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

Financial Statements

December 31, 2017 and 2016

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

FINANCIAL STATEMENTS WITH SUPPLEMENTARY INFORMATION

DECEMBER 31, 2017 AND 2016

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

Financial Statements with Supplementary Information

December 31, 2017 and 2016

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LEGACY
PROFESSIONALS LLP
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 fiduciary fund 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, 2017 and 2016, 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, 2017 and 2016, 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.

Emphasis of Matter
As discussed in Note 1, the Plan implemented GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. As a result, the financial statements now include substantially different note disclosures and required supplementary information. Our opinion is not modified with respect to this matter.

Other Matters
Required Supplementary Information
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 30 through 34 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 35 through 39 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, 2015, 2014, 2013, and 2012 (which are not presented herein), and we expressed unmodified opinions on those financial statements. In our opinion, the information on page 38 is fairly stated in all material respects in relation to the basic financial statements from which it has been derived.

Legacy Professionals LLP

Westchester, Illinois

June 14, 2018

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, 2017 and 2016. 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 increased by $1,292,225,573 or 14.2% from $9,115,657,870 at December 31, 2016 to $10,407,883,443 at December 31, 2017. Comparatively, net position increased by $472,613,595 or 5.5% from $8,643,044,275 at December 31, 2015 to $9,115,657,870 at December 31, 2016. The increase in net position for 2017 was primarily due to the increase in the fair value of investments. The increase in net position for 2016 was primarily due to the increase in the fair value of investments and supplemental employer contributions from Cook County, Illinois of $270,526,000.

Rate of return of the Plan's investment portfolio was 15.35% for 2017, 7.67% for 2016 and -0.10% for 2015.

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 Increase in	
	2017	2016	2015	Dollars	Percent
Total assets	$ 11,764,697,724	$ 10,407,279,006	$ 9,901,259,891	$ 1,357,418,718	13.0%
Total liabilities	1,356,814,281	1,291,621,136	1,258,215,616	65,193,145	5.0%
Net position	$ 10,407,883,443	$ 9,115,657,870	$ 8,643,044,275	$ 1,292,225,573	14.2%

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,

	2017	2016	2015	Current Year Increase/(Decrease) in Dollars	Percent
Additions:					
Employer contributions	$ 559,205,626	$ 464,268,404	$ 186,832,321	$ 94,937,222	20.4%
Employee contributions	138,826,184	139,355,592	137,707,719	(529,408)	-0.4%
Net investment income (loss) (includes security lending activities)	1,399,625,874	629,442,470	(21,896,696)	770,183,404	122.4%
Other	23,321,813	14,019,340	11,457,843	9,302,473	66.4%
Total additions	2,120,979,497	1,247,085,806	314,101,187	873,893,691	70.1%
Deductions:					
Benefits	790,352,526	742,396,434	701,031,411	47,956,092	6.5%
Refunds	32,995,364	26,702,222	33,273,171	6,293,142	23.6%
Administrative expenses	5,406,034	5,373,555	5,151,110	32,479	0.6%
Total deductions	828,753,924	774,472,211	739,455,692	54,281,713	7.0%
Net increase (decrease)	1,292,225,573	472,613,595	(425,354,505)	819,611,978	173.4%
Net position					
Beginning of year	9,115,657,870	8,643,044,275	9,068,398,780	472,613,595	5.5%
End of year	$ 10,407,883,443	$ 9,115,657,870	$ 8,643,044,275	$ 1,292,225,573	14.2%

Additions to Plan Net Position

Total additions were $2,120,979,497 in 2017, $1,247,085,806 in 2016 and $314,101,187 in 2015.

Employer contributions increased to $559,205,626 in 2017 from $464,268,404 in 2016 and increased from $186,832,321 in 2015. Employer contributions are statutorily set at 1.54 times employee contributions collected two years prior. The County made supplemental contributions of $353,800,000 and $270,526,000 during 2017 and 2016, respectively.

Employee contributions, including permissive service credit purchases, decreased to $138,826,184 in 2017 from $139,355,592 in 2016 and increased from $137,707,719 in 2015. The majority of members contribute 8.5% of covered wages.

Net investment income totaled $1,399,625,874 for 2017 compared to income of $629,442,470 for 2016 and (loss) of ($21,896,696) for 2015. Investment earnings fluctuate primarily from the overall performance of the financial markets from year to year.

Deductions to Plan Net Position

Total deductions were $828,753,924 in 2017, $774,472,211 in 2016 and were $739,455,692 in 2015.

Benefits increased to $790,352,526 in 2017 from $742,396,434 in 2016 and $701,031,411 in 2015 due primarily to the 3% annual cost of living increases for annuitants and an increase in the number of retirees.

Refunds increased to $32,995,364 in 2017 from $26,702,222 in 2016 and decreased from $33,273,171 in 2015. These changes are due to fluctuations in refund applications.

The cost to administer the Plan increased by 0.6% to $5,406,034 in 2017 from $5,373,555 in 2016. Comparatively, the cost to administer the Plan increased by 4.3% to $5,373,555 in 2016 from $5,151,110 in 2015.

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,		
	2017	2016	2015
Total pension liability	$ 22,940,794,624	$ 23,240,192,010	$ 23,963,085,690
Plan fiduciary net position	10,407,883,443	9,115,657,870	8,643,044,275
Employer's net pension liability	$ 12,532,911,181	$ 14,124,534,140	$ 15,320,041,415
Plan fiduciary net position as a percentage of the total pension liability	45.37%	39.22%	36.07%

Postemployment Healthcare Benefits

Under GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, the Plan's funding for postemployment healthcare benefits is as follows:

	Funding for Healthcare Benefits For the Years Ended December 31,		
	2017	2016	2015
Total other postemployment benefits liability	$ 2,148,249,441	$ 2,229,886,669	N/A *
Plan fiduciary net position	-	-	
Employer's net other postemployement benefits liability	$ 2,148,249,441	$ 2,229,886,669	

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

* These amounts are unavailable as of December 31, 2015.

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,

	2017	2016	2015
Unfunded actuarial accrued liability	$ 6,741,295,828	$ 7,238,233,759	$ 7,241,166,616
Funded ratio	60.09%	56.73%	55.39%

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
70 West Madison Street
Suite 1925
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, 2017 and 2016

	2017			2016		
	Total	Pension	Postemployment Healthcare	Total	Pension	Postemployment Healthcare
Assets						
Receivables						
Employer contributions less allowance of $6,501,930 in 2017 and $6,791,899 in 2016	$ 221,777,241	$ 219,087,037	$ 2,690,204	$ 206,231,500	$ 198,037,968	$ 8,193,532
Employee contributions	6,313,252	6,313,252	-	7,556,328	7,556,328	-
Accrued investment income	22,764,522	22,764,522	-	20,362,677	20,362,677	-
Receivable for securities sold	42,988,417	42,988,417	-	97,101,028	97,101,028	-
Due from Forest Preserve District Employees' Annuity and Benefit Fund of Cook County	359,334	359,334	-	463,181	463,181	-
EGWP/Medicare Part D subsidy	3,416,852	-	3,416,852	883,525	-	883,525
Prescription rebates	2,066,366	-	2,066,366	1,448,805	-	1,448,805
Other	46,069	46,069	-	37,823	37,823	-
Total receivables	299,732,053	291,558,631	8,173,422	334,084,867	323,559,005	10,525,862
Investments						
U.S. and international equities	5,840,815,927	5,840,815,927	-	4,264,200,142	4,264,200,142	-
U.S. Government and government agency obligations	1,042,879,014	1,042,879,014	-	1,026,986,177	1,026,986,177	-
Corporate and foreign government obligations	892,437,094	892,437,094	-	822,348,141	822,348,141	-
Collective international equity fund	77,439,593	77,439,593	-	67,885,886	67,885,886	-
Commingled fixed income fund	28,067,670	28,067,670	-	26,821,800	26,821,800	-
Private global fixed fund limited partnership	214,787,328	214,787,328	-	206,118,267	206,118,267	-
Exchange traded funds	172,932,810	172,932,810	-	483,639,898	483,639,898	-
Private equities	393,324,331	393,324,331	-	267,153,632	267,153,632	-
Hedge funds	661,759,083	661,759,083	-	634,093,947	634,093,947	-
Real estate funds	625,399,268	625,399,268	-	597,613,560	597,613,560	-
Short-term investment	296,147,796	296,147,796	-	602,067,528	602,067,528	-
Total investments	10,245,989,914	10,245,989,914	-	8,998,928,978	8,998,928,978	-
Collateral held for securities on loan	1,218,975,757	1,218,975,757	-	1,074,265,161	1,074,265,161	-
Total assets	11,764,697,724	11,756,524,302	8,173,422	10,407,279,006	10,396,753,144	10,525,862
Liabilities						
Accounts payable	7,103,244	7,103,244	-	6,092,219	6,092,219	-
Healthcare benefits payable	8,173,422	-	8,173,422	10,525,862	-	10,525,862
Payable for securities purchased	122,561,858	122,561,858	-	200,737,894	200,737,894	-
Securities lending collateral	1,218,975,757	1,218,975,757	-	1,074,265,161	1,074,265,161	-
Total liabilities	1,356,814,281	1,348,640,859	8,173,422	1,291,621,136	1,281,095,274	10,525,862
Net position						
Net position restricted for pensions	10,407,883,443	10,407,883,443	-	9,115,657,870	9,115,657,870	-
Net position held in trust for postemployment healthcare benefits	-	-	-	-	-	-
Total	$ 10,407,883,443	$ 10,407,883,443	$ -	$ 9,115,657,870	$ 9,115,657,870	$ -

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, 2017 and 2016

	2017			2016		
	Total	Pension	Postemployment Healthcare	Total	Pension	Postemployment Healthcare
Additions						
Employer contributions						
Statutory	$ 205,405,626	$ 157,950,985	$ 47,454,641	$ 193,742,404	$ 144,177,155	$ 49,565,249
Supplemental	353,800,000	353,800,000	-	270,526,000	270,526,000	-
Total employer contributions	559,205,626	511,750,985	47,454,641	464,268,404	414,703,155	49,565,249
Employee contributions						
Salary deductions	133,373,644	133,373,644	-	134,282,029	134,282,029	-
Refund repayments	2,688,177	2,688,177	-	2,569,240	2,569,240	-
Former and miscellaneous service payments	701,554	701,554	-	584,376	584,376	-
Optional payments and deductions	36,687	36,687	-	38,314	38,314	-
Deductions in lieu of disability	2,026,122	2,026,122	-	1,881,633	1,881,633	-
Total employee contributions	138,826,184	138,826,184	-	139,355,592	139,355,592	-
Investment income						
Net appreciation in fair value of investments	1,248,856,354	1,248,856,354	-	484,767,317	484,767,317	-
Dividends	114,586,784	114,586,784	-	107,959,948	107,959,948	-
Interest	66,512,771	66,512,771	-	64,033,120	64,033,120	-
	1,429,955,909	1,429,955,909	-	656,760,385	656,760,385	-
Less investment expenses	(35,232,027)	(35,232,027)	-	(32,912,681)	(32,912,681)	-
Net investment income	1,394,723,882	1,394,723,882	-	623,847,704	623,847,704	-
Securities lending						
Income	5,817,943	5,817,943	-	6,717,119	6,717,119	-
Expenses	(915,951)	(915,951)	-	(1,122,353)	(1,122,353)	-
Net securities lending income	4,901,992	4,901,992	-	5,594,766	5,594,766	-
Other						
Employer federal subsidized programs	4,296,563	4,296,563	-	3,162,532	3,162,532	-
EGWP/Medicare Part D subsidy	10,398,481	-	10,398,481	4,090,789	-	4,090,789
Prescription plan rebates	7,563,914	-	7,563,914	5,882,393	-	5,882,393
Employee transfers from Forest Preserve District Employees' Annuity and Benefit Fund of Cook County	54,257	54,257	-	133,999	133,999	-
Miscellaneous	1,008,598	1,008,598	-	749,627	749,627	-
Total other additions	23,321,813	5,359,418	17,962,395	14,019,340	4,046,158	9,973,182
Total additions	2,120,979,497	2,055,562,461	65,417,036	1,247,085,806	1,187,547,375	59,538,431

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, 2017 AND 2016

	2017			2016		
	Total	Pension	Postemployment Healthcare	Total	Pension	Postemployment Healthcare
DEDUCTIONS						
Benefits						
Annuity						
Employee	$ 661,594,080	$ 661,594,080	$ -	$ 624,231,419	$ 624,231,419	$ -
Spouse and children	51,874,102	51,874,102	-	47,919,324	47,919,324	-
Disability						
Ordinary	10,875,990	10,875,990	-	10,160,688	10,160,688	-
Duty	591,318	591,318	-	546,572	546,572	-
Healthcare less annuitant contributions of $46,679,437 in 2017 and $41,650,333 in 2016	65,417,036	-	65,417,036	59,538,431	-	59,538,431
Total benefits	790,352,526	724,935,490	65,417,036	742,396,434	682,858,003	59,538,431
Refunds	32,995,364	32,995,364	-	26,702,222	26,702,222	-
Net administrative expenses	5,406,034	5,406,034	-	5,373,555	5,373,555	-
Total deductions	828,753,924	763,336,888	65,417,036	774,472,211	714,933,780	59,538,431
NET INCREASE	1,292,225,573	1,292,225,573	-	472,613,595	472,613,595	-
NET POSITION						
Beginning of year	9,115,657,870	9,115,657,870	-	8,643,044,275	8,643,044,275	-
End of year	$ 10,407,883,443	$ 10,407,883,443	$ -	$ 9,115,657,870	$ 9,115,657,870	$ -

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 (the Statutes).

Financial 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. The Plan has determined that no other outside entity meets the above criteria and, therefore, no other entity has been included as a component unit in the Plan's financial statements.

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

New Accounting Pronouncements - The Plan has implemented Governmental Accounting Standards Board (GASB) Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* (GASB 74), which addresses accounting and financial reporting issues related to other postemployment benefit plans. GASB 74 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.

The Plan has also implemented GASB Statement No. 82, *Pension Issues – an amendment of GASB Statements No. 67, No. 68 and No. 73* (GASB 82), which 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.

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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, 2017 and 2016, 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 14, 2018, 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 the 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 established for the purpose of providing retirement, death and disability benefits for full-time employees of the County and the dependents of such employees. The Plan is considered to be a fiduciary fund of Cook County, Illinois and is included in the County's financial statements.

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 the years ended December 31, 2017 and 2016 was $1,567,480,401 and $1,580,251,254 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, 2017 and 2016, participants consisted of the following:

	2017	2016
Active members	20,349	20,969
Retired members	15,488	15,222
Beneficiaries	2,729	2,687
Inactive members	14,624	14,005
Total	53,190	52,883

NOTE 3. EMPLOYER'S PENSION LIABILITY

Net Pension Liability

The components of the employer's net pension liability of the Plan for the years ended December 31, 2017 and 2016 are as follows:

	2017	2016
Total pension liability	$ 22,940,794,624	$ 23,240,192,010
Plan fiduciary net position	10,407,883,443	9,115,657,870
Employer's net pension liability	$ 12,532,911,181	$ 14,124,534,140
Plan fiduciary net position as a percentage of the total pension liability	45.37%	39.22%

See the schedule of changes in the employer's net pension liability and related ratios in 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, 2017 and 2016 using the following actuarial methods and assumptions:

Actuarial valuation date	December 31, 2017 and 2016
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	2017 - 2.75% per year, compounded annually; 2016 - 3.25% per year, compounded annually
Salary increases	2017 - 1.50% to 7.50%, based on age; 2016 - 3.75% to 8.00%, based on age
Investment rate of return	2017 - 7.25% per year, compounded annually; 2016 - 7.50% per year, compounded annually
Retirement age	2017 - Rates of retirement for each age from 50 to 80 based on recent experience of the Plan where all employees are assumed to retire by age 80 2016 - 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	2017 - RP-2014 Blue Collar Mortality Table, base year 2006, Conduent Modified MP-2017 projection scale 2016 - 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

Net Pension Liability (continued)

The actuarial assumptions used in the December 31, 2017 valuation were based on the results of an actuarial experience study conducted by Conduent, Inc. (formerly Buck Consultants, LLC) dated February 2018. The actuarial assumptions used in the December 31, 2016 valuation 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, 2017 and 2016 were 4.47% and 4.64%, 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 3.16% and 3.71% at December 31, 2017 and 2016, respectively, and the long-term investment rate of returns of 7.25% and 7.50% at December 31, 2017 and 2016, respectively, 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.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following is an analysis of the net pension liability's sensitivity to changes in the discount rate at December 31, 2017 and 2016. 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 3.47%	Current Discount Rate 4.47%	1% Increase 5.47%
Net Pension Liability - December 31, 2017	$ 16,366,617,953	$ 12,532,911,181	$ 9,471,482,980

	1% Decrease 3.64%	Current Discount Rate 4.64%	1% Increase 5.64%
Net Pension Liability - December 31, 2016	$ 18,243,015,037	$ 14,124,534,140	$ 10,873,652,859

NOTE 4. SUMMARY OF EMPLOYER FUNDING POLICIES

Statutory Funding

Employer contributions are funded primarily through a tax levied by Cook County, Illinois. The employer contributions to be remitted to the Plan are equal to the total contributions made by the employees to the Plan in the calendar year two years prior, multiplied by 1.54.

Supplemental Funding

During the years ended December 31, 2017 and 2016, the County made supplemental contributions to the Plan totaling $353,800,000 and $270,526,000 respectively, to promote the long-term fiscal sustainability of the Plan. These contributions were made pursuant to individual one year Intergovernmental Agreements (IGA) entered into between the County and the Plan.

On January 17, 2018, the County entered into a one year IGA with the Plan to make supplemental contributions to the plan totaling $353,436,000 to promote the long-term fiscal sustainability of the Plan. The County is expected to pay monthly supplemental contributions beginning on December 31, 2017 through October 31, 2018 in the amount of $25,000,000 with a final payment of $78,436,000 on November 30, 2018. Subsequent to year end and through the date of these financial statements, the County has made supplemental contributions totaling $125,000,000 of the $353,436,000.

NOTE 5. INVESTMENTS

Investment Policy

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, 2017 and 2016, there were no significant changes to the investment policy.

NOTE 5. INVESTMENTS (CONTINUED)

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

Asset Class	Target Allocation %	Long-term Expected Real Rate of Return
Domestic equities	33.00%	10.76%
International equities	21.00%	9.51%
Fixed income	26.00%	4.77%
Real estate funds	9.00%	8.82%
Private equity	4.00%	11.43%
Hedge Funds	6.00%	7.31%
Short-term investment	1.00%	3.98%
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 Conduent, Inc. The results of the experience study were adopted by the Board in April 2018. The investment return assumption was based on the current asset allocation of the Plan. In the experience study, Conduent, Inc. 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 arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of December 31, 2017 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 15.35% and 7.67% for years ended December 31, 2017 and 2016, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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, 2017 and 2016 valued by Moody's Investors Service, Standard & Poor's and/or Fitch:

Type of Investment	Rating	2017	2016
U.S. Government and government agency obligations	Aaa/AAA	$ -	$ 172,604
	Aa/AA	969,866,822	928,904,735
	Not Rated	73,012,192	97,908,838
		$ 1,042,879,014	$ 1,026,986,177
Corporate and foreign government obligations	Aaa/AAA	$ 49,734,614	$ 48,506,639
	Aa/AA	43,244,820	32,586,006
	A/A	196,619,170	165,481,684
	Baa/BBB	399,219,807	360,891,419
	Ba/BB	91,257,578	114,193,825
	B/B	21,568,391	39,430,435
	Caa/CCC	71,256	6,992,198
	C/C	-	276,176
	D/D	33,808	347,296
	Not Rated	90,687,650	53,642,463
		$ 892,437,094	$ 822,348,141
Commingled fixed income fund	Baa/BBB	$ 28,067,670	$ 26,821,800
Short-term investment	Not Rated	$ 296,147,796	$ 602,067,528

NOTE 5. INVESTMENTS (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 (*Bloomberg Barclays US Aggregate Fixed Income*, which was 5.98 years at December 31, 2017 and 5.89 years at December 31, 2016). The following table presents a summarization of the Plan's debt investments at December 31, 2017 and 2016, using the segmented time distribution method:

Type of Investment	Maturity	2017	2016
U.S. Government and government agency obligations	Less than 1 year	$ 92,827,736	$ 41,930,224
	1 - 5 years	271,124,646	260,538,133
	6 - 10 years	221,211,473	199,418,969
	Over 10 years	457,715,159	525,098,851
		$ 1,042,879,014	$ 1,026,986,177
Corporate and foreign government obligations	Less than 1 year	$ 94,336,069	$ 80,770,194
	1 - 5 years	248,124,750	236,779,236
	6 - 10 years	295,709,384	287,367,978
	Over 10 years	254,266,891	217,430,733
		$ 892,437,094	$ 822,348,141
Commingled fixed income fund	1 - 5 years	$ 28,067,670	$ 26,821,800
Short-term investment	Less than 1 year	$ 296,147,796	$ 602,067,528

NOTE 5. INVESTMENTS (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 exposure to foreign currency risk at December 31, 2017 and 2016 is as follows:

Type of Investment	Fair Value (USD) 2017	Fair Value (USD) 2016
U.S. and international equities		
Australian dollar	$ 67,544,094	$ 72,090,036
Brazil real	34,564,982	22,034,268
British pound sterling	287,406,366	235,875,591
Canadian dollar	126,857,132	98,136,267
Chilean peso	2,923,883	2,535,875
Colombian peso	500,048	471,258
Czech koruna	-	38,001
Danish krone	25,977,028	24,225,552
Egyptian pound	198,082	244,466
European euro	586,137,751	425,043,124
Hong Kong dollar	152,526,523	107,837,446
Hungarian forint	1,193,009	1,023,544
Indian rupee	20,584,222	14,579,736
Indonesian rupiah	7,985,768	6,341,159
Israeli shekel	9,049,297	7,142,608
Japanese yen	409,706,421	313,922,289
Malaysian ringgit	6,338,639	5,038,720
Mexican peso	9,944,521	8,513,047
New Taiwan dollar	44,440,360	30,991,207
New Turkish lira	117,984	496,551
New Zealand dollar	12,434,442	11,400,230
Norwegian krone	18,276,725	21,520,393
Phillipenes peso	7,609,358	6,723,629
Polish zloty	5,990,608	3,389,402
Russian ruble	496,564	532,753
Singapore dollar	29,599,310	21,223,544
South African rand	20,504,292	15,117,538
South Korean won	61,647,767	43,635,467
Swedish krona	56,520,490	43,845,594
Swiss franc	106,330,018	78,901,898
Thailand baht	9,006,007	8,974,788
United Arab Emirates dirham	1,457,264	-
U.S. dollar	3,716,946,972	2,632,354,161
Total U.S. and international equities	$ 5,840,815,927	$ 4,264,200,142

NOTE 5. INVESTMENTS (CONTINUED)

Foreign Currency Risk (continued)

Type of Investment	Fair Value (USD) 2017	Fair Value (USD) 2016
Corporate and foreign government obligations		
British pound sterling	$ -	$ 874,914
Canadian dollar	2,764,885	-
Mexican peso	-	10,956,224
New Turkish lira	1,003,130	-
Philippines peso	-	984,540
Swedish krona	-	1,079,281
U.S. dollar	888,669,079	808,453,182
Total corporate and foreign government obligations	$ 892,437,094	$ 822,348,141
Private equities		
European euro	$ 21,420,498	$ 10,868,687
U.S. dollar	371,903,833	256,284,945
Total private equities	$ 393,324,331	$ 267,153,632

For the years ended December 31, 2017 and 2016, net realized gain on investments sold, reflecting the difference between the proceeds received and cost value of securities sold, was $545,849,687 and $96,385,836 respectively. These amounts are included in the net appreciation 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 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 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 the purchase price which equals fair 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, 2017 and 2016, the Plan contracted to acquire securities on a when-issued basis with a total principal amount of approximately $73,800,000 and $94,100,000 respectively.

NOTE 7. FAIR VALUE MEASUREMENTS

GASB Statement No. 72, *Fair Value Measurement and Application*, established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Basis of Fair Value Measurement

Level 1	Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities
Level 2	Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly
Level 3	Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable

The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Plan has the following recurring fair value measurements as of December 31, 2017 and 2016:

		Fair Value Measurements at 12/31/2017 Using:		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
U.S. and international equities	$ 5,840,815,927	$ 5,840,815,927	$ -	$ -
U.S. Government and government agency obligations	1,042,879,014	-	1,042,879,014	-
Corporate and foreign government obligations	892,437,094	-	892,437,094	-
Exchange traded funds	172,932,810	172,932,810	-	-
Total investments by fair value level	7,949,064,845	$ 6,013,748,737	$ 1,935,316,108	$ -
Investments measured at net asset value	2,296,925,069			
Total investments at fair value	$ 10,245,989,914			

NOTE 7. FAIR VALUE MEASUREMENTS (CONTINUED)

		Fair Value Measurements at 12/31/2016 Using:		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
U.S. and international equities	$ 4,264,200,142	$ 4,264,200,142	$ -	$ -
U.S. Government and government agency obligations	1,026,986,177	-	1,026,986,177	-
Corporate and foreign government obligations	822,348,141	-	822,348,141	-
Exchange traded funds	483,639,898	483,639,898	-	-
Total investments by fair value level	6,597,174,358	$ 4,747,840,040	$ 1,849,334,318	$ -
Investments measured at net asset value	2,401,754,620			
Total investments at fair value	$ 8,998,928,978			

Level 1 Measurements

U.S. and international equities and exchange traded funds are traded in active markets on national and international securities exchanges and are valued at closing prices on the measurement date.

Level 2 Measurements

U.S. Government and government agency obligations and corporate and foreign government obligations are generally valued by benchmarking model-derived prices to quoted market prices and trade data for identical or comparable securities. To the extent that quoted prices are not available, fair value is determined based on a valuation model that include inputs such as interest rate yield curves and credit spreads. Securities traded in markets that are not considered active are valued based on quoted market prices, broker to dealer quotations, or alternative pricing sources with reasonable levels of price transparency. Securities that trade infrequently and therefore have little or no price transparency are valued using the investment manager’s best estimates.

NOTE 7. FAIR VALUE MEASUREMENTS (CONTINUED)

The valuation methods for investments measured at net asset value (NAV) are presented on the following table:

	Fair Value 12/31/2017	Fair Value 12/31/2016	Unfunded Commitments	Redemption Frequency (If Eligible)	Redemption Notice Period
Investments measured at net asset value:					
Collective international equity fund (1)					
Lazard/Wilmington Emerging Markets Sudan Free Portfolio	$ 77,439,593	$ 67,885,886	-	Daily	N/A
Commingled fixed income fund (2)					
MacKay Shields Defensive Bond Arbitrage Fund Ltd.	28,067,670	26,821,800	-	Daily	5 days
Private global fixed fund limited partnership (3)					
Franklin Templeton Global Multisector Plus Fund, L.P.	214,787,328	206,118,267	-	Monthly	15 days
Private equities (4)	393,324,331	267,153,632	318,354,000	Closed Ended	N/A
Hedge funds (5)					
Burnham Harbor Fund Ltd.	477,351,993	446,348,433	-	Monthly	95 days
Buckingham Fund	-	16,335,874	-	Quarterly	65 days
RC Kenwood Fund Ltd.	184,407,090	171,409,640	-	Quarterly	90 days
Real estate funds (6)					
JPMCB Strategic Property Fund	262,575,288	247,049,922	-	Quarterly	45 days
PRISA Separate Account	237,020,184	231,002,063	-	Quarterly	90 days
Others	125,803,796	119,561,575	58,200,000	Quarterly	90 days
Short-term investment (7)					
BNY Mellon EB Temporary Investment Fund	296,147,796	602,067,528	-	Daily	N/A
Total investments measured at net asset value	$ 2,296,925,069	$ 2,401,754,620			

(1) Collective international equity fund - The fund's investment objective is to achieve long-term capital appreciation by investing primarily in equity and equity-related securities of issuers that are located, or do significant business, in emerging market countries. The fair value of the investment in the fund has been determined using the NAV per share of the investment.

(2) Commingled fixed income fund - The fund's investment objective is to track the performance of the Barclays U.S. Aggregate Index. The fair value of the investment in the fund has been determined using the NAV per share of the investment.

(3) Private global fixed income fund limited partnership - The partnership's investment objective is to maximize total investment return by investing in a portfolio of fixed and floating rate debt securities and debt obligations of governments, government-related or corporate issuers worldwide, as well as derivative financial instruments. The fair value of the investment in the partnership fund has been determined using the NAV per share (or its equivalent) of the investment.

(4) Private equities - This investment consists of 51 limited partnership investments in 2017 and 47 in 2016, with an investment objective to achieve long-term capital appreciation and capital preservation through investments in limited partnerships, privately issued securities, private equity funds, and other pooled investments. Closed-end limited partnership interests are generally illiquid and cannot be redeemed. It is expected that liquidation of the limited partnership interests will generally coincide with the terms of the various underlying partnership agreements. These underlying private equity partnerships generally have a fund life per the Limited Partnership Agreements of approximately 10 to 12 years plus 2 to 3 one-year extensions. However, the underlying general partners may extend their funds indefinitely to facilitate an orderly liquidation of the underlying assets. The fair value of the investments in this type has been determined using the NAV per share (or its equivalent) of the investments.

(5) Hedge funds - The investment objective of the hedge funds is to invest in non-traditional portfolio managers, diversified portfolios of hedge funds having a low correlation with major investment markets, and diversified groups of alternative investment funds that invest or trade in a wide variety of financial instruments and strategies. The fair value of the investment in the hedge funds has been determined using the NAV per share (or its equivalent) of the investment.

(6) Real estate funds - These investments include a commingled pension trust fund, an insurance company separate account, and other real estate funds that are designed as funding vehicles for tax-qualified pension plans. Their investments are comprised primarily of real estate investments either directly owned or through partnership interests and mortgage and other loans on income producing real estate. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the investments. Due to the nature of the investments and available cash on hand, significant redemptions in this type of investment may at times be subject to additional restrictions.

(7) Short-term investment - This investment's objective is to invest in short-term investments of high quality and low risk to protect capital while achieving investment returns. The fair value of the investment in the fund has been determined using the NAV per share of the investment.

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 87 days for 2017 and 43 days for 2016; 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, 2017 and 2016 of 90 and 84 days, respectively.

As of December 31, 2017 and 2016, the fair value (carrying amount) of loaned securities was $1,402,318,531 and $1,253,039,566 respectively. As of December 31, 2017 and 2016, the fair value (carrying amount) of cash collateral received by the Plan was $1,218,975,757 and $1,074,265,161 respectively. The cash collateral is included as an asset and a corresponding liability on the combining statements of pension plan fiduciary net position and postemployment healthcare plan net position. As of December 31, 2017 and 2016, the fair value (carrying amount) of non-cash collateral received by the Plan was $219,920,960 and $212,162,888 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 2017 and 2016, there were no losses due to default of a borrower or the lending agent.

NOTE 8. SECURITIES LENDING (CONTINUED)

A summary of securities loaned at fair value as of December 31, 2017 and 2016 is as follows:

	2017	2016
Securities loaned - backed by cash collateral		
U.S. and international equities	$ 840,093,373	$ 665,348,723
U.S. Government and government agency obligations	105,971,706	109,193,962
Exchange traded funds	163,399,993	170,060,838
Corporate and foreign government obligations	79,146,994	102,952,991
Total securities loaned - backed by cash collateral	1,188,612,066	1,047,556,514
Securities loaned - backed by non-cash collateral		
U.S. Government and government agency obligations	213,706,465	205,483,052
Total	$ 1,402,318,531	$ 1,253,039,566

NOTE 9. EMPLOYER'S POSTEMPLOYMENT HEALTHCARE LIABILITY

Plan Description

The Plan administers a Postemployment Group Healthcare Benefit Plan (PGHBP), a single-employer defined benefit postemployment healthcare plan. The 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 of Cook County, Illinois (the employer) who elect to participate in the PGHBP.

At December 31, 2017 and 2016, participants consisted of the following:

	2017	2016
Active members	20,349	20,969
Inactive plan members or beneficiaries currently receiving benefit payments	11,605	11,660
Inactive plan members entitled to but not yet receiving benefit payments	1,528	1,489
Total	33,482	34,118

Plan Description (continued)

Benefits provided - The PGHBP provides healthcare and vision benefits for annuitants and their dependents.

Contributions - The employer funds the PGHBP on a "pay-as-you-go" basis. The employee and spouse annuitants pay approximately 50% and 35% of the annual medical costs, respectively. The remaining costs are borne by the employer.

Method of Accounting - The PGHBP's financial statements have been combined with the Plan's financial statements and are presented using the accrual basis of accounting. Healthcare expenses are recognized when incurred and estimable.

Employer's Net Postemployment Healthcare Liability

The components of the employer's net postemployment healthcare liability at December 31, 2017 and 2016, were as follows:

	2017	2016
Total postemployment healthcare liability	$ 2,148,249,441	$ 2,229,886,669
Plan fiduciary net position	-	-
Employer's net postemployment healthcare liability	2,148,249,441	2,229,886,669
Plan fiduciary net position as a percentage of the total postemployment healthcare liability	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.

See the schedule of changes in the employer's net postemployment healthcare liability and related ratios in the required supplementary information for additional information related to the funded status of the PGHBP.

NOTE 9. EMPLOYER'S POSTEMPLOYMENT HEALTHCARE LIABILITY (CONTINUED)

The net postemployment healthcare liability was determined by actuarial valuation performed as of December 31, 2017 using the following actuarial methods and assumptions:

Actuarial valuation date	December 31, 2017
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Inflation	2017 - 2.75% per year, 2016 - 3.25% per year
Salary increases	2017 - 3.50% to 8.00%, based on age; 2016 - 3.75% to 8.00%, based on age
Health care cost trend rates	2017 - 7.25% in the first year, decreasing by .25% per year until an ultimate rate of 4.75% is reached for pre-medicare 5.75% in the first year, decreasing by .25% per year until an ultimate rate of 4.75% is reached for post-medicare 2016 - 7.50% in the first year, decreasing by .25% per year until an ultimate rate of 4.75% is reached for pre-medicare 6.00% in the first year, decreasing by .25% per year until an ultimate rate of 4.75% is reached for post-medicare
Mortality	2017 - RP-2014 Blue Collar Mortality Table, base year 2006, Conduent Modified MP-2017 projection scale 2016 - RP-2000 Blue Collar Mortality Table, base year 2000, fully generational based on Scale BB

The actuarial assumptions used in the December 31, 2017 valuation were based on the results of an actuarial experience study conducted by Conduent, Inc. over the period 2013 through 2016.

Discount Rate

The blended discount rate used to measure the total postemployment healthcare liability at December 31, 2017 was 3.16%. 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 3.16% at December 31, 2017, and the long-term investment rate of return of 0% 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.

Sensitivity of the Net Postemployment Healthcare Liability to Changes in the Discount Rate

The following is an analysis of the net postemployment healthcare liability's sensitivity to changes in the discount rate at December 31, 2017. The following table presents the net postemployment healthcare liability of the employer using the blended discount rate as well as the employer's net postemployment healthcare liability calculated using a discount rate 1 percent lower and 1 percent higher than the current discount rate:

	1% Decrease 2.16%	Current Discount Rate 3.16%	1% Increase 4.16%
Net postemployment healthcare liability as of December 31, 2017	$ 2,532,858,758	$ 2,148,249,441	$ 1,842,064,933

Sensitivity of the Net Postemployment Healthcare Liability to Changes in the Health Care Cost Trend Rate

The following is an analysis of the net postemployment healthcare liability's sensitivity to changes in the health care cost trend rate at December 31, 2017. The following table presents the net postemployment healthcare liability of the employer using the health care cost trend rate as well as the employer's net postemployment healthcare liability calculated using a health care cost trend rate 1 percent lower and 1 percent higher than the current health care cost trend rate:

	1% Decrease	Health Care Cost Trend Rate	1% Increase
Net postemployment healthcare liability as of December 31, 2017	$ 1,805,019,432	$ 2,148,249,441	$ 2,593,628,968

NOTE 10. 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 (Forest Fund) who reimburses the Plan for shared administrative services provided by the Plan. During the years ended December 31, 2017 and 2016, the Plan allocated administrative expenditures of $109,430 and $101,167 respectively to the Forest Fund.

As of December 31, 2017 and 2016, the Forest Fund owes the Plan $359,334 and $463,181 respectively. These amounts include plan transfers of Plan members transferring from one plan to another.

NOTE 11. PRONOUNCEMENTS ISSUED NOT YET EFFECTIVE

In June 2015, GASB issued Statement No. 75, *Accounting and 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 November 2016, GASB issued Statement No. 83, *Certain Asset Retirement Obligations*. Statement No. 83 addresses accounting and financial reporting for certain asset retirement obligations and establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations. Statement No. 83 is effective for the Plan's fiscal year ending December 31, 2019.

In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. Statement No. 84 improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. Statement No. 84 is effective for the Plan's fiscal year ending December 31, 2019.

In March 2017, GASB issued Statement No. 85, *Omnibus 2017*. Statement No. 85 addresses practice issues that have been identified during implementation and application of certain GASB Statements. It addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits). Statement No. 85 is effective for the Plan's fiscal year ending December 31, 2018.

In May 2017, GASB issued Statement No. 86, *Certain Debt Extinguishment Issues*. Statement No. 86 was issued to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources are placed in an irrevocable trust for the sole purpose of extinguishing debt. Statement No. 86 also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. Statement No. 86 is effective for the Plan's fiscal year ending December 31, 2018.

In June 2017, GASB issued Statement No. 87, *Leases*. Statement No. 87 was issued to improve accounting and financial reporting for leases by governments. This Statement increases the usefulness of governmental financial statements by requiring recognition of certain lease assets and liabilities for leases that were previously classified as operating leases. Statement No. 87 establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Statement No. 87 is effective for the Plan's fiscal year ending December 31, 2020.

NOTE 11. PRONOUNCEMENTS ISSUED NOT YET EFFECTIVE (CONTINUED)

In June 2017, GASB issued Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. Statement No. 88 was issued to improve the information that is disclosed in notes to government financial statements related to debt. This Statement also clarifies which liabilities governments should include when disclosing information related to debt. Statement No. 88 is effective for the Plan's fiscal year ending December 31, 2019.

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

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

	2017	2016	2015	2014
Total pension liability				
Service cost	$ 478,904,097	$ 559,176,234	$ 496,161,454	$ 491,887,347
Interest	1,082,982,064	1,002,950,495	994,674,970	958,433,835
Difference between expected and actual experience	(152,859,373)	318,014,746	(126,330,351)	-
Changes of assumptions	(950,493,320)	(1,893,474,930)	1,329,087,966	-
Expected benefit payments, including refunds of employee contributions	(757,930,854)	(709,560,225)	(676,470,215)	(622,003,259)
Net change in total pension liability	(299,397,386)	(722,893,680)	2,017,123,824	828,317,923
Total pension liability				
Beginning of year	23,240,192,010	23,963,085,690	21,945,961,866	21,117,643,943
End of year	$22,940,794,624	$23,240,192,010	$23,963,085,690	$21,945,961,866
Plan fiduciary net position				
Contributions - employer	$ 511,750,985	$ 414,703,155	$ 136,075,504	$ 146,075,414
Contributions - employee	138,826,184	139,355,592	137,707,719	129,325,318
Net investment income	1,399,625,874	629,442,470	(21,896,696)	488,890,897
Expected benefit payments, including refunds of employee contributions	(757,930,854)	(709,560,225)	(676,470,215)	(622,003,259)
Administrative expenses	(5,406,034)	(5,373,555)	(5,151,110)	(5,010,206)
Other	5,359,418	4,046,158	4,380,293	3,753,960
Net change in plan fiduciary net position	1,292,225,573	472,613,595	(425,354,505)	141,032,124
Plan fiduciary net position				
Beginning of year	9,115,657,870	8,643,044,275	9,068,398,780	8,927,366,656
End of year	$10,407,883,443	$ 9,115,657,870	$ 8,643,044,275	$ 9,068,398,780
Employer's net pension liability	$12,532,911,181	$14,124,534,140	$15,320,041,415	$12,877,563,086
Plan fiduciary net position as a percentage of the total pension liability	45.37%	39.22%	36.07%	41.32%
Covered payroll	$ 1,567,480,401	$ 1,580,251,254	$ 1,572,417,298	$ 1,514,550,023
Employer's net pension liability as a percentage of covered payroll	799.56%	893.82%	974.30%	850.26%

Note:
This schedule is intended to show information for ten years.
The additional years' information will be displayed as it becomes available.

See Report of Independent Auditors.

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

Required Supplementary Information - Pension

Schedule of Employer Contributions and Related Notes

Last Ten Fiscal Years

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
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	(511,750,985)	(414,703,155)	(136,075,504)	(146,075,414)	(147,720,014)	(152,734,539)	(160,652,118)	(144,539,577)	(152,506,089)	(150,227,360)
Contribution deficiency	$ 3,137,502	$ 104,939,776	$ 459,294,542	$ 394,142,873	$ 346,004,356	$ 301,592,922	$ 192,198,870	$ 139,353,157	$ 134,555,443	$ 131,996,326
Covered payroll	$ 1,567,480,401	$ 1,580,251,254	$ 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
Contributions as a percentage of covered payroll	32.65%	26.24%	8.65%	9.64%	9.95%	10.33%	11.03%	9.67%	10.18%	10.27%

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, 2017
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	2.75% per year, compounded annually
Salary increases	1.50% to 7.50%, based on age
Investment rate of return	7.25% per year, compounded annually
Retirement age	Based on actual past experience, assume all employees retire by age 80 (Tier 1 participants) and 75 (Tier 2 participants)
Mortality	RP-2014 Blue Collar Mortality Table, base year 2006, Conduent Modified MP-2017 projection scale
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

	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expense	15.35%	7.67%	(0.10)%	5.90%

Note:
This schedule is intended to show information for ten years.
The additional years' information will be displayed as it becomes available.

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 Changes in the Employer's Net Postemployment Healthcare Liability and Related Ratios

	2017
Total postemployment healthcare liability	
Service cost	$ 82,344,830
Interest	84,911,522
Changes in benefit terms	(79,293,990)
Difference between expected and actual experience	(55,814,160)
Changes of assumptions	(66,330,809)
Benefit payments	(47,454,621)
Net change in total postemployment healthcare liability	(81,637,228)
Total postemployment healthcare liability	
Beginning of year	2,229,886,669
End of year	$ 2,148,249,441
Plan fiduciary net position	
Contributions - employer	$ 47,454,641
Benefit payments - net	(47,454,641)
Net change in plan fiduciary net position	-
Plan fiduciary net position	
Beginning of year	-
End of year	$ -
Employer's net postemployment healthcare liability	$ 2,148,249,441
Plan fiduciary net position as a percentage of the total postemployment healthcare liability	0.00%
Covered-employee payroll	$ 1,602,986,483
Employer's net postemployment healthcare liability as a percentage of covered employee-payroll	134.02%

Note:
This schedule is intended to show information for ten years.
The additional years' information will be displayed as it becomes available.

See Report of Independent Auditors.

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

Required Supplementary Information - Postemployment Healthcare

Schedule of Employer Contributions and Related Notes

Last Ten Fiscal Years

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Actuarially determined contribution	$ 187,348,423	$ 206,678,514	$ 190,871,452	$ 189,907,202	$ 178,698,965	$ 156,700,388	$ 165,176,771	$ 163,823,488	$ 157,964,519	$ 169,823,905
Contributions in relation to the actuarially determined contribution	(47,454,641)	(49,565,249)	(50,756,817)	(43,957,458)	(40,097,630)	(37,986,237)	(38,185,306)	(40,183,057)	(35,779,228)	(37,781,310)
Contribution deficiency	$ 139,893,782	$ 157,113,265	$ 140,114,635	$ 145,949,744	$ 138,601,335	$ 118,714,151	$ 126,991,465	$ 123,640,431	$ 122,185,291	$ 132,042,595
Covered employee payroll	$ 1,602,986,483	$ 1,609,559,234	$ 1,597,597,077	$ 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
Contributions as a percentage of covered employee payroll	2.96%	3.08%	3.18%	2.90%	2.70%	2.57%	2.62%	2.69%	2.39%	2.58%

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, 2017

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	2.75% per year
Salary increases	3.50% to 8%, based on age
Health care cost trend rate	7.25% in the first year, decreasing by .25% per year until an ultimate rate of 4.75% is reached for pre-Medicare 5.75% in the first year, decreasing by .25% per year until an ultimate rate of 4.75% is reached for post-Medicare
Retirement age	Based on actual past experience, assume all employees retire by age 80 (Tier 1 participants) and 75 (Tier 2 participants)
Mortality	RP-2014 Blue Collar Mortality Table, base year 2006, Conduent Modified MP-2017 projection scale

See Report of Independent Auditors.

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, 2017 and 2016

	2017	2016
Administrative expenses		
Bank charges	$ 34,018	$ 31,351
Document imaging	123,848	131,046
Election expense	100,228	144,933
Employee benefits	455,093	538,414
Insurance - fidelity, fiduciary and liability	129,925	120,438
Maintenance of equipment, systems, software and support	727,913	426,409
Membership, conference and training	33,996	32,533
Office expense	203,243	85,949
Postage	97,403	111,067
Printing and stationery	71,062	63,217
Professional and consulting fees	486,575	629,268
Recovery site expense	44,658	33,983
Regulatory filing fees	8,000	8,000
Rent	486,483	434,224
Salaries	2,504,579	2,674,345
Utilities	8,440	9,545
Total	5,515,464	5,474,722
Less administrative expenses allocated to Forest Preserve District Employees' Annuity and Benefit Fund of Cook County	(109,430)	(101,167)
Net administrative expenses	$ 5,406,034	$ 5,373,555
Professional and consulting fees		
Actuarial service	$ 100,380	$ 131,388
Audit	65,115	73,540
Consulting	89,276	78,139
Legal	205,102	319,480
Lobbyist	26,702	26,721
Total	$ 486,575	$ 629,268

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

SCHEDULES OF INVESTMENT EXPENSES

YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
INVESTMENT MANAGER EXPENSE		
Adelante Capital Management	$ 449,819	$ 429,460
Angelo Gordon & Co.	241,141	224,717
Ariel Investments	509,823	347,552
Blackstone Alternative Asset Management	5,150,188	4,777,861
CastleArk Management	1,163,677	966,318
CBRE Global Investors	310,106	432,659
Channing Capital Management	1,638,207	1,355,592
Chicago Equity Partners	70,867	200,571
Diversified Global Asset Management	-	561,148
Fortaleza Asset Management, Inc.	134,560	122,973
Franklin Templeton Investments	2,810,259	2,438,308
Frontier Capital Management	1,241,310	992,505
Great Lakes Advisors, Inc.	449,812	398,055
Herndon Capital Management	-	185,735
J.P. Morgan Asset Management	3,547,930	3,290,690
John Buck Company	-	16,091
Killian Capital Management	334,965	296,157
LaSalle Investment Management	170,213	306,925
Lazard Asset Management, LLC	602,502	554,884
LM Capital Group, LLC	616,532	608,901
Lombardia Capital	44,868	149,214
Loomis Sayles & Company, LP	298,909	811,179
MacKay Shields	897,458	861,181
Mellon Capital	145,469	92,272
Mesirow Financial	3,200,298	2,424,956

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

SCHEDULES OF INVESTMENT EXPENSES

YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
INVESTMENT MANAGER EXPENSE (CONTINUED)		
Mondrian Investment Partners, Ltd.	$ 1,080,401	$ 929,628
Muller and Monroe Asset Management	350,000	352,398
NCM Capital	371,817	294,769
New Century Investment Management	437,921	429,112
Pacific Venture Group	-	1,262
Progress Investment Management	1,968,659	1,681,315
Prudential Real Estate Investors	1,886,846	1,635,473
RhumbLine Advisers	136,749	79,161
Russell Implementation Services, Inc.	154,716	513,381
SPC Capital Management	70,000	74,167
State Street Global Advisors	378,601	313,997
The Rock Creek Group	1,362,369	1,264,181
Wells Capital Management	1,026,097	817,731
William Blair & Company	1,169,647	954,612
	34,422,736	32,187,091
INVESTMENT CONSULTING FEES		
Callan Associates, Inc.	392,673	369,795
RVK, Inc.	-	50,000
Total investment consulting fees	392,673	419,795
INVESTMENT CUSTODIAN FEES		
BNY Mellon	416,618	305,795
Total investment expenses	$ 35,232,027	$ 32,912,681

ADDITIONS BY SOURCE

Year Ended December 31,	Employer Contributions	Employee Contributions	Net Investment and Net Securities Lending Income (1)	Other (2)	Total Additions
2012	$190,720,776	$128,869,508	$ 887,687,519	$ 10,190,689	$ 1,217,468,492
2013	$187,817,644	$127,593,220	$ 1,179,440,119	$ 8,547,729	$ 1,503,398,712
2014	$190,032,872	$129,325,318	$ 488,890,897	$ 9,742,062	$ 817,991,149
2015	$186,832,321	$137,707,719	$ (21,896,696)	$ 11,457,843	$ 314,101,187
2016	$464,268,404	$139,355,592	$ 629,442,470	$ 14,019,340	$ 1,247,085,806
2017	$559,205,626	$138,826,184	$ 1,399,625,874	$ 23,321,813	$ 2,120,979,497

DEDUCTIONS BY TYPE

Year Ended December 31,	Benefits	Refunds	Net Administrative Expenses	Total Deductions
2012	$561,391,035	$ 33,081,726	$ 4,303,353	$ 598,776,114
2013	$601,770,020	$ 29,873,030	$ 4,324,634	$ 635,967,684
2014	$645,601,458	$ 26,347,361	$ 5,010,206	$ 676,959,025
2015	$701,031,411	$ 33,273,171	$ 5,151,110	$ 739,455,692
2016	$742,396,434	$ 26,702,222	$ 5,373,555	$ 774,472,211
2017	$790,352,526	$ 32,995,364	$ 5,406,034	$ 828,753,924

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

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

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

Schedule of Employer Contributions Receivable

December 31, 2017

Contribution Year	Contributions Receivable	Uncollected Balance	Reserved	Net Contributions Receivable
2016	$ 195,653,930	$ 20,052,965	$ 40,650	$ 20,012,315
2017	$ 208,226,206	208,226,206	6,461,280	201,764,926
		$ 228,279,171	$ 6,501,930	$ 221,777,241

Note:

Employer contributions are funded primarily through property taxies levied by Cook County, Illinois. Uncollected employer contributions for the 2015 and prior levy years are fully reserved.