



# PUBLIC BUILDING COMMISSION OF CHICAGO

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEARS ENDED DECEMBER 31, 2009 & 2008



**Mayor Richard M. Daley, Chairman**

**Erin Lavin Cabonargi, Executive Director**



**PUBLIC BUILDING COMMISSION OF CHICAGO, ILLINOIS**

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FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

**Public Building Commission  
Board of Commissioners**

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**Prepared by Finance Section  
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Chairman  
RICHARD M. DALEY  
Mayor  
City of Chicago

Executive Director  
ERIN LAVIN CABONARGI

June 29, 2010

To the Honorable Mayor Richard M. Daley, Chairman of the Public Building Commission, Commissioners and Citizens of the City of Chicago:

I am pleased to submit the Comprehensive Annual Financial Report (CAFR) of the Public Building Commission of Chicago (Commission) for the years ended December 31, 2009 and 2008. Responsibility for both the accuracy of the data and completeness of the presentation, including all disclosures, rests with the Commission. The purpose of the CAFR is to provide complete and accurate information that complies with reporting requirements.

The CAFR is presented in three sections: introductory, financial and statistical. The introductory section includes the transmittal letter and an organization chart. The financial section contains an unqualified independent auditors' report, Management's Discussion and Analysis (MD&A) and the basic financial statements. The statistical section includes selected financial and operating information, presented where possible on a multi-year basis. Management has provided a narrative introduction, overview and analysis to accompany the basic financial statements in the form of the MD&A and should be read in conjunction with it. The Commission's MD&A can be found immediately following the independent auditors' report.

### **Authority**

The Commission is a municipal corporation created pursuant to the provisions of the Public Building Commission Act (50 ILCS 20 et. seq.) (the "Act"), adopted by the Legislature of the State of Illinois on July 5, 1955. The following municipal corporations joined in the organization of the Commission in 1956: the City Council of the City of Chicago, the Board of Commissioners of the County of Cook, the Board of Commissioners of the Forest Preserve District of Cook County, the Board of Education of the City of Chicago, the Metropolitan Sanitary District of Greater Chicago (currently named the Metropolitan Water Reclamation District of Greater Chicago) and the Board of Commissioners of the Chicago Park District. Pursuant to Section 14 of the Act, the Commission



remains an independent agency, separate and apart from any other municipal corporation or public or governmental agency.

## **Governance**

The Act provides for the appointment of members of the Board of Commissioners by the above municipal corporations. Six of the eleven members are appointed by the Mayor of the City of Chicago with the advice and consent of the City Council. The remaining five members are appointed by the above municipal corporations. Qualifications of the Commissioners include experience in real estate management, building construction or finance. Please see the Organization Chart following this transmittal letter for the current membership of the Board of Commissioners.

Pursuant to Section 8 of the Act, the Board of Commissioners has adopted By-laws, as amended and restated from time to time, governing the conduct and management of the corporate affairs of the Commission. The By-laws provide for the establishment of two committees of the Board of Commissioners, the Administrative Operations Committee and the Audit Committee. Each Committee is comprised of three members of the Board of Commissioners, appointed by the Chairman. The meetings of the Committees are open, public meetings and written and oral reports are provided to the Board of Commissioners following each meeting.

The Administrative Operations Committee provides consultation to the Executive Director with respect to the management and administration of the affairs of the Commission. These affairs include professional services agreements, including those for architects, engineers and other construction and design experts, employment and personnel matters, compensation, pension and employment benefits.

The Audit Committee meets with the Commission's independent auditors at least once each year, reviews the Commission's financial statements and the scope and results of the Commission's audits, recommends the appointment of the Commission's independent auditors annually, monitors the internal controls and practices of the Commission and reviews the Commission's annual report.

## **Purpose of the Commission**

The Commission was created for the statutory purpose of constructing, acquiring, enlarging, improving, repairing or replacing public



improvements, buildings or facilities to be used by governmental agencies in providing essential health, safety and welfare services. The powers and duties of the Commission as further enumerated in Section 14 of the Act include selecting, locating and designating sites or areas to be acquired and improved, acquiring fee simple title to the real property to be improved, either by purchase, gift or exercise of the power of eminent domain.

The Commission is authorized to demolish, repair, alter, improve or construct, furnish, equip, maintain and operate facilities to be used by agencies in providing governmental services. The Commission can make on-site and off-site improvements required for such facilities. The Commission can employ, fix compensation and discharge, without regard to the Civil Service Act, engineering, architectural, construction, legal and financial experts necessary to accomplish its purpose.

The Commission can rent space and execute written leases evidencing rental agreements and enter contracts with respect to insurance or indemnification against risks of loss. The Commission can accept donations, grants or gifts in support of the Commission's purposes. The Commission can borrow money and issue revenue bonds in order to provide funds for effectuating the statutory purposes and the Commission can enter into intergovernmental agreements with various public agencies to accomplish their respective governmental objectives.

In addition to managing all phases of construction projects on behalf of its clients, the Commission also serves as the owning and operating entity for the Richard J. Daley Center ("Daley Center"), including Daley Plaza and the public sculpture located in its center. The financial statements address the overall financial position and results of these activities and operations.

### **Major Initiatives**

The Commission currently has many initiatives underway. Three worthy of note for 2009 are Modern Schools Across Chicago (MSAC), the Chicago Public Library (CPL) capital program and Operation Virtual Shield (OVS).

In June 2006, the Mayor of the City of Chicago announced an ambitious program to build 24 new schools and renovate three existing schools for the Chicago Public Schools (CPS). MSAC is an innovative funding program that will provide more than \$1 billion in new or improved infrastructure for the school district. The first project to be completed was Miles Davis Replacement Elementary School, opening in the Englewood



community in September, 2008. Five additional schools opened in September, 2009 and five more are expected to open in September, 2010, with several more in the construction, design or planning stages.

The projects are being financed through bonds issued by CPS and bonds issued by the City and backed by resources from various Tax Increment Finance (TIF) districts throughout the City. The use of the TIF funds demonstrates the value new school buildings can have in increasing development in area communities.

The Commission is also partnering with CPL on a program that includes the construction of new library branches as well as addition and renovation projects throughout the City. Up to 21 new or renovated facilities are envisioned in this program, with total development costs estimated at more than \$200 million. One facility, the Beverly Branch Library, opened in 2009, and four other branch libraries are in construction. Like the MSAC program, the library program will utilize TIF funding where available, proving that libraries can also be development anchors in City neighborhoods.

In recent years, the Commission has worked with numerous client partners to develop and enhance networks of security cameras and tie those cameras into the Office of Emergency Management and Communications' (OEMC) OVS system, supporting 911. The City's OVS network includes approximately \$40 million of network infrastructure and public right-of-way surveillance coverage deployed since 2007. In addition to the City of Chicago, clients have included CPS and the Chicago Housing Authority (CHA). The Commission is supporting these clients with specification development, procurement and deployment of surveillance systems to improve security of their facilities.

For the CHA, the Commission has placed surveillance systems at four properties and is in process of deploying over 2,800 additional surveillance cameras at 55 additional properties which will all be available to public safety responders via the OVS network. For CPS, the Commission has deployed surveillance cameras in the public right of way at 20 area high schools and is in the process of deploying units at 20 additional high schools in the third quarter of 2010. The Commission continues to work with OEMC to create and implement the city-wide strategy to integrate all public right-of-way cameras in the City of Chicago into the OVS network for availability to first responders and emergency management teams.





## **Clients**

The Commission is proud to be partnering with the following public agencies on current projects:

### City of Chicago

- Chicago Fire Department
- Chicago Police Department
- Chicago Public Library
- Department of Environment
- Department of Family Support Services
- Department of General Services
- Department of Innovation and Technology
- Office of Emergency Management and Communications
- Department of Water Management

### City Colleges of Chicago

- Chicago Housing Authority
- Chicago Public Schools
- Chicago Park District

## **Use of Prototypes**

One notable strategy implemented by the Commission is the use of prototypes to build schools, libraries, police stations, firehouses, and parks. For instance, as new schools are built using the prototypical approach, the Commission is able to maintain parity throughout the city. In effect, the same type of school is built regardless of the school's location, offering all students the same amenities regardless of the relative economic affluence of a particular neighborhood.

This approach is possible in Chicago because of the unique street grid system developed in Daniel Burnham's original plan for the city over 100 years ago. With blocks nearly the same size, public facilities can all utilize representative amounts of space, and the same types of facilities can be built in all Chicago neighborhoods. More important, the use of prototypes can significantly reduce time needed for site selection and acquisition, building design, and building permit approvals. This affords the Commission's clients time in the project schedule or the opportunity to access the construction marketplace in a shorter timeframe and the ability to take advantage of current market economics.



## **Leadership in Energy and Environmental Design (LEED)**

The Commission has long been involved with LEED certification of its projects and is proud of its considerable success in this area. LEED is a performance-based rating system developed by the U.S. Green Building Council (USGBC). It is a standardized metric for the “greenness” of a building, or the success of its sustainable design efforts. LEED is a tool to help the building industry design, build and operate high performance buildings. The seven areas considered by LEED in determining ratings are energy efficiency, reduction of urban heat island effect, stormwater management, reduction of water use, incorporation of transportation alternatives, diversion of construction and demolition waste from landfills and economic considerations such as use of local building materials and generation/retention of green jobs.

In ascending order, LEED ratings range from “Certified” to “Silver,” “Gold” and “Platinum.” The Commission has established a program-wide objective to achieve no less than LEED Silver Certification for every building project it designs and constructs. In many cases, LEED Gold is targeted. Regardless of the certification level pursued, success on the project relies on client agency buy-in and significant involvement in decision making throughout the project process, as well as commitments to long term maintenance and operation of each facility.

The Commission’s LEED objectives are consistent with those of the City of Chicago and reflect Chicago Climate Action Plan goals to address carbon footprint, quality of life and resource use, costs and constraints. For example, the City’s Green Permit program provides incentives for sustainable or green design practices by streamlining the building permit process. These LEED objectives are evidenced by the 28 LEED certified buildings completed by the City of Chicago as of December 31, 2009, the most of any municipality in the country. Of these, 21 of the projects were managed by the Commission. Since the end of 2009, eight additional municipal projects have been completed by the Commission. Please see the Statistical Section for additional information regarding LEED.

## **Economic Opportunity and Human Sustainability**

As a steward of public funds, the Commission prioritizes the enhancement of the economic opportunity and human sustainability component of our projects. By implementing contract provisions that make our projects more accessible to all vendors, the Commission contributes to the overall mission of empowering minority- and women-owned businesses and



workers, and spurring job creation in communities that have historically had little access to such work.

These following contract provisions are now routinely enforced in the bid and award of Commission projects.

**City Residency:** The General Contractor on each project must provide 50% of the total labor hours using city residents.

**Community Hiring:** The General Contractor must provide 7.5% of the total labor hours for journeyworkers, apprentices and laborers using residents of the Project Community Area as it is defined in the contract documents.

**Minority and Women Owned Business Participation:** The construction contracts for the Commission establish minimum M/WBE participation goals at 24% MBE and 4% WBE. The Commission works closely with the General Contractor to regularly meet and exceed these goals.

**Minority and Women Worker Participation:** At the time of bid award, the General Contractor is afforded an incentive for the proposed use of minority and female workers, which is then monitored during construction through certified payrolls from the General Contractor.

**Bid Incentive for Apprentice Utilization:** Up to a 1% bid incentive on future projects is offered to contractors successful in using apprentices who are graduates of a City Colleges of Chicago Technology Training Program.

**Local Business Participation Standard:** General Contractors located in the City of Chicago and awarded Commission projects must subcontract at least 25% of the contract value to Chicago subcontractors. General Contractors located outside the City of Chicago must award at least 35% of the work to local subcontractors.

Please see the Statistical Section for additional information regarding components of this program.

## **Public Information**

As custodians of the public trust, the Commission is pleased to offer extensive information on its programs and projects to the public. The Commission's website, [www.pbcchicago.com](http://www.pbcchicago.com), includes information on all current projects, including contractors, payment applications funded by the Commission, building and site details and pictures of the projects throughout construction. The website includes information on historical



Commission projects as well, such as a site map and date of opening. The website includes information for prospective vendors on how they can partner with the Commission on future projects. All Board actions from past meetings and agendas for upcoming meetings are posted, as are staff reports provided to Board members on a quarterly basis. Financial statements are posted, as well as links to Commission client partners' websites. The Commission is proud to provide this level of information and transparency for of all aspects of its business practices.

## **Awards**

The Commission has been recognized numerous times in recent years for several distinguishing awards. The following are awards received in 2009.

On May 5, 2009, the Commission received the "Outstanding Public Service Award" for all of its 2008 and 2009 projects from the Association of Subcontractors and Affiliates. The award was given for the Commission's accomplishments both in the industry and to the Association.

On May 20, 2009, the Commission received the 2009 Merit Award for its Engine Company 18, Engine Company 70, Engine Company 102 and Engine Company 121 projects from the Chicago Building Congress. The Commission was a finalist in the area of New Construction – Chicago for "Distinctive design, outstanding construction and a positive impact on the surrounding community." Also recognized at the same time were the following architectural and management firms that partnered with the Commission on these projects: Tishman Construction, GREC Architects, Interactive Design Eight, Bauer Latoza Studio, Fox & Fox and DLR Group.

On December 2, 2009, these same projects and partners were recognized by Midwest Construction with a "Best of 2009" award. Specifically, the "Award of Merit" in the Civil/Public Works/Government category was bestowed, based on "teamwork and project management, safety, innovation, contribution to the community or industry, challenges overcome, quality and craftsmanship, function and aesthetic quality of the design, and special factors unique to each project."

Mark T. Skinner Elementary School was recognized on September 29, 2009, three weeks after its opening coincided with the first day of the 2009-2010 school year, with a 2009 Design Award by the Association of Licensed Architects. The architect on the project, Schroeder Murchie



Niemiec Gazda-Auskalnis (SMNG-A) was recognized as well for this “Gold Winner” in the institutional category.

The Skinner School project also was nominated and shortlisted for “Patron of the Year” by the Chicago Architecture Foundation. This award recognizes a client’s contribution to a project’s successful design. Also sharing in the distinction, and the success of the project, was SMNG-A.

Langston Hughes Elementary School received the “Driehaus Award for Architectural Excellence in Community Design” from the Richard H. Driehaus Foundation on October 20, 2009. The award recognizes a design’s responsiveness to the community and to the needs of the population served. SMNG-A, the design architect on the project, shared in the award.

The 9<sup>th</sup> District Police Station was recognized as a “Green Success Story” by Real Estate & Construction Review on October 21, 2009. The project was featured in the magazine and received the “Green Building of America” award. The project was submitted by Wight & Company, the architect on the project.

In November, 2009, the Commission was recognized for its prudent administration of the Daley Center through an Energy Star designation. The Energy Star is received from the United States Environmental Protection Agency in recognition of energy efficient operations of a building. The current rating of 82 means that, based on the various criteria used for comparison, the Daley Center is operating more efficiently than 82% of other like buildings, in this case, courthouses. This is particularly impressive given certain features of the Daley Center, such as increased floor-to-ceiling height creating additional heating and cooling demand and the high number of semi-private restrooms in the building.

### **Independent Audit**

The Act requires the Commission’s financial statements to be audited annually by independent certified public accountants. The fiscal year 2009 audit was conducted by Deloitte & Touche LLP (“Deloitte”) with support from Washington, Pittman & McKeever, a minority-owned certified public accounting firm and Velma Butler Associates, a women-owned certified public accounting firm. An unqualified audit opinion, rendered by Deloitte, is included in the financial section of this report.



## Acknowledgements

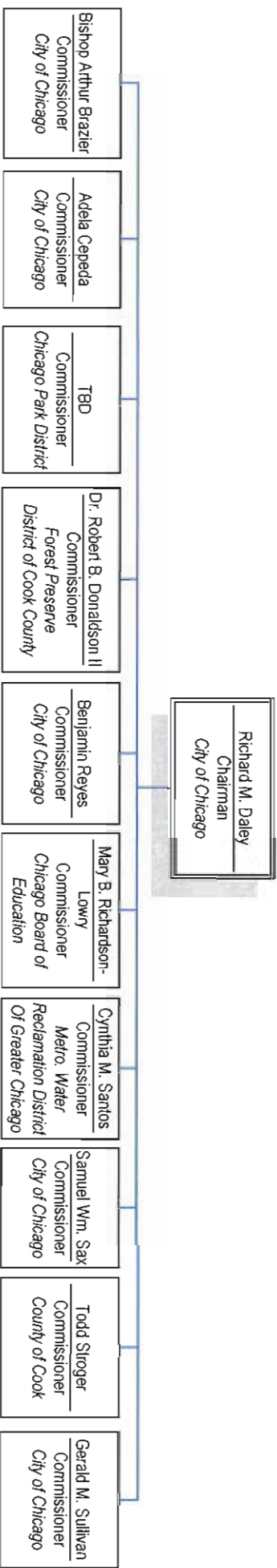
This CAFR could not have been prepared without the tremendous leadership of our Board of Commissioners and without the dedication and effective help of the entire staff of the Commission. I wish to express my appreciation to them, particularly those that contributed directly to the preparation of this report, the Commission's Finance, Human Resources and External Affairs sections.

Respectfully submitted,

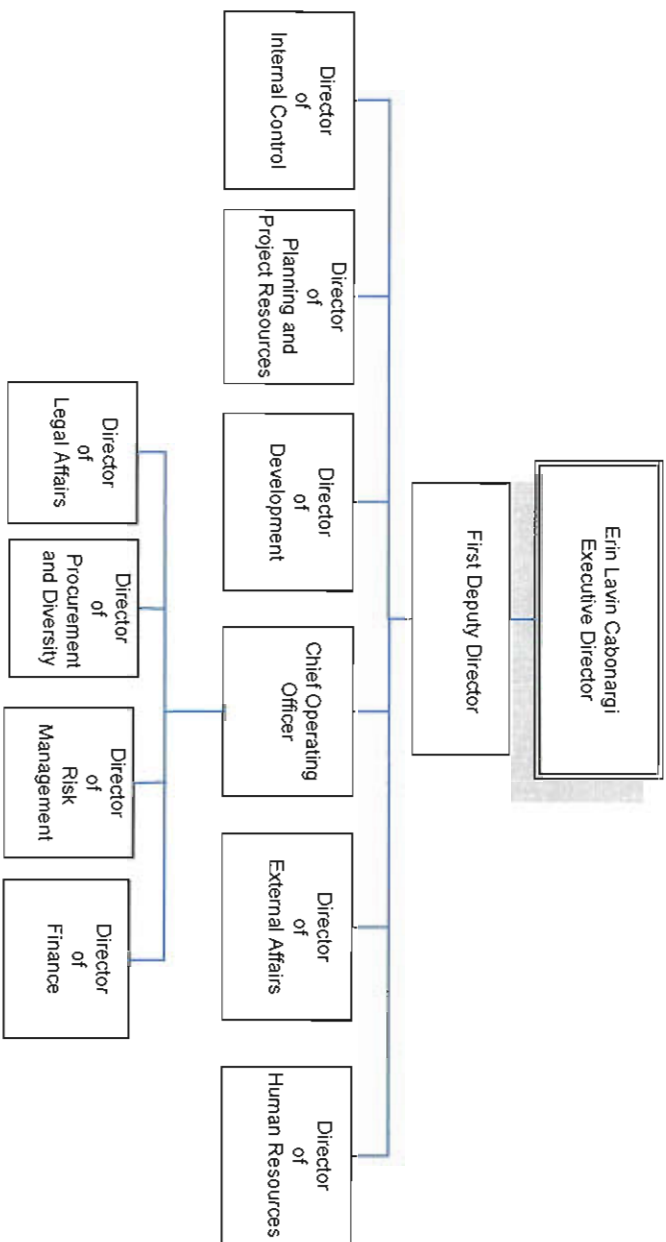
Erin Lavin Cabonargi  
Executive Director

# PUBLIC BUILDING COMMISSION OF CHICAGO

## BOARD OF COMMISSIONERS



## ADMINISTRATION



# **PUBLIC BUILDING COMMISSION OF CHICAGO**

## **Comprehensive Annual Financial Report**

### **Financial Section**

This section contains an unqualified independent auditors' report, Management's Discussion and Analysis and the Commission's basic financial statements.



## INDEPENDENT AUDITORS' REPORT

Members of the Board of Commissioners of the  
Public Building Commission of Chicago:

We have audited the accompanying basic financial statements of the Public Building Commission of Chicago (the "Commission") as of and for the years ended December 31, 2009 and 2008, as listed in the foregoing table of contents. These basic financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Commission as of December 31, 2009 and 2008, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 7 to the basic financial statements, the Commission changed its method of accounting for administrative fee revenue in the year ended December 31, 2009, and has applied the change retrospectively for the year ended December 31, 2008.

The Management's Discussion and Analysis as listed in the foregoing table of contents is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. This supplementary information is the responsibility of the Commission's management. We have applied certain limited procedures, which consisted principally of inquires of management regarding methods of measurement and presentation of the required supplementary information. However, we did not audit such information and we do not express an opinion on it.

Our audit was conducted for the purpose of forming an opinion on the Commission's basic financial statements. The introductory section and the statistical sections as listed in the foregoing table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. This supplementary information is the responsibility of the Commission's management. The introductory and statistical sections have not been subjected to auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

*Deloitte & Touche LLP*

June 29, 2010

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

Management of the Public Building Commission of Chicago (the "Commission") provides the following narrative overview and analysis of the Commission's financial performance during the years ended December 31, 2009, 2008, and 2007. Please read it in conjunction with the Commission's financial statements, which follow this section.

### **INTRODUCTION**

The Management's Discussion and Analysis ("MD&A") is an element of the reporting model adopted by the Governmental Accounting Standards Board.

The Commission's basic financial statements for the years ended December 31, 2009 and 2008 have been prepared using proprietary fund (enterprise fund) accounting that uses the same basis of accounting as private-sector business enterprises. The basic financial statements reflect that the Commission is operated under one enterprise fund.

### **OVERVIEW**

The Commission was created in 1956 pursuant to Illinois legislation as an independent governmental unit responsible for building and renovating public buildings and facilities for local government branches and agencies in Chicago and Cook County. The Commission's organizing and client agencies include the City of Chicago, the County of Cook, the Chicago Park District, the Chicago Public Schools, the Metropolitan Water Reclamation District, the Cook County Forest Preserve District, the Chicago Public Library, the Chicago Transit Authority, and the City Colleges of Chicago.

The Commission's operating mission is to deliver high quality capital projects on time, on budget, as specified. The Commission's 11 member Board of Commissioners provides oversight and direction for the Commission's activities from land acquisition through the stages of project planning, design and construction. Additionally, the Commission serves as the owning and operating entity for the Richard J. Daley Center ("Daley Center"). The basic financial statements address the overall financial position and results of these activities and operations.

### **BASIC FINANCIAL STATEMENTS**

The Commission reports on an economic resources measurement focus and an accrual basis of accounting. Revenue is recognized when earned, which generally occurs as project construction expenses are incurred, and expenses are recognized when incurred. The Commission's basic financial statements include a Statement of Net Assets, a Statement of Revenues, Expenses and Changes in Net Assets, and a Statement of Cash Flows. Notes to the Basic Financial Statements are also included.

The Statement of Net Assets presents information on the assets and liabilities, with the difference reported as total net assets. This statement provides an indication of the assets available to the Commission for project construction, debt service and administrative operation. The Commission anticipates that assets for project development will fluctuate over time based on the capital programs of its client agencies.

Assets for project development are provided to the Commission directly by the client agencies or from Commission-issued long-term revenue bonds, which are supported by lease agreements with client agencies. Funding received and held by the Commission for project development in excess of expenditures is reported as deferred project revenue. The capital assets of the Commission reflect its role as the owning and operating

entity of the Daley Center. The Commission does not capitalize other facilities it builds for client agencies as the ownership of the facilities is transferred back to the client agencies upon completion of the projects or upon expiration of the facility leases between the Commission and client agencies.

The Statement of Revenues, Expenses and Changes in Net Assets reports the operating revenues and expenses and other revenue and expenses of the Commission for the year with the difference reported as the increase or decrease in net assets for the year. This statement provides an indication of the project development expenditures, the Daley Center operating expenses, Commission administrative operating expenses and interest income and expense. Project revenues are recognized to the extent of current project expenditures. Future principal and interest on bonds issued by the Commission are to be covered by future lease rental payments from its client agencies.

The Commission does not have authority to levy and collect taxes and relies on fees for project development services provided to client agencies and fixed lease administrative fees to fund its operations. The Commission is limited to providing its services to only governments and agencies. Therefore the Commission anticipates fluctuations in its operating revenues based on the volume of activity requested by client agencies. The Commission anticipates it will continue to serve a significant role in assisting client agencies in the development of new and enhanced public facilities.

The Statement of Cash Flows reports cash and cash equivalent activity for the year resulting from operating activities, capital and related financing activities, and investing activities.

The Notes to the Basic Financial Statements provide required disclosures and other information that are essential to a full understanding of the financial statements.

## **FINANCIAL INFORMATION**

The assets of the Commission exceeded liabilities by approximately \$78.2 million at December 31, 2009. Of this amount, \$59.3 million is invested in capital assets and \$18.9 million is restricted for use by the Daley Center and for Commission operations. The Commission's total net assets decreased by \$1.6 million for the year ended December 31, 2009 and increased by \$3.3 million for the year ended December 31, 2008. The decrease in net assets for the year ended December 31, 2009 is attributable to increased project management costs offset by increases in the administrative fee revenue. The increase in net assets for the year ended December 31, 2008 is attributable to an increase in administrative fee revenue due to the growing development program of the Commission. Administrative fee revenue is also now being recognized at three different project milestones: award of construction contract, 50% construction completion and project closeout. This methodology is consistent with the Commission's use of resources on the respective projects.

The assets of the Commission exceeded liabilities by approximately \$79.8 million at December 31, 2008. Of this amount, \$53.9 million was invested in capital assets and \$25.9 million was restricted for use by the Daley Center and for Commission operations. The Commission's total net assets increased by \$3.3 million for the year ended December 31, 2008 and decreased by \$3.6 million for the year ended December 31, 2007. The increase in net assets for the year ended December 31, 2008 was attributable to the retrospective presentation of the financial statements due to a change in accounting policy in 2009 affecting the collection of administrative fees, which is discussed above.

Operating revenues for 2009 and 2008 were \$404.6 million and \$335.9 million, respectively. Operating expenses were \$394.3 million and \$321.5 million, respectively. Both fluctuate based on the volume of construction activity as operating revenue includes project revenue, which is recognized to the extent of current construction costs. Investment income for 2009 and 2008 was \$138 thousand and \$1.8 million, respectively. The decrease is due to lower interest rate performance as realized throughout the investment marketplace. The low interest rates realized in the latter half of 2008 persisted throughout 2009, resulting in the continuing decline of investment income.

Operating revenues for 2008 and 2007 were \$335.9 million and \$255.8 million, respectively. Operating expenses were \$321.5 million and \$251.4 million, respectively. Both fluctuate based on the volume of construction activity as operating revenue includes project revenue, which is recognized to the extent of current construction costs. Investment income for 2008 and 2007 was \$1.8 million and \$5.7 million, respectively. The decrease is due to lower interest rate performance as realized throughout the investment marketplace.

Operating revenues are projected to continue to increase in 2010 and 2011, as the Commission maintains its key role in the development of different public capital programs, the largest being the “Modern Schools Across Chicago” program. Under this campaign, the Commission has been charged with the construction of more than 20 new public schools, with six schools opened in 2008 and 2009. Five more schools are projected for 2010 openings.

The Commission also is continuing to work with the Chicago Public Library on its current capital program, with the new Beverly Branch Library opening in 2009, while four other branch libraries have begun construction in 2010. During 2009, there was continued activity in the area of public safety construction, as the Commission opened one firehouse and one police station. One additional police station will open in 2010 and one additional firehouse will open in 2011.

Operating revenue from programs like these, in the form of the Commission’s charged administrative fee, continue to be critical to the Commission’s operation since resources from bond leases are declining due to retirement of prior bond series.

## Summary of Condensed Financial Information at December 31, 2009, 2008, and 2007:

	Condensed Balance Sheets		
	For the Years Ended December 31, 2009, 2008 and 2007		
	2009	2008	2007
Assets:			
Capital assets — net	\$ 59,290,143	\$ 53,899,416	\$ 48,861,411
Other assets	<u>397,888,707</u>	<u>425,338,063</u>	<u>409,091,578</u>
Total assets	<u>\$457,178,850</u>	<u>\$479,237,479</u>	<u>\$457,952,989</u>
Liabilities:			
Current liabilities	\$ 122,716,024	\$ 130,889,408	\$ 94,059,344
Noncurrent liabilities	<u>256,293,719</u>	<u>268,598,118</u>	<u>287,447,178</u>
Total liabilities	<u>\$379,009,743</u>	<u>\$399,487,526</u>	<u>\$381,506,522</u>
Net assets:			
Invested in capital assets — net of related debt	\$ 59,290,143	\$ 53,899,416	\$ 48,861,411
Restricted — Daley Center	8,986,898	8,490,010	11,162,245
Restricted — commission's operations	<u>9,892,066</u>	<u>17,360,527</u>	<u>16,422,811</u>
	<u>\$ 78,169,107</u>	<u>\$ 79,749,953</u>	<u>\$ 76,446,467</u>

	Condensed Statements of Revenues, Expenses and Change in Net Assets		
	For the Years Ended December 31, 2009, 2008 and 2007		
	2009	2008	2007
Operating revenue:			
Project revenue	\$ 356,258,006	\$ 287,763,265	\$ 212,208,185
Rental and other revenue	<u>48,391,820</u>	<u>48,184,988</u>	<u>43,613,407</u>
Total revenues	<u>404,649,826</u>	<u>335,948,253</u>	<u>255,821,592</u>
Operating expenses:			
Construction costs	360,002,634	289,096,584	220,023,597
Other operating expenses	<u>34,248,008</u>	<u>32,380,559</u>	<u>31,349,050</u>
Total expenses	<u>394,250,642</u>	<u>321,477,143</u>	<u>251,372,647</u>
Operating income	10,399,184	14,471,110	4,448,945
Other income (expenses)	<u>(11,980,030)</u>	<u>(11,167,624)</u>	<u>(8,007,049)</u>
(Decrease) increase in net assets	(1,580,846)	3,303,486	(3,558,104)
Net assets — beginning of year	<u>79,749,953</u>	<u>76,446,467</u>	<u>80,004,571</u>
Net assets — end of year	<u>\$ 78,169,107</u>	<u>\$ 79,749,953</u>	<u>\$ 76,446,467</u>

## **Capital Assets**

At December 31, 2009, the Commission's \$59.3 million invested in capital assets is net of accumulated depreciation of \$81.0 million. The Commission had \$140.4 million of gross capital assets, including \$11.7 million in land, \$71.3 million in the Daley Center building, \$42.5 million of building improvements to that structure as well as \$14.9 million of construction in process. During 2009, the Commission had capital additions of \$8.9 million, which consisted of building improvements for the Daley Center. The Commission's 2010 capital budget for the Daley Center authorizes up to \$7.9 million in capital expenditures including \$4.8 million for the final phase of elevator modernization. A summary of changes in capital assets is included in Note 3 to the financial statements.

At December 31, 2008, the Commission's \$53.9 million invested in capital assets was net of accumulated depreciation of \$77.5 million. The Commission had \$131.4 million of gross capital assets, including \$11.7 million in land, \$71.3 million in the Daley Center building, \$40.5 million of building improvements to that structure as well as \$7.9 million of construction in process. During 2008, the Commission had capital additions of \$8.3 million, which consisted of building improvements for the Daley Center.

## **Long-Term Debt and Capital Leases Receivable**

As of December 31, 2009, 2008 and 2007, the Commission had \$235.4 million, \$251.0 million and \$265.6 million, respectively, in principal outstanding. No additional long-term debt was incurred by the Commission in 2009 or 2008. In 2008, the remaining \$1.9 million in Public Building Commission of Chicago Building Revenue Bonds Series 1993B were retired which attributed to the decrease. The remaining decrease is due to debt payments made throughout the year. Summaries of changes in long term debt and capital leases receivable are included in Notes 4 and 5, respectively, to the financial statements.

As of December 31, 2009, 2008 and 2007, the Commission had \$235.4 million, \$251.0 million and \$263.7 million, respectively, in capital leases receivable. The decrease in capital lease receivable is due to the lease payments made in 2009 and 2008 for the Series 1993A, Series 1998A and Series 2006 leases. Summaries of changes in long term debt and capital leases receivable are included in Notes 4 and 5, respectively, to the financial statements.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide the reader with a general overview of the Commission's finances. Questions concerning any of the information provided in this report, or requests for additional financial information should be addressed to the Director of Finance at Richard J. Daley Center, 50 West Washington, Room 200, Chicago, Illinois 60602. This report is available on the Commission's website at [www.pbcchicago.com](http://www.pbcchicago.com).

# PUBLIC BUILDING COMMISSION OF CHICAGO

## STATEMENTS OF NET ASSETS AS OF DECEMBER 31, 2009 AND 2008

ASSETS	2009	2008
CURRENT ASSETS:		
Cash and cash equivalents	\$ 3,871,656	\$ 5,659,705
Due from other governments — rent receivables	5,089,389	4,968,275
Due from other agencies — project receivables	97,545,122	63,645,422
Other receivables	644,855	836,889
Other current assets	1,990,753	531,926
Current portion of capital lease receivable	<u>5,455,000</u>	<u>15,625,000</u>
Total current assets	<u>114,596,775</u>	<u>91,267,217</u>
INVESTMENTS:		
U.S. Treasury obligations	7,358,340	7,836,870
Money market mutual funds	<u>44,439,004</u>	<u>89,222,465</u>
Total investments	<u>51,797,344</u>	<u>97,059,335</u>
CAPITAL LEASES RECEIVABLE	<u>229,960,000</u>	<u>235,415,000</u>
CAPITAL ASSETS (DALEY CENTER):		
Land	11,667,688	11,667,688
Building	71,276,903	71,276,903
Building improvements	42,451,607	40,524,882
Construction in progress	14,871,113	7,938,981
Accumulated depreciation	<u>(80,977,168)</u>	<u>(77,509,038)</u>
Net capital assets	<u>59,290,143</u>	<u>53,899,416</u>
OTHER ASSETS	<u>1,534,588</u>	<u>1,596,511</u>
TOTAL	<u>\$ 457,178,850</u>	<u>\$ 479,237,479</u>

(Continued)



# PUBLIC BUILDING COMMISSION OF CHICAGO

## STATEMENTS OF NET ASSETS AS OF DECEMBER 31, 2009 AND 2008

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	2009	2008
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable and accrued expenses	\$ 67,762,026	\$ 67,803,946
Interest payable	2,367,305	2,505,896
Retained on contracts	26,421,202	16,289,132
Deferred rental income	9,425,285	10,019,281
Current portion of deferred project revenue	10,941,971	18,302,918
Current portion of long-term debt	<u>5,798,235</u>	<u>15,968,235</u>
 Total current liabilities	 <u>122,716,024</u>	 <u>130,889,408</u>
<b>NONCURRENT LIABILITIES:</b>		
Long-term debt	237,529,314	243,327,549
Other liabilities	1,986,585	2,106,250
Deferred project revenue	<u>16,777,820</u>	<u>23,164,319</u>
 Total noncurrent liabilities	 <u>256,293,719</u>	 <u>268,598,118</u>
 Total liabilities	 <u>379,009,743</u>	 <u>399,487,526</u>
<b>NET ASSETS:</b>		
Invested in capital assets — net of related debt	59,290,143	53,899,416
Restricted — Daley Center	8,986,898	8,490,010
Restricted — Commission's operations	<u>9,892,066</u>	<u>17,360,527</u>
 Total net assets	 <u>78,169,107</u>	 <u>79,749,953</u>
 TOTAL	 <u>\$457,178,850</u>	 <u>\$479,237,479</u>

See notes to basic financial statements.

(Concluded)

## PUBLIC BUILDING COMMISSION OF CHICAGO

### STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

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	2009	2008
OPERATING REVENUES:		
Project revenue	\$ 356,258,006	\$ 287,763,265
Rental income — lessees	15,911,279	18,774,075
Rental income — Daley Center	25,995,778	20,797,558
Other revenue	<u>6,484,763</u>	<u>8,613,355</u>
Total operating revenues	<u>404,649,826</u>	<u>335,948,253</u>
OPERATING EXPENSES:		
Construction costs	360,002,634	289,096,584
Maintenance and operations — Daley Center	17,610,264	18,563,355
Administrative expense	13,169,614	10,553,961
Depreciation expense	<u>3,468,130</u>	<u>3,263,243</u>
Total operating expenses	<u>394,250,642</u>	<u>321,477,143</u>
OPERATING INCOME	<u>10,399,184</u>	<u>14,471,110</u>
OTHER INCOME (EXPENSES):		
Investment income	138,491	1,758,869
Other income	273,034	193,834
Interest expense	<u>(12,391,555)</u>	<u>(13,120,327)</u>
Net other expenses	<u>(11,980,030)</u>	<u>(11,167,624)</u>
(DECREASE) INCREASE IN NET ASSETS	(1,580,846)	3,303,486
NET ASSETS — Beginning of year	<u>79,749,953</u>	<u>76,446,467</u>
NET ASSETS — End of year	<u>\$ 78,169,107</u>	<u>\$ 79,749,953</u>

See notes to basic financial statements.

## PUBLIC BUILDING COMMISSION OF CHICAGO

### STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	2009	2008
<b>CASH FLOWS (USED IN) PROVIDED BY OPERATING ACTIVITIES:</b>		
Received for projects	\$ 315,167,991	\$ 283,460,978
Received for lease and rent payments	56,816,947	53,674,142
Payments for project construction and administration	<u>(380,959,345)</u>	<u>(295,892,425)</u>
Net cash (used in) provided by operating activities	<u>(8,974,407)</u>	<u>41,242,695</u>
<b>CASH FLOWS USED IN CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Payments for capital acquisitions	(10,050,702)	(4,907,949)
Principal paid on revenue bonds	(15,625,000)	(14,570,000)
Interest paid on revenue bonds	(12,811,457)	(13,556,054)
Net cash used in financing activities	<u>(38,487,159)</u>	<u>(33,034,003)</u>
<b>CASH FLOWS PROVIDED BY (USED IN) INVESTING ACTIVITIES:</b>		
Change in investments	45,261,991	(6,367,864)
Investment income	138,492	1,758,869
Other income	273,034	193,834
Net cash provided by (used in) investing activities	45,673,517	(4,415,161)
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(1,788,049)</b>	<b>3,793,531</b>
<b>CASH AND CASH EQUIVALENTS — Beginning of year</b>	<b>5,659,705</b>	<b>1,866,174</b>
<b>CASH AND CASH EQUIVALENTS — End of year</b>	<b>\$ 3,871,656</b>	<b>\$ 5,659,705</b>
<b>RECONCILIATION OF OPERATING INCOME TO CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Operating income	\$ 10,399,184	\$ 14,471,110
Adjustments to reconcile:		
Depreciation	3,468,130	3,263,243
Changes in assets and liabilities:		
Due from other governments	(121,114)	1,918,565
Due from other agencies	(33,899,700)	(19,795,214)
Other receivables	192,034	(574,770)
Other current assets	(1,458,826)	(355,596)
Capitalized lease receivable	15,625,000	12,660,000
Accounts payable and accrued expenses	1,149,923	22,504,895
Retained on contracts	10,132,070	1,972,907
Deferred rental income	(593,996)	(476,056)
Deferred project revenue	(13,747,446)	5,802,361
Other liabilities	(119,666)	(148,750)
<b>NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES</b>	<b>\$ (8,974,407)</b>	<b>\$ 41,242,695</b>

See notes to basic financial statements.

# PUBLIC BUILDING COMMISSION OF CHICAGO

## NOTES TO BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Authorizing Legislation** — The Public Building Commission of Chicago (the “Commission”), Cook County, Illinois, is a municipal corporation and body politic created under the provisions of the Public Building Commission Act of the Illinois Revised Statutes (the “Act”), approved July 5, 1955, as amended. The Commission is authorized and empowered to construct, acquire, or enlarge public improvements, buildings, and facilities to be made available for use by governmental agencies and to issue bonds, which are payable solely from the revenues to be derived from the operation, management, and use of the buildings or other facilities by the Commission or pledged revenues. The Commission has no stockholders or equity holders, and all revenues of the projects shall be paid to the Treasurer of the Commission to be applied in accordance with the provisions of the respective bond resolutions and intergovernmental agreements.

The Act provides authority for the Commission to obtain permanent financing through the issuance of revenue bonds secured by leases with local governments or other users of facilities constructed or acquired by the Commission. The Act also provides authority for the Commission to obtain interim financing by issuing interim notes following the selection of an area or site for a requested project. The Commission has specific authority to accept donations, contributions, capital grants, or gifts.

Pursuant to the Act, the Board of Commissioners has 11 members; six members are appointed by the City of Chicago and one member each is appointed by the following: Cook County, Chicago Board of Education, Chicago Park District, Metropolitan Water Reclamation District of Greater Chicago, and the Cook County Forest Preserve. The Chairman of the Commission is elected from among the members of the board. The Mayor of the City of Chicago currently serves as the Chairman.

The accounting and reporting policies of the Commission conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units in the United States of America. Following is a description of the more significant of these policies.

**Reporting Entity** — As defined by GAAP established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. The accompanying basic financial statements present only the Commission (the primary government), since the Commission does not have any component units.

**Basis of Presentation** — The Commission applies all GASB pronouncements for the Commission’s proprietary funds, as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: Statements and Interpretations of the Financial Accounting Standards Board, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee on Accounting Procedure.

The accounts of the Commission are organized on the basis of fund accounting. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. The Commission maintains the following fund type:

**Proprietary Fund** — The Commission’s operations are accounted for in a single enterprise fund. Enterprise funds account for those operations financed and operated in a manner similar to private business enterprises. Under this method of accounting, an economic resources measurement focus and the accrual basis of accounting are used. Revenue is recognized when earned, and expenses are recognized when incurred. The basic financial statements include statements of net assets; statements of revenues, expenses, and changes in net assets; and statements of cash flows.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenue of the Commission is funded from bond-financed projects, reimbursement projects, and payments from lessees. Operating expenses include construction costs, maintenance expenses, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Cash and Cash Equivalents** — The Commission presents a statement of cash flows, which classifies cash receipts and payments according to whether they stem from operating, capital and related financing, or investing activities. Cash and cash equivalents include cash on hand.

**Investments** — Investments consist of money market (government bonds) mutual funds and U.S. Treasury obligations. Investments with maturity of less than one year are carried at amortized cost plus accrued interest, which approximates fair value. All other investments are carried at fair value. Investments at December 31, 2009 and 2008, consist of \$43,753,195 and \$91,604,442, respectively, restricted for future capital construction and improvements related to Commission projects and for amounts held to cover future debt service principal and interest payments. Other investments at December 31, 2009 and 2008, consist of \$8,044,149 and \$5,454,893, respectively, for use by the Richard J. Daley Center (“Daley Center”) and for Commission operations.

**Capital Leases Receivable** — Capital leases receivable, discounted at the effective interest rate of each bond issue, are reflected as assets. The portion of the lease payments attributable to administrative and other period charges is not capitalized as a lease receivable. The corresponding revenue bonds are reflected as liabilities. The current portion of leases receivable at December 31, 2009 and 2008, is \$5,455,000 and \$15,625,000, respectively.

**Capital Assets (Daley Center)** — The Commission capitalizes assets that it owns and operates with a cost of more than \$1,000 and a useful life greater than one year. Capital assets are recorded at cost. Cost includes major expenditures for improvements and replacements, which extend useful lives or increase capacity and interest cost associated with significant capital additions. Depreciation of capital assets is computed using the straight-line method assuming the following useful lives:

	<b>Years</b>
Building	50
Building improvements	20
Furniture and fixtures	7
Equipment	3–5

The Picasso sculpture that stands on Daley Plaza is artwork that is held for public exhibition and is to be preserved for future generations. The sculpture is not capitalized or depreciated as a part of the Commission's capital assets.

**Other Assets** — Other assets are composed of costs related to the issuance of the revenue bonds. The costs are held as a deferred asset and amortized over the life of the bond. Amortization is recognized as interest expense.

**Compensated Absences** — All salaried employees of the Commission are granted sick leave with pay at the rate of one working day for each month of service, up to a maximum accumulation of 175 days. In the event of termination, Commission employees are not reimbursed for accumulated sick leave and as such, the Commission does not have an accrual recorded.

All full-time employees of the Commission who have completed one year of service are entitled to vacation leave at varying amounts based on years of service. In the event of termination, an employee is reimbursed for accumulated vacation days up to a maximum accumulation of 40 days. Accrued vacation is included in accounts payable and accrued expenses on the statements of net assets.

**Long-Term Debt** — Long-term debt is recognized as a liability. The amount that is payable within a one-year period is classified as current.

**Project Revenue** — The Commission receives funding for bond-financed projects and reimbursement projects. Project revenue is recognized as the construction costs for the projects are incurred. Amounts received but unspent as of the end of the year are included in deferred project revenue.

**Other Revenue** — Fees for project development services are recognized at three different project milestones: award of construction contract, 50% construction completion, and project closeout. This methodology is consistent with the Commission's use of resources on the respective projects.

**Rental Income** — Annual lease rental payments are due on or before December 1 of each year. All rental payments received before December 31 that relate to the following year's administrative expenses and debt service are considered deferred rental income at December 31. Rental income is recognized in the year the related administrative expenses and debt service are incurred. Rental income includes amounts pledged under the lease agreements to cover all interest expense payments of the Commission's debt.

**Net Assets** — Net assets invested in capital assets, net of related debt reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction, or improvement of those assets. Net assets other than those invested in capital assets, net of related debt are considered to be restricted under the enabling legislation that established the limited specific purpose of the Commission.

**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 assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**New Accounting Standards** — GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, requires that all intangible assets not specifically excluded by its scope provisions be classified as capital assets. Accordingly, existing authoritative guidance related to the accounting and financial reporting for capital assets should be applied to these intangible assets, as applicable. The requirements of this statement are effective for financial statements for periods beginning after June 15, 2009. The provisions of this statement generally are required to be applied retroactively. This statement is not expected to have an impact on the Commission’s basic financial statements.

GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. The requirements of this statement are effective for financial statements for periods beginning after June 15, 2009. The Commission does not have derivative instruments; thus, this standard will not have an impact on the Commission’s basic financial statements.

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. The requirements of this statement are effective for financial statements for periods beginning after June 15, 2010. The Commission has not yet determined the impact of the adoption of this statement on the basic financial statements.

GASB Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, incorporates the hierarchy of GAAP for state and local governments into the GASB’s authoritative literature. The requirements of this statement are effective upon issuance of the statement, which is March 2009. The Commission adopted this statement in 2009. The effect of adoption did not have a material impact on the Commission’s basic financial statements.

Summary of GASB Statement No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards*, incorporates into the GASB’s authoritative literature certain accounting and financial reporting guidance presented in the American Institute of Certified Public Accountants’ Statements on Auditing Standards. The requirements of this statement are effective upon issuance of the statement, which is March 2009. The Commission adopted this statement in 2009. The effect of adoption did not have a material impact on the Commission’s basic financial statements.

## **2. CASH AND INVESTMENTS**

As provided by the respective bond resolutions, cash and investments of the construction and revenue funds will be subject to a lien and charge in favor of the bondholders until paid out or transferred. Cash and investments from bond proceeds at December 31, 2009 and 2008, were in custody of the trustees.

Investments are authorized by the Public Funds Investment Act, the bond resolutions, and the Commission’s investment policy. The Commission’s investments are limited to various instruments by the indentures, restricted to one or more of the following:

- Bonds, notes, certificates of indebtedness, treasury bills, or other securities guaranteed by the full faith and credit of the United States of America as to principal and interest.
- Certain bonds, notes, debentures, or other similar obligations of the United States of America or its agencies.

- Short-term discount obligations issued by the Federal National Mortgage Association.
- 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 and which deposits are insured by the Federal Deposit Insurance Corporation.
- Money market mutual funds registered under the Investment Company Act of 1940 (limited to obligations described in (a) and (b) above and to agreements to repurchase such obligations).
- Repurchase agreements to acquire securities through banks or trust companies authorized to do business in the State of Illinois.

The Commission's Investment Policy contains the following stated objectives:

*Safety of Principal* — Investments of the Commission shall be undertaken in a manner that ensures the preservation of capital in the total portfolio.

*Liquidity* — The total portfolio of the Commission shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.

*Rate of Return* — The total portfolio of the Commission shall be designed with the objective of attaining the highest rate of return, consistent with the Commission's investment risk constraints identified herein and with prudent investment principles and cash flow needs.

*Benchmark* — An appropriate benchmark shall be established to determine if market yields and performance objectives are being achieved.

*Public Trust* — All participants in the investment process shall seek to act responsibly as custodians of the public trust and shall avoid any transactions that might impair public confidence in the Commission.

*Local Consideration* — The Commission seeks to promote economic development in the city of Chicago. In accordance with this goal, preference shall be given to any depository institution meeting the requirements defined in this policy, within the city limits whose investment rates are within 0.125% of the rate that could be obtained at an institution outside the city limits. In addition, the Commission shall strongly consider depository institutions that are certified Minority Business Enterprise and Women Business Enterprise institutions.

At December 31, 2009 and 2008, the carrying amounts of the Commission's cash deposits were \$3,871,656 and \$5,659,705, respectively. The Commission's cash bank balances at December 31, 2009 and 2008, totaled \$4,303,488 and \$5,204,481, respectively, of which \$4,303,488 and \$5,204,481, respectively, was covered by Federal Deposit Insurance Corporation insurance.



All securities that have scheduled maturities within one year of the balance sheet date are recorded at amortized cost, plus accrued interest, which approximates fair value. All other investments are carried at fair value (see Note 1). The Commission generally holds securities until maturity. An attempt is made within the construction funds to align scheduled maturities with the anticipated construction schedule of the underlying project. However, at times, certain securities are sold by the Commission prior to their scheduled maturities in order to meet construction financing requirements.

	<b>Carrying Amount at December 31, 2009</b>	<b>Maturities Less Than One Year</b>
U.S. Treasury obligations	\$ 7,358,340	\$ 7,358,340
Money market mutual funds	<u>44,439,004</u>	<u>44,439,004</u>
<b>Total</b>	<b><u>\$51,797,344</u></b>	<b><u>\$51,797,344</u></b>

**Credit Risk** — As of December 31, 2009, Moody's and S&P rated the Commission's investments in money market mutual funds Aaa and AAAM, respectively.

	<b>Carrying Amount at December 31, 2008</b>	<b>Maturities Less Than One Year</b>
U.S. Treasury obligations	\$ 7,836,870	\$ 7,836,870
Money market mutual funds	<u>89,222,465</u>	<u>89,222,465</u>
<b>Total</b>	<b><u>\$97,059,335</u></b>	<b><u>\$97,059,335</u></b>

**Credit Risk** — Throughout 2009 and 2008, Moody's and S&P rated the Commission's investments in money market mutual funds Aaa and AAAM, respectively.

### 3. CAPITAL ASSETS (DALEY CENTER)

A summary of changes in capital assets is as follows:

	<b>Balance December 31, 2008</b>	<b>Additions, Transfers In, and Depreciation</b>	<b>Disposals, Adjustments, and Transfers Out</b>	<b>Balance December 31, 2009</b>
Land	\$ 11,667,688	\$ -	\$ -	\$ 11,667,688
Building	71,276,903			71,276,903
Building improvements	40,524,882	1,926,725		42,451,607
Construction in progress	<u>7,938,981</u>	<u>8,478,153</u>	<u>(1,546,021)</u>	<u>14,871,113</u>
	131,408,454	10,404,878	(1,546,021)	140,267,311
Accumulated depreciation	<u>(77,509,038)</u>	<u>(3,468,130)</u>		<u>(80,977,168)</u>
<b>Total</b>	<b><u>\$ 53,899,416</u></b>	<b><u>\$ 6,936,748</u></b>	<b><u>\$(1,546,021)</u></b>	<b><u>\$ 59,290,143</u></b>

	Balance December 31, 2007	Additions, Transfers in, and Depreciation	Disposals, Adjustments, and Transfers Out	Balance December 31, 2008
Land	\$ 11,667,688	\$ -	\$ -	\$ 11,667,688
Building	71,276,903			71,276,903
Building improvements	32,837,816	7,687,066		40,524,882
Construction in progress	<u>7,324,799</u>	<u>7,028,433</u>	<u>(6,414,251)</u>	<u>7,938,981</u>
	123,107,206	14,715,499	(6,414,251)	131,408,454
Accumulated depreciation	<u>(74,245,795)</u>	<u>(3,263,243)</u>		<u>(77,509,038)</u>
Total	<u>\$ 48,861,411</u>	<u>\$ 11,452,256</u>	<u>\$ (6,414,251)</u>	<u>\$ 53,899,416</u>

Leases dated July 1, 1963, between the Commission and the City of Chicago and the County of Cook, respectively, governed the use of the building now known as the Daley Center and established a schedule of lease payments for costs related to the operation and maintenance of the building and for payment of debt service on bonds associated with the construction of the building. The original leases ran through December 31, 1983, but have continued to be in effect on a year-to-year basis by operation of law.

#### 4. REVENUE BONDS

The summary of long-term debt outstanding as of December 31, 2009, is as follows (in thousands):

	Balance December 31, 2008	Additions	Reductions	Balance December 31, 2009
\$353,095,000 Series 1993A — Board of Education of the City of Chicago Buildings and Facilities — acquiring sites, constructing, and equipping buildings and facilities, 4.20% to 5.75%	\$ 33,105	\$ -	\$10,420	\$ 22,685
\$17,295,000 Series 1998A — Chicago Park District Park Sites and Facilities — building revenue refunding bonds (1993C), 4.15% to 5.375%	16,280		2,950	13,330
\$114,480,000 Series 1999B — Board of Education of the City of Chicago Building and Facilities — building revenue refunding bonds (1993A), 5.00% to 5.25%	114,480		375	114,105
\$91,340,000 Series 2006 — Chicago Transit Authority — building refunding revenue bonds 4.00% to 5.25% (2003)	<u>87,175</u>		<u>1,880</u>	<u>85,295</u>
Total revenue bonds outstanding — December 31, 2009	251,040	<u>\$ -</u>	<u>\$15,625</u>	235,415
Premium	8,256			7,912
Less current portion	<u>(15,968)</u>			<u>(5,798)</u>
Noncurrent portion	<u>\$243,328</u>			<u>\$237,529</u>

The summary of long-term debt outstanding as of December 31, 2008, is as follows (in thousands):

	Balance December 31, 2007	Additions	Reductions	Balance December 31, 2008
\$353,095,000 Series 1993A — Board of Education of the City of Chicago Buildings and Facilities — acquiring sites, constructing, and equipping buildings and facilities, 4.20% to 5.75%	\$ 42,960	\$ -	\$ 9,855	\$ 33,105
\$20,830,000 Series 1993B — Chicago Park District Park Sites and Facilities — design and constructing for the restoration of Soldier Field Soldier Field Stadium, 5.50% to 6.95% (taxable)	1,910		1,910	-
\$17,295,000 Series 1998A — Chicago Park District Park Sites and Facilities — building revenue refunding bonds (1993C), 4.15% to 5.375%	17,295		1,015	16,280
\$114,480,000 Series 1999B — Board of Education of the City of Chicago Building and Facilities — building revenue refunding bonds (1993A), 5.00% to 5.25%	114,480			114,480
\$91,340,000 Series 2006 — Chicago Transit Authority — building refunding revenue bonds 4.00% to 5.25%	<u>88,965</u>		<u>1,790</u>	<u>87,175</u>
Total revenue bonds outstanding — December 31, 2008	265,610	<u>\$ -</u>	<u>\$14,570</u>	251,040
Premium	8,599			8,256
Less current portion	<u>(14,913)</u>			<u>(15,968)</u>
Noncurrent portion	<u>\$259,296</u>			<u>\$243,328</u>

Gross interest expense for 2009 and 2008 is \$12,672,866 and \$13,401,638, respectively, for debt service payments. Amortization of deferred issuance costs, bond premium, and gain on refunding of bonds of \$281,311 is also included as a reduction of interest expense for 2009 and 2008. This results in a net interest expense of \$12,391,555 and \$13,120,327 for 2009 and 2008, respectively.

**Security for Bonds** — As provided by the bond resolutions, the bonds are secured by liens on the revenues derived from leases for the facilities but not by mortgages on the facilities. Under the lease agreements, the lessees are obligated to levy taxes to pay rentals which, together with any other rentals, fees, and charges for use of space in the facilities, will produce revenues at all times sufficient to pay the principal of and the interest on the bonds and maintain the accounts created by the bond resolutions. Title to the properties under such lease agreements will be conveyed to the lessee upon certification by the Secretary and Treasurer of the Commission that all principal, interest, premium, administrative, and other expenses with respect to such revenue bond issue have been paid in full.

Series of	Leases	Annual Rentals Due	
		From	To
1990A	Board of Education of the City of Chicago <sup>1</sup>	1990	2019
1990B	Board of Education of the City of Chicago <sup>1</sup>	1990	2014
1993A	Board of Education of the City of Chicago <sup>3</sup>	1993	2018
1998A	Chicago Park District	1998	2012
1999B	Board of Education of the City of Chicago	1999	2018
2001	Board of Education of the City of Chicago <sup>2</sup>	2001	2015
2001A	Board of Education of the City of Chicago <sup>2</sup>	2002	2018
2003A	Chicago Transit Authority <sup>4</sup>	2004	2023
2006	Chicago Transit Authority	2007	2033

<sup>1</sup> Principal and interest portion of lease has been defeased.

<sup>2</sup> Lease payments have been fully defeased.

<sup>3</sup> A portion of principal and interest has been defeased from the 1999B proceeds.

<sup>4</sup> Principal and interest have been defeased from the 2006 proceeds.

Except for the Series A of 1993 and Series B of 1999, the final bond principal payment is due in the year subsequent to the last rental payment.

During 2008, the remaining balance of \$1,910,000 in Public Building Commission of Chicago Building Revenue Bonds Series 1993B was paid off and the bonds were retired.

**Annual Requirements** — The total of principal and interest due on bonds during the next five years and in subsequent five-year periods as of December 31, 2009, is as follows:

Years Ending December 31	Principal	Interest	Total
2010	\$ 5,455,000	\$ 12,072,269	\$ 17,527,269
2011	28,385,000	11,817,100	40,202,100
2012	18,330,000	10,344,403	28,674,403
2013	19,345,000	9,399,275	28,744,275
2014	16,615,000	8,503,475	25,118,475
2015–2019	85,890,000	27,764,563	113,654,563
2020–2024	17,005,000	14,372,275	31,377,275
2025–2029	22,060,000	9,457,875	31,517,875
2030–2031	<u>22,330,000</u>	<u>3,007,725</u>	<u>25,337,725</u>
Total	<u>\$235,415,000</u>	<u>\$106,738,960</u>	<u>\$342,153,960</u>

**Defeased Debt** — The Commission has refunded all or a portion of various bonds by depositing U.S. government securities in irrevocable trusts to provide for all future debt service payments on old bonds. As a result, such bonds are considered to be defeased and the liability for these bonds has been removed from the balance sheet. The outstanding balances for refunded bonds as of December 31, 2009 and 2008, are as follows:

	<u>Amount Outstanding</u>	
	<u>2009</u>	<u>2008</u>
1990A	\$ 222,640,000	\$ 235,806,000
1990B	7,470,000	8,445,000
1995A	5,935,000	6,720,000
2003	<u>97,750,000</u>	<u>102,370,000</u>
 Total	 <u>\$ 333,795,000</u>	 <u>\$ 353,341,000</u>

**Arbitrage** — In accordance with the Internal Revenue Code of 1986, as amended, the Commission is required to rebate excess investment earnings (as defined) to the federal government. As of December 31, 2009 and 2008, the Commission had estimated it had no liability pursuant to the arbitrage rebate regulations.

## 5. CAPITAL LEASES RECEIVABLE

The summary of capital leases receivable as of December 31, 2009, is as follows (in thousands):

	<u>Balance</u> <u>December 31, 2008</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>December 31, 2009</u>
\$353,095,000 Series 1993A — Board of Education of the City of Chicago Buildings and Facilities — acquiring sites, constructing, and equipping buildings and facilities	\$ 33,105	\$ -	\$ 10,420	\$ 22,685
\$17,295,000 Series 1998A — Chicago Park District Park Sites and Facilities — building revenue refunding bonds (1993C)	16,280		2,950	13,330
\$114,480,000 Series 1999B — Board of Education of the City of Chicago Building and Facilities — building revenue refunding bonds (1993A)	114,480		375	114,105
\$91,340,000 Series 2006 — Chicago Transit Authority — building Transit Authority — building refunding revenue bonds (2003)	<u>87,175</u>		<u>1,880</u>	<u>85,295</u>
Total capital lease receivable — December 31, 2009	251,040	<u>\$ -</u>	<u>\$ 15,625</u>	235,415
Less current portion	<u>(15,625)</u>			<u>(5,455)</u>
Noncurrent portion	<u>\$ 235,415</u>			<u>\$ 229,960</u>

The summary of capital leases receivable as of December 31, 2008, is as follows (in thousands):

	Balance December 31, 2007	Additions	Reductions	Balance December 31, 2008
\$353,095,000 Series 1993A — Board of Education of the City of Chicago Buildings and Facilities — acquiring sites, constructing, and equipping buildings and facilities	\$ 42,960	\$ -	\$ 9,855	\$ 33,105
\$17,295,000 Series 1998A — Chicago Park District Park Sites and Facilities — building revenue refunding bonds (1993C)	17,295		1,015	16,280
\$114,480,000 Series 1999B — Board of Education of the City of Chicago Building and Facilities — building revenue refunding bonds (1993A)	114,480			114,480
\$91,340,000 Series 2006 — Chicago Transit Authority — building Transit Authority — building refunding revenue bonds (2003)	<u>88,965</u>		<u>1,790</u>	<u>87,175</u>
Total capital lease receivable — December 31, 2008	263,700	<u>\$ -</u>	<u>\$12,660</u>	251,040
Less current portion	<u>(12,660)</u>			<u>(15,625)</u>
Noncurrent portion	<u>\$251,040</u>			<u>\$235,415</u>

**Future Minimum Lease Payment Receivable** — The future minimum lease payment receivables as of December 31, 2009, are as follows:

Years Ending December 31	Principal	Interest and Other	Total Rent Payment
2010	\$ 5,455,000	\$ 12,854,515	\$ 18,309,515
2011	28,385,000	12,595,678	40,980,678
2012	18,330,000	11,377,549	29,707,549
2013	19,345,000	10,411,982	29,756,982
2014	16,615,000	9,283,563	25,898,563
2015–2019	85,890,000	30,354,039	116,244,039
2020–2024	17,005,000	13,937,994	30,942,994
2025–2029	22,060,000	8,878,800	30,938,800
2030–2034	<u>22,330,000</u>	<u>2,421,563</u>	<u>24,751,563</u>
Total	<u>\$235,415,000</u>	<u>\$ 112,115,683</u>	<u>\$347,530,683</u>

The future minimum lease payment receivables as of December 31, 2008, are as follows:

Years Ending December 31	Principal	Interest and Other	Total Rent Payment
2009	\$ 15,625,000	\$ 13,959,905	\$ 29,584,905
2010–2038	<u>235,415,000</u>	<u>112,115,683</u>	<u>347,530,683</u>
Total	<u>\$251,040,000</u>	<u>\$ 126,075,588</u>	<u>\$377,115,588</u>

## 6. RETIREMENT PLAN

On June 21, 1995, the Board of Commissioners of the Commission approved the adoption of the Public Building Commission of Chicago Retirement Plan (the “Plan”) for Commission employees meeting certain minimum age and service requirements. Amendments to the Plan were approved November 9, 2004, and made effective January 1, 2005. The Plan, as amended, is a defined contribution plan, which

requires the Commission to make quarterly contributions to the Plan to equal an annualized amount of 8.75% of participants' salary. Participants in the Plan vest at a rate of 20% per year after three years, with 100% vesting after seven years from date of hire. Participants must make nonelective contributions, deducted from their compensation, up to 7% based on their annual salary. Certain employees of the Commission are eligible to participate in the City of Chicago Municipal Employee's pension plan. Those employees are excluded from coverage under the Commission's Plan.

The amount of covered payroll for those Commission employees participating in the Plan was \$3,147,969 and \$2,771,325, respectively, for the years ended December 31, 2009 and 2008. The contribution requirement of the Commission for the quarter ended December 31, 2009 and 2008, was \$76,031 and \$74,853, respectively. The required contribution for 2009 will be paid in 2010.

The Commission's personnel policy also provides for certain employer-funded, postemployment benefits to be paid to eligible employees of the Commission. The benefits are a defined amount to be paid to employees upon retirement from the Commission. The Commission's payments under the terms of the policy are financed on a pay-as-you-go basis. During 2009 and 2008, the Commission made payments of \$0 and \$200,664, respectively. The remaining payments under this policy as of December 31, 2009 and 2008, are estimated at \$335,000 for both years.

## **7. CHANGE IN ACCOUNTING POLICY**

On January 1, 2009, the Public Building Commission of Chicago elected to change its method of accounting for recognizing project administrative fees from the end of the project to recognition over three different project milestones. These milestones include award of construction contract, 50% construction completion, and project closeout. This methodology is consistent with the Commission's use of resources on projects. The new method of accounting for project administrative fees was adopted and comparative financial statements for 2008 have been adjusted to apply the new method retrospectively. The adjustment resulted in an increase of \$6,643,404 in other revenue for 2008 but had no impact on beginning net assets as of January 1, 2008. The amount of administrative fee revenue recognized for 2009 is \$6,336,263.

## **8. COMMITMENTS**

At December 31, 2009 and 2008, the Commission had commitments for construction contracts and related architects' and consultants' fees of approximately \$371 million and \$383 million, respectively.

## **9. LITIGATION**

There are several pending lawsuits in which the Commission is a defendant. The Commission has accrued for all losses it deems probable. Pursuant to the advice of legal counsel, management believes that the ultimate outcome of the remaining claims is not expected to have a material impact on the basic financial statements of the Commission.

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# **PUBLIC BUILDING COMMISSION OF CHICAGO**

## **Comprehensive Annual Financial Report**

### **Statistical Section**

This section of the comprehensive annual financial report presents detailed information to assist in better understanding information presented in the transmittal letter and the basic financial statements, and in better understanding the Commission's economic condition. All of the information in the Statistical Section is unaudited.

### **Contents:**

#### **Financial Trends**

This information will help readers understand how the Commission's financial position has changed over time.

#### **Revenue Capacity**

This information will help readers understand the Commission's revenue sources. For the Commission's primary revenue source, project revenue, capacity is an extension of the capacity of each of its respective clients. Therefore, no information is provided regarding the Commission's actual revenue capacity.

#### **Debt Capacity**

This information will help readers understand the Commission's debt burden. To better assess the Commission's ability to issue additional debt, the reader would have to assess the additional debt capacity of individual clients.

#### **Demographic and Economic Information**

This information will help readers understand the Commission's socioeconomic environment.

#### **Operating Information**

This information will help readers better understand the Commission's operations and provide a context for understanding its business model and development approach.

#### **Sources**

The Commission implemented GASB 34 in 2002; schedules presenting government-wide information include information beginning in 2002.



# **PUBLIC BUILDING COMMISSION OF CHICAGO**

## **Comprehensive Annual Financial Report**

### **Statistical Section**

#### **Financial Trends**

The table on page 27 depicts the Commission's net assets by component annually since 2002.

The table on page 28 depicts the Commission's revenues, expenses and change in net assets annually since 2002.

**PUBLIC BUILDING COMMISSION OF CHICAGO**

**Net Assets by Component  
Last Eight Fiscal Years**

	2002	2003	2004	2005	2006	2007	2008	2009
<b>Invested in Capital Assets,</b>								
<b>Net of Related Debt</b>	\$49,357,425	\$50,196,844	\$51,382,282	\$51,301,569	\$49,537,537	\$48,861,411	\$53,899,416	\$59,290,143
<b>Restricted - Daley Center</b>	14,499,684	11,707,074	8,978,063	9,277,951	10,937,123	11,162,245	8,490,010	8,986,898
<b>Restricted - Commission's Operations</b>	12,007,151	12,939,856	16,215,961	19,639,700	19,529,911	16,422,811	17,360,527	9,892,066
<b>Total Net Assets</b>	<b>\$75,864,260</b>	<b>\$74,843,774</b>	<b>\$76,576,306</b>	<b>\$80,219,220</b>	<b>\$80,004,571</b>	<b>\$76,446,467</b>	<b>\$79,749,953</b>	<b>\$78,169,107</b>

Source: Basic Financial Statements

**PUBLIC BUILDING COMMISSION OF CHICAGO**

Condensed Statements of Revenues, Expenses and Change in Net Assets  
Last Eight Fiscal Years

	2002	2003	2004	2005	2006	2007	2008	2009
<b>OPERATING REVENUES:</b>								
Project Revenue	\$254,913,880	\$293,723,830	\$314,518,301	\$128,391,233	\$200,438,673	\$212,208,185	\$287,763,265	\$356,258,006
Rental and other revenue	46,793,340	46,349,285	54,987,329	49,688,496	45,747,040	43,613,407	48,184,988	48,391,820
<b>TOTAL REVENUES</b>	<b>\$301,707,220</b>	<b>\$340,073,115</b>	<b>\$369,505,630</b>	<b>\$178,079,729</b>	<b>\$246,185,713</b>	<b>\$255,821,592</b>	<b>\$335,948,253</b>	<b>\$404,649,826</b>
<b>OPERATING EXPENSES:</b>								
Construction Costs	\$268,610,668	\$298,391,316	\$326,975,453	\$141,853,947	\$212,499,351	\$220,023,597	\$289,096,584	\$360,002,634
Maintenance and Operations - Daley Center	15,483,102	15,337,119	5,672,982	15,080,004	15,947,776	15,513,966	18,563,355	17,610,264
Administrative Expenses	6,417,006	7,705,948	7,447,982	6,807,782	7,575,958	12,791,050	10,553,961	13,169,614
Other operating expenses	2,660,219	2,758,241	2,872,775	2,967,556	3,024,715	3,044,036	3,263,243	3,468,130
<b>TOTAL EXPENSES</b>	<b>\$293,170,995</b>	<b>\$324,192,624</b>	<b>\$352,969,192</b>	<b>\$166,709,289</b>	<b>\$239,047,800</b>	<b>\$251,372,647</b>	<b>\$321,477,143</b>	<b>\$394,250,642</b>
<b>OPERATING INCOME</b>	<b>\$8,536,225</b>	<b>\$15,880,491</b>	<b>\$16,536,438</b>	<b>\$11,370,440</b>	<b>\$7,137,913</b>	<b>\$4,448,945</b>	<b>\$14,471,110</b>	<b>\$10,399,184</b>
<b>OTHER INCOME (EXPENSES):</b>	<b>(\$11,557,591)</b>	<b>(\$16,900,977)</b>	<b>(\$14,803,906)</b>	<b>(\$7,727,525)</b>	<b>(\$7,352,562)</b>	<b>(\$8,007,049)</b>	<b>(\$11,167,624)</b>	<b>(\$11,980,030)</b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>(\$3,021,366)</b>	<b>(\$1,020,486)</b>	<b>\$1,732,532</b>	<b>\$3,642,915</b>	<b>(\$214,649)</b>	<b>(\$3,558,104)</b>	<b>\$3,303,486</b>	<b>(\$1,580,846)</b>
<b>NET ASSETS-Beginning of year</b>	<b>\$78,885,626</b>	<b>\$75,864,260</b>	<b>\$74,843,774</b>	<b>\$76,576,306</b>	<b>\$80,219,220</b>	<b>\$80,004,571</b>	<b>\$76,446,467</b>	<b>\$79,749,953</b>
<b>NET ASSETS-End of year</b>	<b>\$75,864,260</b>	<b>\$74,843,774</b>	<b>\$76,576,306</b>	<b>\$80,219,220</b>	<b>\$80,004,571</b>	<b>\$76,446,467</b>	<b>\$79,749,953</b>	<b>\$78,169,107</b>

Source: Basic Financial Statements.

# **PUBLIC BUILDING COMMISSION OF CHICAGO**

## **Comprehensive Annual Financial Report**

### **Statistical Section**

#### **Revenue Capacity**

The table on page 30 depicts the Commission's revenue sources annually since 2002.

**PUBLIC BUILDING COMMISSION OF CHICAGO**

Revenue Sources  
Last Eight Fiscal Years

	2002	2003	2004	2005	2006	2007	2008	2009
<b>Project Revenue by Type</b>								
Public Health & Safety	\$25,626,103	\$4,832,140	\$31,655,076	\$15,694,379	\$30,559,982	\$44,217,910	\$67,312,710	\$35,293,636
City Projects	37,096,247	36,381,855	47,649,258	9,967,742	13,132,451	27,684,775	33,762,812	21,359,153
Library Projects	15,173,528	10,157,548	19,568,682	11,391,086	3,148,272	3,883,362	6,286,817	10,331,652
Park Projects	21,998,155	1,651,923	181,922	(266,090)	983,254	6,008,306	7,208,425	19,480,302
City Colleges Projects	11,609,722	40,423,445	23,707,273	20,698,822	114,192,328	69,011,937	394,063	(892,083)
Millennium Park Projects	26,346,939	40,260,236	24,118,386	20,354,279	(5,550,074)	(10,604)	1,253,745	(22,992)
County Projects	46,734	(549,461)	7,527	(13,881)	(144,014)	(30,613)	(6,758)	1,085
School Projects	110,582,029	85,900,985	109,216,984	44,422,911	43,383,942	56,749,104	167,924,322	258,825,028
Campus Park Projects	5,955,238	4,183,853	1,585,245	257,893	2,065,219	4,876,664	3,495,254	3,966,566
Chicago 2016 Projects	-	-	-	-	-	-	-	8,791,459
CTA Projects	-	27,360,321	55,640,905	5,097,314	(1,240,580)	(92,170)	(92,865)	(876,616)
Other Projects	479,185	2,120,985	1,187,043	786,778	(92,107)	(90,486)	224,740	816
<b>Subtotal</b>	<b>\$254,913,880</b>	<b>\$293,723,830</b>	<b>\$314,518,301</b>	<b>\$128,391,233</b>	<b>\$200,438,673</b>	<b>\$212,208,185</b>	<b>\$287,763,265</b>	<b>\$356,258,006</b>
<b>Rental Income - Lessees</b>	<b>\$28,424,778</b>	<b>\$26,123,466</b>	<b>\$34,007,882</b>	<b>\$26,792,127</b>	<b>\$26,696,278</b>	<b>\$25,130,524</b>	<b>\$18,774,075</b>	<b>\$15,911,279</b>
<b>Rental Income - Daley Center</b>	<b>\$15,949,943</b>	<b>\$15,592,158</b>	<b>\$16,316,682</b>	<b>\$17,274,412</b>	<b>\$17,844,210</b>	<b>\$18,200,760</b>	<b>\$20,797,558</b>	<b>\$25,995,778</b>
<b>Administrative Fee Revenue</b>	<b>\$2,125,563</b>	<b>\$3,141,127</b>	<b>\$4,252,686</b>	<b>\$5,216,542</b>	<b>\$944,774</b>	<b>\$71,750</b>	<b>\$8,444,135</b>	<b>\$6,336,263</b>
<b>Investment Income</b>	<b>\$15,923,930</b>	<b>\$13,591,078</b>	<b>\$13,233,987</b>	<b>\$15,179,712</b>	<b>\$8,115,981</b>	<b>\$5,650,895</b>	<b>\$1,758,869</b>	<b>\$138,491</b>
<b>TOTAL REVENUES</b>	<b>\$317,338,094</b>	<b>\$352,171,659</b>	<b>\$382,329,538</b>	<b>\$192,854,026</b>	<b>\$254,039,916</b>	<b>\$261,262,114</b>	<b>\$337,537,902</b>	<b>\$404,639,817</b>

Source: Public Building Commission of Chicago and Basic Financial Statements

# **PUBLIC BUILDING COMMISSION OF CHICAGO**

## **Comprehensive Annual Financial Report**

### **Statistical Section**

#### **Debt Capacity**

The tables on pages 32-33 depict the Commission's debt service requirements to maturity for currently outstanding series of bonds issued by the Commission.

The tables on pages 34-35 depict the Commission's outstanding debt service per capita for each series of bonds issued by the Commission annually since 2000.

**PUBLIC BUILDING COMMISSION OF CHICAGO**

**Detailed Schedule of Debt Service Requirements to Maturity  
As of December 31, 2009**

**Series 1993A  
Board of Education of the City of Chicago  
\$353.10 Million**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2010	\$0	\$1,190,963	\$1,190,963
2011	22,685,000	1,190,963	23,875,963
<b>TOTAL</b>	<b>\$22,685,000</b>	<b>\$2,381,926</b>	<b>\$25,066,926</b>

**Series 1999B  
Board of Education of the City of Chicago  
\$114.48 Million**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2010	\$415,000	\$5,988,388	\$6,403,388
2011	435,000	5,967,638	6,402,638
2012	12,800,000	5,945,888	18,745,888
2013	13,540,000	5,273,888	18,813,888
2014	14,320,000	4,563,038	18,883,038
2015	16,665,000	3,811,238	20,476,238
2016	17,605,000	2,936,325	20,541,325
2017	18,605,000	2,012,063	20,617,063
2018	19,720,000	1,035,300	20,755,300
<b>TOTAL</b>	<b>\$114,105,000</b>	<b>\$37,533,766</b>	<b>\$151,638,766</b>

**Series 1998A  
Chicago Park District  
\$17.30 Million**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2010	\$3,085,000	\$620,081	\$3,705,081
2011	3,230,000	463,862	3,693,862
2012	3,415,000	285,278	3,700,278
2013	3,600,000	96,750	3,696,750
<b>TOTAL</b>	<b>\$13,330,000</b>	<b>\$1,465,971</b>	<b>\$14,795,971</b>

(continued)

## PUBLIC BUILDING COMMISSION OF CHICAGO

### Detailed Schedule of Debt Service Requirements to Maturity As of December 31, 2009

Series 2006  
Chicago Transit Authority  
\$91.34 Million

<u>Fiscal</u> <u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$1,955,000	\$4,233,738	\$6,188,738
2011	2,035,000	4,153,938	6,188,938
2012	2,115,000	4,070,938	6,185,938
2013	2,205,000	3,984,538	6,189,538
2014	2,295,000	3,891,669	6,186,669
2015	2,405,000	3,782,775	6,187,775
2016	2,530,000	3,659,400	6,189,400
2017	2,660,000	3,214,775	5,874,775
2018	2,785,000	2,774,219	5,559,219
2019	2,915,000	2,715,038	5,630,038
2020	3,065,000	2,715,038	5,780,038
2021	3,225,000	2,715,038	5,940,038
2022	3,390,000	2,715,038	6,105,038
2023	3,565,000	2,621,456	6,186,456
2024	3,760,000	2,429,175	6,189,175
2025	3,960,000	2,226,525	6,186,525
2026	4,175,000	2,012,981	6,187,981
2027	4,400,000	1,787,888	6,187,888
2028	4,635,000	1,550,719	6,185,719
2029	4,890,000	1,300,688	6,190,688
2030	5,150,000	1,037,138	6,187,138
2031	5,430,000	759,413	6,189,413
2032	5,720,000	466,725	6,186,725
2033	6,030,000	158,288	6,188,288
<b>TOTAL</b>	<b>\$85,295,000</b>	<b>\$60,977,138</b>	<b>\$146,272,138</b>

(concluded)

Source: Public Building Commission of Chicago.



**PUBLIC BUILDING COMMISSION OF CHICAGO**

**Outstanding Debt Service Per Capita  
Last Ten Fiscal Years**

\$ Thousands, Except Per Capita

**Board of Education of City of Chicago**

<b>Year Ending</b>	<b>Series 1993A Outstanding Debt</b>	<b>Series 1999B Outstanding Debt</b>	<b>Series 1999C Outstanding Debt</b>	<b>Total Outstanding Debt</b>	<b>Population of Chicago</b>	<b>Debt Per Capita</b>
12/31/2000	\$144,260	\$114,480	\$316,255	\$574,995	2,896,016	\$198.55
12/31/2001	126,770	114,480	316,255	557,505	2,896,016	\$192.51
12/31/2002	108,385	114,480	298,110	520,975	2,896,016	\$179.89
12/31/2003	89,030	114,480	251,660	455,170	2,896,016	\$157.17
12/31/2004	68,630	114,480	183,100	366,210	2,896,016	\$126.45
12/31/2005	60,520	114,480	110,650	285,650	2,896,016	\$98.64
12/31/2006	51,975	114,480		166,455	2,896,016	\$57.48
12/31/2007	42,960	114,480		157,440	2,896,016	\$54.36
12/31/2008	33,105	114,480		147,585	2,896,016	\$50.96
12/31/2009	22,685	114,105		136,790	2,896,016	\$47.23

**Chicago Park District**

<b>Year Ending</b>	<b>Series 1993B Outstanding Debt</b>	<b>Series 1998A Outstanding Debt</b>	<b>Total Outstanding Debt</b>	<b>Population of Chicago</b>	<b>Debt Per Capita</b>
12/31/2000	\$16,375	\$17,295	\$33,670	2,896,016	\$11.63
12/31/2001	14,700	17,295	31,995	2,896,016	\$11.05
12/31/2002	12,910	17,295	30,205	2,896,016	\$10.43
12/31/2003	11,000	17,295	28,295	2,896,016	\$9.77
12/31/2004	8,955	17,295	26,250	2,896,016	\$9.06
12/31/2005	6,765	17,295	24,060	2,896,016	\$8.31
12/31/2006	4,420	17,295	21,715	2,896,016	\$7.50
12/31/2007	1,910	17,295	19,205	2,896,016	\$6.63
12/31/2008		16,280	16,280	2,896,016	\$5.62
12/31/2009		13,330	13,330	2,896,016	\$4.60

(continued)

**PUBLIC BUILDING COMMISSION OF CHICAGO**

**Outstanding Debt Service Per Capita  
Last Ten Fiscal Years**

\$ Thousands, Except Per Capita

Chicago Transit Authority					
Year Ending	Series 2003 Outstanding Debt	Series 2006 Outstanding Debt	Total Outstanding Debt	Population of Chicago	Debt Per Capita
12/31/2000			\$0	2,896,016	\$0.00
12/31/2001			0	2,896,016	\$0.00
12/31/2002			0	2,896,016	\$0.00
12/31/2003	\$119,020		119,020	2,896,016	\$41.10
12/31/2004	119,020		119,020	2,896,016	\$41.10
12/31/2005	115,120		115,120	2,896,016	\$39.75
12/31/2006		\$91,340	91,340	2,896,016	\$31.54
12/31/2007		88,965	88,965	2,896,016	\$30.72
12/31/2008		87,175	87,175	2,896,016	\$30.10
12/31/2009		85,295	85,295	2,896,016	\$29.45

Total - All Clients			
Year Ending	Total Outstanding Debt	Population of Chicago	Debt Per Capita
12/31/2000	\$608,665	2,896,016	\$210.17
12/31/2001	\$589,500	2,896,016	\$203.56
12/31/2002	\$551,180	2,896,016	\$190.32
12/31/2003	\$602,485	2,896,016	\$208.04
12/31/2004	\$511,480	2,896,016	\$176.62
12/31/2005	\$424,830	2,896,016	\$146.69
12/31/2006	\$279,510	2,896,016	\$96.52
12/31/2007	\$265,610	2,896,016	\$91.72
12/31/2008	\$251,040	2,896,016	\$86.68
12/31/2009	\$235,415	2,896,016	\$81.29

(concluded)

Sources: Outstanding Debt from Basic Financial Statements.  
Population of city of Chicago from U.S. Census Bureau.

# **PUBLIC BUILDING COMMISSION OF CHICAGO**

## **Comprehensive Annual Financial Report**

### **Statistical Section**

#### **Demographic and Economic Information**

The table on page 37 depicts cost metrics for six elementary school prototype projects bid by the Commission between May 1, 2008 and May 14, 2009.

The table on page 38 depicts cost metrics for five library projects employing two different prototypes bid by the Commission between December 19, 2007 and November 3, 2009.

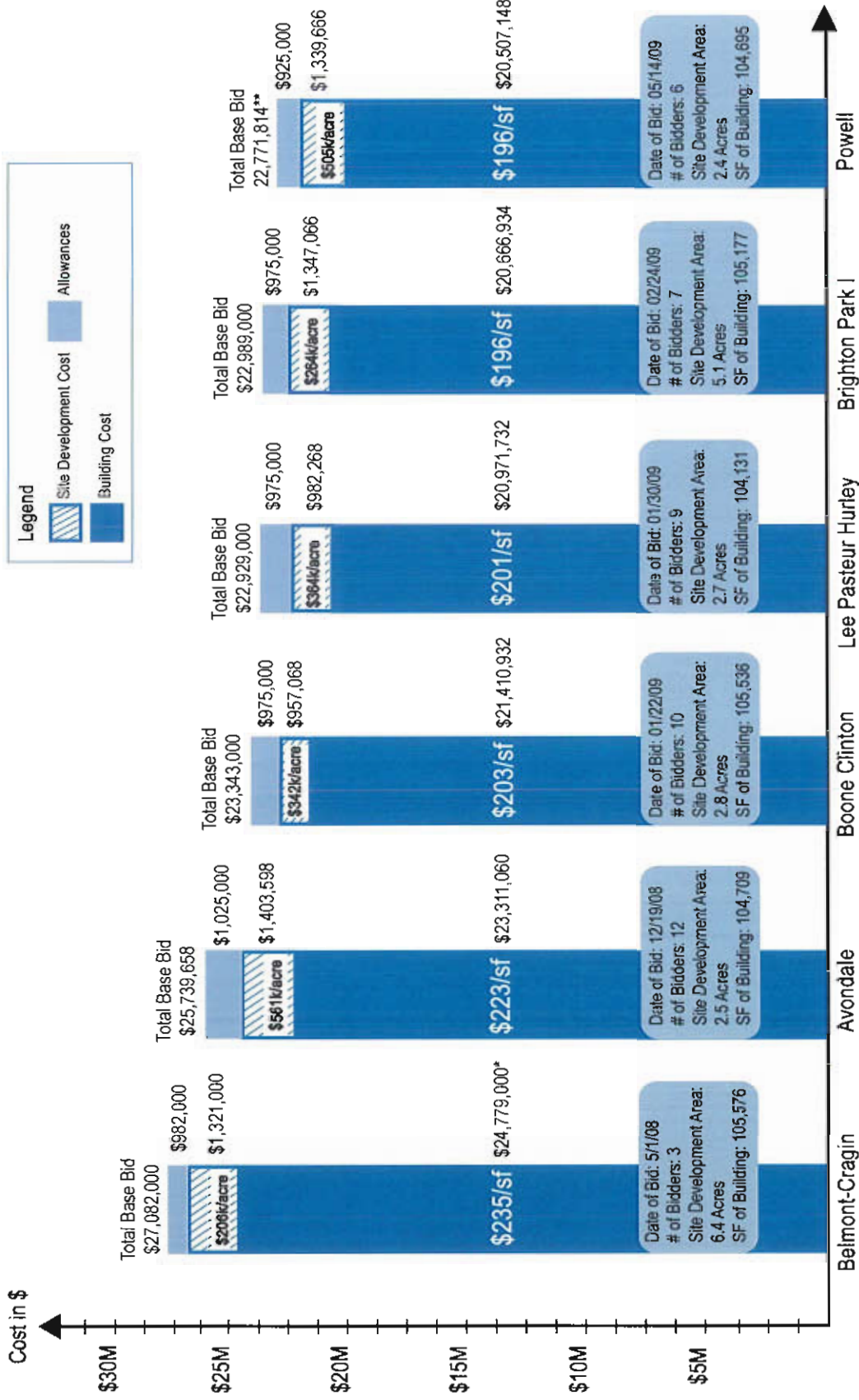
The table on page 39 depicts the Minority- and Women-owned Business Enterprise (M/WBE) commitments for all construction awards made by the Commission in 2009.

The table on page 40 depicts the M/WBE actual results on all projects for which the Commission completed construction in 2009.

The table on pages 41-42 depicts the Equal Employment Opportunity (EEO) actual results on all projects for which the Commission completed construction in 2009.

# PUBLIC BUILDING COMMISSION OF CHICAGO

## Market Conditions Report – Elementary Schools

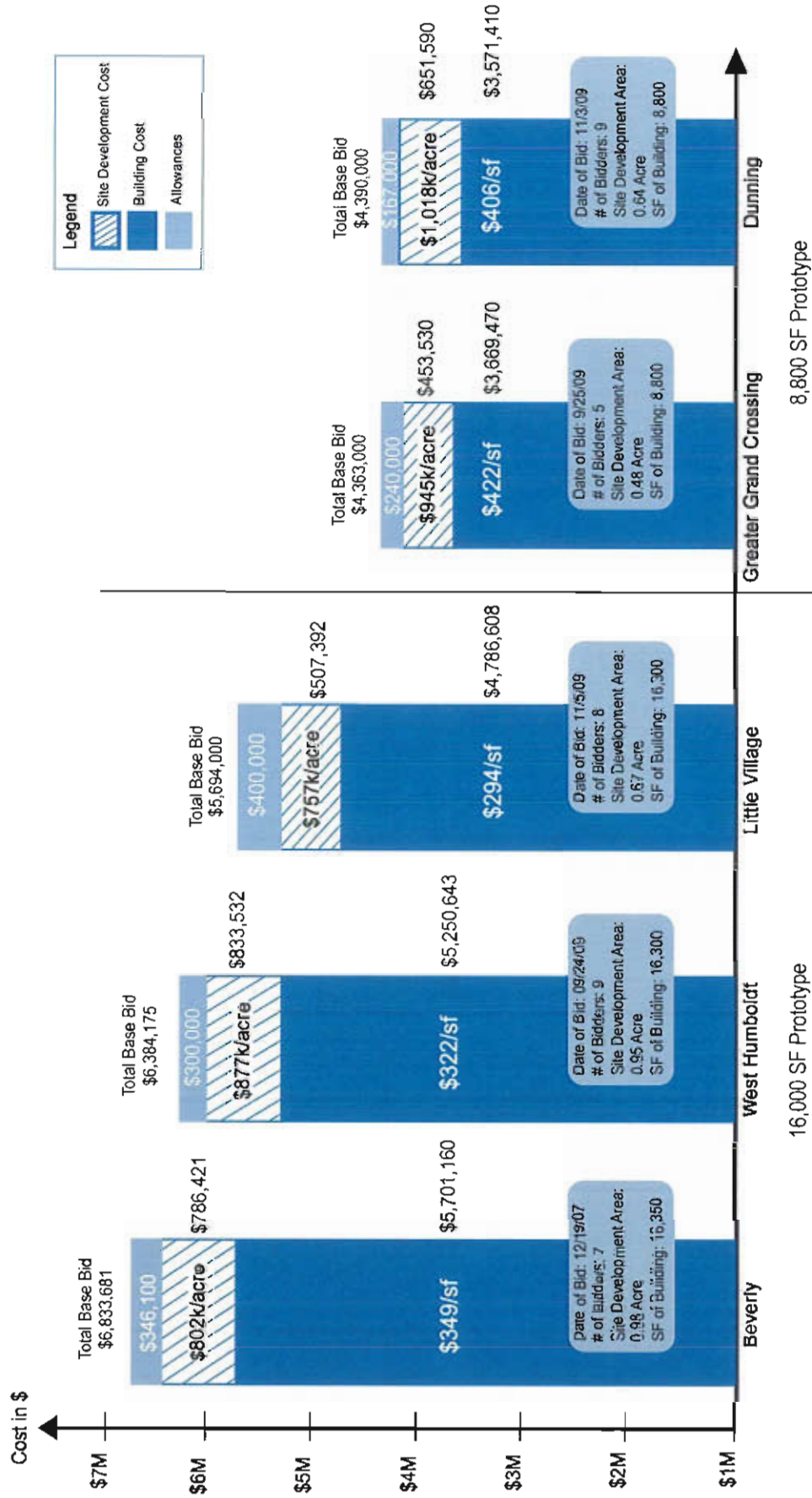


\* Includes \$118k allowance for project acceleration.  
 \*\* Total Base Bid of \$26,000,000 included \$3,228,186 for site preparation and was adjusted in this report for comparison purpose to \$22,771,814, = (\$26,000,000 - \$3,228,186).

Source: Public Building Commission of Chicago

# PUBLIC BUILDING COMMISSION OF CHICAGO

## Market Conditions Report - Libraries



Source: Public Building Commission of Chicago

**PUBLIC BUILDING COMMISSION OF CHICAGO**

**M/WBE Commitments  
All 2009 Construction Awards**

**General Construction Contracts - 2009 Awards**  
Stated goals: MBE - 24%; WBE - 4%

Project Name	Contractor	Awarded	MBE		WBE	
		Contract Value	Commitments	%	Commitments	%
Avondale Irving Park Area Elementary School	Leopardo-Reyes, AJV	\$25,739,658	\$10,809,556	42.0%	\$1,045,235	4.1%
Boone Clinton Area Elementary School	George Sollitt/Oakley JV	\$23,343,000	\$7,065,700	30.3%	\$940,000	4.0%
Lee Pasteur Hurley Area Elementary School	George Sollitt Construction	\$22,929,000	\$5,600,000	24.4%	\$940,000	4.1%
Brighton Park I Area Elementary School	F.H. Paschen, SN Nielsen & Assoc.	\$22,989,000	\$5,530,000	24.1%	\$925,000	4.0%
Powell Replacement Elementary School	George Sollitt/Brown & Momen JV	\$26,000,000	\$6,500,000	25.0%	\$1,040,000	4.0%
Michael Reese Hospital Campus Demolition/Abatement E & B	Brandenburg Ind. Service Co.	\$7,980,000	\$2,715,900	34.0%	\$847,800	10.6%
Michael Reese Hospital Campus Demolition/Abatement C & D	Heneghan Wrecking Company, Inc.	\$3,194,300	\$1,180,000	36.9%	\$320,000	10.0%
West Humboldt Park Branch Library	Leopardo Companies, Inc.	\$6,384,175	\$1,760,336	27.6%	\$264,153	4.1%
Greater Grand Crossing Branch Library	George Sollitt Construction	\$4,383,000	\$1,090,000	24.9%	\$368,000	8.4%
Valley Forge Park and Fieldhouse	Leopardo Companies, Inc.	\$3,859,318	\$933,468	24.2%	\$163,000	4.2%
Dunning Branch Library	F.H. Paschen, SN Nielsen & Assoc.	\$4,390,000	\$1,058,675	24.1%	\$176,000	4.0%
Comfort Stations	Pacific Construction Services	\$2,927,142	\$702,000	24.0%	\$180,000	6.1%
Little Village Branch Library	George Sollitt/Oakley JV	\$5,694,000	\$1,425,000	25.0%	\$230,000	4.0%
Engine Company 109	George Sollitt/Oakley JV	\$7,555,000	\$1,900,000	25.1%	\$304,000	4.0%
<b>Subtotal - General Construction Contracts</b>		<b>\$167,367,593</b>	<b>\$48,270,635</b>	<b>28.8%</b>	<b>\$7,743,188</b>	<b>4.6%</b>

**JOC 2009 Work Orders**  
Stated goals: MBE - 24%; WBE - 4%

Contract	Contractor	Work Order	MBE		WBE	
		Value	Commitments	%	Commitments	%
JOC Contract 1452	Old Veteran Construction	\$1,775,282	\$489,291	27.6%	\$4,000	0.2%
JOC Contract 1456	KR Miller	\$31,811	\$3,000	9.4%	\$7,530	23.7%
JOC Contract 1461	Rossi Contractors, Inc.	\$1,493,968	\$368,455	24.7%	\$49,621	3.3%
JOC Contract 1462	F.H. Paschen/SN Nielsen & Assoc.	\$8,440,264	\$3,681,418	43.6%	\$664,040	7.9%
JOC Contract 1463	McDonagh Demolition, Inc.	\$12,876,093	\$3,967,069	30.8%	\$724,662	5.6%
JOC Contract 1466	Pacific Construction Services	\$1,914,528	\$938,372	49.0%	\$118,350	6.2%
JOC Contract 1481	F.H. Paschen/SN Nielsen & Assoc.	\$991,884	\$179,789	18.1%	\$159,230	16.1%
<b>Subtotal - JOC Work Orders</b>		<b>\$27,523,830</b>	<b>\$9,627,394</b>	<b>35.0%</b>	<b>\$1,727,433</b>	<b>6.3%</b>

**Special Contract 2009 Awards**  
Stated goals: MBE - 25%; WBE - 5%

Project	Contractor	Work Order	MBE		WBE	
		Value	Commitments	%	Commitments	%
Operation Virtual Shield	IBM, Corp.	\$9,971,690	\$4,670,071	46.8%	\$374,608	3.8%
CHA Video Surveillance	IBM, Corp.	\$1,261,838	\$163,328	12.9%	\$67,653	5.4%
<b>Subtotal - Special Contract Work Orders</b>		<b>\$11,233,528</b>	<b>\$4,833,399</b>	<b>43.0%</b>	<b>\$442,261</b>	<b>3.9%</b>

**CM at Risk 2009 Trade Contract Awards - Ogden Elementary School**  
Stated goals - MBE - 30%; WBE - 8%

Trade Contract	Contractor	Value of Trade	MBE		WBE	
		Contract	Commitments	%	Commitments	%
Caissons	Revcon Construction	\$1,478,763	\$278,000	18.8%	\$183,500	12.4%
Earth Retention	Thatcher Foundations	\$505,000	\$152,000	30.1%	\$10,100	2.0%
Site Utilities	Reliable Contracting	\$259,348	\$180,368	69.5%	\$71,800	27.7%
Excavation	John Keno & Company	\$1,280,719	\$551,428	43.1%	\$134,719	10.5%
Steel	Carlo Steel Corp.	\$2,300,937	\$2,300,937	100.0%	\$0	0.0%
<b>Subtotal - CM at Risk Trade Contract Awards</b>		<b>\$5,824,767</b>	<b>\$3,462,733</b>	<b>59.4%</b>	<b>\$400,119</b>	<b>6.9%</b>

TOTAL - All 2009 Construction Awards	Total Amount	MBE		WBE	
	Awarded	Commitments	%	Commitments	%
	\$211,949,718	\$66,194,161	31.2%	\$10,313,001	4.9%

Source: Public Building Commission of Chicago

**PUBLIC BUILDING COMMISSION OF CHICAGO**

MB/WBE Actual Results  
All 2009 Completed Projects

Stated goals: MBE - 24%, WBE - 4%

Project Name	Contractor	Awarded Contract Value	MBE Commitments	%	MBE Actuals	%	WBE Commitments	%	WBE Actuals	%
Engine Company 102	Burling Builders	\$8,790,000	\$2,838,081	32.3%	\$2,838,141	32.3%	\$368,014	4.2%	\$375,453	4.3%
7th District Police Station	Casite Construction	\$21,078,962	\$9,311,327	44.2%	\$8,931,245	42.4%	\$915,565	4.3%	\$780,565	3.7%
Beverly Branch Library	Blinderman Construction	\$6,833,681	\$1,641,150	24.0%	\$1,715,824	25.1%	\$276,000	4.0%	\$294,038	4.3%
Southwest Vehicle Maintenance Facility	Walsh Construction	\$15,482,499	\$3,800,000	24.5%	\$3,413,041	22.0%	\$650,000	4.2%	\$641,558	4.1%
Langston Hughes Elementary School	George Sollitt/Oakley JV	\$30,220,000	\$12,366,551	40.9%	\$10,587,361	35.0%	\$5,630,601	18.6%	\$5,294,545	17.5%
Skinner Elementary School	K.R. Miller Construction	\$25,444,700	\$8,837,423	34.8%	\$7,370,867	29.0%	\$1,496,332	5.9%	\$1,080,005	4.2%
New Westinghouse High School	George Sollitt/Oakley JV	\$69,089,000	\$30,686,495	44.4%	\$27,852,911	40.3%	\$3,412,315	4.9%	\$3,235,126	4.7%
Norwood Park Senior Center	Oakley Construction	\$2,310,254	\$614,259	26.6%	\$585,985	25.4%	\$122,000	5.3%	\$85,427	3.7%
Southwest Area Middle School	F.H. Paschen, SN Nielsen & Assoc.	\$29,390,000	\$7,070,000	24.1%	\$7,571,973	25.8%	\$1,176,000	4.0%	\$1,244,412	4.2%
Belmont Cragin Elementary School	George Sollitt/Brown & Momen JV	\$27,407,683	\$10,337,008	37.7%	\$10,131,527	37.0%	\$1,421,000	5.2%	\$1,429,105	5.2%
Jesse Owens Park & Fieldhouse	Burling Builders	\$6,955,857	\$1,726,967	24.8%	\$1,868,050	26.9%	\$368,018	5.3%	\$362,957	5.2%
Taylor Lauridsen Park & Fieldhouse	Burling Builders	\$7,229,650	\$1,779,100	24.6%	\$1,885,351	26.1%	\$425,303	5.9%	\$355,813	4.9%
Daley Elementary School Stairwell	F.H. Paschen	\$288,867	\$90,210	17.4%	\$122,210	42.3%	\$68,519	23.7%	\$86,820	30.1%
Bontemps Campus Park	Pacific Construction Services	\$953,824	\$257,324	27.0%	\$155,671	16.3%	\$51,000	5.3%	\$80,770	8.5%
Bromann Park Addition	McDonagh Demolition	\$192,052	\$22,225	11.6%	\$20,900	10.9%	\$68,144	35.5%	\$64,737	33.7%
Ella Flagg Young Elementary School Stairwell	F.H. Paschen	\$411,332	\$73,079	17.8%	\$60,019	14.6%	\$43,491	10.6%	\$53,676	13.0%
<b>TOTAL</b>		<b>\$252,078,361</b>	<b>\$91,431,399</b>	<b>36.3%</b>	<b>\$85,111,076</b>	<b>33.8%</b>	<b>\$16,492,502</b>	<b>6.5%</b>	<b>\$15,465,007</b>	<b>6.1%</b>

Source: Public Building Commission of Chicago

**PUBLIC BUILDING COMMISSION OF CHICAGO**

EEO Compliance  
All 2009 Completed Projects

Project Name	Contractor	Minority Journey-workers	Minority Apprentices	Minority Laborers	Female Journey-Workers	Female Apprentices	Female Laborers	City Residency	Community Hiring
Engine Company 102	Burling Builders	Commitments	50.0%	50.0%	50.0%	2.0%	1.0%	5.0%	5.0%
		Actuals	57.5%	93.1%	93.1%	4.3%	3.0%	5.4%	55.1%
		Eligible for LD's	No	No	No	No	No	No	No
7th District Police Station	Cattle Construction	Commitments	33.0%	50.0%	50.0%	5.0%	10.0%	10.0%	5.0%
		Actuals	51.4%	90.7%	97.3%	3.7%	2.4%	7.9%	43.0%
		Eligible for LD's	No	No	No	Yes	Yes	Yes	Yes
Beverly Branch Library	Blinderman Construction	Commitments	25.0%	30.0%	30.0%	7.0%	7.0%	7.0%	5.0%
		Actuals	54.7%	80.2%	43.2%	1.9%	21.1%	0.0%	39.6%
		Eligible for LD's	No	No	No	Yes	No	Yes	Yes
Southwest Vehicle Maintenance Facility	Walsh Construction	Commitments	35.0%	25.0%	45.0%	2.0%	1.0%	1.0%	5.0%
		Actuals	43.5%	43.3%	104.3%	96.0%	3.6%	0.1%	38.4%
		Eligible for LD's	No	No	No	Yes	No	No	Yes
Langston Hughes Elementary School	George Sollitt/Oakley JV	Commitments	40.0%	50.0%	50.0%	0.0%	10.0%	0.0%	5.0%
		Actuals	58.9%	74.7%	81.6%	2.0%	18.3%	0.6%	50.7%
		Eligible for LD's	No	No	No	No	No	No	No
Skinner Elementary School	K.R. Miller Construction	Commitments	50.0%	50.0%	50.0%	0.0%	0.0%	0.0%	5.0%
		Actuals	59.9%	56.4%	89.5%	3.1%	1.0%	0.0%	40.7%
		Eligible for LD's	No	No	No	No	No	No	Yes
New Westinghouse High School	George Sollitt/Oakley JV	Commitments	40.0%	50.0%	50.0%	0.0%	10.0%	0.0%	5.0%
		Actuals	48.5%	81.5%	107.9%	1.4%	12.4%	4.7%	48.7%
		Eligible for LD's	No	No	No	No	No	No	Yes
Norwood Park Senior Center	Oakley Construction	Commitments	50.0%	50.0%	50.0%	10.0%	0.0%	10.0%	0.0%
		Actuals	45.1%	92.2%	88.8%	3.0%	0.0%	13.3%	45.5%
		Eligible for LD's	Yes	No	No	Yes	No	No	Yes
Southwest Area Middle School	F.H. Paschen, SN Nielsen & Assoc.	Commitments	40.0%	50.0%	50.0%	0.0%	8.0%	0.0%	5.0%
		Actuals	50.1%	73.0%	90.5%	2.0%	10.5%	3.4%	50.4%
		Eligible for LD's	No	No	No	No	No	No	No
Belmont Cragin Elementary School	George Sollitt/Brown & Momen JV	Commitments	40.0%	50.0%	50.0%	0.0%	10.0%	0.0%	5.0%
		Actuals	53.0%	59.1%	90.0%	2.6%	11.3%	0.4%	50.1%
		Eligible for LD's	No	No	No	No	No	No	No
Jesse Owens Park & Fieldhouse	Burling Builders	Commitments	38.0%	40.0%	50.0%	2.0%	0.0%	5.0%	5.0%
		Actuals	34.1%	58.5%	98.2%	0.0%	0.0%	1.1%	27.0%
		Eligible for LD's	Yes	No	No	Yes	No	Yes	Yes
Taylor Lauridsen Park & Fieldhouse	Burling Builders	Commitments	38.0%	40.0%	50.0%	2.0%	0.0%	5.0%	5.0%
		Actuals	37.3%	56.6%	87.1%	0.1%	0.0%	1.2%	30.8%
		Eligible for LD's	No	No	No	Yes	No	Yes	Yes
Daley Elementary School Suiswell	F.H. Paschen	Commitments	50.0%	50.0%	50.0%	10.0%	10.0%	10.0%	0.0%
		Actuals	49.8%	100.0%	82.2%	0.7%	0.0%	0.0%	27.5%
		Eligible for LD's	No	No	No	Yes	Yes	Yes	Yes
Bontemps Campus Park	Pacific Construction Services	Commitments	50.0%	50.0%	50.0%	5.0%	5.0%	5.0%	0.0%
		Actuals	33.5%	0.0%	99.0%	33.0%	0.0%	0.0%	48.9%
		Eligible for LD's	Yes	Yes	No	Yes	Yes	Yes	Yes



**PUBLIC BUILDING COMMISSION OF CHICAGO**

EEO Compliance  
All 2009 Completed Projects

Project Name	Contractor	Minority Journey-workers	Minority Apprentices	Minority Laborers	Female Journey-Workers	Female Apprentices	Female Laborers	City Residency	Community Hiring
Bronnann Park Addition	McDonagh Demolition	50.0% 46.2% Yes	50.0% 85.8% No	50.0% 15.3% No	10.0% 1.3% Yes	10.0% 0.0% Yes	10.0% 2.6% Yes	50.0% 50.9% No	0.0% 0.0% No
Ella Flagg Young Elementary School Stairwell	F.H. Pustchen	50.0% 49.8% No	50.0% 100.0% No	50.0% 82.2% No	10.0% 0.7% Yes	10.0% 0.0% Yes	10.0% 0.0% Yes	50.0% 27.5% Yes	0.0% 0.0% No
<b>AVERAGES</b>		<b>42.1%</b> <b>47.7%</b>	<b>45.7%</b> <b>70.1%</b>	<b>48.3%</b> <b>83.8%</b>	<b>4.2%</b> <b>10.1%</b>	<b>6.1%</b> <b>5.4%</b>	<b>4.9%</b> <b>2.3%</b>	<b>50.0%</b> <b>41.3%</b>	<b>6.0%</b> <b>3.5%</b>

Source: Public Building Commission of Chicago

# **PUBLIC BUILDING COMMISSION OF CHICAGO**

## **Comprehensive Annual Financial Report**

### **Statistical Section**

#### **Operating Information**

The table on page 44 depicts the construction change order percent for all projects active as of December 31, 2009.

The table on page 45 depicts the number of projects completed by the Commission per client per year since 2000.

The table on page 46 depicts the Leadership in Energy and Environmental Design (LEED) projects completed by the Commission per client as of December 31, 2009, including the LEED rating received.

The table on page 47 depicts certain statistics accrued by the Commission's LEED program as of December 31, 2009.

PUBLIC BUILDING COMMISSION OF CHICAGO

Active Projects Construction Change Order Percent  
As of December 31, 2009

Project	Contract Amount Including Contingency	Original Base Contract Amount	Approved Changes	Revised Construction Total	Projected Changes	Total Approved and Projected Changes	Change % from Original
Marshall School Campus Park	\$3,337,660	\$2,994,310	\$0	\$3,337,660	\$199,673	\$199,673	6.0%
Bontemps School Campus Park	\$1,023,885	\$963,885	\$92,444	\$1,116,329	\$12,229	\$104,673	10.2%
S. Water Plant Chlorine Improve	\$47,987,000	\$47,987,000	\$251,553	\$48,238,553	\$573,004	\$824,557	1.7%
Vehicle Maintenance Facility	\$16,125,436	\$15,825,436	\$1,384,187	\$17,509,623	(\$6,128)	\$1,378,059	8.5%
Michael Reese Hospital Demolition	\$12,031,636	\$12,031,636	\$307,703	\$12,339,339	\$1,152,719	\$1,460,422	12.1%
Miles Davis ES	\$25,376,000	\$24,876,000	\$109,592	\$25,485,592	\$0	\$109,592	0.4%
Westinghouse HS	\$83,627,156	\$82,167,156	\$5,014,096	\$88,641,252	\$410,081	\$5,424,177	6.5%
Langston Hughes ES	\$34,493,609	\$33,993,609	\$1,402,563	\$35,896,172	(\$524,933)	\$877,630	2.5%
Skinner ES	\$28,552,092	\$28,052,092	\$462,601	\$29,014,693	(\$223,929)	\$238,672	0.8%
Belmont Cragin Area ES	\$31,025,543	\$30,425,543	\$822,458	\$31,848,001	\$132,501	\$954,959	3.1%
Southwest Area MS	\$34,050,612	\$33,350,612	\$700,141	\$34,750,753	(\$1,189)	\$698,952	2.1%
Powell	\$26,037,107	\$25,537,107	\$0	\$26,037,107	\$14,524	\$14,524	0.1%
Avondale Irving Park ES	\$26,270,512	\$25,770,512	\$143,745	\$26,414,257	\$111,020	\$254,765	1.0%
Boone Clinton Area ES	\$23,727,202	\$23,227,202	\$79,894	\$23,807,096	\$309,698	\$389,592	1.6%
Lee/Pasteur Area ES	\$25,343,130	\$24,843,130	\$671,876	\$26,015,006	\$62,277	\$734,153	2.9%
South Shore Replacement HS	\$77,595,879	\$76,295,879	\$2,458,007	\$80,053,886	\$1,087,865	\$3,545,872	4.6%
Kelly Curie HS	\$78,850,415	\$77,550,415	\$454,456	\$79,304,871	(\$1,123,306)	(\$668,850)	-0.8%
Brighton Park I Area ES	\$28,976,069	\$28,476,069	\$410,008	\$29,386,077	\$296,959	\$706,967	2.4%
Ella Flagg Young ES Stairwell	\$545,234	\$498,614	\$0	\$545,234	\$30,060	\$30,060	5.5%
Richard J. Daley ES Stairwell	\$389,675	\$350,825	\$0	\$389,675	\$0	\$0	0.0%
Fire Station E18	\$9,499,033	\$9,299,033	\$291,993	\$9,791,026	\$0	\$291,993	3.1%
Fire Station E70	\$9,826,426	\$9,626,426	\$918,103	\$10,744,529	\$26,659	\$944,762	9.6%
Fire Station E102	\$9,277,161	\$9,077,161	\$123,309	\$9,400,470	\$0	\$123,309	1.3%
Beverly Branch Library	\$7,660,305	\$7,410,305	\$229,644	\$7,889,949	\$0	\$229,644	3.0%
West Humboldt Park Branch Librar	\$7,666,145	\$7,516,145	\$57,583	\$7,723,728	\$0	\$57,583	0.8%
Little Village Branch Library	\$6,059,662	\$5,859,662	\$66,197	\$6,125,859	\$58,456	\$124,653	2.1%
Grand Crossing Branch Library	\$5,260,134	\$5,120,134	(\$59,231)	\$5,200,903	\$10,435	(\$48,796)	-0.9%
Dunning Branch Library	\$4,569,107	\$4,452,107	\$0	\$4,569,107	\$0	\$0	0.0%
7th District Police Station	\$23,630,131	\$22,480,131	(\$8,490)	\$23,621,641	\$268,020	\$259,530	1.1%
9th District Police Station	\$29,962,369	\$29,562,369	\$891,080	\$30,853,449	\$0	\$891,080	3.0%
23rd District Police Station	\$31,721,366	\$31,021,366	\$273,433	\$31,994,799	\$110,850	\$384,283	1.2%
Norwood Park Senior Satellite Cen	\$2,325,688	\$2,225,688	\$66,085	\$2,391,773	\$5,115	\$71,200	3.1%
Taylor Lauridsen Field House	\$7,967,588	\$7,767,588	\$497,530	\$8,465,118	\$126,336	\$623,866	7.8%
Jesse Owens Field House	\$6,975,805	\$6,825,805	\$300,933	\$7,276,738	\$91,927	\$392,860	5.6%
Valley Forge Field House	\$3,859,318	\$3,734,318	\$0	\$3,859,318	\$47,865	\$47,865	1.2%
Bromann Park Playground	\$233,878	\$215,229	\$0	\$233,878	\$1,500	\$1,500	0.6%
Comfort Stations - 40th St/Osterma	\$2,927,142	\$2,847,142	\$0	\$2,927,142	\$0	\$0	0.0%
<b>Subtotal</b>	<b>\$774,787,110</b>	<b>\$760,257,641</b>	<b>\$18,413,493</b>	<b>\$793,200,603</b>	<b>\$3,260,288</b>	<b>\$21,673,781</b>	<b>2.9%</b>
<b>Specialty Contracts</b>							
Operation Virtual Shield - Phase 3	\$9,709,945	\$9,709,945	(\$1,175,882)	\$8,534,063	\$0	(\$1,175,882)	-12.1%
CHA Video Surveillance	\$1,308,248	\$1,308,248	\$0	\$1,308,248	\$0	\$0	0.0%
<b>Subtotal</b>	<b>\$11,018,193</b>	<b>\$11,018,193</b>	<b>(\$1,175,882)</b>	<b>\$9,842,311</b>	<b>\$0</b>	<b>(\$1,175,882)</b>	<b>-12.1%</b>
<b>CM at Risk</b>							
Ogden	\$1,630,854	\$1,630,854	\$30,962	\$1,661,816	\$226,775	\$257,737	15.8%
<b>Subtotal</b>							
<b>Total</b>	<b>\$785,805,303</b>	<b>\$771,275,834</b>	<b>\$17,237,611</b>	<b>\$803,042,914</b>	<b>\$3,260,288</b>	<b>\$20,497,899</b>	<b>2.7%</b>

According to the Concord Group, a regional construction consulting and cost estimating firm, the industry standard change order percentage for new municipal and educational construction work is 3-5%.

Source: Public Building Commission of Chicago

**PUBLIC BUILDING COMMISSION OF CHICAGO**

**Projects Completed By Client  
Last Ten Fiscal Years**

Client	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	TOTAL
Campus Parks	10	10	4	10	0	0	2	4	5	1	46
Chicago Department on Aging	1	0	1	0	4	0	0	0	0	1	7
Chicago Fire Department	0	0	2	0	0	3	0	0	3	1	9
Chicago Park District	6	1	0	1	1	0	0	0	1	3	13
Chicago Police Department	2	1	1	0	1	3	1	0	1	1	11
Chicago Public Library	2	2	0	2	1	3	4	0	0	1	15
Chicago Public Schools	25	17	16	4	3	4	1	0	1	7	78
City Colleges of Chicago	0	2	4	4	0	1	1	1	0	0	13
City of Chicago	4	6	18	11	4	3	0	0	0	1	47
<b>TOTAL</b>	<b>50</b>	<b>39</b>	<b>46</b>	<b>32</b>	<b>14</b>	<b>17</b>	<b>9</b>	<b>5</b>	<b>11</b>	<b>16</b>	<b>239</b>

Source: Public Building Commission of Chicago

## PUBLIC BUILDING COMMISSION OF CHICAGO

LEED Projects Completed By Client  
As of December 31, 2009

Name of Project	Client	LEED Rating
Engine Company 102	Chicago Fire Department	Gold
Engine Company 121	Chicago Fire Department	Silver
Engine Company 18	Chicago Fire Department	Silver
Engine Company 70	Chicago Fire Department	Silver
Jesse Owens Park and Fieldhouse	Chicago Park District	Gold
Taylor Lauridsen Park and Fieldhouse	Chicago Park District	Gold
22nd District Police Station	Chicago Police Department	Silver
7th District Police Station	Chicago Police Department	Gold
9th District Police Station	Chicago Police Department	Gold
Avalon Branch Library	Chicago Public Library	Certified
Beverly Branch Library	Chicago Public Library	Silver
Bucktown/Wicker Park Branch Library	Chicago Public Library	Certified
Budlong Woods Branch Library	Chicago Public Library	Certified
Logan Square Branch Library	Chicago Public Library	Silver
Oriole Park Branch Library	Chicago Public Library	Certified
Vodak/East Side Branch Library	Chicago Public Library	Certified
West Chicago Avenue Branch Library	Chicago Public Library	Certified
West Englewood Branch Library	Chicago Public Library	Certified
West Pullman Branch Library	Chicago Public Library	Certified
Albany Park Middle School	Chicago Public Schools	Certified
Dr. Jorge Prieto Math and Science Academy (1)	Chicago Public Schools	Silver
Irene C. Hernandez Middle School for the Advancement of the Sciences	Chicago Public Schools	Gold
Mark T. Skinner West Elementary School	Chicago Public Schools	Gold
Miles Davis Academy	Chicago Public Schools	Silver
New Westinghouse High School (1)	Chicago Public Schools	Silver
Tarkington School of Excellence	Chicago Public Schools	Certified
Chicago Center for Green Technology	City of Chicago - Department of Environment	Platinum
Western Boulevard Vehicle Maintenance Facility	City of Chicago - Department of Fleet Management	Silver
4th Ward Yard	City of Chicago - Department of Streets and Sanitation	Silver
South Water Plant Chlorine Improvements (1)	City of Chicago - Department of Water Management	Silver
Norwood Park Senior Satellite Center	City of Chicago - Department on Aging	Certified

Notes:

(1) LEED Certification in process.

Source: Public Building Commission of Chicago.

## PUBLIC BUILDING COMMISSION OF CHICAGO

### LEED Fast Facts as of December 31, 2009

Category	Results
Total gallons of stormwater diverted from sewers per year	444,500
Total gallons of potable water saved per year	9,571,220
Total energy savings per year	\$584,146
Total square feet of green roof area	103,366
Total shade trees on new construction sites	447
Total value of recycled materials purchased	\$12,078,969
Total value of regional materials purchased	\$18,688,588
Total value of wood materials harvested from sustainable forests	\$790,303
Tons of construction and demolition waste diverted from landfills	27,968
Electric Vehicle Charging Stations Developed	30

Source: Public Building Commission of Chicago