County Employees' and Officers' Annuity and Benefit Fund of Cook County
(A Component Unit of Cook County, Illinois)

Financial Statements

December 31, 2015 and 2014

County Employees' and Officers' Annuity and Benefit Fund of Cook County

Financial Statements with Supplementary Information

December 31, 2015 and 2014

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County Employees' and Officers' Annuity and Benefit Fund of Cook County

Financial Statements with Supplementary Information

December 31, 2015 and 2014

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CERTIFIED PUBLIC ACCOUNTANTS

Report of Independent Auditors

To the Board of Trustees of
County Employees' and Officers' Annuity
and Benefit Fund of Cook County

Report on the Financial Statements
We have audited the accompanying financial statements of County Employees' and Officers' Annuity and Benefit Fund of Cook County (the Plan), a component unit of Cook County, Illinois, which comprise the combining statements of pension plan fiduciary net position and postemployment healthcare plan net position as of December 31, 2015 and 2014, and the related combining statements of changes in pension plan fiduciary net position and postemployment healthcare plan net position for the years then ended, and the related notes to the financial statements, which collectively comprise the Plan's basic financial statements.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion
In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the plan net position of County Employees' and Officers' Annuity and Benefit Fund of Cook County as of December 31, 2015 and 2014, and the changes in plan net position for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Other Matters
Required Supplementary Information for Pension and Postemployment Healthcare
Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 4e and the required supplementary information on pages 28 through 33 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information
Our audits were conducted for the purpose of forming an opinion on the Plan's basic financial statements as a whole. The accompanying supplementary information on pages 34 through 38 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Matters (continued)

Previously Audited Information

We also have previously audited the basic financial statements for the years ended December 31, 2013, 2012, 2011, and 2010 (which are not presented herein), and we expressed unmodified opinions on those financial statements. In our opinion, the information on page 37 is fairly stated in all material respects in relation to the basic financial statements from which it has been derived.

Legacy Professionals LLP

Chicago, Illinois

June 2, 2016

Management's Discussion and Analysis (Unaudited)

This section presents Management's Discussion and Analysis of the financial position and performance of the County Employees' and Officers' Annuity and Benefit Fund of Cook County (the Plan) for the years ended December 31, 2015 and 2014. This discussion is presented as an overview of the financial activities of the Plan and should be read in conjunction with the Plan's financial statements.

Overview of the Basic Financial Statements

The following discussion and analysis is intended to serve as an introduction to the Plan's basic financial statements. The financial statements are prepared on an economic sources focus and accrual basis of accounting in accordance with Governmental Accounting Standards Board (GASB) pronouncements. The basic components of the financial package are described below:

> **Combining Statements of Pension Plan Fiduciary Net Position and Postemployment Healthcare Plan Net Position** provides a snapshot of account balances and net position held in trust for future benefit payments and any liabilities as of the Plan's year end. Over time increases and decreases in net position may serve as a useful indicator of whether the financial position of the Plan is improving or deteriorating.
>
> **Combining Statements of Changes in Pension Plan Fiduciary Net Position and Postemployment Healthcare Plan Net Position** shows the revenues (additions) and expenses (deductions) during the year, where additions less deductions equal net increase (decrease) in net position. The net increase (decrease) in net position reports the change in net position as reported in the combining Statements of Changes in Pension Plan Fiduciary Net Position and Postemployment Healthcare Plan Net Position of the prior year and the current year.
>
> **Notes to the Financial Statements** provides additional information that is essential to achieving a better understanding of the data provided in the basic financial statements.
>
> **Required Supplementary Information** provides schedules and related notes concerning actuarial information, funding progress, employer contributions and investment returns.
>
> **Supplementary Information** includes schedules of net administrative expenses, professional and consulting fees, investment expenses, additions by source, deductions by type and employer contributions receivable.

Financial Highlights

Net position decreased by $425,354,505 or 4.7% from $9,068,398,780 at December 31, 2014 to $8,643,044,275 at December 31, 2015. Comparatively, net position increased by $141,032,124 or 1.6% from $8,927,366,656 at December 31, 2013 to $9,068,398,780 at December 31, 2014. The change in net position for both years was primarily due to the increase in the fair value of the investments.

The **rate of return** of the Plan's investment portfolio was -0.1% for 2015, 5.9% for 2014 and 15.1% for 2013.

Net Position

The condensed Combining Statements of Pension Plan Fiduciary Net Position and Postemployment Healthcare Plan Net Position reflects the resources available to pay benefits to members. A summary of the Combining Statements of Pension Plan Fiduciary Net Position and Postemployment Plan Net Position is as follows:

Plan Net Position
As of December 31,

				Current Year (Decrease) in	
	2015	2014	2013	Dollars	Percent
Total assets	$ 9,901,259,891	$ 10,527,247,093	$ 10,317,067,570	$ (625,987,202)	- 5.9%
Total liabilities	1,258,215,616	1,458,848,313	1,389,700,914	(200,632,697)	- 13.8%
Net position	$ 8,643,044,275	$ 9,068,398,780	$ 8,927,366,656	$ (425,354,505)	- 4.7%

Changes in Plan Net Position

The condensed Combining Statements of Changes in Pension Plan Fiduciary Net Position and Postemployment Healthcare Plan Net Position reflects the changes in the resources available to pay benefits to members. A summary of the Combining Statements of Changes in Pension Plan Fiduciary Net Position and Postemployment Healthcare Plan Net Position is as follows:

Changes in Plan Net Position
For the Years Ended December 31,

	2015	2014	2013	Current Year Increase/(Decrease) in Dollars	Percent
Additions:					
Employer contributions	$ 186,832,321	$ 190,032,872	$ 187,817,644	$ (3,200,551)	-1.7%
Employee contributions	137,707,719	129,325,318	127,593,220	8,382,401	6.5%
Annuitant healthcare benefits contributions	37,635,349	37,358,502	35,927,206	276,847	0.7%
Net investment income (loss) (includes security lending activities)	(21,896,696)	488,890,897	1,179,440,119	(510,787,593)	-104.5%
Other	11,457,843	9,742,062	8,547,729	1,715,781	17.6%
Total additions	351,736,536	855,349,651	1,539,325,918	(503,613,115)	-58.9%
Deductions:					
Benefits	738,666,760	682,959,960	637,697,226	55,706,800	8.2%
Refunds	33,273,171	26,347,361	29,873,030	6,925,810	26.3%
Administrative expenses	5,151,110	5,010,206	4,324,634	140,904	2.8%
Total deductions	777,091,041	714,317,527	671,894,890	62,773,514	8.8%
Net increase (decrease)	(425,354,505)	141,032,124	867,431,028	(566,386,629)	-401.6%
Net position					
Beginning of year	9,068,398,780	8,927,366,656	8,059,935,628	141,032,124	1.6%
End of year	$ 8,643,044,275	$ 9,068,398,780	$ 8,927,366,656	$ (425,354,505)	-4.7%

Additions to Plan Net Position

Total additions were $351,736,536 in 2015, $855,349,651 in 2014 and $1,539,325,918 in 2013.

Employer contributions decreased to $186,832,321 in 2015 from $190,032,872 in 2014 and decreased from $187,817,644 in 2013. Employer contributions are statutorily set at 1.54 times employee contributions collected two years prior.

Employee contributions, including permissive service credit purchases, increased to $137,707,719 in 2015 from $129,325,318 in 2014 and $127,593,220 in 2013. The majority of members contribute 8.5% of covered wages.

Annuitant healthcare benefits contributions increased to $37,635,349 in 2015 from $37,358,502 in 2014 and were $35,927,206 in 2013. Annuitant healthcare benefits contributions fluctuate from year to year based on participation and healthcare costs.

Net investment income (loss) totaled ($21,896,696) for 2015 compared to $488,890,897 for 2014 and $1,179,440,119 for 2013. Investment earnings fluctuate primarily from the overall performance of the financial markets from year to year.

Deductions to Plan Net Position

Total deductions were $777,091,041 in 2015, $714,317,527 in 2014 and were $671,894,890 in 2013.

Benefits increased to $738,666,760 in 2015 from $682,959,960 in 2014 and $637,697,226 in 2013 due primarily to the 3% annual cost of living increases for annuitants and an increase in the number of retirees.

Refunds increased to $33,273,171 in 2015 from $26,347,361 in 2014 and $29,873,030 in 2013. These changes are due to fluctuations in refund applications.

The cost to administer the Plan increased by 2.8% to $5,151,110 in 2015 from $5,010,206 in 2014. Comparatively, the cost to administer the Plan increased by 15.9% to $5,010,206 in 2014 from $4,324,634 in 2013.

Actuarial Information

Pension Benefits

Under GASB Statement No. 67, *Financial Reporting for Pension Plans*, the Plan's funding for pension benefits is as follows:

	Funding for Pension Benefits For the Years Ended December 31,		
	2015	2014	2013
Total pension liability	$ 23,963,085,690	$ 21,945,961,866	$ 21,117,643,943
Plan fiduciary net position	8,643,044,275	9,068,398,780	8,927,366,656
Employer's net pension liability	$ 15,320,041,415	$ 12,877,563,086	$ 12,190,277,287
Plan fiduciary net position as a percentage of the total pension liability	36.07%	41.32%	42.27%

Postemployment Healthcare Benefits

Under GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, the Plan's funding for postemployment healthcare benefits is as follows:

	Funding for Postemployment Healthcare Benefits For the Years Ended December 31,		
	2015	2014	2013
Unfunded actuarial accrued liability	$ 2,134,106,707	$ 1,980,088,617	$ 1,978,767,490
Funded ratio	0.00%	0.00%	0.00%

Contributions for postemployment healthcare benefits are made on a "pay-as-you-go" basis, resulting in a 0.00% funded ratio.

Actuarial Information (continued)

Combined

The Plan actuary has performed a combined valuation of the pension and postemployment healthcare benefits provided by the Plan to measure the overall funded status and contribution requirements of the Plan. Such a valuation is required under Chapter 40, Article 5/9-199 of the Illinois Pension Code which provides that the Plan shall submit a report each year containing a detailed statement of the affairs of the Plan, its income and expenditures, and assets and liabilities. The combined valuation reflects the actuarial assumptions adopted by the Board based on the results of an actuarial experience study. These assumptions conform to the actuarial standards recommended by the Plan's actuary and were used by the Plan's actuary to present the combined funding status in accordance with Section 9-199. The Plan's funding under the combined actuarial valuation is as follows:

Funding for Combined Pension and Postemployment Healthcare Benefits For the Years Ended December 31,

	2015	2014	2013
Unfunded actuarial accrued liability	$ 7,241,166,616	$ 6,508,281,618	$ 6,430,643,390
Funded ratio	55.39%	57.51%	56.59%

Contact Information

This financial report is designed to provide the employer, plan participants and others with a general overview of the Plan's finances and show accountability for money it receives. Questions concerning any data provided in the report or requests for additional information should be addressed to:

County Employees' and Officers' Annuity
and Benefit Fund of Cook County
Attention: Executive Director
33 North Dearborn Street
Suite 1000
Chicago, Illinois 60602

County Employees' and Officers' Annuity and Benefit Fund of Cook County

Combining Statements of Pension Plan Fiduciary Net Position and Postemployment Healthcare Plan Net Position

December 31, 2015 and 2014

	2015			2014		
Assets	Total	Pension	Postemployment Healthcare	Total	Pension	Postemployment Healthcare
Receivables						
Employer contributions less allowance of $11,090,380 in 2015 and $10,823,230 in 2014	$ 195,994,802	$ 188,307,034	$ 7,687,768	$ 199,576,926	$ 191,514,519	$ 8,062,407
Employee contributions	5,709,813	5,709,813	-	1,995,317	1,995,317	-
Accrued investment income	20,729,923	20,729,923	-	22,205,338	22,205,338	-
Receivable for securities sold	101,749,176	101,749,176	-	162,275,218	162,275,218	-
Due from Forest Preserve District Employees' Annuity and Benefit Fund of Cook County	443,584	443,584	-	542,267	542,267	-
Medicare Part D subsidy	887,467	-	887,467	1,266,803	-	1,266,803
Other	1,472,731	52,025	1,420,706	525,003	51,185	473,818
Total receivables	326,987,496	316,991,555	9,995,941	388,386,872	378,583,844	9,803,028
Investments						
U.S. and international equities	3,925,905,225	3,925,905,225	-	4,110,040,451	4,110,040,451	-
U.S. Government and government agency obligations	1,031,502,731	1,031,502,731	-	1,109,668,190	1,109,668,190	-
Corporate bonds	765,044,107	765,044,107	-	857,209,577	857,209,577	-
Collective international equity fund	51,962,976	51,962,976	-	57,477,592	57,477,592	-
Commingled fixed income fund	25,666,065	25,666,065	-	25,893,428	25,893,428	-
Private global fixed fund limited partnership	191,345,512	191,345,512	-	199,275,761	199,275,761	-
Exchange traded funds	458,949,498	458,949,498	-	607,454,824	607,454,824	-
Private equities	160,785,243	160,785,243	-	86,623,407	86,623,407	-
Hedge funds	803,013,247	803,013,247	-	800,093,500	800,093,500	-
Real estate	591,993,643	591,993,643	-	388,902,521	388,902,521	-
Short-term investments	453,717,122	453,717,122	-	587,544,323	587,544,323	-
Total investments	8,459,885,369	8,459,885,369	-	8,830,183,574	8,830,183,574	-
Collateral held for securities on loan	1,114,387,026	1,114,387,026	-	1,308,676,647	1,308,676,647	-
Total assets	9,901,259,891	9,891,263,950	9,995,941	10,527,247,093	10,517,444,065	9,803,028
Liabilities						
Accounts payable	5,134,977	5,134,977	-	5,031,192	5,031,192	-
Healthcare benefits payable	9,995,941	-	9,995,941	9,803,028	-	9,803,028
Payable for securities purchased	128,697,672	128,697,672	-	135,337,446	135,337,446	-
Securities lending collateral	1,114,387,026	1,114,387,026	-	1,308,676,647	1,308,676,647	-
Total liabilities	1,258,215,616	1,248,219,675	9,995,941	1,458,848,313	1,449,045,285	9,803,028
Net position						
Net position restricted for pensions	8,643,044,275	8,643,044,275	-	9,068,398,780	9,068,398,780	-
Net position held in trust for postemployment healthcare benefits	-	-	-	-	-	-
Total	$ 8,643,044,275	$ 8,643,044,275	$ -	$ 9,068,398,780	$ 9,068,398,780	$ -

See accompanying notes to financial statements.

COUNTY EMPLOYEES' AND OFFICERS' ANNUITY AND BENEFIT FUND OF COOK COUNTY

COMBINING STATEMENTS OF CHANGES IN PENSION PLAN FIDUCIARY NET POSITION AND POSTEMPLOYMENT HEALTHCARE PLAN NET POSITION

YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015			2014		
	Total	Pension	Postemployment Healthcare	Total	Pension	Postemployment Healthcare
ADDITIONS						
Employer contributions	$ 186,832,321	$ 136,075,504	$ 50,756,817	$ 190,032,872	$ 146,075,414	$ 43,957,458
Employee contributions						
Salary deductions	132,637,621	132,637,621	-	124,443,943	124,443,943	-
Refund repayments	2,651,848	2,651,848	-	2,386,762	2,386,762	-
Former and miscellaneous service payments	659,843	659,843	-	630,942	630,942	-
Optional payments and deductions	42,030	42,030	-	44,042	44,042	-
Deductions in lieu of disability	1,716,377	1,716,377	-	1,819,629	1,819,629	-
Total employee contributions	137,707,719	137,707,719	-	129,325,318	129,325,318	-
Annuitant healthcare benefits contributions	37,635,349	-	37,635,349	37,358,502	-	37,358,502
Investment income						
Net appreciation (depreciation) in fair value of investments	(173,161,584)	(173,161,584)	-	325,036,291	325,036,291	-
Dividends	111,215,391	111,215,391	-	117,138,325	117,138,325	-
Interest	68,785,887	68,785,887	-	73,642,376	73,642,376	-
	6,839,694	6,839,694	-	515,816,992	515,816,992	-
Less investment expenses	(33,698,935)	(33,698,935)	-	(31,791,345)	(31,791,345)	-
Net investment income (loss)	(26,859,241)	(26,859,241)	-	484,025,647	484,025,647	-
Securities lending						
Income	5,927,926	5,927,926	-	5,833,409	5,833,409	-
Expenses	(965,381)	(965,381)	-	(968,159)	(968,159)	-
Net securities lending income	4,962,545	4,962,545	-	4,865,250	4,865,250	-
Other						
Employer federal subsidized programs	3,847,725	3,847,725	-	3,538,369	3,538,369	-
Medicare Part D subsidy	3,872,127	-	3,872,127	4,529,585	-	4,529,585
Prescription plan rebates	3,205,423	-	3,205,423	1,458,517	-	1,458,517
Employee transfers (to) from Forest Preserve District Employees' Annuity and Benefit Fund of Cook County	18,370	18,370	-	175,370	175,370	-
Miscellaneous	514,198	514,198	-	40,221	40,221	-
Total other additions	11,457,843	4,380,293	7,077,550	9,742,062	3,753,960	5,988,102
Total additions	351,736,536	256,266,820	95,469,716	855,349,651	768,045,589	87,304,062

See accompanying notes to financial statements.

COUNTY EMPLOYEES' AND OFFICERS' ANNUITY AND BENEFIT FUND OF COOK COUNTY

COMBINING STATEMENTS OF CHANGES IN PENSION PLAN FIDUCIARY NET POSITION AND POSTEMPLOYMENT HEALTHCARE PLAN NET POSITION

YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015			2014		
	Total	Pension	Postemployment Healthcare	Total	Pension	Postemployment Healthcare
DEDUCTIONS						
Benefits						
Annuity						
Employee	$ 587,861,744	$ 587,861,744	$ -	$ 543,274,840	$ 543,274,840	$ -
Spouse and children	45,002,859	45,002,859	-	41,865,298	41,865,298	-
Disability						
Ordinary	9,916,487	9,916,487	-	9,988,572	9,988,572	-
Duty	415,954	415,954	-	527,188	527,188	-
Healthcare	95,469,716	-	95,469,716	87,304,062	-	87,304,062
Total benefits	738,666,760	643,197,044	95,469,716	682,959,960	595,655,898	87,304,062
Refunds	33,273,171	33,273,171	-	26,347,361	26,347,361	-
Net administrative expenses	5,151,110	5,151,110	-	5,010,206	5,010,206	-
Total deductions	777,091,041	681,621,325	95,469,716	714,317,527	627,013,465	87,304,062
NET INCREASE (DECREASE)	(425,354,505)	(425,354,505)	-	141,032,124	141,032,124	-
NET POSITION						
Beginning of year	9,068,398,780	9,068,398,780	-	8,927,366,656	8,927,366,656	-
End of year	$ 8,643,044,275	$ 8,643,044,275	$ -	$ 9,068,398,780	$ 9,068,398,780	$ -

See accompanying notes to financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County Employees' and Officers' Annuity and Benefit Fund of Cook County (the Plan) is administered in accordance with Chapter 40, Article 5/9 of the Illinois Compiled Statutes.

Reporting Entity - Accounting principles generally accepted in the United States of America define a financial reporting entity as consisting of the primary government and its component units for which the primary government is financially accountable. Financial accountability includes appointing a voting majority of a component unit's governing board, the ability of a primary government to impose its will on the component unit, or a potential for a component unit to provide specific financial benefits to or impose specific financial burdens on the primary government.

Based on the above criteria, the Plan is considered to be a component unit of Cook County, Illinois (the County) and is included in the County's financial statements as a pension trust fund.

Method of Accounting - The financial statements are prepared using the accrual basis of accounting. Employer contributions are recognized as income pursuant to legal requirements as specified by the Illinois Compiled Statutes. Employee contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Investments - Investments are reported at fair value, which generally represents reported market value as of the last business day of the year. Private equities, hedge funds, real estate investments, and limited partnerships are carried at fair value as estimated by each investment manager. Short-term investments are carried at cost which approximates fair value. Where less than an entire investment holding is sold, average value is used to determine realized gain or loss.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allocated Expenses - Administrative expenses are initially paid by the Plan. These expenses are allocated between the Plan and the Forest Preserve District Employees' Annuity and Benefit Fund of Cook County (the Forest Fund) on a pro rata basis, as applicable.

Capital Assets - The Plan has set a capitalization threshold of $100,000 for all capital asset types. As of December 31, 2015 and 2014, the Plan does not have any capital assets.

Estimates - The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

Reclassifications - Certain prior year amounts have been reclassified to conform to the current year presentation.

Subsequent Events - Subsequent events have been evaluated through June 2, 2016, which is the date the financial statements were available to be issued.

NOTE 2. PLAN DESCRIPTION

The Plan was established on January 1, 1926, and is governed by legislation contained in Illinois Compiled Statutes (the Statutes), particularly Chapter 40, Article 5/9 (the Article). Effective with the signing of Public Act 96-0889 into law on April 14, 2010, participants that first became contributors on or after January 1, 2011 are Tier 2 participants. All other participants that were contributing prior to January 1, 2011 are Tier 1 participants. 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 and disability benefits for full-time employees of Cook County (the County) and the dependents of such employees. The Plan is considered to be a component unit of Cook County, Illinois and is included in the County's financial statements as a pension trust fund.

The Statutes authorize a Board of Trustees (the 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 three are 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 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.

NOTE 2. PLAN DESCRIPTION (CONTINUED)

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 County Board of Cook County a detailed report of the financial affairs and status 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.

Covered employees are required to contribute 8.5% (9% for sheriffs) of their salary to the Plan, subject to the salary limitations for Tier 2 participants in Article 5/1-160. 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 2015 and 2014 was $1,572,417,298 and $1,514,550,023 respectively.

The Plan provides retirement as well as death and disability benefits. Tier 1 employees age 50 or older and Tier 2 employees age 62 or older are entitled to receive a minimum formula annuity of 2.4% for each year of credited service if they have at least 10 years of service. The maximum benefit is 80% of the final average monthly salary. For Tier 1 employees under age 60 and Tier 2 employees under age 67, the monthly retirement benefit is reduced by ½% for each month the participant is below that age. The reduction is waived for Tier 1 participants having 30 or more years of credited service.

Participants should refer to the applicable State Statutes for more complete information.

At December 31, 2015 and 2014, participants consisted of the following:

	2015	2014
Active members	21,596	21,656
Retired members	14,922	14,437
Beneficiaries	2,675	2,639
Inactive members	13,190	13,194
Total	52,383	51,926

NOTE 3. EMPLOYER'S PENSION LIABILITY

Net Pension Liability

The components of the net pension liability of the Plan for the years ended December 31, 2015 and 2014 are as follows:

	2015	2014
Total pension liability	$ 23,963,085,690	$ 21,945,961,866
Plan fiduciary net position	8,643,044,275	9,068,398,780
Employer's net pension liability	$ 15,320,041,415	$ 12,877,563,086
Plan fiduciary net position as a percentage of the total pension liability	36.07%	41.32%

See the Schedule of Changes in the Employer's Net Pension Liability and Related Ratios on page 28 of the required supplementary information for additional information related to the funded status of the Plan.

The net pension liability was determined by actuarial valuations performed as of December 31, 2015 and 2014 using the following actuarial methods and assumptions:

Actuarial valuation date	December 31, 2015 and 2014
Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar - Open
Remaining amortization period	30 years
Asset valuation method	Five Year Smoothed Average Market
Actuarial assumptions:	
Inflation	3.25% per year, compounded annually
Salary increases	3.75% to 8.00%, based on age
Investment rate of return	7.50% per year, compounded annually
Retirement age	Rates of retirement for each age from 50 to 75 based on recent experience of the Plan where all employees are assumed to retire by age 75
Mortality	RP-2000 Blue Collar Mortality Table, base year 2000, fully generational based on Scale BB
Postretirement annuity increase	Tier 1 participants - 3.0% compounded annually Tier 2 participants - the lesser of 3.0% or one half of the increase in the Consumer Price Index

The actuarial assumptions used in the December 31, 2015 and 2014 valuations were based on the results of an actuarial experience study conducted by Buck Consultants, LLC dated January 2014.

Discount Rate

The blended discount rates used to measure the total pension liability at December 31, 2015 and 2014 were 4.15% and 4.50%, respectively. The projection of cash flows used to determine the discount rate assumed that the employer's contributions will continue to follow the current funding policy. Based on this assumption, the Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current plan members. Municipal bond rates of 3.20% and 3.34% at December 31, 2015 and 2014, respectively, and the long-term investment rate of return of 7.50% were used in the development of the blended discount rates. The municipal bond rates are based on the S&P Municipal Bond 20 Year High Grade Rate Index.

Discount Rate Sensitivity

The following is an analysis of the net pension liability's sensitivity to changes in the discount rate at December 31, 2015 and 2014. The following table presents the net pension liability of the employer using the blended discount rate as well as the employer's net pension liability calculated using a discount rate 1 percent lower and 1 percent higher than the current discount rate:

	1% Decrease 3.15%	Current Discount Rate 4.15%	1% Increase 5.15%
Net Pension Liability - December 31, 2015	$ 19,821,767,092	$ 15,320,041,415	$ 11,800,111,612

	1% Decrease 3.50%	Current Discount Rate 4.50%	1% Increase 5.50%
Net Pension Liability - December 31, 2014	$ 16,898,354,682	$ 12,877,563,086	$ 9,717,606,697

NOTE 4. SUMMARY OF EMPLOYER FUNDING POLICIES

Employer contributions are funded primarily through a tax levied by Cook County, Illinois. The tax levy, when extended, is limited to an amount not to exceed an amount equal to the total contributions by the employees to the Plan made in the calendar year two years prior to the year for which the annual applicable tax is levied, multiplied by 1.54.

The combined funding information of the pension and postemployment healthcare benefits of the Plan as of December 31, 2015 and 2014 are as follows:

	2015			
	Pension	Postemployment Healthcare	Assumption Adjustment	Combined
Employer normal cost	$ 107,422,954	$ 67,311,816	$ (47,557,915)	$ 127,176,855
Amortization of UAAL	407,465,533	116,326,024	(11,173,653)	512,617,904
Interest cost	-	7,233,612	(7,233,612)	-
Actuarially determined contribution	514,888,487	190,871,452		639,794,759
Expected net employer contribution	(136,075,504)	(50,756,817)	(3,766,431)	(190,598,752)
Expected employer contribution short-fall	$ 378,812,983	$ 140,114,635		$ 449,196,007
Actuarially determined multiplier				5.17
Present authorized multiplier				1.54

	2014			
	Pension	Postemployment Healthcare	Assumption Adjustment	Combined
Employer normal cost	$ 99,828,114	$ 66,437,678	$ (38,046,472)	$ 128,219,320
Amortization of UAAL	419,814,817	116,248,411	(29,560,416)	506,502,812
Interest cost	-	7,221,113	(7,221,113)	-
Actuarially determined contribution	519,642,931	189,907,202		634,722,132
Expected net employer contribution	(146,075,414)	(43,957,458)	(5,013,489)	(195,046,361)
Expected employer contribution short-fall	$ 373,567,517	$ 145,949,744		$ 439,675,771
Actuarially determined multiplier				5.01
Present authorized multiplier				1.54

The assumption adjustment is due to a change in the interest rate assumption, which is 7.5% for the pension and combined valuations and 4.5% for the postemployment healthcare benefits valuation.

NOTE 5. INVESTMENTS

The Board of Trustees is responsible for establishing reasonable and consistent investment objectives, policies and guidelines governing the investment of Plan assets in accordance with the Illinois Compiled Statutes. The Plan is 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. During the year ended December 31, 2015 and 2014, there were no changes to the investment policy.

The Plan's investment policy in accordance with the Illinois Compiled Statutes establishes the following target allocation across asset classes:

Asset Class	Target Allocation %	Long-term Expected Real Rate of Return
Domestic equities	25.00%	9.36%
International equities	20.00%	7.61%
Fixed income	32.00%	2.03%
Real estate	8.00%	6.91%
Private equity	9.00%	4.68%
Hedge Funds	6.00%	12.40%
Total investments	100.00%	

Long-term expected rate of return

The long-term expected rate of return on the Plan's investments was determined based on the results of an experience study performed by Buck Consultants. The results of the experience study were adopted by the Board in January 2014. The investment return assumption was based on the current asset allocation of the Plan. In the experience study, Buck Consultants developed best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or geometric real rates of return for each major asset class included in the Plan's target asset allocation as of December 31, 2013 are listed in the table above.

Annual Money-Weighted Rate of Return

The annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (0.1)% and 5.9% for years ended December 31, 2015 and 2014, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

NOTE 5. INVESTMENTS (CONTINUED)

Investment Summary

The following table presents a summarization of the aggregate fair value (carrying amount) of the Plan's investments as of December 31, 2015 and 2014. Investments that represent 5% or more of the Plan's net position are separately identified.

Investments	2015	2014	
U.S. and international equities	$ 3,925,905,225	$ 4,110,040,451	
U.S. Government and government agency obligations	1,031,502,731	1,109,668,190	
Corporate bonds	765,044,107	857,209,577	
Collective international equity fund	51,962,976	57,477,592	
Commingled fixed income fund	25,666,065	25,893,428	
Private global fixed fund limited partnership	191,345,512	199,275,761	
Exchange traded funds	458,949,498	607,454,824	
Private equities	160,785,243	86,623,407	
Hedge funds:			
Burnham Harbor Fund Ltd.	432,883,250	424,100,631	*
Other	370,129,997	375,992,869	
Real estate:			
Limited partnerships	591,993,643	388,902,521	
Short-term investments:			
EB Temporary Investment Fund	449,960,872	585,088,974	
Other	3,756,250	2,455,349	
Total investments	$ 8,459,885,369	$ 8,830,183,574	

* - Not 5%.

Investment Risk

GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, specifies various disclosure requirements.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities in the possession of an outside party.

The Plan 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, as of December 31, 2015 and 2014.

NOTE 5. INVESTMENTS (CONTINUED)

Investment Risk (continued)

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Plan's investment policy is an average credit quality for each manager's total fixed income portfolio (corporate and U.S. Government holdings) of not less than A- by two out of three credit agencies (Moody's Investor Service, Standard & Poor's and/or Fitch). The following table presents a summarization of the Plan's credit quality ratings of investments at December 31, 2015 and 2014 valued by Moody's Investors Service and/or Standard & Poor's and/or Fitch:

Type of Investment	Rating	2015	2014
U.S. Government and government agency obligations	Aa/AA	$ 965,636,744	$ 1,015,205,277
	Not Rated	65,865,987	94,462,913
		$ 1,031,502,731	$ 1,109,668,190
Corporate bonds	Aaa/AAA	$ 57,113,576	$ 62,891,457
	Aa/AA	28,938,979	37,418,471
	A/A	174,154,771	206,170,324
	Baa/BBB	325,354,126	354,985,380
	Ba/BB	84,495,383	91,019,797
	B/B	39,063,698	54,425,799
	Caa/CCC	9,675,474	10,785,181
	Ca/CC	474,788	30
	D/D	227,406	247,796
	Not Rated	45,545,906	39,265,342
		$ 765,044,107	$ 857,209,577
Commingled fixed income fund	Baa/BBB	$ 25,666,065	$ 25,893,428
Short-term investments	Not Rated	$ 453,717,122	$ 587,544,323

Investment Risk (continued)

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 Plan's investment policy for duration for each manager's total fixed income portfolio is within plus or minus 30% of the duration for the fixed income performance benchmark (*Barclays Capital Aggregate Fixed Income,* which was 5.68 years at December 31, 2015 and 5.55 years at December 31, 2014*)*. The following table presents a summarization of the Plan's debt investments at December 31, 2015 and 2014, using the segmented time distribution method:

Type of Investment	Maturity	2015	2014
U.S. Government and government agency obligations	Less than 1 year	$ 34,489,303	$ 20,307,592
	1 - 5 years	275,344,178	337,059,785
	6 - 10 years	199,568,985	186,525,528
	Over 10 years	522,100,265	565,775,285
		$ 1,031,502,731	$ 1,109,668,190
Corporate bonds	Less than 1 year	$ 319,667,924	$ 70,779,443
	1 - 5 years	106,319,205	201,547,638
	6 - 10 years	194,184,823	342,338,742
	Over 10 years	144,872,155	242,543,754
		$ 765,044,107	$ 857,209,577
Commingled fixed income fund	1 - 5 years	$ 25,666,065	$ 25,893,428
Short-term investments	Less than 1 year	$ 453,717,122	$ 587,544,323

NOTE 5. INVESTMENTS (CONTINUED)

Investment Risk (continued)

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 Plan's investment policy limits the amount of investments in foreign equities to 20% of total Plan assets and foreign fixed income obligations to 2.5% of the total Plan assets.

The Plan's exposure to foreign currency risk at December 31, 2015 and 2014 is as follows:

Type of Investment	Fair Value (USD) 2015	Fair Value (USD) 2014
U.S. and international equities		
Australian dollar	$ 67,145,553	$ 78,719,386
Brazil real	15,342,482	22,787,891
British pound sterling	314,998,719	310,585,893
Canadian dollar	64,015,512	79,080,044
Chilean peso	2,191,251	2,301,572
Colombian peso	395,721	783,224
Czech koruna	43,778	417,393
Danish krone	23,422,657	17,806,342
Egyptian pound	291,663	261,423
European euro	381,778,462	397,005,393
Hong Kong dollar	108,983,901	120,414,087
Hungarian forint	360,318	406,489
Indian rupee	10,620,170	8,911,786
Indonesian rupiah	4,946,620	6,301,082
Israeli shekel	6,014,267	5,080,245
Japanese yen	286,510,705	266,333,255
Malaysian ringgit	5,659,128	7,439,038
Mexican peso	9,752,911	12,044,327
New Taiwan dollar	29,347,463	33,495,677
New Turkish lira	656,541	1,227,993
New Zealand dollar	8,260,832	6,863,110
Norwegian krone	16,463,743	15,627,486
Phillipenes peso	5,987,426	6,012,595
Polish zloty	1,842,172	2,967,480
Russian ruble	342,695	318,206
Singapore dollar	19,942,448	22,737,009
South African rand	12,463,900	17,832,068
South Korean won	44,461,886	50,399,004
Swedish krona	41,815,199	39,994,815
Swiss franc	102,611,092	129,100,613
Thailand baht	7,869,619	12,057,123
United Arab Emirates dirham	1,131,081	1,494,666
U.S. dollar	2,330,235,310	2,433,233,736
Total U.S. and international equities	$ 3,925,905,225	$ 4,110,040,451

NOTE 5. INVESTMENTS (CONTINUED)

Investment Risk (continued)

Foreign Currency Risk (continued)

Type of Investment	Fair Value (USD) 2015	Fair Value (USD) 2014
Corporate bonds		
Brazilian real	$ -	$ 8,670,503
British pound sterling	1,414,207	3,962,173
European euro	2,045,354	2,335,997
Mexican peso	9,271,891	13,999,411
Philippines peso	1,483,988	2,273,582
U.S. dollar	750,828,667	825,967,911
Total corporate bonds	$ 765,044,107	$ 857,209,577
Private equities		
European euro	$ 4,393,640	$ 1,806,596
U.S. dollar	156,391,603	84,816,811
Total private equities	$ 160,785,243	$ 86,623,407

For the years ended December 31, 2015 and 2014, net realized gain on investments sold, reflecting the difference between the proceeds received and cost value of securities sold, was $286,603,188 and $357,866,673 respectively. These amounts are included in the net appreciation (depreciation) in fair value of investments as reported on the Combining Statements of Changes in Pension Plan Fiduciary Net Position and Postemployment Healthcare Plan Net Position. The calculation of realized gains and losses is independent of the calculation of net appreciation (depreciation) in the fair value of plan investments. Investments purchased in a previous year and sold in the current year result in their realized gains and losses being reported in the current year and their net appreciation (depreciation) in Plan assets being reported in both the current year and the previous years.

NOTE 6. WHEN-ISSUED TRANSACTIONS

The Plan 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 Plan 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 takes place. As of December 31, 2015 and 2014, the Plan contracted to acquire securities on a when-issued basis with a total principal amount of $65,866,000 and $89,770,000 respectively.

NOTE 7. DERIVATIVES

The Plan's investment policy permits the use of financial futures for hedging purposes only. Speculation and leveraging of financial futures within the portfolio is prohibited. The Plan uses derivative financial instruments to gain exposure to an asset class, manage portfolio risk or to facilitate international portfolio trading.

A derivative security is a financial contract whose value is based on, or "derived" from, a traditional security, an asset, or a market index. Derivative instruments include forward currency contracts and futures contracts as part of the Plan's investment portfolio.

Derivative transactions involve, to varying degrees, credit risk, interest rate risk and market risk. Credit risk is the possibility that a loss may occur because a party to a transaction fails to perform according to the previously agreed upon terms. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Market risk is the possibility that a change in interest or currency rates will cause the value of a financial instrument to decrease or become more costly to settle.

Forward currency contracts are used to hedge against fluctuations in foreign currency-denominated assets used primarily in portfolio trade settlements. These contracts are a cash contract in which a seller agrees to deliver a specific cash commodity to a buyer sometime in the future. Forward agreements are subject to the creditworthiness of the counterparties, which are principally large financial institutions. Forward currency contracts are reported at fair value in the receivable for securities sold and payable for securities purchased on the Combining Statement of Pension Plan Fiduciary Net Position and Postemployment Healthcare Plan Net Position included in investments. The gain or loss on forward currency contracts is recognized and recorded on the Combining Statement of Changes in Pension Plan Fiduciary Net Position and Postemployment Healthcare Plan Net Position as part of investment income. The foreign currency contracts are short-term in nature, typically ranging from one week to three months.

The Plan uses futures contracts as an investment vehicle to gain exposure to an asset class with minimal market entry costs to the Plan. At December 31, 2015, the Plan had futures contracts with a fair value of $745,803 a notional value of $236,370,350 and a maturity date of March 18, 2016 for all contracts. Comparatively, at December 31, 2014, the Plan had futures contracts with a fair value of $13,566,225 and a notional value of $341,238,940 with a maturity date of March 20, 2015 for all contracts.

Futures contracts are reported at fair value in the equity investments on the Combining Statement of Pension Plan Fiduciary Net Position and Postemployment Healthcare Plan Net Position. The gain or loss on futures contracts is reported as part of investment income on the Combining Statement of Changes in Pension Plan Fiduciary Net Position and Postemployment Healthcare Plan Net Position. See Note 5 for investment risk for the Plan's equity investments.

NOTE 7. DERIVATIVES (CONTINUED)

The Plan's portfolio includes the following derivative instruments at December 31, 2015 and 2014:

	2015	2014
Hedging derivative instruments		
Forward currency contract receivables	$ 17,256,284	$ 20,662,823
Forward currency contract payable	(17,183,165)	(20,407,274)
Total hedging derivative instruments	73,119	255,549
Investment derivative instruments		
U.S. Equity Index Futures Contracts	745,803	13,566,225
Total	$ 818,922	$ 13,821,774

For the years ended December 31, 2015 and 2014, the change in fair value of the deferred inflows and outflows of the foreign currency contracts was not material to these financial statements.

NOTE 8. SECURITIES LENDING

State Statutes and the investment policy permit the Plan 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 Plan'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 Plan does not have the right to sell or pledge securities received as collateral unless the borrower defaults. The average term of securities loaned was 103 days for 2015 and 108 days for 2014; however, any loan may be terminated on demand by either the Plan or the borrower. Cash collateral was invested in a separately managed portfolio, which had an average weighted maturity at December 31, 2015 and 2014 of 64 and 57 days, respectively.

NOTE 8. SECURITIES LENDING (CONTINUED)

As of December 31, 2015 and 2014, the fair value (carrying amount) of loaned securities was $1,365,261,211 and $1,386,654,050 respectively. As of December 31, 2015 and 2014, the fair value (carrying amount) of cash collateral received by the Plan was $1,114,387,026 and $1,308,676,647 respectively. The cash collateral is included as an asset and a corresponding liability on the combining statements of pension plan and postemployment healthcare plan net position. As of December 31, 2015 and 2014, the fair value (carrying amount) of non-cash collateral received by the Plan was $287,086,886 and $114,258,432 respectively.

Although the Plan's securities lending activities are collateralized as described above, they involve both market and credit risk. In this context, market risk refers to the possibility that the borrower of securities will be unable to collateralize the loan upon a sudden material change in the fair value of the loaned securities. Credit risk refers to the possibility that counterparties involved in the securities lending program may fail to perform in accordance with the terms of their contracts.

Indemnification deals with the situation in which a client's securities are not returned due to the insolvency of a borrower. The contract with the lending agent requires indemnification to the Plan if borrowers fail to return the securities or fail to pay the Plan for income distributions by the issuers of securities while the securities are on loan.

During 2015 and 2014, there were no losses due to default of a borrower or the lending agent.

A summary of securities loaned at fair value as of December 31, 2015 and 2014 is as follows:

	2015	2014
Securities loaned - cash collateral		
U.S. and international equities	$ 764,542,280	$ 778,694,618
U.S. Government and government agency obligations	85,059,135	214,759,009
Exchange traded funds	149,394,555	176,699,691
Corporate bonds	85,557,467	104,884,614
Total securities loaned - cash collateral	1,084,553,437	1,275,037,932
Securities loaned - non-cash collateral		
U.S. Government and government agency obligations	280,707,774	111,616,118
Total	$ 1,365,261,211	$ 1,386,654,050

NOTE 9. COMMITMENTS

As of December 31, 2015, the Plan had capital commitments of approximately $385,000,000 for various limited partnership and private equity investments.

NOTE 10. POSTEMPLOYMENT GROUP HEALTHCARE BENEFIT PLAN

Plan Description

The Plan administers a Postemployment Group Healthcare Benefit Plan (PGHBP), a single-employer defined benefit postemployment health plan. PGHBP is administered in accordance with Chapter 40, Article 5/10 of the Illinois Compiled Statutes, which assigns the authority to establish and amend benefit provisions to the Plan's Board of Trustees. PGHBP provides a healthcare benefit to annuitants who elect to participate in PGHBP.

As of January 1, 2015, all benefit elections under the PGHBP are fully self-insured. Prior to January 1, 2015, certain benefit elections were insured and others were self-insured. The Plan is currently allowed, in accordance with State Statutes, to pay all or a portion of medical costs for the annuitants. Presently, the employee and spouse annuitants pay approximately 48% and 33% of the annual medical costs, respectively. The remaining costs are borne by the Plan. The Plan does not maintain stop-loss coverage for the PGHBP.

At December 31, 2015 and 2014, the number of annuitants and surviving spouses participating in the PGHBP, totaled 8,783 and 8,591 respectively.

The following is a reconciliation of healthcare benefits payable for the years ended December 31, 2015 and 2014:

	2015	2014
Healthcare benefits payable, January 1	$ 9,803,028	$ 9,325,390
Claims incurred	95,662,629	87,781,700
Claims paid	(95,469,716)	(87,304,062)
Healthcare benefits payable, December 31	$ 9,995,941	$ 9,803,028

The Plan's actuary, Segal Consultants, estimated medical claims incurred but not reported (IBNR) as of December 31, 2015 based on industry standards including historical IBNR levels, insurance company studies, lag studies and actuarial assumptions. Prior to January 1, 2015, the Plan estimated the medical claims liability based on actual claims paid and known unpaid claims subsequent to year end. The Plan estimated the prescription claims liability for both December 31, 2015 and 2014 based claims paid subsequent to year end.

The Plan's employees are also participants in the PGHBP. The Plan had 31 and 27 employees at December 31, 2015 and 2014, respectively. During years ended December 31, 2015 and 2014, the Plan paid healthcare premiums for 11 and 9 retired Plan employees, respectively. For active and retired Plan employees, the actuarially determined liability under GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions,* is included in the total actuarial liability and related GASB Statement No. 43 disclosure.

Summary of Significant Accounting Policies

Method of Accounting - PGHBP's financial statements have been combined with the Plan's financial statements and are presented using the accrual basis of accounting. The Plan subsidizes the cost for postemployment group health benefits in excess of the retiree healthcare premiums with no contribution rate or asset allocation associated with it. Post-employment group healthcare costs are recognized when incurred and estimable.

Contributions - The Plan funds PGHBP on a "pay-as-you-go" basis.

Administrative Costs - Administrative costs associated with PGHBP are paid by the Plan's employer contributions and annuitant health benefit contributions.

Health Care Cost Trend Rates - 2015 - 7.75% in the first year, decreasing by .25% per year until an ultimate rate of 4.75% is reached for pre-medicare and 6.25% in the first year, decreasing by .25% until an ultimate rate of 4.75% is reached for post-medicare.
2014 - 8.0% in the first year, decreasing by .25% per year until an ultimate rate of 4.75% is reached for pre-medicare and 6.50% in the first year, decreasing by .25% until an ultimate rate of 4.75% is reached for post-medicare.

Inflation Rate Assumption - 3.25% per year.

Actuarial Valuations - Actuarial valuations of the Plan involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations of the Plan reflect a long-term perspective and are based on the benefits provided under the terms of the Plan in effect at the time of each valuation and on the historical pattern of sharing of costs between the employer and Plan members to that point.

Funded Status and Funding Progress

As of December 31, 2015, the most recent actuarial valuation date, the PGHBP was 0% funded on an actuarial basis. The actuarial accrued liability for benefits was $2,134,106,707 and the actuarial value of assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $2,134,106,707. The covered payroll (annual payroll of active employees covered by the Plan) was $1,597,597,077 and the ratio of the UAAL to the covered payroll was 133.58%.

The Schedule of Funding Progress, presented as Required Supplementary Information (RSI) following the notes to the financial statements, presents multi-year trend information about whether the actuarial values of the Plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

NOTE 11. RELATED PARTY TRANSACTIONS

The Plan has common Trustees and shares office space with the Forest Preserve District Employees' Annuity and Benefit Fund of Cook County (the Forest Fund) who reimburses the Plan for shared administrative services provided by the Plan. During the years ended December 31, 2015 and 2014, the Plan allocated administrative expenditures of $92,675 and $90,660 respectively to the Forest Fund.

As of December 31, 2015 and 2014, the Forest Fund owes the Plan $443,584 and $542,267 respectively. These amounts include plan transfers of Plan members transferring from one plan to another.

NOTE 12. PRONOUNCEMENTS ISSUED NOT YET EFFECTIVE

In March 2015, GASB issued Statement No. 72, *Fair Value Measurement and Application*, which provides guidance for fair value measurement and application. The Statement defines fair value, provides guidance for determining fair value measurement for financial reporting purposes and specifies required disclosures related to fair value measurements. Statement No. 72 is effective for the Plan's fiscal year ending December 31, 2016.

In June 2015, GASB issued Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that are not within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Statement No. 73 establishes requirements for pension plans that are not administered through a trust (not covered by Statements 67 and 68). The requirements in Statement No. 73 for reporting pensions generally are the same as Statement 68, however, the lack of a trust that meets specified criteria is reflected in the measurements. Statement No. 73 is effective for the Plan's fiscal year ending December 31, 2016, except for provisions that address employers and governmental nonemployer contributing entities for pensions that are not within the scope of GASB Statement No. 68, which are effective for the Plan's fiscal year ending December 31, 2017.

In June 2015, GASB issued Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans.* Statement No. 74 replaces the requirements of Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans.* This Statement addresses the financial reports of defined benefit Other Postemployment Benefit Plans that are administered through trusts that meet specified criteria. The Statement requires more extensive note disclosures and required supplementary information related to the measurement of the Other Postemployment Benefit liabilities for which assets have been accumulated, including information about the annual money-weighted rates of return on plan investments. Statement No. 74 is effective for the Plan's fiscal year ending December 31, 2017.

NOTE 12. PRONOUNCEMENTS ISSUED NOT YET EFFECTIVE (CONTINUED)

In June 2015, GASB issued Statement No. 75, *Financial Reporting for Postemployment Benefits Other Than Pensions*. Statement No. 75 replaces the requirements of Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions.* Statement No. 75 requires governments to report a liability on the financial statements for the other postemployment benefits that they provide. Statement No. 75 also requires more extensive note disclosures and required supplementary information about the other postemployment benefit liabilities. Statement No. 75 is effective for the Plan's fiscal year ending December 31, 2018.

In June 2015, GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. Statement No. 76 identifies the hierarchy of generally accepted accounting principles (GAAP) which consists of the sources of accounting principles used to prepare financial statements of state and local government entities in conformity with GAAP and the framework for selecting those principles. Statement No. 76 reduces the hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. Statement No. 76 is effective for the Plan's fiscal year ending December 31, 2016.

In August 2015, GASB issued Statement No. 77, *Tax Abatement Disclosures*. Statement No. 77 requires governments that enter into tax abatement agreements to disclose certain information about the agreements including descriptive information, the gross dollar amount of the taxes abated during the period and commitments made by a government as part of the agreement. Statement No. 77 is effective for the Plan's fiscal year ending December 31, 2016.

In December 2015, GASB issued Statement No. 78, *Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans.* Statement No. 78 amends the scope and applicability of Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, to exclude pensions provided to employees of state and local governmental employers through cost-sharing multiple-employer defined benefit pension plan that are not a state or local governmental pension plan, are used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and have no predominant state or local governmental employer. Statement No. 78 is effective for the Plan's fiscal year ending December 31, 2016.

In December 2015, GASB issued Statement No. 79, *Certain External Investment Pools and Pool Participants.* Statement No. 79 addresses accounting and financial reporting for certain external investment pools and pool participants. Statement No. 79 establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. Statement No. 79 is effective for the Plan's fiscal year ending December 31, 2016.

NOTE 12. PRONOUNCEMENTS ISSUED NOT YET EFFECTIVE (CONTINUED)

In January 2016, GASB issued Statement No. 80, *Blending Requirement for Certain Component Units - an amendment of GASB Statement No. 14*. Statement No. 80 amends the blending requirements for the financial statement presentation of component units of all state and local governments established in Statement No. 14, *The Financial Reporting Entity*, as amended. Statement No. 80 is effective for the Plan's fiscal year ending December 31, 2017.

In March 2016, GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements.* Statement No. 81 improves accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. Statement No. 81 is effective for the Plan's fiscal year ending December 31, 2017.

In March 2016, GASB issued Statement No. 82, *Pension Issues - an amendment of GASB Statements No. 67, No. 68, and No. 73.* Statement No. 82 addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. Statement No. 82 is effective for the Plan's fiscal year ending December 31, 2017.

The Plan is currently evaluating the impact of adopting the above GASB Statements.

NOTE 13. SUBSEQUENT EVENT

As of the date of these financial statements, the County has made an additional contribution to the Plan of $51,223,000 pursuant to a one year Intergovernmental Agreement (IGA) entered into as of December 8, 2015 between the County of Cook and the County Officers' and Employees' Annuity and Benefit Fund of Cook County. Pursuant to said IGA, the County is expected to make additional payments in the amounts of: $30,542,000 on June 30, 2016; $30,157,000 on July 28, 2016; $32,297,000 on August 31, 2016; $34,320,000 on September 30, 2016; $32,469,000 on October 31, 2016; and $59,518,000 on or before November 30, 2016. This is no assurance that said payments will be made.

REQUIRED SUPPLEMENTARY INFORMATION - PENSION

County Employees' and Officers' Annuity and Benefit Fund of Cook County

Required Supplementary Information - Pension

Schedule of Changes in the Employer's Net Pension Liability and Related Ratios

	2015	2014
Total pension liability		
Service cost	$ 496,161,454	$ 491,887,347
Interest	994,674,970	958,433,835
Difference between expected and actual experience	(126,330,351)	-
Changes of assumptions	1,329,087,966	-
Expected benefit payments, including refunds of employee contributions	(676,470,215)	(622,003,259)
Net change in total pension liability	2,017,123,824	828,317,923
Total pension liability		
Beginning of year	21,945,961,866	21,117,643,943
End of year	$ 23,963,085,690	$ 21,945,961,866
Plan fiduciary net position		
Contributions - employer	$ 136,075,504	$ 146,075,414
Contributions - employee	137,707,719	129,325,318
Net investment income	(21,896,696)	488,890,897
Expected benefit payments, including refunds of employee contributions	(676,470,215)	(622,003,259)
Administrative expenses	(5,151,110)	(5,010,206)
Other	4,380,293	3,753,960
Net change in plan fiduciary net position	(425,354,505)	141,032,124
Plan fiduciary net position		
Beginning of year	9,068,398,780	8,927,366,656
End of year	$ 8,643,044,275	$ 9,068,398,780
Employer's net pension liability	$ 15,320,041,415	$ 12,877,563,086
Plan fiduciary net position as a percentage of the total pension liability	36.07%	41.32%
Covered-employee payroll	$ 1,572,417,298	$ 1,514,550,023
Employer's net pension liability as a percentage of covered-employee payroll	974.30%	850.26%

See Report of Independent Auditors.

County Employees' and Officers' Annuity and Benefit Fund of Cook County

Required Supplementary Information - Pension

Schedule of Employer Contributions

Last Ten Fiscal Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Actuarially determined contribution	$ 514,888,487	$ 519,642,931	$ 595,370,046	$ 540,218,287	$ 493,724,370	$ 454,327,461	$ 352,850,988	$ 283,892,734	$ 287,061,532	$ 282,223,686
Contributions in relation to the actuarially determined contribution	(136,075,504)	(146,075,414)	(147,720,014)	(152,734,539)	(160,652,118)	(144,539,577)	(152,506,089)	(150,227,360)	(230,114,335)	(198,619,984)
Contribution deficiency	$ 378,812,983	$ 373,567,517	$ 447,650,032	$ 387,483,748	$ 333,072,252	$ 309,787,884	$ 200,344,899	$ 133,665,374	$ 56,947,197	$ 83,603,702
Covered employee payroll	$ 1,572,417,298	$ 1,514,550,023	$ 1,484,269,715	$ 1,478,253,368	$ 1,456,444,123	$ 1,494,093,569	$ 1,498,161,713	$ 1,463,372,408	$ 1,370,844,734	$ 1,412,878,627
Contributions as a percentage of covered employee payroll	8.65%	9.64%	9.95%	10.33%	11.03%	9.67%	10.18%	10.27%	16.79%	14.06%

Notes to Schedule

Actuarially determined contribution rates are calculated as of December 31, one year prior to the fiscal year in which contributions are reported.

Valuation Date	December 31, 2015
Methods and assumptions used to determine contribution rates	
Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar - Open
Remaining amortization period	30 years
Asset valuation method	Five Year Smoothed Average Market
Inflation	3.25% per year, compounded annually
Salary increases	3.75% to 8%, based on age
Investment rate of return	7.5% per year, compounded annually
Retirement age	Based on actual past experience, assume all employees retire by age 75
Mortality	RP-2000 Blue Collar Mortality Table, base year 2000, fully generational based on Scale BB.
Postretirement annuity increases	Tier 1 participants - 3.0% compounded annually. Tier 2 participants - the lesser of 3.0% or one half of the increase in the Consumer Price Index.

See Report of Independent Auditors.

County Employees' and Officers' Annuity and Benefit Fund of Cook County

Required Supplementary Information - Pension

Schedule of Investment Returns

	2015	2014
Annual money-weighted rate of return, net of investment expense	(0.1)%	5.9%

See Report of Independent Auditors.

REQUIRED SUPPLEMENTARY INFORMATION - POSTEMPLOYMENT HEALTHCARE

County Employees' and Officers' Annuity and Benefit Fund of Cook County

Required Supplementary Information - Postemployment Healthcare

Schedule of Funding Progress

Year Ended December 31,		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
2010		$ -	$ 1,724,622,462	$ 1,724,622,462	0.00%	$ 1,494,093,569	115.43%
2011		$ -	$ 1,678,571,388	$ 1,678,571,388	0.00%	$ 1,456,444,123	115.25%
2012		$ -	$ 1,845,609,132	$ 1,845,609,132	0.00%	$ 1,478,253,368	124.85%
2013	(1)	$ -	$ 1,978,767,490	$ 1,978,767,490	0.00%	$ 1,484,269,715	133.32%
2014		$ -	$ 1,980,088,617	$ 1,980,088,617	0.00%	$ 1,514,550,023	130.74%
2015		$ -	$ 2,134,106,707	$ 2,134,106,707	0.00%	$ 1,597,597,077	133.58%

(1) = Change in actuarial assumptions.

See Notes to Schedule of Funding Progress and Schedule of Employer Contributions.

County Employees' and Officers' Annuity and Benefit Fund of Cook County

Required Supplementary Information - Postemployment Healthcare

Schedule of Employer Contributions

Year Ended December 31,	Annual Required Contribution (ARC) (a)	Required Statutory Basis (b)	Employer Contributions (c)	Percent of ARC Contributed (c/a)
2010	$ 163,823,488	$ -	$ 40,183,057	24.53%
2011	$ 165,176,771	$ -	$ 38,185,306	23.12%
2012	$ 156,700,388	$ -	$ 37,986,237	24.24%
2013	$ 178,698,965	$ -	$ 40,097,630	22.44%
2014	$ 189,907,202	$ -	$ 43,957,458	23.15%
2015	$ 190,871,452	$ -	$ 50,756,817	26.59%

See Notes to Schedule of Funding Progress and Schedule of Employer Contributions.

County Employees' and Officers' Annuity and Benefit Fund of Cook County

Required Supplementary Information - Postemployment Healthcare

Notes to Schedule of Funding Progress and Schedule of Employer Contributions

The information presented in the required supplementary information was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	December 31, 2015 and 2014
Actuarial cost method	Entry age actuarial cost as a percentage of earnings
Amortization method	Level Dollar - Open
Amortization period	30 years
Actuarial assumptions	
Discount rate	4.50% per year
Inflation	3.25% per year
Health care cost trend rate	2015 - 7.75% in the first year, decreasing by .25% per year until an ultimate rate of 4.75% is reached for pre-medicare and 6.25% in the first year decreasing by .25% per year until an ultimate rate of 4.75% is reached for post-medicare.
	2014 - 8.0% in the first year, decreasing by .25% per year until an ultimate rate of 4.75% is reached for pre-medicare and 6.50% in the first year decreasing by .25% per year until an ultimate rate of 4.75% is reached for post-medicare.
Mortality rates	RP-2000 Blue Collar Mortality Table, base year 2000, fully generational based on Scale BB
Retirement age assumptions	Based on actual past experience assume all employees retire by age 75

SUPPLEMENTARY INFORMATION

County Employees' and Officers' Annuity and Benefit Fund of Cook County

Schedules of Net Administrative Expenses and Professional and Consulting Fees

Years Ended December 31, 2015 and 2014

	2015	2014
Administrative expenses		
Bank charges	$ 31,032	$ 31,028
Document imaging	193,762	264,855
Election expense	91,704	103,151
Employee benefits	561,288	466,979
Insurance - fidelity, fiduciary and liability	117,385	102,517
Maintenance of equipment, systems, software and support	460,365	442,963
Membership, conference and training	43,970	45,578
Office buildout expense	-	90,144
Office expense	120,426	71,948
Postage	92,461	92,933
Printing and stationery	107,463	63,003
Professional and consulting fees	434,610	706,976
Recovery site expense	41,716	40,591
Regulatory filing fees	8,000	8,000
Rent	416,800	371,173
Salaries	2,509,732	2,183,661
Utilities	13,071	15,366
Total	5,243,785	5,100,866
Less administrative expenses allocated to Forest Preserve District Employees' Annuity and Benefit Fund of Cook County	(92,675)	(90,660)
Net administrative expenses	$ 5,151,110	$ 5,010,206
Professional and consulting fees		
Actuarial service	$ 91,668	$ 107,345
Audit	110,550	68,446
Consulting	66,324	130,400
Legal	139,293	97,185
Lobbyist	26,775	26,771
Pension information systems advisory services	-	276,829
Total	$ 434,610	$ 706,976

COUNTY EMPLOYEES' AND OFFICERS' ANNUITY AND BENEFIT FUND OF COOK COUNTY

SCHEDULES OF INVESTMENT EXPENSES

YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
INVESTMENT MANAGER EXPENSE		
Adelante Capital Management	$ 403,063	$ -
American Realty Advisors	-	723,666
Angelo Gordon & Co.	192,351	-
Ariel Investments	350,327	286,491
Blackstone Alternative Asset Management	4,535,325	4,157,108
Capri Capital Partners	18,335	244,939
CastleArk Management	1,035,459	468,586
CBRE Global Investors	436,183	355,630
Channing Capital Management	1,324,826	1,262,093
Chicago Equity Partners	195,889	329,173
Cozad Asset Management, Inc.	338,984	348,224
Credit Suisse Securities	(14,000)	57,642
Diversified Global Asset Management	2,052,701	2,032,829
Evergreen Venture Partners	-	3,921
Fiduciary Management Associates	686,138	645,070
Fortaleza Asset Management, Inc.	122,445	117,893
Franklin Templeton Investments	2,489,887	2,326,377
Frontier Capital Management	977,048	922,650
Great Lakes Advisors, Inc.	383,887	370,534
Herndon Capital Management	373,210	375,111
J.P. Morgan Asset Management	2,508,202	2,062,141
John Buck Company	66,426	90,260
Killian Capital Management	284,325	232,647
LaSalle Investment Management	344,797	300,000
Lazard Asset Management, LLC	632,154	583,706
Lightspeed Venture Partners	(550)	9,429
LM Capital Group, LLC	588,536	497,803
Lombardia Capital	142,462	125,396
Loomis Sayles & Company, LP	795,240	789,040
MacKay Shields	836,956	822,394
Mellon Capital	133,376	121,818
Mesirow Financial	1,965,818	913,031

COUNTY EMPLOYEES' AND OFFICERS' ANNUITY AND BENEFIT FUND OF COOK COUNTY

SCHEDULES OF INVESTMENT EXPENSES

YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
INVESTMENT MANAGER EXPENSE (CONTINUED)		
Mondrian Investment Partners, Ltd.	$ 911,719	$ 919,035
Muller and Monroe Asset Management	647,201	11,742
NCM Capital	289,012	294,627
New Century Investment Management	420,481	411,532
Opus Capital Group	-	1,631
Pacific Venture Group	10,750	28,306
Progress Investment Management	1,684,637	1,627,372
Prudential Real Estate Investors	739,110	677,304
RhumbLine Advisers	80,517	114,546
Russell Implementation Services, Inc.	645,830	765,530
SPC Capital Management	84,167	94,167
State Street Global Advisors	341,069	314,418
The Rock Creek Group	1,304,102	1,267,862
Thornburg Investment Management	-	706,025
TIAA-CREF	-	714,956
Wells Capital Management	801,460	870,372
William Blair & Company	951,037	847,206
	33,110,892	31,242,233
INVESTMENT CONSULTING FEES		
Callan Associates Inc.	371,459	375,568
INVESTMENT CUSTODIAN FEES		
BNY Mellon	216,584	173,544
Total investment expenses	$ 33,698,935	$ 31,791,345

County Employees' and Officers' Annuity and Benefit Fund of Cook County

Additions By Source

Year Ended December 31,	Employer Contributions	Employee Contributions	Annuitant Healthcare Benefits Contributions	Net Investment and Net Securities Lending Income (1)	Other (2)	Total Additions
2010	$181,509,323	$129,449,866	$ 30,108,884	$ 832,882,639	$ 12,966,051	$ 1,186,916,763
2011	$195,337,621	$127,577,473	$ 33,236,282	$ 82,701,033	$ 17,614,316	$ 456,466,725
2012	$190,720,776	$128,869,508	$ 33,948,728	$ 887,687,519	$ 10,190,689	$ 1,251,417,220
2013	$187,817,644	$127,593,220	$ 35,927,206	$ 1,179,440,119	$ 8,547,729	$ 1,539,325,918
2014	$190,032,872	$129,325,318	$ 37,358,502	$ 488,890,897	$ 9,742,062	$ 855,349,651
2015	$186,832,321	$137,707,719	$ 37,635,349	$ (21,896,696)	$ 11,457,843	$ 351,736,536

Deductions By Type

Year Ended December 31,	Benefits	Refunds	Net Administrative Expenses	Total Deductions
2010	$512,632,292	$ 25,041,818	$ 4,074,955	$541,749,065
2011	$556,632,909	$ 29,165,335	$ 4,078,843	$589,877,087
2012	$595,339,763	$ 33,081,726	$ 4,303,353	$632,724,842
2013	$637,697,226	$ 29,873,030	$ 4,324,634	$671,894,890
2014	$682,959,960	$ 26,347,361	$ 5,010,206	$714,317,527
2015	$738,666,760	$ 33,273,171	$ 5,151,110	$777,091,041

1 - Includes realized and unrealized net gain or loss on investments and net securities lending income.

2 - Includes employer federal subsidized programs, Medicare Part D, prescription/repayment plan rebates and miscellaneous income. Early Retirement Reinsurance Program is included in 2011 and 2012.

County Employees' and Officers' Annuity and Benefit Fund of Cook County

Schedule of Employer Contributions Receivable

December 31, 2015

Levy Year	Contributions Receivable	Uncollected Balance	Reserved	Net Contributions Receivable
2014	$ 194,668,229	$ 14,298,714	$ 5,498,680	$ 8,800,034
2015	$ 192,786,468	192,786,468	5,591,700	187,194,768
		$ 207,085,182	$ 11,090,380	$ 195,994,802

Note:

Employer contributions are funded primarily through a County tax levy.

Uncollected employer contributions for the 2013 and prior levy years are fully reserved.