**NEW ISSUE – BOOK ENTRY ONLY** **See "RATINGS" herein**

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

# $284,915,000
# THE COUNTY OF COOK, ILLINOIS
## General Obligation Refunding Bonds, Series 2016A

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

The General Obligation Refunding Bonds, Series 2016A (the "Bonds") are direct and general obligations of The County of Cook, Illinois (the "County"). The full faith and credit of the County is pledged to the punctual payment of principal of and interest on the Bonds. Direct annual ad valorem taxes have been levied on all taxable real property in the County in amounts sufficient to pay principal of and interest on the Bonds as those amounts come due. These taxes are to be extended for collection without limitation as to rate or amount. Collections of such taxes are to be deposited directly by the County Treasurer, acting *ex officio* as the County Collector, with Zions Bank, a division of ZB, National Association, Chicago, Illinois, as trustee (the "Trustee"), for the purpose of paying principal of and interest on the Bonds. The Bonds are being offered for sale in book-entry only form and will be registered in the name of Cede & Co., the nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds.

The Bonds are being issued to (i) refund all or a portion of certain maturities of certain outstanding general obligation bonds of the County and (ii) pay certain costs of issuance of the Bonds.

The Bonds are issuable in denominations of $5,000 and any integral multiples thereof. Interest on the Bonds is payable on each May 15 and November 15, beginning November 15, 2016. The principal of the Bonds is payable at the principal office maintained for that purpose by the Trustee or its successor. Interest on the Bonds, together with the principal of the Bonds, will be paid by the Trustee directly to DTC so long as DTC or its nominee is the registered owner of the Bonds. The final disbursements of such payments to the Beneficial Owners (as defined herein) will be the responsibility of the DTC participants or indirect participants. See "THE BONDS – Book-Entry Only System" for more information.

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

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

The scheduled payment of principal of and interest on the Bond maturing on November 15, 2026 (CUSIP† No. 213185KG5) (the "Insured Bond"), when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Insured Bond by **ASSURED GUARANTY MUNICIPAL CORP.**

ASSURED GUARANTY® MUNICIPAL

**ONLY THE INSURED BOND IS COVERED BY THE POLICY. AS OF THE DATE OF THIS OFFICIAL STATEMENT, NO OTHER BONDS ARE INSURED BY A MUNICIPAL BOND INSURANCE POLICY.**

The Bonds are offered when, as and if issued and accepted by the Underwriters and subject to delivery of separate approving legal opinions by Chapman and Cutler LLP, Chicago, Illinois, and Burke Burns & Pinelli Ltd., Chicago, Illinois, Co-Bond Counsel. Certain legal matters will be passed upon for the Underwriters by Charity & Associates, P.C., Chicago, Illinois, Underwriters' Counsel. Katten Muchin Rosenman LLP, Chicago, Illinois, and Reyes Kurson, Ltd., Chicago, Illinois, will serve as Co-Disclosure Counsel. Nixon Peabody LLP, Chicago, Illinois, will serve as Special Disclosure Counsel to the County with respect to pension disclosure matters. It is expected that the Bonds will be available for delivery through the facilities of DTC on or about July 14, 2016.

**Barclays** **Loop Capital Markets**

**Siebert Brandford Shank & Co., L.L.C.** **William Blair**

**Bernardi Securities, Inc.** **Cabrera Capital Markets, LLC** **J.P. Morgan** **PNC Capital Markets LLC**

The date of this Official Statement is June 14, 2016

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† CUSIP is a registered trademark of American Bankers Association. CUSIP data herein is provided by CUSIP Global Services which is managed on behalf of the American Bankers Association by S&P Capital IQ, a part of McGraw–Hill Financial, Inc. This CUSIP number is provided for convenience of reference only. The County makes no representation with respect to such number and undertakes no responsibility for its accuracy now or at any time in the future.

## MATURITY SCHEDULE

### $284,915,000 General Obligation Refunding Bonds, Series 2016A

| Maturity (November 15) | Principal Amount | Interest Rate | Yield | Price | CUSIP† (Base: 213185) |
|---|---|---|---|---|---|
| 2016 | $2,770,000 | 3.00% | 0.70% | 100.770 | JX0 |
| 2017 | 2,600,000 | 3.00 | 1.23 | 102.337 | JY8 |
| 2018 | 9,285,000 | 5.00 | 1.40 | 108.243 | JZ5 |
| 2019 | 17,260,000 | 5.00 | 1.62 | 110.931 | KA8 |
| 2020 | 16,295,000 | 5.00 | 1.83 | 113.154 | KB6 |
| 2021 | 15,920,000 | 5.00 | 1.98 | 115.218 | KC4 |
| 2022 | 7,140,000 | 5.00 | 2.14 | 116.859 | KD2 |
| 2023 | 26,700,000 | 5.00 | 2.29 | 118.201 | KN0 |
| 2024 | 2,095,000 | 5.00 | 2.39 | 119.617 | KE0 |
| 2025 | 7,205,000 | 5.00 | 2.49 | 120.791 | KF7 |
| 2026 | 34,630,000 | 5.00 | 2.61 | 121.525 | KP5 |
| 2026* | 25,000,000 | 5.00 | 2.41 | 123.568 | KG5 |
| 2027 | 17,980,000 | 5.00 | 2.68 | 120.820[c] | KH3 |
| 2028 | 16,695,000 | 5.00 | 2.72 | 120.419[c] | KJ9 |
| 2029 | 22,370,000 | 5.00 | 2.74 | 120.219[c] | KK6 |
| 2030 | 27,645,000 | 5.00 | 2.76 | 120.020[c] | KL4 |
| 2031 | 33,325,000 | 5.00 | 2.82 | 119.424[c] | KM2 |

† CUSIP is a registered trademark of American Bankers Association. CUSIP data herein is provided by CUSIP Global Services which is managed on behalf of the American Bankers Association by S&P Capital IQ, a part of McGraw–Hill Financial, Inc. The CUSIP numbers are provided for convenience of reference only. The County makes no representation with respect to such numbers and undertakes no responsibility for their accuracy now or at any time in the future.

* Insured Bond.

c Priced to the November 15, 2026 Par Call Date

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

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

Assured Guaranty Municipal Corp. ("*AGM*") makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the headings "BOND INSURANCE" and "APPENDIX G – Specimen Municipal Bond Insurance Policy."

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

In connection with this offering, the Underwriters may over allot or effect transactions which stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing transactions, if begun, may be ended or interrupted at any time without notice. The Underwriters may offer and sell the Bonds to certain dealers and dealer banks and banks acting as agents at prices lower or yields higher than the public offering prices or yields stated on the inside cover page hereof and said public offering prices and yields may be changed from time to time by the Underwriters without notice.

The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their respective responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

THE COUNTY OF COOK, ILLINOIS

**PRESIDENT**

Hon. Toni Preckwinkle

**CHAIRMAN, COMMITTEE ON FINANCE**

John P. Daley

**MEMBERS OF THE BOARD OF COMMISSIONERS**

Richard R. Boykin
Robert Steele
Jerry Butler
Stanley Moore
Deborah Sims
Joan Patricia Murphy
Jesus G. Garcia
Luis Arroyo Jr.
Peter N. Silvestri
Bridget Gainer
John P. Daley
John A. Fritchey
Larry Suffredin
Gregg Goslin
Timothy O. Schneider
Jeffrey R. Tobolski
Sean M. Morrison

**COUNTY TREASURER**
**EX-OFFICIO COUNTY COLLECTOR**

Hon. Maria Pappas

**CHIEF FINANCIAL OFFICER**

Ivan Samstein

**COUNTY COMPTROLLER**

Lawrence Wilson, CPA

## OVERVIEW

*This Overview does not purport to be complete and is presented solely for the convenience of the reader. This Overview is for informational purposes only and is subject to the more complete discussion contained in the Official Statement. Capitalized terms used in this Overview are defined herein or in the Official Statement.*

| | |
|---|---|
| Issuer | With an estimated 2015 population of 5,238,216, The County of Cook, Illinois (the "County") is the second largest county in the United States by population. The County performs three principal functions: the protection of persons and property, the provision of public health services and the provision of general government services including, among others, the assessment of property, levy, collection and distribution of property taxes and maintenance of certain highways. The County is a home rule unit of government under the 1970 Constitution of the State of Illinois (the "State"), whose powers are exercised through the President, as Chief Executive Officer, and a 17-member Board of Commissioners (the "County Board"). The President of the County Board and the members of the County Board have the responsibility for administration of the financial affairs of the County.<br><br>For a more complete discussion of the County and its operations, see "THE COUNTY." |
| Authority | The Bonds are being issued pursuant to the County's home rule powers under the 1970 Constitution of the State of Illinois and an authorizing ordinance adopted by the County Board on May 11, 2016 as supplemented by a 2016A Bond Order and Notification of Sale (the "*Bond Order*") delivered by the County. The ordinance and the Bond Order are referred to herein as the "*Bond Ordinance*." |
| The Bonds | $284,915,000 General Obligation Refunding Bonds, Series 2016A. |
| Ratings | Moody's Investors Service ("*Moody's*"), S&P Global Ratings ("*S&P*"), and Fitch Ratings have assigned their long-term ratings of "A2", "AA-" and "A+", respectively, to the Bonds. Moody's and S&P are expected to assign their municipal bond ratings of "A2" and "AA", respectively, to the Insured Bond (based on the understanding that upon delivery of the Insured Bond the Policy will be issued by Assured Guaranty Municipal Corp.). See "RATINGS." |
| Plan of Finance | Proceeds of the Bonds will be used to (i) refund all or a portion of certain maturities of certain outstanding general obligation bonds of the County, and (ii) to pay certain costs of issuance of the Bonds. See "PLAN OF FINANCE." |
| Security for the Bonds | The full faith and credit of the County are irrevocably pledged to the punctual payment of the principal of and interest on the Bonds. The Bonds are direct and general obligations of the County, and the County is obligated and covenants and agrees in the Bond Ordinance to levy ad valorem taxes upon all the taxable property in the County for the payment of the Bonds and the interest thereon, without limitation as to rate or amount (the "*Pledged Taxes*"). An account for the Bonds will be established with the Trustee as the "General Obligation Refunding Bonds, Series 2016, Bond Fund" under the Bond Ordinance (the "*Bond Fund*"). All Pledged Taxes received by the County Treasurer, acting *ex officio* as the County Collector, shall be deposited daily, as far as practicable, with the Trustee and deposited by the Trustee into the Bond Fund and applied to pay principal of and interest on the Bonds. Such amounts may not be |

withdrawn by the County after they have been deposited in to the Bond Fund except as required to make payments on the Bonds, or for transfer to other Bond Funds of the County for debt service payments, and may not be used for other non-debt service payment purposes.

Interest or principal coming due at any time when there are insufficient funds on hand from the Pledged Taxes to pay the same will be paid promptly by the County when due from current funds on hand and when the Pledged Taxes have been collected, reimbursement will be made to said funds in the amount so advanced. See "SECURITY FOR THE BONDS." For a discussion of the levy and extension procedures for the ad valorem taxes levied by the County for the payment of the Bonds, see "REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES." For a discussion of the establishment and operation of the Bond Fund, see "APPENDIX F – Summary of Certain Provisions of the Bond Ordinance – Bond Fund."

| | |
|---|---|
| Interest Payment Dates | Interest on the Bonds will be payable on each May 15 and November 15, beginning November 15, 2016, until maturity or earlier redemption, if any. Interest is computed on the basis of a 360-day year consisting of twelve 30-day months at the rates set forth on the inside cover of the Official Statement. |
| Optional Redemption | The Bonds maturing on or after November 15, 2027 are subject to redemption prior to maturity at the option of the County on November 15, 2026 (the "*Par Call Date*") or any date thereafter at a redemption price of par plus accrued interest to the date fixed for redemption, in whole or in part, and if in part, in such principal amounts and from such maturities as determined by the County and within any maturity by lot. See "THE BONDS – Redemption – Optional Redemption."<br><br>The Bonds maturing on or after November 15, 2027 are subject to redemption prior to the Par Call Date at the option of the County, in whole or in part, at the "Make Whole Redemption Price" which is equal to the greater of (i) one hundred and two percent (102%) of the Amortized Value (as defined herein) of the Bonds to be redeemed or (ii) an amount equal to the sum of the present values of the remaining scheduled payments of principal and interest on the Bonds to be redeemed, from and including the date of redemption to the Par Call Date, discounted to the date on which the Bonds are to be redeemed on a semi-annual basis at a discount rate equal to the Applicable Tax-Exempt Bond Rate (as defined herein). See "THE BONDS – Redemption – Optional Redemption." |
| Trustee | Zions Bank, a division of ZB, National Association, Chicago, Illinois, will serve as Bond Registrar, Paying Agent and Trustee. |
| Book-Entry Form and Denominations | The Bonds will be issued in fully registered book-entry form in denominations of $5,000 or any integral multiple thereof. |
| Investment Considerations | There are a number of factors associated with owning the Bonds that prospective investors should consider prior to investing in the Bonds. For a discussion of these factors, see "INVESTMENT CONSIDERATIONS." |

| | |
|---|---|
| Tax Matters | In the opinion of Chapman and Cutler LLP, Chicago, Illinois and Burke Burns & Pinelli Ltd., Chicago, Illinois, Co-Bond Counsel, subject to compliance by the County with certain covenants, under present law, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, but such interest is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. Interest on the Bonds is not exempt from present State income taxes. See "TAX MATTERS." |
| Delivery | The Bonds are expected to be available for delivery through the facilities of DTC in New York, New York on or about July 14, 2016. |
| Legal Matters | Certain legal matters will be passed upon for the parties to the financing as set forth on the cover page to the Official Statement. |
| Additional Information | Additional information may be obtained upon request to the County's Chief Financial Officer, 118 North Clark Street, Room 1127, Chicago, Illinois 60602, telephone (312) 603-5287. |

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# OFFICIAL STATEMENT

## $284,915,000
## THE COUNTY OF COOK, ILLINOIS

## General Obligation Refunding Bonds, Series 2016A

## INTRODUCTION

### General

This Official Statement is furnished by The County of Cook, Illinois (the "*County*"), to provide information about its $284,915,000 aggregate principal amount of General Obligation Refunding Bonds, Series 2016A (the "*Bonds*"). The Bonds are being issued pursuant to the County's home rule powers under the 1970 Constitution of the State of Illinois (the "*Illinois Constitution*") and an authorizing ordinance adopted by the Board of Commissioners of the County (the "*County Board*") on May 11, 2016 as supplemented by a 2016A Bond Order and Notification of Sale (the "*Bond Order*"). Said ordinance and the Bond Order are referred to in the Official Statement as the "*Bond Ordinance*."

The Bonds are direct and general obligations of the County. The full faith and credit of the County has been pledged to the punctual payment of the principal of and interest on the Bonds. The County has levied, without limit as to rate or amount, ad valorem real property taxes in an amount that will be sufficient to provide for the payment of the principal of and interest on the Bonds as those amounts come due. These taxes are required to be extended for collection against all taxable real property within the County. Collections of the Pledged Taxes (as hereinafter defined) are to be deposited directly by the County Treasurer, acting *ex officio* as the County Collector, with Zions Bank, a division of ZB, National Association, Chicago, Illinois, as trustee (the "*Trustee*") for the Bonds, for the purpose of paying principal of and interest on the Bonds. See "SECURITY FOR THE BONDS."

The Bonds are being issued to (i) refund all or a portion of certain maturities of certain outstanding general obligation bonds of the County and (ii) pay certain costs of issuance of the Bonds, all as more particularly described herein. See "PLAN OF FINANCE."

### Additional Information

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

All statements, information and statistics contained in this Official Statement are believed to be correct but are not guaranteed by the County, the Underwriters (as set forth on the cover page hereof), Co-Bond Counsel, Underwriters' Counsel, Co-Disclosure Counsel, Special Disclosure Counsel, the Co-Financial Advisors (as defined under the heading "CO-FINANCIAL ADVISORS") or the Trustee, and all expressions of opinion, whether or not expressly so stated, are intended merely as such and not as representations of fact. The information contained herein regarding The Depository Trust Company, New York, New York ("*DTC*") and the global book-entry system (the "*Book-Entry Only System*") was provided by DTC and has not been verified by the County, the Underwriters, Co-Bond Counsel, Underwriters' Counsel, Co-Disclosure Counsel, Special Disclosure Counsel, the Co-Financial Advisors or the Trustee. The information and expressions of opinion contained herein are provided as of the date hereof, are subject to change without notice or amendment or update hereto, and neither the delivery of

this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the County or in the information or opinions set forth herein, since the date of this Official Statement.

The projections set forth in this Official Statement were not prepared with a view toward complying with the guidelines established by the American Institute of Certified Public Accountants with respect to prospective financial information, but, in the view of the County's management, were prepared on a reasonable basis, reflect the best currently available estimates and judgments, and present, to the best of management's knowledge and belief, the expected course of action and the expected future financial performance of the County. However, this information is not fact and should not be relied upon as being necessarily indicative of future results, and readers of this Official Statement are cautioned not to place undue reliance on the prospective financial information. Neither the County's independent auditors, nor any other independent auditors, have compiled, examined, or performed any procedures with respect to the prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability and disclaim any association with the prospective financial information. Neither the County's independent auditors, nor any other independent auditors, have been consulted in connection with the preparation of the prospective financial information set forth in this Official Statement, which is solely the product of the County, and the independent auditors assume no responsibility for its content.

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

## THE BONDS

### General

The Bonds are dated their date of issuance (the "*Date of Issuance*") and bear interest at the rates per annum set forth on the inside cover page hereof and are issuable as fully registered Bonds. The Bonds will mature on November 15 of the years and in the principal amounts as set forth on the inside cover page hereof, subject to redemption prior to maturity as described under "THE BONDS – Redemption." The Bonds will initially be registered through the Book-Entry Only System operated by DTC. Details of payments of the Bonds when in the book-entry only form and the Book-Entry Only system are described in APPENDIX D hereto.

Interest on the Bonds is payable on each May 15 and November 15, beginning November 15, 2016. The Bonds will be issued in denominations of $5,000 or integral multiples thereof.

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

### Redemption

**Optional Redemption Par Call.** The Bonds maturing on or after November 15, 2027 are subject to optional redemption prior to maturity at the option of the County on or after November 15, 2026 (the "*Par Call Date*"), at a redemption price of par plus accrued interest to the date fixed for redemption, in whole or in part, and if in part, in such principal amounts and from such maturities as determined by the County and within any maturity by lot.

**Optional Redemption Make Whole Call.** The Bonds maturing on or after November 15, 2027 are subject to redemption prior to the Par Call Date at the option of the County, in whole or in part, at the "Make Whole Redemption Price" which is equal to the greater of (i) one hundred and two percent (102%) of the Amortized Value (as defined below) of the Bonds to be redeemed or (ii) an amount equal to the sum of the present values of the remaining scheduled payments of principal and interest on the Bonds to be redeemed, from and including the date of redemption to the Par Call Date, discounted to the date on which the Bonds are to be redeemed on a semi-annual basis at a discount rate equal to the Applicable Tax-Exempt Bond Rate (as defined below). See "THE BONDS – Redemption – Optional Redemption."

The Amortized Value will equal the principal amount of the Bonds to be redeemed multiplied by the price, expressed as a percentage, calculated based on the industry standard method of calculating bond prices, with a delivery date equal to the date of redemption, a maturity date equal to the Par Call Date and a yield equal to the original offering yield of such Bonds as set forth on the inside cover page hereof.

"*Applicable Tax-Exempt Bond Rate*" means the "Interpolated AAA Yields" rate for the Par Call Date as published by the Municipal Market Data (MMD) at least five calendar days, but not more than 45 calendar days, prior to the redemption date of the Bonds to be redeemed. If no such rate is established for the applicable year, the "Interpolated AAA Yields" rate for the published maturities most closely corresponding to the applicable year will be determined, and the Applicable Tax-Exempt Bond Rate will be interpolated from those rates on a straight-line basis. Should the MMD no longer publish the "Interpolated AAA Yields" rate, then the Applicable Tax-Exempt Bond Rate will equal the "Consensus Scale" rate for the applicable year as published by Municipal Market Advisors (MMA). In the further event that MMA no longer publishes the "Consensus Scale", the Applicable Tax-Exempt Bond Rate will be determined by Barclays Capital Inc., or a successor determined by the County, as the quotation agent, based upon the rate per annum equal to the semiannual equivalent yield to maturity for those tax-exempt general obligation bonds rated in the highest rating category by Moody's Investors Service. Inc. and S&P Global Ratings, with a maturity date equal to the Par Call Date of such Bonds having characteristics (other than the ratings) most comparable to those of such Bonds in the judgment of the quotation agent. The quotation agent's determination of the Applicable Tax-Exempt Bond Rate shall be final and binding in the absence of manifest error.

**Selection of Bonds to be Redeemed**. Bonds shall be redeemed only in the principal amount of $5,000 each and integral multiples thereof. In the event of the redemption of less than all the Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Trustee for the Bonds of such maturity by such method of lottery as the Trustee shall deem fair and appropriate; *provided,* that such lottery shall provide for the selection for redemption of Bonds or portions thereof so that each $5,000 principal amount of such Bond shall be as likely to be called for redemption as any other such $5,000 Bond or $5,000 portion.

**Notice of Redemption**. The County will, at least 45 days prior to any optional redemption date (unless a shorter time period shall be satisfactory to the Trustee), notify the Trustee of such redemption date and of the principal amount and maturity or maturities of Bonds to be redeemed. For purposes of any redemption of less than all of the outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Trustee from the Bonds of such maturity by such method of lottery as the Trustee shall deem fair and appropriate (except when the Bonds are held in a book entry system, in which case the selection of Bonds to be redeemed will be made in accordance with procedures established by DTC or any other book entry depository); provided that such lottery shall provide for the selection for redemption of Bonds or portions thereof in principal amounts of $5,000 and integral multiples thereof.

Unless waived by the owner of Bonds to be redeemed, notice of any such redemption shall be given by the Trustee on behalf of the County by mailing the redemption notice by first class mail not less than 30 days and not more than 60 days prior to the date fixed for redemption to each registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owners to the Trustee.

All notices of redemption shall include at least the information as follows: (1) the redemption date; (2) the redemption price; (3) if less than all of the Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed; (4) a statement that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after said date; and (5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Trustee.

On or prior to any redemption date, the County shall deposit with the Trustee an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the County shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Neither the failure to mail such redemption notice nor any defect in any notice so mailed to any particular registered owner of a Bond shall affect the sufficiency of such notice with respect to other registered owners. Notice having been properly given, failure of a registered owner of a Bond to receive such notice shall not be deemed to invalidate, limit or delay the effect of the notice or the redemption action described in the notice. Such notice may be waived in writing by a registered owner of a Bond, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Trustee at the redemption price. Interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of the same maturity in the amount of the unpaid principal.

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

**Book-Entry Only System**

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

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

**Provisions Applicable When Not in Book-Entry System**

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

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

The principal or redemption price of the Bonds is payable, upon surrender of such Bonds, at the principal office maintained for the purpose by the Trustee. Interest on the Bonds will be paid to the registered owner as of the close of business on the record date with respect to an interest payment date, by check or draft mailed on the applicable interest payment date. If and to the extent there shall be a default in the payment of the interest due with respect to any Bonds on such interest payment date, such defaulted interest shall be paid to the related Bondholders in whose names any such Bonds (or any Bond or Bonds issued upon registration of transfer or exchange thereof) are registered at the close of business on the business day next preceding the date of payment of such defaulted interest.

## SECURITY FOR THE BONDS

The full faith and credit of the County are irrevocably pledged to the punctual payment of the principal of and interest on the Bonds. The Bonds are direct and general obligations of the County, and the County is obligated and covenants and agrees in the Bond Ordinance to levy ad valorem taxes upon all the taxable property in the County for the payment of the Bonds and the interest thereon, without limitation as to rate or amount. Such ad valorem taxes, once levied, may not be withdrawn by the County after they have been deposited into the Bond Fund as defined below, except as required to make payments on the Bonds, or for transfer to other Bond Funds of the County for debt service payments, and may not be used for other non-debt service payment purposes

For the purpose of providing the funds required to pay the principal of and interest on the Bonds promptly as the same become due, there is levied by the Bond Ordinance upon all taxable property in the County a direct annual tax (the "*Pledged Taxes*") which, together with the receipts, if any, of taxes levied and collected for the payment of the Refunded Bonds (as defined below), will be applied to pay principal of and interest on the Bonds. The County has pledged the Pledged Taxes to secure the Bonds. All receipts of the Pledged Taxes received by the County Treasurer, acting *ex officio* as the County Collector, shall be deposited daily, as far as practicable, with the Trustee. Interest or principal coming due at any

time when there are insufficient funds on hand from the Pledged Taxes to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the Pledged Taxes; and when the Pledged Taxes shall have been collected, reimbursement shall be made to said funds in the amount so advanced. All other moneys appropriated or used by the County for the payment of the principal or redemption price of and interest on the Bonds shall be paid to the Trustee. All Pledged Taxes, and all such moneys, shall be deposited by the Trustee into the "General Obligation Refunding Bonds, Series 2016, Bond Fund" created under the Bond Ordinance (the "*Bond Fund*") and shall be applied to pay principal of and interest on the Bonds. See "APPENDIX F – Summary of Certain Provisions of the Bond Ordinance – Bond Fund."

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

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

The Pledged Taxes and all other moneys deposited or to be deposited into the Bond Fund are pledged as security for the payment of the Bonds. The pledge is made pursuant to Section 13 of the Local Government Debt Reform Act, 30 Illinois Compiled Statutes 350, to the fullest extent applicable and shall be valid and binding from the Date of Issuance. All such Pledged Taxes and the moneys held in the Bond Fund shall immediately be subject to the lien of such pledge without any physical delivery or further act and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Country irrespective of whether such parties have notice thereof.

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

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

## PLAN OF FINANCE

A portion of the proceeds of the Bonds will be used to refund all or a portion of the County's outstanding General Obligation Refunding Bonds, Series 2006A (the "*Refunded Bonds*"). The Refunded Bonds will be called for redemption on July 15, 2016 (the "*Redemption Date*") at a redemption price

equal to 100% of par plus accrued interest. The Refunded Bonds are more fully described in the following table:

**OUTSTANDING BONDS TO BE REFUNDED**

| CUSIP | Maturity (November 15) | Coupon | Principal Amount Refunded |
|---|---|---|---|
| 2131838A7 | 2016 | 4.000% | $ 395,000 |
| 2131838B5 | 2017 | 4.000% | 415,000 |
| 2131838C3 | 2018 | 5.000% | 13,375,000 |
| 2131838D1 | 2019 | 5.000% | 14,050,000 |
| 2131838E9 | 2020 | 5.000% | 14,125,000 |
| 2131838F6 | 2021 | 5.000% | 14,775,000 |
| 2131838G4 | 2022 | 5.000% | 15,445,000 |
| 2131838H2 | 2023 | 5.000% | 19,945,000 |
| 2131838J8 | 2024 | 5.000% | 20,920,000 |
| 2131838K5 | 2025 | 5.000% | 21,940,000 |
| 2131838L3 | 2026 | 5.000% | 68,495,000 |
| 2131838M1 | 2027 | 4.625% | 23,750,000 |
| 2131838N9 | 2028 | 4.625% | 24,800,000 |
| 2131838P4 | 2029 | 4.625% | 25,915,000 |
| 2131838Q2 | 2030 | 4.750% | 27,045,000 |
| 2131838R0 | 2031 | 4.750% | 28,290,000 |
| | Total Refunded | | $ 333,680,000 |

## SOURCES AND USES

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

| | |
|---|---|
| SOURCES OF FUNDS | |
| Par Amount of Bonds | $284,915,000 |
| Original Issue Premium | 52,301,724 |
| Released from Prior Bond Funds | 1,000,000 |
| Total Sources of Funds | $338,216,724 |
| | |
| USES OF FUNDS | |
| Refunding of Refunded Bonds | $ 336,389,720 |
| Costs of Issuance[1] | 1,827,004 |
| Total Uses of Funds | $338,216,724 |

(1) Includes Underwriters' discount, premium for the Policy and other costs related to the issuance of the Bonds.

## COOK COUNTY

### General Description

The County was created on January 15, 1831 by an act of the Illinois State Legislature and became the 54th county established in Illinois. On May 7, 1831, the County elected its first officials. In

2015 the United States Census Bureau estimated the population of the County was 5,238,216, making it the second largest county in the United States.

Within the County, there are 132 municipalities, including the City of Chicago (the "*City*"), 30 townships, 225 special districts, and 164 school districts. The City and the suburban municipalities account for approximately 85% of the County's 946 square miles, while unincorporated areas make up the remaining 15%. The unincorporated areas of the County are under the jurisdiction of the County Board. The US Census Bureau estimated the City's population to be 2,722,389 as of July 1, 2014, approximately 52% of the County's estimated population as of such date. Approximately half of the Equalized Assessed Valuation ("*EAV*") of taxable property in the County is located in the City. As of the 2010 Census several other municipalities located in the County had populations in excess of 55,000, including: Arlington Heights, Berwyn, Cicero, Des Plaines, Evanston, Mount Prospect, Oak Lawn, Orland Park, Palatine, Schaumburg, Skokie and Tinley Park.

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

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

Based on the U.S. Bureau of Economic Analysis's data, the County's per capita personal income in 2014 was $51,280, exceeding that of the State which was $47,643. The unemployment rate for the County for April 2016 was 6.5% according to the Bureau of Labor Statistics compared to 6.6% for the State and 5.0% for the national average for the same period.

The County operates on a fiscal year ("*Fiscal Year*") basis ending each November 30.

**Principal Functions of Cook County Government**

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

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

In recent years the County has made a reduction in the pre-trial detainee population at the Department of Corrections one of its primary policy goals, which has the secondary benefit of reducing costs associated therewith. In April of 2016 the resident detainee population averaged approximately 7,426 versus a population that routinely exceeded 10,000 as recently as 2013. The detainee population experienced a steady decline from September of 2013, when the resident population averaged 10,139, to the present. This reduction was driven by a concerted effort on the part of the County Board President to

work with public safety stakeholders, and primarily resulted from an increased usage of electronic monitoring and self-recognizance ("*I-Bonds*") along with implementation of a risk-assessment process in Bond Court at County facilities. The sustained population reduction was the driving factor in the County's decision to close three divisions of the County Jail in Fiscal Year 2016, including Division One which was one of the largest divisions in the Department of Corrections campus; the three divisions which were closed in Fiscal Year 2016 are targeted for demolition by the end of 2017.

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

The CCHHS is one of the largest hospital systems in the U.S. operated by a unit of local government and is the largest provider of medical care to the uninsured and underinsured within the State.

Stroger Hospital, which opened in December 2002 and replaced the old Cook County Hospital, is located on the West side of Chicago and is currently operating 464 beds. The hospital is the tertiary hub of the CCHHS, providing a full array of highly specialized services, including the City's largest Level 1 Trauma center, Neonatology intensive care unit and HIV/AIDS service. Stroger Hospital receives referrals from throughout the CCHHS as well as from other institutions around the County. Its emergency services are the largest in the Midwest, with approximately 120,000 visits in Fiscal Year 2015.

Provident Hospital is a community teaching hospital located on the South side of Chicago. Currently staffed for 25 beds, Provident Hospital had approximately 720 admissions in Fiscal Year 2015. Provident Hospital's emergency department had more than 28,000 visits in Fiscal Year 2015.

In 2011, the Illinois Health Facilities and Review Board approved the County's plan to convert Oak Forest Hospital of Cook County into an out-patient center to be known as Oak Forest Health Center of Cook County. The change means that this suburban County facility no longer admits patients for long-term care. Instead, the facility is now used as a regional health center offering out-patient services. The facility may include a 24 hour immediate care center and offer access to primary care doctors, screenings and diagnostic testing.

The Ambulatory and Community Health Network of Cook County operates 17 clinics throughout Chicago and suburban areas of the County. Located in hospital, community and school settings, the network experienced 738,000 visits in Fiscal Year 2015, 34% of which were from uninsured patients.

Cermak Health Services of Cook County is the largest single jail health facility in the country, providing a full spectrum of public health, mental health and acute care services for more than 95,000 clinic visits annually.

The Ruth M. Rothstein CORE Center is an outpatient facility dedicated to the care of patients with HIV/AIDS and related infectious diseases. This facility is a collaboration with Rush University Medical Center.

The Cook County Department of Public Health is responsible for the public and environmental health protection of suburban areas of the County. In addition to its regulatory and protective functions, the Department receives approximately 6,000 clinical visits (well-baby, communicable disease screenings, etc.) each year. The Department is supported by federal and State grants in addition to County funding.

*CCHHS (Health Fund) – Medicaid Developments*. Approximately 56% of CCHHS patients were uninsured or underinsured during 2012. The Illinois Department of Healthcare and Family Services and CCHHS received a Section 1115 Medicaid waiver from the federal Center for Medicare and Medicaid Services ("*CMS*") in late 2012. Under the terms and conditions of the waiver and an associated demonstration period, which was effective from October 26, 2012 through June 30, 2014, County residents with income up to 133% of the Federal Poverty Level were eligible for Medicaid without being subject to an asset test.

The demonstration population during the waiver period was eligible to receive health care benefits through CCHHS and community partners that CCHHS included in the provider network for the demonstration. This population was targeted under a County managed care initiative, commonly referred to as "*CountyCare.*" As of July 1, 2014 the waiver demonstration period concluded and CountyCare became a "Managed Care Community Network," expanding the eligible patent population to families, children, seniors and person with disabilities.

Under the waiver and expansion of Medicaid, the County receives a Per Member Per Month ("*PMPM*") reimbursement for each valid enrolled participant in the CountyCare program, with the PMPM based on an estimate of associated costs to serve the population in the program. During calendar year 2013 the approximated aggregate PMPM of $314 was calculated based on a 50% federal reimbursement, with the County assuming the other 50% and no direct cost reimbursement from the State. Consistent with the Federal Patient Protection and Affordable Care Act (the "*Affordable Care Act*" or "*ACA*"), it was anticipated in the 2014 County Budget that the federal reimbursement rate would rise to 100% with a commensurate increase in the PMPM received by the County to $629 for patient care provided during calendar year 2014. In January of 2014 the County received approval of an approximate aggregate PMPM rate of $632 for calendar year 2014 through the June 30, 2014 conclusion of the waiver period. With the full implementation of the Affordable Care Act in Illinois, the eligible patient population has additional managed care options under the expansion of Medicaid in the State, though some patients may choose to remain with CountyCare. In Fiscal Year 2015, CountyCare expanded its populations served beyond ACA adults to all Medicaid-covered populations, including Family Health Plan ("*FHP*") individuals and Seniors and Persons with Disabilities ("*SPD*"). The projected composite PMPM for ACA adults was $630 for Fiscal Year 2015 with separate composite rates for the FHP and SPD populations. In the 2016 County Budget for CCHHS, the County projected that CountyCare membership would slightly increase and will average 180,000 per month, and the PMPM for the ACA adults was budgeted at $630, $216.63 for FHP individuals (net of an inter-governmental transfer payment back to the State of Illinois), and $1,344.99 for SPD individuals (net of an inter-governmental transfer payment back to the State of Illinois).

***No assurances can be made with regards to the actual patient population that will remain within the CountyCare managed care initiative nor that the federal Affordable Care Act will continue to be implemented as currently anticipated under the relevant federal and State laws.***

Since 1991, the State and County have cooperated under several Intergovernmental Transfer Agreements (the "*IGT Agreements*") that specify the County's Medicaid reimbursement from the State and the County's fund transfers to the State to finance a portion of the State Medicaid program. In 2000 and 2001, federal legislation was enacted and regulations were promulgated by the federal CMS that had the prospective effect of restricting the State's ability to make payments to the County consistent with then-existing IGT Agreements. The IGT Agreements were amended in 2005 to conform to the federal regulations and legislation. The IGT Agreements were further amended to implement, retroactive to July 1, 2008, the term of the Illinois Medicaid State Plan Amendment, approved by CMS on December 4,

2008, as that amendment pertains to payments to the health care facilities of the CCHHS, as approved by the County Board on April 15, 2009.

**Administration of the County**

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

*President of the County Board*. President Toni Preckwinkle was re-elected County Board President on November 4, 2014 to a second four-year term ending December 2018. Prior to serving as President, she served on the Chicago City Council as Alderman of the 4th Ward for 19 continuous years. Before her tenure in public office, she taught high school history for 10 years, and completed her Master's degree from The University of Chicago. During her service as 4th Ward Alderman, President Preckwinkle sought transparency and accountability in leadership, and through building a professional and responsive ward organization, she successfully advanced funding for education and affordable housing in her ward. Through collaboration, President Preckwinkle is working with the County Board, elected officials and County employees in order to reform and reshape County government into a world class institution founded on a common commitment to the core tenets of her administration: fiscal responsibility, innovative leadership, transparency, accountability and improved services.

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

*County Board*. The County Board is the legislative body for County government. The County Board consists of 17 Commissioners elected for four-year terms. The Commissioners are elected from single member districts. The present Commissioners, all of whose terms expire in December 2018, are as follows:

| | | |
|---|---|---|
| Richard R. Boykin | Jesus G. Garcia | Larry Suffredin |
| Robert Steele | Luis Arroyo Jr. | Gregg Goslin |
| Jerry Butler | Peter N. Silvestri | Timothy O. Schneider |
| Stanley Moore | Bridget Gainer | Jeffrey R. Tobolski |
| Deborah Sims | John P. Daley | Sean M. Morrison |
| Joan Patricia Murphy | John A. Fritchey | |

*Chairman, Committee on Finance*. John P. Daley is the Chairman of the Committee on Finance of the County Board, which consists of all the members of the County Board. Mr. Daley is a former Illinois State Senator, Illinois State Representative, and school teacher.

*County Treasurer*. Maria Pappas has served as County Treasurer since 1998 and was most recently re-elected to a four year term on November 4, 2014. Prior to serving as Treasurer, Ms. Pappas served as a County Commissioner for eight years. The County Treasurer is responsible for the receipt and custody of County funds, and, as *ex officio* County Collector, is responsible for the collection and distribution of property taxes.

*Chief Financial Officer*. Ivan Samstein was confirmed by the County Board as the County's Chief Financial Officer in March 2013. Immediately prior to this role, Mr. Samstein served as Deputy Chief Financial Officer for the County where he was involved in a wide range of management initiatives across the Bureau of Finance. Prior to joining the County, Mr. Samstein was an investment banker in

both New York and Chicago. During his investment banking career, Mr. Samstein served as the lead banker on a wide range of municipal securities transactions in both the rated and un-rated market segments. Mr. Samstein previously worked as a public finance credit analyst at a major rating agency where he was a member of the organization's national rating committee. Mr. Samstein has also served as a commissioned officer in the Army Reserve and deployed as an intelligence officer for an Illinois Army National Guard infantry battalion in eastern Afghanistan during 2008 and 2009, service for which he was awarded a number of military commendations. Mr. Samstein holds an M.B.A. from the University of Illinois at Urbana-Champaign, and a B.A., Magna Cum Laude from Hunter College of the City University of New York.

*County Comptroller*. Lawrence Wilson was appointed County Comptroller by the President of the County Board and approved by the County Board effective July 31, 2013. Mr. Wilson has over 25 years of diverse executive management experience, including Chief Executive Officer, Chief Financial Officer, Investment Banker, and Big-4 Public Accounting positions and over 10 years of government experience. His governmental experience includes serving the Forest Preserve District of Cook County as Chief Financial Officer and Comptroller and serving the City of Chicago as Deputy Comptroller of Accounting and Deputy Commissioner of Finance in the Department of Planning and Development. Mr. Wilson has a B.S. from Southern Illinois University, an M.B.A. in Finance from Cornell University, and a Professional Accounting Program Certificate from Kellogg School of Management, Northwestern University. He is also a Certified Public Accountant.

*Other Offices*. There are eleven additional governmental offices of the County. Nine of the offices have their own independently elected officers. Three have officers appointed by other officials. The independently elected officials are the Assessor, the three commissioners of the Board of Review, the Clerk of the Circuit Court, the County Clerk, the Recorder of Deeds, the Sheriff, the State's Attorney and the Treasurer. The appointed officials are the Chairman of the Board of Election Commissioners, who is elected by and from the three commissioners who are appointed by the Circuit Court; and the Public Administrator, who is appointed by the Governor of Illinois.

*Employees*. The County budgeted for 23,439 full time equivalent employees in Fiscal Year 2016. Information relating to the budgeted number of employees for the past five years is set forth in the following table:

| YEAR | NUMBER |
|---|---|
| 2016 | 23,439 |
| 2015 | 23,706 |
| 2014 | 23,130 |
| 2013 | 22,579 |
| 2012 | 22,995 |

Source: Cook County Annual Appropriation Bills.

The County has 94 collective bargaining units that represent approximately 18,000 employees or roughly 80% of the total County workforce. As of the date of this Official Statement, the County has resolved or reached tentative agreements with 91 of those 94 bargaining units, with three bargaining units having contracts that expired on November 30, 2012; the three outstanding union contracts represent approximately 50 employees in aggregate. The majority of the other union agreements expire on November 30, 2017; the across the board wage increases included in all those agreements not covered by State prevailing wage laws are 10.75% over the life of the contracts which results in a compounded increase of 11.24% for the five year period. These wage increases were accompanied by changes to employee healthcare plan offerings during the term of these agreements including plan design changes to reduce employer costs and an increase in the employee contribution towards employee healthcare by 1%

of employee salaries implemented in Fiscal Years 2016 and 2017. The majority of these agreements were reached during the County Fiscal Year 2015, and resulted in retroactive wage payments in either Fiscal Year 2015 or 2016, as applicable, and the County absorbed the majority of the year-over-year increase associated with the Fiscal Years 2012-2017 contracts in its Fiscal Year 2016 budget.

**The Forest Preserve District of Cook County**

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

Obligations of the Forest Preserve District are not obligations of the County. The cash of the Forest Preserve District is not commingled with the cash of the County. The Retirement Fund Board (hereinafter defined) for the County also serves as the retirement board for the Forest Preserve District.

The financial operations of the Forest Preserve District are included in the County's Comprehensive Annual Financial Report ("*CAFR*") as a component unit. See "APPENDIX A – Audited Basic Financial Statements For The Fiscal Year Ended November 30, 2015."

**Continuing Capital Improvement Program**

Due to the scope and nature of its activities and the need to maintain its current facilities, the County has and will continue to have various ongoing capital improvement projects, including capital equipment. For Fiscal Years 2016 through 2025, the County has a capital improvement plan in the approximate amount of $1.4 billion for County-wide physical plant, CCHHS and public safety improvements, certain of which have been financed with proceeds of earlier borrowings.

The 2016 Capital Improvement Program, in the amount of approximately $199 million, emphasizes the County's commitment to improving the occupants' and visitors' experience as continuing priorities by facilitating projects to improve security, fire and life systems, and code compliance, and continuing to make strides to compliance with the Americans with Disabilities Act. The County also is continuing initiatives to reduce energy and natural resource usage. In addition the County anticipates approximately $74.7 million in capital equipment projects in connection with the 2016 budget. The County anticipates financing the 2016 Capital Improvement Program in large part with the proceeds of additional bonds of the County. See "FUTURE FINANCINGS" below.

The President of the County Board has established the Bureau of Asset Management, which creates the plan for the design, construction and renovation of building and building systems to make them safe, functional, efficient and cost effective to deliver County services to the public. The Bureau of Asset Management reviews all current and planned capital projects in conjunction with the Department of Budget and Management Services. Capital equipment projects are reviewed by the Department of Budget and Management Services, in partnership with the Bureau of Technology, the Office of the Chief Administrator, the Department of Capital Planning and Policy, and the Department of Facilities Management.

The County's Fiscal Year 2016 Annual Appropriation Budget provides further information about the County's ten year Capital Improvement Plan and 2016 Capital Equipment purchases, along with estimated borrowings to fund those needs. Information regarding the County's Fiscal Year 2016 Annual Appropriation Budget can be found at http://www.cookcountyil.gov/budget/budget-archive which is not intended to be, and should not be interpreted as being, incorporated herein by this reference.

**Economic Condition and Outlook**

As the largest of 102 counties in the State, the County is the economic and cultural hub of the State, and is central to the third largest metropolitan area in the nation after Los Angeles and New York. The County is the most populous county in the State and represents approximately 40.7% of the State's population based on the July 1, 2015 estimates of the U.S. Census Bureau.

The County is a diverse industrial center and a leading economic center of the Midwest. Income figures for the County exceed State and national rates according to the U.S. Bureau of Economic Analysis's data; the County's 2014 per capita personal income of $51,280 exceeded the State's $47,643.

The County's industrial profile resembles that of the U.S., with a slightly larger services sector and somewhat smaller governmental presence. The County has a strong transportation network, with current expansion underway at both Chicago O'Hare International Airport and the Illinois Tollway. Leading service sector industries in the County include health care and related services. Seventeen Fortune 500 companies have their headquarters located in the County: Boeing, Archer Daniels Midland, United Continental Holdings, Exelon, R.R. Donnelley & Sons, LKQ, Integrys Energy Group, Old Republic International and Jones Lang LaSalle which are all located in Chicago and Allstate, Sears Holdings Corporation, US Foods, Kraft Foods Group, Illinois Tool Works, Motorola Solutions, Anixter and Ingredion.

The County has significantly increased its engagement with the business community since creating a Bureau of Economic Development in 2011, by working directly with business organizations and owners, assisting municipalities throughout the County, actively working to identify potential sites for new business development and expansions, and implementing broad economic development programs. Most recently, these efforts have helped secure the financial stability of businesses within the County and have provided assistance to more than 412 companies which have in turn created an estimated 8,921 jobs, aided in the retention of approximately 19,412 jobs, and stimulated nearly $774 million in other public and private investments between Fiscal Years 2014 and 2016. Due to its broad and diverse nature, the County believes that its economy will continue to grow but at a moderated pace for the next several years. See "APPENDIX D – Demographic and Economic Information" for further information regarding the economic and demographic profile of the County.

Reflecting the importance of regional growth to the long-term sustainability of the County's continued prosperity, the County has in recent years led efforts to collaborate across the region. Since late 2013, the County has led the seven major counties of North-Eastern Illinois and the City of Chicago in focusing initiatives in support of: key industrial clusters (metals and food specifically), streamlining the transit of goods across the region, promoting greater export activity by small and medium businesses, and leading efforts to develop a Foreign Direct Investment plan for the region through The Brookings Institution's "Global Cities Initiative". As an example of these efforts, the County has been an anchor entity in the creation of Metro Chicago Exports ("*MCE*"). Thus far MCE has worked with over 125 enterprises to understand the importance of growing their businesses through exports. In 2015 through the MCE Grant Program, 54 firms received grants to grow their export capabilities and approximately half of these firms were located in Cook County.

Capitalizing on the area's central location and extensive transportation network, the region has focused on tourism as one of several growth areas for the local economy. The City of Chicago reported that it attracted approximately 52 million visitors in calendar year 2015, setting a new record, exceeding the prior record set in 2014 by 4% according to statistics maintained by Choose Chicago.

**County Sales Tax**

In 2011, the County Board passed an ordinance amendment to the Home Rule County Retailer's Occupation Tax Law to roll back the Home Rule Sales Tax from 1.25 percent to 0.75 percent over two different dates, following an earlier 0.5 percent reduction in 2010. The rate was reduced by 0.25 percent on January 1, 2012 and 0.25 percent on January 1, 2013. The County made key reductions in operating appropriations from 2011 to 2015 to compensate for the reduction in revenue, in addition to securing additional funding for the CCHHS via federal reimbursement under the Affordable Care Act.

However, by 2015 the County's legacy costs associated with legacy bonded indebtedness and the unfunded liabilities at the Cook County Officer and Employees Annuity and Benefit Fund (the "*Retirement Fund*") continued to grow at an accelerated rate. As of December 31, 2014 the Retirement Fund's actuarially projected shortfalls associated with the pension liability were determined to exceed $5 billion, which if unaddressed were projected to render the Retirement Fund insolvent by 2039, under the current statutory finance and benefit framework. The County's legacy debt service cost is expected to rise by $120 million by Fiscal Year 2023 versus Fiscal Year 2014 even without including projected new debt issuances. In addition, the County's highway and transportation infrastructure also require funding to ensure unmet needs are addressed.

In connection with the foregoing, on July 15, 2015, the County Board passed an ordinance amendment to the Home Rule County Retailer's Occupation Tax Law that increased it from 0.75 percent to 1.75 percent. The change became effective on January 1, 2016, with the first revenue received in April, 2016. This increase was budgeted to raise $305 million of additional revenues in the 2016 budget and projected to generate $474 million of additional revenues in 2017 and, pursuant to an accompanying Resolution adopted by the Board of Commissioners, proceeds of the new tax are to be specifically allocated to address the County's and the Retirement Fund's legacy liability costs and critical infrastructure funding needs.

While no reductions in the County sales tax rate are contemplated at this time there can be no assurance given that the County's Home Rule Sales Tax Rate will not change again in the future. The County sales tax collections in each of the last nine years can be found in "DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION." The following table shows how the County's Home Rule Sales Tax Rates have changed over the past ten years:

| Fiscal Year Ended 11/30 | Home Rule Sales Tax Rate | Effective Date |
|---|---|---|
| 2016 | 1.75% | 1/1/2016 |
| 2015 | 0.75% | |
| 2014 | 0.75% | |
| 2013 | 0.75% | 1/1/2013 |
| 2012 | 1.00% | 1/1/2012 |
| 2011 | 1.25% | |
| 2010 | 1.75% | 7/1/2010 |
| 2009 | 1.75% | |
| 2008 | 0.75% | 7/1/2008 |
| 2007 | 0.75% | |

**Home Rule Sales Tax Base**

The County's Home Rule Sales Tax base is comprised of approximately 300,000 retailers. The table below illustrates the various sectors that comprise the sales tax base and their relative share of the total annual receipts as of December 2015.

**Sales Tax Mix by Sector**

| Sector | Percent of Total |
|---|---|
| Agriculture & All Others | 28.23% |
| Automotive & Filling Stations | 22.28% |
| Drinking and Eating Places | 20.01% |
| Drugs & Misc. Retail | 14.49% |
| Lumber, Building, Hardware | 4.72% |
| Food | 4.22% |
| Manufacturers | 3.94% |
| Furniture & H.H & Radio | 1.62% |
| Apparel | 0.28% |
| General Merchandise | 0.22% |

Source: State of Illinois – Department of Revenue.

## COUNTY EMPLOYEES' AND OFFICERS' ANNUITY AND BENEFIT FUND

The Retirement Fund was established by the State, and is administered and financed under the Illinois Pension Code (the *"Pension Code"*) as an independent and separate body politic and corporate, for the benefit of eligible Cook County employees and their beneficiaries. According to the reports prepared by the actuary engaged by the Retirement Fund, as of December 31, 2015, the Retirement Fund had a total membership of 52,383, consisting of 21,596 active employees, 17,597 members receiving benefits, and 13,190 inactive members. The benefits provided by the Retirement Fund have historically been financed through receipts from a County real estate tax levy; receipts from sums disbursed to the County from the State personal property replacement tax fund; contributions made by active County employees; and investment income generated by the Retirement Fund's assets.

According to the 2015 Actuarial Valuation (as defined in APPENDIX B), the value of the Retirement Fund's assets on a fair value basis was approximately $8.6 billion; the Actuarial Value of

Assets (as defined in APPENDIX B) was approximately $9.0 billion; and the actuarial accrued liability was $16.2 billion based on the previous Governmental Accounting Standards Board ("*GASB*") standards.[1] The Unfunded Actuarial Accrued Liability (as defined in APPENDIX B) of the Retirement Fund as of December 31, 2015, determined on an actuarial basis, was approximately $7.2 billion, resulting in a Funded Ratio (as defined under *"Actuarial Valuation" – "Actuaries and the Actuarial Process"* in APPENDIX B) of 55.4% (compared to 57.5% in 2014). The foregoing results include, in addition to pensions, optional retiree healthcare benefits (in the form of a partial subsidy for the retirees' healthcare insurance premiums) that the Retirement Fund Board (as defined in APPENDIX B) pays from the Retirement Fund. The Funded Ratio for pension benefits was 60.2%, but decreased when factoring in the optional retiree healthcare benefit due to the fact that no assets of the Retirement Fund are allocated to the optional retiree healthcare benefits. According to an actuarial projection that the Retirement Fund submitted to the County, under the current statutory structure and based on certain assumptions and historical trends as of December 31, 2015, the Retirement Fund's assets were expected to be depleted by the year 2039 (with the exception of the contributions that the County and active employees will continue to make to the Retirement Fund annually). The projections were prepared by the Retirement Fund's actuaries based on a variety of assumptions that may not necessarily be realized. The County is not making any representation as to the validity and accuracy of these actuarial projections. Additional and more detailed information regarding the Retirement Fund's structure, operation, funding levels and actuarial projections is set forth in APPENDIX B.

Despite the statutorily prescribed limit on the County's contributions and as part of its efforts to promote the long-term fiscal viability of the Retirement Fund, the County entered into an Intergovernmental Agreement (as defined under *"Determination of County's Contribution"* – "*Intergovernmental Agreement between the County and Retirement Fund"* in APPENDIX B) with the Retirement Fund Board (as defined in APPENDIX B) for County Fiscal Year 2016, under which the County agreed to disburse to the Retirement Fund the sum of $270,526,000 from revenues received by the County from the Retailers' Occupation and Service Occupation Tax, in addition to the statutorily prescribed contribution. This additional sum was appropriated by the County in the County's 2016 Budget, and, as provided in the Intergovernmental Agreement, will be paid over to the Retirement Fund on a monthly schedule from April through November of 2016, to the extent such contribution is permitted under relevant law and is in accord with any order entered by a court regarding this matter. As of the date of this Official Statement, no party has challenged the validity of the Intergovernmental Agreement or the related disbursement of an additional contribution to the Retirement Fund. The first two payments of $25.7 million and $25.6 million under the Intergovernmental Agreement were made in April and May of 2016, respectively. No assurances can be given that the County will have the ability to enter into similar agreements in the future or that the Intergovernmental Agreement or any future agreements and the funds disbursed by the County to the Retirement Fund in 2016 or any subsequent years would survive legal challenges as to their validity under the Illinois statutes. To the extent that the County continues to make additional contributions to the Retirement Fund pursuant to this and any future intergovernmental agreements, the Funded Ratio for the Retirement Plan likely will improve, assuming all other variables (e.g., benefit levels, investment returns and plan demographics) remain stable.

On May 26, 2016, the Illinois General Assembly passed Senate Bill 2819, which, if signed by the Governor, would authorize the County to "make additional contributions from additional sources to cover administrative expenses, disability benefits, group health benefits, and other annuity costs." If this legislation becomes law, the likelihood of legal challenges to the County's ability to make additional contributions to the Retirement Fund would be reduced or eliminated. The County makes no representation regarding whether this legislation will be signed into law.

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[1] See "Actuarial Valuation" section of this APPENDIX B for further discussion of actuarial process and standards.

Under the Intergovernmental Agreement, the Retirement Fund agreed to supply the County with a calculation of additional funds determined by the Actuary (as defined in APPENDIX B) to be necessary to amortize the Retirement Fund's pension liability over a 30-year period beginning in 2017 and concluding in 2046. The amortization payments would reflect a two-percent (2%) annual escalation factor (rather than level dollar amounts as utilized by the Actuary in the Actuarial Reports prior to 2015, or a level percentage of payroll utilized by many public sector retirement plans) in 2018 and thereafter, a discount rate for all liabilities consistent with the assumed investment rate of return on the Retirement Fund's assets and five-year smoothing of the actuarial value of the assets. The County will be using this information in considering whether and to what degree it would attempt to provide additional funds to the Retirement Fund in excess of the statutorily prescribed maximum contribution in future years. In the event that any future intergovernmental agreements are executed, the Retirement Fund would provide a calculation that anticipates layered amortization of any future actuarial losses in a period of 30 years, reflecting a similar two-percent (2%) escalation factor. Any future intergovernmental agreements with the Retirement Fund, and the moneys committed thereunder, will be subject to the annual County appropriation process. According to the 2015 Actuarial Valuation (as defined in APPENDIX B) and based on the County's alternative funding policy outlined in the Intergovernmental Agreement, the Retirement Fund Actuary estimates that Retirement Fund is projected to achieve full funding by 2050, with full funding substantially accomplished by 2046, assuming the alternative funding policy is implemented as projected.[2] The total 2017 County contribution to the Retirement Fund under the statutory structure and the additional funding prescribed by the Intergovernmental Agreement is projected to be between $545 and $578 million, as compared to the portion of the contribution solely calculated under the statutory structure of $195.6 million in County Fiscal Year 2016.

Under the current Internal Revenue Code and Treasury Regulations,[3] neither the County nor its employees are required to, nor do they, contribute to the Social Security system, so long as County employees participate in a qualified public retirement system (such as the Retirement Fund under its current structure). No assurances can be made that the County and its employees will, in the future, continue to be exempt from a requirement that they contribute to the Social Security system.

## OTHER LOCAL GOVERNMENTAL UNITS

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

In tax year 2015 (collected in calendar year 2016), approximately 53.4% of the EAV of taxable property in the County is located within the City. The remainder is located in other municipalities and unincorporated areas.

Other major governments within the County include the City of Chicago, the Forest Preserve District, the Metropolitan Water Reclamation District of Greater Chicago, the Chicago Park District, the Chicago Board of Education and the Chicago City Colleges. The financial impact of these units of government is further described in the tables captioned "TAXATION OF REAL PROPERTY – STATISTICAL INFORMATION – Tax Rates Extended by City-Wide Local Governmental Units for Real Property in the City of Chicago" and "DEBT INFORMATION – Direct and Overlapping Debt."

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[2] As shown in Table 12 of APPENDIX B, the projected funding level in 2046 is 96.6%.

[3] 26 U.S.C. § 3121(b)(7)(F); 26 C.F.R. § 31.3121(b)(7)(1).

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

## REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES

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

### Assessment

The County Assessor, who is elected by the voters of the County, is responsible for the assessment of all taxable real property within the County, except for certain railroad property, low sulphur dioxide emission coal-fueled devices and pollution control equipment which are assessed directly by the State. One-third of the real property in the County is reassessed each year on a repeating triennial schedule established by the County Assessor statute. The suburbs in the northern and northwestern portions of the County were reassessed in 2013. The suburbs in the southwestern and southern portions of the County were reassessed in 2014. The City of Chicago was reassessed in 2015.

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

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

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

commissioners elected by the voters of the County. The Board of Review has powers to review and adjust Assessed Valuations set by the Assessor.

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

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

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

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

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

**Equalization**

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

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

The following table sets forth the Equalization Factors for tax levy years 2006 through 2015:

| Tax Year | Equalization Factor |
|---|---|
| 2015 | 2.6685 |
| 2014 | 2.7253 |
| 2013 | 2.6621 |
| 2012 | 2.8056 |
| 2011 | 2.9706 |
| 2010 | 3.3000 |
| 2009 | 3.3701 |
| 2008 | 2.9786 |
| 2007 | 2.8439 |
| 2006 | 2.7076 |

Tax bills in Cook County are based on the Assessment Base for the preceding year. Property taxes billed in 2015 (for the 2014 tax year) were based on the 2014 EAV.

**Exemptions**

The Property Tax Code exempts certain property from taxation. Certain property is exempt from taxation on the basis of ownership and/or use, including, but not limited to, public parks, not for profit schools, public schools, churches, not for profit hospitals and public hospitals. In addition, the Property Tax Code provides a variety of homestead exemptions, which are discussed below.

An annual General Homestead Exemption provides that the EAV of certain property owned and used for residential purposes may be reduced by the amount of any increase over the 1977 EAV, up to a maximum reduction of $7,000 in the County for assessment year 2012 and thereafter.

The Long Time Occupant Homestead Exemption limits the increase in EAV of a taxpayer's homestead property to 10% per year if such taxpayer has owned the property for at least 10 years as of January 1 of the assessment year (or 5 years if purchased with certain government assistance) and has a household income of $100,000 or less ("*Qualified Homestead Property*"). If the taxpayer's annual income is $75,000 or less, the EAV of the Qualified Homestead Property may increase by no more than 7% per year. There is no exemption limit for Qualified Homestead Properties.

The Homestead Improvement Exemption applies to residential properties that have been improved and to properties that have been rebuilt in the two years following a catastrophic event, as defined in the Property Tax Code. The exemption is limited to $75,000 per year, to the extent the Assessed Valuation is attributable solely to such improvements or rebuilding.

Additional exemptions exist for senior citizens. The Senior Citizens Homestead Exemption annually reduces the EAV on residences owned and occupied by senior citizens. The maximum exemption is $5,000. Beginning in tax year 2010, County taxpayers seeking to claim this exemption must reapply for the exemption on an annual basis.

The Senior Citizens Assessment Freeze Homestead Exemption freezes property tax assessments for homeowners who are 65 and older, reside in their property as their principal place of residence and receive a household income not in excess of $55,000. This exemption grants to qualifying senior citizens an exemption equal to the difference between (i) the current EAV of the residence and (ii) the EAV of a senior citizen's residence for the year prior to the year in which he or she first qualifies and applies for the exemption, plus the EAV of improvements since such year.

The Natural Disaster Homestead Exemption (the "*Natural Disaster Exemption*") applies to homestead properties containing a residential structure that has been rebuilt following a natural disaster

occurring in taxable year 2012 or any taxable year thereafter. A natural disaster is an occurrence of widespread or severe damage or loss of property resulting from any catastrophic cause including but not limited to fire, flood, earthquake, wind, or storm. The Natural Disaster Exemption is equal to the EAV of the residence in the first taxable year for which the taxpayer applies for the exemption minus the base amount. To be eligible for the Natural Disaster Exemption, the residential structure must be rebuilt within two years after the date of the natural disaster, and the square footage of the rebuilt residential structure may not be more than 110% of the square footage of the original residential structure as it existed immediately prior to the natural disaster. The Natural Disaster Exemption remains at a constant amount until the taxable year in which the property is sold or transferred.

Three exemptions are available to veterans of the United States armed forces. The Disabled Veterans' Exemption exempts up to $70,000 of the Assessed Valuation of property owned and used exclusively by veterans, their spouses or unmarried surviving spouses. Qualification for this exemption requires the veteran's disability to be of such a nature that the federal government has authorized payment for purchase of specially adapted housing under the U.S. Code as certified to annually by the Illinois Department of Veterans Affairs.

The Disabled Veterans' Standard Homestead Exemption provides an annual homestead exemption of (i) $5,000 to those veterans with a service connected disability of 70% (75% for exemptions granted from 2007 to 2009) and (ii) $2,500 to those veterans with a service connected disability of less than 70% (75% for exemptions granted from 2007 to 2009), but at least 50%.

The Returning Veterans' Homestead Exemption is available for property owned and occupied as the principal residence of a veteran in the assessment year, or the year following the assessment year, in which the veteran returns from an armed conflict while on active duty in the United States armed forces. This provision grants a one-time homestead exemption of $5,000.

Finally, the Disabled Persons' Homestead Exemption provides an annual homestead exemption in the amount of $2,000 for property that is owned and occupied by certain disabled persons who meet State mandated guidelines.

**Tax Levy**

In addition to the County, the largest governmental units (the "*Units*") having taxing power over real property within the County include the City of Chicago, the Forest Preserve District, the Metropolitan Water Reclamation District, the Chicago Park District, the Chicago Board of Education and the Chicago City Colleges.

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

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

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

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

**Collection**

Property taxes are collected by the County Collector, who distributes to each Unit its share of the collections. Property taxes levied in one year are extended and become payable during the following year in two installments, the first due on March 1 and the second on the later of August 1 or 30 days after the mailing of the tax bills. The first installment is equal to 55% of the prior year's tax bill. The second installment is for the balance of the current year's tax bill, and is based on the current levy, Assessed Valuation and Equalization Factor and applicable tax rates, and reflects any changes from the prior year in those factors. Taxes on railroad real property used for transportation purposes are payable in one lump sum on the same date as the second installment.

The following table sets forth the second installment due date for the last ten years for which information is available; the first installment due date has been March 1 for all years. Penalties and interest consisting of 1.5% per month are charged to unpaid amounts after each due date until the date of the Annual Tax Sale as described below.

| Tax Year | Second Installment Due Date |
|---|---|
| 2015 | August 1, 2016 |
| 2014 | August 3, 2015 |
| 2013 | August 1, 2014 |
| 2012 | August 1, 2013 |
| 2011 | August 1, 2012 |
| 2010 | November 1, 2011 |
| 2009 | December 13, 2010 |
| 2008 | December 2, 2009 |
| 2007 | November 3, 2008 |
| 2006 | December 3, 2007 |

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

those obligations. Property taxes collected to pay debt service on the Bonds will be deposited by the County Collector directly with the Trustee.

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

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

A scavenger sale (the "*Scavenger Sale*"), like the Annual Tax Sale, is a sale of unpaid property taxes. The Scavenger Sale is scheduled every two years on all property on which two or more years' taxes are delinquent. The sale price of the unpaid taxes is the amount bid (minimum bid of $250 is required) at the Scavenger Sale, which may be less than the amount of the delinquent taxes. Redemption periods vary from six months to two and one-half years, depending upon the type and occupancy of the property.

The Annual Appropriation Bill of the County has a provision for an allowance for uncollectible property taxes. The County reviews this provision annually and makes adjustments accordingly. The allowance for uncollected property taxes will not be more than 3% of the property taxes allocated to the General Fund and Health Enterprise Fund for Tax Year 2015. For financial reporting purposes, uncollected property taxes are written off by the County at the end of the Fiscal Year immediately following the year in which the property taxes become due, although property taxes remain liens against the properties taxed.

**State and County Limitation Laws**

Through the adoption of the Cook County Tax Relief Ordinance (described below), the County has controlled the growth of property taxes that it imposes on its citizens. By virtue of its constitutional home rule powers, the enactment of any legislation by the State applying any statutory tax rate limit to the County would require a three-fifths vote of each house of the State General Assembly. Legislation has been proposed which would impose limitations on the ability of home-rule units, such as the County, to increase real property transfer taxes but no such legislation has been enacted. See "INVESTMENT CONSIDERATIONS – Cap on Property Taxes." It is not possible to predict whether, or in what form, any property tax limitations applicable to the County would be enacted by the State General Assembly. The adoption by the State General Assembly of any such limits on the extension of real property taxes may, in future years, adversely affect the County's ability to levy property taxes to finance operations at current levels and the County's power to issue additional general obligation debt without the prior approval of voters. However, any property tax limits that might be imposed by the State General Assembly after the issuance of the Bonds would not affect the amount of taxes levied to pay the principal of and interest on the Bonds.

*The State Limitation Law*. As the result of certain legislation enacted by the State in 1991, and amended in 1995 (the "*State Limitation Law*"), the Property Tax Code limits (a) the amount of property taxes that can be extended for non-home rule units located in the County and counties contiguous to the County and (b) the ability of those taxing districts to issue unlimited tax general obligation bonds without voter approval (the "*State Tax Cap*"). Generally, the extension of property taxes for a taxing district subject to the State Tax Cap may increase in any year by 5% or the percent increase in the Consumer Price Index, whichever is less, or the amount approved by referendum. In 1995, the State Tax Cap was amended to authorize the issuance of "limited bonds" payable from the "debt service extension base" and to exclude from the State Tax Cap "double-barreled alternate bonds" issued pursuant to Section 15 of the Local Government Debt Reform Act of the State. Pursuant to an amendment to the Property Tax Code, commencing with the 2009 levy year, a taxing district's debt service extension base will increase each year by the lesser of five percent or the percentage increase in the Consumer Price Index during the twelve month calendar period preceding the levy year. The County, as a home rule unit, is not subject to the limitations created by the State Limitation Law.

*The Cook County Tax Relief Ordinance*. In 1994, the County Board approved Ordinance No. 94-O-15, known as the Cook County Property Tax Relief Ordinance (the "*County Ordinance*"), which was subsequently amended. Beginning with the real estate tax levies for the Corporate, Public Safety and Health Funds for 1995 for taxes paid in 1996 and thereafter, the County Board has resolved, with certain exceptions, not to increase the aggregate tax levy for such funds for any year over the prior year's aggregate levy by an amount greater than 5% or the percentage increase in the Consumer Price Index during the calendar year preceding the levy year, whichever is less. The County Board may adopt an aggregate levy for any year in excess of the foregoing limitations if approved by a two-thirds vote of the members of the County Board then in office. Tax levy increases for pensions, elections and debt service are excluded from the limit imposed by the County Ordinance. The County Ordinance can be repealed or amended by the County Board by a vote of a simple majority of the members of the County Board.

## TAXATION OF REAL PROPERTY – STATISTICAL INFORMATION

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

**Estimated Fair Market Value**
(in thousands)

| Tax Year[(1)] | Chicago | Outside Chicago | Total Cook County |
|---|---|---|---|
| 2013 | $236,695,475 | $223,165,122 | $459,860,597 |
| 2012 | 206,915,723 | 207,466,666 | 414,382,389 |
| 2011 | 222,856,064 | 219,931,626 | 442,787,689 |
| 2010 | 231,986,396 | 217,825,143 | 449,811,540 |
| 2009 | 280,288,730 | 269,846,640 | 550,135,369 |
| 2008 | 310,888,609 | 305,274,985 | 616,163,594 |
| 2007 | 320,503,503 | 335,971,241 | 656,474,744 |
| 2006 | 329,770,733 | 336,452,328 | 666,223,062 |
| 2005 | 283,137,884 | 298,233,410 | 581,371,295 |

Source: Civic Federation, Chicago, Illinois, based upon information from the Cook County Assessor's Office and the Illinois Department of Revenue. Excludes railroad property, pollution control property and that part of O'Hare International Airport in DuPage County.

(1) 2014 and 2015 information is not yet available.

**Equalized Assessed Valuation**
(in thousands)

| Tax Year | Chicago | Outside Chicago | Total Cook County |
|---|---|---|---|
| 2015 | $70,963,289 | $61,751,561 | $132,714,850 |
| 2014 | 64,908,057 | 63,302,491 | 128,210,547 |
| 2013 | 62,363,876 | 63,550,963 | 125,914,839 |
| 2012 | 65,250,387 | 70,925,637 | 136,176,024 |
| 2011 | 75,122,914 | 76,946,138 | 152,069,052 |
| 2010 | 82,087,170 | 88,317,443 | 170,404,613 |
| 2009 | 84,586,808 | 93,483,787 | 178,070,594 |
| 2008 | 80,977,543 | 92,664,405 | 173,641,948 |
| 2007 | 73,645,316 | 85,621,598 | 159,266,914 |
| 2006 | 69,511,192 | 74,833,591 | 144,344,783 |

Source: Cook County Clerk, Tax Extension Division.

**Equalized Assessed Valuation (in thousands) by Property Type**

| Tax Year[1] | Residential | Commercial | Industrial | Railroad | Farm | Totals[2] |
|---|---|---|---|---|---|---|
| 2014 | $82,948,768 | $37,136,250 | $7,795,782 | $324,508 | $5,150 | $128,210,547 |
| 2013 | 80,160,771 | 31,110,772 | 14,312,197 | 326,940 | 4,159 | 125,914,839 |
| 2012 | 88,133,582 | 32,580,024 | 15,159,549 | 298,644 | 4,226 | 136,176,024 |
| 2011 | 101,103,265 | 34,168,805 | 16,506,122 | 286,642 | 4,218 | 152,069,052 |
| 2010 | 113,007,050 | 39,029,083 | 18,096,144 | 268,015 | 4,321 | 170,404,613 |
| 2009 | 116,989,727 | 41,984,691 | 18,870,757 | 220,408 | 5,013 | 178,070,596 |
| 2008 | 109,189,810 | 43,372,930 | 20,878,458 | 193,338 | 7,412 | 173,641,948 |
| 2007 | 99,210,511 | 40,296,203 | 19,574,172 | 179,073 | 6,954 | 159,266,913 |
| 2006 | 87,209,147 | 38,638,355 | 18,327,403 | 162,588 | 7,287 | 144,344,780 |
| 2005 | 77,653,159 | 37,824,888 | 17,731,155 | 154,599 | 7,913 | 133,371,714 |

Source: Cook County Clerk, Tax Extension Division.
(1) 2015 information is not yet available.
(2) Totals do not match the Total Cook County EAV due to rounding in Property Type categories.

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

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

| Tax Year[2] | Cook County[3] | Forest Preserve District | Metropolitan Water Reclamation District | City of Chicago | Chicago Park District | Chicago School Finance Authority | Chicago Board of Education | Chicago City Colleges | Total Rate |
|---|---|---|---|---|---|---|---|---|---|
| 2014 | .568 | .069 | .430 | 1.193 | .401 | .000 | 3.660 | .193 | 6.514 |
| 2013 | .560 | .069 | .417 | 1.209 | .402 | .000 | 3.671 | .199 | 6.527 |
| 2012 | .531 | .063 | .370 | 1.151 | .395 | .000 | 3.422 | .190 | 6.112 |
| 2011 | .462 | .058 | .320 | .999 | .346 | .000 | 2.875 | .165 | 5.225 |
| 2010 | .423 | .051 | .274 | .914 | .319 | .000 | 2.581 | .151 | 4.713 |
| 2009 | .394 | .049 | .261 | .887 | .309 | .000 | 2.366 | .150 | 4.416 |
| 2008 | .415 | .051 | .252 | .928 | .323 | .117 | 2.472 | .156 | 4.714 |
| 2007 | .446 | .053 | .263 | 1.004 | .355 | .091 | 2.583 | .159 | 4.954 |
| 2006 | .500 | .057 | .284 | 1.012 | .379 | .118 | 2.697 | .205 | 5.252 |
| 2005 | .533 | .060 | .315 | 1.243 | .443 | .127 | 3.026 | .234 | 5.981 |

Source: Cook County Clerk, Tax Extension Division

(1) After abatement.

(2) Based on taxes extended for collection in the succeeding year as a percentage of the EAV for the tax year.

(3) Tax rates for odd numbered years exclude taxes extended for election purposes against all real property within the County but outside of the City. These rates were $0.014 in 2005, $0.012 in 2007, $0.021 in 2009, $0.0247 in 2011 and $0.0310 in 2013.

## County Tax Rates by Fund Tax Year[1] (Per $100 Equalized Assessed Valuation)

| Fund | 2010 | 2011 | 2012 | 2013 | 2014 | 2015[3] |
|---|---|---|---|---|---|---|
| Corporate | $ 0.007 | $ 0.009 | $ 0.010 | $ 0.006 | $ 0.010 | $ 0.009 |
| Health | 0.082 | 0.078 | 0.060 | 0.066 | 0.031 | 0.116 |
| Public Safety | 0.113 | 0.161 | 0.181 | 0.219 | 0.241 | 0.147 |
| Election[2] | 0.026 | 0.000 | 0.030 | 0.000 | 0.031 | 0.000 |
| Bond and Interest | 0.112 | 0.123 | 0.140 | 0.149 | 0.146 | 0.175 |
| Employees' Annuity and Benefits | 0.083 | 0.091 | 0.110 | 0.120 | 0.109 | 0.104 |
| TOTALS | $ 0.423 | $ 0.462 | $ 0.531 | $ 0.560 | $ 0.568 | $ 0.552 |

Source: Cook County Clerk, Tax Extension Division

(1) Taxes for a tax year are extended for collection in the succeeding year.

(2) Election rates for odd numbered years exclude taxes extended against all real property within the County but outside of the City. These rates were $0.0247 in 2011, $0.0310 in 2013 and $0.0333 in 2015 (draft).

(3) Draft numbers; subject to change.

## County Tax Extensions By Fund Tax Year[1]

| Fund | 2010 | 2011 | 2012 | 2013 | 2014 | 2015[2] |
|---|---|---|---|---|---|---|
| Corporate | $ 11,814,356 | $ 12,912,708 | $ 10,156,996 | $ 7,925,390 | $ 12,270,008 | $ 11,979,171 |
| Health | 140,170,567 | 118,405,014 | 85,794,402 | 83,170,164 | 40,128,760 | 154,387,650 |
| Public Safety | 191,946,006 | 244,587,612 | 247,103,509 | 275,832,439 | 308,483,824 | 195,557,691 |
| Election[3] | 43,950,596 | 0 | 37,326,944 | 0 | 40,227,484 | 0 |
| Bond and Interest | 190,760,412 | 187,080,716 | 193,532,419 | 187,384,752 | 187,384,752 | 231,750,000 |
| Employees' Annuity and Benefits | 141,841,605 | 138,497,492 | 147,969,272 | 150,934,402 | 139,297,367 | 138,109,062 |
| TOTALS[3] | $ 720,483,542 | $ 720,483,542 | $ 721,883,542 | $ 705,247,147 | $ 727,792,195 | $ 731,783,574 |

Source: Cook County Clerk, Tax Extension Division

(1) Taxes for a tax year are extended for collection in the succeeding year.

(2) Draft numbers; subject to change.

(3) Election rates for odd numbered years exclude taxes extended against all real property within the County but outside of the City. These amounts represented $19,000,000 in 2011, $19,712,485 in 2013 and $20,547,428 in 2015 (draft).

## County Tax Extensions and Collections by Tax Year[(1)(2)]

| Fiscal Year | Levy Year | Taxes Levied for the Fiscal Year | Collected within the Fiscal Year of the Levy | | Collections in Subsequent Years | Tax Collections to Date | |
|---|---|---|---|---|---|---|---|
| | | | Amount | Percentage of Levy | | Amount | Percentage of Levy |
| 2015 | 2014 | $678,040,821 | $675,144,823 | 99.57% | $5,260,929 | $680,405,752 | 100.35% |
| 2014 | 2013 | 641,789,468 | 633,433,971 | 98.70% | 5,652,396 | 639,086,368 | 99.58% |
| 2013 | 2012 | 636,089,140 | 615,275,488 | 96.73% | 16,780,391 | 632,055,879 | 99.37% |
| 2012 | 2011 | 602,078,528 | 583,832,394 | 96.97% | 13,487,907 | 597,320,302 | 99.21% |
| 2011 | 2010 | 580,312,975 | 317,434,271 | 54.70% | 254,225,000 | 571,659,271 | 98.51% |
| 2010 | 2009 | 571,629,805 | 328,574,099 | 57.48% | 242,026,772 | 570,600,871 | 99.82% |
| 2009 | 2008 | 571,629,805 | 362,491,604 | 63.41% | 205,712,269 | 568,203,873 | 99.40% |
| 2008 | 2007 | 571,629,805 | 510,541,718 | 89.31% | 60,541,977 | 571,083,695 | 99.90% |
| 2007 | 2006 | 571,629,805 | 378,963,193 | 66.30% | 189,313,655 | 568,276,848 | 99.41% |
| 2006 | 2005 | 571,629,805 | 549,640,031 | 96.15% | 15,612,601 | 565,252,632 | 98.88% |

Source: Cook County Comptroller's Office.

(1) Taxes for a tax year are extended for collection in the succeeding year.

(2) Cook County Health and Hospitals System and Forest Preserve District are excluded from the table.

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## DEBT INFORMATION

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

### Direct and Overlapping Debt

The following table sets forth the direct and overlapping bonded debt of certain major governmental units applicable to the County as of April 30, 2016, and is intended to provide a view of the debt applicable to taxpayers within the City of Chicago as the County's largest underlying City and is not intended to incorporate the debt levels of suburban jurisdictions, taking into account the issuance of the Bonds and the refunding of the Refunded Bonds (except as noted below).

| | |
|---|---|
| Direct Debt | $3,428,761,750 |
| General Obligation Bonds | 3,362,051,750 |
| Sales Tax Bonds | 108,965,000 |
| General Obligation Revolving Line of Credit | 6,510,000 |
| Plus: The Bonds | 284,915,000 |
| Less: The Refunded Bonds | (333,680,000) |
| Total Direct Debt | $3,428,761,750 |
| Major Government Overlapping Debt[1] | |
| City of Chicago | $9,106,165,364 |
| Chicago Board of Education[2] [3] | 6,736,762,652 |
| Chicago Park District[2] [3] | 798,045,000 |
| City Colleges[3] | 245,995,000 |
| Metropolitan Water Reclamation District | 2,629,938,992 |
| Forest Preserve District | 163,117,000 |
| Total Major Government Overlapping Debt[1] | $19,680,024,008 |
| Total Direct Debt and Major Government Overlapping Debt | $23,108,785,758 |
| 2015 Estimated Population[4] | 5,238,216 |
| 2015 Equalized Assessed Valuation | $132,714,850,419 |
| 2013 Estimated Fair Market Value[5] | $459,860,596,673 |

| | Per Capita[6] | % of Equalized Assessed Valuation | % of 2013 Estimated Fair Market Value |
|---|---|---|---|
| Direct Debt | $654.57 | 2.584% | 0.746% |
| Direct and Major Government Overlapping Debt[1] | $4,411.58 | 17.412% | 5.025% |

(1) Includes debt of only those major governmental units identified in the table. Excludes overlapping debt issued by all other governmental units located within Cook County. Excludes outstanding tax anticipation notes and warrants

(2) Includes responsibility for principal amounts of bonds issued by the Public Building Commission.

(3) Includes "alternate bonds" which are secured by a dedicated pledge of revenues and the general obligation taxing ability of the issuer.

(4) Source: U.S. Census Estimate.

(5) Source: Civic Federation, Chicago, Illinois, based upon information from the Cook County Assessor's Office and the Illinois Department of Revenue. Excludes railroad property, pollution control property and that part of O'Hare International Airport in DuPage County.

(6) For illustrative purposes; per capita debt numbers are calculated based on the population of the entire County.

## The County of Cook, Illinois

## General Obligation Debt Service

## (Taking into account the issuance of the Bonds and the refunding of the Refunded Bonds)

| Bond Year (Nov. 15) | Outstanding Debt | | Plus: The Bonds | | Less: The Refunded Bonds | | Total Debt Service | | |
|---|---|---|---|---|---|---|---|---|---|
| | Principal | Interest [1],[2],[3] | Principal | Interest | Principal | Interest | Principal | Interest [1],[2],[3] | Total Principal and Interest |
| 2016 | $97,770,000 | $175,086,119 | $2,770,000 | $4,752,057 | $395,000 | $8,129,159 | $100,145,000 | $171,709,017 | $271,854,017 |
| 2017 | 118,910,000 | 170,590,042 | 2,600,000 | 14,055,250 | 415,000 | 16,242,519 | 121,095,000 | 168,402,773 | 289,497,773 |
| 2018 | 137,535,000 | 164,770,285 | 9,285,000 | 13,977,250 | 13,375,000 | 16,225,919 | 133,445,000 | 162,521,616 | 295,966,616 |
| 2019 | 151,465,000 | 158,485,886 | 17,260,000 | 13,513,000 | 14,050,000 | 15,557,169 | 154,675,000 | 156,441,717 | 311,116,717 |
| 2020 | 158,635,000 | 151,538,518 | 16,295,000 | 12,650,000 | 14,125,000 | 14,854,669 | 160,805,000 | 149,333,849 | 310,138,849 |
| 2021 | 166,740,000 | 143,642,959 | 15,920,000 | 11,835,250 | 14,775,000 | 14,148,419 | 167,885,000 | 141,329,790 | 309,214,790 |
| 2022 | 175,335,000 | 135,330,864 | 7,140,000 | 11,039,250 | 15,445,000 | 13,409,669 | 167,030,000 | 132,960,445 | 299,990,445 |
| 2023 | 185,905,000 | 126,378,163 | 26,700,000 | 10,682,250 | 19,945,000 | 12,637,419 | 192,660,000 | 124,422,994 | 317,082,994 |
| 2024 | 185,985,000 | 116,859,950 | 2,095,000 | 9,347,250 | 20,920,000 | 11,640,169 | 167,160,000 | 114,567,031 | 281,727,031 |
| 2025 | 191,355,000 | 107,148,185 | 7,205,000 | 9,242,500 | 21,940,000 | 10,594,169 | 176,620,000 | 105,796,516 | 282,416,516 |
| 2026 | 196,945,000 | 97,274,462 | 59,630,000 | 8,882,250 | 68,495,000 | 9,497,169 | 188,080,000 | 96,659,543 | 284,739,543 |
| 2027 | 202,700,000 | 87,209,474 | 17,980,000 | 5,900,750 | 23,750,000 | 6,072,419 | 196,930,000 | 87,037,805 | 283,967,805 |
| 2028 | 208,345,000 | 77,270,517 | 16,695,000 | 5,001,750 | 24,800,000 | 4,973,981 | 200,240,000 | 77,298,286 | 277,538,286 |
| 2029 | 213,745,000 | 66,909,782 | 22,370,000 | 4,167,000 | 25,915,000 | 3,826,981 | 210,200,000 | 67,249,801 | 277,449,801 |
| 2030 | 219,570,000 | 56,021,862 | 27,645,000 | 3,048,500 | 27,045,000 | 2,628,413 | 220,170,000 | 56,441,949 | 276,611,949 |
| 2031 | 225,901,750 | 44,466,243 | 33,325,000 | 1,666,250 | 28,290,000 | 1,343,775 | 230,936,750 | 44,788,718 | 275,725,468 |
| 2032 | 231,910,000 | 31,614,127 | | | | | 231,910,000 | 31,614,127 | 263,524,127 |
| 2033 | 153,730,000 | 17,554,514 | | | | | 153,730,000 | 17,554,514 | 171,284,514 |
| 2034 | 139,570,000 | 8,693,815 | | | | | 139,570,000 | 8,693,815 | 148,263,815 |
| Total: | $3,362,051,750 | $1,936,845,767 | $284,915,000 | $139,760,557 | $333,680,000 | $161,782,016 | $3,313,286,750 | $1,914,824,308 | $5,228,111,058 |

Totals may not foot due to rounding.

(1) Interest rate on variable rate bonds assumed to be 5% for the Series 2004D Bonds and the Series 2012B Bonds bearing interest at taxable rates and 4.5% for the Series 2012A Bonds and Series 2014C Bonds bearing interest at tax-exempt rates.

(2) Net of capitalized interest.

(3) No effect given to receipt of payments from the federal government in connection with "Build America Bonds."

**Variable Rate Debt**

As of the date of this Official Statement, the County has four outstanding variable rate bond issues as well as a tax-exempt Revolving Line of Credit and a taxable Revolving Credit Agreement as discussed below.

The Series 2004D Bonds are variable rate demand bonds that are publicly remarketed and subject to investor put options. The Series 2012A Bonds, Series 2012B Bonds and Series 2014C Bonds were directly purchased by banks and are not remarketed or subject to investor put options.

The bank credit agreements, including the Revolving Credit Agreements, discussed below contain events of default if the County's General Obligation Bond rating drops to BBB-/BBB-/Baa3 for Fitch Ratings ("*Fitch*"), S&P Global Ratings ("*S&P*") and Moody's Investors Service ("*Moody's*"), respectively, and certain of the agreements rely on the lowest two ratings in the event of a split rating for determining whether such an event of default has occurred. An event of default would trigger a mandatory redemption of the bonds. In the event of a mandatory redemption of the bonds, all outstanding bonds shall be mandatorily redeemed on the 1st day of January following the 15th day of February following the first business day after the bonds began to bear interest at the Term Out rate.

**Series 2004D**

The Series 2004D variable rate taxable bonds, of which $130 million are outstanding, are currently in a Weekly Rate Mode and bear interest (computed on the basis of a 365-day or 366-day year as applicable for the actual number of days in the period) at the Weekly Rate. The Weekly Rate for each Weekly Interest Period is determined by the Remarketing Agent and is the lowest rate of interest which will, in the judgment of the Remarketing Agent, having due regard for prevailing financial market conditions, permit the bonds to be remarketed at par, plus accrued interest, on the first day of such Weekly Interest Period.

Under certain circumstances, investors in the Series 2004D Bonds have the right to demand payment of their demand bonds. Pursuant to a Direct Pay Letter of Credit issued by Barclays Bank PLC, the County is authorized to borrow money, under certain conditions, for the purchase of Series 2004D Bonds that are not remarketed. The Direct Pay Letter of Credit expires on December 1, 2017.

**Series 2012A**

In July 2012, the County issued $145.5 million Series 2012A variable rate bonds in a direct purchase with JPMorgan Chase Bank. The interest rate for these bonds is reset monthly and is equal to 85% of the one month LIBOR rate plus an applicable spread which is subject to adjustment based on the current long-term, unenhanced credit rating of the County's general obligation bonds. The County is required to comply with certain agreed bank covenants which run exclusively to, and can be waived or amended at any time in the sole discretion of, the holder of such bonds; non-compliance would result in an event of default triggering a mandatory redemption of the Series 2012A Bonds. The covenants and events of default applicable to the Series 2012A Bonds are not applicable to the Bonds; such covenants and events of default run only to the holder of the Series 2012A Bonds and may be waived or amended at any time without the consent of the holders of the Bonds. After giving effect to the May 2, 2016 extension, subject to any additional extension, the Series 2012A Bonds will next be subject to a mandatory tender on March 1, 2019 at a purchase price equal to par plus accrued and unpaid interest at the end of the current interest rate period.

**Series 2012B**

In August 2012, the County issued $107.8 million Series 2012B variable rate taxable bonds in a direct purchase with Bank of America of which $102.0 million are outstanding as of the date of this Official Statement. The interest rate for the series is reset monthly and is equal to the one month LIBOR rate plus an applicable margin. If the County's long-term unenhanced general obligation credit ratings adjust downward, the applicable spread will automatically increase. The County is required to comply with the agreed bank covenants which run exclusively to, and can be waived or amended at any time in the sole discretion of, the holder of such bonds; non-compliance would result in an event of default triggering a mandatory redemption of the Series 2012B Bonds. The covenants and events of default applicable to the Series 2012B Bonds are not applicable to the Bonds; such covenants and events of default run only to the holder of the Series 2012B Bonds and may be waived or amended at any time without the consent of the holders of the Bonds. The Series 2012B Bonds are subject to a mandatory purchase date of August 23, 2016 at a purchase price equal to 100% of the principal amount thereof plus accrued interest on the purchase date. The County is in the process of negotiating a new interest rate period with an alternate lender, which would obviate the need for such mandatory tender. It is the County's current intention to execute a new agreement on or about August 1, 2016 that would have an expiration date in July of 2018.

**Series 2014C**

In October 2014, the County issued $100.1 million Series 2014C variable rate bonds in a direct purchase with Wells Fargo Municipal Capital Strategies LLC. The interest rate for the series is reset weekly and is equal to the SIFMA rate plus an applicable spread. If the County's long-term unenhanced general obligation credit ratings adjust downward, the applicable spread will automatically increase. The County is required to comply with the agreed bank covenants which run exclusively to, and can be waived or amended at any time in the sole discretion of, the holder of such bonds; non-compliance would result in an event of default triggering a mandatory redemption of the Series 2014C Bonds. The covenants and events of default applicable to the Series 2014C Bonds are not applicable to the Bonds; such covenants and events of default run only to the holder of the Series 2014C Bonds and may be waived or amended at any time without the consent of the holders of the Bonds. The Series 2014C Bonds are subject to a mandatory tender date of September 30, 2017 at a purchase price equal to par plus accrued and unpaid interest at the end of the initial interest rate period.

The County's underlying rating on its general obligation bonds is currently "A2" (stable outlook), "AA-" (stable outlook), and "A+" (stable outlook) from Moody's, S&P and Fitch, respectively.

Under the terms of the associated credit agreements with the County's outstanding variable rate bond series, on the occurrence of a failure to extend a direct purchase agreement prior to the tender date, or in the instance of a failed remarketing for the Series 2004D Bonds, the amount of interest required at each interest payment date would increase significantly, and the due dates for the principal retirements would be significantly accelerated.

A more detailed description of the County's variable rate bonds is set forth in Note III(E)(2) to the County's CAFR. See "APPENDIX A – Audited Financial Statement for the Fiscal Year Ended November 30, 2015", which includes a table summarizing the debt service requirements that would be necessary if these provisions were exercised (GASB defined take-out agreements) as of November 30, 2015.

**Revolving Line of Credit – Series 2014D**

In December, 2014, the County entered into an agreement with PNC Bank for $125.0 million General Obligation Bond Series 2014D as a variable rate revolving line of credit with an initial draw of $636,000. The purpose is to provide for a financing mechanism for capital projects during the acquisition/construction phase of each such project. As of the date of this Official Statement, the interest rate is reset daily and is equal to 70% of the daily LIBOR Rate plus an applicable spread. As of May 1, 2016, approximately $6.5 million of Series 2014D Bonds were outstanding. The line is structured as a revolving variable rate note that can be drawn and repaid until December 19, 2016; it is the County's intention to pursue a renewal agreement with either the current lender or an alternate lender for an approximate two year term at expiration of the facility.

**Revolving Credit Agreement**

On February 25, 2016 the County entered into a taxable Revolving Credit Agreement with BMO Harris Bank, N.A., for an amount not to exceed $100 million. The interest rate is reset monthly and is equal to the one month LIBOR rate plus an applicable spread which is subject to adjustment based on the current long-term, unenhanced credit rating of the County's general obligation bonds. The Revolving Credit Agreement contains covenants and events of default that are not applicable to the Bonds; such covenants and events of default run only to BMO Harris Bank, N.A., and may be waived or amended at any time without the consent of the holders of the Bonds. As of June 1, 2016 no amounts were outstanding under the above-described Revolving Credit Agreement. The Revolving Credit Agreement is scheduled to expire on February 25, 2019 unless extended or terminated in accordance with its terms.

## FUTURE FINANCINGS

The County has undertaken a long-term plan to manage its debt service in a manner which will target the rate at which its debt service will grow in future years to no more than 2% annually. The County intends to achieve this result through a mixture of refundings when market conditions present an opportunity for debt service savings, limited principal re-amortization as necessary, and by restraining its new money borrowings.

The County anticipates issuing either general obligation or sales tax revenue bonds later this year to finance portions of the Capital Improvement Plan of the County's 2016 Budget. The County also plans to issue fixed rate bonds to cover the amount drawn on the Series 2014D Revolving Line of Credit with maturities that are commensurate with the average useful life of the projects financed thereby.

## BOND INSURANCE

**Bond Insurance Policy**

Concurrently with the issuance of the Bonds, Assured Guaranty Municipal Corp. ("AGM") will issue its Municipal Bond Insurance Policy (the "Policy") for the Bond maturing on November 15, 2026 (CUSIP† No. 213185KG5) (the "Insured Bond"). The Policy guarantees the scheduled payment of principal of and interest on the Insured Bond when due as set forth in the form of the Policy included as APPENDIX G to this Official Statement.

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† CUSIP is a registered trademark of American Bankers Association. CUSIP data herein is provided by CUSIP Global Services which is managed on behalf of the American Bankers Association by S&P Capital IQ, a part of McGraw–Hill Financial, Inc. This CUSIP number is provided for convenience of reference only. The County makes no representation with respect to such number and undertakes no responsibility for its accuracy now or at any time in the future.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

**Assured Guaranty Municipal Corp.**

AGM is a New York domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. ("AGL"), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol "AGO". AGL, through its operating subsidiaries, provides credit enhancement products to the U.S. and global public finance, infrastructure and structured finance markets. Neither AGL nor any of its shareholders or affiliates, other than AGM, is obligated to pay any debts of AGM or any claims under any insurance policy issued by AGM.

AGM's financial strength is rated "AA" (stable outlook) by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"), "AA+" (stable outlook) by Kroll Bond Rating Agency, Inc. ("KBRA") and "A2" (stable outlook) by Moody's Investors Service, Inc. ("Moody's"). Each rating of AGM should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AGM in its sole discretion. In addition, the rating agencies may at any time change AGM's long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AGM. AGM only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AGM on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

*Current Financial Strength Ratings*

On June 29, 2015, S&P issued a credit rating report in which it affirmed AGM's financial strength rating of "AA" (stable outlook). AGM can give no assurance as to any further ratings action that S&P may take.

On December 8, 2015, Moody's published a credit opinion maintaining its existing insurance financial strength rating of "A2" (stable outlook) on AGM. AGM can give no assurance as to any further ratings action that Moody's may take.

On December 10, 2015, KBRA issued a financial guaranty surveillance report in which it affirmed AGM's insurance financial strength rating of "AA+" (stable outlook). AGM can give no assurance as to any further ratings action that KBRA may take.

For more information regarding AGM's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2015.

*Capitalization of AGM*

At March 31, 2016, AGM's policyholders' surplus and contingency reserve were approximately $3,742 million and its net unearned premium reserve was approximately $1,530 million. Such amounts represent the combined surplus, contingency reserve and net unearned premium reserve of AGM, AGM's wholly owned subsidiary Assured Guaranty (Europe) Ltd. and 60.7% of AGM's indirect subsidiary

Municipal Assurance Corp.; each amount of surplus, contingency reserve and net unearned premium reserve for each company was determined in accordance with statutory accounting principles.

*Incorporation of Certain Documents by Reference*

Portions of the following documents filed by AGL with the Securities and Exchange Commission (the "SEC") that relate to AGM are incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

(i) the Annual Report on Form 10-K for the fiscal year ended December 31, 2015 (filed by AGL with the SEC on February 26, 2016); and

(ii) the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2016 (filed by AGL with the SEC on May 5, 2016).

All consolidated financial statements of AGM and all other information relating to AGM included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof "furnished" under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC's website at http://www.sec.gov, at AGL's website at http://www.assuredguaranty.com, or will be provided upon request to Assured Guaranty Municipal Corp.: 31 West 52nd Street, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL's website shall be deemed to be part of or incorporated in this Official Statement.

Any information regarding AGM included herein under the caption "BOND INSURANCE – Assured Guaranty Municipal Corp." or included in a document incorporated by reference herein (collectively, the "AGM Information") shall be modified or superseded to the extent that any subsequently included AGM Information (either directly or through incorporation by reference) modifies or supersedes such previously included AGM Information. Any AGM Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

*Miscellaneous Matters*

AGM makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the heading "BOND INSURANCE".

## INVESTMENT CONSIDERATIONS

*The following discussion of investment considerations should be reviewed by prospective investors prior to purchasing the Bonds. Any one or more of the investment considerations discussed herein could lead to a decrease in the market value and the liquidity of the Bonds or, ultimately, a payment default on the Bonds. This section is not intended to be a comprehensive listing of investment considerations and there can be no assurance that other factors not discussed herein will not become material in the future.*

**Constitutional Amendment Restricting Transportation Funds**

On May 5, 2016 the Illinois legislature approved a proposition to amend the Revenue Article of the Illinois constitution ("*HC0036*") which will be included on the November 8, 2016 general election ballot. If approved by either three-fifths of those voting on the question or a majority of those voting in the election, this amendment would become effective immediately and would prohibit the application of certain transportation related revenues, including, but not limited to, fee, tax and excise revenues from the operation or use of vehicles or use of fuel, roads, airports or mass transit (the "*Transportation Revenues*"), to anything other than the transportation purposes described therein (the "*Transportation Purposes*"). While sponsors of HC0036 have indicated that HC0036 is intended to have a limited impact on taxes imposed by home rule units, such as the County, and is not intended to apply to taxes of general applicability, such as State or County sales taxes or the County's Use and Non-Retailer Use taxes, there can be no assurance that a court would interpret the scope of HC0036 in this manner.

The County's review of HC0036 and the implications relating thereto is ongoing, but preliminary estimates are that, based on 2016 budgeted revenue estimates and assuming a broad interpretation of HC0036, up to $222.5 million of the County's annual revenue may have constituted Transportation Revenues, the application of which would have been restricted to Transportation Purposes had the amendment been in effect for Fiscal Year 2016.

If the amendment were to be adopted by the voters, determined to apply to the County and the County's Transportation Revenues were to exceed its qualified Transportation Purposes, the County may need to adjust the levels of its non-Transportation Purposes or its non-Transportation Revenues accordingly which may have a material and adverse impact on the County.

**Overlapping Taxing Districts**

A number of overlapping taxing districts whose jurisdictional limits overlap with the County have the power to raise taxes, including property taxes. See "TAXATION OF REAL PROPERTY – STATISTICAL INFORMATION – Tax Rates Extended by City-Wide Local Governmental Units for Real Property in the City of Chicago" above. The County does not control the amount or timing of the taxes levied by these overlapping taxing districts. Depending on the amount of such increase(s), an increase in the amount of taxes by these overlapping taxing districts could potentially be harmful to the County's economy and/or may make it more difficult for the County to increase taxes, including property taxes, to pay for its underfunded pensions and ongoing operations.

**Financial Condition of City of Chicago and Chicago Public Schools**

In recent years the City of Chicago and the Chicago Board of Education ("*CBOE*") have struggled with financial difficulties including structural deficits and credit rating downgrades. While the City and CBOE are separate governmental entities and the County has no obligation to contribute financially thereto, if, in an effort to address the financial condition thereof or otherwise, either or both of such entities were to impair the level of services provided thereby or increase the property taxes payable thereto it could have an adverse effect on the County's economy and/or property tax base.

**State Budget**

As of the date of this Official Statement, the budgets for Fiscal Years 2016 and 2017 for the State of Illinois have not been enacted. Although certain spending has continued to occur, there have been delays in State payments, which are anticipated to increase in the future, which have had and will continue to have an adverse impact on the local economy. To date, the State budget impasse has not materially impacted the County's financial condition, operations or liquidity. but there can be no

assurance that extended delays in resolving the State budget impasse or any additional deterioration to the financial health of the State will not materially and adversely impact the County in the future.

The primary exposure areas of the County to the State budget impasse fall in the following five categories: (i) CCHHS Medicaid revenues that flow through the State and are received by the Health Enterprise Fund (including Federal pass-through funding); (ii) the $18.6 million Child Support Enforcement program which is funded one-third by the State and two-thirds by Federal funds, though the State match is required for receipt of these Federal funds, which funds are received in a designated Grant Fund; (iii) Motor Fuel Tax, Income Taxes, and other appropriated funds from State Special Funds outside of the State General Revenue Fund; (iv) certain reimbursements from the Administrative Office of the Illinois Courts ("*AOIC*") for probation and juvenile detention expenses that are considered costs of the State judicial branch of government; (v) other grant programs from appropriated State General Revenue Funds or Federal Grants that flow through the State government.

(i) *CCHHS Medicaid Revenues*. As of the date of this Official Statement, the last Medicaid PMPM payment received from the State was on June 1, 2016, which totaled $36.9 million and represented payments due through March 2016 for the Family Health Plan population. The Affordable Care Act adult population has been paid through May 2016 and the ICP population has been paid through February 2016. The amount of Medicaid funding in arrears and owing to the County as of June 1, 2016 is $62 million and over the course of the prior year has ranged from a low of $29 million to a high in excess of $150 million. These funds have continued to be paid pursuant to a court order associated with Medicaid funding for juveniles in the County, which the State has broadly interpreted to cover all Medicaid funding in the State.

(ii) *Child Support Enforcement Program*. As of the date of this Official Statement, the last Child Support Enforcement payment received from the State was for June of 2015. This program, which is the largest grant program the County voluntarily participates in with a portion of unappropriated State General Revenue Fund appropriations, is budgeted as a grant program outside of the County General Fund, at an estimated amount of $18.6 million for 2016, although no payments have been received by the County for services rendered beyond July 1, 2015. The amount of Child Support Enforcement funding in arrears and owing to the County as of June 30, 2016 will be $18.6 million. As a result of these uncertainties and payment delays, the County has announced that up to 177 positions associated with this voluntary program may be terminated in July, 2016.

An agreed order was approved by federal court in June of 2016 requiring payments, within 90 days, by the State Comptroller of amounts relating to certain child support enforcement functions undertaken by the County for the State's fiscal year 2017. As of the date of this Official Statement, it is uncertain what impact, if any, such order will have on Child Support Enforcement program funding for State fiscal year 2016. It is anticipated that such receipts will approximate $13 million for State fiscal year 2017, compared to the $18.6 million funding level last year. This decrease in funding is anticipated to result in a corresponding reduction of expenditures by the County, which may include headcount reductions.

(iii) *Motor Fuel Taxes, Income Taxes and Gaming Taxes*. These funds require appropriation from Special Funds outside of the State General Revenue Fund, have been appropriated for FY 2016 and are currently paid on a timely basis. No such appropriation has been made yet for the State Fiscal Year commencing July 1, 2016.

(iv) *AOIC Reimbursements*. For Fiscal Year 2016, the AOIC Reimbursements represented the single largest revenue source of General Revenue Fund appropriation in the County General Fund at $49 million. These revenues continue to be received pursuant to court order, but the court order is based on the State fiscal year 2015 appropriation level and, as of the date of this Official Statement, the County

anticipates receipt of approximately $42 million for County Fiscal Year 2016. The court order broadly covers costs of the State Judicial branch of government.

(v) *Other grant funded programs*. As of the date of this Official Statement, the County is receiving the majority of grants that flow through the State, which are primarily federally funded and have been appropriated through June 30, 2016. No such appropriation for federally funded grant programs has been adopted for the State Fiscal Year commencing July 1, 2016. A number of smaller grant programs, none of which materially exceed $2 million, are funded by State General Revenues; the County has not received any funding for such programs since July 1 of 2015, however such programs in aggregate represent less than $7 million.

**Pension Funding**

As described more fully in APPENDIX B hereto, the County has entered into an intergovernmental agreement with the Retirement Fund which would provide for supplemental payments by the County in addition to the statutorily required minimum. For 2016 the County Board approved and appropriated a supplemental payment of approximately $270.5 million. For Fiscal Year 2017 the projected supplemental payment would be approximately $350-375 million and the supplemental payments thereafter would be projected to increase by 2% annually based on numerous actuarial assumptions being met. Each supplemental payment is subject to annual appropriation by the County Board and the intergovernmental agreement or any of the supplemental payments may also be subject to legal challenge in the future. While the County believes that this approach will ultimately help stabilize the financial condition of the Retirement Fund, there can be no assurance that such supplemental payments will continue in the future, or at what level such supplemental payments will be appropriated.

**Cap on Property Taxes**

The Illinois Property Tax Code limits, among other things, the amount of property tax that can be extended for non-home rule units of local government located in Cook County and five adjacent counties. As a home rule unit of government, the County is not subject to the State Tax Cap. A number of bills have been introduced in the Illinois General Assembly to limit or freeze property taxes, including those imposed by home rule units of local government such as the County. The application of the State Tax Cap to the County or any other measure that would limit or freeze property taxes would require three-fifths vote of each house of the Illinois General Assembly. Through the date of this Official Statement, none of the proposals for State-imposed property tax limitations have been more restrictive than the current practice of the County which has significantly limited any changes in the County levy of property taxes since 1995, but if any restriction or freeze on property taxes were to be adopted which was more restrictive than the County's practice, the County's ability to levy property taxes in amounts needed for its future funding needs may be adversely affected. Furthermore, should the County Board deem such action necessary, the County is able to unilaterally modify the County's practice; the County would not enjoy the same flexibility with a State-imposed limitation.

**Adverse Change in Laws**

There are a variety of State and federal laws, regulations and constitutional provisions that apply to the County's ability to raise taxes, fund its pension obligations or to reorganize its debts. There is no assurance that there will not be any change in, interpretation of, or addition to such applicable laws, regulations and provisions. Any such change, interpretation or addition may have a material adverse effect, either directly or indirectly, on the County or the taxing authority of the County, which could materially adversely affect the County's operations or financial condition.

**Force Majeure Events**

There are certain unanticipated events beyond the County's control that could have a material adverse impact on the County's operations and financial conditions if they were to occur. These events include fire, flood, earthquake, epidemic, adverse health conditions or other unavoidable casualties or acts of God, freight embargo, labor strikes or work stoppages, civil commotion, new acts of war or escalation of existing war conditions, sabotage, terrorism or enemy action, pollution, unknown subsurface or concealed conditions affecting the environment, and any similar causes. No assurance can be provided that such events will not occur, and, if any such events were to occur, no prediction can be provided as to the actual impact or severity of the impact on the County's operations and financial condition.

**Forward-Looking Statements**

This Official Statement contains certain statements relating to future results that are forward-looking statements. When used in this Official Statement, the words "estimate," "intend," "expect" and similar expressions identify forward-looking statements. Any forward-looking statement is subject to uncertainty and risks that could cause actual results to differ, possibly materially, from those contemplated in such forward-looking statements. Inevitably, some assumptions used to develop forward-looking statements will not be realized or unanticipated events and circumstances may occur. Therefore, Bondholders and potential investors should be aware that there are likely to be differences between forward-looking statements and actual results; those differences could be material. The County does not undertake any obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

## ACCOUNTING AND FINANCIAL INFORMATION

**Description of Accounting Practices**

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

The accounting system of the County is operated and maintained on a fund accounting basis implemented to present the financial position and results of operations of each fund. The accounting system of the County is also designed to provide budgetary control over the revenues and expenditures of each fund. For a summary of significant accounting practices of the County, see "APPENDIX A – Audited Basic Financial Statements For The Fiscal Year Ended November 30, 2015 – Notes to Basic Financial Statements." The unaudited budgetary actual information contained herein is obtained from the County's general ledger.

The County's CAFRs for several prior years are available online at the County's website at http://www.cookcountyil.gov/financial-reports-cafr/, which are not intended to be, and should not be interpreted as being, incorporated herein by this reference. The CAFR, including Management's Discussion and Analysis, is intended to provide the reader with a broad overview of the financial position and operating results of the County's governmental and business-type activities and its major funds.

**Cash Management**

The cash records of all major County funds are maintained by the County Treasurer and/or Comptroller. Except for cash escrowed and held by trustees for debt service, capital improvements, and

other bond related accounts that are managed by the County's Chief Financial Officer, the County Treasurer deposits all cash for operating funds into the County's master operating account. On no less than a weekly basis, scheduled payments are made to third parties, and funds from the master operating bank account are transferred to four disbursement accounts: Salary, Supply, Juror and Election. Cash temporarily idle during the year is invested in instruments authorized by State statute, including U.S. Treasury Securities, tax exempt municipal securities, certificates of deposit, mutual funds, time deposits and interest bearing savings accounts. Investments are made on an aggregate basis, but the interest thereon is posted to the individual funds.

**Investment Policy**

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

Funds held by the Trustee for the benefit of the Bonds may be invested at the discretion of the Chief Financial Officer of the County in the manner described in APPENDIX F under the caption "Investment of Funds." The referenced funds held by the Trustee are invested at the direction of the Chief Financial Officer. As outlined in the Fiscal Year 2015 Budget resolution of the County Board, it is the policy of the County to manage public funds in a manner that will ensure security of principal, meet cash flow needs, and maximize investment return while voluntarily complying with the Illinois Public Funds Investment Act (30 ILCS 235), though the County as a home rule unit of government is not bound by the Act.

**Fiduciary Funds**

*County Employees' and Officers' Annuity and Benefit Fund*. Information on the County Employees' and Officers' Annuity and Benefit Fund is available under "COUNTY EMPLOYEES' AND OFFICERS' ANNUITY AND BENEFIT FUND" herein.

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

**Special Revenue Funds**

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

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

**Financial Information (Budgetary Basis)**

Financial information on the following pages pertaining to the Final Adopted Budget for Fiscal Year 2016 (the "*FY 2016 Budget*") and the Final Adopted Budget for Fiscal Year 2015 (the "*FY 2015 Budget*") is prepared on a legally prescribed budgetary basis of accounting that differs from GAAP. Such financial information as presented herein was prepared based on records maintained by the County Comptroller and the County Office of Management and Budget, and this presentation has not been examined by the County's external auditors. The FY 2016 Budget was approved by the County Board on November 18, 2015 and the FY 2015 Budget was approved by the County Board on November 14, 2014.

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

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

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

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

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

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

Reconciliation of the differences between the GAAP and audited budgetary operating statements for the year ended November 30, 2015 is set forth in "APPENDIX A – Audited Basic Financial Statements For The Fiscal Year Ended November 30, 2015 – Notes to Financial Statements – Note 2."

## DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION

### Discussion of Financial Operations (Budgetary Basis)

This discussion is based on the FY 2016 Budget and the FY 2015 Budget, which are prepared on the budgetary basis of accounting. The budgetary basis of accounting is different in several respects from GAAP. The financial information presented herein was prepared based on records maintained by the County Comptroller and the County Office of Management and Budget. The County's largest tax revenue sources continue to be the property tax levy and home rule sales tax, however the implementation of several additional revenue sources over the last two decades, in addition to the substantial fee revenues have diversified funding for the operating funds. Certain revenue sources, such as the property tax, patient fees and court fees, are required to be expended in the respective funds. The sales tax, however, may be allocated to any of the operating funds. From year to year the County may change that allocation.

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## Principal Sources of Revenues and Expenditures

| Expenditures | FY2015 Total Appropriations | FY2016 Total Appropriations[1] |
|---|---|---|
| Corporate Fund | 4.4% | 10.5%[4] |
| Public Safety Fund | 33.9% | 30.2% |
| Health Fund | 40.5% | 38.5% |
| Election Funds | 0.5% | 1.0% |
| Special Purpose Funds: | | |
| Special Purpose Departments | 5.4% | 5.8% |
| Annuity and Benefits | 3.5% | 3.1% |
| Bond and Interest | 5.8% | 5.6% |
| Total Special Purpose Funds: | 14.7% | 14.5% |
| Grants | 5.9% | 5.3% |
| | 100% | 100% |

| Revenues | FY2015 Total Revenue | FY2016 Total Revenue[1] |
|---|---|---|
| Fees | | |
| Fees (excludes Hospital Fee Revenue) | 5.54% | 5.59% |
| Patient Fees (Medicare, Medicaid, Private) | 8.41% | 6.30% |
| Patient Fees (Medicaid Plan BIPA IGT) | 3.50% | 3.11% |
| Fed State Med. Program Funding | 3.98% | 3.84% |
| Medicaid Expansion | 23.08% | 22.55% |
| Total Fees: | 44.51% | 41.40% |
| Property Taxes | | |
| Allocated to General & Health Fund | 8.86% | 7.34% |
| Bond and Interest | 5.68% | 5.92% |
| Annuity and Benefits | 3.38% | 4.63% |
| Election Fund Revenue | 5.03% | 1.01% |
| Total Property Taxes[3]: | 22.95% | 18.91% |
| Annuity and Benefits (PPRT) | 1.48% | 1.36% |
| Home Rule Taxes | 20.90% | 27.42% |
| Intergovernmental Revenues | 1.12% | 1.20% |
| Other Revenue | 0.36% | 0.76% |
| Special Purpose Fund | 3.09% | 3.63% |
| Grants | 5.58% | 5.32% |
| | 100% | 100% |

May not foot due to rounding.

(1) Source: FY2015 and FY2016 Executive Recommendation – Proposed Expenditure Section.

(2) Source: FY2015 and FY2016 Executive Recommendation – Revenue Estimates Section.

(3) Property tax is net of loss and cost of collecting taxes.

(4) Reflects the $270.5 million supplemental pension payment which was appropriated in the Corporate Fund in entirety for Fiscal Year 2016.

## Fund Balances and Operations

The General Fund is the primary operating fund of the County for governmental purposes. The table below illustrates the year-end closing balances of the County's General Fund from Fiscal Years 2011 to 2015.

| | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|---|---|---|---|---|
| Reserved for Encumbrances | $ – | $ – | $ – | $ – | $ – |
| Unreserved | – | – | – | – | – |
| Assigned | 37,722,373 | 29,361,149 | 21,970,454 | 5,801,378 | 22,602,352 |
| Unassigned | 159,382,015 | 165,330,818 | 123,292,490 | 56,702,214 | 76,720,985 |
| | $197,104,388 | $194,691,967 | $145,262,944 | $62,503,592 | $99,323,337 |

Sources: County CAFRs.

The following illustrates income and expenditure information relating to the County's General Fund from Fiscal Years 2011 to 2015.

| | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|---|---|---|---|---|
| Total Sources | $1,522,364,883 | $1,331,768,510 | $1,285,791,380 | $1,362,902,019 | $1,509,149,989 |
| Total Expenditures | $1,386,073,338 | $1,334,180,931 | $1,335,220,403 | $1,430,325,176 | $1,472,330,244 |
| Net Change in Fund Balance | $136,291,545 | $(2,412,421) | $(49,429,023) | $(67,423,157) | $36,819,745 |
| Beginning Balance | $60,812,843 | $197,104,388 | $194,691,967 | $129,926,749 | $62,503,592 |
| Ending Fund Balance: | $197,104,388 | $194,691,967 | $145,262,944 | $62,503,592 | $99,323,337 |

Sources: County CAFRs.

The County also maintains a separate Health Enterprise Fund to record financial operations of CCHHS. The following illustrates income and expenditure information relating to the County's Health Enterprise Fund from Fiscal Years 2011 to 2015.

| | 2011 | 2012 | 2013 | 2014 | 2015[1] |
|---|---|---|---|---|---|
| Revenue | | | | | |
| Total Operating Revenue | $557,410,383 | $565,629,903 | $709,460,361 | $1,264,620,298 | $1,571,704,713 |
| Total Nonoperating Revenue | 315,696,211 | 308,723,114 | 301,347,110 | 227,767,686 | 210,958,544 |
| Total Revenue | $873,106,594 | $874,353,017 | $1,010,807,471 | $1,492,387,984 | $1,782,663,257 |
| Total Operating Expenses | $1,029,903,672 | $983,461,097 | $1,103,868,540 | $1,478,272,357 | $1,731,204,770 |
| Net Income (loss) | (156,797,078) | (109,108,080) | (93,061,069) | 14,115,627 | 51,458,487 |
| Transfers | 38,386,097 | 3,247,019 | 3,558,667 | 1,551,597 | 14,975,384 |
| Capital Contribution from County | 16,658,986 | 16,978,173 | 21,859,230 | 6,538,685 | 17,128,696 |
| Change in net position | $(101,751,995) | $(88,882,888) | $(67,643,172) | $22,205,909 | $83,562,563 |

Sources: County CAFRs 2011-2014; Cook County Comptroller Unaudited Financials for 2015.

(1) Unaudited financial information prior to the GASB 68 adjustment included for comparison purposes. After giving effect to the GASB 68 adjustment, the change in net position for Fiscal Year 2015 is $(101,730,406). The GASB 68 adjustment also reduces the Fiscal Year 2015 beginning and ending balances from $491,048,099 and $574,610,662, respectively, to $(3,696,912,769) and $(3,798,643,175), respectively. For more information see the 2015 CAFR attached hereto as APPENDIX A.

## Liquidity

State of Illinois statutes, as identified in the "Counties Code" (55 ILCS 5/3-11003), classify moneys held by the County as Class A, Class B, Class C, and Class D funds, according to their various sources and purposes. Under the statute, "All moneys belonging to the county in its corporate capacity shall be known as 'Class C' funds." State statute further requires that the County Treasurer deposit "Class C funds" in a separate account under 55 ILCS 5/3-11004. That account, known as the "C-Fund," entails all moneys belonging to the County in its corporate capacity, which includes the County General Fund, Health Enterprise Fund, Election Fund and other non-major governmental funds. In Fiscal Year 2015, the County's C-Fund cash balance averaged $470 million and the County Comptroller continued to target payment of invoices within seven to 10 days of the office's receipt thereof. The County has access to additional liquidity through a $100 million line of credit, which, as of the date hereof, is completely

undrawn. For more information regarding the line of credit, see "DEBT INFORMATION – Revolving Credit Agreement" above.

The County's unaudited C-Fund monthly cash balances for Fiscal Year 2015 were:

Fiscal Year 2015 Actual Monthly Cash Balances in Millions

| Dec. | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sep. | Oct. | Nov. |
|---|---|---|---|---|---|---|---|---|---|---|---|
| $493.9 | $463.0 | $448.4 | $512.8 | $547.0 | $526.8 | $438.3 | $452.6 | $515.7 | $428.7 | $533.4 | $448.1 |

**Home Rule Taxes**

Home Rule Taxes ("*HRT*") are taxes imposed by the County under the home rule authority derived from the 1970 Illinois Constitution and related statutes. HRT revenues comprise a significant percentage of the County's total revenues. The largest single component of the HRT is the County's Retailers' Occupation and Service Occupation Tax (Home Rule Sales Tax), which is imposed on the general sale of goods. In addition to the County's Home Rule Sales Tax, the County imposes taxes on certain specialized goods (such as motor fuels, alcohol, and tobacco), certain specialized services (such as parking and amusement), and the sale or purchase of motor vehicles. The following table shows the County's total HRT collections in each of the last 9 years, with detail of the sales tax component in each given year (stated in millions).

| Fiscal Year | County Home Rule Sales Tax[1] | Other Home Rule Taxes | Total Home Rule Taxes |
|---|---|---|---|
| 2015 | $346.8 | $481.5[2] | $828.3 |
| 2014 | 333.5 | 451.6 | 785.1 |
| 2013 | 363.8 | 461.4 | 825.2 |
| 2012 | 458.2 | 391.1 | 849.3 |
| 2011 | 505.8 | 343.1 | 848.9 |
| 2010 | 654.2 | 346.9 | 1,001.2 |
| 2009 | 658.8 | 349.8 | 1,008.6 |
| 2008 | 386.6 | 394.8 | 781.4 |
| 2007 | 320.2 | 429.5 | 749.7 |

Source Documents: Fiscal Year 2008-2016 Executive Budget Recommendations.

(1) For a discussion of the Sales Tax Rates see "Cook County – County Sales Tax" above.

(2) For Fiscal Year 2015, the components of the $481.5 million in Other Home Rule Taxes were approximately 28.0% cigarette taxes, 18.8% motor fuel taxes, 16.8% use taxes, 9.7% parking and garage operations, 7.6% alcohol taxes, 7.0% amusement taxes and 12% from other taxes.

**Self-Insurance**

The County uses a combination of self-insurance and insurance for a number of risks, including medical malpractice, workers' compensation, general liability, automobile liability and other liability. The County is a defendant in lawsuits alleging medical malpractice, work related injuries and other claims. These cases are in various stages of the legal process.

The County engages an external actuary to provide an actuarial estimate of its liabilities for self-insured expenses. The liability recorded reflects a discount rate of 1.68%. If the discounted estimate were not used, the ultimate liability for the self-insured programs would be approximately $19.8 million higher than the amount recorded in the audited financial statements at November 30, 2016.

Since December 31, 2000, the County has purchased excess liability insurance coverage related to medical malpractice and other claims. The current medical malpractice policy, as of November 30, 2015, is on a claims-made basis and provides up to $75,000,000 of limits above the County's self-insured

retention of $25,000,000 per claim. The municipal policy is on an occurrence basis and provides $35,000,000 of coverage above the County's retention of $15,000,000 per claim. The municipal policy provides coverage not only for bodily injury and third-party property damage losses but extends coverage to include employment practices liability, law enforcement liability, public official's liability and employee benefits liability. Beginning in 2011, the County purchased property insurance which provides replacement cost coverage for physical damage to County's buildings, contents and inventory from covered causes of loss. The County is self-insured for workers' compensation losses and purchases no insurance related to these claims.

The liability recorded as of November 30, 2015 (audited) reflects the net liability of the County.

The County funds its self-insurance liabilities, including those of the CCHHS, on a current basis and has the authority to finance such liabilities through the levy of property taxes. While it is difficult to estimate the timing or amount of expenditures, management of the County believes that the self-insurance liabilities recorded at November 30, 2016 (audited) are adequate to provide for potential losses resulting from medical malpractice, workers' compensation and other claims including incurred but not reported claims. The self-insurance liabilities recorded are based on facts known at the current time; however, the discovery of additional information concerning specific cases could affect estimated costs in the future.

For the Fiscal Year ended November 30, 2015 (audited), amounts charged by the self-insurance fund to other County funds for worker's compensation are reported as revenues to the self-insurance fund and expenditure/expenses of the fund charged.

The following table describes the activity during Fiscal Years 2013, 2014 and 2015 for the primary classifications of liabilities (in millions):

| Type | Balance at Nov. 30, 2013 | Insurance and Claims Payouts | Expense, Net of Actuarial Adjustments | Balance at Nov. 30, 2014 | Insurance and Claims Payouts | Expense, Net of Actuarial Adjustments | Balance at Nov. 30, 2015 |
|---|---|---|---|---|---|---|---|
| Medical Malpractice | $119.30 | $(12.10) | $15.50 | $122.70 | $(26.30) | $19.80 | $116.20 |
| Workers Compensation | 60.70 | (23.16) | 33.66 | 71.20 | (23.70) | 40.40 | 87.90 |
| General | 1.60 | (0.20) | 0.10 | 1.50 | (0.22) | 0.12 | 1.40 |
| Automobile | 10.10 | (1.20) | 1.20 | 10.10 | (1.02) | 0.62 | 9.70 |
| Claim Expense Reserve | 28.50 | (8.30) | 12.10 | 32.30 | (6.70) | 15.30 | 40.90 |
| Civil Rights, Labor, E&O | 76.90 | (8.00) | 27.90 | 96.80 | (5.51) | 35.31 | 126.60 |
| Total Claims Liability | $ 297.10 | $ (52.96) | $ 90.46 | $ 334.60 | $ (63.45) | $ 111.55 | $ 382.70 |

Source: Aon Actuarial Report 2015.

## BUDGETARY PROCEDURES AND INFORMATION

The Fiscal Year of the County begins on December 1. The County Board adopted the Annual Appropriation Bill for Fiscal Year 2015 on November 19, 2014 and adopted the Annual Appropriation Bill for Fiscal Year 2016 on November 18, 2015.

The development of the annual budget begins with a Preliminary Forecast released by the County Office of Management and Budget by June 30 of each Fiscal Year. The Preliminary Forecast identifies both the status of the County Budget during the current Fiscal Year, as well as an estimate for the ensuing Fiscal Year. Following release of the Preliminary Forecast, each department submits a detailed request

for appropriation. Meetings are then held by the Budget Director with each department to review the requests. Based on department requests and available resources, an Executive Budget is prepared for the President of the County Board by the Chief Financial Officer and the Budget Director.

The Executive Budget Recommendation, as proposed by the President of the County Board, is submitted to the Committee on Finance, which in turn holds hearings involving each department. The Committee on Finance prepares the Annual Appropriation Bill in tentative form, which is made available for public inspection for at least ten days prior to final action. Public hearings on the tentative Annual Appropriation Bill are then held. Amendments to the tentative Annual Appropriation Bill are then approved by the Committee on Finance. Subsequently, the Final Budget in the form of the Annual Appropriation Bill is approved and adopted by the County Board. For a summary of budgetary procedures of the County, see "APPENDIX A – Audited Basic Financial Statements for the Fiscal Year Ended November 30, 2015 – Notes to Basic Financial Statements."

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**Summary of Appropriations and Expenditures for Fiscal Years 2014 and 2015 and Comparative Appropriations and Expenditures for Fiscal Year 2016 – Budgetary Basis**

The table below sets forth the funds appropriated in the Annual Appropriation Bill for Fiscal Years 2014 and 2015 and the Executive Budget Recommendation for Fiscal Year 2016.

| Funds | Executive Budget Recommendation for FY 2016 | 2015 Appropriations | 2014 Appropriations |
|---|---|---|---|
| Corporate | $446,702,718* | $180,417,906 | $161,054,801 |
| Public Safety | 1,287,733,282 | 1,251,795,146 | 1,214,554,445 |
| Health and Hospitals System | 1,640,352,195 | 1,535,512,458 | 1,125,717,196 |
| Election | 42,651,700 | 19,931,005 | 40,227,484 |
| Bond and Interest | 250,000,000 | 225,000,000 | 187,384,752 |
| Employees' Annuity and Benefit | 195,622,621 | 192,786,468 | 194,668,229 |
| Animal Control | 3,606,405 | 4,095,046 | 3,452,832 |
| Law Library | 5,100,000 | 5,421,021 | 6,003,918 |
| Clerk of the Circuit Court Automation | 10,314,789 | 9,551,479 | 10,617,929 |
| Clerk of the Circuit Court Document Storage | 8,979,522 | 8,313,539 | 9,842,419 |
| Clerk of the Circuit Court Dispute Resolution | 251,503 | 295,000 | 225,000 |
| Clerk of the Circuit Court Administrative Fund | 867,449 | 735,842 | 730,369 |
| Recorder's Document Storage | 4,925,288 | 5,723,112 | 4,771,195 |
| Recorder's GIS Fee Fund | 2,169,922 | 2,496,691 | 3,599,488 |
| Recorder's Rental Housing Support Fee | 280,749 | 286,000 | 576,867 |
| County Clerk Automation | 1,579,042 | 1,401,860 | 1,573,300 |
| Intergovernmental Agreement / E.T.S. B | 3,106,103 | 1,552,805 | 1,141,335 |
| Suburban Cook County Tuberculosis Sanitarium | 400,368 | 5,581,785 | 6,546,902 |
| Adult Probation / Probation Services Fee | 4,165,840 | 4,427,766 | 4,324,052 |
| Social Services/ Probation and Court Fee | 4,415,891 | 2,943,071 | 2,944,994 |
| Juvenile Probation - Supplementary Officer's | - | - | 3,240,516 |
| Clerk of the Circuit Court Electronic Citation | 300,000 | 450,000 | 450,000 |
| Sheriff's Youthful Offender Alcohol/ Drug Education | - | - | 2,400 |
| Treasurer Tax Sale Automation | 11,137,938 | 10,483,791 | 9,605,533 |
| Motor Fuel Tax Illinois First (1st) | 25,925,235 | 23,504,319 | 22,748,938 |
| CC Lead Poisoning Prevention | 1,398,334 | 1,204,656 | 1,227,008 |
| Geographical Information Systems (GIS) | 18,215,604 | 20,165,337 | 15,461,850 |
| State's Attorney Narcotics Forfeiture | 4,171,887 | 4,380,216 | 4,227,001 |
| State's Attorney Bad Check Diversion Program | - | - | 67,000 |
| Chief Judge Children's Waiting Room | 2,675,642 | 2,427,159 | 3,085,407 |
| Sheriff's Women's Justice Service Fund | 40,000 | 65,000 | 65,000 |
| Chief Judge Mental Health Special Revenue Fund | 701,539 | 800,000 | 1,035,000 |
| Chief Judge Peer Court Special Revenue Fund | 301,148 | 450,000 | 1,095,000 |
| Chief Judge Drug Court Special Revenue Fund | 301,246 | 450,000 | 510,000 |
| Assessor Special Revenue Fund | 815,000 | 750,000 | 750,000 |
| Public Defender Records Automation Fund | 158,000 | 158,000 | 158,000 |
| State's Attorney Records Automation Fund | 158,000 | 158,000 | 158,000 |
| Vehicle Purchase Fund | 500,000 | 500,000 | - |
| Cook County Land Bank Authority | 6,407,671 | 3,450,000 | 1,000,000 |
| Federal State and Private Grants | 224,810,533 | 221,181,140 | 161,945,816 |
| SUBTOTALS | $ 4,211,243,164 | $ 3,748,845,618,327 | $ 3,206,789,976 |
| Capital Improvement Program | 321,545,658 | 252,189,007 | 329,438,894 |
| TOTALS | $ 4,532,788,822 | $ 4,001,034,625 | $ 3,536,228,870 |

Source: 2014 and 2015 Annual Appropriation Bills and Executive Budget Recommendation for Fiscal Year 2016.

* Reflects the $270.5 million supplemental pension payment which was appropriated in the Corporate Fund in entirety for Fiscal Year 2016.

## The County of Cook, Illinois
## Summary of Budgeted Revenues by Major Purposes for Fiscal Year 2016

| Funds | Property Tax Levy [1] | Home Rule Taxes [2] | Fees [3] | Inter-Governmental[4] | Other Revenues [5] | Total |
|---|---|---|---|---|---|---|
| 2016 Corporate Revenue | $ 19,188,144 | $ 279,057,663 | $ 113,935,815 | $ – | $ 34,521,099 | $ 446,702,721 |
| 2016 Public Safety Revenue | 180,930,206 | 878,662,337 | 115,130,600 | 50,762,472 | 62,247,667 | 1,287,733,282 |
| 2016 Health and Hospitals System Revenue | 121,235,196 | | 1,519,116,999 | | | 1,640,352,195 |
| 2016 Election Revenue | 42,651,700 | | | | | 42,651,700 |
| Bond and Interest | 250,000,000 | | | | | 250,000,000 |
| Employee's Annuity and Benefit | 195,622,621 | | | | | 195,622,621 |
| Animal Control | | | 3,606,405 | | | 3,606,405 |
| Law Library | | | 5,100,000 | | | 5,100,000 |
| Clerk of the Circuit Court Automation | | | 10,314,789 | | | 10,314,789 |
| Clerk of the Circuit Court Document Storage | | | 8,978,522 | | | 8,978,522 |
| Dispute Resolution - Chief Judge | | | 251,503 | | | 251,503 |
| Clerk of the Circuit Court Administrative Fund | | | 867,449 | | | 867,449 |
| Recorder's Document Storage | | | 4,925,288 | | | 4,925,288 |
| Recorder's GIS Fee Fund | | | 2,169,922 | | | 2,169,922 |
| Recorder's Rental Housing Support Fee | | | 280,749 | | | 280,749 |
| County Clerk Automation | | | 1,579,042 | | | 1,579,042 |
| 911 - Intergovernmental Agreement / E.T.S. B | | | | 3,106,103 | | 3,106,103 |
| Suburban Cook County Tuberculosis Sanitarium | | | | 400,368 | | 400,368 |
| Adult Probation / Probation Services Fee | | | 4,165,840 | | | 4,165,840 |
| Social Services/ Probation and Court Fee | | | 4,415,891 | | | 4,415,891 |
| Clerk of the Circuit Court Electronic Citation | | | 300,000 | | | 300,000 |
| Treasurer Tax Sale Automation | | | 11,137,938 | | | 11,137,938 |
| Motor Fuel Tax Illinois First (1st) | | | | 25,925,235 | | 25,925,235 |
| CC Lead Poisoning Prevention | | | | 1,398,334 | | 1,398,334 |
| Geographical Information Systems (GIS) | | | 18,215,604 | | | 18,215,604 |
| State's Attorney Narcotics Forfeiture | | | | 4,171,887 | | 4,171,887 |
| Chief Judge Children's Waiting Room | | | 2,675,642 | | | 2,675,642 |
| Sheriff's Women's Justice Service Fund | | | 40,000 | | | 40,000 |
| Chief Judge Mental Health Special Revenue Fund | | | 701,539 | | | 701,539 |
| Chief Judge Peer Court Special Revenue Fund | | | 301,148 | | | 301,148 |
| Chief Judge Drug Court Special Revenue Fund | | | 301,246 | | | 301,246 |
| Assessor Special Revenue Fund | | | 815,000 | | | 815,000 |
| Public Defender Records Automation Fund | | | 158,000 | | | 158,000 |
| State's Attorney Records Automation Fund | | | 158,000 | | | 158,000 |
| Cook County Land Bank Authority | | | | | 6,407,671 | 6,407,671 |
| Vehicle Purchase Fund - (Clerk of the Circuit Court) | | | 500,000 | | | 500,000 |
| Environmental Control Solid Waste | | | 517,590 | | | 517,590 |
| Federal State and Private Grants | | | | 224,810,533 | | 224,810,533 |
| Capital Improvements Programs (1) | | | | | 321,545,658 | 321,545,658 |
| PROJECTED – TOTAL | $ 809,627,867 | $ 1,157,720,000 | $ 1,830,660,521 | $ 310,574,932 | $ 424,722,095 | $ 4,533,305,415 |

Source: Executive Budget Recommendation for Fiscal Year 2016.

(1) Property Tax Levy includes Expiring TIF/Incentives & New Property Value Capture and excludes Allowance for Uncollected Taxes.

(2) Includes, among other taxes, the County's Home Rule Sales Tax, Amusement Tax, County Parking Lot Garage and Operations Tax.

(3) Fees includes Fees from County Offices, Patient Fees, IGT, DSH & Cable Television Franchise Tax.

(4) Intergovernmental includes Motor Fuel Tax, Off-Track Betting Commissions, Personal Property Replacement Tax, Retailers' and Services Occupation Tax, State Income Derivative Share Grants and Reimbursements from Other Governments.

(5) Other includes Bond Proceeds (Capital Improvement) and Miscellaneous Revenues.

## LITIGATION

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

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

## RATINGS

Moody's, S&P and Fitch have assigned their long-term ratings of "A2" (stable outlook), "AA-" (stable outlook) and "A+" (stable outlook), respectively to the Bonds. Moody's and S&P are expected to assign their municipal bond ratings of "A2" (stable outlook) and "AA" (stable outlook), respectively, to the Insured Bond (based on the understanding that upon delivery of the Insured Bond the Policy will be issued by AGM).

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

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

A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

## TAX MATTERS

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

Subject to the County's compliance with the above referenced covenants, under present law, in the opinion of Co-Bond Counsel, interest on the Bonds is excludable from the gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, but interest on the Bonds is taken into account, however, in computing an adjustment used in determining the federal alternative minimum tax for certain corporations.

In rendering their opinions, Co-Bond Counsel will rely upon certifications of the County with respect to certain material facts within the County's knowledge. Co-Bond Counsels' opinions represent their legal judgments based upon their review of the law and the facts that they deem relevant to render such opinions and are not guarantees of a result.

The Internal Revenue Code of 1986, as amended (the "*Code*"), includes provisions for an alternative minimum tax ("*AMT*") for corporations in addition to the regular corporate tax in certain cases. The AMT, if any, depends upon the corporation's alternative minimum taxable income ("*AMTI*"), which is the corporation's taxable income with certain adjustments. One of the adjustment items used in computing the AMTI of a corporation (with certain exceptions) is an amount equal to 75% of the excess of such corporation's "adjusted current earnings" over an amount equal to its AMTI (before such adjustment item and the alternative tax net operating loss deduction). "Adjusted current earnings" would include certain tax exempt interest, including interest on the Bonds.

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

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

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

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

An investor may purchase a Bond at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as "bond premium" and must be amortized by an investor on a constant yield basis over the remaining term of the Bond in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a bond. The amortized bond premium is treated as a reduction in the tax exempt interest received. As bond premium is amortized, it reduces the investor's basis in the Bond. Investors who purchase a Bond at a

premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the Bond's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the Bond.

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

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

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

**State and Local Considerations**

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

## CERTAIN LEGAL MATTERS

Certain legal matters incident to the authorization, issuance and sale of the Bonds are subject to the separate approving legal opinions of Chapman and Cutler LLP, Chicago, Illinois, and Burke Burns & Pinelli Ltd., Chicago, Illinois, Co-Bond Counsel ("*Co-Bond Counsel*"), who have been retained by, and act as, Co-Bond Counsel to the County. The form of such legal opinions is attached hereto as APPENDIX C. Co-Bond Counsel have not been retained or consulted on disclosure matters and have not undertaken to review or verify the accuracy, completeness or sufficiency of this Official Statement or other offering material relating to the Bonds and assume no responsibility for the statements or information contained in or incorporated by reference in this Official Statement, except that in their respective capacities as Co-Bond Counsel, Chapman and Cutler LLP and Burke Burns & Pinelli Ltd. have, at the request of the County, reviewed only those portions of this Official Statement involving the description of the Bonds, the security for the Bonds (excluding forecasts, projections, estimates or any other financial or economic information in connection therewith), and the description of the federal tax

status of interest on the Bonds. This review was undertaken solely at the request and for the benefit of the County and did not include any obligation to establish or confirm factual matters set forth herein.

Certain legal matters will be passed upon for the Underwriters by Charity & Associates, P.C., Chicago, Illinois, Underwriters' Counsel. The law firm representing the Underwriters was selected by the County. Katten Muchin Rosenman LLP, Chicago, Illinois, and Reyes Kurson, Ltd., Chicago, Illinois, will serve as Co-Disclosure Counsel. Nixon Peabody LLP, Chicago, Illinois, will provide special advice to the County with respect to various pension disclosure matters.

## FINANCIAL STATEMENTS

The financial statements of the County for the Fiscal Year Ended November 30, 2015 are included as APPENDIX A to this Official Statement. These financial statements have been audited by RSM US LLP, independent auditors, whose report contained an unqualified opinion thereon. RSM US LLP has not been engaged to perform, and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. RSM US LLP also has not performed any procedures relating to this Official Statement.

## CO-FINANCIAL ADVISORS

The County has engaged A.C. Advisory, Inc., Chicago, Illinois, and Columbia Capital Management LLC, Chicago, Illinois, as Co-Financial Advisors in connection with the authorization, issuance and sale of the Bonds.

The Co-Financial Advisors are not obligated to undertake and have not undertaken either to make an independent verification of or to assume any responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement and the Appendices hereto. The Co-Financial Advisors are independent firms and are not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

## UNDERWRITING

The Underwriters set forth on the cover page of this Official Statement have agreed to purchase the Bonds at the price of $336,243,671.13 (representing the principal amount of $284,915,000.00 less an Underwriters' discount of $973,053.07 plus original issue premium of $52,301,724.20). The Underwriters reserve the right to join with dealers and other underwriters in offering the Bonds to the public. The obligations of the Underwriters to accept delivery of the Bonds are subject to various conditions of the Bond Purchase Agreement with respect to the Bonds, but the Underwriters are obligated to purchase all of the Bonds if they purchase any of the Bonds.

Loop Capital Markets LLC ("*LCM*"), one of the Underwriters of the Bonds, has entered into distribution agreements with each of UBS Financial Services Inc. ("*UBSFS*") and Deutsche Bank Securities Inc. ("*DBS*") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each such distribution agreement (if applicable to this transaction), each of UBSFS and DBS will purchase Bonds from LCM at the original issue prices less a negotiated portion of the selling concession applicable to any Bonds that such firm sells.

Siebert Brandford Shank & Co., L.L.C. ("*SBS*") has entered into a separate agreement with Muriel Siebert & Co. for the retail distribution of certain securities offerings, at the original issue prices. Pursuant to the distribution agreement, if applicable to the Bonds, Muriel Siebert & Co. will purchase Bonds at the original issue price less the selling concession with respect to any Bonds that Muriel Siebert & Co. sells. SBS will share a portion of its underwriting compensation with Muriel Siebert & Co.

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

The Underwriters' affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various investment banking services for the County for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the County.

## SECONDARY MARKET DISCLOSURE

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

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

### Annual Financial Information Disclosure

The County covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements (as described below) to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the SEC at the time of delivery of such information and by such time so that such entities receive the information by the dates specified. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports. The County is required to file such information by the dates specified in the Undertaking. To the extent that Annual Financial Information is included in the County's Audited Financial Statements, it need not be separately delivered.

"*Annual Financial Information*" means information generally consistent with that contained under the captions "TAXATION OF REAL PROPERTY – STATISTICAL INFORMATION" and "DEBT INFORMATION" and Tables 1-3 and 5-9 in APPENDIX B under the caption "COUNTY

EMPLOYEES' AND OFFICERS' ANNUITY AND BENEFIT FUND" (collectively referred to as the "Third-Party Sourced Pension Tables"). The information contained in the Third-Party Sourced Pension Tables is sourced from documents published by the County Employees and Officers' Annuity Benefit Fund, and the County takes no responsibility for the accuracy and completeness of such information. If the information contained in the Third-Party Sourced Pension Tables is no longer publicly available or is not publicly available in the form, manner or time that the Annual Financial Information is required to be disseminated by the County, the County shall, as part of its Annual Financial Information for the year in which such a lack of availability arises, include a statement to that effect and to the effect that it will promptly file such information as it becomes available.

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

The Annual Financial Information is required to be disseminated to EMMA within 300 days after the last day of the County's Fiscal Year, which is currently November 30. The Audited Financial Statements are expected to be filed at the same time as the Annual Financial Information, provided that if the Audited Financial Statements are not available when the Annual Financial Information is filed, unaudited financial statements shall be included, and the Audited Financial Statements will be filed with EMMA within 30 days after they become available.

**Events Notification; Event Disclosure**

The County covenants that it will disseminate in a timely manner (not in excess of ten business days after the occurrence of the reportable event) to EMMA, in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the SEC at the time of delivery of such information, the disclosure of the occurrence of an Event (as described below). The "**Events**" are:

a) principal and interest payment delinquencies;
b) non-payment related defaults, if material;
c) unscheduled draws on debt service reserves reflecting financial difficulties;
d) unscheduled draws on credit enhancements reflecting financial difficulties;
e) substitution of credit or liquidity providers, or their failure to perform;
f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
g) modifications to rights of holders of the Bonds, if material;
h) bond calls, if material, and tender offers (other than scheduled mandatory redemptions);
i) defeasances;
j) release, substitution or sale of property securing repayment of the Bonds, if material;
k) rating changes;
l) bankruptcy, insolvency, receivership or similar event of the County;
m) the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
n) appointment of a successor or additional trustee or the change of name of a trustee, if material.

**Consequences of Failure of the County to Provide Information**

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

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

**Amendment; Waiver**

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

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

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

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

**Termination of Undertaking**

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

**Additional Information**

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

On April 21, 2016 and June 1, 2016, the County made correctional filings with EMMA relating to a September 9, 2011 Fitch Ratings rating downgrade of the County. As of the date hereof, the County is in compliance with the continuing disclosure obligations related to its outstanding bonds pursuant to the Rule.

## CONCLUSION

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

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

## CERTIFICATION AS TO OFFICIAL STATEMENT

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

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

THE COUNTY OF COOK, ILLINOIS

By: /s/ Ivan Samstein
Chief Financial Officer

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**APPENDIX A**
**Audited Basic Financial Statements For The Fiscal Year Ended November 30, 2015**

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# COOK COUNTY

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

**FOR THE YEAR ENDED NOVEMBER 30, 2015**


**Toni Preckwinkle**
PRESIDENT
COOK COUNTY
BOARD OF COMMISSIONERS

**Ivan Samstein**
CHIEF FINANCIAL OFFICER

**Lawrence L. Wilson, CPA**
COMPTROLLER


STAR
SET TARGETS • ACHIEVE RESULTS

**COOK COUNTY**
**CHICAGO, ILLINOIS**

Comprehensive Annual Financial Report

For the year ended November 30, 2015

Prepared by:

Office of the County Comptroller,
Lawrence L. Wilson, CPA, Comptroller

# INTRODUCTORY SECTION

**COOK COUNTY, ILLINOIS**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**
**For the Year Ended November 30, 2015**

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**COOK COUNTY, ILLINOIS**

**HONORABLE TONI PRECKWINKLE**
President

**HONORABLE JOHN P. DALEY**
Chairman, Committee on Finance

**COOK COUNTY BOARD OF COMMISSIONERS**

JERRY BUTLER

RICHARD R. BOYKIN

JOHN P. DALEY

JOHN A. FRITCHEY

BRIDGET GAINER

JESUS G. GARCIA

SEAN M. MORRISON

GREGG GOSLIN

STANLEY MOORE

JOAN PATRICIA MURPHY

LUIS ARROYO JR.

TIMOTHY O. SCHNEIDER

PETER N. SILVESTRI

DEBORAH SIMS

ROBERT B. STEELE

LARRY SUFFREDIN

JEFFERY R. TOBOLSKI

**Ivan Samstein**
Chief Financial Officer

**Lawrence L. Wilson**
Comptroller

TONI PRECKWINKLE
PRESIDENT
Cook County Board of Commissioners

RICHARD R. BOYKIN
1st District

ROBERT STEELE
2nd District

JERRY BUTLER
3rd District

STANLEY MOORE
4th District

DEBORAH SIMS
5th District

JOAN PATRICIA MURPHY
6th District

JESUS G. GARCIA
7th District

LUIS ARROYO JR.
8th District

PETER N. SILVESTRI
9th District

BRIDGET GAINER
10th District

JOHN P. DALEY
11th District

JOHN A. FRITCHEY
12th District

LARRY SUFFREDIN
13th District

GREGG GOSLIN
14th District

TIMOTHY O. SCHNEIDER
15th District

JEFFREY R. TOBOLSKI
16th District

SEAN MORRISON
17th District

Bureau of Finance | Office of the Chief Financial Officer
**IVAN SAMSTEIN**
CHIEF FINANCIAL OFFICER
118 N. CLARK STREET ● Chicago, Illinois 60602 ● (312) 603-6846

May 31, 2016

To the Honorable President Toni Preckwinkle
Members of the Cook County Board of Commissioners,
and Citizens of Cook County

Ladies and Gentlemen:

We are pleased to present the Comprehensive Annual Financial Report ("CAFR") of Cook County, Illinois (the "County") for the fiscal year ended November 30, 2015. The CAFR has been prepared by the County in accordance with the principles and standards for financial reporting set forth by the Government Accounting Standards Board ("GASB") and audited by various firms of independent auditors retained by the County.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the County. We believe that the data, as presented, is accurate in all material respects, presents fairly the financial position and results of operations of the County, as measured by the financial activity of its various funds, and provides the reader with disclosure of the County's activities.

The independent auditors' report on the basic financial statements and the supplemental combining and individual funds statements and schedules, is included in the Financial Section of this Report. The goal of the independent audit is to obtain reasonable assurance as to whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures contained in the financial statements. The fiscal year 2015 audit of the basic financial statements was performed, and an unmodified audit opinion was issued by the certified public accounting firm of RSM US LLP (formerly known as McGladrey LLP).

In addition to meeting the requirements set forth, an additional audit designed to meet the requirements of the federal Single Audit Act Amendments of 1996 and related OMB Circular A-133 Audits of State, Local Governments, and Non-Profit Organizations is performed annually.

The County has prepared the CAFR in accordance with accounting principles generally accepted in the United States of America ("GAAP"). GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of a Management Discussion & Analysis ("MD&A"). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

## PROFILE OF COOK COUNTY GOVERNMENT

The County was created on January 15, 1831 by an act of the Illinois State Legislature and became the 54th county established in the State of Illinois (the "State"). On May 7, 1831, the County elected its first officials. The population of the County is currently estimated at 5,246,456 making it the second largest county in the United States.

Within the County, there are 134 municipalities, including the City of Chicago (the "City"), 30 townships, 280 special districts, and 177 school districts. The City and the suburban municipalities account for approximately 85% of the County's 946 square miles, while unincorporated areas make up the remaining 15%. The unincorporated areas of the County are under the jurisdiction of the County Board.



$ Fiscal Responsibility Innovative Leadership Transparency & Accountability Improved Services

Under the Illinois Constitution, the County is a home rule unit of government and, except as limited by State law, may exercise any power and perform any function relating to its government and affairs, including the power to borrow money and levy taxes. There are no current statutory limitations on the power of the County to levy real property taxes or to issue general obligation bonds or notes.

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

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

*Protection of Persons and Property ("Public Safety Fund").* Protection of persons and property consists of the operation of the Circuit Court of Cook County, prosecution of persons charged with criminal offenses, and other activities of the State's Attorney's Office, operation of the County Jail (including Cermak Hospital, which serves inmates), operation of a Sheriff's police department, and other costs, such as those associated with facilities, highways, and administration. The Circuit Court of Cook County is the second largest unified court system in the United States, and the County Jail is the largest single site jail facility in the country.

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

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

*General Government* Services ("Corporate Fund"). The Corporate Fund includes County revenues and expenditures for government management and supporting services, control of environment, certain operating costs related to maintenance of highways, economic and human development, the assessment of real property, the levy extension, collection and distribution of taxes and the recording of property transfers.

In addition to general governmental services, the County has component units that are included in its reporting entity, due to the significance of their operational and/or financial relationships with the County: The Forest Preserve District and the Emergency Telephone 911 System. Additional information on these component units can be found in the notes to the financial statements.

## BUDGET PROCESS

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

The Executive Budget Recommendation, as approved by the President of the County Board, is submitted to the Cook County Board and subsequently referred to the Committee on Finance, which in turn holds hearings involving each department. The Committee on Finance makes available the Annual Appropriation Bill in tentative form, which is made available for public inspection for at least ten days prior to final action. Public hearings on the tentative Annual Appropriation Bill are then held. Amendments to the tentative Annual Appropriation Bill are then approved by the Committee on Finance. Subsequently, the Executive Budget in the form of the Annual Appropriation Bill is approved and adopted by the County Board.

In 2015, a preliminary forecasted budget deficit of $168.9 million was addressed through cost reductions, management initiatives, debt service savings, tax enforcement initiatives, and some economically-driven revenue growth. The $61.1

million in CCHHS Solutions was driven primarily from $56.3 million in growth related to the increase in the federal reimbursement rate for CountyCare and $4.8 million in net expenditure reductions at the health system.
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## LOCAL ECONOMIC CONDITION AND OUTLOOK

As the largest of 102 counties in the State, the County is the economic and cultural hub of the State, and is one of the major metropolitan areas in the nation after Los Angeles and New York.

The County is a diverse industrial center and a leading economic center of the Midwest. Income figures for the County exceed State and national rates; the most recent data available is for 2014 and shows the County's per capita personal income of $51,280 exceeding the State average of $47,643 and the national average of $46,049.

The County's industrial profile resembles that of the U.S., with a slightly larger services sector and somewhat smaller governmental presence. The County has a strong transportation network, with expansion of Chicago O'Hare International Airport and the Illinois Tollway both underway. Leading service sector industries in the County include health care and related services. Some of the leading private local employers with regional or national headquarters located in the County are Advocate Health Care, University of Chicago, Northwestern Memorial Healthcare, J.P. Morgan Chase & Co., United Continental Holdings Inc., Healthcare Service Corporation, Walgreens Boots Alliance, Inc., Presence Health, Abbott Laboratories, Northwestern University and American Airlines.

The County's unemployment rate at the end of 2015 was 5.8%, compared with 6.0% for the State and 4.8% for the nation in the same period.

## DEBT ADMINISTRATION AND BOND RATINGS

The County continues to have access to the debt markets to finance the acquisition, renovation or construction of various long-term assets. It is management's objective to adequately plan to meet the County's ongoing demands for essential capital improvement projects and equipment without overburdening taxpayers with general obligation bonds payable from ad valorem taxes, nor overly leveraging other county revenue sources. The County had roughly $3.5 billion in bonded indebtedness at the end of Fiscal Year 2015, comprised of both fixed rate and variable rate General Obligation Bonds and a smaller amount of fixed rate Sales Tax Revenue Bonds.

The County's underlying rating on its general obligation bonds is currently A2/AA/A+ - from Moody's Investors Service, Standard & Poor's and Fitch Ratings, respectively. All three agencies currently maintain negative outlooks on their respective ratings. The County also has outstanding Sales Tax Revenue Bonds that are rated AAA by Standard & Poor's.

A rating reflects only the views of the rating agency assigning such rating and an explanation of the significance of such rating may be obtained from such rating agency. The County has furnished to the rating agencies certain information and materials relating to the Bonds and the County, including certain information and materials that have not been included in this financial report.

## LONG-TERM FINANCIAL PLANNING & MAJOR INITIATIVES

**County Sales Tax**

In 2011, the County Board passed an ordinance amendment to roll back the Home Rule County Retailer's Occupation Tax Law from 1.25 percent to 0.75 percent over two different dates. The first change reduced the rate by 0.25 percent on January 1, 2012 and the second and final reduction of 0.25 percent occurred on January 1, 2013. The County made key reductions in operating appropriations from 2012 to 2015 to compensate for the reduction in revenue.

However, by 2015 the County's legacy liabilities that include unfunded liabilities at the County Employees' and Officers' Annuity and Benefit Fund of Cook County ("Pension Fund") and debt service costs associated with legacy bonded indebtedness continued to grow at an accelerated rate. As of December 31, 2014 the Pension Fund's actuarially projected

shortfalls associated with pension liability was determined to exceed $5 billion, which if unaddressed was projected to render the Pension Fund insolvent by 2039, under the current statutory finance and benefit framework. The County's legacy debt service cost is expected to rise by $120 million by 2023 versus Fiscal 2014 even without including any new debt issuance. In addition, the County's highway and transportation infrastructure also required funding to ensure unmet needs are addressed.

Therefore, on July 15, 2015, the County Board passed an ordinance amendment to the Home Rule County Retailer's Occupation Tax Law that increased it from 0.75 percent to 1.75 percent. The change was effective on January 1, 2016, with the first revenue received in April, 2016. This increase is projected to raise $305 million in 2016 and $474 million in 2017 and is specifically allocated to address the County's legacy liability costs and critical infrastructure funding needs.

**Performance Management**

The County has implemented the "Set Targets, Achieve Results" (STAR) Performance Management program in all agencies and offices. The Board of Commissioners passed an ordinance on February 1, 2011, which requires all County agencies, bureaus and departments to collect and report quarterly measures of their performance. Through the STAR program, the County has submitted quarterly reports for the past 16 quarters, which can be found at https://performance.cookcountyil.gov, and has held over 200 weekly accountability meetings with County agencies. The County has begun to implement performance based budgeting tied to performance indicators the agencies identify. STAR has helped the County improve services and reduce expenses by better utilizing existing resources and increasing operational efficiency. The program provides County leaders with the tools and information they need to measure success and make key management and resource allocation decisions based on facts and data.

**Economic Development**

The County continues to undertake efforts to play a larger role in regional economic development. In 2015, the Bureau of Economic Development has launched two major initiatives that will carry over to 2016: (1) In coordination with the Chicago Regional Growth Initiatives (CGRI), the Bureau has been selected to create a regional plan to attract and leverage foreign direct investment (FDI) as part of the Global Cities Initiative (GCI), a joint-project of the Brookings Institution and JPMorgan Chase. FDI occurs when a foreign company invests in a U.S. business enterprise either by opening a new operation or through a merger or acquisition; (2) Within the Bureau, the Department of Planning and Development launched the County's Disaster Recovery program funded by an $83.6 million CDBG-DR grant from HUD. The program invested funds into affordable housing, provided resources to buy-out properties continuously damaged by flooding waters, funded new storm water and infrastructure improvements for businesses and residential neighborhoods, and assisted neighborhoods and communities with the preparation of hazard mitigation plans, flood plain studies and soil mapping. Through these efforts combined with other similar ones the County continues to implement strategies to create and promote regional economic growth opportunities that in turn help reduce poverty and increase public safety.

**Cook County Health & Hospital System Initiatives**

In fiscal year 2008, a new independent Cook County Health and Hospital System ("CCHHS") Board was created by the Cook County Board of Commissioners to provide oversight of health care operations, and in May 2010, the Cook County Board of Commissioners voted to make the CCHHS Board permanent. The CCHHS continues to undertake significant restructuring with a focus on operational efficiency so that the CCHHS can better fulfill its mission of serving the health care needs of the region.

In 2012, CCHHS and Cook County Board Officials collaborated to cut Medicaid costs, to help county taxpayers, and transform Cook County's hospital system by jump-starting national health care reform in Cook County. In October 2012, the federal government approved a Federal Section 1115 Medicaid Waiver ("Medicaid Expansion") for the State of Illinois, allowing CCHHS to early enroll certain uninsured patients into Medicaid. The Medicaid Expansion program ended June 30, 2014 and effective July 1, 2014 CountyCare was granted the designation of Managed Care Community Network ("MCCN"). As of November, 2015, CountyCare had over 167,000 members that were covered, that included, adults, families, seniors and persons with disabilities.

## INDEPENDENT AUDIT

Portions of the audit were implemented as a subcontractor agreement between RSM US LLP and a consortium of Cook County-based minority and women-owned certified public accounting firms.

In addition to the fiscal 2015 County basic financial statements, RSM US LLP also conducted the CCHHS audit and the County Treasurer's audit. The Clerk of the Circuit Court audit was conducted by Prado & Renteria. Washington, Pittman & McKeever conducted the Single Audit of the County's various federal grant programs. Baker Tilly Virchow Krause LLP conducted the Forest Preserve District's audit and Legacy Professionals LLP conducted the separate pension fund audits. The Cook County Emergency Telephone System Board audit was performed by Washington, Pittman & McKeever. All of the independent audits have been performed in accordance with auditing standards generally accepted in the United States of America and received unmodified opinions.

Copies of each audit report, including the schedule of expenditures of federal awards, findings and recommendations, and the auditors' report on internal control and compliance with applicable laws and regulations, are included in separate annual audit reports and, may be obtained from the Comptroller's Office, Cook County Building, 118 N. Clark Street, Room 500, Chicago, Illinois 60602.

## AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Cook County for its comprehensive annual financial report (CAFR) for the fiscal year ended November 30, 2014. This was the second consecutive year that the County has achieved this prestigious award, with the most previous such award in 2001. In order to be awarded a Certificate of Achievement, the County had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable program requirements.

A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement for Excellence in Financial Reporting Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another such certificate.

The County also received the GFOA's Distinguished Budget Presentation Award for its fiscal year 2015 annual budget document. To qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

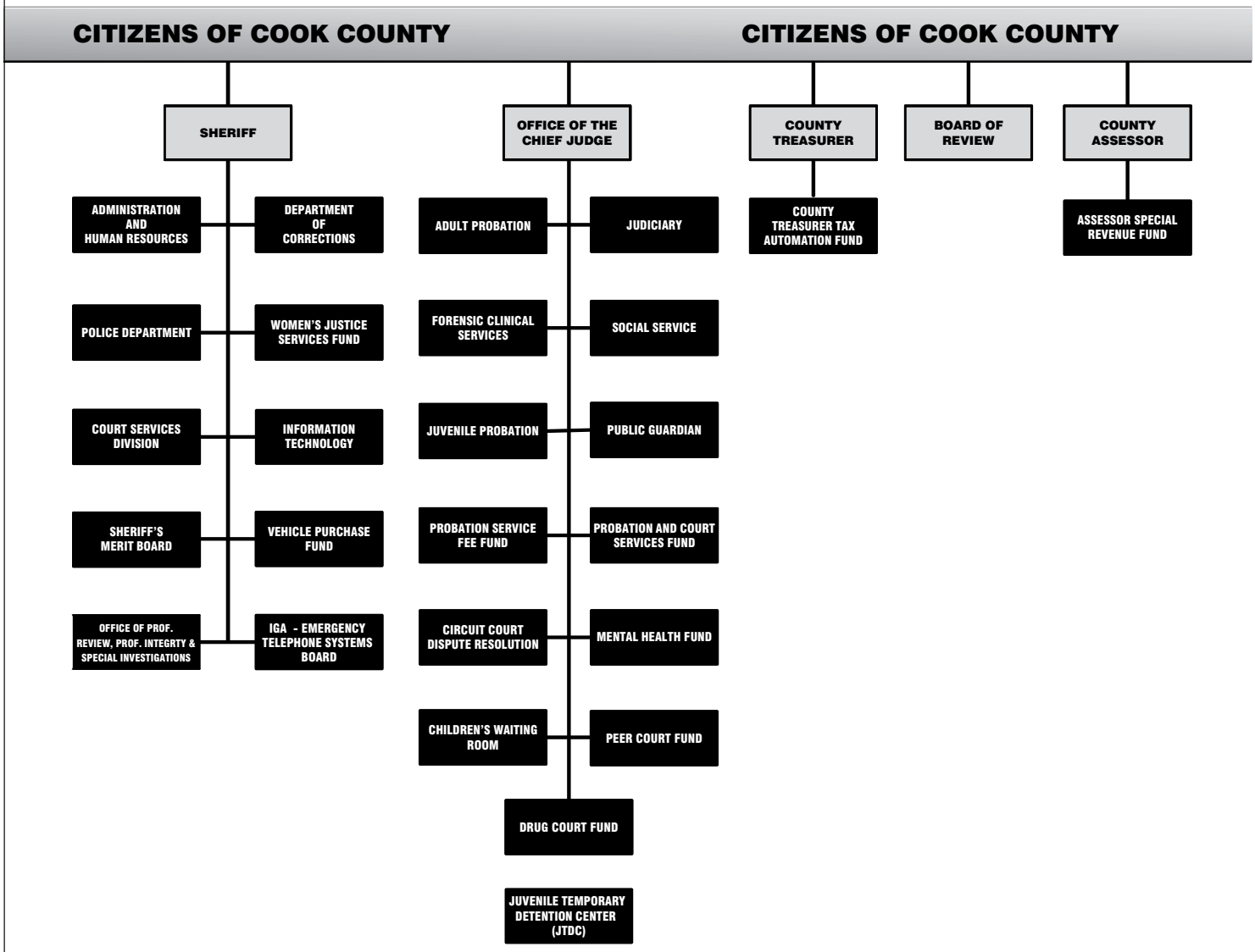
The preparation and completion of this CAFR represents the culmination of numerous efforts by many County employees, and the cooperation and assistance of the various accounting firms engaged to audit the County's operations. We would like to express our sincere appreciation to the members of our staff, the staff of the certified public accounting firms of RSM US LLP, Washington, Pittman & McKeever, Prado & Renteria, Legacy Professionals LLP, Baker Tilly Virchow Krause LLP and the staff of the County Auditor for making this report possible. Credit also is due to the President and the Board of Commissioners for their unfailing support for maintaining the highest standards of professionalism in the management of Cook County's finances.

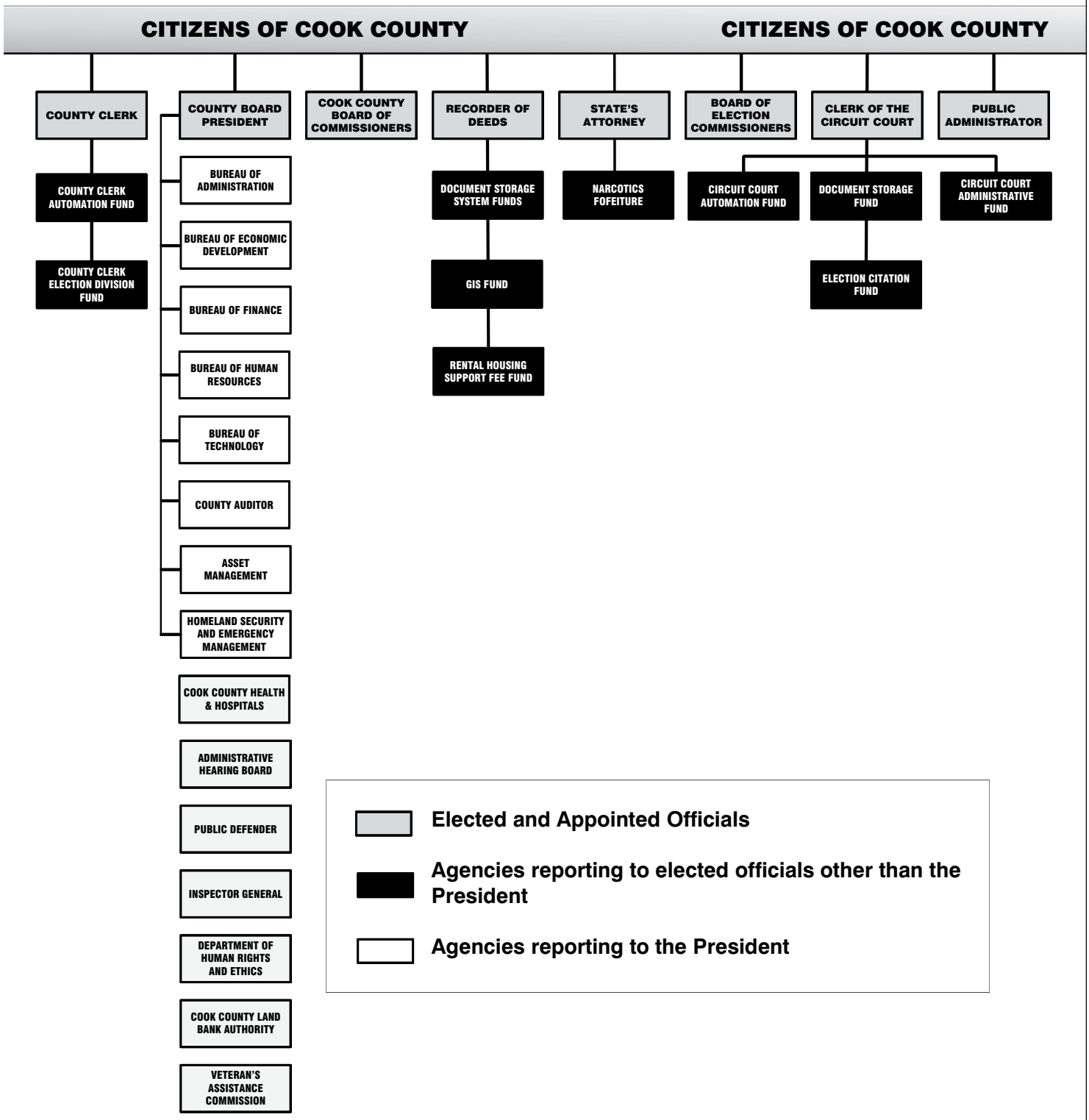
Respectfully submitted,

Ivan Samstein
Chief Financial Officer

Lawrence L. Wilson, CPA
Comptroller

# 2015 COOK COUNTY ORGANIZATIONAL CHART




CITIZENS OF COOK COUNTY
CITIZENS OF COOK COUNTY
COUNTY CLERK
COUNTY CLERK AUTOMATION FUND
COUNTY CLERK ELECTION DIVISION FUND
COUNTY BOARD PRESIDENT
BUREAU OF ADMINISTRATION
BUREAU OF ECONOMIC DEVELOPMENT
BUREAU OF FINANCE
BUREAU OF HUMAN RESOURCES
BUREAU OF TECHNOLOGY
COUNTY AUDITOR
ASSET MANAGEMENT
HOMELAND SECURITY AND EMERGENCY MANAGEMENT
COOK COUNTY HEALTH & HOSPITALS
ADMINISTRATIVE HEARING BOARD
PUBLIC DEFENDER
INSPECTOR GENERAL
DEPARTMENT OF HUMAN RIGHTS AND ETHICS
COOK COUNTY LAND BANK AUTHORITY
VETERAN'S ASSISTANCE COMMISSION
COOK COUNTY BOARD OF COMMISSIONERS
RECORDER OF DEEDS
DOCUMENT STORAGE SYSTEM FUNDS
GIS FUND
RENTAL HOUSING SUPPORT FEE FUND
STATE'S ATTORNEY
NARCOTICS FOFEITURE
BOARD OF ELECTION COMMISSIONERS
CLERK OF THE CIRCUIT COURT
CIRCUIT COURT AUTOMATION FUND
DOCUMENT STORAGE FUND
ELECTION CITATION FUND
CIRCUIT COURT ADMINISTRATIVE FUND
PUBLIC ADMINISTRATOR
Elected and Appointed Officials
Agencies reporting to elected officials other than the President
Agencies reporting to the President

Government Finance Officers Association

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

**Cook County**

**Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

**November 30, 2014**

Executive Director/CEO

# FINANCIAL SECTION

RSM

RSM US LLP

**Independent Auditor's Report**

The Honorable Toni Preckwinkle, County Board President
and Members of the County Board of Commissioners
Cook County, Illinois

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Cook County, Illinois (County), as of and for the year ended November 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

***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.

***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented component units (the Forest Preserve District of Cook County and the Emergency Telephone System). We also did not audit the financial statements of the County Pension Trust Fund, the County Postemployment Healthcare Trust Fund and the Clerk of the Circuit Court Agency Fund which represent 96 percent, and 76 percent, respectively, of the assets, and revenues/additions of the aggregate remaining fund information. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component units, the Pension Trust Fund, the Postemployment Healthcare Trust Fund and the Clerk of the Circuit Court Agency Fund, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves 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 entity'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 entity's internal control. Accordingly, we express no such opinion. 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 the financial statements.

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



RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Visit rsmus.com/aboutus for more information regarding RSM US LLP and RSM International.

***Opinions***

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Cook County, Illinois, as of November 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As discussed in the Notes to the Basic Financial Statements, Note X, during the year ended November 30, 2015 the County adopted the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions, an Amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68.* Also, as described in Note X, the County changed its accounting policy for self-insurance claims. The implementation of GASB Statement Nos. 68 and 71 and the change in accounting policy for self-insurance claims resulted in a restatement of November 30, 2014 net position as described in Note X. 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 management's discussion and analysis on pages 4 - 25, pensions and other post-employment benefit obligations (OPEB) information on page 115 - 117 and budgetary schedules for the General Fund and major special revenue funds on pages 118 - 132 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 and other auditors 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 inquiries 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.

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying supplemental combining and individual fund statements and schedules, the introductory section, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplemental combining and individual fund statements and schedules are the responsibility of management and were derived from and relate 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 audit 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 basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, the accompanying supplemental combining and

individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Introductory and Statistical Sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

RSM US LLP

Chicago, Illinois
May 31, 2016

# MANAGEMENT'S DISCUSSION
# &
# ANALYSIS

**Cook County, Illinois**
**Management's Discussion and Analysis**
**Year Ended November 30, 2015**

As management of Cook County, Illinois (the "County"), we offer the readers of the Management's Discussion and Analysis (the "MD&A") section of the County's Comprehensive Annual Financial Report (the "CAFR") a narrative overview and analysis of the financial activities of the County for the fiscal year ended November 30, 2015. The reader is encouraged to consider the information presented here in conjunction with the basic financial statements and the accompanying notes, which follow this section.

## Financial Highlights for FY 2015

- The County's FY2015 preliminary forecasted budget deficit of $168.9 million was addressed through cost reductions including vacancy reductions, management initiatives, debt service savings, tax enforcement initiatives, and some economically-driven revenue growth. The $61.1 million in CCHHS Solutions was driven primarily from $56.3 million in growth related to the increase in the federal reimbursement rate for CountyCare and $4.8 million in net expenditure reductions at the health system.
- The County's financial statements have been restated as of November 30, 2014. The restatement is a result of the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68.* Additionally, the County changed its accounting policy for self-insurance claims. The implementation of the pension standards and the change in accounting policy resulted in a restatement of opening net position for governmental activities, business-type activities and the CCHHS Fund. See Note X for information on the impact of the restatement.
- On December 19, 2014, the County entered into an agreement for $125.0 million General Obligation Bond Series 2014D as a variable rate revolving line of credit with PNC Bank. The purpose is to provide for a financing mechanism for capital projects during acquisition/construction phase of each such project. See additional information under "Debt Administration."
- On April 3, 2015, the County prepaid in full without any penalties the outstanding $40,000,000 term loan with BMO Harris Bank N.A. that was drawn in November 2014.
- On July 15, 2015, the County Board passed an ordinance amendment to the Home Rule County Retailer's Occupation Tax Law that increased the tax rate from 0.75 percent to 1.75 percent. The change was effective on January 1, 2016, with the first revenue received in April, 2016. This increase is projected to raise $305 million in 2016 and $474 million in 2017 and is specifically allocated to address the unfunded liabilities at the Cook County Officers' and Employees' Annuity and Benefit Fund, the County's debt service costs associated with legacy bonded indebtedness and critical transportation infrastructure needs.

- Total fiscal year 2015 expenses for governmental activities were $2.663 billion, which represents an increase of $37.2 million (1.4%) over fiscal year 2014 expenses for governmental activities of $2.626 billion.
- At the end of the 2015 fiscal year, the County's governmental funds reported combined fund balances of $427.8 million, a decrease of approximately $149.0 million (25.8%) in comparison with the prior year of $576.8 million primarily due to a reduction in the bond-funded Capital Projects Fund as anticipated projects have led to spending of the associated bond proceeds.

## Overview of the Basic Financial Statements

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

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

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

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

**Organization of the Cook County, Illinois**

**Comprehensive Annual Financial Report**

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<tr><td>Statistical Section</td><td colspan="4">STATISTICAL SECTION (unaudited)</td></tr>
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## Government-wide Financial Statements

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

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

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

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

- Governmental Activities – The majority of County services are reported under this category. Governmental activities of the County include public safety responsibilities through the operation of the second largest unified court system in the nation and the operation of the largest single site jail complex in the United States. Also included in governmental activities are corporate functions that include the design, operation and maintenance of a highway system; control of the environment; the assessment, levy, collection and distribution of property taxes; and general administration and finance. The major revenue sources of these activities are property taxes, sales taxes and other non-property taxes, and various fees. Governmental activities include the primary government composed of the County itself.

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

Discretely Presented Component Units – Component units are entities for which the GASB Standards view the County as financially accountable. The two discretely presented entities, based on their relationship with the County, are the Forest Preserve District of Cook County (the "District") and the Emergency Telephone System, which provides Emergency 911 services primarily in unincorporated areas of the County. Under Illinois law, the Forest Preserve District is a separate body politic, as a non-home rule unit of government with a separate and distinct tax levy and financial resources from those of the County.

## Fund Financial Statements

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

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

for spending. Such information may be useful in determining what financial resources are available in the near term to finance the County's various programs.

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

The County maintains several individual governmental funds organized according to their type (special revenue, debt service, and capital projects). Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund which is considered to be a major fund. The General Fund includes the following four accounts: Corporate Account, Public Safety Account, Self-Insurance Account, and the Chief Judge Juvenile Justice Account. The other major governmental funds, the Debt Service Fund, Motor Fuel Tax Fund, Annuity and Benefit Fund (which is used to receive designated revenues that are later transmitted to a separate and distinct Fiduciary Fund discussed in greater detail below) and Capital Projects Fund, are individually presented. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of supplemental combining and individual statements and schedules within this report.

**Proprietary funds.** Proprietary funds are generally used to account for services for which the County charges a fee for services provided. Proprietary funds provide the same type of information as shown in the government-wide financial statements, only in more detail. The County uses one enterprise fund to account for the operations of its various healthcare activities. The proprietary fund financial statements provide information for the CCHHS.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside of the primary government. The County Employees' and Officers' Annuity and Benefit Fund of Cook County is a separate unit of government that administers a defined benefit plan created by acts of the Illinois State Legislature to provide retirement and disability benefits to qualified employees and retirees of Cook County. Consistent with GASB standards, the County reports a Pension Trust Fund and a Postretirement Healthcare ("OPEB") Fund for associated employee benefit plans. These funds are used to report assets held in a trust for employees, retirees and their beneficiaries, and cannot be used to support the County's programs and are controlled by a separate body of government as created and empowered under Illinois law. The County also uses fiduciary funds to account for assets held by the County as agent for various entities. The Pension Trust Fund, Postretirement Healthcare Fund and Agency funds are reported in this fund category using the accrual basis of accounting. These funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's programs.

## Notes to the Basic Financial Statements

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

## Required Supplementary Information

In addition to the basic financial statements and accompanying notes, the required supplementary information section presents certain required supplementary information concerning the funding of the County's Employees' and Officers' Annuity and Benefit Fund of Cook County ("CEOABF") as a separate unit of government that administers a defined benefit plan created by acts of the Illinois State Legislature to provide retirement and disability benefits to qualified employees of Cook County. This section includes information on contributions made by the County to the CEOABF. Budgetary schedules for the General Fund and major special revenue funds are also presented in this section.

# Government-wide Financial Analysis

## Net Position

The County has presented summarized comparative financial statements below.

As noted earlier, over time net position may serve as a useful indicator of a government's financial position. In the case of the County, liabilities and deferred inflows exceeded assets and deferred outflows by $14,456.9 million as of November 30, 2015.

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

| | Governmental Activities | | Business-type Activities | | Adjustments | | Total | |
|---|---|---|---|---|---|---|---|---|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Current and other assets | $ 1,325.9 | $ 1,541.6 | $ 782.0 | $ 489.6 | $ - | $ - | $ 2,107.9 | $ 2,031.2 |
| Capital assets | 1,769.5 | 1,778.2 | 395.0 | 400.4 | - | - | 2,164.5 | 2,178.6 |
| Total assets | 3,095.4 | 3,319.8 | 1,177.0 | 890.0 | - | - | 4,272.4 | 4,209.8 |
| Deferred outflows of resources | 264.3 | 150.3 | 93.4 | 50.0 | - | - | 357.7 | 200.3 |
| Total assets and deferred outflows | 3,359.7 | 3,470.1 | 1,270.4 | 940.0 | - | - | 4,630.1 | 4,410.1 |
| Current and other liabilities | 360.8 | 312.3 | 593.5 | 396.7 | - | - | 954.3 | 709.0 |
| Long-term liabilities | 13,654.8 | 13,277.6 | 4,446.7 | 4,097.0 | - | - | 18,101.5 | 17,374.6 |
| Total liabilities | 14,015.6 | 13,589.9 | 5,040.2 | 4,493.7 | - | - | 19,055.8 | 18,083.6 |
| Deferred inflows of resources | 2.4 | 2.9 | 28.8 | - | - | - | 31.2 | 2.9 |
| Net Position: | | | | | | | | |
| Net investment in capital assets | (27.7) | 54.6 | 395.0 | 400.4 | (404.0) | (396.3) | (36.7) | 58.7 |
| Restricted | 669.8 | 780.3 | 0.6 | 0.2 | - | - | 670.4 | 780.5 |
| Unrestricted (deficit) | (11,300.4) | (10,957.6) | (4,194.2) | (3,954.3) | 404.0 | 396.3 | (15,090.6) | (14,515.6) |
| Total net position (deficit) | $ (10,658.3) | $ (10,122.7) | $ (3,798.6) | $ (3,553.7) | $ - | $ - | $ (14,456.9) | $ (13,676.4) |

Note: 2014 information has been restated for the implementation of GASB 68 and 71

The County's total net position consists of the following three components:

Net Investment in Capital Assets

The County's net investment in capital assets of ($36.7) million represents its investment in capital assets at depreciated cost (e.g. land, buildings and improvements, infrastructure, and equipment) less any related debt and deferred outflows of resources used to acquire those assets that is still outstanding. This amount decreased by $95.4 million primarily due to a reduction in the Capital Projects fund balance that was originally provided from bond proceeds that are being drawn down to fund capital projects. The County uses these capital assets to provide services to citizens. The County's governmental activities fund all construction in progress ("CIP") including a portion upon completion that is transferred to the CCHHS (Business-type activities) as capital assets. The associated debt to fund the capital assets is not transferred to CCHHS as it is General Obligation debt that will be retired by governmental activities. Monies used to construct capital assets of the health facilities are obtained from governmental purpose bonds financed by the governmental funds of the County. Accordingly, the long-term debt is shown in the Government Activities and the corresponding capital assets are shown in the Business-type Activities. An adjustment column is included to properly report the County's net investment in capital assets at the total level for the primary government. As the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay the debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted Net Position

Net position restrictions are primarily due to external restrictions imposed by legislation, grantors and bond covenants. The County has a balance of $670.4 million restricted for various specific purposes. Restricted net position decreased $110.1 million (14.1%) over the prior year due mainly to the timing of various program expenses.

Unrestricted Net Position (Deficit)

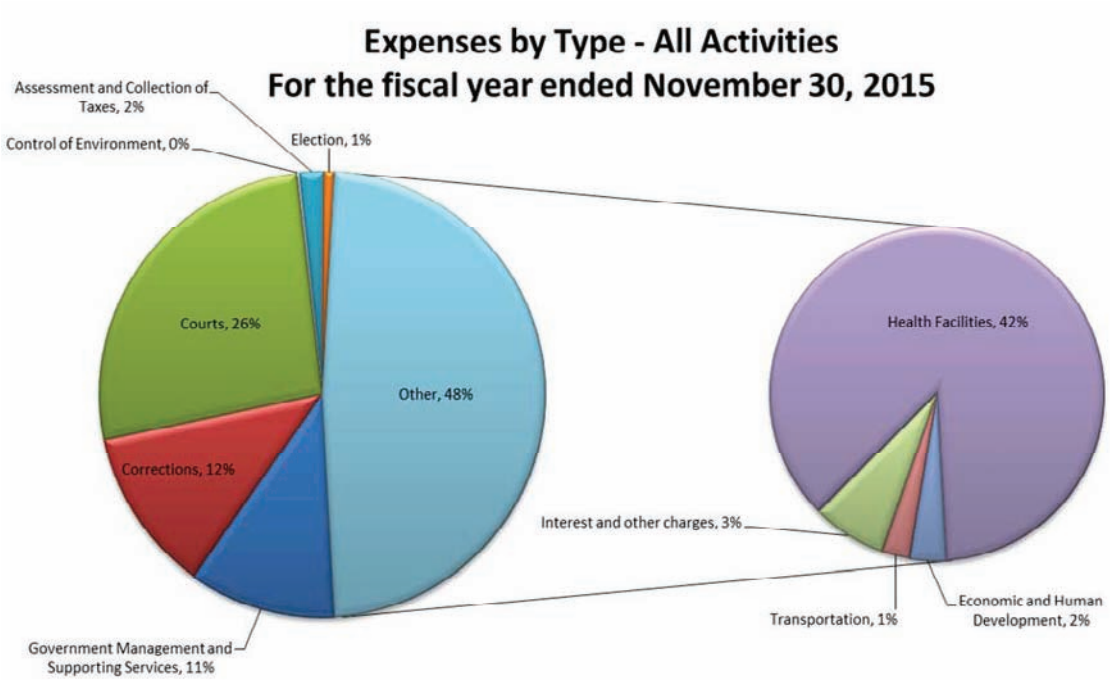
Unrestricted net position shows a $15,090.6 million deficit at the end of the fiscal year. It should be noted that the deficit in unrestricted net position does not mean that the County does not have the resources available to pay its bills or other short-term liabilities.

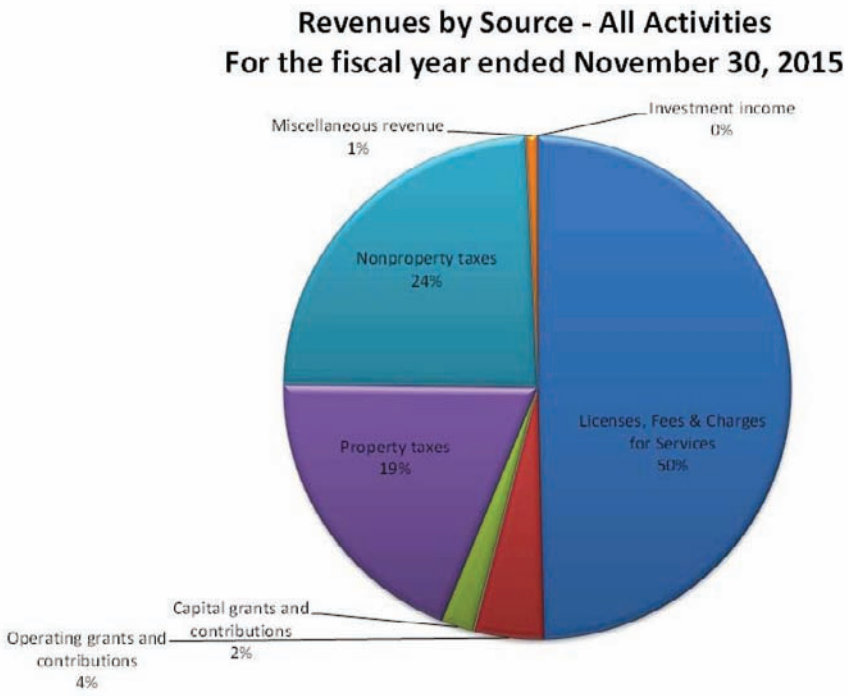
The following schedule compares the revenues, expenses, and changes in net position for the governmental and business-type activities:

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

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | **2015** | **2014** | **2015** | **2014** | **2015** | **2014** |
| **Program Revenues:** | | | | | | |
| Licenses, Fees & Charges for Services | $ 329.1 | $ 318.0 | $ 1,553.2 | $ 1,246.5 | $ 1,882.3 | $ 1,564.5 |
| Operating Grants and Contributions | 149.5 | 167.4 | 18.5 | 18.2 | 168.0 | 185.6 |
| Capital Grants and Contributions | 80.2 | 93.4 | - | - | 80.2 | 93.4 |
| **Total Program Revenues:** | **558.8** | **578.8** | **1,571.7** | **1,264.7** | **2,130.5** | **1,843.5** |
| **Tax Revenues:** | | | | | | |
| Property Taxes | 577.7 | 676.8 | 143.4 | 37.4 | 721.1 | 714.2 |
| Personal Property Replacement Tax | 56.5 | 65.5 | - | - | 56.5 | 65.5 |
| County Sales Tax | 347.3 | 336.6 | - | - | 347.3 | 336.6 |
| County Use Tax | 80.8 | 74.5 | - | - | 80.8 | 74.5 |
| State Income Tax | 13.6 | 12.9 | - | - | 13.6 | 12.9 |
| Illinois Gaming Tax | 8.5 | 8.5 | - | - | 8.5 | 8.5 |
| Alcoholic Beverage Tax | 36.5 | 35.7 | - | - | 36.5 | 35.7 |
| Gasoline Tax | 93.6 | 87.8 | - | - | 93.6 | 87.8 |
| Cigarette Tax | 121.8 | 4.6 | 13.2 | 126.7 | 135.0 | 131.3 |
| Other Tobacco Products Taxes | - | - | 1.1 | 5.6 | 1.1 | 5.6 |
| Amusement Tax | 31.2 | 29.9 | - | - | 31.2 | 29.9 |
| Non Retailer Transaction Use Tax | 17.3 | 9.5 | - | - | 17.3 | 9.5 |
| Parking Lot & Garage Operations Tax | 47.8 | 44.9 | - | - | 47.8 | 44.9 |
| Road Taxes | 23.7 | 21.8 | - | - | 23.7 | 21.8 |
| Other Non-property Taxes | **20.3** | **14.1** | - | - | 20.3 | 14.1 |
| **Total Tax Revenues:** | **1,476.6** | **1,423.1** | **157.7** | **169.7** | **1,634.3** | **1,592.8** |
| **Other General Revenues:** | | | | | | |
| Miscellaneous Revenue | 26.8 | 21.6 | - | - | 26.8 | 21.6 |
| Investment Income | 1.9 | 1.2 | - | - | 1.9 | 1.2 |
| **Total Other General Revenues:** | **28.7** | **22.8** | **-** | **-** | **28.7** | **22.8** |
| **Total Revenues:** | **$ 2,064.1** | **$ 2,024.7** | **$ 1,729.4** | **$ 1,434.4** | **$ 3,793.5** | **$ 3,459.1** |
| **Expenses:** | | | | | | |
| Government management and supporting services | $ 486.6 | $ 537.5 | $ - | $ - | $ 486.6 | $ 537.5 |
| Corrections | 546.3 | 526.3 | - | - | 546.3 | 526.3 |
| Courts | 1,209.8 | 1,163.6 | - | - | 1,209.8 | 1,163.6 |
| Control of environment | 8.4 | 7.1 | - | - | 8.4 | 7.1 |
| Assessment and collection of taxes | 81.0 | 83.0 | - | - | 81.0 | 83.0 |
| Elections | 35.3 | 54.2 | - | - | 35.3 | 54.2 |
| Economic and human development | 77.2 | 31.6 | - | - | 77.2 | 31.6 |
| Transportation | 60.0 | 56.0 | - | - | 60.0 | 56.0 |
| Interest and other charges | 158.2 | 166.3 | - | - | 158.2 | 166.3 |
| Cook County Health and Hospitals System | - | - | 1,911.3 | 1,478.3 | 1,911.3 | 1,478.3 |
| **Total Expenses:** | **2,662.8** | **2,625.6** | **1,911.3** | **1,478.3** | **4,574.1** | **4,103.9** |
| **Change in net position before transfers** | **(598.7)** | **(600.9)** | **(181.9)** | **(43.9)** | **(780.6)** | **(644.8)** |
| **Transfers - Contributed Capital** | **(17.1)** | **(6.5)** | **17.1** | **6.5** | **-** | **-** |
| **Transfers** | **(63.0)** | **(59.6)** | **63.0** | **59.6** | **-** | **-** |
| **Change in net position** | **(678.8)** | **(667.0)** | **(101.8)** | **22.2** | **(780.6)** | **(644.8)** |
| **Net position (deficit) - beginning, as restated** | **(9,979.5)** | **(9,455.7)** | **(3,696.8)** | **(3,575.9)** | **(13,676.3)** | **- (13,031.6)** |
| **Net position (deficit) - ending** | **$ (10,658.3)** | **$ (10,122.7)** | **$ (3,798.6)** | **$ (3,553.7)** | **$ (14,456.9)** | **$ (13,676.4)** |

Note: 2014 information has been restated for the implementation of GASB 68 and 71

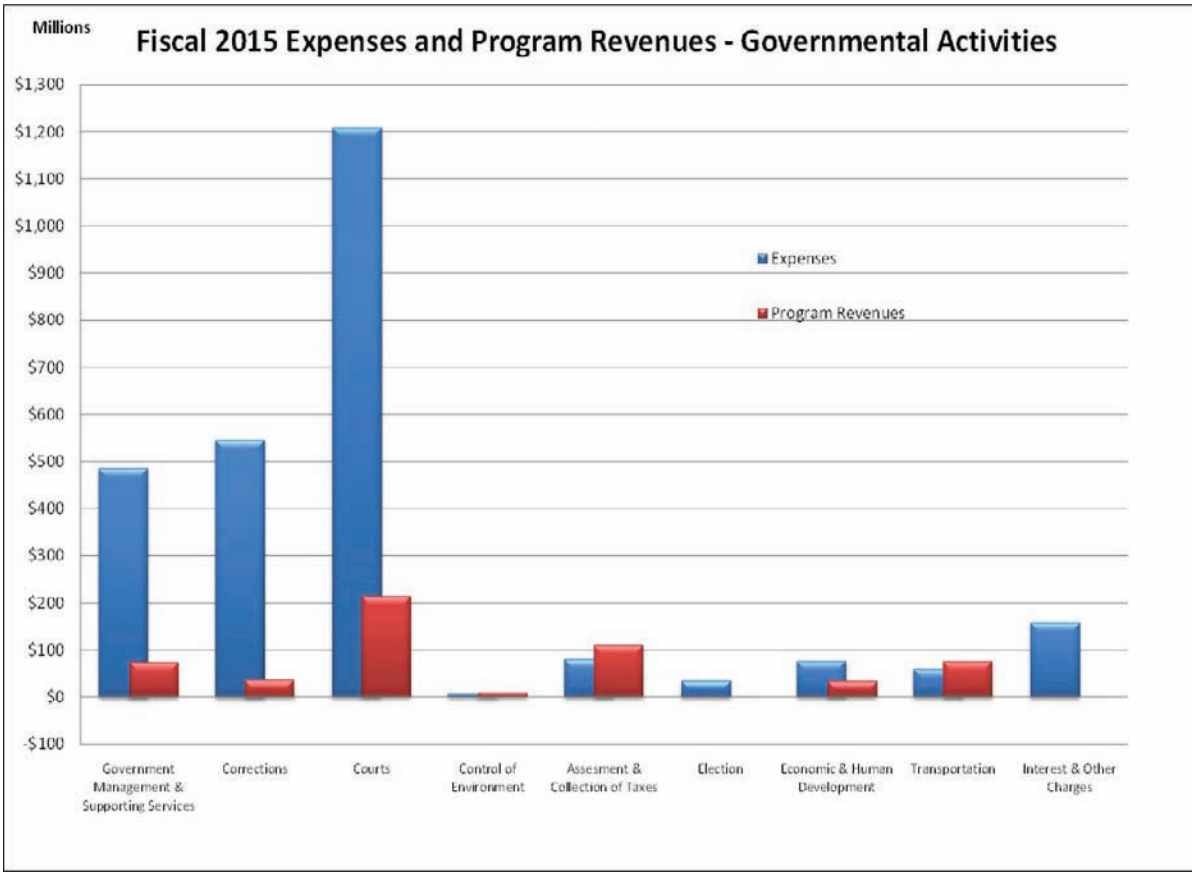

Expenses by Type - All Activities
For the fiscal year ended November 30, 2015
Assessment and Collection of Taxes, 2%
Control of Environment, 0%
Election, 1%
Courts, 26%
Other, 48%
Corrections, 12%
Government Management and Supporting Services, 11%
Health Facilities, 42%
Interest and other charges, 3%
Transportation, 1%
Economic and Human Development, 2%


Revenues by Source - All Activities
For the fiscal year ended November 30, 2015
Miscellaneous revenue 1%
Investment income 0%
Nonproperty taxes 24%
Licenses, Fees & Charges for Services 50%
Property taxes 19%
Capital grants and contributions 2%
Operating grants and contributions 4%

## Governmental Activities

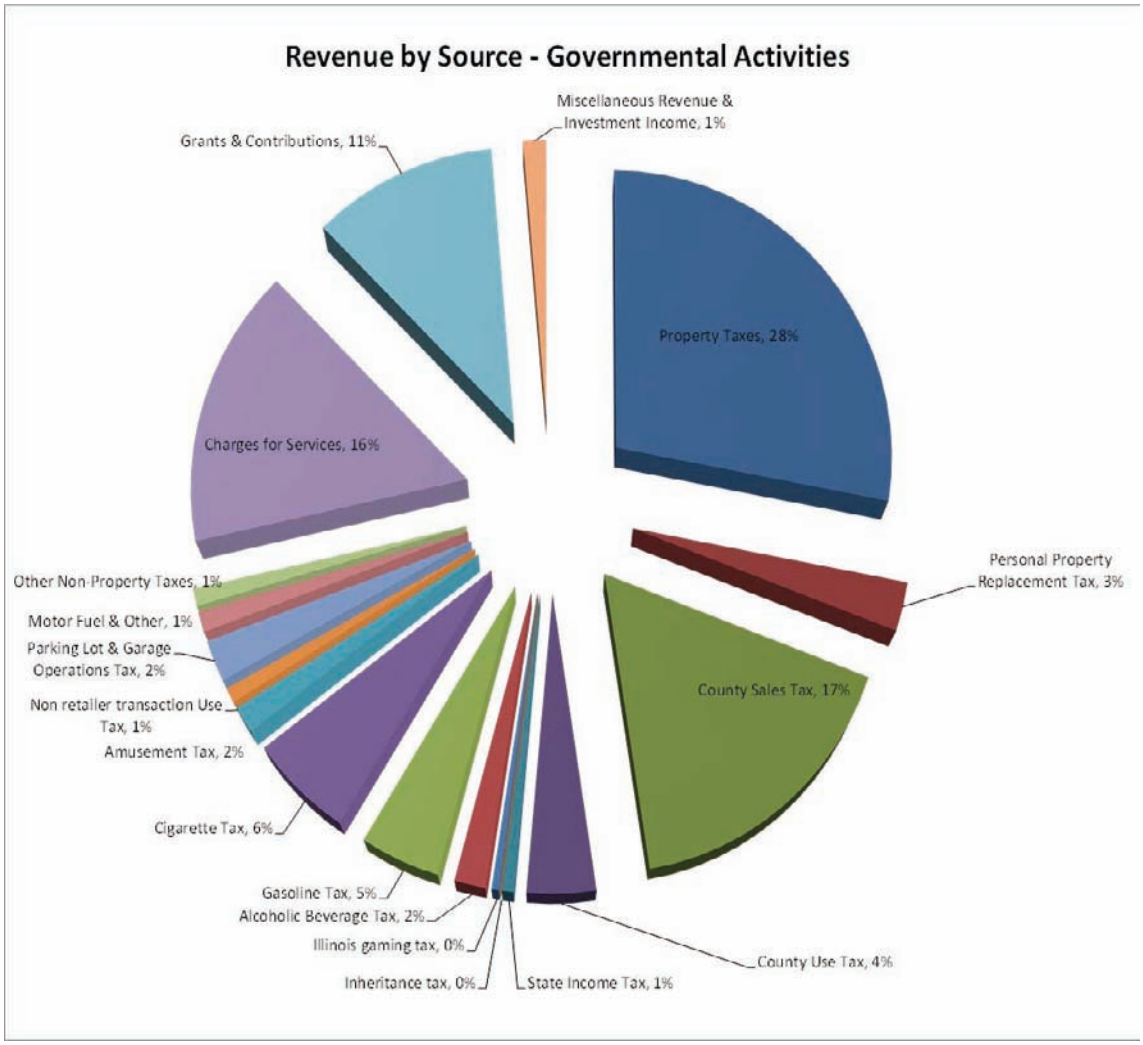
The net position of governmental activities was a negative $9,979.5 million at the beginning of the 2015 fiscal year as restated due to the implementation of GASB 68 requirements. Net position of governmental activities decreased $678.8 million (6.8%) in fiscal year 2015 to a negative $10,658.3 million.

The following chart presents program revenues and expenses for governmental activities for the fiscal year ended November 30, 2015:




Program revenues are derived from the program itself and reduce the costs of operating the particular function of the County. In fiscal 2015, total program revenues of the County for governmental activities amounted to $558.8 million, a decrease of $20.0 million (3.5%) from fiscal year 2014 program revenues of $578.8 million. The largest portion of program revenues is licenses, fees and charges for services of $329.1 million (58.9%), which primarily consisted of fees and fines from court operations and penalties on real estate taxes. The other portions of program revenues were operating grants and contributions of $149.5 million (26.8%) and capital grants and contributions of $80.2 million (14.3%) received from various federal and state agencies, including donated capital assets. Operating and capital grants and contributions ($229.7 million) decreased $31.1 million (11.9%) from the 2014 total of $260.8 million.

The following chart presents revenues by source for governmental activities for the fiscal year ended November 30, 2015:



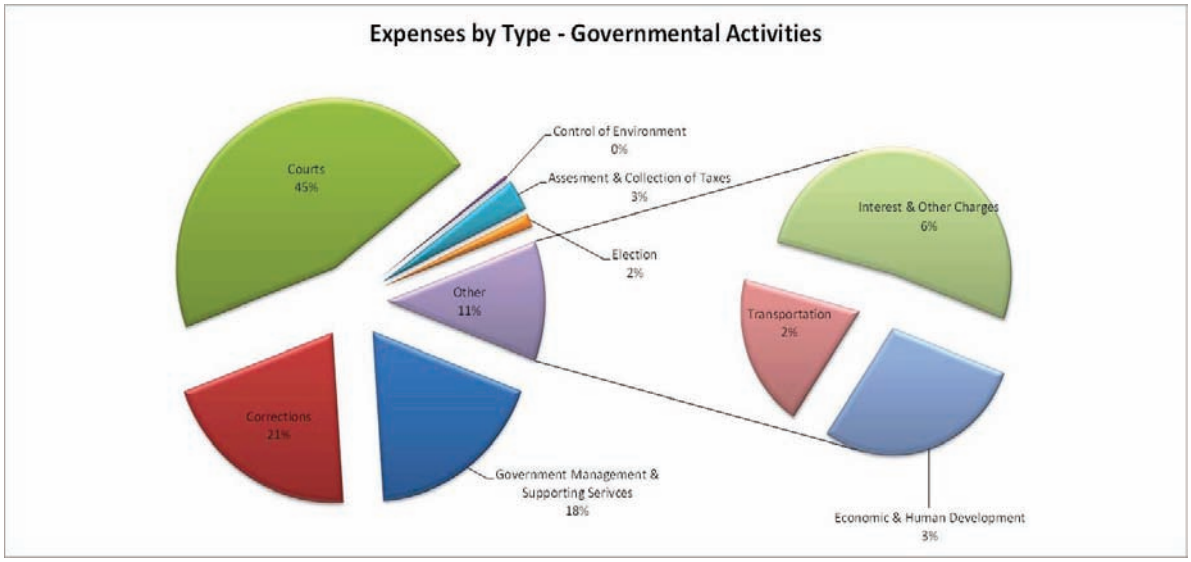

Property taxes, the County's largest general revenue source, were $99.1 million (14.6%) lower than the previous fiscal year, primarily due to a reduced allocation to the County Governmental Activities in relation to CCHHS Enterprise Activities. The County's property tax rate for fiscal year 2014 was 0.568 per $100 of equalized assessed valuation. The base property tax levy has been held constant at $720.4 million since 1996, excluding expiring TIF districts which have led to modest growth in the overall levy.

Sales tax, the County's second largest tax revenue source, was $10.7 million (3.2%) higher than the previous year, increasing from $336.6 million in 2014 to $347.3 million in 2015. Cigarette taxes for governmental activities increased from $4.6 million in 2014 to $121.8 million in 2015, primarily due to a reallocation of these tax collections to the general fund from CCHHS as approved in the 2015 Annual Appropriation Bill. Non retailer transaction use tax increased by $7.8 million (82.1%); the County Department of Revenue

continues to pursue various enforcement, tax discovery efforts and collection options to increase compliance of this tax type, including a recent intergovernmental agreement with the Illinois Department of Revenue to collect this particular tax on behalf of the County.

Program revenues recognized from licenses and fees increased by $11.1 million (3.5%) from $318.0 million in 2014 to $329.1 million in 2015 primarily due to year to year shifts in Recorder of Deeds revenues from an improved real estate market in terms of both residential and commercial property sales along with increased home values, and favorable revenue variance for the County Treasurer based on an increase in collections of prior years' delinquent taxes. Operating grants and contributions decreased by $17.9 million (10.7%) from $167.4 million to $149.5 million due to a decrease in state funded grant programs. Direct State grants and Child Support Enforcement Agreement funds specifically require appropriations from the State's General Fund absent court action. The State's backlog of growing overdue bills associated with the ongoing budget impasse puts receipt of these State revenues at risk.

The following chart presents expenses by type for governmental activities for the fiscal year ended November 30, 2015:




Total fiscal year 2015 expenses for governmental activities were $2.663 billion, which represent an increase of $37.2 million (1.4%) over fiscal year 2014 governmental activities of $2.626 billion. During fiscal year 2015, the County adopted the provisions of GASB Statement No. 68 *Accounting and Financial Reporting for Pensions.* In accordance with the adoption, the County recorded pension expense of approximately $380 million over and above the annual contribution to the Plan. The impact of GASB 68 on FY2014 activities could not be determined so the 2014 expenses presented in the MD&A are measured under the previous standard, GASB 27. Approximately $153 million more in pension expense was recorded in 2015 compared to 2014. Also, the County changed its accounting policy for self-insurance claims.

As in previous years, the largest portion of expenses was used to fulfill the County's public safety responsibilities, which include the operation of the court system (45.4%), and corrections (20.5%). Economic and Human Development expenses increased by $45.6 million (144.3%) over the previous year,

primarily due to pension expense, activities within governmental grants and the addition of a new special revenue fund, the Land Bank Authority Fund which uses resources to facilitate the return of vacant, abandoned and tax-delinquent properties to productive use thereby combating community deterioration, creating economic growth and stabilizing the housing and job market. Court expenses increased $46.2 million (4.0%) and Corrections expenses increased $20.0 million (3.8%) over the previous year due primarily to the reclassification of costs previously reported in the government management and supporting services category and pension expense. Government management and supporting services decreased $50.9 million (9.5%) over the previous year, reflecting the reclassification of certain expenses to Courts and Corrections categories as stated above. The increase in total expenditures of $37.2 million (1.4%) between FY 2014 and FY 2015 is primarily due to the impact of GASB 68 as previously discussed.

The County is self-insured for various types of liabilities, including medical malpractice, workers' compensation, general automobile and other liabilities. The County is a defendant in lawsuits alleging medical malpractice, work-related injuries, highway cases and other claims. Cases related to these areas are in various stages of the legal process. The County purchased excess liability insurance coverage related to medical malpractice and other claims. The medical malpractice policy is on a claims made basis. While it is difficult to estimate the timing or amount of expenditures, management of the County utilizes an independent actuary to calculate a liability and expense related to this function. The Self-Insurance liability increased $48.0 million (14.4%) in FY 2015 to $382.5 million from $334.5 million in FY 2014. This increase was due to an increase in the following claims liabilities: civil ($29.8 million), workers' compensation ($16.7 million), and claims expense reserve ($8.6 million), respectively. In FY 2015, the County allocated the CCHHS portion of self-insurance to Business-Type Activities, which amounted to $157.9 million (41.2%) of the total $382.5 million total self-insurance liability.

**Business-type Activities**

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

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

The net position of the County's business-type activities decreased by $101.8 million in fiscal year 2015.

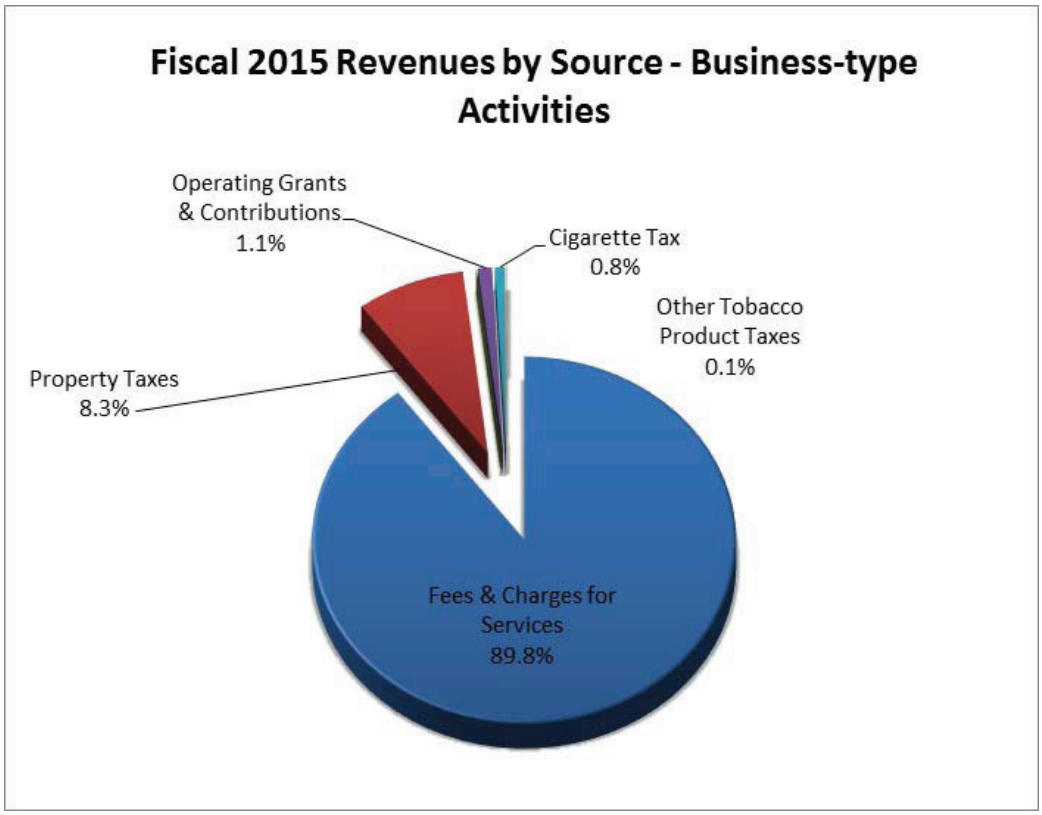
Capital contributions increased $10.6 million to $17.1 million in fiscal year 2015 from $6.5 million in fiscal year 2014. Capital contributions represent the amount the County has contributed toward the construction and acquisition of significant capital assets for the operations of the Cook County Health and Hospital System.

Transfers from governmental to business-type activities were $63.0 million in fiscal year 2015, representing an increase of $3.4 million (5.7%) from $59.6 million in fiscal year 2014. These do not include the impact of County taxes that are dedicated to, and recorded in the business-type activities, as detailed on the following pages.

In addition, the County subsidizes CCHHS by assuming a significant portion of CCHHS related long-term obligations. This consists primarily of CCHHS's share of General Obligation debt and capital outlay.

The above activity is more fully described in Footnote I.C. & Footnote IV.

The following chart presents revenues by source for business-type activities for the fiscal year ended November 30, 2015:

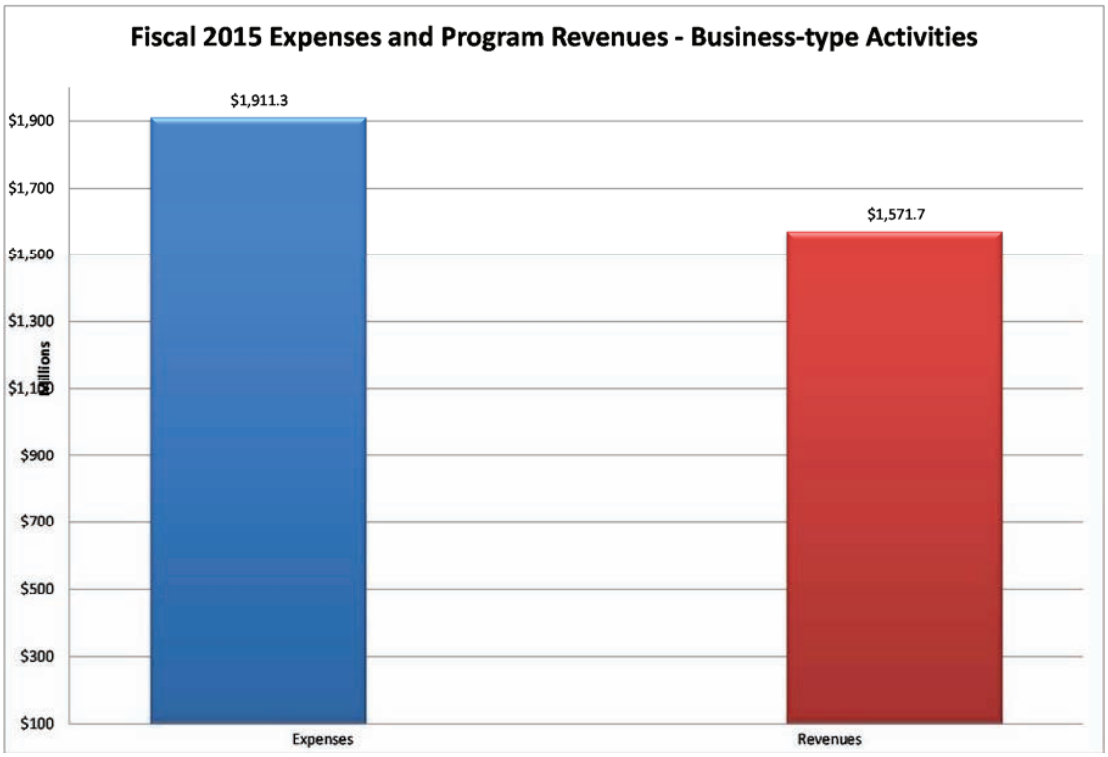



Total program revenues for the business-type activities were $1,571.7 million in fiscal year 2015 as compared to $1,264.7 million in fiscal year 2014, representing an increase of $307.0 million (24.3%). This increase is primarily due to the Medicaid Expansion Program ("CountyCare") which started in fiscal year 2013. CountyCare contributed $861 million in FY15 from $656 million in FY14, which is an increase of $205 million (31.25%) to program revenues.

During FY 2015 the CCHHS payor utilization based on gross patient service revenue increased $99.6 million (9.8%) to $1,121.6 million in FY 2015 from $1,021.9 million in FY 2014. The increase was attributable to the following: Medicaid increasing $51.6 million (13.7%) from $376.7 million in FY 2014 to $428.3 million in FY 2015; Medicare increasing $26.0 million (17.5%) from $149.0 million in FY 2014 to $175.0 million in FY 2015; and Other increasing $13.9 million (30.4%) from $45.9 million in FY 2014 to $59.8 million in FY 2015.

Cigarette taxes allocated to CCHHS decreased by $113.5 million (89.6%) due to a reallocation of these taxes to the general fund.

The following graph summarizes the fiscal year 2015 program revenues and expenses of the business-type activities:




CCHHS is one of the largest public hospital systems in the United States operated by a unit of local government and is the largest provider of medical care to the uninsured, underinsured, and Medicaid populations in the State of Illinois. The emergency department at John H. Stroger, Jr. Hospital is the busiest in the metropolitan Chicago area with a 2015 census of more than 121,000 patient encounters. Provident Hospital's emergency department is the one of the busiest in the area with almost 32,000 encounters in 2015.

Operating revenues, net of bad debt provision, increased to $1,571.7 million in fiscal year 2015 from $1,264.7 million in fiscal year 2014. This increase is primarily due to the Medicaid Expansion program ("CountyCare") which started in fiscal year 2013. CountyCare contributed $861 million to overall

operating revenues. CCHHS continues to incur significant operating losses due to a large self-pay patient population, and rising labor and medical costs which are offset by tax revenues. The Cook County Board of Commissioners remain committed to the continued mission of CCHHS and through the adopted budget process in fiscal year 2015 approved 13.1% of revenue from other resources in order for CCHHS to complete funding of the adopted budget.

In 2012, CCHHS and the Cook County Board Officials collaborated to cut Medicaid costs, help County taxpayers, and transform Cook County's hospital system by jump-starting national health care reform in Cook County. In October 2012, the Federal government approved CCHHS's Medicaid Expansion Program ("CountyCare") by creating the CMS waiver under Section 1115 of the Social Security Act ("1115 Waiver") for Cook County, allowing CCHHS to enroll more than 115,000 individuals who would become eligible for Medicaid in 2014 under the Affordable Care Act with no cost to the State of Illinois. However, when the State of Illinois begins to fund a portion of the program in July 2016 there is risk that the State will cut funding or not pay timely.

Once enrolled in CountyCare, members receive covered services at no cost including but not limited to primary and specialty visits within a broad network of doctors and hospitals. The CountyCare network consists of 138 primary care access points including CCHHS facilities, all Federally Qualified Health Centers ("FQHCs") in Cook County, over 35 community hospitals, and five major academic medical centers.

CountyCare began as an Illinois Medicaid Demonstration program. When the demonstration program period ended on June 30, 2014, CountyCare members were transitioned into a County Managed Care Community Network ("MCCN") which is an Illinois-designated Medicaid managed care structure to ensure members can remain with their medical home and network of care. Membership continued to grow in 2015 especially in the Family Health Plan ("FHP") and Integrated Care Program ("ICP"). As of November 30, 2015, the total membership for the FHP, ICP and Affordable Care Act programs totaled 168,000.

CCHHS experienced an increase in its reported operating loss in 2015 due to GASB 68 implementation and due to a change in accounting principle for self-insurance claims. CCHHS expects operating losses in the future to decrease due to increased CountyCare revenues and utilization of CCHHS facilities, and increases in Provident Access revenue, but understands that to sustain this trend it is dependent upon decreasing costs and increasing patient satisfaction and retention. To this end, CCHHS is establishing initiatives to sustain the trend of decreasing operating losses. Even with the favorable impact of the CountyCare revenue, CCHHS continues to be highly dependent on reimbursement from the Illinois Department of Healthcare and Family Service ("DHFS"), though the largest amount of dollars are federal pass-through dollars, the risks of State payment details persist due to the precarious finances of the State of Illinois. Future declines in DHFS reimbursement could have a significant adverse effect on CCHHS's operating results.

## Financial Analysis of the County's Funds

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

## Governmental Funds

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

As of November 30, 2015, the County's governmental funds reported a combined fund balance of $427.8 million, a decrease of $149.0 million (25.8%) in comparison with the prior fiscal year fund balance of $576.8 million. Of the current fiscal year total, $344.6 million is restricted, $23.0 million is committed, $22.6 million is assigned and $37.6 million is unassigned.

Revenues from all governmental funds for the current year were $2.179 billion which represented an increase of $221.3 million (11.3%) from the previous year of $1.957 billion. Expenditures for all governmental funds in the current year were $2.272 billion representing a decrease of $146.6 million (6.1%) from the previous year of $2.418 billion.

The General Fund is the County's principal operating fund and is primarily used to account for its governmental activities. The General Fund had a total fund balance of $99.3 million at November 30, 2015, which represented an increase of $36.8 million (58.9%), as compared to $62.5 million at the beginning of the fiscal year. Of the current fiscal year total, $22.6 million is assigned and $76.7 million is unassigned. General Fund revenues during the current year were $1.451 billion, which represented an increase of $232.1 million (19.0%) from the previous fiscal year of $1.219 billion.

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

- Property tax revenues increased by $41.3 million (15.4%) compared to fiscal year 2014 primarily due to the Proprietary Fund's decreasing reliance on property tax revenues.

- Revenues from non-property taxes increased by $163 million in the General Fund, compared to fiscal year 2014, due primarily to a $121.8 million reallocation of Cigarette Taxes to the General Fund versus the Health Enterprise Fund, but also impacted by increases in Sales Tax, Use Tax, Gasoline Tax, Cigarette Tax, Amusement Tax, Non-Retailer Transaction Use Tax, and Parking Lot and Garage Operation Tax which were off-set by decreases in Off-Track Betting Commission and Non-titled Use Tax. The overall increase is the result of an improved economic outlook along with enhanced compliance initiatives impacting a number of other taxes. With the improving economy, the County continues to benefit from the growth in the Use Tax and the Non-Retailer Transaction Use Tax due to improved vehicles sales. Non-property taxes are for the most part taxes imposed by the County under the Home Rule authority granted by the 1970 Illinois Constitution.

- Revenues from fee offices increased by $11.5 million (4.5% variance) compared to fiscal year 2014. These increases were primarily due to year to year shifts in Recorder of Deeds recording fees driven by strong real estate market sales in both residential and commercial properties, coupled with rising home values, and County Treasurer favorable revenue variances based on an increase in collections of delinquent taxes.

- The General Fund expenditures for fiscal year 2015 increased by $42.0 million (2.9%). The most significant increases were with corrections and courts. The increase in Corrections ($25.1 million) (6.7%) and Courts ($7.2 million) (0.9%) was primarily due to expensing the impact of wage increases for expired collective bargaining agreements and for personal services, including health benefits to support enforcement and court activities.

The Motor Fuel Tax Fund reported a fund balance of $56.1 million at November 30, 2015. This amount represented a decrease of $28.9 million, (34.0%) as compared to $84.9 million as of November 30, 2014. The entire fund balance for the Motor Fuel Tax Fund is restricted for road improvements and construction along with permissible court related expenditures. Expenditures for 2015 increased by $16.7 million (107.7%) to $32.3 million due to the fact that some of the new contracts and construction related to roads, bridges and highway improvements were paid from the Motor Fuel Tax Fund and partially from the proceeds from the 2012 Sales Tax bond issuance, therefore a portion of the associated expenditures are also recorded in the Capital Projects Fund.

The Annuity and Benefit Fund's total expenditures and transfers totaled $191.6 million, a 10.1% decrease from fiscal year 2014. Changes from year to year relate primarily to the timing of property tax collections and the related distribution to the Plan.

As of November 30, 2015, the Capital Projects Fund reported a fund balance of $71.3 million, which represented a $103.9 million (59.3%) decrease as compared to $175.2 million on November 30, 2014. The entire fund balance for the Capital Projects Fund is restricted. The decrease in fund balance resulted from capital outlay expenditures of $111.1 million, offset by a $6.5 million note issuance. The expenditures were for ongoing capital projects.

As of November 30, 2015, the Debt Service Fund reported a fund balance of $92.9 million, which represented a $60.3 million (39.4%) decrease as compared to $153.1 million on November 30, 2014. The change is primarily due to the annual debt service requirements that exceeded property taxes and transfers into the fund. The entire fund balance for the Debt Service Fund is restricted to pay principal and interest on debt. In FY 2015 the County issued no new general obligation bonds.

**Proprietary Funds**

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

For the fiscal year ended November 30, 2015, the unrestricted net position of the enterprise fund was a deficit of $4.194 billion, compared to a $3.954 billion deficit at November 30, 2014 (as restated).

## General Fund Budgetary Highlights

The Board of Commissioners of the County adopted the County's FY 2015 Budget on November 14, 2014. The total County operating budget for 2015 was $3.75 billion. The General Fund, made up of the Corporate and Public Safety Funds, totaled $1.43 billion and represented 38.2% of the total operating budget.

The accompanying basic financial statements include a Statement of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual—on a Non-GAAP Budget Basis. The County's budgetary basis of accounting is discussed in the Notes to the Required Supplementary Information.

During fiscal year 2015, the County's actual General Fund revenues were $1.343 billion on the budgetary basis, .8% below the budgeted estimates of $1.352 billion. Intergovernmental grants and revenues were higher than budget by $6.2 million due to higher than expected subsidies toward the salaries of certain probation officers and staff at the Juvenile Temporary Detention Center ("JTDC") with the transition of the JTDC from the Transitional Administrator to the Chief Judge. Miscellaneous revenues were less than budget by $32.0 million, primarily due to Gas Tax Audits and anticipated Settlements not materializing. Total fee revenues were higher than budget by $6.0 million due to an unexpected increase in real estate transactions at the Recorder of Deeds and delinquent tax payments at the Treasurer. Total tax collections were higher than budget by $9.2 million due to a positive variance in the Use Tax given the increase in automobile sales. Actual budgetary basis General Fund expenditures and encumbrances for fiscal year 2015 were $1.44 billion, $10.5 million (.7%) over the budget.

## Capital Assets

The County's capital assets for its governmental and business-type activities decreased $14.1 million (0.6%), net of accumulated depreciation at November 30, 2015. Capital assets include land, construction in progress, buildings, infrastructure, and machinery and equipment (including intangible assets). The County uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending.

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

| | Governmental Activities | | Business-type Activities | | Total | | Increase |
|---|---|---|---|---|---|---|---|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 | (Decrease) |
| Land | $ 151.3 | $ 151.3 | $ - | $ - | $ 151.3 | $ 151.3 | $ - |
| Buildings | 696.6 | 736.8 | 348.2 | 362.1 | 1,044.8 | 1,098.9 | (54.10) |
| Machinery and Equipment | 89.6 | 87.0 | 46.8 | 38.3 | 136.4 | 125.3 | 11.10 |
| Infrastructure | 456.6 | 454.1 | - | - | 456.6 | 454.1 | 2.50 |
| Construction in Progress | 375.4 | 349.0 | - | - | 375.4 | 349.0 | 26.40 |
| Total Capital Assets | $ 1,769.5 | $ 1,778.2 | $ 395.0 | $ 400.4 | $ 2,164.5 | $ 2,178.6 | $ (14.1) |

The County implements various capital improvement projects annually. Construction of County roads and replacements within County facilities are included in the improvement funding. Countywide projects are designed to target the changing needs of building systems and increase efficiency in maintaining higher building Leadership in Energy and Environmental Design ("LEED") standards. Continuous improvements are being done to the County's highway system. Major projects such as the resurfacing enhancements north and south are an important part of the Cook County transportation network.

Investments in a number of technology-based efficiency initiatives will reduce costs in the long run: the County has funded an Enterprise Resource Planning ("ERP") Center of Excellence to focus on implementing a new ERP system as well as a Countywide Time and Attendance project. The Time and Attendance project will implement a uniform system throughout Cook County facilities capable of combining time and effort tracking.

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

## Debt Administration

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

The full faith and credit of the County is pledged for the punctual payment of principal and interest due on the General Obligation bonds. The County has levied ad valorem real property taxes to provide for these payments. These taxes are required to be extended for collection against all taxable real property within the County, without limitation as to rate and amount. The Sales Tax Revenue bonds are limited obligations of the County and are payable solely from the pledged sales tax revenues, which comprise the first collection of Home Rule local option sales tax revenues.

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

On December 19, 2014, the County entered into an agreement for $125.0 million General Obligation Bond Series 2014D as a variable rate revolving line of credit with PNC Bank. The purpose is to provide for a financing mechanism for capital projects during acquisition/construction phase of each such project. The County plans to pay off any balance on the line of credit by issuing long-term debt. As of November 30, 2015, the outstanding balance was $6.5 million. More detailed information is provided herein the Long-term Debt Note.

On April 3, 2015, the County prepaid in full without any penalties the outstanding $40,000,000 term loan with BMO Harris Bank N.A. that was drawn in November 2014.

As of November 30, 2015, the total net outstanding bond debt was $3.62 billion. The following table indicates the changes in the County's long-term debt that occurred during fiscal year 2015 (in millions):

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

| Description | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| G.O. Bonds, net | $ 3,620.8 | $ 3,740.3 | $ - | $ - | $ 3,620.80 | $ 3,740.3 |
| Note payable | 6.5 | 40.0 | | | 6.5 | 40.0 |
| Self Insurance Claims | 224.6 | 334.6 | 158.0 | - | 382.6 | 334.6 |
| Property Tax Objections | 82.4 | 78.4 | 13.2 | 10.8 | 95.6 | 89.2 |
| Compensated Absences | 63.4 | 62.9 | 42.9 | 41.5 | 106.3 | 104.4 |
| Net Pension Obligations | 8,644.9 | 8,145.5 | 4,232.6 | 4,044.7 | 12,877.5 | 12,190.2 |
| Net OPEB Obligations | 1,010.8 | 875.3 | | | 1,010.8 | 875.3 |
| Other | 1.4 | 0.6 | - | - | 1.4 | 0.6 |
| Totals | $ 13,654.8 | $ 13,277.6 | $ 4,446.7 | $ 4,097.0 | $ 18,101.5 | $ 17,374.6 |

Amounts in the table for FY 2014 have been restated for the implementation of GASB Statement No. 68. Additionally, the significant change in self-insurance claims between 2014 and 2015 is due to a change in accounting principle during FY 2015.

During the current fiscal year ended November 30, 2015, the County's liabilities for long-term obligations increased by $726.9 million (4.2%). The increase was primarily attributable to an increase in the reported pension and OPEB obligations. It should be noted that all debt associated with the capital assets of the CCHHS (business-type activities) are general obligations of the County (governmental activities).

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

## Bond Ratings

Cook County continues to meet the needs of its ongoing Capital Program through the use of its current revenues for pay-as-you-go financing where practical along with the use of municipal bonds for debt financing where efficient. The County's underlying ratings on its General Obligation bonds at November 30, 2015 were:

| | |
|---|---|
| Fitch | A+ |
| Moody's Investors Service | A2 |
| Standard & Poor's Corporation | AA |

In June 2015, Moody's Investor Services downgraded the County's rating from A1 to A2, with the primary concern being the growing pension liabilities at the County Employees' and Officers' Annuity and Benefit Fund of Cook County. All three rating providers have currently assigned negative outlooks to their respective ratings.

Cook County also has outstanding Sales Tax Revenue Bonds which carry a credit rating of AAA from Standard & Poor's, which is the sole credit rating, assigned to the Sales Tax Revenue bonds.

## Other Obligations

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

## Economic Factors and Future Significant Information

The County's revenues and expenditures have been affected by changes in local, national and international financial factors. The Cook County Administration has taken these economic changes into consideration and has implemented management initiatives to improve the County's fiscal future. Some of the key economic factors that influence the County's finances are noted below:

- The 2015 annual average unemployment rate for Cook County decreased to 6.1% compared to 7.5% in 2014
- Home sales in the Chicago area grew 6.6% year over year
- Median home prices in Cook County rose by 9.5% in 2015, year over year
- Real gross product grew by 2.0% in 2015 for the metro region, vs. 1.4% nationally
- Personal income grew by 4.3% in 2015 for the metro region
- Gasoline prices declined by 25% in November 2015, year over year
- On July 15, 2015, the County Board passed an ordinance amendment to the Home Rule County Retailer's Occupation Tax Law that increased the tax from 0.75 percent to 1.75 percent. The change was effective on January 1, 2016, with the first revenue received in April 2016. This increase is projected to raise $305 million in 2014 and $474 million in 2017 and is specifically allocated to address the County's debt service costs associated with legacy bonded indebtedness along with critical transportation infrastructure needs and the unfunded liabilities of the Cook County Officers' and Employees' Annuity and Benefit Fund.

## Requests for Information

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

# BASIC FINANCIAL STATEMENTS

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**Exhibit 1**
**COOK COUNTY, ILLINOIS**
**STATEMENT OF NET POSITION**
**November 30, 2015**

| | Primary Government | | | | Total |
|---|---|---|---|---|---|
| | Governmental Activities | Business-type Activities | Adjustments | Total | Component Units |
| **ASSETS** | | | | | |
| Cash and investments | $ 345,072,592 | $ 438,681,946 | $ - | $ 783,754,538 | $ 378,480,444 |
| Cash and investments with escrow agent | 160,536 | - | - | 160,536 | - |
| Taxes receivable | 600,120,099 | 151,239,325 | - | 751,359,424 | 65,947,950 |
| Other receivables | 35,965,296 | 9,106,023 | - | 45,071,319 | 39,967,903 |
| Internal balances | 43,455 | (43,455) | - | - | - |
| Due from other governments | 215,368,381 | - | - | 215,368,381 | 5,846,618 |
| Due from state - CountyCare | - | 51,750,784 | - | 51,750,784 | - |
| Claims receivable | - | 55,771,662 | | 55,771,662 | - |
| Patient accounts - Net of allowances for uncollectible accounts of $250,451,807 | - | 67,233,873 | - | 67,233,873 | - |
| Inventories and prepaid expense | 901,310 | 4,438,429 | - | 5,339,739 | 185,000 |
| Third party settlements | - | 3,830,072 | - | 3,830,072 | - |
| Property held for resale | 4,209,652 | - | - | 4,209,652 | - |
| Loans receivable, net of allowance of $32,641,122 | 36,244,735 | - | - | 36,244,735 | - |
| Cash and investments with trustees | 87,864,802 | - | - | 87,864,802 | - |
| Capital assets not being depreciated | 526,637,263 | - | - | 526,637,263 | 272,452,827 |
| Capital assets, net of accumulated depreciation | 1,242,824,064 | 394,977,522 | - | 1,637,801,586 | 319,894,625 |
| **Total Assets** | **3,095,412,185** | **1,176,986,181** | **-** | **4,272,398,366** | **1,082,775,367** |
| **DEFERRED OUTFLOWS OF RESOURCES:** | | | | | |
| Unamortized loss on refunding | 44,836,405 | - | - | 44,836,405 | 787,771 |
| Pension related amounts | 219,466,260 | 93,364,101 | - | 312,830,361 | - |
| **Total Deferred Outflows** | **264,302,665** | **93,364,101** | **-** | **357,666,766** | **787,771** |
| **LIABILITIES** | | | | | |
| Accounts payable and accrued liabilities | 151,133,235 | 85,236,927 | - | 236,370,162 | 22,333,583 |
| Accrued salaries payable | 73,777,091 | 46,849,771 | - | 120,626,862 | 6,497,505 |
| Unearned revenue | - | 77,951,498 | - | 77,951,498 | 20,410,846 |
| Claims payable - CountyCare | - | 188,664,189 | - | 188,664,189 | - |
| Third party settlements | - | 85,581,969 | - | 85,581,969 | - |
| Contribution payable to Pension Plan | 100,545,800 | 49,227,952 | - | 149,773,752 | - |
| Other liabilities | 28,168,710 | 54,968 | - | 28,223,678 | 13,592,150 |
| Due to State of Illinois | - | 59,915,794 | - | 59,915,794 | |
| Accrued interest | 7,192,534 | - | - | 7,192,534 | - |
| Noncurrent liabilities: | | | | | |
| Due within one year | 156,370,570 | 38,315,186 | - | 194,685,756 | 10,384,517 |
| Due in more than one year | 13,498,417,177 | 4,408,420,774 | - | 17,906,837,951 | 343,963,406 |
| **Total Liabilities** | **14,015,605,118** | **5,040,219,028** | **-** | **19,055,824,146** | **417,182,007** |
| **DEFERRED INFLOWS OF RESOURCES:** | | | | | |
| Property taxes for subsequent year | - | - | - | - | 65,491,998 |
| Pension related amounts | - | 28,774,429 | - | 28,774,429 | - |
| Unamortized gain on refunding | 2,433,228 | - | - | 2,433,228 | - |
| **Total Deferred Inflows** | **2,433,228** | **28,774,429** | **-** | **31,207,657** | **65,491,998** |
| **NET POSITION** | | | | | |
| Net Position (deficit) | | | | | |
| Net investment in capital assets | (27,694,240) | 394,977,522 | (403,980,877) | (36,697,595) | 416,034,708 |
| Restricted for: | | | | | |
| Debt service | 310,666,577 | - | - | 310,666,577 | 10,449,526 |
| Pension benefits | 138,066,793 | - | - | 138,066,793 | - |
| Capital projects | 56,067,388 | - | - | 56,067,388 | 13,328,044 |
| Health | 160,392 | 564,564 | - | 724,956 | - |
| Government management and supporting service | 6,436,326 | - | - | 6,436,326 | - |
| Grant funded loan program | 36,244,735 | - | - | 36,244,735 | - |
| Transportation | 4,055,724 | - | - | 4,055,724 | - |
| Corrections | 5,676,028 | - | - | 5,676,028 | - |
| Courts | 4,875,436 | - | - | 4,875,436 | - |
| Control of environment | 9,003,499 | - | - | 9,003,499 | - |
| Assessment and collection of taxes | 30,522,902 | - | - | 30,522,902 | - |
| Election | 45,419,156 | - | - | 45,419,156 | - |
| Economic and human development | 22,608,816 | - | - | 22,608,816 | - |
| Working cash | - | - | - | - | 13,426,119 |
| Contribution programs | - | - | - | - | 91,039,000 |
| Unrestricted (deficit) | (11,300,433,028) | (4,194,185,261) | 403,980,877 | (15,090,637,412) | 56,611,736 |
| **Total Net Position (Deficit)** | **$ (10,658,323,496)** | **$ (3,798,643,175)** | **$ -** | **$ (14,456,966,671)** | **$ 600,889,133** |

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

**Exhibit 2**
**COOK COUNTY, ILLINOIS**
**STATEMENT OF ACTIVITIES**
**For the Year Ended November 30, 2015**

| | | Program Revenues | | |
|---|---|---|---|---|
| **Functions/Programs** | **Expenses** | **Licenses, Fees & Charges for Services** | **Operating Grants and Contributions** | **Capital Grants and Contributions** |
| **Primary government** | | | | |
| **Governmental Activities:** | | | | |
| Government management and supporting services | $ 486,572,625 | $ 61,962,738 | $ 12,519,434 | $ - |
| Corrections | 546,258,640 | 30,904,038 | 6,012,553 | 131,961 |
| Courts | 1,209,816,023 | 114,870,822 | 93,708,100 | 6,298,424 |
| Control of environment | 8,443,827 | 9,078,694 | 1,015,537 | 139,081 |
| Assessment and collection of taxes | 80,967,695 | 110,843,854 | 183,427 | - |
| Election | 35,328,311 | - | 28,401 | 3,890 |
| Economic and human development | 77,198,244 | - | 30,674,023 | 3,876,658 |
| Transportation | 59,974,796 | 1,501,258 | 5,347,401 | 69,700,000 |
| Interest and other charges | 158,231,913 | - | - | - |
| **Total Governmental Activities** | 2,662,792,074 | 329,161,404 | 149,488,877 | 80,150,014 |
| **Business-type Activities:** | | | | |
| CCHHS | 1,911,260,748 | 1,553,202,251 | 18,502,462 | - |
| Total business-type Activities | 1,911,260,748 | 1,553,202,251 | 18,502,462 | - |
| **Total primary government** | $ 4,574,052,822 | $ 1,882,363,655 | $ 167,991,339 | $ 80,150,014 |
| **Component units:** | | | | |
| Forest Preserve District | $ 217,924,575 | $ 57,173,250 | $ 53,265,180 | $ 7,941,751 |
| Emergency Telephone Systems | 2,252,526 | 2,528,235 | - | - |
| **Total Component units** | $ 220,177,101 | $ 59,701,485 | $ 53,265,180 | $ 7,941,751 |

General Revenues
Taxes:
Property taxes - tax levy
Nonproperty taxes:
Personal property replacement tax
County sales taxes
County use tax
State income tax
Illinois gaming tax
Alcohol beverage tax
Gasoline tax
Cigarette taxes
Other Tobacco products taxes
Amusement tax
Non retailer transaction use tax
Parking lot and garage operation tax
Road taxes
Other nonproperty taxes
Total nonproperty taxes:
Total Taxes:
Miscellaneous revenue
Investment income
Transfers
Transfers - contributed capital
Total general revenues and transfers
Change in net position
Net Position - Beginning, as restated
Net Position - Ending

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

| Net (Expense) Revenue and Changes in Net Position | | | | |
|---|---|---|---|---|
| Primary Government | | | | |
| Governmental Activities | Business-type Activities | Total | Total Component Units | Functions/Programs |
| | | | | **Primary government** |
| | | | | **Governmental Activities:** |
| $ (412,090,453) | $ - | $ (412,090,453) | | Government management and supporting services |
| (509,210,088) | - | (509,210,088) | | Corrections |
| (994,938,677) | - | (994,938,677) | | Courts |
| 1,789,485 | - | 1,789,485 | | Control of environment |
| 30,059,586 | - | 30,059,586 | | Assessment and collection of taxes |
| (35,296,020) | - | (35,296,020) | | Election |
| (42,647,563) | - | (42,647,563) | | Economic and human development |
| 16,573,863 | - | 16,573,863 | | Transportation |
| (158,231,913) | - | (158,231,913) | | Interest and other charges |
| (2,103,991,780) | - | (2,103,991,780) | | **Total Governmental Activities** |
| | | | | **Business-type Activities:** |
| - | (339,556,035) | (339,556,035) | | CCHHS |
| - | (339,556,035) | (339,556,035) | | Total business-type Activities |
| $ (2,103,991,780) | $ (339,556,035) | $ (2,443,547,815) | | **Total primary government** |
| | | | | **Component units:** |
| | | | (99,544,394) | Forest Preserve District |
| | | | 275,709 | Emergency Telephone Systems |
| | | | $ (99,268,685) | **Total Component units** |
| | | | | General Revenues |
| | | | | Taxes: |
| $ 577,660,333 | $ 143,417,429 | $ 721,077,762 | $ 84,747,428 | Property taxes - tax levy |
| | | | | Nonproperty taxes: |
| 56,477,428 | - | 56,477,428 | 7,925,979 | Personal property replacement tax |
| 347,331,577 | - | 347,331,577 | - | County sales taxes |
| 80,786,114 | - | 80,786,114 | - | County use tax |
| 13,633,470 | - | 13,633,470 | - | State income tax |
| 8,484,885 | - | 8,484,885 | - | Illinois gaming tax |
| 36,524,088 | - | 36,524,088 | - | Alcohol beverage tax |
| 93,630,100 | - | 93,630,100 | - | Gasoline tax |
| 121,806,662 | 13,196,187 | 135,002,849 | - | Cigarette taxes |
| - | 1,093,901 | 1,093,901 | - | Other Tobacco products taxes |
| 31,232,231 | - | 31,232,231 | - | Amusement tax |
| 17,274,324 | - | 17,274,324 | - | Non retailer transaction use tax |
| 47,760,232 | - | 47,760,232 | - | Parking lot and garage operation tax |
| 23,683,600 | - | 23,683,600 | - | Road taxes |
| 20,293,561 | - | 20,293,561 | - | Other nonproperty taxes |
| 898,918,272 | 14,290,088 | 913,208,360 | 7,925,979 | Total nonproperty taxes: |
| 1,476,578,605 | 157,707,517 | 1,634,286,122 | 92,673,407 | Total Taxes: |
| 26,833,492 | - | 26,833,492 | 2,578,594 | Miscellaneous revenue |
| 1,853,943 | 1,662 | 1,855,605 | 6,662,819 | Investment income |
| (62,987,754) | 62,987,754 | - | - | Transfers |
| (17,128,696) | 17,128,696 | - | - | Transfers - contributed capital |
| 1,425,149,590 | 237,825,629 | 1,662,975,219 | 101,914,820 | Total general revenues and transfers |
| (678,842,190) | (101,730,406) | (780,572,596) | 2,646,135 | Change in net position |
| (9,979,481,306) | (3,696,912,769) | (13,676,394,075) | 598,242,998 | Net Position - Beginning, as restated |
| $ (10,658,323,496) | $ (3,798,643,175) | $ (14,456,966,671) | $ 600,889,133 | Net Position - Ending |

**Exhibit 3**
**COOK COUNTY, ILLINOIS**
**BALANCE SHEET**
**GOVERNMENTAL FUNDS**
**November 30, 2015**

| | General | Motor Fuel Tax | Annuity and Benefit | Capital Projects |
|---|---|---|---|---|
| **ASSETS:** | | | | |
| Cash and investments | $ 98,108,791 | $ 15,479,570 | $ - | $ 32,775,741 |
| Cash and investments with escrow agent | - | - | - | - |
| Cash and investments with trustees | - | - | - | 85,035,005 |
| Taxes receivable - | | | | |
| (net of allowance for loss of $9,622,614) | | | | |
| Tax levy - current year | 201,310,757 | - | 134,086,468 | - |
| Tax levy - prior year | 11,748,694 | - | 5,055,096 | - |
| Accrued interest receivable | - | 74 | - | - |
| Accounts receivable - | | | | |
| Due from others | 35,389,945 | - | - | - |
| Due from other governments | 118,212,300 | 51,007,056 | 9,640,747 | - |
| Due from other funds | 25,043,455 | - | - | - |
| Loans receivable, net of allowance of $32,641,122 | - | - | - | - |
| Property held for resale | - | - | - | - |
| Total assets | $ 489,813,942 | $ 66,486,700 | $ 148,782,311 | $ 117,810,746 |
| **LIABILITIES:** | | | | |
| Liabilities: | | | | |
| Accounts payable | $ 70,428,467 | $ 9,865,578 | $ - | $ 19,823,442 |
| Retainage payable | - | 553,734 | - | 1,717,210 |
| Accrued salaries payable | 68,639,546 | - | - | - |
| Amounts held for outstanding warrants | 1,490,713 | - | - | - |
| Due to other funds | 14,635 | - | - | 25,000,000 |
| Due to others | - | - | 10,715,518 | - |
| Total liabilities | 140,573,361 | 10,419,312 | 10,715,518 | 46,540,652 |
| **DEFERRED INFLOWS OF RESOURCES:** | | | | |
| Unavailable revenue - property tax | 210,699,942 | - | 138,066,793 | - |
| Unavailable revenue - other | 39,217,302 | - | - | - |
| Total Deferred Inflows | 249,917,244 | - | 138,066,793 | - |
| **FUND BALANCE:** | | | | |
| Restricted | - | 56,067,388 | - | 71,270,094 |
| Committed | - | - | - | - |
| Assigned | 22,602,352 | - | - | - |
| Unassigned | 76,720,985 | - | - | - |
| Total fund balances | 99,323,337 | 56,067,388 | - | 71,270,094 |
| Total liabilities, deferred inflows of resources and fund balance | $ 489,813,942 | $ 66,486,700 | $ 148,782,311 | $ 117,810,746 |

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

| Debt Service | Nonmajor Governmental Funds | Total Governmental Funds | |
|---|---|---|---|
| | | | **ASSETS:** |
| $ 103,760,499 | $ 94,947,991 | $ 345,072,592 | Cash and investments |
| 160,536 | - | 160,536 | Cash and investments with escrow agent |
| 2,829,797 | - | 87,864,802 | Cash and investments with trustees |
| | | | Taxes receivable - |
| | | | (net of allowance for loss of $9,622,614) |
| 224,999,999 | 19,931,005 | 580,328,229 | Tax levy - current year |
| 1,479,033 | 1,509,047 | 19,791,870 | Tax levy - prior year |
| 551,199 | - | 551,273 | Accrued interest receivable |
| | | | Accounts receivable - |
| - | 24,078 | 35,414,023 | Due from others |
| - | 36,508,278 | 215,368,381 | Due from other governments |
| - | - | 25,043,455 | Due from other funds |
| - | 36,244,735 | 36,244,735 | Loans receivable, net of allowance of $32,641,122 |
| - | 4,209,652 | 4,209,652 | Property held for resale |
| $ 333,781,063 | $ 193,374,786 | $ 1,350,049,548 | Total assets |
| | | | **LIABILITIES:** |
| | | | Liabilities: |
| $ - | $ 48,744,804 | $ 148,862,291 | Accounts payable |
| - | - | 2,270,944 | Retainage payable |
| - | 5,137,545 | 73,777,091 | Accrued salaries payable |
| - | - | 1,490,713 | Amounts held for outstanding warrants |
| 15,921,952 | 25,892 | 40,962,479 | Due to other funds |
| - | - | 10,715,518 | Due to others |
| 15,921,952 | 53,908,241 | 278,079,036 | Total liabilities |
| | | | **DEFERRED INFLOWS OF RESOURCES:** |
| 224,999,999 | 21,130,039 | 594,896,773 | Unavailable revenue - property tax |
| - | 10,034,427 | 49,251,729 | Unavailable revenue - other |
| 224,999,999 | 31,164,466 | 644,148,502 | Total Deferred Inflows |
| | | | Fund balance: |
| 92,859,112 | 124,362,516 | 344,559,110 | Restricted |
| - | 23,023,050 | 23,023,050 | Committed |
| - | - | 22,602,352 | Assigned |
| - | (39,083,487) | 37,637,498 | Unassigned |
| 92,859,112 | 108,302,079 | 427,822,010 | Total fund balances |
| $ 333,781,063 | $ 193,374,786 | $ 1,350,049,548 | Total liabilities, deferred inflows of resources and fund balance |

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**Exhibit 4**
**COOK COUNTY, ILLINOIS**
**RECONCILIATION OF THE GOVERNMENTAL FUNDS**
**BALANCE SHEET TO THE STATEMENT OF NET POSITION**
**November 30, 2015**

| | | |
|---|---|---|
| Total Fund Balances - Governmental Funds | | $ 427,822,010 |
| Amounts reported for governmental activities in the statement of net position are different because: | | |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. | | 1,769,461,327 |
| Revenues which are reported as deferred inflows of resources in the governmental funds (unavailable), are recognized as revenue in the government-wide financial statements. | | 644,148,502 |
| Long-term liabilities, as listed below, are not due and payable in the current period and therefore are not reported as fund liabilities: | | |
| Bonds and notes payable | (3,477,541,079) | |
| Premiums on bonds | (149,825,754) | |
| Deferred outflow/inflow (refunding) | 42,403,177 | |
| Contribution payable to the Pension Plan | (100,545,800) | |
| Property tax objections | (82,384,253) | |
| Self-insurance claims | (224,608,073) | |
| Pollution remediation | (1,347,000) | |
| Compensated absences | (63,347,530) | |
| Net pension liability | (8,644,938,585) | |
| Net OPEB obligation | (1,010,795,474) | |
| Prepaid expenses - debt insurance | 901,310 | |
| Accrued interest | (7,192,534) | |
| | | (13,719,221,595) |
| Deferred outflows of resources related to pensions are not reported in governmental funds because they do not provide current financial resources. Similarly, deferred inflows of resources related to pensions do not use current financial resources. | | |
| Deferred outflow (pensions) | | 219,466,260 |
| Total net deficit of governmental activities | | $ (10,658,323,496) |

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

**Exhibit 5**
**COOK COUNTY, ILLINOIS**
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**
**GOVERNMENTAL FUNDS**
**For the Year Ended November 30, 2015**

| | General | Motor Fuel Tax | Annuity and Benefit | Capital Projects |
|---|---|---|---|---|
| **REVENUES:** | | | | |
| Taxes - | | | | |
| Property | $ 310,416,917 | $ - | $ 135,129,760 | $ - |
| Nonproperty | 818,946,793 | 69,563,658 | 56,477,428 | - |
| Fees and licenses | 265,690,994 | - | - | - |
| Intergovernmental grants and reimbursements - | | | | |
| Federal government | 1,350,766 | - | - | - |
| State of Illinois | 39,280,827 | 2,031,753 | - | - |
| Other governments | - | 2,320,111 | - | - |
| Investment income | 260,619 | 127,773 | 2,318 | 691,647 |
| Miscellaneous | 15,569,958 | 134,723 | - | - |
| Total revenues | 1,451,516,874 | 74,178,018 | 191,609,507 | 691,647 |
| **EXPENDITURES:** | | | | |
| Current - | | | | |
| Government management and supporting services | 169,290,182 | - | 42,062,574 | - |
| Corrections | 398,970,812 | - | 25,750,462 | - |
| Courts | 816,996,223 | - | 60,257,358 | - |
| Control of environment | 1,844,662 | - | 477,725 | - |
| Assessment and collection of taxes | 30,585,515 | - | 4,258,664 | - |
| Election | 7,914,913 | - | 1,780,522 | - |
| Economic and human development | 566,916 | - | 6,882,734 | - |
| Transportation | 5,993,030 | 32,282,589 | 2,127,094 | - |
| Health | - | - | - | - |
| Insurance claims | 78,402 | - | - | - |
| Capital outlay | - | - | - | 111,102,121 |
| Debt service - | | | | |
| Principal | 40,000,000 | - | - | - |
| Interest and other charges | 89,589 | - | - | 57,893 |
| Total expenditures | 1,472,330,244 | 32,282,589 | 143,597,133 | 111,160,014 |
| Revenues over (under) expenditures | (20,813,370) | 41,895,429 | 48,012,374 | (110,468,367) |
| **OTHER FINANCING SOURCES (USES):** | | | | |
| Transfers in | 73,900,139 | - | - | - |
| Transfers out | (16,267,024) | (70,751,723) | (48,012,374) | - |
| Note issuance | - | - | - | 6,524,329 |
| Total other financing sources (uses) | 57,633,115 | (70,751,723) | (48,012,374) | 6,524,329 |
| Net change in fund balance | 36,819,745 | (28,856,294) | - | (103,944,038) |
| **FUND BALANCE - Beginning** | 62,503,592 | 84,923,682 | - | 175,214,132 |
| **FUND BALANCE - Ending** | $ 99,323,337 | $ 56,067,388 | $ - | $ 71,270,094 |

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

| Debt Service | Nonmajor Governmental Funds | Total Governmental Funds | |
|---|---|---|---|
| | | | **REVENUES:** |
| | | | Taxes - |
| $ 191,500,079 | $ 38,986,572 | $ 676,033,328 | Property |
| - | 23,652,906 | 968,640,785 | Nonproperty |
| - | 63,470,410 | 329,161,404 | Fees and licenses |
| | | | Intergovernmental grants and reimbursements - |
| 13,077,440 | 106,273,600 | 120,701,806 | Federal government |
| - | 11,688,084 | 53,000,664 | State of Illinois |
| - | 577,942 | 2,898,053 | Other governments |
| 637,498 | 134,086 | 1,853,941 | Investment income |
| - | 11,139,096 | 26,843,777 | Miscellaneous |
| 205,215,017 | 255,922,696 | 2,179,133,758 | Total revenues |
| | | | **EXPENDITURES:** |
| | | | Current - |
| - | 7,753,046 | 219,105,802 | Government management and supporting services |
| - | 13,631,198 | 438,352,472 | Corrections |
| - | 99,089,338 | 976,342,919 | Courts |
| - | 4,074,053 | 6,396,440 | Control of environment |
| - | 24,941,624 | 59,785,803 | Assessment and collection of taxes |
| - | 18,584,421 | 28,279,856 | Election |
| - | 42,830,959 | 50,280,609 | Economic and human development |
| - | 24,542,269 | 64,944,982 | Transportation |
| - | 3,824,557 | 3,824,557 | Health |
| - | - | 78,402 | Insurance claims |
| - | - | 111,102,121 | Capital outlay |
| | | | Debt service - |
| 107,260,001 | - | 147,260,001 | Principal |
| 165,739,730 | - | 165,887,211 | Interest and other charges |
| 272,999,731 | 239,271,465 | 2,271,641,175 | Total expenditures |
| (67,784,714) | 16,651,231 | (92,507,417) | Revenues over (under) expenditures |
| | | | **OTHER FINANCING SOURCES (USES):** |
| 7,532,529 | 10,838 | 81,443,506 | Transfers in |
| - | (9,400,139) | (144,431,260) | Transfers out |
| - | - | 6,524,329 | Note issuance |
| 7,532,529 | (9,389,301) | (56,463,425) | Total other financing sources (uses) |
| (60,252,185) | 7,261,930 | (148,970,842) | Net change in fund balance |
| 153,111,297 | 101,040,149 | 576,792,852 | **FUND BALANCE - Beginning** |
| $ 92,859,112 | $ 108,302,079 | $ 427,822,010 | **FUND BALANCE - Ending** |

**Exhibit 6**
**COOK COUNTY, ILLINOIS**
**RECONCILIATION OF THE STATEMENT OF REVENUES,**
**EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**
**TO THE STATEMENT OF ACTIVITIES**
**For the Year Ended November 30, 2015**

| | | |
|---|---|---|
| Net change in fund balances - total governmental funds | | $ (148,970,842) |
| Amounts reported for governmental activities in the statement of activities are different because: | | |
| The governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In addition, donated capital assets are not recorded on the fund financials but are included as capital assets and related revenue on the government-wide statement of activities. | | |
| Capital outlay | 122,013,764 | |
| CCHHS transfers - contributed capital | (17,128,696) | |
| Depreciation and amortization expense | (113,621,805) | |
| Loss on disposal of capital assets | (10,279) | |
| | | (8,747,016) |
| Some expenses reported in the statement of activities do not require the use of current financial resources such as pension and OPEB obligations, self insurance claims and property tax objections, and are not reported as expenditures in the governmental funds. | | |
| Property tax objections | (3,962,870) | |
| Pollution remediation | (789,780) | |
| Compensated absences | (410,759) | |
| Self-insurance claims | (33,259,522) | |
| OPEB | (135,541,769) | |
| Pension expense | (380,493,461) | |
| | | (554,458,161) |
| The issuance of long-term debt (e.g. bonds, notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items, including current year debt issuance and loss on refunding. The effect on net position of these items are the following: | | |
| Debt service principal payments | 107,260,000 | |
| Note principal payment | 40,000,000 | |
| Issuance of Note | (6,524,329) | |
| Change in prepaid bond insurance | (75,451) | |
| Amortization of bond premium | 12,235,263 | |
| Change in accrued interest on bonds | (193,013) | |
| Change in deferred inflow and outflows - refundings | (4,311,501) | |
| | | 148,390,969 |
| Revenues in the statement of activities that do not provide current financial resources are deferred inflows of resources in the fund financials. These amounts represent the changes in unavailable revenue over the prior year. | | |
| Deferred inflow of resources - property and other taxes | (125,091,567) | |
| Deferred inflow of resources - grants | 10,034,427 | |
| | | (115,057,140) |
| Change in net position (deficits) of governmental activities. | | $ (678,842,190) |

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

**Exhibit 7**
**COOK COUNTY, ILLINOIS**
**STATEMENT OF NET POSITION**
**PROPRIETARY FUND - COOK COUNTY HEALTH AND HOSPITAL SYSTEM FUND**
**November 30, 2015**

| | Enterprise Fund- CCHHS Fund |
|---|---|
| **ASSETS:** | |
| **CURRENT ASSETS:** | |
| Cash and cash equivalents | $ 438,681,946 |
| Taxes receivable (net of allowance of $1,203,863) | |
| Tax levy - current year | 149,756,021 |
| Tax levy - prior year | 1,483,304 |
| Total tax receivable | 151,239,325 |
| Accounts receivable - | |
| Patient accounts receivable, net of allowance for uncollectible accounts of $250,451,807 | 67,233,873 |
| Due from State of Illinois -CountyCare | 51,750,784 |
| Claims receivable | 55,771,662 |
| Third-party settlements | 3,830,072 |
| Other receivables | 9,106,023 |
| Total accounts receivable | 187,692,414 |
| Inventories at lower of cost (weighted average) or market | 4,438,429 |
| Total current assets | 782,052,114 |
| **NONCURRENT ASSETS:** | |
| Property and equipment, net | 394,977,522 |
| **DEFERRED OUTFLOWS of RESOURCES:** | |
| Pension related amounts | 93,364,101 |
| Total Deferred Outflows | 93,364,101 |
| Total assets and Deferred Outflows | $ 1,270,393,737 |
| **LIABILITIES, DEFERRED INFLOWS AND NET POSITION:** | |
| **CURRENT LIABILITIES:** | |
| Accounts payable | $ 85,236,927 |
| Accrued salaries payable | 46,849,771 |
| Claims payable | 188,664,189 |
| Compensated absences | 6,435,734 |
| Unearned revenue | 77,951,498 |
| Third-party settlements | 85,581,969 |
| Pension contributions payable | 49,227,952 |
| Due to State of Illinois | 59,915,794 |
| Due to General Fund | 43,455 |
| Self-insurance claims | 31,879,452 |
| Other liabilities | 54,968 |
| Total current liabilities | 631,841,709 |
| **LONG-TERM LIABILITIES:** | |
| Compensated absences less current portion | 36,469,157 |
| Self-insurance claims | 126,111,604 |
| Property tax objections | 13,215,512 |
| Net pension liability | 4,232,624,501 |
| Total long-term liabilities | 4,408,420,774 |
| Total liabilities | 5,040,262,483 |
| **DEFERRED INFLOWS of RESOURCES:** | |
| Pension related amounts | 28,774,429 |
| **NET POSITION:** | |
| Net investment in capital assets | 394,977,522 |
| Restricted for patient care | 564,564 |
| Unrestricted | (4,194,185,261) |
| Total net position | (3,798,643,175) |
| Total liabilities, deferred inflows and net position | $ 1,270,393,737 |

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

**Exhibit 8**
**COOK COUNTY, ILLINOIS**
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**
**PROPRIETARY FUND - COOK COUNTY HEALTH AND HOSPITAL SYSTEM FUND**
**For the Year Ended November 30, 2015**

| | | Business-type Activities - CCHHS Fund |
|---|---|---|
| **OPERATING REVENUES:** | | |
| Net patient service revenue (net of provision of $190,943,545) | $ | 625,214,692 |
| CountyCare capitation | | 861,572,979 |
| Provident hospital capitation | | 58,677,250 |
| Grant revenue | | 12,608,407 |
| Electronic Health Record incentive program revenue | | 5,894,055 |
| Miscellaneous | | 7,737,330 |
| Total operating revenues | | 1,571,704,713 |
| **OPERATING EXPENSES:** | | |
| Salaries and wages | | 540,701,241 |
| Employee benefits | | 307,827,845 |
| Supplies | | 114,793,420 |
| Purchased services, rental and other | | 183,831,771 |
| Foreign claims | | 660,300,874 |
| Insurance | | 48,360,806 |
| Depreciation | | 27,791,777 |
| Utilities | | 12,677,634 |
| Services contributed by other County offices | | 14,975,380 |
| Total operating expenses | | 1,911,260,748 |
| **OPERATING LOSS** | | (339,556,035) |
| **NONOPERATING REVENUES:** | | |
| Property taxes | | 143,417,429 |
| Cigarette taxes | | 13,196,187 |
| Other tobacco products taxes | | 1,093,901 |
| Investment income | | 1,662 |
| Total nonoperating revenues | | 157,709,179 |
| **Loss before transfers and capital contributions** | | (181,846,856) |
| **TRANSFERS** | | 62,987,754 |
| **CAPITAL CONTRIBUTIONS** | | 17,128,696 |
| Change in net position | | (101,730,406) |
| **NET POSITION - Beginning, as restated** | | (3,696,912,769) |
| **NET POSITION - Ending** | $ | (3,798,643,175) |

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

**Exhibit 9**
**COOK COUNTY, ILLINOIS**
**STATEMENT OF CASH FLOWS**
**PROPRIETARY FUND - COOK COUNTY HEALTH AND HOSPITAL SYSTEM FUND**
**For the Year Ended November 30, 2015**

| | | Business-type Activities - CCHHS Fund |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES:** | | |
| Receipts from third-party payors and patients | $ | 1,241,068,133 |
| Payments to employees | | (614,080,969) |
| Contributions to the pension plan for employee benefits | | (48,012,374) |
| Payments to suppliers | | (603,718,989) |
| Other receipts | | 13,186,169 |
| Net cash flows from operating activities | | (11,558,030) |
| **CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:** | | |
| Acquisition of capital asset | | (5,243,730) |
| **CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:** | | |
| Borrowings from Working Cash Fund | | 35,000,000 |
| Repayment of borrowings from Working Cash Fund | | (35,000,000) |
| Real and personal property taxes received, net | | 37,237,515 |
| Transfers from County Funds | | 48,012,374 |
| Cigarette taxes received | | 13,196,187 |
| Other tobacco product taxes | | 1,093,901 |
| Net cash flows from noncapital financing activities | | 99,539,977 |
| **CASH FLOWS FROM INVESTING ACTIVITIES:** | | |
| Interest received | | 1,662 |
| **CHANGE IN CASH AND CASH EQUIVALENTS** | | 82,739,879 |
| **CASH AND CASH EQUIVALENTS - Beginning** | | 355,942,067 |
| **CASH AND CASH EQUIVALENTS - Ending** | $ | 438,681,946 |
| **NON-CASH TRANSACTIONS:** | | |
| Capital assets transferred from governmental activities | $ | 17,128,692 |
| **RECONCILIATION OF LOSS FROM OPERATIONS TO NET CASH USED IN OPERATING ACTIVITIES** | | |
| Operating loss | $ | (339,556,035) |
| Adjustments to reconcile loss from operations to net cash used in operating activities: | | |
| Depreciation | | 27,791,777 |
| Provision for bad debts | | 190,943,545 |
| Pension expense | | - |
| Services contributed by other County offices | | 14,975,380 |
| Change in assets and liabilities: | | |
| Patient accounts receivable | | (199,800,850) |
| Due from State of Illinois | | (38,149,640) |
| Capitation receivables | | (55,771,662) |
| Third-party settlements | | 13,286,474 |
| Other receivables | | (1,975,570) |
| Inventories | | (972,731) |
| Accounts payable | | 25,864,448 |
| Accrued salaries, compensated absences, wages, and other liabilities | | 12,629,844 |
| Pension contribution payable | | (778,112) |
| Self-insurance claims | | 14,782,804 |
| Claims Payable | | 87,111,785 |
| Net pension liability | | 187,871,884 |
| Deferred amounts related to pensions | | (14,583,608) |
| Compensated absences | | 1,434,309 |
| Unearned revenue | | 1,129,723 |
| Due to State of Illinois | | 59,841,357 |
| Due to others | | (8,840) |
| Trust funds | | (13,220) |
| Property tax objection suits payable | | 2,388,908 |
| Net cash used in operating activities | $ | (11,558,030) |

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

**Exhibit 10**
**COOK COUNTY, ILLINOIS**
**STATEMENT OF FIDUCIARY NET POSITION**
**November 30, 2015**

| **ASSETS:** | **Total Pension Trust** | **Total Agency Funds** |
|---|---|---|
| Cash | $ - | $ 356,866,364 |
| Receivables - | | |
| Employer contributions (property taxes) | 199,576,926 | - |
| Employee contributions | 1,995,317 | - |
| Accrued interest | 22,205,338 | - |
| Receivable for securities sold | 162,275,218 | - |
| Due from other funds | - | 15,962,479 |
| Other receivables | 2,334,073 | 5,968,769 |
| Investments - | | |
| Short term investments | 587,544,323 | 13,514,137 |
| U.S. Government and agency obligations | 1,109,668,190 | 959,725 |
| Corporate bonds | 857,209,577 | - |
| Equities and exchange traded funds | 4,861,596,274 | 1,866,604 |
| Fixed income mutual funds | 225,169,189 | 7,781,526 |
| Alternative investments | 1,188,996,021 | - |
| Other | - | 3,246,808 |
| Total Investments | 8,830,183,574 | 27,368,800 |
| Collateral held for securities on loan | 1,308,676,647 | - |
| Total assets | 10,527,247,093 | 406,166,412 |
| **LIABILITIES:** | | |
| Payable for securities purchased | 135,337,446 | - |
| Accounts payable | 5,031,192 | - |
| Health insurance payable | 9,803,028 | - |
| Due to other governments | - | 134,284,291 |
| Due to others | - | 271,882,121 |
| Securities lending liabilities | 1,308,676,647 | - |
| Total liabilities | 1,458,848,313 | 406,166,412 |
| **NET POSITION:** | | |
| Net position restricted for pensions and other benefits | $ 9,068,398,780 | $ - |

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

**Exhibit 11**
**COOK COUNTY, ILLINOIS**
**PENSION TRUST FUNDS**
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**
**For the Year Ended November 30, 2015**

| | | Total Pension Trust |
|---|---|---|
| **ADDITIONS:** | | |
| Contributions | | |
| Employer | $ | 190,032,872 |
| Plan members | | 129,325,318 |
| Total contributions | | 319,358,190 |
| Investment income | | |
| Net appreciation in fair value of investments | | 325,036,291 |
| Dividends | | 117,138,325 |
| Interest | | 73,642,376 |
| Total investment income | | 515,816,992 |
| Less investment expense | | (31,791,345) |
| Net investment income | | 484,025,647 |
| Securities lending | | |
| Income | | 5,833,409 |
| Expenses | | (968,159) |
| Net securities lending income | | 4,865,250 |
| Other | | |
| Federal subsidized programs | | 3,538,369 |
| Medicare Part D subsidy | | 4,529,585 |
| Miscellaneous | | 40,221 |
| Prescription plan rebates | | 1,458,517 |
| Employee transfers | | 175,370 |
| Total other additions | | 9,742,062 |
| Total additions | | |
| | $ | 817,991,149 |
| **DEDUCTIONS:** | | |
| Benefits | | |
| Annuities | | |
| Employee | $ | 543,274,840 |
| Spouse and children | | 41,865,298 |
| Disability benefits | | |
| Ordinary | | 9,988,572 |
| Duty | | 527,188 |
| Group hospital premiums | | 49,945,560 |
| Total benefits | | 645,601,458 |
| Refunds | | 26,347,361 |
| Administrative | | 5,010,206 |
| Total deductions | | 676,959,025 |
| **CHANGE IN NET POSITION** | | 141,032,124 |
| **NET POSITION RESTRICTED FOR PENSIONS AND OTHER BENEFITS** | | |
| Beginning of year | | 8,927,366,656 |
| End of year | $ | 9,068,398,780 |

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

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**Exhibit 12**
**COOK COUNTY, ILLINOIS**
**COMBINING STATEMENT OF NET POSITION**
**COMPONENT UNITS**
**November 30, 2015**

| | Component Units | | |
|---|---|---|---|
| | **Forest Preserve District** | **Emergency Telephone Systems** | **Total Component Units** |
| **ASSETS:** | | | |
| Cash and investments | $ 283,290,500 | $ 5,476,207 | $ 288,766,707 |
| Restricted investments | 89,713,737 | - | 89,713,737 |
| Accounts receivable: | | | |
| Intergovernmental/grants | 2,416,207 | - | 2,416,207 |
| Due from others | 2,216,000 | 1,214,411 | 3,430,411 |
| Taxes receivable | 65,947,950 | - | 65,947,950 |
| Other receivables | 39,967,903 | - | 39,967,903 |
| Inventory and prepaid items | 185,000 | - | 185,000 |
| Capital assets, not being depreciated | 272,452,827 | - | 272,452,827 |
| Capital assets, net of accumulated depreciation | 317,934,179 | 1,960,446 | 319,894,625 |
| Total assets | 1,074,124,303 | 8,651,064 | 1,082,775,367 |
| **DEFERRED OUTFLOWS of RESOURCES:** | | | |
| Umamortized loss on refunding | 787,771 | | 787,771 |
| Total Deferred Outflows | 787,771 | - | 787,771 |
| Total assets and Deferred Outflows | $ 1,074,912,074 | $ 8,651,064 | $ 1,083,563,138 |
| **LIABILITIES:** | | | |
| Accounts payable | $ 22,256,631 | $ 76,952 | $ 22,333,583 |
| Accrued salaries payable | 4,954,698 | 1,542,807 | 6,497,505 |
| Unearned revenue-other | 20,410,846 | - | 20,410,846 |
| Other liabilities | 13,118,860 | 473,290 | 13,592,150 |
| Long-term obligation, due within one year | 10,384,517 | - | 10,384,517 |
| Long-term obligation, due in more than one year | 343,963,406 | - | 343,963,406 |
| Total liabilities | 415,088,958 | 2,093,049 | 417,182,007 |
| **DEFERRED INFLOWS of RESOURCES:** | | | |
| Deferred inflow of resources - property taxes | 65,491,998 | - | 65,491,998 |
| Total Deferred Inflows | 65,491,998 | - | 65,491,998 |
| **NET POSITION:** | | | |
| Net investment in capital assets | 414,074,262 | 1,960,446 | 416,034,708 |
| Restricted for: | | | |
| Debt service | 10,449,526 | - | 10,449,526 |
| Capital projects | 8,730,475 | 4,597,569 | 13,328,044 |
| Working cash | 13,426,119 | - | 13,426,119 |
| Contributor programs | 91,039,000 | - | 91,039,000 |
| Unrestricted | 56,611,736 | - | 56,611,736 |
| Total net position | $ 594,331,118 | $ 6,558,015 | $ 600,889,133 |

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

**Exhibit 13**
**COOK COUNTY, ILLINOIS**
**COMBINING STATEMENT OF ACTIVITIES**
**COMPONENT UNITS**
**For the Year Ended November 30, 2015**

| | | Program Revenues | | |
|---|---|---|---|---|
| | **Expenses** | **Licenses, fees & Charges for Services** | **Operating Grants and Contributions** | **Capital Grants and Contributions** |
| **Functions/Programs** | | | | |
| Forest Preserve District | $ 217,924,575 | $ 57,173,250 | $ 53,265,180 | $ 7,941,751 |
| Emergency Telephone Systems | 2,252,526 | 2,528,235 | - | - |
| Total component units | $ 220,177,101 | $ 59,701,485 | $ 53,265,180 | $ 7,941,751 |

General revenues
Taxes:
Property taxes
Personal property replacement tax
Investment income
Miscellaneous
Total general revenues
Change in net position
Net position - Beginning
Net position - Ending

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

| Net (Expense) Revenue and Changes in Net Position | | | |
|---|---|---|---|
| Forest Preserve District | Emergency Telephone Systems | Total Component Units | |
| | | | **Functions/Programs** |
| $ (99,544,394) | $ - | $ (99,544,394) | Forest Preserve District |
| - | 275,709 | 275,709 | Emergency Telephone Systems |
| $ (99,544,394) | $ 275,709 | $ (99,268,685) | Total component units |
| | | | |
| | | | General revenues |
| | | | Taxes: |
| $ 84,747,428 | $ - | $ 84,747,428 | Property taxes |
| 7,925,979 | - | 7,925,979 | Personal property replacement tax |
| 6,656,232 | 6,587 | 6,662,819 | Investment income |
| 2,578,594 | - | 2,578,594 | Miscellaneous revenue |
| 101,908,233 | 6,587 | 101,914,820 | Total general revenues |
| 2,363,839 | 282,296 | 2,646,135 | Change in net position |
| 591,967,279 | 6,275,719 | 598,242,998 | Net position - Beginning |
| $ 594,331,118 | $ 6,558,015 | $ 600,889,133 | Net position - Ending |

## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

The County implemented the following GASB Statements in the 2015 fiscal year:

- GASB Statement No. 67, "Financial Reporting for Pension Plans." This Statement did not have a significant impact on the 2015 financial statements.
- GASB Statement No. 68, "Accounting and Financial Reporting for Pensions." This statement was adopted and required the County to report a net pension liability and other pension related amounts as well as significant new disclosures throughout this report, as well as a restatement to opening net position for governmental and business-type activities.
- GASB Statement No. 69, "Government Combinations and Disposals of Government Operations." This Statement did not have an effect on the 2015 financial statements.
- GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date" This statement required the reporting of deferred outflows of resources at the beginning of the reporting period however this amount was offset with a liability to the pension fund and had no impact on opening net position.

Management is currently assessing the impact that the adoption of the following GASB Statements will have on the County's future financial statements, which are not implemented and not required for the fiscal year ended November 30, 2015. The implementation of GASB Statement No. 75 is expected to have a material adverse effect on the County's net position. Pending statements are as follows:

- GASB Statement No. 72, "Fair Value Measurement and Application," will become effective for the County in fiscal year 2016.
- GASB Statement No. 73, "Accounting and Financial Reporting for Pensions and Related Assets That are not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68," will become effective for the County in fiscal year 2017.
- GASB Statement No. 74, "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans," will become effective for the County in fiscal year 2017.

- GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," will become effective for the County in fiscal year 2018.
- GASB Statement No. 76, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments," will become effective for the County in fiscal year 2016.
- GASB Statement No. 77, "Tax Abatement Disclosures," will become effective for the County in fiscal year 2017.
- GASB Statement No. 78, "Pension Provided through Certain Multiple Employer Defined Benefit Pension Plans," will become effective for the County in fiscal 2017.
- GASB Statement No. 79, "Certain External Investment Pools and Pool Participants," will become effective for the County in fiscal 2017.
- GASB Statement No. 80, "Blending Requirements for Certain Components Units – an amendment of GASB Statement No. 14," will become effective for the County in fiscal 2017.
- GASB Statement No. 81, "Irrevocable Split Interest Agreements," will become effective for the County in fiscal 2018.
- GASB Statement No. 82, "Pension Issues-an amendment of GASB Statements No. 67, No. 68 and No. 73," will become effective for the County in fiscal 2018.

## A. Financial Reporting Entity

As required by GAAP, these financial statements present the County (the primary government) and its component units, the Forest Preserve District of Cook County, the Cook County Emergency Telephone System, and the County Employees' and Officers' Annuity and Benefit Fund. As used both on the face of the financial statements and in the footnotes, the term "Primary Government" includes both County funds and any Blended Component Units while the term "Component Units" includes only Discretely Presented Component Units. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationships with the County.

***Discretely Presented Component Units***

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

**1.** The Forest Preserve District of Cook County, Illinois (the "District") was established pursuant to Illinois Compiled Statutes (Chapter 40, Act 5, Sections 9-101 to 10-108) on July 1, 1914. The District is governed by the same Board of Commissioners that currently serve as members of the County's Board or Forest Preserve District Board of Commissioners (the "District Board"). The President of the District appoints management positions and has authority for budgets, fiscal management and the setting of charges and fees for the use of forest preserve facilities. As a separate taxing body the District is subject to its own statutory tax rate limitations. The District has the power to create forest preserve facilities and may issue debt

secured by the full faith and credit of the District. The County is not responsible for financing operating deficits or debt service of the District and there is no benefit/burden relationship between the District and the County, nor does the County have operational responsibility for the District. The boundaries of the District are coterminous with the boundaries of the County. The District's financial statements are discretely presented in the County's financial statements based on GASB Statement No. 61.

**2.** The Cook County Emergency Telephone System (the "System") is a venture established by resolution of the Cook County Board of Commissioners in accordance with the Emergency Telephone System Act of the Illinois Compiled Statutes. The County Board and the Sheriff's Office appoint the System's board members. The County Board approves any surcharge changes requested by the System's management and the County funds salary expenses for System employees through an annual appropriation. As such, the System is presented as a discrete component unit in accordance with GASB Statement No. 61. The System was organized for the purpose of providing equipment, services, personnel, facilities and other items necessary for the implementation, operation, maintenance and repair of the E-911 Emergency Telephone System within the unincorporated portions of the County and the municipalities of Robbins, Ford Heights, Stone Park, Northlake, Golf, Phoenix, and Dixmoor, Illinois. The System, for the fiscal year ended November 30, 2015, is presented on the accrual basis of accounting as defined by GASB.

Although the County Employees' and Officers' Annuity and Benefit Fund is a legally separate entity for which the County is not financially accountable, it is included in the County's basic financial statements as fiduciary funds (Pension Trust and Other Post-Employment Benefits (OPEB) Trust). The unfunded liabilities, and the trajectory of the Fund's solvency is such that exclusion might serve to render the County's financial statements misleading. The County Employees' and Officers' Annuity and Benefit Fund is a defined benefit, single-employer pension and OPEB plan established by Illinois Compiled Statutes (Chapter 40, Acts 5/9 and 5/10). The Retirement Board is the administrator of the County Employees' and Officers' Annuity and Benefit Fund and consists of nine members, two of whom are appointed by County management and seven of whom are elected by plan participants. The Trust Funds are maintained and operated for the benefit of the employees and officers of the County. As a result, the Trust Funds are financed by investment income, employees' payroll deductions and employer contributions (property taxes levied and collected by the County).

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

The following component units included within the County's reporting entity, report on a calendar year basis; the Forest Preserve District of Cook County (discretely presented) and the County Employees' and Officers' Annuity and Benefit Fund (Pension Trust and OPEB Trust funds). The financial statements included for these entities are for calendar years that ended on December 31, 2014, as permitted, but not required, under GASB Statement No 14.

The Housing Authority of the County of Cook (the "Authority" or "HACC") is the second largest public housing authority in Illinois. The Authority is a municipal corporation that was established in 1946 to serve 108 communities, as well as unincorporated areas in suburban

Cook County. Funding is provided by the Federal Government through the Department of Housing and Urban Development ("HUD"). The Board of Commissioners of the Authority is comprised of individuals who are appointed by the Cook County Board President and confirmed by the full County Board for five-year terms. The Authority is not considered a discretely presented component unit or blended component unit of the County; however, under GASB Statement No. 14, "The Financial Reporting Entity, as amended," the County considers the Authority to be a related organization. The County is not aware of any other significant operational or financial control over the Authority that would require the Authority's financial activity to be presented in the County's financial statements.

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the County and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user fees and charges for services. Likewise, the primary government is reported separately from its discretely presented component units for which the primary government is financially accountable.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes where the amounts are reasonably equivalent in value to the inter-fund services provided and other charges between the County's governmental activities and business-type activities. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Program revenues include:

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

2) Operating and capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

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

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

Accounting records for the Forest Preserve District, the Trust Funds, and the various fee offices are maintained by the respective entities.

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

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

Governmental fund financial statements are reported using the flow of *current financial resources measurement focus* and the *modified accrual basis of accounting*. Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available for financing current obligations. Accordingly, property taxes are recognized as deferred inflows of resources in the year of levy (because the collections are unavailable at year end) and as revenue in the subsequent year when the taxes are collected throughout the year, or within 60 days thereafter. Uncollected taxes are written off by the County at the end of the fiscal year immediately following the year that the taxes become due.

Derived tax revenues and State shared revenues (home rule taxes, State sales tax, PPRT, etc.) are recorded when the underlying exchange takes place, subject to availability. Federal and State grant revenues are recognized when the County has met all eligibility requirements, subject to availability. Interest on investments is recognized when earned. The County considers amounts to be available if collected during the period, or within 60 days after fiscal year-end. Amounts related to the current fiscal year but not collected within the first 60 days of the subsequent year are recorded as deferred inflows of resources (unavailable).

Property taxes, most non-property taxes, intergovernmental grants and investment income are susceptible to accrual. Most other revenues (fees, fines, cigarette taxes, etc.) are recognized when collected by the County or its agencies on the cash basis.

In governmental funds, expenditures, other than long-term debt and other long-term obligations (compensated absences, pensions, OPEB, property tax objections, self-insurance claims, etc.) are expected to be paid with available expendable resources and are recognized when obligations are incurred. Debt principal retirements and other payments related to long-term obligations other than debt, are reported as expenditures when due.

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

***Governmental Funds***

The County reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the County. It is used to account for all financial resources not accounted for and reported in another fund. There are four accounts used by the County for General Fund financial resources: the Corporate Account, the Public Safety Account, the Self Insurance Account, and the Chief Judge Juvenile Justice Account. The Corporate Account includes all revenues and expenditures attributable to government management and supporting services; control of environment; assessment, collection and distribution of taxes; election; economic and human development and transportation. The Public Safety Account includes the revenues and expenditures attributable to the protection of persons and property (corrections and courts), to include the costs of administering laws related to vehicles and transportation, government management and supporting services and revenues and expenditures of the Medical Examiner. The Self Insurance Account is used to account for various County risks, including worker's compensation and other liabilities. The Chief Judge Juvenile Justice Account includes activities pertaining to juvenile officers and was closed at the end of the fiscal year.

Motor Fuel Tax Fund – The Motor Fuel Tax Fund was established to provide for the design, construction and maintenance of streets, roads and highways. Revenues are derived from reimbursements from the State, the Federal Government, other governments and other miscellaneous sources. The revenue is derived from the County's share of the State's Motor Fuel Tax on gasoline which is restricted for road/highway construction, improvements and related debt service.

Annuity and Benefit Fund - The Annuity and Benefit Fund was established to account for the yearly revenues and expenditures the County receives and transmits to the separate body politic represented by the County Employees' and Officers' Annuity and Benefit Fund of Cook County. Revenues are derived from dedicated tax levies, personal property replacement taxes and interest earnings.

Capital Projects Fund – The Capital Projects Fund is used to account for the acquisition, construction and renovation of major capital facilities of the County. The Capital Projects Fund

includes the following accounts: government management and supporting services, protection of health, corrections and courts.

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

***Proprietary Funds***

Proprietary funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. The County reports the following proprietary fund:

Enterprise Fund – The Enterprise Fund is used to account for certain costs of operating CCHHS. In May 2008, the County Board created the Cook County Health and Hospitals System Board (the "CCHHS Board") to provide independent oversight of health care operations. The CCHHS Board is accountable to the County Board. The CCHHS Board and the Ordinance were originally scheduled to terminate in three years. In May of 2010, the County Board of Commissioners voted to make the CCHHS Board permanent. The CCHHS includes the following entities: John H. Stroger, Jr. Hospital of Cook County, Oak Forest Health Center, CountyCare, Provident Hospital, the Cook County Department of Public Health, the Bureau of Health Services, the Ambulatory and Community Health Network, the Ruth Rothstein Core Center and Cermak Health Services of Cook County. The Bureau of Health Services oversees the operational, planning and policy activities of CCHHS.

The operations and activities of the CCHHS continue to be subsidized by the County as CCHHS continues to incur operating losses. The Cook County Board of Commissioners remain committed to the continued mission of CCHHS and through the adopted budget process in fiscal year 2015 approved 10.6% of revenue from other resources in order for CCHHS to complete funding of the adopted budget, such as property tax, sales tax, cigarette tax and proceeds from debt restructuring savings. Certain significant activities/costs are paid directly by County governmental funds including debt principal and interest, capital asset acquisition/construction, and contributed services. If all CCHHS expenses and liabilities were recorded in the Enterprise Fund, the reduction in the CCHHS' net position would be significant.

(1) Net Patient Service Revenue

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

Net patient service revenue is reported at estimated realizable amounts from patients, third-party payors, and others for services rendered. Retroactive adjustments under reimbursement agreements with third-party payors are considered in the recognition of revenue on an estimated basis in the period the related services are rendered and are adjusted in future periods as final settlements are determined. Estimated amounts due from or to third-party payors are reported as third-party settlement liabilities in the statement of net position.

(2) Charity Care

CCHHS's mission is to treat all patients in need of medical services without regard to their ability to pay. Medical services are available at all CCHHS's locations for those patients that are unable to pay for them. Patients are evaluated through the CCHHS financial counseling services. If a patient qualifies for Medicaid or other Federal programs, CCHHS will assist the patient in completing the applications for those programs.

For those patients that do not qualify for Medicaid or any other Federal programs, CCHHS has a charity care program for Cook County residents that evaluates the patient's need based on family size and income. The guidelines to qualify for charity care are adjusted each year based on changes in the Federal Government's poverty guidelines. The charity program covers patients with incomes up to 600% of the Federal Poverty guidelines.

Patients that are not residents of Cook County that need financial assistance in paying for their medical services are also offered a discount under the Illinois Uninsured Patient Discount program if their income is less than 600% of the Federal Poverty guidelines.

Charity care is measured based on the CCHHS's estimated direct and indirect costs of providing charity care services. That estimate is made by calculating a ratio of cost to gross charges, applied to the uncompensated charges associated with providing charity care to patients. Fiscal year 2015 amounts are as follows:

| | |
|---|---|
| Charges forgone for charity care | $365,044,304 |
| Estimated costs incurred for charity care | $265,739,453 |

During fiscal year 2015, the CCHHS's payer utilization was as follows, based on gross patient service revenue:

| | |
|---|---|
| Self-Pay | 41 % |
| Medicaid (including CountyCare) | 38 |
| Medicare | 16 |
| Other | 5 |
| | 100 % |

For the year ended November 30, 2015, estimated gross charges associated with services provided to CountyCare patients totaled approximately $180,712,000. The impact of CountyCare has moved clients from the self-payor mix into the Medicaid Expansion payor mix, thereby increasing Medicaid revenue. Revenue associated with CountyCare patients is reported in CountyCare capitation revenue.

(3) Interagency Transfer Agreements

The CCHHS receives enhanced Medicaid reimbursement by means of an Interagency Agreement (the "Agreement") between the County Board and the Illinois Department of Healthcare and Family Services ("DHFS").

Under terms of the Agreement, DHFS will direct additional funding to the CCHHS for inpatient and outpatient services based on per diem and per visit cost reimbursement methodologies. In addition, the Agreement requires DHFS to provide the CCHHS additional funding to assist the CCHHS in offsetting the cost of its uncompensated care. Such adjustment amounts include federal matching funds.

Under the terms of the Agreement, CCHHS received $292,900,988 additional payments from DHFS during the fiscal year ended November 30, 2015. Of the amount received, $77,890,401 is unearned and included in unearned revenue on the Statement of Net Position. Such unearned revenue is excluded from net patient service revenue and represents amounts to be earned during December through June 2016, the last seven months of the State of Illinois's 2016 fiscal year. Included in net patient service revenue as earned is $291,776,026 which takes into consideration the prior year unearned revenue of $76,765,440.

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

(4) CountyCare

In October 2012, the Federal government approved CCHHS's Medicaid Expansion Program ("CountyCare") by creating the CMS waiver under Section 1115 of the Social Security Act ("1115 Waiver") for Cook County. CountyCare began as an Illinois Medicaid demonstration project that ran through June 30, 2014, at which time CountyCare members were transitioned into a County Managed Care Community Network ("MCCN").

Under the 1115 Waiver, CCHHS received Per Member Per Month ("PMPM") revenue for CountyCare members of $629, but subject to the Federal Medical Assistance Percentage ("FMAP"), which CCHHS funded through the Interagency Transfer Agreement. Effective January 1, 2014, the PPM increased to $632, with no FMAP requirement.

At November 30, 2015, estimated amounts due from the State of Illinois relating to the CountyCare program totaled $51,750,784, and are reported in the statement of net position.

All claims for payment of CountyCare are handled by a Third Party Administrator ("TPA"), whether the claims are generated by CCHHS facilities (domestic claims) or the network of outside

providers (foreign claims). Total estimated foreign claims expense for the year ended November 30, 2015 was approximately $660,301,000 and is included in the purchased services, rental and other expense in the statement of revenues, expenses and changes in net position. Estimated foreign claims incurred but not paid as of November 30, 2015 were $176,614,807 and are reported as Claims payable in the statement of net position.

While it was an Illinois Medicaid Demonstration program, CountyCare had to demonstrate that its costs were justified for the PMPM rate negotiated. If CountyCare's costs during the demonstration period were less than the PMPM rate, CCHHS must repay the overpayment of PMPM received. At November 30, 2015, CCHHS has reserved estimated overpayments of approximately $85,000,000, included in third-party settlements liability in the statement of net position. Additional information on CountyCare is available in the CCHHS separately issued financial statements.

***Fiduciary Funds***

The County reports the following fiduciary funds:

Pension Trust Fund and Postemployment Health Care Trust Fund – The Trust Funds are used to account for transactions, assets, liabilities and net position available for the pension and Other Postemployment Benefits ("OPEB") provided by the County Employees' and Officers' Annuity and Benefit Fund of Cook County.

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

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

**D. Assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position or fund balance**

**1. Cash and investments**

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

(1) The County (all Funds other than the Fiduciary Funds):

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

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

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

b. Bonds, notes, debentures or other similar obligations of the United States of America or its agencies;

c. Repurchase agreements whose underlying purchased securities consist of the obligations described in paragraph (a) or (b) above;

d. Interest-bearing savings accounts, interest-bearing certificates of deposit, interest-bearing time deposits, or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act, 205 ILCS 5/1, *et seq.*; provided, however, that any such bank is insured by the Federal Deposit Insurance Corporation, is rated in one of the two highest rating categories by at least two of the three major credit rating agencies, and meets all the Treasurer's criteria of creditworthiness and soundness;

e. Money market mutual funds registered under the Investment Company Act of 1940, as from time to time amended (including those funds managed by the Investment Advisor and its affiliates), *provided, however,* that the portfolio of any such money market fund is limited to obligations described in paragraphs (a) (b) or (d) above and to agreements to repurchase such obligations. All money market mutual funds must have a weighted average maturity of 60 days or less and be managed in accordance with rule 2a-7 of the Investment Company Act of 1940. All funds must be available for redemption on a daily basis. Repurchase agreements within the money market mutual fund must be collateralized using securities consisting only of obligations described in paragraph (a) and (b) above and must be collateralized at 102% of principal amount;

f. Local government investment pools (such as the Illinois Funds or the Illinois Metropolitan Investment Fund), either state-administered or created pursuant to joint powers statutes and other intergovernmental agreement legislation; *provided, however,* that the pool is rated at the time of investment in one of the two highest rating categories by at least two of the three major credit rating agencies. The collateral requirement on County funds invested by the County Treasurer in a local government investment pool shall be maintained by the state agency administering the pool or by the pooled fund's custodial institution, provided that the state agency has collateralized all County funds

in accordance with all State laws, County ordinances, and this Investment Policy;

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

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

The County's investments that have a maturity date of less than one year are reported at amortized cost, which approximates their fair value. Additionally, the County's investments in 2a-7 money market funds and 2a-7 like pools (Illinois Funds) are reported at amortized cost. All other investments are reported at fair value.

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

Inter-fund borrowings are not made from cash accounts maintained for debt service or rental payments.

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

(2) Agency Funds

The Agency Funds maintain their own cash and investment accounts to manage the various fiduciary responsibilities of the County. The funds are governed by the County's Taxpayers Interest Assurance Ordinance, which requires that all cash held by the fee offices be placed into interest-bearing bank accounts and for those amounts in excess of insured limits, to be collateralized at 102% except for economic reasons or if funds are prohibited by law from being invested (i.e. trust funds). The County's Public Guardian (Agency Fund) is the court appointed guardian of the assets of individuals deemed disabled and unable to control their estate. The Public Guardian does not actively manage the funds,

but is simply a custodian. The investments are valued by the financial institutions/funds that manage the investments and are generally reported at fair value.

(3) Trust Funds

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

## 2. Receivables and Internal Balances

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

*Loans* – Cook County HOME Investment Partnership Program ("HOME") funds are awarded to eligible public, private or non-profit entities for the development of affordable housing within Suburban Cook County. These funds are awarded as loans with terms negotiated on a per-project basis. The County has established a formal program to monitor the status and repayment of these loans. In accordance with its policy, the County has recorded an allowance for loan losses for all loans past due 120 days or greater. The allowance as of November 30, 2015 was approximately $33,000,000.

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

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

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

The County Board passed The Property Tax Relief Ordinance, which voluntarily restricts the growth in the aggregate real property tax levy for the General (Corporate and Public Safety

Accounts) and the CCHHS funds, to the lesser of 5% or the Consumer Price Index for All Urban Consumers. The Bond and Interest levy, the Pension levy and Election levy are excluded from this ordinance.

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

The 2015 levy year taxes are intended to finance FY2015, and are recorded as revenue in the government wide statements (full accrual) even though the tax bills are prepared and collected in the next fiscal year. In the governmental fund financial statements, the 2015 levy year taxes are reported as deferred inflows of resources (amounts are unavailable). For the governmental fund financial statements, property tax revenue for fiscal year 2015 represents the amount of property taxes levied in fiscal year 2014 and collected in fiscal year 2015 (and 60 days thereafter). Property tax receivable at November 30, 2015 in governmental funds and governmental activities represents the fiscal year 2015 taxes certified to the County Clerk in December 2015 and uncollected 2014 levy year taxes.

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

The Annual Appropriation Bill of the County contains a provision for an allowance for uncollectible taxes. It is the County's policy to review this provision annually and to make adjustments accordingly.

On July 29, 1981, State law requiring additional procedures in connection with the annual levying of property taxes, became effective. The law states that, if an aggregate annual levy, exclusive of election costs and debt service requirements, is estimated to exceed 105% of the levy of the preceding year, a public hearing shall be held on the proposed increase. If the final levy as adopted exceeds 105% of the prior year's levy and exceeds the proposed levy specified in the notice, or is more than 105% of such proposed levy and no notice was required, notice of the adoption of such levy must be published within 15 days of the adoption thereof. No amount in excess of 105% of the preceding year's levy may be extended unless the levy is accompanied by a certification of compliance with the foregoing procedures. The express purpose of the law is to require published disclosure of an intention to adopt a levy in excess of the specified levels. The County held public hearings on its 2015 budget, to comply with this law.

During 1995, the State extended the provisions of the Property Tax Extension Limitation Law (the "Limitation Law") to non-home rule taxing districts in the County. Subject to specific exceptions, the Limitation Law limits the annual growth in property tax extensions for the District to (i) 5% for taxes extended in 1995 and (ii) the lesser of 5% or the percentage increase

in the Consumer Price Index for All Urban Consumers during the calendar year preceding the relevant levy year for taxes extended in years after 1995.

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

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

The PPRT law provides that monies received by the County from the tax shall be applied, first, toward payment of the proportionate amount of debt service (if any), which was previously levied and extended against personal property for bonds outstanding as of December 31, 1978, and, second, applied toward payment of the proportionate share of the pension or retirement contributions of the County to the County Employees' and Officers' Annuity and Benefit Fund of Cook County which were previously levied and extended against personal property. The County does not have any remaining applicable debt and all PPRT collections are deposited in the Annuity and Benefit Fund for distribution to the County Employees' and Officers' Annuity and Benefit Fund of Cook County.

## 3. Inventories and prepaid expenses

Inventory (CCHHS) is valued at the lower of cost or market using the first-in, first-out method. In the Statement of Net Position, prepaid expenses represent prepaid insurance, paid upon the issuance of insured debt.

## 4. Capital assets

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

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

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

| Assets | Years |
|---|---|
| Building & Other Improvements | |
| Buildings | 40 |
| Building Improvements | 20 |
| Land Improvements | 20 |
| Machinery & Equipment | |
| Fixed Plant Equipment | 10 |
| Institutional Equipment | 10 |
| Medical Dental Lab Equipment | 5 |
| Telecommunications Equipment | 5 |
| Computer Equipment and Software | 5 |
| Other Fixed Equipment | 5 |
| Furniture and Fixtures | 10 |
| Vehicle Purchases | 5 |
| Automotive Equipment | 5 |
| Infrastructure | |
| Bridges | 50 |
| Tunnels | 50 |
| Traffic Signals | 5 |
| Streets and Highways | 20 |

Depreciation and amortization on capital assets is computed on the straight-line method.

At November 30, 2015, the County was in the process of numerous construction and renovation projects at the various CCHHS sites. The construction in progress is recorded as expenditures in the governmental fund (Capital Projects Fund) and is recorded as a capital asset in the Statement of Net Position - governmental activities. Other expenditures from the capital projects fund of the County were for equipment, which amounted to $17,128,696 and were transferred to CCHHS during fiscal year ended 2015, and are included in CCHHS as capital contributions.

## 5. Deferred Inflows of Resources and Unearned Revenue

In addition to assets, the statement of net position will report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. In addition to liabilities, the statement of net position will report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The County reports deferred inflows of resources on its governmental fund financial statements. Deferred inflows of resources arise when potential revenue does not meet the "available" criteria for recognition in the current period in the governmental funds.

The Statement of Net Position and governmental funds' balance sheets' report unearned revenues. Unearned revenues arise when resources are received by the County before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures or other eligibility requirements. In subsequent periods, when revenue recognition criteria are met or when the County has a legal claim to the resources, the liability for unearned revenues is removed from the financial statements and revenue is recognized. See Note C (3) for information about CCHHS' unearned revenue.

**6. Compensated Absences**

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

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

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

Compensatory Overtime will accrue at a rate of 1 and ½ hours for every hour worked in week over forty (40) hours. An overtime eligible employee may "bank" up to 240 hours of compensatory time. All overtime hours worked above this limit must be compensated with overtime pay at the rate of 1 and ½ hours for every hour worked in a week over forty hours after banking 240 hours of compensatory time.

**7. Claims Payable – CountyCare and Third Party Administrator**

This liability represents amounts payable to providers outside of CCHHS for services provided to CountyCare members. This estimate reflects the estimated ultimate cost of services incurred but not paid, net of expected stop loss insurance recoveries. Management believes the claims liability is adequate to cover the claims incurred but not paid as of November 30, 2015. On March 28, 2014, the CCHHS Board approved a five-year contract with IlliniCare Health Plan, Inc. to provide third-party administrative services, managed care and clinical care services for CountyCare. The contract took effect July 1, 2014. Total costs of this contract are not to exceed $1.796 billion over the contract period.

## 8. Long-term obligations

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

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period.

The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Principal and interest payments are recorded as expenditures when due.

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

*Pensions.* For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of County Employees' and Officers' Annuity and Benefit Fund of Cook County ("the A & B Plan") and additions to/deductions from the A & B Plan's fiduciary net position have been determined on the same basis as they are reported by the A & B Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

## 9. Fund Balances / Net Position

In accordance with the provisions of Governmental Accounting Standards Board Statement No. 54 ("GASB 54"), "Fund Balance Reporting and Governmental Fund Type Definitions", fund balance classifications comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in the governmental funds.

In the General Fund, it is the County's policy to consider restricted resources to have been spent first when an expenditure is incurred for which both restricted and unrestricted (i.e. committed, assigned or unassigned) fund balances are available, followed by committed and then assigned resources. Unassigned amounts are used only after the other resources have been used. In all other governmental funds, it is the County's policy to consider restricted resources

to have been spent last when an expenditure is incurred for which both restricted and unrestricted (i.e. committed, assigned or unassigned) resources are available. In those funds, the County considers assigned resources to have been spent first, followed by committed and then restricted resources.

Within the governmental fund types, the County's fund balances are reported in one of the following classifications:

***Nonspendable*** – includes amounts that cannot be spent because they are either: a) not in spendable form; or b) legally or contractually required to be maintained intact.

***Restricted*** – includes amounts that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

***Committed*** – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the County's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the County removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The County's highest level of decision-making authority rests with the County Board. The County Board passes Ordinances to commit their fund balances.

***Assigned*** – includes amounts that are constrained by the County's *intent* to be used for specific purposes, but that are neither restricted nor committed. Intent is expressed by: a) the County Board itself; or b) a body or official to which the Board has delegated the authority to assign amounts to be used for specific purposes. The County Board has not delegated the authority to assign amounts. The County Board assigns amounts for a specific purpose within the General Fund. Within the other governmental fund types (special revenue, debt service, capital projects) resources are assigned in accordance with the established fund purpose and approved appropriation. Residual fund balances in these fund types that are not restricted or committed are reported as assigned.

***Unassigned*** – includes the residual fund balance that has not been restricted, committed, or assigned within the general fund and deficit fund balances of other governmental funds.

In the government-wide and proprietary fund statements of net position, equity is displayed in three components as follows:

***Net Investment in Capital Assets*** – This consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, deferred outflows/inflows of resources attributable to capital assets or the related debt, and other debt that are attributable to acquisition, construction or improvement of the assets.

***Restricted*** – This consists of net position that is restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such

as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

***Unrestricted*** – This consists of net position (deficit) that does not meet the definition of "restricted" or "net investment in capital assets."

Net position for governmental activities follows the policy for the use of restricted and unrestricted resources outlined above. For Enterprise Funds and Business-type activities, the County considers restricted resources to have been spent first when an expense is incurred for which both restricted and unrestricted resources are available.

**10. Cash Flows**

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

**11. Indirect Costs**

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

**12. Use of Estimates**

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

**13. Governmental Activities Column Statement of Net Position**

The Governmental Activities column for the County excludes debt related to business-type activities in the "Net investment in capital assets" line item totaling $403,980,877. The County issues debt to finance construction projects for its business-type activities (CCHHS); however, the CCHHS owns the assets and the County retires the debt. The Statement of Net Position reports an adjustment column to properly reflect the entity wide net investment in capital assets.

**14. Separately Issued Reports**

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

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

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

Copies of the financial statements and actuarial reports of the Pension Funds may be obtained from the office of the Executive Director of the Cook County and Forest Preserve District Employees' and Officers' Annuity and Benefit Funds, 33 North Dearborn Street, Suite 1000, Chicago, Illinois 60602.

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

## II. Stewardship, compliance, and accountability

### A. Budgetary information

#### 1. The County

The development of the Cook County annual budget begins with the publication of a preliminary forecast, required by Executive Order to be prepared annually by the Budget Director. The preliminary forecast presents an initial projection of the upcoming fiscal year's revenues and expenditures and also provides a mid-year estimate of current fiscal year revenues and expenditures through year-end. Public input on the upcoming year's budget priorities are provided through an interactive website, social media, and a public hearing.

Each department submits a detailed request for appropriation. Meetings are subsequently held by the Budget Director with each department and elected official to review his/her budget request. The Budget Department, together with the Department of Revenue and the Chief Financial Officer, prepares an estimate of revenues and other resources available for appropriations. Based on overall County priorities, departmental budget requests, and available resources, the Budget Director prepares an Executive Budget Recommendation on behalf of the President. The Executive Budget Recommendation is then submitted to the County Board's Committee on Finance, which in turn holds public hearings with each department and elected official.

After public hearings on the executive recommended budget are completed, the Committee on Finance recommends the budget to the County Board with such amendments as it may deem appropriate. The County Board reviews the recommended budget, along with any further approved amendments that may be decided upon by the County Board, and approves the budget in the form of the Appropriation Ordinance. Current state statute, enacted prior to the current state constitution, provides that the Annual Appropriation Ordinance is to be adopted before March 1st of the current fiscal year.

The fiscal year budget is prepared on a budgetary accounting basis in which the current year's

encumbrances are treated as expenditures of the current period on the budgetary operating statements. Annual budgetary appropriation accounts are established for the General Fund, the Debt Service Fund, the Cook County Health and Hospital System (CCHHS), and Special Revenue Funds (other than Township Roads, State's Attorney Narcotics Nuisance Abatement, Environmental Management Services, Environmental Control Solid Waste Management, Governmental Grants, and other non-budgeted special revenue funds).

These appropriation accounts represent the maximum expenditures authorized during the fiscal year, and they cannot be legally exceeded unless subsequently amended by the County Board. Unexpended and unencumbered appropriations lapse at the end of each fiscal year. Unencumbered balances in the various fund accounts of the County and other fund accounts may be inadequate to pay for services already rendered because of unforeseen commitments at the time the Annual Appropriation Ordinance is passed. The Comptroller, Budget Director, and the Treasurer are authorized by the County Board to use these unexpended balances as transfers so that fund deficiencies may be appropriately adjusted. The Capital Projects Fund applies project length budgets for fiscal control.

The legal level of budgetary control as established by State Statute is at the object classification level within the department (for example personal services, contractual services, supplies and materials, etc.).

By operation of Law, the County's Debt Service Funds are funded by relevant bond ordinances, not through the appropriation bill. The County's bond ordinances and the indentures promulgated thereunder ensure that those who buy County Bonds receive payment without regard to whether the County appropriates real estate taxes by way of the appropriation bill. The sums set forth in the appropriation bill for Debt Service Funds reflect the County's projections regarding variable rate and fixed rate bonds, and those sums are utilized primarily to estimate the sums to be collected through the annual real estate levy for the General and Health Fund.

The Governmental Grants Fund, Sheriff Youthful Alcohol and Drug Education Fund, Township Roads Fund and the Other Non-budgeted Special Revenue Funds are not budgeted within the annual budgeting process, as discussed above. The County controls expenditures from non-budgeted funds by monitoring cash balances through its accounting and cash disbursement system.

The County Board may amend the Annual Appropriation Ordinance by approving appropriation transfers within a department's budget or between departments. The Budget Director may execute such transfers up to $10,000 without action by the County Board, and as otherwise permitted by the Budget Resolution. Total appropriations for each fund cannot be increased unless the County Board approves a supplemental appropriation. During the year ended November 30, 2015, the County Board approved no supplemental appropriations.

**B. Excess of expenditures over appropriations**

For the year ended November 30, 2015, expenditures exceeded appropriations (non GAAP budget basis) for the funds listed below. Similar information for the General Fund is reported in the Notes to the Required Supplementary Information.

| | Fund/Department/Object Classification | Over-Expenditure |
|---|---|---|
| **General** | | |
| | Adult Probation Dept. | |
| | Personal Services | $ 2,039,497 |
| | Contingency and Special Purposes | 3,246 |
| | Board of Review | |
| | Personal Services | 132,789 |
| | Supplies and Materials | 4,175 |
| | Clerk of Crct Crt Off.of Clerk | |
| | Operations and Maintenance | 3,292 |
| | Contingency and Special Purposes | 878,054 |
| | Contract Compliance | |
| | Contingency and Special Purposes | 3,330 |
| | County Assessor | |
| | Contingency and Special Purposes | 155,248 |
| | County Clerk | |
| | Contingency and Special Purposes | 16,889 |
| | County Highway Department | |
| | Personal Services | 155,272 |
| | Contingency and Special Purposes | 181,648 |
| | Department of Environmental Control | |
| | Contingency and Special Purposes | 171,610 |
| | Department of Corrections | |
| | Personal Services | 385,841 |
| | Contractual Services | 209,432 |
| | Supplies and Materials | 5,285 |
| | Contingency and Special Purposes | 480,000 |
| | Department of Human Resources | |
| | Contingency and Special Purposes | 56,298 |
| | Dept. of Facilities/Mgmt | |
| | Personal Services | 266,954 |
| | Contingency and Special Purposes | 124,968 |
| | Emergency Management Agency | |
| | Capital Equipment and Improvements | 2,934 |
| | Contractual Services | 13,996 |
| | Contingency and Special Purposes | 797,175 |
| | Fifth District | |
| | Rental and Leasing | 906 |
| | Fixed Chrgs & Specl Purp Appr | |
| | Personal Services | 22,015,920 |
| | Operations and Maintenance | 264,639 |
| | Rental and Leasing | 16,296 |
| | Judicial Advisory Council | |

| | Fund/Department/Object Classification | Over-Expenditure |
|---|---|---|
| **General** | | |
| | Contractual Services | $ 244 |
| | Juvenile Probation | |
| | Personal Services | 1,338,983 |
| | Contingency and Special Purposes | 1,610,078 |
| | Juvenile Temporary Detent.Cntr | |
| | Personal Services | 1,704,642 |
| | Contractual Services | 207,167 |
| | Contingency and Special Purposes | 125,795 |
| | Ninth District | |
| | Personal Services | 24,939 |
| | Office of Asset Management | |
| | Contingency and Special Purposes | 80,781 |
| | Office of Chief Admin. Officer | |
| | Contractual Services | 864 |
| | Contingency and Special Purposes | 235,150 |
| | Office of Economic Development | |
| | Personal Services | 34,496 |
| | Office of Inspector General | |
| | Contingency and Special Purposes | 20,606 |
| | Office of the Chief Judge | |
| | Personal Services | 661,617 |
| | Contractual Services | 516,075 |
| | Office of the County Comm. | |
| | Contractual Services | 5,450 |
| | Office of the Sheriff | |
| | Contractual Services | 2,951 |
| | Police Department | |
| | Personal Services | 137,492 |
| | Contractual Services | 35,883 |
| | Operations and Maintenance | 3,484 |
| | Contingency and Special Purposes | 439,966 |
| | Public Defender | - |
| | Contractual Services | 211,587 |
| | Supplies and Materials | 8,345 |
| | Public Guardian | |
| | Personal Services | 53,055 |
| | Recorder of Deeds | |
| | Contingency and Special Purposes | 112,882 |

| | Fund/Department/Object Classification | Over-Expenditure |
|---|---|---|
| **General** | | |
| | Risk Management | |
| | Contingency and Special Purposes | $ 8,505 |
| | Seventeenth District | |
| | Personal Services | 749 |
| | Supplies and Materials | 2,656 |
| | Seventh District | |
| | Contractual Services | 10,393 |
| | Sheriff's Information Technology | |
| | Operations and Maintenance | 4,993 |
| | Sixth District | |
| | Operations and Maintenance | 130 |
| | Rental and Leasing | 1,100 |
| | Social Casework Services | |
| | Personal Services | 184,560 |
| | Contingency and Special Purposes | 17,532 |
| | State's Attorney | |
| | Personal Services | 1,395,574 |
| | Contractual Services | 569,843 |
| | Supplies and Materials | 6,007 |
| | Contingency and Special Purposes | 278,240 |
| | Technology Policy and Planning | |
| | Contingency and Special Purposes | 43,288 |
| | Tenth District | |
| | Rental and Leasing | 500 |
| **Nonmajor-Special Revenue** | | |
| | Animal Control | |
| | Personal Services | 39,801 |
| | Circuit Court Automation | |
| | Personal Services | 206,668 |
| | Circuit Court Administrative | |
| | Personal Services | 95,649 |
| | Circuit Court Document Storage | |
| | Personal Services | 876,083 |
| | Election | |
| | Contingency and Special Purposes | 365,370 |
| | Geographical Info System | |
| | Contractual Services | 1,890,034 |
| | Cook County Emergency Telephone System Board | |
| | Personal Services | 201,088 |

| Fund/Department/Object Classification | Over-Expenditure |
|---|---|
| **Nonmajor-Special Revenue** | |
| Land Bank Authority | |
| Personal Services | $ 297,334 |
| Contractual Services | 502,020 |
| Supplies and Materials | 1,789 |
| Contingency and Special Purposes | 1,708,147 |
| Rental and Leasing | 1,500 |
| MFT Illinois First (Ist) | |
| Personal Services | 111,032 |
| SAO Records Automation Fund | |
| Supplies and Materials | 1,593 |
| County Treasurer Tax Sales Automation | |
| Contingency and Special Purposes | 957,548 |

**C. Deficit fund equity**

The following information provides deficit fund balances at November 30, 2015:

| | |
|---|---|
| Nonmajor Governmental Funds - | |
| Circuit Court Automation | $ (9,789,575) |
| Circuit Court Document Storage | (7,585,339) |
| State's Attorney Narcotics Forfeiture | (2,826,785) |
| Cook County Emergency Telephone System | (2,589,525) |
| County Law Library | (956,792) |
| GIS Fee | (671,621) |
| Chief Judge Mental Health | (409,037) |
| Chief Judge Peer Jury | (227,626) |
| Clerk of the Circuit Court Administrative Fund | (225,346) |
| Chief Judge Drug Court | (217,372) |
| Sheriff Women's Justice Services | (3,137) |
| Major Enterprise Fund - | |
| CCHHS | $ (3,798,643,175) |

## III. Detailed notes on all funds

### A. Deposits and investments

#### 1. The County (excluding the Pension Trust Fund as a separate Body Politic)

As of November 30, 2015, the County had the following investments in debt securities:

| Investment Type | Investment Maturities (in Years) | | | | | |
|---|---|---|---|---|---|---|
| County Funds | Less than 1 | 1 - 5 | 6 - 10 | More than 10 Years | NA *** | Total at Fair Value |
| Other Debt Securities | $ - | $ - | $- | $ - | $ 1,125,882 | $ 1,125,882 |
| Federal National Mortgage Association | - | 90,074,270 | - | 3,314,280 | - | 93,388,550 |
| Federal Home Loan Mortgage Corporation | - | - | - | 5,494,002 | - | 5,494,002 |
| Governmental National Mortgage Association | - | - | - | 2,608,342 | - | 2,608,342 |
| Money Market Mutual Funds | - | - | - | - | 138,318,854 | 138,318,854 |
| Repurchase Agreements | - | - | - | - | 1,618,693 | 1,618,693 |
| Illinois Funds | - | - | - | - | 1,273 | 1,273 |
| | $ - | $ 90,074,270 | $- | $ 11,416,624 | $ 141,064,702 | $ 242,555,596 |

***Categorization not applicable

*Interest Rate Risk*. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County does not have a formal policy on interest rate risk.

*Credit Risk*. The County Code of Ordinances ("Code") limits investments in commercial paper to banks whose senior obligations are rated in the top two rating categories by two national rating agencies and maintain such rating during the term of such investment. This requirement is more restrictive than what is allowed under the State law. The Code also limits investments in domestic money market mutual funds to those regulated by and in good standing with the Securities and Exchange Commission.

Certificates of Deposits are also limited by the Code to national banks which are either fully collateralized by at least 102% with marketable U.S. Government securities marked to market at least monthly, or secured by a corporate surety bond issued by an insurance company licensed to do business in Illinois, have a claims-paying rating in the top rating category by a nationally recognized statistical rating organization, and maintain such rating during the term of such investment.

| Type of Investment | Moody's/ Standard Poor's Rating | Carrying Amount |
|---|---|---|
| Other Debt Securities | Aaa/AA+ | $ 1,125,882 |
| Federal National Mortgage Association | Aaa/AA+ | 93,388,550 |
| Federal Home Loan Mortgage Corporation | Aaa/AA+ | 5,494,002 |
| Governmental National Mortgage Association | Aaa/AA+ | 2,608,342 |
| Money Market Mutual Funds | Aaa/Not rated | 133,037,833 |
| Money Market Mutual Funds | Not rated/AAA | 160,876 |
| Money Market Mutual Funds | Not rated | 5,120,145 |
| Repurchase Agreements | Not rated | 1,618,693 |
| Illinois Funds | Not rated/AAA | 1,273 |

*Custodial Credit Risk – Cash and Certificates of Deposit*. In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The Treasurer's Investment Policy states that in order to protect the County's public fund deposits, depository institutions are required to maintain collateral pledges on County certificates of deposit during the term of the deposit of at least 102%, consisting of marketable U.S. Government or approved securities or surety bonds issued by top-rated issuers. Collateral is required as security whenever deposits exceed the insured limits of the FDIC. Collateral is held by the County's agent in the name of the County. The carrying value of Cash – Demand Deposits was $998,633,150 as of November 30, 2015. The County's deposits were not exposed to custodial credit risk as of November 30, 2015.

*Custodial Credit Risk – Investments*. For an investment, this is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The County had no custodial credit risk exposure as of November 30, 2015 because all investments are held by the County's agent in the County's name.

*Foreign Currency Risk* – This is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The risk of loss is managed by limiting its exposure to fair value loss by requiring their international securities managers to maintain diversified portfolios. As of November 30, 2015, the County was not invested in any foreign investments or deposits.

*Concentration of Credit Risk* – The County does not have a formal policy on concentration of credit risk. As of November 30, 2015, the following investments exceeded 5% of the County's total investment portfolio: FNMA $93,388,550 (39%).

*Other* – The Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments in the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at share price, which is the price the investment could be sold for.

The following schedule summarizes the cash and investments reported in the basic financial statements for the Primary Government and Agency Funds (excludes Pension Trust Fund):

| | | |
|---|---|---|
| From Note 3a. - County Investments | | |
| U.S. Government Agency Securities | $ | 101,490,894 |
| Money Market Mutual Funds | | 138,318,854 |
| Illinois Funds | | 1,273 |
| Repurchase Agreements | | 1,618,693 |
| Other Debt Securities | | 1,125,882 |
| Total Investments from Note 3a. | | 242,555,596 |
| | | |
| Other Investments not categorized | | |
| Other Short-Term Investments | | 14,826,294 |
| Total Other Investments not categorized | | 14,826,294 |
| | | |
| Total County Investments | | 257,381,890 |
| | | |
| Cash - Demand Deposits | | 998,633,150 |
| | | |
| Total Cash and Investments | $ | 1,256,015,040 |
| | | |
| Reconciliation to Financial Statements: | | |
| Exhibit 1 - Primary Government: | | |
| Cash and Investments | $ | 783,754,538 |
| Cash and Investments with escrow agent | | 160,536 |
| Cash and Investments with trustees | | 87,864,802 |
| Exhibit 10 - Fiduciary - Agency Funds | | |
| Cash | | 356,866,364 |
| Investments | | 27,368,800 |
| Total Cash and Investments | $ | 1,256,015,040 |

**2. Pension Trust Fund (the "County Employees' and Officers' Annuity and Benefit Fund" which is a separate body politic from the County)**

The Pension Trust Fund 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 Pension Trust Fund's financial instruments are consistent with the permissible investments outlined in the State Statutes and any index-linked financial instruments are limited to those indices that replicate the permissible investments outlined in the State Statutes. The following table represents a summarization of the fair value (carrying amount) of the Pension Trust Fund's investments as of December 31, 2014. There were no investments that represent 5% or more of the Pension Trust Fund's net position held in trust or benefit purposes in a single issuer (other than the U.S. Government).

| Type of Investment | Fair Value |
|---|---|
| U.S. Government and Government Agency Obligations | $ 1,109,668,190 |
| Corporate Bonds | 857,209,577 |
| Equities - U.S. and International | 4,110,040,451 |
| Private Equities | 86,623,407 |
| Collective International Equity Fund | 57,477,592 |
| Comingled Fixed Income Fund | 25,893,428 |
| Private global fixed fund limited partnership | 199,275,761 |
| Exchange Traded Funds | 607,454,824 |
| Alternative Investments: | |
| Hedge Funds | 800,093,500 |
| Real Estate | 388,902,521 |
| Short-term Investments | 587,544,323 |
| TOTAL INVESTMENTS | $ 8,830,183,574 |

*Interest Rate Risk*. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The Pension Trust Fund has set the duration for each manager's total fixed income portfolio to fall within plus or minus 30% of the duration for the fixed income performance benchmark (Barclays Capital Aggregate Fixed Income, which was 5.55 years at December 31, 2014). The following table presents a summarization of the Plan's debt investments at December 31, 2014 using the segmented time distribution method:

| | Investment Maturities (in Years) | | | | |
|---|---|---|---|---|---|
| Type of Investment | Less Than 1 | 1 - 5 | 6 - 10 | More Than 10 | Fair Value |
| Corporate bonds | $ 70,779,443 | $ 201,547,638 | $ 342,338,742 | $ 242,543,755 | $ 857,209,578 |
| Comingled Fixed Income | - | 25,893,428 | - | - | 25,893,428 |
| U.S. Government and government agency obligations | 20,307,593 | 337,059,785 | 186,525,528 | 565,775,285 | 1,109,668,191 |
| Short-term | 587,544,323 | - | - | - | 587,544,323 |
| Total | $ 678,631,359 | $ 564,500,851 | $ 528,864,270 | $ 808,319,040 | $ 2,580,315,520 |

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. U.S. Government obligations or obligations explicitly guaranteed by the U.S. Government are not considered to have credit risk and do not require disclosure of credit quality. The Pension Trust Fund has set the average credit quality for the total fixed income portfolio 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 credit quality ratings of investments as of December 31, 2014 as valued by Moody's Investors Service /Standard & Poor's:

| Type of Investment | Rating* | 2014 |
|---|---|---|
| Corporate bonds | Aaa/AAA | $ 62,891,457 |
| | Aa/AA | 37,418,471 |
| | A/A | 206,170,324 |
| | Baa/BBB | 354,985,380 |
| | Ba/BB | 91,019,797 |
| | B/B | 54,425,799 |
| | Caa/CCC | 10,785,181 |
| | Ca/CC | 30 |
| | D/D | 247,796 |
| | NR | 39,265,342 |
| | | $ 857,209,577 |
| U.S. Government and government agency obligations | Aa/AA | $ 1,015,205,277 |
| | NR | 94,462,913 |
| | | $ 1,109,668,190 |
| Comingled Fixed Income | A/A | $ 25,893,428 |
| | | $ 25,893,428 |
| Short-term investments | NR | $ 587,544,323 |
| | | $ 587,544,323 |

* NR - Not rated

*Custodial Credit Risk.* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Pension Trust Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of December 31, 2014, the Pension Trust Fund was not exposed to custodial credit risk.

*Foreign Currency Risk.* Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The Pension Trust Fund limits the amount of investments in foreign equities to 20% of total Pension Trust Fund assets and foreign fixed income obligations to 2.5% of total Pension Trust Fund assets.

The Pension Trust Fund's exposure to foreign currency risk as of December 31, 2014 is as follows:

| Type of Investment | Fair Value (USD) 2014 |
|---|---|
| Equities: | |
| Australian dollar | $ 78,719,386 |
| Brazil real | 22,787,891 |
| British pound | 310,585,893 |
| Canadian dollar | 79,080,044 |
| Chilean peso | 2,301,572 |
| Columbian peso | 783,224 |
| Czech koruna | 417,393 |
| Danish krone | 17,806,342 |
| Egyptian pound | 261,423 |
| European euro | 397,005,393 |
| Hong Kong dollar | 120,414,087 |
| Hungarian forint | 406,489 |
| Indian Rupee | 8,911,786 |
| Indonesian rupiah | 6,301,082 |
| Israeli shekel | 5,080,245 |
| Japanese yen | 266,333,255 |
| Malaysian ringgit | 7,439,038 |
| Mexican peso | 12,044,327 |
| New Taiwan Dollar | 33,495,677 |
| New Turkish lira | 1,227,993 |
| New Zealand Dollar | 6,863,110 |
| Norwegian krone | 15,627,486 |
| Philippines peso | 6,012,595 |
| Polish zloty | 2,967,480 |

| Type of Investment | Fair Value (USD) 2014 |
|---|---|
| Equities (Cont.): | |
| Russian ruble | 318,206 |
| Singapore dollar | 22,737,009 |
| South African rand | 17,832,068 |
| South Korean won | 50,399,004 |
| Swedish krona | 39,994,815 |
| Swiss franc | 129,100,613 |
| Thailand baht | 12,057,123 |
| United Arab Emirates dirham | 1,494,666 |
| U.S. dollar | 2,433,233,736 |
| Total equities | $ 4,110,040,451 |
| | |
| Corporate bonds: | |
| Brazilian real | $ 8,670,503 |
| British pound sterling | 3,962,173 |
| European Euro | 2,335,997 |
| Mexican Peso | 13,999,411 |
| Philippines Peso | 2,273,582 |
| U.S. dollar | 825,967,911 |
| Total corporate bonds | $ 857,209,577 |
| | |
| Private Equities: | |
| European euro | $ 1,806,596 |
| U.S. dollar | 84,816,811 |
| Total Private Equities | $ 86,623,407 |

*Securities Lending.* State Statutes and the Board of Trustees permit the Pension Trust Fund to lend its securities to broker-dealers and other entities with a simultaneous agreement to return collateral for the same securities in the future. The Pension Trust Fund's custodian, acting as the lending agent, lends securities for collateral in the form of cash, U.S. Government obligations and irrevocable letters of credit equal to 102% of the fair value of domestic securities plus accrued interest and 105% of the fair value of foreign securities plus accrued interest.

The Pension Trust Fund does not have the right to sell or pledge securities received as collateral unless the borrower defaults. The average term of securities loaned was 108 days for 2014; however, any loan may be terminated on demand by either the Pension Trust Fund or the borrower. Cash collateral was invested in a separately managed portfolio which had an average weighted maturity at December 31, 2014 of 57 days.

Although the securities lending activities are collateralized as describe 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 the contract.

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 Pension Trust Fund if borrowers fail to return the securities or fail to pay the Pension Trust Fund for income distributions by the issuers of securities while the securities are on loan.

As of December 31, 2014, the fair value (carrying amount) of loaned securities was $1,386,654,050 and the fair value (carrying amount) of cash collateral received by the Pension Trust Fund was $1,308,676,647. Securities on loan included equities, U.S. and international equities, U.S Government and government agency obligations, exchange traded funds and corporate bonds. As of year-end the fair value of the non-cash collateral received by the Pension Trust Fund was $114,258,432.

*When Issued Transactions.* The Pension Trust Fund may purchase securities on a when-issued basis, that is, obligate itself to purchase securities with delivery and payment to occur at a later date. At the time the Pension Trust Fund enters into a commitment to purchase the security, the transaction is recorded at purchase price which equals value. The value at delivery may be more or less than the purchase price. No interest accrues to the Pension Trust Fund until delivery and payment takes place. As of December 31, 2014, the Pension Trust Fund contracted to acquire securities on a when-issued basis with a total principal amount of $89,770,000.

*Derivatives.* The Pension Trust Fund's investment policy permits the use of financial futures. 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 Pension Trust Fund'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 reported 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 a week to three months.

The Pension Trust Fund uses futures contracts as an investment vehicle to gain exposure to an asset class with minimal market entry costs to the Pension Trust Fund. At December 31, 2014, the Pension Trust Fund had futures contracts with a fair value of $13,566,225 and a notional value of $341,238,940 and 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.

The Pension Trust Fund's portfolio includes the following derivative instruments at December 31, 2014:

| | 2014 | Change in Fair Value |
|---|---|---|
| Forward currency contract receivables | $ 20,662,823 | $ - |
| Forward currency contract payable | (20,407,274) | - |
| | 255,549 | - |
| U.S. Equity Index Futures Contracts | 13,566,225 | 3,963,802 |
| International Equity Index Futures Contracts | - | (162,770) |
| | 13,566,225 | 3,801,032 |
| Total derivative instruments | $ 13,821,774 | $ 3,801,032 |

As of December 31, 2014, the Plan had capital commitments of approximately $405 million for various limited partnership and private equity investments.

## B. Capital Assets

Capital asset activity for the year ended November 30, 2015 was as follows:

| Governmental Activities: | November 30, 2014 | Additions | Disposals and Transfers | November 30, 2015 |
|---|---|---|---|---|
| **Capital assets, not being depreciated/amortized:** | | | | |
| Land | $ 151,272,146 | $ - | $ - | $ 151,272,146 |
| Construction in Progress | 348,961,476 | 80,859,317 | (54,455,676) | 375,365,117 |
| Total capital assets not being depreciated/amortized | 500,233,622 | 80,859,317 | (54,455,676) | 526,637,263 |
| **Capital assets being depreciated/amortized:** | | | | |
| Buildings and Other Improvements | 1,565,913,395 | 9,109,074 | - | 1,575,022,469 |
| Machinery and Equipment | 410,340,753 | 44,307,297 | (17,977,989) | 436,670,061 |
| Infrastructure | 1,627,883,826 | 40,529,420 | - | 1,668,413,246 |
| Total capital assets being depreciated/amortized | 3,604,137,974 | 93,945,791 | (17,977,989) | 3,680,105,776 |
| **Less accumulated depreciation/amortization for:** | | | | |
| Buildings and Other Improvements | 829,149,955 | 49,267,616 | - | 878,417,571 |
| Machinery and Equipment | 323,296,478 | 26,264,342 | (2,503,345) | 347,057,475 |
| Infrastructure | 1,173,716,819 | 38,089,847 | - | 1,211,806,666 |
| Total accumulated depreciation/amortization | 2,326,163,252 | 113,621,805 | (2,503,345) | 2,437,281,712 |
| **Total capital assets being depreciated/amortized, net** | 1,277,974,722 | (19,676,014) | (15,474,644) | 1,242,824,064 |
| **Total Governmental Activities capital assets, net** | $ 1,778,208,344 | $ 61,183,303 | $ (69,930,320) | $ 1,769,461,327 |

| Business-type Activities: | November 30, 2014 | Additions and Transfers | Disposals and Transfers | November 30, 2015 |
|---|---|---|---|---|
| **Capital assets being depreciated:** | | | | |
| Buildings and Other Improvements | $ 670,331,827 | $ 1,664,327 | $ - | $ 671,996,154 |
| Machinery and Equipment | 245,986,047 | 20,708,095 | - | 266,694,142 |
| Total capital assets being depreciated | 916,317,874 | 22,372,422 | - | 938,690,296 |
| **Less accumulated depreciation for:** | | | | |
| Buildings and Other Improvements | 308,202,409 | 15,577,418 | - | 323,779,827 |
| Machinery and Equipment | 207,718,588 | 12,214,359 | - | 219,932,947 |
| Total accumulated depreciation | 515,920,997 | 27,791,777 | - | 543,712,774 |
| **Total capital assets being depreciated, net** | 400,396,877 | (5,419,355) | - | 394,977,522 |
| **Total Business-type Activities capital assets, net** | $ 400,396,877 | $ (5,419,355) | $ - | $ 394,977,522 |

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

| | |
|---|---|
| **Governmental Activities:** | |
| Government Management and Supporting Services | $ 51,220,855 |
| Corrections | 8,580,421 |
| Courts | 12,433,546 |
| Control of Environment | 119,932 |
| Assessment and Collection of Taxes | 790,139 |
| Transportation | 40,290,035 |
| Economic and Human Development | 7,242 |
| Election | 179,635 |
| Total depreciation/amortization expense-governmental activities | $ 113,621,805 |
| **Business-type Activities:** | |
| CCHHS | $ 27,791,777 |

## C. Interfund receivables, payables, and transfers

During the course of normal operations the County has numerous transactions between funds including expenditures and transfer of resources to provide services. These transactions are recorded as transfers, which move resources from revenue collecting funds and Non-major funds to finance various programs in the General Fund in accordance with budgetary authorizations. The County also contributes property taxes levied for pension contributions and certain services, such as purchasing, data and payroll processing, to the operations of CCHHS. The transfers of these amounts ($62,987,754 for fiscal year 2015) are reported as other financial sources (uses) in the Governmental Funds and as transfers in the Enterprise Funds. The County also contributes capital assets to CCHHS, which are not recorded in the overall transfer amounts. These capital contributions ($17,128,696 for fiscal year 2015) are reported separately as capital contributions on the Proprietary Fund Statement of Net Position, and as transfers in the Government-wide Statement of Net Position (see Note VII for further information).

Transfers between fund types during fiscal year 2015 included:

**Transfers Summary - All Funds**

| November 30, 2015 | Transfer In | Transfer Out |
|---|---|---|
| **General Fund -** | | |
| Enterprise Funds - CCHHS - contributed services | $ - | $ 14,975,380 |
| Debt Service - operating budget transfers | - | 1,280,806 |
| Motor Fuel Tax Fund - operating budget transfers | 64,500,000 | - |
| Non-Major Funds - operating budget transfers | 9,400,139 | 10,838 |
| | 73,900,139 | 16,267,024 |
| **Motor Fuel Tax Fund -** | | |
| General Fund - Motor Fuel Tax operating budget transfers | - | 64,500,000 |
| Debt Service Fund - Motor Fuel tax operating budget transfers | - | 6,251,723 |
| | - | 70,751,723 |
| **Annuity and Benefit Fund -** | | |
| CCHHS - Property tax levies for pension contributions | - | 48,012,374 |
| **Debt Service -** | | |
| General Fund - operating budget transfers | 1,280,806 | - |
| Motor Fuel Tax Fund - operating budget transfers | 6,251,723 | - |
| | 7,532,529 | - |
| **Nonmajor Governmental Funds -** | | |
| General Fund - operating budget transfers | 10,838 | 9,400,139 |
| **Proprietary Fund (CCHHS) -** | | |
| Annuity and Benefit Fund - Property tax levies for pension contributions | 48,012,374 | - |
| General Fund - contributed services | 14,975,380 | - |
| | 62,987,754 | - |
| **Total all funds** | **$ 144,431,260** | **$ 144,431,260** |

Interfund receivable and payable balances among Governmental and Proprietary Funds at year end are the result of the time lag between the dates that inter-fund goods and services are provided, the date the transactions are recorded in the accounting system and the date payments between funds are made. Interfund receivables and payable also are a result of reclassifications of cash between funds to eliminate negative cash balances in a particular fund as of November 30, 2015. Balances between Agency Funds and Governmental Funds are a result of payments made to refund property taxes that have not been reimbursed by the Governmental Funds.

| Interfund Receivables and Payables<br>November 30, 2015 | Receivable Fund<br>Due from | Payable Fund<br>Due from |
|---|---|---|
| General Fund | | |
| General Fund - Enterprise Funds - CCHHS | $ 43,455 | $ - |
| General Fund - Agency Funds - County Treasurer | - | 14,635 |
| Corporate Account - Capital Projects | 25,000,000 | - |
| | 25,043,455 | 14,635 |
| Capital Projects Fund | | |
| Capital Projects - Corporate Account | - | 25,000,000 |
| Debt Service Fund | | |
| Debt Service Fund - Agency Fund - County Treasurer | - | 15,921,952 |
| Nonmajor Governmental Funds | | |
| Nonmajor Special Revenue Funds - Agency Fund - County Treasurer | - | 25,892 |
| Proprietary Funds | | |
| Enterprise Funds - CCHHS - General Fund | - | 43,455 |
| Agency Funds | | |
| County Treasurer - Debt Service Fund | 15,921,952 | - |
| County Treasurer - General Fund | 14,635 | - |
| County Treasurer - Nonmajor Special Revenue Funds | 25,892 | - |
| | 15,962,479 | - |
| Total | **$ 41,005,934** | **$ 41,005,934** |

## D. Leases

### Operating Leases

The CCHHS leases data processing and other equipment. Lease agreements frequently include a renewal option and usually require the CCHHS to pay for maintenance costs. Rental payments for operating leases are charged to operating expense in the period incurred. Rental expense for operating leases was approximately $8.4 million for fiscal year 2015.

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

| Year | Amount |
|---|---|
| 2016 | $ 7,509,554 |
| 2017 | 4,381,636 |
| 2018 | 3,101,399 |
| 2019 | 1,598,555 |
| 2020 | 748,963 |
| Thereafter | 1,003,337 |
| | $ 18,343,444 |

## E. Long-term debt

### 1. Outstanding Long-term Debt

The County's debt is issued pursuant to the County's home rule powers under the 1970 Constitution of the State of Illinois and authorizing ordinances adopted by the County Board. The County has authority to incur debt payable from ad valorem property tax receipts or from any other lawful source and maturing within 40 years from the time it is incurred without prior referendum approval.

As of November 30, 2015, the total portfolio is comprised of $3.5 billion par value General Obligation and Sales Tax Revenue Bonds, as shown in the following table:

| Fiscal Year | Total Principal | Total Interest | Total Requirements |
|---|---|---|---|
| 2016 | $ 100,200,000 | $ 160,594,901 | $ 260,794,901 |
| 2017 | 121,390,000 | 156,209,690 | 277,599,690 |
| 2018 | 140,115,000 | 150,459,069 | 290,574,069 |
| 2019 | 154,095,000 | 144,296,244 | 298,391,244 |
| 2020 | 161,370,000 | 137,425,721 | 298,795,721 |
| 2021 - 2025 | 920,730,000 | 565,086,777 | 1,485,816,777 |
| 2026 - 2030 | 1,050,100,000 | 344,839,701 | 1,394,939,701 |
| 2031 - 2035 | 811,391,750 | 115,048,222 | 926,439,972 |
| 2036 - 2037 | 11,625,000 | 879,000 | 12,504,000 |
| Total | $ 3,471,016,750 | $ 1,774,839,325 | $ 5,245,856,075 |

Interest on variable rate debt was calculated using the interest rate at fiscal year-end, November 30, 2015, and assumes that current rates remain the same.

Series 2004D – 0.210%
Series 2012A – 0.869%
Series 2012B – 0.968%
Series 2014C – 0.480%

## 2. General Obligation Bonds

General Obligation Bond Debt Service Funds are maintained for the retirement of bonded debt. Property tax receipts are directly deposited with a bond trustee by the County's Treasurer for the payment of principal and interest.

Some of the County's bonds are variable rate demand bonds (see details on following pages). The interest requirements reported below are based on the rates in effect as of November 30, 2015. Actual interest expense could be materially different.

The annual debt service requirements to retire long-term bonds outstanding at November 30, 2015, as presented below in Table 1, is based on the stated maturities of the various bond indentures, including variable rate demand bonds (both direct placements and variable rate demand bonds) and assumes that these bonds will be remarketed and that credit facilities for these bonds will be renewed over the term of the bond indentures. Should the variable rate demand bonds not be remarketed or direct placement credit facilities are not extended, the actual debt maturities as presented could accelerate significantly (see Table 2).

**Table 1**

**Outstanding General Obligation Debt**

| Fiscal Year | Total Principal | Total Interest | Total Requirements |
|---|---|---|---|
| 2016 | $ 97,770,000 | $ 155,436,183 | $ 253,206,183 |
| 2017 | 118,910,000 | 151,099,572 | 270,009,572 |
| 2018 | 137,535,000 | 145,448,151 | 282,983,151 |
| 2019 | 151,465,000 | 139,336,926 | 290,801,926 |
| 2020 | 158,635,000 | 132,571,603 | 291,206,603 |
| 2021 - 2025 | 905,320,000 | 542,552,250 | 1,447,872,250 |
| 2026 - 2030 | 1,030,610,000 | 326,387,674 | 1,356,997,674 |
| 2031 - 2035 | 761,806,750 | 101,749,145 | 863,555,895 |
| Total | $ 3,362,051,750 | $ 1,694,581,504 | $ 5,056,633,254 |

**Variable Rate Demand Bonds**

As of November 30, 2015, the County had one bond series that was variable rate demand bonds – Series 2004D. Additional series with similar features that were held as direct purchase agreements with commercial banks includes the Series 2012A, Series 2012B and Series 2014C.

All variable rate demand bonds are direct general obligations of the County to which the County has pledged its full faith, credit and resources. Under certain circumstances, investors in these variable rate demand bonds have the right to demand payment of their demand bonds. If any such demand bonds are not remarketed to other investors, the County is required to purchase the demand bonds. The County has entered into agreements to prepare for such demands. The details of the agreements are outlined below.

The rate basis for the Variable Rate Demand Bonds is calculated in a Weekly Rate Mode and bears interest (computed on the basis of a 365-day or 366-day year as applicable for the actual number of days in the period) at the Weekly Rate from the closing date and from each Weekly Rate Conversion Date to the earlier of the following; Conversion Date or its Maturity. The Weekly Rate for each Weekly Interest Period shall be the lowest rate of interest which will, in the judgment of the Remarketing Agent, have due regard for prevailing financial market conditions, permit the Bonds to be remarketed at par, plus accrued interest, on the first day of such Weekly Interest Period. Each determination of a Weekly Rate by the Remarketing Agent shall be conclusive and binding upon the County, the Trustee, the Tender Agent, the Liquidity Provider and the Bondholders. As of November 30, 2015, the County had one bond series that was variable rate demand bond, which had the following rates:

Series 2004D – 0.210%

The County also had three series of Variable Rate Bonds that were directly purchased by commercial banks and that are subject to variable rates of interest. Those series are:

Series 2012A – 0.869%
Series 2012B – 0.968%
Series 2014C – 0.480%

**Direct Pay Letter of Credit**

On December 1, 2014, the County converted the credit facility for the Series 2004D bonds ($130 million) which were supported by the Barclays Bank PLC Standby Bond Purchase Agreement to a direct pay letter of credit also with Barclays Bank PLC. The new direct pay letter of credit agreement (agreement) allows the County to borrow money, under certain conditions, for the purchase of any demand bonds not remarketed. The agreement will expire December 1, 2017. The trustee is entitled to draw an amount sufficient to pay the purchase price of the bonds delivered to the bank. Under the agreement, any advances would incur an interest rate equal to the Bank Rate, which is the Base Rate for the first 60 days. For the 61st day to the 180th day, interest would incur at the Base Rate plus 1.0%, and from the 181st day, and thereafter, interest would incur at the Base Rate plus 2.0%. The Base Rate is equal to the highest of 8.0% per annum, the Federal Funds Rate plus 2.50% per annum or 150% of the yield on the 30 year United States Treasury bonds. In the event of default, the rate would be equal to the Base Rate plus 4%. The County is required to pay

Barclays Bank PLC a quarterly commitment fee for the agreement currently at 0.55% of the liquidity facility amount. These bonds have a final maturity date of November 1, 2030. The County is required to comply with the agreed-upon bank covenants. In an event of default, the Bank may declare all obligations due and payable, in accordance with the agreement, which states all outstanding bonds shall be redeemed on the 1st business day of January following the first 15th day of February following the occurrence of default. The terms of default include a rating threshold for County General Obligation Bonds below Baa2/BBB/BBB from Moody's, Fitch and Standard & Poor's, respectively. As of November 30, 2015, the County had not drawn any funds under its existing Direct Pay Letter of Credit.

**Direct Placements Agreements**

**Series 2012A**

In July 2012, the County issued $145.5 million Series 2012A variable rate bonds in a direct purchase with JP Morgan Chase Bank. The interest rate for the series is reset monthly and is equal to 74% of the one month LIBOR rate plus an applicable spread, which is subject to the maintenance of the lowest current long-term, unenhanced credit rating(s) assigned to unsecured general obligation bonded debt of the County. Based on the lowest current long-term rating of A2 from Moody's and A+ from Fitch, the interest rate is set at 74% of LIBOR plus 98 basis points. At November 30, 2015 this rate was 0.869%. The bonds are subject to a tender date of August 1, 2017 at a purchase price equal to par plus accrued and unpaid interest at the end of the initial interest rate period. In the event the bank has not received the purchase price of the bonds on the tender date, the bonds will incur interest at the Base Rate, which is the highest of the Prime Rate and 1 Month LIBOR plus 2.5%. If the County's ratings adjust downwards, the applicable spread is set to increase by 10 basis points per notch with the default rate being applicable if the rating drops to BBB-/BBB-/Baa3 for Fitch, S&P and Moody's, respectively. In an event of default, the rate would be equal to the Base Rate plus 4%. The maximum allowable rate under the Master Bond Ordinance is 10% per annum. In accordance with the Trust Indenture, the County is required to comply with the agreed-upon bank covenants; non-compliance would result in an event of default triggering a mandatory redemption of the bonds. In the event of a mandatory redemption of the bonds, all outstanding bonds shall be mandatorily redeemed on the 1st day of January following the 15th day of February following the first business day after the Bonds began to bear interest at the Term Out rate.

**Series 2012B**

In August 2012, the County issued $107.8 million Series 2012B variable rate taxable bonds in a direct purchase with Bank of America. The interest rate for the series is reset monthly and is equal to the one month LIBOR rate plus an applicable margin, which is subject to the maintenance of the lowest current long-term, unenhanced credit rating(s) assigned to unsecured general obligation bonded debt of the County. Based on the lowest current long-term rating of A2 from Moody's and A+ from Fitch, the interest rate is set at LIBOR plus 77.5 basis points. At November 30, 2015 this rate was 0.968%. The bonds are subject to a mandatory purchase date of August 23, 2016 at a purchase price equal to 100% of the principal amount thereof plus accrued interest on the purchase date. In the event that the bank has not received the purchase price of the bonds on the mandatory purchase date, the bonds will incur interest at the Bank Rate, which is the Base Rate for the first 90 days thereafter at the Base Rate plus 1%. The Base Rate is the highest of the Prime Rate plus 1.5%,

Federal Funds Rate plus 3%, and 7.5%. If the County's ratings adjust downward, the applicable spread is set to increase by 10 basis points per notch with the default rate being applicable if the rating drops to BBB-/BBB-/Baa3 for Fitch, S&P and Moody's respectively. In an event of default, the rate would be equal to the Base Rate plus 3%. The maximum allowable rate under the Master Bond Ordinance is 10% per annum. In accordance with the Trust Indenture, the County is required to comply with the agreed bank covenants; non-compliance would result in an event of default triggering a mandatory redemption of the bonds. In the event of a mandatory redemption of the bonds in Term-Out mode, all outstanding bonds shall be redeemed on the 1st day of January following the 15th day of February following the first business day after the mandatory Term-Out redemption date at the redemption price of 100% of the principal amount plus accrued interest to the Term Out redemption date.

**Series 2014C**

In October 2014, the County issued $100.1 million Series 2014C variable rate bonds in a direct purchase with Wells Fargo Municipal Capital Strategies LLC. The interest rate for the series is reset weekly and is equal to the SIFMA rate plus an applicable spread, which is subject to the maintenance of the lowest current long-term, unenhanced credit rating(s) assigned to unsecured general obligation bonded debt of the County. Based on the current long-term rating of A2 or higher from Moody's, and A or higher from Fitch and S & P, the interest rate is set at SIFMA plus 47 basis points. At November 30, 2015, this rate was 0.48%. The bonds are subject to a tender date of September 30, 2017 at a purchase price equal to par plus accrued and unpaid interest at the end of the initial interest rate period. In the event the bank has not received the purchase price of the bonds on the tender date, the bonds will incur interest at the Base Rate, which is the highest of the Prime Rate plus 1.00%, Federal Funds Rate + 2.00%, and 7%. If the County's ratings adjust downward, the applicable spread is set to increase by 10 basis points per notch until ratings adjust to A3/A-/A- with Moody's, Fitch and S&P, respectively. The spread will be 102 basis points at Baa1/BBB+/BBB+ level from Moody's, Fitch and S&P, respectively and 137 basis points at Baa2/BBB/BBB level with Moody's, Fitch and S&P, respectively. The default rate being applicable if the rating drops to Baa3/BBB-/BBB- for Moody's, Fitch and S&P, respectively. In an event of default, the rate would be equal to the Base Rate plus 3%. The maximum allowable rate under the Master Bond Ordinance is 10% per annum. In accordance with the Trust Indenture, the County is required to comply with the agreed bank covenants; non-compliance would result in an event of default triggering a mandatory redemption of the bonds. In the event of a mandatory redemption of the bonds in Term-Out mode, all outstanding bonds shall be mandatorily redeemed on the 1st day of January following the 15th day of February following the first business day after the Bonds began to bear interest at the Term Out rate.

The County's underlying rating on its general obligation bonds is currently A2/AA/A+ from Moody's Investors Service, Standard & Poor's and Fitch Ratings, respectively. All three agencies currently maintain negative outlooks on their respective ratings.

Under the terms of the associated credit agreements with the County's outstanding variable rate bond series, in the occurrence of a failure to renew the credit facility prior to expiration, or in the instance of a failed remarketing for the Series 2004D, the amount of interest required at each interest payment date would increase significantly, and the due dates for the principal retirements would be significantly accelerated.

The debt service requirements that would be necessary if these provisions were exercised (GASB defined "take-out" agreements), compared to how amounts are reported in Table 1, are as follows with amounts in thousands:

**Table 2**

| | Series 2004 D | | | | Series 2012A | | | |
|---|---|---|---|---|---|---|---|---|
| | Under Take-out | | As Presented in Table 1 | | Under Take-out | | As Presented in Table 1 | |
| FY | Principal | Interest | Principal | Interest | Principal | Interest | Principal | Interest |
| 2016 | $ - | $ 1,054 | $ - | $ 273 | $ - | $ 539 | $ - | $ 1,265 |
| 2017 | - | 1,057 | - | 273 | - | 541 | - | 1,265 |
| 2018 | 130,000 | 1,054 | - | 273 | - | 539 | - | 1,265 |
| 2019 | - | - | - | 273 | - | 539 | - | 1,265 |
| 2020 | - | - | - | 273 | 145,530 | 539 | - | 1,265 |
| 2021 - 2025 | - | - | - | 1,365 | - | - | - | 6,321 |
| 2026 - 2030 | - | - | 130,000 | 1,196 | - | - | 145,530 | 3,176 |
| Total | $ 130,000 | $ 3,165 | $ 130,000 | $ 3,926 | $ 145,530 | $ 2,697 | $ 145,530 | $ 15,822 |

| | Series 2012B | | | | Series 2014C | | | |
|---|---|---|---|---|---|---|---|---|
| | Under Take-out | | As Presented in Table 1 | | Under Take-out | | As Presented in Table 1 | |
| FY | Principal | Interest | Principal | Interest | Principal | Interest | Principal | Interest |
| 2016 | $ 3,735 | $ 804 | $ 3,955 | $ 987 | $ - | $ 711 | $ - | $ 481 |
| 2017 | 3,955 | 778 | 4,175 | 949 | - | 713 | - | 481 |
| 2018 | 4,175 | 746 | 4,295 | 909 | - | 711 | - | 481 |
| 2019 | 93,880 | 714 | 4,515 | 867 | - | 711 | - | 481 |
| 2020 | - | - | 4,735 | 823 | 100,142 | 711 | - | 481 |
| 2021 - 2025 | - | - | 80,335 | 2,191 | - | - | 85,725 | 2,403 |
| 2026 - 2030 | - | - | - | - | - | - | 14,417 | 1,731 |
| 2031 - 2035 | - | - | - | - | - | - | - | 69 |
| Total | $ 105,745 | $ 3,042 | $ 102,010 | $ 6,726 | $ 100,142 | $ 3,557 | $ 100,142 | $ 6,608 |

Governmental purpose bonds outstanding at November 30, 2015, are comprised of the following:

| | |
|---|---|
| 2004C County taxable bonds of $135,000,000, issued to finance the cost of various capital projects and to finance the County's self-insurance program. $31,000,000 serial bonds due November 15, 2023 with an interest rate of 5.70%; $98,000,000 of the serial bonds are due November 15, 2029 with an interest rate of 5.79%; $6,000,000 of the serial bonds are due November 15, 2029 with an interest rate of 5.76%. | $ 134,830,000 |
| 2004D County variable rate taxable bonds of $130,000,000 were issued to finance the cost of various capital projects and to finance the County's self-insurance program. The bonds are due in one installment of $130,000,000 on November 1, 2030; interest rate is estimated at 5.00% and is supported by Direct Pay letter of credit. | 130,000,000 |
| 2006A County refunding bonds of $336,775,000 due in annual installments of $300,000 to $68,495,000 through November 15, 2031; interest at 4.0% to 5.0% to refund $332,495,000 of 1999A, 2001A & 2002C bonds with an average interest of 5.30%. The 1999A, 2001A & 2002C bonds were issued to finance various capital projects. | 333,680,000 |
| 2006B County refunding bonds of $196,200,000 due in annual installments of $8,845,000 to $29,470,000 through November 15, 2022; interest at 5.0% to refund $210,956,306 of 1997A & 1997B bonds with an average interest of 5.62%. The 1997A & 1997B refunding bonds refunded debt originally issued for capital projects. | 149,995,000 |
| 2009A County refunding bonds of $176,005,000 due in annual installments of $1,980,000 to $28,310,000 through November 15, 2019; interest at 3.0% to 5.0% to refund $180,785,000 of 1996, 1997B, 1998A & 2004B bonds with an average interest of 4.92%. The 1996, 1997B and 1998A bonds were all refunding bonds. These refunding bonds refunded debt originally issued for various capital projects and working cash. The 2004B bonds were issued for capital projects. | 116,555,000 |
| 2009B County taxable bonds of $251,410,000 were issued to finance the cost of various capital construction and equipment projects. $120,205,000 of the bonds, which mature on November 15, 2031 have an interest rate of 6.31% and qualifies for 35% Direct Pay Subsidy; and $131,205,000 of the bonds which are due November 15, 2033, have an interest rate of 6.36% and qualifies for 45% Recovery Zone Rate Direct Pay Subsidy. | 251,410,000 |
| 2009C County refunding bonds of $140,695,000 due in annual installments of $35,000 to $53,185,000 through November 15, 2021; interest at 3.25% to 5.0% to refund $145,215,000 of 1998A (refunding bonds), 1999A & 1999B bonds with an average interest of 5.03%. The 1998A refunding bonds refunded debt originally issued for capital projects and working cash, all other bonds were originally issued to finance capital projects.. | 110,750,000 |
| 2009D County capital equipment bonds of $97,060,000 due in annual installments of $6,995,000 to $11,110,000 through November 15, 2021; interest at 3.25% to 5.0%. | 59,050,000 |

| | |
|---|---|
| 2010A County refunding bonds of $277,950,000 due in annual installments of $8,715,000 to $71,505,000 through November 15, 2033; interest at 5.25% to refund $291,400,000 of 1998A (refunding bonds), 1999A, 2001A & 2004E bonds with an average interest of 4.71%. The 1998A refunding bonds were issued to refund debt originally issued to provide working cash and to fund capital projects. All other original bonds were related to capital projects. | $ 277,950,000 |
| 2010D County taxable general obligation bonds of $308,640,000 were used to finance the cost of various capital construction and equipment projects. The bonds have an interest rate of 6.229% and are Build America Bonds due November 15, 2031 through November 15, 2034. The bonds qualify for 35% Direct Pay Subsidy. | 308,640,000 |
| 2010G County refunding bonds of $119,855,000 due in annual installments of $15,000,000 to $26,110,000 due November 15, 2025 through November 15, 2028; interest at 5.0% to refund $125,675,000 of 1999A, 2001A, 2004B & 2009D bonds with an average interest of 4.62%. The original bonds were issued to finance various capital projects. | 119,855,000 |
| 2011A County refunding bonds of $252,200,000 due in annual installments of $1,200,000 to $23,635,000 through November 15, 2028; interest at 4.00% to 5.25% to refund $147,515,000 of 1996, 1997A, 2002D, 2003B, 2004A,&B, 2006A & 2009 A&C&D bonds with an average interest of 4.54%. The 1996 , 2004B and 2009D bonds were issued for capital projects. The various refunding bonds were issued to refund working cash bonds and various capital project bonds. | 244,300,000 |
| 2011B County refunding bonds of $130,020,000 due in annual installments of $2,700,000 to $30,535,000 through May 15, 2028; interest at 2.93% to 5.40% to refund $120,490,000 of 1997A, 2002D, 2003B, 2009A&C&D & 2010C bonds, all of which were originally issued to refund bonds issued for capital purposes and working cash. | 130,020,000 |
| 2011C County taxable Self-Insurance bonds of $125,000,000 due in annual installments of $10,695,000 to $28,525,000 on November 15, 2033; interest at 6.205%. | 100,750,000 |
| 2012A County refunding variable rate bonds of $145,530,000 due in installments of $71,130,000 and $74,400,000 through November 15, 2028; interest is presently 74% of Libor plus 98 basis points. Proceeds were used to refund $145,400,000 of 2002B variable rate bonds. The 2002B bonds were originally issued to finance various capital projects. | 145,530,000 |
| 2012B County refunding variable rate bonds of $107,800,000 due in annual installments of $2,055,000 to $70,565,000 through November 15, 2023; interest is LIBOR plus 77.5 basis points Proceeds were used to refund $107,400,000 of 2002A variable rate bonds (self-insurance bonds). | 102,010,000 |
| 2012C County refunding bonds of $380,530,000 due in annual installments of $240,000 to $21,000,000 through November 15, 2033 interest at 4.00 % to 5.00% to refund $157,810,000 of 2002C, $100,185,000 of 2002D refunding bonds, $58,675,000 of 2004A refunding bonds, $142,900,000 of 2004B bonds. The original bonds were issued primarily for capital projects. | 380,530,000 |

| | |
|---|---|
| 2012D County refunding bonds of $29,410,000 due in annual installments of $2,055,000 to $70,565,000 through November 15, 2023 interest at 4.00% to refund $24,250,0000 of the 2011C bonds (self-insurance bonds). | $ 24,210,000 |
| 2013A County refunding bonds of $62,920,000 due in installments of $8,340,000 and $14,520,000 through November 15, 2018; interest rate of 2.00% to 5.00% to refund $68,020,000 of 2003B refunding bonds (issued to refund working cash bonds and capital projects bonds.) | 35,805,000 |
| 2013B County refunding bonds of $8,900,000 due at November 15, 2023; interest rate is 5.00% to refund $8,900,000 of 2003B refunding bonds (issued to refund working cash bonds and capital projects bonds.) | 8,900,000 |
| 2014A County refunding bonds of $130,590,000 due in annual installments of $8,340,000 to $14,250,000 through November 15, 2018 interest at 2.00 % to 5.00% to refund $137,435,000 of series 2004A bonds which were originally issued to finance capital projects. | 97,140,000 |
| 2014C County refunding variable rate bonds of $100,141,000 due in annual installments of $10,520,000 to $35,050,000 through November 15, 2031; interest rate is SIFMA plus 47 basis points. The bonds were issued to refund $100,000,000 of the 2002B variable rate bonds, which were originally issued to finance capital projects. | 100,141,750 |
| Total County General Obligation bonds | $ 3,362,051,750 |

**Revolving Line of Credit-Series 2014D Note Payable**

On December 19, 2014, the County entered into an agreement for $125.0 million General Obligation Bond Series 2014D as a variable rate revolving line of credit with PNC. The line is structured as a revolving variable rate note that can be drawn and repaid until December 19, 2016. The County has drawn $6.5 million and that balance remains outstanding as of November 30, 2015. The purpose of the line of credit is to provide a financing mechanism for capital projects during the acquisition/construction phase of each such project. Initially, the County pays for any capital equipment purchases from operating cash on hand, and then subsequently reimburses the operating funds from the line of credit on an as-needed basis. The County plans to pay off any balance on the line of credit by issuing long term debt. Currently, the interest rate for the series is reset daily and is equal to 70% of the daily LIBOR Rate plus an applicable spread, which is subject to the maintenance of any two of the lowest current long-term, unenhanced credit rating(s) assigned to unsecured general obligation bonded debt of the County. Based on the two lowest current long-term rating of A2 from Moody's and A+ from Fitch, the interest rate is set at 70% of LIBOR plus 42 basis points. As of November 30, 2015 this rate was 0.591%.

**Sales Tax Revenue Bonds**

The $24.95 million 2013 Sales Tax Revenue – Qualified Energy Conservation Bonds, with a bullet maturity in November 2035, and invested sinking fund installments due in earlier years to create overall level debt service, were issued to fund energy conservation projects during the next several fiscal years. The bonds have an interest rate of 5.354% and are due in annual installments of $144,677 to $1,280,807. The bonds qualify for a 70% of 5.33% interest subsidy for the life of the bonds, less a 7.15% sequestered reduction under current federal law. As of November 30, 2015, the County has deposited $1.7 million into the principal sinking fund. The pledge of sales tax will remain until the final maturity in November 2035. The amount of pledges remaining at November 30, 2015 is $51,656,106.

The $90 million 2012 Sales Tax Revenue Bonds were issued for highway capital projects and are to be paid from the County's home-rule sales tax revenues. The bonds have an interest rate of 2.00% to 5.00% and are due in annual installments of $1,355,000 to $27,070,000. The pledge of home rule sales tax revenues will remain until all bonds are retired in FY 2037. The amount of pledges remaining as of November 30, 2015 is $137,566,714.

The $24.95 million 2013 Sales Tax Revenue Bonds and the remaining $84.02 million 2012 Sales Tax Revenue Bonds are paid from the County's home-rule sales tax revenues. The pledge of home rule sales tax revenues will remain until all bonds are retired in FY 2035 and FY 2037, for the 2013 and 2012 bonds, respectively. Deposits are made monthly to the financial institution serving as trustee for the bonds, Bank of New York Mellon, as detailed in an associated trust indenture, though interest payments are made semi-annually and principal payments are made annually.

**Outstanding Sales Tax Debt**

| Fiscal Year | Total Principal | Total Interest (*) | Total Requirements |
|---|---|---|---|
| 2016 | $ 2,430,000 | $ 5,158,718 | $ 7,588,718 |
| 2017 | 2,480,000 | 5,110,118 | 7,590,118 |
| 2018 | 2,580,000 | 5,010,918 | 7,590,918 |
| 2019 | 2,630,000 | 4,959,318 | 7,589,318 |
| 2020 | 2,735,000 | 4,854,118 | 7,589,118 |
| 2021 - 2025 | 15,410,000 | 22,534,527 | 37,944,527 |
| 2026 - 2030 | 19,490,000 | 18,452,027 | 37,942,027 |
| 2031 - 2035 | 49,585,000 | 13,299,077 | 62,884,077 |
| 2036 - 2037 | 11,625,000 | 879,000 | 12,504,000 |
| Total (1) | $ 108,965,000 | $ 80,257,821 | $ 189,222,821 |

A comparison of FY2015 pledged revenues collected per series is shown below:

| Pledged Revenue Source | 2015 Pledged Revenue Collected (in Millions) | Debt Service Expenditures (in Millions) | | |
|---|---|---|---|---|
| | | Principal | Interest | Total |
| 2012 Sales Tax | $ 346.8 | $ 2.290 | $ 3.962 | $ 6.252 |
| 2013 Sales Tax | 346.8 | - | 1.336 | 1.336 |

## 4. Defeased Debt

Defeased bonds have been removed from the Statement of Net Position because related assets have been placed in an irrevocable trust that, together with interest earned thereon, will provide amounts sufficient for the payment of all principal and interest. Defeased bonds at November 30, 2015 were as follows:

| Defeased bonds as of November 30, 2015 | Amount Defeased | Amount Outstanding |
|---|---|---|
| General Obligation Capital Improvement Bonds, Series 1991 | $ 207,928,342 | $ 86,695,000 |
| General Obligation Capital Improvement Bonds, Series 1992A | 166,535,000 | 78,925,000 |
| General Obligation Capital Improvement Bonds, Series 1992B | 169,970,000 | 81,525,000 |
| General Obligation Capital Improvement Bonds, Series 1993A | 176,785,000 | 89,275,000 |
| General Obligation Capital Improvement Bonds, Series 1993B | 211,225,000 | 40,750,000 |
| General Obligation Capital Improvement and Refunding Bonds, Series 1996 | 322,275,000 | 229,795,000 |
| General Obligation Capital Improvement and Refunding Bonds, Series 1997A | 181,835,000 | 130,440,000 |
| General Obligation Capital Improvement and Refunding Bonds, Series 1997B | 71,355,000 | 20,355,000 |
| General Obligation Capital Improvement Refunding Bonds, Series 1998A | 272,330,000 | 237,460,000 |
| General Obligation Capital Improvement and Refunding Bonds, Series 1999A | 329,655,000 | 260,610,000 |
| General Obligation Capital Improvement Bonds, Series 2001A | 369,090,000 | 306,845,000 |
| General Obligation Refunding Bonds, Series 2002C | 226,060,000 | 157,810,000 |
| General Obligation Refunding Bonds, Series 2002D | 151,245,000 | 72,160,000 |
| General Obligation Capital Improvement Bonds, Series 2004A | 196,400,000 | 52,380,000 |
| General Obligation Refunding Bonds, Series 2003B | 77,785,000 | 158,625,000 |
| General Obligation Capital Improvement Bonds, Series 2004E | 170,000,000 | 170,000,000 |
| General Obligation Taxable Bonds, Series 2011C | 24,250,000 | 24,250,000 |
| | $ 3,324,723,342 | $ 2,197,900,000 |

## 3. Long-term Liabilities

Long-term liabilities activity for the fiscal year ended November 30, 2015 was as follows:

| County Governmental Activities: | December 1, 2014, restated | Additions | Reductions | November 30, 2015 | Due Within One Year |
|---|---|---|---|---|---|
| Bonds payable: | | | | | |
| General obligation/sales tax revenue | $ 3,578,276,750 | $ - | $ (107,260,000) | $ 3,471,016,750 | $100,200,000 |
| Net premium | 162,061,017 | - | (12,235,263) | 149,825,754 | - |
| Note payable | 40,000,000 | 6,524,329 | (40,000,000) | 6,524,329 | - |
| Self insurance claims* | 334,556,803 | 65,767,628 | (175,716,358) | 224,608,073 | 45,321,441 |
| Property tax objections* | 78,421,383 | 3,962,870 | - | 82,384,253 | - |
| Pollution Remediation Liability* | 557,220 | 1,347,000 | (557,220) | 1,347,000 | 1,347,000 |
| Compensated absences* | 62,936,771 | 60,632,377 | (60,221,619) | 63,347,530 | 9,502,129 |
| Net pension liability*, ** | 8,145,524,670 | 499,413,915 | - | 8,644,938,585 | - |
| Net OPEB obligation* | 875,253,705 | 135,541,769 | - | 1,010,795,474 | - |
| Total governmental activities | $ 13,277,588,319 | $ 773,189,888 | $ (395,990,460) | $ 13,654,787,748 | $156,370,570 |

| Business-type Activities: | December 1, 2014, as restated | Additions | Reductions | November 30, 2015 | Due Within One Year |
|---|---|---|---|---|---|
| Compensated Absences | $ 41,470,582 | $ 43,216,726 | $ (41,782,417) | $ 42,904,891 | $ 6,435,734 |
| Property tax objections | 10,826,604 | 2,388,908 | - | 13,215,512 | - |
| Self insurance claims | - | 188,950,178 | (30,959,122) | 157,991,056 | 31,879,452 |
| Net pension liability** | 4,044,752,616 | 187,871,885 | - | 4,232,624,501 | - |
| Total Business-type activities | $ 4,097,049,802 | $ 422,427,697 | $ (72,741,539) | $ 4,446,735,960 | $ 38,315,186 |

*Compensated absences will be liquidated by the applicable governmental funds that account for the salaries and wages of the related employees. Self-insurance claims, property tax objections and pollution remediation liabilities will generally be liquidated from the General Fund. Pension and OPEB liabilities will be liquidated by the Annuity and Benefit (A & B) Fund.

** December 1, 2014 balances have been restated for the implementation of GASB 68.

## 4. Property Tax Objections

The County refunds property taxes collected in error and those pertaining to the settlement of prior year property tax objection suits. Property tax objection suits are classified as either a tax objection or "illegal rate" cases. Tax objections have substantially been resolved through 2011. The "illegal rate" cases have been settled through and including 2004, which were paid out in January 2016. The outstanding "illegal rate" cases remain open from 2005-2013, as of November 30, 2015. The deadline to file 2014 illegal cases and specific objections was January 15, 2016. The County has estimated potential amounts payable relating to such years for which suits have been filed but are not settled or adjudicated. Additional amounts have been estimated for other specific property tax objections and errors for which refunds are expected to be paid.

All settlements and tax refunds are payable from current collections of relevant taxing districts associated with the property at issue, in tax objections or the refund applications.

These amounts are reflected as noncurrent liabilities since payments will be made from future property tax collections (including refunds pertaining to prior tax levy years).

The following schedule summarizes the activity of property tax objections during the fiscal year ended November 30, 2015:

| | Business-type Activities | Governmental Activities |
|---|---|---|
| Property tax objection liability, November 30, 2014 | $ 10,826,604 | $ 78,421,383 |
| Current year activity | 2,388,908 | 3,962,870 |
| Property tax objection liability, November 30, 2015 | $ 13,215,512 | $ 82,384,253 |

## 5. Pollution Remediation

The County's Department of Facilities Management consistently responds to the urgent or immediate needs of other departments whenever asbestos removal is required due to a remodeling project, valve, piping or other necessary repair, the entire area is abated, not just the immediate need. In accordance with GASB 49, the County has developed a list of known areas to have contaminated materials and the projected remediation costs. In the opinion of County management, the amount recorded of $1,347,000 as of November 30, 2015 appears to be adequate to reflect future payments which constitute an estimate of manpower and materials. This has been recorded as a noncurrent liability, due within one year on the government-wide Statement of Net Position.

### 6. Fund Balance

At November 30, 2015, the County's fund balances were classified as follows:

| | General | Motor Fuel Tax | Capital Projects | Debt Service | Nonmajor Special Revenue Funds | Total |
|---|---|---|---|---|---|---|
| **Restricted purpose:** | | | | | | |
| Grant funded loan program | $ - | $ - | $ - | $ - | $ 36,244,735 | $ 36,244,735 |
| Transportation | - | 56,067,388 | - | - | 3,026,485 | 59,093,873 |
| Capital projects - | | | | | | |
| Major facilities | - | - | - | - | - | - |
| Hospital Improvements | - | - | 32,447,122 | - | - | 32,447,122 |
| County jail system | - | - | 16,874,677 | - | - | 16,874,677 |
| Court system | - | - | 21,948,295 | - | - | 21,948,295 |
| Debt service | - | - | | 92,859,112 | - | 92,859,112 |
| Document storage, automation and | | | | | | - |
| GIS Systems | - | - | - | - | 6,111,183 | 6,111,183 |
| Corrections | - | - | - | - | 5,104,371 | 5,104,371 |
| Courts | - | - | - | - | 719,885 | 719,885 |
| Control of environment | - | - | - | - | 8,832,644 | 8,832,644 |
| Assessment and collection | | | | | | - |
| of taxes | - | - | - | - | 29,476,915 | 29,476,915 |
| Election | - | - | - | - | 23,509,734 | 23,509,734 |
| Economic and human | | | | | | - |
| development | - | - | - | - | 11,336,564 | 11,336,564 |
| | - | 56,067,388 | 71,270,094 | 92,859,112 | 124,362,516 | 344,559,110 |
| **Committed purpose:** | | | | | | |
| Health | - | - | - | - | 23,023,050 | 23,023,050 |
| **Assigned purpose:** | | | | | | |
| Special projects | 22,602,352 | - | - | - | - | 22,602,352 |
| **Unassigned** | 76,720,985 | - | - | - | (39,083,487) | 37,637,498 |
| **Total fund balances** | $ 99,323,337 | $ 56,067,388 | $ 71,270,094 | $ 92,859,112 | $ 108,302,079 | $ 427,822,010 |

## IV. Other Information

### A. Risk Management

#### 1. The County

The Self Insurance Fund, a sub-fund of the General Fund, is used to account for certain risk financing activities of the County. Additionally, liabilities pertaining to self-insured claims for CCHHS are reported in the CCHHS Fund. The County is self-insured and believes that it is more economical to manage its risks internally within certain risk tolerances and to set aside funds as needed for current claim settlements and adverse judgments through annual appropriations, surplus funds and bond proceeds. Since December 31, 2000, the County has purchased excess liability insurance coverage related to medical malpractice and other claims. The current medical malpractice policy, as of November 30, 2015, is on a claims-made basis and provides up to $75,000,000 of limits above the County's self-insured retention of $25,000,000 per claim. The municipal policy is on an occurrence basis and provides $35,000,000 of coverage above the County's retention of $15,000,000 per claim.

The municipal policy provides coverage not only for bodily injury and property damage losses but extends coverage to include employment practices liability, law enforcement liability, public official's liability and employee benefits liability. Beginning in 2011, the County purchased property insurance which provides replacement cost coverage for physical damage to County's buildings, contents and inventory from covered causes of loss. It also provides coverage for extra expenses incurred to continue operations after a loss. The County's deductible is $250,000. There is no excess coverage for workers' compensation claims. The County annually evaluates risk transfer options within the insurance marketplace and adjusts limits and retentions accordingly.

The claims liabilities reported on the government-wide statement of net position and within the CCHHS enterprise fund have been determined by management with the assistance of an external actuary and include an estimate of incurred but not yet reported losses (IBNR). Estimated losses for workers' compensation include allocated loss adjustment expenses (ALAE). ALAE are the direct expenses for settling specific claims such as legal defense fees, expert witness fees and court reporting fees. They do not include internal defense costs. Unallocated loss adjustment expenses are the indirect expenses to settle claims, primarily administration and claims handling expenses. The litigation expense reserve is $40.9 million. As of November 30, 2015, the County has recorded a government-wide total liability of $382.6 million for self-insurance claims. The County has estimated $77.2 million of the total liability as a long-term liability that is due within one year. Of the total liability for self-insurance claims, $224.6 million is reported in governmental activities of the County and $158.0 million is reported in business-type activities (and the CCHHS Fund).

The County funds its self-insurance claims, including those of the CCHHS, on a current basis and has the authority to finance such liabilities through the issuance of bonds, the levy of property taxes or other means. While it is difficult to estimate the timing or amount of expenditures, management of the County believes that the self-insurance liabilities recorded in the statement of net position at November 30, 2015, represent probable losses resulting from medical malpractice, workers' compensation, general liability, automobile, civil rights and other liability claims including incurred but not reported claims. The self-insurance liabilities recorded are based on facts known at the current time (and IBNR as discussed above). However, the discovery of additional information concerning specific cases could affect estimated losses in the future.

The following table presents the activity of the County during fiscal years 2014 and 2015 for the primary classifications of long-term liabilities:

| Type | Balance at Nov. 30, 2013 | Insurance and Claims Payouts | Expense, Net of Actuarial Adjustments | Balance at Nov. 30, 2014 | Insurance and Claims Payouts | Expense, Net of Actuarial Adjustments | *Balance at Nov. 30, 2015 |
|---|---|---|---|---|---|---|---|
| Medical Malpractice | $ 119.3 | $ (12.1) | $ 15.5 | $ 122.7 | $ (26.3) | $ 19.8 | $ 116.2 |
| Workers' Compensation | 60.7 | (23.2) | 33.7 | 71.2 | (23.7) | 40.3 | 87.8 |
| General | 1.6 | (0.2) | 0.1 | 1.5 | (0.2) | 0.1 | 1.4 |
| Automobile | 10.1 | (1.2) | 1.2 | 10.1 | (1.0) | 0.6 | 9.7 |
| Claim Expense Reserve | 28.5 | (8.3) | 12.1 | 32.3 | (6.7) | 15.3 | 40.9 |
| Civil | 76.9 | (8.0) | 27.9 | 96.8 | (5.5) | 35.3 | 126.6 |
| Total Claims Liability | $ 297.1 | $ (53.0) | $ 90.5 | $ 334.6 | $ (63.5) | $ 111.5 | $ 382.6 |

*represents the present value of the estimated losses based on a 1.68% discount rate.

## B. Encumbrances/Commitments

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

Encumbrances are not the equivalent of expenditures/expenses in GAAP operating statements; therefore, the reserve for encumbrances is reported as part of the restricted, committed or assigned fund balance. The County's total encumbrances were $154,569,197 at November 30, 2015: General Fund - $22,602,352; Motor Fuel Tax Fund - $51,756,511; Capital Projects Funds – $62,211,101; and Nonmajor Governmental Funds - $17,999,233.

The County had contractual commitments for construction activities totaling $113,967,612 at year-end. This amount includes architectural, engineering and construction amounts and will be financed with proceeds from future debt issues.

## C. Contingent liabilities

### 1. Federal and State grant programs

The County participates in a number of Federal and State grant programs. The County's participation in these programs is subject to financial and compliance audits by the grantors or their representatives. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant.

### 2. Arbitrage Liability

The Tax Reform Act of 1986 requires issuers of state and local government bonds to rebate to the federal government arbitrage profits earned on those bonds under certain circumstances. There was no arbitrage liability at November 30, 2015.

## D. Conduit debt obligations

The following information represents outstanding limited obligation non-government debt issues, which bear the name of the County. These debt issues are not obligations of the County, and the County solely served as a conduit issuer for these non-recourse debt issuances.

As of November 30, 2015, the County had participated in thirteen (13) Revenue and Industrial Development Bonds or Multi-family Housing Revenue Bond issues for the purpose of assisting private for profit or non-profit entities in financing various capital projects on a tax exempt basis.

As of November 30, 2015, the following Conduit Debt Obligations remained outstanding.

| Issue Date | Issue Amount | Description | Maturity |
|---|---|---|---|
| September 5, 1985 | $ 3,883,600 | The County of Cook, Illinois Single family Mortgage Revenue Capital Appreciation-Series A | 06/01/2017 |
| June 27, 2000 | 2,500,000 | The County of Cook, Illinois Revenue Bonds, Series 2000 (Kenneth Properties LLC Project) | 06/01/2020 |
| May 25, 2005 | 8,500,000 | Bonds Series 2005 (Bernard Zell Anshe Emmet Day School Project) | 05/01/2035 |
| October 1, 2010 | 90,000,000 | The County of Cook, Illinois Recovery Zone Facility revenue Bonds, Series 2010 (Navistar International Corporation Project) | 10/15/2040 |

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

## V. Pension plans

### A. County Pension Plan

*Plan description.* The County Employees' and Officers' Annuity and Benefit Fund of Cook County ("the A & B Plan"), is the administrator of the single employer defined benefit pension plan established by the State of Illinois on January 1, 1926. The A & B Plan is governed by legislation contained in the Illinois Pension Code particularly Chapter 40 of the Illinois Compiled Statutes (ILCS), Article 9 (the "Article"). The A & B Plan (including employer and employee contribution requirements) can be amended only by the Illinois Legislature. The A & B Plan was created for the purpose of providing retirement, death (spouse or children) and disability benefits for full-time employees of the County and the dependents of such employees. The A & B Plan Board consists of nine members – two members of the Board are ex officio, four are elected by the employee members of the A & B Plan and three are elected by the annuitants of the A & B 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. The County Employees' and Officers' Annuity and Benefit Fund of Cook County issues a publicly available financial report that includes financial statements and required supplementary information for the A & B Plan. This report may be obtained by writing to the Pension Board at 33 North Dearborn Street, Suite 1000, Chicago, Illinois 60602, or through their website at http://www.cookcountypension.com.

*Benefits provided.* The A & B Plan provides retirement, disability, and death benefits to plan members and beneficiaries. Tier 1 employees age 50 or over and Tier 2 employees age 62 or over with at least 10 years of service are entitled to receive a minimum formula annuity of 2.4% for each year of credited service to a maximum benefit of 80% of the final average monthly salary. For Tier 1 employees under age 60 and Tier 2 employees under age 67, the monthly retirement benefit is reduced ½ percent for each month the participant is below the age. This reduction is waived for Tier 1 participants having 30 or more years of credited service.

Benefit terms provide for annual cost-of-living adjustments to each employee's retirement allowance subsequent to the employee's retirement date. The annual adjustments are 3.0% compounded annually for

Tier 1 participants, and the lesser of 3.0% or one half of the increase in the Consumer Price Index for Tier 2 participants.

If a covered employee leaves employment without qualifying for an annuity, accumulated employee contributions are refundable with interest (3% or 4% depending on when the employee became a participant).

*Employees covered by benefit terms.* At November 30, 2015, the following employees were covered by the benefit terms:

| | |
|---|---|
| Inactive employees and beneficiaries currently receiving benefits | 17,597 |
| Inactive employees entitled to benefits, but not yet receiving them | 13,190 |
| Active employees | 21,589 |
| Total plan membership | 52,376 |

*Contributions.* The Plan is a single employer defined benefit pension plan with a defined contribution minimum. Illinois Compiled statutes (40 ILCS 5/9-169) establishes the contribution requirements of the County and may only be amended by the Illinois legislature. The County is required to levy a tax at a rate not more than an amount equal to the total amount of contributions by the employees to the A & B Plan made in the fiscal year two years prior to the year for which the annual applicable tax is levied, multiplied by a factor of 1.54.

For the year ended November 30, 2015, employees were required to contribute 8.5% (9% for County Police) of their salary to the A & B Plan, subject to the salary limitations for Tier 2 participants in 5/1-160 of the ILCS. The County's actual contributions to the A & B Plan were $194.8 million. Contributions legally due to the A & B Plan for the County's FY 2015 pension contributions are reported as a payable to the A & B Plan in governmental activities, business-type activities and the CCHHS enterprise fund. Amounts remitted to the A & B Plan during FY 2015 represent collections of the FY2014 levy, and personal property replacement taxes ("PPRT") collected during FY 2015.

**Net Pension Liability**

The County's net pension liability was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2014.

*Actuarial assumptions.* The total pension liability in the December 31, 2014 actuarial valuation was determined using the Entry Age Normal actuarial cost method and using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---|---|
| Inflation | 3.25% |
| Salary increases | 8.0% to 3.75% |
| Investment rate of return | 7.50%, net of investment expense, including inflation |
| Municipal Bond Rate | 3.34% |

Mortality rates were based on an experience analysis of the County Employees Annuity and Benefit Fund over the period 2009 through 2012. The RP-2000 Blue Collar Mortality Table, base year 2000, fully generational based on Scale BB was used.

The long-term expected rate of return on the Fund's investments was determined based on the results of an experience review performed by a consultant. The investment return assumption was based on the current asset allocation of the A & B Plan. In the experience review, the consultant 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 Fund's target asset allocation are listed in the table below.

| | Target Allocation | Long-term Expected Real Rate of Return |
|---|---|---|
| Fixed income | 32.00% | 2.00% |
| Domestic equity | 25.00% | 6.50% |
| International equity | 20.00% | 6.50% |
| Real Estate | 8.00% | 5.70% |
| Private equity | 9.00% | 4.72% |
| Hedge Funds | 6.00% | 3.80% |

*Discount rate.* The discount rate used to measure the total pension liability was 4.50 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that County contributions will be made at rates required by the Illinois Pension Code (40 ILCS 5/9-169). Based on this assumption, the A & B Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current plan members in 2038.

A municipal bond rate of 3.34% was used in the development of the blended discount rate after that point. The 3.34% rate is based on the S&P Municipal Bond 20 Year High Grade Rate Index as of the measurement date (December 31, 2014). Based on the long-term rate of return of 7.50% and the municipal bond rate of 3.34%, the blended discount rate would be 4.50%.

**Changes in the Net Pension Liability**
**(Amounts in thousands)**

| | Increase (Decrease) | | |
|---|---|---|---|
| | **Total Pension Liability (a)** | **Plan Fiduciary Net Position (b)** | **Net Pension Liability (a) - (b)** |
| **Balances at 12/01/2014** | $ 21,117,644 | $ 8,927,367 | $ 12,190,277 |
| **Changes for the year:** | | | |
| Service cost | 491,887 | - | 491,887 |
| Interest | 958,434 | - | 958,434 |
| Differences between expected and actual experience | - | - | - |
| Contributions - employer | - | 146,075 | (146,075) |
| Contributions - employee | - | 129,325 | (129,325) |
| Net investment income | - | 484,026 | (484,026) |
| Benefit payments, including refunds of employee contributions | (622,003) | (622,003) | - |
| Administrative expense | - | (5,010) | 5,010 |
| Other changes | - | 8,619 | (8,619) |
| **Net changes** | 828,318 | 141,032 | 687,286 |
| **Balances at 11/30/2015** | $ 21,945,962 | $ 9,068,399 | $ 12,877,563 |

The net pension liability and proportionate share amounts as of November 30, 2015 were as follows:

| | Proportionate Share | Amount |
|---|---|---|
| Governmental Activities | 67.1318% | $8,644,938,585 |
| Business-type Activities and CCHHS Fund | 32.8682% | $4,232,624,501 |
| Total | | $12,877,563,086 |

*Sensitivity of the net pension liability to changes in the discount rate.* The following presents the net pension liability of the County, calculated using the discount rate of 4.5 percent, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.5 percent) or 1-percentage-point higher (5.5 percent) than the current rate:

| | (Amounts in thousands) | | |
|---|---|---|---|
| | **1% Decrease (3.5%)** | **Current Discount Rate (4.5%)** | **1% Increase (5.5%)** |
| County's net pension liability | $ 16,898,355 | $ 12,877,563 | $ 9,717,607 |

*Pension plan fiduciary net position.* Detailed information about the pension plan's fiduciary net position is available in the separately issued A & B Plan financial report.

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended November 30, 2015, the County recognized total pension expense of $699,079,034 ($478.5 million in governmental activities and $220.5 million in business type activities).

At November 30, 2015, the County reported deferred outflows of resources related to net differences between projected and actual earnings on pension plan investments. These amounts will be amortized over 5 years beginning in FY2015. Amounts will be included in pension expense over the remaining years as follows (amounts in thousands):

| Year ended November 30: | Governmental Activities | Business-type Activities and CCHHS Fund | Total |
|---|---|---|---|
| 2016 | $ 22,537 | $ 11,034 | $ 33,571 |
| 2017 | 22,537 | 11,034 | 33,571 |
| 2018 | 22,536 | 11,034 | 33,570 |
| 2019 | 22,536 | 11,034 | 33,570 |
| | $ 90,146 | $ 44,136 | $ 134,282 |

Deferred outflows of resources and deferred inflows of resources resulting from changes in the proportionate share of the net pension liability allocated between the County and CCHHS. These amounts will be amortized over 4.11 years beginning in FY2015. Amounts will be included in pension expense over the remaining years as follows (amounts in thousands):

| Year ended November 30: | Governmental Activities | Business-type Activities and CCHHS Fund | Total |
|---|---|---|---|
| 2016 | $ 9,252 | $ (9,252) | $ - |
| 2017 | 9,252 | (9,252) | - |
| 2018 | 9,252 | (9,252) | - |
| 2019 | 1,018 | (1,018) | - |
| | $ 28,774 | $ (28,774) | $ - |

The County's contributions to the A & B Plan subsequent to the measurement date of the net pension liability (December 31, 2014) amounted to $149.8 million and are reported as deferred outflows of resources. These amounts will be included in pension expense in fiscal year 2016.

*Payable to the Pension Plan*

At November 30, 2015, the County reported a total payable of $149.8 million for the outstanding amount of contributions payable to the A & B Plan ($100.5 million for governmental activities and $49.2 million for CCHHS and business-type activities).

***Changes Subsequent to the Measurement Date***

On October 28, 2015, the Cook County Board authorized an Intergovernmental Agreement with the County Employees' and Officers' Annuity and Benefit Fund of Cook County ("Pension Fund",), which was executed on December 8, 2015, to establish a mechanism by which the County can disburse additional funds to the Pension Fund, from the County's Retailers' Occupation and Services Occupation Tax. The Pension Fund will receive these funds from the County, independent and in addition to the sums provided for in Sections 9-169 of Illinois Pension Code (40 ICS 5/9-169). The County Board authorized a sum of $270,526,000 in the County's FY2016 Appropriation Bill for this additional payment; for which the first disbursement was made on April 29, 2016, for a sum of approximately $26 million.

## VI. Other Postemployment Benefits (OPEB)

*Plan Description.* The County Employees' and Officers' Annuity and Benefit Fund of Cook County ("Plan") administers the Healthcare Premium Plan (HPP), a single-employer defined benefit postemployment healthcare plan. HPP provides a healthcare premium subsidy to annuitants who elect to participate in HPP. The Plan is currently allowed, in accordance with State Statutes, to pay all or a portion of medical insurance premiums for the annuitants. The Plan is included in the County's financial statements as a Post- employment Healthcare trust fund. The financial statements of the Plan are audited by an independent public accountant and are the subject of a separate report. Copies of the Plan's report for the year ended December 31, 2014 are available upon request from the Retirement Board.

The Pension Board of Trustees states that HPP is administered pursuant to Chapter 40, Article 5/9 of the Illinois Compiled Statutes, which establishes the authority to provide an optional OPEB benefit to the Pension Board of Trustees.

*Summary of Significant Accounting Policies.* HPP's financial statements are presented using the accrual basis of accounting. The Plan considers the premium subsidy an additional retirement benefit, with no contribution rate or asset allocation associated with it. The cost for postemployment group health benefits is approximately equal to the premium subsidy. Actual costs may differ based on claims experience. Healthcare premium subsidies are recognized when due and payable.

*Funding policy.* The premium contribution requirements of Plan members are established by and may be amended by the Pension Board of Trustees. The funding source for employer contributions are derived from the real estate taxes as authorized under Chapter 40, Article 5/9 of the Illinois Compiled Statutes for employer pension contributions, with no separate designated employer contribution for the Plan, and the legislature retains authority to amend employer and active employee contributions to the County Employees' and Officers' Annuity and Benefit Fund of Cook County which administers the Plan. The employer contribution is based on projected "pay-as-you-go" financing requirements as determined by the Pension Board of Trustees. The Plan may pay all or any portion of the premium for health insurance on behalf of each annuitant who participates in any of the Plan's healthcare plans, subject to the determination of the Pension Board of Trustees. The Plan is currently paying approximately 50% of the total premiums for retiree annuitants, including the cost of any family coverage, and 70% of the premiums for survivor annuitants, including the cost of family coverage. The remaining premium cost is borne by the annuitant. For fiscal year 2015, the County contributed $40,907,164 to the Plan.

At December 31, 2014, there were 21,656 active employees currently eligible for benefits and 1,309 terminated employees who will be eligible for benefits under the current plan structure as adopted by the Pension Board of Trustees, but are not yet receiving them. Additionally, the number of annuitants whose cost to participate in the program was subsidized, totaled 8,591.

*Annual OPEB Cost and Net OPEB Obligation.* The Plan's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

The Plan's annual OPEB cost and net OPEB obligation for the most recent fiscal year is as follows:

| | |
|---|---|
| Annual required contribution (ARC) | $ 190,871,452 |
| Interest on net OPEB obligation | 39,006,768 |
| Adjustment to annual required contribution | (53,429,288) |
| Annual OPEB cost | 176,448,932 |
| Contributions made | 40,907,164 |
| Increase in net OPEB Obligation | 135,541,769 |
| Net OPEB Obligation - Beginning of year | 875,253,705 |
| Net OPEB Obligation - End of year | $ 1,010,795,474 |

The annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the most recent fiscal years is as follows:

| | Employer Contribution | | |
|---|---|---|---|
| **Year** | **Annual OPEB cost** | **Percentage of Annual OPEB cost contributed** | **Net OPEB obligation** |
| 2013 | $ 170,902,290 | 24.71% | $ 732,880,371 |
| 2014 | 187,900,888 | 24.23% | 875,253,705 |
| 2015 | 184,885,563 | 22.13% | 1,010,795,474 |

The actuarial valuations of the HPP of the Plan as of December 31, 2014 indicate the annual required contribution to be $190,871,452. The annual required contribution is based on an annual projected payroll of $1,514,550,023 for 21,656 active members in 2014.

*Funded Status and Funding Progress.* As of December 31, 2014, the Plan was zero percent funded. The actuarial value of Assets was zero, and the actuarial accrued liability (AAL) for benefits was $1,980,088,617, resulting in an unfunded actuarial accrued liability (UAAL) of $1,980,088,617. The covered payroll (annual payroll of active employees covered by the plan) was $1,514,550,023 and the ratio of the UAAL to the covered payroll was 130.7 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continued revision as actual results are compared with past expectations and new estimates are made about the future.

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

*Actuarial Methods and Assumptions.* Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation and the historical pattern of benefit costs between the employer and the plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with long-term perspective of the calculations.

Additional information as of the December 31, 2014 actuarial valuation follows:

| | |
|---|---|
| Actuarial Valuation Date | December 31, 2014 |
| Actuarial Cost Method | Entry age actuarial cost as a percentage of earnings |
| Amortization Method | Level dollar (open) |
| Amortization Period (Open) | 30 years |
| Actuarial Assumptions: | |
| Mortality Rates | The RP-2000 Blue Collar table, base year 2000, fully generational based on scale BB |
| Discount Rate | 4.5% |
| Healthcare Cost Trend Rate | Pre-Medicare: 8.0% for 2015 and grading down to 4.75% in 2028<br>Medicare: 6.5% and grading down to 4.75% in 2028 |
| Salary Scale | Salary assumptions include an inflation rate of 3.25%, and merit increases berween .50% and 4.75%, depending on age. |

## VII. County Health and Hospitals System (CCHHS)

Certain expenses incurred by various departments of the County in the operation of the CCHHS have been recorded in the financial statements of the CCHHS (e.g., Data Processing, Purchasing and Auditing) as an expense, with a corresponding credit to transfer in for the subsidy. These expenses amounted to $14,975,380 in fiscal year 2015. These expenses are included in the cost reimbursement reports submitted by the CCHHS to the State and Federal health care intermediary.

Construction-in-progress and other capital expenditures affecting the CCHHS are accounted for in various Capital Project Funds maintained by the Comptroller as expenditures. These expenditures amounted to $17,128,696 for fiscal year 2015. The corresponding long-term debt which finances these expenditures is not expected to be liquidated by CCHHS and thus is reflected as a liability in the County's Governmental Activities.

CCHHS is included in the County's financial statements as a Proprietary fund. CCHHS issues a publicly available financial report that includes financial statements and required supplementary information. That report is available on line at www.cookcountyhhs.org.

## VIII. Contingency – State Treasurer Claim

The Treasurer has received a demand from the Illinois State Treasurer for certain monies, which are claimed to be subject to the Illinois Uniform Disposition of Unclaimed Property Act. The Cook County State's Attorney has reviewed the State Treasurer's demand and concluded that the claims are generally without merit with the exception of amounts related to certain warrants outstanding. The County believes, however, that the warrant list used in establishing the amounts claimed is inaccurate and that the demand and listing are excessive and incorrect. The Treasurer has declined to comply with the State Treasurer's demand of certain monies pursuant to the opinion rendered by the Cook County State's Attorney. In the opinion of the Cook County State's Attorney, the lawsuits fail to state a claim under the Property Tax Code or the Unclaimed Property Act.

The County presently maintains a cash balance and an offsetting liability of $1,490,713 related to outstanding warrants and checks. The County does not believe that the final resolution of the amounts claimed will have a material impact on the County's financial statements.

## IX. Component Unit – Forest Preserve District (District)

### A. The Forest Preserve District Reporting Entity

The Forest Preserve District of Cook County, Illinois ("the District") was established in July 1915. The District is a separate governmental entity with boundaries coterminous with Cook County, Illinois. The District operates on a calendar year and its December 31, 2014 statements are reported herein. The District operates under a Board of Commissioners form of government and provides the following services as authorized by its charter: law enforcement, recreation, resources management, planning and development, and general administrative services.

**Reporting Entity** - The accounting policies of the Forest Preserve District of Cook County, Illinois, conform to accounting principles generally accepted in the United States of America ("GAAP") as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board ("GASB").

The District includes all of the funds of the Forest Preserve District of Cook County, Illinois. The reporting entity for the District includes the following component units:

*Presented Discretely With the Reporting Entity* - The Chicago Horticultural Society ("Chicago Botanical Garden") and Chicago Zoological Society ("Brookfield Zoo") maintain their own boards, however their annual property tax levy requests require the District's approval. The District owns the land sites of the Chicago Botanical Garden and Brookfield Zoo. The Chicago Botanical Garden and the Brookfield Zoo are subject to agreements with the District to operate and maintain their respective land sites.

The Chicago Botanical Garden's agreement expired in 2015 however the contract was automatically renewed for an additional 40 years through 2055. The Brookfield Zoo's agreement expires in 2026. Because of the nature of the Chicago Botanical Garden's and Brookfield Zoo's financially integrated relationship to the District, they are not blended with the District but presented discretely beside the District's financial statements.

Information contained in this section (Note IX) is for the Forest Preserve District only, and omits information for the District's two discretely presented component units - the Chicago Horticultural Society (Chicago Botanical Garden) and Chicago Zoological Society (Brookfield Zoo).

Complete financial statements for the Forest Preserve District, the Chicago Horticultural Society (Chicago Botanical Garden) and Chicago Zoological Society (Brookfield Zoo) may be obtained by request from the District at 69 West Washington Street, Suite 2060, Chicago, Illinois 60602.

### B. Cash and Investments

For purposes of the statement of cash flows, the District considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents. Illinois Statutes authorize the District to make deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union

shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreement to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds Investment Pool. The District maintains a cash and investment pool that is available for use by all funds except its Pension Fund. This pool holds deposits, certificates of deposit, and other investments with a maturity of less than one year. The portion of each fund's share of this pool is displayed as cash and cash equivalents. Investments are stated at fair value. Accrued interest on investments is separately stated. The Illinois Statutes authorize the District to discretionarily allocate interest income to the various funds, except for the pro rata share belonging to the Bond and Interest Fund. The District has adopted an investment policy. That policy follows the Illinois Statutes (Public Funds Investment Act of the State of Illinois) for allowable investments.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank statement balance and carrying value is due to outstanding checks and/or deposits in transit.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Fund's share price, the price for which the investments could be sold.

**Interest Rate Risk**

The District's investment policy seeks to ensure preservation of capital in the District's overall portfolio. Return on investment is of secondary importance to safety of principal and liquidity. The District's policy limits the District to investments with a maturity of no more than 3 years from the date of purchase, unless matched to a specific cash flow. Reserve funds and other funds with longer-term investment horizons may be invested in securities exceeding 5 years if the maturities of such investments are made to coincide as nearly as possible with the expected use of funds. The intent to invest in securities with longer maturities is required to be disclosed to the Board of Commissioners in writing. In addition to the maturity restrictions, the policy requires the District investment portfolio to be sufficiently liquid to meet all cash flow requirements as they come due. As of December 31, 2014, the District's investments were as follows: (amounts in thousands)

| | | Maturity (in Years) | |
|---|---|---|---|
| **Investment Type** | **Fair Value** | **Less than 1** | **1-5** |
| U.S. Government and Agency Obligations | $ 88,474,803 | $ 28,684,603 | $ 59,790,200 |

**Credit Risk**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District's formal investment policy is to apply the prudent-person rule. The District has no other policies that address credit risk. As of December 31, 2014, the District has invested in certificates of deposits and money markets, which are not rated, and State Treasurer - Illinois Funds, which are rated AAA by Standard & Poor's.

Additionally the District had the following investments and ratings:

| Type of Investment | Standard & Poor's Rating | Moody's Rating |
|---|---|---|
| U.S. Government and government agency obligations | AA | Aa |
| Corporate bonds | BB to AA | Ba to Aa |
| Commingled fixed income fund | Not Rated | Not Rated |
| Short-term investments | Not Rated | Not Rated |

**Concentration of Credit Risk**

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The District's investment policy requires diversification of the investment portfolio to minimize risk of loss resulting from over-concentration in a particular type of security, risk factor, issuer, or maturity. The District's policy further states that no financial institution shall hold more than 25% of the District's total portfolio at the current time of investment placement. In addition, no more than 33% of total investments may be invested in commercial paper at any time. The District operates its investments as an internal investment pool where each fund reports it's pro rata share of the investments made by the District. In this internal investment pool there were no investments which are subject to concentration for credit risk that represent more than 5% of the portfolio as of December 31, 2014.

**Custodial Credit Risk – Deposits**

The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured with collateralization pledged by the applicable financial institution to the extent of 110% of the value of the deposit.

**Custodial Credit Risk – Investments**

The District's investment policy requires all securities to be held by a third party custodian designated by the Comptroller's Office and evidenced by safekeeping receipts.

## C. Capital Assets

A summary of changes in the District's capital assets for the year ended December 31, 2014, is as follows:

| | Balance 1/1/2014 | Additions | Deletions | Balance 12/31/2014 |
|---|---|---|---|---|
| **Capital assets not being depreciated:** | | | | |
| Land | $ 202,304,590 | $ 15,050,500 | $ - | $ 217,355,090 |
| Construction in progress | 14,875,506 | 19,888,544 | 4,759,313 | 30,004,737 |
| Total capital assets not being depreciated | 217,180,096 | 34,939,044 | 4,759,313 | 247,359,827 |
| **Capital assets being depreciated:** | | | | |
| Land improvements | 67,661,377 | 1,045,732 | - | 68,707,109 |
| Buildings | 80,151,546 | 2,261,592 | - | 82,413,138 |
| Equipment | 6,560,697 | 177,533 | - | 6,738,230 |
| Vehicles | 13,136,824 | 948,947 | - | 14,085,771 |
| Total capital assets being depreciated | 167,510,444 | 4,433,804 | - | 171,944,248 |
| **Less accumulated depreciation for:** | | | | |
| Land improvements | 17,722,534 | 3,753,093 | - | 21,475,627 |
| Buildings | 34,648,852 | 3,457,671 | - | 38,106,523 |
| Equipment | 4,326,995 | 477,577 | - | 4,804,572 |
| Vehicles | 7,353,915 | 1,470,432 | - | 8,824,347 |
| Total accumulated depreciation | 64,052,296 | 9,158,773 | - | 73,211,069 |
| **Total capital assets being depreciated, net** | 103,458,148 | (4,724,969) | - | 98,733,179 |
| **Governmental Activities capital assets, net** | $ 320,638,244 | $ 30,214,075 | $ 4,759,313 | $ 346,093,006 |

Amounts above exclude $244.3 million of capital assets reported by the District's discretely presented component units.

## D. Long-Term Debt

Long-term obligations activity for the year ended December 31, 2014, was as follows:

| | Beginning Balance | Additions | Refundings/ Reductions | Ending Balance | Due Within One Year |
|---|---|---|---|---|---|
| General Obligation Bonds | $ 179,655,000 | $ - | $ 7,120,000 | $ 172,535,000 | $ 7,205,000 |
| Unamortized bond | 20,517,164 | - | 1,353,720 | 19,163,444 | - |
| Compensated absences | 1,973,026 | 1,886,199 | 1,818,363 | 2,040,862 | 1,224,517 |
| Postemployment benefit | 14,854,307 | 2,781,230 | - | 17,635,537 | - |
| Net pension obligation | 45,763,389 | 9,264,691 | - | 55,028,080 | - |
| Total Long-tem liabilities | $ 262,762,886 | $ 13,932,120 | $ 10,292,083 | $ 266,402,923 | $ 8,429,517 |

The table above excludes $86.3 million of noncurrent liabilities reported by the District's discretely presented component units.

The obligations for postemployment benefits, pensions, and compensated absences will be repaid from the Corporate Fund.

**General Obligation Debt**

All general obligation notes and bonds payable are backed by the full faith and credit of the District. Notes and bonds in the governmental funds will be retired by future property tax levies or tax increments accumulated by the debt service fund.

| | Interest Rates | Original Indebtedness | Carrying Amount |
|---|---|---|---|
| Series 2004 General Obligation Bonds - Due in annual installments of $3,270,000 to $8,000,000 through November 15, 2024. | 5.00% - 5.25% | $ 100,000,000 | $ 39,265,000 |
| Series 2012A General Obligation Unlimited Tax Refunding Bonds - Due in annual installments of $815,000 to $6,905,000 through November 15, 2022 | 2.00% - 5.00% | 31,575,000 | 25,640,000 |
| Series 2012B General Obligation Limited Tax Project and Refunding Bonds - Due in annual installments of $45,000 to $4,250,000 through December 15, 2037 | 2.00% - 5.00% | 54,905,000 | 53,705,000 |
| Series 2012C General Obligation Unlimited Tax Bonds (Personal Property Replacement Tax Alternative Revenue Source) - Due in annual installments of $1,250,000 to $3,805,000 through December 15, 2037 | 2.00% - 5.00% | 56,450,000 | 53,925,000 |
| Total Governmental Activities - General Obligation Bonds | | $ 242,930,000 | $ 172,535,000 |

Debt service requirements to maturity are as follows:

| Year Ending December 31 | Principal | Interest | Total |
|---|---|---|---|
| 2015 | $ 7,205,000 | $ 8,638,438 | $ 15,843,438 |
| 2016 | 7,820,000 | 8,293,788 | 16,113,788 |
| 2017 | 8,220,000 | 7,889,500 | 16,109,500 |
| 2018 | 8,380,000 | 7,464,500 | 15,844,500 |
| 2019 | 9,095,000 | 7,045,500 | 16,140,500 |
| 2020-2024 | 52,365,000 | 27,998,000 | 80,363,000 |
| 2025-2029 | 24,780,000 | 17,505,250 | 42,285,250 |
| 2030-2034 | 31,635,000 | 10,658,250 | 42,293,250 |
| 2035-2037 | 23,035,000 | 2,340,750 | 25,375,750 |
| Total | $ 172,535,000 | $ 97,833,976 | $ 270,368,976 |

The District is subject to the Illinois Municipal Code, which limits the amount of certain indebtedness to 0.345% of the most recent available equalized assessed valuation of the District. As of December 31, 2014, the statutory debt limit for the District was $434,406,194, providing a debt margin of $269,076,194.

The District is required to implement the provisions of GASB Statement No. 68 for its year ended December 31, 2015. The impact of implementing this Statement is expected to have a material detrimental impact on the financial statements.

## X. Restatement for Implementation of New Accounting Standards and Change in Accounting Principle

The County's financial statements have been restated as of November 30, 2014. The restatement is a result of the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68* and to report a change in accounting principle for self-insurance claims as more fully described below the table. The restatement for the implementation of the pension standard is to record the effect of the net pension liability and deferred outflows of resources as of the measurement date for the previous year (Governmental Activities, Business-type Activities and the CCHHS Fund) and to report pension contributions payable to the Pension Plan. Because the deferred outflows for contributions subsequent to the measurement date were equally offset by contributions payable to the Pension Plan, the amounts are not displayed below as they had no impact on total net position:

| | Governmental Activities | Business-type Activities and CCHHS Fund |
|---|---|---|
| Net position, November 30, 2014, as previously reported | $ (4,974,196,388) | $ 491,048,099 |
| Implementation of GASB Statement No. 68 and 71: | | |
| Beginning net pension liability | (8,145,524,670) | (4,044,752,616) |
| Removal of net pension obligation | 2,997,031,500 | - |
| Change in accounting policy | | |
| Self-insurance claims liability | 143,208,252 | (143,208,252) |
| Net position, November 30, 2014, as restated | $ (9,979,481,306) | $ (3,696,912,769) |

Restatement for the beginning balances for deferred outflows of resources and deferred inflows of resources related to pensions was not done because it was not practical to determine all such amounts. Additionally, the impact on the change in net position for FY 2014 was not determined.

The change in accounting principle had the following impact on the FY2015 change in net position:

| | Increase (Decrease) |
|---|---|
| Governmental Activities | $14,782,804 |
| Business-type Activities and CCHHS Fund | ($14,782,804) |

Change in Accounting Principle - Previous to fiscal year 2015, the County accounted for its risk financing activities exclusively in the General Fund, as allowed under GASB Statement No. 10, as amended. Over the previous few years, some portion of claims expense was allocated to CCHHS but total claims and the associated liabilities were not allocated to the CCHHS Fund based on several factors including CCHHS' ability to liquidate the amounts and the County's expectation that the liability would not be paid by CCHHS. Beginning in FY2015 with the adoption of GASB Statement No. 68, the County reassessed its accounting policies with respect to the CCHHS enterprise fund. Beginning in FY2015, in order to better measure the operating expenses of running

the County's hospital system, the County has recorded pension expense and liabilities as well as self-insurance claims expense and liabilities attributable to CCHHS operations, in the CCHHS Fund. Additionally, during FY2015, CCHHS paid for a significant portion of claims and are expected to continue paying claims going forward. This policy is preferable as it more accurately reflects the true expense of operating the hospital system and the amount of County subsidies necessary to provide these services.

## XI. Subsequent Events

### A. Taxable Line of Credit

On February 25th, 2016, the County closed on a $100 million Line of Credit Agreement with BMO Harris Bank NA. The Line of Credit is a General Obligation of the County and the full faith and credit of the County is pledged to the repayment of its principal and interest. It is issued on a taxable basis and is envisioned to be largely undrawn to provide the County flexibility for unforeseen contingencies. It carries an interest cost of LIBOR plus 0.575% on any outstanding principal and 0.25% on any unused principal portion, and is for a three-year agreement set to expire in February 2019. This agreement replaced the prior line of credit with JP Morgan Chase Bank for the same amount, which expired in November 2015 and was completely undrawn at the time.

### B. General Obligation Bonds, Series 2016A

The County is authorized to issue bonds that will refund the County's approximately $330 million of outstanding Series 2006A Bonds. The 2006A bonds are currently subject to an average interest cost of 4.83%. The refunding bonds are anticipated to be issued in July, 2016.

### C. Forest Preserve District Notes

On March 26, 2015, the District issued $16,620,000 in Series 2015A general Obligation refunding Bonds for the purpose of refunding the Series 2004 General Obligation Bonds. The bonds are due in annual installments of $130,000 to $7,925,000, with an interest rate of 2.90% and maturing on November 15, 2024.

On March 26, 2015, the District issued $2,325,000 in Series 2015B General Obligation Limited tax Bonds for the purpose of funding capital projects. The bonds are due in annual installments of $125,000 to $1,230,000, with an interest rate of 2.39% and maturing on December 15, 2024.

On June 8, 2015, Moody's Investors Service downgraded the District's bond rating from A1 to A2 with a negative outlook. The rating downgrade was based on the agency's concern about the District's growing pension liabilities. The District's credit ratings with Standard and Poor's and Fitch held at an AA rating.

# REQUIRED SUPPLEMENTAL INFORMATION

**COOK COUNTY, ILLINOIS**

**REQUIRED SUPPLEMENTAL INFORMATION**

**SCHEDULES OF FUNDING PROGRESS**

**November 30, 2015**

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

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) (b) | Unfunded AAL (UAAL) (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | UAAL as a Percentage of Covered Payroll (b-a)/c |
|---|---|---|---|---|---|---|
| ***Post Employment Group Health Benefit Plan*** | | | | | | |
| December 31, 2012 | $ - | $ 1,845,609,132 | $ 1,845,609,132 | 0.00 | $ 1,478,253,368 | 124.85% |
| December 31, 2013 | - | 1,978,767,490 | 1,978,767,490 | 0.00 | 1,484,269,715 | 133.32% |
| December 31, 2014 | - | 1,980,088,617 | 1,980,088,617 | 0.00 | 1,514,550,023 | 130.74% |

**COOK COUNTY, ILLINOIS**
**REQUIRED SUPPLEMENTARY INFORMATION**
**SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY AND RELATED RATIOS**
**Last 10 Fiscal Years**
**(Amounts in thousands)**

| | 2015 |
|---|---|
| **Total pension liability:** | |
| Service cost | $ 491,887 |
| Interest | 958,434 |
| Changes of benefit terms | - |
| Differences between expected and actual experience | - |
| Changes of assumptions | - |
| Benefit payments, including refunds of employee contributions | (622,003) |
| Net change in total pension liability | 828,318 |
| **Total pension liability - beginning** | 21,117,644 |
| **Total pension liability - ending** | 21,945,962 |
| **Plan fiduciary net position:** | |
| Contributions - employer | 146,075 |
| Contributions - employee | 129,325 |
| Net investment income | 484,026 |
| Benefit payments, including refunds of employee contributions | (622,003) |
| Administrative expense | (5,010) |
| Other | 8,619 |
| Net change in plan fiduciary net position | 141,032 |
| **Plan fiduciary net position - beginning** | 8,927,367 |
| **Plan fiduciary net position - ending** | 9,068,399 |
| **Net pension liability - ending** | $ 12,877,563 |
| **Plan fiduciary net position as a percentage of the total pension liability** | 41.32% |
| Covered-employee payroll | 1,529,696 |
| **Net pension liability as a percentage of covered-employee payroll** | 841.84% |

**Notes to Schedule:**

*Benefit Changes: None noted in FY15.*

*Changes of Assumptions:None noted in FY15.*

The County implemented the provisions of GASB 68 in FY2015. Fiscal year information is as of a measurement date 11 months prior to year end. The County has presented as many years as is available.

**COOK COUNTY, ILLINOIS**
**REQUIRED SUPPLEMENTARY INFORMATION**
**SCHEDULE OF COUNTY CONTRIBUTIONS**
**Last 10 Fiscal Years**
**(Amounts in thousands)**

| Fiscal Year Ended November 30: | Statutory Maximum Required Contributions | Actual Contributions in Relation to the Statutory Maximum Contributions | Contribution Deficiency | Covered-employee Payroll | Actual Contributions as a Percentage of Covered-employee Payroll |
|---|---|---|---|---|---|
| 2015 | $ 196,493,559 | $ 191,609,506 | $ 4,884,053 | $ 1,529,695,523 | 13% |
| 2014 | 198,459,042 | 190,032,872 | 8,426,170 | 1,514,550,023 | 13% |
| 2013 | 196,469,308 | 187,817,644 | 8,651,664 | 1,484,269,715 | 13% |
| 2012 | 199,352,794 | 190,720,776 | 8,632,018 | 1,478,253,368 | 13% |
| 2011 | 196,805,657 | 198,837,424 | (2,031,767) | 1,456,444,123 | 14% |
| 2010 | 190,616,126 | 184,722,634 | 5,893,492 | 1,494,093,569 | 12% |
| 2009 | 189,493,175 | 183,713,870 | 5,779,305 | 1,498,161,713 | 12% |
| 2008 | 187,376,070 | 183,916,221 | 3,459,849 | 1,463,372,408 | 13% |
| 2007 | 268,289,161 | 258,141,230 | 10,147,931 | 1,370,844,734 | 19% |
| 2006 | 229,447,378 | 221,186,219 | 8,261,159 | 1,412,878,627 | 16% |

**COOK COUNTY, ILLINOIS**
**GENERAL FUND**
**SCHEDULE OF REVENUES, EXPENDITURES, AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Property taxes | $ 207,230,756 | $ - | $ 207,230,756 | $ 201,127,386 | $ (6,103,370) |
| Nonproperty taxes | 797,725,991 | - | 797,725,991 | 813,047,987 | 15,321,996 |
| Total taxes | 1,004,956,747 | - | 1,004,956,747 | 1,014,175,373 | 9,218,626 |
| Fees and licenses | 259,739,890 | - | 259,739,890 | 265,690,994 | 5,951,104 |
| Intergovernmental grant and reimbursements- | | | | | |
| Federal government | 1,381,552 | - | 1,381,552 | 1,298,659 | (82,893) |
| State of Illinois | 39,322,372 | - | 39,322,372 | 45,577,356 | 6,254,984 |
| Investment income | - | - | - | 260,620 | 260,620 |
| Miscellaneous | 47,569,801 | - | 47,569,801 | 15,589,466 | (31,980,335) |
| Total revenues | 1,352,970,362 | - | 1,352,970,362 | 1,342,592,468 | (10,377,894) |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Administrative Hearing Board | | | | | |
| Personal Services | 456,589 | (4,848) | 451,741 | 403,181 | (48,560) |
| Contractual Services | 767,850 | (1,420) | 766,430 | 725,243 | (41,187) |
| Supplies and Materials | 8,019 | (185) | 7,834 | 7,112 | (722) |
| Rental and Leasing | 7,550 | - | 7,550 | 7,550 | - |
| Adult Probation Dept. | | | | | |
| Personal Services | 39,495,772 | (501,125) | 38,994,647 | 41,034,144 | 2,039,497 |
| Contractual Services | 18,522 | 8,981 | 27,503 | 24,108 | (3,395) |
| Supplies and Materials | 100,450 | 2,292 | 102,742 | 100,158 | (2,584) |
| Operations and Maintenance | 205,600 | (20,308) | 185,292 | 129,524 | (55,768) |
| Rental and Leasing | 1,453,904 | (40,493) | 1,413,411 | 1,397,528 | (15,883) |
| Contingency and Special Purposes | (2,786,000) | - | (2,786,000) | (2,782,754) | 3,246 |
| Board of Review | | | | | |
| Personal Services | 8,233,104 | 61,763 | 8,294,867 | 8,427,656 | 132,789 |
| Contractual Services | 135,525 | (55,350) | 80,175 | 80,175 | - |
| Supplies and Materials | 114,945 | (6,757) | 108,188 | 112,363 | 4,175 |
| Operations and Maintenance | 4,000 | (2,120) | 1,880 | 1,880 | - |
| Rental and Leasing | 18,555 | 3,731 | 22,286 | 22,286 | - |
| Budget & Management Services | | - | | | |
| Personal Services | 1,532,836 | 49,654 | 1,582,490 | 1,582,488 | (2) |
| Contractual Services | 700 | 514 | 1,214 | 1,214 | - |
| Supplies and Materials | 1,815 | 69 | 1,884 | 1,883 | (1) |
| Operations and Maintenance | 1,923 | (1,032) | 891 | 888 | (3) |
| Rental and Leasing | 9,045 | - | 9,045 | 9,045 | - |
| Contingency and Special Purposes | 750 | (60) | 690 | 690 | - |
| Building & Zoning | | | | | |
| Personal Services | 3,355,228 | (13,207) | 3,342,021 | 3,286,727 | (55,294) |
| Contractual Services | 37,298 | (7,138) | 30,160 | 26,823 | (3,337) |
| Supplies and Materials | 10,800 | (687) | 10,113 | 8,997 | (1,116) |
| Operations and Maintenance | 1,000 | - | 1,000 | - | (1,000) |
| Rental and Leasing | 5,618 | - | 5,618 | 5,238 | (380) |
| Contingency and Special Purposes | (20,651) | - | (20,651) | (20,651) | - |
| Chief Procurement Officer | | | | | |
| Personal Services | 2,628,046 | 16,808 | 2,644,854 | 2,570,738 | (74,116) |
| Contractual Services | 36,386 | (13,297) | 23,089 | 23,087 | (2) |
| Supplies and Materials | 19,460 | (1,394) | 18,066 | 18,064 | (2) |
| Operations and Maintenance | 92,000 | (392) | 91,608 | 91,607 | (1) |
| Rental and Leasing | 14,172 | - | 14,172 | 14,172 | - |
| Civil Service Commission | | | | | |
| Personal Services | 60,000 | (1,300) | 58,700 | 49,000 | (9,700) |
| Contractual Services | 10,000 | 450 | 10,450 | 9,892 | (558) |

*(continued)*

**COOK COUNTY, ILLINOIS**
**GENERAL FUND**
**SCHEDULE OF REVENUES, EXPENDITURES, AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) - continued**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual | Over (Under) Final Budget |
|---|---|---|---|---|---|
| Clerk of Crct Crt Off.of Clerk | | | | | |
| Personal Services | $ 74,641,362 | $ 2,045,520 | $ 76,686,882 | $ 76,518,933 | $ (167,949) |
| Contractual Services | 2,066,239 | (103,491) | 1,962,748 | 1,595,135 | (367,613) |
| Supplies and Materials | 473,102 | (36,762) | 436,340 | 314,116 | (122,224) |
| Operations and Maintenance | 1,994,648 | 9,947 | 2,004,595 | 2,007,887 | 3,292 |
| Rental and Leasing | 845,163 | - | 845,163 | 651,968 | (193,195) |
| Contingency and Special Purposes | (2,124,118) | - | (2,124,118) | (1,246,064) | 878,054 |
| Contract Compliance | | | | | |
| Personal Services | 804,798 | 6,549 | 811,347 | 805,441 | (5,906) |
| Contractual Services | 4,943 | (3,529) | 1,414 | 945 | (469) |
| Supplies and Materials | 3,200 | (1,310) | 1,890 | 1,084 | (806) |
| Operations and Maintenance | 28,700 | (822) | 27,878 | 26,924 | (954) |
| Rental and Leasing | 12,385 | (4,625) | 7,760 | 7,760 | - |
| Contingency and Special Purposes | (72,000) | (3,000) | (75,000) | (71,670) | 3,330 |
| County Assessor | | | | | |
| Personal Services | 20,618,919 | (240,561) | 20,378,358 | 19,197,453 | (1,180,905) |
| Contractual Services | 4,202,676 | (179,396) | 4,023,280 | 3,319,549 | (703,731) |
| Supplies and Materials | 401,959 | (13,563) | 388,396 | 263,338 | (125,058) |
| Operations and Maintenance | 177,000 | (1,210) | 175,790 | 104,567 | (71,223) |
| Rental and Leasing | 132,549 | - | 132,549 | 121,964 | (10,585) |
| Contingency and Special Purposes | (1,094,349) | - | (1,094,349) | (939,101) | 155,248 |
| County Auditor | | | | | |
| Personal Services | 964,918 | (9,032) | 955,886 | 873,776 | (82,110) |
| Contractual Services | 230 | - | 230 | - | (230) |
| Supplies and Materials | 961 | 453 | 1,414 | 136 | (1,278) |
| Operations and Maintenance | 1,300 | - | 1,300 | - | (1,300) |
| Rental and Leasing | 574 | - | 574 | 574 | - |
| Contingency and Special Purposes | (50,838) | - | (50,838) | (50,838) | - |
| County Clerk | | | | | |
| Personal Services | 7,482,470 | 228,299 | 7,710,769 | 7,635,187 | (75,582) |
| Contractual Services | 198,987 | (10,326) | 188,661 | 181,520 | (7,141) |
| Supplies and Materials | 70,273 | (3,300) | 66,973 | 60,604 | (6,369) |
| Operations and Maintenance | 15,000 | (380) | 14,620 | 9,442 | (5,178) |
| Rental and Leasing | 5,000 | - | 5,000 | 4,500 | (500) |
| Contingency and Special Purposes | (255,106) | - | (255,106) | (238,217) | 16,889 |
| County Comptroller | | | | | |
| Personal Services | 3,040,090 | 18,710 | 3,058,800 | 2,962,319 | (96,481) |
| Contractual Services | 16,100 | 11,996 | 28,096 | 25,934 | (2,162) |
| Supplies and Materials | 28,590 | 3,809 | 32,399 | 30,577 | (1,822) |
| Operations and Maintenance | 16,125 | (2,774) | 13,351 | 9,470 | (3,881) |
| Rental and Leasing | 15,441 | (2,800) | 12,641 | 7,881 | (4,760) |
| Contingency and Special Purposes | 4,300 | - | 4,300 | 1,559 | (2,741) |
| County Highway Department | | | | | |
| Personal Services | 4,339,853 | (4,390) | 4,335,463 | 4,490,735 | 155,272 |
| Contractual Services | 91,893 | 87,444 | 179,337 | 96,853 | (82,484) |
| Supplies and Materials | 112,670 | 5,208 | 117,878 | 64,751 | (53,127) |
| Operations and Maintenance | 1,491,127 | (138,434) | 1,352,693 | 1,172,836 | (179,857) |
| Rental and Leasing | 45,348 | - | 45,348 | 45,348 | - |
| Contingency and Special Purposes | (250,000) | - | (250,000) | (68,352) | 181,648 |
| County Treasurer | | - | | | |
| Personal Services | 1,176,176 | 17,115 | 1,193,291 | 1,114,283 | (79,008) |
| Contractual Services | 79,297 | (7,276) | 72,021 | 51,501 | (20,520) |
| Supplies and Materials | 18,231 | 4,000 | 22,231 | 14,718 | (7,513) |
| Operations and Maintenance | 24,660 | 1,000 | 25,660 | 19,697 | (5,963) |
| Rental and Leasing | 7,025 | - | 7,025 | 7,025 | - |

*(continued)*

**COOK COUNTY, ILLINOIS**
**GENERAL FUND**
**SCHEDULE OF REVENUES, EXPENDITURES, AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) - continued**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual | Over (Under) Final Budget |
|---|---|---|---|---|---|
| Court Services Division | | - | | | |
| Personal Services | $ 84,789,219 | $ (479,796) | $ 84,309,423 | $ 84,288,955 | $ (20,468) |
| Contractual Services | 464,222 | (77,541) | 386,681 | 386,679 | (2) |
| Supplies and Materials | 233,881 | (148,290) | 85,591 | 85,590 | (1) |
| Operations and Maintenance | 71,025 | (14,649) | 56,376 | 56,376 | - |
| Rental and Leasing | 80,346 | (14,753) | 65,593 | 65,593 | - |
| Contingency and Special Purposes | (830,000) | - | (830,000) | (917,966) | (87,966) |
| Depart. of Enviromental Ctrl | | | | | |
| Personal Services | 1,751,736 | 27,106 | 1,778,842 | 1,562,434 | (216,408) |
| Contractual Services | 137,588 | (2,861) | 134,727 | 43,610 | (91,117) |
| Supplies and Materials | 35,700 | (1,950) | 33,750 | 13,727 | (20,023) |
| Operations and Maintenance | 65,050 | (2,615) | 62,435 | 3,910 | (58,525) |
| Rental and Leasing | 9,232 | - | 9,232 | 4,035 | (5,197) |
| Contingency and Special Purposes | (412,710) | - | (412,710) | (241,100) | 171,610 |
| Department of Corrections | | | | | |
| Personal Services | 297,509,350 | 13,284,211 | 310,793,561 | 311,179,402 | 385,841 |
| Contractual Services | 23,077,643 | (885,177) | 22,192,466 | 22,401,898 | 209,432 |
| Supplies and Materials | 2,895,218 | (366,900) | 2,528,318 | 2,533,603 | 5,285 |
| Operations and Maintenance | 2,286,400 | (182,189) | 2,104,211 | 2,104,210 | (1) |
| Rental and Leasing | 241,746 | (4,500) | 237,246 | 237,246 | - |
| Contingency and Special Purposes | (545,000) | - | (545,000) | (65,000) | 480,000 |
| Department of Human Resources | | | | | |
| Personal Services | 3,799,665 | (37,333) | 3,762,332 | 3,662,925 | (99,407) |
| Contractual Services | 75,459 | 1,504 | 76,963 | 68,571 | (8,392) |
| Supplies and Materials | 50,243 | (2,156) | 48,087 | 42,887 | (5,200) |
| Operations and Maintenance | 328,640 | (1,419) | 327,221 | 327,221 | - |
| Rental and Leasing | 11,669 | - | 11,669 | 11,533 | (136) |
| Contingency and Special Purposes | (94,892) | - | (94,892) | (38,594) | 56,298 |
| Dept. of Facilities/Mgmt | | | | | |
| Personal Services | 38,459,698 | 667,489 | 39,127,187 | 39,394,141 | 266,954 |
| Contractual Services | 523,589 | (51,568) | 472,021 | 472,021 | - |
| Supplies and Materials | 2,936,500 | (774,901) | 2,161,599 | 2,161,599 | - |
| Operations and Maintenance | 2,844,689 | 180,280 | 3,024,969 | 3,024,969 | - |
| Rental and Leasing | 67,254 | 91,361 | 158,615 | 158,615 | - |
| Contingency and Special Purposes | (252,961) | - | (252,961) | (127,993) | 124,968 |
| Eighth District | | | | | |
| Personal Services | 304,350 | 16,575 | 320,925 | 296,995 | (23,930) |
| Contractual Services | 28,300 | 24,250 | 52,550 | 47,564 | (4,986) |
| Operations and Maintenance | 5,000 | 820 | 5,820 | - | (5,820) |
| Rental and Leasing | 20,700 | (19,650) | 1,050 | - | (1,050) |
| Contingency and Special Purposes | 6,000 | - | 6,000 | - | (6,000) |
| Eleventh District | | | | | |
| Personal Services | 482,890 | 1,138 | 484,028 | 258,374 | (225,654) |
| Supplies and Materials | 24,620 | (726) | 23,894 | 4,518 | (19,376) |
| Emergency Management Agency | | | | | |
| Personal Services | 2,484,696 | (15,624) | 2,469,072 | 2,170,420 | (298,652) |
| Capital Equipment and Improvements | - | - | - | 2,934 | 2,934 |
| Contractual Services | 76,746 | 17,151 | 93,897 | 107,893 | 13,996 |
| Supplies and Materials | 37,312 | 26,590 | 63,902 | 28,951 | (34,951) |
| Operations and Maintenance | 273,334 | (66,747) | 206,587 | 193,610 | (12,977) |
| Rental and Leasing | 21,415 | - | 21,415 | 10,355 | (11,060) |
| Contingency and Special Purposes | (797,175) | - | (797,175) | - | 797,175 |
| Enterprise Resource Planning | | | | | |
| Personal Services | 1,741,690 | (54,224) | 1,687,466 | 1,441,953 | (245,513) |
| Contractual Services | 6,898 | 603 | 7,501 | 7,500 | (1) |
| Supplies and Materials | 21,696 | (2,846) | 18,850 | 16,303 | (2,547) |
| Rental and Leasing | 6,840 | - | 6,840 | 6,840 | - |

*(continued)*

**COOK COUNTY, ILLINOIS**
**GENERAL FUND**
**SCHEDULE OF REVENUES, EXPENDITURES, AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) - continued**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual | Over (Under) Final Budget |
|---|---|---|---|---|---|
| Fifteenth District | | | | | |
| Personal Services | $ 357,394 | $ (20,096) | $ 337,298 | $ 244,305 | $ (92,993) |
| Contractual Services | 16,850 | 23,294 | 40,144 | 38,240 | (1,904) |
| Operations and Maintenance | 300 | 2,991 | 3,291 | 2,239 | (1,052) |
| Rental and Leasing | 1,200 | - | 1,200 | 1,200 | - |
| Contingency and Special Purposes | 10,800 | (5,800) | 5,000 | - | (5,000) |
| Fifth District | | | | | |
| Personal Services | 339,614 | 6,317 | 345,931 | 344,807 | (1,124) |
| Contractual Services | 10,400 | (6,439) | 3,961 | 1,100 | (2,861) |
| Supplies and Materials | 5,093 | 934 | 6,027 | 4,640 | (1,387) |
| Operations and Maintenance | 6,600 | 574 | 7,174 | 6,772 | (402) |
| Rental and Leasing | 24,520 | (92) | 24,428 | 25,334 | 906 |
| First District | | | | | |
| Personal Services | 357,632 | (2,404) | 355,228 | 323,210 | (32,018) |
| Contractual Services | 8,371 | (6,681) | 1,690 | 1,045 | (645) |
| Supplies and Materials | - | 4,250 | 4,250 | 3,144 | (1,106) |
| Operations and Maintenance | 3,600 | 1,500 | 5,100 | 2,663 | (2,437) |
| Rental and Leasing | 16,800 | 3,700 | 20,500 | 15,000 | (5,500) |
| Fixed Chrgs & Specl Purp Appr | | | | | |
| Personal Services | 213,226,151 | (20,992,811) | 192,233,340 | 214,249,260 | 22,015,920 |
| Capital Equipment and Improvements | 10,200,000 | 10 | 10,200,010 | - | (10,200,010) |
| Contractual Services | 34,772,368 | 138,645 | 34,911,013 | 29,672,339 | (5,238,674) |
| Supplies and Materials | 534,800 | 9,328 | 544,128 | 543,668 | (460) |
| Operations and Maintenance | 53,182,509 | 234,840 | 53,417,349 | 53,681,988 | 264,639 |
| Rental and Leasing | 34,000 | 224,051 | 258,051 | 274,347 | 16,296 |
| Contingency and Special Purposes | 10,900,766 | 15,860,040 | 26,760,806 | 26,623,660 | (137,146) |
| Forensic Clinical Services | | | | | |
| Personal Services | 2,545,236 | (37,105) | 2,508,131 | 2,204,940 | (303,191) |
| Contractual Services | 700 | (38) | 662 | 199 | (463) |
| Supplies and Materials | 12,250 | 7,293 | 19,543 | 18,660 | (883) |
| Rental and Leasing | 2,504 | - | 2,504 | 2,504 | - |
| Fourteenth District | | | | | |
| Personal Services | 354,300 | 1,476 | 355,776 | 347,438 | (8,338) |
| Contractual Services | 21,864 | (300) | 21,564 | - | (21,564) |
| Rental and Leasing | 10,000 | - | 10,000 | 6,100 | (3,900) |
| Fourth District | | | | | |
| Personal Services | 325,997 | 5,823 | 331,820 | 324,385 | (7,435) |
| Contractual Services | 30,725 | (18,450) | 12,275 | 7,617 | (4,658) |
| Supplies and Materials | 7,775 | 8,767 | 16,542 | 12,323 | (4,219) |
| Operations and Maintenance | 3,700 | 3,889 | 7,589 | 1,994 | (5,595) |
| Rental and Leasing | 18,000 | - | 18,000 | 15,000 | (3,000) |
| Human Rights and Ethics | | | | | |
| Personal Services | 760,782 | (7,542) | 753,240 | 624,082 | (129,158) |
| Contractual Services | 28,412 | (855) | 27,557 | 7,248 | (20,309) |
| Supplies and Materials | 2,306 | (70) | 2,236 | 1,633 | (603) |
| Operations and Maintenance | 1,000 | (450) | 550 | - | (550) |
| Rental and Leasing | 2,350 | - | 2,350 | 1,097 | (1,253) |
| Contingency and Special Purposes | 1,045 | - | 1,045 | 515 | (530) |
| Judicial Advisory Council | | | | | |
| Personal Services | 553,003 | (7,034) | 545,969 | 461,109 | (84,860) |
| Contractual Services | 1,887 | 380 | 2,267 | 2,511 | 244 |
| Supplies and Materials | 550 | 1,292 | 1,842 | 1,181 | (661) |
| Rental and Leasing | 656 | - | 656 | 656 | - |
| Judiciary | | | | | |
| Personal Services | 293,242 | (2,859) | 290,383 | 273,234 | (17,149) |
| Contractual Services | 743,938 | (16,756) | 727,182 | 721,468 | (5,714) |
| Supplies and Materials | 396,858 | 14,638 | 411,496 | 395,965 | (15,531) |
| Operations and Maintenance | 5,001,230 | (26) | 5,001,204 | 4,997,391 | (3,813) |
| Rental and Leasing | 5,200 | - | 5,200 | 4,880 | (320) |
| Contingency and Special Purposes | 3,865,000 | - | 3,865,000 | 3,313,541 | (551,459) |

*(continued)*

**COOK COUNTY, ILLINOIS**
**GENERAL FUND**
**SCHEDULE OF REVENUES, EXPENDITURES, AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) - continued**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual | Over (Under) Final Budget |
|---|---|---|---|---|---|
| Juvenile Probation | | | | | |
| Personal Services | $ 28,835,441 | $ (349,755) | $ 28,485,686 | $ 29,824,669 | $ 1,338,983 |
| Contractual Services | 5,930,490 | (99,373) | 5,831,117 | 5,680,690 | (150,427) |
| Supplies and Materials | 108,500 | 15,086 | 123,586 | 100,854 | (22,732) |
| Operations and Maintenance | 631,700 | (39,733) | 591,967 | 428,426 | (163,541) |
| Rental and Leasing | 47,664 | - | 47,664 | 47,664 | - |
| Contingency and Special Purposes | (2,054,000) | - | (2,054,000) | (443,922) | 1,610,078 |
| Juvenile Temporary Detent.Cntr | | | | | |
| Personal Services | 43,655,125 | (442,644) | 43,212,481 | 44,917,123 | 1,704,642 |
| Contractual Services | 7,235,115 | (10,181) | 7,224,934 | 7,432,101 | 207,167 |
| Supplies and Materials | 2,958,100 | (50,322) | 2,907,778 | 2,682,720 | (225,058) |
| Operations and Maintenance | 181,000 | (9,900) | 171,100 | 139,481 | (31,619) |
| Rental and Leasing | 39,259 | - | 39,259 | 39,259 | - |
| Contingency and Special Purposes | (799,460) | - | (799,460) | (673,665) | 125,795 |
| Medical Examiner | | | | | |
| Personal Services | 8,462,772 | (86,541) | 8,376,231 | 8,175,813 | (200,418) |
| Contractual Services | 1,310,068 | (18,706) | 1,291,362 | 1,141,847 | (149,515) |
| Supplies and Materials | 432,750 | (4,207) | 428,543 | 408,738 | (19,805) |
| Operations and Maintenance | 251,121 | (6,080) | 245,041 | 220,018 | (25,023) |
| Rental and Leasing | 20,826 | - | 20,826 | 17,840 | (2,986) |
| Ninth District | | | | | |
| Personal Services | 320,510 | 6,041 | 326,551 | 351,490 | 24,939 |
| Contractual Services | 42,100 | 6,700 | 48,800 | 30,044 | (18,756) |
| Supplies and Materials | 10,500 | (10,462) | 38 | - | (38) |
| Rental and Leasing | 13,000 | (1,020) | 11,980 | 10,368 | (1,612) |
| Off of the Chief Fncl Officer | | | | | |
| Personal Services | 999,575 | (1,914) | 997,661 | 997,658 | (3) |
| Contractual Services | 3,780 | (145) | 3,635 | 3,634 | (1) |
| Supplies and Materials | 8,270 | (3,853) | 4,417 | 4,414 | (3) |
| Rental and Leasing | 700 | - | 700 | 700 | - |
| Contingency and Special Purposes | (10,000) | - | (10,000) | (10,000) | - |
| Office of Asset Management | | | | | |
| Personal Services | 2,031,203 | (8,440) | 2,022,763 | 1,829,625 | (193,138) |
| Contractual Services | 27,459 | 1,720 | 29,179 | 24,993 | (4,186) |
| Supplies and Materials | 10,840 | (562) | 10,278 | 6,273 | (4,005) |
| Operations and Maintenance | 150,000 | (12,379) | 137,621 | 9,656 | (127,965) |
| Rental and Leasing | 5,500 | - | 5,500 | 5,500 | - |
| Contingency and Special Purposes | (80,781) | - | (80,781) | - | 80,781 |
| Office of Chief Admin. Officer | | | | | |
| Personal Services | 2,337,934 | (18,306) | 2,319,628 | 2,296,592 | (23,036) |
| Contractual Services | 65,567 | (4,385) | 61,182 | 62,046 | 864 |
| Supplies and Materials | 7,048 | 3,119 | 10,167 | (187,027) | (197,194) |
| Operations and Maintenance | 76,720 | (6,955) | 69,765 | 36,098 | (33,667) |
| Rental and Leasing | 88,306 | - | 88,306 | 80,596 | (7,710) |
| Contingency and Special Purposes | (235,150) | - | (235,150) | - | 235,150 |
| Office of Economic Development | | | | | |
| Personal Services | 310,918 | 21,436 | 332,354 | 366,850 | 34,496 |
| Contractual Services | 92,300 | (29,133) | 63,167 | 63,167 | - |
| Supplies and Materials | 3,620 | (289) | 3,331 | 3,331 | - |
| Office of Inspector General | | | | | |
| Personal Services | 1,768,387 | (15,922) | 1,752,465 | 1,593,214 | (159,251) |
| Contractual Services | 72,525 | (73) | 72,452 | 2,683 | (69,769) |
| Supplies and Materials | 11,865 | (461) | 11,404 | 5,686 | (5,718) |
| Operations and Maintenance | 27,700 | (386) | 27,314 | 15,052 | (12,262) |
| Rental and Leasing | 12,820 | - | 12,820 | 9,193 | (3,627) |
| Contingency and Special Purposes | (50,000) | - | (50,000) | (29,394) | 20,606 |
| Office of Prof Review Prof In | | | | | |
| Personal Services | 4,313,396 | (309,561) | 4,003,835 | 4,003,834 | (1) |
| Contractual Services | 116,450 | (20,327) | 96,123 | 96,123 | - |
| Supplies and Materials | 10,000 | (4,861) | 5,139 | 5,138 | (1) |

*(continued)*

**COOK COUNTY, ILLINOIS**
**GENERAL FUND**
**SCHEDULE OF REVENUES, EXPENDITURES, AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) - continued**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual | Over (Under) Final Budget |
|---|---|---|---|---|---|
| Office of the Chief Judge | | | | | |
| Personal Services | $ 28,833,040 | $ (295,701) | $ 28,537,339 | $ 29,198,956 | $ 661,617 |
| Contractual Services | 8,601,233 | (266,369) | 8,334,864 | 8,850,939 | 516,075 |
| Supplies and Materials | 339,445 | 7,278 | 346,723 | 302,498 | (44,225) |
| Operations and Maintenance | 18,800 | (210) | 18,590 | 13,715 | (4,875) |
| Rental and Leasing | 228,217 | (23) | 228,194 | 188,457 | (39,737) |
| Contingency and Special Purposes | (631,400) | - | (631,400) | (1,026,851) | (395,451) |
| Office of the County Comm. | | | | | |
| Personal Services | 807,142 | (16,544) | 790,598 | 781,814 | (8,784) |
| Contractual Services | 172,300 | 4,620 | 176,920 | 182,370 | 5,450 |
| Supplies and Materials | 160,499 | (3,011) | 157,488 | 105,579 | (51,909) |
| Rental and Leasing | 15,650 | - | 15,650 | 15,650 | - |
| Contingency and Special Purposes | (247,269) | - | (247,269) | (247,269) | - |
| Office of the President | | | | | |
| Personal Services | 1,806,110 | 13,255 | 1,819,365 | 1,818,080 | (1,285) |
| Contractual Services | 27,206 | (2,374) | 24,832 | 21,259 | (3,573) |
| Supplies and Materials | 4,418 | 878 | 5,296 | 4,467 | (829) |
| Operations and Maintenance | 2,080 | (55) | 2,025 | - | (2,025) |
| Rental and Leasing | 12,567 | - | 12,567 | 12,567 | - |
| Contingency and Special Purposes | (89,725) | - | (89,725) | (90,000) | (275) |
| Office of the Sheriff | | | | | |
| Personal Services | 3,444,700 | (140,335) | 3,304,365 | 3,304,363 | (2) |
| Contractual Services | 160,467 | 13,184 | 173,651 | 176,602 | 2,951 |
| Supplies and Materials | 644,505 | (83,351) | 561,154 | 551,211 | (9,943) |
| Rental and Leasing | 107,482 | - | 107,482 | 107,482 | - |
| Planning & Development | | | | | |
| Personal Services | 1,223,122 | (11,186) | 1,211,936 | 1,185,446 | (26,490) |
| Contractual Services | 236,590 | 552 | 237,142 | 114,267 | (122,875) |
| Supplies and Materials | 3,400 | 8 | 3,408 | 3,032 | (376) |
| Operations and Maintenance | 50 | (4) | 46 | 24 | (22) |
| Rental and Leasing | 7,408 | - | 7,408 | 6,508 | (900) |
| Contingency and Special Purposes | (340,500) | (800) | (341,300) | (346,731) | (5,431) |
| Police Department | | | | | |
| Personal Services | 53,659,163 | (341,568) | 53,317,595 | 53,455,087 | 137,492 |
| Contractual Services | 432,475 | (23,556) | 408,919 | 444,802 | 35,883 |
| Supplies and Materials | 243,179 | (15,504) | 227,675 | 227,670 | (5) |
| Operations and Maintenance | 425,228 | (46,614) | 378,614 | 382,098 | 3,484 |
| Rental and Leasing | 29,712 | - | 29,712 | 29,712 | - |
| Contingency and Special Purposes | (1,022,189) | (15,685) | (1,037,874) | (597,908) | 439,966 |
| Public Administrator | | | | | |
| Personal Services | 926,966 | 22,382 | 949,348 | 821,196 | (128,152) |
| Contractual Services | 106,705 | (281) | 106,424 | 99,990 | (6,434) |
| Supplies and Materials | 12,792 | (324) | 12,468 | 4,045 | (8,423) |
| Operations and Maintenance | 23,297 | - | 23,297 | 16,796 | (6,501) |
| Rental and Leasing | 39,725 | - | 39,725 | 29,352 | (10,373) |
| Public Defender | | | | | |
| Personal Services | 58,855,962 | (632,117) | 58,223,845 | 58,036,352 | (187,493) |
| Contractual Services | 1,883,500 | (242,454) | 1,641,046 | 1,852,633 | 211,587 |
| Supplies and Materials | 317,427 | 16,212 | 333,639 | 341,984 | 8,345 |
| Operations and Maintenance | 61,300 | 15,555 | 76,855 | 68,699 | (8,156) |
| Rental and Leasing | 178,252 | (34,689) | 143,563 | 100,908 | (42,655) |
| Contingency and Special Purposes | (236,000) | 7,683 | (228,317) | (228,318) | (1) |
| Public Guardian | | | | | |
| Personal Services | 17,444,284 | (135,559) | 17,308,725 | 17,361,780 | 53,055 |
| Contractual Services | 245,690 | (25,312) | 220,378 | 216,238 | (4,140) |
| Supplies and Materials | 108,776 | (11,530) | 97,246 | 96,624 | (622) |
| Operations and Maintenance | 124,010 | (7,588) | 116,422 | 115,564 | (858) |
| Rental and Leasing | 104,549 | (7,522) | 97,027 | 96,057 | (970) |
| Contingency and Special Purposes | (250,000) | - | (250,000) | (250,000) | - |

*(continued)*

**COOK COUNTY, ILLINOIS**
**GENERAL FUND**
**SCHEDULE OF REVENUES, EXPENDITURES, AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) - continued**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual | Over (Under) Final Budget |
|---|---|---|---|---|---|
| Recorder of Deeds | | | | | |
| Personal Services | $ 5,305,774 | $ 112,000 | $ 5,417,774 | $ 5,201,235 | $ (216,539) |
| Contractual Services | 390,090 | (17,941) | 372,149 | 323,645 | (48,504) |
| Supplies and Materials | 47,004 | (13) | 46,991 | 44,836 | (2,155) |
| Operations and Maintenance | 84,000 | (2,075) | 81,925 | 38,516 | (43,409) |
| Rental and Leasing | 62,055 | - | 62,055 | 18,696 | (43,359) |
| Contingency and Special Purposes | (404,749) | - | (404,749) | (291,867) | 112,882 |
| Revenue | | | | | |
| Personal Services | 4,238,089 | (43,680) | 4,194,409 | 3,793,494 | (400,915) |
| Contractual Services | 1,047,090 | (99,135) | 947,955 | 783,025 | (164,930) |
| Supplies and Materials | 88,425 | 53,399 | 141,824 | 78,395 | (63,429) |
| Operations and Maintenance | 68,000 | (10,513) | 57,487 | 40,939 | (16,548) |
| Rental and Leasing | 17,652 | - | 17,652 | 16,640 | (1,012) |
| Risk Management | | | | | |
| Personal Services | 1,727,847 | (12,743) | 1,715,104 | 1,680,816 | (34,288) |
| Capital Equipment and Improvements | - | 5,405 | 5,405 | 5,404 | (1) |
| Contractual Services | 18,853 | (1,855) | 16,998 | 16,366 | (632) |
| Supplies and Materials | 11,135 | (3,928) | 7,207 | 4,705 | (2,502) |
| Operations and Maintenance | 5,168 | (1,000) | 4,168 | 2,867 | (1,301) |
| Rental and Leasing | 5,678 | (1,405) | 4,273 | 3,189 | (1,084) |
| Contingency and Special Purposes | (54,907) | - | (54,907) | (46,402) | 8,505 |
| Second District | | | | | |
| Personal Services | 315,934 | 1,245 | 317,179 | 311,427 | (5,752) |
| Contractual Services | 24,000 | (720) | 23,280 | 20,797 | (2,483) |
| Supplies and Materials | 17,700 | (1,784) | 15,916 | 9,040 | (6,876) |
| Operations and Maintenance | 8,450 | (254) | 8,196 | 6,298 | (1,898) |
| Rental and Leasing | 18,060 | - | 18,060 | 18,060 | - |
| Contingency and Special Purposes | 1,700 | 1,262 | 2,962 | 1,891 | (1,071) |
| Seventeenth District | | | | | |
| Personal Services | 322,494 | 1,613 | 324,107 | 324,856 | 749 |
| Contractual Services | 24,564 | 7,330 | 31,894 | 28,085 | (3,809) |
| Supplies and Materials | - | 1,300 | 1,300 | 3,956 | 2,656 |
| Operations and Maintenance | 5,500 | (3,190) | 2,310 | 1,462 | (848) |
| Rental and Leasing | 25,010 | (3,794) | 21,216 | 19,456 | (1,760) |
| Contingency and Special Purposes | 8,500 | (2,800) | 5,700 | 3,492 | (2,208) |
| Seventh District | | | | | |
| Personal Services | 317,452 | 2,353 | 319,805 | 302,664 | (17,141) |
| Contractual Services | 36,600 | - | 36,600 | 46,993 | 10,393 |
| Supplies and Materials | 13,400 | (2,369) | 11,031 | 1,974 | (9,057) |
| Operations and Maintenance | 3,000 | (90) | 2,910 | 2,771 | (139) |
| Rental and Leasing | 15,600 | - | 15,600 | 15,600 | - |
| Sheriff's Administration | | | | | |
| Personal Services | 11,543,513 | (546,567) | 10,996,946 | 10,996,943 | (3) |
| Contractual Services | 507,500 | (248,044) | 259,456 | 259,456 | - |
| Supplies and Materials | 87,022 | (15,601) | 71,421 | 71,420 | (1) |
| Operations and Maintenance | 408,404 | (170,168) | 238,236 | 238,235 | (1) |
| Rental and Leasing | 11,429 | 1 | 11,430 | 11,429 | (1) |
| Sheriff's Information Technology | | - | | | |
| Personal Services | 3,470,048 | (695,929) | 2,774,119 | 2,774,116 | (3) |
| Contractual Services | 2,500 | (2,220) | 280 | 280 | - |
| Supplies and Materials | 83,000 | (23,456) | 59,544 | 59,543 | (1) |
| Operations and Maintenance | 2,852,878 | (793,169) | 2,059,709 | 2,064,702 | 4,993 |
| Contingency and Special Purposes | (56,436) | - | (56,436) | (56,436) | - |
| Sheriff's Merit Board | | | | | |
| Personal Services | 1,465,382 | 19,498 | 1,484,880 | 1,484,878 | (2) |
| Contractual Services | 278,470 | (99,420) | 179,050 | 179,048 | (2) |
| Supplies and Materials | 25,000 | (3,520) | 21,480 | 21,479 | (1) |
| Operations and Maintenance | 1,000 | (964) | 36 | 36 | - |
| Rental and Leasing | 2,999 | (1,500) | 1,499 | 1,499 | - |

*(continued)*

**COOK COUNTY, ILLINOIS**
**GENERAL FUND**
**SCHEDULE OF REVENUES, EXPENDITURES, AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) - continued**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual | Over (Under) Final Budget |
|---|---|---|---|---|---|
| Sixteenth District | | | | | |
| Personal Services | $ 354,864 | $ 1,311 | $ 356,175 | $ 322,842 | $ (33,333) |
| Contractual Services | 12,691 | - | 12,691 | - | (12,691) |
| Operations and Maintenance | 3,055 | (162) | 2,893 | 832 | (2,061) |
| Rental and Leasing | 15,754 | 70 | 15,824 | 15,821 | (3) |
| Sixth District | | | | | |
| Personal Services | 355,655 | 1,734 | 357,389 | 355,585 | (1,804) |
| Operations and Maintenance | 4,320 | (130) | 4,190 | 4,320 | 130 |
| Rental and Leasing | 12,000 | - | 12,000 | 13,100 | 1,100 |
| Contingency and Special Purposes | 14,400 | - | 14,400 | - | (14,400) |
| Social Casework Services | | | | | |
| Personal Services | 13,187,941 | (167,526) | 13,020,415 | 13,204,975 | 184,560 |
| Contractual Services | 2,810 | 220 | 3,030 | 1,837 | (1,193) |
| Supplies and Materials | 6,750 | (518) | 6,232 | 4,990 | (1,242) |
| Rental and Leasing | 20,976 | - | 20,976 | 20,976 | - |
| Contingency and Special Purposes | (2,841,000) | - | (2,841,000) | (2,823,468) | 17,532 |
| State's Attorney | | | | | |
| Personal Services | 92,685,771 | (879,679) | 91,806,092 | 93,201,666 | 1,395,574 |
| Contractual Services | 3,235,622 | 69,765 | 3,305,387 | 3,875,230 | 569,843 |
| Supplies and Materials | 830,394 | (15,056) | 815,338 | 821,345 | 6,007 |
| Operations and Maintenance | 1,162,000 | (257,405) | 904,595 | 823,497 | (81,098) |
| Rental and Leasing | 338,772 | (374) | 338,398 | 338,375 | (23) |
| Contingency and Special Purposes | 980,000 | (1,665) | 978,335 | 1,256,575 | 278,240 |
| Supportive Services | | | | | |
| Personal Services | 717,997 | (12,552) | 705,445 | 670,188 | (35,257) |
| Contractual Services | 6,500 | (208) | 6,292 | 5,946 | (346) |
| Supplies and Materials | 2,300 | 4,072 | 6,372 | 2,270 | (4,102) |
| Operations and Maintenance | 8,000 | (150) | 7,850 | 5,316 | (2,534) |
| Rental and Leasing | 1,594 | - | 1,594 | 1,049 | (545) |
| Technology Policy and Planning | | | | | |
| Personal Services | 11,394,014 | (57,901) | 11,336,113 | 10,907,755 | (428,358) |
| Contractual Services | 269,333 | 6,677 | 276,010 | 253,498 | (22,512) |
| Supplies and Materials | 169,750 | (18,636) | 151,114 | 113,065 | (38,049) |
| Operations and Maintenance | 1,315,578 | (9,189) | 1,306,389 | 799,805 | (506,584) |
| Rental and Leasing | 11,050 | - | 11,050 | 6,386 | (4,664) |
| Contingency and Special Purposes | (178,288) | - | (178,288) | (135,000) | 43,288 |
| Tenth District | | | | | |
| Personal Services | 355,075 | 983 | 356,058 | 326,301 | (29,757) |
| Contractual Services | 5,000 | - | 5,000 | 3,375 | (1,625) |
| Supplies and Materials | 1,000 | - | 1,000 | - | (1,000) |
| Rental and Leasing | 4,000 | - | 4,000 | 4,500 | 500 |
| Third District | | | | | |
| Personal Services | 328,511 | 1,535 | 330,046 | 313,642 | (16,404) |
| Contractual Services | 53,239 | (540) | 52,699 | - | (52,699) |
| Supplies and Materials | 1,500 | - | 1,500 | - | (1,500) |
| Contingency and Special Purposes | 2,800 | - | 2,800 | - | (2,800) |
| Thirteenth District | | | | | |
| Personal Services | 336,095 | 1,783 | 337,878 | 325,853 | (12,025) |
| Contractual Services | 29,120 | - | 29,120 | 6,619 | (22,501) |
| Operations and Maintenance | 3,908 | (117) | 3,791 | 3,027 | (764) |
| Rental and Leasing | 16,972 | - | 16,972 | 15,078 | (1,894) |
| Twelfth District | | | | | |
| Personal Services | 342,887 | 6,201 | 349,088 | 281,769 | (67,319) |
| Contractual Services | 12,500 | (677) | 11,823 | 7,851 | (3,972) |
| Supplies and Materials | - | 500 | 500 | 379 | (121) |
| Operations and Maintenance | 6,000 | (180) | 5,820 | 1,704 | (4,116) |
| Rental and Leasing | 24,900 | (5,180) | 19,720 | 5,868 | (13,852) |

*(continued)*

**COOK COUNTY, ILLINOIS**
**GENERAL FUND**
**SCHEDULE OF REVENUES, EXPENDITURES, AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS) - concluded**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual | Over (Under) Final Budget |
|---|---|---|---|---|---|
| Veterans Assistance Commission | | | | | |
| Personal Services | $ 2,000 | $ - | $ 2,000 | $ 2,000 | $ - |
| Contractual Services | 396,663 | - | 396,663 | 396,663 | - |
| Supplies and Materials | 795 | - | 795 | 795 | - |
| Rental and Leasing | 542 | - | 542 | 542 | - |
| Zoning Board of Appeals | | | | | |
| Personal Services | 440,605 | 1,601 | 442,206 | 418,524 | (23,682) |
| Contractual Services | 8,250 | (761) | 7,489 | 7,270 | (219) |
| Supplies and Materials | 2,600 | 3,022 | 5,622 | 5,535 | (87) |
| Operations and Maintenance | 200 | (200) | - | - | - |
| Rental and Leasing | 3,271 | 101 | 3,372 | 3,182 | (190) |
| Contingency and Special Purposes | (30,205) | - | (30,205) | (30,205) | - |
| Total expenditures | 1,432,213,052 | - | 1,432,213,052 | 1,442,768,029 | 10,554,977 |
| Revenues over (under) expenditures and encumbrances | (79,242,690) | - | (79,242,690) | (100,175,561) | (20,932,871) |
| **OTHER FINANCING SOURCES:** | | | | | |
| Transfers in | 79,242,690 | - | 79,242,690 | 74,764,234 | (4,478,456) |
| Total other financing sources | 79,242,690 | - | 79,242,690 | 74,764,234 | (4,478,456) |
| Revenues over (under) expenditures and encumbrances and other financing sources | $ - | $ - | $ - | $ (25,411,327) | $ (25,411,327) |

**COOK COUNTY, ILLINOIS**
**MOTOR FUEL TAX FUND**
**SCHEDULE OF REVENUES, EXPENDITURES, AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Nonproperty tax | $ 69,060,661 | $ - | $ 69,060,661 | $ 69,540,503 | $ 479,842 |
| Intergovernmental grants and reimbursements - | | | | | |
| State of Illinois | 25,239,339 | - | 25,239,339 | 2,031,753 | (23,207,586) |
| Other governments | - | - | - | 2,332,778 | 2,332,778 |
| Investment income | - | - | - | 127,773 | 127,773 |
| Miscellaneous | 10,000,000 | - | 10,000,000 | 137,524 | (9,862,476) |
| Fund balance | 30,000,000 | - | 30,000,000 | 24,112,930 | (5,887,070) |
| Total revenues | 134,300,000 | - | 134,300,000 | 98,283,261 | (36,016,739) |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Capital Outlay | 63,600,000 | | 63,600,000 | 27,583,261 | (36,016,739) |
| Total expenditures and encumbrances | 63,600,000 | - | 63,600,000 | 27,583,261 | (36,016,739) |
| Revenues over expenditures and encumbrances | 70,700,000 | - | 70,700,000 | 70,700,000 | - |
| **OTHER FINANCING (USES):** | | | | | |
| Transfers out | (70,700,000) | - | (70,700,000) | (70,700,000) | - |
| Total other financing uses | (70,700,000) | - | (70,700,000) | (70,700,000) | - |
| Revenues over expenditures and encumbrances and other financing uses | $ - | $ - | $ - | $ - | $ - |

**COOK COUNTY, ILLINOIS**
**ANNUITY AND BENEFIT FUND**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Property tax | $ 134,086,467 | $ - | $ 134,086,467 | $ 129,163,706 | $ (4,922,761) |
| Personal property replacement tax & TIF | 58,700,000 | - | 58,700,000 | 58,700,000 | - |
| Investment Income | - | - | - | 2,318 | 2,318 |
| Total revenues | 192,786,467 | - | 192,786,467 | 187,866,024 | (4,920,443) |
| **EXPENDITURES - Pension Contributions** | | | | | |
| Personal Services | 192,786,467 | - | 192,786,467 | 187,866,024 | (4,920,443) |
| Total expenditures and encumbrances | 192,786,467 | - | 192,786,467 | 187,866,024 | (4,920,443) |
| Revenues over (under) expenditures | $ - | $ - | $ - | $ - | $ - |

**COOK COUNTY, ILLINOIS**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**November 30, 2015**

## I. Budgetary Basis of Accounting

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

- Property tax levies are recognized as revenue in the budgetary statements in the year they are earned (levied). The operating statements prepared under GAAP recognize property tax levies as revenue when they are earned and available (collected during the period or within 60 days after year-end).

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

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

- Revenue other than property taxes is recognized when received in the monthly budgetary statements (cash basis), while the GAAP operating statements recognize these items when measurable and available for financing current obligations (modified accrual).

The following schedule provides a reconciliation of the change in fund balance on the budgetary basis to the change in fund balance on a GAAP basis for the General Fund and major special revenue funds:

| | General Fund | Motor Fuel Tax Fund | Annuity & Benefit Fund |
|---|---|---|---|
| Change in fund balances - GAAP basis from Exhibit 5 | $ 36,819,745 | $ (28,836,294) | $ - |
| Effect of deferring 2014 property tax levy | (109,289,531) | - | (5,966,054) |
| Effect of accruing certain revenue | 7,103,428 | 24,105,243 | 2,222,572 |
| Effect of not including encumbrances as expenditures | 22,823,912 | 4,679,328 | 3,743,482 |
| Effect of excluding unbudgeted transfers | 17,131,119 | 51,723 | - |
| Revenues and other financing sources over expenditures and encumbrances and other financing uses - budgetary basis from Budget and Actuals respectively | $ (25,411,327) | $ - | $ - |

**Excess of expenditures over appropriations**

For the year ended November 30, 2015, expenditures exceeded appropriations (non GAAP budget basis) for the General Fund.

| Fund/Department/Object Classification | | Over-Expenditure |
|---|---|---|
| **General** | | |
| | Adult Probation Dept. | |
| | Personal Services | $ 2,039,497 |
| | Contingency and Special Purposes | 3,246 |
| | Board of Review | |
| | Personal Services | 132,788.87 |
| | Supplies and Materials | 4,175 |
| | Clerk of Crct Crt Off.of Clerk | |
| | Operations and Maintenance | 3,292 |
| | Contingency and Special Purposes | 878,054 |
| | Contract Compliance | |
| | Contingency and Special Purposes | 3,330 |
| | County Assessor | |
| | Contingency and Special Purposes | 155,249 |
| | County Clerk | |
| | Contingency and Special Purposes | 16,890 |
| | County Highway Department | |
| | Personal Services | 155,272 |
| | Contingency and Special Purposes | 181,648 |
| | Department of Environmental Control | |
| | Contingency and Special Purposes | 171,610 |
| | Department of Corrections | |
| | Personal Services | 385,841 |
| | Contractual Services | 209,432 |
| | Supplies and Materials | 5,285 |
| | Contingency and Special Purposes | 480,000 |
| | Department of Human Resources | |
| | Contingency and Special Purposes | 56,298 |
| | Dept. of Facilities/Mgmt | |
| | Personal Services | 266,954 |
| | Contingency and Special Purposes | 124,968 |

## COOK COUNTY, ILLINOIS

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (continued)

## November 30, 2015

| | Fund/Department/Object Classification | Over-Expenditure |
|---|---|---|
| **General** | | |
| | Emergency Management Agency | |
| | Capital Equipment and Improvements | $ 2,934 |
| | Contractual Services | 13,996 |
| | Contingency and Special Purposes | 797,175 |
| | Fifth District | |
| | Rental and Leasing | 906 |
| | Fixed Chrgs & Specl Purp Appr | |
| | Personal Services | 22,015,920 |
| | Operations and Maintenance | 264,639 |
| **General** | Rental and Leasing | 16,296 |
| | Judicial Advisory Council | |
| | Contractual Services | 244 |
| | Juvenile Probation | |
| | Personal Services | 1,338,983 |
| | Contingency and Special Purposes | 1,610,078 |
| | Juvenile Temporary Detent.Cntr | |
| | Personal Services | 1,704,642 |
| | Contractual Services | 207,167 |
| | Contingency and Special Purposes | 125,795 |
| | Ninth District | |
| | Personal Services | 24,939 |
| | Office of Asset Management | |
| | Contingency and Special Purposes | 80,781 |
| | Office of Chief Admin. Officer | |
| | Contractual Services | 864 |
| | Contingency and Special Purposes | 235,150 |
| | Office of Economic Development | |
| | Personal Services | 34,496 |
| | Office of Inspector General | |
| | Contingency and Special Purposes | 20,606 |
| | Office of the Chief Judge | |
| | Personal Services | 661,617 |
| | Contractual Services | 516,075 |
| | Office of the County Comm. | |
| | Contractual Services | 5,450 |

## COOK COUNTY, ILLINOIS

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (continued)

## November 30, 2015

| Fund/Department/Object Classification | Over-Expenditure |
|---|---|
| **General** | |
| Office of the Sheriff | |
| Contractual Services | $ 2,951 |
| Police Department | |
| Personal Services | 137,492 |
| Contractual Services | 35,883 |
| Operations and Maintenance | 3,484 |
| Contingency and Special Purposes | 439,966 |
| Public Defender | - |
| Contractual Services | 211,587 |
| Supplies and Materials | 8,345 |
| Public Guardian | |
| Personal Services | 53,055 |
| Recorder of Deeds | |
| Contingency and Special Purposes | 112,883 |
| Risk Management | |
| Contingency and Special Purposes | 8,505 |
| Seventeenth District | |
| Personal Services | 749 |
| Supplies and Materials | 2,656 |
| Seventh District | |
| Contractual Services | 10,393 |
| Sheriff's Information Technology | |
| Operations and Maintenance | 4,993 |
| Sixth District | |
| Operations and Maintenance | 130 |
| Rental and Leasing | 1,100 |
| Social Casework Services | |
| Personal Services | 184,560 |
| Contingency and Special Purposes | 17,532 |
| State's Attorney | |
| Personal Services | 1,395,574 |
| Contractual Services | 569,843 |
| Supplies and Materials | 6,007 |
| Contingency and Special Purposes | 278,240 |
| Technology Policy and Planning | |
| Contingency and Special Purposes | 43,288 |
| Tenth District | |
| Rental and Leasing | 500 |

# GENERAL FUND

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## COOK COUNTY, ILLINOIS

### *MAJOR GOVERNMENTAL FUND*

### *GENERAL FUND*

The General Fund of the County consists of four accounts: the Corporate Account, the Public Safety Account, the Self Insurance Account, and the Chief Judge Juvenile Justice Account. They are the general operating accounts of the County. The accounts are used for all financial resources except those accounted for in another fund.

The Corporate Account includes the expenditures of such departments as the County Assessor, the County Treasurer, the County Clerk, the Recorder of Deeds, and the County Highway Department. Revenues for this account are derived from the property tax levy, non property taxes, interest earned on investments, departmental fees, reimbursements from other governments and other miscellaneous sources.

The Public Safety Account consists of the expenditures of the County's criminal justice system: jails, courts, and related programs. County Departments included are the Corrections, State's Attorney, Public Defender, Adult Probation, Juvenile Division of the Judicial Administration, and the Juvenile Temporary Detention Center. Revenues supporting this account are obtained from the property tax levy, home-rule taxes (County Sales Tax), departmental fees, interest earned on investments, reimbursements from other governments and other miscellaneous sources.

The Self Insurance Account for the County accounts for self-insurance risks. The County funds its self-insurance liabilities on a current basis and has the authority to finance such liabilities through the levy of property taxes.

The Chief Judge Juvenile Justice Account was established to receive supplemental funding for additional juvenile officer positions. This funding was made available through the Juvenile Justice Reform Act. Revenues are received mainly from the Illinois Supreme Court, Administrative Office of the Illinois Courts. The fund was closed at the end of the fiscal year.

**Exhibit A-1**
**COOK COUNTY, ILLINOIS**
**GENERAL FUND**
**COMBINING BALANCE SHEET BY ACCOUNT**
**November 30, 2015**

| | Corporate Account | Public Safety Account | Self Insurance Account |
|---|---|---|---|
| **ASSETS:** | | | |
| Cash and Investments | $ 83,093,758 | $ 15,015,033 | $ - |
| Taxes receivable (net of allowance for loss) - | | | |
| Tax levy - current year | 11,619,797 | 189,690,960 | - |
| Tax levy - prior year | 447,860 | 11,300,834 | - |
| Total taxes receivable | 12,067,657 | 200,991,794 | - |
| Accounts receivable - | | | |
| Due from others | 4,675,767 | 30,714,178 | - |
| Due from other governments | 1,494,466 | 116,717,834 | - |
| Due from other funds | 146,450,203 | (15,033) | - |
| Total accounts receivable | 152,620,436 | 147,416,979 | - |
| Total assets | $ 247,781,851 | $ 363,423,806 | $ - |
| **LIABILITIES AND FUND BALANCE:** | | | |
| Liabilities | | | |
| Accounts payable | $ 17,510,188 | $ 52,796,328 | $ 121,951 |
| Accrued salaries payable | 6,544,080 | 62,095,466 | - |
| Amounts held for outstanding warrants | 1,490,713 | - | - |
| Due to other funds | 14,422 | 120,311,961 | 1,079,967 |
| Total liabilities | 25,559,403 | 235,203,755 | 1,201,918 |
| **DEFERRED INFLOWS of RESOURCES:** | | | |
| Unavailable revenue - property tax | 12,013,550 | 198,686,392 | - |
| Unavailable revenue - other | 57,257 | 39,160,045 | - |
| Total Deferred Inflows | 12,070,807 | 237,846,437 | - |
| Fund balance: | | | |
| Assigned | 5,058,208 | 17,447,308 | 96,836 |
| Unassigned | 205,093,433 | (127,073,694) | (1,298,754) |
| Total fund balance | 210,151,641 | (109,626,386) | (1,201,918) |
| Total liabilities, deferred inflows of resources and fund balance | $ 247,781,851 | $ 363,423,806 | $ - |

| Chief Judge Juvenile Justice | Intra-Activity Eliminations | Total | |
|---|---|---|---|
| | | | **ASSETS:** |
| $ - | $ - | $ 98,108,791 | Cash and Investments |
| | | | Taxes receivable (net of allowance for loss) - |
| - | - | 201,310,757 | Tax levy - current year |
| - | - | 11,748,694 | Tax levy - prior year |
| - | - | 213,059,451 | Total taxes receivable |
| | | | Accounts receivable - |
| - | - | 35,389,945 | Due from others |
| - | - | 118,212,300 | Due from other governments |
| - | (121,391,715) | 25,043,455 | Due from other funds |
| - | (121,391,715) | 178,645,700 | Total accounts receivable |
| $ - | $ (121,391,715) | $ 489,813,942 | Total assets |
| | | | **LIABILITIES AND FUND BALANCE:** |
| | | | Liabilities |
| $ - | $ - | $ 70,428,467 | Accounts payable |
| - | - | 68,639,546 | Accrued salaries payable |
| - | - | 1,490,713 | Amounts held for outstanding warrants |
| - | (121,391,715) | 14,635 | Due to other funds |
| - | (121,391,715) | 140,573,361 | Total liabilities |
| | | | **DEFERRED INFLOWS of RESOURCES:** |
| - | - | 210,699,942 | Unavailable revenue - property tax |
| - | - | 39,217,302 | Unavailable revenue - other |
| - | - | 249,917,244 | Total Deferred Inflows |
| | | | Fund balance: |
| - | - | 22,602,352 | Assigned |
| - | - | 76,720,985 | Unassigned |
| - | - | 99,323,337 | Total fund balance |
| $ - | $ (121,391,715) | $ 489,813,942 | Total liabilities, deferred inflows of resources and fund balance |

**Exhibit A-2**
**COOK COUNTY, ILLINOIS**
**GENERAL FUND**
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BY ACCOUNT**
**For the Year Ended November 30, 2015**

| | Corporate Account | Public Safety Account | Self Insurance Account |
|---|---|---|---|
| **REVENUES:** | | | |
| Taxes - | | | |
| Property | $ 18,263,904 | $ 292,153,013 | $ - |
| Nonproperty | 980,396 | 817,966,397 | - |
| Total taxes | 19,244,300 | 1,110,119,410 | - |
| Fees and Licenses | 153,810,712 | 111,880,282 | - |
| Intergovernmental grants and reimbursements - | | | |
| Federal government | - | 1,350,766 | - |
| State of Illinois | - | 37,825,435 | - |
| Investment income | 257,528 | 3,091 | - |
| Miscellaneous | 8,893,181 | 6,676,777 | - |
| Total revenues | 182,205,721 | 1,267,855,761 | - |
| **EXPENDITURES:** | | | |
| Current - | | | |
| Government management and supporting services | 114,311,248 | 68,698,766 | - |
| Corrections | - | 398,970,812 | - |
| Courts | - | 816,996,223 | - |
| Control of environment | 1,844,662 | - | - |
| Assessment and collection of taxes | 31,841,063 | - | - |
| Election | 7,914,913 | - | - |
| Economic and human development | 566,916 | - | - |
| Transportation | 5,993,030 | - | - |
| Insurance claims | - | - | 78,402 |
| Debt service - | | | |
| Principal | - | 40,000,000 | - |
| Interest and other charges | - | 89,589 | - |
| Amounts incurred in the above accounts for the Enterprise Fund | (14,975,380) | - | - |
| Total expenditures | 147,496,452 | 1,324,755,390 | 78,402 |
| Revenues over (under) expenditures | 34,709,269 | (56,899,629) | (78,402) |
| **OTHER FINANCING SOURCES (USES):** | | | |
| Transfers in | 3,245,856 | 71,518,378 | - |
| Transfers out | (17,120,282) | (9,710,935) | - |
| Total other financing sources (uses) | (13,874,426) | 61,807,443 | - |
| Net change in fund balance | 20,834,843 | 4,907,814 | (78,402) |
| **FUND BALANCE/(DEFICIT) - Beginning** | 189,316,798 | (114,534,200) | (1,123,516) |
| **FUND BALANCE/(DEFICIT) - Ending** | $ 210,151,641 | $ (109,626,386) | $ (1,201,918) |

| Chief Judge Juvenile Justice | Intra-Activity Eliminations | Total | |
|---|---|---|---|
| | | | **REVENUES:** |
| | | | Taxes - |
| $ - | $ - | $ 310,416,917 | Property |
| - | - | 818,946,793 | Nonproperty |
| - | - | 1,129,363,710 | Total taxes |
| - | - | 265,690,994 | Fees and Licenses |
| | | | Intergovernmental grants and reimbursements - |
| - | - | 1,350,766 | Federal government |
| 1,455,392 | - | 39,280,827 | State of Illinois |
| - | - | 260,619 | Investment income |
| - | - | 15,569,958 | Miscellaneous |
| 1,455,392 | - | 1,451,516,874 | Total revenues |
| | | | **EXPENDITURES:** |
| | | | Current - |
| - | (13,719,832) | 169,290,182 | Government management and supporting services |
| - | - | 398,970,812 | Corrections |
| - | - | 816,996,223 | Courts |
| - | - | 1,844,662 | Control of environment |
| - | (1,255,548) | 30,585,515 | Assessment and collection of taxes |
| - | - | 7,914,913 | Election |
| - | - | 566,916 | Economic and human development |
| - | - | 5,993,030 | Transportation |
| - | - | 78,402 | Insurance claims |
| | | | Debt service - |
| - | - | 40,000,000 | Principal |
| - | - | 89,589 | Interest and other charges |
| - | 14,975,380 | - | Amounts incurred in the above accounts for the Enterprise Funds |
| - | - | 1,472,330,244 | Total expenditures |
| 1,455,392 | - | (20,813,370) | Revenues over (under) expenditures |
| | | | **OTHER FINANCING SOURCES (USES):** |
| 9,700,098 | (10,564,193) | 73,900,139 | Transfers in |
| - | 10,564,193 | (16,267,024) | Transfers out |
| 9,700,098 | - | 57,633,115 | Total other financing sources (uses) |
| 11,155,490 | - | 36,819,745 | Net change in fund balance |
| (11,155,490) | - | 62,503,592 | **FUND BALANCE/(DEFICIT) - Beginning** |
| $ - | $ - | $ 99,323,337 | **FUND BALANCE/(DEFICIT) - Ending** |

**Exhibit A-3**
**COOK COUNTY, ILLINOIS**
**GENERAL FUND**
**COMBINING SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES**
**For the Year Ended November 30, 2015**

| | Corporate Account | Public Safety Account | Total |
|---|---|---|---|
| **REVENUES:** | | | |
| Taxes - | $ 18,263,904 | $ 292,153,013 | $ 310,416,917 |
| Property tax - tax levy | | | |
| Nonproperty tax - | | | |
| County sales tax | 471,453 | 347,253,063 | 347,724,516 |
| County use tax | - | 80,786,114 | 80,786,114 |
| Off-Track betting commission | - | 1,870,680 | 1,870,680 |
| Illinois gaming-casino | - | 8,484,885 | 8,484,885 |
| New vehicle tax | - | 3,739,997 | 3,739,997 |
| General sales tax | - | 2,817,205 | 2,817,205 |
| Wheel tax | - | 3,742,441 | 3,742,441 |
| State income tax | - | 13,452,467 | 13,452,467 |
| Alcoholic beverage tax | - | 36,524,088 | 36,524,088 |
| Gasoline tax | 508,943 | 93,121,156 | 93,630,099 |
| Cigarette tax | - | 121,806,662 | 121,806,662 |
| Other tobacco products | - | 6,674,019 | 6,674,019 |
| Non-titled use tax | - | 9,103 | 9,103 |
| Firearms tax | - | 429,806 | 429,806 |
| Gambling machine tax | - | 987,923 | 987,923 |
| Non retailer transaction use tax | - | 17,274,324 | 17,274,324 |
| Amusement tax | - | 31,232,231 | 31,232,231 |
| Parking lot & garage operation tax | - | 47,760,233 | 47,760,233 |
| Total nonproperty tax | 980,396 | 817,966,397 | 818,946,793 |
| Total taxes | 19,244,300 | 1,110,119,410 | 1,129,363,710 |
| Fee and licenses | | | |
| County Treasurer - | | | |
| Penalties on taxes | 90,664,388 | - | 90,664,388 |
| Interest on investments | 12,625 | - | 12,625 |
| County Clerk | 10,120,275 | - | 10,120,275 |
| County Recorder and Registrar | 40,192,390 | - | 40,192,390 |
| Clerk of the Circuit Court - | | | |
| Municipal District 1 | - | 21,460,801 | 21,460,801 |
| Municipal Districts 2 - 6 | - | 21,926,093 | 21,926,093 |
| Law and Juvenile Divisions | - | 10,684,463 | 10,684,463 |
| County Division | - | 3,806,249 | 3,806,249 |
| Chancery and Domestic Relations Division | - | 11,156,650 | 11,156,650 |
| Probate Division | - | 1,821,963 | 1,821,963 |
| Criminal Division | - | 344,434 | 344,434 |
| Accounting Division | - | 4,135,371 | 4,135,371 |
| County Sheriff - | | | |
| General fees | - | 2,877,941 | 2,877,941 |
| Municipal Division | - | 19,065,832 | 19,065,832 |
| State's Attorney | - | 1,688,347 | 1,688,347 |
| Building and Zoning | 4,400,449 | - | 4,400,449 |
| Chief Judge | - | 15,010 | 15,010 |
| Environmental Control | 4,673,961 | - | 4,673,961 |
| County Assessor | 67,747 | - | 67,747 |
| Highway Department Permits | 1,501,258 | - | 1,501,258 |
| Supportive Services | - | 13,913 | 13,913 |
| Public Administrator | - | 750,068 | 750,068 |
| Liquor Licenses | 348,935 | - | 348,935 |
| Public Guardian | - | 2,625,635 | 2,625,635 |
| Medical Examiner | - | 1,276,312 | 1,276,312 |
| Contract Compliance MWBE | 71,750 | - | 71,750 |
| Court Service Fee | - | 8,231,200 | 8,231,200 |
| Assessor Tax Fraud | 1,756,934 | - | 1,756,934 |
| Total fees and licenses | $ 153,810,712 | $ 111,880,282 | $ 265,690,994 |

(continued)

**Exhibit A-3 (continued)**
**COOK COUNTY, ILLINOIS**
**GENERAL FUND**
**COMBINING SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (CONTINUED)**
**For the Year Ended November 30, 2015**

| | Corporate Account | Public Safety Account | Self Insurance Account | Chief Judge Juvenile Justice | Intra-Activity Eliminations | Total |
|---|---|---|---|---|---|---|
| Reimbursements from other governments - | | | | | | |
| Federal government | $ - | $ 1,350,766 | $ - | $ - | $ - | $ 1,350,766 |
| State of Illinois - | | | | | - | |
| Juvenile court staff salaries | - | 9,889,340 | - | 1,455,392 | - | 11,344,732 |
| Pretrial court staff salaries | - | 4,608,150 | - | - | - | 4,608,150 |
| Salaries of State's Attorney | - | 195,792 | - | - | - | 195,792 |
| Social service staff salaries | - | 4,773,150 | - | - | - | 4,773,150 |
| Adult probation staff salaries | - | 8,565,820 | - | - | - | 8,565,820 |
| Salaries of Public Defender | - | 124,666 | - | - | - | 124,666 |
| Indirect costs | - | 9,668,517 | - | - | - | 9,668,517 |
| Total reimbursements from other government | - | 39,176,201 | - | 1,455,392 | - | 40,631,593 |
| Investment income | 257,528 | 3,091 | - | - | | 260,619 |
| Miscellaneous - | | | | | | |
| Cable TV franchise | 1,195,470 | - | - | - | - | 1,195,470 |
| Wage garnishment fee | 176,541 | - | - | - | - | 176,541 |
| Telephone commissions | 211,750 | 3,144,543 | - | - | - | 3,356,293 |
| Real estate and rental income | 5,615,773 | - | - | - | - | 5,615,773 |
| Other | 1,693,647 | 3,532,234 | - | - | - | 5,225,881 |
| Total miscellaneous | 8,893,181 | 6,676,777 | - | - | - | 15,569,958 |
| Total revenues | 182,205,721 | 1,267,855,761 | - | 1,455,392 | - | 1,451,516,874 |
| **OTHER FINANCING SOURCES:** | | | | | | |
| Transfers in - | | | | | | |
| Public Safety | - | - | - | 9,700,098 | (10,564,193) | (864,095) |
| Motor Fuel Tax | - | 64,500,000 | - | - | - | 64,500,000 |
| Debt Service | 864,095 | - | - | - | - | 864,095 |
| Animal Control | 500,606 | - | - | - | - | 500,606 |
| Circuit Court Document Storage | - | 491,975 | - | - | - | 491,975 |
| County Clerk Automation | - | 174,334 | - | - | - | 174,334 |
| Cook County Lead Poisoning | - | 67,811 | - | - | - | 67,811 |
| Clerk of the Circuit Court Administration | - | 44,534 | - | - | - | 44,534 |
| Adult Probation Services Fee | - | 120,688 | - | - | - | 120,688 |
| CC Emergency Telephone System | - | 382,760 | - | - | - | 382,760 |
| Social Services Probation | - | 207,226 | - | - | - | 207,226 |
| Sheriff Youth Offender | - | 14,558 | - | - | - | 14,558 |
| Suburban TB Sanitarium District | - | 663,307 | - | - | - | 663,307 |
| County Law Library | 912,815 | - | - | - | - | 912,815 |
| Circuit Court Automation | - | 645,450 | - | - | - | 645,450 |
| Treasurer Tax Sales Automation | - | 1,003,004 | - | - | - | 1,003,004 |
| Geographical Information Systems | - | 1,170,000 | - | - | - | 1,170,000 |
| State's Attorney Narcotics Forfeiture | - | 721,273 | - | - | - | 721,273 |
| State's Attorney Narcotics Nuisance Abatement | - | 4,950 | - | - | - | 4,950 |
| GIS Fee Fund | - | 627,916 | - | - | - | 627,916 |
| CJ Children's Waiting Room | - | 678,592 | - | - | - | 678,592 |
| County Recorder Document Storage | 968,340 | - | - | - | - | 968,340 |
| Total other financing sources | 3,245,856 | 71,518,378 | - | 9,700,098 | (10,564,193) | 73,900,139 |
| Total revenues and other financing sources | $ 185,451,577 | $ 1,339,374,139 | $ - | $ 11,155,490 | $ (10,564,193) | $ 1,525,417,013 |

# DEBT SERVICE FUND

**COOK COUNTY, ILLINOIS**

***MAJOR GOVERNMENTAL FUND***

***DEBT SERVICE FUND***

The Debt Service Fund comprises of the Bond and Interest Fund of the County. The fund was established to account for all payments of principal and interest due on general long-term debt. Revenue is derived mostly from the property tax levy and interest earned on investments.

**Exhibit B-1**
**COOK COUNTY, ILLINOIS**
**DEBT SERVICE FUND**
**BOND AND INTEREST FUND**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Property taxes | $ 225,000,000 | $ - | $ 225,000,000 | $ 223,516,901 | $ (1,483,099) |
| Intergovernmental grants and reimbursements - | | | | | |
| Federal government | - | - | - | 13,077,440 | 13,077,440 |
| Investment income | - | - | - | 562,177 | 562,177 |
| Total revenues | 225,000,000 | - | 225,000,000 | 237,156,518 | 12,156,518 |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Principal and Interest levied, not due - | | | | | |
| Principal | 107,260,000 | - | 107,260,000 | 107,260,000 | - |
| Interest and issuance costs | 165,739,730 | - | 165,739,730 | 165,739,730 | - |
| Total expenditures and encumbrances | 272,999,730 | - | 272,999,730 | 272,999,730 | - |
| Revenues over (under) expenditures and encumbrances | (47,999,730) | - | (47,999,730) | (35,843,212) | 12,156,518 |
| **OTHER FINANCING SOURCES:** | | | | | |
| Transfers in | 6,200,000 | - | 6,200,000 | 7,532,528 | 1,332,528 |
| Proceeds from debt issuance | 41,799,730 | | 41,799,730 | 28,310,684 | (13,489,046) |
| Total other financing sources | 47,999,730 | - | 47,999,730 | 35,843,212 | (12,156,518) |
| Revenues over (under) expenditures and encumbrances and other financing sources | $ - | $ - | $ - | $ - | $ - |

# CAPITAL PROJECTS FUNDS

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**COOK COUNTY, ILLINOIS**

***MAJOR GOVERNMENTAL FUND***

***CAPITAL PROJECTS FUND***

The Combined Capital Projects Fund includes the following accounts: Government Management and Supporting Services, Protection of Health and Corrections and Courts.

The Government Management and Supporting Service Accounts were established to account for the acquisition or construction of major facilities for budgeted capital projects approved by the Board of Commissioners. Revenues are derived from interest earned on investments and miscellaneous sources. General obligation bond proceeds were used to finance many of the projects.

The Protection of Health Accounts were established to account for the monies to be used in various hospital construction projects. Revenues are derived from interest earned on investments. The proceeds of the general obligation bonds were used to finance most of the projects.

The Corrections Accounts were established to account for the monies to use in operating the County jail system. Revenues are derived from interest earned on investments. The proceeds of the general obligation bonds were used to finance most of the projects.

The Courts Accounts were established to account for the monies to be used in various County court system projects. Revenues are derived from interest earned on investments. Proceeds from general obligation bonds were used to support the project.

**Exhibit C-1**
**COOK COUNTY, ILLINOIS**
**CAPITAL PROJECTS FUND**
**COMBINING BALANCE SHEET BY ACCOUNT**
**For the Year Ended November 30, 2015**

| | Government Management and Supporting Services Account | Protection of Health Account | Corrections Account |
|---|---|---|---|
| **ASSETS:** | | | |
| Cash and investments | $ 29,701,446 | $ 575,355 | $ 1,550,645 |
| Cash and investments with trustees | 84,687,365 | 247,350 | 100,290 |
| Due from other funds | 8,485,081 | 132,492,810 | 15,301,612 |
| Total assets | $ 122,873,892 | $ 133,315,515 | $ 16,952,547 |
| **LIABILITIES AND FUND BALANCE:** | | | |
| Liabilities: | | | |
| Accounts payable | $ 19,693,666 | $ 51,906 | $ 77,870 |
| Retainage payable | 1,717,210 | - | - |
| Due to other funds | 202,279,503 | - | - |
| Total liabilities | 223,690,379 | 51,906 | 77,870 |
| Fund balance: | | | |
| Restricted | (100,816,487) | 133,263,609 | 16,874,677 |
| Total fund balance | (100,816,487) | 133,263,609 | 16,874,677 |
| Total liabilities and fund balance | $ 122,873,892 | $ 133,315,515 | $ 16,952,547 |

| Courts Account | Intra-activity Eliminations | Total | |
|---|---|---|---|
| | | | **ASSETS:** |
| $ 948,295 | $ - | $ 32,775,741 | Cash and investments |
| - | - | 85,035,005 | Cash and investments with trustees |
| 21,000,000 | (177,279,503) | - | Due from other funds |
| $ 21,948,295 | $ (177,279,503) | $ 117,810,746 | Total assets |
| | | | **LIABILITIES AND FUND BALANCE:** |
| | | | Liabilities: |
| $ - | $ - | $ 19,823,442 | Accounts payable |
| - | - | 1,717,210 | Retainage payable |
| - | (177,279,503) | 25,000,000 | Due to other funds |
| - | (177,279,503) | 46,540,652 | Total liabilities |
| | | | Fund balance: |
| 21,948,295 | - | 71,270,094 | Restricted |
| 21,948,295 | - | 71,270,094 | Total fund balance |
| $ 21,948,295 | $ (177,279,503) | $ 117,810,746 | Total liabilities and fund balance |

**Exhibit C-2**
**COOK COUNTY, ILLINOIS**
**CAPITAL PROJECTS FUND**
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES**
**AND CHANGES IN FUND BALANCE BY ACCOUNT**
**For the Year Ended November 30, 2015**

| | Government Management and Supporting Services Account | Protection of Health Account | Corrections Account |
|---|---|---|---|
| **REVENUES:** | | | |
| Investment income (loss) | $ 703,793 | $ (12,211) | $ 65 |
| Total revenues | 703,793 | (12,211) | 65 |
| **EXPENDITURES:** | | | |
| Capital outlay | 110,490,626 | (78,505) | 1,000 |
| Debt service - bond issuance cost | 57,893 | - | - |
| Total expenditures | 110,548,519 | (78,505) | 1,000 |
| Revenues over (under) expenditures | (109,844,726) | 66,294 | (935) |
| **OTHER FINANCING SOURCES (USES):** | | | |
| Transfers in | 416,991 | - | - |
| Transfers out | (416,991) | - | - |
| Note issuance | 6,524,329 | - | - |
| Total other financing sources (uses) | 6,524,329 | - | - |
| Net change in fund balance | (103,320,397) | 66,294 | (935) |
| **FUND BALANCE - Beginning** | 2,503,910 | 133,197,315 | 16,875,612 |
| **FUND BALANCE - Ending** | $ (100,816,487) | $ 133,263,609 | $ 16,874,677 |

| Courts Account | Intra-activity Eliminations | Total | |
|---|---|---|---|
| | | | **REVENUES:** |
| $ - | $ - | $ 691,647 | Investment income (loss) |
| - | - | 691,647 | Total revenues |
| | | | **EXPENDITURES:** |
| 689,000 | - | 111,102,121 | Capital outlay |
| - | - | 57,893 | Debt service - bond issuance cost |
| 689,000 | - | 111,160,014 | Total expenditures |
| (689,000) | - | (110,468,367) | Revenues over (under) expenditures |
| | | | **OTHER FINANCING SOURCES (USES):** |
| - | (416,991) | - | Transfers in |
| - | 416,991 | - | Transfers out |
| - | | 6,524,329 | Note issuance |
| - | - | 6,524,329 | Total other financing sources (uses) |
| (689,000) | - | (103,944,038) | Net change in fund balance |
| 22,637,295 | - | 175,214,132 | **FUND BALANCE - Beginning** |
| $ 21,948,295 | $ - | $ 71,270,094 | **FUND BALANCE - Ending** |

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# NONMAJOR GOVERNMENTAL FUNDS

## COOK COUNTY, ILLINOIS

### *NONMAJOR GOVERNMENTAL FUNDS*

### *SPECIAL REVENUE FUNDS*

The Geographical Information Systems Fund was established to account for equipment, materials, and necessary expenditures incurred in implementing and maintaining this new project. The fund's revenues are derived from grants and interest earned on investments.

The Motor Fuel Tax Illinois First (1st) Fund was established to coordinate planning for road infrastructure improvements with the State of Illinois and Federal Government. Revenues are derived mainly from state motor fuel taxes and interest earned on investments.

The Township Roads Fund was established to provide for construction and maintenance of streets, roads and highways. Revenues are derived from non-property taxes, the State of Illinois, and interest earned on investments.

The Election Fund was established to pay for the costs of elections under the jurisdiction of the County Clerk. The fund's revenues are derived from property taxes levied for this purpose, interest earned on investments, reimbursements from the State of Illinois and other miscellaneous sources.

The County Law Library Fund was established to provide for organized book collections, bibliographical and reference services to lawyers and judges and general law library services to the public. Revenues are derived from fees received from users of library resources and interest earned on investments.

The Animal Control Department Fund was established to control and prevent the spread of rabies. Revenues are derived from fees charged for animal licenses and tags, and interest earned on investments.

The County Recorder Document Storage System Fund was established to pay for the expenditures involved in starting and maintaining a document storage system. Revenues are received from fees for such services as record retrieving and interest earned on investments.

The County Clerk Automation Fund was started to upgrade and establish computerized files for voter registration and election judges. Revenues are derived from fees and license charges for record retrieving and interest earned on investments.

The Circuit Court Document Storage Fund was started to assist in the preparation of documents to be microfilmed or microfiched, and also to perform the actual filming at times. Revenues are derived from fees for services such as retrieving, updating, refilling and transporting record orders and interest earned on investments.

The Circuit Court Automation Fund was established to actively participate in the selection, acquisition, installation and maintenance of all computer hardware, system analysis and design, programming, system implementation, documentation and maintenance of all computer programs. Revenues are derived from fees from users for such items as reports and statistical data and interest earned on investments.

The Circuit Court Illinois Dispute Resolution Fund was established to support activities to mediate disputes in an attempt to relieve the court system of lengthy lawsuits. Revenues are obtained from fees charged to the disputing parties and other principals and interest earned on investments.

The Cook County Emergency Telephone System Fund was established to provide the public with detailed information on all inmates held at Cook County Jail. Revenues are derived from fees and interest earned on investments.

The Adult Probation Services Fee Fund was established to supervise people convicted of criminal and civil offenses. Revenues are derived mainly from fees charged to individuals on probation and interest earned on investments.

The Social Services Probation Fund was established to provide social service casework expertise for probation and court service cases. Revenues are derived mainly from fees and interest earned on investments.

The County Treasurer Tax Sales Automation Fund was established to pay for the expenditures required to start and maintain a computerized system to conduct delinquent property tax sales. Revenues are derived mainly from fees and interest earned on investments.

The Lead Poisoning Prevention Fund was established to begin programs to prevent lead poisoning in Cook County. Revenues are derived from fees charged and interest earned on investments.

The State's Attorney Narcotics Nuisance Abatement Fund was established to work with various agencies throughout Cook County to identify and eliminate drug houses. Revenues are derived through narcotics forfeited funds which are seized narcotic funds.

The State's Attorney Narcotics Forfeiture Fund was established to work with State, City and County Agencies on various drug related cases. Revenues are derived through monies forfeited through narcotics investigations.

The State's Attorney Bad Check Diversion Fund was established to account for monies pursuant to Public Act 93-0394 for the State's Attorney to offer a pre-trial educational diversion program for first time bad check passers, while providing restitution to victims, avoiding an increased caseload in the criminal justice system, and at no cost to the victims or taxpayers.

The Suburban Tuberculosis Sanitarium District Fund was established to account for monies committed for the prevention, care, treatment and control of tuberculosis within the suburban Cook County area. All assets and liabilities were transferred to the Cook County Board July 24, 2007 per Public Act 094-1050 by the State of Illinois. Revenues are derived from rentals and interest earned on investments.

The Clerk of the Circuit Court Administrative Fund was established to account for all monies per Illinois Statute to create a Circuit Court Operation and Administrative Fund, to be used to offset the costs incurred by the Circuit Court Clerk in performing additional duties required to collect and disburse funds to entities of State and Local Government as provided by law.

The Geographical Information System (GIS) Fee Fund was created solely to be used for the equipment, personnel, materials, and necessary expenditures incurred in implementing and maintaining an enterprise Cook County geographical information system. The fund is administered by the Cook County Bureau of Technology. Policy and priority are determined by the multi-agency Land Information Committee consisting of all the land based agencies within Cook County.

The Recorder of Deeds Rental Housing Support Fee Fund was established to assist property owners with maintaining ownership of their properties by offering early warning notification to property owners whenever documents are filed that may affect ownership. Revenues consist mainly of fees and interest earned on investments.

The Chief Judge Children's Waiting Room Fund was created for the collection and disbursement of fees to finance various court services. Revenues are derived from fees generated from Chapter 18, Section 18-41. They are credited to this fund to operate and administer the children's waiting rooms in Cook County.

The Chief Judge Mental Health Fund was created for the collection and disbursement of fees to finance various court services. Revenues are derived from fees generated from Chapter 18, Section 18-36. They are credited to this fund to operate and administer the mental health court program in Cook County.

The Chief Judge Peer Jury Fund was created for the collection and disbursement of fees to finance various court services. Revenues are derived from fees generated from Chapter 18, Section 18-37. They are credited to this fund to operate and administer the teen court, peer jury, youth court or other youth diversion program in Cook County.

The Chief Judge Drug Court Fund was created for the collection and disbursement of fees to finance various court services. Revenues are derived from fees generated from Chapter 18, Section 18-38. They are credited to this fund to operate and administer the drug court program in Cook County.

The Assessor Special Revenue Fund was established to collect fees from marketing previously unutilized commercial opportunities related to, but not limited to, the Assessor's Website, Assessor's Database, and Assessment Notices. These fees shall be placed in such special fund for the Assessor to be held by the Treasurer of the County.

The Sheriff's Youthful Alcohol and Drug Education Fund provides an educational alternative for youthful offenders and their parents to assist the court and community in decreasing alcohol and other drug use while increasing information regarding the negative consequences of such use. Revenues are obtained through intergovernmental revenue.

The Sheriff's Women's Justice Service Fund is utilized for purposes related to the operation of rehabilitation programs including mental health and substance abuse services. Revenues are provided mainly by fees and interest earned on investments.

The Vehicle Purchase Fund was created for the collection of fees from individuals who violate the Illinois Vehicle code or any similar ordinance. This is in compliance with Illinois General Assembly Act 625ILCS 5/16-104C. The fees shall be disbursed to the law enforcement agency and used for the acquisition and/or maintenance of police vehicles.

The Circuit Court Electronic Citation Fund is used to defray expenditures incurred by the office in performing its required duties of establishing and maintaining electronic citations in any traffic, misdemeanor, municipal ordinance, or conservation case upon a judgment of guilty or grant of supervision.

The State's Attorney Records Automation Fund was created for the collection of fees that shall be remitted monthly by such clerk to the county treasurer, to be retained by him in a special fund designated as the court automation fund. The fund shall be audited by the county auditor. And the board shall make expenditure from the fund in payments of any cost related to the automation of court records, including hardware, software, research, and development costs and personnel related thereto, provided that the expenditure is approved by the clerk of the court and by the chief judge of the circuit court or his designate.

The Public Defender Records Automation Fund was created for the collection of fees that shall be remitted monthly by such clerk to the county treasurer, to be retained by him in a special fund designated as the court automation fund. The fund shall be audited by the county auditor, and the board shall make expenditure from the fund in payment of any cost related to the automation of court records, including hardware, software, research and development costs and personnel related thereto, provided that the expenditure is approved by the clerk of the court and by the chief judge of the circuit court or his designate.

The Environmental Control Solid Waste Management Fund was created to include, but not limited to, consulting fees; long-term monitoring and maintenance of air pollution emitting sites; proper management of Cook County waste streams; environmental initiative planning, implementation, inspection, and enforcement; operational expenses for personnel and equipment procurement; and other activities consistent with activities of the Cook County Environmental Control Ordinance. Effective December 1, 2012, the Environmental Fund previously established is hereby eliminated and all funds in the Environmental Management Fund on or before November 30, 2012, and all of the various fees of the Department of Environmental Control received on or after December 1, 2012, shall be transferred or deposited into the County's general fund or other account deemed appropriate by the Budget Director for use by the Department of Environmental Control.

The Land Bank Authority fund will use available resources to facilitate the return of vacant, abandoned and tax-delinquent properties to productive use thereby combating community deterioration, creating economic growth and stabilizing the housing and job market. The County Board establishes the Cook County Land Bank Authority which shall be an agency of and funded by Cook County.

The Governmental Grants Fund is used to fund specific grant programs administered by the County. Revenues are obtained from Federal, State, local and private grant sources.

The Other Nonbudgeted Special Revenue Funds consist of miscellaneous funds established to account for all monies designated for use by programs within these funds. The programs are administered by the County, but are not included in the County's Annual Appropriation bill (Budget). The funds are categorized as nonbudgeted because they tend to be temporary in nature. Revenues are derived from Federal, State, and private sources, interest earned on investments, and other taxes.

**Generally all interest earned and miscellaneous revenue is restricted or committed to the specific activity reported in each fund.**

**Exhibit D-1**
**COOK COUNTY, ILLINOIS**
**NONMAJOR GOVERNMENTAL FUNDS**
**COMBINING BALANCE SHEET**
**November 30, 2015**

| | Total Special Revenue Funds | Total Nonmajor Governmental Funds |
|---|---|---|
| **ASSETS:** | | |
| Cash and investments | $ 94,947,991 | $ 94,947,991 |
| Taxes receivable (net of allowance for loss of $32,641,122) | | |
| Tax levy - current | 19,931,005 | 19,931,005 |
| Tax levy - prior year | 1,509,047 | 1,509,047 |
| Accounts receivable - | | |
| Due from others | 24,078 | 24,078 |
| Due from other governments | 36,508,278 | 36,508,278 |
| Loan receivable, net | 36,244,735 | 36,244,735 |
| Property held for resale | 4,209,652 | 4,209,652 |
| Total assets | $ 193,374,786 | $ 193,374,786 |
| **LIABILITIES** | | |
| Liabilities: | | |
| Accounts payable | $ 48,744,804 | $ 48,744,804 |
| Accrued salaries payable | 5,137,545 | 5,137,545 |
| Due to other funds | 25,892 | 25,892 |
| Total liabilities | 53,908,241 | 53,908,241 |
| **DEFERRED INFLOWS of RESOURCES:** | | |
| Unavailable revenue - property tax | 21,130,039 | 21,130,039 |
| Unavailable revenue - other | 10,034,427 | 10,034,427 |
| Total Deferred Inflows | 31,164,466 | 31,164,466 |
| **FUND BALANCE** | | |
| Fund balance (deficit) - | | |
| Restricted | 124,362,516 | 124,362,516 |
| Committed | 23,023,050 | 23,023,050 |
| Unassigned | (39,083,487) | (39,083,487) |
| Total fund balance (deficit) | 108,302,079 | 108,302,079 |
| Total liabilities, deferred inflows of resources and fund balance | $ 193,374,786 | $ 193,374,786 |

**Exhibit D-2**
**COOK COUNTY, ILLINOIS**
**NONMAJOR GOVERNMENTAL FUNDS**
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**
**AND CHANGES IN FUND BALANCE**
**For the Year Ended November 30, 2015**

| | Total Special Revenue Funds | Total Nonmajor Governmental Funds |
|---|---|---|
| **REVENUES:** | | |
| Taxes - | | |
| Property | $ 38,986,572 | $ 38,986,572 |
| Nonproperty | 23,652,906 | 23,652,906 |
| Fees and licenses | 63,470,410 | 63,470,410 |
| Intergovernmental grants and reimbursements- | | |
| Federal government | 106,273,600 | 106,273,600 |
| State of Illinois | 11,688,084 | 11,688,084 |
| Other governments | 577,942 | 577,942 |
| Investment income | 134,086 | 134,086 |
| Miscellaneous | 11,139,096 | 11,139,096 |
| Total revenues | 255,922,696 | 255,922,696 |
| **EXPENDITURES:** | | |
| Current - | | |
| Government management and supporting services | 7,753,046 | 7,753,046 |
| Corrections | 13,631,198 | 13,631,198 |
| Courts | 99,089,338 | 99,089,338 |
| Control of environment | 4,074,053 | 4,074,053 |
| Assessment and collection of taxes | 24,941,624 | 24,941,624 |
| Election | 18,584,421 | 18,584,421 |
| Economic and human development | 42,830,959 | 42,830,959 |
| Transportation | 24,542,269 | 24,542,269 |
| Health | 3,824,557 | 3,824,557 |
| Total expenditures | 239,271,465 | 239,271,465 |
| Revenues over (under) expenditures | 16,651,231 | 16,651,231 |
| **OTHER FINANCING USES:** | | |
| Transfer in | 10,838 | 10,838 |
| Transfer out | (9,400,139) | (9,400,139) |
| Total other financing uses | (9,389,301) | (9,389,301) |
| **NET CHANGE IN FUND BALANCE** | 7,261,930 | 7,261,930 |
| **FUND BALANCE - Beginning** | 101,040,149 | 101,040,149 |
| **FUND BALANCE - Ending** | $ 108,302,079 | $ 108,302,079 |

**Exhibit D-3**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUNDS**
**COMBINING BALANCE SHEET**
**November 30, 2015**

| | Geographical Information Systems | MFT Illinois First (1st) | Township Roads |
|---|---|---|---|
| **ASSETS:** | | | |
| Cash and investments | $ 5,358,078 | $ 5,931,065 | $ 3,199,871 |
| Taxes receivable (net of allowance for loss) | | | |
| Tax levy - current | - | - | - |
| Tax levy - prior year | - | - | - |
| Accounts receivable - | | | |
| Due from others | - | - | - |
| Due from other governments | - | - | 230,187 |
| Due from other funds | 15,000,000 | - | - |
| Loans receivable, net | - | - | - |
| Property held for resale | - | - | |
| Total assets | $ 20,358,078 | $ 5,931,065 | $ 3,430,058 |
| **LIABILITIES:** | | | |
| Liabilities: | | | |
| Accounts payable | $ 7,932,843 | $ 267,643 | $ 403,573 |
| Accrued salaries payable | 67,846 | 1,366,751 | - |
| Due to other funds | - | - | - |
| Total liabilities | 8,000,689 | 1,634,394 | 403,573 |
| **DEFERRED INFLOWS of RESOURCES:** | | | |
| Unavailable revenue - property tax | - | - | - |
| Unavailable revenue - other | - | - | - |
| Total Deferred Inflows | - | - | - |
| **FUND BALANCE:** | | | |
| Fund balance (deficit) - | | | |
| Restricted | 12,357,389 | 4,296,671 | 3,026,485 |
| Committed | - | - | - |
| Unassigned | - | - | - |
| Total fund balance (deficit) | 12,357,389 | 4,296,671 | 3,026,485 |
| Total liabilities, deferred inflows of resources and fund balance | $ 20,358,078 | $ 5,931,065 | $ 3,430,058 |

| Election | County Law Library | |
|---|---|---|
| | | **ASSETS:** |
| $ 25,209,976 | $ - | Cash and investments |
| | | Taxes receivable (net of allowance for loss) - |
| 19,931,005 | - | Tax levy - current |
| 1,509,047 | - | Tax levy - prior year |
| | | Accounts receivable - |
| - | - | Due from others |
| - | - | Due from other governments |
| - | - | Due from other funds |
| - | - | Loans receivable, net |
| - | - | Property held for resale |
| $ 46,650,028 | $ - | Total assets |
| | | **LIABILITIES:** |
| | | Liabilities: |
| $ 1,408,514 | $ 232,466 | Accounts payable |
| 582,927 | 125,666 | Accrued salaries payable |
| 18,814 | 598,660 | Due to other funds |
| 2,010,255 | 956,792 | Total liabilities |
| | | **DEFERRED INFLOWS of RESOURCES:** |
| 21,130,039 | - | Unavailable revenue - property tax |
| - | - | Unavailable revenue - other |
| 21,130,039 | - | Total Deferred Inflows |
| | | **FUND BALANCE:** |
| | | Fund balance (deficit) - |
| 23,509,734 | - | Restricted |
| - | - | Committed |
| - | (956,792) | Unassigned |
| 23,509,734 | (956,792) | Total fund balance (deficit) |
| $ 46,650,028 | $ - | Total liabilities, deferred inflows of resources and fund balance |

*(Continued)*

**Exhibit D-3 (continued)**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUNDS**
**COMBINING BALANCE SHEET**
**November 30, 2015**

| | Animal Control Department | County Recorder Document Storage System | County Clerk Automation |
|---|---|---|---|
| **ASSETS:** | | | |
| Cash and investments | $ 9,318,983 | $ 1,609,693 | $ 869,152 |
| Taxes receivable (net of allowance for loss) - | | | |
| Tax levy - current | - | - | - |
| Tax levy - prior year | - | - | - |
| Accounts receivable - | | | |
| Due from others | - | - | - |
| Due from other governments | - | - | - |
| Due from other funds | - | - | - |
| Loans receivable, net | - | - | - |
| Property held for resale | - | - | - |
| Total assets | $ 9,318,983 | $ 1,609,693 | $ 869,152 |
| **LIABILITIES:** | | | |
| Liabilities: | | | |
| Accounts payable | $ 389,255 | $ 74,534 | $ 31,851 |
| Accrued salaries payable | 97,084 | 232,796 | 65,871 |
| Due to other funds | - | - | - |
| Total liabilities | 486,339 | 307,330 | 97,722 |
| **DEFERRED INFLOWS of RESOURCES:** | | | |
| Unavailable revenue - property tax | - | - | - |
| Unavailable revenue - other | - | - | - |
| Total Deferred Inflows | - | - | - |
| **FUND BALANCE:** | | | |
| Fund balance (deficit) - | | | |
| Restricted | 8,832,644 | 1,302,363 | 771,430 |
| Committed | - | - | - |
| Unassigned | - | - | - |
| Total fund balance (deficit) | 8,832,644 | 1,302,363 | 771,430 |
| Total liabilities, deferred inflows of resources and fund balance | $ 9,318,983 | $ 1,609,693 | $ 869,152 |

| Circuit Court Document Storage | Circuit Court Automation | Circuit Court Illinois Dispute Resolution | |
|---|---|---|---|
| | | | **ASSETS:** |
| $ - | $ - | $ 101,323 | Cash and investments |
| | | | Taxes receivable (net of allowance for loss) - |
| - | - | - | Tax levy - current |
| - | - | - | Tax levy - prior year |
| | | | Accounts receivable - |
| - | - | - | Due from others |
| - | - | - | Due from other governments |
| - | - | - | Due from other funds |
| - | - | - | Loans receivable, net |
| - | - | - | Property held for resale |
| $ - | $ - | $ 101,323 | Total assets |
| | | | **LIABILITIES:** |
| | | | Liabilities: |
| $ 277,084 | $ 87,557 | $ - | Accounts payable |
| 230,382 | 262,717 | - | Accrued salaries payable |
| 7,077,873 | 9,439,301 | - | Due to other funds |
| 7,585,339 | 9,789,575 | - | Total liabilities |
| | | | **DEFERRED INFLOWS of RESOURCES:** |
| - | - | - | Unavailable revenue - property tax |
| - | - | - | Unavailable revenue - other |
| - | - | - | Total Deferred Inflows |
| | | | **FUND BALANCE:** |
| | | | Fund balance (deficit) - |
| - | - | 101,323 | Restricted |
| - | - | - | Committed |
| (7,585,339) | (9,789,575) | - | Unassigned |
| (7,585,339) | (9,789,575) | 101,323 | Total fund balance (deficit) |
| $ - | $ - | $ 101,323 | Total liabilities, deferred inflows of resources and fund balance |

*(Continued)*

**Exhibit D-3 (continued)**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUNDS**
**COMBINING BALANCE SHEET**
**November 30, 2015**

| | Cook County Emergency Telephone System | Adult Probation Services Fee | Social Services Probation |
|---|---|---|---|
| **ASSETS:** | | | |
| Cash and investments | $ - | $ 1,874,019 | $ 2,700,444 |
| Taxes receivable (net of allowance for loss) - | | | |
| Tax levy - current | - | - | - |
| Tax levy - prior year | - | - | - |
| Accounts receivable - | | | |
| Due from others | - | - | - |
| Due from other governments | 2,140,877 | - | - |
| Due from other funds | - | - | - |
| Loans receivable, net | - | - | - |
| Property held for resale | - | - | - |
| Total assets | $ 2,140,877 | $ 1,874,019 | $ 2,700,444 |
| **LIABILITIES:** | | | |
| Liabilities: | | | |
| Accounts payable | $ - | $ 252,931 | $ 78,789 |
| Accrued salaries payable | 127,955 | - | - |
| Due to other funds | 4,602,447 | - | - |
| Total liabilities | 4,730,402 | 252,931 | 78,789 |
| **DEFERRED INFLOWS of RESOURCES:** | | | |
| Unavailable revenue - property tax | - | - | - |
| Unavailable revenue - other | - | - | - |
| Total Deferred Inflows | - | - | - |
| **FUND BALANCE:** | | | |
| Fund balance (deficit) - | | | |
| Restricted | - | 1,621,088 | 2,621,655 |
| Committed | - | - | - |
| Unassigned | (2,589,525) | - | - |
| Total fund balance (deficit) | (2,589,525) | 1,621,088 | 2,621,655 |
| Total liabilities, deferred inflows of resources and fund balance | $ 2,140,877 | $ 1,874,019 | $ 2,700,444 |

| County Treasurer Tax Sales Automation | Lead Poisoning Prevention | |
|---|---|---|
| | | **ASSETS:** |
| $ 17,625,674 | $ 3,448,310 | Cash and investments |
| | | Taxes receivable (net of allowance for loss) - |
| - | - | Tax levy - current |
| - | - | Tax levy - prior year |
| | | Accounts receivable - |
| - | - | Due from others |
| - | - | Due from other governments |
| - | 7,000,000 | Due from other funds |
| - | - | Loans receivable, net |
| - | - | Property held for resale |
| $ 17,625,674 | $ 10,448,310 | Total assets |
| | | **LIABILITIES:** |
| | | Liabilities: |
| $ 338,915 | $ 279,290 | Accounts payable |
| 237,741 | 13,912 | Accrued salaries payable |
| - | - | Due to other funds |
| 576,656 | 293,202 | Total liabilities |
| | | **DEFERRED INFLOWS of RESOURCES:** |
| - | - | Unavailable revenue - property tax |
| - | - | Unavailable revenue - other |
| - | - | Total Deferred Inflows |
| | | **FUND BALANCE:** |
| | | Fund balance (deficit) - |
| 17,049,018 | - | Restricted |
| - | 10,155,108 | Committed |
| - | - | Unassigned |
| 17,049,018 | 10,155,108 | Total fund balance (deficit) |
| $ 17,625,674 | $ 10,448,310 | Total liabilities, deferred inflows of resources and fund balance |

*(Continued)*

**Exhibit D-3 (continued)**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUNDS**
**COMBINING BALANCE SHEET**
**November 30, 2015**

| | State's Attorney Narcotics Forfeiture | Suburban TB Sanitarium District | Clerk of the Circuit Court Administrative |
|---|---|---|---|
| **ASSETS:** | | | |
| Cash and investments | $ - | $ 8,375,870 | $ - |
| Taxes receivable (net of allowance for loss) - | | | |
| Tax levy - current | - | - | - |
| Tax levy - prior year | - | - | - |
| Accounts receivable - | | | |
| Due from others | - | - | - |
| Due from other governments | - | 2,712 | - |
| Due from other funds | - | 4,705,306 | - |
| Loans receivable, net | - | - | - |
| Property held for resale | - | - | - |
| Total assets | $ - | $ 13,083,888 | $ - |
| **LIABILITIES:** | | | |
| Liabilities: | | | |
| Accounts payable | $ - | $ 41,339 | $ - |
| Accrued salaries payable | 217,988 | 167,529 | 26,946 |
| Due to other funds | 2,608,797 | 7,078 | 198,400 |
| Total liabilities | 2,826,785 | 215,946 | 225,346 |
| **DEFERRED INFLOWS of RESOURCES:** | | | |
| Unavailable revenue - property tax | - | - | - |
| Unavailable revenue - other | - | - | - |
| Total Deferred Inflows | - | - | - |
| **FUND BALANCE:** | | | |
| Fund balance (deficit) - | | | |
| Restricted | - | - | - |
| Committed | - | 12,867,942 | - |
| Unassigned | (2,826,785) | - | (225,346) |
| Total fund balance (deficit) | (2,826,785) | 12,867,942 | (225,346) |
| Total liabilities, deferred inflows of resources and fund balance | $ - | $ 13,083,888 | $ - |

| GIS Fee | Recorder of Deeds Rental Housing Supp Fee | |
|---|---|---|
| | | **ASSETS:** |
| $ - | $ 196,670 | Cash and investments |
| | | Taxes receivable (net of allowance for loss) - |
| - | - | Tax levy - current |
| - | - | Tax levy - prior year |
| | | Accounts receivable - |
| - | - | Due from others |
| - | - | Due from other governments |
| - | - | Due from other funds |
| - | - | Loans receivable, net |
| - | - | Property held for resale |
| $ - | $ 196,670 | Total assets |
| | | **LIABILITIES:** |
| | | Liabilities: |
| $ 3,742 | $ - | Accounts payable |
| 88,768 | - | Accrued salaries payable |
| 579,111 | - | Due to other funds |
| 671,621 | - | Total liabilities |
| | | **DEFERRED INFLOWS of RESOURCES:** |
| - | - | Unavailable revenue - property tax |
| - | - | Unavailable revenue - other |
| - | - | Total Deferred Inflows |
| | | **FUND BALANCE:** |
| | | Fund balance (deficit) - |
| - | 196,670 | Restricted |
| - | - | Committed |
| (671,621) | - | Unassigned |
| (671,621) | 196,670 | Total fund balance (deficit) |
| $ - | $ 196,670 | Total liabilities, deferred inflows of resources and fund balance |

*(Continued)*

**Exhibit D-3 (continued)**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUNDS**
**COMBINING BALANCE SHEET**
**November 30, 2015**

| | CJ Children's Waiting Room | CJ Mental Health | CJ Peer Jury |
|---|---|---|---|
| **ASSETS:** | | | |
| Cash and investments | $ 721,305 | $ - | $ - |
| Taxes receivable (net of allowance for loss) - | | | |
| Tax levy - current | - | - | - |
| Tax levy - prior year | - | - | - |
| Accounts receivable - | | | |
| Due from others | - | - | - |
| Due from other governments | - | - | - |
| Due from other funds | - | - | - |
| Loans receivable, net | - | - | - |
| Property held for resale | - | - | - |
| Total assets | $ 721,305 | $ - | $ - |
| **LIABILITIES:** | | | |
| Liabilities: | | | |
| Accounts payable | $ 10,802 | $ - | $ - |
| Accrued salaries payable | 90,211 | - | - |
| Due to other funds | - | 409,037 | 227,626 |
| Total liabilities | 101,013 | 409,037 | 227,626 |
| **DEFERRED INFLOWS of RESOURCES:** | | | |
| Unavailable revenue - property tax | - | - | - |
| Unavailable revenue - other | - | - | - |
| Total Deferred Inflows | - | - | - |
| **FUND BALANCE:** | | | |
| Fund balance (deficit) - | | | |
| Restricted | 620,292 | - | - |
| Committed | - | - | - |
| Unassigned | - | (409,037) | (227,626) |
| Total fund balance (deficit) | 620,292 | (409,037) | (227,626) |
| Total liabilities, deferred inflows of resources and fund balance | $ 721,305 | $ - | $ - |

| CJ Drug Court | Assessors Special Revenue Fund | |
|---|---|---|
| | | **ASSETS:** |
| $ - | $ 70,508 | Cash and investments |
| | | Taxes receivable (net of allowance for loss) - |
| - | - | Tax levy - current |
| - | - | Tax levy - prior year |
| | | Accounts receivable - |
| - | - | Due from others |
| - | - | Due from other governments |
| - | - | Due from other funds |
| - | - | Loans receivable, net |
| - | - | Property held for resale |
| $ - | $ 70,508 | Total assets |
| | | **LIABILITIES:** |
| | | Liabilities: |
| $ - | $ - | Accounts payable |
| - | - | Accrued salaries payable |
| 217,372 | - | Due to other funds |
| 217,372 | - | Total liabilities |
| | | **DEFERRED INFLOWS of RESOURCES:** |
| - | - | Unavailable revenue - property tax |
| - | - | Unavailable revenue - other |
| - | - | Total Deferred Inflows |
| | | **FUND BALANCE:** |
| | | Fund balance (deficit) - |
| - | 70,508 | Restricted |
| - | - | Committed |
| (217,372) | - | Unassigned |
| (217,372) | 70,508 | Total fund balance (deficit) |
| $ - | $ 70,508 | Total liabilities, deferred inflows of resources and fund balance |

*(Continued)*

**Exhibit D-3 (continued)**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUNDS**
**COMBINING BALANCE SHEET**
**November 30, 2015**

| | Sheriff Youthful Alcohol / Drug Education | Sheriff Women's Justice Services | Vehicle Purchase |
|---|---|---|---|
| **ASSETS:** | | | |
| Cash and investments | $ - | $ 6,563 | $ 864,246 |
| Taxes receivable (net of allowance for loss) - | | | |
| Tax levy - current | - | - | - |
| Tax levy - prior year | - | - | - |
| Accounts receivable - | | | |
| Due from others | - | - | 24,078 |
| Due from other governments | - | - | - |
| Due from other funds | - | - | - |
| Loans receivable, net | - | - | - |
| Property held for resale | - | - | - |
| Total assets | $ - | $ 6,563 | $ 888,324 |
| **LIABILITIES:** | | | |
| Liabilities: | | | |
| Accounts payable | $ - | $ 9,700 | $ 26,696 |
| Accrued salaries payable | - | - | - |
| Due to other funds | - | - | - |
| Total liabilities | - | 9,700 | 26,696 |
| **DEFERRED INFLOWS of RESOURCES:** | | | |
| Unavailable revenue - property tax | - | - | - |
| Unavailable revenue - other | - | - | - |
| Total Deferred Inflows | - | - | - |
| **FUND BALANCE:** | | | |
| Fund balance (deficit) - | | | |
| Restricted | - | - | 861,628 |
| Committed | - | - | - |
| Unassigned | - | (3,137) | - |
| Total fund balance (deficit) | - | (3,137) | 861,628 |
| Total liabilities, deferred inflows of resources and fund balance | $ - | $ 6,563 | $ 888,324 |

| Circuit Court Electronic Citation | State's Attorney Records Automation | |
|---|---|---|
| | | **ASSETS:** |
| $ 44,740 | $ 228,226 | Cash and investments |
| | | Taxes receivable (net of allowance for loss) - |
| - | - | Tax levy - current |
| - | - | Tax levy - prior year |
| | | Accounts receivable - |
| - | - | Due from others |
| - | - | Due from other governments |
| - | - | Due from other funds |
| - | - | Loans receivable, net |
| - | - | Property held for resale |
| $ 44,740 | $ 228,226 | Total assets |
| | | **LIABILITIES:** |
| | | Liabilities: |
| $ - | $ 20,724 | Accounts payable |
| - | - | Accrued salaries payable |
| - | - | Due to other funds |
| - | 20,724 | Total liabilities |
| | | **DEFERRED INFLOWS of RESOURCES:** |
| - | - | Unavailable revenue - property tax |
| - | - | Unavailable revenue - other |
| - | - | Total Deferred Inflows |
| | | **FUND BALANCE:** |
| | | Fund balance (deficit) - |
| 44,740 | 207,502 | Restricted |
| - | - | Committed |
| - | - | Unassigned |
| 44,740 | 207,502 | Total fund balance (deficit) |
| $ 44,740 | $ 228,226 | Total liabilities, deferred inflows of resources and fund balance |

*(Continued)*

**Exhibit D-3 (concluded)**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUNDS**
**COMBINING BALANCE SHEET**
**November 30, 2015**

| | Public Defender Records Automation | Environmental Control Solid Waste Mgt | Land Bank Authority | Governmental Grants |
|---|---|---|---|---|
| **ASSETS:** | | | | |
| Cash and investments | $ 86,749 | $ 405,924 | $ 46,839 | $ (46,839) |
| Taxes receivable (net of allowance for loss) - | | | | |
| Tax levy - current | - | - | - | - |
| Tax levy - prior year | - | - | - | - |
| Accounts receivable - | | | | |
| Due from others | - | - | - | - |
| Due from other governments | - | - | - | 34,134,502 |
| Due from other funds | - | - | - | - |
| Loans receivable, net | - | - | - | 36,244,735 |
| Property held for resale | - | - | 4,209,652 | - |
| Total assets | $ 86,749 | $ 405,924 | $ 4,256,491 | $ 70,332,398 |
| **LIABILITIES:** | | | | |
| Liabilities: | | | | |
| Accounts payable | $ - | $ - | $ 72,916 | $ 36,502,210 |
| Accrued salaries payable | - | - | 2,097 | 1,132,358 |
| Due to other funds | - | - | 746,682 | - |
| Total liabilities | - | - | 821,695 | 37,634,568 |
| **DEFERRED INFLOWS of RESOURCES:** | | | | |
| Unavailable revenue - property tax | - | - | - | - |
| Unavailable revenue - other | - | - | - | 10,034,427 |
| Total Deferred Inflows | - | - | - | 10,034,427 |
| **FUND BALANCE:** | | | | |
| Fund balance (deficit) - | | | | |
| Restricted | 86,749 | 405,924 | 3,434,796 | 36,244,735 |
| Committed | - | - | - | - |
| Unassigned | - | - | - | (13,581,332) |
| Total fund balance (deficit) | 86,749 | 405,924 | 3,434,796 | 22,663,403 |
| Total liabilities, deferred inflows of resources and fund balance | $ 86,749 | $ 405,924 | $ 4,256,491 | $ 70,332,398 |

| Other Nonbudgeted Special Revenue Funds | Intra-activity Eliminations | Total Nonmajor Special Revenue Funds | |
|---|---|---|---|
| | | | **ASSETS:** |
| $ 6,700,602 | $ - | $ 94,947,991 | Cash and investments |
| | | | Taxes receivable (net of allowance for loss) - |
| - | - | 19,931,005 | Tax levy - current |
| - | - | 1,509,047 | Tax levy - prior year |
| | | | Accounts receivable - |
| | - | 24,078 | Due from others |
| - | | 36,508,278 | Due from other governments |
| - | (26,705,306) | - | Due from other funds |
| - | - | 36,244,735 | Loans receivable, net |
| - | - | 4,209,652 | Property held for resale |
| $ 6,700,602 | $ (26,705,306) | $ 193,374,786 | Total assets |
| | | | **LIABILITIES:** |
| | | | Liabilities: |
| $ 1,430 | $ - | $ 48,744,804 | Accounts payable |
| - | - | 5,137,545 | Accrued salaries payable |
| - | (26,705,306) | 25,892 | Due to other funds |
| 1,430 | (26,705,306) | 53,908,241 | Total liabilities |
| | | | **DEFERRED INFLOWS of RESOURCES:** |
| - | - | 21,130,039 | Unavailable revenue - property tax |
| - | - | 10,034,427 | Unavailable revenue - other |
| - | - | 31,164,466 | Total Deferred Inflows |
| | | | **FUND BALANCE:** |
| | | | Fund balance (deficit) - |
| 6,699,172 | - | 124,362,516 | Restricted |
| - | - | 23,023,050 | Committed |
| - | - | (39,083,487) | Unassigned |
| 6,699,172 | - | 108,302,079 | Total fund balance (deficit) |
| $ 6,700,602 | $ (26,705,306) | $ 193,374,786 | Total liabilities, deferred inflows of resources and fund balance |

**Exhibit D-4**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUNDS**
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**
**For the Year Ended November 30, 2015**

| | Geographical Information Systems | MFT Illinois First (1st) | Township Roads |
|---|---|---|---|
| **REVENUES:** | | | |
| Taxes - | | | |
| Property | $ - | $ - | $ - |
| Nonproperty | - | 23,234,167 | 418,739 |
| Fees and licenses | 8,085,774 | - | - |
| Intergovernmental grants and reimbursements- | | | |
| Federal government | - | - | - |
| State of Illinois | - | - | 30,694 |
| Other governments | 183,427 | - | - |
| Investment income | 28,338 | 7,274 | 4,636 |
| Miscellaneous | - | - | - |
| Total revenues | 8,297,539 | 23,241,441 | 454,069 |
| **EXPENDITURES:** | | | |
| Current - | | | |
| Government management and supporting services | - | - | - |
| Corrections | - | - | - |
| Courts | - | - | - |
| Control of environment | - | - | - |
| Assessment and collection of taxes | 15,140,111 | - | - |
| Election | - | - | - |
| Economic and human development | - | - | - |
| Transportation | - | 22,725,078 | 742,505 |
| Health | - | - | - |
| Total expenditures | 15,140,111 | 22,725,078 | 742,505 |
| Revenues over (under) expenditures | (6,842,572) | 516,363 | (288,436) |
| **OTHER FINANCING SOURCES (USES):** | | | |
| Transfer in | - | - | - |
| Transfer out | (1,170,000) | - | - |
| Total other financing sources (uses) | (1,170,000) | - | - |
| **NET CHANGE IN FUND BALANCE** | (8,012,572) | 516,363 | (288,436) |
| **FUND BALANCE (DEFICIT) - Beginning** | 20,369,961 | 3,780,308 | 3,314,921 |
| **FUND BALANCE (DEFICIT) - Ending** | $ 12,357,389 | $ 4,296,671 | $ 3,026,485 |

| Election | County Law Library | |
|---|---|---|
| | | **REVENUES:** |
| | | Taxes - |
| $ 38,986,572 | $ - | Property |
| - | - | Nonproperty |
| - | 5,041,362 | Fees and licenses |
| | | Intergovernmental grants and reimbursements- |
| - | - | Federal government |
| - | - | State of Illinois |
| - | - | Other governments |
| 27 | - | Investment income |
| - | - | Miscellaneous |
| 38,986,599 | 5,041,362 | Total revenues |
| | | **EXPENDITURES:** |
| | | Current - |
| - | - | Government management and supporting services |
| - | - | Corrections |
| - | 3,971,004 | Courts |
| - | - | Control of environment |
| - | - | Assessment and collection of taxes |
| 18,553,762 | - | Election |
| - | - | Economic and human development |
| - | - | Transportation |
| - | - | Health |
| 18,553,762 | 3,971,004 | Total expenditures |
| 20,432,837 | 1,070,358 | Revenues over (under) expenditures |
| | | **OTHER FINANCING SOURCES (USES):** |
| - | - | Transfer in |
| - | (912,815) | Transfer out |
| - | (912,815) | Total other financing sources (uses) |
| 20,432,837 | 157,543 | **NET CHANGE IN FUND BALANCE** |
| 3,076,897 | (1,114,335) | **FUND BALANCE (DEFICIT) - Beginning** |
| $ 23,509,734 | $ (956,792) | **FUND BALANCE (DEFICIT) - Ending** |

*(continued)*

**Exhibit D-4 (continued)**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUNDS**
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**
**For the Year Ended November 30, 2015**

| | Animal Control Department | County Recorder Document Storage System | County Clerk Automation |
|---|---|---|---|
| **REVENUES:** | | | |
| Taxes - | | | |
| Property | $ - | $ - | $ - |
| Nonproperty | - | - | - |
| Fees and licenses | 3,788,854 | 3,367,535 | 1,151,528 |
| Intergovernmental grants and reimbursements- | | | |
| Federal government | - | - | - |
| State of Illinois | - | - | - |
| Other governments | - | - | - |
| Investment income | 12,581 | 3,092 | 956 |
| Miscellaneous | - | - | - |
| Total revenues | 3,801,435 | 3,370,627 | 1,152,484 |
| **EXPENDITURES:** | | | |
| Current - | | | |
| Government management and supporting services | - | 4,468,966 | 975,323 |
| Corrections | - | - | - |
| Courts | - | - | - |
| Control of environment | 2,478,758 | - | - |
| Assessment and collection of taxes | - | - | - |
| Election | - | - | - |
| Economic and human development | - | - | - |
| Transportation | - | - | - |
| Health | - | - | - |
| Total expenditures | 2,478,758 | 4,468,966 | 975,323 |
| Revenues over (under) expenditures | 1,322,677 | (1,098,339) | 177,161 |
| **OTHER FINANCING SOURCES (USES):** | | | |
| Transfer in | - | - | - |
| Transfer out | (500,606) | (968,340) | (174,334) |
| Total other financing sources (uses) | (500,606) | (968,340) | (174,334) |
| **NET CHANGE IN FUND BALANCE** | 822,071 | (2,066,679) | 2,827 |
| **FUND BALANCE (DEFICIT) - Beginning** | 8,010,573 | 3,369,042 | 768,603 |
| **FUND BALANCE (DEFICIT) - Ending** | $ 8,832,644 | $ 1,302,363 | $ 771,430 |

| Circuit Court Document Storage | Circuit Court Automation | Circuit Court Illinois Dispute Resolution | |
|---|---|---|---|
| | | | **REVENUES:** |
| | | | Taxes - |
| $ - | $ - | $ - | Property |
| - | - | - | Nonproperty |
| 6,809,002 | 7,688,503 | 171,050 | Fees and licenses |
| | | | Intergovernmental grants and reimbursements- |
| - | - | - | Federal government |
| - | - | - | State of Illinois |
| - | - | - | Other governments |
| - | - | 93 | Investment income |
| - | - | - | Miscellaneous |
| 6,809,002 | 7,688,503 | 171,143 | Total revenues |
| | | | **EXPENDITURES:** |
| | | | Current - |
| - | - | - | Government management and supporting services |
| - | - | - | Corrections |
| 8,030,645 | 8,242,432 | 177,073 | Courts |
| - | - | - | Control of environment |
| - | - | - | Assessment and collection of taxes |
| - | - | - | Election |
| - | - | - | Economic and human development |
| - | - | - | Transportation |
| - | - | - | Health |
| 8,030,645 | 8,242,432 | 177,073 | Total expenditures |
| (1,221,643) | (553,929) | (5,930) | Revenues over (under) expenditures |
| | | | **OTHER FINANCING SOURCES (USES):** |
| - | - | - | Transfer in |
| (491,975) | (645,450) | - | Transfer out |
| (491,975) | (645,450) | - | Total other financing sources (uses) |
| (1,713,618) | (1,199,379) | (5,930) | **NET CHANGE IN FUND BALANCE** |
| (5,871,721) | (8,590,196) | 107,253 | **FUND BALANCE (DEFICIT) - Beginning** |
| $ (7,585,339) | $ (9,789,575) | $ 101,323 | **FUND BALANCE (DEFICIT) - Ending** |

**Exhibit D-4 (continued)**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUNDS**
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**
**For the Year Ended November 30, 2015**

| | Cook County Emergency Telephone System | Adult Probation Services Fee | Social Services Probation |
|---|---|---|---|
| **REVENUES:** | | | |
| Taxes - | | | |
| Property | $ - | $ - | $ - |
| Nonproperty | - | - | - |
| Fees and licenses | 1,917,308 | 3,915,928 | 2,904,284 |
| Intergovernmental grants and reimbursements- | | | |
| Federal government | - | - | - |
| State of Illinois | - | - | - |
| Other governments | - | - | - |
| Investment income | - | 2,752 | 3,717 |
| Miscellaneous | - | - | - |
| Total revenues | 1,917,308 | 3,918,680 | 2,908,001 |
| **EXPENDITURES:** | | | |
| Current - | | | |
| Government management and supporting services | - | - | - |
| Corrections | 1,359,664 | 3,740,691 | 2,549,873 |
| Courts | - | - | - |
| Control of environment | - | - | - |
| Assessment and collection of taxes | - | - | - |
| Election | - | - | - |
| Economic and human development | - | - | - |
| Transportation | - | - | - |
| Health | - | - | - |
| Total expenditures | 1,359,664 | 3,740,691 | 2,549,873 |
| Revenues over (under) expenditures | 557,644 | 177,989 | 358,128 |
| **OTHER FINANCING SOURCES (USES):** | | | |
| Transfer in | - | - | - |
| Transfer out | (382,760) | (120,688) | (207,226) |
| Total other financing sources (uses) | (382,760) | (120,688) | (207,226) |
| **NET CHANGE IN FUND BALANCE** | 174,884 | 57,301 | 150,902 |
| **FUND BALANCE (DEFICIT) - Beginning** | (2,764,409) | 1,563,787 | 2,470,753 |
| **FUND BALANCE (DEFICIT) - Ending** | $ (2,589,525) | $ 1,621,088 | $ 2,621,655 |

| County Treasurer Tax Sales Automation | Lead Poisoning Prevention | |
|---|---|---|
| | | **REVENUES:** |
| | | Taxes - |
| $ - | $ - | Property |
| - | - | Nonproperty |
| 9,503,976 | - | Fees and licenses |
| | | Intergovernmental grants and reimbursements- |
| - | - | Federal government |
| - | - | State of Illinois |
| - | - | Other governments |
| 25,654 | 15,079 | Investment income |
| - | - | Miscellaneous |
| 9,529,630 | 15,079 | Total revenues |
| | | **EXPENDITURES:** |
| | | Current - |
| - | - | Government management and supporting services |
| - | - | Corrections |
| - | - | Courts |
| - | - | Control of environment |
| 9,051,513 | - | Assessment and collection of taxes |
| - | - | Election |
| - | - | Economic and human development |
| - | - | Transportation |
| - | 683,369 | Health |
| 9,051,513 | 683,369 | Total expenditures |
| 478,117 | (668,290) | Revenues over (under) expenditures |
| | | **OTHER FINANCING SOURCES (USES):** |
| - | - | Transfer in |
| (1,003,004) | (67,811) | Transfer out |
| (1,003,004) | (67,811) | Total other financing sources (uses) |
| (524,887) | (736,101) | **NET CHANGE IN FUND BALANCE** |
| 17,573,905 | 10,891,209 | **FUND BALANCE (DEFICIT) - Beginning** |
| $ 17,049,018 | $ 10,155,108 | **FUND BALANCE (DEFICIT) - Ending** |

*(continued)*

**Exhibit D-4 (continued)**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUNDS**
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**
**For the Year Ended November 30, 2015**

| | State's Attorney Narcotics Nuisance Abatement | State's Attorney Narcotics Forfeiture | State's Attorney Bad Check Diversion |
|---|---|---|---|
| **REVENUES:** | | | |
| Taxes - | | | |
| Property | $ - | $ - | $ - |
| Nonproperty | - | - | - |
| Fees and licenses | - | - | - |
| Intergovernmental grants and reimbursements- | | | |
| Federal government | - | - | - |
| State of Illinois | - | 2,710,242 | - |
| Other governments | - | - | - |
| Investment income | - | - | - |
| Miscellaneous | - | - | 1,452 |
| Total revenues | - | 2,710,242 | 1,452 |
| **EXPENDITURES:** | | | |
| Current - | | | |
| Government management and supporting services | - | - | - |
| Corrections | - | - | - |
| Courts | (940) | 3,365,606 | (47) |
| Control of environment | - | - | - |
| Assessment and collection of taxes | - | - | - |
| Election | - | - | - |
| Economic and human development | - | - | - |
| Transportation | - | - | - |
| Health | - | - | - |
| Total expenditures | (940) | 3,365,606 | (47) |
| Revenues over (under) expenditures | 940 | (655,364) | 1,499 |
| **OTHER FINANCING SOURCES (USES):** | | | |
| Transfer in | - | - | 10,838 |
| Transfer out | (4,950) | (721,273) | - |
| Total other financing sources (uses) | (4,950) | (721,273) | 10,838 |
| **NET CHANGE IN FUND BALANCE** | (4,010) | (1,376,637) | 12,337 |
| **FUND BALANCE (DEFICIT) - Beginning** | 4,010 | (1,450,148) | (12,337) |
| **FUND BALANCE (DEFICIT) - Ending** | $ - | $ (2,826,785) | $ - |

| Suburban TB Sanitarium District | Clerk of the Circuit Court Administrative Fund | |
|---|---|---|
| | | **REVENUES:** |
| | | Taxes - |
| $ - | $ - | Property |
| - | - | Nonproperty |
| - | 764,595 | Fees and licenses |
| | | Intergovernmental grants and reimbursements- |
| - | - | Federal government |
| - | - | State of Illinois |
| - | - | Other governments |
| 20,181 | - | Investment income |
| 1,139,821 | - | Miscellaneous |
| 1,160,002 | 764,595 | Total revenues |
| | | **EXPENDITURES:** |
| | | Current - |
| - | - | Government management and supporting services |
| - | - | Corrections |
| - | 781,069 | Courts |
| - | - | Control of environment |
| - | - | Assessment and collection of taxes |
| - | - | Election |
| - | - | Economic and human development |
| - | - | Transportation |
| 3,141,188 | - | Health |
| 3,141,188 | 781,069 | Total expenditures |
| (1,981,186) | (16,474) | Revenues over (under) expenditures |
| | | **OTHER FINANCING SOURCES (USES):** |
| - | - | Transfer in |
| (663,307) | (44,534) | Transfer out |
| (663,307) | (44,534) | Total other financing sources (uses) |
| (2,644,493) | (61,008) | **NET CHANGE IN FUND BALANCE** |
| 15,512,435 | (164,338) | **FUND BALANCE (DEFICIT) - Beginning** |
| $ 12,867,942 | $ (225,346) | **FUND BALANCE (DEFICIT) - Ending** |

**Exhibit D-4 (continued)**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUNDS**
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**
**For the Year Ended November 30, 2015**

| | GIS Fee | Recorder of Deeds Rental Housing Supp Fee | CJ Children's Waiting Room |
|---|---|---|---|
| **REVENUES:** | | | |
| Taxes - | | | |
| Property | $ - | $ - | $ - |
| Nonproperty | - | - | - |
| Fees and licenses | 2,020,521 | 289,355 | 2,368,350 |
| Intergovernmental grants and reimbursements- | | | |
| Federal government | - | - | - |
| State of Illinois | - | - | - |
| Other governments | - | - | - |
| Investment income | - | 459 | 519 |
| Miscellaneous | - | - | - |
| Total revenues | 2,020,521 | 289,814 | 2,368,869 |
| **EXPENDITURES:** | | | |
| Current - | | | |
| Government management and supporting services | 1,799,613 | 286,001 | - |
| Corrections | - | - | - |
| Courts | - | - | 1,398,515 |
| Control of environment | - | - | - |
| Assessment and collection of taxes | - | - | - |
| Election | - | - | - |
| Economic and human development | - | - | - |
| Transportation | - | - | - |
| Health | - | - | - |
| Total expenditures | 1,799,613 | 286,001 | 1,398,515 |
| Revenues over (under) expenditures | 220,908 | 3,813 | 970,354 |
| **OTHER FINANCING SOURCES (USES):** | | | |
| Transfer in | - | - | - |
| Transfer out | (627,916) | - | (678,592) |
| Total other financing sources (uses) | (627,916) | - | (678,592) |
| **NET CHANGE IN FUND BALANCE** | (407,008) | 3,813 | 291,762 |
| **FUND BALANCE (DEFICIT) - Beginning** | (264,613) | 192,857 | 328,530 |
| **FUND BALANCE (DEFICIT) - Ending** | $ (671,621) | $ 196,670 | $ 620,292 |

| CJ Mental Health | CJ Peer Jury | CJ Drug Court | |
|---|---|---|---|
| | | | **REVENUES:** |
| | | | Taxes - |
| $ - | $ - | $ - | Property |
| - | - | - | Nonproperty |
| 784,087 | 359,698 | 386,312 | Fees and licenses |
| | | | Intergovernmental grants and reimbursements- |
| - | - | - | Federal government |
| - | - | - | State of Illinois |
| - | - | - | Other governments |
| - | - | - | Investment income |
| - | - | - | Miscellaneous |
| 784,087 | 359,698 | 386,312 | Total revenues |
| | | | **EXPENDITURES:** |
| | | | Current - |
| - | - | - | Government management and supporting services |
| - | - | - | Corrections |
| 800,000 | 450,000 | 400,000 | Courts |
| - | - | - | Control of environment |
| - | - | - | Assessment and collection of taxes |
| - | - | - | Election |
| - | - | - | Economic and human development |
| - | - | - | Transportation |
| - | - | - | Health |
| 800,000 | 450,000 | 400,000 | Total expenditures |
| (15,913) | (90,302) | (13,688) | Revenues over (under) expenditures |
| | | | **OTHER FINANCING SOURCES (USES):** |
| - | - | - | Transfer in |
| - | - | - | Transfer out |
| - | - | - | Total other financing sources (uses) |
| (15,913) | (90,302) | (13,688) | **NET CHANGE IN FUND BALANCE** |
| (393,124) | (137,324) | (203,684) | **FUND BALANCE (DEFICIT) - Beginning** |
| $ (409,037) | $ (227,626) | $ (217,372) | **FUND BALANCE (DEFICIT) - Ending** |

*(continued)*

**Exhibit D-4 (continued)**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUNDS**
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**
**For the Year Ended November 30, 2015**

| | Assessors Special Revenue Fund | Sheriff Youthful Alcohol and Drug Education |
|---|---|---|
| **REVENUES:** | | |
| Taxes - | | |
| Property | $ - | $ - |
| Nonproperty | - | - |
| Fees and licenses | 752,410 | - |
| Intergovernmental grants and reimbursements- | | |
| Federal government | - | - |
| State of Illinois | - | - |
| Other governments | - | - |
| Investment income | 605 | - |
| Miscellaneous | - | - |
| Total revenues | 753,015 | - |
| **EXPENDITURES:** | | |
| Current - | | |
| Government management and supporting services | - | - |
| Corrections | - | - |
| Courts | - | - |
| Control of environment | - | - |
| Assessment and collection of taxes | 750,000 | - |
| Election | - | - |
| Economic and human development | - | - |
| Transportation | - | - |
| Health | - | - |
| Total expenditures | 750,000 | - |
| Revenues over (under) expenditures | 3,015 | - |
| **OTHER FINANCING SOURCES (USES):** | | |
| Transfer in | - | - |
| Transfer out | - | (14,558) |
| Total other financing sources (uses) | - | (14,558) |
| **NET CHANGE IN FUND BALANCE** | 3,015 | (14,558) |
| **FUND BALANCE (DEFICIT) - Beginning** | 67,493 | 14,558 |
| **FUND BALANCE (DEFICIT) - Ending** | $ 70,508 | $ - |

| Sheriff Women's Justice Services | Vehicle Purchase | Circuit Court Electronic Citation | |
|---|---|---|---|
| | | | **REVENUES:** |
| | | | Taxes - |
| $ - | $ - | $ - | Property |
| - | - | - | Nonproperty |
| 40,070 | 103,345 | 274,412 | Fees and licenses |
| | | | Intergovernmental grants and reimbursements- |
| - | - | - | Federal government |
| - | - | - | State of Illinois |
| - | - | - | Other governments |
| 53 | 1,136 | 356 | Investment income |
| - | - | - | Miscellaneous |
| 40,123 | 104,481 | 274,768 | Total revenues |
| | | | **EXPENDITURES:** |
| | | | Current - |
| - | - | - | Government management and supporting services |
| 64,399 | 96,101 | - | Corrections |
| - | - | 274,768 | Courts |
| - | - | - | Control of environment |
| - | - | - | Assessment and collection of taxes |
| - | - | - | Election |
| - | - | - | Economic and human development |
| - | - | - | Transportation |
| - | - | - | Health |
| 64,399 | 96,101 | 274,768 | Total expenditures |
| (24,276) | 8,380 | - | Revenues over (under) expenditures |
| | | | **OTHER FINANCING SOURCES (USES):** |
| - | - | - | Transfer in |
| - | - | - | Transfer out |
| - | - | - | Total other financing sources (uses) |
| (24,276) | 8,380 | - | **NET CHANGE IN FUND BALANCE** |
| 21,139 | 853,248 | 44,740 | **FUND BALANCE (DEFICIT) - Beginning** |
| $ (3,137) | $ 861,628 | $ 44,740 | **FUND BALANCE (DEFICIT) - Ending** |

*(continued)*

**Exhibit D-4 (concluded)**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUNDS**
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**
**For the Year Ended November 30, 2015**

| | State's Attorney Records Automation | Public Defender Records Automation | Environmental Control Solid Waste Mgt |
|---|---|---|---|
| **REVENUES:** | | | |
| Taxes - | | | |
| Property | $ - | $ - | $ - |
| Nonproperty | - | - | - |
| Fees and licenses | 143,735 | 143,207 | 615,879 |
| Intergovernmental grants and reimbursements- | | | |
| Federal government | - | - | - |
| State of Illinois | - | - | - |
| Other governments | - | - | - |
| Investment income | 239 | 224 | 405 |
| Miscellaneous | - | - | - |
| Total revenues | 143,974 | 143,431 | 616,284 |
| **EXPENDITURES:** | | | |
| Current - | | | |
| Government management and supporting services | - | - | - |
| Corrections | - | - | - |
| Courts | 37,879 | 157,999 | - |
| Control of environment | - | - | 241,945 |
| Assessment and collection of taxes | - | - | - |
| Election | - | - | - |
| Economic and human development | - | - | - |
| Transportation | - | - | - |
| Health | - | - | - |
| Total expenditures | 37,879 | 157,999 | 241,945 |
| Revenues over (under) expenditures | 106,095 | (14,568) | 374,339 |
| **OTHER FINANCING SOURCES (USES):** | | | |
| Transfer in | - | - | - |
| Transfer out | - | - | - |
| Total other financing sources (uses) | - | - | - |
| **NET CHANGE IN FUND BALANCE** | 106,095 | (14,568) | 374,339 |
| **FUND BALANCE (DEFICIT) - Beginning** | 101,407 | 101,317 | 31,585 |
| **FUND BALANCE (DEFICIT) - Ending** | $ 207,502 | $ 86,749 | $ 405,924 |

| Land Bank Authority | Governmental Grants | Other Nonbudgeted Special Revenue Funds | Total Nonmajor Special Revenue Funds | |
|---|---|---|---|---|
| | | | | **REVENUES:** |
| | | | | Taxes - |
| $ - | $ - | $ - | $ 38,986,572 | Property |
| - | - | - | 23,652,906 | Nonproperty |
| - | - | 79,330 | 63,470,410 | Fees and licenses |
| | | | | Intergovernmental grants and reimbursements- |
| - | 105,052,171 | 1,221,429 | 106,273,600 | Federal government |
| 2,367,589 | 2,751,984 | 3,827,575 | 11,688,084 | State of Illinois |
| - | 394,515 | - | 577,942 | Other governments |
| 2,199 | 195 | 3,316 | 134,086 | Investment income |
| 6,396,958 | 3,551,867 | 48,998 | 11,139,096 | Miscellaneous |
| 8,766,746 | 111,750,732 | 5,180,648 | 255,922,696 | Total revenues |
| | | | | **EXPENDITURES:** |
| | | | | Current - |
| - | 223,143 | - | 7,753,046 | Government management and supporting services |
| - | 1,220,966 | 4,599,504 | 13,631,198 | Corrections |
| - | 71,003,335 | - | 99,089,338 | Courts |
| - | 1,353,350 | - | 4,074,053 | Control of environment |
| - | - | - | 24,941,624 | Assessment and collection of taxes |
| - | 30,659 | - | 18,584,421 | Election |
| 5,478,242 | 37,352,717 | - | 42,830,959 | Economic and human development |
| - | 1,074,686 | - | 24,542,269 | Transportation |
| - | - | - | 3,824,557 | Health |
| 5,478,242 | 112,258,856 | 4,599,504 | 239,271,465 | Total expenditures |
| 3,288,504 | (508,124) | 581,144 | 16,651,231 | Revenues over (under) expenditures |
| | | | | **OTHER FINANCING SOURCES (USES):** |
| - | - | - | 10,838 | Transfer in |
| - | - | - | (9,400,139) | Transfer out |
| - | - | - | (9,389,301) | Total other financing sources (uses) |
| 3,288,504 | (508,124) | 581,144 | 7,261,930 | **NET CHANGE IN FUND BALANCE** |
| 146,292 | 23,171,527 | 6,118,028 | 101,040,149 | **FUND BALANCE (DEFICIT) - Beginning** |
| $ 3,434,796 | $ 22,663,403 | $ 6,699,172 | $ 108,302,079 | **FUND BALANCE (DEFICIT) - Ending** |

**Exhibit D-5**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**GEOGRAPHICAL INFORMATION SYSTEM**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Fees and licenses | $ 8,172,000 | $ - | $ 8,172,000 | $ 8,085,774 | $ (86,226) |
| Other governments | - | - | - | 183,427 | 183,427 |
| Investment income | - | - | - | 28,338 | 28,338 |
| Fund balance | 11,993,337 | - | 11,993,337 | - | (11,993,337) |
| Total revenues | 20,165,337 | - | 20,165,337 | 8,297,539 | (11,867,798) |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Personal Services | 1,793,593 | (12,975) | 1,780,618 | 1,343,915 | (436,703) |
| Contractual Services | 12,830,642 | (138,226) | 12,692,416 | 14,582,450 | 1,890,034 |
| Supplies and Materials | 218,000 | (10,815) | 207,185 | 74,984 | (132,201) |
| Operations and Maintenance | 594,407 | - | 594,407 | 258,579 | (335,828) |
| Contingency and Special Purposes | 2,224,724 | 239,511 | 2,464,235 | 1,832,710 | (631,525) |
| Rental and Leasing | 4,071 | - | 4,071 | - | (4,071) |
| Capital Outlay | 1,549,900 | (77,495) | 1,472,405 | 43,929 | (1,428,476) |
| Total expenditures and encumbrances | 19,215,337 | - | 19,215,337 | 18,136,566 | (1,078,771) |
| Revenues over (under) expenditures and encumbrances | 950,000 | - | 950,000 | (9,839,027) | (10,789,027) |
| **OTHER FINANCING USES:** | | | | | |
| Transfer out | (950,000) | - | (950,000) | (950,000) | - |
| Total other financing uses | (950,000) | - | (950,000) | (950,000) | - |
| Revenues over (under) expenditures and encumbrances and other financing uses | $ - | $ - | $ - | $ (10,789,027) | $ (10,789,027) |

**Exhibit D-6**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**MFT ILLINOIS FIRST (1ST)**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Non-Property Taxes | $ 23,234,167 | $ - | $ 23,234,167 | $ 23,234,167 | $ - |
| Investment income | - | - | - | 7,274 | 7,274 |
| Miscellaneous | | | | - | - |
| Fund balance | 270,152 | - | 270,152 | - | (270,152) |
| Total revenues | 23,504,319 | - | 23,504,319 | 23,241,441 | (262,878) |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Personal Services | 21,712,876 | (162,548) | 21,550,328 | 21,661,360 | 111,032 |
| Contractual Services | 366,881 | (2,344) | 364,537 | 187,625 | (176,912) |
| Supplies and Materials | 364,500 | (18,100) | 346,400 | 205,152 | (141,248) |
| Operations and Maintenance | 698,000 | (27,400) | 670,600 | 508,878 | (161,722) |
| Rental and Leasing | 412,000 | (16,400) | 395,600 | 70,000 | (325,600) |
| Contingency and Special Purposes | (49,938) | 226,792 | 176,854 | 9,591 | (167,263) |
| Total expenditures and encumbrances | 23,504,319 | - | 23,504,319 | 22,642,606 | (861,713) |
| Revenues over (under) expenditures and encumbrances | $ - | $ - | $ - | $ 598,835 | $ 598,835 |

**Exhibit D-7**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**ELECTION**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Property taxes | $ 19,931,005 | $ - | $ 19,931,005 | $ 19,321,922 | $ (609,083) |
| Investment income | - | - | - | 27 | 27 |
| Miscellaneous | - | - | - | (21,111) | (21,111) |
| Total revenues | 19,931,005 | - | 19,931,005 | 19,300,838 | (630,167) |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Personal Services | 11,503,319 | 689,149 | 12,192,468 | 11,782,692 | (409,776) |
| Contractual Services | 7,025,592 | (1,028,117) | 5,997,475 | 5,490,302 | (507,173) |
| Supplies and Materials | 670,090 | 367,760 | 1,037,850 | 451,078 | (586,772) |
| Operations and Maintenance | 1,034,701 | (28,981) | 1,005,720 | 987,025 | (18,695) |
| Rental and Leasing | 381,462 | (2,412) | 379,050 | 246,169 | (132,881) |
| Contingency and Special Purposes | (684,159) | 2,601 | (681,558) | (316,188) | 365,370 |
| Total expenditures and encumbrances | 19,931,005 | - | 19,931,005 | 18,641,078 | (1,289,927) |
| Revenues over (under) expenditures and encumbrances | $ - | $ - | $ - | $ 659,760 | $ 659,760 |

**Exhibit D-8**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**COUNTY LAW LIBRARY**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Fees and licenses | $ 5,421,021 | $ - | $ 5,421,021 | $ 5,041,362 | $ (379,659) |
| Total revenues | 5,421,021 | - | 5,421,021 | 5,041,362 | (379,659) |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Personal Services | 2,490,496 | (17,353) | 2,473,143 | 2,324,325 | (148,818) |
| Contractual Services | 12,480 | (574) | 11,906 | 2,764 | (9,142) |
| Supplies and Materials | 1,322,163 | (3,181) | 1,318,982 | 1,126,461 | (192,521) |
| Operations and Maintenance | 685,438 | (25) | 685,413 | 677,732 | (7,681) |
| Rental and Leasing | 60,126 | - | 60,126 | 51,829 | (8,297) |
| Contingency and Special Purposes | 2,500 | 29,241 | 31,741 | 51 | (31,690) |
| Capital Outlay | 162,164 | (8,108) | 154,056 | 7,028 | (147,028) |
| Total expenditures and encumbrances | 4,735,367 | - | 4,735,367 | 4,190,189 | (545,178) |
| Revenues over (under) expenditures and encumbrances | 685,654 | - | 685,654 | 851,173 | 165,519 |
| **OTHER FINANCING USES:** | | | | | |
| Transfer out | (685,654) | - | (685,654) | (685,654) | - |
| Total other financing uses | (685,654) | - | (685,654) | (685,654) | - |
| Revenues over (under) expenditures and encumbrances and other financing uses | $ - | $ - | $ - | $ 165,519 | $ 165,519 |

**Exhibit D-9**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**ANIMAL CONTROL**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Fees and licenses | $ 3,400,000 | $ - | $ 3,400,000 | $ 3,788,854 | $ 388,854 |
| Investment income | - | - | - | 12,581 | 12,581 |
| Fund balance | 695,046 | - | 695,046 | - | (695,046) |
| Total revenues | 4,095,046 | - | 4,095,046 | 3,801,435 | (293,611) |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Personal Services | 1,640,425 | (11,380) | 1,629,045 | 1,668,846 | 39,801 |
| Contractual Services | 1,635,060 | (1,553) | 1,633,507 | 816,004 | (817,503) |
| Supplies and Materials | 128,670 | (6,233) | 122,437 | 95,382 | (27,055) |
| Operations and Maintenance | 66,392 | (3,000) | 63,392 | 35,783 | (27,609) |
| Rental and Leasing | 7,865 | - | 7,865 | 4,400 | (3,465) |
| Contingency and Special Purposes | 50,000 | 32,916 | 82,916 | 50,000 | (32,916) |
| Capital Outlay | 215,000 | (10,750) | 204,250 | 149,059 | (55,191) |
| Total expenditures and encumbrances | 3,743,412 | - | 3,743,412 | 2,819,474 | (923,938) |
| Revenues over (under) expenditures and encumbrances | 351,634 | - | 351,634 | 981,961 | 630,327 |
| **OTHER FINANCING USES:** | | | | | |
| Transfer out | (351,634) | - | (351,634) | (351,634) | - |
| Total other financing uses | (351,634) | - | (351,634) | (351,634) | - |
| Revenues over (under) expenditures and encumbrances and other financing uses | $ - | $ - | $ - | $ 630,327 | $ 630,327 |

**Exhibit D-10**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**COUNTY RECORDER DOCUMENT STORAGE SYSTEM**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Fees and licenses | $ 3,269,000 | $ - | 3,269,000 | $ 3,367,535 | $ 98,535 |
| Investment income | - | - | - | 3,092 | 3,092 |
| Fund balance | 2,454,112 | - | 2,454,112 | - | (2,454,112) |
| Total revenues | 5,723,112 | - | 5,723,112 | 3,370,627 | (2,352,485) |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Personal Services | 4,158,601 | 46,058 | 4,204,659 | 4,125,077 | (79,582) |
| Contractual Services | 681,000 | (1,050) | 679,950 | 504,615 | (175,335) |
| Supplies and Materials | 40,040 | 2,191 | 42,231 | 38,633 | (3,598) |
| Rental and Leasing | 5,000 | (3,000) | 2,000 | - | (2,000) |
| Contingency and Special Purposes | (10,402) | (42,796) | (53,198) | (81,369) | (28,171) |
| Capital Outlay | 185,500 | (1,403) | 184,097 | 47,569 | (136,528) |
| Total expenditures and encumbrances | 5,059,739 | - | 5,059,739 | 4,634,525 | (425,214) |
| Revenues over (under) expenditures and encumbrances | 663,373 | - | 663,373 | (1,263,898) | (1,927,271) |
| **OTHER FINANCING USES:** | | | | | |
| Transfer Out | (663,373) | - | (663,373) | (663,373) | - |
| Total other financing uses | (663,373) | - | (663,373) | (663,373) | - |
| Revenues over (under) expenditures and encumbrances and other financing uses | $ - | $ - | - | $ (1,927,271) | $ (1,927,271) |

**Exhibit D-11**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**COUNTY CLERK AUTOMATION**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Fees and licenses | $ 1,165,000 | $ - | $ 1,165,000 | $ 1,151,528 | $ (13,472) |
| Investment income | - | - | - | 956 | 956 |
| Fund balance | 236,860 | - | 236,860 | - | (236,860) |
| Total revenues | 1,401,860 | - | 1,401,860 | 1,152,484 | (249,376) |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Personal Services | 1,008,732 | 37,267 | 1,045,999 | 1,027,442 | (18,557) |
| Contractual Services | 350,000 | (2,500) | 347,500 | 347,406 | (95) |
| Supplies and Materials | 35,600 | (1,675) | 33,925 | 17,273 | (16,652) |
| Operations and Maintenance | 25,000 | - | 25,000 | 7,134 | (17,867) |
| Rental and Leasing | 55,295 | (33,092) | 22,203 | 22,203 | - |
| Contingency and Special Purposes | (192,499) | - | (192,499) | (192,701) | (202) |
| Total expenditures and encumbrances | 1,282,128 | - | 1,282,128 | 1,228,756 | (53,372) |
| Revenues over (under) expenditures and encumbrances | 119,732 | - | 119,732 | (76,272) | (196,004) |
| **OTHER FINANCING USES:** | | | | | |
| Transfer out | (119,732) | - | (119,732) | (119,732) | - |
| Total other financing uses | (119,732) | - | (119,732) | (119,732) | - |
| Revenues over (under) expenditures and encumbrances and other financing uses | $ - | $ - | $ - | $ (196,004) | $ (196,004) |

**Exhibit D-12**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**CIRCUIT COURT DOCUMENT STORAGE**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Fees and licenses | $ 8,313,539 | $ - | $ 8,313,539 | $ 6,809,002 | $ (1,504,537) |
| Total revenues | 8,313,539 | - | 8,313,539 | 6,809,002 | (1,504,537) |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Personal Services | 6,409,160 | (43,419) | 6,365,741 | 7,241,824 | 876,083 |
| Contractual Services | 1,092,759 | (45,588) | 1,047,171 | 767,433 | (279,738) |
| Supplies and Materials | 135,097 | 11,620 | 146,717 | 96,841 | (49,876) |
| Operations and Maintenance | 449,100 | (17,580) | 431,520 | 249,289 | (182,231) |
| Rental and Leasing | 50,000 | - | 50,000 | 3,045 | (46,955) |
| Contingency and Special Purposes | - | 94,967 | 94,967 | - | (94,967) |
| Capital Outlay | 177,423 | - | 177,423 | 177,423 | - |
| Total expenditures and encumbrances | 8,313,539 | - | 8,313,539 | 8,535,855 | 222,316 |
| Revenues over (under) expenditures and encumbrances | $ - | $ - | $ - | $ (1,726,853) | $ (1,726,853) |

**Exhibit D-13**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**CIRCUIT COURT AUTOMATION**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Fees and licenses | $ 9,551,479 | $ - | $ 9,551,479 | $ 7,688,503 | $ (1,862,976) |
| Total revenues | 9,551,479 | - | 9,551,479 | 7,688,503 | (1,862,976) |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Personal Services | 7,599,779 | (55,817) | 7,543,962 | 7,750,630 | 206,668 |
| Contractual Services | 100,000 | | 100,000 | - | (100,000) |
| Supplies and Materials | 285,000 | (14,000) | 271,000 | 216,876 | (54,124) |
| Operations and Maintenance | 950,000 | 9,250 | 959,250 | 485,520 | (473,730) |
| Rental and Leasing | 353,700 | (10,000) | 343,700 | 178,435 | (165,265) |
| Contingency and Special Purposes | - | 70,567 | 70,567 | - | (70,567) |
| Capital Outlay | 263,000 | - | 263,000 | 263,000 | - |
| Total expenditures and encumbrances | 9,551,479 | - | 9,551,479 | 8,894,462 | (657,017) |
| Revenues over (under) expenditures and encumbrances | $ - | $ - | $ - | $ (1,205,959) | $ (1,205,959) |

**Exhibit D-14**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**CIRCUIT COURT ILLINOIS DISPUTE RESOLUTION**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Fees and licenses | $ 190,000 | $ - | $ 190,000 | $ 171,050 | $ (18,950) |
| Investment income | - | - | - | 93 | 93 |
| Fund balance | 105,000 | - | 105,000 | - | (105,000) |
| Total revenues | 295,000 | - | 295,000 | 171,143 | (123,857) |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Contractual Services | 195,000 | - | 195,000 | 177,073 | (17,927) |
| Contingency and Special Purposes | 100,000 | - | 100,000 | - | (100,000) |
| Total expenditures and encumbrances | 295,000 | - | 295,000 | 177,073 | (117,927) |
| Revenues over (under) expenditures and encumbrances | $ - | $ - | $ - | $ (5,930) | $ (5,930) |

**Exhibit D-15**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**COOK COUNTY EMERGENCY TELEPHONE SYSTEM BOARD**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Fees and licenses | $ 1,552,805 | $ - | $ 1,552,805 | $ 1,917,308 | $ 364,503 |
| Total revenues | 1,552,805 | - | 1,552,805 | 1,917,308 | 364,503 |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Personal Services | 1,566,125 | (11,470) | 1,554,655 | 1,755,743 | 201,088 |
| Rental and Leasing | 469 | - | 469 | 469 | - |
| Contingency and Special Purposes | (250,000) | 11,470 | (238,530) | (250,000) | (11,470) |
| Total expenditures and encumbrances | 1,316,594 | - | 1,316,594 | 1,506,212 | 189,618 |
| Revenues over (under) expenditures and encumbrances | 236,211 | - | 236,211 | 411,096 | 174,885 |
| **OTHER FINANCING USES:** | | | | | |
| Transfer out | (236,211) | - | (236,211) | (236,211) | - |
| Total other financing uses | (236,211) | - | (236,211) | (236,211) | - |
| Revenues over (under) expenditures and encumbrances and other financing uses | $ - | $ - | $ - | $ 174,885 | $ 174,885 |

**Exhibit D-16**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**ADULT PROBATION SERVICE FEE**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Fees and licenses | $ 4,000,000 | $ - | $ 4,000,000 | $ 3,915,928 | $ (84,072) |
| Investment income | - | - | - | 2,752 | 2,752 |
| Fund balance | 427,766 | - | 427,766 | - | (427,766) |
| Total revenues | 4,427,766 | - | 4,427,766 | 3,918,680 | (509,086) |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Personal Services | 95,000 | - | 95,000 | 86,918 | (8,082) |
| Contractual Services | 2,400,480 | (67,972) | 2,332,508 | 1,905,222 | (427,286) |
| Supplies and Materials | 116,800 | 9,948 | 126,748 | 119,631 | (7,117) |
| Contingency and Special Purposes | 1,450,000 | 74,045 | 1,524,045 | 1,378,521 | (145,524) |
| Capital Outlay | 244,798 | (16,021) | 228,777 | 212,294 | (16,483) |
| Total expenditures and encumbrances | 4,307,078 | - | 4,307,078 | 3,702,585 | (604,493) |
| Revenues over (under) expenditures and encumbrances | 120,688 | - | 120,688 | 216,095 | 95,407 |
| **OTHER FINANCING USES:** | | | | | |
| Transfer out | (120,688) | - | (120,688) | (120,688) | - |
| Total other financing uses | (120,688) | - | (120,688) | (120,688) | - |
| Revenues over (under) expenditures and encumbrances and other financing uses | $ - | $ - | $ - | $ 95,407 | $ 95,407 |

**Exhibit D-17**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**SOCIAL SERVICES PROBATION**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Fees and licenses | $ 2,800,000 | $ - | $ 2,800,000 | $ 2,904,284 | $ 104,284 |
| Investment income | - | - | - | 3,717 | 3,717 |
| Fund balance | 143,071 | - | 143,071 | - | (143,071) |
| Total revenues | 2,943,071 | - | 2,943,071 | 2,908,001 | (35,070) |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Personal Services | 20,500 | 5,000 | 25,500 | 17,934 | (7,566) |
| Contractual Services | 479,070 | (16,755) | 462,315 | 314,443 | (147,872) |
| Supplies and Materials | 93,700 | (4,135) | 89,565 | 68,421 | (21,144) |
| Operations and Maintenance | 12,200 | 3,365 | 15,565 | 7,382 | (8,183) |
| Rental and Leasing | 12,000 | 5,700 | 17,700 | 15,525 | (2,175) |
| Contingency and Special Purposes | 2,100,000 | 7,744 | 2,107,744 | 2,100,000 | (7,744) |
| Capital Outlay | 18,375 | (919) | 17,456 | - | (17,456) |
| Total expenditures and encumbrances | 2,735,845 | - | 2,735,845 | 2,523,705 | (212,140) |
| Revenues over (under) expenditures and encumbrances | 207,226 | - | 207,226 | 384,296 | 177,070 |
| **OTHER FINANCING USES:** | | | | | |
| Transfer out | (207,226) | - | (207,226) | (207,226) | - |
| Total other financing uses | (207,226) | - | (207,226) | (207,226) | - |
| Revenues over (under) expenditures and encumbrances and other financing uses | $ - | $ - | $ - | $ 177,070 | $ 177,070 |

**Exhibit D-18**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**COUNTY TREASURER TAX SALES AUTOMATION**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Fees and licenses | $ 9,500,000 | $ - | 9,500,000 | $ 9,503,976 | $ 3,976 |
| Investment income | - | - | - | 25,654 | 25,654 |
| Fund balance | 983,791 | - | 983,791 | - | (983,791) |
| Total revenues | 10,483,791 | - | 10,483,791 | 9,529,630 | (954,161) |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Personal Services | 7,407,536 | (52,342) | 7,355,194 | 6,635,311 | (719,884) |
| Contractual Services | 1,768,500 | - | 1,768,500 | 1,442,772 | (325,728) |
| Supplies and Materials | 177,400 | - | 177,400 | 78,363 | (99,037) |
| Operations and Maintenance | 488,538 | - | 488,538 | 486,115 | (2,423) |
| Rental and Leasing | 82,500 | - | 82,500 | 69,645 | (12,855) |
| Contingency and Special Purposes | - | 52,342 | 52,342 | 1,009,890 | 957,548 |
| Capital Outlay | 303,250 | - | 303,250 | 268,670 | (34,580) |
| Total expenditures and encumbrances | 10,227,724 | - | 10,227,724 | 9,990,766 | (236,958) |
| Revenues over (under) expenditures and encumbrances | 256,067 | - | 256,067 | (461,136) | (717,203) |
| **OTHER FINANCING USES:** | | | | | |
| Transfer out | (256,067) | - | (256,067) | (256,067) | - |
| Total other financing uses | (256,067) | - | (256,067) | (256,067) | - |
| Revenues over (under) expenditures and encumbrances and other financing uses | $ - | $ - | $ - | $ (717,203) | $ (717,203) |

**Exhibit D-19**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**LEAD POISONING PREVENTION**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Investment income | $ - | $ - | $ - | $ 15,079 | $ 15,079 |
| Fund balance | 1,204,656 | - | 1,204,656 | - | (1,204,656) |
| Total revenues | 1,204,656 | - | 1,204,656 | 15,079 | (1,189,577) |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Personal Services | 315,944 | - | 315,944 | 283,808 | (32,136) |
| Contractual Services | 840,925 | (1,083) | 839,842 | 587,110 | (252,732) |
| Supplies and Materials | 6,062 | (390) | 5,672 | - | (5,672) |
| Rental and Leasing | 1,000 | - | 1,000 | - | (1,000) |
| Contingency and Special Purposes | 2,910 | 1,473 | 4,383 | - | (4,383) |
| Total expenditures and encumbrances | 1,166,841 | - | 1,166,841 | 870,918 | (295,923) |
| Revenues over (under) expenditures and encumbrances | 37,815 | - | 37,815 | (855,839) | (893,654) |
| **OTHER FINANCING USES:** | | | | | |
| Transfer out | (37,815) | - | (37,815) | (37,815) | - |
| Total other financing uses | (37,815) | - | (37,815) | (37,815) | - |
| Revenues over (under) expenditures and encumbrances and other financing uses | $ - | $ - | $ - | $ (893,654) | $ (893,654) |

**Exhibit D-20**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**STATE'S ATTORNEY NARCOTICS FORFEITURE**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Intergovernmental grants and reimbursements- State of Illinois | $ 4,380,216 | $ - | $ 4,380,216 | $ 2,710,242 | $ (1,669,974) |
| Total revenues | 4,380,216 | - | 4,380,216 | 2,710,242 | (1,669,974) |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Personal Services | 4,073,340 | (29,758) | 4,043,582 | 3,780,003 | (263,579) |
| Contingency and Special Purposes | - | 29,758 | 29,758 | - | (29,758) |
| Total expenditures and encumbrances | 4,073,340 | - | 4,073,340 | 3,780,003 | (293,337) |
| Revenues over (under) expenditures and encumbrances | 306,876 | - | 306,876 | (1,069,761) | (1,376,637) |
| **OTHER FINANCING USES:** | | | | | |
| Transfer out | (306,876) | - | (306,876) | (306,876) | - |
| Total other financing uses | (306,876) | - | (306,876) | (306,876) | - |
| Revenues over (under) expenditures and encumbrances and other financing uses | $ - | $ - | $ - | $ (1,376,637) | $ (1,376,637) |

**Exhibit D-21**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**SUBURBAN TUBERCULOSIS SANITARIUM DISTRICT**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Property taxes | $ 1,161,110 | $ - | $ 1,161,110 | $ (74,059) | $ (1,235,169) |
| Investment income | - | - | - | 20,181 | 20,181 |
| Miscellaneous | - | - | - | 1,213,880 | 1,213,880 |
| Fund balance | 4,420,675 | - | 4,420,675 | - | (4,420,675) |
| Total revenues | 5,581,785 | - | 5,581,785 | 1,160,002 | (4,421,783) |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Personal Services | 3,370,479 | - | 3,370,479 | 2,928,860 | (441,619) |
| Contractual Services | 568,974 | (22,900) | 546,074 | 333,865 | (212,209) |
| Supplies and Materials | 190,810 | (15,517) | 175,293 | 77,185 | (98,108) |
| Operations and Maintenance | 599,496 | (39,795) | 559,701 | 137,717 | (421,985) |
| Rental and Leasing | 2,216 | - | 2,216 | 2,216 | - |
| Contingency and Special Purposes | 10,000 | 78,212 | 88,212 | 580 | (87,632) |
| Capital Outlay | 56,418 | - | 56,418 | - | (56,418) |
| Total expenditures and encumbrances | 4,798,393 | - | 4,798,393 | 3,480,422 | (1,317,971) |
| Revenues over (under) expenditures and encumbrances | 783,392 | - | 783,392 | (2,320,420) | (3,103,812) |
| **OTHER FINANCING USES:** | | | | | |
| Transfer out | (783,392) | - | (783,392) | (783,392) | - |
| Total other financing uses | (783,392) | - | (783,392) | (783,392) | - |
| Revenues over (under) expenditures and encumbrances and other financing uses | $ - | $ - | $ - | $ (3,103,812) | $ (3,103,812) |

**Exhibit D-22**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**CLERK OF THE CIRCUIT COURT ADMINISTRATIVE**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Fees and licenses | $ 735,842 | $ - | $ 735,842 | $ 764,595 | $ 28,753 |
| Total revenues | 735,842 | - | 735,842 | 764,595 | 28,753 |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Personal Services | 734,842 | (4,809) | 730,033 | 825,682 | 95,649 |
| Supplies and Materials | 1,000 | (425) | 575 | 4 | (571) |
| Contingency and Special Purposes | - | 5,234 | 5,234 | - | (5,234) |
| Total expenditures and encumbrances | 735,842 | - | 735,842 | 825,687 | 89,845 |
| Revenues over (under) expenditures and encumbrances | $ - | $ - | $ - | $ (61,092) | $ (61,092) |

**Exhibit D-23**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**GIS FEE**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Fees and licenses | $ 2,043,000 | $ - | $ 2,043,000 | $ 2,020,521 | $ (22,479) |
| Fund balance | 453,691 | - | 453,691 | - | (453,691) |
| Total revenues | 2,496,691 | - | 2,496,691 | 2,020,521 | (476,170) |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Personal Services | 1,756,895 | 20,493 | 1,777,388 | 1,638,174 | (139,214) |
| Contractual Services | 283,000 | (18,836) | 264,164 | 9,933 | (254,231) |
| Supplies and Materials | 23,150 | (1,157) | 21,993 | 21,283 | (710) |
| Operations and Maintenance | 10,000 | (500) | 9,500 | 3,697 | (5,803) |
| Contingency and Special Purposes | 45,663 | - | 45,663 | - | (45,663) |
| Total expenditures and encumbrances | 2,118,708 | - | 2,118,708 | 1,673,086 | (445,622) |
| Revenues over (under) expenditures and encumbrances | 377,983 | - | 377,983 | 347,435 | (30,548) |
| **OTHER FINANCING USES:** | | | | | |
| Transfer out | (377,983) | - | (377,983) | (377,983) | - |
| Total other financing uses | (377,983) | - | (377,983) | (377,983) | - |
| Revenues over (under) expenditures and encumbrances and other financing sources | $ - | $ - | $ - | $ (30,548) | $ (30,548) |

**Exhibit D- 24**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**RECORDER OF DEEDS RENTAL HOUSING SUPPORT FEE**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Fees and licenses | $ 286,000 | $ - | $ 286,000 | $ 289,355 | $ 3,355 |
| Investment income | - | - | - | 459 | 459 |
| Total revenues | 286,000 | - | 286,000 | 289,814 | 3,814 |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Contingency and Special Purposes | 286,000 | - | 286,000 | 286,000 | - |
| Total expenditures and encumbrances | 286,000 | - | 286,000 | 286,000 | - |
| Revenues over (under) expenditures and encumbrances | $ - | $ - | $ - | $ 3,814 | $ 3,814 |

**Exhibit D-25**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**CHIEF JUDGE CHILDREN'S WAITING ROOM**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Fees and licenses | $ 2,427,159 | $ - | $ 2,427,159 | $ 2,368,350 | $ (58,809) |
| Investment income | - | - | - | 519 | 519 |
| Total revenues | 2,427,159 | - | 2,427,159 | 2,368,869 | (58,290) |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Personal Services | 1,752,339 | (11,752) | 1,740,587 | 1,419,360 | (321,227) |
| Contractual Services | 1,220 | 5,000 | 6,220 | 2,884 | (3,336) |
| Supplies and Materials | 46,000 | (7,600) | 38,400 | 26,946 | (11,454) |
| Rental and Leasing | 3,000 | - | 3,000 | 3,000 | - |
| Contingency and Special Purposes | 85,000 | 14,352 | 99,352 | 85,000 | (14,352) |
| Total expenditures and encumbrances | 1,887,559 | - | 1,887,559 | 1,537,190 | (350,369) |
| Revenues over (under) expenditures and encumbrances | 539,600 | - | 539,600 | 831,679 | 292,079 |
| **OTHER FINANCING USES:** | | | | | |
| Transfer out | (539,600) | - | (539,600) | (539,600) | - |
| Total other financing uses | (539,600) | - | (539,600) | (539,600) | - |
| Revenues over (under) expenditures and encumbrances and other financing uses | $ - | $ - | $ - | $ 292,079 | $ 292,079 |

**Exhibit D-26**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**CHIEF JUDGE MENTAL HEALTH COURT**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Fees and licenses | $ 800,000 | $ - | $ 800,000 | $ 784,087 | $ (15,913) |
| Total revenues | 800,000 | - | 800,000 | 784,087 | (15,913) |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Contingency and Special Purposes | 800,000 | - | 800,000 | 800,000 | - |
| Total expenditures and encumbrances | 800,000 | - | 800,000 | 800,000 | - |
| Revenues over (under) expenditures and encumbrances | $ - | $ - | $ - | $ (15,913) | $ (15,913) |

**Exhibit D-27**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**CHIEF JUDGE PEER JURY**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Fees and licenses | $ 450,000 | $ - | $ 450,000 | $ 359,698 | $ (90,302) |
| Total revenues | 450,000 | - | 450,000 | 359,698 | (90,302) |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Contingency and Special Purposes | 450,000 | - | 450,000 | 450,000 | - |
| Total expenditures and encumbrances | 450,000 | - | 450,000 | 450,000 | - |
| Revenues over (under) expenditures and encumbrances | $ - | $ - | $ - | $ (90,302) | $ (90,302) |

**Exhibit D-28**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**CHIEF JUDGE DRUG COURT**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Fees and licenses | $ 400,000 | $ - | $ 400,000 | $ 386,312 | $ (13,688) |
| Total revenues | 400,000 | - | 400,000 | 386,312 | (13,688) |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Contingency and Special Purposes | 400,000 | - | 400,000 | 400,000 | - |
| Total expenditures and encumbrances | 400,000 | - | 400,000 | 400,000 | - |
| Revenues over (under) expenditures and encumbrances | $ - | $ - | $ - | $ (13,688) | $ (13,688) |

**Exhibit D-29**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**ASSESSOR SPECIAL REVENUE**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Fees and licenses | $ 750,000 | $ - | $ 750,000 | $ 752,410 | $ 2,410 |
| Investment income | - | - | - | 605 | 605 |
| Total revenues | 750,000 | - | 750,000 | 753,015 | 3,015 |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Contingency and Special Purposes | 750,000 | - | 750,000 | 750,000 | - |
| Total expenditures and encumbrances | 750,000 | - | 750,000 | 750,000 | - |
| Revenues over (under) expenditures and encumbrances | $ - | $ - | $ - | $ 3,015 | $ 3,015 |

**Exhibit D-30**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**SHERIFF'S WOMEN'S JUSTICE SERVICES**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Fees and licenses | $ 65,000 | $ - | $ 65,000 | $ 40,070 | $ (24,930) |
| Investment income | - | - | - | 53 | 53 |
| Total revenues | 65,000 | - | 65,000 | 40,123 | (24,877) |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Contingency and Special Purposes | 65,000 | - | 65,000 | 64,399 | (601) |
| Total expenditures and encumbrances | 65,000 | - | 65,000 | 64,399 | (601) |
| Revenues over (under) expenditures and encumbrances | $ - | $ - | $ - | $ (24,276) | $ (24,276) |

**Exhibit D-31**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**VEHICLE PURCHASE**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Fees and licenses | $ 130,000 | $ - | $ 130,000 | $ 103,345 | $ (26,655) |
| Investment income | - | - | - | 1,137 | 1,137 |
| Fund balance | 370,000 | - | 370,000 | - | (370,000) |
| Total revenues | 500,000 | - | 500,000 | 104,482 | (395,518) |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Contingency and Special Purposes | - | 25,000 | 25,000 | - | (25,000) |
| Capital Outlay | 500,000 | (25,000) | 475,000 | 399,175 | (75,825) |
| Total expenditures and encumbrances | 500,000 | - | 500,000 | 399,175 | (100,825) |
| Revenues over (under) expenditures and encumbrances | $ - | $ - | $ - | $ (294,693) | $ (294,693) |

**Exhibit D-32**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**CIRCUIT COURT ELECTRONIC CITATION**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Fees and licenses | $ 450,000 | $ - | $ 450,000 | $ 274,412 | $ (175,588) |
| Investment income | - | - | - | 356 | 356 |
| Total revenues | 450,000 | - | 450,000 | 274,768 | (175,232) |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Contingency and Special Purposes | 450,000 | - | 450,000 | 274,768 | (175,232) |
| Total expenditures and encumbrances | 450,000 | - | 450,000 | 274,768 | (175,232) |
| Revenues over (under) expenditures and encumbrances | $ - | $ - | $ - | $ - | $ - |

**Exhibit D-33**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**STATE'S ATTORNEY RECORDS AUTOMATION FUND**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Fees and licenses | $ 158,000 | $ - | $ 158,000 | $ 143,735 | $ (14,265) |
| Investment income | - | - | - | 239 | 239 |
| Total revenues | 158,000 | - | 158,000 | 143,974 | (14,026) |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Supplies and Materials | 38,196.00 | (1,910) | 36,286 | 37,879 | 1,593 |
| Operations and Maintenance | 119,804.00 | - | 119,804 | 50,446 | (69,358) |
| Contingency and Special Purposes | - | 1,910 | 1,910 | - | (1,910) |
| Total expenditures and encumbrances | 158,000 | - | 158,000 | 88,325 | (69,675) |
| Revenues over (under) expenditures and encumbrances | $ - | $ - | $ - | $ 55,649 | $ 55,649 |

**Exhibit D-34**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**PUBLIC DEFENDER RECORDS AUTOMATION FUND**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Fees and licenses | $ 158,000 | $ - | $ 158,000 | $ 143,207 | $ (14,793) |
| Investment income | - | - | - | 224 | 224 |
| Total revenues | 158,000 | - | 158,000 | 143,431 | (14,569) |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Contingency and Special Purposes | 158,000 | - | 158,000 | 158,000 | - |
| Total expenditures and encumbrances | 158,000 | - | 158,000 | 158,000 | - |
| Revenues over (under) expenditures and encumbrances | $ - | $ - | $ - | $ (14,569) | $ (14,569) |

**Exhibit D-35**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**ENVIRONMENTAL CONTROL SOLID WASTE MANAGEMENT**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Fees and licenses | $ 337,693 | $ - | $ 337,693 | $ 615,879 | $ 278,186 |
| Investment income | - | - | - | 405 | 405 |
| Total revenues | 337,693 | - | 337,693 | 616,284 | 278,591 |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Contingency and Special Purposes | 337,693 | - | 337,693 | 241,945 | (95,748) |
| Total expenditures and encumbrances | 337,693 | - | 337,693 | 241,945 | (95,748) |
| Revenues over (under) expenditures and encumbrances | $ - | $ - | $ - | $ 374,339 | $ 374,339 |

**Exhibit D-36**
**COOK COUNTY, ILLINOIS**
**NONMAJOR - SPECIAL REVENUE FUND**
**LAND BANK AUTHORITY**
**SCHEDULE OF REVENUES, EXPENDITURES AND ENCUMBRANCES**
**BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
**For the Year Ended November 30, 2015**

| | Original Budget | Transfers In/ (Out) | Final Budget | Actual Amounts | Over (Under) Final Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| State of Illinois | $ - | $ - | $ - | $ 2,367,589 | $ 2,367,589 |
| Fees and licenses | 3,450,000 | - | 3,450,000 | - | (3,450,000) |
| Investment income | - | - | - | 2,199 | 2,199 |
| Miscellaneous | - | - | - | 2,604,808 | 2,604,808 |
| Total revenues | 3,450,000 | - | 3,450,000 | 4,974,596 | 1,524,596 |
| **EXPENDITURES AND ENCUMBRANCES:** | | | | | |
| Current: | | | | | |
| Personal Services | - | - | - | 297,334 | 297,334 |
| Contractual Services | - | - | - | 502,020 | 502,020 |
| Supplies and Materials | - | - | - | 1,789 | 1,789 |
| Rental and Leasing | - | - | - | 1,500 | 1,500 |
| Contingency and Special Purposes | 2,700,000 | - | 2,737,500 | 4,445,647 | 1,708,147 |
| Operations and Maintenance | 750,000 | - | 712,500 | 162,120 | (550,380) |
| Total expenditures and encumbrances | 3,450,000 | - | 3,450,000 | 5,410,412 | 1,960,412 |
| Revenues over (under) expenditures and encumbrances | $ - | $ - | $ - | $ (435,816) | $ (435,816) |

# PENSION & OPEB TRUST FUNDS & AGENCY FUNDS

**COOK COUNTY, ILLINOIS**

***PENSION & OPEB TRUST FUNDS & AGENCY FUNDS***

The Pension and OPEB trust funds are for the benefit of the County employees and their beneficiaries. The Pension and OPEB trust funds are funded through County and employee contributions and investment income.

The Agency Funds consist of the County Treasurer, Clerk of the Circuit Court, County Sheriff, State's Attorney, Public Guardian, Public Administrator, and Other Departments. Agency Funds were established to account for assets received and held by the County as an agent for individuals, private organizations, other governments and payroll deductions.

Other Departments include the County Clerk, Recorder, Medical Examiner, Adult Probation and Liquor Commission.

**Exhibit E-1**
**COOK COUNTY, ILLINOIS**
**PENSION TRUST FUNDS**
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**
**November 30, 2015**

| **ASSETS:** | **County Pension Trust Fund** | **County Post-employment Healthcare Fund** | **Total Pension Trust** |
|---|---|---|---|
| Receivables - | | | |
| Employer Contributions | $ 189,773,898 | $ 9,803,028 | $ 199,576,926 |
| Employee Contributions | 1,995,317 | - | 1,995,317 |
| Accrued interest | 22,205,338 | - | 22,205,338 |
| Receivables for securities sold | 162,275,218 | - | 162,275,218 |
| Other | 2,334,073 | - | 2,334,073 |
| Investments - | | | |
| Short term Investments | 587,544,323 | - | 587,544,323 |
| U.S. Government and agency obligations | 1,109,668,190 | - | 1,109,668,190 |
| Corporate bonds | 857,209,577 | - | 857,209,577 |
| Equities | 4,861,596,274 | - | 4,861,596,274 |
| Fixed income mutual funds | 225,169,189 | - | 225,169,189 |
| Alternative investments | 1,188,996,021 | - | 1,188,996,021 |
| Total Investments | 8,830,183,574 | - | 8,830,183,574 |
| Collateral held for securities on loan | 1,308,676,647 | - | 1,308,676,647 |
| Total assets | 10,517,444,065 | 9,803,028 | 10,527,247,093 |
| **LIABILITIES:** | | | |
| Payable for securities purchased | 135,337,446 | - | 135,337,446 |
| Accounts payable | 5,031,192 | - | 5,031,192 |
| Health insurance payable | - | 9,803,028 | 9,803,028 |
| Securities lending collateral | 1,308,676,647 | - | 1,308,676,647 |
| Total liabilities | 1,449,045,285 | 9,803,028 | 1,458,848,313 |
| **NET POSITION:** | | | |
| Net position restricted for pension and other benefits | $ 9,068,398,780 | $ - | $ 9,068,398,780 |

**Exhibit E-2**
**COOK COUNTY, ILLINOIS**
**PENSION TRUST FUNDS**
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**
**For the Year Ended November 30, 2015**

| | County Pension Trust Fund | County Post-employment Healthcare Trust Fund | Total Pension Trust |
|---|---|---|---|
| **ADDITIONS:** | | | |
| Contributions | | | |
| Employer | $ 146,075,414 | $ 43,957,458 | $ 190,032,872 |
| Plan members | 129,325,318 | - | 129,325,318 |
| Total contributions | 275,400,732 | 43,957,458 | 319,358,190 |
| Investment income | | | |
| Net appreciation in fair value of investments | 325,036,291 | - | 325,036,291 |
| Dividends | 117,138,325 | - | 117,138,325 |
| Interest | 73,642,376 | - | 73,642,376 |
| Total investment income | 515,816,992 | - | 515,816,992 |
| Less investment expense | (31,791,345) | - | (31,791,345) |
| Net investment income | 484,025,647 | - | 484,025,647 |
| Securities lending | | | |
| Income | 5,833,409 | - | 5,833,409 |
| Expenses | (968,159) | - | (968,159) |
| Net securities lending income | 4,865,250 | - | 4,865,250 |
| Other | | | |
| Federal subsidized programs | 3,538,369 | - | 3,538,369 |
| Medicare Part D subsidy | - | 4,529,585 | 4,529,585 |
| Miscellaneous | 40,221 | - | 40,221 |
| Prescription plan rebates | - | 1,458,517 | 1,458,517 |
| Employee transfers | 175,370 | - | 175,370 |
| Net other additions | 3,753,960 | 5,988,102 | 9,742,062 |
| Total additions | $ 768,045,589 | $ 49,945,560 | $ 817,991,149 |
| **DEDUCTIONS:** | | | |
| Benefits | | | |
| Employee | $ 543,274,840 | $ - | $ 543,274,840 |
| Spouse and children | 41,865,298 | - | 41,865,298 |
| Disability benefits | | | |
| Ordinary | 9,988,572 | - | 9,988,572 |
| Duty | 527,188 | - | 527,188 |
| Healthcare | - | 49,945,560 | 49,945,560 |
| Total benefits | 595,655,898 | 49,945,560 | 645,601,458 |
| Refunds | 26,347,361 | - | 26,347,361 |
| Net administrative expenses | 5,010,206 | - | 5,010,206 |
| Total deductions | 627,013,465 | 49,945,560 | 676,959,025 |
| **CHANGE IN NET POSITION** | 141,032,124 | - | 141,032,124 |
| **NET POSITION RESTRICTED FOR PENSION AND OTHER BENEFITS** | | | |
| Beginning of year | 8,927,366,656 | - | 8,927,366,656 |
| End of year | $ 9,068,398,780 | $ - | $ 9,068,398,780 |

**Exhibit E-3**
**COOK COUNTY, ILLINOIS**
**AGENCY FUNDS**
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**
**November 30, 2015**

| ASSETS | County Treasurer | Clerk of the Circuit Court | County Sheriff | State's Attorney |
|---|---|---|---|---|
| Cash and investments | $ 150,060,851 | $ 130,914,250 | $ 8,653,798 | $ 122,456 |
| Due from other funds | 15,962,479 | - | - | - |
| Due from others | - | 3,995,909 | 868,235 | 12,537 |
| Total assets | $ 166,023,330 | $ 134,910,159 | $ 9,522,033 | $ 134,993 |
| **LIABILITIES** | | | | |
| Due to other governments | $ 130,262,479 | $ 4,021,812 | $ - | $ - |
| Due to others | 35,760,851 | 130,888,347 | 9,522,033 | 134,993 |
| Total liabilities | $ 166,023,330 | $ 134,910,159 | $ 9,522,033 | $ 134,993 |

| Public Guardian | Public Administrator | Other Departments | Total Agency Fund | ASSETS |
|---|---|---|---|---|
| $ 40,354,185 | $ 35,417,165 | $ 18,712,459 | $ 384,235,164 | Cash and investments |
| - | - | - | 15,962,479 | Due from other funds |
| 172,712 | - | 919,376 | 5,968,769 | Due from others |
| $ 40,526,897 | $ 35,417,165 | $ 19,631,835 | $ 406,166,412 | Total assets |
| | | | | **LIABILITIES** |
| $ - | $ - | $ - | $ 134,284,291 | Due to other governments |
| 40,526,897 | 35,417,165 | 19,631,835 | 271,882,121 | Due to others |
| $ 40,526,897 | $ 35,417,165 | $ 19,631,835 | $ 406,166,412 | Total liabilities |

**Exhibit E-4**
**COOK COUNTY, ILLINOIS**
**AGENCY FUNDS**
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**
**For the Year Ended November 30, 2015**

| Total | December 1, 2014 | Additions | Deductions | November 30, 2015 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Cash | $ 381,738,170 | $ 13,690,794,355 | $ 13,715,666,162 | $ 356,866,364 |
| Due from other funds | 12,831,974 | 3,130,505 | - | 15,962,479 |
| Due from others | 18,612,223 | 64,405,281 | 77,048,735 | 5,968,769 |
| Investments - | | | | |
| U.S. Government Obligations | 881,600 | 271,600 | 193,475 | 959,725 |
| Equities | 4,270,750 | 791,507 | 3,195,653 | 1,866,604 |
| Fixed Income Mutual Funds | 6,653,549 | 4,399,102 | 3,271,125 | 7,781,526 |
| Short Term Investments | 20,738,740 | 4,568,540 | 11,793,143 | 13,514,137 |
| Other | 3,966,578 | 1,651,433 | 2,371,203 | 3,246,808 |
| Total Investments | 36,511,216 | 11,682,182 | 20,824,599 | 27,368,799 |
| Total assets | $ 449,693,584 | $ 13,770,012,323 | $ 13,813,539,496 | $ 406,166,412 |
| **LIABILITIES** | | | | |
| Due to other governments | $ 143,391,919 | $ 12,404,891,630 | $ 12,413,999,258 | $ 134,284,291 |
| Due to others | 306,301,665 | 1,343,062,605 | 1,377,482,150 | 271,882,121 |
| Total liabilities | $ 449,693,584 | $ 13,747,954,235 | $ 13,791,481,408 | $ 406,166,412 |

| County Treasurer | December 1, 2014 | Additions | Deductions | November 30, 2015 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Cash | $ 169,869,265 | $ 12,449,300,000 | $ 12,469,108,414 | $ 150,060,851 |
| Due from other funds | 12,831,974 | 3,130,505 | - | 15,962,479 |
| Total assets | $ 182,701,239 | $ 12,452,430,505 | $ 12,469,108,414 | $ 166,023,330 |
| **LIABILITIES** | | | | |
| Due to other governments | $ 138,531,974 | $ 12,367,130,505 | $ 12,375,400,000 | $ 130,262,479 |
| Due to others | 44,169,265 | 85,300,000 | 93,708,414 | 35,760,851 |
| Total liabilities | $ 182,701,239 | $ 12,452,430,505 | $ 12,469,108,414 | $ 166,023,330 |

| Clerk of the Circuit Court | December 1, 2014 | Additions | Deductions | November 30, 2015 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Cash | $ 133,238,385 | $ 190,709,828 | $ 195,095,614 | $ 128,852,599 |
| Due from others | 17,023,149 | 763,434 | 13,790,674 | 3,995,909 |
| Investments - | | | | |
| Short Term Investments | 2,109,461 | 2,190 | 50,000 | 2,061,651 |
| Total Investments | 2,109,461 | 2,190 | 50,000 | 2,061,651 |
| Total assets | $ 152,370,995 | $ 191,475,452 | $ 208,936,288 | $ 134,910,159 |
| **LIABILITIES** | | | | |
| Due to other governments | $ 4,859,945 | $ 37,761,125 | $ 38,599,258 | $ 4,021,812 |
| Due to others | 147,511,050 | 136,401,266 | 153,023,969 | 130,888,347 |
| Total liabilities | $ 152,370,995 | $ 174,162,391 | $ 191,623,227 | $ 134,910,159 |

**Exhibit E-4**
**COOK COUNTY, ILLINOIS**
**AGENCY FUNDS**
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**
**For the Year Ended November 30, 2015**

| County Sheriff | December 1, 2014 | Additions | Deductions | November 30, 2015 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Cash | $ 6,382,115 | $ 88,272,691 | $ 86,001,008 | $ 8,653,798 |
| Due from others | 809,432 | 3,997,778 | 3,938,975 | 868,235 |
| Total assets | $ 7,191,547 | $ 92,270,469 | $ 89,939,983 | $ 9,522,033 |
| **LIABILITIES** | | | | |
| Due to others | $ 7,191,547 | $ 108,291,333 | $ 105,960,847 | $ 9,522,033 |
| Total liabilities | $ 7,191,547 | $ 108,291,333 | $ 105,960,847 | $ 9,522,033 |

| State's Attorney | December 1, 2014 | Additions | Deductions | November 30, 2015 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Cash | $ 3,120,927 | $ 142,363 | $ 3,140,834 | $ 122,456 |
| Due from others | 66,116 | (53,579) | - | 12,537 |
| Total assets | $ 3,187,043 | $ 88,784 | $ 3,140,834 | $ 134,993 |
| **LIABILITIES** | | | | |
| Due to others | $ 3,187,043 | $ 88,784 | $ 3,140,834 | $ 134,993 |
| Total liabilities | $ 3,187,043 | $ 88,784 | $ 3,140,834 | $ 134,993 |

| Public Guardian | December 1, 2014 | Additions | Deductions | November 30, 2015 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Cash | $ 14,956,396 | $ 34,147,776 | $ 34,057,136 | $ 15,047,036 |
| Due from others | 44,745 | - | (127,967) | 172,712 |
| Investments - | | | | |
| U.S. Government Obligations | 881,600 | 271,600 | 193,475 | 959,725 |
| Equities | 4,270,750 | 791,507 | 3,195,653 | 1,866,604 |
| Fixed Income Mutual Funds | 6,653,549 | 4,399,102 | 3,271,125 | 7,781,526 |
| Short Term Investments | 18,629,279 | 4,566,350 | 11,743,143 | 11,452,486 |
| Other | 3,966,578 | 1,651,433 | 2,371,203 | 3,246,808 |
| Total Investments | 34,401,756 | 11,679,992 | 20,774,599 | 25,307,149 |
| Total assets | $ 49,402,897 | $ 45,827,768 | $ 54,703,768 | $ 40,526,897 |
| **LIABILITIES** | | | | |
| Due to others | $ 49,402,897 | $ - | $ 8,876,000 | $ 40,526,897 |
| Total liabilities | $ 49,402,897 | $ - | $ 8,876,000 | $ 40,526,897 |

**Exhibit E-4**
**COOK COUNTY, ILLINOIS**
**AGENCY FUNDS**
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**
**For the Year Ended November 30, 2015**

| Public Administrator | December 1, 2014 | Additions | Deductions | November 30, 2015 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Cash | $ 33,007,389 | $ 61,107,809 | $ 58,698,034 | $ 35,417,165 |
| Total assets | $ 33,007,389 | $ 61,107,809 | $ 58,698,034 | $ 35,417,165 |
| **LIABILITIES** | | | | |
| Due to others | $ 33,007,389 | $ 61,107,809 | $ 58,698,034 | $ 35,417,165 |
| Total liabilities | $ 33,007,389 | $ 61,107,809 | $ 58,698,034 | $ 35,417,165 |

| Other Departments | December 1, 2014 | Additions | Deductions | November 30, 2015 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Cash | $ 21,163,693 | $ 867,113,888 | $ 869,565,122 | $ 18,712,459 |
| Due from others | 668,781 | 59,697,648 | 59,447,053 | 919,376 |
| Total assets | $ 21,832,474 | $ 926,811,536 | $ 929,012,175 | $ 19,631,835 |
| **LIABILITIES** | | | | |
| Due to others | $ 21,832,474 | $ 951,873,413 | $ 954,074,052 | $ 19,631,835 |
| Total liabilities | $ 21,832,474 | $ 951,873,413 | $ 954,074,052 | $ 19,631,835 |

# STATISTICAL SECTION

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**COOK COUNTY, ILLINOIS**
**STATISTICAL SECTION (UNAUDITED)**
**For the Year Ended November 30, 2015**

The information in this section is not covered by the Independent Auditor's Report, but is presented as supplemental data for the benefit of the readers of the comprehensive annual financial report. The objectives of statistical section information are to provide financial statement users with additional historical perspective, context, and detail to assist in using the information in the financial statements, notes to financial statements, and required supplementary information to better understand and assess the County's overall financial health.


| Contents | Page |
|---|---|
| **Financial Trends** | |
| These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time. | 222 - 229 |
| **Revenue Capacity** | |
| These schedules present information to help the reader assess the County's most significant local revenue source, the property tax. | 230 - 236 |
| **Debt Capacity** | |
| These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future. | 237 - 242 |
| **Demographic and Economic Information** | |
| The schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place. | 243 - 244 |
| **Operating Information** | |
| These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs. | 245 - 256 |


**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**Schedule S-1**
**COOK COUNTY, ILLINOIS**
**NET POSITION (DEFICIT) BY COMPONENT (1)**
**LAST TEN YEARS (accrual basis of accounting)**

| | 2006 | 2007 | 2008 | (as restated) 2009[2] | 2010 |
|---|---|---|---|---|---|
| **Governmental activities** | | | | | |
| Net investment in capital assets | $ (943,528,741) | $ (845,703,091) | $ (735,876,962) | $ (391,615,442) | $ (443,373,048) |
| Restricted for: | | | | | |
| Debt Service | 368,202,656 | 361,921,864 | 393,692,059 | 404,638,013 | 375,980,376 |
| Other restricted amounts | - | - | - | - | 126,315,685 |
| Unrestricted (deficit) | (464,013,561) | (726,405,006) | (1,105,010,249) | (1,752,979,898) | (2,354,180,328) |
| Subtotal governmental activities net position (deficit) | (1,039,339,646) | (1,210,186,233) | (1,447,195,152) | (1,739,957,327) | (2,295,257,315) |
| **Business-type activities** | | | | | |
| Net Investment in capital assets | 569,072,573 | 523,679,321 | 504,480,586 | 491,875,750 | 473,396,052 |
| Restricted for: | | | | | |
| Other restricted amounts | 6,385,146 | 6,358,237 | 1,982,096 | 4,662,371 | 6,478,666 |
| Unrestricted (deficit) | 130,771,697 | 70,960,695 | 82,024,865 | 249,760,599 | 247,245,527 |
| Subtotal business-type activities net position | 706,229,416 | 600,998,253 | 588,487,547 | 746,298,720 | 727,120,245 |
| **Primary government** | | | | | |
| Net Position | (374,456,168) | (322,023,770) | (231,396,376) | 100,260,308 | 30,023,004 |
| Restricted for: | | | | | |
| Debt Service | 368,202,656 | 361,921,864 | 393,692,059 | 404,638,013 | 375,980,376 |
| Other restricted amounts | 6,385,146 | 6,358,237 | 1,982,096 | 4,662,371 | 132,794,351 |
| Unrestricted (deficit) | (333,241,864) | (655,444,311) | (1,022,985,384) | (1,503,219,299) | (2,106,934,801) |
| Total primary government net position | $ (333,110,230) | $ (609,187,980) | $ (858,707,605) | $ (993,658,607) | $ (1,568,137,070) |

**Notes:**

**(1)** Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net position is considered restricted when (1) an external party, such as the state or federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the County, such as bond covenants.

**(2)** 2009 numbers have been restated due to a prior period error.

**(3)** 2012 Net Position for the primary government includes a decrease in "Net investment in capital assets" and an increase in "Unrestricted" deficit of $915,431,089.

**(4)** 2013 Net Position for the primary government includes a decrease in "Net investment in capital assets" and an increase in "Unrestricted" deficit of $397,439,170.

**Data Source:**
Audited Financial Statements

| 2011 | 2012[3] | 2013[4] | 2014 | 2015 | |
|---|---|---|---|---|---|
| | | | | | **Governmental activities** |
| $ 705,745,616 | $ 629,402,738 | $ 69,920,580 | $ 54,595,398 | $ (27,694,240) | Net investment in capital assets |
| | | | | | Restricted for: |
| 497,229,408 | 418,844,518 | 405,841,487 | 333,496,529 | 310,666,577 | Debt Service |
| 530,172,146 | 511,255,153 | 495,674,062 | 446,803,354 | 359,137,195 | Other restricted amounts |
| (4,743,843,186) | (5,115,090,341) | (5,258,672,104) | (5,809,091,669) | (11,300,433,028) | Unrestricted (deficit) |
| (3,010,696,016) | (3,555,587,932) | (4,287,235,975) | (4,974,196,388) | (10,658,323,496) | Subtotal governmental activities net position (deficit) |
| | | | | | **Business-type activities** |
| 456,161,524 | 440,623,431 | 426,355,232 | 400,396,877 | 394,977,522 | Net investment in capital assets |
| | | | | | Restricted for: |
| 1,058,593 | 730,566 | 6,187,511 | 266,319 | 564,564 | Other restricted amounts |
| 168,148,133 | 95,131,365 | 36,299,447 | 90,384,903 | (4,194,185,261) | Unrestricted (deficit) |
| 625,368,250 | 536,485,362 | 468,842,190 | 491,048,099 | (3,798,643,175) | Subtotal business-type activities net position |
| | | | | | **Primary government** |
| 261,857,459 | 154,595,080 | 98,836,642 | 58,725,647 | (36,697,595) | Net Position |
| | | | | | Restricted for: |
| 497,229,408 | 418,844,518 | 405,841,487 | 333,496,529 | 310,666,577 | Debt Service |
| 531,230,739 | 511,985,719 | 501,861,573 | 447,069,673 | 359,701,759 | Other restricted amounts |
| (3,675,645,372) | (4,104,527,887) | (4,824,933,487) | (5,322,440,138) | (15,090,637,412) | Unrestricted (deficit) |
| $ (2,385,327,766) | (3,019,102,570) | $ (3,818,393,785) | $ (4,483,148,289) | $ (14,456,966,671) | Total primary government net position |

**Schedule S-2**
**COOK COUNTY, ILLINOIS**
**CHANGES IN NET POSITION**
**LAST TEN YEARS (accrual basis of accounting)(2)**

| | 2006 | 2007 | 2008 | (as restated) 2009(4) | 2010 |
|---|---|---|---|---|---|
| **Expenses** | | | | | |
| Governmental activities: | | | | | |
| Government Management and Supporting Services | $ 254,629,071 | $ 164,474,839 | $ 274,272,329 | $ 272,598,219 | $ 406,698,655 |
| Corrections | 457,589,225 | 458,517,844 | 437,960,761 | 458,795,803 | 508,085,565 |
| Courts | 913,100,073 | 923,444,528 | 947,577,772 | 1,056,538,521 | 1,125,526,754 |
| Control of Environment | 49,809,079 | 76,853,094 | 65,640,366 | 75,038,758 | 63,133,317 |
| Assessment and Collection of Taxes | 62,305,285 | 66,222,895 | 50,865,985 | 62,368,182 | 80,110,320 |
| Election | 45,344,084 | 28,583,488 | 56,130,880 | 33,359,790 | 59,842,371 |
| Economic and Human Development | 45,099,687 | 40,397,863 | 40,024,964 | 34,411,559 | 56,704,888 |
| Transportation | 82,559,027 | 97,143,696 | 66,634,170 | 88,559,442 | 80,690,244 |
| Claims Expense, net of actuarial adjustments(3) | 111,782,503 | 124,962,985 | 62,063,627 | - | - |
| Interest and other charges | 149,135,775 | 145,586,490 | 150,491,345 | 158,864,628 | 156,114,811 |
| Total governmental activities expenses | 2,171,353,809 | 2,126,187,722 | 2,151,662,199 | 2,240,534,902 | 2,536,906,925 |
| Business-type activities: | | | | | |
| Health Facilities | 1,031,314,715 | 954,603,604 | 910,997,635 | 1,011,269,673 | 1,058,608,731 |
| Total business-type activities | 1,031,314,715 | 954,603,604 | 910,997,635 | 1,011,269,673 | 1,058,608,731 |
| Total primary government expenses | $ 3,202,668,524 | $ 3,080,791,326 | $ 3,062,659,834 | $ 3,251,804,575 | $ 3,595,515,656 |
| **Program Revenues** | | | | | |
| Governmental activities: | | | | | |
| Charges for services | $ 311,199,274 | $ 323,053,985 | $ 374,822,634 | $ 322,381,580 | $ 357,282,148 |
| Operating grants and contributions | 153,886,900 | 179,117,911 | 156,316,140 | 132,366,211 | 136,050,245 |
| Capital grants and contributions | 27,455,527 | 24,171,778 | 25,511,352 | 40,821,147 | 11,635,345 |
| Total governmental activities program revenues | 492,541,701 | 526,343,674 | 556,650,126 | 495,568,938 | 504,967,738 |
| Business-type activities | | | | | |
| Charges for services | 501,462,642 | 450,204,102 | 358,893,978 | 599,532,031 | 545,754,172 |
| Operating grants and contributions | 30,981,042 | 29,422,427 | 22,914,650 | 30,010,044 | 35,740,592 |
| Total business-type activities program revenues | 532,443,684 | 479,626,529 | 381,808,628 | 629,542,075 | 581,494,764 |
| Total primary government program revenues | $ 1,024,985,385 | $ 1,005,970,203 | $ 938,458,754 | $ 1,125,111,013 | $ 1,086,462,502 |
| **Net (expense) / revenue: (1)** | | | | | |
| Governmental activities | $ (1,599,844,048) | $ (1,595,012,073) | $ (1,744,965,964) | $ (2,031,939,187) | $ (2,031,939,187) |
| Business-type activities | (474,977,075) | (529,189,007) | (381,727,598) | (477,113,967) | (477,113,967) |
| Total primary government net expenses | (2,074,821,123) | (2,124,201,080) | (2,126,693,562) | (2,509,053,154) | (2,509,053,154) |
| **General Revenues and Other Changes in Net Position** | | | | | |
| **Governmental activities:** | | | | | |
| Property taxes | 614,920,225 | 612,082,864 | 618,742,149 | 616,348,217 | 624,055,797 |
| Nonproperty taxes | 848,129,365 | 815,190,203 | 774,934,065 | 902,630,352 | 904,095,249 |
| Miscellaneous revenue | 27,863,829 | 32,367,852 | 27,600,330 | 17,590,862 | 19,204,903 |
| Investment income | 53,493,855 | 48,870,092 | 17,264,119 | 2,647,797 | 683,279 |
| Proceeds from insurance / lawsuit settlement | 17,750,000 | 16,957,001 | - | - | - |
| Gain / (Loss) on sale of capital assets, net | 105,279 | (2,791,162) | (34,129) | (505,552) | (73,840) |
| Transfers | (77,136,177) | (91,605,119) | (60,539,664) | (63,153,648) | (60,117,535) |
| Transfers - Contributed capital | (19,081,878) | (2,074,270) | (19,963,716) | (23,354,239) | (11,208,654) |
| Subtotal governmental activities | 1,466,044,498 | 1,428,997,461 | 1,358,003,154 | 1,452,203,789 | 1,476,639,199 |
| **Business-type activities:** | | | | | |
| Property taxes | 146,545,358 | 140,118,621 | 139,614,672 | 138,561,251 | 130,856,985 |
| Nonproperty taxes | 98,181,756 | 135,308,176 | 296,268,837 | 314,407,478 | 255,712,445 |
| Investment income | 2,589,240 | 629,485 | 291,412 | 62,155 | 39,874 |
| Gain / (Loss) on sale of capital assets, net | (226,132) | 10,240 | - | - | - |
| Restricted gifts, grants, and bequests | - | - | - | - | - |
| Transfers | 77,136,177 | 91,605,119 | 60,539,664 | 63,153,648 | 60,117,535 |
| Contributed capital | 19,081,878 | 2,074,270 | 19,963,716 | 23,354,239 | 11,208,654 |
| Subtotal business-type activities | 343,308,277 | 369,745,911 | 516,678,301 | 539,538,771 | 457,935,493 |
| Total primary government | $ 1,809,352,775 | $ 1,798,743,372 | $ 1,874,681,455 | $ 1,991,742,560 | $ 1,934,574,692 |
| **Changes in Net Position** | | | | | |
| Government activities | $ (133,799,550) | $ (166,014,612) | $ (386,962,810) | $ (579,735,398) | $ (555,299,988) |
| Business-type activities | (131,668,798) | (159,443,096) | 134,950,703 | 62,424,804 | (19,178,474) |
| Total primary government | $ (265,468,348) | $ (325,457,708) | $ (252,012,107) | $ (517,310,594) | $ (574,478,462) |

**Note:**

**(1)** Net (expense) / revenue is the difference between the expenses and program revenues of a function or program. It indicates the degree to which a function or program is supported with its own fee and program-specific grants versus its reliance upon funding from taxes and other general revenues. Numbers in parentheses indicate that expenses were greater than program revenues and therefore general revenues were needed to finance that function or program. Numbers without parentheses mean that program revenues were more than sufficient to cover expenses.

**(2)** Accrual-basis financial information for the County government as a whole is only available to 2002, the year GASB Statement 34 was implemented.

**(3)** For fiscal years 2002 - 2005, Claims Expense was included in the Government Management and Supporting Services amount since these expenses were rolled up as an Internal Service Fund. Beginning fiscal year, 2006, Claims Expense is in the General Fund and thus a separate line item. In fiscal year 2009, as the appropriation was approved by the County Board, the Claims Expenses in the General Fund are to be off-set by charging the other County funds. The charges to the other County Funds were then reported as offsets to expenditures in the Self Insurance Account and expenditures of the fund charged.

**(4)** 2009 numbers have been restated due to a prior period error.

**Data Source: Audited Financial Statements**

| 2011 | 2012 | 2013 | 2014 | 2015 | |
|---|---|---|---|---|---|
| | | | | | **Expenses** |
| | | | | | Governmental activities: |
| $ 325,648,991 | $ 379,060,453 | $ 368,606,745 | $ 537,521,092 | $ 486,572,625 | Government Management and Supporting Services |
| 479,369,057 | 506,890,286 | 564,705,732 | 526,268,868 | 546,258,640 | Corrections |
| 1,198,546,791 | 1,138,149,938 | 1,238,311,243 | 1,163,608,205 | 1,209,816,023 | Courts |
| 7,323,018 | 9,328,464 | 8,700,199 | 7,105,585 | 8,443,827 | Control of Environment |
| 73,641,349 | 98,495,112 | 77,511,477 | 82,994,749 | 80,967,695 | Assessment and Collection of Taxes |
| 26,436,796 | 62,377,895 | 37,174,254 | 54,236,619 | 35,328,311 | Election |
| 52,896,753 | 61,194,276 | 60,611,609 | 31,624,946 | 77,198,244 | Economic and Human Development |
| 63,030,806 | 63,739,422 | 60,915,338 | 55,980,149 | 59,974,796 | Transportation |
| - | - | - | - | - | Claims Expense, net of actuarial adjustments(3) |
| 155,314,685 | 172,275,279 | 174,193,391 | 166,306,720 | 158,231,913 | Interest and other charges |
| 2,382,208,246 | 2,491,511,125 | 2,590,729,988 | 2,625,646,933 | 2,662,792,074 | Total governmental activities expenses |
| | | | | | Business-type activities: |
| 1,029,903,672 | 983,461,097 | 1,103,868,540 | 1,478,272,357 | 1,911,260,748 | Health Facilities |
| 1,029,903,672 | 983,461,097 | 1,103,868,540 | 1,478,272,357 | 1,911,260,748 | Total business-type activities |
| $ 3,412,111,918 | $ 3,474,972,222 | $ 3,694,598,528 | $ 4,103,919,290 | $ 4,574,052,822 | Total primary government expenses |
| | | | | | **Program Revenues** |
| | | | | | Governmental activities: |
| $ 328,241,595 | $ 341,877,411 | $ 343,589,029 | $ 317,996,588 | $ 329,161,404 | Charges for services |
| 162,658,167 | 182,512,018 | 156,286,555 | 167,443,592 | 149,488,877 | Operating grants and contributions |
| 110,992,118 | 86,295,642 | 86,807,110 | 93,359,804 | 80,150,014 | Capital grants and contributions |
| 601,891,880 | 610,685,071 | 586,682,694 | 578,799,984 | 558,800,295 | Total governmental activities program revenues |
| | | | | | Business-type activities |
| 534,604,567 | 536,177,313 | 676,183,970 | 1,246,467,560 | 1,553,202,251 | Charges for services |
| 22,805,816 | 29,452,590 | 33,276,391 | 18,152,738 | 18,502,462 | Operating grants and contributions |
| 557,410,383 | 565,629,903 | 709,460,361 | 1,264,620,298 | 1,571,704,713 | Total business-type activities program revenues |
| $ 1,159,302,263 | $ 1,176,314,974 | $ 1,296,143,055 | $ 1,843,420,282 | $ 2,130,505,008 | Total primary government program revenues |
| | | | | | **Net (expense) / revenue: (1)** |
| $ (1,780,316,366) | $ (1,880,826,054) | $ (2,004,047,294) | $ (2,046,846,949) | $ (2,103,991,780) | Governmental activities |
| (472,493,289) | (417,831,194) | (394,408,179) | (213,652,059) | (339,556,035) | Business-type activities |
| (2,252,809,655) | (2,298,657,248) | (2,398,455,473) | (2,260,499,008) | (2,443,547,815) | Total primary government net expenses |
| | | | | | **General Revenues and Other Changes in Net Position** |
| | | | | | **Governmental activities:** |
| 620,770,066 | 638,594,591 | 618,477,136 | 676,813,774 | 577,660,333 | Property taxes |
| 786,820,276 | 754,811,599 | 707,254,549 | 746,408,880 | 898,918,272 | Nonproperty taxes |
| 35,095,310 | 21,758,573 | 26,168,319 | 21,565,712 | 26,833,492 | Miscellaneous revenue |
| 3,895,584 | (20,434) | 895,230 | 1,233,088 | 1,853,943 | Investment income |
| - | - | - | - | - | Proceeds from insurance / lawsuit settlement |
| - | - | - | - | - | Gain / (Loss) on sale of capital assets, net |
| (97,062,697) | (62,232,018) | (58,536,753) | (59,641,813) | (62,987,754) | Transfers |
| (16,658,986) | (16,978,173) | (21,859,230) | (6,538,685) | (17,128,696) | Transfers - Contributed capital |
| 1,332,859,553 | 1,335,934,138 | 1,272,399,251 | 1,379,840,956 | 1,425,149,590 | Subtotal governmental activities |
| | | | | | **Business-type activities:** |
| 114,244,985 | 79,629,731 | 73,128,663 | 37,346,269 | 143,417,429 | Property taxes |
| 142,751,736 | 170,070,657 | 173,215,378 | 132,314,773 | 14,290,088 | Nonproperty taxes |
| 22,890 | 37,727 | 24,983 | 16,428 | 1,662 | Investment income |
| - | - | - | - | - | Gain / (Loss) on sale of capital assets, net |
| - | - | - | - | - | Restricted gifts, grants, and bequests |
| 97,062,697 | 62,232,018 | 58,536,753 | 59,641,813 | 62,987,754 | Transfers |
| 16,658,986 | 16,978,173 | 21,859,230 | 6,538,685 | 17,128,696 | Contributed capital |
| 370,741,294 | 328,948,306 | 326,765,007 | 235,857,968 | 237,825,629 | Subtotal business-type activities |
| $ 1,703,600,847 | $ 1,664,882,444 | $ 1,599,164,258 | $ 1,615,698,924 | $ 1,662,975,219 | Total primary government |
| | | | | | **Changes in Net Position** |
| $ (447,456,813) | $ (544,891,916) | $ (731,648,043) | $ (667,005,993) | $ (678,842,190) | Government activities |
| (101,751,995) | (88,882,888) | (67,643,172) | 22,205,909 | (101,730,406) | Business-type activities |
| $ (549,208,808) | $ (633,774,804) | $ (799,291,215) | $ (644,800,084) | $ (780,572,596) | Total primary government |

(concluded)

**Schedule S-3**
**COOK COUNTY, ILLINOIS**
**FUND BALANCES, GOVERNMENTAL FUNDS**
**LAST TEN YEARS (modified accrual basis of accounting)(1)**

| | 2006(1) | 2007(1) | 2008(1) | (as restated) 2009(2) | 2010(1) |
|---|---|---|---|---|---|
| General Fund | | | | | |
| Reserved for: | | | | | |
| Encumbrances | $ 28,526,800 | $ 17,647,110 | $ 46,371,212 | $ 45,541,335 | $ 33,760,754 |
| Unreserved | 259,516,065 | 203,554,454 | 103,565,761 | 51,335,834 | 30,798,552 |
| Assigned(3) | - | - | - | - | - |
| Unassigned(3) | - | - | - | - | - |
| Subtotal General Fund | $ 288,042,865 | $ 221,201,564 | $ 149,936,973 | $ 96,877,169 | $ 64,559,306 |
| All Other Governmental Funds | | | | | |
| Reserved for: | | | | | |
| Encumbrances | $ 268,208,139 | $ 201,620,837 | $ 186,949,021 | $ 172,246,460 | $ 273,620,174 |
| Reserved for loans outstanding | 43,896,206 | 43,438,998 | 41,551,853 | 47,291,394 | 43,595,506 |
| Interfund loans | - | - | - | - | - |
| Unreserved, reported in: | | | | | |
| Special Revenue Fund | 183,147,574 | 213,801,252 | 227,041,785 | 197,994,613 | 116,664,448 |
| Capital Projects Fund | 127,615,514 | 62,228,042 | (10,257,785) | 264,834,214 | 433,232,158 |
| Debt Service Fund | 167,899,157 | 149,458,818 | 164,426,700 | 178,555,862 | 155,812,110 |
| Restricted(3) | - | - | - | - | - |
| Committed(3) | - | - | - | - | - |
| Unassigned(3) | - | - | - | - | - |
| Total all other governmental funds | $ 790,766,590 | $ 670,547,947 | $ 609,711,574 | $ 860,922,543 | $ 1,022,924,396 |
| Total governmental funds | $ 1,078,809,455 | $ 891,749,511 | $ 759,648,547 | $ 957,799,712 | $ 1,087,483,702 |

**Notes:**
**(1)** Prior to 2006 the Self-Insurance Account was not part of the General Fund of the County
**(2)** 2009 numbers have been restated due to a prior period error.
**(3)** New fund balance categories used starting in FY11 due to the implementation of GASB 54.

**Data Source:**
Audited Financial Statements

| 2011(1) | 2012(1) | 2013(1) | 2014(1) | 2015(1) | |
|---|---|---|---|---|---|
| | | | | | General Fund |
| | | | | | Reserved for: |
| $ - | $ - | $ - | $ - | $ - | Encumbrances |
| - | - | - | - | - | Unreserved |
| 37,722,373 | 29,361,149 | 21,970,454 | 5,801,378 | 22,602,352 | Assigned(3) |
| 159,382,015 | 165,330,818 | 123,292,490 | 56,702,214 | 76,720,985 | Unassigned(3) |
| $ 197,104,388 | $ 194,691,967 | $ 145,262,944 | $62,503,592 | $ 99,323,337 | Subtotal General Fund |
| | | | | | All Other Governmental Funds |
| | | | | | Reserved for: |
| $ - | $ - | $ - | $ - | $ - | Encumbrances |
| - | - | - | - | - | Reserved for loans outstanding |
| - | - | - | - | - | Interfund loans |
| | | | | | Unreserved, reported in: |
| - | - | - | - | - | Special Revenue Fund |
| - | - | - | - | - | Capital Projects Fund |
| - | - | - | - | - | Debt Service Fund |
| 1,035,441,779 | 903,375,439 | 765,981,113 | 526,753,441 | 344,559,110 | Restricted(3) |
| 29,414,640 | 25,705,795 | 21,945,086 | 26,403,644 | 23,023,050 | Committed(3) |
| (50,437,967) | (40,921,156) | (47,154,642) | (38,867,825) | (39,083,487) | Unassigned(3) |
| $ 1,014,418,452 | $ 888,160,078 | $ 740,771,557 | $514,289,260 | $ 328,498,673 | Total all other governmental funds |
| $ 1,211,522,840 | $ 1,082,852,045 | $ 886,034,501 | $576,792,852 | $ 427,822,010 | Total governmental funds |

**Schedule S-4**
**COOK COUNTY, ILLINOIS**
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**
**LAST TEN YEARS**

| | 2006[2] | 2007[2] | 2008[2] | 2009[2][1] | 2010[2] |
|---|---|---|---|---|---|
| **REVENUES** | | | | | |
| Property taxes | $ 619,346,349 | $ 596,674,944 | $ 628,586,408 | $ 612,665,584 | $ 602,460,533 |
| Nonproperty taxes | 848,129,365 | 815,190,203 | 774,934,065 | 865,196,829 | 910,707,321 |
| Fees and licenses | 307,897,125 | 320,379,424 | 374,229,385 | 321,583,151 | 356,090,764 |
| Federal government | 61,140,052 | 41,165,709 | 45,287,420 | 48,456,720 | 41,055,623 |
| State of Illinois | 112,931,598 | 110,646,636 | 127,221,817 | 106,208,782 | 99,433,063 |
| Other governments | 7,687,224 | 3,453,927 | 4,953,659 | 3,099,850 | 2,828,046 |
| Investment income | 52,288,994 | 47,427,420 | 16,437,322 | 2,585,062 | 1,049,445 |
| Reimbursements from other governments | - | - | - | - | - |
| Charges to other funds | 16,590,624 | 24,598,871 | - | - | - |
| Contributions | - | 19,754,293 | 1,238,044 | - | - |
| Miscellaneous | 32,370,839 | 36,485,085 | 28,860,709 | 18,772,249 | 20,030,121 |
| Total revenues | 2,058,382,170 | 2,015,776,512 | 2,001,748,829 | 1,978,568,227 | 2,033,654,916 |
| **EXPENDITURES** | | | | | |
| Current: | | | | | |
| Government Management and Supporting Services | 166,572,341 | 156,923,191 | 144,333,526 | 146,088,309 | 173,883,062 |
| Corrections | 409,868,712 | 415,631,402 | 379,483,026 | 389,007,987 | 423,015,540 |
| Courts | 831,596,778 | 845,813,509 | 843,655,153 | 934,069,286 | 960,301,383 |
| Control of Environment | 38,538,647 | 52,075,472 | 53,664,291 | 57,202,287 | 53,965,469 |
| Assessment and Collection of Taxes | 52,588,838 | 49,632,651 | 45,969,166 | 59,143,544 | 64,174,481 |
| Election | 42,861,531 | 26,402,412 | 52,871,446 | 31,183,738 | 51,165,753 |
| Economic and Human Development | 43,502,382 | 38,783,128 | 36,451,278 | 31,101,578 | 47,140,336 |
| Transportation | 127,272,096 | 127,184,750 | 93,808,879 | 101,965,751 | 92,243,303 |
| Enterprise Fund | 77,048,667 | 80,148,867 | 63,250,770 | 67,981,543 | 99,271,036 |
| Claims Expense | 79,041,110 | 81,489,783 | 100,938,732 | (34,040) | (112,096) |
| Capital outlay | 111,057,279 | 130,702,207 | 108,324,391 | 92,120,871 | 102,461,001 |
| Debt service | | | | | |
| Principal | 57,723,048 | 71,565,731 | 62,335,287 | 70,070,030 | 88,331,375 |
| Interest and other charges | 153,711,931 | 147,853,083 | 150,063,848 | 159,748,797 | 165,166,768 |
| Bond issuance costs | - | - | - | 5,535,523 | 5,766,938 |
| Amounts incurred in the above accounts for the Enterprise Funds | (3,603,966) | (6,393,466) | (4,090,932) | (4,264,067) | (3,853,714) |
| Total expenditures | 2,187,779,394 | 2,217,812,720 | 2,131,058,861 | 2,140,921,137 | 2,322,920,635 |
| Revenues over (under) expenditures | (129,397,224) | (202,036,208) | (129,310,032) | (162,352,910) | (289,265,719) |
| **OTHER FINANCING SOURCES (USES)** | | | | | |
| Operating transfers in | 170,210,424 | 56,578,307 | 38,425,600 | 52,925,259 | 182,069,286 |
| Operating transfers out | (60,239,332) | (62,971,773) | (42,516,532) | (57,473,288) | (183,807,289) |
| Proceeds from insurance/legal settlement | 17,750,000 | 16,957,001 | - | - | - |
| Proceeds of master loan agreement | - | - | - | - | - |
| Insurance recoveries | | | - | - | - |
| Payment to refunded bond escrow agent | (350,573,813) | (210,956,305) | - | (335,049,993) | (417,075,000) |
| Line of credit issuance | - | - | - | - | - |
| Issuance of corporate purpose notes | - | - | - | - | - |
| Issuance of general obligation bonds | 349,715,898 | 213,235,049 | 1,300,000 | 671,690,000 | 809,700,000 |
| | | | - | - | - |
| Net premium | - | - | - | 28,412,097 | 28,062,712 |
| Sale of land | - | - | - | - | - |
| Capital leases | - | 2,133,985 | - | - | - |
| Total other financing sources (uses) | 126,863,177 | 14,976,264 | (2,790,932) | 360,504,075 | 418,949,709 |
| Net changes in fund balance | $ (2,534,047) | $ (187,059,944) | $ (132,100,964) | $ 198,151,165 | $ 129,683,990 |
| Debt service as a percentage of noncapital expenditures | 10.24% | 10.51% | 10.50% | 11.22% | 11.68% |

**Note:**
**(1)** 2009 numbers have been restated due to a prior period error.
**(2)** Prior to 2006 the Self-Insurance Account was not part of the General Fund of the County.

**Data Source:**
Audited Financial Statements

| 2011[2] | 2012[2] | 2013[2] | 2014[2] | 2015[2] | |
|---|---|---|---|---|---|
| | | | | | **REVENUES** |
| $ 604,355,365 | $ 598,923,053 | $ 621,074,848 | $ 632,377,540 | $ 676,033,328 | Property taxes |
| 865,642,610 | 833,176,011 | 784,284,030 | 815,895,029 | 968,640,785 | Nonproperty taxes |
| 326,998,992 | 340,627,978 | 343,604,689 | 317,996,588 | 329,161,404 | Fees and licenses |
| 134,716,537 | 126,956,488 | 125,600,683 | 70,471,576 | 120,701,806 | Federal government |
| 40,166,092 | 63,088,210 | 56,276,296 | 85,017,103 | 53,000,664 | State of Illinois |
| 4,138,221 | 2,658,461 | 2,656,098 | 11,175,807 | 2,898,053 | Other governments |
| 3,865,109 | (54,088) | 879,570 | 3,373,917 | 1,853,941 | Investment income |
| - | - | - | - | - | Reimbursements from other governments |
| - | - | - | - | - | Charges to other funds |
| - | - | - | - | - | Contributions |
| 26,375,163 | 23,045,620 | 26,229,264 | 21,565,711 | 26,843,777 | Miscellaneous |
| 2,006,258,089 | 1,988,421,733 | 1,960,605,478 | 1,957,873,271 | 2,179,133,758 | Total revenues |
| | | | | | **EXPENDITURES** |
| | | | | | Current: |
| 139,891,917 | 199,495,070 | 168,355,044 | 272,837,125 | 219,105,802 | Government Management and Supporting Services |
| 408,922,521 | 409,742,268 | 444,719,983 | 426,414,112 | 438,352,472 | Corrections |
| 1,026,713,851 | 929,589,818 | 957,619,931 | 986,822,422 | 976,342,919 | Courts |
| 5,662,451 | 5,798,981 | 6,454,007 | 5,759,581 | 6,396,440 | Control of Environment |
| 50,984,457 | 58,987,026 | 54,298,489 | 54,863,129 | 59,785,803 | Assessment and Collection of Taxes |
| 22,699,011 | 50,052,050 | 28,793,837 | 45,153,175 | 28,279,856 | Election |
| 40,007,204 | 50,496,735 | 41,387,998 | 26,121,608 | 50,280,609 | Economic and Human Development |
| 71,229,429 | 63,016,559 | 50,688,038 | 44,055,376 | 64,944,982 | Transportation |
| 59,386,925 | 5,931,963 | 6,190,617 | 5,863,779 | 3,824,557 | Enterprise Fund |
| - | 5,878,406 | 5,142,061 | - | 78,402 | Claims Expense |
| 89,506,751 | 114,228,987 | 188,496,964 | 147,776,662 | 111,102,121 | Capital outlay |
| | | | | | Debt service |
| 39,988,228 | 400,475,000 | 45,920,000 | 228,995,534 | 147,260,001 | Principal |
| 154,480,687 | 174,989,409 | 179,275,173 | 171,905,310 | 165,887,211 | Interest and other charges |
| 3,627,298 | 1,379,093 | 2,973,974 | 1,657,077 | - | Bond issuance costs |
| - | - | - | - | - | Amounts incurred in the above accounts for the Enterprise Funds |
| 2,113,100,730 | 2,470,061,365 | 2,180,316,116 | 2,418,224,890 | 2,271,641,175 | Total expenditures |
| (106,842,641) | (481,639,632) | (219,710,638) | (460,351,619) | (92,507,417) | Revenues over (under) expenditures |
| | | | | | **OTHER FINANCING SOURCES (USES)** |
| 67,732,785 | 94,770,962 | 102,638,841 | 100,306,941 | 81,443,506 | Operating transfers in |
| (106,118,882) | (98,017,981) | (106,197,508) | (101,858,538) | (144,431,260) | Operating transfers out |
| - | - | - | - | - | Proceeds from insurance/legal settlement |
| - | - | - | - | 6,524,329 | Proceeds of master loan agreement |
| 10,000,000 | - | - | - | - | Insurance recoveries |
| (285,923,269) | - | (498,044,266) | (220,427,253) | - | Payment to refunded bond escrow agent |
| 46,000,000 | - | 10,480,534 | 11,000,000 | - | Line of credit issuance |
| 105,121,433 | - | - | 40,000,000 | - | Issuance of corporate purpose notes |
| 507,298,567 | 343,330,000 | - | - | - | Issuance of general obligation bonds |
| - | 12,885,856 | 434,885,000 | 302,551,750 | - | Par value of bonds |
| 14,884,156 | - | 79,130,493 | 19,537,070 | - | Net premium |
| - | - | - | - | - | Sale of land |
| - | - | - | - | - | Capital leases |
| 358,994,790 | 352,968,837 | 22,893,094 | 151,109,970 | (56,463,425) | Total other financing sources (uses) |
| $ 252,152,149 | $ (128,670,795) | $ (196,817,544) | $ (309,241,649) | $ (148,970,842) | Net changes in fund balance |
| 9.79% | 24.71% | 11.48% | 17.68% | 14.57% | Debt service as a percentage of noncapital expenditures |

**Schedule S-5**
**COOK COUNTY, ILLINOIS**
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**
**LAST TEN LEVY YEARS**
**(Amounts in thousands)**

| Levy Year | Residential Property | Commercial Property | Industrial Property | Railroad Property | Farm Property |
|---|---|---|---|---|---|
| 2005 | $77,653,159 | $37,824,888 | $17,731,155 | $154,599 | $7,913 |
| 2006 | 87,209,147 | 38,638,355 | 18,327,403 | 162,588 | 7,287 |
| 2007 | 99,210,511 | 40,296,203 | 19,574,171 | 179,073 | 6,954 |
| 2008 | 109,189,810 | 43,372,930 | 20,878,458 | 193,338 | 7,412 |
| 2009 | 116,989,727 | 41,984,691 | 18,870,757 | 220,408 | 5,013 |
| 2010 | 113,007,050 | 39,029,083 | 18,096,144 | 268,015 | 4,321 |
| 2011 | 101,103,265 | 34,168,805 | 16,506,122 | 286,642 | 4,218 |
| 2012 | 88,133,582 | 32,580,024 | 15,159,549 | 298,644 | 4,226 |
| 2013 | 80,160,771 | 31,110,772 | 14,312,197 | 326,940 | 4,159 |
| 2014 | 82,948,768 | 37,136,250 | 7,795,782 | 324,508 | 5,150 |

**Notes:**

**(1)** Civic Federation - Estimated Full Value of Real Property in Cook County reports for fiscal years 2005-2013. Reports based on information from Cook County Assessor's Office and the Illinois Department of Revenue. Excludes railroad property, pollution control or the part of O'Hare International Airport located in DuPage County.

**(2)** Rate per $100 of assessed value

**(3)** Data not yet available

**Data Source:**

Cook County Clerk, Tax Extension Division

| Total Taxable Assessed Value | Total Direct Tax Rate(2) | Estimated Actual Taxable Value (1) | Taxable Assessed Value as a Percentage of Actual Taxable Value |
|---|---|---|---|
| $133,371,714 | $0.547 | $581,371,294 | 22.94% |
| 144,344,780 | 0.499 | 666,233,062 | 21.67% |
| 159,266,912 | 0.458 | 656,474,744 | 24.26% |
| 173,641,948 | 0.415 | 616,163,594 | 28.18% |
| 178,070,596 | 0.393 | 550,135,370 | 32.37% |
| 170,404,613 | 0.423 | 449,811,540 | 37.88% |
| 152,069,052 | 0.462 | 442,787,689 | 34.34% |
| 136,176,024 | 0.531 | 414,382,389 | 32.86% |
| 125,914,839 | 0.560 | 459,860,597 | 27.38% |
| 128,210,547 | 0.568 | **(3)** | **(3)** |

**Schedule S-6**
**COOK COUNTY, ILLINOIS**
**DIRECT AND OVERLAPPING PROPERTY TAX RATES**
**LAST TEN YEARS**
**(rate per $100 of assessed value)(1)**

| | 2005 | 2006 |
|---|---|---|
| **County Direct Rates** | | |
| Corporate | 0.009 | 0.009 |
| Public Safety | 0.145 | 0.130 |
| Health | 0.110 | 0.103 |
| Annuity and Benefit | 0.128 | 0.120 |
| Bond and Interest | 0.134 | 0.126 |
| Election | 0.007 | 0.012 |
| **Total direct rate** | **0.533** | **0.500** |
| **Overlapping Rates** | | |
| **Forest Preserve District** | 0.060 | 0.057 |
| **Other Rates** | | |
| Metropolitan Water Reclamation District | 0.315 | 0.284 |
| City of Chicago(2) | 1.243 | 1.062 |
| Chicago Board of Education | 3.026 | 2.697 |
| Chicago Park District | 0.443 | 0.379 |
| City of Chicago School Building and Improvement Fund | 0.000 | 0.000 |
| Community College District No. 508 | 0.234 | 0.205 |
| Chicago School Finance Authority | 0.127 | 0.118 |
| **Total Other Rates** | 5.388 | 4.745 |
| **Grand Total** | **5.981** | **5.302** |

**Notes:**

**(1)** Tax rates for extension purposes were based upon full valuation as required by the Department of Revenue of the State of Illinois. Based on taxes extended for collection in the succeeding year as a percentage of the Equalized Assessed Valuation for the tax year.

**(2)** City of Chicago rate is the combined rate of City of Chicago and City of Chicago Library Fund.

**Data Source:**

Cook County Clerk, Tax Extension Division

| 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|---|---|---|
| 0.008 | 0.007 | 0.007 | 0.007 | 0.008 | 0.007 | 0.010 | 0.010 |
| 0.164 | 0.105 | 0.111 | 0.113 | 0.157 | 0.181 | 0.184 | 0.241 |
| 0.092 | 0.086 | 0.081 | 0.082 | 0.076 | 0.063 | 0.089 | 0.031 |
| 0.061 | 0.069 | 0.070 | 0.083 | 0.089 | 0.109 | 0.117 | 0.109 |
| 0.114 | 0.123 | 0.114 | 0.112 | 0.120 | 0.142 | 0.145 | 0.146 |
| 0.006 | 0.025 | 0.010 | 0.026 | 0.012 | 0.027 | 0.015 | 0.031 |
| **0.446** | **0.415** | **0.394** | **0.423** | **0.462** | **0.529** | **0.560** | **0.568** |
| 0.053 | 0.051 | 0.049 | 0.051 | 0.058 | 0.063 | 0.069 | 0.069 |
| 0.263 | 0.252 | 0.261 | 0.274 | 0.320 | 0.370 | 0.417 | 0.430 |
| 1.044 | 1.030 | 0.986 | 1.016 | 1.110 | 1.151 | 1.344 | 1.327 |
| 2.583 | 2.472 | 2.366 | 2.581 | 2.875 | 3.422 | 3.671 | 3.660 |
| 0.355 | 0.323 | 0.309 | 0.319 | 0.346 | 0.378 | 0.420 | 0.401 |
| 0.000 | 0.117 | 0.112 | 0.116 | 0.119 | 0.000 | 0.152 | 0.146 |
| 0.159 | 0.156 | 0.150 | 0.151 | 0.165 | 0.190 | 0.199 | 0.193 |
| 0.091 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| 4.495 | 4.350 | 4.184 | 4.457 | 4.935 | 5.511 | 6.203 | 6.157 |
| **4.994** | **4.816** | **4.627** | **4.931** | **5.455** | **6.103** | **6.832** | **6.794** |

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**Schedule S-7**
**COOK COUNTY, ILLINOIS**
**PRINCIPAL PROPERTY TAXPAYERS**
**LEVY YEAR 2014 to LEVY YEAR 2005 COMPARISON**
**(Amounts in thousands)**

| | 2014 | | | 2005 | | |
|---|---|---|---|---|---|---|
| **Taxpayer** | **Assessed Value** | **Rank** | **Percentage of Total County Taxable Assessed Value** | **Assessed Value** | **Rank** | **Percentage of Total County Taxable Assessed Value** |
| Thompson Property Tax | $ 133,730,325 | 1 | 0.10% | | | |
| Piedmont Center | 88,460,453 | 2 | 0.07% | | | |
| Simon Property Group | 79,774,761 | 3 | 0.06% | | | |
| HCSC Blue Cross A Pini | 75,875,000 | 4 | 0.06% | | | |
| Water Tower LLC | 71,730,150 | 5 | 0.06% | $ 67,052,168 | 10 | 0.05% |
| JPMC CO ICG | 71,538,231 | 6 | 0.06% | | | |
| 227 Monroe Street LLC | 68,785,492 | 7 | 0.05% | 98,286,449 | 3 | 0.07% |
| BFPRU I LLC | 67,552,572 | 8 | 0.05% | | | |
| 300 LaSalle LLC | 67,428,953 | 9 | 0.05% | | | |
| Hines 70 W Madison LP | 66,812,500 | 10 | 0.05% | | | |
| 233 S. Wacker LLC CBRE | | | | 189,999,995 | 1 | 0.14% |
| Wells Reit Chicago Ctr | | | | 125,097,603 | 2 | 0.09% |
| Shorenstein Realty | | | | 97,488,064 | 4 | 0.07% |
| Industry Consulting | | | | 79,799,998 | 5 | 0.06% |
| Sears D 768 B2 109A | | | | 79,709,235 | 6 | 0.06% |
| NACA Ltd Partnership | | | | 71,970,002 | 8 | 0.05% |
| Woodfield Retax ADM | | | | 72,326,311 | 7 | 0.05% |
| L Burnett M Breslin | | | | 68,894,090 | 9 | 0.05% |
| Total assessed valuation | $ 791,688,437 | | 0.62% | $ 950,623,915 | | 0.71% |

**Note:**
**(1)** 2014 assessed valuations are the most current data available.

**Data Source:**

**Schedule S-8**
**COOK COUNTY, ILLINOIS**
**PROPERTY TAX LEVIES AND COLLECTIONS (1)**
**LAST TEN LEVY YEARS**

| Fiscal Year | Levy Year | Taxes Levied for the Fiscal Year | Collected within the Fiscal Year of the Levy | |
|---|---|---|---|---|
| | | | Amount | Percentage of Levy |
| 2006 | 2005 | $ 571,629,805 | $ 549,640,031 | 96.15% |
| 2007 | 2006 | 571,629,805 | 378,963,193 | 66.30% |
| 2008 | 2007 | 571,629,805 | 510,541,718 | 89.31% |
| 2009 | 2008 | 571,629,805 | 362,491,604 | 63.41% |
| 2010 | 2009 | 571,629,805 | 328,574,099 | 57.48% |
| 2011 | 2010 | 580,312,975 | 317,434,271 | 54.70% |
| 2012 | 2011 | 602,078,528 | 583,832,394 | 96.97% |
| 2013 | 2012 | 636,089,140 | 615,275,488 | 96.73% |
| 2014 | 2013 | 641,789,468 | 633,433,971 | 98.70% |
| 2015 | 2014 | 678,040,821 | 675,144,823 | 99.57% |

**Notes:**
(1) Cook County Health and Hospitals System and Forest Preserve District is excluded from the table.

**Data Source:**
Cook County Comptroller's Office

| Collections in Subsequent Years | Total Collections to Date | |
|---|---|---|
| | Amount | Percentage of Levy |
| $ 15,612,601 | $ 565,252,632 | 98.88% |
| 189,313,655 | 568,276,848 | 99.41% |
| 60,541,977 | 571,083,695 | 99.90% |
| 205,712,269 | 568,203,873 | 99.40% |
| 242,026,772 | 570,600,871 | 99.82% |
| 254,225,000 | 571,659,271 | 98.51% |
| 13,487,907 | 597,320,302 | 99.21% |
| 16,780,391 | 632,055,879 | 99.37% |
| 5,652,396 | 639,086,368 | 99.58% |
| 5,260,929 | 680,405,752 | 100.35% |

**Schedule S-9**
**COOK COUNTY, ILLINOIS**
**TOTAL DEBT AND RATIOS OF GENERAL BONDED DEBT OUTSTANDING**
**LAST TEN FISCAL YEARS**

| | General Bonded Debt | | | | | |
|---|---|---|---|---|---|---|
| Fiscal Year | General Obligation Bonds | Less: Debt Service Fund | Net Bonded Debt | Ratio of Net Bonded Debt to Assessed Value(2) | Net Bonded Debt Per Capita | Sales Tax Revenue Bonds |
| 2004 | $ 3,093,165,000 | $ (232,230,000) | $ 2,860,935,000 | 0.53% | $ 544.73 | $ - |
| 2005 | 3,066,330,000 | - | 3,066,330,000 | 0.53% | 588.82 | - |
| 2006 | 3,022,505,000 | (332,495,000) | 2,690,010,000 | 0.40% | 520.77 | - |
| 2007 | 2,953,610,000 | (203,355,000) | 2,750,255,000 | 0.42% | 533.59 | - |
| 2008 | 2,897,975,000 | - | 2,897,975,000 | 0.47% | 561.42 | - |
| 2009 | 3,184,830,000 | (326,000,000) | 2,858,830,000 | 0.52% | 551.71 | - |
| 2010 | 3,499,615,000 | (417,075,000) | 3,082,540,000 | 0.69% | 592.87 | - |
| 2011 | 3,814,460,000 | (318,318,781) | 3,496,141,219 | 0.79% | 670.52 | - |
| 2012 | 3,616,435,000 | (231,333,605) | 3,385,101,395 | 0.82% | 647.08 | 163,880,000 |
| 2013 | 3,753,435,551 | (226,137,121) | 3,527,298,430 | (1) | 673.06 | 113,590,000 |
| 2014 | 3,629,037,767 | (153,111,297) | 3,475,926,470 | (1) | 662.53 | 111,300,000 |
| 2015 | 3,511,877,504 | (92,859,112) | 3,419,018,392 | (1) | 651.68 | 108,965,000 |

**Notes:**
(1) Information not yet available.
(2) See schedule S-5 for property value data.
(3) See schedule S-12 for population and personal income data.
(4) Details of the County's debt outstanding can be found in the notes to the financial statements.
(5) Population data not yet available for 2015

**Data Source:**
Cook County Comptroller's Office

| Note Payable | Total Debt: Primary Government | Percentage of Personal Income(3) | Debt Per Capita | Fiscal Year | Personal Income | Actual Value of Taxable Property | Population(3,5) |
|---|---|---|---|---|---|---|---|
| $ - | $ 3,093,165,000 | 1.53% | $ 588.95 | 2004 | $ 202,468,518 | $ 541,942,050,000 | 5,252,021 |
| - | 3,066,330,000 | 1.45% | 588.82 | 2005 | 212,104,390 | 581,371,294,713 | 5,207,615 |
| - | 3,022,505,000 | 1.34% | 585.13 | 2006 | 226,206,976 | 666,223,061,624 | 5,165,495 |
| - | 2,953,610,000 | 1.23% | 573.05 | 2007 | 239,836,588 | 656,474,744,321 | 5,154,235 |
| - | 2,897,975,000 | 1.19% | 561.42 | 2008 | 243,310,729 | 616,163,594,142 | 5,161,831 |
| - | 3,184,830,000 | 1.37% | 614.63 | 2009 | 232,440,707 | 550,135,370,000 | 5,181,728 |
| - | 3,499,615,000 | 1.49% | 673.08 | 2010 | 235,624,324 | 449,811,539,556 | 5,199,377 |
| - | 3,814,460,000 | 1.56% | 731.57 | 2011 | 245,105,939 | 442,787,689,000 | 5,214,098 |
| - | 3,780,315,000 | 1.48% | 722.63 | 2012 | 256,036,686 | 414,382,389,000 | 5,231,351 |
| - | 3,867,025,551 | 1.49% | 737.88 | 2013 | 260,256,928 | 459,860,596,673 | 5,240,700 |
| 40,000,000 | 3,780,337,767 | 1.41% | 720.55 | 2014 | 269,035,658 | (1) | 5,246,456 |
| 6,524,329 | 3,627,366,833 | (1) | 691.39 | 2015 | (1) | (1) | 5,246,456 |

**Schedule S-10**
**COOK COUNTY, ILLINOIS**
**PLEDGED - REVENUE COVERAGE**
**LAST THREE FISCAL YEARS**
*(dollars in thousands)*

| | | Sales Tax Bonds | | |
|---|---|---|---|---|
| | | Debt Service | | |
| Fiscal Year | Pledge Sales Tax Revenue | Principal | Interest | Coverage |
| 2012 | $ 458,191 | | | |
| 2013 | 363,837 | $ 1,355 | $ 5,045 | 56.85 |
| 2014 | 333,455 | 2,290 | 4,434 | 49.59 |
| 2015 | 346,771 | 2,290 | 5,298 | 45.70 |

**Notes:**
Cook County first began issuing sales tax bonds in FY2012.

**Schedule S-11**
**COOK COUNTY, ILLINOIS**
**SUPPLEMENTAL BOND INFORMATION**

**SALES TAX BONDS**

*Annual Pledged Sales Tax Revenues*
Fiscal Years 2004 to 2015

| Fiscal Year Ended 11/30 | Home Rule Sales Tax Rate | Effective Date | Home Rule Sales Tax Revenues | Percent Change Over Prior Year | Pro Forma Debt Service Coverage Ratio (1) |
|---|---|---|---|---|---|
| 2015 | 0.75% | | $346.8 | 3.99% | 46.0x |
| 2014 | 0.75% | | $333.5 | -8.33% | 44.5x |
| 2013 | 0.75% | 01/01/2013 | $363.8 | -20.60% | 47.9x |
| 2012 | 1.00% | 01/01/2012 | $458.2 | -9.00% | 60.8x |
| 2011 | 1.25% | | $503.6 | -23.00% | 66.8x |
| 2010 | 1.75% | 07/01/2010 | $654.2 | -0.70% | 86.8x |
| 2009 | 1.75% | | $658.8 | 70.40% | 87.4x |
| 2008 | 0.75% | 07/01/2008 | $386.6 | 20.70% | 51.3x |
| 2007 | 0.75% | | $320.2 | 2.40% | 42.5x |
| 2006 | 0.75% | | $312.7 | 5.20% | 41.5x |
| 2005 | 0.75% | | $297.2 | 3.90% | 39.4x |
| 2004 | 0.75% | | $286.1 | 3.60% | 38.0x |

Source: Cook County Comptroller's Office

(1) This is the pro forma ratio of total Pledged Sales Tax Revenues to the Maximum Annual Debt Service requirement on the Bonds calculated as if the Bonds had been outstanding during the years shown.

*Monthly Pledged Sales Tax Revenues* (1)
Fiscal Years 2008-2015
(Dollars in Thousands - Unaudited Cash Basis)

| | Home Rule Sales Tax Revenues | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Month | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
| December | $ 27,163 | $ 60,263 | $ 55,625 | $ 42,386 | $ 44,027 | $ 43,211 | $ 28,029 | $ 30,146 |
| January | 26,701 | 56,551 | 54,087 | 41,424 | 41,431 | 23,539 | 27,334 | 28,859 |
| February | 27,490 | 56,512 | 53,759 | 41,938 | 42,721 | 23,005 | 27,478 | 28,628 |
| March | 32,512 | 70,257 | 90,149 | 51,843 | 53,796 | 26,563 | 33,169 | 34,438 |
| April | 23,442 | 47,035 | 44,432 | 34,150 | 28,812 | 26,108 | 22,452 | 23,661 |
| May | 22,292 | 43,637 | 47,863 | 34,156 | 34,031 | 28,950 | 22,860 | 23,554 |
| June | 25,051 | 53,209 | 55,064 | 41,728 | 35,747 | 29,711 | 27,363 | 28,153 |
| July | 26,420 | 50,523 | 54,037 | 41,123 | 33,658 | 27,548 | 27,607 | 27,799 |
| August | 27,199 | 55,368 | 56,047 | 42,964 | 35,471 | 28,431 | 29,775 | 29,769 |
| September | 28,617 | 57,450 | 59,873 | 46,000 | 37,603 | 36,356 | 30,070 | 31,636 |
| October | 58,801 | 53,705 | 41,376 | 42,388 | 34,628 | 34,927 | 28,241 | 29,923 |
| November | 60,921 | 54,323 | 41,927 | 43,507 | 36,266 | 35,488 | 29,079 | 30,205 |
| Total | $ 386,609 | $ 658,833 | $ 654,239 | $ 503,607 | $ 458,191 | $ 363,837 | $ 333,455 | $ 346,771 |

Source: Cook County Comptroller's Office

(1) Amounts may differ from that on record with the Cook County Comptroller's Office due to rounding.

**Schedule S-11 (Continued)**
**COOK COUNTY, ILLINOIS**
**SUPPLEMENTAL BOND INFORMATION**

**GENERAL OBLIGATION BONDS**

*Estimated Fair Market Value*

| Tax Year | Chicago | Outside Chicago | County |
|---|---|---|---|
| 2014 | N/a | N/a | N/a |
| 2013 | $236,695,475,114 | $223,165,121,559 | $459,860,596,673 |
| 2012 | $206,915,723,324 | $207,466,665,918 | $414,382,389,242 |
| 2011 | $222,856,063,501 | $219,931,625,868 | $442,787,689,369 |
| 2010 | $231,986,396,152 | $217,825,143,405 | $449,811,539,556 |
| 2009 | $280,288,729,779 | $269,846,639,980 | $550,135,369,759 |
| 2008 | $310,888,609,224 | $305,274,984,918 | $616,163,594,142 |
| 2007 | $320,503,503,311 | $335,971,241,010 | $656,474,744,321 |
| 2006 | $329,770,773,208 | $336,452,288,416 | $666,223,061,624 |
| 2005 | $283,137,884,228 | $298,233,410,475 | $581,371,294,703 |

Source: Cook County Clerk, Tax Extension Division
and the Illinois Department of Revenue. Excludes railroad property, pollution control property or that part of O'Hare International Airport in DuPage County.

*Equalized Assessed Valuation*

| Tax Year | Chicago | Outside Chicago | Total Cook County |
|---|---|---|---|
| 2014 | $64,908,056,690 | $63,302,490,501 | $128,210,547,191 |
| 2013 | $62,363,875,664 | $63,550,963,278 | $125,914,838,942 |
| 2012 | $65,250,387,267 | $70,925,637,060 | $136,176,024,327 |
| 2011 | $75,122,913,910 | $76,946,137,806 | $152,069,051,716 |
| 2010 | $82,087,170,063 | $88,317,443,227 | $170,404,613,290 |
| 2009 | $84,586,807,689 | $93,483,786,583 | $178,070,594,272 |
| 2008 | $80,977,543,020 | $92,664,404,974 | $173,641,947,994 |
| 2007 | $73,645,316,037 | $85,621,597,612 | $159,266,913,649 |
| 2006 | $69,511,192,285 | $74,833,590,915 | $144,344,783,200 |
| 2005 | $59,304,530,189 | $74,067,183,541 | $133,371,713,730 |

Source: Cook County Clerk, Tax Extension Division

*County Tax Extensions by Fund by Tax Year* (1)

| Fund | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|---|---|
| Corporate | $ 12,546,222 | $ 11,814,356 | $ 12,912,708 | $ 10,156,996 | $ 12,614,498 | $ 12,270,008 |
| Health | 148,853,737 | 140,170,567 | 118,405,014 | 85,794,402 | 115,597,780 | 40,128,760 |
| Public Safety | 203,836,519 | 191,946,006 | 244,587,612 | 247,103,509 | 240,547,511 | 308,483,824 |
| Election | 19,000,000 | 43,950,596 | 19,000,000 | 37,326,944 | 18,648,663 | 40,227,484 |
| Bond and Interest | 209,147,064 | 190,760,412 | 187,080,716 | 193,532,419 | 186,227,827 | 187,384,752 |
| Employees' Annuity and Benefits | 127,100,000 | 141,841,605 | 138,497,492 | 147,969,272 | 151,323,381 | 139,297,367 |
| TOTALS | $720,483,542 | $720,483,542 | $720,483,542 | $721,883,542 | $724,959,660 | $727,792,195 |

Source: Cook County Clerk, Tax Extension Division
(1) Taxes for a tax year are extended for collection in the succeeding year.

**Schedule S-12**
**COOK COUNTY, ILLINOIS**
**DIRECT AND OVERLAPPING GENERAL OBLIGATION DEBT**
**As of November 30, 2015**

| Direct Debt | General Obligation Debt Outstanding | Percentage Applicable to County | Amount Applicable to County |
|---|---|---|---|
| General Obligation Bonds | $ 3,477,541,079 | 100% | $ 3,477,541,079 |
| **Overlapping Debt(1)(5)(7)** | | | |
| Governmental Unit | | | |
| City of Chicago(2) | 8,365,916,160 | 100% | 8,365,916,160 |
| Chicago Board of Education(2)(3) | 6,171,920,661 | 100% | 6,171,920,661 |
| Chicago Park District(2)(3) | 845,460,000 | 100% | 845,460,000 |
| City Colleges(2) | 250,000,000 | 100% | 250,000,000 |
| Cook County Forest Preserve District(2) | 200,172,164 | 100% | 200,172,164 |
| Metropolitan Water Reclamation District(2)(4) | 2,463,554,005 | 100% | 2,463,554,005 |
| Subtotal overlapping debt(5) | 18,297,022,990 | | 18,297,022,990 |
| **Total direct and overlapping debt(5)** | $ 21,774,564,069 | | $ 21,774,564,069 |

**Selected Debt Statistics**

| | |
|---|---|
| 2013 Estimated Population(8) | 5,240,700 |
| 2013 Equalized Assessed Valuation(2) | $125,914,838,942 |
| 2012 Estimated Fair Market Value(2) | $414,382,389,242 |

| | Per Capita(6) | % of Equalized Assessed Valuation | % of Estimated Fair Market Value |
|---|---|---|---|
| Direct Debt | $ 663.56 | 2.76% | 0.84% |
| Direct and Overlapping Debt(5) | 4,154.90 | 17.29% | 5.25% |

**Notes:**
**(1)** Excludes short-term cash flow notes.
**(2)** Cook County Second Supplement to Remarketing Circular 2004D
**(3)** Includes "alternate bonds"; which are secured by a dedicated pledge of revenues and the general obligation taxing ability of the issuer.
**(4)** Includes loans payable to the Illinois Environmental Protection Agency.
**(5)** Does not include debt issued by other governmental units located within Cook County.
**(6)** For illustrative purposes; estimated highest per capita debt is within the boundaries of the City of Chicago.
**(7)** Excludes Municipalities and Districts outside of the City of Chicago.
**(8)** U.S. Department of Commerce, Bureau of Economic Analysis, Regional Data, Local Area Personal Income, Population, Per Capita Personal Income

**Data Sources:**
Cook County Official Statements
Actual Government Units

**Schedule S-13**
**COOK COUNTY, ILLINOIS**
**DEMOGRAPHIC AND ECONOMIC STATISTICS**
**LAST TEN FISCAL YEARS**

| Year | Population(2)(3) | Total Personal Income(2) | Per Capita Income(2) | Unemployment Rate(4) |
|---|---|---|---|---|
| 2006 | 5,165,495 | $ 225,737,023 | $ 43,701 | 4.4% |
| 2007 | 5,154,235 | 239,341,919 | 46,436 | 5.4% |
| 2008 | 5,161,831 | 242,843,619 | 47,046 | 7.5% |
| 2009 | 5,181,728 | 232,263,533 | 44,824 | 11.3% |
| 2010 | 5,198,853 | 235,054,040 | 45,213 | 9.8% |
| 2011 | 5,212,589 | 244,816,358 | 46,966 | 9.7% |
| 2012 | 5,227,992 | 255,900,211 | 48,948 | 9.5% |
| 2013 | 5,240,700 | 260,256,928 | 49,661 | 8.5% |
| 2014 | 5,246,456 | 269,035,658 | 51,280 | 5.8% |
| 2015 | (1) | (1) | (1) | 5.5% |

**Notes:**

(1) Information not yet available
(2) U.S. Department of Commerce, Bureau of Economic Analysis, Regional Data, Local
(3) 2014 population estimate from U.S. Census Bureau: State and County QuickFacts
(4) Bureau of Labor Statistics, Unemployment Rates by County, Not Seasonally Adjusted, Data from December of Each Year except 2015 (November)

**Schedule S-14**
**COOK COUNTY, ILLINOIS**
**PRINCIPAL EMPLOYERS (NON-GOVERNMENT)**
**2015 to 2006 COMPARISON**

| | 2015(1) | | | 2006(2) | | |
|---|---|---|---|---|---|---|
| **Employer** | **Employees** | **Rank** | **Percentage of Total County Employment*** | **Employees** | **Rank** | **Percentage of Total County Employment*** |
| Advocate Health Care | 18,308 | 1 | 0.69% | | | |
| University of Chicago | 16,197 | 2 | 0.61% | 8,979 | 1 | 0% |
| Northwestern Memorial Healthcare | 15,317 | 3 | 0.58% | | | |
| J.P. Morgan Chase & Co.(3) | 14,158 | 4 | 0.53% | 5,944 | 2 | 23% |
| United Continental Holdings Inc. (5) | 14,000 | 5 | 0.53% | 3,834 | 6 | 15% |
| Health Care Service Corporation | 13,006 | 6 | 0.49% | | | |
| Walgreens Boots Alliance, Inc.(6) | 13,006 | 6 | 0.49% | | | |
| Presence Health | 10,500 | 8 | 0.40% | | | |
| Abbott Laboratories | 10,000 | 9 | 0.38% | | | |
| Northwestern University | 9,708 | 10 | 0.37% | | | |
| American Airlines | | | | 3,750 | 7 | 14% |
| AT&T Inc.(4) | | | | 4,470 | 5 | 17% |
| Accenture | | | | 5,453 | 3 | 21% |
| Jewel Food Stores, Inc. | | | | | | |
| ABN Amro | | | | 3,108 | 10 | 12% |
| Bank of America | | | | | | |
| United Parcel Service | | | | 4,610 | 4 | 18% |
| Northern Trust Company | | | | 3,298 | 9 | 13% |
| Bonded Maintenance Company | | | | 3,480 | 8 | 13% |
| Ford Motor Company | | | | | | |

**Notes:**
(1) Source: Crain's Chicago Business issue May 2014.
(2) Source: City of Chicago Comprehensive Annual Financial Report 2005
(3) J.P. Morgan Chase formerly known as Bank One
(4) AT&T formerly known as SBC Ameritech.
(5) United Continental Holdings Inc formerly known as United Airlines.
(6) Walgreens Boots Alliance Inc. formerly known as Walgreens Co.
Data Source:
U.S. Bureau of Labor Statistics
Civilian Labor Force in Cook County, IL, not seasonally adjusted.

**Schedule S-15**
**COOK COUNTY, ILLINOIS**
**FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION**
**LAST TEN FISCAL YEARS**

| Program Area | 2006 | 2007 | 2008 | 2009 | 2010 |
|---|---|---|---|---|---|
| General Government, Finance and Administration | 1,291.8 | 1,114.1 | 1,228.6 | 1,101.9 | 1,166.9 |
| Healthcare | 7,931.5 | 6,969.9 | 7,426.0 | 7,554.4 | 6,738.4 |
| Public Safety | 14,975.8 | 14,360.7 | 14,722.8 | 14,548.0 | 14,731.9 |
| Property and Taxation | 1,283.5 | 1,181.5 | 1,193.5 | 1,164.2 | 1,166.0 |
| Economic Development | 93.0 | 79.8 | 95.0 | 85.2 | 88.6 |
| **Total FTEs** | 25,575.6 | 23,706.0 | 24,665.9 | 24,453.7 | 23,891.8 |

**Source: Cook County Annual Appropriation Bills**
**Notes:**

Full-time equivalent (FTE) is a position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. A full-time position would be 1.0 FTE while a part-time position scheduled for a 20-hour week would be 0.5 FTE.

| 2011 | 2012 | 2013 | 2014 | 2015 |
|---|---|---|---|---|
| 1,110.9 | 1,107.4 | 1,115.3 | 1,214.8 | 1,768.6 |
| 6,686.1 | 7,105.8 | 6,709.1 | 6,876.1 | 6,873.6 |
| 14,368.6 | 13,618.7 | 13,624.8 | 14,424.8 | 13,950.6 |
| 1,017.9 | 1,083.9 | 1,054.7 | 1,045.0 | 1,033.0 |
| 76.8 | 79.0 | 75.0 | 100.0 | 80.0 |
| 23,260.3 | 22,994.8 | 22,578.9 | 23,660.7 | 23,705.8 |

**Schedule S-16**
**COOK COUNTY, ILLINOIS**
**OPERATING INDICATORS BY FUNCTION**
**HEALTH FACILITIES**
**LAST TEN FISCAL YEARS**

| | 2006 | 2007 | 2008 | 2009 | 2010 |
|---|---|---|---|---|---|
| **Cermak Health Services** | | | | | |
| Intake Screenings | 100,056 | 98,359 | 100,000 | 84,137 | 78,871 |
| Clinic/Emergency Room Visits | 129,474 | 128,114 | 110,000 | 102,000 | 110,220 |
| Infirmary Patient Days | 39,416 | 39,776 | 38,000 | 48,000 | 52,417 |
| Residential Treatment Patient Days | 176,617 | 177,215 | 170,000 | Unavailable | Unavailable |
| Bookings at Jail(1) | 99,232 | 108,000 | 108,000 | 86,067 | 78,001 |
| Avg. Daily Correctional Facilities Census(1) | 9,335 | 10,000 | 10,000 | 9,040 | 9,004 |
| **Provident Hospital** | | | | | |
| Patient Days | 27,843 | 21,358 | 22,160 | 18,569 | 15,515 |
| Admissions | 6,288 | 5,315 | 5,471 | 4,707 | 4,036 |
| Avg. Length of Stay | 4 | 5 | 5 | 5 | 4 |
| Emergency Room Visits | 47,949 | 44,142 | 45,498 | 39,582 | 40,134 |
| Procedures Performed | 375,485 | 340,180 | 346,836 | 307,740 | 304,114 |
| **Ambulatory and Community Health Network** | | | | | |
| Ambulatory/Outpatient Visits | 746,816 | 665,000 | 750,000 | 613,983 | 641,068 |
| CLINIC VISIT SUMMARY | | | | | |
| Fantus Clinic | 451,234 | 355,000 | 451,234 | 414,569 | 418,622 |
| Ambulatory Screening Clinic | 103,052 | 60,888 | 103,052 | 52,701 | 51,067 |
| Other Community Clinic Sites | 192,530 | 190,000 | 192,530 | 146,713 | 171,379 |
| Total Visits | 746,816 | 605,888 | 746,816 | 613,983 | 641,068 |
| **Ruth M. Rothstein Core Center** | | | | | |
| Ambulatory/Outpatient Visits | 33,966 | 36,720 | 38,557 | 37,256 | 38,122 |
| **Department of Public Health** | | | | | |
| Case Management (average monthly caseload) | 16,058 | 17,500 | 17,500 | 29,541 | 27,822 |
| Clinic Visits | 155,023 | 132,000 | 132,000 | 192,340 | 200,844 |
| Health Protection (inspections & investigations) | 43,329 | 44,600 | 44,600 | 39,470 | 41,324 |
| Served Population | 2,261,100 | 2,261,000 | 2,261,000 | 2,261,000 | 2,261,100 |
| **John H. Stroger, Jr. Hospital** | | | | | |
| Patient Days | 123,312 | 123,750 | 123,942 | 115,311 | 109,694 |
| Admissions | 23,504 | 23,980 | 24,106 | 23,748 | 23,620 |
| Avg. Length of Stay (Days) | 6 | 6 | 5 | 5 | 5 |
| Avg. Daily Census | 338 | 338 | 339 | 339 | 339 |
| Emergency Service Visits | 135,356 | 138,000 | 134,860 | 132,444 | 124,936 |
| Procedures Performed(2) | 3,725,714 | 3,722,000 | 3,820,000 | 3,494,740 | 3,789,151 |
| **Oak Forest Health Center(4)** | | | | | |
| Patient Days | 117,614 | 73,678 | 25,550 | 22,484 | 21,107 |
| Admissions | 2,739 | 2,489 | 2,839 | 3,069 | 3,072 |
| Emergency Room Visits | 30,249 | 31,138 | 31,138 | 31,789 | 32,013 |
| Procedures Performed | 824,036 | 824,036 | 800,000 | 838,658 | 927,156 |
| Average Length of Stay(3) | 34 | 30 | 9 | 9 | 5 |
| Average Daily Census | 321 | 202 | 70 | 70 | 70 |

**Notes:**
(1) Obtained from Department of Corrections
(2) Includes Laboratory, Radiology, Surgeries and Anesthesia
(3) Average length of stay is calculated from various levels of care by dividing the total days for each level by the number of discharges and averaging the result.
(4) Oak Forest Hospital was downgraded by the State of Illinois in 2011 and now serves as a clinic called Oak Forest Health Center. The statistics for the procedures performed category are captured in the Stroger Hospitals procedures performed category.

**Data Source:**
Cook County Office of Budget and Management Services and
Cook County Health and Hospitals System

| 2011 | 2012 | 2013 | 2014 | 2015 | |
|---|---|---|---|---|---|
| | | | | | **Cermak Health Services** |
| 72,509 | 71,624 | 79,094 | 77,815 | 79,500 | Intake Screenings |
| 101,020 | 134,699 | 147,283 | 142,697 | 137,061 | Clinic/Emergency Room Visits |
| 55,677 | 55,032 | 62,351 | 60,516 | 50,610 | Infirmary Patient Days |
| Unavailable | Unavailable | Unavailable | Unavailable | Unavailable | Residential Treatment Patient Days |
| 74,643 | 71,127 | 82,497 | 80,988 | 93,455 | Bookings at Jail(1) |
| 8,897 | 8,442 | 9,898 | 9,718 | 8,571 | Avg. Daily Correctional Facilities Census(1) |
| | | | | | **Provident Hospital** |
| 7,476 | 6,205 | 5,703 | 4,970 | 2,492 | Patient Days |
| 2,198 | 1,657 | 1,409 | 1,273 | 745 | Admissions |
| 3 | 4 | 4 | 4 | 4 | Avg. Length of Stay |
| 36,802 | 36,203 | 31,852 | 29,476 | 27,416 | Emergency Room Visits |
| 212,879 | 213,709 | 210,717 | 198,441 | Unavailable | Procedures Performed |
| | | | | | **Ambulatory and Community Health Network** |
| 602,100 | 603,504 | 588,948 | 558,565 | 559,929 | Ambulatory/Outpatient Visits |
| | | | | | CLINIC VISIT SUMMARY |
| 352,240 | 356,800 | 350,673 | 342,038 | 342,154 | Fantus Clinic |
| 41,575 | 37,119 | 36,504 | 34,737 | 29,987 | Ambulatory Screening Clinic |
| 208,285 | 209,585 | 201,771 | 181,790 | 187,788 | Other Community Clinic Sites |
| 602,100 | 603,504 | 588,948 | 558,565 | 559,929 | Total Visits |
| | | | | | **Ruth M. Rothstein Core Center** |
| 40,072 | 41,877 | 45,454 | 29,981 | 32,984 | Ambulatory/Outpatient Visits |
| | | | | | **Department of Public Health** |
| 26,158 | 21,155 | 2,061 | 1,837 | 1,575 | Case Management (average monthly caseload) |
| 115,091 | 118,281 | 95,356 | 82,707 | 54,510 | Clinic Visits |
| 42,899 | 33,775 | 44,060 | 42,998 | 39,519 | Health Protection (inspections & investigations) |
| 2,269,080 | 2,270,577 | 2,272,075 | 2,273,572 | 2,273,572 | Served Population |
| | | | | | **John H. Stroger, Jr. Hospital** |
| 115,731 | 112,729 | 108,507 | 101,405 | 97,184 | Patient Days |
| 23,133 | 23,677 | 23,020 | 20,786 | 21,491 | Admissions |
| 5 | 5 | 5 | 5 | 5 | Avg. Length of Stay (Days) |
| 317 | 309 | 297 | 278 | 266 | Avg. Daily Census |
| 136,618 | 140,044 | 120,802 | 114,410 | 111,935 | Emergency Service Visits |
| 4,052,432 | 3,810,682 | 3,435,586 | 3,090,305 | | Procedures Performed(2) |
| | | | | | **Oak Forest Health Center(4)** |
| 9,022 | 0 | 0 | 0 | Unavailable | Patient Days |
| 1,165 | 0 | 0 | 0 | Unavailable | Admissions |
| 27,698 | 18,596 | 15,544 | 14,065 | 13,481 | Emergency Room Visits |
| 272,652 | 118,281 | 115,941 | 0 | Unavailable | Procedures Performed |
| 8 | 0 | 0 | 0 | Unavailable | Average Length of Stay(3) |
| 25 | 0 | 0 | 0 | Unavailable | Average Daily Census |

**Schedule S-17**
**COOK COUNTY, ILLINOIS**
**OPERATING INDICATORS BY FUNCTION**
**CIRCUIT COURT CASELOAD**
**LAST TEN FISCAL YEARS**

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|---|---|
| **Legal Representation** | | | | | | |
| State's Attorney | 185,751 | 185,100 | 172,936 | 170,561 | 164,897 | 164,897 |
| Public Defender | 513,778 | 493,752 | 521,721 | 426,477 | 434,232 | 373,561 |
| Public Guardian | 12,500 | 12,500 | 10,527 | 9,490 | 9,250 | 7,845 |
| Public Administrator | 1,215 | 900 | 1,243 | 1,221 | 1,269 | 1,291 |
| **Judicial Support** | | | | | | |
| Chief Judge | 637,613 | 650,383 | 579,694 | 529,589 | 613,250 | 533,191 |
| Adult Probation | 26,000 | 25,367 | 25,523 | 26,280 | 23,788 | 23,137 |
| Forensic Clinical Services | 3,982 | 4,050 | 4,022 | 4,069 | 4,470 | 3,426 |
| Social Service | 20,858 | 22,000 | 21,530 | 19,338 | 17,100 | 14,723 |
| Juvenile Probation | 4,635 | 4,750 | 4,503 | 4,688 | 4,535 | 4,334 |
| Adoption & Child Custody Advocacy | 1,009 | 1,150 | 1,055 | 1,273 | 2,231 | 2,546 |
| Law Library Visits | 112,800 | 103,200 | 101,099 | 72,094 | 79,602 | 76,213 |
| **Administration** | | | | | | |
| Criminal Cases Filed | 293,221 | 282,992 | 239,939 | 208,059 | 225,809 | 201,090 |
| Civil Cases Filed | 344,392 | 338,085 | 339,755 | 321,530 | 387,711 | 332,101 |
| Traffic Cases Filed | 1,151,213 | 1,126,447 | 984,131 | 835,972 | 898,982 | 795,250 |
| Total Cases Filed | 1,788,826 | 1,747,524 | 1,563,825 | 1,365,561 | 1,512,502 | 1,328,441 |
| **Clerk of the Circuit Court** | | | | | | |
| % of new Commercial Litigation cases processed via E-filing | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| # of bail bonds processed | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| Case activities recorded into the electronic docket | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |

**Data Source:**
Cook County Office of Budget and
Office of Performance Management

**Notes:**
Unavailable data refers to data that fit one or more of the following criteria: (1) data are no longer being collected for that indicator due to a change in metrics; (2) the Performance Management Office has not yet received comparable data from the relevant department; or (3) data are only available for part of not the entire year.

| 2012 | 2013 | 2014 | 2015 | |
|---|---|---|---|---|
| | | | | **Legal Representation** |
| Unavailable | Unavailable | Unavailable | Unavailable | State's Attorney |
| 388,063 | 478,594 | Unavailable | Unavailable | Public Defender |
| 7,598 | Unavailable | Unavailable | Unavailable | Public Guardian |
| 1,153 | 1,175 | Unavailable | Unavailable | Public Administrator |
| | | | | **Judicial Support** |
| 540,198 | Unavailable | Unavailable | Unavailable | Chief Judge |
| 20,902 | Unavailable | Unavailable | Unavailable | Adult Probation |
| 3,554 | Unavailable | Unavailable | Unavailable | Forensic Clinical Services |
| 13,811 | Unavailable | Unavailable | Unavailable | Social Service |
| 4,748 | Unavailable | Unavailable | Unavailable | Juvenile Probation |
| 2,512 | 2,519 | Unavailable | Unavailable | Adoption & Child Custody Advocacy |
| 70,948 | 76,319 | 81,565 | | Law Library Visits |
| | | | | **Administration** |
| 199,702 | 199,270 | Unavailable | Unavailable | Criminal Cases Filed |
| 340,496 | 312,945 | Unavailable | Unavailable | Civil Cases Filed |
| 783,648 | 806,254 | Unavailable | Unavailable | Traffic Cases Filed |
| 1,323,846 | 1,318,469 | Unavailable | Unavailable | Total Cases Filed |
| | | | | **Clerk of the Circuit Court** |
| 6% | 20% | 7% | Unavailable | % of new Commercial Litigation cases processed via E-filing |
| 99,899 | 98,618 | 88,880 | Unavailable | # of bail bonds processed |
| 18,750,000 | 18,803,010 | Unavailable | Unavailable | Case activities recorded into the electronic docket |

**Schedule S-18**
**COOK COUNTY, ILLINOIS**
**OPERATING INDICATORS BY FUNCTION**
**COOK COUNTY CORRECTIONS**
**LAST TEN FISCAL YEARS**

| | 2006 | 2007 | 2008 | 2009 | 2010 |
|---|---|---|---|---|---|
| **Court Services Division** | | | | | |
| Writs Served | 387,556 | 390,000 | 380,000 | 392,294 | Unavailable |
| Evictions Served | 11,536 | 10,500 | 11,000 | 14,119 | Unavailable |
| Courtrooms Served | 427 | 427 | 427 | 427 | Unavailable |
| # of incidents inside court facilities involving prohibited items | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| # of personnel trained in TSA Training Program | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| # of phone calls to clerical staff | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| # of processes served | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| # of referrals made to social services providers | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| # of Social Service Cards collected | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| **Police Department** | | | | | |
| Traffic Warnings/Citations | 52,744 | 50,000 | 52,000 | 93,293 | 107,900 |
| Evidence Handled and Prints Processed | 71,037 | 72,000 | 81,100 | 84,993 | 66,083 |
| Citizen Requests for Service | 168,981 | 170,000 | 175,000 | 192,116 | 214,925 |
| Warrants Processed | 88,507 | 88,000 | 88,000 | 63,563 | 57,523 |
| Arrest - Traffic Related | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| Moving Violations | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| Property Crimes | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| Traffic Accidents | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| **Impact Incarceration** | | | | | |
| Number of inmates sentenced to program | 720 | 672 | 672 | 668 | 613 |
| Number of inmates successfully completing program | 425 | 438 | 470 | 438 | 423 |
| **Community Supervision and Intervention** | | | | | |
| S.W.A.P. Participants - Avg. Daily Population | 295 | 300 | 300 | 321 | 281 |
| Pre-Release Participants - Avg. Daily Population | 446 | 450 | 450 | 446 | 447 |
| Electronic Monitoring Participants - Avg. Daily Population | 1,158 | 750 | 750 | 390 | 705 |
| Day Reporting Center Participants - Avg. Daily Population | 377 | 300 | 200 | 150 | 212 |
| **Community Services** | | | | | |
| Youth Services Programs, Training and Technical Assistance | 2,321 | 2,100 | 2,165 | 2,070 | 1,853 |
| Community Services Programs | 996 | 771 | 458 | 233 | 219 |
| **Department of Corrections** | | | | | |
| Average Daily Population | 9,335 | 10,000 | 10,000 | 9,066 | 8,990 |
| Bookings | 99,232 | 108,000 | 108,000 | 86,230 | 79,607 |
| Inmates Transported | 324,308 | 320,000 | 320,000 | 308,726 | 292,365 |
| Inmates Per Officer | 4 | 4 | 4 | 4 | 4 |
| Average number of individuals on court-ordered Electronic Monitoring | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| **Juvenile Temporary Detention Center** | | | | | |
| Bed Days | 174,000 | 166,000 | 148,735 | 127,236 | 117,188 |
| Avg. Length of Stay | 28 | 24 | 19 | 26 | 24 |
| Admissions to Center | 6,950 | 6,910 | 5,947 | 5,665 | 5,261 |
| Automatic Transfers | 460 | 200 | 150 | 199 | 146 |

**Data Source:**
Prior to 2013 - Cook County Office of Budget and Management Services
2013 - present - Cook County Office of Performance Management

**Note:**
Unavailable data refers to data that fit one or more of the following criteria: (1) data are no longer being collected for that indicator due to a change in metrics; (2) the Performance Management Office has not yet received comparable data from the relevant department; or (3) data are only available for part of not the entire year.

| 2011 | 2012 | 2013 | 2014 | 2015 | |
|---|---|---|---|---|---|
| | | | | | **Court Services Division** |
| 341,843 | 344,770 | Unavailable | Unavailable | Unavailable | Writs Served |
| 12,191 | 20,319 | Unavailable | Unavailable | Unavailable | Evictions Served |
| 368 | 365 | Unavailable | Unavailable | Unavailable | Courtrooms Served |
| Unavailable | 475 | 557 | 605 | 671 | # of incidents inside court facilities involving prohibited items |
| Unavailable | 393 | 480 | 960 | 546 | # of personnel trained in TSA Training Program |
| Unavailable | 5,127 | 14,037 | 22,205 | 1,749 | # of phone calls to clerical staff |
| Unavailable | 152,319 | 169,648 | 87,805 | 118,956 | # of processes served |
| Unavailable | 3,008 | 9,408 | 1,299 | 231 | # of referrals made to social services providers |
| Unavailable | 3,652 | 12,700 | 2,173 | 3,445 | # of Social Service Cards collected |
| | | | | | **Police Department** |
| 107,871 | 97,221 | Unavailable | Unavailable | Unavailable | Traffic Warnings/Citations |
| 95,655 | 95,270 | Unavailable | Unavailable | Unavailable | Evidence Handled and Prints Processed |
| 236,965 | 262,052 | Unavailable | Unavailable | Unavailable | Citizen Requests for Service |
| 55,825 | 52,920 | Unavailable | Unavailable | Unavailable | Warrants Processed |
| Unavailable | 7,034 | 7,346 | 5,448 | 5,795 | Arrest - Traffic Related |
| Unavailable | 42,878 | 39,581 | 14,304 | 18,849 | Moving Violations |
| Unavailable | 791 | 1,417 | 572 | 1,451 | Property Crimes |
| Unavailable | 4,153 | 4,500 | 2,540 | 5,536 | Traffic Accidents |
| | | | | | **Impact Incarceration** |
| 684 | 694 | Unavailable | Unavailable | Unavailable | Number of inmates sentenced to program |
| 409 | 403 | Unavailable | Unavailable | Unavailable | Number of inmates successfully completing program |
| | | | | | **Community Supervision and Intervention** |
| 250 | 250 | Unavailable | Unavailable | Unavailable | S.W.A.P. Participants - Avg. Daily Population |
| 449 | 443 | 448 | 392 | 439 | Pre-Release Participants - Avg. Daily Population |
| 576 | 1,140 | 1,075 | 1,591 | 1,630 | Electronic Monitoring Participants - Avg. Daily Population |
| 226 | 187 | 221 | 200 | 80 | Day Reporting Center Participants - Avg. Daily Population |
| | | | | | **Community Services** |
| 1,820 | Unavailable | Unavailable | Unavailable | Unavailable | Youth Services Programs, Training and Technical Assistance |
| 247 | Unavailable | Unavailable | Unavailable | Unavailable | Community Services Programs |
| | | | | | **Department of Corrections** |
| 8,875 | 9,417 | 9,776 | 8,870 | 7,879 | Average Daily Population |
| 73,990 | 76,505 | Unavailable | Unavailable | 92,799 | Bookings |
| 244,389 | 255,177 | Unavailable | Unavailable | Unavailable | Inmates Transported |
| 4 | 9 | Unavailable | Unavailable | Unavailable | Inmates Per Officer |
| Unavailable | 1,140 | 1,075 | 1,591 | 1,630 | Average number of individuals on court-ordered Electronic Monitoring |
| | | | | | **Juvenile Temporary Detention Center** |
| 287,014 | 98,682 | Unavailable | Unavailable | Unavailable | Bed Days |
| 23 | 22 | Unavailable | Unavailable | Unavailable | Avg. Length of Stay |
| 5,180 | 4,484 | Unavailable | Unavailable | Unavailable | Admissions to Center |
| 116 | 127 | Unavailable | Unavailable | Unavailable | Automatic Transfers |

**Schedule S-19**
**COOK COUNTY, ILLINOIS**
**OPERATING INDICATORS BY FUNCTION**
**OTHER SERVICES**
**LAST TEN FISCAL YEARS**

| | 2006 | 2007 | 2008 | 2009 | 2010 |
|---|---|---|---|---|---|
| **County Assessor** | | | | | |
| Taxpayer Assistance Requests | 4,730,247 | 4,235,000 | 4,770,000 | Unavailable | Unavailable |
| Parcels Processed | 1,261,260 | 800,363 | 767,946 | Unavailable | Unavailable |
| Parcels Reviewed | 3,795,967 | 3,820,756 | 3,884,154 | Unavailable | Unavailable |
| Number of Assessor Community Outreach Programs | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| Number of taxpayers that apply for Taxpayer Exemption online | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| **Board of Review** | | | | | |
| Hearings/Cases | 750,397 | 925,000 | 925,000 | 1,380,000 | Unavailable |
| Re-reviewed Parcels | 157,130 | 210,000 | 214,000 | 410,000 | 439,000 |
| Property Exemption Investigations | 28,975 | 35,000 | 35,000 | 6,000 | Unavailable |
| **Treasurer** | | | | | |
| Condemnation Court Orders Received & Recorded | 439 | 450 | 425 | 120 | 138 |
| Refunds for Overpayment, Court Orders | 282,025 | 280,000 | 240,000 | 274,171 | 327,657 |
| Investment Transactions | 43,279 | 41,000 | 41,000 | 19,509 | 12,509 |
| Scavenger Sales-Parcels | 18,154 | 0 | 18,000 | 0 | 9,215 |
| # of bank branch payments | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| # of on-line commercial (Third Party) tax payer payments | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| # of Property Tax Portal Hits | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| # of Web-Site Hits | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| **County Clerk** | | | | | |
| Marriage Licenses Issued | 35,277 | 35,255 | 35,070 | 32,522 | 32,470 |
| Business Registrations | 6,080 | 6,173 | 5,925 | 4,915 | 4,966 |
| Notary Commissions | 25,896 | 25,200 | 25,380 | 20,037 | 20,244 |
| Statements of Economic Interest Filed | 24,296 | 25,500 | 25,500 | 26,247 | 26,218 |
| Campaign Disclosure Reports Filed | 1,832 | 1,500 | 1,600 | 1,196 | 1,023 |
| Lobbyist Registration/Reports Filed | 731 | 700 | 725 | 788 | 584 |
| Map Revisions | 440,980 | 432,000 | 455,385 | 471,640 | 482,345 |
| # of Cook County Geographical Information System (GIS) maps verified | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| # of Cook County Taxing District's Bonds reviewed and analyzed | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| **County Clerk - Elections Division** | | | | | |
| Voter Registrations | 125,403 | 61,000 | 130,000 | 89,282 | 103,608 |
| Absentee Ballots | 35,073 | 20,000 | 100,000 | 13,413 | 162,245 |
| Ballot Formats | 2,773 | 860 | 2,600 | 833 | 790 |
| **Recorder of Deeds** | | | | | |
| Documents Recorded | 1,382,901 | 1,325,000 | 1,175,000 | 855,015 | 812,869 |
| Tract Searches | 56,343 | 52,500 | 52,500 | 40,551 | 30,492 |
| **Building and Zoning** | | | | | |
| Construction Inspections | 60,000 | 60,000 | 60,000 | 55,000 | 55,000 |
| Inspections per Permit | 26 | 26 | 25 | 25 | 25 |
| Permits Issued | 2,225 | 2,300 | 2,375 | 2,140 | 1,738 |
| # of inspections per month | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| # of permits issued per month | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| **Environmental Control** | | | | | |
| Inspections | 22,000 | 22,000 | 22,000 | 22,000 | 22,000 |
| Laboratory Analyses | 19,000 | 19,000 | 19,000 | 19,000 | 19,000 |
| Tons of greenhouse gases emitted by county facilities | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| Total kWh used by all County facilities | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| Total Therms used by all County Facilities | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| **Zoning Board of Appeals** | | | | | |
| Board Hearings | 255 | 265 | 280 | 250 | 126 |
| Number of public hearings | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| **Medical Examiner** | | | | | |
| Autopsy and Post-mortem Costs | 3,660,772 | 3,660,772 | 3,132,864 | 3,318,075 | 3,985,606 |
| Autopsies and Post-mortems Performed | 5,500 | 4,750 | 5,000 | 4,374 | 4,518 |
| Average # of autopsies per pathologist | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| Average response time to a death scene (minutes) | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| **Veterans' Assistance Commission** | | | | | |
| Cases | 8,100 | 5,348 | 6,000 | 5,000 | 5,000 |
| **Cook County Highway Department** | | | | | |
| Permit Applications | 6,165 | 6,075 | 6,170 | 2,594 | 2,157 |
| Lane Mileage | 1,773 | 1,770 | 1,773 | 1,759 | 1,771 |
| Traffic Studies | 40 | 40 | 40 | 469 | 402 |
| # of acres of County Right of Way mowed | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| # of catch basins cleaned | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| # of curb-miles swept | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| **Animal Control** | | | | | |
| Tags Issued | 388,724 | 394,410 | 397,609 | 404,342 | 398,622 |
| Certificates Issued | 360,000 | 360,000 | 393,660 | 405,598 | 356,624 |
| Spay & Neuter Procedures | Unavailable | 4,766 | 4,367 | 5,015 | 4,575 |
| Confinement and Releases | 4,500 | 4,500 | 2,324 | 5,759 | 5,061 |
| Specimen and Animal Pick-ups | 89 | 240 | 375 | 221 | 516 |
| Bite Reports Received | 3,905 | 3,992 | 3,608 | 4,643 | 4,472 |
| Telephone Inquiries and Information | 18,000 | 18,000 | 12,636 | 8,608 | 12,239 |
| Animals vaccinated & registered | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |
| Animals vaccinated through the low cost rabies vaccination program | Unavailable | Unavailable | Unavailable | Unavailable | Unavailable |

**Data Source:**
Prior to 2013 - Cook County Office of Budget and Management Services
2013 - present - Cook County Office of Performance Management

**Note:**
Unavailable data refers to data that fit one or more of the following criteria: (1) data are no longer being collected for that indicator due to a change in metrics; (2) the Performance Management Office has not yet received comparable data from the relevant department; or (3) data are only available for part of not the entire year.

| 2011 | 2012 | 2013 | 2014 | 2015 | |
|---|---|---|---|---|---|
| | | | | | **County Assessor** |
| Unavailable | Unavailable | Unavailable | Unavailable | Unavailable | Taxpayer Assistance Requests |
| Unavailable | Unavailable | Unavailable | Unavailable | Unavailable | Parcels Processed |
| Unavailable | Unavailable | Unavailable | Unavailable | Unavailable | Parcels Reviewed |
| Unavailable | 185 | 142 | 40 | Unavailable | Number of Assessor Community Outreach Programs |
| Unavailable | 2,983 | 3,786 | 4,692 | Unavailable | Number of taxpayers that apply for Taxpayer Exemption online |
| | | | | | **Board of Review** |
| Unavailable | Unavailable | Unavailable | Unavailable | Unavailable | Hearings/Cases |
| 386,000 | 330,000 | 423,000 | 403,000 | | Re-reviewed Parcels |
| Unavailable | Unavailable | Unavailable | Unavailable | Unavailable | Property Exemption Investigations |
| | | | | | **Treasurer** |
| 171 | 273 | Unavailable | Unavailable | Unavailable | Condemnation Court Orders Received & Recorded |
| 357,339 | 344,268 | 131,701 | 73,995 | 131,513 | Refunds for Overpayment, Court Orders |
| 10,883 | 9,477 | Unavailable | Unavailable | Unavailable | Investment Transactions |
| 0 | 19,285 | Unavailable | Unavailable | Unavailable | Scavenger Sales-Parcels |
| Unavailable | Unavailable | 876,003 | 815,842 | 818,868 | # of bank branch payments |
| Unavailable | Unavailable | 1,579,863 | 1,515,763 | 1,511,849 | # of on-line commercial (Third Party) tax payer payments |
| Unavailable | Unavailable | 2,306,478 | 3,717,152 | 3,581,922 | # of Property Tax Portal Hits |
| Unavailable | Unavailable | 3,777,054 | 3,567,257 | 4,138,735 | # of Web-Site Hits |
| | | | | | **County Clerk** |
| 32,376 | 32,130 | Unavailable | Unavailable | Unavailable | Marriage Licenses Issued |
| 4,658 | 4,835 | Unavailable | Unavailable | Unavailable | Business Registrations |
| 19,650 | 21,142 | Unavailable | Unavailable | Unavailable | Notary Commissions |
| 25,456 | 47,554 | Unavailable | Unavailable | Unavailable | Statements of Economic Interest Filed |
| Unavailable | Unavailable | Unavailable | Unavailable | Unavailable | Campaign Disclosure Reports Filed |
| 716 | 523 | Unavailable | Unavailable | Unavailable | Lobbyist Registration/Reports Filed |
| 493,795 | 509,275 | Unavailable | Unavailable | Unavailable | Map Revisions |
| Unavailable | Unavailable | 3,000 | Unavailable | Unavailable | # of Cook County Geographical Information System (GIS) maps verified |
| Unavailable | Unavailable | 1,442 | Unavailable | Unavailable | # of Cook County Taxing District's Bonds reviewed and analyzed |
| | | | | | **County Clerk - Elections Division** |
| 70,302 | 226,992 | Unavailable | Unavailable | Unavailable | Voter Registrations |
| 8,848 | 48,082 | Unavailable | Unavailable | Unavailable | Absentee Ballots |
| 1,592 | 996 | Unavailable | Unavailable | Unavailable | Ballot Formats |
| | | | | | **Recorder of Deeds** |
| 719,548 | 807,013 | 791,289 | 635,465 | 874,933 | Documents Recorded |
| 26,700 | 15,090 | Unavailable | Unavailable | Unavailable | Tract Searches |
| | | | | | **Building and Zoning** |
| 43,584 | 58,000 | Unavailable | Unavailable | Unavailable | Construction Inspections |
| 25 | 25 | Unavailable | Unavailable | Unavailable | Inspections per Permit |
| 2,241 | 2,345 | 2,090 | 1,728 | 1,928 | Permits Issued |
| Unavailable | 4,199 | 4,020 | 4,140 | 3,860 | # of inspections per month |
| Unavailable | 206 | 174 | 144 | 138 | # of permits issued per month |
| | | | | | **Environmental Control** |
| 7,812 | 11,158 | 12,968 | 11,551 | 12,024 | Inspections |
| 3,294 | 10,427 | Unavailable | Unavailable | Unavailable | Laboratory Analyses |
| Unavailable | 265 | 269 | Unavailable | Unavailable | Tons of greenhouse gases emitted by county facilities |
| Unavailable | Unavailable | 247,529,185 | Unavailable | Unavailable | Total kWh used by all County facilities |
| Unavailable | Unavailable | 13,883,941 | Unavailable | Unavailable | Total Therms used by all County Facilities |
| | | | | | **Zoning Board of Appeals** |
| 114 | 111 | Unavailable | Unavailable | Unavailable | Board Hearings |
| Unavailable | Unavailable | 71 | 74 | Unavailable | Number of public hearings |
| | | | | | **Medical Examiner** |
| 3,530,025 | 3,681,977 | Unavailable | Unavailable | Unavailable | Autopsy and Post-mortem Costs |
| 4,684 | 4,691 | Unavailable | Unavailable | Unavailable | Autopsies and Post-mortems Performed |
| Unavailable | Unavailable | 353 | 289 | 258 | Average # of autopsies per pathologist |
| Unavailable | Unavailable | 33 | 34 | 34 | Average response time to a death scene (minutes) |
| | | | | | **Veterans' Assistance Commission** |
| 5,463 | 6,678 | Unavailable | Unavailable | Unavailable | Cases |
| | | | | | **Cook County Highway Department** |
| 2,640 | 2,910 | Unavailable | Unavailable | Unavailable | Permit Applications |
| 1,771 | 1,771 | 1,771 | 1,771 | Unavailable | Lane Mileage |
| 390 | 400 | Unavailable | Unavailable | Unavailable | Traffic Studies |
| Unavailable | 2,906 | 2,282 | 1,487 | 691 | # of acres of County Right of Way mowed |
| Unavailable | Unavailable | 1,542 | Unavailable | Unavailable | # of catch basins cleaned |
| Unavailable | Unavailable | 988 | Unavailable | Unavailable | # of curb-miles swept |
| | | | | | **Animal Control** |
| 398,379 | 509,993 | 414,801 | 349,053 | 423,093 | Tags Issued |
| Unavailable | Unavailable | Unavailable | Unavailable | Unavailable | Certificates Issued |
| 4,075 | 4,067 | Unavailable | Unavailable | Unavailable | Spay & Neuter Procedures |
| Unavailable | Unavailable | Unavailable | Unavailable | Unavailable | Confinement and Releases |
| 457 | 491 | Unavailable | Unavailable | Unavailable | Specimen and Animal Pick-ups |
| 2,866 | 3,455 | 4,397 | 3,147 | 3,449 | Bite Reports Received |
| 15,216 | 23,151 | 7,059 | 15,876 | 22,379 | Telephone Inquiries and Information |
| Unavailable | 498,060 | 322,569 | 333,107 | 300,607 | Animals vaccinated & registered |
| Unavailable | 5,165 | 4,695 | 4,583 | 5,344 | Animals vaccinated through the low cost rabies vaccination program |

**Schedule S-20**
**COOK COUNTY, ILLINOIS**
**CAPITAL ASSETS BY CATEGORY(1)**
**LAST TEN YEARS**

| | 2006 | 2007 | 2008 | 2009 | 2010 |
|---|---|---|---|---|---|
| **Governmental Activities:** | | | | | |
| Land | $ 293,650,946 | $ 306,933,946 | $ 309,431,398 | $ 310,771,106 | $ 324,092,106 |
| Construction in Progress | 190,731,685 | 251,450,272 | 234,884,943 | 223,324,933 | 244,119,897 |
| Buildings and Other Improvements | 1,320,753,555 | 1,373,648,711 | 1,444,587,580 | 1,489,216,119 | 1,510,384,183 |
| Machinery and Equipment | 292,687,553 | 292,111,068 | 297,939,260 | 357,607,139 | 385,654,794 |
| Infrastructure | 1,251,026,218 | 1,340,765,240 | 1,403,222,045 | 1,446,607,560 | 1,499,577,139 |
| Total Governmental Activities | 3,348,849,957 | 3,564,909,237 | 3,690,065,226 | 3,827,526,857 | 3,963,828,119 |
| **Business-type Activities:** | | | | | |
| Construction in Progress | 5,632,779 | - | - | - | - |
| Buildings and Other Improvements | 639,137,105 | 628,831,979 | 640,318,734 | 647,124,600 | 652,876,534 |
| Machinery and Equipment | 224,444,470 | 182,340,389 | 190,804,188 | 193,463,631 | 203,770,645 |
| Total Business-type Activities | 869,214,354 | 811,172,368 | 831,122,922 | 840,588,231 | 856,647,179 |
| **Primary Government:** | | | | | |
| Land | 293,650,946 | 306,933,946 | 309,431,398 | 310,771,106 | 324,092,106 |
| Construction in Progress | 196,364,464 | 251,450,272 | 234,884,943 | 223,324,933 | 244,119,897 |
| Buildings and Other Improvements | 1,959,890,660 | 2,002,480,690 | 2,084,906,314 | 2,136,340,719 | 2,163,260,717 |
| Machinery and Equipment | 517,132,023 | 474,451,457 | 488,743,448 | 551,070,770 | 589,425,439 |
| Infrastructure | 1,251,026,218 | 1,340,765,240 | 1,403,222,045 | 1,446,607,560 | 1,499,577,139 |
| Total Primary Government | $ 4,218,064,311 | $ 4,376,081,605 | $ 4,521,188,148 | $ 4,668,115,088 | $ 4,820,475,298 |

**Notes:**
(1) Data for capital assets by function/program is unavailable
(2) Beginning with fiscal year 2011, these numbers exclude the Forest Preserve District due to the implementation of GASB 61

**Data Source:**
Cook County Comptroller's Office

| 2011[2] | 2012[2] | 2013[2] | 2014[2] | 2015[2] | |
|---|---|---|---|---|---|
| | | | | | **Governmental Activities:** |
| $ 151,272,146 | $ 151,272,146 | $ 151,272,146 | $ 151,272,146 | $ 151,272,146 | Land |
| 244,002,484 | 299,082,988 | 249,027,691 | 348,961,476 | 375,365,117 | Construction in Progress |
| 1,411,253,533 | 1,413,222,172 | 1,556,451,213 | 1,565,913,395 | 1,575,022,469 | Buildings and Other Improvements |
| 402,552,111 | 415,911,869 | 433,353,747 | 410,340,753 | 436,670,061 | Machinery and Equipment |
| 1,531,150,140 | 1,568,192,964 | 1,621,031,151 | 1,627,883,826 | 1,668,413,246 | Infrastructure |
| 3,740,230,414 | 3,847,682,139 | 4,011,135,948 | 4,104,371,596 | 4,206,743,039 | Total Governmental Activities |
| | | | | | **Business-type Activities:** |
| - | - | - | - | - | Construction in Progress |
| 656,094,092 | 660,347,061 | 667,848,715 | 670,331,823 | 671,996,154 | Buildings and Other Improvements |
| 217,212,073 | 229,925,677 | 241,930,468 | 245,986,047 | 266,694,142 | Machinery and Equipment |
| 873,306,165 | 890,272,738 | 909,779,183 | 916,317,870 | 938,690,296 | Total Business-type Activities |
| | | | | | **Primary Government:** |
| 151,272,146 | 151,272,146 | 151,272,146 | 151,272,146 | 151,272,146 | Land |
| 244,002,484 | 299,082,988 | 249,027,691 | 348,961,476 | 375,365,117 | Construction in Progress |
| 2,067,347,625 | 2,073,569,233 | 2,224,299,928 | 2,236,245,218 | 2,247,018,623 | Buildings and Other Improvements |
| 619,764,184 | 645,837,546 | 675,284,215 | 656,326,800 | 703,364,203 | Machinery and Equipment |
| 1,531,150,140 | 1,568,192,964 | 1,621,031,151 | 1,627,883,826 | 1,668,413,246 | Infrastructure |
| $ 4,613,536,579 | $ 4,737,954,877 | $ 4,920,915,131 | 5,020,689,466 | 5,145,433,335 | Total Primary Government |

SEAL OF COOK COUNTY • ILLINOIS •
JANUARY 1831

# COOK COUNTY BOARD OF COMMISSIONERS

## PRESIDENT
Toni Preckwinkle

Jerry Butler
Richard R Boykin
John P. Daley
John A. Fritchey
Bridget Gainer
Jesus G. Garcia
Sean M. Morrison
Gregg Goslin
Stanley Moore
Joan Patricia Murphy
Luis Arroyo Jr
Timothy O. Schneider
Peter N. Silvestri
Deborah Sims
Robert B. Steele
Larry Suffredin
Jerrey R. Tobolski

## Chairman of Committee on Finance
John P. Daley

## Chief Financial Officer
Ivan Samstein

## Comptroller
Lawrence L. Wilson, CPA

STAR
SET TARGETS • ACHIEVE RESULTS

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# APPENDIX B
## County Employees' and Officers' Annuity and Benefit Fund

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## COUNTY EMPLOYEES' AND OFFICERS' ANNUITY AND BENEFIT FUND

The County Employees' and Officers' Annuity and Benefit Fund (the *"Retirement Fund"*) is established, administered and financed under the Illinois Pension Code (the *"Pension Code"*), including specifically Articles 1, 1A, 9 and 22 therein. The Retirement Fund is a separate body politic and corporate, distinct and apart from the County, established for the benefit of the eligible employees of the County and their beneficiaries. The Retirement Fund provides retirement, survivor, death, health and disability benefits for certain eligible employees of the County and eligible employees of the Retirement Fund, as set forth in the Pension Code. Unless otherwise stated, all references to *"employee," "member,"* or *"retiree"* in this APPENDIX B of the Official Statement are references to both the County employees and retirees and the Retirement Fund employees and retirees participating in the Retirement Fund.

Section 5 of Article XIII of the Illinois Constitution provides that "membership in any pension retirement system of the State, any unit of local government or school district, or any agency or instrumentality thereof, shall be an enforceable contractual relationship, the benefits of which shall not be diminished or impaired."

Public Act 96-0889, effective as of April 14, 2010, provided certain reforms to various public pension systems in the State by reducing benefits for new hires, increasing the minimum retirement age, reducing annual cost of living adjustments (i.e. automatic benefit increases), changing the benefit calculations, capping total pensionable salary, and suspending retirement benefits if the member takes another job with a pension under an Illinois public pension plan. The referenced changes impacted new members beginning January 1, 2011.

This APPENDIX B of the Official Statement describes, in part, the current provisions of the Pension Code applicable to the County's funding of the Retirement Fund. The provisions of the Pension Code may be amended only by the State of Illinois, acting through its legislature (the *"Illinois State Legislature"*). No assurance can be made that the statutory provisions governing the Retirement Fund, as described in this APPENDIX B of the Official Statement, will not be amended in the future by the Illinois State Legislature.

The Retirement Fund's primary sources of funding come from the County contribution, the employees' contribution, and investment income on the Retirement Fund's assets. The amount of benefits under the Retirement Fund, the County contribution and employee contribution levels and other aspects of the Retirement Fund are established in the Pension Code. The statutory County contribution and the employee contribution, determined pursuant to statutorily prescribed formulas do not necessarily correlate to the Actuarially Required Contribution (as defined below) as determined by an independent Actuary (as defined under *"Source of Information"* below) engaged by the Retirement Fund. The level of statutory contributions is affected only by a change in current payroll with respect to active Retirement Plan members, as described in *"Determination of County's Contribution"* below. The Pension Code has no mechanism for adjusting the funding to reflect any changes in benefits, assets or demographics.

The combined unfunded actuarial liability of the Retirement Fund reported in the 2015 Actuarial Valuation (as described under *"Source of Information"*) is $7.2 billion, which shows an increase from approximately $6.5 billion for the fiscal year ended December 31, 2014 attributable mainly to demographic losses and investment performance under the Asset Smoothing Method, (as defined under *"Actuarial Valuation" – "Actuarial Value of Assets and Fiduciary Net Position*"), resulting in a Funded Ratio (as defined under *"Actuarial Valuation" – "Actuaries and the Actuarial Process"*) of 55.4% (which shows a decrease from 57.5% in 2014), determined on an actuarial basis. This actuarial liability was calculated to include both the pension obligations and the optional OPEB, as defined below. The

Funded Ratio for pension benefits only was 60.2% due to the fact that no assets of the Retirement Fund are allocated to the optional retiree healthcare benefits. Based on the 2015 Actuarial Valuation (as defined under "*Source of Information"* below), under the current Illinois statutes, the Funded Ratio is projected to continue to decline in future years absent a continuation of the supplemental funding prescribed by the Intergovernmental Agreement as described further below. These projections are prepared by the Retirement Fund's Actuary based on a variety of factors and assumptions that may be more or less favorable than the actual experience. Therefore, the actual funding levels of the Retirement Fund in future years may differ from the Actuary's projections. The County was not involved in the actuarial process and is making no representation as to the accuracy or validity of the actuarial projections made by the Retirement Fund's Actuary.

According to the comprehensive annual financial report of the Retirement Fund for the fiscal year ending December 31, 2014 (the *"2014 Retirement Fund CAFR"*), the Retirement Fund Board (as defined below) that governs the Retirement Fund and the Retirement Fund's staff continue to allocate resources in an effort to address the funding of the Retirement Fund. County officials are likewise investigating strategies to enhance the vitality of the Retirement Fund. As part of its efforts to promote the long-term fiscal viability of the Retirement Fund, the County entered into an Intergovernmental Agreement (as defined under *"Determination of County's Contribution"* – "*Intergovernmental Agreement between the County and Retirement Fund"* below) with the Retirement Fund Board (as defined below) under which the County agreed to disburse to the Retirement Fund the sum of $270,526,000 from revenues received by the County from the Retailers' Occupation and Service Occupation Tax, in addition to the statutorily prescribed contribution. This additional sum was appropriated by the County in the County's 2016 Budget, and, as provided in the Agreement, will be paid over to the Retirement Fund on a monthly schedule from April through November of 2016, to the extent such contribution is permitted under relevant law and is in accord with any order entered by a court regarding this matter. As of the date of this Official Statement, no party has challenged the validity of the Intergovernmental Agreement or the related disbursement of an additional contribution to the Retirement Fund. The first two payments of $25.7 million and $25.6 million under the Intergovernmental Agreement were made in April and May of 2016, respectively. No assurances can be given that the County will have the ability to enter into similar agreements in the future or that the Intergovernmental Agreement or any future agreements and the funds disbursed by the County to the Retirement Fund in 2016 or any subsequent years would survive legal challenges as to their validity under the Illinois statutes. The funding mechanism for the Retirement Fund is prescribed by the Pension Code and changes to these statutory funding provisions will be accomplished only through legislative action by the Illinois State Legislature. On May 26, 2016, the Illinois General Assembly passed Senate Bill 2819, which, if signed by the Governor, would authorize the County to "make additional contributions from additional sources to cover administrative expenses, disability benefits, group health benefits, and other annuity costs." If this legislation becomes law, the likelihood of legal challenges to the County's ability to make additional contributions to the Retirement Fund would be reduced or eliminated. The County makes no representation regarding whether or not this legislation will be signed into law.

The Retirement Fund administers post-employment group health benefits, through which it provides an optional healthcare premium subsidy to annuitants who elect to participate in its group health plan. Under Illinois State statutes, the Retirement Fund is not obligated to pay a portion of the healthcare insurance premiums for the annuitants. Presently, the Retirement Fund subsidizes approximately 52% of the monthly premiums for retirees (47% for certain pre-Medicare retirees) and 67% of the monthly premiums for spouse annuitants (62% for certain pre-Medicare survivor annuitants). The remaining premium cost is borne by the retiree or annuitant. The Retirement Fund funds retiree healthcare premium subsidies on a "pay-as-you-go" basis. The Unfunded Actuarial Accrued Liability (as defined under *"Actuarial Valuation"* – *"Actuaries and the Actuarial Process"*) for healthcare benefits under the Retirement Fund as of December 31, 2015 was $2,134,106,707, which was 133.6% of the covered

payroll. These numbers are included in the total Unfunded Actuarial Accrued Liability of the Retirement Fund, as described above. The foregoing references to the Retirement Fund's liability for retiree healthcare benefits are for accounting reporting purposes only and shall not be construed as a legal obligation of the Retirement Fund. The Pension Code specifically states that the post-employment healthcare benefits "are not and shall not be construed to be pension or retirement benefits for purposes of Section 5 of Article XIII of the Illinois Constitution of 1970." See 40 ILCS 5/9-239.

Under the current Internal Revenue Code and Treasury Regulations, neither the County nor its employees are required to, nor do they, contribute to the Social Security system, so long as County employees participate in a qualified public retirement system (such as the Retirement Fund). No assurances can be made that the County and its employees will, in the future, continue to be exempt from a requirement that they contribute to the Social Security System.[1]

**Source of Information**

The information presented herein comes from and is prepared in reliance on the documents produced by the Retirement Fund, the Actuarial Valuations as of December 31, 2006 through 2015 (each, an *"Actuarial Valuation"* and, collectively, the *"Actuarial Valuations"*) prepared by independent actuaries (since 2012 -- Buck Consultants, LLC), engaged by the Pension Board (the *"Actuary"* or *"Actuaries"*), and the financial statements (the *"2015 Financial Statements"*) prepared by independent auditors Legacy Professionals, LLP, Chicago, Illinois (the *"Retirement Fund Auditors"*) (the Actuarial Valuations, the 2014 Retirement Fund CAFR and the 2015 Financial Statements are referred to, collectively, as the *"Source Information"*). The County has not independently verified the Source Information and makes no representations nor expresses any opinion as to the accuracy of the Source Information. The 2015 Financial Statements and the Actuarial Valuation as of December 31, 2015 (the *"2015 Actuarial Valuation"*) are the most recent audit and actuarial valuation available to the County as of the date of this Official Statement. The questions about any information provided in Source Information should be addressed to: County Employees' and Officers' Annuity and Benefit Fund, Attention: Executive Director, 33 North Dearborn Street, Suite 1000, Chicago, IL 60602.

The financial statements of the Retirement Fund for the fiscal years ending December 31, 2006 through December 31, 2015 (each, a *"Financial Statement"* and together, the *"Financial Statements"*), the comprehensive annual financial reports of the Retirement Fund for the fiscal years ending December 31, 2009 through December 31, 2014 (each, a *"Retirement Fund CAFR"* and together, the *"Retirement Fund CAFRs"*), and the Actuarial Valuations of the Retirement Fund, which contain a detailed statement of the affairs of the Retirement Fund, its income and expenditures, and its assets and liabilities as of December 31 of the years 2005 through 2015, may be obtained by contacting the Retirement Fund. The majority of these reports are also available on the Retirement Fund's website at www.cookcountypension.com; provided, however, that the content of these reports and of the Retirement Fund's website is not incorporated herein by such reference.

*Any discussion herein with respect to actuarial assumptions, methodology, results or projections are strictly from the sources cited and should not be construed as statements or information from the County. The County makes no representation with respect to the accuracy or completeness thereof.*

[1] 26 U.S.C. § 3121(b)(7)(F) and 26 C.F.R. § 31.312(b)(7)-2(e)(1).

**Cautionary Statement**

The information included under heading *"Projection of Funded Status"* relies on Source Information produced by the Actuaries. Actuarial assessments are "forward-looking" statements that reflect the judgment of the Retirement Fund fiduciaries. A variety of factors impact the Retirement Fund's Unfunded Actuarial Liability, Net Pension Liability and Funded Ratio (as defined below). Increases in member salary and benefits, a lower rate of return on investment than that assumed by the Retirement Fund and insufficient contributions when compared to the Actuarially Required Contribution (as defined under *"Actuarial Valuation – Actuaries and the Actuarial Process"*) plus interest will all cause an increase in the Unfunded Actuarial Accrued Liability and Net Pension Liability and a decrease in the Funded Ratio and Fiduciary Net Position (as defined below). Conversely, decreases in member salary and benefits, a higher return on investment than assumed and employer contributions in excess of the statutorily prescribed contribution will decrease the Unfunded Actuarial Accrued Liability and Net Pension Liability and increase the Funded Ratio. In addition, changes in actuarial assumptions and certain other factors will have an impact on the Unfunded Actuarial Accrued Liability and Net Pension Liability and the Funded Ratio and Fiduciary Net Position.[4]

**Retirement Fund**

*Membership and Benefits*

The Retirement Fund was created by the State of Illinois, under State statute, as a separate body politic and corporate for the benefit of the eligible employees of the County and their beneficiaries. The corporate purposes of the Retirement Fund are separate and apart from the corporate purposes of the State of Illinois, and any county, city, town, municipal corporation, or other body politic and corporate in the State of Illinois.

According to the 2015 Actuarial Valuation, the Retirement Fund had a total membership of 52,383, consisting of 21,596 active members, 17,597 retired members and surviving annuitants receiving benefits, and 13,190 inactive members, as of December 31, 2015.

The Retirement Fund is a single-employer, defined benefit, public employee retirement plan. "Single-employer" refers to the fact that there is a single employer, in this case, the County. "Defined benefit" refers to the fact that the Retirement Fund pays a periodic benefit to retired employees (and upon their death to their surviving spouses and in certain instances, their children) in an amount determined pursuant to a statutory formula on the basis of the employees' service credits and salary. Members have no accounts in a defined benefit plan, and the amount of their benefits is not dependent on the investment performance of the plan assets.

The benefits available under the Retirement Fund accrue throughout the time a member is employed by the County or the Retirement Fund. Although benefits accrue during employment, a member must satisfy certain age and service requirements to receive periodic retirement or survivor benefit payments upon retirement or termination from the County's employ.

To fund the benefits payable by the Retirement Fund, both employees and employers make contributions to the plan's assets. Both the employees' contribution and the County's contribution are established and calculated in accordance with the Pension Code, which can only be amended by the

[4] The terms Net Pension Liability and Fiduciary Net Position denote accounting concepts set forth in the GASB Statement No. 67.

Illinois State Legislature. See *"Determination of Employees' Contribution"* and *"Determination of County's Contribution"* below.

*Governance and Duties of Retirement Fund Board*

The Retirement Fund is governed by a nine-member board of trustees (the "*Retirement Fund Board*"). The trustees are the officials of the Retirement Fund, vested with the powers and duties set out in the Pension Code. Two trustees are the Comptroller and Treasurer of the County or their respective appointees. The remaining trustees are elected as follows: three from active employees of the County; two from annuitants of the Retirement Fund; one from active employees of the Forest Preserve District of Cook County (the *"Forest Preserve District"*); and one from annuitants of the Forest Preserve District Annuity and Benefit Fund (the *"Forest Preserve Retirement Fund"*).

The Retirement Fund Board members are fiduciaries of the Retirement Fund and are authorized to perform all functions necessary for operation of the Retirement Fund. The Retirement Fund Board is authorized by the Pension Code to make certain autonomous decisions, including decisions regarding the investment of funds, the management of assets, the disbursement of benefits, and the hiring of staff, financial advisors and asset managers.

The Retirement Fund Board is authorized to promulgate rules and procedures regarding its administration of benefits and other matters in accordance with the Illinois Administrative Procedure Act, and its decisions in awarding, limiting, or denying benefits are subject to the Illinois Administrative Procedure Act. Certain aspects of the Retirement Fund, however, including the amount of pension benefits and the employer and employee pension contribution levels, are established in the Pension Code and may be amended or terminated only by the Illinois State Legislature.

*Oversight*

The State of Illinois, through the Public Pension Division (the *"Public Pension Division"*) within its Department of Insurance, regulates public pension funds. The Public Pension Division is required to make periodic examinations and investigations of all pension funds established under the Pension Code. In lieu of making an examination and investigation, the Public Pension Division may accept and rely upon a report of audit or examination of any pension fund made by an independent certified public accountant. The Retirement Fund is required to provide the Public Pension Division with a statement, which shall include but need not be limited to, the following: (i) a financial balance sheet as of the close of the fiscal year; (ii) a statement of income and expenditures; (iii) an actuarial balance sheet; (iv) statistical data reflecting age, service, and salary characteristics concerning all participants; (v) special facts concerning disability or other claims; (vi) details on investment transactions that occurred during the fiscal year covered by the report; (vii) details on administrative expenses; and (viii) such other supporting data and schedules as in the judgment of the Public Pension Division may be necessary for a proper appraisal of the financial condition of the Retirement Fund and the results of its operations. The annual statement shall also specify the actuarial mortality and interest tables used in the operation of the Retirement Fund.

The Illinois Attorney General and annuitants may bring a civil action to obtain relief for violations of a fiduciary duty to the Retirement Fund or any act or practice which violates any provision of the Pension Code.

*Investments*

The Retirement Fund Board manages the investments of the Retirement Fund. The provisions of the Pension Code regulate the types of investments in which the Retirement Fund's assets may be invested. Furthermore, the Retirement Fund Board is required to invest the Retirement Fund's assets in accordance with the prudent person rule, which requires members of the Retirement Fund Board, who are fiduciaries of the Retirement Fund, to discharge their duties with the care, prudence and diligence that a prudent person acting in a like capacity and familiar with such matters would use in a similar situation.

The Retirement Fund has adopted a formal investment policy in accordance with the Pension Code. Such policy and an asset allocation strategy adopted and reviewed by the Retirement Fund Board from time to time are further described in the 2014 Retirement Fund CAFR.

In carrying out its investment duty, the Retirement Fund Board may appoint investment managers with a discretionary authority to manage, in a fiduciary capacity, all or a portion of the Retirement Fund's assets in accordance with the prudent person rule.

Additional information regarding the Retirement Fund's investments, investment management and authority, policy provisions, diversification principles, performance objectives and asset allocation may be found in the Retirement Fund CAFRs and on the Retirement Fund's website at www.cookcountypension.com; provided, however that the content of such website is not incorporated into this Official Statement by such reference.

The Actuarial Valuations assume an investment rate of return on the assets in the Retirement Fund. At least for the last eight fiscal years, the Retirement Fund assumed an investment rate of return of 7.5%. Due to the volatility of the marketplace, however, the actual rate of return earned by the Retirement Fund on its assets may be higher or lower than the assumed rate.

As a result of the use of the Asset Smoothing Method (as hereinafter defined), only a portion of investment gains or losses is recognized in the year when realized, and the remaining gain or loss is spread over the remaining four years. See *"Actuarial Valuation – Actuarial Value of Assets and Fiduciary Net Position"* for additional explanations regarding the Asset Smoothing Method.

Table 1 provides information from the Actuarial Valuations as of December 31 of the years 2006 through 2015 regarding the investment returns experienced by the Retirement Fund for the period 2006 through 2015.

**TABLE 1**
**INVESTMENT RATES OF RETURN (NET OF FEES), 2006–2015[1]**

| YEAR | INVESTMENT RETURN[2] |
|---|---|
| 2006 | 11.4% |
| 2007 | 6.3 |
| 2008 | -24.5 |
| 2009 | 18.0 |
| 2010 | 12.4 |
| 2011 | 1.2 |
| 2012 | 12.5 |
| 2013 | 15.1 |
| 2014 | 5.9 |
| 2015 | -0.1 |

Source: The 2014 Retirement Fund CAFR and 2015 Actuarial Valuation.
(1) For actuarial purposes, the Retirement Fund assumes an investment rate of return of 7.5%. See *"Actuarial Assumptions"* herein.
(2) Calculated based on the market value of Retirement Fund's assets as of December 31 of each year.

## Determination of Employees' Contribution

The Pension Code prescribes the level of contributions that the County's employees are required to contribute to the Retirement Fund as a condition of eligibility for benefits thereunder. To that extent, the County's ability to deduct a portion of employees' salaries and disburse these proceeds to the Retirement Fund is circumscribed by the Pension Code. County employees are required to contribute 8.5% (9.0% for County police) of their salary to the Retirement Fund. This contribution consists of 6.5% (7.0% for County police) for the retirement annuity, 1.5% for the surviving spouse's annuity, and 0.5% for the automatic increase in retirement annuity. Because State statute defines and limits employee contributions, those contributions do not necessarily have a direct correlation to the Actuarially Required Contribution (as hereinafter defined).

## Determination of County's Contribution

*Statutory Basis for County's Contribution*

The Pension Code limits the County's ability to contribute to the Retirement Fund. The Pension Code provides that County contributions to the Retirement Fund are to be made from the proceeds of an annual levy of real estate taxes (the "*Pension Levy*") by the County for such purpose. The Pension Code further provides that, with some exceptions, no money of the County derived from any source other than the Pension Levy or the sale of tax anticipation warrants may be used to provide revenue for the Retirement Fund. The Pension Levy is levied solely for the purpose of contributing to the Retirement Fund, and such levy is exclusive of and in addition to the amount of tax which the County may levy for general purposes. Under the Pension Code, the amount of the Pension Levy may not exceed 1.54 (the *"Multiplier"*) times the amount contributed by the County's employees to the Retirement Fund two years prior to the year in which the tax is levied. Because State statute defines and limits the County's contributions, those contributions do not necessarily have a direct correlation to the Actuarially Required Contribution (as hereinafter defined). See *"Actuarial Valuation – County's Statutorily Required Contribution Not Related to GASB Standards."*

The Pension Code provides that the Retirement Fund Board must annually certify to the County a determination of the County's contribution to the Retirement Fund, based on the statutorily capped Multiplier of 1.54. In making its request for the County's annual contribution, the Retirement Fund, acting through the Retirement Fund Board, annually approves and then submits a resolution to the County Board requesting that the County Board adopt a particular tax levy rate. The Retirement Fund Board most recently requested a Pension Levy at the statutory maximum amount based on the 1.54 Multiplier and has done so for at least the last twelve years.

Within the limits on the maximum contribution established by the Pension Code, and in tandem with the funds generated by the Pension Levy, the County contributes to the Retirement Fund a portion of the Illinois Personal Property Replacement Tax ("*PPRT*") funds received from the State, in accordance with Section 12 of the Illinois Revenue Sharing Act. Since 2006, the amount of PPRT contributed by the County to the Retirement Fund has averaged approximately $51.6 million annually. In 2015, the amount of PPRT contributed to the Retirement Fund was approximately $58.7 million.

*Intergovernmental Agreement between the County and Retirement Fund*

Although the Pension Code prescribes the sole mechanism and the source and amount of revenues that the County can contribute to the Retirement Fund, as part of its efforts to promote the long-term fiscal viability of the Retirement Fund, in December of 2015 the County entered into an Intergovernmental Agreement with the Retirement Fund Board (the *"Intergovernmental Agreement"*) under which the County agreed to disburse to the Retirement Fund the sum of $270,526,000 from revenues received by the County from the Retailers' Occupation and Service Occupation Tax, in addition to the contribution prescribed by Illinois statute. This additional sum was appropriated by the County in the County's 2016 Budget. Payments pursuant to the Intergovernmental Agreement commenced in April of 2016 and the entire sum is expected to be paid over to the Retirement Fund by November 30, 2016.

In entering into the Intergovernmental Agreement, the parties thereto relied on the Illinois Intergovernmental Cooperation Act, 5 ILCS 22011 *et seq*., and other laws that encourage cooperation among governmental units in the performance of their functions and responsibilities. Under the Intergovernmental Agreement, the Retirement Fund agreed to supply the County, by June 15, 2016, with a calculation of additional funds determined by the Actuary to be necessary to amortize the Retirement Fund's pension liability over a 30-year period beginning in 2017 and concluding in 2046. The amortization payments would reflect a two-percent (2%) annual escalation factor (rather than level percentage of payroll amounts) in 2018 and thereafter, a discount rate for all liabilities consistent with the assumed investment rate of return on the Retirement Fund's assets and five-year smoothing of the actuarial value of the assets. The County will be using this information in considering whether and to what degree it would attempt to provide additional funds to the Retirement Fund in excess of the statutorily prescribed maximum contribution in future years. In the event that any future intergovernmental agreements are executed, the Retirement Fund would provide a calculation that anticipates layered amortization of any future actuarial losses in a period of 30 years, reflecting a similar two-percent (2%) escalation factor. Any future intergovernmental agreements with the Retirement Fund, and the moneys committed thereunder, will be subject to the annual County appropriation process.[5] Nothing in the Intergovernmental Agreement obligates the County to make any contributions or disbursements to the Retirement Fund above the statutorily prescribed maximum in any future year.

[5] The Cook County Annual Appropriation Bill, Fiscal Year 2016, includes projected supplemental pension appropriations of approximately $270.5 million in 2016; $350.7 million in 2017; $357.6 million in 2018, $364.6 million in 2019; and $371.8 million in 2020 in addition to the statutory contribution.

As provided in the Intergovernmental Agreement, the additional Fiscal Year 2016 contribution from the County to the Retirement Fund will be made to the extent such contribution is permitted under the relevant law and is in accord with any order entered by a court regarding this matter. As of the date of this Official Statement, no party has challenged the validity of the Intergovernmental Agreement or the related disbursement of the additional County contribution to the Retirement Fund.

No assurances can be given that the County will have the ability to enter into similar agreements in the future, or that the Intergovernmental Agreement or any future agreements (relative to the distribution of additional funds by the County to the Retirement Fund in 2016 or any subsequent year) will survive legal challenges as to their validity under the Illinois statutes, which prescribe, as discussed above, the funding mechanism for the Retirement Fund. If this Intergovernmental Agreement or any possible future agreements relating to similar appropriations for additional pension funding by the County are challenged in court and do not withstand legal challenges, it is likely that the only mechanism for increased funding of the Retirement Fund would be through legislative action by the Illinois State Legislature. On May 26, 2016, the Illinois General Assembly passed Senate Bill 2819, which, if signed by the Governor, would authorize the County to "make additional contributions from additional sources to cover administrative expenses, disability benefits, group health benefits, and other annuity costs." If this legislation becomes law, the likelihood of legal challenges to the County's ability to make additional contributions to the Retirement Fund would be reduced or eliminated. The County makes no representation regarding whether this legislation will be signed into law.

To the extent that the County continues to make additional contributions to the Retirement Fund pursuant to this and any future intergovernmental agreements, the Funded Ratio for the Retirement Plan likely will improve, assuming all other variables (e.g., benefit levels, investment returns and plan demographics) remain stable. According to the 2015 Actuarial Valuation and based on the County's alternative funding policy outlined in the Intergovernmental Agreement, the Retirement Fund Actuary estimates that Retirement Fund is projected to substantially achieve full funding by 2046, and be fully funded by 2050, assuming the alternative funding policy is implemented as projected.[6]

**Actuarial Valuation**

*General*

In addition to the process outlined above, the Pension Code requires that the Retirement Fund annually submit to the County Board a report containing a detailed statement of the affairs of the Retirement Fund, its income and expenditures, and assets and liabilities, which would include the Actuarial Valuation. According to the 2015 Actuarial Valuation, the Actuary determines the financial position of the Retirement Fund for reporting purposes pursuant to statements of the Governmental Accounting Standards Board ("*GASB*").

GASB, which is part of a private non-profit corporation known as the Financial Accounting Foundation, promulgates standards regarding accounting and financial reporting for governmental entities. Although these principles are not legally binding and do not impose any legal liability on the County, independent auditors that audit governmental entities require such entities to follow these principles.

On June 25, 2012, GASB approved two new standards for employee pension accounting and financial reporting by state and local governments. The two new GASB Statements, Nos. 67, *Financial*

[6] As shown in Table 12 of APPENDIX B, the projected funding level in 2046 is 96.6%.

*Reporting for Pension Plans* and 68, *Accounting and Financial Reporting for Pensions* ("*GASB 67*" and "*GASB 68*," respectively), replace some of the concepts in the previous statements (Nos. 25, 27, and 50) related to pension plans.

Some of the key changes imposed by these new standards include: (1) requiring governments for the first time to recognize the difference between the total pension liability (i.e., the present value of projected benefit payments to employees based on their past service) and the assets (mostly investments reported at fair value) as a liability of the employer; (2) immediate recognition of annual service cost and interest on the pension liability and immediate recognition of the effect on the net pension liability of changes in benefit terms; (3) the effects on the net pension liability of differences between expected and actual investment returns will be recognized in pension expense over a closed 5-year period (previously 15-30-year period); (4) with respect to benefits not covered by projected plan assets, the use of a discount rate based on a yield or index rate on tax-exempt 20-year, AA-or-higher rated municipal bonds rather than the expected rate of return on plan investments; and (5) revising the presentation of pension liabilities in a government's financial statements. The use of the new standards may produce lower funded ratios and higher unfunded liability ratios than those determined under the previous principles. GASB 67 is effective for fiscal years beginning after June 15, 2013 and GASB 68 is effective for fiscal years beginning after June 15, 2014. The Retirement Fund Board adopted GASB 67 beginning with the 2014 fiscal year of the Retirement Fund.

A description of the statistics generated by the Actuary in the Actuarial Valuation follows in the next few paragraphs. This information was derived from the 2015 Financial Statements, the 2015 Actuarial Valuation and the 2014 Retirement Fund CAFR. For the 2014 fiscal year, the year of transition to GASB 67, the funding information for pension benefits in the 2014 Actuarial Valuation and the 2014 Retirement Fund CAFR reflected statistics and other information produced in accordance with the principles of both GASB 67 and the previously adopted GASB Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans* ("*GASB 25*"). In accordance with the Intergovernmental Agreement, the Actuary will calculate the Actuarially Required Contribution (as defined under *"Actuaries and the Actuarial Process"* below) based on the County's alternative funding policy that anticipates contributions to be sufficient to pay the Normal Cost (as defined under *"Actuaries and the Actuarial Process"* below) of active Retirement Fund members, Retirement Fund expenses and amortize the Unfunded Actuarial Accrued Liability (as defined under *"Actuaries and the Actuarial Process"* below) over a period of 30 years, with an annual 2% escalation factor applied to the amortization payments. The Actuary used the alternative funding policy in developing the Actuarially Determined Contribution for the fiscal year ending December 31, 2017 and projections of the Retirement Fund's funding levels in the 2015 Actuarial Report.

*Actuaries and the Actuarial Process*

According to the 2015 Actuarial Valuation, in producing the Actuarial Valuation, the Retirement Fund's Actuary uses demographic data (including employee age, salary and service credits), economic assumptions (including estimated salary and interest rates), and decrement assumptions (including employee turnover, mortality and retirement rates) to determine, as of the valuation date, the Normal Cost, the Actuarially Required Contribution, the Actuarially Determined Contribution, the Actuarial Accrued Liability, the Total Pension Liability, the Actuarial Value of Assets and the Fiduciary Net Position (each such term having the meaning defined below) for the Retirement Fund. The Retirement Fund's Actuarial Valuations are publicly available and may be obtained from the Retirement Fund. Certain of these Actuarial Valuations are available on the Retirement Fund's website, at www.cookcountypension.com; *provided, however*, that the content of these reports and of the Retirement Fund's website is not incorporated herein by such reference.

According to the 2015 Actuarial Valuation, the primary purpose of the Actuarial Valuation is to determine the amount that is necessary, without consideration of the Pension Code, to be contributed to the Retirement Fund in a given fiscal year to fund the Retirement Fund in an actuarially sound manner (the *"Actuarially Required Contribution"*)[2] to satisfy its current and future obligations to pay benefits to eligible members of the Retirement Fund. The 2014 Retirement Fund CAFR provides that the Actuarially Required Contribution consists of two components: (1) that portion of the present value of pension plan benefits which is allocated to the valuation year by the actuarial cost method (as described in *"Actuarial Methods – Actuarial Accrued Liability and Total Pension Liability"* below), termed the *"Normal Cost"*; and (2) a portion required to amortize any Unfunded Actuarial Accrued Liability (as defined below). For purposes of GASB 67, the 2015 Actuarial Valuation reports separately an actuarially determined contribution for pension benefits and an actuarially determined contribution for optional retiree healthcare benefits. GASB 67 defines an *"Actuarially Determined Contribution"* as a target or recommended contribution to a pension plan that is determined by an actuary for the reporting year in accordance with the Actuarial Standards of Practice based on the currently available information. GASB no longer prescribes, as was the case under GASB 25, specific parameters for calculating contributions necessary for sound funding of public pension plans but rather broadly relies on the Actuarial Standards of Practice. In the 2015 Actuarial Valuation, the Retirement Fund's Actuary uses the terms Actuarially Required Contribution and Actuarially Determined Contribution interchangeably.

In accordance with the Intergovernmental Agreement, the Actuary will calculate the Actuarially Determined Contribution based on the County's alternative funding policy that anticipates contributions to be sufficient to pay the Normal Cost of active Retirement Fund members, Retirement Fund expenses and amortize the Unfunded Actuarial Accrued Liability (as defined below) over a period of 30 years, with an annual 2% escalation factor applied to the amortization payments. The Actuary used the alternative funding policy in determining the 2017 Actuarially Determined Contribution and projections of the Retirement Fund's funding levels in the 2015 Actuarial Report.

As part of the Actuarial Valuation, the Retirement Fund's Actuary also calculated the Retirement Fund's *"Actuarial Accrued Liability"* and *"Total Pension Liability"* and *"Actuarial Value of Assets"* and "*Fiduciary Net Position."* According to the 2015 Actuarial Valuation, the Actuarial Accrued Liability, determined by a particular actuarial cost method as of any date, is the value of all past accumulated Normal Costs. The 2015 Actuarial Valuation also provides that the Actuarial Value of Assets is the value of the pension plan assets determined for purposes of the Actuarial Valuation by spreading the effect of each year's investment return in excess of or below the expected return over a five-year period. For a discussion of the methods and assumptions used to calculate the Retirement Fund's Actuarial Accrued Liability and Actuarial Value of Assets, see *"Actuarial Methods"* and *"Actuarial Assumptions"* below.

As stated in the 2015 Actuarial Valuation, the excess of the Actuarial Accrued Liability over the Actuarial Value of Assets is referred to as the *"Unfunded Actuarial Accrued Liability"* or *"UAAL."* The Retirement Fund's Actuary computes the *"Funded Ratio,"* which is equal to the ratio of the Actuarial Value of Assets to the Actuarial Accrued Liability, expressed as a percentage.

The Actuarial Accrued Liability, Actuarial Value of Assets, UAAL and Funded Ratio are all concepts developed under the previously applicable GASB Statements Nos. 25 and 50. GASB 67

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[2] Prior GASB pronouncements referred to this concept as the Annual Required Contribution. For the convenience of the reader, this disclosure (as well as the 2015 Actuarial Valuation) refers to the concept as the Actuarially Required Contribution to denote the fact that the Actuarially Required Contribution is the amount an Actuary would require to be contributed in a given year, to differentiate it from the amount the County will be permitted to contribute under applicable law.

prescribes a different set of measurements and ratios that together represent a pension plan's financial position. According to the 2015 Actuarial Valuation, the Retirement Fund's funding status is measured by the net pension liability (*"Net Pension Liability"*), which is determined as the difference between the Total Pension Liability (as defined under *"Actuarial Accrued Liability and Total Pension Liability"* below) and the Retirement Fund's Fiduciary Net Position (as defined below). GASB 67 uses Fiduciary Net Position to measure the value of pension plan assets (rather than the Actuarial Value of Assets). In lieu of the Funded Ratio, under GASB 67 the Retirement Fund's Fiduciary Net Position is also expressed as a percentage of its Total Pension Liability and the Net Pension Liability of the Retirement Fund expressed as a percentage of the covered-employee payroll.

Notably, new GASB standards prescribe rules for financial accounting for public pensions. These standards no longer link plan funding (which is actuarially determined) to accounting measures. The funding measures remain valid for purposes of valuing a pension plan's funding levels. However, the disconnect between the funding and accounting standards for governmental employers results in potentially disparate representation of employers' accounting liability for pensions on the one hand and the actuarial liability for pension obligations on the other hand. The new GASB standards tend to present pension liabilities for accounting purposes at a lower level than they are otherwise determined by actuaries for funding purposes. Additionally, GASB 67 measures only pension liabilities and does not apply to the optional post-employment healthcare benefits provided through the Retirement Fund.

*Actuarial Value of Assets and Fiduciary Net Position*

The Retirement Fund's Actuary calculates the Actuarial Value of Assets by smoothing investment gains and losses over a period of five years, a method of valuation referred to as the *"Asset Smoothing Method."* In accordance with the Asset Smoothing Method, recognized by the previous GASB standards, the Retirement Fund's Actuary calculates the Actuarial Value of Assets by recognizing in the current year 20% of the investment gain or loss realized in each of the previous four years.

As described in the interpretive guidance released by GASB upon adoption of GASB 25, the Asset Smoothing Method prevents extreme fluctuations in the Actuarial Value of Assets, the UAAL and the Funded Ratio that may otherwise occur as a result of market volatility. However, asset smoothing delays recognition of gains and losses, thereby providing an Actuarial Value of Assets that does not reflect the true value of pension plan assets at the time of measurement. As a result, presenting the Actuarial Value of Assets as determined under the Asset Smoothing Method might provide a more or less favorable presentation of the current financial position of a pension plan than would a method that recognizes investment gains and losses annually.

Table 2 provides a comparison of the assets of the Retirement Fund on a fair value basis to the value of the assets after application of the Asset Smoothing Method.

**TABLE 2**
**ASSET SMOOTHED VALUE OF ASSETS VS. FAIR VALUE OF NET ASSETS**
**($ IN THOUSANDS)**

| Fiscal Year | Actuarial Value of Assets[1] (a) | Fair Value of Net Assets (b) | Actuarial Value as a Percentage of Fair Value (a/b) |
|---|---|---|---|
| 2006 | $7,462,683 | $7,670,787 | 97.3% |
| 2007 | 8,059,880 | 8,069,710 | 99.9 |
| 2008 | 8,036,075 | 6,069,280 | 132.4 |
| 2009 | 7,945,567 | 6,929,486 | 114.7 |
| 2010 | 7,982,369 | 7,574,654 | 105.4 |
| 2011 | 7,891,102 | 7,441,243 | 106.1 |
| 2012 | 7,833,883 | 8,059,936 | 97.2 |
| 2013 | 8,381,444 | 8,927,367 | 93.9 |
| 2014 | 8,810,509 | 9,068,399 | 97.2 |
| 2015 | 8,991,019 | 8,643,044 | 104.0[2] |

Source: The 2014 Retirement Fund CAFR and 2015 Actuarial Valuation.
(1) The Actuarial Value of Assets is calculated through use of the Asset Smoothing Method.
(2) The value for the 2015 fiscal year is derived from the 2014 Retirement Fund CAFR and 2015 Actuarial Valuation by applying a simple division.

For purposes of GASB 67, in lieu of determining the Actuarial Value of Assets, the Actuary determines the *"Fiduciary Net Position,"* which has several components and represents the (i) Retirement Fund's assets (e.g., cash receivables, investments at fair value and other assets used in pension plan operations), *plus* (ii) deferred outflows of resources, and *minus* (iii) deferred inflows of resources. The assets are generally valued at fair value.

*Actuarial Accrued Liability and Total Pension Liability*

The 2014 Retirement Fund CAFR provides that the Actuarial Accrued Liability is calculated by a particular actuarial cost method as the value of all past accumulated Normal Costs. The 2014 Retirement Fund CAFR further provides that for purposes of determining Normal Cost, the Retirement Fund uses the entry age actuarial cost method (the *"Entry Age Method"*), which is a GASB-approved actuarial cost method. As stated in the 2014 Retirement Fund CAFR, the Entry Age Method is a cost method under which the Normal Cost is computed as the level percentage of pay which, if paid from the earliest time each member would have been eligible to join the Retirement Fund if it then existed (thus, entry age) until his retirement or termination, would accumulate with interest at the rate assumed in the valuation to an amount sufficient to pay all benefits under the Plan. Under this method, the actuarial gains (losses), attributable to deviations in experience from the actuarial assumptions, generally reduce (increase) the UAAL.

For purposes of GASB 67, the Actuary determines the *"Total Pension Liability"* as the portion of the actuarial present value of projected benefit payments that is attributed to past periods of the Retirement Fund member service, including all benefits to be provided to current active and inactive members of the Retirement Fund in accordance with its current terms. The main difference between the presentation of the Retirement Fund's pension liabilities under GASB 25 for funding purposes and GASB 67 for accounting purposes is the use of the discount rate for calculating present values of projected benefit payments. If the Retirement Fund's Fiduciary Net Position were projected to be insufficient to make projected benefit payments, then the discount rate is a blended single rate based on the long-term

expected rate of return on the Retirement Fund's investments and a yield or index rate for 2-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The use of a blend rate instead of the long-term expected rate of return on plan investments may produce a higher liability figure for the Retirement Fund.

*Actuarial Assumptions*

In its Actuarial Valuation, the Retirement Fund's Actuary uses a variety of assumptions as to future events affecting pension costs. The assumptions used by the Retirement Fund in the fiscal year ending on December 31, 2015 are based on the experience of the Retirement Fund over the period 2009 through 2012, as stated in the 2014 Actuarial Valuation, and were adopted by the Retirement Fund Board based upon the recommendation of the Retirement Fund's Actuary in 2014 as a result of the experience study commissioned by the Retirement Fund Board. Variances between the assumptions and actual results may cause an increase or decrease in the Actuarial Value of Assets, the Fiduciary Net Position, the Actuarial Accrued Liability, the Total Pension Liability, the UAAL, the Net Pension Liability, the Funded Ratio, the Actuarially Determined Contribution or the Actuarially Required Contribution.

Additional information on the Retirement Fund's actuarial assumptions is available in the Retirement Fund's 2015 Actuarial Valuation.

**County's Statutorily Prescribed Contribution Not Related to GASB Standards**

The Pension Code requires that the County contribute to the Retirement Fund through the levy, collection, and contribution of a real-estate Pension Levy. Because the County's contribution limit is based on the amount of employee contributions made two years prior to the year in which the Pension Levy is collected and the Multiplier, as established by State statute, the County's contribution to the Retirement Fund does not necessarily correlate to the manner of calculating a contribution as established by GASB 25 or actuarial standards. As stated in the Actuarial Valuations through 2014, the Retirement Fund's Actuarially Required Contribution was equal to its Normal Cost plus a 30-year level-dollar amortization of the Retirement Fund's UAAL. This method of calculating the Actuarially Required Contribution was developed under the standards previously promulgated by GASB. However, the statutorily prescribed limit on the members' and the County's contributions has in the past prevented and could in the future prevent contributions to the Retirement Fund on an actuarial basis, as demonstrated in the Actuarial Valuations. Therefore, the statutory structure pursuant to which the County and the members contribute to the Retirement Fund does not conform to the actuarial cost and needs of the Retirement Fund. Consequently, the County entered into the Intergovernmental Agreement with the Retirement Fund that prescribed an alternative funding policy. See *"Table 3 – Information Regarding Contributions"* below.

For at least the past 12 years, the County budgeted a contribution to the Retirement Fund for the maximum amount permitted by statute, as requested by the Retirement Fund Board. Some variances in the actual amounts contributed in those years compared to the amount requested by the Retirement Fund (as shown in Table 3 below) are attributable to discrepancies between budgeted and actual PPRT receipts from the State. However, as evidenced by the Actuarial Valuations, the amount contributed by the County and the active employees has often been lower than the Actuarially Required Contribution.

Table 3 provides information on the Actuarially Required Contribution, the County's actual contributions in accordance with the Pension Code, the tax levy requested by the Retirement Fund Board and the percentage of the Actuarially Required Contribution made in each year that would have been necessary in each year had the County been in a position to contribute the Actuarially Required Contribution for each year 2006 through 2015, all of which was derived from the Retirement Fund

CAFRs and Actuarial Valuations. Based on the 2015 Actuarial Valuation, the Multiplier that would have been required for the County's contribution to equal the Actuarially Required Contribution for the 2015 fiscal year was 5.17 instead of the statutorily prescribed maximum of 1.54. For the 2016 fiscal year the Multiplier required for the County's contribution to equal to the Actuarially Required Contribution for the 2016 fiscal year is 4.61.

**TABLE 3**
**INFORMATION REGARDING CONTRIBUTIONS**
**($ IN THOUSANDS)**

| Fiscal Year | Actuarially Required Contribution (a) | Tax Levy Requested by the Retirement Fund Board (b) | Actual County Contribution (c) | Percentage of Actuarially Required Contribution Contributed (c/a) |
|---|---|---|---|---|
| 2006 | $398,341 | $223,270 | $225,438 | 56.6% |
| 2007 | 421,092 | 264,846 | 261,535 | 62.1 |
| 2008 | 406,626 | 183,124 | 188,009 | 46.2 |
| 2009 | 468,181 | 186,100 | 188,285 | 40.2 |
| 2010 | 572,318 | 186,523 | 184,723 | 32.3 |
| 2011 | 613,953 | 194,234 | 198,837 | 32.4 |
| 2012 | 655,800 | 196,139 | 190,721 | 29.1 |
| 2013 | 719,890 | 192,970 | 187,818 | 26.1 |
| 2014 | 634,722 | 194,668 | 190,033 | 29.9 |
| 2015 | 639,795 | 192,786 | 190,599 | 29.8[(1)] |

Sources: The 2014 Retirement Fund CAFR and 2015 Actuarial Valuation.
(1) The value for the 2015 fiscal year is derived from the 2014 Retirement Fund CAFR and 2015 Actuarial Valuation by applying a simple division.

According to the 2014 Retirement Fund CAFR, the Actuary determines separately, for purposes of GASB 67, the Actuarially Determined Contribution needed to fund pension benefits and the Actuarially Determined Contribution needed to fund retiree optional healthcare benefits. Table 4 below provides information on the Actuarially Determined Contribution, the County's statutorily prescribed contributions in relation to the Actuarially Determined Contribution for pension liability only, contribution deficiency and contribution as a percentage of covered-employee payroll for each year 2005 through 2014, for purposes of GASB 67.

## TABLE 4
## SCHEDULE OF EMPLOYER CONTRIBUTIONS
## ($ IN THOUSANDS)

| Fiscal Year | Actuarially Determined Contribution | Contributions in Relation to the Actuarially Determined Contribution | Contribution Deficiency | Covered-Employee Payroll | Contributions as a Percentage of Covered-Employee Payroll |
|---|---|---|---|---|---|
| 2006 | $282,224 | $(198,620) | $83,604 | $1,412,879 | 14.0% |
| 2007 | 287,062 | (230,114) | 56,947 | 1,370,845 | 16.8 |
| 2008 | 283,893 | (150,227) | 133,665 | 1,463,372 | 10.3 |
| 2009 | 352,851 | (152,506) | 200,345 | 1,498,162 | 10.2 |
| 2010 | 454,327 | (144,540) | 309,788 | 1,494,094 | 9.7 |
| 2011 | 493,724 | (160,652) | 333,072 | 1,456,444 | 11.0 |
| 2012 | 540,218 | (152,735) | 387,484 | 1,478,253 | 10.3 |
| 2013 | 595,370 | (147,720) | 447,650 | 1,484,270 | 10.0 |
| 2014 | 515,162 | (146,075) | 369,087 | 1,514,550 | 9.6 |
| 2015 | 514,888 | (136,076) | 378,813 | 1,572,417 | 8.7 |

Sources: The 2015 Financial Statements.

### Funded Status of the Retirement Fund

The fact that the contributions received from all sources by the Retirement Fund were less than the Actuarially Required Contribution, in conjunction with other factors, had the effect of increasing, over the years, the Retirement Fund's UAAL, according to the 2015 Actuarial Valuation. In addition, expenses related to the optional other post-employment benefits ("*OPEB*") provided by the Pension Board are paid from the funds received from the County, which has the effect of reducing the Actuarial Value of Assets and decreasing the Funded Ratio.

According to the 2015 Actuarial Valuation, the Retirement Fund had a UAAL, including an optional OPEB, of approximately $7.2 billion on an actuarial basis (using the Asset Smoothing Method) as of December 31, 2015. The 2015 Actuarial Valuation provides that the respective Funded Ratio for this UAAL is 55.4%. The 2015 Actuarial Valuation provides that the increase in the UAAL from December 31, 2014 to December 31, 2015 was due to a demographic loss (primarily attributable to certain salary increases being higher than estimated) and losses on an actuarial value of the assets (primarily attributable to the investment loss in 2015). According to the 2015 Actuarial Valuation, the statutorily prescribed contributions to the Retirement Fund are not sufficient to meet the Retirement Fund's funding needs. As noted in the 2015 Actuarial Valuation, the Actuary projects that in the absence of action by the Illinois State Legislature to establish an actuarially based funding policy and without regard to the County's alternative funding method developed pursuant to the Intergovernmental Agreement, the Funded Ratio is expected to continue to trend downward until the Retirement Fund's assets are exhausted by 2039 (with the exception of the contributions that the County and active employees will continue to make to the Retirement Fund annually).

The following tables, which were produced from information provided in the CAFRs of the Retirement Fund, the Financial Statements and the Actuarial Valuations, summarize the current financial condition and the funding progress of the Retirement Fund.

## TABLE 5
## FINANCIAL CONDITION OF THE RETIREMENT FUND
## FISCAL YEARS 2006-2015
## ($ IN THOUSANDS)

| FISCAL YEAR | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015[4] |
|---|---|---|---|---|---|---|---|---|---|---|
| Beginning Net Position (Fair Value) | $6,963,955 | $7,670,787 | $ 8,069,710 | $6,069,280 | $6,929,486 | $7,574,654 | $7,441,243 | $8,059,936 | $8,927,367 | $9,068,399 |
| Income | | | | | | | | | | |
| - Employee Contributions | 121,67 | 123,048 | 123,777 | 127,796 | 129,450 | 127,577 | 130,571 | 127,593 | 129,325 | 137,708, |
| - Employer Contributions & other additions[1] | 230,443 | 268,144 | 190,997 | 195,456 | 194,305 | 195,338 | 190,721 | 187,818 | 190,033 | 186,832, |
| - Investment Income[2] | 749,245 | 477,494 | (1,858,448) | 1,013,615 | 833,053 | 82,912 | 887,688 | 1,179,440 | 488,891 | (21,897) |
| - Other[3] | | | | | | 17,403 | 10,191 | 8,548 | 9,742 | 11,458[5] |
| **Total Additions** | $1,101,361 | $868,686 | $(1,543,674) | $1,336,867 | $1,156,808 | $423,230 | $1,219,170 | $1,503,400 | $817,991 | $351,737 |
| Deductions | | | | | | | | | | |
| - Benefits | $365,627 | $398,689 | $427,454 | $452,008 | $482,523 | $523,397 | $563,092 | $601,770 | $645,601 | $738,667 |
| - Refunds | 24,922 | 66,623 | 24,724 | 20,405 | 25,042 | 29,165 | 33,082 | 29,873 | 26,347 | 33,273 |
| - Administration | 3,979 | 4,450 | 4,578 | 4,248 | 4,075 | 4,079 | 4,303 | 4,325 | 5,010 | 5,151 |
| Total Deductions | $394,528 | $469,762 | $456,756 | $476,661 | $511,640 | $556,641 | $600,477 | $635,968 | $676,959 | $777,091 |
| **Ending Net Position** (Fair Value) | $7,670,787 | $8,069,710 | $6,069,280 | $6,929,486 | $7,574,654 | $7,441,243 | $8,059,936 | $8,927,367 | $9,068,399 | $8,643,044 |

Source: The 2014 Retirement Fund CAFR and the Actuarial Valuations of the Retirement Fund for the years 2006-2015. Table may not add due to rounding.

(1) Includes other additions to the assets from sources such as employer federal subsidized programs, employer interest on levies, and Medicare Part D subsidy.

(2) Investment income is shown net of fees and expenses. Includes income from the Retirement Fund's securities lending program. For more information, see Note 8 in the 2014 Basic Financial Statements.

(3) This item "Other" is included to reflect the change in the format of the financial presentations in the 2011 - 2014 Retirement Fund CAFRs and 2014 Basic Financial Statements.

(4) The 2015 values are from Section 2.2 of the 2015 Actuarial Valuation (combined report).

(5) Includes "Miscellaneous" and "Employee Transfers" values from the 2015 Actuarial Report (combined), Section 2.2, Changes in Fair Value of Assets.

## TABLE 6
## SCHEDULE OF FUNDING PROGRESS – PENSION AND HEALTHCARE COMBINED
## FISCAL YEARS 2006-2015
## ($ IN THOUSANDS)

| Fiscal Year | Actuarial Accrued Liability (a) | Actuarial Value of Assets[1] (b) | UAAL (Actuarial)[3] (a-b) | Funded Ratio (Actuarial)[3] (b/a) | Covered-Employee Payroll (c) | UAAL as a Percentage of Covered-Employee Payroll (Actuarial)[2] ((a-b)/c) |
|---|---|---|---|---|---|---|
| 2006 | $ 9,904,578 | $7,462,683 | $2,441,895 | 75.3% | $1,412,879 | 172.8% |
| 2007 | 10,423,730 | 8,059,880 | 2,363,850 | 77.3 | 1,370,845 | 172.4 |
| 2008 | 11,073,181 | 8,036,075 | 3,037,107 | 72.6 | 1,463,372 | 207.5 |
| 2009 | 12,575,516 | 7,945,567 | 4,629,949 | 63.2 | 1,498,162 | 309.0 |
| 2010 | 13,142,137 | 7,982,369 | 5,159,769 | 60.7 | 1,494,094 | 345.3 |
| 2011 | 13,724,012 | 7,897,102 | 5,826,910 | 57.5 | 1,456,444 | 400.1 |
| 2012 | 14,630,251 | 7,833,883 | 6,796,368 | 53.6 | 1,478,253 | 459.8 |
| 2013 | 14,812,088 | 8,381,444 | 6,430,643 | 56.6 | 1,484,270 | 433.3 |
| 2014 | 15,318,791 | 8,810,509 | 6,508,282 | 57.5 | 1,514,550 | 429.7 |
| 2015 | 16,232,186 | 8,991,019 | 7,241,167 | 55.4 | 1,597,597 | 453.3[3] |

Source: The Retirement Fund CAFRs for the fiscal years ended December 31, 2006-2014 and the Actuarial Valuations of the Retirement Fund as of December 31, of the years 2006-2015.

(1) The actuarial value is determined by application of the Asset Smoothing Method as discussed in *"Actuarial Valuation" – "Actuarial Value of Assets and Fiduciary Net Position*" above.

(2) For purposes of this column, *"Actuarial"* refers to the fact that the calculation was made using the Actuarial Value of Assets. The Actuarial Value of Assets is determined using the Asset Smoothing Method, described in *"Actuarial Valuation – Actuarial Value of Assets."* The UAAL and Funded Ratio as published in the CAFR and Actuarial Valuations (and presented in this Table 6) were not calculated on the fair value basis.

(3) The value is derived by simple mathematical division.

## TABLE 7
## SCHEDULE OF FUNDING PROGRESS – PENSION
## FISCAL YEARS 2006-2015
## ($ IN THOUSANDS)

| As of December 31st | Actuarial Accrued Liability | Actuarial Value of Assets[1] | UAAL (Actuarial)[2] | Funded Ratio (Actuarial)[2] | Covered Payroll Payroll | UAAL as a Percentage of Covered Payroll (Actuarial)[2] |
|---|---|---|---|---|---|---|
| | (a) | (b) | (a-b) | (b/a) | (c) | ((a-b)/c) |
| **2006** | $ 8,826,581 | $ 7,462,683 | $ 1,363,898 | 84.5% | $1,412,879 | 96.5% |
| **2007** | 9,386,288 | 8,059,880 | 1,326,408 | 85.9 | 1,370,845 | 96.8 |
| **2008** | 10,097,028 | 8,036,075 | 2,060,953 | 79.6 | 1,468,372 | 140.4 |
| **2009** | 11,489,081 | 7,945,567 | 3,543,514 | 69.2 | 1,498,162 | 236.5 |
| **2010** | 12,023,223 | 7,982,369 | 4,040,854 | 66.4 | 1,494,094 | 270.5 |
| **2011** | 12,628,275 | 7,897,102 | 4,731,172 | 62.5 | 1,456,444 | 324.8 |
| **2012** | 13,418,487 | 7,833,883 | 5,584,604 | 58.4 | 1,478,253 | 377.8 |
| **2013** | 13,636,576 | 8,381,444 | 5,255,132 | 61.5 | 1,484,270 | 354.1 |
| **2014** | 14,140,547 | 8,810,509 | 5,330,038 | 62.3 | 1,514,550 | 351.9 |
| **2015** | 14,936,591 | 8,991,019 | 5,945,572 | 60.2 | 1,597,597 | 372.2 |

Source: The Retirement Fund CAFRs and 2015 Actuarial Valuation.

(1) The actuarial value is determined by application of the Asset Smoothing Methods as discussed in *"Actuarial Methods – Actuarial Value of Assets"* above.

(2) For purposes of this column, *"Actuarial"* refers to the fact that the calculation was made using the Actuarial Value of Assets. The Actuarial Value of Assets is determined using the Asset Smoothing Method, described in *"Actuarial Valuation – Actuarial Value of Assets."* The UAAL and Funded Ratio as published in the CAFR and Actuarial Valuations (and presented in this Table 7) were not calculated on the fair value basis.

## TABLE 8
## SCHEDULE OF FUNDING PROGRESS – HEALTHCARE PLAN
## FISCAL YEARS 2006-2014
## ($ IN THOUSANDS)

| As of December 31st | Actuarial Value of Assets[1] | Actuarial Accrued Liability (AAL) | Unfunded AAL (UAAL) | Funded Ratio | Covered Payroll | UAAL as % of Covered Payroll |
|---|---|---|---|---|---|---|
| | (a) | (b) | (b-a) | (a/b) | (c) | (b-a)/(c) |
| **2006** | -- | $1,506,822 | $1,506,822 | 0.00% | $1,412,879 | 106.7% |
| **2007** | -- | 1,554,123 | 1,554,123 | 0.00 | 1,370,845 | 113.4 |
| **2008** | -- | 1,448,829 | 1,448,829 | 0.00 | 1,463,372 | 99.0 |
| **2009[2]** | -- | 1,686,872 | 1,686,872 | 0.00 | 1,498,162 | 112.60 |
| **2010** | -- | 1,724,622 | 1,724,622 | 0.00 | 1,494,094 | 115.4 |
| **2011** | -- | 1,678,571 | 1,678,571 | 0.00 | 1,456,444 | 115.3 |
| **2012[2]** | -- | 1,845,609 | 1,845,609 | 0.00 | 1,478,253 | 124.9 |
| **2013** | -- | 1,978,767 | 1,978,767 | 0.00 | 1,484,270 | 133.3 |
| **2014** | -- | 1,980,089 | 1,980,089 | 0.00 | 1,514,550 | 130.7 |
| **2015** | -- | 2,134,107 | 2,134,107 | 0.00 | 1,597,597 | 133.6 |

Source: The 2014 Retirement Fund CAFR and 2015 Actuarial Valuation.

(1) The Healthcare Plan is funded on a "pay-as-you-go" basis.

(2) Change in actuarial assumptions. According to the 2014 Retirement Fund CAFR, the assumed interest rate of return for postretirement health benefits is 4.5% compared to the 7.5% assumed rate of return for pension benefits and combined pension and postretirement health benefits.

The 2015 Actuarial Valuation indicates that a variety of factors (as identified in Table 9 below) impact the Retirement Fund's UAAL and Funded Ratio. According to the 2015 Actuarial Valuation, the primary causes of the increase in the UAAL between the end of fiscal year 2014 and the end of fiscal year 2015 were demographic losses and actuarial losses in the value of the assets (due mainly to the application of the Asset Smoothing Method and investment losses in 2015). The effect of these and other factors on the Retirement Fund's Unfunded Liability from the 2006 through the 2015 fiscal year is demonstrated in Table 9 below.

## TABLE 9
## COMPONENTS OF CHANGE IN UNFUNDED LIABILITY
## FISCAL YEARS 2006-2015
## ($ IN THOUSANDS)

| Fiscal Year | Salary Increases/ Higher/ (Lower) than Assumed | Investment Returns (Higher)/Lower Than Assumed | Employer Contributions (Higher)/Lower than Normal Cost Plus Interest | Changes In Actuarial Assumptions | Other Sources[1] | Total Change in Unfunded Liability |
|---|---|---|---|---|---|---|
| 2006 | (43,192) | 47,914 | 152,221 | - | 42,516 | 199,459 |
| 2007 | 78,766 | (118,960) | 135,979 | - | (173,830) | (78,045) |
| 2008 | 160,615 | 481,087 | 198,155 | - | (166,600) | 673,256 |
| 2009 | (138,750) | 534,155 | 258,310 | 810,787 | 128,341 | 1,592,842 |
| 2010 | (185,530) | 364,313 | 349,354 | - | 1,684 | 529,820 |
| 2011 | (138,555) | 459,875 | 371,793 | - | (25,972) | 667,141 |
| 2012 | 34,073 | 376,602 | 252,886 | - | 305,897 | 969,458 |
| 2013 | (184,386) | (586,434) | 513,419 | - | (108,324) | (365,725) |
| 2014 | (148,871) | (161,124) | 423,104 | - | (35,470) | 77,638 |
| 2015 | 164,977 | 61,964 | 431,124 | - | 74,819 | 732,885 |

Source: The 2014 Retirement Fund CAFR and 2015 Actuarial Valuation. Totals may not add due to rounding.

(1) "Other Sources" includes, but is not limited to, health insurance, optional retirement experience and death, retirement and withdrawal experience.

The 2015 Actuarial Valuation also includes information on the Retirement Fund's Net Pension Liability which in accordance with GASB 67 measures the extent to which the Total Pension Liability is covered by the Fiduciary Net Position. Various Net Pension Liability Ratios and new supplemental disclosure schedules will track changes in the Retirement Fund's Net Pension Liability from year to year and will measure the extent to which the Retirement Fund's funding keeps pace with the Actuarially Determined Contributions. As discussed above, the Pension Code requires that the County contribute the Pension Levy according to a statutory formula as opposed to making contributions on an actuarial basis and, as such, the County's contribution differs from the amount identified by the Retirement Fund's Actuary as the Actuarially Determined Contribution.

Table 10 below shows the Retirement Fund's Fiduciary Net Position and the Fiduciary Net Position as a percentage of the Total Pension Liability for the fiscal years ending on December 31, 2013 through December 31, 2015. GASB 67 measures are not available for fiscal years before 2013. In measuring the Retirement Fund's Total Pension Liability in accordance with GASB 67 as of December 31, 2015, the Retirement Fund's Actuaries used a blended discount rate of 4.15%. The Actuaries developed this discount rate based on the Retirement Fund's long-term investment rate of return of 7.5% and a 3.2% rate based on the S&P Municipal Bond 20-Year High Grade Rate Index as of December 31, 2015. The use of a lower discount rate present's the Retirement Fund's unfunded liabilities at a significantly higher rate than the Retirement Fund's UAAL determined based on the previous GASB 25.

**TABLE 10**
**NET PENSION LIABILITY**
**($ IN THOUSANDS)**

| | 2015 | 2014 | 2013 |
|---|---|---|---|
| Total pension liability | $23,963,086 | $21,945,962 | $21,117,644 |
| Plan fiduciary net position | 8,643,044 | 9,068,400 | 8,927,367 |
| Employer's net pension liability | 15,320,041 | 12,877,563 | 12,190,277 |
| Plan fiduciary net position as a percentage of the total pension liability | 36.07% | 41.32% | 42.27% |

Source: The 2014 Retirement Fund CAFR and 2015 Actuarial Valuation.

**Projection of Funded Status**

Table 11 contains a projection, provided by the Retirement Fund, of the Actuarial Value of Assets, the Actuarial Accrued Liability, the UAAL and the Funded Ratio through 2050, based on certain assumptions, including a 3.25% salary increase for new hires and 7.5% rate of return on investments. This table assumes statutory contribution levels and does not take into account the additional $270.5 million supplemental contribution to the Retirement Fund pursuant to the Intergovernmental Agreement, any future supplemental contributions forecasted in the County's 2016 Appropriation Bill or the County's alternative funding policy as outlined in the Intergovernmental Agreement.

Table 12, conversely, contains a projection, provided by the Retirement Fund, of the Actuarial Value of Assets, the Actuarial Accrued Liability, the UAAL and the Funded Ratio through 2050 developed based on the assumptions stated in the preceding paragraph and the County's alternative funding policy as outlined in the Intergovernmental Agreement.

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## TABLE 11
## PROJECTION OF FUTURE FUNDING STATUS UNDER CURRENT STATUTORY STRUCTURE[1]
## ($ IN MILLIONS)

| FISCAL YEAR | ACTUARIAL ACCRUED LIABILITY | ACTUARIAL VALUE OF ASSETS[2][3] | UAAL | FUNDED RATIO |
|---|---|---|---|---|
| | (A) | (B) | (A-B) | (B/A) |
| 2016 | $ 16,232 | $ 8,991 | $ 7,241 | 55.4% |
| 2017 | 16,869 | 9,405 | 7,464 | 55.8 |
| 2018 | 17,506 | 9,515 | 7,991 | 54.4 |
| 2019 | 18,137 | 9,484 | 8,653 | 52.3 |
| 2020 | 18,750 | 9,448 | 9,303 | 50.4 |
| 2021 | 19,355 | 9,509 | 9,846 | 49.1 |
| 2022 | 19,956 | 9,529 | 10,427 | 47.8 |
| 2023 | 20,544 | 9,502 | 11,043 | 46.2 |
| 2024 | 21,113 | 9,420 | 11,693 | 44.6 |
| 2025 | 21,661 | 9,281 | 12,380 | 42.8 |
| 2026 | 22,195 | 9,084 | 13,111 | 40.9 |
| 2027 | 22,727 | 8,835 | 13,892 | 38.9 |
| 2028 | 23,244 | 8,519 | 14,725 | 36.7 |
| 2029 | 23,741 | 8,134 | 15,607 | 34.3 |
| 2030 | 24,215 | 7,672 | 16,543 | 31.7 |
| 2031 | 24,676 | 7,136 | 17,541 | 28.9 |
| 2032 | 25,127 | 6,522 | 18,605 | 26.0 |
| 2033 | 25,549 | 5,811 | 19,739 | 22.7 |
| 2034 | 25,950 | 5,006 | 20,944 | 19.3 |
| 2035 | 26,324 | 4,098 | 22,226 | 15.6 |
| 2036 | 26,680 | 3,086 | 23,594 | 11.6 |
| 2037 | 27,019 | 1,965 | 25,054 | 7.3 |
| 2038 | 27,328 | 716 | 26,612 | 2.6 |
| 2039 | 27,615 | -660 | 28,275 | -2.4 |
| 2040 | 27,877 | -2,173 | 30,050 | -7.8 |
| 2041 | 28,120 | -3,827 | 31,947 | -13.6 |
| 2042 | 28,342 | -5,633 | 33,975 | -19.9 |
| 2043 | 28,541 | -7,603 | 36,145 | -26.6 |
| 2044 | 28,721 | -9,744 | 38,465 | -33.9 |
| 2045 | 28,880 | -12,067 | 40,947 | -41.8 |
| 2046 | 29,017 | -14,588 | 43,604 | -50.3 |
| 2047 | 29,128 | -17,321 | 46,449 | -59.5 |
| 2048 | 29,213 | -20,284 | 49,497 | -69.4 |
| 2049 | 29,266 | -23,493 | 52,759 | -80.3 |
| 2050 | 29,283 | -26,968 | 56,251 | -92.1 |

Source: The 2015 Actuarial Valuation.

(1) These projections are based on the legislative structure in place as of the date of this Official Statement and assume *no* changes to such legislative structure.

(2) The actuarial value is determined by application of the Asset Smoothing Method as discussed in *"Actuarial Methods – Actuarial Value of Assets*" above.

(3) The projections in this Table 11 do not take into account the additional County's contribution of $270.5 million for 2016 or any projection of future contributions over and above the statutory maximum that may be made pursuant to an intergovernmental agreement.

As shown in Table 11, based on the current legislative structure, the Retirement Fund's Actuary projects a continual decrease in the funding level of the Retirement Fund if the alternative funding policy contemplated in the Intergovernmental Agreement is not carried forward, which would jeopardize the solvency of the Retirement Fund. The Retirement Fund's Actuary further projects that the existing Statutory funding regime is insufficient to meet the needs of the Retirement Plan and that based on the

current statutes and certain assumptions and trends, the Retirement Fund would be expected to deplete its assets by 2039 (except for the contributions that the County and active employees will continue to make to the Retirement Fund annually). The County is not making any representation as to the accuracy or validity of these projections.

The projections in Table 11 are based upon numerous variables that are subject to change, and are forward-looking statements regarding future events based on the Retirement Fund's actuarial assumptions and assumptions made regarding such future events, including that there are no changes to the current legislative structure and that all contributions to the Retirement Fund are made as required by statute. No assurance can be given that these assumptions will be realized or that actual events will not cause material changes to the data presented.

# TABLE 12
# PROJECTION OF FUTURE FUNDING STATUS UNDER ALTERNATIVE FUNDING POLICY IN INTERGOVERNMENTAL AGREEMENT
# ($ IN MILLIONS)

| | | Pensions | | | | | | | Retiree Health Insurance | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Beginning of Year | | | | Cashflows during calendar year | | | Beginning of Year | | | | Cashflows during calendar year | | | | |
| Calendar Year | Payroll | Accrued Liability | Actuarial Value of Assets | Unfunded Accrued Liability | Funded Ratio | Total Payout | Employee Contributions | County Contribution | Accrued Liability | Actuarial Value of Assets | Unfunded Accrued Liability | Funded Ratio | Total Payout | Employee Contributions | County Contributions | Total Projected County Contribution | Total as % of Payroll |
| 2016 | $ 1,639 | $14,937 | $8,991 | $5,946 | 60.2% | $772 | $134.4 | $402.9 | $1,296 | 0 | $1,296 | 0% | $57.7 | 0 | $57.7 | $460.6 | 28.1% |
| 2017 | 1,686 | 15,497 | 9,405 | 6,092 | 60.7 | 821 | 138.2 | 514.9 | 1,372 | 0 | 1,372 | 0 | 63.5 | 0 | 63.5 | 578.4 | 34.31 |
| 2018 | 1,731 | 16,056 | 9,849 | 6,207 | 61.3 | 873 | 141.9 | 528.8 | 1,450 | 0 | 1,450 | 0 | 69.8 | 0 | 69.8 | 598.6 | 34.58 |
| 2019 | 1,777 | 16,608 | 10,178 | 6,431 | 61.3 | 932 | 145.7 | 548.8 | 1,529 | 0 | 1,529 | 0 | 76.2 | 0 | 76.2 | 625.0 | 35.17 |
| 2020 | 1,826 | 17,142 | 10,540 | 6,602 | 61.5 | 987 | 149.7 | 571.3 | 1,608 | 0 | 1,608 | 0 | 82.9 | 0 | 82.9 | 654.2 | 35.82 |
| 2021 | 1,879 | 17,667 | 11,048 | 6,619 | 62.5 | 1,041 | 154.0 | 587.2 | 1,689 | 0 | 1,689 | 0 | 90.2 | 0 | 90.2 | 677.4 | 36.05 |
| 2022 | 1,932 | 18,186 | 11,558 | 6,628 | 63.6 | 1,099 | 158.4 | 601.0 | 1,770 | 0 | 1,770 | 0 | 96.8 | 0 | 96.8 | 697.8 | 36.12 |
| 2023 | 1,985 | 18,693 | 12,066 | 6,627 | 64.5 | 1,160 | 162.7 | 610.6 | 1,851 | 0 | 1,851 | 0 | 103.8 | 0 | 103.8 | 714.4 | 35.99 |
| 2024 | 2,039 | 19,179 | 12,562 | 6,617 | 65.5 | 1,220 | 167.1 | 620.9 | 1,934 | 0 | 1,934 | 0 | 110.9 | 0 | 110.9 | 731.9 | 35.90 |
| 2025 | 2,097 | 19,643 | 13,048 | 6,595 | 66.4 | 1,276 | 171.9 | 634.7 | 2,017 | 0 | 2,017 | 0 | 118 | 0 | 118 | 752.7 | 35.89 |
| 2026 | 2,160 | 20,093 | 13,531 | 6,562 | 67.3 | 1,325 | 177.1 | 652.5 | 2,102 | 0 | 2,102 | 0 | 124.2 | 0 | 124.2 | 776.7 | 35.95 |
| 2027 | 2,225 | 20,539 | 14,023 | 6,516 | 68.3 | 1,383 | 182.4 | 667.5 | 2,188 | 0 | 2,188 | 0 | 131.5 | 0 | 131.5 | 799.0 | 35.91 |
| 2028 | 2,290 | 20,968 | 14,513 | 6,455 | 69.2 | 1,440 | 187.7 | 679.2 | 2,276 | 0 | 2,276 | 0 | 138.7 | 0 | 138.7 | 817.9 | 35.72 |
| 2029 | 2,356 | 21,376 | 14,997 | 6,379 | 70.2 | 1,499 | 193.2 | 690.4 | 2,365 | 0 | 2,365 | 0 | 144.8 | 0 | 144.8 | 835.2 | 35.45 |
| 2030 | 2,427 | 21,759 | 15,472 | 6,286 | 71.1 | 1,551 | 198.9 | 705.7 | 2,456 | 0 | 2,456 | 0 | 150.9 | 0 | 150.9 | 856.6 | 35.30 |
| 2031 | 2,502 | 22,127 | 15,952 | 6,175 | 72.1 | 1,602 | 205.1 | 721.0 | 2,550 | 0 | 2,550 | 0 | 157.6 | 0 | 157.6 | 878.6 | 35.11 |
| 2032 | 2,579 | 22,480 | 16,436 | 6,044 | 73.1 | 1,665 | 211.4 | 735.3 | 2,647 | 0 | 2,647 | 0 | 164.5 | 0 | 164.5 | 899.8 | 34.89 |
| 2033 | 2,657 | 22,802 | 16,912 | 5,890 | 74.2 | 1,719 | 217.8 | 747.9 | 2,747 | 0 | 2,747 | 0 | 170.8 | 0 | 170.8 | 918.7 | 34.58 |
| 2034 | 2,737 | 23,099 | 17,386 | 5,714 | 75.3 | 1,777 | 224.4 | 760.1 | 2,851 | 0 | 2,851 | 0 | 176.7 | 0 | 176.7 | 936.9 | 34.23 |
| 2035 | 2,819 | 23,365 | 17,854 | 5,511 | 76.4 | 1,827 | 231.1 | 774.8 | 2,958 | 0 | 2,958 | 0 | 182.6 | 0 | 182.6 | 957.4 | 33.96 |
| 2036 | 2,903 | 23,609 | 18,328 | 5,281 | 77.6 | 1,875 | 238.0 | 790.2 | 3,071 | 0 | 3,071 | 0 | 188.2 | 0 | 188.2 | 978.5 | 33.70 |
| 2037 | 2,987 | 23,830 | 18,809 | 5,021 | 78.9 | 1,934 | 244.9 | 804.7 | 3,189 | 0 | 3,189 | 0 | 194.2 | 0 | 194.2 | 998.9 | 33.44 |
| 2038 | 3,070 | 24,015 | 19,287 | 5,728 | 80.3 | 1,984 | 251.6 | 819.8 | 3,313 | 0 | 3,313 | 0 | 201.4 | 0 | 201.4 | 1,021.3 | 33.27 |
| 2039 | 3,151 | 24,170 | 19,771 | 4,400 | 81.8 | 2,032 | 258.4 | 833.6 | 3,445 | 0 | 3,445 | 0 | 206.9 | 0 | 206.9 | 1,040.5 | 33.02 |
| 2040 | 3,233 | 24,295 | 20,262 | 4,033 | 83.4 | 2,075 | 265.0 | 849.9 | 3,582 | 0 | 3,582 | 0 | 213.7 | 0 | 213.7 | 1,063.6 | 32.90 |
| 2041 | 3,315 | 24,393 | 20,768 | 3,625 | 85.1 | 2,119 | 271.8 | 866.2 | 3,727 | 0 | 3,727 | 0 | 221 | 0 | 221 | 1,087.2 | 32.80 |
| 2042 | 3,398 | 24,461 | 21,289 | 3,172 | 87.0 | 2,163 | 278.6 | 882.8 | 3,881 | 0 | 3,881 | 0 | 228.8 | 0 | 228.8 | 1,111.6 | 32.71 |
| 2043 | 3,482 | 24,499 | 21,828 | 2,671 | 89.1 | 2,201 | 285.4 | 899.5 | 4,043 | 0 | 4,043 | 0 | 236.8 | 0 | 236.8 | 1,136.2 | 32.63 |
| 2044 | 3,565 | 24,508 | 22,391 | 2,117 | 91.4 | 2,238 | 292.3 | 916.2 | 4,213 | 0 | 4,213 | 0 | 243.4 | 0 | 243.4 | 1,159.5 | 32.52 |
| 2045 | 3,650 | 24,487 | 22,980 | 1,507 | 93.8 | 2,277 | 299.2 | 933.0 | 4,393 | 0 | 4,393 | 0 | 251.5 | 0 | 251.5 | 1,184.5 | 32.45 |
| 2046 | 3,737 | 24,433 | 23,597 | 836 | 96.6 | 2,317 | 306.3 | 950.8 | 4,584 | 0 | 4,584 | 0 | 260.1 | 0 | 260.1 | 1,211.0 | 32.41 |
| 2047 | 3,825 | 24,342 | 24,244 | 98 | 99.6 | 2,357 | 313.6 | 231.4 | 4,786 | 0 | 4,786 | 0 | 271.3 | 0 | 271.3 | 502.6 | 13.14 |
| 2048 | 3,916 | 24,213 | 24,158 | 55 | 99.8 | 2,398 | 321.1 | 225.8 | 5,000 | 0 | 5,000 | 0 | 283.6 | 0 | 283.6 | 509.4 | 13.01 |
| 2049 | 4,009 | 24,041 | 24,024 | 17 | 99.9 | 2,440 | 328.7 | 206.4 | 5,225 | 0 | 5,225 | 0 | 293.1 | 0 | 293.1 | 499.6 | 12.46 |
| 2050 | 4,104 | 23,823 | 23,823 | 0 | 100.0 | 2,482 | 336.5 | 192.3 | 5,459 | 0 | 5,459 | 0 | 304.9 | 0 | 304.9 | 497.2 | 12.11 |

As shown in Table 12, based on certain assumptions and applying the County alternative funding policy outlined in the Intergovernmental Agreement, the Retirement Fund Actuary projects that the Retirement Fund's pension liabilities would be fully funded by 2050.[7] The projections in Table 12 are based upon numerous variables that are subject to change, and are forward-looking statements regarding future events based on the Retirement Fund's actuarial assumptions and assumptions made regarding such future events, including that the County continues to make additional contributions to the Retirement Fund above the statutorily prescribed maximum, pursuant to intergovernmental agreements, and that the County's alternative funding policy, if challenged, would survive such legal challenges or that the legislation authorizing the County to make additional contributions to the Retirement Fund will be signed into law (as discussed elsewhere in this APPENDIX B). No assurance can be given that these assumptions will be realized or that actual events will not cause material changes to the data presented.

The projections set forth in this APPENDIX B of the Official Statement rely on information produced by the Retirement Fund's independent Actuaries and were not independently verified by the County as to their validity, accuracy or conformance to any acceptable accounting, actuarial or reporting standards. This information should not be relied upon as being necessarily indicative of future results, and readers of this Official Statement are cautioned not to place undue reliance on the prospective financial information. Neither the County, the County's independent auditors, nor any other independent accountants, have compiled, examined, or performed any procedures with respect to the prospective financial information contained in the projections, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and assume no responsibility for, and disclaim any association with, the prospective financial information.

**GASB Statement No. 68**

In accordance with the standards of the GASB Statement No. 68, the Retirement Fund is considered to be a component unit of the County. Beginning with the County's fiscal year ended November 30, 2015, the Retirement Fund is included in the County's financial statements as a pension trust fund. The County adopted GASB 68 effective for its 2015 fiscal year. Under GASB 68 the County now recognizes the Net Pension Liability on its financial statements. In addition, most changes in the Net Pension Liability are recognized in the year of the change and other changes are recognized over a closed period of five years. Due to this recognition of pension liabilities, the implementation of GASB 68 will have a material impact on the County's financial statements and net position. The County's Audited Financial Statements for the Fiscal Year Ended November 30, 2015 reflect the Retirement Fund's Net Pension Liability as determined for the Retirement Fund's fiscal year ended December 31, 2014.

**Most Recent Legislative Changes**

On April 14, 2010, the Governor of the State signed Public Act 96-0889 (the *"2011 Pension Reform Act"*) into law. The 2011 Pension Reform Act establishes a "two-tier" benefit system with less generous benefits for employees who become members of any public retirement system, including the Retirement Fund, on or after January 1, 2011, as compared to those provided to individuals who were County employees prior to such date. Among other changes, the 2011 Pension Reform Act:

- Increases the time required for pension benefits to vest to ten years from five years;

[7] The Intergovernmental Agreement anticipates full funding by 2046. The Actuary's projections demonstrate that by 2046 the Retirement Fund's full funding is projected to be substantially achieved with full funding projected by 2050. Slight variations in estimates are most likely attributable to variations in the assumptions the Actuary used for purposes of Table 12.

- Increases the minimum age at which an active employee may retire with unreduced benefits to age 67 from age 60 or younger based on a formula combining the age of the employee and the number of years of service;

- Increases the minimum age at which an active employee may retire with reduced benefits to age 62 from age 50;

- Reduces the cost of living adjustment to the lower of 3% or 50% of the change in the consumer price index for all urban consumers, whichever is lower, and eliminates compounding for employees hired after January 1, 2011, from a cost of living adjustment of 3%, compounded; and

- Caps the 2011 salary on which a pension could then be calculated at $106,800 (subject to annual adjustments for inflation at a ½ of the Consumer Price Index, referred to as "CPI-U", on a simple basis).

The 2011 Pension Reform Act does not impact persons who first became members or participants prior to its effective date of January 1, 2011.

Taken independently of any other legislative or market effects, the reduced benefits afforded new hires by the 2011 Pension Reform Act are expected to reduce the growth in the Actuarial Accrued Liability and the UAAL. In calculating the Actuarial Accrued Liability, the actuaries make assumptions about future benefit levels. As the value of future benefits decreases, as will occur when a greater percentage of the County's workforce is covered by the 2011 Pension Reform Act, the growth in Actuarial Accrued Liability is expected to slow down. As the growth in the UAAL slows, the amount of UAAL to be amortized decreases. However, the County makes no representation and no assurance can be given that these expectations will be the actual experience of the Retirement Fund going forward.

As noted above, Section 5 of Article XIII of the Illinois Constitution provides that "membership in any pension retirement system of the State, any unit of local government or school district, or any agency or instrumentality thereof, shall be an enforceable contractual relationship, the benefits of which shall not be diminished or impaired."

On July 1, 2012, the Governor of Illinois signed Public Act 97-0695 into law. Under the terms of that Act, the value of certain healthcare benefits for certain retirees of the State of Illinois would have been decreased. On July 3, 2014, the Illinois Supreme Court reversed on appeal the decision of the Circuit Court of Sangamon County that initially dismissed constitutional challenges to the Public Act.[8] The Illinois Supreme Court found that the State's provision of subsidies for retiree health coverage is a benefit of membership in a pension or retirement system, which is protected by the Pension Protection Clause of the State Constitution and may not be diminished or impaired.

On December 5, 2013, the Governor of the State signed Public Act 98-0599 (the *"2013 Pension Reform Act"*) into law. The 2013 Pension Reform Act purported to affect certain aspects of annuities with respect to members of the General Assembly Retirement System, State Employees' Retirement System of Illinois, State Universities Retirement System and Teachers' Retirement System (including, among other changes, delays in benefit commencement, reductions in the cost-of-living adjustments, and a cap on the maximum salary taken into account in calculating annuity benefits). On May 8, 2016, the Illinois Supreme Court affirmed on appeal the decision of the Sangamon County Circuit Court declaring

[8] *Kanerva v. Weems*, 2014 IL 115811 (July 3, 2014).

the 2013 Pension Reform Act unconstitutional in its entirety and permanently enjoining the State of Illinois from enforcing or implementing this act.[9]

On June 9, 2014, the Governor of Illinois signed Public Act 98-0651 into law. That Act was intended to stabilize the funding for certain municipal pension funds associated with the City of Chicago in exchange for certain reductions in member benefits (including increases in employee contribution rates and certain reductions in the value of annual cost-of-living increases). On March 24, 2016, the Illinois Supreme Court declared the Act unconstitutional in its entirety.[10]

Although the foregoing Public Acts were not expected to directly affect the Retirement Fund in any appreciable manner, the decisions are significant. The Court's position on the constitutionally protected status of pension benefits forecloses the possibility of legislation that would unilaterally reduce pension benefits for existing public pension participants.

This subsection does not purport to address every item of legislation recently enacted affecting the Pension Code; rather, it addresses only the most comprehensive pension legislation enacted to date.

**Legislative Proposals**

The Retirement Fund Board has independently proposed state legislation that would have modified various aspects of the State Pension Code as it relates to the Retirement Fund. Thus, in May of 2010 the Retirement Fund Board caused the introduction of two pieces of legislation in the 96th General Assembly (Senate Bill 3942 and an amendment to Senate Bill 1642). The proposed legislation would have raised the Multiplier from 1.54 to 2.25 in years 2011 through 2013 and to 3.0 in years 2014 through 2017; for the years 2018 and beyond, the County's contribution from the real estate levy would have been required to be sufficient to amortize the Retirement Fund's accrued liabilities over a period of 30 years; and the County would have been authorized to contribute to the Retirement Fund from any source legally available for that purpose, rather than exclusively from the real estate levy. Similar proposals were introduced on behalf of the Retirement Fund Board in February of 2012, in the 97th General Assembly (Senate Bill 3630 and Senate Bill 3421). The proposal would generally have raised to 62 the retirement age for certain employees with 20 or more years of service who became members on or after January 1, 2011 and whose disability credit expired before such age; raised the Multiplier from 1.54 to 2.25 in years 2014 through 2016 and to 3.0 in years 2017 through 2020; and for the years 2021 and beyond would have required the County's contribution from the real estate levy to be sufficient to amortize the Retirement Fund's accrued liabilities over a period of 30 years.

All these pieces of legislation introduced by the Retirement Fund Board in 2010 and 2012 died upon adjournment of each respective General Assembly.

In the 98th General Assembly, the Retirement Fund Board caused the introduction of a number of bills. On February 6, 2013, the Retirement Fund Board introduced Senate Bill 1436, which would generally raise the Multiplier from 1.54 to 2.25 in years 2015, 2016, and 2018 and to 3.0 in years 2019 through 2022; from the year 2023 onward, would require the County's contribution from the real estate levy to be sufficient to amortize the Fund's accrued liabilities over a period of 30 years. The proposed Senate Bill 1436 reverted to the Senate Committee on Assignments on March 22, 2013.

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[9] *In re Pension Reform Litigation*, 2015 IL 118585 (May 8, 2015).

[10] *Jones v. Municipal Employees' Annuity and Benefit Fund of Chicago,* 2016 IL 119618 (March 24, 2016).

On May 26, 2014, as the result of extensive conversations with employee groups and other stakeholders, the County caused the introduction of an amendment to House Bill 1154 in the Illinois General Assembly. The bill, with this amendment, was approved by the Senate, but was not called for a vote in the House before the end of the 2014 legislative session. On May 15, 2015, the County caused the reintroduction of the proposed pension measure in the 99th General Assembly as Senate Bill 843. As of May 31, 2015, the proposed legislation was re-referred to the Rules Committee. The proposed legislation was intended to improve the funding status of the Retirement Fund. Among other aspects, the legislation would have established a minimum employer contribution that is significantly higher than the current 1.54 Multiplier, and by the year 2020, would have required that such contributions be actuarially determined. It also would have imposed a cap on pensionable salaries for all employees and increased the retirement age.

It is unlikely that the County would cause the re-introduction of this particular legislation or any similar proposal based on the same underlying changes in benefits in the future. The County, however, will continue to seek legislation that would establish an actuarial basis for pension funding and other reforms to Article 9 of the Pension Code.

**Forest Preserve Retirement Fund**

For accounting purposes, the Forest Preserve District is a component unit of the County. See Note I.A. to the County's Comprehensive Annual Financial Report (the *"County CAFR"*). See "*APPENDIX A – Audited Financial Statement for the Fiscal Year Ended November 30, 2015*." The Forest Preserve Retirement Fund, which provides retirement benefits to Forest Preserve District employees, is funded through a tax levied by the Forest Preserve District. The County is not responsible for making any payments to fund the Forest Preserve Retirement Fund. As such, information regarding the Forest Preserve District and the Forest Preserve Retirement Fund is not incorporated into this APPENDIX B of the Official Statement. For additional information on the Forest Preserve Retirement Fund, see Note IX to the County CAFR (as reflected in *"APPENDIX A – Audited Financial Statement for the Fiscal Year Ended November 30, 2015"*).

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**APPENDIX C**
**Form of Opinion of Co-Bond Counsel**

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**PROPOSED FORM OF OPINION OF CO-BOND COUNSEL**

**[TO BE DATED CLOSING DATE]**

We hereby certify that we have examined a certified copy of the proceedings (the *"Proceedings"*) of the Board of Commissioners of The County of Cook, Illinois (the "*County"*), passed preliminary to the issue by the County of its fully registered General Obligation Refunding Bonds, Series 2016A (the *"Bonds"*), in the aggregate principal amount of $284,915,000, dated the date hereof, in denominations of $5,000 or any integral multiple thereof, due on November 1 of the years, in the amounts, and bearing interest at the rates per cent per annum as follows:

| MATURITY | AMOUNT ($) | INTEREST RATE (%) |
|---|---|---|
| 2016 | 2,770,000 | 3.00 |
| 2017 | 2,600,000 | 3.00 |
| 2018 | 9,285,000 | 5.00 |
| 2019 | 17,260,000 | 5.00 |
| 2020 | 16,295,000 | 5.00 |
| 2021 | 15,920,000 | 5.00 |
| 2022 | 7,140,000 | 5.00 |
| 2023 | 26,700,000 | 5.00 |
| 2024 | 2,095,000 | 5.00 |
| 2025 | 7,205,000 | 5.00 |
| 2026 | 59,630,000 | 5.00 |
| 2027 | 17,980,000 | 5.00 |
| 2028 | 16,695,000 | 5.00 |
| 2029 | 22,370,000 | 5.00 |
| 2030 | 27,645,000 | 5.00 |
| 2031 | 33,325,000 | 5.00 |

The Bonds maturing on or after November 15, 2027, are subject to redemption prior to maturity at the option of the County on November 15, 2026 (the *"Par Call Date"*), and any date thereafter, in whole or in part, and if in part in such principal amounts and from such maturities as determined by the County, and within any maturity by lot, at a redemption price of par plus accrued interest to the date fixed for redemption.

The Bonds maturing on or after November 15, 2027, are subject to redemption prior to the Par Call Date at the option of the County, in whole or in part, at the "Make Whole Redemption Price" which is equal to the greater of (i) one hundred and two percent (102%) of the Amortized Value (as defined in the Proceedings) of the Bonds to be redeemed or (ii) an amount equal to the sum of the present values of the remaining scheduled payments of principal and interest on the Bonds to be redeemed, from and including the date of redemption to the Par Call Date, discounted to the date on which the Bonds are to be redeemed on a semi-annual basis at a discount rate equal to the Applicable Tax-Exempt Bond Rate (as defined in the Proceedings).

From such examination, we are of the opinion that the Proceedings show lawful authority for said issue under the laws of the State of Illinois now in force.

We further certify that we have examined the form of bond prescribed for said issue and find the same in due form of law, and in our opinion said issue, to the amount named, is valid and legally binding upon the County and is payable from unlimited ad valorem taxes levied on all of the taxable property in the County without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws relating to creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

It is also our opinion that, subject to the County's compliance with certain covenants, under present law, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Internal Revenue Code of 1986, as amended, but is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. Failure to comply with certain of such County covenants could cause interest on the Bonds to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. Ownership of the Bonds may result in other federal tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the Bonds.

We express no opinion herein as to the accuracy, adequacy or completeness of any information furnished to any person in connection with the offer or sale of the Bonds.

In rendering this opinion, we have relied upon certifications of the County with respect to certain material facts within the County's knowledge. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

# APPENDIX D
## Book-Entry Only System

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## BOOK-ENTRY ONLY SYSTEM

The following information has been furnished by DTC for use in this Official Statement and neither the County nor the Underwriters take any responsibility for its accuracy or completeness.

The Depository Trust Company ("**DTC**"), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("**Direct Participants**") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("**DTCC**"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("**Indirect Participants**"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("**Beneficial Owner**") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be

the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Trustee and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal or redemption price and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the County or the Trustee on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the County or the Trustee, as applicable, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the County. Under such circumstances, in the event that a successor securities depository is not obtained, bond certificates are required to be printed and delivered. The County may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, bond certificates are required to be printed and delivered.

The foregoing concerning DTC and DTC's book-entry system has been obtained from sources that the County believes to be reliable, but the County takes no responsibility for the accuracy thereof.

NEITHER THE COUNTY NOR THE UNDERWRITERS HAVE ANY RESPONSIBILITY OR OBLIGATION TO THE PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, CEDE & CO. OR ANY PARTICIPANT; THE PAYMENT BY DTC OR ANY PARTICIPANT OF ANY AMOUNT WITH

RESPECT TO THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS; ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO BENEFICIAL OWNERS UNDER THE BOND ORDINANCE; THE SELECTION BY DTC OR ANY PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE BONDS; OR ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC.

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# APPENDIX E
## Demographic and Economic Information

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## APPENDIX E
## DEMOGRAPHIC AND ECONOMIC INFORMATION

Demographic and economic developments are best understood in a comparative framework. This appendix provides material for analyzing and comparing trends in the County with those in other major counties in the nation. To maximize the value of the comparisons, the counties utilized in the tables were selected on the basis of several criteria in addition to size. These include:

(1) Governmental functions similar in magnitude and scope to those of the County. This requirement resulted in the exclusion of counties that exist in form but perform no, or only minor, government activities. This group includes, among others, the five counties comprising New York City, Middlesex, Massachusetts; and such city counties as Philadelphia and Baltimore.

(2) A large central city within the county. This requirement led to the exclusion of such populous counties as Orange, California and Nassau and Suffolk in New York State.

Several tables in this appendix compare economic trends in metropolitan areas rather than in counties, since timely data are available only on a metropolitan area basis.

Extensive revisions have been made to the definitions of U.S. metropolitan areas. These changes have not affected all metropolitan areas equally. For example, "Primary Metropolitan Statistical Areas" are now obsolete. Under the 2000 standards, "Metropolitan Statistical Area" ("MSA") is the term used for the basic set of county based areas defined under this classification. In addition, eleven (11) MSAs were deemed large enough to be subdivided into "Metropolitan Divisions" ("MD"). The MDs are the most comparable in concept to the now obsolete Primary Metropolitan Statistical Area.

**Population of Ten Major Counties**

| COUNTY | 2015 (Estimate) | 2010 | 2000 | 1990 | 1980 |
|---|---|---|---|---|---|
| Cook, IL | 5,238,216 | 5,194,675 | 5,376,741 | 5,105,067 | 5,253,190 |
| Los Angeles, CA | 10,170,292 | 9,818,605 | 9,519,338 | 8,863,164 | 7,477,657 |
| Harris, TX | 4,538,028 | 4,092,459 | 3,400,578 | 2,818,199 | 2,409,544 |
| Maricopa, AZ | 4,167,947 | 3,817,117 | 3,072,149 | 2,122,101 | 1,508,030 |
| San Diego, CA | 3,299,521 | 3,095,313 | 2,813,833 | 2,498,016 | 1,861,946 |
| Miami Dade, FL | 2,693,117 | 2,496,435 | 2,253,362 | 1,937,094 | 1,625,946 |
| Dallas, TX | 2,553,385 | 2,368,139 | 2,218,899 | 1,852,810 | 1,556,549 |
| Wayne, MI | 1,759,335 | 1,820,584 | 2,061,162 | 2,111,687 | 2,337,240 |
| Cuyahoga, OH | 1,255,921 | 1,280,122 | 1,393,978 | 1,412,140 | 1,498,295 |
| Allegheny, PA | 1,230,459 | 1,223,348 | 1,281,666 | 1,336,449 | 1,450,085 |

Source: U.S. Department of Commerce, Bureau of the Census.

## Per Capita Personal Income[1]

| COUNTY | 2014 | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|---|
| Cook, IL | $51,280 | $49,683 | $49,734 | $46,937 | $45,311 |
| Los Angeles, CA | 49,400 | 47,580 | 47,713 | 42,564 | 41,791 |
| Harris, TX | 56,896 | 54,575 | 54,431 | 48,935 | 44,757 |
| Wayne, MI | 36,844 | 35,332 | 34,876 | 34,012 | 33,133 |
| San Diego, CA | 51,459 | 49,907 | 48,990 | 46,800 | 45,627 |
| Miami Dade, FL | 41,883 | 40,204 | 40,514 | 37,834 | 36,520 |
| Dallas, TX | 52,406 | 50,385 | 50,300 | 45,402 | 43,178 |
| Cuyahoga, OH | 48,521 | 46,694 | 47,116 | 43,735 | 41,909 |
| Maricopa, AZ | 41,222 | 40,003 | 40,424 | 38,071 | 37,352 |
| Allegheny, PA | 53,976 | 52,252 | 52,438 | 48,812 | 46,274 |
| U.S. Average, Metropolitan Counties | 46,049 | 44,438 | 44,266 | 41,560 | 41,585 |

Source: U.S. Department of Commerce, Bureau of Economic Analysis.
(1) Per capita personal income was computed using Census Bureau midyear population estimates.

## Nonfarm Payroll Employment in Metropolitan Statistical Areas and Metropolitan Divisions[1]

| | 2016[2] | 2015 | 2014 | 2013 |
|---|---|---|---|---|
| Chicago-Naperville-Elgin | 4,574.9 | 4,585.9 | 4,507.9 | 4,441.5 |
| New York-Newark-Jersey City | 9,248.3 | 9,337.2 | 9,142.3 | 8,958.5 |
| Los Angeles-Long Beach-Anaheim | 5,912.5 | 5,816.9 | 5,684.5 | 5,573.8 |
| Philadelphia-Camden-Wilmington | 2,853.9 | 2,821.0 | 2,777.3 | 2,745.1 |
| Detroit-Warren-Dearborn | 1,946.6 | 1,936.0 | 1,898.1 | 1,866.9 |
| Dallas-Fort Worth-Arlington | 3,466.6 | 3,399.3 | 3,273.9 | 3,162.3 |
| San Francisco-Oakland-Hayward | 2,295.5 | 2,259.2 | 2,176.6 | 2,106.7 |

Source: U.S. Department of Labor, Bureau of Labor Statistics.
(1) Number of persons, in thousands, not seasonally adjusted.
(2) As of March 2016.

**Unemployment Rates in Metropolitan Statistical Areas and Metropolitan Divisions[1]**

| | 2016[2] | 2015 | 2014 | 2013 | 2012 | 2011 |
|---|---|---|---|---|---|---|
| Chicago, IL | 6.2% | 5.8% | 7.1% | 9.0% | 9.1% | 9.9% |
| New York, NY | 4.5 | 5.3 | 6.4 | 7.9 | 8.7 | 8.6 |
| Los Angeles, CA | 4.5 | 6.2 | 7.6 | 9.0 | 10.2 | 11.4 |
| Philadelphia, PA | 4.9 | 5.3 | 6.2 | 7.7 | 8.4 | 8.5 |
| Detroit, MI | 4.5 | 6.2 | 8.3 | 9.8 | 10.1 | 11.4 |
| San Francisco, CA | 3.7 | 4.3 | 5.2 | 6.4 | 7.8 | 9.1 |
| Dallas, TX | 3.5 | 4.1 | 5.0 | 6.1 | 6.6 | 7.6 |
| Houston, TX | 4.8 | 4.6 | 4.9 | 6.0 | 6.6 | 7.8 |
| Pittsburgh, PA | 5.4 | 5.1 | 5.7 | 6.9 | 7.2 | 7.4 |
| Cleveland, OH | 4.8 | 4.8 | 6.0 | 6.8 | 6.5 | 7.3 |

Source: U.S. Department of Labor, Bureau of Labor Statistics.
(1) Not seasonally adjusted.
(2) As of April 2016.

**Unemployment Rates for the Civilian Labor Force**

| | 2016[1] | 2015 | 2014 | 2013 | 2012 | 2011 |
|---|---|---|---|---|---|---|
| United States | 5.0% | 5.3% | 6.2% | 7.4% | 8.1% | 8.9% |
| State of Illinois | 6.6 | 5.9 | 7.1 | 9.1 | 9.0 | 9.7 |
| Cook County, IL | 6.5 | 6.1 | 7.5 | 9.7 | 9.7 | 10.5 |
| Chicago-MD | 6.2 | 5.8 | 7.1 | 9.0 | 9.1 | 9.9 |

Source: U.S. Department of Labor, Bureau of Labor Statistics and Illinois Department of Employment Security.
(1) As of April 2016.

**Employment Concentration by Major Occupational Group**

The Chicago MSA employment base is categorized into twenty-two major occupational groups by the Bureau of Labor Statistics. The table below summarizes the Chicago MSA (Chicago-Naperville-Arlington Heights Metropolitan Division) employment by major occupational group as of May 2015.

| Industry | Employment Distribution |
|---|---|
| Management | 6.92% |
| Business and Financial Operations | 5.91% |
| Computer and Mathematical | 3.40% |
| Architecture and Engineering | 1.45% |
| Life, Physical, and Social Science | 0.60% |
| Community and Social Services | 1.22% |
| Legal | .99% |
| Education, Training, and Library | 6.19% |
| Arts, Design, Entertainment, Sports, and Media | 1.35% |
| Healthcare Practitioner and Technical | 5.45% |
| Healthcare Support | 2.73% |
| Protective Service | 2.77% |
| Food Preparation and Serving Related | 8.05% |
| Building and Grounds Cleaning and Maintenance | 3.00% |
| Personal Care and Service | 3.12% |
| Sales and Related | 10.42% |
| Office and Administrative Support | 15.79% |
| Farming, Fishing, and Forestry | 0.08% |
| Construction and Extraction | 2.67% |
| Installation, Maintenance, and Repair | 3.05% |
| Production | 6.71% |
| Transportation and Material Moving | 8.13% |

**Housing Market**

As an indicator of the housing market of the County, S&P Case-Shiller Home Price Indices have been used to analyze home price growth since October 2012. The S&P/Case-Shiller Home Price Indices are designed to be a reliable and consistent benchmark of housing prices in the U.S. Their purpose is to measure the average change in home prices in a particular geographic market. They are calculated monthly and cover 20 major metropolitan areas (Metropolitan Statistical Areas or MSAs), which are also aggregated to form two composites – one comprising 10 of the metro areas, the other comprising all 20. The S&P/Case-Shiller U.S. National Home Price Index (the "U.S. national index") tracks the value of single-family housing within the U.S. The index is a composite of single-family home price indices for the nine U.S. Census divisions and is calculated quarterly. (Source: S&P Dow Jones Indices).

As shown in the table below, home prices in the Chicago MSA have increased by approximately 1.90% during the twelve months ended March 2016, according to S&P Case-Shiller. Comparatively, the S&P Case-Shiller 20-City Composite Index and S&P Case-Shiller U.S. National Home Price Index, increased 5.43% and 5.15%, respectively, during the same period.

| Effective Date | S&P/Case-Shiller U.S. National Index | S&P/Case-Shiller 20-City Composite Index | S&P/Case-Shiller IL-Chicago Index |
|---|---|---|---|
| Mar-15 | 168.25 | 175.00 | 127.59 |
| Apr-15 | 170.14 | 177.02 | 128.97 |
| May-15 | 172.03 | 178.93 | 130.51 |
| Jun-15 | 173.63 | 180.63 | 131.91 |
| Jul-15 | 174.68 | 181.80 | 132.75 |
| Aug-15 | 175.14 | 182.33 | 132.91 |
| Sep-15 | 175.28 | 182.53 | 132.30 |
| Oct-15 | 175.32 | 182.52 | 131.26 |
| Nov-15 | 175.45 | 182.56 | 130.40 |
| Dec-15 | 175.41 | 182.49 | 129.74 |
| Jan-16 | 175.26 | 182.44 | 129.17 |
| Feb-16 | 175.61 | 182.79 | 128.77 |
| Mar-16 | 176.91 | 184.50 | 130.01 |

Source: S&P Dow Jones Indices. The Bonds are not sponsored, endorsed, sold or promoted by S&P Dow Jones Indices or its affiliates. S&P Dow Jones Indices and its affiliates do not make any representations regarding the above-referenced indices or the advisability of investing in the Bonds.

**Housing Units Authorized by Building Permits**

| Metropolitan Area – MSA/MD | 2015 | 2014 | 2013 | 2012 | 2011 |
|---|---|---|---|---|---|
| Chicago, IL | 15,737 | 15,679 | 11,627 | 9,357 | 7,593 |
| Cleveland, OH | 2,918 | 2,900 | 2,741 | 2,332 | 1,767 |
| Dallas, TX | 56,401 | 41,418 | 37,910 | 35,042 | 24,827 |
| Detroit, MI | 7,217 | 6,295 | 6,352 | 4,525 | 3,366 |
| Houston, TX | 56,863 | 63,741 | 51,333 | 43,290 | 31,271 |
| Los Angeles, CA | 33,669 | 26,950 | 25,198 | 17,447 | 14,247 |
| Miami, FL | 23,096 | 15,259 | 19,921 | 13,261 | 7,532 |
| New York, NY | 86,395 | 47,984 | 39,824 | 26,912 | 21,539 |
| Philadelphia, PA | 12,613 | 13,631 | 11,217 | 9,270 | 6,979 |
| Phoenix, AZ | 22,946 | 20,341 | 18,737 | 15,967 | 9,081 |
| San Diego, CA | 9,893 | 6,875 | 8,264 | 5,666 | 5,370 |
| San Francisco, CA | 12,766 | 10,001 | 10,922 | 9,163 | 5,783 |

Source: U.S. Department of Commerce, Bureau of the Census, Building Permits Branch, Construction Statistics Division.

## PRINCIPAL EMPLOYERS
*2015 and 2006*

| | 2015 | | | 2006 | | |
|---|---|---|---|---|---|---|
| EMPLOYER | EMPLOYEES | RANK | PERCENTAGE OF TOTAL EMPLOYMENT[2] | EMPLOYEES | RANK | PERCENTAGE OF TOTAL EMPLOYMENT[2] |
| U.S. Government | 45,673 | 1 | 0.87% | 51,700 | 1 | 0.97% |
| Chicago Public Schools | 38,933 | 2 | 0.74 | 43,783 | 2 | 0.83 |
| City of Chicago | 30,345 | 3 | 0.58 | 39,675 | 4 | 0.75 |
| Cook County | 21,622 | 4 | 0.41 | 25,482 | 5 | 0.48 |
| Advocate Health Care | 18,556 | 5 | 0.35 | 25,279 | 6 | 0.48 |
| University of Chicago | 16,025 | 6 | 0.30 | - | - | - |
| J.P. Morgan Chase & Co | 15,015 | 7 | 0.29 | - | - | - |
| State of Illinois | 14,925 | 8 | 0.28 | 17,056 | 8 | 0.32 |
| Northwestern Memorial Healthcare | 14,550 | 9 | 0.28 | - | - | - |
| United Continental Holdings, Inc.[1] | 14,000 | 10 | 0.27 | - | - | - |
| Jewel-Osco | - | - | - | 34,037 | 4 | 0.64 |
| United Parcel Service of America Inc. | - | - | - | 19,000 | 7 | 0.36 |
| SBC Communications, Inc. | - | - | - | 16,500 | 9 | 0.31 |
| Wal-Mart Stores Inc. | - | - | - | 16,350 | 10 | 0.31 |
| Total | 229,644 | | 4.37% | 288,862 | | 5.45% |

Source: Crain's Chicago Business December 21, 2015 © Crain Communications, Inc.

(1) Owns and operates United Airlines.

(2) Total employment for 2015 base on a population of 5,260,069; total employment for 2006 based on a population of 5,306,935.

## PRINCIPAL PROPERTY TAXPAYERS
2014 and 2003
*(in thousands of dollars)*

| | | 2014[1] | | | 2003 | | |
|---|---|---|---|---|---|---|---|
| TAXPAYER | TYPE OF BUSINESS | EQUALIZED ASSESSED VALUE[3] | RANK | PERCENTAGE OF TOTAL EQUALIZED ASSESSED VALUE | EQUALIZED ASSESSED VALUE | RANK | PERCENTAGE OF TOTAL EQUALIZED ASSESSED VALUE |
| Willis Tower | Retail & Office | $ 364,454 | 1 | 0.29% | $ 519,080 | 1 | 0.40% |
| Aon Center | Insurance | 241,083 | 2 | 0.19 | 341,767 | 2 | 0.26 |
| Merchandise Mart | Retail & Office | 236,632 | 3 | 0.19 | - | - | - |
| Citadel Center | Office | 233,798 | 4 | 0.19 | - | - | - |
| Hyatt Center | Office | 223,714 | 5 | 0.18 | - | - | - |
| CME Center (2) | Office | 220,757 | 6 | 0.18 | 341,076 | 3 | 0.26 |
| One North Wacker Drive | Office | 215,718 | 7 | 0.17 | - | - | - |
| Blue Cross Blue Shield Tower | Office | 206,782 | 8 | 0.16 | - | - | - |
| Water Tower Place | Retail & Office | 195,486 | 9 | 0.16 | 183,187 | 9 | 0.14 |
| Chase Tower | Banking | 194,963 | 10 | 0.16 | 218,014 | 6 | 0.17 |
| AT&T Corporate Center | Communications | - | - | - | 268,519 | 4 | 0.21 |
| One Prudential Plaza | Financial Services | - | - | - | 266,283 | 5 | 0.20 |
| Citigroup Center | Banking | - | - | - | 196,622 | 7 | 0.15 |
| Leo Burnett Building | Advertising | - | - | - | 188,219 | 8 | 0.14 |
| R.R. Donnelley & Sons | Publishing | - | - | - | 174,418 | 10 | 0.14 |
| | | $2,333,387 | | 1.87% | $2,700,185 | | 2.07% |

Source: Cook County Treasurer's Office and Cook County Clerk's Office
(1) 2015 information is unavailable.
(2) Two adjoining tower office buildings; formerly referred to as Equity Office.
(3) The total Equalized Assessed Valuation (in thousands of dollars) was $125,736,188 in 2014 and $112,501,444 in 2013.

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# APPENDIX F
## Summary of Certain Provisions of the Bond Ordinance

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## Summary of Certain Provisions of the Bond Ordinance

The Bond Ordinance authorizes the issuance by the County of one or more series of general obligation refunding bonds (the "**Authorized Bonds**"). The Bonds when issued will be the first series of Authorized Bonds issued under the Bond Ordinance. The following is a summary of certain provisions of the Bond Ordinance and does not purport to be complete. Reference is made to the Bond Ordinance for the complete provisions thereof.

### Bond Fund

The Bond Ordinance establishes a Bond Fund, which shall be the fund for the payment of principal of and interest on the Bonds. The Bond Fund shall be held and maintained as a separate and segregated account by the Trustee and the Trustee shall establish a separate account within the Bond Fund for each Series of Authorized Bonds issued under the Bond Ordinance. Accrued interest and premium, if any, received upon delivery of the Authorized Bonds shall be deposited into the Bond Fund and applied to pay first interest coming due on the Authorized Bonds.

The Pledged Taxes shall be deposited into the Bond Fund and used solely and only for paying the principal of and interest on the Authorized Bonds or be used to reimburse a fund or account from which advances to the Bond Fund may have been made to pay principal of or interest on the Authorized Bonds prior to receipt of Pledged Taxes. Interest income or investment profit earned in the Bond Fund shall be retained in the Bond Fund for payment of the principal of and interest on the Authorized Bonds on the interest payment date next after such interest or profit is received or, to the extent lawful and as determined by the Chief Financial Officer, transferred to such other funds as may be determined. The County pledges, as equal and ratable security for the Authorized Bonds, all present and future proceeds of the Pledged Taxes on deposit in the Bond Fund for the sole benefit of the registered owners of the Authorized Bonds, subject to the reserved right of the County to transfer certain interest income or investment profit earned in the Bond Fund to other funds of the County, as described in the preceding sentence.

### Investment of Funds

The moneys on deposit in the Bond Fund may be invested from time to time by the Trustee at the written direction of the Chief Financial Officer in any investment of proceeds of Authorized Bonds as may be permitted under the investment policy of the County and as defined in the Bond Order. Any such investments may be sold from time to time by the Trustee without further direction from the County as moneys may be needed for the purposes for which the Bond Fund has been created. In addition, the Chief Financial Officer shall direct the Trustee to sell such investments when necessary to remedy any deficiency in the Bond Fund, any Project Fund or any accounts created therein. All other investment earnings shall be attributed to the account for which the investment was made.

### Tax Covenants

The Bond Ordinance provides that the County will not take any action, or omit to take any action or permit the taking or omission of any action within its control (including, without limitation making or permitting any use of proceeds of the Authorized Bonds), which action, omission or permitting would cause any Authorized Bond that has the status of the interest paid and received thereon as excludable from the gross income of the owners thereof under the Code for federal income tax purposes, except to the extent that such interest is taken into account in computing an adjustment used in determining the alternative minimum tax for certain corporations ("**Tax Exempt**") to be a private activity bond within the meaning of the Code or would otherwise cause interest on the Tax Exempt Bonds (as defined in the Bond

Ordinance) to be includable in the gross income of the recipients thereof for federal income taxes. The County also agrees in the Bond Ordinance to comply with all provisions of the Code which, if not complied with by the County, would cause the Tax Exempt Bonds not to be Tax Exempt.

The Bond Ordinance further provides that moneys on deposit in any fund or account in connection with the Tax Exempt Bonds, whether or not such moneys were derived from the proceeds of the sale of the Tax Exempt Bonds or from any other source will not be used in a manner which will cause the Tax Exempt Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code and any lawful regulations promulgated thereunder, as the same presently exist or may from time to time be amended, supplemented or revised. The County also makes certain covenants in the Bond Ordinance with respect to compliance with the requirements of Section 148(f) of the Code, relating to the rebate of "excess arbitrage profits."

**Payment and Discharge**

The Authorized Bonds may be discharged, payment provided for, and the County's liability terminated as follows:

*(a) Discharge of Indebtedness*. If (i) the County shall pay or cause to be paid to the registered owners of Authorized Bonds the principal, premium, if any, and interest to become due thereon at the times and in the manner stipulated in such Authorized Bonds and the Bond Ordinance, (ii) all fees and expenses of the Trustee shall have been paid, and (iii) the County shall keep, perform and observe all and singular the covenants and promises in such Authorized Bonds and in the Bond Ordinance expressed as to be kept, performed and observed by it or on its part, then the rights granted by the Bonds and the Bond Ordinance shall cease, determine and be void. If the County shall pay or cause to be paid to the registered owners of a particular series of Authorized Bonds, or of a particular maturity thereof, the principal, premium, if any, and interest to become due thereon at the times and in the manner stipulated in such Authorized Bonds and the Bond Ordinance, such Authorized Bonds shall cease to be entitled to any lien, benefit or security under the Bond Ordinance, and all covenants, agreements and obligations of the County to the holders of such Authorized Bonds shall thereupon cease, terminate and become void and discharged and satisfied.

*(b) Provision for Payment*. Authorized Bonds for the payment or redemption or prepayment of which sufficient monies or sufficient Defeasance Obligations (as defined in the Bond Ordinance) shall have been deposited with the Trustee or an escrow agent having fiduciary capacity (whether upon or prior to the maturity or the redemption date of such Authorized Bonds), and for Tax Exempt Bonds authorized pursuant to the Code and as designated pursuant to the Bond Ordinance, the interest on which, but for provisions of the Code or one or more regulations of the United Stated Treasury, would be excludable from gross income of the owners thereof under the Code for federal income tax purposes, accompanied by an opinion of Co-Bond Counsel as to compliance with the covenants with respect to such Authorized Bonds, and accompanied by an express declaration of defeasance of such Authorized Bonds by the County Board, shall be deemed to be paid within the meaning of the Bond Ordinance and no longer outstanding under the Bond Ordinance; provided, however, that if such Authorized Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been duly given as provided in the Bond Ordinance or arrangements satisfactory to the Trustee shall have been made for the giving thereof. Defeasance Obligations shall be considered sufficient only if said investments mature and bear interest in such amounts and at such times as will assure sufficient cash to pay currently maturing interest or principal and redemption premiums if any when due on such Authorized Bonds without rendering the interest on any such Bonds taxable under the Code.

*(c) Termination of County's Liability.* Upon the discharge of indebtedness under paragraph (a) above, or upon the deposit with the Trustee of sufficient money and Defeasance Obligations (such sufficiency being determined as provided in paragraph (b) above) for the retirement of any particular Authorized Bond or Bonds, all liability of the County in respect of such Bond or Bonds shall cease, determine and be completely discharged and the holders thereof shall thereafter be entitled only to payment out of the money and the proceeds of the Defeasance Obligations deposited with aforesaid for their payment.

**Events of Default**

Each of the following events constitutes an "Event of Default" under the Bond Ordinance:

(A) If default shall be made in the payment of the principal of or redemption premium, if any, either at maturity or by proceedings for redemption or otherwise; or

(B) If default shall be made in the payment of any installment of interest on any Outstanding Bond (as defined in the Bond Ordinance) when and as such installment of interest shall become due and payable; or

(C) If the County shall (1) commence a voluntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, (2) make an assignment for the benefit of its creditors, (3) consent to the appointment of a receiver of itself or of the whole or any substantial part of its property, or (4) be adjudicated a bankrupt or any petition for relief is filed in respect of an involuntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law and such order continue in effect for a period of sixty (60) days without stay or vacation; or

(D) If a court of competent jurisdiction shall enter an order, judgment or decree appointing a receiver of the County, or of the whole or any substantial part of its property, or approving a petition seeking reorganization of the County under the federal bankruptcy laws or any other applicable federal or state law or statute and such order, judgment or decree shall not be vacated or set aside or stayed within sixty (60) days from the date of the entry thereof; or

(E) If under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the County or of the whole or any substantial part of its property, and such custody or control shall not be terminated or stayed within sixty (60) days from the date of assumption of such custody or control.

**Enforcement**

Upon the happening and continuance of any Event of Default, the Trustee may, and upon the written request of the registered owners of twenty-five percent (25%) in principal amount of the Authorized Bonds affected by the Event of Default and then outstanding under the Bond Ordinance proceed to protect and enforce its rights and the rights of the holders of the Authorized Bonds by a suit, action or special proceeding in equity or at law, by mandamus or otherwise, either for the specific performance of any covenant or agreement contained in the Bond Ordinance or in aid or execution of any power granted in the Bond Ordinance or for any enforcement of any proper legal or equitable remedy as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce the rights aforesaid.

During the continuance of an Event of Default, all Pledged Taxes received by the Trustee under the Bond Ordinance from the County shall be applied by the Trustee in accordance with the terms of the Bond Ordinance described in this APPENDIX F under "Application of Monies After Default."

**Notices of Default Under Ordinance**

Promptly after the occurrence of an Event of Default or the occurrence of an event which, with the passage of time or the giving of notice or both, would constitute an Event of Default, the Trustee shall mail to the Bondholders at the address shown on the applicable Bond Register and also directly to any beneficial owner of $500,000 or more in aggregate principal amount of the applicable Authorized Bonds then outstanding at such address as the Trustee shall obtain from DTC, or its successor or a successor depository qualified to clear securities under applicable state and federal law, notice of all Events of Default or such events known to the Trustee unless such defaults or prospective defaults shall have been cured before the giving of such notice.

**Termination of Proceedings By Trustee**

In case any proceedings taken by the Trustee on account of any default shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then and in every such case the County, the Trustee, and the applicable Authorized Bondholders shall be restored to their former positions and rights under the Bond Ordinance, respectively, and all rights, remedies and powers of the Trustee shall continue as though no such proceeding had been taken.

**Right of Holders to Control Proceedings**

Anything in the Bond Ordinance to the contrary notwithstanding, the registered owners of a majority in principal amount of the applicable Authorized Bonds then outstanding shall have the right, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee under the Bond Ordinance in respect of the applicable Authorized Bonds, respectively; provided that such direction shall not be otherwise than in accordance with law and the Trustee shall be indemnified to its satisfaction against the costs, expenses and liabilities to be incurred therein or thereby.

**Right of Holders to Institute Suit**

No holder of any of the applicable Authorized Bonds shall have any right to institute any suit, action or proceeding in equity or at law for the execution of any trust under the Bond Ordinance, or for any other remedy under the Bond Ordinance or on the applicable Authorized Bonds unless such holder previously shall have given to the Trustee written notice of an Event of Default as provided in the Bond Ordinance, and unless also the registered owners of twenty-five percent (25%) in principal amount of the Authorized Bonds then outstanding shall have made written request of the Trustee after the right to exercise such powers, or right of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted in the Bond Ordinance, or to institute such action, suit, or proceeding in its name; and unless, also, there shall have been offered to the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time; and such notification, request and offer of indemnity are declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of the Bond Ordinance or for any other remedy under the Bond Ordinance; it being understood and intended that no one or more holders of the applicable Authorized Bonds shall have any right in any manner whatever by his, her or their action to affect, disturb or prejudice the security of the Bond

Ordinance, or to enforce any right under the Bond Ordinance, except in the manner therein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner provided in the Bond Ordinance and for the equal benefit of all holders of the outstanding applicable Authorized Bonds.

Nothing contained in the Bond Ordinance shall, however, affect or impair the right of each Bondholder, which is absolute and unconditional, to enforce the payment of the principal of and redemption premium, if any, and interest on his or her Authorized Bonds, out of the Bond Fund or the obligation of the County to pay the same, at the time and place expressed in the applicable Authorized Bonds.

**Suits By Trustee**

All rights of action under the Bond Ordinance, or under any of the Authorized Bonds enforceable by the Trustee, may be enforced by it without the possession of any of the Authorized Bonds or the production thereof at the trial or other proceeding relative thereto, and any such suit, or proceeding, instituted by the Trustee shall be brought in its name for the ratable benefit of the holders of the Authorized Bonds affected by such suit or proceeding, subject to the provisions of the Bond Ordinance.

**Remedies Cumulative**

No remedy under the Bond Ordinance conferred upon or reserved to the Trustee or the owners of the applicable Authorized Bonds, is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given under the Bond Ordinance or now or hereafter existing at law or in equity or by statute.

**Waiver of Default**

No delay or omission of the Trustee or of any owner of Bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default, or an acquiescence therein; and every power and remedy given to the Trustee and the owners of Authorized Bonds, respectively, may be exercised from time to time, and as often as may be deemed expedient. In the event any Event of Default shall be waived by the owners of Authorized Bonds or the Trustee, acting at the direction, or with the consent of, the owners of such Authorized Bonds, such waiver shall be limited to the particular Event of Default so waived and shall not be deemed to waive any other Event of Default under the Bond Ordinance.

**Application of Monies After Default**

The County covenants that if an Event of Default shall happen and shall not have been remedied, the Trustee shall apply all monies, securities and funds received by the Trustee pursuant to any right given or action taken as follows:

(1) First, to the payment of all reasonable costs and expenses of collection, fees, and other amounts due to the Trustee under the Bond Ordinance; and thereafter

(2) Second, to the payment of amounts, if any, payable to the United States Treasury pursuant to the tax agreement executed and delivered by the County with respect to the Bonds;

(3) All such remaining monies shall be applied as follows:

(A) first, to the payment to the persons entitled thereto of all installments of interest on outstanding Authorized Bonds then due, in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference; and

(B) second, to the payment to the persons entitled thereto of the unpaid principal of and premium, if any, on any of the outstanding Authorized Bonds which shall have become due (other than Authorized Bonds matured or called for redemption for the payment of which monies are held pursuant to the provisions of the Bond Ordinance), in the order of their due dates, with interest upon such Authorized Bonds from the respective dates upon which they became due, and, if the amount available shall not be sufficient to pay in full outstanding Authorized Bonds due on any particular date, together with such premium, then to the payment ratably according to the amount of such principal and premium due on such date, and then to the payment of such principal ratably according to the amount of such principal due on such date, to the persons entitled thereto without any discrimination or preference.

Whenever monies are to be applied by the Trustee pursuant to the provisions described above, such monies shall be applied by the Trustee at such times, and from time to time, as the Trustee shall determine upon consultation with the County, having due regard to the amount of such monies available for application and the likelihood of additional monies becoming available for such application in the future. The deposit of such monies with the paying agents, or otherwise setting aside such monies, in trust for the proper purpose, shall constitute proper application by the Trustee; and the Trustee shall incur no liability whatsoever to the County, to any Bondholder or to any other person for any delay in applying any such funds, so long as the Trustee acts with reasonable diligence, having due regard to the circumstances, and ultimately applies the same in accordance with such provisions of the Bond Ordinance as may be applicable at the time of application by the Trustee. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an interest payment date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date and of the endorsement to be entered on each Authorized Bond on which payment shall be made, and shall not be required to make payment to the holder of any unpaid Authorized Bond until such Authorized Bond shall be presented to the Trustee for appropriate endorsement, or some other procedure deemed satisfactory by the Trustee.

**Supplemental Ordinances**

Supplemental ordinances may be passed as follows:

*(a) Supplemental Ordinances Not Requiring Consent of the Owners of Authorized Bonds*. The County, by the County Board, and the Trustee from time to time and at any time, subject to the conditions and restrictions in the Bond Ordinance, may pass and accept an ordinance or ordinances supplemental to the Bond Ordinance, which ordinance or ordinances thereafter shall form a part of the Bond Ordinance, for any one or more of the following purposes:

(i) To add to the covenants and agreements of the County in the Bond Ordinance, other covenants and agreements thereafter to be observed or to surrender, restrict or limit any right or power reserved in the Bond Ordinance to or conferred upon the County;

(ii) To make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in the Bond Ordinance, or in regard to matters or questions arising under the Bond Ordinance, as the County may deem necessary or desirable and not

inconsistent with the Bond Ordinance and which in the opinion of the Trustee shall not adversely affect the interests of the registered owners of the Authorized Bonds, as evidenced by an opinion of counsel delivered to the Trustee;

(iii) To designate one or more tender or similar agents of the Trustee, bond registrars or paying agents;

(iv) To comply with the provisions of the Bond Ordinance relating to payment and discharge when money and the Defeasance Obligations designated therein sufficient to provide for the retirement of Authorized Bonds shall have been deposited with the Trustee; and

(v) as to Authorized Bonds which are authorized but unissued under the Bond Ordinance to change in any way the terms upon which such Authorized Bonds may be issued or secured.

Any supplemental ordinance authorized by the above-described provisions may be passed by the County and accepted by the Trustee without the consent of or notice to the registered owners of any of the Authorized Bonds at the time outstanding, notwithstanding any of the provisions of paragraph (b) below, but the Trustee shall not be obligated to accept any such supplemental ordinance which affects the Trustee's own rights, duties or immunities under the Bond Ordinance or otherwise.

*(b) Supplemental Ordinances Requiring Consent of the Owners of Authorized Bonds*. With the consent of the registered owners of not less than a majority in aggregate principal amount of the Bonds at the time outstanding, the County, by the County Board, may pass, and the Trustee may accept from time to time and at any time an ordinance or ordinances supplemental to the Bond Ordinance for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Bond Ordinance or of any supplemental ordinance; *provided* that no such modification or amendment shall extend the maturity or reduce the interest rate on or permit the creation of a preference or priority of any outstanding Authorized Bond or outstanding Authorized Bonds over any other outstanding Authorized Bond or outstanding Authorized Bonds, or otherwise alter or impair the obligation of the County to pay the principal, interest or redemption premium, if any, at the time and place and at the rate and in the currency provided therein of any Authorized Bond, without the express consent of the registered owner of such Bond or permit the creation of a preference or priority of any Authorized Bond or Authorized Bonds over any other Authorized Bond or Authorized Bonds, or reduce the percentage of Authorized Bonds, respectively, required for the affirmative vote or written consent to an amendment or modification, or deprive the registered owners of the Authorized Bonds (except as aforesaid) of the right to payment of the Authorized Bonds from the Pledged Taxes or alter or impair the obligations of the County with respect to tax exempt status, the registration, transfer or exchange or notice of redemption of Authorized Bonds without the consent of the registered owners of all the outstanding Authorized Bonds affected; nor shall any such modification or amendment reduce the percentage of the registered owners of outstanding Authorized Bonds required for the written consent of such modification or amendment without the consent of the owners of all of the outstanding Authorized Bonds. Upon receipt by the Trustee of a certified copy of such ordinance and upon the filing with the Trustee of evidence of the consent of the owners of Authorized Bonds as aforesaid, the Trustee shall accept unless such supplemental ordinance affects the Trustee's own rights, duties or immunities under the Bond Ordinance or otherwise, in which case the Trustee may in its discretion, but shall not be obligated to, accept such supplemental ordinance.

Promptly after the passage by the County and the acceptance by the Trustee of any supplemental ordinance pertaining to the Authorized Bonds pursuant to the provisions described in paragraph (b) above, the County shall publish a notice, setting forth in general terms the substance of such supplemental ordinance, at least once in a financial newspaper or journal printed in the English language, customarily published on each business day and of general circulation among dealers in municipal securities in the

City of New York, New York. If, because of temporary or permanent suspension of the publication or general circulation of any financial newspaper or journal or for any other reason it is impossible or impractical to publish such notice of supplemental ordinance in the manner herein provided, then such publication in lieu thereof as shall be made with the approval of the Trustee shall constitute sufficient publication of notice. Any failure of the County to given such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such supplemental ordinance.

**Eligibility of Trustee**

The Bond Ordinance shall always have a Trustee that is a commercial bank with trust powers or a trust company organized and doing business under the laws of the United States of America or any state or the District of Columbia, is authorized under such laws and the laws of the State to exercise corporate trust powers and is subject to supervision or examination by United States of America or State authority. If at any time the Trustee ceases to be eligible in accordance with this paragraph, the Trustee shall resign immediately as set forth in the Bond Ordinance.

**Replacement of Trustee**

The Trustee may resign with thirty (30) days' written notice to the County, effective upon the execution, acknowledgment and delivery by a successor Trustee to the County of appropriate instruments of succession. Provided that no Event of Default shall have occurred and be continuing, the County may remove the Trustee and appoint a successor Trustee at any time by an instrument or concurrent instruments in writing delivered to the Trustee; provided, however, that the holders of a majority in aggregate principal amount of the Authorized Bonds outstanding at the time may at any time remove the Trustee and appoint a successor Trustee by an instrument or concurrent instrument in writing signed by such owners of Authorized Bonds, and further provided that any conflict between the County and such holders regarding such removal and appointment shall be resolved in favor of such holders. Such successor Trustee shall be a corporation authorized under applicable laws to exercise corporate trust powers and may be incorporated under the laws of the United States of America or of the State. Such successor Trustee shall in all respects meet the requirements set forth in the preceding paragraph.

If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the County shall promptly appoint a successor Trustee.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the County. Immediately thereafter, the retiring Trustee shall transfer all property held by it as Trustee to the successor Trustee; the resignation or removal of the retiring Trustee shall then (but only then) become effective, and the successor Trustee shall have all the rights, powers and duties of the Trustee under the Bond Ordinance.

If a successor Trustee does not take office within sixty (60) days after the retiring Trustee resigns or is removed, the retiring Trustee, the County or the registered owners a majority in principal amount of the Bonds then outstanding may petition any court of competent jurisdiction for the appointment of a successor Trustee.

If the Trustee consolidates with, merges or converts into, or transfers all or substantially all its assets (or, in the case of a bank or trust company, its corporate trust assets) to, another corporation, the resulting, surviving or transferee corporation without any further act shall be the successor Trustee.

# APPENDIX G
## Specimen Municipal Bond Insurance Policy

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# MUNICIPAL BOND INSURANCE POLICY

ISSUER: Policy No: -N

BONDS: $ in aggregate principal amount of Effective Date:

Premium: $

ASSURED GUARANTY MUNICIPAL CORP. ("AGM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AGM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AGM shall have received Notice of Nonpayment, AGM will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AGM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AGM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AGM is incomplete, it shall be deemed not to have been received by AGM for purposes of the preceding sentence and AGM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AGM shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AGM hereunder. Payment by AGM to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AGM under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AGM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the

SPECIMEN

United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AGM which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AGM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AGM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AGM and shall not be deemed received until received by both and (b) all payments required to be made by AGM under this Policy may be made directly by AGM or by the Insurer's Fiscal Agent on behalf of AGM. The Insurer's Fiscal Agent is the agent of AGM only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AGM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AGM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AGM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AGM, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY MUNICIPAL CORP. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY MUNICIPAL CORP.

By _____
Authorized Officer

A subsidiary of Assured Guaranty Municipal Holdings Inc.
31 West 52nd Street, New York, N.Y. 10019
(212) 974-0100

Form 500NY (5/90)

SPECIMEN

THE COUNTY OF COOK, ILLINOIS • GENERAL OBLIGATION REFUNDING BONDS, SERIES 2016A

Mixed Sources
Product group from well managed forests, controlled sources and recycled wood or fiber.

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