

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

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the District calculated using the discount rate of 4.45% as well as what the net pension liability would be if it were to be calculated using a discount rate that is 1 percentage point lower (3.45%) or 1 percentage point higher (5.45%) than the current rate:

	1% Decrease (3.45%)	Current Discount Rate (4.45%)	1% Increase (5.45%)
District's net pension liability	\$ 287,353,111	\$ 220,081,673	\$ 166,170,214

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2017, the District recognized pension expense of (\$4,122,779). The District reported deferred outflows and inflows of resources related to the pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 2,328,272
Changes of assumptions	-	18,692,602
Net difference between projected and actual earnings on pension plan investments	6,960,961	13,261,666
	<u>\$ 6,960,961</u>	<u>\$ 34,282,540</u>

The amounts reported as deferred outflows and inflows of resources to pensions (\$27,321,579) will be recognized in pension expense as follows:

Year Ending December 31	Amount
2018	\$ (16,840,400)
2019	(4,554,209)
2020	(2,611,550)
2021	(3,315,420)
Total	<u>\$ (27,321,579)</u>