget in the form of the Annual Appropriation Bill is approved and adopted by the County Board. For a summary of budgetary procedures of the County, see "APPENDIX A – Audited Basic Financial Statements For The Fiscal Year Ended November 30, 2009 - Notes to Basic Financial Statements."

Summary of Appropriations and Expenditures for Fiscal Year 2009 and Comparative Appropriations for Fiscal Year 2010 - Budgetary Basis

The table below sets forth the funds appropriated in the Annual Appropriation Bill of the County for fiscal years 2010 and 2009 and actual unaudited expenditures for fiscal year 2009 to date.

Funds	2010 Appropriations	2009 Appropriations	2009 Expenditures[1]
Corporate	$ 201,244,585	$ 167,534,843	$ 161,519,797
Public Safety	1,163,245,961	1,065,735,138	1,101,268,832
Health	973,850,652	967,827,128	924,643,833
Election	42,920,842	26,334,244	22,229,184
Bond and Interest	190,760,412	209,147,064	209,147,064
Employees' Annuity and Benefit	186,600,000	186,100,000	186,100,000
Animal Control	2,990,557	3,448,434	2,628,508
Law Library	5,863,622	5,399,652	5,451,194
Clerk of the Circuit Court Automation	21,324,354	16,735,558	13,591,769
Clerk of the Circuit Court Document Storage	20,545,849	20,002,129	12,776,603
Clerk of the Circuit Court Dispute Resolution	200,000	200,000	200,000
Clerk of the Circuit Court Administrative Fund	1,219,662	678,688	586,927
Recorder's Document Storage	5,727,916	5,341,516	4,830,378
GIS Fee Fund	212,902	201,379	31,773
Rental Housing Support Fee	149,204	136,978	28,453
County Clerk Automation	1,059,150	1,136,600	856,002
Intergovernmental Agreement/E.T.S.B.	1,247,080	1,084,610	1,201,212
Suburban Cook County Tuberculosis Sanitarium	6,019,146	5,094,696	3,817,745
Dept. of Homeland Security and Emergency Management	1,016,638	354,130	550,764
Adult Probation/Probation Services Fee	3,939,583	3,903,405	3,446,772
Social Services/Probation and Court Fee	4,057,848	3,785,922	3,352,148
Juvenile Probation – Supplementary Officers	2,848,605	4,409,858	4,009,077
Juvenile Temporary Detention Center Support[2]	0	40,997,789	40,388,366
Health Services - JTDC[3]	0	6,868,974	5,917,659
Sheriff's Youthful Offender Alcohol/Drug Education	9,396	15,138	10,775
Treasurer Tax Sales Automation	7,625,660	7,214,655	6,495,335
Motor Fuel Tax Illinois First (1st)	14,652,754	13,318,352	10,832,118
CC Lead Poisoning Prevention	3,775,173	3,822,911	2,117,847
Geographical Information Systems – GIS	12,445,017	9,997,731	5,682,737
State's Attorney Narcotics Forfeiture	3,268,993	3,151,650	2,709,951
State's Attorney Bad Check Diversion Program	584,213	280,300	4,543
State's Attorney Capital Litigation Trust	2,973,560	2,904,423	2,301,060
Chief Judge Children's Waiting Room	1,441,500	1,258,024	1,258,024
Women's Justice Services Fund	30,000	0	0
The Mental Health Special Revenue	93,300	0	0
The Peer Court Special Revenue	1,000	0	0
Drug Court Special Revenue	33,200	0	0
Vehicle Purchase Fund	200,000	0	0
Federal, State and Private Grants	160,810,112	119,550,729	132,209,634
Allowance for Uncollected Taxes	11,598,042	11,527,095	11,527,095
SUBTOTALS	**$3,056,586,488**	**$2,915,499,743**	**$2,883,723,179**
Capital Improvements Program[4]	518,971,730	452,981,571[2]	197,798,679
TOTALS	**$3,575,558,218**	**$3,368,481,314**	**$3,081,521,858**

(1) Unaudited.
(2) Juvenile Temporary Detention Support Center was merged with the Public Safety Fund in 2010.
(3) Health Services – JTDC was merged with the Health Fund in 2010.
(4) This amount includes moneys allocated from Motor Fuel, Highway and Special Revenue Funds that are used to pay for specified capital projects.

Source: Cook County Comptroller.

Summary of Appropriations by Major Purposes for Fiscal Year 2010

Funds	Expense[1]	Capital Outlay[2]	Debt Service[3]	Pension Fund[4]	Allowance for Uncollected Taxes	Total Appropriations
Corporate	$ 201,244,585	$ 0	$ 0	$ 0	$ 354,431	$ 201,599,016
Public Safety	1,163,245,961				5,758,380	1,169,004,341
Health and Hospitals System	973,850,652				4,205,117	978,055,769
Election	42,920,842				1,280,114	44,200,956
Bond and Interest			190,760,412			190,760,412
County Employee's Annuity and Benefit				186,600,000		186,600,000
Animal Control	2,910,557	80,000				2,990,557
Law Library	5,698,622	165,000				5,863,622
Clerk of the Circuit Court -						
Automation	19,263,354	2,061,000				21,324,354
Document Storage	15,376,649	5,169,200				20,545,849
Dispute Resolution	200,000					200,000
Administrative Fund	1,219,662					1,219,662
Recorder's Document Storage	5,244,880	483,036				5,727,916
Recorder's GIS Fee	212,902					212,902
Recorder's Rental Support Housing	139,204	10,000				149,204
County Clerk - Automation	1,059,150					1,059,150
Intergovernmental Agreement/E.T.S.B.	1,247,080					1,247,080
Adult Probation/Probation Services Fee	3,216,233	723,350				3,939,583
Social Casework Services/Probation And Court Fee	4,057,848					4,057,848
CC Lead Poisoning Prevention	3,775,173					3,775,173
Suburban CC TB Sanitarium Dist	5,669,146	350,000				6,019,146
Juvenile Probation Supplementary Officers	2,848,605					2,848,605
Treasurer Tax Sales Automation	7,248,959	376,701				7,625,660
Motor Fuel Tax Illinois First(IST)	14,652,754					14,652,754
Geographical Information Systems	11,289,517	1,155,500				12,445,017
State's Att'y Bad Check Diversion	110,000	474,213				584,213
State's Att'y Narcotics Forfeiture	3,268,993					3,268,993
State's Att'y Capital Litigation Trust	2,973,560					2,973,560
Sheriff's Youthful Offender Alcohol Drug Education	9,396					9,396
Homeland Security & Emergency Mgmt	928,838	87,800				1,016,638
Chief Judge Children's Waiting Rm	1,441,500					1,441,500
Chief Judge Mental Health Fund	93,300					93,300
Chief Judge Drug Court Fund	33,200					33,200
Chief Judge Peer Court Fund	1,000					1,000
Sheriff's Women's Justice Services	30,000					30,000
Vehicle Purchase Fund	0	200,000				200,000
Federal, State & Private Grants	157,556,940	3,253,172				160,810,112
SUBTOTAL	**$2,653,039,062**	**$ 14,588,972**	**$190,760,412**	**$186,600,000**	**$11,598,042**	**$3,056,586,488**
Capital Improvements Program[5]		518,971,730				518,971,730
TOTAL – CURRENT	**$2,653,039,062**	**$533,560,702**	**$190,760,412**	**$186,600,000**	**$11,598,042**	**$3,575,558,218**

(1) Expense includes appropriations for Personal Services, Contractual Services, Supplies, Materials, Operation and Maintenance, Rental and Leasing and Contingency and Special Purposes. Expense also includes Self-Insurance Claim, Patient Arrestee Claims, Proposed Settlements and Employees' Injury Compensation Claims.

(2) Capital Outlay includes appropriations for Expenditures for Purchase of New and Replacement Equipment, Permanent Improvements including Rehabilitation and Replacement, Purchase of Land and Expenditures Incidental to the Acquisition of Land.

(3) Debt Service includes appropriations for Redemption of Debt and Interest on Debt, and for Required Reserves, and County Bond and Interest Projected for 2010.

(4) Pension Funds appropriations represents the Gross Amounts of General Property Taxes to be Levied for the County's Contribution to the Pension Funds without any deduction for loss in the collection of taxes.

(5) Capital Improvements Program appropriations reflects the 11/30/09 estimated Unencumbered Balance and the 2010 Capital Improvements Program appropriations and the projected 2009 Expenditures.

Summary of Estimated Revenues by Major Purposes for Fiscal Year 2010

Funds	Property Tax Levy(1)	Home Rule Taxes(2)	Fees(3)	Inter-Governmental (4)	Other Revenues (5)	Total Revenue	Fund Balance Available for Appropriation	Summary Total
2010 Corporate Revenue	$ 11,459,925	$ 38,770,967	$113,636,678	$ 4,015,440	$ 8,361,575	$ 176,244,585	$25,000,000	$ 201,244,585
Allowance for Uncollected Taxes	354,431					354,431		354,431
2010 Public Safety Revenue	186,187,626	726,281,256	145,380,103	85,145,976	20,251,000	1,163,245,961		1,163,245,961
Allowance for Uncollected Taxes	5,758,380					5,758,380		5,758,380
2010 Health & Hospitals Revenue	135,965,450	253,147,777	579,000,000		5,737,425	973,850,652		973,850,652
Allowance for Uncollected Taxes	4,205,117					4,205,117		4,205,117
2010 Election Revenue	42,670,482				250,360	42,920,842		42,920,842
Allowance for Uncollected Taxes	1,280,114					1,280,114		1,280,114
Bond and Interest	190,760,412					190,760,412		190,760,412
Employee's Annuity and Benefit	141,841,605			44,758,395		186,600,000		186,600,000
Animal Control			2,990,557			2,990,557		2,990,557
Law Library			5,863,622			5,863,622		5,863,622
Circuit Court Automation			12,696,486			12,696,486	8,627,868	21,324,354
Circuit Court Document Storage			12,000,000			12,000,000	8,545,849	20,545,849
Circuit Dispute Resolution			200,000			200,000		200,000
Circuit Court Administrative			650,000			650,000	569,662	1,219,662
Recorder's Document Storage			2,495,620			2,495,620	3,232,296	5,727,916
Recorder's GIS Fee Fund			212,902			212,902		212,902
Recorder's Rental Housing Support Fee			149,204			149,204		149,204
County Clerk - Automation			950,000			950,000	109,150	1,059,150
Intergovernmental Agreement/E.T.S.B				1,247,080		1,247,080		1,247,080
Adult Probation/Probation Services Fee			3,600,000			3,600,000	339,583	3,939,583
Social Services/Probation And Court Fee			3,400,000			3,400,000	657,848	4,057,848
CC Lead Poisoning Prevention Fund					1,237,080	1,237,080	2,538,093	3,775,173
Suburban CC Tb Sanitarium District							6,019,146	6,019,146
Juvenile Probation Supplementary Officers				2,848,605		2,848,605		2,848,605
Treasurer Tax Sales Automation			7,210,000			7,210,000	415,660	7,625,660
Motor Fuel Tax Illinois First (IST)				11,971,384		11,971,384	2,681,370	14,652,754
Geographical Information Systems (GIS)			9,000,000			9,000,000	3,445,017	12,445,017
State's Att'y Bad Check Diversion				140,000		140,000	444,213	584,213
State's Att'y Narcotics Forfeiture				3,268,993		3,268,993		3,268,993
State's Att'y Capital Litigation Trust..				2,973,560		2,973,560		2,973,560
Sheriff's Youthful Offender Alcohol				9,396		9,396		9,396
Homeland Security & Emergency Mgmt				752,645		752,645	263,993	1,016,638
Chief Judge Children's Waiting Room			1,441,500			1,441,500		1,441,500
Chief Judge Mental Health Fund			46,650			46,650	46,650	93,300
Chief Judge Drug Court Fund			33,200			33,200		33,200
Chief Judge Peer Court Fund			1,000			1,000		1,000
Sheriff Women's Justice Services			30,000			30,000		30,000
Vehicle Purchase Fund					200,000	200,000		200,000
Capital Improvements				57,940,000	461,031,730	518,971,730		518,971,730
Federal, State And Private Grants				160,810,112		160,810,112		160,810,112
PROJECTED - TOTAL	**$720,483,542**	**$1,018,200,000**	**$900,987,522**	**$375,881,586**	**$497,069,170**	**$3,512,621,820**	**$62,936,398**	**$3,575,558,218**

(1) Property Tax Levy includes allowance for Uncollected Taxes.
(2) Home Rule Taxes include Alcoholic Beverage Tax, Cigarette Tax, Gas/Diesel Fuel Tax, Wheel Tax, Retail Sale of Motor Vehicles, Cook County Sales Tax, Use Tax, Amusement Tax, County Parking Lot, Garage and Operations Tax.
(3) Fees include fees from County Offices, Patient Fees and Cable Television Franchise Tax and include Automated Red Light Traffic.
(4) Inter-Governmental includes Motor Fuel Tax, Off-Track Betting Commissions, Personal Property Replacement Tax, Retailers' and Services Occupation Tax, State Income Derivative Share Grants and Reimbursements from other governments.
(5) Other includes Bond Proceeds (Capital Improvements) and Miscellaneous Revenues.

LITIGATION

The County, like other large units of state and local government, is involved in litigation on matters relating principally to claims arising from contracts, personal injury, property damage, tax claims and other matters. See "ACCOUNTING AND FINANCIAL INFORMATION - Self Insurance." However, there is no litigation pending, or, to the best of the County's knowledge, threatened, seeking to restrain, enjoin or adversely affect the issuance or delivery of the Bonds or in any way contesting the validity or enforceability of the Bonds or the collection, pledge or application of the County's full faith, credit and taxing power for their payment.

The County is a defendant in various pending and threatened individual and class action litigation relating principally to claims arising from contracts, personal injury, property damage, discrimination, civil rights actions and other matters. The County believes that the ultimate resolution of these matters will not have a material adverse effect on the financial position of the County.

County Jail Litigation. The County is defending a Federal Class Action Civil Rights lawsuit in which the Sheriff of Cook County is a defendant. The suit involves allegations stemming from the searches of persons whose entry into the Sheriff's custody at the County Jail has been ordered by Illinois judges. The County Jail's Receiving Classification and Diagnostic Center (RC/DC) admitted between 200 and 400 new prisoners per evening during the period from January 30, 2004 to March 19, 2009 (the **"Class Period"**). The number of entries at issue is approximately 600,000, reflecting approximately 400,000 distinct persons. The complaint alleges that intake strip searches were conducted in large groups, in a hallway where sanitation was sometimes an issue, by correctional staff using abusive language. Body scanning technology has now been installed at the County Jail for all new entrants.

The case has been and will be vigorously defended by the County. In February 2009, plaintiff's motion for partial summary judgment on liability during that portion of the Class Period from January 30, 2004 to January 31, 2007 was granted for the class. In August 2009, a jury found that the constitutional rights of the class during that portion of the Class Period from February 2007 to March 2009 were violated. Damages, essentially emotional damages, have not yet been determined for the class. Due to the large number of possible claimants, the County is exploring options including either a final class settlement or a determination of class damages followed by an appeal of the entire case. The County is unable to predict whether a settlement will be reached or, in the alternative, the outcome of any such appeal. The County has its self insured retention as well as excess insurance coverage available for all or a portion of a settlement, should one be reached in ongoing discussions with the trial judge and class counsel, or a judgment.

RATINGS

Moody's Investors Service (**"Moody's"**), Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. (**"S&P"**) and Fitch Ratings (**"Fitch"**) have assigned their long-term ratings of Aa2, AA and AA, respectively to the Bonds.

The rating assigned to the Bonds by Moody's reflects Moody's recent recalibration of its municipal rating scale to a global rating scale. In its Report Number 123300, released in March 2010, Moody's announced that the purpose of the recalibration is to enhance the comparability of ratings across all issuers and all obligations rated by Moody's. In the Report, Moody's cautioned that market participants should not view the recalibration of municipal ratings as rating upgrades, but rather as a recalibration of the ratings to a different rating scale, and that recalibration does not reflect an improvement in credit quality or a change in their credit opinion for rated municipal debt issuers. Further information regarding the recalibration may be obtained directly from Moody's.

The rating assigned to the Bonds by Fitch reflects Fitch's new recalibrated rating scale. In its Special Report dated March 25, 2010, Fitch announced that the intent of this new scale is to recalibrate certain U.S. public finance credit ratings to ensure a greater degree of comparability across Fitch's portfolio of credit ratings. In its Special Report, Fitch cautioned that recalibration of certain public finance ratings should not be interpreted as an improvement in the credit quality of recalibrated securities; rather, any adjustments are to denote a comparable level of credit risk as ratings in other sectors. Further information regarding the recalibration may be obtained directly from Fitch.

A rating reflects only the views of the rating agency assigning such rating and an explanation of the significance of such rating may be obtained from the respective rating agencies at the following addresses: Moody's Investors Service, 7 World Trade Center, 250 Greenwich Street, New York, New York 10007; Standard and Poor's, 55 Water Street, New York, New York 10041 or Fitch, One State Street Plaza, New York, New York 10004.

The County has furnished to the rating agencies certain information and materials relating to the Bonds and the County, including certain information and materials that have not been included in this Official Statement. Generally, rating agencies base their ratings on such information and materials and investigations, studies and assumptions by the respective rating agency. There is no assurance that any rating of the Bonds will continue for any given period of time, or that any rating of the Bonds will not be revised downward or withdrawn entirely by either such rating agency if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of any such rating may have an adverse effect on the market price of the Bonds.

TAX EXEMPTION

Federal tax law contains a number of requirements and restrictions which apply to the Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed therewith, and certain other matters. The County has covenanted to comply with all requirements that must be satisfied in order for the interest on the Bonds to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Bonds to become includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

Subject to the County's compliance with the above-referenced covenants, under present law, in the opinion of Co-Bond Counsel, interest on the Bonds (i) is excludable from the gross income of the owners thereof for federal income tax purposes, (ii) is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, but Co-Bond Counsel express no opinion as to whether interest on the Bonds is taken into account in computing adjusted current earnings, which is used in determining the federal alternative minimum tax for certain corporations.

In rendering their opinions, Co-Bond Counsel will rely upon certifications of the County with respect to certain material facts within the County's knowledge and upon the mathematical computation of the yield on the bond issue of which the Bonds are a part, and the yield on certain investments by Robert Thomas CPA, LLC. Co-Bond Counsels' opinion represents their legal judgments based upon their review of the law and the facts that they deem relevant to render such opinions and are not guarantees of a result.

Ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Bonds should consult their tax advisors as to applicability of any such collateral consequences.

The issue price (the **"Issue Price"**) for each maturity of the Bonds is the price at which a substantial amount of such maturity of the Bonds is first sold to the public. The Issue Price of a maturity of the Bonds may be different from the prices set forth, or the prices corresponding to the yields set forth, on the inside cover page hereof.

If the Issue Price of a maturity of the Bonds is less than the principal amount payable at maturity, the difference between the Issue Price of each such maturity, if any, of the Bonds (the **"OID Bonds"**) and the principal amount payable at maturity is original issue discount.

For an investor who purchases an OID Bond in the initial public offering at the Issue Price for such maturity and who holds such OID Bond to its stated maturity, subject to the condition that the County complies with the covenants discussed above, (a) the full amount of original issue discount with respect to such OID Bond constitutes interest which is excludable from the gross income of the owner thereof for federal income tax purposes; (b) such owner will not realize taxable capital gain or market discount upon payment of such OID Bond at its stated maturity; (c) such original issue discount is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Code; but (d) owners of OID Bonds should consult their own tax advisors as to whether such original issue discount on the Bonds is taken into account in computing an adjustment used in determining the alternative minimum tax for certain corporations under the Code, as described above; and (e) the accretion of original issue discount in each year may result in certain collateral federal income tax consequences in each year even though a corresponding cash payment may not be received until a later year. Based upon the stated position of the Illinois Department of Revenue under Illinois income tax law, accreted original issue discount on such OID Bonds is subject to taxation as it accretes, even though there may not be a corresponding cash payment until a later year. Owners of OID Bonds should consult their own tax advisors with respect to the state and local tax consequences of original issue discount on such OID Bonds.

Owners of Bonds who dispose of Bonds prior to the stated maturity (whether by sale, redemption or otherwise), purchase Bonds in the initial public offering, but at a price different from the Issue Price or purchase Bonds subsequent to the initial public offering should consult their own tax advisors.

If a Bond is purchased at any time for a price that is less than the Bond's stated redemption price at maturity or, in the case of an OID Bond, its Issue Price plus accreted original issue discount (the **"Revised Issue Price"**), the purchaser will be treated as having purchased a Bond with market discount subject to the market discount rules of the Code (unless a statutory *de minimis* rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a Bond is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser's election, as it accrues. Such treatment would apply to any purchaser who purchases an OID Bond for a price that is less than its Revised Issue Price. The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such Bond. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the Bonds.

An investor may purchase a Bond at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as "bond premium" and must be amortized by an investor on a constant yield basis over the remaining term of the Bond in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a tax-exempt bond. The amortized bond premium is treated as a reduction in the tax-exempt interest received. As bond premium is amortized, it reduces the investor's basis in the Bond. Investors who purchase a Bond at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the Bond's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the Bond.

There are or may be pending in the Congress of the United States legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Co-Bond Counsel express no opinion regarding any pending or proposed federal tax legislation.

The Internal Revenue Service (the **"Service"**) has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the Bonds. If an audit is commenced, under current procedures the Service may treat the County as a taxpayer and the Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Bonds until the audit is concluded, regardless of the ultimate outcome.

Payments of interest on, and proceeds of the sale, redemption or maturity of, obligations including tax-exempt obligations such as the Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Bond owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any Bond owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest on the Bonds from gross income for federal tax purposes.

Co-Bond Counsel express no opinion as to the treatment of interest expense for financial institutions owning the Bonds for purposes of Section 265(b)(7) of the Code. Financial institutions should consult their tax advisors concerning such treatment.

Interest on the Bonds is not exempt from present State of Illinois income taxes. Ownership of the Bonds may result in other state and local tax consequences to certain taxpayers. Co-Bond Counsel express no opinion regarding any such collateral consequences arising with respect to the Bonds. Prospective purchasers of the Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

CERTAIN VERIFICATIONS

Robert Thomas CPA, LLC (the **"Verifier"**), upon delivery of the Bonds, will deliver to the County, Co-Bond Counsel and the Underwriters a report stating that the firm, at the request of the County and the Underwriters, has reviewed the mathematical accuracy of certain computations based on certain assumptions relating to (i) the sufficiency of the principal and interest received from the investment in Governmental Obligations, together with any initial cash deposit, to meet the timely payment of the applicable principal or redemption price of and interest on the Refunded Bonds, as described under "PLAN OF FINANCE" and (ii) the actuarial yields on the issue of which the Bonds are a part and the Government Obligations, such computations with respect to such yields to be used to support the conclusion of Co-Bond Counsel that the Bonds are not "arbitrage bonds" under Section 148 of the Code.

The Verifier will express no opinion on the attainability of any assumptions or the tax-exempt status of the Bonds.

CERTAIN LEGAL MATTERS

Certain legal matters incident to the authorization, issuance and sale of the Bonds are subject to the separate approving legal opinions of Chapman and Cutler LLP, Chicago, Illinois, and Pugh, Jones, Johnson & Quandt, P.C., Chicago, Illinois, Co-Bond Counsel (**"Co-Bond Counsel"**), who have been retained by, and act as, Co-Bond Counsel to the County. The form of such legal opinions are attached hereto as APPENDIX B. Co-Bond Counsel have not been retained or consulted on disclosure matters and have not undertaken to review or verify the accuracy, completeness or sufficiency of this Official Statement or other offering material relating to the Bonds and assume no responsibility for the statements or information contained in or incorporated by reference in this Official Statement, except that in their respective capacities as Co-Bond Counsel, Chapman and Cutler LLP and Pugh, Jones, Johnson & Quandt, P.C. have, at the request of the County, reviewed only those portions of this Official Statement involving the description of the Bonds, the security for the Bonds (excluding forecasts, projections, estimates or any other financial or economic information in connection therewith), and the description of the federal tax status of interest on the Bonds. This review was undertaken solely at the request and for the benefit of the County and did not include any obligation to establish or confirm factual matters set forth herein. Certain legal matters will be passed upon for the Underwriters by Perkins Coie LLP, Chicago, Illinois, and Tyson Strong Hill Connor, Chicago, Illinois, Co-Underwriters' Counsel.

FINANCIAL STATEMENTS

The financial statements of the County for the fiscal year ended November 30, 2009, included as APPENDIX A to this Official Statement. These financial statements have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report appearing therein, which report references Deloitte & Touche LLP's reliance on other auditors in certain respects. Deloitte & Touche LLP has not performed any review of financial matters or any "bring down" procedures subsequent to the issuance of their opinion dated August 31, 2010 on the November 30, 2009 financial statements of the County. The County has not requested nor did the County obtain any consent from the auditors to include the audited financial statements as an appendix to this Official Statement.

FINANCIAL ADVISORS

The County has engaged Gardner, Underwood & Bacon and Peralta Garcia Solutions, each of Chicago, Illinois, as Co-Financial Advisors in connection with the authorization, issuance and sale of the Bonds.

UNDERWRITING

The Underwriters set forth on the cover page of this Official Statement have agreed to purchase the Bonds at the price of $129,673,685.61 (representing the principal amount of $119,855,000.00 less an Underwriters' discount of $611,525.04 and plus original issue premium of $10,430,210.65). The Underwriters reserve the right to join with dealers and other underwriters in offering the Bonds to the public. The obligations of the Underwriters to accept delivery of the Bonds are subject to various conditions of the Bond Purchase Agreement with respect to the Bonds, but the Underwriters are obligated to purchase all of the Bonds if they purchase any of the Bonds.

Morgan Stanley and Citigroup Inc., the respective parent companies of Morgan Stanley & Co. Incorporated and Citigroup Global Markets Inc., each an underwriter of the Bonds, have entered into a retail brokerage joint venture. As part of the joint venture each of Morgan Stanley & Co. Incorporated and Citigroup Global Markets Inc. will distribute municipal securities to retail investors through the financial advisor network of a new broker-dealer, Morgan Stanley Smith Barney LLC. This distribution arrangement became effective on June 1, 2009. As part of this arrangement, each of Morgan Stanley & Co. Incorporated and Citigroup Global Markets Inc. will compensate Morgan Stanley Smith Barney LLC for its selling efforts in connection with their respective allocations of Bonds.

J.P. Morgan Securities LLC ("**JPMS**"), one of the Underwriters of the Bonds, has entered into negotiated dealer agreements (each, a "**Dealer Agreement**") with each of UBS Financial Services Inc. ("**UBSFS**") and Charles Schwab & Co., Inc. ("**CS&Co.**") for the retail distribution of certain securities offerings, including the Bonds, at the original issue prices. Pursuant to each Dealer Agreement (if applicable to this transaction), each of UBSFS and CS&Co. will purchase Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any Bonds that such firm sells.

SECONDARY MARKET DISCLOSURE

The County will enter into a Continuing Disclosure Undertaking (the "**Undertaking**") for the benefit of the beneficial owners of the Bonds to send certain information annually and to provide notice of certain events to the Municipal Securities Rulemaking Board (the "**MSRB**") through its Electronic Municipal Market Access system for municipal securities disclosure on through an other electronic format or system ("**EMMA**") prescribed by the MSRB for purposes of Section (b)(5) of Rule 15c2-12 (the "**Rule**") adopted by the Securities and Exchange Commission (the "**SEC**") under the Securities Exchange Act of 1934, as amended (the "**1934 Act**"), and to any public or private repository designated by the State of Illinois as the state repository and recognized as such by the Securities and Exchange Commission for purposes of the Rule ("**SID**"). The information to be provided on an annual basis, the events that will be noticed on an occurrence basis and a summary of other terms of the Undertaking, including termination, amendment and remedies, are set forth below.

The following is a brief summary of certain provisions of the Undertaking and does not purport to be complete. The statements made under this caption are subject to the detailed provisions of the Undertaking, a copy of which is available upon request from the County.

Annual Financial Information Disclosure

The County covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements (as described below) to EMMA and to the SID, if any. The County is required to file such information by the dates specified in the Undertaking. To the extent that Annual Financial Information is included in the County's Audited Financial Statements, it need not be separately delivered. The County has complied with all previous continuing disclosure undertakings executed by it pursuant to the Rule.

"***Annual Financial Information***" means information generally consistent with that contained under the caption "TAXATION OF REAL PROPERTY - STATISTICAL INFORMATION".

"***Audited Financial Statements***" means the audited basic financial statements of the County prepared in accordance with generally accepted accounting principles applicable to governmental units as in effect from time to time.

The Annual Financial Information is required to be disseminated no more than fifteen (15) months after the last day of the County's fiscal year, which is currently November 30. The Audited

Financial Statements are expected to be filed at the same time as the Annual Financial Information, provided that if the Audited Financial Statements are not available when the Annual Financial Information is filed, unaudited financial statements shall be included, and the Audited Financial Statements will be filed within 30 days after they become available.

Events Notification; Material Event Disclosure

The County covenants that it will disseminate in a timely manner to EMMA and to the SID, if any, the disclosure of the occurrence of an Event (as described below) that is material, as materiality is interpreted under the 1934 Act. The "**Events**" are:

(a) principal and interest payment delinquencies;
(b) non-payment related defaults;
(c) unscheduled draws on debt service reserves reflecting financial difficulties;
(d) unscheduled draws on credit enhancements reflecting financial difficulties;
(e) substitution of credit or liquidity providers, or their failure to perform;
(f) adverse tax opinions or events affecting the tax-exempt status of the security;
(g) modifications to rights of security holders;
(h) bond calls;
(i) defeasances;
(j) release, substitution or sale of property securing repayment of the securities; and
(k) rating changes.

Consequences of Failure of the County to Provide Information

The County shall give notice in a timely manner to EMMA and the SID, if any, of any failure to provide disclosure of Annual Financial Information and Audited Financial Statements when the same are due under the Undertaking.

In the event of a failure of the County to comply with any provision of the Undertaking, the beneficial owner of each Bond may seek mandamus or specific performance by court order, to cause the County to comply with its obligations under the Undertaking. A default under the Undertaking shall not be deemed a default under the Bonds or the Bond Ordinance, and the sole remedy under the Undertaking in the event of any failure of the County to comply with the Undertaking shall be an action to compel performance.

Amendment; Waiver

Notwithstanding any other provision of the Undertaking, the County may amend the Undertaking, and any provision of the Undertaking may be waived, if:

(a) the amendment or the waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the County or type of business conducted;

(b) the Undertaking, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the amendment or waiver does not materially impair the interests of the beneficial owners of the Bonds, as determined by a party unaffiliated with the County (such as bond counsel) at the time of the amendment.

Termination of Undertaking

The Undertaking shall be terminated if the County shall no longer have any legal liability for any obligation on or relating to repayment of the Bonds under the Bond Ordinance. If this provision is applicable, the County shall give notice in a timely manner to EMMA and the SID, if any.

Additional Information

Nothing in the Undertaking shall be deemed to prevent the County from disseminating any other information, using the means of dissemination set forth in the Undertaking or any other means of communication, or including any other information in any Annual Financial Information or Audited Financial Statements or notice of occurrence of a material Event, in addition to that which is required by the Undertaking. If the County chooses to include any information from any document or notice of occurrence of a material Event in addition to that which is specifically required by the Undertaking, the County shall have no obligation under the Undertaking to update such information or include it in any future disclosure or notice of occurrence of a material Event.

CONCLUSION

The references, excerpts and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is directed to all such documents for full and complete statements of all matters of fact relating to the Bonds, the security for the payment or purchase of the Bonds and the rights and obligations of the registered owners thereof.

Any statements made in this Official Statement involving matters of opinion or estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Official Statement nor any statement that may have been made verbally or in writing is to be construed as a contract with the registered owners of the Bonds.

CERTIFICATION AS TO OFFICIAL STATEMENT

At the time of redelivery of the Bonds, the County will furnish a certificate executed by the Chief Financial Officer stating that to the best of his knowledge, after reasonable investigation, this Official Statement did not (as of its date) and does not (at the date of delivery of the Bonds) contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements in it, in the light of the circumstances under which they were made, not misleading.

This Official Statement has been duly executed and delivered by the following officer on behalf of the County.

THE COUNTY OF COOK, ILLINOIS

By: /s/ Jaye Morgan Williams
Chief Financial Officer

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APPENDIX A

Audited Basic Financial Statements For The Fiscal Year Ended November 30, 2009

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Financial Section

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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners of
Cook County, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Cook County, Illinois (the "County"), as of and for the year ended November 30, 2009, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the County's and the Forest Preserve District's Employees' and Officers' Annuity and Benefit Pension Trust Funds, the discretely presented component units (the Chicago Zoological Society, the Chicago Horticultural Society, and the Emergency Telephone System), the Forest Preserve District of Cook County, or the Clerk of the Circuit Court (agency fund of the County), which represent 14% and 4%, respectively, of the assets and revenues of the governmental activities, 100% and 100%, respectively, of the assets and revenues of the pension trust funds, 100% and 100%, respectively, of the assets and revenues of the discretely presented component units, 52% and 24%, respectively, of the assets and revenues of the aggregate nonmajor governmental funds, and 4% of the assets of the agency funds. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the governmental activities, fiduciary funds, discretely presented component units, aggregate nonmajor governmental funds, and the agency funds, is based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the respective financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the respective financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of the other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Cook County, Illinois as of November 30, 2009, and the respective changes in financial position and cash flows, where applicable, in conformity with the accounting principles generally accepted in the United States of America and the respective budgetary comparisons for the General Fund, the Motor Fuel Tax Fund, and the Annuity and Benefit Fund for the year then ended in conformity with the budgetary basis of accounting as defined in Note I to the financial statements.

The Management's Discussion and Analysis and the Required Supplemental Information, as listed in the foregoing table of contents, are not a required part of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. This supplementary information is the responsibility of the County's management. 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and schedules, introductory section, and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. This supplementary information is the responsibility of the County's management. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of other auditors, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the County's basic financial statements, and accordingly, we express no opinion on them.

Deloitte & Touche LLP

August 31, 2010

Management's Discussion and Analysis

Cook County, Illinois
Management Discussion and Analysis (MD&A)
(Unaudited)

As management of the Cook County, Illinois (the "County"), we offer the readers of the Management Discussion and Analysis (the "MD&A") section of the County's Comprehensive Annual Financial Report (the "CAFR") a narrative overview and analysis of the financial activities of the County for the fiscal year ended November 30, 2009. The reader is encouraged to consider the information presented here in conjunction with the basic financial statements and the accompanying notes, which follow this section.

Financial Highlights for FY2009

- On February 29, 2008 the County raised home rule sales tax by a single point (1%) from the initial ¾ of a penny as set in 1992 to 1 ¾ of a percent. This was realized for the last two months of fiscal year 2008 and in fiscal year 2009. However, on November 17, 2009 the County Board called a special meeting and passed an ordinance amendment partially rolling back the Home Rule County Retailer's Occupation Tax Law from 1 ¾ percent to 1 ¼ percent. This ordinance took effect on July 1, 2010.

- At November 30, 2009, the liabilities of the County exceeded its assets by \$941.1 million (17.9%). The County reported \$409.3 million in restricted net assets and \$100.2 million in invested in capital assets, net of related debt. The \$100.2 million is the capital debt exceeding the County's investment in capital assets due to the timing of depreciation expense as compared to the scheduled repayments of debt principal.

- The County's total net assets decreased by \$82.4 million (9.6%) during fiscal year 2009. Net assets of governmental activities decreased \$240.2 million (16.6%) in fiscal year 2009 to a negative \$1,687.4 million.

- Total fiscal year 2009 expenses for governmental activities were \$2.246 billion, which represents an increase of \$93.9 million (4.4%) over fiscal year 2008 expenses for governmental activities of \$2.152 billion.

- At the end of the 2009 fiscal year, the County's governmental funds reported combined fund balances of \$1.047 billion, an increase of approximately \$287.8 million (38%) in comparison with the prior year of \$759.7 million, primarily due to an increase in Cigarette Tax and Sales Tax revenue allocated to the General Fund.

- On July 16, 2008 the County issued approximately \$147.8 million of Sales Tax Anticipation Notes, Series 2008 and the final Sales Tax Anticipation Note maturity date was August 3, 2009, when it was paid in full.

- In 2009, the Cook County Board of Commissioners transferred the Cermak Health Services (the "CHS") from the Public Safety Fund to the Cook County Health and Hospitals System (the "CCHHS").

- On July 7, 2009, the County issued approximately $176.0 million of General Obligation Refunding Bonds, Series 2009A and $251.4 million of Taxable General Obligation Bonds, Series 2009B (Build America Bonds – Direct Payment).

- On November 5, 2009, the County issued approximately $140.7 million of General Obligation Refunding Bonds, Series 2009C, $97.1 million of General Obligation Capital Equipment Bonds, Series 2009D and $6.5 million of Taxable General Obligation Bonds, Series 2009E.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The reporting model focuses attention on the County as a whole (government-wide) and on major individual funds. Both perspectives are presented to enable the reader to address relevant questions, broaden the basis of comparison and enhance the County's accountability.

Cook County's basic financial statements are comprised of three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the basic financial statements

This report also contains other required supplementary information and statistical data in addition to the basic financial statements themselves.

Organization of the County of Cook, Illinois

Comprehensive Annual Financial Report

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Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the County's finances, in a manner similar to private sector businesses.

The **Statement of Net Assets** presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. Increases or decreases in net assets, over time, may serve as a benchmark as to the improvement or deterioration in the County's financial position. Additionally, non-financial factors, such as changes in the County's property tax base or the condition of County facilities, should be considered to assess the overall financial health of the County.

The **Statement of Activities** presents information on how the County's net assets changed during the fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal years, such as revenue pertaining to uncollected taxes and expenses relating to earned, but not used, vacation, sick leave and pension obligations.

The government-wide financial statements report the following different types of programs or activities:

- Governmental Activities – The majority of County services are reported under this category. Governmental activities of the County include public safety responsibilities through the operation of the second largest unified court system in the nation and the operation of the largest single site jail complex in the United States. Also included in governmental activities are corporate functions that include the design, operation and maintenance of a highway system, control of the environment, the assessment, levy, collection and distribution of property taxes, and general administration and finance. The major revenue sources of these activities are property taxes and other non-property taxes. Governmental Activities include the primary government composed of the County itself, as well as the Forest Preserve District of Cook County ("the District"), a legally separate unit of government with the same Board of Commissioners as the County, which is included as a blended component unit.

- Business-type Activities – The business-type or enterprise activities of the County include the operation of the Cook County Health and Hospitals System (the "CCHHS"). The CCHHS consist of the following entities: John H. Stroger, Jr. Hospital of Cook County, Oak Forest Hospital of Cook County, Provident Hospital of Cook County, Cermak Health Services, the Department of Public Health, the Ambulatory and Community Health Network of Cook County and the Bureau of Health Services. As an enterprise activity, the intent of these entities is to provide primary, intermediate, acute, and tertiary medical care to patients, without regard to their ability to pay. The CCHHS Board oversees the operational, planning, and policy activities of the CCHHS.

- Discretely Presented Component Units – Component units are entities for which the County is financially accountable. The three discretely presented entities, because of their financial relationship with the County, or the District, are the Chicago Zoological Society and the Chicago Horticultural Society, as both entities operate on land owned by the District, and the Emergency Telephone System which provides Emergency 911 services primarily in unincorporated areas of the County.

The Government-wide financial statements can be found on pages 25 through 27 of this report.

Fund Financial Statements

The fund financial statements are designed to report groupings of related accounts which are used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with budgetary and other financial-related legal requirements. All of the funds of the County can be divided into the following categories: **governmental** funds, **proprietary** fund and **fiduciary** funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements, i.e. most of the County's basic services are reported in the governmental funds. These statements focus on (1) how cash and other financial assets can readily be converted to available resources and (2) the balances left at year-end that are available for spending. Such information may be useful in determining what financial resources are available in the near term to finance the County's various programs.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the reader may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains several individual governmental funds organized according to their type (special revenue, debt service, and capital projects). Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund which is considered to be a major fund. The General Fund includes the following three accounts: Corporate Account, Public Safety Account and the Self-Insurance Account. The other major governmental funds such as the Debt Service Fund, Motor Fuel Fund, Annuity and Benefit Fund and Capital Project Fund data are individually presented. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of supplemental combining and individual statements within this report.

The basic governmental fund financial statements can be found on pages 28 – 29 and 31 – 32 of this report, respectively.

Proprietary funds. Proprietary funds are generally used to account for services for which the County charges a fee for services provided. Proprietary funds provide the same type of information as shown in the government-wide financial statements, only in more detail. The County maintains the following type of proprietary fund:

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses the enterprise fund to account for the operations of its various healthcare activities.

The basic proprietary fund financial statements can be found on pages 37 through 39 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside of the County. These funds are used to report assets held in a trust or agency capacity for others and cannot be used to support the County's programs. The Pension Trust Funds, Postretirement Healthcare and Agency funds are reported in this fund category, using the accrual basis of accounting. These funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's programs.

The fiduciary fund financial statements can be found on pages 40 and 41 of this report.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to provide a full understanding of the data presented in the government-wide and fund financial statements.

The notes to the basic financial statements can be found on pages 45 – 109 of this report.

Required Supplementary Information

In additions to the basic financial statements and accompanying notes, the required supplementary information section presents certain required supplementary information concerning pension trust funds and postretirement healthcare trust funds and the County's progress in funding its obligation to provide and postretirement healthcare pension benefits to employees.

The required supplementary information can be found on page 110 of this report.

Government-wide Financial Analysis

Net Assets

The County has presented its financial statements under GAAP and two years of comparative financial information in the Governmental Accounting Standards Board ("GASB") Statement No. 34 format presented below.

As noted earlier, over time net assets may serve as a useful indicator of a government's financial position. In the case of the County, liabilities exceeded assets by $941.1 million as of November 30, 2009.

Cook County, Illinois
Summary Statement of Net Assets
Year end November 30
(in millions)

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Current and other assets	$ 2,023.3	$ 1,785.8	$ 805.0	$ 599.5	$ 2,828.3	$ 2,385.3
Capital assets	1,925.0	1,898.1	491.9	504.5	2,416.9	2,402.6
Total assets	3,948.3	3,683.9	1,296.9	1,104.0	5,245.2	4,787.9
Current and other liabilities	348.0	426.4	543.4	505.9	891.4	932.3
Long-term liabilities	5,287.7	4,704.7	7.2	9.6	5,294.9	4,714.3
Total liabilities	5,635.7	5,131.1	550.6	515.5	6,186.3	5,646.6
Net assets:						
Invested in capital assets, net of related debt	(391.6)	(735.9)	491.8	504.5	100.2	(231.4)
Restricted net assets	404.6	393.7	4.7	2.0	409.3	395.7
Unrestricted net assets (deficit)	(1,700.4)	(1,105.0)	249.8	82.0	(1,450.6)	(1,023.0)
Total net assets	$ (1,687.4)	$ (1,447.2)	$ 746.3	$ 588.5	$ (941.1)	$ (858.7)

The County's total net assets consist of the following three components:

Invested in Capital Assets, Net of Related Debt

A portion of the County's net assets of $100.2 million represents its investment in capital assets at cost (e.g., land, buildings and improvements, infrastructure, and equipment) less any related debt used to acquire those assets that is still outstanding. This number increased by $331.6 primarily due to proceeds from the 2009 General Obligation and Capital Improvement Bond Issues. The County uses these capital assets to provide services to citizens. The debit balances shown in the Net Assets table in the category "Net assets: Invested in capital assets, net of related debt" of the Governmental Activities are offset with the credit balances shown for the Business-type Activities. The County's governmental activities fund all construction in progress (CIP) including a portion upon completion that is transferred to the CCHHS (Business-type activities) as capital assets. The associated debt to fund the capital assets is not transferred to CCHHS as it is general obligation debt that remains in governmental activities. Monies used to construct capital assets of the health facilities are obtained from general obligation bonds financed by the governmental funds of the County. Accordingly, the long-term debt is shown in the Government Activities and the corresponding capital assets are shown in the Business-type Activities. As the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay the debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The balance in total for this caption is primarily due to the timing of depreciation expense compared to the schedule of repayments of debt principal.

Restricted Net Assets

Asset restrictions are primarily due to external restrictions imposed by legislation and bond covenants. The County has a balance of $409.3 million restricted for specific purposes.

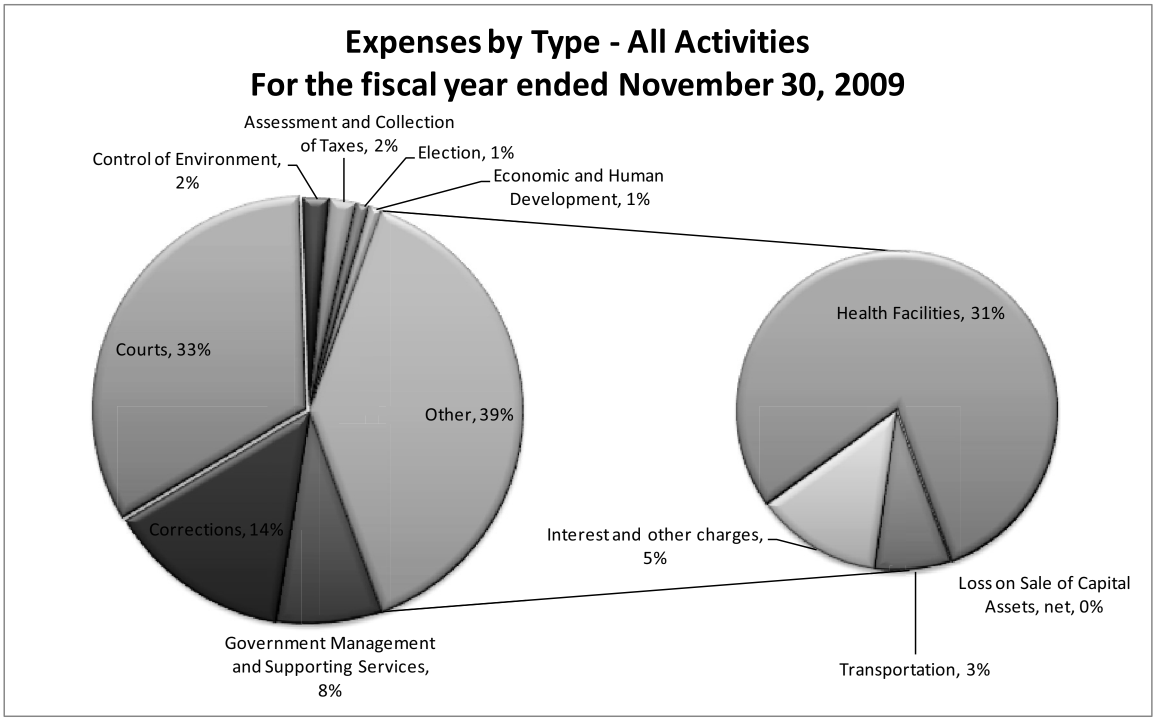
Unrestricted Net Assets (Deficit)

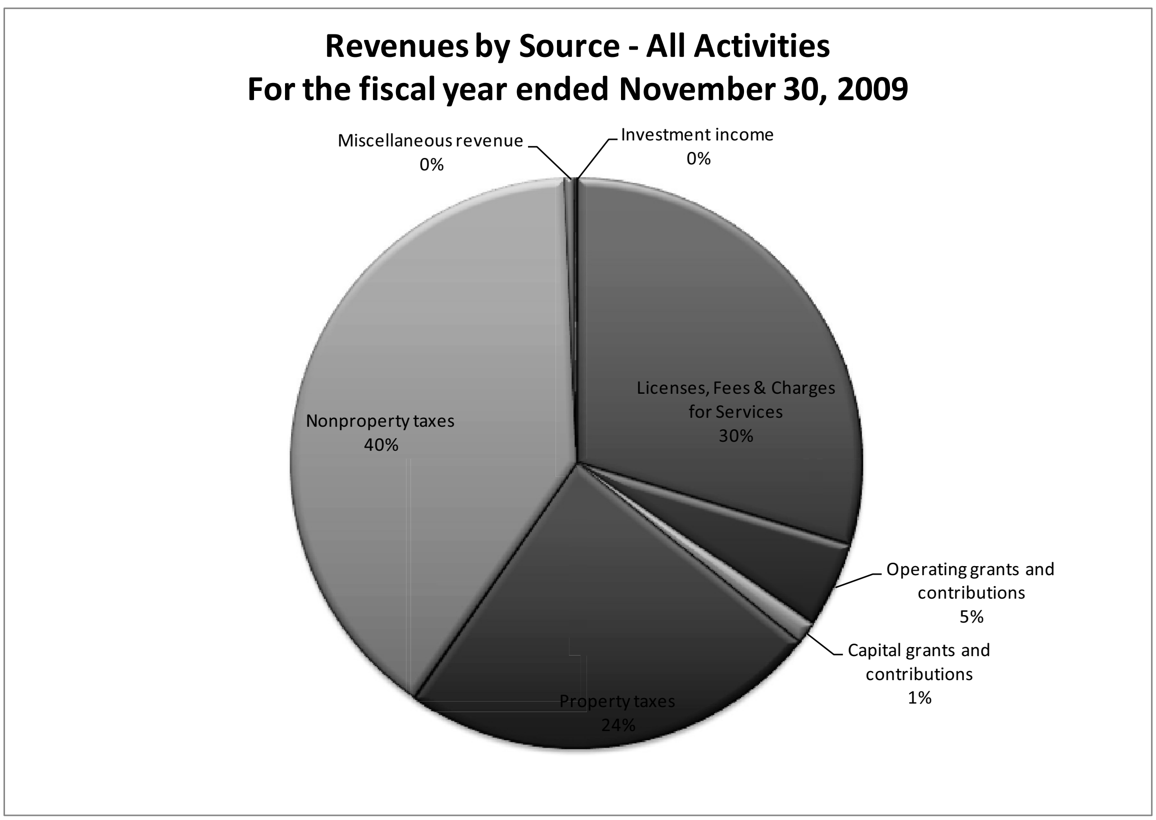
Unrestricted net assets show a $1,450.6 million deficit at the end of the fiscal year. It should be noted that the deficit in unrestricted net assets does not mean that the County does not have the resources available to pay its bills or other short-term liabilities. It is the result of having long-term commitments that are greater than currently available resources, such as previous long-term debt issuances to address increasing self-insurance liabilities, the result of an increasing self-pay population utilizing the CCHHS services, declining federal and state reimbursements, and rising labor and medical costs. The most significant change was the pension and Other Postemployment Benefit (OPEB) liability increase from $1,158.9 million in 2008 to $1,478.3 million in 2009, an increase of $319.4 million (27.6%), consisting of net pension obligation (NPO) and OPEB. This increase is due to the County's inability to contribute amounts in excess of the statutory formula, GAAP requires the accounting recognition to be made for the annual difference between the statutory requirement and the annual pension cost (the "APC"). For the County, the statutory formulas has continually been less than the APC. The reduction in the plan's net assets in fiscal year 2008 and the increase in the plan's net assets in 2009 was primarily due to the fluctuation in the fair market value of the investments held by the County and District Employees' and Officers' Annuity and Benefit Fund of Cook County.

The following schedule compares the revenues, expenses, and changes in net assets for the governmental and business-type activities:

Cook County, Illinois
Revenues, Expenses and Changes in Net Assets
For the fiscal year ending November 30
(in millions)

	Governmental Activities		Business-type Activities		Total	
	2009	**2008**	**2009**	**2008**	**2009**	**2008**
Program Revenues:						
Licenses, Fees & Charges for Services	$ 341.5	$ 374.8	$ 599.5	$ 358.9	$ 941.0	$ 733.7
Operating Grants and Contributions	124.8	156.3	30.0	22.9	154.8	179.2
Capital Grants and Contributions	40.8	25.5	-	-	40.8	25.5
Total Program Revenues:	**507.1**	**556.6**	**629.5**	**381.8**	**1,136.6**	**938.4**
Tax Revenues:						
Property Taxes	616.3	618.7	138.6	139.6	754.9	758.3
Personal Property Replacement Tax	54.7	61.8	-	-	54.7	61.8
County Sales Tax	433.0	289.2	285.0	160.3	718.0	449.5
County Use Tax	35.4	46.4	-	-	35.4	46.4
State Income Tax	11.2	10.7	-	-	11.2	10.7
Alcoholic Beverage Tax	26.6	29.1	-	-	26.6	29.1
Gasoline Tax	91.0	103.6	-	-	91.0	103.6
Cigarette Tax	114.8	28.1	29.4	135.9	144.2	164.0
Amusement Tax	20.2	22.7	-	-	20.2	22.7
Parking Lot & Garage Operations Tax	36.4	42.4	-	-	36.4	42.4
Motor Fuel & Other	105.7	116.9	-	-	105.7	116.9
Other Non-property Taxes	18.8	24.1	-	-	18.8	24.1
Total Tax Revenues:	**1,564.1**	**1,393.7**	**453.0**	**435.9**	**2,017.1**	**1,829.5**
Other General Revenues:						
Miscellaneous Revenue	18.4	27.6	-	-	18.4	27.6
Investment Income	2.7	17.3	0.1	0.2	2.8	17.5
Gain (loss) on sale of capital assets	(0.5)	-	-	-	(0.5)	-
Total Other General Revenues:	**20.6**	**44.9**	**0.1**	**0.2**	**20.7**	**45.1**
Total Revenues:	**2,091.8**	**1,995.2**	**1,082.6**	**818.0**	**3,174.4**	**2,813.0**
Expenses:						
Government management and supporting services	275.0	274.3	-	-	275.0	274.3
Corrections	459.5	438.0	-	-	459.5	438.0
Courts	1,058.2	947.5	-	-	1,058.2	947.5
Control of environment	75.0	65.6	-	-	75.0	65.6
Assessment and collection of taxes	62.5	50.9	-	-	62.5	50.9
Elections	33.4	56.1	-	-	33.4	56.1
Economic and human development	34.4	40.0	-	-	34.4	40.0
Transportation	88.6	66.6	-	-	88.6	66.6
Interest and other charges	158.9	150.5	-	-	158.9	150.5
Risk Management, net of actuarial adjustments	-	62.1	-	-	-	62.1
Cook County Health and Hospitals System	-	-	1,011.3	911.0	1,011.3	911.0
Total Expenses:	**2,245.5**	**2,151.6**	**1,011.3**	**911.0**	**3,256.8**	**3,062.6**
Decrease in net assets before transfers	**(153.7)**	**(156.4)**	**71.3**	**(93.0)**	**(82.4)**	**(249.6)**
Transfers - Capital	**(23.4)**	**(20.0)**	**23.4**	**20.0**	**-**	-
Transfers -Cash	**(63.1)**	**(60.5)**	**63.1**	**60.5**	**-**	-
Decrease in net assets	**(240.2)**	**(236.9)**	**157.8**	**(12.5)**	**(82.4)**	**(249.6)**
Net assets (deficit) - beginning	**(1,447.2)**	**(1,210.2)**	**588.5**	**601.0**	**(858.7)**	**(609.2)**
Net assets (deficit) - ending	**(1,687.4)**	**(1,447.2)**	**746.3**	**588.5**	**(941.1)**	**(858.7)**

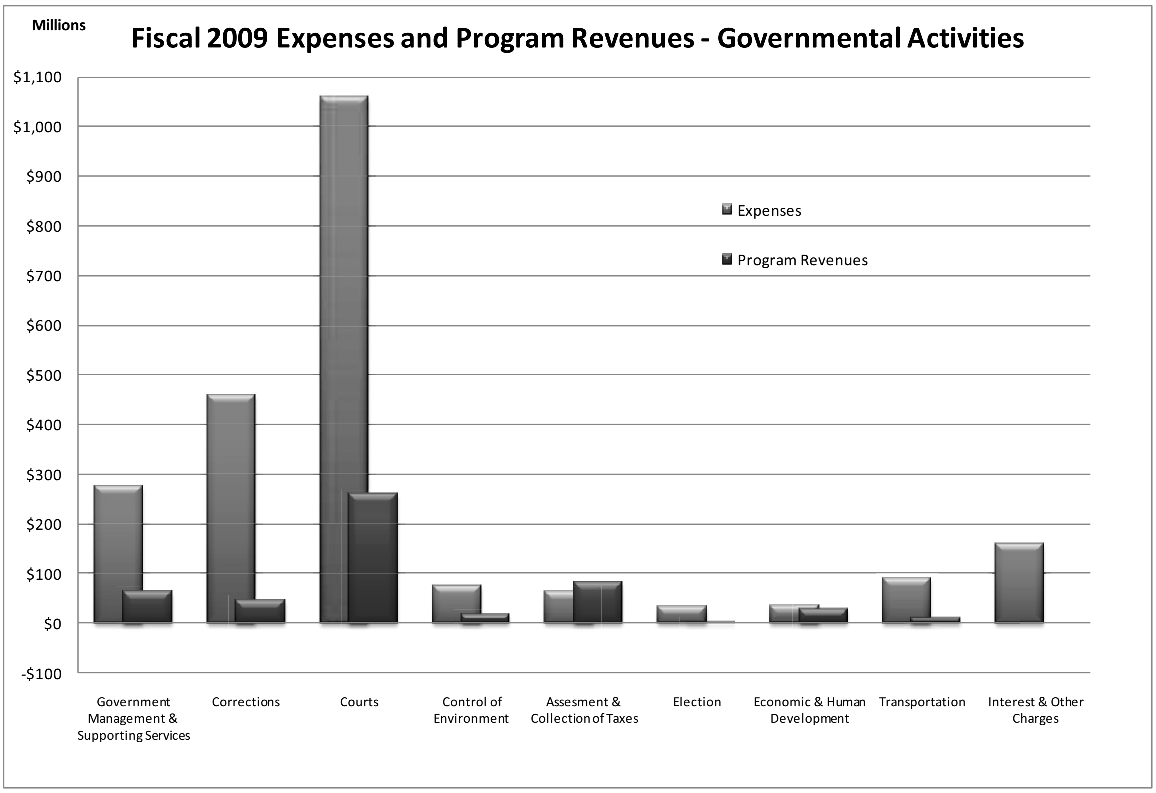

Expenses by Type - All Activities
For the fiscal year ended November 30, 2009
Assessment and Collection of Taxes, 2%
Control of Environment, 2%
Election, 1%
Economic and Human Development, 1%
Courts, 33%
Other, 39%
Corrections, 14%
Government Management and Supporting Services, 8%
Health Facilities, 31%
Interest and other charges, 5%
Loss on Sale of Capital Assets, net, 0%
Transportation, 3%


Revenues by Source - All Activities
For the fiscal year ended November 30, 2009
Miscellaneous revenue 0%
Investment income 0%
Licenses, Fees & Charges for Services 30%
Nonproperty taxes 40%
Operating grants and contributions 5%
Capital grants and contributions 1%
Property taxes 24%

Governmental Activities

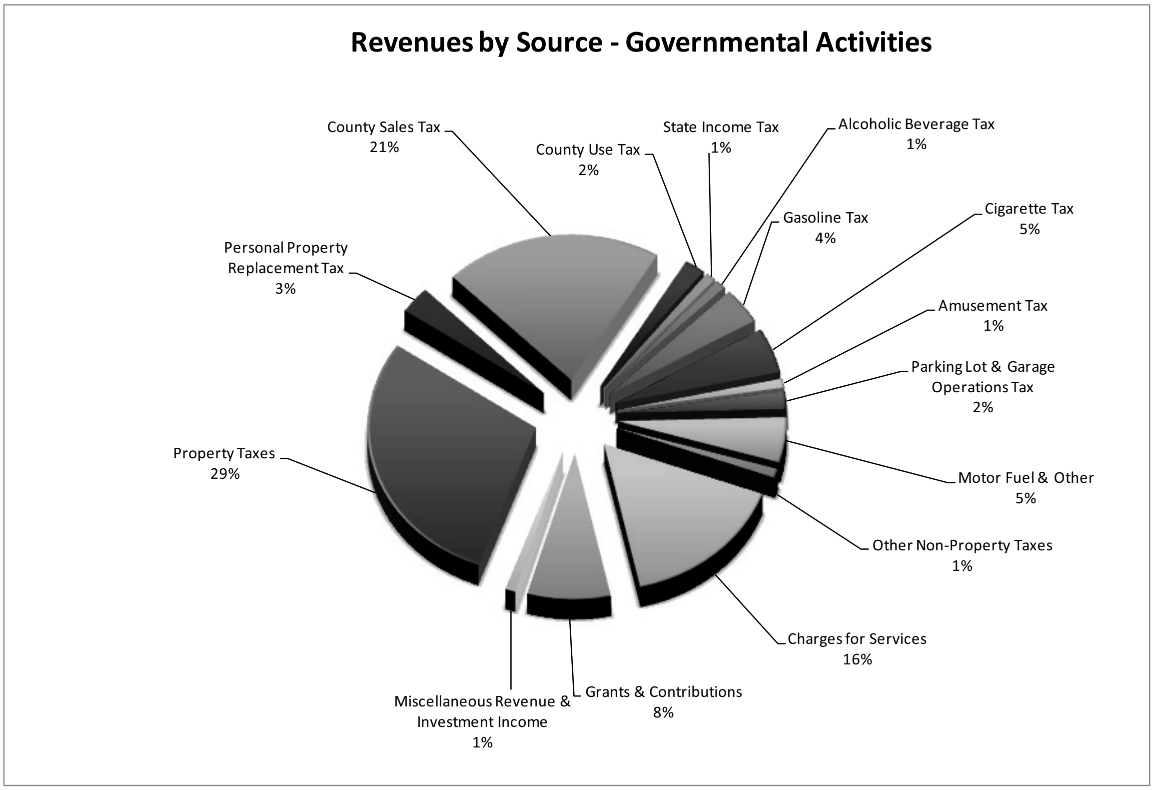
The net assets of governmental activities were a negative $1,447.2 million at the beginning of the 2009 fiscal year. Net assets of governmental activities decreased $240.2 million (16.6%) in fiscal year 2009 to a negative $1,687.4 million. The decrease in net assets was primarily the result of rising expenses, increased costs of providing services, revenue sources not increasing at the same pace as expenses, program revenues not being able to recoup operating costs, and an increase in pension obligation liability.

The following chart presents program revenues and expenses for governmental activities for the fiscal year ended November 30, 2009:



Program revenues are derived from the program itself and reduce the costs of operating this particular function to the County. In fiscal 2009, total program revenues of the County for governmental activities amounted to $507.1 million, which represents a decrease of $49.5 million (8.9%) from fiscal year 2008 program revenues of $556.6 million. The largest portion of program revenues was charges for services of $341.5 million (67.3%), which primarily consists of fees and fines from court operations and real estate title transfer fees. The other portions of program revenues are operating grants and contributions of $124.8 million (24.6%) and capital grants and contributions of $40.8 million (8.0%) received from various federal and state agencies. For fiscal year 2008, charges for services were $374.8 million (67.3%), operating grants and contributions were $156.3 million (28.1%) and capital grants and contributions were $25.5 million (4.6%).

The following chart presents revenues by source for governmental activities for the fiscal year ended November 30, 2009:

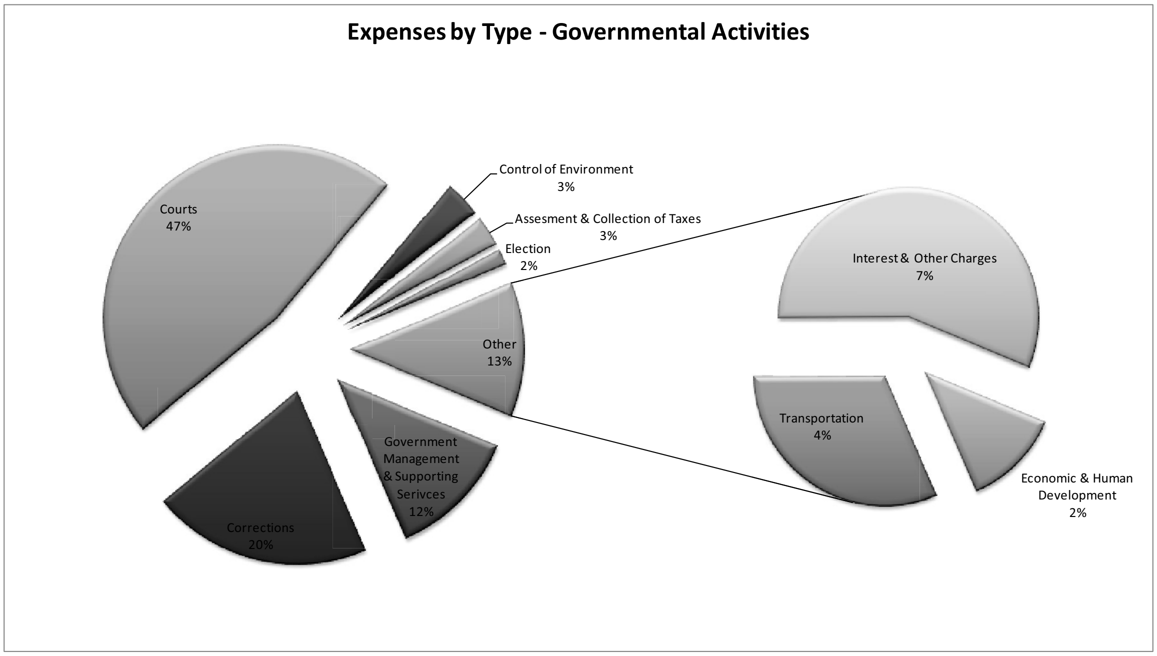


Property taxes, the County's largest general revenue source, were $2.4 million (0.4%) lower than the previous fiscal year. The County's property tax rate for fiscal year 2008 was 0.446 per $100 of equalized assessed valuation. The net property tax levy was held constant at $720.5 million since 1996. Property tax rate and equalized assessed valuation for 2009 is currently unavailable.

Sales tax, the County's second largest tax revenue source, was $143.8 million (49.7%) higher than the previous year, increasing from $289.2 million in 2008 to $433.0 million in 2009. The increase in the County's Sales Tax revenue was primarily attributable to a 1 percent increase in the sales tax, from ¾ percent to 1 ¾ percent. In 2008, the Board approved the 1 percent increase in the sales tax, from ¾ percent to 1 ¾ percent. However, on November 17, 2009 the County Board called a special meeting and passed an ordinance amendment rolling back the Home Rule County Retailer's Occupation Tax Law from 1 ¾ percent to 1 ¼ percent. This ordinance is scheduled to take effect on July 1, 2010.

Program revenues recognized from licenses and fees decreased by $33.4 million (8.9%) from $374.8 million in 2008 to $341.5 million in 2009. The decrease was primarily attributable to a decrease in fees from the County Recorder and Registrar, which accounted for a $16.8 million decrease and the Cook County Clerk of the Circuit Court, which accounted for an $11.8 million decrease. The decrease in the County Recorder and Registrar fees is due to the downturn in the volume of real estate transactions over last year's activity levels caused by the continued downturn of the housing market. The decrease in the Cook County Clerk of the Circuit Court fees in general was due to the decrease in the number of new cases filed over last year's activity levels.

The following chart presents expenses by type for governmental activities for the fiscal year ended November 30, 2009:



Total fiscal year 2009 expenses for governmental activities were \$2.246 billion, which represent an increase of \$93.9 million (4.4%) over fiscal year 2008 governmental activities of \$2.152 billion.

As in previous years, the largest portion of these expenses was used to fulfill the County's public safety responsibilities, which include the operation of the court system (47.1%), and corrections (20.5%). The Courts expenses increased \$110.6 million over the previous year due to the pension allocation and hospitalization, while transportation expenses increased \$22.0 million (33.0%) primarily due to the demands on the County's roadways and bridges maintenance.

The County is self-insured for various types of liabilities, including medical malpractice, workers' compensation, general automobile and other liabilities. The County is a defendant in lawsuits alleging medical malpractice, work-related injuries, highway cases and other claims. Cases related to these areas are in various stages of the legal process. The County purchased excess liability insurance coverage related to medical malpractice and other claims. The medical malpractice policy is on a claims made basis. While it is difficult to estimate the timing or amount of expenditures, management of the County utilizes an independent actuary to calculate a liability and expense related to this function.

Business-type Activities

The County's major business-type activities include the following healthcare operations:

- Bureau of Health Services
- John H. Stroger, Jr. Hospital of Cook County
- Provident Hospital of Cook County
- Oak Forest Hospital of Cook County
- Ambulatory and Community Health Network of Cook County
- Department of Public Health
- Cermak Health Services

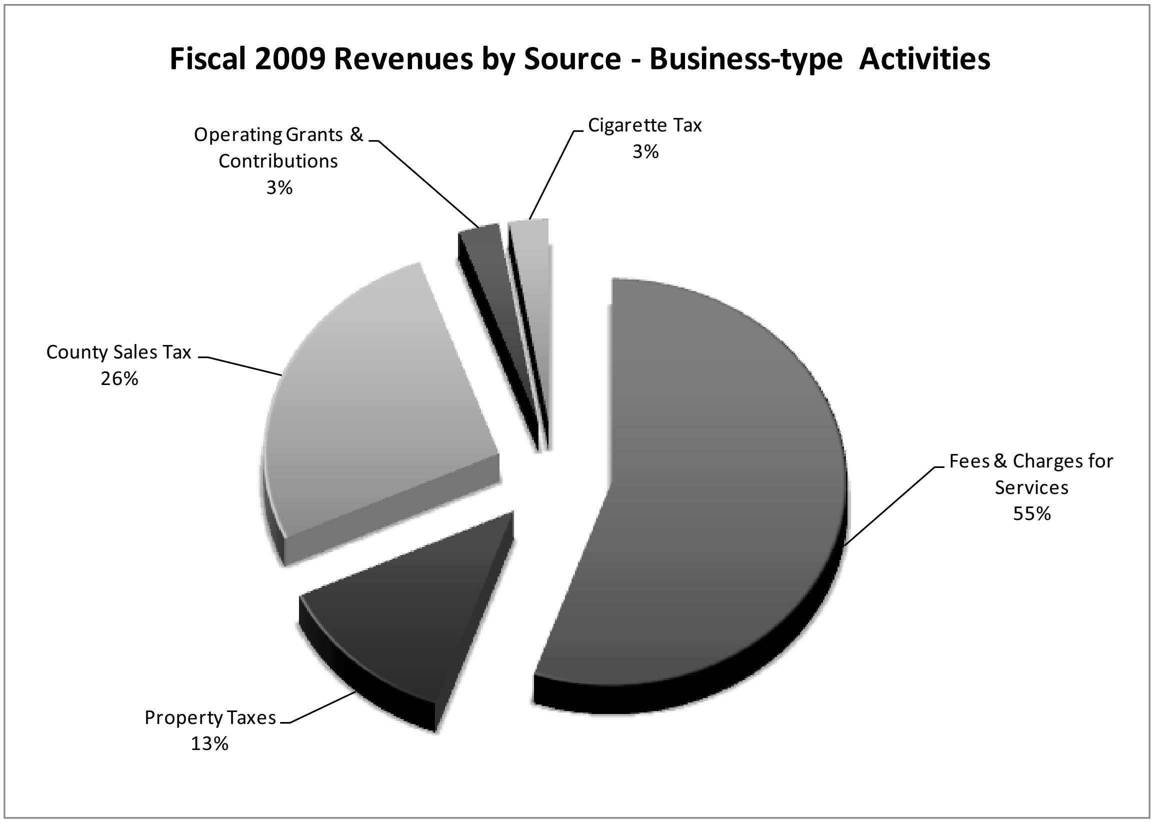
The net assets of the County's business-type activities increased by $157.8 million in fiscal year 2009 as compared to a decrease of $12.5 million in fiscal year 2008. The increase was primarily the result of a year-over-year increase of $321.0 million in Medicaid reimbursement through the Secondary Interagency Agreement.

Capital contributions increased $3.4 million to $23.4 million in fiscal year 2009 from $20.0 million in fiscal year 2008. Capital contributions represent the amount the County has contributed toward the construction and acquisition of significant capital assets for the operations of the Cook County Health and Hospitals System.

Transfers from governmental to business-type activities were $63.1 million in fiscal year 2009, representing an increase of $2.6 million (4.3%) from $60.5 million in fiscal year 2008. The largest portions of these transfers are the employer contributions of $58.6 million on behalf of the CCHHS from the County. This pension contribution is reflected as nonoperating revenue and an employee benefits expense in the statement of revenues, expenses, and change in net assets.

The above activity is more fully described in Footnote I.c. & Footnote VII. CCHHS Funds are found on pages 191 – 202.

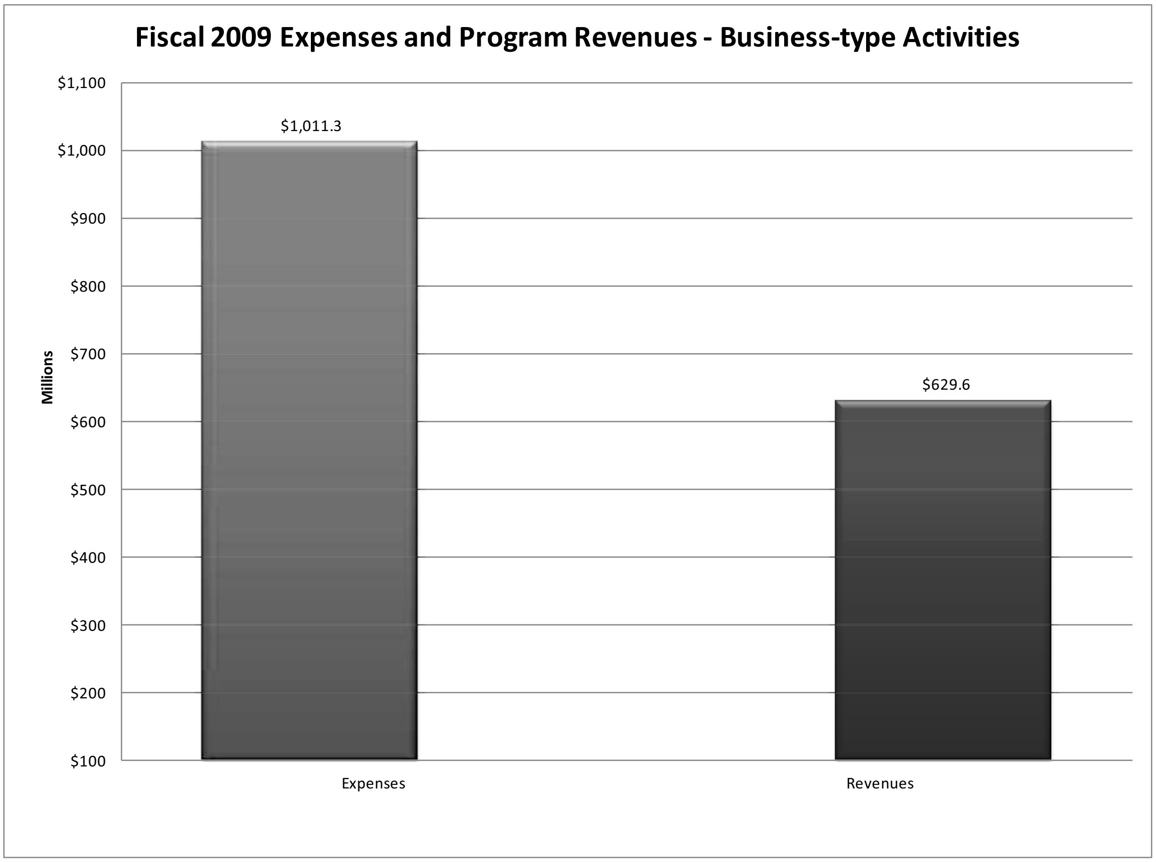
The following chart presents revenues by source for business-type activities for the fiscal year ended November 30, 2009:



Total program revenues for the business-type activities were $629.5 million in fiscal year 2009 as compared to $381.8 million in fiscal year 2008, representing an increase of $247.7 million (64.9%). The increase in business-type revenue was primarily attributable to the $321 million increase in Medicaid reimbursement through the Secondary Interagency Agreement. This is attributable to the $240.6 million year-over-year variance increase in patient fees from services provided within the County's healthcare system. During fiscal year 2009, the self-pay component of the CCHHS payor mix decreased to 52% from 55% in fiscal year 2008, while the Medicaid payor mix increased to 32% from 29% over the same period.

A $124.7 million increase in County Sales Tax revenue coupled with a $106.5 million decrease in Cigarette Taxes was primarily attributable to the Board voting to change the allocation to the CCHHS. The Board voted to increase the allocation of sales tax by $124.7 million and at the same time decreased the allocation of cigarette tax by $106.5 million.

The following graph summarizes the fiscal year 2009 program revenues and expenses of the business-type activities:



The CCHHS is the third largest hospital system in the United States operated by a unit of local government and is the largest provider of medical care to the uninsured, under-insured, and Medicaid populations within the state of Illinois. The Emergency Department at the John H. Stroger, Jr. Hospital is the busiest in the metropolitan Chicago area with a 2009 census of more than 132 thousand emergency room visits. The Provident Hospital emergency department is the fourth largest in the metro-Chicago area with almost 40 thousand emergency room visits in 2009.

Operating revenue, net of bad debt provision, increased to $629.5 million in fiscal year 2009 from $381.8 million in fiscal year 2008. This increase is primarily attributable to the $321.0 million increase in Medicaid reimbursement through the Secondary Interagency Agreement. The operating loss of the CCHHS decreased from $529.2 million in fiscal year 2008 to $381.7 million in fiscal year 2009. CCHHS continues to incur significant operating losses due to declining federal reimbursements, dependency on Illinois Medicaid payments, a large self pay patient population, and rising labor and medical costs. These factors will require the Cook County Board of Commissioners and CCHHS management to identify new sources of revenues, reduce costs, or realign services to remain financially viable in the long term. The Cook County Board of Commissioners passed a resolution on July 1, 2008, evidencing a commitment to continue to fund the operations of CCHHS.

The healthcare industry is highly dependent upon several key factors that have a significant impact on the future operations and financial condition of the CCHHS. These factors include federal and state regulatory authorities, Medicare and Medicaid laws and regulations, healthcare reform initiatives, and managed care contract terms and conditions.

Financial Analysis of the County's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of resources that are available for spending. Such information is used in assessing the County's financing requirements. In particular, the unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The types of governmental funds reported by the County include the General Fund, Motor Fuel Tax Fund, Annuity & Benefit Fund, Capital Projects Fund, Debt Service Fund and Non-major Governmental Funds.

As of November 30, 2009, the County's governmental funds reported a combined fund balance of $1.047 billion, an increase of $287.8 million (37.9%) in comparison with the prior fiscal year. Of the total fund balance, $217.8 million has been reserved for encumbrances to properly reflect the extent that funds have been committed or are otherwise unavailable for use. An additional $47.3 million has been designated and set aside for loans outstanding as indicated in the financial statements. The remaining $782.4 million of the balances are unreserved and undesignated. $142.5 million is reported in the General Fund, $196.5 million in the Special Revenue Funds, $264.8 million in the Capital Projects Funds and $178.6 million in the Debt Service Fund.

Revenues from all governmental funds for the current year were $2.073 billion which represented an increase of $71.5 million (3.6%) from the previous year of $2.002 billion. Expenditures for all governmental funds in the current year were $2.146 billion representing an increase of $15.1 million (0.7%) from the previous year of $2.131 billion.

The General Fund is the County's principal operating fund and is primarily used to account for its governmental activities. The General Fund had a total fund balance of $188.0 million at November 30, 2009, which represented an increase of $38.1 million (25.4%), as compared to $149.9 million the prior fiscal year. Of the current fiscal year total, $142.5 million (75.8%) is unreserved and undesignated and $45.4 million (24.2%) was reserved and, therefore, unavailable for expenditure. General Fund revenues during the current year were $1.256 billion, which represented an increase of $83.0 million (7.1%) from the previous fiscal year of $1.173 billion.

The following items explain significant changes in General Fund revenues and expenditures:

- Revenues from taxes increased by $129.2 million (15.8%), which is primarily a net effect of a $73.3 million decrease in property taxes collected over the previous year and a $202.5 million increase in nonproperty taxes, primarily due to a $155.1 million increase in County Sales taxes and $86.7 million increase in Cigarette taxes as the allocation was adjusted by the Cook County Board of Commissioners. The decrease in property taxes is primarily attributable to the timing the tax bills are issued to property owners.

- Revenues from fee offices decreased by $35.3 million (11.6%), primarily due to a decrease of $16.8 million (34.6%) from the County Recorder and Registrar.

- Fiscal year 2009 expenditures decreased by $12.0 million (0.9%). The most significant decrease was in the area of the Self Insurance Account, included in the General Fund, which decreased $100 million (100%) from $100.9 million in the prior year to a negative $34 thousand in fiscal year 2009. This change was primarily due to the Self Insurance Account for the fiscal year ended November 30, 2009 expenditure amounts being charged to other County funds. The charges to the other County Funds were then reported as offsets to expenditures in the Self Insurance Account and expenditures of the fund charged.

The Motor Fuel Tax Fund reported a fund balance of $68.3 million at November 30, 2009. This amount represented a decrease of $21.5 million (24%) as compared to $89.9 million on November 30, 2008. From the current fiscal year amount, $49.7 million was reserved for encumbrances, while the remaining fund balance of $18.6 million constituted an unreserved fund balance.

As of November 30, 2009, the Capital Projects Fund reported a fund balance of $336.2 million, which represented a $278.8 million (486.3%) increase as compared to $57.3 million on November 30, 2008. The increase in fund balance was primarily attributable the proceeds from new general obligation bonds issued in fiscal year 2009.

The Debt Service Fund reported a fund balance of $178.6 million on November 30, 2009 as compared to $164.4 million at November 30, 2008. The $14.1 million (8.6%) fund balance increase is primarily attributable to the proceeds from new general obligation bonds. All of the current year fund balance is available for future debt service payments in accordance with the approved budgetary ordinance.

The nonmajor Governmental Funds reported a fund balance of $276.4 million at November 30, 2009 as compared to $298.1 million the prior fiscal year. Of this amount, $184.8 million (66.9%) is unreserved for special revenue and capital projects funds, which is available for future expenditures in accordance with the approved budgetary ordinance. The remaining fund balance of $91.6 million (33.1%) is reserved for encumbrances and loans.

Proprietary Funds

The County's proprietary fund statements provide similar information found in the government-wide financial statements, but in more detail.

For the fiscal year ended November 30, 2009, the unrestricted net assets of the enterprise funds were $249.8 million, compared to $82.0 million at November 30, 2008. Factors concerning the financial activity of this fund have been previously discussed in the County's business-type activities.

General Fund Budgetary Highlights

The accompanying basic financial statements include a Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual on a Non-GAAP Budget Basis. The County's budgetary basis of accounting is discussed in Note 1-d. and Note 2 to the basic financial statements.

During fiscal year 2009, the County's budgetary basis actual General Fund revenues were $69.4 million (5.7%) lower than budget estimates. The majority of this decrease was primarily attributable to home rule taxes not being collected as the nation continues to deal with the economic downturn.

Actual budgetary basis General Fund expenditures and encumbrances for fiscal year 2009 were $28.9 million (2.3%) more than budget estimates. The negative variance was primarily attributable to higher than expected expenditures in the Courts ($26.0 million), which was primarily the result of conservative revenue estimates and new federally mandated officers.

Capital Assets

The County's capital assets for its governmental and business-type activities increased $14.2 million (0.6%), net of accumulated depreciation at November 30, 2009. Capital assets include land, buildings and improvements, and machinery and equipment. The County uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending.

Governmental Activities
Changes in Capital Assets, Net of Depreciation
Primary Government - All Activities
Year end November 30
(in millions)

	Governmental Activities		Business-type Activities		Total	
	2009	**2008**	**2009**	**2008**	**2009**	**2008**
Land	$ 310.7	$ 309.4	$ -	$ -	$ 310.7	$ 309.4
Buildings	848.9	850.4	436.4	445.7	1,285.3	1,296.1
Machinery and Equipment	84.3	55.4	55.5	58.8	139.8	114.2
Infrastructure	457.7	448.0	-	-	457.7	448.0
Construction in Progress	223.3	234.9	-	-	223.3	234.9
Total Capital Assets	$ 1,924.9	$ 1,898.1	$ 491.9	$ 504.5	$ 2,416.8	$ 2,402.6

The County has undertaken a number of capital improvement projects. These projects include the expansion and/or improvements of facilities for incarceration of prisoners, expansion or improvement of circuit court facilities, expansion or improvements to other health service facilities, expansion or improvement to other county facilities, and provisions for capital equipment. Funding is also provided for the repair and construction of County roads and maintenance of all County facilities. The County has several ongoing capital improvement projects. The County will continue implementation of its Information Technology Planning Project. The project provides for the infrastructure necessary to provide integration and data sharing capabilities on a County-wide area network. The County will continue upgrading the County's telephone cables and plans to begin installation of an integrated Telecommunications Management System. The system will include deployment of a single voice/data wide area network, network voicemail and a network voice conversant communications system. The Fourth District Circuit Court Project involves replacement of fixed assets at the 4th District Courthouse and a needs assessment for the construction of a parking garage. Also, improvements are being made to the County's highway system, which is an important part of the modern city and suburban transportation network.

Additional information on the County's capital assets can be found in Note I.D.4. & Note III.B. of the Basic Financial Statements.

Debt Administration

General Obligation Bonds are issued pursuant to an authorizing Bond Ordinance which is adopted by the Cook County Board of Commissioners. The County has the authority to issue bonds under its home rule powers as defined by the 1970 Illinois Constitution. Each bond issue is sold to investors with the net proceeds from the bond sales being utilized to finance the costs, including design, construction, furnishing and interest during construction of the capital projects and capital equipment, and to finance the working cash accounts and self-insurance accounts which are approved by the Board.

The full faith and credit of the County is pledged for the punctual payment of principal and interest due on the bonds. The County has levied ad valorem real property taxes to provide for these payments. These taxes are required to be extended for collection against all taxable real property within the County, without limitation as to rate and amount.

The County continues to obtain, in an efficient manner, long-term financing for the construction, acquisition or renovation of various long-term assets. It is management's objective to meet the County's overall demands for capital improvements and capital equipment and, at the same time, to ensure that property taxpayers are not over-burdened with general obligation bonds payable from ad valorem taxes.

At the end of the current fiscal year, the County had various general obligation bond issues outstanding amounting to $3.3 billion. All of the County's outstanding debt is backed by the full faith and credit of the County.

The following table indicates the changes in the County's long-term debt that occurred during fiscal year 2009 (in millions):

Changes in Long-Term Debt
Primary Government - All activities
(in millions)

	2009	2008	Net Increase
Bonds Outstanding	$ 3,293.5	$ 3,013.1	$ 280.4

During the current fiscal year ended November 20, 2009, the County's liabilities for long-term debt increased by $280.4 million (9.3%). The increase was primarily attributable to the issuance of general obligation bonds during the fiscal year. It should be noted that all debts associated with the capital assets of the CCHHS (business-type activities) are the general obligations of the County (governmental activities).

Additional information on the County's long-term debt can be found in Note III.F. to the Basic Financial Statements.

Bond Ratings

Cook County continues to meet the needs of its ongoing capital improvement program through the prudent use of its revenues and effective debt financing programs. The County's financial strength and solid financial management practices are reflected in its general obligation bond ratings. The County's underlying ratings on its general obligation bonds at November 30, 2009 were:

Fitch	AA-
Moody's Investors Service	Aa3
Standard & Poor's Corporation	AA

Other Obligations

The County administers a self-insurance program for all risks, including workers compensation, medical malpractice, auto and general liability and other liabilities subject to certain stop-loss provisions. Detailed information about the County's liabilities related to the self-insurance program is included in Note 1 to the Basic Financial Statements. Other obligations include pension, OPEB and compensated absences for vacation and sick time earned by employees.

Budgetary Summary

The Board of Commissioners of the County adopted the County's FY 2009 Budget on February 20, 2009. The total County budget for 2009 was $3.369 billion, of which $2.916 billion (86.6%) represents direct operating costs. The General Funds total was $2.201 billion, representing 65.3% of the total budget. The Public Safety Account and Health Facilities appropriations comprise more than 80.4% of the total budget, while the Corporate Account represents 19.6% of all appropriations for the General Fund.

The County has responded to the issues of declining revenues and increased costs in operations in the FY 2009 Budget by consolidating administrative functions, enhancing revenue collection at the CCHHS, restructuring debt, improving management of the state and federal grants, making better use of technology, outsourcing where appropriate to private-sector firms and through a planned reduction in the County workforce.

- The County Board approved a one (1%) percent increase in the sales tax, which went into effect on July 1, 2008. However, on November 17, 2009 the County Board called a special meeting and passed an ordinance amendment rolling back the Home Rule County Retailer's Occupation Tax Law from 1 ¾ percent to 1 ¼ percent. This Law took effect on July 1, 2010.

- In fiscal year 2008 a New Health and Hospital Systems Board was created by the Cook County Board of Commissioners to provide independent oversight of health care operations for a three-year term to expire in 2011. In May of 2010, the Cook County Board of Commissioners voted to make the Health and Hospitals System Board permanent. In fiscal year 2009, management has continued its focus on operational efficiency and cost cutting due to budgetary constraints.

On November 19, 2009, the County Board of Commissioners approved the 2010 fiscal year budget.

Requests for Information

This financial report is designed to provide a general overview of County's financial position for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the County Comptroller, 118 North Clark Street, Room 500, Chicago, Illinois 60602.

Basic Financial Statements

Exhibit 1
COOK COUNTY, ILLINOIS
STATEMENT OF NET ASSETS
November 30, 2009

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Total Component Units
ASSETS				
Cash and Investments	$ 468,171,402	$ 450,731,320	$ 918,902,722	$ 123,395,590
Cash and Investments with trustees	355,656,203	-	355,656,203	725,000
Taxes receivable, (net of allowance for loss of $23,476,192)	825,629,871	198,930,629	1,024,560,500	218,000
Other assets	13,872,444	3,115,187	16,987,631	29,042,000
Internal balances	43,455	(43,455)	-	-
Due from other governments	289,608,626	37,443,169	327,051,795	2,782,825
Loans receivable, net	47,291,394	-	47,291,394	-
Deferred bond issuance costs	23,109,927	-	23,109,927	1,189,000
Patient accounts -				
Net of allowances for uncollectible accounts - $428,817,622	-	107,416,222	107,416,222	-
Beneficial interests	-	-	-	1,205,000
Third party settlements	-	61,323	61,323	-
Inventories	-	7,355,190	7,355,190	823,000
Capital Assets not being depreciated	534,096,039	-	534,096,039	-
Capital Assets, net of accumulated depreciation	1,390,869,140	491,875,750	1,882,744,890	244,212,010
Total Assets	**3,948,348,501**	**1,296,885,335**	**5,245,233,836**	**403,592,425**
LIABILITIES				
Accounts payable	149,816,249	59,402,914	209,219,163	7,730,223
Accrued salaries payable	27,077,596	82,579,579	109,657,175	2,686,300
Deferred revenue - property tax	64,533,484	-	64,533,484	-
Deferred revenue - other	21,262,383	112,451,256	133,713,639	5,545,000
Other liabilities	76,960,736	288,908,949	365,869,685	3,406,141
Notes payable	-	-	-	2,813,000
Accrued interest	8,356,610	-	8,356,610	-
Noncurrent liabilities:				
Due within one year	101,576,517	-	101,576,517	774,000
Due in more than one year	5,186,174,726	7,243,917	5,193,418,643	103,116,404
Total Liabilities	**5,635,758,301**	**550,586,615**	**6,186,344,916**	**126,071,068**
NET ASSETS				
Net assets (deficit)				
Invested in capital assets, net of related debt	(391,615,442)	491,875,750	100,260,308	146,967,010
Restricted for:				
Debt service	404,638,013	-	404,638,013	-
Other restricted funds for specific purposes	-	4,662,371	4,662,371	73,840,347
Unrestricted (deficit)	(1,700,432,371)	249,760,599	(1,450,671,772)	56,714,000
Total Net Assets (deficit)	**$ (1,687,409,800)**	**$ 746,298,720**	**$ (941,111,080)**	**$ 277,521,357**

The accompanying notes are an integral part of the financial statements.

Exhibit 2
COOK COUNTY, ILLINOIS
STATEMENT OF ACTIVITIES
For the Year Ended November 30, 2009

		Program Revenues		
Functions/Programs	**Expenses**	**Licenses, Fees & Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**
Primary government				
Governmental Activities:				
Government Management and Supporting Services	$ 275,024,522	$ 59,510,273	$ 2,949,495	$ 136,113
Corrections	459,450,872	33,796,535	10,112,633	2,455,891
Courts	1,058,176,559	154,428,028	79,763,810	24,562,150
Control of Environment	75,050,866	11,492,838	2,293,366	4,127,551
Assessment and Collection of Taxes	62,505,855	82,244,875	499,334	14,408
Election	33,409,294	-	1,762,184	-
Economic and Human Development	34,416,722	-	17,609,871	9,525,034
Transportation	88,624,749	-	9,825,837	-
Interest and other charges	158,864,628	-	-	-
Total Governmental Activities	2,245,524,067	341,472,549	124,816,530	40,821,147
Business-type Activities:				
CCHHS	1,011,269,673	599,532,031	30,010,044	-
Total business-type Activities	1,011,269,673	599,532,031	30,010,044	-
Total primary government	$ 3,256,793,740	$ 941,004,580	$ 154,826,574	$ 40,821,147
Component units:				
Chicago Zoological Society	$ 62,212,000	$ 48,045,000	$ -	$ 2,718,000
Chicago Horticultural Society	36,415,000	21,909,000	752,000	3,556,000
Emergency Telephone Systems	2,885,773	2,628,155	-	-
Total Component units	$ 101,512,773	$ 72,582,155	$ 752,000	$ 6,274,000

General Revenues
Taxes:
Property taxes - tax levy
Nonproperty taxes:
Personal property replacement tax
County sales taxes
County use tax
State income tax
Alcohol beverage tax
Gasoline tax
Cigarette taxes
Amusement tax
Parking lot & garage operation tax
Motor fuel tax & other
Other nonproperty taxes
Total nonproperty taxes:
Total Taxes:
Miscellaneous Revenue
Investment income
Loss on Sale of Capital Assets, net
Transfers
Contributed capital
Total General revenues, transfers and contributed capital
Change in net assets
Net Assets - Beginning
Net Assets - Ending

The accompanying notes are an integral part of the financial statements.

Functions/Programs	Net (Expense) Revenue and Changes in Net Assets — Primary Government: Governmental Activities	Business-type Activities	Total	Total Component Units
Primary government				
Governmental Activities:				
Government Management and Supporting Services	$ (212,428,641)		$ (212,428,641)	
Corrections	(413,085,813)		(413,085,813)	
Courts	(799,422,571)		(799,422,571)	
Control of Environment	(57,137,111)		(57,137,111)	
Assessment and Collection of Taxes	20,252,762		20,252,762	
Election	(31,647,110)		(31,647,110)	
Economic and Human Development	(7,281,817)		(7,281,817)	
Transportation	(78,798,912)		(78,798,912)	
Interest and other charges	(158,864,628)		(158,864,628)	
Total Governmental Activities	(1,738,413,841)		(1,738,413,841)	
Business-type Activities:				
CCHHS	-	(381,727,598)	(381,727,598)	
Total business-type Activities	-	(381,727,598)	(381,727,598)	
Total primary government	$ (1,738,413,841)	$ (381,727,598)	$ (2,120,141,439)	
Component units:				
Chicago Zoological Society				$ (11,449,000)
Chicago Horticultural Society				(10,198,000)
Emergency Telephone Systems				(257,618)
Total Component units				$ (21,904,618)
General Revenues				
Taxes:				
Property taxes - tax levy	$ 616,348,217	$ 138,561,251	$ 754,909,468	$ 24,707,000
Nonproperty taxes:				
Personal property replacement tax	54,691,086	-	54,691,086	-
County sales taxes	433,030,757	285,027,113	718,057,870	-
County use tax	35,414,702	-	35,414,702	-
State income tax	11,153,527	-	11,153,527	-
Alcohol beverage tax	26,596,857	-	26,596,857	-
Gasoline tax	91,004,322	-	91,004,322	-
Cigarette taxes	114,783,347	29,380,365	144,163,712	-
Amusement tax	20,253,499	-	20,253,499	-
Parking lot & garage operation tax	36,375,723	-	36,375,723	-
Motor fuel tax & other	105,681,649	-	105,681,649	-
Other nonproperty taxes	18,784,353	-	18,784,353	-
Total nonproperty taxes:	947,769,822	314,407,478	1,262,177,300	-
Total Taxes:	1,564,118,039	452,968,729	2,017,086,768	24,707,000
Miscellaneous Revenue	18,444,246	-	18,444,246	-
Investment income	2,650,347	62,155	2,712,502	11,402,034
Loss on Sale of Capital Assets, net	(505,552)	-	(505,552)	-
Transfers	(63,153,648)	63,153,648	-	-
Contributed capital	(23,354,239)	23,354,239	-	-
Total General revenues, transfers and contributed capital	1,498,199,193	539,538,771	2,037,737,964	36,109,034
Change in net assets	(240,214,648)	157,811,173	(82,403,475)	14,204,416
Net Assets - Beginning	(1,447,195,152)	588,487,547	(858,707,605)	263,316,941
Net Assets - Ending	$ (1,687,409,800)	$ 746,298,720	$ (941,111,080)	$ 277,521,357

Exhibit 3
COOK COUNTY, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
November 30, 2009

	General	Motor Fuel Tax	Annuity and Benefit	Capital Projects
ASSETS:				
Cash and investments	$ 44,301,839	$ 49,847,022	$ -	$ 5,212,439
Cash and investments with trustees	-	-	-	355,656,203
Taxes receivable				
(net of allowance for loss of $19,010,580)				
Tax levy - current year	209,891,258	-	123,287,000	-
Tax levy - prior year	71,361,898	-	40,310,337	-
Accrued interest receivable	16,925	261	-	2,685
Accounts receivable -				
Due from others	1,568,845	7,548	10,585,259	261
Due from other governments	186,231,132	26,266,442	15,759,652	-
Due from other funds	43,455	-	635,838	-
Loans receivable, net	-	-	-	-
Total assets	$ 513,415,352	$ 76,121,273	$ 190,578,086	$ 360,871,588
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts payable	$ 78,416,692	$ 7,788,885	$ -	$ 24,717,743
Accrued salaries payable	22,961,689	-	-	-
Amounts held for outstanding warrants	4,045,021	-	-	-
Due to other funds	-	-	-	-
Due to other governments	-	-	7,642,083	-
Deferred revenue - property tax	219,995,552	-	123,893,630	-
Deferred revenue - other	-	-	-	-
Arbitrage liability	-	-	-	-
Other liabilities	-	-	59,042,373	-
Total liabilities	325,418,954	7,788,885	190,578,086	24,717,743
Fund Balances:				
Reserved for:				
Encumbrances - prior year	-	-	-	-
Encumbrances - current year	45,541,335	49,731,103	-	78,197,507
Loans outstanding	-	-	-	-
Unreserved, reported in:				
General Fund	142,455,063	-	-	-
Special Revenue Fund	-	18,601,285	-	-
Capital Projects Fund	-	-	-	257,956,338
Debt Service Fund	-	-	-	-
Total fund balances	187,996,398	68,332,388	-	336,153,845
Total liabilities and fund balances	$ 513,415,352	$ 76,121,273	$ 190,578,086	$ 360,871,588

The accompanying notes are an integral part of the financial statements.

Debt Service	Nonmajor Governmental Funds	Total Governmental Funds	
			ASSETS:
$ 110,435,007	$ 258,375,095	$ 468,171,402	Cash and investments
-	-	355,656,203	Cash and investments with trustees
			Taxes receivable
			(net of allowance for loss of $19,010,580)
209,147,064	84,311,833	626,637,155	Tax levy - current year
71,196,418	16,124,063	198,992,716	Tax levy - prior year
844	39,960	60,675	Accrued interest receivable
			Accounts receivable -
-	1,014,018	13,175,931	Due from others
-	61,351,400	289,608,626	Due from other governments
-	-	679,293	Due from other funds
-	47,291,394	47,291,394	Loans receivable, net
$ 390,779,333	$ 468,507,763	$ 2,000,273,395	Total assets
			LIABILITIES AND FUND BALANCES:
			Liabilities:
$ -	$ 43,229,951	$ 154,153,271	Accounts payable
-	4,115,907	27,077,596	Accrued salaries payable
-	-	4,045,021	Amounts held for outstanding warrants
2,958,622	39,406	2,998,028	Due to other funds
-	55,042	7,697,125	Due to other governments
209,147,062	85,251,252	638,287,496	Deferred revenue - property tax
-	56,333,757	56,333,757	Deferred revenue - other
117,787	-	117,787	Arbitrage liability
-	3,060,402	62,102,775	Other liabilities
212,223,471	192,085,717	952,812,856	Total liabilities
			Fund Balances:
			Reserved for:
-	3,223,634	3,223,634	Encumbrances - prior year
-	41,094,216	214,564,161	Encumbrances - current year
-	47,291,394	47,291,394	Loans outstanding
			Unreserved, reported in:
-	-	142,455,063	General Fund
-	177,934,926	196,536,211	Special Revenue Fund
-	6,877,876	264,834,214	Capital Projects Fund
178,555,862	-	178,555,862	Debt Service Fund
178,555,862	276,422,046	1,047,460,539	Total fund balances
$ 390,779,333	$ 468,507,763	$ 2,000,273,395	Total liabilities and fund balances

Exhibit 4
COOK COUNTY, ILLINOIS
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET ASSETS
November 30, 2009

Total Fund Balances - Governmental Funds	$ 1,047,460,539
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	1,924,965,179
Revenues that have been deferred in the governmental funds but are recognized as revenue in the government-wide financial statements.	608,825,386
The self-insurance account is used to self-insure the County of all risks, including medical malpractice, workers' compensation, general, automobile and other liabilities. This account is included in the governmental funds, but the long-term liabilities of this account are only included in governmental activities in the statement of net assets.	(372,735,847)
The net pension and OPEB liability is not recorded in governmental fund statements.	(1,478,323,679)
Long-term liabilities, including bonds payable, accrued interest payable and unamortized debt issue costs are not due and payable in the current period and therefore are not reported as funds liabilities.	(3,417,601,378)
Total net assets (deficits) of governmental activities	$ (1,687,409,800)

The accompanying notes are an integral part of the financial statements.

SEAL OF COOK COUNTY
JANUARY 1831
ILLINOIS

Exhibit 5
COUNTY OF COOK, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended November 30, 2009

	General	Motor Fuel Tax	Annuity and Benefit	Capital Projects
REVENUES:				
Taxes -				
Property	$ 182,313,980	$ -	$ 115,685,855	$ -
Nonproperty	765,902,138	88,729,995	54,691,086	-
Fees and licenses	269,027,500	-	-	-
Federal government	6,594,407	-	-	-
State of Illinois	20,999,301	7,531,421	-	-
Other governments	-	2,294,416	-	-
Investment income	249,285	100,978	31,417	211,668
Miscellaneous	11,348,401	371,106	-	-
Total revenues	1,256,435,012	99,027,916	170,408,358	211,668
EXPENDITURES:				
Current -				
Government management and supporting services	132,590,608	-	10,505,589	-
Corrections	339,047,855	-	30,160,477	-
Courts	726,455,020	-	53,034,105	-
Control of environment	2,107,998	-	391,676	-
Assessment and collection of taxes	40,264,250	-	4,453,999	-
Election	8,110,310	-	1,601,377	-
Economic and human development	2,341,059	-	167,006	-
Transportation	16,418,141	72,068,927	2,112,586	-
Health	-	-	67,981,543	-
Claims expense	(34,040)	-	-	-
Capital Outlay	-	-	-	67,518,959
Debt service -				
Principal	-	-	-	4,795,030
Interest and other charges	3,715,683	-	-	345,380
Bond issuance costs	-	-	-	-
Amounts incurred in the above accounts for Health	(4,264,067)	-	-	-
Total expenditures	1,266,752,817	72,068,927	170,408,358	72,659,369
Revenues over (under) expenditures	(10,317,805)	26,958,989	-	(72,447,701)
OTHER FINANCING SOURCES (USES):				
Transfers in	52,925,259	-	-	-
Transfers out	(4,548,029)	(48,500,000)	-	-
Payment to refunded bond escrow agent	-	-	-	-
Proceeds of general obligation bonds -				
Par amount of bonds	-	-	-	351,267,968
Net premium	-	-	-	-
Total other financing sources (uses)	48,377,230	(48,500,000)	-	351,267,968
Revenues and other financing sources over (under) expenditures and other financing sources (uses)	38,059,425	(21,541,011)	-	278,820,267
FUND BALANCE - Beginning	149,936,973	89,873,399	-	57,333,578
FUND BALANCE - Ending	$ 187,996,398	$ 68,332,388	$ -	$ 336,153,845

The accompanying notes are an integral part of the financial statements.

Debt Service	Nonmajor Governmental Funds	Total Governmental Funds	
			REVENUES:
			Taxes -
$ 214,177,992	$ 100,487,757	$ 612,665,584	Property
-	38,126,380	947,449,599	Nonproperty
-	71,646,620	340,674,120	Fees and licenses
-	33,885,446	40,479,853	Federal government
-	78,105,246	106,635,968	State of Illinois
-	805,434	3,099,850	Other governments
512,484	1,481,780	2,587,612	Investment income
-	7,906,126	19,625,633	Miscellaneous
214,690,476	332,444,789	2,073,218,219	Total revenues
			EXPENDITURES:
			Current -
-	5,418,415	148,514,612	Government management and supporting services
-	20,454,724	389,663,056	Corrections
-	156,218,199	935,707,324	Courts
-	54,714,721	57,214,395	Control of environment
-	14,562,968	59,281,217	Assessment and collection of taxes
-	21,521,555	31,233,242	Election
-	28,598,676	31,106,741	Economic and human development
-	11,431,404	102,031,058	Transportation
-	-	67,981,543	Health
-	-	(34,040)	Claims expense
-	24,601,912	92,120,871	Capital Outlay
			Debt service -
58,835,000	6,440,000	70,070,030	Principal
149,974,927	5,712,807	159,748,797	Interest and other charges
5,535,523	-	5,535,523	Bond issuance costs
-	-	(4,264,067)	Amounts incurred in the above accounts for Health
214,345,450	349,675,381	2,145,910,302	Total expenditures
345,026	(17,230,592)	(72,692,083)	Revenues over (under) expenditures
			OTHER FINANCING SOURCES (USES):
-	-	52,925,259	Transfers in
-	(4,425,259)	(57,473,288)	Transfers out
(335,049,993)	-	(335,049,993)	Payment to refunded bond escrow agent
			Proceeds of general obligation bonds -
320,422,032	-	671,690,000	Par amount of bonds
28,412,097	-	28,412,097	Net premium
13,784,136	(4,425,259)	360,504,075	Total other financing sources (uses)
14,129,162	(21,655,851)	287,811,992	Revenues and other financing sources over (under) expenditures and other financing sources (uses)
164,426,700	298,077,897	759,648,547	**FUND BALANCE - Beginning**
$ 178,555,862	$ 276,422,046	$ 1,047,460,539	**FUND BALANCE - Ending**

Exhibit 6
COOK COUNTY, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended November 30, 2009

Net change in fund balances - total governmental funds	$ 287,811,992
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation of $116,024,258 in the current period.	26,823,094
The recognition of certain liabilities and transfers in the statement of activities that do not provide current financial resources such as reductions in capital lease obligations and reductions in compensated absences are not reported as revenues in the funds.	(17,560,563)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items, including current year debt issuance and loss on refunding.	(293,357,412)
The effect on net assets of these items are the following: Debt service payments $65,275,000 Par amount of bond issuance ($671,690,000) Premium on bond issuance ($28,412,097) Payment to refunded bond escrow $335,049,993 Cost of bond issuance $5,535,523 Amortization of deferred bond issuance costs ($1,189,818) Amortization of deferred bond premium $5,954,320 Decrease in accrued interest on bonds $398,901 Amortization of deferred amount on refunding ($4,279,234)	
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds but are considered as other long-term liabilities.	75,476,799
The change in the net pension and OPEB obligation is not recognized in governmental funds	(319,408,558)
Change in net assets (deficits) of governmental activities.	$ (240,214,648)

The notes to the financial statements are an integral part of this statement.

Exhibit 7
COOK COUNTY, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND ENCUMBRANCES
GENERAL FUND
BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
For the Year Ended November 30, 2009

	Original and Final Budget	Actual Amounts	Variance
REVENUES:			
Taxes -			
Property	$ 209,891,258	$ 216,382,741	$ 6,491,483
Nonproperty taxes	765,508,000	672,617,100	(92,890,900)
Total taxes	975,399,258	888,999,841	(86,399,417)
Fee Offices	267,587,263	279,119,929	11,532,666
Allowance for TAN Repayment	(122,000,000)	(121,814,369)	185,631
JTDC Sales Tax Allocation	(27,500,000)	-	27,500,000
Inter-governmental	81,743,575	89,120,457	7,376,882
Other revenues	48,669,200	19,084,891	(29,584,309)
Total revenues	1,223,899,296	1,154,510,749	(69,388,547)
EXPENDITURES AND ENCUMBRANCES:			
Current -			
Government management and supporting services	144,195,535	137,686,618	6,508,917
Corrections	374,735,749	380,758,920	(6,023,171)
Control of environment	2,108,134	2,146,509	(38,375)
Courts	689,126,358	715,086,542	(25,960,184)
Assessment and collection of taxes	45,081,089	48,832,954	(3,751,865)
Economic and human development	2,375,576	2,258,848	116,728
Transportation	16,645,329	16,353,260	292,069
Total expenditures and encumbrances	1,274,267,770	1,303,123,651	(28,855,881)
Revenues under expenditures and encumbrances	$ (50,368,474)	$ (148,612,902)	$ (98,244,428)

The notes to the financial statements are an integral part of this statement.

Exhibit 8
COOK COUNTY, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND ENCUMBRANCES
MOTOR FUEL TAX FUND
BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
For the Year Ended November 30, 2009

	Original and Final Budget	Actual Amounts	Variance
REVENUES:			
Nonproperty tax	$ 95,125,000	$ 86,113,946	$ (9,011,054)
State of Illinois	3,700,000	27,574	(3,672,426)
Other governments	3,015,000	2,253,450	(761,550)
Interest on investments	-	108,317	108,317
Miscellaneous	-	374,251	374,251
Total revenues	101,840,000	88,877,538	(12,962,462)
EXPENDITURES AND ENCUMBRANCES:			
Transportation	52,791,438	43,109,327	9,682,111
Total expenditures and encumbrances	52,791,438	43,109,327	9,682,111
Revenues over expenditures and encumbrances	49,048,562	45,768,211	(3,280,351)
OTHER FINANCING SOURCES (USES):			
Transfers out	(48,500,000)	(48,500,000)	-
Total other financing uses	(48,500,000)	(48,500,000)	-
Revenues under expenditures and encumbrances and other financing uses	$ 548,562	$ (2,731,789)	$ (3,280,351)

The notes to the financial statements are an integral part of this statement.

Exhibit 9
COOK COUNTY, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND ENCUMBRANCES
ANNUITY AND BENEFIT FUND
BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
For the Year Ended November 30, 2009

	Original and Final Budget	Actual Amounts	Variance
REVENUES:			
Property tax	$ 127,100,000	$ 127,100,000	$ -
Personal property replacement tax	59,000,000	59,000,000	-
Total revenues	186,100,000	186,100,000	-
EXPENDITURES - Pension Contributions			
Government management and supporting services	11,472,972	11,472,972	-
Corrections	32,937,733	32,937,733	-
Courts	57,917,620	57,917,620	-
Protection of Health	74,241,456	74,241,456	-
Control of environment	427,739	427,739	-
Economic and human development	182,386	182,386	-
Assessment and collection of taxes	4,864,135	4,864,135	-
Election	1,748,838	1,748,838	-
Transportation	2,307,121	2,307,121	-
Total expenditures and encumbrances	$ 186,100,000	$ 186,100,000	$ -

The notes to the financial statements are an integral part of this statement.

Exhibit 10
COOK COUNTY, ILLINOIS
STATEMENT OF NET ASSETS
PROPRIETARY FUND
November 30, 2009

ASSETS	Business-type Activities - Enterprise Fund
CURRENT ASSETS:	
Cash in banks	$ 1,189,030
Cash held by Cook County Treasurer	354,674,915
Working cash fund	94,867,375
Total cash and investments	450,731,320
Taxes receivable (net of allowance for loss of $4,465,612)	
Tax levy - current year	144,388,140
Tax levy - prior year	54,542,489
Total tax receivable	198,930,629
Accounts Receivable -	
Patient accounts receivable, net of allowance for doubtful accounts of $428,817,622	107,416,222
Due from others -	
Settlements under third-party programs	61,323
Other receivables	3,115,187
Due from other governments	37,443,169
Total accounts receivable	148,035,901
Inventories	7,355,190
Total current assets	805,053,040
NONCURRENT ASSETS:	
Property and equipment, net	491,875,750
Total noncurrent assets	491,875,750
Total assets	$ 1,296,928,790
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES:	
Due to Cook County Treasurer	$ 281,826,606
Accounts payable	59,402,914
Accrued salaries payable	39,143,625
Accrued vacation	43,435,954
Deferred revenue	112,451,256
Third-party settlements	2,865,474
Due to other governments	4,063,877
Due to General Fund	43,455
Due to others	86,712
Trust funds	66,280
Total current liabilities	543,386,153
LONG TERM LIABILITIES:	
Property tax objections	7,243,917
Total long term liabilities	7,243,917
Total liabilities	550,630,070
NET ASSETS:	
Invested in capital assets	491,875,750
Restricted	4,662,371
Unrestricted	249,760,599
Total net assets	746,298,720
Total liabilities and net assets	$ 1,296,928,790

The notes to the financial statements are an integral part of this statement.

Exhibit 11
COOK COUNTY, ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
PROPRIETARY FUND
For the Year Ended November 30, 2009

	Business-type Activities - Enterprise Fund
OPERATING REVENUES:	
Net patient service revenue (net of provision of $336,221,236)	$ 599,532,031
Miscellaneous	30,010,044
Total operating revenues	629,542,075
OPERATING EXPENSES:	
Salaries and wages	535,517,868
Employee benefits	130,725,673
Supplies	113,315,836
Purchased services, rental and other	129,453,703
Insurance	43,621,367
Depreciation	35,959,075
Utilities	18,412,084
Services contributed by other County offices	4,264,067
Total operating expenses	1,011,269,673
OPERATING LOSS	(381,727,598)
NONOPERATING REVENUES:	
Property taxes	138,561,251
Sales taxes	285,027,113
Cigarette taxes	29,380,365
Investment income	62,155
Retirement plan contribution	58,605,619
Total nonoperating revenues	511,636,503
Net gain before other financing sources and capital contributions	129,908,905
OTHER FINANCING SOURCES:	
Transfers in	4,548,029
Total other financing sources	4,548,029
CAPITAL CONTRIBUTIONS	23,354,239
Increase in net assets	157,811,173
NET ASSETS - Beginning	588,487,547
NET ASSETS - Ending	$ 746,298,720

The notes to the financial statements are an integral part of this statement.

Exhibit 12
COOK COUNTY, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
For the Year Ended November 30, 2009

	Business-type Activities - Enterprise Fund
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from third-party payors and patients	$ 664,164,416
Payments to employees	(599,098,704)
Payments to suppliers	(292,290,847)
Other receipts	32,387,454
Net cash used in operating activities	(194,837,681)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Borrowings from Working Cash Fund	80,000,000
Repayment of borrowings from Working Cash Fund	(80,000,000)
Real and personal property taxes received, net	102,027,024
Sales taxes received	280,466,230
Cigarette taxes received	29,380,365
Transfers to other County funds	28,542,386
Net cash flows from noncapital financing activities	440,416,005
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest received	62,155
Net cash flows from investing activities	62,155
NET INCREASE IN CASH AND CASH EQUIVALENTS	245,640,479
CASH AND CASH EQUIVALENTS - Beginning	205,090,841
CASH AND CASH EQUIVALENTS - Ending	$ 450,731,320
NON-CASH TRANSACTIONS:	
Retirement plan contribution	$ 58,605,619
Services contributed by other County offices	4,264,067
Transfers - capital	23,354,239
Donated vaccines	262,580
RECONCILIATION OF LOSS FROM OPERATIONS TO NET CASH USED IN OPERATING ACTIVITIES	
Operating loss	$ (381,727,598)
Adjustments to reconcile loss from operations to net cash cash used in operating activities:	
Depreciation	35,959,075
Provision for bad debts	336,221,236
Retirement plan contribution	58,605,619
Services contributed by other County offices	4,264,067
Change in assets and liabilities:	
Patient accounts receivable	(286,265,345)
Third-party settlements	1,583,993
Accounts Payable	(30,399,458)
Accrued salaries	8,539,218
All other assets and liabilities - net	58,381,512
Net cash used in operating activities	$ (194,837,681)

The notes to the financial statements are an integral part of this statement.

Exhibit 13
COOK COUNTY, ILLINOIS
STATEMENT OF FIDUCIARY NET ASSETS
November 30, 2009

ASSETS:	**County Pension Trust Fund December 31, 2009**	**County Postemployment Healthcare December 31, 2009**	**Forest Preserve Pension Trust Fund December 31, 2009**	**Forest Preserve Postemployment Healthcare December 31, 2009**	**Total Agency Funds**
Cash	$ 2,287,512	$ -	$ 80,373	$ -	$ 2,709,665,069
Receivables -					
Due from employer (property taxes)	297,852,017	4,033,626	2,435,168	118,419	-
Accrued interest	22,742,255	-	618,970	-	-
Due from other funds	1,179,097	-	-	-	2,998,028
Due from others	54,670,310	-	725,816	-	7,161,956
Investments -					
U.S. Government obligations	1,451,418,088	-	33,051,002	-	2,052,501
Corporate bonds	637,045,459	-	16,466,158	-	-
Equities	3,918,495,271	-	96,583,047	-	2,809,716
Equities Mutual Funds	-	-	-	-	3,058,994
Fixed Income Mutual funds	298,195,886	-	8,885,373	-	-
Alternative Investments	128,651,024	-	-	-	-
Short Term Investments	173,788,743	-	5,690,413	-	-
Mortgage Securities	-	-	-	-	7,700,475
Other	-	-	-	-	6,533,448
Total Investments	6,607,594,471	-	160,675,993	-	22,155,134
Collateral held for securities on loan	670,257,559	-	9,835,451	-	-
Other assets	7,877,539	-	9,099	-	-
Total assets	7,664,460,760	4,033,626	174,380,870	118,419	2,741,980,187
LIABILITIES:					
Accounts payable	$ 61,735,416	$ -	$ 176,166	$ -	$ -
Health insurance payable		4,033,626		118,419	
Due to other funds	-	-	1,179,097	-	635,838
Due to other governments	-	-	-	-	2,459,329,643
Due to others	-	-	1,151,757	-	282,014,706
Securities lending cash collateral	677,273,056	-	9,934,481	-	-
Total liabilities	739,008,472	4,033,626	12,441,501	118,419	2,741,980,187
NET ASSETS:					
Net assets held in trust for pension benefits	$ 6,925,452,288	$ -	$ 161,939,369	$ -	$ -

The notes to the financial statements are an integral part of this statement.

Exhibit 14
COOK COUNTY, ILLINOIS
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
For the Year Ended November 30, 2009

	County Pension Trust Fund	County Postemployment Healthcare Trust Fund	Forest Preserve Pension Trust Fund	Forest Preserve Postemployment Healthcare Trust Fund
ADDITIONS:				
Contributions				
Employer	$ 147,934,643	$ 35,779,227	$ 1,282,642	$ 1,261,052
Plan members	127,795,881	-	2,418,794	-
Total contributions	275,730,524	35,779,227	3,701,436	1,261,052
Investment income				
Net appreciation				
fair value of investments	870,835,772	-	21,293,389	-
Dividends	78,536,244	-	2,134,853	-
Interest	70,687,137	-	1,387,313	-
Limited partnership income	1,928,690	-	-	-
	1,021,987,843	-	24,815,555	-
Less investment expense	(12,472,527)	-	(204,323)	-
Net investment income	1,009,515,316	-	24,611,232	-
Securities lending				
Income	4,768,490	-	85,076	-
Expenses	(668,556)	-	(12,517)	-
Net securities lending income	4,099,934	-	72,559	-
Other				
Federal subsidized programs	4,571,446	-	-	-
Medicare Part D subsidy	-	2,553,522	-	98,510
Miscellaneous	1,397,699	-	1,798	-
Prescription plan rebates	-	3,100,473	-	119,611
Employee transfers	118,754	-	-	-
Total other additions	6,087,899	5,653,995	1,798	218,121
Total additions	$ 1,295,433,673	$ 41,433,222	$ 28,387,025	$ 1,479,173
DEDUCTIONS:				
Benefits				
Annuities				
Employee	$ 369,226,987	$ -	$ 9,144,321	$ -
Spouse and children	27,837,079	-	1,552,939	-
Disability benefits				
Ordinary	12,889,605	-	225,234	-
Duty	620,962	-	21,854	-
Group hospital premiums	-	41,433,222	-	1,479,173
Total benefits	410,574,633	41,433,222	10,944,348	1,479,173
Refunds	20,404,911	-	472,953	-
Net administrative expenses	4,248,287	-	112,729	-
Employee transfers	-	-	118,754	-
Total deductions	435,227,831	41,433,222	11,648,784	1,479,173
NET INCREASE	860,205,842	-	16,738,241	-
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS				
Beginning of year	6,069,280,072	-	145,319,547	-
End of year	$ 6,929,485,914	$ -	$ 162,057,788	$ -

The notes to the financial statements are an integral part of this statement.

Exhibit 15
COOK COUNTY, ILLINOIS
COMBINING STATEMENT OF NET ASSETS
COMPONENT UNITS
November 30, 2009

	Component Units			
	Chicago Zoological Society December 31, 2009	Chicago Horticultural Society December 31, 2009	Emergency Telephone Systems	Total Component Units
ASSETS:				
Cash and investments	$ 65,889,000	$ 50,896,000	$ 6,610,590	$ 123,395,590
Cash and investments with trustees	-	725,000	-	725,000
Accounts receivable:				
Due from others	-	1,419,000	646,825	2,065,825
Due from County	717,000	-	-	717,000
Tax Levy - current year	-	218,000		218,000
Other assets	10,976,000	18,066,000	-	29,042,000
Deferred bond issuance costs	462,000	727,000	-	1,189,000
Beneficial interests in third-party trusts	-	1,205,000	-	1,205,000
Inventory	823,000	-	-	823,000
Capital assets, net of accumulated depreciation	129,402,000	114,757,000	53,010	244,212,010
Total assets	$ 208,269,000	$ 188,013,000	$ 7,310,425	$ 403,592,425
LIABILITIES:				
Accounts payable	$ 4,118,000	$ 3,493,000	$ 119,223	$ 7,730,223
Accrued salaries payable	1,503,000	-	1,183,300	2,686,300
Deferred revenue-other	5,545,000	-	-	5,545,000
Other liabilities	2,475,000	728,000	203,141	3,406,141
Notes Payable	-	2,813,000		2,813,000
Current portion of revenue bonds payable	315,000	-	-	315,000
Compensated absences due in more than 1 year	1,506,000	-	-	1,506,000
Revenue bonds payable, less current portion	46,930,000	50,000,000	-	96,930,000
Derivative instrument	-	459,000	-	459,000
Accrued postretirement benefits	4,253,000	-	427,404	4,680,404
Total liabilities	66,645,000	57,493,000	1,933,068	126,071,068
NET ASSETS:				
Invested in capital assets, net of related debt	82,157,000	64,757,000	53,010	146,967,010
Restricted for :				
Capital projects	23,261,000	45,255,000	5,324,347	73,840,347
Unrestricted	36,206,000	20,508,000	-	56,714,000
Total net assets	$ 141,624,000	$ 130,520,000	$ 5,377,357	$ 277,521,357

The accompanying notes are an integral part of the financial statements.

Exhibit 16
COOK COUNTY, ILLINOIS
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
For the Year Ended November 30, 2009

		Program Revenues		
	Expenses	Licenses, fees & Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Functions/Programs				
Chicago Zoological Society	$ 62,212,000	$ 48,045,000	$ -	$ 2,718,000
Chicago Horticultural Society	36,415,000	21,909,000	752,000	3,556,000
Emergency Telephone Systems	2,885,773	2,628,155	-	-
Total Component units	$ 101,512,773	$ 72,582,155	$ 752,000	$ 6,274,000

General revenues
Taxes:
Property taxes
Investment income
Total General revenues
Change in net assets
Net assets - Beginning
Net assets - Ending

The accompanying notes are an integral part of the financial statements.

Net (Expense) Revenue and Changes in Net Assets				
Chicago Zoological Society	**Chicago Horticultural Society**	**Emergency Telephone Systems**	**Total Component Units**	
				Functions/Programs
$ (11,449,000)	$ -	$ -	$ (11,449,000)	Chicago Zoological Society
-	(10,198,000)	-	(10,198,000)	Chicago Horticultural Society
-	-	(257,618)	(257,618)	Emergency Telephone Systems
$ (11,449,000)	$ (10,198,000)	$ (257,618)	$ (21,904,618)	Total Component units
				General revenues
				Taxes:
$ 15,340,000	$ 9,367,000	$ -	$ 24,707,000	Property taxes
2,863,000	8,526,000	13,034	11,402,034	Investment income
18,203,000	17,893,000	13,034	36,109,034	Total General revenues
6,754,000	7,695,000	(244,584)	14,204,416	Change in net assets
134,870,000	122,825,000	5,621,941	263,316,941	Net assets - Beginning
$ 141,624,000	$ 130,520,000	$ 5,377,357	$ 277,521,357	Net assets - Ending

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cook County, Illinois (the "County"), a home rule unit under the Illinois Constitution of 1970, was created by the State of Illinois in 1831. The County is managed by 17 Commissioners elected from single member districts for four-year terms. The President of the County Board of Commissioners (the "County Board") is also elected and serves as the chief executive officer; he may also be elected as a Commissioner. Currently, the President is not a Commissioner. All 17 Commissioners serve as the legislative body.

The accompanying financial statements of the County have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB).

The County implemented the following GASB Statements in the 2009 fiscal year:

- GASB Statement No. 49, "Accounting and Financial Reporting for Pollution Remediation Obligations." This statement enhances the usefulness and comparability of pollution remediation obligation information reported by state and local governments by setting standards requiring more timely and complete reporting of those obligations and by requiring all governments to account for pollution remediation obligations in the same manner, including required reporting of pollution remediation obligations that previously may not have been reported. The GASB 49 impact on the County's financial statements for the fiscal year ended November 30, 2009 is included in the noncurrent liabilities on the government-wide Statement of Net Assets and Government Management and Supporting Services Expenses on the Statement of Activities and related disclosures. This matter is further discussed in Note II. E. 6.

- GASB Statement No. 52, "Land and Other Real Estate Held as Investments by Endowments." The implementation of GASB 52 did not have a material impact on the County's financial statements for the fiscal year ended November 30, 2009.

- GASB Statement No. 55, "The Hierarchy of Generally Accepted Accounting Principles for State and Local." The implementation of GASB 55 did not have a material impact on the County's financial statements for the fiscal year ended November 30, 2009.

- GASB Statement No. 56, "Codification of the Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards." The implementation of GASB 56 did not have material impact on the County's financial statements for the fiscal year ended November 30, 2009.

Management is currently assessing the impact that the adoption of the following GASB Statements will have on the County's future financial statements, which are not implemented and not required for the fiscal year ended November 30, 2009:

- GASB Statement No. 51, "Accounting and Financial Reporting for Intangible Assets," will become effective for the County in fiscal year 2010.

- GASB Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments," will become effective for the County in fiscal year 2010.

- GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions," will become effective for the County in fiscal year 2011.

- GASB Statement No. 57, "OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans," will become effective for the County in fiscal year 2012.

- GASB Statement No. 58, "Accounting and Financial Reporting for Chapter 9 Bankruptcies," will become effective for the County in fiscal year 2010.

- GASB Statement No. 59, "Financial Instruments Omnibus," will become effective for the County in fiscal year 2011.

A. Financial Reporting Entity

As required by accounting principles generally accepted in the United States ("GAAP"), these financial statements present the County (the primary government) and its component units. As used both on the face of the financial statements and in the footnotes, the term "Primary Government" includes both County funds and Blended Component Units while the term "Component Units" includes only Discretely Presented Component Units. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationships with the County. The following organization has been blended into the County's financial statements:

The Forest Preserve District of Cook County, Illinois (the "District") was established pursuant to Illinois Compiled Statutes (Chapter 40, Act 5, Sections 9-101 to 10-108) on July 1, 1914. The District is governed by the same Board of Commissioners that currently serve as members of the County's Board or Forest Preserve District Board of Commissioners (the "District Board"). As a result, in accordance with GAAP, the operations of the District are blended with the County for financial reporting purposes. The President of the District appoints management positions and has authority for budgets, fiscal management and the setting of charges and fees for the use of forest preserve facilities. As a separate taxing body the District is subject to its own statutory tax rate limitations. The District has the power to create forest preserve facilities and may issue debt secured by the full faith and credit of the District. The County is not responsible for financing operating deficits or debt service of the District. The boundaries of the District are coterminous with the boundaries of the County. The District's financial statements for the fiscal year ended December 31, 2009, are blended into the County's financial statements, except for two of the District's component units, which are discretely presented and discussed below.

The following three component units have been discretely presented due to the nature and significance of their relationship to the County as described below:

1. The Chicago Zoological Society maintains and operates Brookfield Zoo (the "Zoo") in accordance with a contract with the District through April 2026. The District funds a portion of the Zoo's operations through tax levies. Also, all the land has been provided by the District. The Zoo, which follows not-for-profit accounting principles issued by the Financial Accounting Standards Board, is presented for the year ended December 31, 2009.

2. The Chicago Horticultural Society (the "Society") operates the Chicago Botanic Garden (the "Garden") under an agreement with the District that expires in 2015. The agreement provides for an automatic renewal for 40 years upon agreement of both parties. The District funds a portion of the Garden's operations through tax levies. All of the land that the Garden occupies is owned by the District. The Society, which follows not-for-profit accounting principles issued by the Financial Accounting Standards Board, is presented for the year ended December 31, 2009.

3. The Cook County Emergency Telephone System (the "System") is a venture established by resolution of the Cook County Board of Commissioners in accordance with the Emergency Telephone System Act of the Illinois Compiled Statutes. The County Board and the Sheriff's Office appoints the System's board members. The System was organized for the purpose of providing equipment, services, personnel, facilities and other items necessary for the implementation, operation, maintenance and repair of the E-911 Emergency Telephone System within the unincorporated portions of County and the municipalities of Robbins, Ford Heights, Stone Park, Northlake, Golf, Phoenix, and Dixmoor, Illinois. The System, for the fiscal year ended November 30, 2009, is presented on the accrual basis of accounting as defined by GASB.

The Housing Authority of the County of Cook (the "Authority" or the "HACC") is the second largest public housing authority in Illinois. The Authority is a municipal corporation that was established in 1946 to serve 108 communities, as well as unincorporated areas in suburban Cook County. Funding is provided by the Federal Government through the Department of Housing and Urban Development (the "HUD"). The Board of Commissioners of the Authority is comprised of individuals who are appointed by the Cook County Board President and confirmed by the full County Board for five-year terms. The Authority is not considered a discretely presented component unit or blended component unit of the County, however, under GASB Statement No. 14, "The Financial Reporting Entity" the County considers the Authority to be a related organization. The County is not aware of any other significant operational or financial control over the Authority that would be needed to be presented in the County's financial statements.

The County is not aware of any other entity over which it exercises significant operational or financial control which would result in the entity being blended or discretely presented in the County's financial statements.

In addition, the County Employees' and Officers' Annuity and Benefit Fund and the Forest Preserve District Employees' Annuity and Benefit Fund of Cook County (the "Pension Trust Funds") are defined benefit, single-employer pension plans established by Illinois Compiled Statutes (Chapter 40, Acts 5/9 and 5/10). The County's Retirement Board is the administrator of the County Employees' and Officers' Annuity and Benefit Fund and consists of nine members, two of whom are appointed and seven of whom are elected. Cook County's Retirement Board also acts as the ex-Officio Retirement Board for the Forest Preserve District Employees' Annuity and Benefit Fund of Cook County. The Pension Trust Funds are maintained and operated for the benefit of the employees and officers of the County and the District. As a result, the Pension Trust Funds are financed by investment income, employees' payroll deductions and property taxes levied and collected by the County and the District.

Based on information provided by the Pension Trust Funds regarding the total employer contribution of 2009, external actuaries for the Pension Trust Funds have prepared calculations to estimate the Net Pension Obligation (NPO) and Other Postemployment Benefits Obligation (OPEB) as of December 31, 2009 for both Pension Trust Funds. Their calculations are based on the parameters prescribed by GASB for calculating the NPO and OPEB.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the government and its component units. The effect of inter-fund activity among governmental funds has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user fees and charges for services. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identified with a specific function or segment. Program revenues include:

1) Licenses, fees and charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment.

2) Grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements.

Copies of this report and all other documents referred to herein, as well as copies of the Single Audit Report may be obtained from the Office of the Chief Financial Officer, Cook County Building, 118 N. Clark Street, Room 1127, Chicago, Illinois 60602.

Copies of the Health and Hospitals Systems Report can be obtained from the Chief Financial Officer, 1900 W. Polk, Room 505, Chicago, Illinois 60612.

Copies of the Annual Appropriation Bill and the financial statements of the Forest Preserve District may be obtained from the office of the Chief Financial Officer of the Forest Preserve District, 69 West Washington, Suite 2060, Chicago, Illinois 60602.

Copies of the financial statements and actuarial reports of the Pension Funds may be obtained from the office of the Executive Director of the Cook County and Forest Preserve District Employees' and Officers' Annuity and Benefit Funds, 33 N. Dearborn, Chicago, Illinois 60603.

Copies of the Financial Statements for the Brookfield Zoo can be obtained from the Chief Financial Officer, Brookfield Zoo, 84 West 31st Street, Brookfield, Illinois 60513.

Copies of the Financial Statements of the Chicago Botanic Gardens can be obtained from the Chief Financial Officer and Treasurer, Chicago Botanic Gardens, P.0. Box 400, Glencoe, Illinois 60022-0400.

Copies of the Financial Statements of the Emergency Telephone System can be obtained at the Cook County Emergency Telephone System Board-911, 9511 West Harrison Street, Des Plaines, Illinois 60016.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting system of the County, which is maintained by the County Comptroller (the "Comptroller") is a fund system implemented to present the financial position and the results of operations of each fund. It is also designed to provide budgetary control over the revenues and expenditures of each fund. Separate funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. Each fund is an independent fiscal and accounting entity made up of a self-balancing set of accounts, recording cash and other financial resources, together with all related liabilities and residual balances, and changes therein.

Accounting records for the District, the Zoo, the Society, the System, the Pension Trust Funds, and the various fee offices are maintained by these respective entities.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting,* as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied, except for the property taxes levied by the District.

Revenues such as property taxes, non-property taxes, investment income and miscellaneous in the governmental fund financial statements are reported as general revenues on the government-wide statement of activities. Revenues such as fees and licenses, Federal government grants, State of Illinois (the "State") grants and charges to other funds are reported as program revenues on the government-wide statement of activities.

Governmental fund financial statements are reported using the flow of *current financial resources measurement focus* and the *modified accrual basis of accounting*. Under the modified accrual method of accounting, revenues are recognized when measurable and available for financing current obligations. Accordingly, property taxes are recognized as deferred revenue in the year of levy and as revenue in the subsequent year when the taxes are collected within the current period, or 60 days thereafter. Uncollected taxes are written off by the County at the end of the fiscal year immediately following the year that the taxes become due. County sales tax revenues are recorded in the accounting period when they are measurable and available. Accordingly, sales tax amounts that are held by the State at the County's fiscal year-end and are transmitted to the County within 60 days of fiscal year-end have been recorded as fiscal 2009 revenues. Other taxes assessed by the County (use, gasoline, parking, alcohol and cigarette taxes) are reported as revenues for the month of assessment since such amounts are collected by the County within 30 days of month-end. For most Federal and State grants, reimbursements from other governments are recognized as revenue when collected within 60 days of fiscal year-end and the County has met all eligibility requirements. Interest on investments is recognized when earned. All other revenues are recognized when collected by the County.

Expenditures, other than principal and interest on long-term debt, which is recognized as due, are recognized when obligations are incurred in governmental fund financials. Self insurance claims are recorded to the extent that it is probable that an asset has been impaired or a liability has been incurred at the date of the financial statements, and the amount of loss can be reasonably estimated.

Certain indirect costs have been included as part of the program expenses reported for the various functional activities.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes where the amounts are reasonably equivalent in value to the Inter-fund services provided and other charges between the County's governmental activities and business-type activities function. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. For fiscal year 2009 there were no such exceptions.

Amounts reported as program revenues include 1) licenses, fees and charges for customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

In the fund financial statements, proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services, in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The principal operating revenue of the Cook County Health and Hospital System ("CCHHS") enterprise fund are charges to patients for services performed. Operating expenses of the CCHHS include the cost of services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as non-operating revenues and expenses.

Unrestricted resources arise from normal operations. Restricted resources are resources whose use has been limited by donors, grantors, debt covenants and encumbrances. Restricted funds are accounted for in specific accounts until expended for their identified purpose, at which time they are reported as expenses. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

Governmental Funds

The County reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the County. It is used to account for all financial resources, except those required to be accounted for in another fund. There are three accounts used by the County for General Fund financial resources: the Corporate Account, the Public Safety Account and the Self Insurance Account. The Corporate Account includes all revenues and expenditures attributable to government management and supporting services; control of environment; assessment, collection and distribution of taxes; election; economic and human development and transportation. The

Public Safety Account includes the revenues and expenditures attributable to the protection of persons and property (corrections and courts), government management and supporting services and revenues and expenditures of the Medical Examiner. Cermak Health Center was transferred to CCHHS and therefore not included in the Public Safety fund, as in prior years. The Self Insurance Account is used to account for all of the County's risks, including medical malpractice, worker's compensation, general, automobile and other liabilities. Long-term liabilities of Self-Insurance claims based on external actuarial calculations are included in the government-wide Statement of Activities and the Statement of Net Assets.

Motor Fuel Tax Fund – The Motor Fuel Tax Fund was established to provide for the design, construction and maintenance of streets, roads and highways. Revenues are derived from reimbursements from the State, the Federal Government, other governments and other miscellaneous sources. The major portion of the revenue is derived from the County's share of the State's Motor Fuel Tax on gasoline. Motor Fuel Tax allocations from the State have decreased and maintenance costs have increased to maintain or reconstruct roads and bridges. The result is a drop in Motor Fuel Tax purchasing power for the County to maintain their roads in a state of good repair.

Annuity & Benefit Fund - The Annuity and Benefit Fund was established to account for the yearly revenues and expenditures to fund the County pension fund. Revenues are derived from employee payroll deductions, taxes receivable from both current and prior year tax levies, investments and interest earnings.

Capital Projects Fund – The Capital Projects Fund is used to account for the acquisition, construction and renovation of major capital facilities of the County. The Capital Projects Fund includes the following accounts: transportation, government management and supporting services, protection of health, corrections and courts.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources to pay principal and interest, when due, of the debt incurred by the County.

Proprietary Funds

Proprietary funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. The Proprietary Funds have chosen to not apply Financial Accounting Standards Board pronouncements issued after November 30, 1989, pursuant to paragraph 7 of GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Government Entities That Use Proprietary Fund Accounting.*

The County reports the following proprietary fund:

Enterprise Fund – The Enterprise Fund is used to account for the operations of CCCHS. On May 2008, the County Board created the Cook County Health and Hospitals System Board (the "CCHHS Board") to provide independent oversight of health care operations.

The CCHHS Board is accountable to the County Board. The CCHHS Board and the Ordinance were originally scheduled to terminate in three years. In May of 2010, the County Board of Commissioners voted to make this the CCHHS Board permanent. The CCHHS includes the following entities: John H. Stroger, Jr. Hospital of Cook County, Provident Hospital of Cook County, Oak Forest Hospital of Cook County, Cermak Health Services, the Cook County Department of Public Health, the Cook County Bureau of Health Services and the Ambulatory and Community Health Network of Cook County. In 2009, the County transferred Cermak Health Services from the Public Safety Account in the General Fund to CCHHS.

Accounting records are maintained on the economic resources management focus and the accrual basis of accounting. Revenues are recognized when earned, and expenses are recorded when a liability is incurred regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

(1) Net Patient Service Revenue

A significant amount of the CCHHS net revenue from patient services is derived from the Medicaid and Medicare programs. Payments under these programs are based on a specific amount per case, or on a contracted price or costs, as defined, for rendering services to program beneficiaries.

Net patient service revenue is reported at estimated net realizable amounts from patients, third-party payors and others for services rendered. Retroactive adjustments under reimbursement agreements with third-party payors are accrued in the period the related services are rendered and are adjusted in future periods as final settlements are determined.

During fiscal year 2009, the CCHHS's payor utilization was as follows, based on gross patient service revenue:

Self-Pay	52%
Medicaid	32%
Medicare	9%
Other	7%
	100%

(2) Charity Care

The John H. Stroger, Jr. Hospital, Oak Forest Hospital, Provident Hospital and the Ambulatory and Community Health Network of Cook County treat patients in need of medical services without regard to their ability to pay. These entities maintain records to identify and monitor the level of charity care they provide. These records include the amount of charges forgone for services and supplies furnished, as well as the estimated costs incurred for charity care services. During fiscal year 2009, the following levels of charity care were provided:

Charges forgone for charity care	$ 156,318,291
Estimated costs incurred for charity care	$ 165,059,346

(3) Interagency Transfer Agreements

The CCHHS receives enhanced Medicaid reimbursement by means of an Interagency Agreement (the "Agreement") between the County Board and the Illinois Department of Healthcare and Family Services (the "DHFS"). Under terms of the Agreement, the DHFS will direct additional funding to the CCHHS for inpatient and outpatient services based on per diem and per visit cost reimbursement methodologies. In addition, the Agreement requires the DHFS to provide the CCHHS additional funding to assist the CCHHS in offsetting the cost of its uncompensated care. Such adjustment amounts include federal matching funds.

Under terms of the Secondary Interagency Agreement, (collectively, the "Agreements") the CCHHS received approximately $342,055,417 in net additional payments from the DHFS during fiscal year 2009. Of that amount, approximately $229,604,161 was earned and the remaining $112,451,256 is included in deferred revenue on the balance sheet. Such deferred revenue is excluded from net patient service revenue in these financial statements and represents amounts to be earned during December through June, the last seven months of the State's 2009 fiscal year.

Reimbursement under the Agreements will automatically terminate if federal funds under Title XIX are no longer available to match amounts collected and disbursed according to the terms of the Agreements at the rate of at least 50%. The Agreements will also automatically terminate in any year in which the General Assembly of the State fails to appropriate or reappropriate funds to pay the DHFS's obligations under these arrangements or any time that such funds are not available. The Agreements can be terminated by either party upon 15 days' notice. Additionally, the Agreements require the parties to comply with certain laws, regulations, and other terms of operations.

Fiduciary Funds

The County reports the following fiduciary funds:

<u>Pension Trust Funds & Postemployment Health Care Trust Fund</u> – The Pension Trust Funds are used to account for transactions, assets, liabilities and net assets available for the plan and Other Postemployment Benefits ("OPEB") of the County Employees' and Officers' Annuity and Benefit Fund of Cook County and Forest Preserve District Employees' Annuity and Benefit Fund of Cook County.

The Pension Trust Funds and Postemployment Health Care Trust Fund utilize the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and measurable, and expenses are recognized at the time liabilities are incurred.

Agency Funds – The Agency Funds are used to account for resources received and held by the County as an agent to be expended or invested in its agency capacity. Agency Funds include amounts held by the following offices: the County Treasurer (the "Treasurer"), the Clerk of the Circuit Court, the County Sheriff, the State's Attorney, the Public Guardian, the Public Administrator, and Other Fee Offices.

D. Assets, liabilities, and net assets or equity

1. Deposits and investments

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with a maturity date of three months or less from the date of acquisition to be cash equivalents.

(1) The County (all reporting entities other than the District, Agency Funds and Pension Trust Funds):

The Treasurer and Comptroller maintain cash records for all of the County Funds except the District Funds, the Pension Trust Funds and the Agency Funds that are discussed below. The Comptroller maintains detailed cash records of receipts and disbursements for the following individual funds: 1) General Fund 2) CCHHS 3) Special Revenue 4) Capital Projects and 5) Grants, and the following four disbursement accounts: 1) Salary 2) Supply 3) Juror and 4) Election. The Treasurer deposits cash receipts into one master operating fund account. The Comptroller records the amount in the master operating fund account applicable to each of the individual funds. The Comptroller issues checks for authorized County expenditures. Funding for County checks is made available at the time of issuance into the appropriate disbursement checking account. Funding is completed when the Comptroller communicates the verified balances from the daily funding report to the Treasurer and transmits the daily issuance file to the County's operating disbursement bank. The Treasurer then facilitates the movement of cash through wire transfers from the appropriate funding account into the appropriate disbursement account. The daily issuance transmissions to the County's operating disbursement bank are confirmed on a daily basis. Daily balances in the disbursement accounts, which represent checks not yet presented to the bank for payment, are invested nightly through an automated sweep system into a money market mutual fund account, which is permissible under the law of the State. A separate money market mutual fund account is maintained for each of the four individual disbursement accounts. The Comptroller credits the Corporate Account for interest earned on the daily balances swept from the disbursement accounts to the money market mutual fund accounts.

The Treasurer makes daily investments and the interest earned is credited by the Comptroller to the appropriate fund.

The Treasurer's Office has adopted an investment policy that conforms to the requirements of State Statutes and applicable local laws and ordinances. State Statutes authorize the Treasurer to invest funds in permissible types of investment or financial instruments. These include government obligation securities, bankers' acceptances, commercial paper, medium-term notes, pass-through securities, repurchase agreements, money market mutual funds, Illinois Funds, and collateralized certificates of deposit.

The Treasurer is authorized under State Statute to have investments in bank certificates of deposit and repurchase agreements. During fiscal year 2009 the Treasurer had no such investments.

The County has an ordinance that directs all elected and appointed officials to invest public funds in their possession for which they are the custodians in interest-bearing accounts and that amounts in excess of insured limits must be collateralized at 102%.

The Treasurer has adopted an investment policy that limits the types of investments to be made for funds held by the Treasurer to the following investments authorized by the State's Public Fund Investment Act:

(a) Bonds, notes, certificates of indebtedness, Treasury bills or other securities now or hereafter issued, which are guaranteed by the full faith and credit of the United States of America (the "U.S.") as to principal and interest, which have a liquid market with a readily determinable market value;

(b) Bonds, notes, debentures or other similar obligations of the U.S. or its agencies;

(c) Interest-bearing savings accounts, interest-bearing certificates of deposit or interest-bearing time deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act (205 IL CS 5/1, *et seq.*) (including the Investment Advisor and its bank affiliates), *provided however*, that any such bank must be insured by the Federal Deposit Insurance Corporation (the "FDIC") and be on the Treasurer list of approved financial institutions;

(d) Repurchase agreements whose underlying purchased securities consist of the foregoing instruments described in (a) through (c) above;

(e) Short-term obligations of corporations organized in the U.S. with assets exceeding $500,000,000, *provided however*, that such obligations are rated at the time of purchase within one of the three highest classifications established by at least two nationally recognized rating services, such obligations mature not later than 180 days from the date of purchase, and such purchases do not exceed 10% of the applicable corporation's outstanding obligation and *further provided, however*, that no more than one-third of the Treasurer's assets shall be invested in such short-term obligations at any one time.

(f) Money market mutual funds registered under the Investment Company Act of 1940, as from time to time amended (including those funds managed by the Investment Advisor and its affiliates), *provided however*, that the portfolio of any such money market fund is limited to obligations described in paragraph (a) or (b) above and to agreements to repurchase such obligations;

(g) Local government investment pools (such as the Illinois Funds or the Illinois Metropolitan Investment Fund) either State-administered or through joint powers statutes and other inter-governmental agreement legislation;

(h) Any other investment instruments now permitted by the provisions of the Investment Act or any other applicable statutes, or hereafter permitted by reason of the amendment of the Investment Act or the adoption of any other statute or ordinance applicable to the investment of County funds, provided that such instruments are approved in writing prior to purchase by the Investment Policy Committee.

The Treasurer's policy prohibits the purchase of financial forwards or futures contracts, any leveraged investments, lending securities, or reverse repurchase agreements.

The majority of the County's investments either has a maturity date of less than one year or is not held for investing. As a result, the County carries these investments at amortized cost. Equity investments held by the Public Guardian, an agency fund, are carried at fair value.

Temporary cash borrowings take place among the various operating funds. These inter-fund borrowings allow idle cash not currently required in some funds to be borrowed by other funds on a temporary basis. Since the County's operating bank accounts are maintained on a pooled basis, temporary inter-fund borrowings result from the issuance of checks in amounts in excess of the cash credited to the fund for which the check was issued. The County believes that prudent inter-fund borrowing of temporarily idle moneys constitutes an appropriate cash management practice since it reduces the need for external borrowings. Inter-fund borrowings are not made from cash accounts maintained for debt service or rental payments.

Working cash funds are maintained by the County and the District. The money to establish and increase these working cash funds was obtained from the issuance of long-term bonds and from legally available County resources. Monies on deposit in the working cash funds are invested with the interest earnings being credited to the working cash funds. The working cash funds, as of November 30, 2009, totaled $232,480,376 of which $100,341,667 is for General, $94,867,375 for CCHHS, $23,918,902 for Election and $13,352,432 at December 31, 2009, for District purposes.

The County maintains separate and restricted trust accounts with trustees for almost all outstanding general obligation debt. These separate and restricted trust accounts are managed by the County's Office of the Chief Financial Officer. Current tax collections are transferred into individual trust accounts to satisfy the above liabilities as they become due. The County invests the principal in the accounts in accordance with the provisions of each bond ordinance. Investments are primarily investment grade commercial paper, certificates of deposit, treasury notes and money market funds.

(2) The District

The District maintains a cash and investment pool that is available for use by all funds. This pool holds deposits, certificates of deposit, repurchase agreements and other investments with a maturity of less than one year. The portion of each fund's share of this pool is displayed as "Cash and Short Term Investments".

Investments are stated at fair value. Accrued interest on investments is separately stated. State statute permits the District discretion in allocating interest income to the various funds, except for the pro-rata share belonging to the Bond and Interest Fund.

The District's deposit and investment policies are governed by State statute. Illinois State Statutes limit the uninsured, uncollateralized deposits of a public agency to 75% of the financial institution's (bank or savings and loan) net worth. The District was in compliance with this statute as of December 31, 2009.

(3) Agency Funds

The Agency Funds, which include various fee offices of the County, maintain their own cash and investment accounts to manage the various activities of the County. The funds are governed by the County's Taxpayers Interest Assurance Ordinance, which requires that all cash held by the fee offices be placed into interest-bearing bank accounts and for those amounts in excess of insured limits, to be collateralized at 102% except for economic reasons or if funds are prohibited by law from being invested (i.e. trust funds).

(4) Pension Trust Funds

Pension Trust Funds are administered by the respective fund's Retirement Board and its cash and investments are held by a designated custodian. The Funds are authorized to invest in bonds, notes, certificates of indebtedness, mortgage notes, real estate, stocks, debentures or other obligations as set forth in the Illinois Compiled Statutes. Investments are reported at fair value, which generally represents reported market value as of the last business day of the year. Limited partnerships are carried at fair value as estimated by each partnership's general partner. Gains and losses are recognized when securities are sold and for the net appreciation (depreciation) in fair value of plan investments.

2. Receivables and payables

Inter-funds/Internal Balances – Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" (i.e., the current portion of interfund loans). Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Property taxes – Following the approval of the Annual Appropriation Bill proceedings as adopted by the County Board, authorization is given to provide for the collection of revenue by direct taxes on real property. This is known as the tax levy and must be certified to and filed in the Cook County Clerk's (the "Clerk") Office. The real property taxes become a lien on property and a receivable as of January 1st in the budget year for which taxes are levied.

The County Assessor (the "Assessor") is responsible for the assessment of all taxable real property within the County, except for certain railroad property and pollution control, which is assessed directly by the State. One-third of the County is reassessed each year on a repeating triennial schedule established by the Assessor.

Property assessed by the County is subject to equalization by the State. The equalized value is added to the valuation of property assessed directly by the State (to which an equalization factor is not applied) to arrive at the assessment base used by the Clerk in determining the tax rate for the County's tax levy. By virtue of its Constitutional "home rule" powers, the County does not have a statutory tax limit, except as described below. However, the District has the following maximum statutory tax rate limits for each of the District's taxing funds, per $100 of equalized assessed valuation:

Special Revenue – General	.060
Zoological Fund	.035
Botanic Gardens Fund	.015
Capital Projects Fund (construction and development)	.021
Debt Service (Bond and Interest Fund)	Limited by maximum debt
Agency – Employees' Annuity and Benefit Fund	No limit

The County Board passed The Property Tax Relief Ordinance, which voluntarily restricts the growth in the aggregate real property tax levy for the General (Corporate and Public Safety Accounts) and the CCHHS funds, to the lesser of 5% or the Consumer Price Index for All Urban Consumers. The Bond and Interest levy, the Pension levy and Election levy are excluded from this ordinance.

Property taxes are collected by the County Collector (who is also the County Treasurer), who remits to the County its respective share of the collections. Taxes levied in one year normally become due and payable in two installments, on March 1st and the latter of August 1st or 30 days after the mailing of the tax bills during the following year. The first installment is an estimated bill equal to 55% of the prior year's tax bill. The second installment is for the balance of the current year's tax bill, and is based on the current levy, assessment and equalization, and any changes from the prior year in those factors. Railroad property taxes (based on the State's assessments) are due in full at the time the second installment is due. For the governmental fund financial statements, property tax revenue for fiscal year 2009 represents the amount of property taxes levied in fiscal year 2008 and collected in fiscal year 2009 and 60 days thereafter. Property tax receivable at November 30, 2009 represents the fiscal year 2008 taxes levied on March 17, 2009 and uncollected fiscal year 2008 taxes.

Property, on which property taxes are unpaid after the due date, is eligible to be sold at a public sale. If property sold for taxes is not redeemed within two years, the tax buyer receives a deed to the property.

The Annual Appropriation Bill of the County contains a provision for an allowance for uncollectible taxes. The County's present policy allows for approximately a 3% provision for uncollectible property taxes. It is the County's policy to review this provision annually and to make adjustments accordingly. The allowances are $6,491,483 for the General Fund, $4,465,612 for the Proprietary Fund, $3,813,000 for the Annuity and Benefit Fund, $6,468,466 for the Debt Service Fund and $2,237,631 for the Nonmajor Governmental Funds.

On July 29, 1981 State law requiring additional procedures in connection with the annual levying of property taxes, became effective. The law states that, if an aggregate annual levy, exclusive of election costs and debt service requirements, is estimated to exceed 105% of the levy of the preceding year, a public hearing shall be held on the proposed increase. If the final levy as adopted exceeds 105% of the prior year's levy and exceeds the proposed levy specified in the notice, or is more than 105% of such proposed levy and no notice was required, notice of the adoption of such levy must be published within 15 days of the adoption thereof. No amount in excess of 105% of the preceding year's levy may be extended unless the levy is accompanied by a certification of compliance with the foregoing procedures. The express purpose of the law is to require published disclosure of an intention to adopt a levy in excess of the specified levels. The County and District, at public hearings on its 2009 budget, complied with this law

During 1995, the State extended the provisions of the Property Tax Extension Limitation Law (the "Limitation Law") to non-home rule taxing districts in the County, including the District. Subject to specific exceptions, the Limitation Law limits the annual growth in property tax extensions for the District to (I) 5% for taxes extended in 1995 and (ii) the lesser of 5% or the percentage increase in the Consumer Price Index for All Urban Consumers during the calendar year preceding the relevant levy year for taxes extended in years after 1995.

All personal property taxes in the State of Illinois were abolished, effective January 1, 1979. A personal property replacement tax (the "PPRT") was enacted, effective July 1, 1979.

The PPRT represents an additional income tax for corporations (including certain utilities) at the rate of 2.5% of net taxable income; an additional income tax for trusts at the rate of 1.5% of net taxable income; a new income tax for partnerships and Subchapter S Corporations at the rate of 1.5% of net taxable income; and a new tax at the rate of 0.8% of invested capital for public utilities providing gas, communications, electrical and water services. Partnerships and Subchapter S Corporations previously had not been subject to the Illinois income tax.

The PPRT law provides that monies received by the County from the tax shall be applied, first, toward payment of the proportionate amount of debt service, which was previously levied and extended against personal property for bonds outstanding as of December 31, 1978, and, second, applied toward payment of the proportionate share of the pension or retirement obligations of the County which were previously levied and extended against personal property.

3. Inventories

Inventory is valued at the lower of cost or market using the weighted average method.

4. Capital assets

Capital assets, for all funds other than the Proprietary Fund, are recorded as an expenditure of the fund from which the expenditure was made in the fund financial statements.

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, bridges, curbs and gutters, and sidewalks and lighting systems) are reported in the applicable governmental or business type activities columns in the government-wide financial statements. Capital assets are defined, by the County, as assets with an initial individual cost of more than $5,000 ($1,000 for CCHHS) and an estimated useful life in excess of three years. The County capitalizes all costs related to Capital Projects. Capital assets are recorded at cost. Costs recorded do not include interest incurred as a result of financing asset acquisition or construction. Assets acquired by gift or bequest are recorded at their fair market value at the date of gift. Upon sale or retirement, the cost of the assets and the related accumulated depreciation, if any, are removed from the accounts. Maintenance and repair costs are charged to operations.

Depreciation is provided over the estimated useful life of each class of assets. The estimated useful lives for assets are as follows:

Land improvements	5 to 63 years
Buildings	40 to 100 years
Leasehold and building improvements	10 to 68 years
Machinery and equipment	3 to 25 years
Fixed Plant Equipment	10 years
Institutional Equipment	10 years
Medical, Dental & Lab Equipment	5 years
Telecommunications	5 years
Computer Equipment	5 years
Furniture & Office Equipment	10 years
Lease Purchased Equipment	5 years
Other Fixed Equipment	5 years
Vehicles	5 years
Vehicle Equipment	5 years
Lease Purchased Vehicles	5 years
HVAC Purchase	15 years
Infrastructure	20 to 50 years

Depreciation on capital assets included in the governmental type activities is computed on the straight-line method.

Depreciation is calculated on the straight-line method for all of the CCHHS entities except the John H. Stroger, Jr. Hospital (JSH) which used the 150% declining-balance method on assets acquired prior to 2008. Beginning in 2008, new acquisitions at JSH are depreciated using the straight line method for better cost allocation. One-half year's depreciation is taken in the year of acquisition.

At November 30, 2009, the County was in the process of numerous construction and renovation projects at the various CCHHS sites. The construction in progress is recorded by the governmental activities. Expenditures from the capital projects fund of the County were for equipment, which amounted to $23,354,239 for the fiscal year ended November 30, 2009, and are included in the CCHHS net assets.

5. Compensated Absences

Governmental and Business-type Activities – Employees can earn from 10 to 25 vacation days per year, depending on their length of employment with the County. An employee can accumulate no more than the equivalent of two years' vacation. Accumulated vacation leave is due to the employee, or employee's beneficiary, at the time of termination or death.

Salaried employees can accumulate sick leave at the rate of one day for each month worked, up to a maximum of 175 days. Accumulated sick leave is forfeited at the termination of employment; therefore, sick leave pay is not accrued and is charged as an expenditure when paid.

Sick leave does not vest, but any unused sick and vacation leave, up to six months in duration, accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes.

The District – Employees are granted vacation and sick leave as follows:

(1) Employees can generally carry over a portion or all of vacation earned in one year to the following year. In the event of death, retirement or termination, other than by discharge for cause, unused vacation is usually paid to the employee or the employee's beneficiary. The payment often provides for partial vacation credits earned in the current year.

(2) Full-time employees usually earn eight hours of sick leave for each month worked. Non-union employees have the discretion to accumulate a maximum of 960 hours (120 days) of sick leave. Union employees have the discretion to accumulate a maximum of 1,400 hours (175 days) of sick leave. All rights for compensation for sick leave terminate when an employee severs employment with the District. Since sick pay is not vested, a provision for accumulated sick pay is not provided.

6. Long-term obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term debt obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

General obligation bonds and other forms of long-term debt supported by general revenues are obligations of either the County as a whole or the District as a whole and not of the individual constituent funds of either government. General obligation debt proceeds are used to finance CCHHS projects and accordingly, are not recorded in the Business-Type Activities. Un-matured obligations of the County and the District are recorded as noncurrent liabilities in the Statement of Net Assets.

7. Cash Flows

For purposes of the Statement of Cash Flows, the County considers all unrestricted, highly liquid investments with a maturity date of three months or less from the date of purchase to be cash equivalents. Restricted investments consist of investments with a maturity date greater than three months from the date of purchase.

8. Indirect Costs

Indirect costs are charged to various Federal programs, State programs and other funds based on a formal plan developed annually by the County. These costs are reflected as expenditures in those funds benefiting from the services provided and as reimbursements to the General Fund, which provides the services.

9. Use of Estimates

The preparation of financial statements, in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

II. Stewardship, compliance, and accountability

A. Budgetary information

1. The County

The development of the annual budget begins with each department submitting a detailed request for appropriation. Meetings are subsequently held by the President of the County Board and Bureau of Finance staff with each department and elected official to review their budget requests. Based on overall budgetary requests and available resources, the Chief Financial Officer (the "CFO"), in conjunction with the Budget Director, prepares an executive budget which is submitted to the President of the County Board for approval. Concurrent with this process, the CFO and the

Comptroller prepare an estimate of revenues and other resources available for appropriations. This estimate is required by County Board ordinance to be submitted on or before November 1^{st} of each year.

The executive budget, as approved by the President, is submitted to the County Board's Committee on Finance, which in turn holds public hearings with each department and elected official.

After public hearings on the executive budget are completed, the Committee on Finance recommends the budget to the County Board with such amendments, as it may deem appropriate. The County Board, along with any further approved amendments that may be decided upon by the County Board then approves the budget in the form of the Appropriation Ordinance. The Annual Appropriation Ordinance must be adopted before March 1^{st} of the current fiscal year.

The fiscal year budget is prepared on an encumbrance accounting basis in which the current year's encumbrances are treated as expenditures of the current period on the budgetary operating statements. Annual budgetary appropriation accounts are established for the General Fund, budgeted Special Revenue Funds, the Debt Service Fund and the CCHHS. These appropriation accounts represent the maximum expenditures authorized during the fiscal year, and they cannot legally be exceeded unless subsequently amended by the County Board. Unexpended and unencumbered appropriations lapse at the end of each fiscal year. Unencumbered balances in the various fund accounts of the County and other fund accounts may be inadequate to pay for services already rendered because of unforeseen commitments at the time the Annual Appropriation Ordinance is passed. The Comptroller and the Treasurer are authorized to use these unexpended balances as transfers so that fund deficiencies may be appropriately adjusted. The Capital Projects Fund applies project length budgets for fiscal control. The level of control where expenditures may not exceed the budget is the fund level of activity.

Governmental grants and other non-budgeted special revenue funds are not budgeted within the annual budgeting process, as discussed above. The County controls expenditures from non-budgeted funds by monitoring cash balances through its accounting and cash disbursement system. Any Non-budgeted Debt Service Fund's expenditures, which arise after the passage of the budget, are determined by the terms of specific bond indentures.

The County Board is authorized to amend the Annual Appropriation Ordinance by approving appropriation line item transfers within a department's budget or intra-fund transfers between departments. Total appropriations for each fund cannot be changed unless the County Board approves a supplemental appropriation. Supplemental appropriation ordinances are approved when matched with estimated appropriable resources. During the fiscal year ended November 30, 2009, the County Board approved no supplemental appropriations.

2. The District

The District's Committee on Finance submits to the District Board a proposed operating budget for the fiscal year commencing January 1st. The operating budget includes proposed expenditures and the projected means to finance them. The budget document is available for public inspection for at least 30 days prior to the District Board's passage of the Annual Appropriation Ordinance. The District Board must hold at least one public hearing on the proposed budget prior to its passage.

Within 60 days (March 1st) of the beginning of the fiscal year, the District Board legally enacts the budget through the passage of the Annual Appropriation Ordinance. The District Board is authorized to transfer budgeted amounts between various line items within any fund. The District Board must approve any revisions altering the total expenditures of any fund. The budget information stated in the financial statements includes adjustments, if any, made during the year. The level of control where expenditures may not exceed the budget is the fund level of activity.

With the exception of unspent capital projects (construction and development funds), budgetary amounts lapse at year-end and are not carried forward to succeeding years. State statute permits the capital projects funds to be carried forward for four succeeding years until the fund is closed.

The budget is prepared on the cash basis of accounting for expenditures except for certain transactions, which are accounted for on an encumbrance basis. The Special Revenue-General Surplus is the legally adopted expenditures from prior years that have not been expended to date. The major differences between the budget and GAAP basis are that for the Governmental Funds of the District, property tax revenues are recorded on the modified accrual method, while for budget purposes the current year's property tax levy (net of an allowance for loss) is recognized as revenue.

The following funds and accounts have legally adopted budgets: Special Revenue - General, Debt Service, Real Estate Acquisition and Capital Projects.

3. Budgetary basis of accounting

The accompanying Statements of Revenues, Expenditures and Encumbrances and Changes in Unreserved Fund Balance - Budget and Actual have been prepared on a legally prescribed budgetary basis of accounting that differs from GAAP. The significant differences in accounting practices between the operating statements presented under GAAP and the budgetary operating statements include:

- Property tax levies and PPRT are recognized as revenue in the budgetary statements in the year levied or the year PPRT would have been levied. The operating statements prepared under GAAP recognize property tax levies as revenue in the subsequent year when they become available.

- Expenditures related to specific property tax levies (i.e. pension obligation, principal and interest on general obligation bonds, rental obligations, and allowances for uncollectible taxes) are recognized in the budgetary statements in the year the taxes are levied. The GAAP operating statements recognize these expenditures when the related liability is incurred with the exception of principal and interest on general long-term debt, which is recognized when due.

- Encumbrances are combined with expenditures in the budgetary statements but are excluded in the GAAP operating statements.

- Incurred obligations (i.e. accounts payable and accrued salaries) are recognized as expenditures when paid in the budgetary statements while the GAAP operating statements recognize these items when the related liability is incurred.

- Revenue is recognized when received in the monthly budgetary statements, while the GAAP operating statements recognize these items when measurable and available for financing current obligations.

- The following schedule provides a reconciliation of the budgetary basis and GAAP fund balances:

	General Fund	Motor Fuel Tax Fund	Annuity & Benefit Fund
Revenues and other financing sources over (under) expenditures and other financing uses - GAAP basis from Exhibit 5	$ 38,059,425	$ (21,541,011)	$ -
Effect of deferring 2009 property tax levy	34,068,761	-	11,414,145
Effect of accruing certain revenue	(135,993,024)	(10,150,378)	4,308,914
Effect of not including encumbrances as expenditures	(73,612,499)	(28,959,600)	-
Effect of recognizing incurred obligations at November 30, 2009	59,502,504	57,919,200	(15,723,059)
Effect of excluding self insurance funds	(70,703,292)	-	-
Effect of excluding working cash funds	65,223	-	-
Revenues and other financing sources (under) over expenditures and encumbrances and other financing uses - budgetary basis from Exhibits 7, 8 & 9 respectively	$ (148,612,902)	$ (2,731,789)	$ -

B. Excess of expenditures over appropriations

For the year ended November 30, 2009, expenditures exceeded appropriations (non GAAP budget basis) in the Corrections, Control of Environment, Courts and Assessment and collection of taxes activities of the General Fund by $6,023,171, $38,375,

$25,960,184 and $3,751,865 respectively. These over-expenditures were funded by the available fund balance in the General Fund.

C. Deficit fund equity

The following information provides unreserved deficit fund balances at November 30, 2009:

Nonmajor Governmental Funds -		
County Law Library	$	(2,624,167)
Cook County Emergency Telephone System		(490,606)
Chief Judge Juvenile Justice		(7,716,629)
JTDC Supportive Services		(14,743,634)
Capital Litigation		(953,709)

The deficit in the Non-Major Governmental funds – County Law Library, Cook County Emergency Telephone System, Chief Judge Juvenile Justice, JTDC Supportive Services and Capital Litigation will be financed through future revenues.

III. Detailed notes on all funds

A. Deposits and investments

1. The County

As of November 30, 2009, the County had the following investments:

Investment Type	Investment Maturities (in Years)			
County Funds	Less Than 1	1 - 5	6 - 20	Fair Value
U.S. Treasuries	$ 2,052,501	$ -	$ -	$ 2,052,501
U.S. Agencies	420,718	-	7,700,475	8,121,193
State Treasurer - Illinois Funds	23,728,160	-	-	23,728,160
Total	$ 26,201,379	$ -	$ 7,700,475	$ 33,901,854

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's Investment Policy limits all securities so purchased, except for tax anticipation warrants, municipal bonds, notes, commercial paper, or other instruments representing a debt obligation of the County.

Credit Risk. The County Ordinance limits investments in commercial paper to banks whose senior obligations are rated in the top two rating categories by two national rating agencies and maintain such rating during the term of such investment. The Ordinance also limits investments to domestic money market mutual funds regulated by and in good standing with the Securities and Exchange Commission. Equities are of publicly traded companies that are traded on the public open market. Certificates of Deposit are also limited by the Ordinance to national banks which are either fully collateralized by at least 102% with marketable U.S. Government securities marked to market at least monthly, or secured by a corporate surety bond issued by an insurance company licensed to do business in Illinois, have a claims-paying rating in the top rating category by a nationally recognized statistical rating organization, and maintain such rating during the term of such investment.

Type of Investment	Rating	2009
U.S. Treasuries	Aaa/AAA	$ 2,052,501
U.S. Agencies	Aaa/AAA	8,121,193
State Treasurer - Illinois Funds	AAAm	23,728,160
		$ 33,901,854

Custodial Credit Risk – Cash, Certificates of Deposit and Money Market Funds. In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County's Investment Policy states that in order to protect the County's public fund deposits, depository institutions are required to maintain collateral pledges on County certificates of deposit during the term of the deposit of at least 102% of marketable U.S. Government or approved securities or surety bonds issued by top-rated issuers. Collateral is required as security whenever deposits exceed the insured limits of the FDIC. Cash and certificates of deposits were $3,419,425,842 as of November 30, 2009. Money market deposits were $543,708,269 as of November 30, 2009. The bank balance of $3,269,387,356 or 100% was either insured or collateralized with securities held by County agents in the County's name.

Custodial Credit Risk – Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Of the investment in common and preferred stocks of $2,809,716, $543,708,269 of money market mutual funds and $6,533,448 of other short-term investments, the County has no custodial credit risk exposure.

Foreign Currency Risk. This is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The risk of loss is managed by limiting its exposure to fair value loss by requiring their international securities managers to maintain diversified portfolios. As of November 30, 2009, the County is not invested in any foreign investments or deposits.

From Note 3a. - County Investments	
U.S. Treasuries	$ 2,052,501
U.S. Agencies	8,121,193
State Treasurer - Illinois Funds	23,728,160
Total Investments from Note 3a.	33,901,854
Other Investments not categorized	
Money Market Mutual Funds	543,708,269
Common and Preferred Stock	2,809,716
Other Short-Term Investments	6,533,448
Total Other Investments not categorized	553,051,433
Total County Investments	586,953,286
Cash - Demand Deposits	3,419,425,842
Total Cash and Investments	$ 4,006,379,128
Reconciliation to Financial Statements:	
Exhibit 1 - Primary Government:	
Cash and Investments	$ 918,902,722
Cash and Investments with trustees	355,656,203
Exhibit 13 - Fiduciary - Agency Funds	
Cash	2,709,665,069
Investments	22,155,134
	$ 4,006,379,128

2. Pension Trust Funds

The Pension Trust Funds are 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 represents a summarization of the fair value (carrying amount) of the Plan's investments as of December 31, 2009. Investments that represent 5% or more of the Plan's net assets held in trust or benefit purposes are separately identified.

Type of Investment	Fair Value
U.S. Government and government agency obligations:	$ 1,484,469,090
Corporate bonds:	653,511,617
Equities:	3,981,565,601
Collective Investment Funds:	
Equity	33,512,717
Fixed income mutual funds:	
NTGI Daily Aggregate Bond Index Fund	306,820,884
Others	260,375
Alternative Investments:	128,651,024
Short term Investments:	179,479,156
TOTAL INVESTMENTS	$ 6,768,270,464

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. The Pension Trust Funds have set the duration for the total fixed income portfolio to fall within plus or minus 30% of the duration for the fixed income performance benchmark. The following table presents a summarization of debt investment at December 31, 2009 using the segmented time distribution method:

	Investment Maturities (in Years)				
Type of Investment	Less Than 1	1 - 5	6 - 10	More Than 10	Fair Value
Corporate bonds	$ 11,321,503	$ 260,231,947	$ 243,609,356	$ 138,348,811	$ 653,511,617
U.S. Government and Government Agency obligations	10,405,420	754,551,390	234,014,196	485,498,084	1,484,469,090
Total	$ 21,726,923	$ 1,014,783,337	$ 477,623,552	$ 623,846,895	$ 2,137,980,707

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. U.S. Government obligations or obligations explicitly guaranteed by the U.S. Government are not considered to have credit risk and do not require disclosure of credit quality. The Pension Trust Funds have set the average credit quality for the total fixed income portfolio of not less than A- by Moody's Investor Service, Standard & Poor's and/or Fitch ratings. The following table presents a summarization of the credit quality ratings of investments in corporate bonds, foreign government obligations, short-term investments and pooled funds as of December 31, 2009 as valued by Moody's Investors Service and/or Standard & Poor's:

Type of Investment	Rating	2009
Corporate bonds	Aaa/AAA	$ 55,389,952
	Aa/AA	48,307,649
	A/A	265,661,037
	Baa/BBB	235,416,842
	Ba/BB	16,244,158
	B/B	12,005,514
	Caa/CCC	13,088,087
	Ca/CC	3,278,736
	CC	61,683
	Not Rated	4,057,959
		653,511,617
U.S. Government and government agency obligations	Aaa/AAA	1,483,561,638
	Aa/AA	739,158
	A/A	33,316
	Baa/BBB	29,072
	Not Rated	105,906
		1,484,469,090
Fixed income mutual funds	Not Rated	307,081,259
Demand notes	Aaa/AAA	9,894
	Aa/AA	139,410
	Not Rated	179,329,852
		$ 179,479,156

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Pension Trust Funds will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of December 31, 2009, the Pension Trust Funds 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.

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. The Pension Trust Funds limits the amount of investments in foreign equities to 20% of total assets and foreign fixed income obligations to 2.5% of total fund assets. The Trust Fund's exposure to foreign currency risk as of December 31, 2009 is as follows:

Type of Investment	Fair Value (USD) 2009
U.S. Government and government agency obligations:	$ 1,484,469,090
Equities:	
Austrailian dollar	$ 29,018,342
Brazil real	14,071,610
British pound	157,361,180
Canadian dollar	30,609,401
Czech koruna	346,341
Danish krone	11,422,446
Egyptian pound	112,441
European euro	211,620,344
Hong Kong dollar	50,734,201
Hungarian fornit	417,998
Indonesian rupan	2,792,600
Israeli skekel	1,852,489
Japanese yen	106,150,348
Malaysian ringgit	2,404,472
Mexican peso	5,934,665
Norwegian krone	5,987,931
Polish zloty	1,223,232
Singapore dollar	4,743,647
South African rand	4,480,073
South Korean won	8,602,630
Swedish krona	8,498,108
Swiss franc	49,838,045
Taiwan dollar	7,411,231
Thailand baht	877,158
U.S. dollar	3,265,054,668
Total equities	$ 3,981,565,601

Type of Investment	Fair Value (USD) 2009
Corporate bonds:	
Nowegian krone	$ 302,240
U.S. dollar	653,209,377
Total corporate bonds	$ 653,511,617
Alternative investments:	
European euro	$ 374,563
U.S. dollar	128,276,461
Total alternatives investments	$ 128,651,024

Securities Lending. State Statutes and the Board of Trustees permit the Pension Trust Fund 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 Pension Trust Fund'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 Pension Trust Funds are not restricted as to the type or amount of securities it may loan. The Trust Fund does not have the right to sell or pledge securities received as collateral unless the borrower defaults. The average term of securities loaned was one hundred and fifteen days for 2009; however, any loan may be terminated on demand by either the Pension Trust Fund or the borrower. Cash collateral may be invested in a short-term investment pool, which had an average weighted maturity at December 31, 2009 of 91 days. Cash collateral may also be invested in term loans in which the investments (term loans) match the term of the securities loans.

As of December 31, 2009, the fair value (carrying amount) of loaned securities was $651,544,131 and the fair value (carrying amount) of collateral received by the Pension Trust Fund was $670,257,559.

During 2008, a security within the collateral pool became insolvent 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 Pension Trust Fund's custodian allocated a portion of the insolvent security to each investor in the collateral pool. As a result of the allocation, the Pension Trust Fund incurred an unrealized investment loss and corresponding securities lending payable in the amount of $7,015,497 during the year ended December 31, 2008. No change was made during the year ended December 31, 2009.

When-Issued Transactions. The Pension Trust Fund may purchase securities on a when-issued basis, that is, obligate itself to purchase securities with delivery and payment to occur at a later date. At the time the Pension Trust Fund enters into a commitment to purchase the security, the transaction is recorded at purchase price which equals value. The value at delivery may be more or less than the purchase price. No interest accrues to the Plan until delivery and payment take place. As of December 31, 2009, the Pension Trust Fund contracted to acquire securities on a when-issued basis with a total principal amount of $10,000,000.

From Note 3b. - Pension Trust Fund Investments	
U.S. and Foreign Government obligations	$ 1,484,469,090
Corporate bonds	653,511,617
Equities	4,015,078,318
Fixed income mutual funds	307,081,259
Alternative Investments	128,651,024
Short Term Investments	179,479,156
Total Investments from Note 3b.	6,768,270,464
Cash - Demand Deposits	2,367,885
Total Cash and Investments	$ 6,770,638,349
Reconciliation to Financial Statements	
Exhibit 13 - Fiduciary - County Pension Trust	
Cash	$ 2,287,512
U.S. Government obligations	1,451,418,088
Corporate bonds	637,045,459
Equities	3,918,495,271
Fixed Income Mutual Funds	298,195,886
Alternative Investments	128,651,024
Short Term Investments	173,788,743
Exhibit 13 - Fiduciary - Forest Preserve Pension Trust	
Cash	80,373
U.S. Government obligations	33,051,002
Corporate bonds	16,466,158
Equities	96,583,047
Fixed Income Mutual Funds	8,885,373
Short Term Investments	5,690,413
	$ 6,770,638,349

B. Capital Assets

Capital asset activity for the year ended November 30, 2009 was as follows:

Governmental Activities:	November 30, 2008	Additions	Disposals and Transfers	November 30, 2009
Capital assets, not being depreciated:				
Land	$ 309,431,399	$ 1,339,707	$ -	$ 310,771,106
Construction in Progress	234,884,943	108,175,656	(119,735,666)	223,324,933
Total capital assets not being depreciated	544,316,342	109,515,363	(119,735,666)	534,096,039
Capital assets being depreciated:				
Buildings and Other Improvements	1,444,587,580	44,819,735	(191,196)	1,489,216,119
Machinery and Equipment	297,939,260	65,367,957	(5,700,078)	357,607,139
Infrastructure	1,403,222,045	43,385,515	-	1,446,607,560
Total capital assets being depreciated	3,145,748,885	153,573,207	(5,891,274)	3,293,430,818
Less accumulated depreciation for:				
Buildings and Other Improvements	594,196,688	46,174,610	-	640,371,298
Machinery and Equipment	242,510,713	36,193,033	(5,385,722)	273,318,024
Infrastructure	955,215,741	33,656,615	-	988,872,356
Total accumulated depreciation	1,791,923,142	116,024,258	(5,385,722)	1,902,561,678
Total capital assets being depreciated, net	1,353,825,743	37,548,949	(505,552)	1,390,869,140
Total Governmental Activities capital assets, net	$ 1,898,142,085	$ 147,064,312	$ (120,241,218)	$ 1,924,965,179

Business-type Activities:	November 30, 2008	Additions and Transfers	Disposals and Transfers	November 30, 2009
Capital assets being depreciated:				
Buildings and Other Improvements	$ 640,318,734	$ 11,763,461	$ (4,957,595)	$ 647,124,600
Machinery and Equipment	190,804,188	14,421,213	(11,761,770)	193,463,631
Total capital assets being depreciated	831,122,922	26,184,674	(16,719,365)	840,588,231
Less accumulated depreciation for:				
Buildings and Other Improvements	194,637,792	21,082,346	(4,957,595)	210,762,543
Machinery and Equipment	132,004,544	17,707,164	(11,761,770)	137,949,938
Total accumulated depreciation	326,642,336	38,789,510	(16,719,365)	348,712,481
Total capital assets being depreciated, net	504,480,586	(12,604,836)	-	491,875,750
Total Business-type Activities capital assets, net	$ 504,480,586	$ (12,604,836)	$ -	$ 491,875,750

Depreciation expense was charged to functions/programs of the County, the District and CCHHS as follows:

Governmental Activities:	
Government Management and Supporting Services	$ 58,561,485
Corrections	2,082,425
Courts	12,703,446
Control of Environment	4,690,107
Assessment and Collection of Taxes	2,317,524
Transportation	35,332,558
Economic and Human Development	29,321
Election	307,391
Total depreciation expense-governmental activities:	$ 116,024,258
Business-type Activities:	
Total depreciation expense-business-type activities:	$ 35,959,075

C. Interfund receivables, payables, and transfers

During the course of normal operations the County has numerous transactions between funds including expenditures and transfer of resources to provide services. These transactions are recorded as transfers which move unrestricted revenues from revenue collecting funds and Non-major funds, to finance various programs in the General Fund in accordance with budgetary authorizations. The County also contributes certain services, such as purchasing, data and payroll processing, to the operations of CCHHS. These transfers are reported as other financial sources (uses) in the Governmental Funds and as transfers in the Enterprise Funds. Transfers between fund types during fiscal year 2009 included:

Transfers Summary - All Funds November 30, 2009	Transfer In	Transfer Out
General Fund -		
Corporate - CC Lead Poisoning Prevention	$ 34,115	$ -
Corporate - Election Fund	202,054	-
Corporate - Animal Control Fund	700,252	-
Corporate - County Recorder Document Storage	389,397	-
Corporate - County Clerk Automation	47,461	-
Corporate - County Treasurer Tax Sales Automation	55,426	
Corporate - Motor Fuel Tax Fund	5,000,000	-
Corporate - CCHHS	-	4,264,067
Public Safety - Circuit Court Document Storage	1,435,507	-
Public Safety - Circuit Court Automation	1,561,047	-
Public Safety - Motor Fuel Tax Fund	43,500,000	-
Public Safety - CCHHS	-	283,962
	52,925,259	**4,548,029**
Motor Fuel Tax Fund -		
Motor Fuel Tax - General Fund - Corporate	-	5,000,000
Motor Fuel Tax - General Fund - Public Safety	-	43,500,000
	-	**48,500,000**
Nonmajor Governmental Funds -		
Election Fund – General Fund - Corporate	-	202,054
Animal Control Fund – General Fund - Corporate	-	700,252
County Recorder Document Storage – General Fund - Corporate	-	389,397
County Clerk Automation – General Fund - Corporate	-	47,461
Circuit Court Document Storage – General Fund - Public Safety	-	1,435,507
Circuit Court Automation – General Fund - Public Safety	-	1,561,047
County Treasurer Tax Sales Automation - General Fund - Corporate	-	55,426
CC Lead Poisoning Prevention – General Fund - Corporate	-	34,115
	-	**4,425,259**
Proprietary Funds -		
Enterprise Funds - CCHHS - Corporate	4,548,029	-
	4,548,029	**-**
Total all funds	**$ 57,473,288**	**$ 57,473,288**

Interfund receivable and payable balances among Governmental Funds at year end are the result of the time lag between the dates that inter-fund goods and services are provided, the date the transactions are recorded in the accounting system and the date payments between funds are made. Financial Statements ending December 31, 2009 for both the Pension Trust Funds were used, as they contained the most recent available information.

Interfund Receivables and Payables November 30, 2009	Receivable Fund Due from	Payable Fund Due to
General Fund		
Corporate Account	$ 43,455	$ -
	43,455	**-**
Annuity & Benefit	**635,838**	**-**
Debt Service Fund		
Debt Service Fund - Agency Fund - County Treasurer	-	2,958,622
	-	**2,958,622**
Nonmajor Governmental Funds		
Election - Agency Fund - County Treasurer	-	6,027
Suburban Tuberculosis Sanitarium District - Agency Fund - County Treasurer	-	33,379
	-	**39,406**
Proprietary Funds		
Enterprise Funds - CCHHS - Corporate	-	43,455
	-	**43,455**
Agency Funds		
County Treasurer - Annuity & Benefit Fund	-	635,838
County Treasurer - Debt Service Fund	2,958,622	-
County Treasurer - Election Fund	6,027	-
County Treasurer - Nonmajor Governmental Funds - Suburban Tuberculosis Sanitarium District	33,379	-
	2,998,028	**635,838**
Fiduciary Funds		
County Pension Trust	1,179,097	-
Forest Preserve Pension Trust	-	1,179,097
	1,179,097	**1,179,097**
Total	**$ 4,856,418**	**$ 4,856,418**

D. Leases

1. Operating Leases

The CCHHS leases data processing and other equipment. Lease agreements frequently include a renewal option and usually require the CCHHS to pay for maintenance costs. Rental payments for operating leases are charged to operating expense in the period incurred. Rental expense for operating leases was approximately $3,589,428 for fiscal year 2009.

Approximate minimum future lease payments under non-cancelable lease obligations for fiscal years ending November 30th are as follows:

2010	2,327,131
2011	1,560,023
2012	1,092,992
2013	955,828
2014	953,219
Thereafter	1,723,074
Total	$ 8,612,267

2. Capital Lease

The County is committed under one lease for mainframe hardware, software and other related services and one lease for photocopying equipment. Therefore, $14,810,552 has been recorded within capital assets on the Statement of Net Assets. The leases are considered for accounting purposes to be non-cancelable capital leases.

The following schedule presents future minimum capital lease payment obligations together with the present value of future minimum lease payments as of November 30, 2009:

Fiscal Year Ending	Governmental Activities
2010	$ 5,098,600
2011	500,929
Total minimum lease payments	5,599,529
Less: amount representing interest	925,549
Present value of minimum lease payments	$ 4,673,980
Current Portion of lease payments	$ 5,098,600
Less: Current Portion of lease payments - interest	(785,835)
Total Current Portion of lease payments	$ 5,884,435

E. Short-term Debt

In July, 2008 the County issued $147,835,000 of Corporate Purpose Sales Tax Anticipation Notes (the "TAN") to provide funds to be used to (i) increase the working cash funds of the County and (ii) pay the costs of issuance of the TAN. The TAN were general obligations of the County payable from and secured by a pledge of all distributions by the State to the County of generally applicable sales taxes, bearing a coupon interest rate of 3.0% and a maturity date of August 3, 2009 which was paid on July 30, 2009 and was recorded in the General Fund.

Changes in short-term obligations for the fiscal year ended November 30, 2009 are described below as follows:

Governmental Activities:	November 30, 2008	Issued	Redeemed	November 30, 2009
County Short-term Debt:				
Tax Anticipation Note	$ 118,268,000	$ -	$ (118,268,000)	$ -
	118,268,000	-	(118,268,000)	-

F. Long-term debt

1. General Obligation Bonds

General Obligation Bond Debt Service Funds are maintained for the retirement of bonded debt. Property tax receipts for bonds issued prior to 1993 are deposited into a cash escrow account, and property tax receipts for bonds issued in 1993 and thereafter are deposited with a bond trustee for the payment of principal and interest.

The annual debt service requirements to retire bonds outstanding at November 30, 2009, are provided below as follows, net of capitalized interest amounts to be funded from bond proceeds:

Fiscal Year	Total Principal	Total Interest	Total Requirements
2010	$ 89,880,000	$ 162,322,644	$ 252,202,644
2011	94,695,000	157,714,318	252,409,318
2012	99,850,000	152,972,351	252,822,351
2013	105,430,000	148,249,880	253,679,880
2014	111,260,000	142,583,230	253,843,230
2015 - 2019	638,115,000	621,561,793	1,259,676,793
2020 - 2024	776,140,000	441,886,146	1,218,026,146
2025 - 2029	798,415,000	254,196,846	1,052,611,846
2030 - 2034	579,710,000	54,625,101	634,335,101
	$ 3,293,495,000	**$ 2,136,112,309**	**$ 5,429,607,309**

Interest on variable rate debt was calculated using the interest rate at fiscal year end, November 30, 2009, and assumes that current rates remain the same.

Series 2002A – 2.93%
Series 2002B – 3.12%
Series 2004D – 5.81%
Series 2004E – 3.12%

General obligation bonds outstanding at November 30, 2009, are comprised of the following:

1996 County bonds of \$486,345,000; \$281,920,000 serial bonds due in annual installments of \$450,000 to \$25,370,000 through November 15, 2016; interest at 4.9% to 6.5%; \$204,425,000 of 5.875% term bonds due November 15, 2014	\$ 77,675,000
1997A County bonds of \$206,400,000; \$134,500,000 serial bonds due in annual installments of \$625,000 to \$26,740,000 through November 15, 2019; interest at 5% to 6.25%; \$71,900,000 of 5.625% term bonds due November 15, 2022	33,635,000
1998A County bonds of \$281,965,000; \$129,510,000 serial bonds due in annual installments of \$1,060,000 to \$29,700,000 through November 15, 2018; interest at 4% to 5%; \$152,455,000 of 5% term bonds due November 15, 2022	53,910,000
1999A County bonds of \$329,655,000; \$132,380,000 serial bonds due in annual installments of \$11,090,000 to \$17,040,000 through November 15, 2019; interest at 5% to 5.25%; \$77,110,000 of 5% term bonds due November 15, 2028	160,600,000
1999B County bonds of \$80,485,000; \$80,485,000 serial bonds due in annual installments of \$350,000 to \$26,520,000 through November 15, 2012; interest at 4% to 5.125%	2,675,000
2001A County bonds of \$375,000,000; \$159,315,000 serial bonds due in annual installments of \$1,060,000 to \$15,010,000 through November 15, 2022; and \$56,620,000 of 5.5% term bonds due November 15, 2031	27,915,000
2002A County taxable general obligation variable rate bonds of \$123,800,000 due November 1, 2023	110,600,000
2002B County general obligation variable note capital improvement bonds of \$245,400,000 due November 1, 2031	245,400,000
2002C County bonds of \$226,060,000; \$9,000,000 serial bonds due November 15, 2003 interest rate of 5%; \$148,810,000 term bonds due November 15, 2025 interest rate of 5%; \$68,250,000 serial bonds due November 15, 2026 interest rate of 5.5%	157,810,000
2002D County bonds of \$173,565,000 serial bonds due in annual installments of \$1,405,000 to \$14,350,000 through November 15, 2022; interest at 4.75% to 5.25%	170,575,000
2003A County bonds of \$22,565,000 serial bonds due in one installment of \$22,565,000 November 15, 2022; interest at 5.00%	22,565,000
2003B County bonds of \$187,285,000 serial bonds due in annual installments of \$3,715,000 to \$2,400,000 through November 15, 2022; interest at 5.00% to 5.25%	112,635,000
2004A County refunding bonds of \$225,655,000 due in annual installments of \$275,000 to \$37,050,000 through November 15, 2023; interest at 3.0% to 5.0% to refund \$232,230,000 of 1993A, 1993B, 1999A & 2001A bonds with an average interest of 5.27%	208,395,000
2004B County general obligation tax-exempt capital improvement bonds of \$165,000,000 due in annual installments of \$1,500,000 to \$79,900,000 through November 15, 2029; interest at 3.30% to 5.25%	161,800,000

2004C County taxable bonds of $135,000,000; $31,000,000 serial bonds due November 15, 2023 interest rate of 5.70%; $98,000,000 serial bonds due November 15, 2029 interest rate of 5.79%; $6,000,000 serial bonds due November 15, 2029 interest rate of 5.76%	135,000,000
2004D County variable rate taxable bonds of $130,000,000 due in one intallment of $130,000,000 November 1, 2030	130,000,000
2004E County variable rate capital improvement bonds of $170,000,000 due in one installment of $170,000,000 November 1, 2033	170,000,000
2006A County refunding bonds of $336,775,000 due in annual installments of $300,000 to $68,495,000 through November 15, 2031; interest at 4.0% to 5.0% to refund $332,495,000 of 1999A, 2001A & 2002C bonds with an average interest of 5.30%	335,750,000
2006B County refunding bonds of $196,200,000 due in annual installments of $8,845,000 to $29,470,000 through November 15, 2022; interest at 5.0% to refund $210,956,306 of 1997A & 1997B bonds with an average interest of 5.62%	196,200,000
2009A County refunding bonds of $176,005,000 due in annual installments of $1,980,000 to $28,310,000 through November 15, 2019; interest at 3.0% to 5.0% to refund $180,785,000 of 1996, 1997B, 1998A & 2004B bonds with an average interest of 4.92%	176,005,000
2009B County taxable bonds of $251,410,000; $120,205,000, 6.31% termbonds due November 15, 2031 and $131,205,000 6.36% due November 15, 2033; $120,205,000 qualifies for 35% Direct Pay Subisdy; $131,205,000 qualifies for 45% Recovery Zone Rate Direct Pay Subisdy	251,410,000
2009C County refunding bonds of $140,695,000 due in annual installments of $35,000 to $53,185,000 through November 15, 2021; interest at 3.25% to 5.0% to refund $145,215,000 of 1998A, 1999A & 1999B bonds with an average interest of 5.03%	140,695,000
2009D County capital equipment bonds of $97,060,000 due in annual installments of $6,995,000 to $11,110,000 through November 15, 2021; interest at 3.25% to 5.0%	97,060,000
2009E County taxable bonds of $6,520,000 due November 15, 2010; interest at 1.0%	6,520,000
Total County general obligation bonds	**3,184,830,000**
2001A & B Forest Preserve District refunding bonds of $35,285,000; interest at 4.5% to refund $32,410,000 of 1993 and 1996 series bonds with an average interest of 5.6%	22,620,000
2004 Forest Preserve District bonds of $100,000,000 due in annual installments of $3,270,000 to $8,000,000 through November 15, 2024, interest at 3.1% to 5.25.%	86,045,000
Total District general obligation bonds	**108,665,000**
Total General Obligation bonds	**$3,293,495,000**

All variable rate demand bonds are direct general obligations of the County to which the County has pledged its full faith, credit and resources. Under certain circumstances, investors in these variable rate demand bonds have the right to demand payment of their demand bonds. If any such demand bonds are not remarketed to other investors, the County is required to purchase the demand bonds. The County's variable rate bonds are supported by bank lines of credit that are evidenced by "Standby Bond Purchase Agreements" between the issuing banks and the County. The County has these types of agreements for: Series 2002A with Bank of America, N.A., expiring February 2, 2011; Series 2002B with Landesbank Hessen-Thüringen Girozentrale, expiring on December 31, 2015 with a bank option to terminate on July 1, 2012; Series 2004D-1 with Harris N.A., expiring April 7, 2012; Series 2004D-2 with The Northern Trust Company, expiring April 7, 2012; Series 2004E with Depfa, expiring August 12, 2014. These agreements allow the County to borrow money, under certain conditions, for the purchase of any demand notes not remarketed. Accordingly, these bonds are reported as long-term debt of the County.

On July 7, 2009, the County issued $176,005,000 of Series 2009A General Obligation Refunding Bonds. In connection with this issuance, the County deposited $184,637,527 of proceeds in an irrevocable trust with an escrow agent to provide for the advance refunding of $3,360,000 of its Series 1996 bonds which matured in the year of 2009, the current refunding of $23,615,000 of its Series 1997B bonds which will mature in the years of 2009 through 2012 inclusive, the current refunding of $151,185,000 of its Series 1998A bonds which will mature in the years 2009 through 2019 inclusive, and the advance refunding of $2,625,000 of its Series 2004B bonds which matured in the year 2009. As a result of this issuance, $180,785,000 is considered to be defeased and the liability has been removed from the November 30, 2009 Statement of Net Assets. The refunding of the above bonds results in an economic gain (difference between the present value of the debt service payment on the old and new debt) of $9,901,795 and a decrease in the absolute dollar amount of debt service payments of $10,073,468 and a book loss of $3,852,527.

On July 7, 2009, the County issued $251,410,000 of Series 2009B General Obligation Bonds. $120,205,000 qualifies for 35% Direct Pay Subsidy and $131,205,000 qualifies for 45% Recovery Zone Rate Direct Pay Subsidy. The Economic Recovery and Reinvestment Act (the "Act") created a new form of bonds known as Build America Bonds ("BABs"). These bonds are new types of debt created by the American Recovery and Reinvestment Act of 2009 ("ARRA"), a federal stimulus program designed to foster economic recovery in distressed areas, create jobs and grow the economy. The first type of BABs provide a Federal subsidy to investors equal to 35% of the interest payable by the County. The second type of BABs the County issued provide a direct Federal subsidy that will be paid to the County equal to 45% of the total interest expense payable to bondholders.

On October 21, 2009, the County issued $140,695,000 of Series 2009C General Obligation Refunding Bonds. In connection with this issuance, the County deposited $150,412,465 of proceeds in an irrevocable trust with an escrow agent to provide for the current refunding of $67,235,000 of its Series 1998A bonds which will mature in the years of 2020 and 2021, the current refunding of $43,400,000 of its Series 1999A bonds which will mature in the years of 2018 through 2021 inclusive, and the current refunding of $34,580,000 of its Series 1999B bonds which will mature in the years 2009, 2011 and 2102. As a result of this issuance, $145,215,000 is considered to be defeased and the liability has been removed from the November 30, 2009 Statement of Net Assets. The refunding of the above bonds results in an economic gain (difference between the present value of the debt service payment on the old and new debt) of $8,561,418 and a decrease in the absolute dollar amount of debt service payments of $8,583,316 and a book loss of $5,197,466.

On October 21, 2009, the County issued $97,060,000 of Series 2009D General Obligation Capital Equipment Bonds and $6,520,000 of Series 2009E Taxable General Obligations Bonds. In connection with the these issuances, the County deposited $99,500,000 of 2009D proceeds and $6,500,000 2009E proceeds into separate, segregated accounts within the Capital Projects Fund and will be applied to pay the costs of the acquisition and installation of the Capital Equipment Project as established by the Bond Ordinance. The County Board reserves the right, as it becomes necessary from time to time, to change the purposes of expenditure of the Capital Equipment Projects Fund, to change priorities, to revise cost allocations between expenditures and to substitute projects, in order to meet current needs of the County. This is subject to the provisions of the tax covenants of the County relating to the tax-exempt status of interest on the Series 2009D Bonds.

2. Derivatives

Objective of the swaps. Pursuant to Board approval, in order to protect against the potential of rising interest rates, the County has entered into four separate pay-fixed, receivable-variable interest rate swaps at a cost of what the County would have paid to issue fixed-rate debt. The swaps mature on April 30, 2010.

Terms, fair values and credit risk. The terms, including the fair values and credit ratings of the outstanding swaps as of November 30, 2009, are provided below. The notional amounts of the swaps match the principal amounts of the associated debt. The County's swap agreements contain scheduled reductions to outstanding notional amounts that are expected to approximately follow scheduled or anticipated reductions in the associated "bonds payable" category.

Pay-Fixed, Receive-Variable Rate Swaps.

Associated Bond Series	Notional Amounts	Effective Date	SWAP Maturity Date	Fixed Rate Paid	Variable Rate Received*	Fair Values	Counter-Party	Counter-Party Credit Rating
Taxable Series 2002A, 2004D-1 & 2004D-2	$ 18,045,000	5/1/2008	4/30/2010	4.7255%	1-month Libor	$ (330,200)	Dexia	A1/A/AA-
Taxable Series 2002A, 2004D-1 & 2004D-2	$ 54,135,000	5/1/2008	4/30/2010	4.7135%	1-month Libor	$ (987,897)	Apex Pryor Securities	Aaa/AA/AA
Taxable Series 2002A, 2004D-1 & 2004D-2	$168,420,000	5/1/2008	4/30/2010	4.7135%	1-month Libor	$(3,073,457)	Dexia	A1/A/AA-
Taxable Series 2002A, 2004D-1 & 2004D-2	$ 41,540,000	5/1/2008	4/30/2010	3.3515%	BMA	$(5,203,421)	Apex Pryor Securities	Aaa/AA/AA

**BMA is the Bond Market Association Municipal Swap Index. LIBOR is the London Interbank Offering Rate Index.*

Fair Value. As of November 30, 2009, the swaps had a negative fair value of $9.6 million. The fair values of the County's outstanding swaps were estimated using the respective BMA and one month LIBOR rates at November 30, 2009. Interest rates decreased subsequent to the date of execution resulting in the County's swaps having negative values.

Credit Risk. The County is exposed to credit risk (counterparty risk) through the counterparty with which it entered into agreements. If minimum credit rating requirements are not maintained, the counterparty is required to post collateral to a third party. This protects the County by mitigating the credit risk and therefore the ability to pay a termination payment inherent in a swap. Collateral on all swaps is to be in the form of cash or eligible collateral held by a third party custodian. Upon credit events, the swaps also transfer credit support and termination if the counterparty is unable to meet the said credit requirements.

Basis Risk. Basis risk refers to the mismatch between the variable rate payments received on the swap contracts and the interest payments actually owed on the bonds. The two significant components driving this risk are credit and BMA/LIBOR ratios. Credit may create basis risk because the County's bonds may trade differently than the swap index as a result of a credit rating change in the County. BMA/LIBOR ratios (or spreads) may create basis risk if the County's bonds trade at a higher percentage of LIBOR than the index received on the swap. This can occur due to many factors including, but not limited to, changes in marginal tax rates, tax-exempt status of bonds and supply and demand for variable rate bonds. The County is exposed to basis risk on all swaps except those that are based on cost of funds which provide cash flows that mirror those of the underlying bonds. For all other swaps, if the rate paid on the bonds is higher than the rate received, the County is liable for the difference which would add to the underlying cost of the transaction.

Tax Risk. The swap exposes the County to tax risk or a permanent mismatch between the floating rate received on the swap and the variable rate paid on the underlying variable-rate bonds due to tax law changes such that the Federal and State tax exemption of municipal debt is eliminated or its value reduced. There have been no tax law changes since the execution of these swap transactions.

Termination Risk. This is risk that the swap could be terminated as a result of certain events including a ratings downgrade for the issuer or the swap counterparty, covenant violation, bankruptcy, payment default or other defined events of default. Termination of a swap may result in a payment made by the issuer or to the issuer depending upon the market at the time of termination.

Swap payments and associated debt. As of November 30, 2009, debt service requirements of the County's outstanding variable-rate debt and net swap payments, assuming current rates remain the same for their term (BMA – 0.27%; LIBOR 0.24% at November 30, 2009), are as follows:

Fiscal Year Ending	Variable-Rate Bonds Principal	Variable-Rate Bonds Interest	Interest Rate Swaps, Net	Total
2009	$ -	$ 24,846,554	$ (23,612,427)	$ 1,234,127

3. Defeased Debt

Defeased bonds have been removed from the Statement of Net Assets because related assets have been placed in an irrevocable trust that, together with interest earned thereon, will provide amounts sufficient for the payment of all principal and interest. Defeased bonds at November 30, 2009 were as follows:

Defeased bonds as of November 30, 2009	Amount Defeased	Amount Outstanding
General Obligation Bonds, Series 1990	108,225,000	14,480,000
General Obligation Capital Improvement Bonds, Series 1991	207,928,342	145,475,000
General Obligation Capital Improvement Bonds, Series 1992A	166,535,000	126,575,000
General Obligation Capital Improvement Bonds, Series 1992B	169,970,000	129,180,000
General Obligation Capital Improvement Bonds, Series 1993A	176,785,000	127,635,000
General Obligation Capital Improvement Bonds, Series 1993B	211,225,000	120,050,000
General Obligation Capital Improvement and Refunding Bonds, Series 1996	279,140,000	272,570,000
General Obligation Capital Improvement and Refunding Bonds, Series 1997A	155,615,000	148,830,000
General Obligation Capital Improvement and Refunding Bonds, Series 1997B	71,355,000	70,370,000
General Obligation Capital Improvement Refunding Bonds, Series 1998A	218,420,000	217,070,000
General Obligation Capital Improvement and Refunding Bonds, Series 1999A	169,055,000	169,055,000
General Obligation Capital Improvement Refunding Bonds, Series 1999B	34,580,000	29,580,000
General Obligation Capital Improvement Bonds, Series 2001A	341,175,000	338,280,000
General Obligation Capital Improvement Bonds, Series 2002C	68,250,000	68,250,000
	$ 2,378,258,342	$ 1,977,400,000

4. Long-term Liabilities

Long-term liabilities activity for the fiscal year ended November 30, 2009 was as follows:

Governmental Activities:	November 30, 2008	Additions	Reductions	November 30, 2009	Due Within One Year
Bonds payable:					
General obligation bonds	$ 3,013,080,000	$ 671,690,000	$ (391,275,000)	$ 3,293,495,000	$ 89,880,000
Less deferred amounts:					
Net (discount) premium	80,206,045	28,412,097	(5,954,320)	102,663,822	7,939,093
Loss on Refunding	(54,722,209)	(9,049,993)	4,279,234	(59,492,968)	(4,892,363)
Capital lease	1,433,562	8,035,448	(4,795,030)	4,673,980	4,312,765
Pollution Remediation Liability	-	574,513	-	574,513	-
Self insurance claims	429,108,007	4,337,022	(56,372,160)	377,072,869	4,337,022
Property tax objections	35,592,211	-	(8,157,353)	27,434,858	-
Compensated absences	41,102,505	54,752,566	(32,849,581)	63,005,490	-
Net pension obligation	1,024,586,197	197,001,062	-	1,221,587,259	-
Net OPEB obligation	134,328,924	122,407,496	-	256,736,420	-
Total governmental activities	$ 4,704,715,242	$ 1,078,160,211	$ (495,124,210)	$ 5,287,751,243	$ 101,576,517

Business-type Activities:	November 30, 2008	Additions	Reductions	November 30, 2009	Due Within One Year
Property tax objections	$ 9,586,437	$ -	$ (2,342,520)	$ 7,243,917	$ -
Total Business-type activities	$ 9,586,437	$ -	$ (2,342,520)	$ 7,243,917	$ -

5. Property Tax Objections

The County refunds property taxes collected in error and relating to settlements of prior-year property tax objection suits. Property tax objection suits have been resolved in court for tax levy years up to 1993. As of November 30, 2009, there are no significant unpaid settlements for the General Fund and CCHHS relating to tax levy years up to 1993. According to the County State's Attorney, similar suits have been filed for tax years 1994-2000. The County has estimated probable amounts payable relating to such years for which suits have been filed but are not settled. Additional amounts have been estimated for other specific property tax objections and errors for which refunds are expected to be paid.

All settlements and refunds are payable from (a) previous property tax collections which have not been distributed to the County and are held by the Treasurer and (b) future collections of property taxes.

These amounts are reflected as noncurrent liabilities since payments will be made from property tax collections (including amounts from prior year tax levy years) made subsequent to the fiscal year-end.

The following schedule summarizes the activity of property tax objections during the fiscal year ended November 30, 2009:

	Business-type Activities	Governmental Activities
Property tax objection liability, November 30, 2008	$ 9,586,437	$ 35,592,211
Current year activity	(2,342,520)	(8,157,353)
Property tax objection liability, November 30, 2009	$ 7,243,917	$ 27,434,858

In the opinion of County management, the amount recorded for property tax objections as of November 30, 2009 appears to be adequate to reflect future payments relating to prior tax levy years.

6. Pollution Remediation

The County's Department of Facilities Management consistently responds to the urgent or immediate needs of others and whenever asbestos removal is required due to a remodeling project, valve, piping or other necessary repair, the entire area is abated, not just the immediate need. In accordance with GASB 49, based on manpower and time, the County has developed a list of known areas to have contaminated materials and the projected remediation costs. In the opinion of County management, the amount recorded of $574,513 as of November 30, 2009 appears to be adequate to reflect future payments which constitute an estimate of manpower and time, based a list of known areas to have contaminated materials and the projected remediation costs. This has been recorded as a noncurrent liability on the government-wide Statement of Net Assets.

IV. Other Information

A. Risk management

1. The County

The Self Insurance Account, within the General Fund, is used to account for all risk financing activities of the County. The County is self-insured except for (i) employee health benefits which are fully insured and (ii) certain construction work in progress, which is insured by means of a risk-sharing contract. The County believes that it is more economical to manage its risks internally within certain risk tolerances and to set aside funds as needed for current claim settlements and adverse judgments through annual appropriations, surplus funds and bond proceeds. Since December 31, 2000, the County has purchased excess liability insurance coverage related to medical malpractice and other claims. The current medical malpractice policy, as of November 30, 2009, is on a claims-made basis and provides up to $50,000,000 of limits above the County's self-insured retention of $20,000,000 per claim over a three year period since December 31, 2006. The municipal policy is on an occurrence basis and provides $20,000,000 of coverage above the County's retention of $10,000,000 per claim.

The claims liabilities reported on the government-wide statement of net assets have been determined by an external actuary and include an estimate of incurred but not yet reported losses (IBNR). As of November 30, 2009, the County (excluding the Forest Preserve District) has recorded a long-term liability of $372.7 million in the County's government-wide statements for self-insurance claims. In addition to this long-term liability there is $4.3 million, the County (including the Forest Preserve District) has recorded as long-term liability that is due within one year.

The County funds its self-insurance liabilities, including those of the CCHHS, on a current basis and has the authority to finance such liabilities through the levy of property taxes. While it is difficult to estimate the timing or amount of expenditures, management of the County believes that the self-insurance liabilities recorded at November 30, 2009, are adequate to provide for potential losses resulting from medical malpractice, workers' compensation and general liability claims including incurred but not reported claims. The self-insurance liabilities recorded are based on facts known at the current time. However, the discovery of additional information concerning specific cases could affect estimated costs in the future.

For the fiscal year ended November 30, 2009, amounts charged by the self-insurance account to other County funds relating to workers' compensation are reported as off-sets to expenditures to the self-insurance account and expenditures of the fund charged.

The following table presents the activity of the County and the District during fiscal years 2008 and 2009 for the primary classifications of long-term liabilities (in millions, on an actuarial basis):

Type	Balance at Nov. 30, 2007	Insurance and Claims Payouts	Expense, Net of Actuarial Adjustments	Balance at Nov. 30, 2008	Insurance and Claims Payouts	Expense, Net of Actuarial Adjustments	Balance at Nov. 30, 2009
Medical Malpractice	$ 200.6	$ (37.9)	$ 21.8	$ 184.5	$ (16.5)	$ 2.6	$ 170.6
Workers Compensation	90.6	(19.7)	26.1	97.0	(24.4)	(13.8)	58.8
General	5.6	(0.3)	(1.2)	4.1	(0.2)	(0.2)	3.7
Automobile	28.6	(3.8)	(13.2)	11.6	(0.7)	(4.3)	6.6
Claim Expense Reserve	26.4	-	1.4	27.8	-	(1.0)	26.8
Other	116.2	(19.6)	7.5	104.1	(7.6)	9.7	106.2
Total Claims Liability	$ 468.0	$ (81.3)	$ 42.4	$ 429.1	$ (49.4)	$ (7.0)	$ 372.7

The County is defending a Federal Class Action Civil Rights lawsuit in which the Sheriff of Cook County is a defendant. The suit involves allegations stemming from the searches of persons whose entry into the Sheriff's custody at the County Jail has been ordered by Illinois judges. The County Jail's Receiving Classification and Diagnostic Center (RC/DC) admitted between 200 and 400 new prisoners per evening during the period from January 30, 2004 to March 19, 2009 (the "Class Period"). The number of entries at issue is approximately 600,000, reflecting approximately 400,000 distinct persons. The complaint alleges that intake strip searches were conducted in large groups, in a hallway where sanitation was sometimes an issue, by correctional staff using abusive language. Body scanning technology has now been installed at the County Jail for all new entrants.

The case has been and will be vigorously defended by the County. In February 2009, plaintiff's motion for partial summary judgment on liability during that portion of the Class Action Period from January 30, 2004 to January 31, 2007 was granted for the class. In August 2009, a jury found that the constitutional rights of the class during that portion of the Class Period from February 2007 to March 2009 were violated. Damages, essentially emotional damages, have not yet been determined for the class. Due to the large number of possible claimants, the County is exploring options including either a final class settlement or determination of class damages followed by an appeal of the entire case. The County is unable to predict whether a settlement will be reached or, in the alternative, the outcome of any such appeal. The County has its self insured retention as well as excess insurance coverage available for all or a portion of a settlement, should one be reached in ongoing discussions with the trial judge and class counsel, or a judgment.

2. The District

The District is self-insured for the following types of claims:

- Casualty and public liability claims
- Automobile liability
- Property and contents
- Workers' compensation claims
- Employees' health insurance (reimbursed to a provider on a cost plus basis)

In the fund financial statements, the District recognizes the liability for such claims when the amount of the expenditure is measurable, i.e., when agreement is acquired both as to the issue of liability and the dollar amount. The expenditure recognition for insurance claims (included in "fixed charges" on the statement of revenue, expenditures and changes in fund balances) is the fiscal year's cash disbursement adjusted for a 60-day accrual. The claims expenditure recognition for other funds is essentially a transfer for the specific fund's budgeted amount.

During fiscal year 2009, the District was party to several lawsuits. The District believes that it will ultimately be successful in defending against those lawsuits.

The District's estimate of liabilities for tort claims is based on reserves established by the respective trial attorneys. Any matter in which the likelihood of loss is probable has been recorded. The District has several cases pending in which it believes that a reasonable possibility exists that a judgment against the District could result in a liability. The estimated liability for these cases combined is $1,135,000. This amount has not been accrued at December 31, 2009 in accordance with accounting principles generally accepted in the United States of America.

The District has made its own determination, without the use of an enrolled actuary, of claims incurred but not reported at year-end. To date, the District has made no separate funding arrangement for these claims reserves. However, the District has the statutory authority to impose a tax levy for settlement bonds to satisfy major claims.

The District is subject to the State of Illinois Unemployment Compensation Act and has elected the reimbursing employer option for providing unemployment insurance benefits for eligible former employees. The District reimburses the State for claims paid by the State on a quarterly basis.

B. Encumbrances/Commitments

The encumbrance system of accounting is followed in all governmental funds (except the Forest Preserve District and the Fiduciary Fund Types) under which current year's appropriations are charged when purchase orders, contracts and other commitments are made in order to reserve that portion of the applicable appropriation.

Encumbrances are not the equivalent of expenditures in GAAP operating statements; therefore, the reserve for encumbrances is reported as part of the fund balance. Encumbrances outstanding at the end of the fiscal year are carried forward as a reserve for encumbrances to be disbursed in the subsequent year(s).

Of the County's total reserve for encumbrances of $217,787,795 for fiscal 2009, $131,586,248 is due to contractual commitments for County architectural, engineering and construction services for various construction and rehabilitation projects. Contractual commitments in excess of the cash available at November 30, 2009 are expected to be met with proceeds from future bond issues.

The District has entered into a number of contractual commitments for construction and repair of various facilities the District owns. At December 31, 2009, the District has approximately $3,492,845 of major commitments which is included in the County's total encumbrances of $217,787,795 in the governmental funds.

C. Contingent liabilities

1. Federal and State grant programs

The County participates in a number of Federal and State grant programs. The County's participation in these programs is subject to financial and compliance audits by the grantors or their representatives. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. A contingent liability was not established because management is not aware of potential reimbursement requests.

2. Arbitrage Liability

The Tax Reform Act of 1986 requires issuers of state and local government bonds to rebate to the federal government arbitrage profits earned on those bonds under certain circumstances. It was determined that there was an arbitrage rebate liability of $117,787 as of November 30, 2009.

D. Conduit debt obligations

The following information represents outstanding limited obligation non-government debt issues, which bear the name of the County. These debt issues are not obligations of the County.

1. Mortgage Revenue Bonds

In prior years, the County issued mortgage revenue bonds relating to lending programs secured by first mortgage loans on eligible residences. The bonds do not represent a liability of the County.

2. Industrial Development Bonds

As of November 30, 2009, the County had participated in four (4) Industrial Development Bond issues for the purpose of assisting private developers in financing various capital projects:

Issue Date	Issue Amount	Description
June 1, 1996	$25,680,000	The County of Cook, Illinois Revenue Bonds, Series 1996 (Jewish Federation of Metropolitan Chicago Projects)
June 27, 2000	$2,500,000	The County of Cook, Illinois Industrial Development Bonds, (Kenneth Properties, L.L.C. Project) Series 2000
August 16, 2000	$3,000,000	The County of Cook, Illinois Industrial Development Bonds (128th Street Limited Partnership Project) Series 2000
July 2, 2001	$4,755,000	The County of Cook, Illinois Industrial Development Bonds, Series 2001 (Little Lady Foods, Inc. Project)

These bonds, and the related interest, are solely payable from revenues arising from the bond holder’s capital projects. The bonds and interest therein do not constitute an indebtedness of the County.

V. Pension plans

A. County Pension Plan

Plan Description. The County Employees' and Officers' Annuity and Benefit Fund of Cook County ("the Plan") was established on January 1, 1926 and is governed by legislation contained in the Illinois Compiled Statutes ("Statutes"), particularly Chapter 40, Article 5/9 (the "Article"). The Plan can be amended only by the Illinois Legislature. The Plan is a single employer defined benefit pension plan with a defined contribution minimum. The Plan was created for the purpose of providing retirement, death (spouse or children) and disability benefits for full-time employees of the County and the dependents of such employees. The Plan is included in the County's financial statements as a pension trust fund. The financial statements of the Plan are audited by an independent public accountant and are the subject of a separate report. Copies of the Plan's report for the year ended December 31, 2009 are available upon request to the Retirement Board.

The Statutes authorize a Board of Trustees (Retirement 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 to be elected by the employee members of the Plan, and two are to be 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 Retirement 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 Board of Cook County a detailed report of the financial affairs and status of the reserves 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.

Summary of Significant Accounting Policies. The financial statements reflect an accrual basis of accounting. Plan member contributions are recognized in the period in which contributions are due. Employer contributions are recognized when due and the employer, Cook County, has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

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

Funding Policy. Covered employees are required to contribute 8.5% (9% for County Police) 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 County'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 1.54. The source of funds for the County's contributions has been designated by State Statute as the County's annual property tax levy. The County's payroll for employees covered by the Plan for 2009 and 2008 was $1,498,161,713 and $1,463,372,408, respectively.

The County Employees' and Officers' 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 ages 50 and 60, the monthly retirement benefit is reduced ½ 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, 2009, the Plan membership consisted of the following:

Retirees and beneficiaries currently receiving benefits	14,915
Terminated employees entitled to benefits or a refund of contributions, but not yet receiving them	11,826
Current employees -	
Vested	14,189
Nonvested	9,381
	23,570

Annual Pension Cost and Net Pension Obligation. The Plan's annual pension cost and net pension obligation to the Plan for the current year is as follows:

Annual required contribution (ARC)	$ 352,850,988
Interest on net pension obligation	75,816,293
Adjustment to annual required contribution	(82,286,823)
Annual pension cost	346,380,458
Contributions made	152,506,089
Increase in net pension cost	193,874,369
Net Pension Obligation - Beginning of year	1,010,883,913
Net Pension Obligation - End of year	$ 1,204,758,282

The County's annual pension cost, the percentage of annual pension cost contributed to the Plan, and the net pension obligation for the most recent fiscal year is as follows:

	Employer Contribution		
Year	Annual pension cost	Percentage contributed	Net pension obligation
2007	$ 385,012,483	43.61%	$ 882,869,667
2008	278,241,606	27.52%	1,010,883,913
2009	346,380,458	28.75%	1,204,758,282

Funded Status and Funding Progress. As of December 31, 2009, the most recent actuarial valuation date, the Plan was 69.2% funded. The actuarial value of assets was $7,945,567,096 and the actuarial accrued liability (AAL) was $11,489,081,298, resulting in an unfunded actuarial accrued liability (UAAL) of $3,543,514,202. The covered payroll (annual payroll of active employees covered by the Plan) was $1,498,161,713 and the ratio of the UAAL to the covered payroll was 236.52 percent.

The schedule of funding progress, presented in the Required Supplementary Information (RSI) following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of the Plan assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of benefit costs between the employer and the plan members to that point. Additional information as of the December 31, 2009 actuarial valuation included:

Actuarial valuation date	December 31, 2009
Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar
Amortization period (remaining)	30 years
Asset valuation method	Five Year Smoothed Average Market
Actuarial assumptions:	
Investment rate of return	7.5% compounded annually
Projected salary increases:	
Inflation	3.0% compounded annually
Merit and seniority	2.0% compounded annually
Postretirement benefit increases	3.0% compounded per year for employee and widow(er) annuitants

B. Forest Preserve District Pension Plan

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 (spouse or children) 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 the Forest Preserve District of Cook County, Illinois and is included in the Forest Preserve District's financial statements as a pension trust fund. The financial statements of the Plan are audited by an independent public accountant and are the subject of a separate report. Copies of the Plan's report are available upon request to the Retirement Board.

The Statutes authorize a Board of Trustees (Retirement 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 two are to be 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 Retirement 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 administration 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 reserves 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.

Summary of Significant Accounting Policies. The financial statements reflect an accrual basis of accounting. Plan member contributions are recognized in the period in which contributions are due. Employer contributions are recognized when due and the employer, Forest Preserve District of Cook County, Illinois, has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Investments are reported at fair value, which generally represents reported market value as of the last business day of the year. Demand notes are carried at cost which approximates fair value. Where less than an entire holding is sold, average value is used to determine the realized gain or loss.

Funding Policy. 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 the 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, 2009 and 2008 was $24,967,115 and $23,474,621, respectively.

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 ages 50 and 60, the monthly retirement benefit is reduced ½ percent for each month the participant is under age 60. This reduction is waived for participants having 30 or more years of credited service.

Retirees and beneficiaries currently receiving benefits	509
Terminated employees entitled to benefits or a refund of contributions, but not yet receiving them	1,027
Current employees -	
Vested	249
Nonvested	212
	461

Annual Pension Cost and Net Pension Obligation. The Plan's annual pension cost and net pension obligation to the Plan for the current year is as follows:

Annual required contribution (ARC)	$ 4,498,036
Interest on net pension obligation	1,027,596
Adhustment to annual required contribution	(1,115,296)
Annual pension cost	4,410,336
Contributions made	1,282,642
Increase in net pension cost	3,127,694
Net Pension Obligation at January 1, 2009	13,701,283
Net Pension Obligation at December 31, 2009	$ 16,828,977

The Forest Preserve District's annual pension cost, the percentage of annual pension cost contributed to the Plan, and the net pension obligation for the most recent fiscal year is as follows:

	Employer contribution		
Year Ended December	Annual pension cost	Percentage of annual pension cost contributed	Net pension obligation
2007	$ 2,809,404	25.62%	$ 10,965,900
2008	3,259,311	23.79%	13,701,283
2009	4,410,336	26.21%	16,828,977

Funded Status and Funding Progress. As of December 31, 2009, the most recent actuarial valuation date, the Plan was 77.0% funded. The actuarial value of assets was $188,396,354 and the actuarial accrued liability (AAL) was $244,625,664 resulting in an unfunded actuarial accrued liability (UAAL) of $56,229,130. The covered payroll (annual payroll of active employees covered by the Plan) was $24,967,115 and the ratio of the UAAL to the covered payroll was 225.21 percent.

The schedule of funding progress, presented in the RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of the Plan assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of benefit costs between the employer and the plan members to that point. Additional information as of the December 31, 2009 actuarial valuation included:

Actuarial valuation date	December 31, 2009
Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar
Amortization period (remaining)	30 years
Asset valuation method	Five Year Smoothed Average Market
Actuarial assumptions:	
Investment rate of return	7.5% compounded annually
Projected salary increases:	
Inflation	3.0% compounded annually
Merit and seniority	2.0% compounded annually
Postretirement benefit increases	3.0% compounded per year for employee and widow(er) annuitants

C. Illinois Municipal Retirement Fund (IMRF)

The Suburban Tuberculosis Sanitarium District (the "District") was transferred to the Cook County Board July 24, 2007 per Public Act 094-1050 by the State of Illinois. The following information is disclosed as the District's account with IMRF which is available to meet the District's retirement obligations for former employees who have not yet received retirement benefits from IMRF.

Plan Description. The employer's defined benefit pension plan for employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The employer plan is affiliated with the Illinois Municipal Retirement Fund (the "IMRF"), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

Funding Policy. As set by statute, Plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2008 was 0.00 percent of annual covered payroll. The County also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost. For 2008, the annual pension cost of $0 for the Plan was equal to the employer's required and actual contributions. There are no Annual Pension Costs due to the fact that there are no active participants or former employees who have not yet received retirement benefits from IMRF of which the County is responsible. All former District employees are included in the County's Pension Plan.

	Employer Contribution		
Year Ended December 31,	Annual Pension Cost	Percentage Contributed	Net Pension Obligation
2006	$26,461	100.00%	$ -
2007	16,884	100.00%	-
2008	-	100.00%	-

Actuarial Methods and Assumptions. The required contribution for 2008 was determined as part of the December 31, 2006, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2006, included (a) 7.5% investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 11.6% per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3% annually. The actuarial value of the employer Plan assets was determined using techniques that spread between the actuarial and market value of assets. The Plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payrolls on a closed basis. The remaining amortization period at the December 31, 2006, valuation was 24 years.

Funded Status and Funding Progress. As of December 31, 2008, the most recent actuarial valuation date, the regular plan was 82.27% funded. The actuarial accrued liability for benefits was $4,547,004 and the actuarial value of assets was $3,768,093, resulting in an underfunded actuarial accrued liability (UAAL) of $778,911. The covered payroll (annual payroll of active employees covered by the plan) was $0 and the ratio of the UAAL to the covered payroll was 0%.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value plan assets are increasing or decreasing over time relative to the actuarial liability for benefits.

VI. Other Postemployment Benefits (OPEB)

A. County Healthcare Plan

Plan Description. The County Employees' and Officers' Annuity and Benefit Fund of Cook County administer the Healthcare Premium Plan (HPP), a single-employer defined benefit postemployment healthcare plan. HPP provides a healthcare premium subsidy to annuitants who elect to participate in HPP. The Plan is currently allowed, in accordance with State Statutes, to pay all or a portion of medical insurance premiums for the annuitants. The Plan is included in the County's financial statements as a pension trust fund. The financial statements of the Plan are audited by an independent public accountant and are the subject of a separate report. Copies of the Plan's report for the year ended December 31, 2009 are available upon request from the Retirement Board.

HPP is administered in accordance with Chapter 40, Article 5/9 of the Illinois Compiled Statutes, which assigns the authority to establish and amend benefit provisions to the Plan's Board of Trustees.

Summary of Significant Accounting Policies. HPP'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.

Funding Policy. The contribution requirement of Plan members and the County are established and may be amended by the State legislature. The required contribution is based on projected "pay-as-you-go" financing requirements. The Plan pays all or any portion of the premium for health insurance on behalf of each annuitant who participates in any of the Plan's healthcare plans. The Plan is paying 55% of the total premiums for retiree annuitants, including the cost of any family coverage, and 70% of the premiums for survivor annuitants, including the cost of family coverage. The remaining premium cost is borne by the annuitant. For the fiscal year 2009, the County contributed $35,779,227 to the Plan.

At December 31, 2009 and 2008, there were 23,570 and 23,436 active and retired employees currently receiving benefits, respectively. Additionally, the number of annuitants and surviving spouses whose cost to participate in the program was subsidized, totaled 7,367 and 7,300 for the respective years, 2009 and 2008, were also receiving benefits.

Annual OPEB Cost and Net OPEB Obligation. The County's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The County's annual OPEB cost and net OPEB obligation for the most recent fiscal year is as follows:

Annual required contribution (ARC)	$ 157,964,519
Interest on net pension obligation	5,941,917
Adjustment to annual required contribution	(7,914,676)
Annual pension cost	155,991,760
Contributions made	35,779,227
Increase in net pension cost	120,212,533
Net Pension Obligation - Beginning of year	132,042,595
Net Pension Obligation - End of year	$ 252,255,128

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the most recent fiscal year is as follows:

	Employer contribution		
Year	**Annual OPEB cost**	**Percentage of Annual OPEB cost contributed**	**Net OPEB obligation**
2008	$ 169,823,905	22.25%	$ 132,042,595
2009	$ 155,991,760	22.65%	$ 252,255,128

Three years of trend information will be displayed in future years as the County adopted GASB 45 in 2008.

The actuarial valuations of the HPP of the Plan as of December 31, 2009 and December 31, 2008 indicate the annual required contribution to be $155,991,760 and $169,823,905 for 2009 and 2008 respectively. The annual required contribution is based on an annual projected payroll of $1,498,161,713 for 23,570 active members in 2009 and $1,463,372,408 for 23,436 active members during 2008.

Funded Status and Funding Progress. As of December 31, 2009, the most recent actuarial valuation date the Plan was zero percent funded. The actuarial value of Assets was zero, and the actuarial accrued liability (AAL) value of assets was $1,686,872,018, resulting in an unfunded actuarial accrued liability (UAAL) of $1,686,872,018. The covered payroll (annual payroll of active employees covered by the plan) was $1,498,161,713 and the ratio of the UAAL to the covered payroll was 112.60 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continued revision as actual results are compared with past expectations and new estimates are made about the future.

The schedule of funding progress, presented in the RSI following the notes to the financial statements, present multi-year trend information about whether the actuarial value of the Fund assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of benefit costs between the employer and the plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with long-term perspective of the calculations. Additional information as of the December 31, 2009 actuarial valuation follows:

Actuarial valuation date	December 31, 2009
Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar
Amortization period (remaining)	30 years
Actuarial assumptions:	
Investment rate of return	4.5% compounded annually
Inflation rate	3.0% compounded annually
Increases in Postretirement health care costs	
2011	8.0%
2012	7.5%
2013	7.0%
2014	6.5%
2015	6.0%
2016	5.5%
2017 and later	5.0%

B. Forest Preserve District Healthcare Plan

Plan Description. The Forest Preserve District Employees' Annuity and Benefit Fund of Cook County administers the Healthcare Premium Plan (HPP), a single-employer defined benefit postemployment healthcare plan. HPP provides a healthcare premium subsidy to annuitants who elect to participate in HPP. The Plan is currently allowed, in accordance with State Statutes, to pay all or a portion of medical insurance premiums for the annuitants. The Plan is included in the Forest Preserve District's financial statements as a pension trust fund. The financial statements of the Plan are audited by an independent public accountant and are the subject of a separate report. Copies of the Plan's report for the year ended December 31, 2009 are available upon request from the Retirement Board.

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

Summary of Significant Accounting Policies. HPP'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.

Funding Policy. The contribution requirement of Plan members and the Forest Preserve District are established and may be amended by the State legislature. The required contribution is based on projected “pay-as-you-go” financing requirements. The Plan pays all or any portion of the premium for health insurance on behalf of each annuitant who participate in any of the Plan’s healthcare plans. The Plan is paying 55% of the total premiums for retiree annuitants, including the cost of any family coverage, and 70% of the premiums for survivor annuitants, including the cost of family coverage. The remaining premium cost is borne by the annuitant. For the fiscal year 2009, the Forest Preserve District contributed $1,261,052 to the Plan.

At December 31, 2009 and 2008, there were 461 and 442 active employees currently receiving benefits, respectively. Additionally, the number of annuitants and surviving spouses whose cost to participate in the program was subsidized, totaled 282 and 279 for the respective years, 2009 and 2008, were also receiving benefits.

Annual OPEB Cost and Net OPEB Obligation. The Forest Preserve District’s annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The Forest Preserve District’s annual OPEB cost and net OPEB obligation for the most recent fiscal year is as follows:

Annual required contribution (ARC)	$ 3,490,173
Interest on net pension obligation	102,885
Adjustment to annual required contribution	(137,043)
Annual pension cost	3,456,015
Contributions made	1,261,052
Increase in net pension cost	2,194,963
Net Pension Obligation - Beginning of year	2,286,330
Net Pension Obligation - End of year	$ 4,481,293

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the current fiscal year is as follows:

	Employer contribution		
Year Ended December	**Annual OPEB cost**	**Percentage of Annuel OPEB cost contributed**	**Net OPEB obligation**
2008	$3,786,850	39.61%	$2,286,330
2009	3,456,015	36.13%	4,481,293

Three years of trend information will be displayed in future years as the County adopted GASB 45 in 2008.

The actuarial valuations of the HPP of the Plan as of December 31, 2009 and December 31, 2008 indicate the annual required contribution to be $3,456,015 and $3,786,850 for 2009 and 2008, respectively. The annual required contribution is based on an annual projected payroll of $24,967,115 for 461 active members in 2009 and $23,474,621 for 442 active members during 2008.

Funded Status and Funding Progress. As of December 31, 2009, the most recent actuarial valuation date the Plan was zero percent funded. The actuarial value of Assets was zero, and the actuarial accrued liability (AAL) was $43,142,977, resulting in an unfunded actuarial accrued liability (UAAL) of $43,142,977. The covered payroll (annual payroll of active employees covered by the plan) was $24,967,115 and the ratio of the UAAL to the covered payroll was 172.80 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continued revision as actual results are compared with past expectations and new estimates are made about the future.

The schedule of funding progress, presented in the RSI following the notes to the financial statements, present multi-year trend information about whether the actuarial value of the Fund assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of benefit costs between the employer and the plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with long-term perspective of the calculations. Additional information as of the December 31, 2009 actuarial valuation follows:

Actuarial valuation date	December 31, 2009
Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar
Amortization period (remaining)	30 years
Actuarial assumptions:	
Investment rate of return	4.5% compounded annually
Inflation rate	3.0% compounded annually
Increases in Postretirement health care costs	
2011	8.0%
2012	7.5%
2013	7.0%
2014	6.5%
2015	6.0%
2016	5.5%
2017 and later	5.0%

VII. Cook County Health and Hospitals System (CCHHS)

Certain expenses incurred by various departments of the County in the operation of the CCHHS have been recorded in the financial statements of the CCHHS (e.g., Data Processing, Purchasing and Auditing) as an expense, with a corresponding credit to transfer in for the subsidy. These expenses amounted to $4,264,067 in fiscal year 2009 and are also included as expenditures of the General Fund. Since the allocation of these expenditures between the functions of the General Fund is not known, total expenditures are reduced on the accompanying statement of revenues, expenditures and changes in fund balance by the line item entitled “Amounts incurred in the above accounts for the Enterprise Fund” with an offsetting debit to transfer out. These expenses are included in the cost reimbursement reports submitted by the CCHHS to the State and Federal health care intermediary.

In addition, the County made contributions of $58,605,619 for fiscal year 2009, to the Cook County Employees’ and Officers’ Annuity and Benefit Fund, on behalf of the CCHHS, which the County is not reimbursed for.

Construction-in-progress and other capital expenditures affecting the CCHHS are accounted for in various Capital Project Funds maintained by the Comptroller. These expenditures amounted to $23,354,239 for fiscal year 2009. The corresponding long-term debt which finances these expenditures is reflected as a liability in the debt services fund maintained by the Comptroller, since they are obligations of applicable Capital Project Funds and Debt Service Fund of the County and not the CCHHS. The CCHHS no longer records construction-in-progress expenditures as additions to the construction in progress and the contribution accounts of its books in the year the expenditures are accrued.

The CCHHS continues to experience rising costs attributable to labor, insurance, pharmaceuticals, and new technology. Moreover, the CCHHS continues to be highly dependent on reimbursement from the State of Illinois Department of Healthcare and Family Services (DHFS). Management of CCHHS believes CCHHS will continue to be an ongoing concern. Management continues to monitor payment levels from DHFS and other payors, and on July 1, 2008, the Cook County Board of Commissioners passed a resolution to continue to fund the Bureau of Health Services (BOHS), currently known as Cook County Health and Hospitals System (CCHHS). However, future declines in DHFS reimbursement or continued significant cost increases may require management and the Board of Commissioners to further realign or reduce services to the community.

VIII. State Treasurer Claim

The Treasurer has received demands from the Illinois State Treasurer for certain monies, which are claimed to be subject to the Illinois Uniform Disposition of Unclaimed Property Act. The Cook County State's Attorney has reviewed the State Treasurer's demands and concluded that the claims are generally without merit with the exception of amounts related to certain warrants outstanding. The County believes, however, that the warrant list used in establishing the amounts claimed is inaccurate and that the demand and listing are excessive and incorrect. The Treasurer has declined to comply with the State Treasurer's demand of certain monies pursuant to the opinion rendered by the Cook County State's Attorney. In the opinion of the Cook County State's Attorney, the lawsuits fail to state a claim under the Property Tax Code or the Unclaimed Property Act.

The County presently maintains a cash balance and an offsetting liability of $4,045,021 related to outstanding warrants. The County does not believe that the final resolution of the amounts claimed will have a material impact on the County's financial statements.

IX. Subsequent Events

A. Recent Financial Market Events

Recent market conditions have resulted in an unusually high degree of volatility and increased the risk and short-term liquidity associated with certain investments held by the County and the Employees' and Officers' Annuity and Benefit Fund of Cook County, which has the potential to adversely impact the value of those investments subsequent to November 30, 2009, and after the date of these financial statements.

B. Sales Tax Repeal

On November 17, 2009 the Board called a special meeting and passed an ordinance amendment rolling back the Home Rule County Retailers' Occupation Tax Law from 1.75 percent to 1.25 percent. This Law is scheduled to take effect on July 1, 2010, however is dependent on any future change in legislation.

C. Sale of General Obligation Bonds

On June 23, 2010, the County issued $277,950,000 of General Obligation Refunding Bonds, Series 2010A and $80,000,000, of Taxable General Obligation Bonds, Series 2010C. On June 23, 2010, the County issued $308,640,000 of Taxable General Obligation Bonds, Series 2010D (Build America Bonds-Direct Payment) and $23,255,000 of Taxable General Obligation Bonds, Series 2010E.

D. CCHHS: Patient Protection and Affordable Care Act

In March 2010, President Obama signed into law the Patient Protection and Affordable Care Act (the "Act"), a comprehensive health care reform bill. The Act includes measures that change the dynamics of the health care industry, and is subject to change, including through the adoption of related regulations, the way in which its provisions are interpreted and the manner in which it is enforced. The CCHHS remains uncertain as to the ultimate impact these changes will have on its operations because of the numerous steps required to implement the Act.

E. CCHHS Board

In fiscal year 2008, a new Health and Hospitals Systems Board was created by the Cook County Board of Commissioners to provide independent oversight of health care operations, for a three-year term. In May of 2010, the Cook County Board of Commissioners voted to make this Health and Hospitals System Board permanent.

COOK COUNTY, ILLINOIS

REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULES OF FUNDING PROGRESS

November 30, 2009

County Employees' and Officers' Annuity and Benefit Fund of Cook County

Actuarial Valudation Date	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						
December 31, 2007	$ 8,059,879,804	$ 9,386,287,797	$ 1,326,407,993	85.87	$ 1,370,844,734	96.76%
December 31, 2008	8,036,074,797	10,097,027,865	2,060,953,068	79.59	1,463,372,408	140.84%
December 31, 2009	7,945,567,096	11,489,081,298	3,543,514,202	69.16	1,498,161,713	236.52%
Post Employment Group Health Benefit Plan						
December 31, 2007	-	$ 1,554,123,496	$ 1,554,123,496	0.00	1,370,844,734	113.37%
December 31, 2008	-	1,448,828,756	1,448,828,756	0.00	1,463,372,408	99.01%
December 31, 2009	-	1,686,872,018	1,686,872,018	0.00	1,498,161,713	112.60%

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

Actuarial Valudation Date	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						
December 31, 2007	$ 203,043,217	$ 205,392,258	$ 2,349,041	98.86	$ 21,078,316	11.14%
December 31, 2008	196,277,679	212,373,326	16,095,647	92.42	23,474,621	68.57%
December 31, 2009	188,396,534	244,625,664	56,229,130	77.01	24,967,115	225.21%
Post Employment Group Health Benefit Plan						
December 31, 2007	-	$ 40,605,811	$ 40,605,811	0.00	$ 21,078,316	192.64%
December 31, 2008	-	36,004,405	36,004,405	0.00	23,474,621	153.38%
December 31, 2009	-	43,142,977	43,142,977	0.00	24,967,115	172.80%

Suburban Cook County Tuberculosist District - Illinois Municipal Retirement Fund (IMRF)[1]

Actuarial Valudation Date	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						
December 31, 2006	$ 23,426,552 [2]	$ 7,398,214 [3]	$ (16,028,338)	316.65	$ 2,383,842	0.00%
December 31, 2007	8,878,680	5,555,890	(3,322,790)	159.81	1,521,064	0.00%
December 31, 2008	3,768,093	4,547,004	778,911	82.87	-	0.00%

***1** - Data as of December 31, 2008 represent the most recent actuarial valuation date.*

***2** - On a market value basis, the actuarial value of assets as of December 31, 2008 is $153,857. On a market basis, the funded ratio would be 3.3%.*

***3** - The actuarial assumptions used to determine the actuarial accrued liability for 2008 are based on the 2005 - 2007 Experience Study.*

Source: The information above was taken from the actuarial statements prepared for each of the respective plans.

SEAL OF COOK COUNTY
JANUARY 1831
ILLINOIS

APPENDIX B
Form of Opinion of Co-Bond Counsel

PROPOSED FORM OF OPINION OF CO-BOND COUNSEL
[LETTERHEAD OF CO-BOND COUNSEL]
[TO BE DATED CLOSING DATE]

We hereby certify that we have examined certified copy of the proceedings (the *"Proceedings"*) of the Board of Commissioners of The County of Cook, Illinois (the "*County"*), passed preliminary to the issue by the County of its fully registered 5.00% General Obligation Refunding Bonds, Series 2010G (the *"Series 2010G Bonds"*), in the aggregate principal amount of $119,855,000, dated the date hereof, of the denominations of $5,000 or an integral multiple thereof, due on November 15 of the years and in the amounts as follows:

YEAR	AMOUNT ($)
2025	22,580,000
2026	15,000,000
2028	82,275,000

The Series 2010G Bonds maturing on November 15, 2028 are issued as term bonds and are subject to mandatory redemption prior to maturity at a redemption price of par plus accrued interest to the date fixed for redemption, on November 15 of the years and in the amounts as follows:

YEAR	PRINCIPAL AMOUNT ($)
2026	31,300,000
2027	24,865,000
2028	26,110,000 (stated maturity)

The Series 2010G Bonds are subject to redemption prior to maturity at the option of the County, from any available funds, on November 15, 2020, and any date thereafter, in whole or in part, and if in part in such principal amounts and from such maturities as determined by the County, and within any maturity by lot, at a redemption price of par plus accrued interest to the date fixed for redemption.

From such examination, we are of the opinion that the Proceedings show lawful authority for said issue under the laws of the State of Illinois now in force.

We further certify that we have examined the form of bond prescribed for said issue and find the same in due form of law, and in our opinion said issue, to the amount named, is valid and legally binding upon the County and is payable from unlimited ad valorem taxes levied on all of the taxable property in the County without limitation as to rate or amount, except that the rights of the owners of the Series 2010G Bonds and the enforceability of the Series 2010G Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws relating to creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

It is also our opinion that, subject to the County's compliance with certain covenants, under present law, interest on the Series 2010G Bonds (i) is excludable from gross income of the owners thereof for federal income tax purposes and (ii) is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Internal Revenue Code of 1986, as amended, but we express no opinion as to whether interest on the Bonds is taken into account in computing adjusted current earnings, which is used in determining the federal alternative minimum tax for certain corporations. Failure to comply with certain of such County covenants could cause interest on the Series 2010G Bonds to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2010G Bonds. Ownership of the Series 2010G Bonds may result in other federal tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the Series 2010G Bonds. In rendering our opinion on tax exemption, we have relied on the mathematical computation of the yield on the Series 2010G Bonds and the yield on certain investments by Robert Thomas, CPA, LLC, certified public accountants.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Series 2010G Bonds.

In rendering this opinion, we have relied upon certifications of the County with respect to certain material facts within the County's knowledge. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

APPENDIX C
Book-Entry Only System

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BOOK-ENTRY ONLY SYSTEM

The information in this section concerning DTC and the Book-Entry System has been obtained from DTC and is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the County or the Trustee.

Beneficial ownership in the Bonds will be available to Beneficial Owners (as described below) only by or through DTC Participants via a book-entry system (the "**Book-Entry System**") maintained by DTC.

DTC and Its Participants

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered bond certificate will be issued for each maturity of the Bonds, in the aggregate principal amount of such maturity of Bonds, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("**Direct Participants**") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("**DTCC**"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("**Indirect Participants**"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Bonds under the Book-Entry System must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("**Beneficial Owner**") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the Book-Entry System for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to Bond documents. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in the Bonds to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Bond Trustee as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or the Trustee, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payments of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

Discontinuance of DTC Services

DTC may discontinue providing its services as securities depository with respect to Bonds at any time by giving notice to the County and the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, bond certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the County believes to be reliable, but the County takes no responsibility for the accuracy thereof.

Use of Certain Terms in Other Sections of the Official Statement

WHILE THE BONDS ARE IN THE BOOK-ENTRY SYSTEM, REFERENCE IN OTHER SECTIONS OF THIS OFFICIAL STATEMENT TO OWNERS OF SUCH BONDS SHOULD BE READ TO INCLUDE ANY PERSON FOR WHOM A PARTICIPANT ACQUIRES AN INTEREST IN THE BONDS, BUT (I) ALL RIGHTS OF OWNERSHIP, AS DESCRIBED HEREIN, MUST BE EXERCISED THROUGH DTC AND THE BOOK-ENTRY SYSTEM AND (II) NOTICES THAT ARE TO BE GIVEN TO REGISTERED OWNERS BY THE TRUSTEE WILL BE GIVEN ONLY TO DTC. DTC IS REQUIRED TO FORWARD (OR CAUSE TO BE FORWARDED) THE NOTICES TO THE PARTICIPANTS BY ITS USUAL PROCEDURES SO THAT SUCH PARTICIPANTS MAY FORWARD (OR CAUSE TO BE FORWARDED) SUCH NOTICES TO THE BENEFICIAL OWNERS.

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APPENDIX D
Summary of Certain Provisions of the Bond Ordinance

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SUMMARY OF CERTAIN PROVISIONS OF THE BOND ORDINANCE

The Bond Ordinance authorizes the issuance by the County of general obligation bonds (the "**Authorized Bonds**"). The Bonds when issued, together with the County's (i) $176,005,000 General Obligation Refunding Bonds, Series 2009A, (ii) $251,410,000 Taxable General Obligation Bonds, Series 2009B (Build America Bonds – Direct Payment), (iii) $140,695,000 General Obligation Refunding Bonds, Series 2009C, (iv) $97,060,000 General Obligation Capital Equipment Bonds, Series 2009D, (v) $6,520,000 Taxable General Obligation Bonds, Series 2009E, (vi) $277,950,000 General Obligation Refunding Bonds, Series 2010A, (vii) $80,000,000 Taxable General Obligation Bonds, Series 2010C (Pension Funding), (viii) $308,640,000 Taxable General Obligation Bonds, Series 2010D (Build America Bonds – Direct Payment) and (ix) $23,255,000 Taxable General Obligation Bonds, Series 2010E constitute all Authorized Bonds issued under the Bond Ordinance. The following is a summary of certain provisions of the Bond Ordinance and does not purport to be complete. Reference is made to the Bond Ordinance for the complete provisions thereof.

Bond Fund

The Bond Ordinance establishes a Bond Fund, which shall be the fund for the payment of principal of and interest on the Bonds. The Bond Fund shall be held and maintained as a separate and segregated account by the Trustee and the Trustee shall establish a separate account within the Bond Fund for each Series of Bonds issued under the Bond Ordinance. Accrued interest and premium, if any, received upon delivery of the Bonds shall be deposited into the Series 2010G Account of the Bond Fund and be applied to pay first interest coming due on the Bonds.

The Pledged Taxes shall be deposited into the Series 2010G Account of the Bond Fund and used solely and only for paying the principal of and interest on the Bonds or be used to reimburse a fund or account from which advances to the Bond Fund may have been made to pay principal of or interest on the Bonds prior to receipt of Pledged Taxes. Interest income or investment profit earned in the Series 2010G Account of the Bond Fund shall be retained in the Series 2010G Account of the Bond Fund for payment of the principal of and interest on the Bonds on the interest payment date next after such interest or profit is received or, to the extent lawful and as determined by the Chief Financial Officer, transferred to such other funds as may be determined. The County pledges, as equal and ratable security for the Bonds, all present and future proceeds of the Pledged Taxes on deposit in the Series 2010G Account of the Bond Fund for the sole benefit of the registered owners of the Bonds, subject to the reserved right of the County to transfer certain interest income or investment profit earned in the Series 2010G Account of the Bond Fund to other funds of the County, as described in the preceding sentence.

Investment of Funds

The moneys on deposit in the Bond Fund may be invested from time to time by the Trustee at the written direction of the Chief Financial Officer in Qualified Investments (as defined in the Bond Ordinance). Any such investments may be sold from time to time by the Trustee without further direction from the County as moneys may be needed for the purposes for which the Bond Fund has been created. The moneys on deposit in each Project Fund (as defined and described in the Bond Ordinance) shall be invested from time to time by the Trustee at the written direction of the Chief Financial Officer in any lawful investment for County funds. In addition, the Chief Financial Officer shall direct the Trustee to sell such investments when necessary to remedy any deficiency in the Bond Fund, any Project Fund or any accounts created therein. All other investment earnings shall be attributed to the account for which the investment was made.

Tax Covenants

The Bond Ordinance provides that the County will not take any action, or omit to take any action or permit the taking or omission of any action within its control, which action, omission or permitting would cause interest on any Tax Exempt Bond (as defined in the Bond Ordinance), to become includable in the gross income of the recipients thereof for federal income taxes.

The Bond Ordinance further provides that the County will not permit (i) any of the proceeds of the Bonds, or any facilities financed or refinanced with such proceeds, to be used in a manner that would cause the Bonds to be a "private activity bond" within the meaning of Section 141 of the Code and (ii) any of the proceeds of the Bonds or other moneys to be invested in any manner that would cause any of the Bonds to constitute an "arbitrage bond" within the meaning of Section 148 of the Code. The County also makes certain covenants in the Bond Ordinance with respect to compliance with the requirements of Section 148(f) of the Code, relating to the rebate of "excess arbitrage profits."

Payment and Discharge

The Bonds may be discharged, payment provided for, and the County's liability terminated as follows:

(a) *Discharge of Indebtedness*. If (i) the County shall pay or cause to be paid to the registered owners of the Bonds the principal, premium, if any, and interest to become due thereon at the times and in the manner stipulated in the Bonds and the Bond Ordinance, (ii) all fees and expenses of the Trustee shall have been paid, and (iii) the County shall keep, perform and observe all and singular the covenants and promises in the Bonds and in the Bond Ordinance expressed as to be kept, performed and observed by it or on its part, then the rights granted by the Bonds and the Bond Ordinance shall cease, determine and be void. If the County shall pay or cause to be paid to the registered owners of a particular Series of Bonds, or of a particular maturity thereof, the principal, premium, if any, and interest to become due thereon at the times and in the manner stipulated in such Bonds and the Bond Ordinance, such Bonds shall cease to be entitled to any lien, benefit or security under the Bond Ordinance, and all covenants, agreements and obligations of the County to the holders of such Bonds shall thereupon cease, terminate and become void and discharged and satisfied.

(b) *Provision for Payment*. Bonds for the payment or redemption or prepayment of which sufficient monies or sufficient Defeasance Obligations (as defined in the Bond Ordinance) shall have been deposited with the Trustee or an escrow agent having fiduciary capacity (whether upon or prior to the maturity or the redemption date of such Bonds) shall be deemed to be paid within the meaning of the Bond Ordinance and no longer outstanding under the Bond Ordinance; *provided*, *however*, that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been duly given as provided in the Bond Ordinance or arrangements satisfactory to the Trustee shall have been made for the giving thereof. Defeasance Obligations shall be considered sufficient only if said investments mature and bear interest in such amounts and at such times as will assure sufficient cash to pay currently maturing interest or principal and redemption premiums if any when due on the Bonds without rendering the interest on any such Tax Exempt Bonds taxable under the Code.

(c) *Termination of County's Liability*. Upon the discharge of indebtedness under paragraph (a) above, or upon the deposit with the Trustee of sufficient money and Defeasance Obligations (such sufficiency being determined as provided in paragraph (b) above) for the retirement of any particular Bond or Bonds, all liability of the County in respect of such Bond or Bonds shall cease, determine and be completely discharged and the holders thereof shall thereafter be entitled only to payment out of the money and the proceeds of the Defeasance Obligations deposited with aforesaid for their payment.

Defaults and Remedies

Events of Default

Each of the following events constitutes an "**Event of Default**" under the Bond Ordinance:

(A) If default shall be made in the payment of the principal of or redemption premium, if any, either at maturity or by proceedings for redemption or otherwise; or

(B) If default shall be made in the payment of any installment of interest on any Outstanding Bond when and as such installment of interest shall become due and payable; or

(C) If the County shall (1) commence a voluntary case under the Federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, (2) make an assignment for the benefit of its creditors, (3) consent to the appointment of a receiver of itself or of the whole or any substantial part of its property, or (4) be adjudicated a bankrupt or any petition for relief is filed in respect of an involuntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law and such order continue in effect for a period of sixty (60) days without stay or vacation; or

(D) If a court of competent jurisdiction shall enter an order, judgment or decree appointing a receiver of the County, or of the whole or any substantial part of its property, or approving a petition seeking reorganization of the County under the federal bankruptcy laws or any other applicable federal or state law or statute and such order, judgment or decree shall not be vacated or set aside or stayed within sixty (60) days from the date of the entry thereof; or

(E) If under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the County or of the whole or any substantial part of its property, and such custody or control shall not be terminated or stayed within sixty (60) days from the date of assumption of such custody or control.

Enforcement

Upon the happening and continuance of any Event of Default, the Trustee may, and upon the written request of the registered owners of twenty-five percent (25%) in principal amount of the Authorized Bonds affected by the Event of Default and then outstanding under the Bond Ordinance proceed to protect and enforce its rights and the rights of the holders of the Authorized Bonds by a suit, action or special proceeding in equity or at law, by mandamus or otherwise, either for the specific performance of any covenant or agreement contained in the Bond Ordinance or in aid or execution of any power granted in the Bond Ordinance or for any enforcement of any proper legal or equitable remedy as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce the rights aforesaid.

During the continuance of an Event of Default, all Pledged Taxes received by the Trustee under the Bond Ordinance from the County shall be applied by the Trustee in accordance with the terms of the Bond Ordinance described in this APPENDIX D under "Application of Moneys After Default."

Notices of Default Under Ordinance

Promptly after the occurrence of an Event of Default or the occurrence of an event which, with the passage of time or the giving of notice or both, would constitute an Event of Default, the Trustee shall mail to the Bondholders at the address shown on the applicable Bond Register and also directly to any beneficial owner of $500,000 or more in aggregate principal amount of the applicable Authorized Bonds then outstanding at such address as the Trustee shall obtain from DTC, or its successor or a successor depository qualified to clear securities under applicable state and federal law, notice of all Events of Default or such events known to the Trustee unless such defaults or prospective defaults shall have been cured before the giving of such notice.

Termination of Proceedings By Trustee

In case any proceedings taken by the Trustee on account of any default shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then and in every such case the County, the Trustee, and the applicable Bondholders shall be restored to their former positions and rights under the Bond Ordinance, respectively, and all rights, remedies and powers of the Trustee shall continue as though no such proceeding had been taken.

Right of Holders To Control Proceedings

Anything in the Bond Ordinance to the contrary notwithstanding, the registered owners of a majority in principal amount of the applicable Authorized Bonds then outstanding shall have the right, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee under the Bond Ordinance in respect of the applicable Authorized Bonds, respectively; provided that such direction shall not be otherwise than in accordance with law and the Trustee shall be indemnified to its satisfaction against the costs, expenses and liabilities to be incurred therein or thereby.

Right of Holders To Institute Suit

No holder of any of the applicable Authorized Bonds shall have any right to institute any suit, action or proceeding in equity or at law for the execution of any trust under the Bond Ordinance, or for any other remedy under the Bond Ordinance or on the applicable Authorized Bonds unless such holder previously shall have given to the Trustee written notice of an Event of Default as provided in the Bond Ordinance, and unless also the registered owners of twenty-five percent (25%) in principal amount of the Authorized Bonds then outstanding shall have made written request of the Trustee after the right to exercise such powers, or right of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted in the Bond Ordinance, or to institute such action, suit, or proceeding in its name; and unless, also, there shall have been offered to the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time; and such notification, request and offer of indemnity are declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of the Bond Ordinance or for any other remedy under the Bond Ordinance; it being understood and intended that no one or more holders of the applicable Authorized Bonds shall have any right in any manner whatever by his, her or their action to affect, disturb or prejudice the security of the Bond

Ordinance, or to enforce any right under the Bond Ordinance, except in the manner therein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner provided in the Bond Ordinance and for the equal benefit of all holders of the outstanding applicable Authorized Bonds.

Nothing contained in the Bond Ordinance shall, however, affect or impair the right of each Bondholder, which is absolute and unconditional, to enforce the payment of the principal of and redemption premium, if any, and interest on his or her Authorized Bonds, out of the Bond Fund or the obligation of the County to pay the same, at the time and place expressed in the Authorized Bonds.

Suits By Trustee

All rights of action under the Bond Ordinance, or under any of the Authorized Bonds enforceable by the Trustee, may be enforced by it without the possession of any of the Authorized Bonds or the production thereof at the trial or other proceeding relative thereto, and any such suit, or proceeding, instituted by the Trustee shall be brought in its name for the ratable benefit of the holders of the Authorized Bonds affected by such suit or proceeding, subject to the provisions of the Bond Ordinance.

Remedies Cumulative

No remedy under the Bond Ordinance conferred upon or reserved to the Trustee or the applicable owners of Authorized Bonds, is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given under the Bond Ordinance or now or hereafter existing at law or in equity or by statute.

Waiver of Default

No delay or omission of the Trustee or of any owner of Authorized Bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default, or an acquiescence therein; and every power and remedy given to the Trustee and the owners of Authorized Bonds, respectively, may be exercised from time to time, and as often as may be deemed expedient. In the event any Event of Default shall be waived by the owners of Authorized Bonds or the Trustee, acting at the direction, or with the consent of, the owners of Authorized Bonds, such waiver shall be limited to the particular Event of Default so waived and shall not be deemed to waive any other Event of Default under the Bond Ordinance.

Application of Monies After Default

The County covenants that if an Event of Default shall happen and shall not have been remedied, the Trustee shall apply all monies, securities and funds received by the Trustee pursuant to any right given or action taken as follows:

(1) First, to the payment of all reasonable costs and expenses of collection, fees, and other amounts due to the Trustee under the Bond Ordinance; and thereafter

(2) Second, to the payment of amounts, if any, payable to the United States Treasury pursuant to any tax agreement executed and delivered by the County;

(3) All such remaining monies shall be applied as follows:

(A) first, to the payment to the persons entitled thereto of all installments of interest on outstanding Authorized Bonds then due, in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference; and

(B) second, to the payment to the persons entitled thereto of the unpaid principal of and premium, if any, on any of the outstanding Authorized Bonds which shall have become due (other than Authorized Bonds matured or called for redemption for the payment of which monies are held pursuant to the provisions of the Bond Ordinance), in the order of their due dates, with interest upon such Authorized Bonds from the respective dates upon which they became due, and, if the amount available shall not be sufficient to pay in full outstanding Authorized Bonds due on any particular date, together with such premium, then to the payment ratably according to the amount of such principal and premium due on such date, and then to the payment of such principal ratably according to the amount of such principal due on such date, to the persons entitled thereto without any discrimination or preference.

Whenever monies are to be applied by the Trustee pursuant to the provisions described above, such monies shall be applied by the Trustee at such times, and from time to time, as the Trustee shall determine upon consultation with the County, having due regard to the amount of such monies available for application and the likelihood of additional monies becoming available for such application in the future. The deposit of such monies with the paying agents, or otherwise setting aside such monies, in trust for the proper purpose, shall constitute proper application by the Trustee; and the Trustee shall incur no liability whatsoever to the County, to any Bondholder or to any other person for any delay in applying any such funds, so long as the Trustee acts with reasonable diligence, having due regard to the circumstances, and ultimately applies the same in accordance with such provisions of the Bond Ordinance as may be applicable at the time of application by the Trustee. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an interest payment date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date and of the endorsement to be entered on each Authorized Bond on which payment shall be made, and shall not be required to make payment to the holder of any unpaid Authorized Bond until such Authorized Bond shall be presented to the Trustee for appropriate endorsement, or some other procedure deemed satisfactory by the Trustee.

Supplemental Ordinances

Supplemental ordinances may be passed as follows:

(a) *Supplemental Ordinances Not Requiring Consent of the Owners of Authorized Bonds*. The County, by the Board of Commissioners of the County (the "**Corporate Authorities**"), and the Trustee from time to time and at any time, subject to the conditions and restrictions in the Bond Ordinance contained, may pass and accept an ordinance or ordinances supplemental to the Bond Ordinance, which ordinance or ordinances thereafter shall form a part of the Bond Ordinance, for any one or more of the following purposes:

(i) To add to the covenants and agreements of the County in the Bond Ordinance contained, other covenants and agreements thereafter to be observed or to surrender, restrict or limit any right or power reserved in the Bond Ordinance to or conferred upon the County;

(ii) To make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in the Bond Ordinance, or in regard to matters or questions arising under the Bond Ordinance, as the County may deem necessary or desirable and not inconsistent with the Bond Ordinance and which in the opinion of the Trustee shall not adversely affect the interests of the registered owners of the Authorized Bonds, as evidenced by an opinion of counsel delivered to the Trustee;

(iii) To designate one or more tender or similar agents of the Trustee, bond registrars or paying agents;

(iv) To comply with the provisions of the Bond Ordinance relating to payment and discharge when money and the Defeasance Obligations designated therein sufficient to provide for the retirement of Authorized Bonds shall have been deposited with the Trustee; and

(v) as to Authorized Bonds which are authorized but unissued under the Bond Ordinance to change in any way the terms upon which such Bonds may be issued or secured.

Any supplemental ordinance authorized by the above-described provisions may be passed by the County and accepted by the Trustee without the consent of or notice to the registered owners of any of the Authorized Bonds at the time outstanding, notwithstanding any of the provisions of paragraph (b) below, but the Trustee shall not be obligated to accept any such supplemental ordinance which affects the Trustee's own rights, duties or immunities under the Bond Ordinance or otherwise.

(b) *Supplemental Ordinances Requiring Consent of the Owners of Authorized Bonds*. With the consent of the registered owners of not less than a majority in aggregate principal amount of the Bonds at the time outstanding, the County, by the Corporate Authorities, may pass, and the Trustee may accept from time to time and at any time an ordinance or ordinances supplemental to the Bond Ordinance for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Bond Ordinance or of any supplemental ordinance; provided that no such modification or amendment shall extend the maturity or reduce the interest rate on or permit the creation of a preference or priority of any outstanding Authorized Bond or outstanding Authorized Bonds over any other outstanding Authorized Bond or outstanding Authorized Bonds, or otherwise alter or impair the obligation of the County to pay the principal, interest or redemption premium, if any, at the time and place and at the rate and in the currency provided therein of any Authorized Bond, without the express consent of the registered owner of such Authorized Bond or permit the creation of a preference or priority of any Authorized Bond or Authorized Bonds over any other Authorized Bond or Authorized Bonds, or reduce the percentage of Authorized Bonds, respectively, required for the affirmative vote or written consent to an amendment or modification, or deprive the registered owners of the Authorized Bonds (except as aforesaid) of the right to payment of the Authorized Bonds from the Pledged Taxes or alter or impair the obligations of the County with respect to tax exempt status, the registration, transfer or exchange or notice of redemption of Authorized Bonds without the consent of the registered owners of all the outstanding Authorized Bonds affected; nor shall any such modification or amendment reduce the percentage of the registered owners of outstanding Authorized Bonds required for the written consent of such modification or amendment without the consent of the owners of all of the outstanding Authorized Bonds. Upon receipt by the Trustee of a certified copy of such ordinance and upon the filing with the Trustee of evidence of the consent of the owners of Authorized Bonds as aforesaid, the Trustee shall accept unless such supplemental ordinance affects the Trustee's own rights, duties or immunities under the Bond Ordinance or otherwise, in which case the Trustee may in its discretion, but shall not be obligated to, accept such supplemental ordinance.

Promptly after the passage by the County and the acceptance by the Trustee of any supplemental ordinance pertaining to the Authorized Bonds pursuant to the provisions described in paragraph (b) above, the County shall publish a notice, setting forth in general terms the substance of such supplemental ordinance, at least once in a financial newspaper or journal printed in the English language, customarily published on each business day and of general circulation among dealers in municipal securities in the City of New York, New York. If, because of temporary or permanent suspension of the publication or general circulation of any financial newspaper or journal or for any other reason it is impossible or impractical to publish such notice of supplemental ordinance in the manner herein provided, then such publication in lieu thereof as shall be made with the approval of the Trustee shall constitute sufficient publication of notice. Any failure of the County to given such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such supplemental ordinance.

Eligibility of Trustee

The Bond Ordinance shall always have a Trustee that is a commercial bank with trust powers or a trust company organized and doing business under the laws of the United States of America or any state or the District of Columbia, is authorized under such laws and the laws of the State to exercise corporate trust powers and is subject to supervision or examination by United States of America or State authority. If at any time the Trustee ceases to be eligible in accordance with this paragraph, the Trustee shall resign immediately as set forth in the Bond Ordinance.

Replacement of Trustee

The Trustee may resign with thirty (30) days' written notice to the County, effective upon the execution, acknowledgment and delivery by a successor Trustee to the County of appropriate instruments of succession. Provided that no Event of Default shall have occurred and be continuing, the County may remove the Trustee and appoint a successor Trustee at any time by an instrument or concurrent instruments in writing delivered to the Trustee; provided, however, that the holders of a majority in aggregate principal amount of the Authorized Bonds outstanding at the time may at any time remove the Trustee and appoint a successor Trustee by an instrument or concurrent instrument in writing signed by such owners of Authorized Bonds, and further provided that any conflict between the County and such holders regarding such removal and appointment shall be resolved in favor of such holders. Such successor Trustee shall be a corporation authorized under applicable laws to exercise corporate trust powers and may be incorporated under the laws of the United States of America or of the State. Such successor Trustee shall in all respects meet the requirements set forth in the preceding paragraph.

If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the County shall promptly appoint a successor Trustee.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the County. Immediately thereafter, the retiring Trustee shall transfer all property held by it as Trustee to the successor Trustee; the resignation or removal of the retiring Trustee shall then (but only then) become effective, and the successor Trustee shall have all the rights, powers and duties of the Trustee under the Bond Ordinance.

If a successor Trustee does not take office within sixty (60) days after the retiring Trustee resigns or is removed, the retiring Trustee, the County or the registered owners a majority in principal amount of the Authorized Bonds then outstanding may petition any court of competent jurisdiction for the appointment of a successor Trustee.

If the Trustee consolidates with, merges or converts into, or transfers all or substantially all its assets (or, in the case of a bank or trust company, its corporate trust assets) to, another corporation, the resulting, surviving or transferee corporation without any further act shall be the successor Trustee.

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