

COOK COUNTY, ILLINOIS
NOTES TO BASIC FINANCIAL STATEMENTS
November 30, 2018

- The 2018 subsidy for member health benefits was changed from 47% to 45% for annuitants in the Choice Plus Plan non-Medicare.
- The 2018 subsidy for survivor health benefits was changed from 62% to 60% for annuitants in the Choice Plus Plan non-Medicare.
- The percentage of active employees who elect medical coverage upon retirement was reduced from 70% to 65%.
- The percentage of those retirees who elect spouse coverage was reduced from 40% to 35%.
- The percentage of vested terminated participants who elect medical coverage upon retirement was increased from 30% to 40%.
- The age at which vested terminated employees retire and elect medical coverage was changed to age 61, from an assumption that varied by age.
- The per capita plan costs were updated to reflect the most recent year of claims experience and working premium rates were updated for 2018.
- Future retirees are assumed to elect among the plan choices in the same proportion as employees who retired during the last year. This election percentage was updated to reflect current retiree experience.
- The estimate of the High-Cost Plan Excise Tax was updated based on the 2018 working premium rates.
- Projected salary increases changed from 0.50%-4.50% in FY2017 to 3.50%-8.50% in FY2018.
- The inflation rate used changed from 3.25% in FY 2017 to 2.75% in FY 2018.
- Healthcare Cost Trend Rate changed from 7.50% in 2017 and grading down to 4.75% through 2028 to 7.25% in 2018 and grading down to 4.75% through 2028.
- The Mortality tables used changed from RP-2000 Blue Collar in FY 2017 to RP-2014 Blue Collar in FY 2018. Generational mortality improvement factors were also added (0.75% ultimate improvement rate) in FY 2018.

Changes in the Total OPEB Liability
(Amounts in thousands)

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Total OPEB Liability
	(a)	(b)	(a) - (b)
Balances at December 1, 2017	\$ 2,229,887	\$ -	\$ 2,229,887
Changes for the year:			
Service cost	82,345	-	82,345
Interest	84,911	-	84,911
Changes of benefit terms	(79,294)	-	(79,294)
Differences between expected and actual experience	(55,814)	-	(55,814)
Change of assumptions	(66,331)	-	(66,331)
Net benefit payments	(47,455)	-	(47,455)
Contributions - employer	-	47,455	(47,455)
Benefit payments	-	(47,455)	47,455
Net changes	(81,638)	-	(81,638)
Balances at November 30, 2018	\$ 2,148,249	\$ -	\$ 2,148,249