



2017

PUBLIC BUILDING COMMISSION OF CHICAGO
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEARS ENDED DECEMBER 31, 2017 & 2016

Mayor Rahm Emanuel, Chairman
Carina E. Sánchez, Executive Director

PUBLIC BUILDING COMMISSION OF CHICAGO, ILLINOIS

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

Issued June 30, 2018

**Public Building Commission
Board of Commissioners**

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**Prepared by Finance Dept.
Tanya Foucher-Weekley, Director of Finance**

TABLE OF CONTENTS**PAGE****INTRODUCTORY SECTION**

Letter of Transmittal i - ix

Organizational Chart x

Certificate of Achievement for Excellence in Financial Reporting – 2016 xi

FINANCIAL SECTIONIndependent Auditors' Report 1
2-3

Management's Discussion and Analysis 4-8

Basic Financial Statements

Statements of Net Position 9-10

Statements of Revenues, Expenses, and Changes in Net Position 11

Statements of Cash Flows 12

Notes to Basic Financial Statements 13-26

STATISTICAL SECTION (Unaudited)Financial Trends 28
29

Net Position by Component 30

Condensed Statements of Revenues, Expenses 31

and Changes in Net Position

Revenue Capacity 32

Revenue and Income Sources 33

Debt Capacity and Remaining Capital Lease Requirements 34

Detailed Schedule of Debt Service Requirements to Maturity per Bond Issue 35-37

Outstanding Debt Service per Capita – City of Chicago 38-40

Outstanding Debt Service as Percentage of Personal Income – City of Chicago 41-43

Outstanding Debt Service per Capita – Cook County 44-46

Outstanding Debt Service as Percentage of Personal Income – Cook County	47-49
Demographic and Economic Information	50-51
Population, Housing and Economic Statistics – City of Chicago	52
Population, Housing and Economic Statistics – Cook County	53
Principal Employers – City of Chicago	54
Market Conditions Report – Elementary Schools	55
Market Conditions Report – Elementary School Linked Annexes	56
Market Conditions Report – Elementary School Additions	57
Market Conditions Report – High Schools	58
Market Conditions Report – Engine Companies	59
Market Conditions Report – Police Districts	60
Market Conditions Report – Fieldhouses	61
Market Conditions Report - Libraries	62
M/WBE Compliance Report – Construction Contracts on 2017 Construction Completions	63
M/WBE Compliance Report – Professional Services on 2017 Construction Completions	64
M/WBE Compliance Report – Job Order Contracting (JOC) Contracts on 2017 Construction Completions	65
EEO Compliance Report – All 2017 Construction Completions	66
Operating Information	67
Commission Annual Employee Count	68
Construction Change Order Percent - 2017 Completions	69
Completed Projects by Client	70-72
LEED Projects Completed by Client	73-75
LEED Fast Facts	76

June 30, 2018

To the Honorable Mayor Rahm Emanuel, Chairman of the Board of Commissioners of the Public Building Commission of Chicago, Commissioners, and Citizens of the City of Chicago and Cook County:

I am pleased to submit the Comprehensive Annual Financial Report (CAFR) of the Public Building Commission of Chicago (Commission or PBC) for the years ended December 31, 2017 and 2016. 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 general accepted accounting standards (GAAP). The Commission's management has provided a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the Management's Discussion and Analysis (MD&A)—the two should be read in tandem. The Commission's MD&A can be found immediately following the independent auditors' report.

The Commission's internal control structure seeks to provide reasonable assurances that organizational assets are protected from loss and misuse. These reasonable assurances are not absolute as the Commission must balance the cost of control with the benefits derived. In an effort to further enhance its internal control program, the Commission continues to increase the number of approved policies and procedures in financial management and other administrative areas of the organization; maintains an anonymous fraud hotline, as well as the utilization of an Inspector General function.

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 service agreements, including those for architects, engineers, and other construction and design experts; employment and personnel matters; and, 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; and 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 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 may 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. Further, the Commission may 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.

Local Economy

The City of Chicago has one of the world's largest and most diversified economies, with more than four million employees and generating an annual gross regional product (GRP) of \$609B. The city is an efficient economic powerhouse, home to more than 400 major corporate headquarters, including 36 in the Fortune 500.

Powered by a diverse economy, strong transportation infrastructure and outstanding research institutions, Chicago is a global city poised to remain competitive in the coming decades. Chicago has achieved distinction in a range of important categories that demonstrate growth and strength.

In 2017 for the fifth consecutive year, *Site Selection Magazine* ranked Chicago as the number one city for corporate relocations. In addition, according to the 2017 *IBM Global Location Trends* report, the Chicago metropolitan area continues to be a leader in the nation in foreign direct investment (FDI).

Among the most diverse economies in the nation, Chicago is a key player in every sector from risk management innovation to manufacturing to information technology to health services.

In addition to the arrival and expansion of more corporate headquarters and corresponding jobs, Chicago has increased the quality of life and culture for its residents. Time Out magazine recently named Chicago as the "world's best city for having it all" after conducting a survey of nearly 20,000 residents of 18 global cities. Chicago ranked first based on the answers to questions about dining affordability, sense of community and vibrancy.

Convention activity is another major component of Chicago's vitality along with the various local attractions, museums, festivals, and professional sports teams providing significant contributions.

Major Initiatives

In 2017, the PBC continued our excellent track record of providing contracting opportunities to minority – and women – owned business enterprises on a wide range of diverse projects. From innovative modernization solutions in schools to improvements in public libraries, the PBC's work in 2017 has helped to stabilize neighborhoods and serve as a catalyst for further community development.

These efforts were successful. The PBC completed \$26M in capital improvement projects in 2017, not including OEMC.

These projects are inclusive of a culmination of multiple year modernization plan on behalf of the Chicago Public Schools, with renovations at Edwards Elementary and the decommissioning of vacant Anthony Wing at Chicago Vocational Career Academy.

On behalf of the Chicago Public Library (CPL), the PBC completed the renovation of the Thomas Hughes Children's Library at the Harold Washington Library Center. The PBC also began construction on the Whitney M. Young, Jr. Branch Library Addition and Renovation Project. Both projects total \$9M in investments to support CPL and the City of Chicago's joint goal of providing access to quality library facilities throughout the city.

The PBC and City Colleges of Chicago began construction on the Daley College Engineering and Advanced Manufacturing Center. This \$45M project will provide City College Students with access to state of the art equipment for experimental learning and serve as a quality-control testing site for small to mid-sized local manufacturers.

The PBC formed an exciting partnership with the Chicago Park District with work beginning on the "Save Chicago's Treasures" initiative, a nearly \$30M program to improve aging Park District facilities over the next three years. Planning and design is underway and construction is scheduled to begin in 2018.

These quality public facilities helped to strengthen neighborhoods, but they also drive an important economic engine within a community through job creation. To ensure PBC projects positively affect the local economy, the PBC establishes city residency and community area hiring requirements with each of its construction projects. That means 50% of the total hours worked on a project must come from City of Chicago residents. Furthermore, at the outset of a project, the PBC defines the community area, usually the neighborhood and immediate surrounding areas. 7.5% of the total hours worked on a project must be worked by residents of that community area.

In 2017, 1,037 people earned more than \$10.4M working on PBC projects completed in 2017. Because of the PBC's city and community area requirements, many of these people are residents of the community areas where the projects were built.

As these numbers illustrate, PBC projects create meaningful and significant economic opportunities for communities. The PBC continuously seeks new and innovative prospects to increase diverse business participation. These efforts ensure the PBC's commitment to economic sustainability is furthered with a workforce as diverse as the communities within Chicago.

In recent years, the PBC 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) central surveillance system, supporting first responders

The PBC serves as the unifying agency for the design and installation of security camera systems for the City of Chicago, Cook County, and their Sister Agencies. The PBC works with each client to ensure the camera systems are designed and installed within a standard, unified methodology so each system will communicate with the security camera networks of the Office of Emergency Management and Communication (OEMC) and the Department of Homeland Security and Emergency Management (DHSEM).

Highlights of the 2017 Program include:

- \$22.8M invested in technology and infrastructure improvements
- 98 new cameras

- 324 cameras installed Chicago Police lock-up areas
- 126 street cameras installed
- 213 replacement cameras
- Repair of over 300 cameras/PODs
- Repair of over 2,500 repair cases managed
- Chicago Police Department License Plate Recognition in 18 patroller

The PBC continues to work with OEMC to create and implement the city-wide strategy to integrate public right-of-way cameras into the OEMC network for availability to first responders, emergency management teams, and to implement multiple surveillance solutions supporting the City's initiatives which are funded by federal Department of Homeland Security grants.

In 2017, the Commission completed a \$4.6M energy retrofit project on behalf of the Metropolitan Water Reclamation District (MWRD). The scope included reviewing possibilities of energy savings at six waste water treatment facilities throughout the City and Cook County. The projected completed this year were at the Calumet and Stickney Water Reclamation Plants as well as a boiler replacement at the 125th Street pumping Station in West Pullman.

The PBC is committed to delivering cost efficient projects on behalf of our clients. The PBC works in close concert with our user agencies to develop project approaches that meet both their social and financial programming goals. Throughout the development of a project, we provide budget and cost information to managers, clients, commissioners and other stakeholders.

The PBC's total multi-year program authority for capital construction projects completed and in development since 2011 exceeds \$2.3B. These projects are trending under budget by 6.6%, representing a variance of \$153M under current budgets. The projects completed by the PBC in 2017 represent \$26M in investments across the city.

The Commission's fiscal management demonstrates how the PBC remains committed to the stewardship of the public fund through exemplary cost and schedule control. These control measures allow for consistent delivery of quality public facilities, either new or renovated, and significant infrastructure and technology projects, on time and under budget while also furthering a commitment to both environmental and economic sustainability.

Clients

The Commission proud to call the following public agencies partners:

City of Chicago

- Chicago Public Library
- Department of Fleet and Facility Management (2FM)
- Department of Family and Support Services
- Department of Finance
- Department of Planning and Development
- Office of Emergency Management and Communications

Chicago Public Schools
Chicago Park District
City Colleges of Chicago
Chicago Transit Authority
Cook County
 Department of Homeland Security and Emergency Management
 Office of the Sheriff
Metropolitan Water Reclamation District of Greater Chicago

Leadership in Energy and Environmental Design (LEED)

The Commission continues its longstanding commitment to environmental sustainability by building LEED certified facilities. LEED is a performance-based rating system developed by the U.S. Green Building Council (USGBC) that measures the “greenness” of a building and the success of its sustainable design and construction. 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 which include 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 project designed and constructed. In some 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.

As a public developer and responsible steward of the public fund, the Commission focuses on both environmental and economic sustainability. These two goals are inextricably linked because the inclusion of environmentally-sustainable design, ultimately, lowers the life-cycle and utility costs, which, in turn, minimizes the drain on natural resources.

When Mayor Emanuel was first sworn in as the Commission’s chairman in 2011, he announced the goal of doubling the number of LEED certified municipally-owned buildings by 2015. At the time, the City had a total of 41 LEED Certified municipally owned buildings. Thanks to exemplary project management and controls, this goal was achieved in the first quarter of 2014, well ahead of schedule. By the end of 2017 the Commission had developed 75 of the City’s 95 buildings that have achieved LEED certification—making Chicago a leader in the nation for the highest number of LEED certified municipal buildings.

This distinction is important not only to underscore that Chicago has a commitment to being the greenest city in the nation, but also because it has reduced the impact on the environment for generations to come. In 2017, these overall LEED achievements translate into more than 26M gallons of potable water saved per year, more than \$75M in recycled materials used to date, more than \$124M in regional materials used to date, more than 207K tons in waste diverted from landfills to date and \$1.6M in annual energy savings in PBC projects citywide.

Please see Statistical Section for additional information regarding LEED.

Economic Opportunity and Human Sustainability

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, the Commission contributes to the overall mission of empowering minority and women business enterprises (MBE/WBE) and minority and women workers by spurring job creation in communities that have historically had disparate access to such work.

The PBC believes that Chicago will reach its full potential when its diverse populations are represented at the business table and when every hardworking citizen with the drive and desire to succeed in their chosen occupation has a pathway to success.

These following contract provisions are routinely enforced in the management of Commission projects.

MBE/WBE Participation: Construction contracts for the Commission establish minimum MBE/WBE participation goals at 26% MBE and 6% WBE. The Commission works closely with the General Contractor to monitor and ensure the contractor meets or exceeds 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 journeyworkers, apprentices, and laborers on the project. Upon award, the proposed use becomes a contract requirement which is monitored during construction via certified payrolls.

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.

Projects completed in 2017 total \$40.2M paid to date. These projects have achieved 41.5% or \$16.6M MBE participation and 7.3% or approximately \$2.9 M WBE participation. In addition, \$8.9M has been paid to professional administrative service contracts in 2017. Of those contracts, 45.53% or \$4M were MBE participation and 10% or \$900,000 WBE participation.

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, includes information on all current projects, including contractors,

payment applications funded by the Commission, building and site details, along with 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 along with agendas for upcoming meetings are posted there as well.

A log of all Freedom of Information Act Requests (FOIA) is also included on the website. Financial statements are posted, along with links to the client's websites. Furthermore, the Commission offers a free alert service that notifies all interested parties by e-mail each time a new contracting opportunity is available. These notices help companies pre-qualify for bidding opportunities as well as find sub-contracting opportunities. The Commission is proud to provide this level of information and transparency for all aspects of its business practices.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Commission for its CAFR for the fiscal year ended December 31, 2017. This was the seventh consecutive year that the Commission applied for and received this prestigious award, which is the highest form of recognition for excellence in state and local government financial reporting. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to conform to the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The Commission is also honored that its projects garnered the following 8 awards in 2017 from a wide range of industry associations and thought leaders that recognize innovation, best practices and excellence in planning, design and construction.

The Chinatown Branch Library, received the bulk of the recognition. The library was awarded the 2017 Construction Industry Service Corporation project of the year award for new construction projects under \$20M as well as the Construction Management Association of America Project Achievement Award.

Other awards in 2017 include;

American Institute of Architects – Chicago Chapter
Distinguished Building Award & Interior Architecture Award– Citation of Merit
Chicago Public Library, Chinatown Branch
April 2017

Chicago Building Congress
2017 Merit Award
Walter Payton College Prep Annex
May 2017

American Institute of Architects – Illinois Chapter
Louis Sullivan Award
Chicago Public Library, Chinatown Branch
August 2017

Association of Licensed Architects
Award of Merit
Robert J. Richardson Middle School
October 2017

Chicago Neighborhood Development
2nd Place: The Richard H. Driehaus Foundation Award
Architectural Excellence in Community Design
Chicago Public Library, Chinatown Branch
April 2017

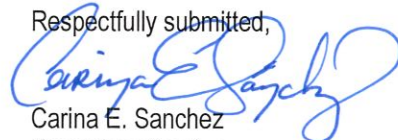
Independent Audit

The Act requires the Commission's financial statements to be audited annually by independent certified public accountants. The fiscal year 2017 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 woman-owned certified public accounting firm. An unmodified 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 certainly not without the dedication help of the entire staff of the PBC. I extend my appreciation to the team for their hard work on this report.

Respectfully submitted,



Carina E. Sanchez
Executive Director

PUBLIC BUILDING COMMISSION OF CHICAGO ORGANIZATIONAL CHART

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEARS ENDED DECEMBER 31, 2017 & 2016

BOARD OF COMMISSIONERS

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Mayor, City of Chicago

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Commissioner
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JAMES F. ELLIS, Jr
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of Cook County*

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Treasurer
*Metropolitan Water Reclamation
District of Greater Chicago*

**REVEREND DAVID
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Commissioner
City of Chicago

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CARINA E. SÁNCHEZ
Executive Director

**PROGRAM CONTROLS
& REPORTING**

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OPERATIONS

FINANCE



Government Finance Officers Association

**Certificate of
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Presented to

**Public Building Commission
of Chicago, Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2016

Christopher P. Morill

Executive Director/CEO

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PUBLIC BUILDING COMMISSION OF CHICAGO

Comprehensive Annual Financial Report

Financial Section

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

INDEPENDENT AUDITORS' REPORT

To the Public Building Commission of Chicago
Chicago, Illinois

Report on the Financial Statements

We have audited the accompanying basic financial statements of the Public Building Commission of Chicago (the "Commission"), which comprise the statements of net position as of December 31, 2017 and 2016, and the related statements of revenues, expenses, and changes in net position and cash flows for the years then ended, and the related notes to the basic financial statements.

Management's Responsibility for the Basic Financial Statements

Management is responsible for the preparation and fair presentation of these basic financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the basic financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these basic 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 basic financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Commission's preparation and fair presentation of the basic financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the basic financial statements.

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

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, 2017 and 2016, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

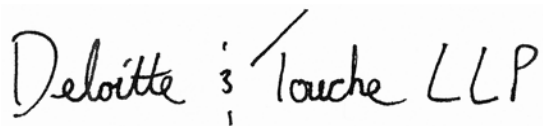
Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming an opinion on the Commission's basic financial statements as a whole. The introductory and 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. Such information has not been subjected to auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

The image shows a handwritten signature in black ink. The signature reads "Deloitte" followed by a vertical separator consisting of a vertical line with a horizontal bar at the top and bottom, and a small horizontal bar in the middle. To the right of this separator is the word "Touche" followed by "LLP".

June 26, 2018

PUBLIC BUILDING COMMISSION OF CHICAGO

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, 2017, 2016, and 2015. Please read it in conjunction with the Commission's basic 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, 2017 and 2016, 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 the 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 position; a statement of revenues, expenses, and changes in net position; and a statement of cash flows. Notes to the basic financial statements are also included.

The statement of net position presents information on the assets and liabilities, with the difference reported as total net position. 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 funds held for future 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 remains with 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 position reports the operating revenues and expenses and other revenues and expenses of the Commission for the year with the difference reported as the increase or decrease in net position for the year. This statement provides an indication of the project development expenses, the Daley Center operating expenses, Commission administrative operating expenses, and interest income and expense. Project revenues are recognized to the extent of current project expenses. Principal and interest on bonds issued by the Commission are to be covered by 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 basic financial statements.

Financial Information

The assets of the Commission exceeded liabilities by approximately \$73.3 million at December 31, 2017. Of this amount, \$53.3 million was included in net investment in capital assets and \$19.9 million was restricted for use by the Daley Center and for Commission operations. The Commission's total net position decreased by \$565,223 and \$175,860 for the years ended December 31, 2017 and 2016, respectively. The decrease in net position for the year ended December 31, 2017, is attributable to decreases in project revenues that directly impact the Commission's administrative fee.

The assets of the Commission exceeded liabilities by approximately \$73.9 million at December 31, 2016. Of this amount, \$54.3 million was included in net investment in capital assets and \$19.6 million was restricted for use by the Daley Center and for Commission operations. The Commission's total net position decreased by \$175,860 and \$3.9 million for the years ended December 31, 2016 and 2015, respectively. The decrease in net position for the year ended December 31, 2016, is attributable to decreases in project revenues that directly impact the Commission's administrative fee.

Operating revenues for the years ended December 31, 2017 and 2016 were \$106.9 million and \$154.5 million, respectively. Operating expenses were \$102.8 million and \$149.3 million for the years ended December 31, 2017 and 2016, respectively. Both fluctuated based on the volume of construction activity as operating revenue includes project revenue, which is recognized to the extent of current construction costs.

Operating revenues for the years ended December 31, 2016 and 2015 were \$154.5 million and \$178.6 million, respectively. Operating expenses were \$149.3 million and \$176.7 million for the years ended December 31, 2016 and 2015, respectively. Both fluctuated based on the volume of construction activity as operating revenue includes project revenue, which is recognized to the extent of current construction costs.

Despite a significant decrease in revenues and expenses for the year ended December 31, 2017, the PBC's continued commitment to deliver quality public projects cost effectively resulted in the Commission netting an operating income of \$4.1M. Work completed in 2017 included two renovations projects for the Chicago Public School, renovation of Thomas Hughes Children's library at Harold Washington library center on behalf of Chicago Libraries and energy conservation project on behalf of Metropolitan Water reclamation.

For the year ended December 31, 2016, revenues and expenses began to decline in comparison to the prior two years but netted an operating income of \$5.2M in large part due to the Commission's focus on streamlining operations and realigning the organizational structure to deliver projects more efficiently. Work completed in 2016 included four new annexes and two new state of the art schools for the Chicago Public School.

Also in 2015, the Commission remained focused on its commitment towards the development of public capital programs. Much of the work in 2015 centered on school improvements and modernizations. Also in 2015, on behalf of the Chicago Public Library, the PBC completed the Chinatown Branch Library and constructed three new YOUmedia centers. Further, the Chicago Children's Advocacy Center Addition project was completed for the City of Chicago in 2015.

Summary of Condensed Financial Information at December 31, 2017, 2016, and 2015:

	Condensed Statements of Net Position as of December 31, 2017, 2016, and 2015		
	2017	2016	2015
Assets:			
Capital assets—net	\$ 57,482,295	\$ 58,804,564	\$ 61,929,907
Other assets	<u>190,532,943</u>	<u>186,997,884</u>	<u>219,662,519</u>
Total assets	<u>\$ 248,015,238</u>	<u>\$ 245,802,448</u>	<u>\$ 281,592,426</u>
Liabilities:			
Current liabilities	\$ 85,216,071	\$ 60,347,890	\$ 73,882,557
Noncurrent liabilities	<u>89,335,994</u>	<u>111,397,698</u>	<u>133,448,686</u>
Total liabilities	<u>\$ 174,552,065</u>	<u>\$ 171,745,588</u>	<u>\$ 207,331,243</u>
Deferred inflow of resources related to refunding	<u>\$ 147,897</u>	<u>\$ 176,361</u>	<u>\$ 204,824</u>
Net position:			
Net investment in capital assets	\$ 53,317,396	\$ 54,282,447	\$ 57,080,585
Restricted—Daley Center	12,095,921	11,109,449	10,478,558
Restricted—Commission's operations	<u>7,901,959</u>	<u>8,488,603</u>	<u>6,497,216</u>
Total net position	<u>\$ 73,315,276</u>	<u>\$ 73,880,499</u>	<u>\$ 74,056,359</u>

**Condensed Statements of Revenues, Expenses,
and Changes in Net Position
for the Years Ended December 31, 2017, 2016, and 2015**

	2017	2016	2015
Operating revenue:			
Project revenue	\$ 77,533,902	\$ 124,335,663	\$ 145,848,382
Rental and other revenue	<u>29,377,505</u>	<u>30,163,742</u>	<u>32,792,141</u>
Total revenues	<u>106,911,407</u>	<u>154,499,405</u>	<u>178,640,523</u>
Operating expenses:			
Construction costs	78,005,483	125,005,435	146,158,195
Other operating expenses	<u>24,823,898</u>	<u>24,252,134</u>	<u>30,526,586</u>
Total operating expenses	<u>102,829,381</u>	<u>149,257,569</u>	<u>176,684,781</u>
Operating income	4,082,026	5,241,836	1,955,742
Other expenses	<u>(4,647,249)</u>	<u>(5,417,696)</u>	<u>(5,819,193)</u>
Decrease in net position	(565,223)	(175,860)	(3,863,451)
Net position—beginning of year	<u>73,880,499</u>	<u>74,056,359</u>	<u>77,919,810</u>
Net position—end of year	<u>\$ 73,315,276</u>	<u>\$ 73,880,499</u>	<u>\$ 74,056,359</u>

Capital Assets

At December 31, 2017, the Commission's \$53.3 million net investment in capital assets was net of accumulated depreciation of \$117.7 million and included a capital lease obligation of \$4.2 million. The Commission had \$175.2 million of gross capital assets, including \$11.7 million in land, \$71.3 million in the Daley Center building, \$90.5 million of building improvements to the Daley Center, as well as \$1.7 million of construction in process. During the year ended December 31, 2017, the Commission had capital additions of \$2.1 million.

At December 31, 2016, the Commission's \$54.3 million net investment in capital assets was net of accumulated depreciation of \$114.2 million and included a capital lease obligation of \$4.5 million. The Commission had \$173.0 million of gross capital assets, including \$11.7 million in land, \$71.3 million in the Daley Center building, \$86.2 million of building improvements to the Daley Center, as well as \$3.8 million of construction in process. During the year ended December 31, 2016, the Commission had capital additions of \$1.2 million.

At December 31, 2015, the Commission's \$57.1 million net investment in capital assets was net of accumulated depreciation of \$109.9 million and a capital lease obligation of \$4.8 million. The Commission had \$171.8 million of gross capital assets, including \$11.7 million in land, \$71.3 million in the Daley Center building, \$86.1 million of building improvements to the Daley Center, as well as \$2.7 million of construction in process. During the year ended December 31, 2015, the Commission had capital additions of \$2.9 million.

A summary of changes in capital assets is included in Note 3 to the basic financial statements.

Long-Term Debt and Capital Leases Receivable

As of December 31, 2017, 2016, and 2015, the Commission had \$86.8 million, \$108.1 million, and \$128.2 million, respectively, in long-term debt principal outstanding. No additional long-term debt was incurred by the Commission for the year ended December 31, 2017.

On March 24, 2010, the Commission entered into a tax-exempt lease purchase agreement for \$5.9 million to finance an energy performance contract relating to certain improvements at the Daley Center. On November 17, 2014, the Commission amended the tax-exempt lease purchase agreement effectively reducing the interest rate to 3.87%. As a result of this refunding on December 31, 2017, 2016, and 2015, \$4.2 million, \$4.5 million and \$4.8 million of the amount financed was outstanding, respectively.

As of December 31, 2017, 2016, and 2015, the Commission had \$86.8 million, \$108.1 million, and \$128.2 million, respectively, in capital leases receivable. The decrease in capital leases receivable was due to the lease payments made during the years ended December 31, 2017, 2016, and 2015, for the Series 1999B, and Series 2006 leases.

Summaries of changes in long-term debt, capital leases receivable and capital lease obligations are included in Notes 4, 5, and 6, respectively, to the basic 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 Street, Room 200, Chicago, Illinois 60602. This report is available on the Commission's website at www.pbcchicago.com.

PUBLIC BUILDING COMMISSION OF CHICAGO

STATEMENTS OF NET POSITION AS OF DECEMBER 31, 2017 AND 2016

	2017	2016
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 449,912	\$ 265,726
Due from other governments—rent receivables	3,031,156	1,250,414
Due from other agencies—project receivables	45,852,118	33,921,425
Other current assets	166,348	56,130
Current portion of capital leases receivable	<u>22,505,000</u>	<u>21,265,000</u>
Total current assets	<u>72,004,534</u>	<u>56,758,695</u>
RESTRICTED INVESTMENTS	<u>53,658,072</u>	<u>42,828,462</u>
NONCURRENT ASSETS:		
Capital leases receivable	<u>64,310,000</u>	<u>86,815,000</u>
Capital assets (Daley Center):		
Land	11,667,688	11,667,688
Building	71,276,903	71,276,903
Building improvements	90,451,784	86,240,451
Construction in progress	1,753,406	3,821,333
Accumulated depreciation	<u>(117,667,486)</u>	<u>(114,201,811)</u>
Net capital assets	<u>57,482,295</u>	<u>58,804,564</u>
Other assets	<u>560,337</u>	<u>595,727</u>
Total noncurrent assets	<u>122,352,632</u>	<u>146,215,291</u>
TOTAL	<u>\$ 248,015,238</u>	<u>\$ 245,802,448</u>

(Continued)

PUBLIC BUILDING COMMISSION OF CHICAGO

STATEMENTS OF NET POSITION AS OF DECEMBER 31, 2017 AND 2016

	2017	2016
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	\$ 28,707,526	\$ 18,588,245
Interest payable	1,240,658	1,366,389
Retained on contracts	9,105,652	8,743,100
Rental income received in advance	2,960,251	3,363,304
Current portion of funds held for future project revenue	19,991,575	6,348,187
Current portion of long-term and capital lease obligations	<u>23,210,409</u>	<u>21,938,665</u>
Total current liabilities	<u>85,216,071</u>	<u>60,347,890</u>
NONCURRENT LIABILITIES:		
Long-term debt	69,005,628	91,827,074
Capital lease obligation	3,775,934	4,164,897
Funds held for future project revenue	<u>16,554,432</u>	<u>15,405,727</u>
Total noncurrent liabilities	<u>89,335,994</u>	<u>111,397,698</u>
Total liabilities	<u>174,552,065</u>	<u>171,745,588</u>
DEFERRED INFLOW OF RESOURCES RELATED TO REFUNDING		
	<u>147,897</u>	<u>176,361</u>
NET POSITION:		
Net investment in capital assets	53,317,396	54,282,447
Restricted—Daley Center	12,095,921	11,109,449
Restricted—Commission's operations	<u>7,901,959</u>	<u>8,488,603</u>
Total net position	<u>73,315,276</u>	<u>73,880,499</u>
TOTAL	<u>\$ 248,015,238</u>	<u>\$ 245,802,448</u>

See notes to basic financial statements.

(Concluded)

PUBLIC BUILDING COMMISSION OF CHICAGO

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
OPERATING REVENUES:		
Project revenue	\$ 77,533,902	\$ 124,335,663
Rental income—lessees	7,960,030	9,018,703
Rental income—Daley Center	17,571,602	16,411,712
Other revenue	<u>3,845,873</u>	<u>4,733,327</u>
Total operating revenues	<u>106,911,407</u>	<u>154,499,405</u>
OPERATING EXPENSES:		
Construction costs	78,005,483	125,005,434
Maintenance and operations—Daley Center	15,842,483	15,075,896
Administrative expense	5,515,740	4,842,164
Depreciation expense	<u>3,465,675</u>	<u>4,334,075</u>
Total operating expenses	<u>102,829,381</u>	<u>149,257,569</u>
OPERATING INCOME	<u>4,082,026</u>	<u>5,241,836</u>
OTHER INCOME (EXPENSES):		
Investment income	506,478	346,321
Other income	124,318	587,533
Interest expense	<u>(5,278,045)</u>	<u>(6,351,550)</u>
Other expenses—net	<u>(4,647,249)</u>	<u>(5,417,696)</u>
DECREASE IN NET POSITION	(565,223)	(175,860)
NET POSITION—Beginning of year	<u>73,880,499</u>	<u>74,056,359</u>
NET POSITION—End of year	<u>\$ 73,315,276</u>	<u>\$ 73,880,499</u>

See notes to basic financial statements.

PUBLIC BUILDING COMMISSION OF CHICAGO

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
CASH FLOWS PROVIDED BY OPERATING ACTIVITIES:		
Received for projects	\$ 84,365,495	\$ 140,965,407
Received for lease and rent payments	44,612,836	45,942,792
Payments for project construction and administration	<u>(89,702,813)</u>	<u>(159,344,935)</u>
Net cash provided by operating activities	<u>39,275,518</u>	<u>27,563,264</u>
CASH FLOWS USED IN CAPITAL AND RELATED FINANCING ACTIVITIES:		
Payments for capital acquisitions	(1,432,685)	(1,372,131)
Principal paid on revenue bonds	(21,265,000)	(20,135,000)
Interest paid on revenue bonds	(5,541,714)	(6,595,727)
Payments for capital leases	<u>(528,801)</u>	<u>(511,738)</u>
Net cash used in financing activities	<u>(28,768,200)</u>	<u>(28,614,596)</u>
CASH FLOWS USED IN INVESTING ACTIVITIES:		
Change in investments	(10,829,610)	683,142
Investment income	<u>506,478</u>	<u>346,322</u>
Net cash (used in) provided by investing activities	<u>(10,323,132)</u>	<u>1,029,464</u>
INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS	184,186	(21,868)
CASH AND CASH EQUIVALENTS—Beginning of year	<u>265,726</u>	<u>287,594</u>
CASH AND CASH EQUIVALENTS—End of year	<u>\$ 449,912</u>	<u>\$ 265,726</u>
RECONCILIATION OF OPERATING INCOME TO CASH FLOWS PROVIDED BY OPERATING ACTIVITIES:		
Operating income	\$ 4,082,026	\$ 5,241,836
Adjustments to reconcile:		
Depreciation	3,465,675	4,334,075
Changes in assets and liabilities:		
Due from other governments	(1,780,743)	758,093
Due from other agencies	(11,930,692)	10,647,935
Other current assets	(110,218)	383,207
Capital leases receivable	21,265,000	20,135,000
Accounts payable and accrued expenses	9,408,560	(11,677,827)
Retained on contracts	362,551	(3,126,822)
Rental income received in advance	(403,053)	(380,715)
Funds held for future project revenue	14,916,412	2,130,754
Other liabilities	<u>(882,272)</u>	<u>(882,272)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 39,275,518</u>	<u>\$ 27,563,264</u>

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, 2017 AND 2016

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 on 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 constructed 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 any 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 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 position; statements of revenues, expenses, and changes in net position; and statements of cash flows.

Proprietary funds distinguish operating revenues and expenses from non-operating 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 non-operating 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 includes cash on hand.

Investments—Investments consist of money market (government bonds) mutual funds and U.S. Treasury obligations. Investments with maturities 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 as of December 31, 2017 and 2016 consist of \$51,984,620 and \$40,580,680, 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 as of December 31, 2017 and 2016 consist of \$1,673,452 and \$2,247,782, 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 capital leases receivable as of December 31, 2017 and 2016, is \$22,505,000, and \$21,265,000, 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 five years. Capital assets are recorded at cost. Cost includes major expenditures for improvements and replacements that 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:

	Years
Building	50
Building improvements	20

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 bond insurance premiums. The premiums are held as deferred assets and amortized over the lives of the bonds. 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 in the statements of net position.

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. The current portion of long-term debt as of December 31, 2017 and 2016 is \$22,821,446 and \$21,581,446, respectively.

Capital Lease Obligations—Capital lease obligations, discounted at the effective interest rate, are reflected as liabilities. The corresponding capital asset is reflected as an asset. The current portion of capital lease obligations as of December 31, 2017 and 2016 is \$388,963 and \$357,219, respectively.

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. Funding received, but unspent as of the end of the year, is included in funds held for future project revenue.

Other Revenue—Fees for project development services are recognized at different project milestones: board approval, construction start (Notice to Proceed), 50% construction completion, substantial completion and project closeout. This methodology is consistent with the Commission's use of the resources to manage the respective projects.

Rental Income—Annual lease rental payments are due on or before December 1 of each year. As these payments are received before December 31 that relate to the following years' administrative expenses and debt service are recorded in rental income received in advance 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 and administrative costs of the Commission's debt.

Net Position—Net position includes net investment in capital assets, which represents net capital assets less outstanding debt, including any capital leases, that is directly attributable to the acquisition, construction, or improvement of those assets. Net position other than those included in net investment in capital assets, 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.

Subsequent Events—Management has evaluated all subsequent events through June 26, 2018, the date the basic financial statements were available to be issued.

Accounting Standards—GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, establishes standard of accounting and financial reporting for defined benefit pensions and defined contribution that are provided to the employees of state and local governmental employers that are not within the scope of Statement 68. The provisions in this statement are effective for fiscal years beginning after June 15, 2016, which is effective for the Commission for the year ended December 31, 2017. This standard did not have a significant impact on the basic financial statements of the Commission.

GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, addresses reporting by OPEB plans that administer benefits on behalf of governments. This statement replaces GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. GASB Statement No. 74 addresses the financial reports of defined benefit OPEB plans that are administered through trusts that meet specified criteria. This statement requires an OPEB liability to be included in the statement of fiduciary net position and the statement of changes in fiduciary net position, as well as extensive note disclosures and required supplementary information related to the measurement of the OPEB liabilities for which assets have been accumulated, including information about the annual money-weighted rates of return on plan investments. The provisions in this statement are effective for the Commission for the year ended December 31, 2017. This standard did not have an impact on the basic financial statements of the Commission.

GASB Statement No. 82, *Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73*, establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, *Accounting and Financial Reporting for Pensions*, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also amends certain provisions of Statement No. 67, *Financial Reporting for Pension Plans*, and Statement 68 for pension plans and pensions that are within their respective scopes. The requirements of this Statement extend the approach to accounting and financial reporting established in Statement 68 to all pensions, with modifications as necessary to reflect that for accounting and financial reporting purposes, any assets accumulated for pensions that are provided through pension plans that are not administered through trusts that meet the criteria specified in Statement 68 should not be considered pension plan assets. It also requires that information similar to that required by Statement 68 be included in notes to financial statements and required supplementary information by all similarly situated employers and nonemployer contributing entities. The requirements of this Statement that address accounting and financial reporting by employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68 are effective for the Commission for the year ended December 31, 2017, and the requirements of this Statement that address financial reporting for assets accumulated for purposes of providing those pensions are effective for the Commission for the year ended December 31, 2017. This standard did not have a significant impact on the basic financial statements of the Commission.

Upcoming Accounting Standards—Other accounting standards that the Commission is currently reviewing for applicability and potential impact on its basic financial statements include:

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, addresses reporting by governments that provide OPEB to their employees and for governments that finance OPEB for employees of other governments. GASB Statement No. 75 replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This statement requires governments to report a liability on the face of the financial statements for the OPEB that they provide by reporting, according to specified criteria, either a net OPEB liability, their proportionate share of the collective OPEB liability, or the total OPEB liability related to their employees. GASB Statement No. 75 requires governments in all types of OPEB plans to present more extensive note disclosures and required supplementary information about their OPEB liabilities. The provisions in this statement are effective for the Commission for the year ending December 31, 2018 but is not expected to have a significant impact on the basic financial statements of the Commission.

GASB Statement No. 83, *Certain Asset Retirement Obligations*, addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The provisions in this statement are effective for the Commission for the year ending December 31, 2019 but is not expected to have a significant impact on the basic financial statements of the Commission.

GASB Statement No. 85, *Omnibus 2017*, addresses practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). The provisions in this statement are effective for the Commission for the year ending December 31, 2018 but is not expected to have a significant impact on the basic financial statements of the Commission.

GASB Statement No. 86, *Certain Debt Extinguishment Issues*, improves consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The provisions in this statement are effective for the Commission for the year ending December 31, 2018 but is not expected to have a significant impact on the basic financial statements of the Commission.

GASB Statement No. 87, *Leases*, will improve accounting and financial reporting for leases by governments by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The Statement will establish a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a

lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. This Statement will increase the usefulness of governments' financial statements by requiring reporting of certain lease liabilities that are currently not reported. GASB 87 will be effective for the Commission beginning with its year ending December 31, 2020.

GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*, will improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. GASB 88 will be effective for the Commission beginning with its year ending December 31, 2019.

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 as of December 31, 2017 and 2016, were in the 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 (FDIC).
- Money market mutual funds registered under the Investment Company Act of 1940 (limited to obligations described 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.

As of December 31, 2017 and 2016, the carrying amounts of the Commission’s cash deposits were \$449,912 and \$265,726, respectively. The Commission’s cash bank balances as of December 31, 2017 and 2016, totaled \$445,983 and \$499,660, respectively.

All money market mutual funds that have scheduled maturities within one year of the statement of net position 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 projects. However, at times, certain securities are sold by the Commission prior to their scheduled maturities in order to meet construction-financing requirements.

	Carrying Amount as of December 31, 2017	Maturities Less Than One Year
U.S. Treasury obligations	\$ 50,152	\$ 50,152
Money market mutual funds	<u>53,607,920</u>	<u>53,607,920</u>
Total	<u>\$ 53,658,072</u>	<u>\$ 53,658,072</u>
	Carrying Amount as of December 31, 2016	Maturities Less Than One Year
U.S. Treasury obligations	\$ 42,449	\$ 42,449
Money market mutual funds	<u>42,786,013</u>	<u>42,786,013</u>
Total	<u>\$ 42,828,462</u>	<u>\$ 42,828,462</u>

The Commission implemented GASB Statement No. 72, Fair Value Measurement and Application, for the fiscal year ended December 31, 2016. This statement provides guidance for measuring the fair value of assets and liabilities. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement. The Commission categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are other observable inputs; Level 3 inputs are unobservable inputs. As of December 31, 2017 and 2016, the Commission held \$50,152 and \$42,449, respectively, of US Treasury obligations of which are recorded at fair value using Level 2 inputs. The \$53,607,920 and \$42,786,013 of money market mutual funds as of December 31, 2017 and 2016, respectively, are recorded at amortized cost and are not subject to the fair value hierarchy.

Credit Risk—Credit risk is the risk that the Commission will not recover its investments due to the inability of the counterparty to fulfill its obligation. The Commission's Investment and Cash Management Policy, dated December 8, 1998 (the "Policy"), applies the "prudent person" standard in the context of managing an overall investment portfolio. This standard states that investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital, as well as the probable income to be derived.

The Policy further states, regarding diversification, the Commission shall diversify its investments by security type and institution. In order to minimize risk, the Commission shall adhere to the following limits:

1. The Commission shall at no time hold certificates of deposit from any single financial institution, which constitutes more than 10% of the Commission's Total Portfolio.
2. The Commission shall at no time hold certificates of deposit constituting more than 1% of any single financial institution's total deposits.
3. Commercial paper shall not exceed 30% of the Commission's Total Portfolio.
4. The Commission shall at no time hold more than 5% of the Total Portfolio in any single issuer's name.

Throughout 2017 and 2016, Standard & Poor's and Moody's rated the Commission's investments in money market mutual funds AAAm.

3. CAPITAL ASSETS (DALEY CENTER)

A summary of changes in capital assets is as follows:

	Balance as of December 31, 2016	Additions, Transfers in, and Depreciation	Disposals, Adjustments, and Transfers Out	Balance as of December 31, 2017
Capital assets—not being depreciated:				
Land	\$ 11,667,688	\$ -	\$ -	\$ 11,667,688
Construction in progress	<u>3,821,333</u>	<u>2,206,183</u>	<u>(4,274,110)</u>	<u>1,753,406</u>
Total capital assets, not being depreciated	<u>15,489,021</u>	<u>2,206,183</u>	<u>(4,274,110)</u>	<u>13,421,094</u>
Capital assets—being depreciated:				
Daley Center	71,276,903	-	-	71,276,903
Building improvements	<u>86,240,451</u>	<u>4,211,333</u>	<u>-</u>	<u>90,451,784</u>
Total capital assets, being depreciated	<u>157,517,354</u>	<u>4,211,333</u>	<u>-</u>	<u>161,728,687</u>
Less accumulated depreciation for:				
Daley Center	(71,276,902)	-	-	(71,276,902)
Building improvements	<u>(42,924,909)</u>	<u>(3,465,675)</u>	<u>-</u>	<u>(46,390,584)</u>
Total accumulated depreciation	<u>(114,201,811)</u>	<u>(3,465,675)</u>	<u>-</u>	<u>(117,667,486)</u>
Total capital assets—being depreciated—net	<u>43,315,543</u>	<u>745,658</u>	<u>-</u>	<u>44,061,201</u>
Total capital assets	<u>\$ 58,804,564</u>	<u>\$ 2,951,841</u>	<u>\$ (4,274,110)</u>	<u>\$ 57,482,295</u>

	Balance as of December 31, 2015	Additions, Transfers in, and Depreciation	Disposals, Adjustments, and Transfers Out	Balance as of December 31, 2016
Capital assets, not being depreciated:				
Land	\$ 11,667,688	\$ -	\$ -	\$ 11,667,688
Construction in progress	<u>2,685,658</u>	<u>1,288,091</u>	<u>(152,416)</u>	<u>3,821,333</u>
Total capital assets, not being depreciated	<u>14,353,346</u>	<u>1,288,091</u>	<u>(152,416)</u>	<u>15,489,021</u>
Capital assets, being depreciated:				
Daley Center	71,276,903	-	-	71,276,903
Building improvements	<u>86,167,395</u>	<u>73,056</u>	<u>-</u>	<u>86,240,451</u>
Total capital assets, being depreciated	<u>157,444,298</u>	<u>73,056</u>	<u>-</u>	<u>157,517,354</u>
Less accumulated depreciation for:				
Daley Center	(70,564,134)	(712,768)	-	(71,276,902)
Building improvements	<u>(39,303,603)</u>	<u>(3,621,306)</u>	<u>-</u>	<u>(42,924,909)</u>
Total accumulated depreciation	<u>(109,867,737)</u>	<u>(4,334,074)</u>	<u>-</u>	<u>(114,201,811)</u>
Total capital assets, being depreciated—net	<u>47,576,561</u>	<u>(4,261,018)</u>	<u>-</u>	<u>43,315,543</u>
Total capital assets	<u>\$ 61,929,907</u>	<u>\$ (2,972,927)</u>	<u>\$ (152,416)</u>	<u>\$ 58,804,564</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, 2017, is as follows (in thousands):

	Balance as of December 31, 2016	Additions	Reductions	Balance as of December 31, 2017
\$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%	\$ 38,325	\$ -	\$ (18,605)	\$ 19,720
\$91,340,000 Series 2006—Chicago Transit Authority—building refunding revenue bonds, 4.00% to 5.25% (2003)	<u>69,755</u>	<u>-</u>	<u>(2,660)</u>	<u>67,095</u>
Total revenue bonds outstanding—December 31, 2016	108,080	<u>\$ -</u>	<u>\$ (21,265)</u>	86,815
Premium	5,328			5,012
Less current portion	<u>(21,581)</u>			<u>(22,821)</u>
Noncurrent portion	<u>\$ 91,827</u>			<u>\$ 69,006</u>

The summary of long-term debt outstanding as of December 31, 2016, is as follows (in thousands):

	Balance as of December 31, 2015	Additions	Reductions	Balance as of December 31, 2016
\$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%	\$ 55,930	\$ -	\$(17,605)	\$ 38,325
\$91,340,000 Series 2006—Chicago Transit Authority—building refunding revenue bonds, 4.00% to 5.25% (2003)	<u>72,285</u>	<u>-</u>	<u>(2,530)</u>	<u>69,755</u>
Total revenue bonds outstanding—December 31, 2016	128,215	<u>\$ -</u>	<u>\$ (20,135)</u>	108,080
Premium	5,645			5,328
Less current portion	<u>(20,451)</u>			<u>(21,581)</u>
Noncurrent portion	<u>\$ 113,409</u>			<u>\$ 91,827</u>

Gross interest expense related to bonds for the years ended December 31, 2017 and 2016, was \$5,415,982 and \$6,476,536, respectively, for debt service payments. Amortization of bond premiums of \$309,521 was also included as a reduction of interest expense for both the years ended December 31, 2017 and 2016, respectively. This resulted in a net interest expense related to bonds of \$5,106,463 and \$6,167,017 for the years ended December 31, 2017 and 2016, 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 ¹	1990	2019
1990B	Board of Education of the City of Chicago ¹	1990	2014
1993A	Board of Education of the City of Chicago ²	1993	2018
1999B	Board of Education of the City of Chicago ²	1999	2018
2001	Board of Education of the City of Chicago ³	2001	2015
2001A	Board of Education of the City of Chicago ³	2002	2018
2003	Chicago Transit Authority ⁴	2004	2023
2006	Chicago Transit Authority ⁴	2007	2033

¹ Principal and interest portion of lease have been defeased.

² A portion of principal and interest has been defeased from the 1999B proceeds.

³ Lease payments have been fully defeased.

⁴ Principal and interest have been defeased from the 2003 proceeds.

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, 2017, is as follows:

Years Ending December 31	Principal	Interest	Total
2018	\$ 22,505,000	\$ 4,439,269	\$ 26,944,269
2019	2,915,000	3,271,913	6,186,913
2020	3,065,000	3,122,413	6,187,413
2021	3,225,000	2,965,163	6,190,163
2022	3,390,000	2,799,788	6,189,788
2023–2027	19,860,000	11,078,025	30,938,025
2028–2032	25,825,000	5,114,683	30,939,683
2033	<u>6,030,000</u>	<u>158,288</u>	<u>6,188,288</u>
Total	<u>\$ 86,815,000</u>	<u>\$ 32,949,542</u>	<u>\$ 119,764,542</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 statements of net position. The outstanding balances for refunded bonds as of December 31, 2017 and 2016, are as follows:

	<u>Amount Outstanding</u>	
	<u>2017</u>	<u>2016</u>
1990A	<u>\$ 77,450,000</u>	<u>\$ 100,145,000</u>
Total	<u>\$ 77,450,000</u>	<u>\$ 100,145,000</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, 2017 and 2016, 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, 2017, is as follows (in thousands):

	Balance as of December 31, 2016	Additions	Reductions	Balance as of December 31, 2017
\$114,480,000 Series 1999B—Board of Education of the City of Chicago Building and Facilities—building revenue refunding bonds (1993A)	\$ 38,325	\$ -	\$(18,605)	\$ 19,720
\$91,340,000 Series 2006—Chicago Transit Authority—Building Transit Authority—building refunding revenue bonds (2003)	<u>69,755</u>	<u>-</u>	<u>(2,660)</u>	<u>67,095</u>
Total capital leases receivable—December 31, 2017	108,080	<u>\$ -</u>	<u>\$(21,265)</u>	86,815
Less current portion	<u>(21,265)</u>			<u>(22,505)</u>
Noncurrent portion	<u>\$ 86,815</u>			<u>\$ 64,310</u>

The summary of capital leases receivable as of December 31, 2016, is as follows (in thousands):

	Balance as of December 31, 2015	Additions	Reductions	Balance as of December 31, 2016
\$114,480,000 Series 1999B—Board of Education of the City of Chicago Building and Facilities—building revenue refunding bonds (1993A)	\$ 55,930	\$ -	\$(17,605)	\$ 38,325
\$91,340,000 Series 2006—Chicago Transit Authority—Building Transit Authority—building refunding revenue bonds (2003)	<u>72,285</u>	<u>-</u>	<u>(2,530)</u>	<u>69,755</u>
Total capital leases receivable—December 31, 2016	128,215	<u>\$ -</u>	<u>\$(20,135)</u>	108,080
Less current portion	<u>(20,135)</u>			<u>(21,265)</u>
Noncurrent portion	<u>\$ 108,080</u>			<u>\$ 86,815</u>

Future Minimum Lease Payment Receivable—The future minimum lease payment receivables as of December 31, 2017, are as follows:

Years Ending December 31	Principal	Interest and Other	Total Rent Payment
2018	\$ 22,505,000	\$ 5,129,769	\$ 27,634,769
2019	2,915,000	3,271,913	6,186,913
2020	3,065,000	3,122,413	6,187,413
2021	3,225,000	2,965,163	6,190,163
2022	3,390,000	2,799,788	6,189,788
2023–2027	19,860,000	11,078,025	30,938,025
2028–2032	25,825,000	5,114,681	30,939,681
2033	<u>6,030,000</u>	<u>158,288</u>	<u>6,188,288</u>
Total	<u>\$ 86,815,000</u>	<u>\$ 33,640,040</u>	<u>\$ 120,455,040</u>

6. CAPITAL LEASE OBLIGATION

The summary of the Commission's capital lease obligations as of December 31, 2017, is as follows (in thousands):

	Balance as of December 31, 2016	Additions	Reductions	Balance as of December 31, 2017
2010 tax-exempt lease	<u>\$ 4,522</u>	<u>\$ -</u>	<u>\$(357)</u>	<u>\$ 4,165</u>
Total capital lease obligation—December 31, 2017	4,522	<u>\$ -</u>	<u>\$(357)</u>	4,165
Less current portion	<u>(357)</u>			<u>(388)</u>
Noncurrent portion	<u>\$ 4,165</u>			<u>\$ 3,777</u>

The capital lease obligation has an inherent interest rate of 3.87%.

Future Minimum Lease Payment Obligation—The future minimum lease payment obligations as of December 31, 2017, are as follows:

Years Ending December 31	Principal	Interest	Total Lease Payment
2018	\$ 388,963	\$157,454	\$ 546,417
2019	422,524	142,080	564,604
2020	457,987	125,388	583,375
2021	495,455	107,305	602,760
2022	535,016	87,752	622,768
2023–2027	<u>1,864,952</u>	<u>129,981</u>	<u>1,994,933</u>
Total	<u>\$ 4,164,897</u>	<u>\$749,960</u>	<u>\$ 4,914,857</u>

7. RETIREMENT PLAN

On June 21, 1995, the Board of Commissioners of the Commission (the “Board”) 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 by the Board on November 9, 2004, and made effective January 1, 2005. The Plan, as amended, is a 401(a) money purchase defined contribution plan, which requires the Commission to make quarterly contributions to the Plan to equal an annualized amount of 8.75% of participants’ salaries. Participants in the Plan vest at a rate of 20% per year after three years, with 100% vesting after seven years from the date of hire. Participants must make nonelective contributions, deducted from their compensation, of up to 7% of their annual salaries. There are no assets accumulated in a trust for the Plan. The Plan is administered by the Variable Annuity Life Insurance Company of Houston, Texas. The amount of covered payroll for those Commission employees participating in the Plan was \$4,159,129 and \$4,656,125 for the years ended December 31, 2017 and 2016, respectively. The contribution requirement of the Commission for the quarter ended December 31, 2017, and 2016 was \$98,051 and \$109,541, respectively. The required contribution for 2017 will be paid in 2018.

8. COMMITMENTS

As of December 31, 2017 and 2016, the Commission had commitments for construction contracts and related architects and consultants’ fees of approximately \$187,607,004 and \$37,702,208, respectively.

9. LITIGATION

There are several pending lawsuits related to construction projects 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 (Unaudited)

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 and income 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 and Capital Lease Requirements

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. The capital lease requirements relate to the Tax Exempt Lease Purchase Agreement which financed energy efficiency improvements at the Richard J. Daley Center.

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 for the last ten fiscal years.

PUBLIC BUILDING COMMISSION OF CHICAGO

Comprehensive Annual Financial Report

Statistical Section (Unaudited)

Financial Trends

The table on page 30 depicts the Commission's net position by component annually for the last ten fiscal years.

The table on page 31 depicts the Commission's revenues, expenses and change in net position annually for the last ten fiscal years.

PUBLIC BUILDING COMMISSION OF CHICAGO

**Net Position by Component
Last Ten Fiscal Years
(Unaudited)**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Invested in Capital Assets	\$53,899,416	\$59,290,143	\$67,811,898	\$74,421,156	\$73,967,143	\$69,111,705	\$59,348,199	\$57,080,584	\$54,282,447	\$53,317,396
Restricted - Daley Center	8,490,010	8,986,898	6,693,513	4,683,899	4,866,187	5,562,172	11,067,882	10,478,559	11,109,449	12,095,921
Restricted - Commission's Operations	17,360,527	9,892,066	5,698,802	8,553,169	8,153,825	8,608,474	7,503,729	6,497,216	8,488,603	7,901,959
Total Net Position	<u>\$79,749,953</u>	<u>\$78,169,107</u>	<u>\$80,204,213</u>	<u>\$87,658,224</u>	<u>\$86,987,155</u>	<u>\$83,282,351</u>	<u>\$77,919,810</u>	<u>\$74,056,359</u>	<u>\$73,880,499</u>	<u>\$73,315,276</u>

Source: Basic Financial Statements

PUBLIC BUILDING COMMISSION OF CHICAGO

**Condensed Statements of Revenues, Expenses and Change in Net Position
Last Ten Fiscal Years
(Unaudited)**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
OPERATING REVENUES:										
Project Revenue	\$287,763,265	\$356,258,006	\$350,139,390	\$306,178,359	\$295,006,138	\$376,486,880	\$149,634,180	\$145,848,382	\$124,335,663	\$77,533,902
Rental and other revenue	48,184,988	48,391,820	51,706,075	47,956,267	38,431,414	35,822,956	36,774,432	32,792,141	30,163,742	29,377,505
TOTAL REVENUES	<u>\$335,948,253</u>	<u>\$404,649,826</u>	<u>\$401,845,465</u>	<u>\$354,134,626</u>	<u>\$333,437,552</u>	<u>\$412,309,836</u>	<u>\$186,408,612</u>	<u>\$178,640,523</u>	<u>\$154,499,405</u>	<u>\$106,911,407</u>
OPERATING EXPENSES:										
Construction Costs	\$289,096,584	\$360,002,634	\$354,127,008	\$307,986,891	\$296,164,548	\$376,957,255	\$150,563,437	\$146,158,195	\$125,005,435	\$78,005,483
Maintenance/Operations - Daley Center	18,563,355	17,610,264	17,859,574	14,290,035	15,312,727	15,127,973	19,333,003	17,212,406	\$15,075,896	\$15,842,483
Administrative Expenses	10,553,961	13,169,614	12,938,044	10,998,795	8,835,672	10,380,090	8,851,454	7,851,940	\$4,842,164	\$5,515,740
Other operating expenses	3,263,243	3,468,130	3,569,470	3,761,049	4,766,661	5,636,945	5,694,203	5,462,240	<u>\$4,334,075</u>	<u>\$3,465,675</u>
TOTAL EXPENSES	<u>\$321,477,143</u>	<u>\$394,250,642</u>	<u>\$388,494,096</u>	<u>\$337,036,770</u>	<u>\$325,079,608</u>	<u>\$408,102,263</u>	<u>\$184,442,097</u>	<u>\$176,684,781</u>	<u>\$149,257,570</u>	<u>\$102,829,381</u>
OPERATING INCOME	\$14,471,110	\$10,399,184	\$13,351,369	\$17,097,856	\$8,357,944	\$4,207,573	\$1,966,515	\$1,955,742	\$5,241,835	\$4,082,026
OTHER INCOME (EXPENSES):	\$ (11,167,624.00)	\$ (11,980,030.00)	\$ (11,316,263.00)	\$ (10,543,497.00)	\$ (9,029,013.00)	\$ (7,912,377.00)	\$ (7,329,056.00)	\$ (5,819,193.00)	\$ (5,417,695.00)	\$ (4,647,249.00)
INCREASE (DECREASE) IN NET ASSETS	\$ 3,303,486.00	\$ (1,580,846.00)	\$ 2,035,106.00	\$ 6,554,359.00	\$ (671,069.00)	\$ (3,704,804.00)	\$ (5,362,541.00)	\$ (3,863,451.00)	\$ (175,860.00)	\$ (565,223.00)
NET POSITION-Beginning of year	\$76,446,467	\$79,749,953	\$78,169,107	\$81,103,865	\$87,658,224	\$86,987,155	\$83,282,351	\$77,919,810	\$74,056,359	\$73,880,499
NET POSITION-End of year	\$79,749,953	\$78,169,107	\$80,204,213	\$87,658,224	\$86,987,155	\$83,282,351	\$77,919,810	\$74,056,359	\$73,880,499	\$73,315,276

Source: Basic Financial Statements.

PUBLIC BUILDING COMMISSION OF CHICAGO

Comprehensive Annual Financial Report

Statistical Section (Unaudited)

Revenue Capacity

The table on page 33 depicts the Commission's revenue and income sources annually for the last ten fiscal years.

PUBLIC BUILDING COMMISSION OF CHICAGO

**Revenue Sources
Last Ten Fiscal Years**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Project Revenue by Type										
Public Health & Safety	\$67,312,710	\$35,293,636	\$19,268,253	\$30,159,501	\$34,331,170	\$21,163,339	\$22,423,497	\$18,461,399	\$28,232,698	\$16,543,503
City Projects	33,762,812	21,359,153	22,804,685	8,676,138	16,288,732	248,973	173,375	711,308	135,641	810,846
Library Projects	6,286,817	10,331,652	18,777,592	13,217,780	12,351,497	10,018,111	17,436,527	7,686,466	437,208	2,546,203
Park Projects	7,208,425	19,480,302	30,844,399	62,869,044	16,402,092	17,213,138	5,991,041	436,194	3,915,456	2,617,402
City Colleges Projects	394,063	(892,083)	93,216	446,754	148,302	67,114	20,445	(0)	459,403	6,417,876
Millennium Park Projects	1,253,745	(22,992)	(32)	(1,271,941)	-	-	-	-	-	-
County Projects	(6,758)	1,085	12,232	16,098	650,479	858,892	358,176	(240,009)	422	(771)
School Projects	167,924,322	258,825,028	245,636,323	185,078,601	214,558,529	327,018,684	103,715,418	118,121,630	91,816,694	48,598,843
Campus Park Projects	3,495,254	3,966,566	5,470,955	2,947,318	8,541	83	33,506	-	-	-
Chicago 2016 Projects	-	8,791,459	7,501,294	3,554,433	476,609	484	-	-	-	-
CTA Projects	(92,865)	(876,616)	(269,522)	485,049	(262,536)	(101,936)	(517,806)	671,395	(661,881)	-
Other Projects	224,740	816	(4)	(416)	52,722	-	-	-	21	-
Subtotal	\$287,763,265	\$356,258,006	\$350,139,390	\$306,178,359	\$295,006,138	\$376,486,880	\$149,634,180	\$145,848,382	\$124,335,663	\$77,533,902
Rental Income - Lessees	\$18,774,075	\$15,911,279	\$14,779,488	\$13,683,425	\$13,047,430	\$12,150,038	\$10,942,047	\$10,071,103	\$9,018,703	\$7,960,030
Rental Income - Daley Center	\$20,797,558	\$25,995,778	\$26,359,369	\$21,388,783	\$19,034,391	\$15,651,444	\$20,096,477	\$19,006,178	\$16,411,712	\$17,571,602
Administrative Fee Revenue	\$8,444,135	\$6,336,263	\$10,567,218	\$12,884,059	\$6,349,593	\$8,021,474	\$5,735,908	\$3,714,860	\$4,733,327	\$3,845,873
Investment Income	\$1,758,869	\$138,491	\$66,168	\$309,901	\$307,335	\$307,139	\$306,372	\$307,261	\$346,322	\$506,478
TOTAL REVENUES	\$337,537,902	\$404,639,817	\$401,911,633	\$354,444,527	\$333,744,887	\$412,616,975	\$186,714,985	\$178,947,784	\$154,845,727	\$107,417,885

Source: Public Building Commission of Chicago and Basic Financial Statements

PUBLIC BUILDING COMMISSION OF CHICAGO

Comprehensive Annual Financial Report

Statistical Section (Unaudited)

Debt Capacity and Capital Lease Requirements

The tables on pages 35-37 depict the Commission's debt service requirements to maturity for currently outstanding series of bonds issued by the Commission and the remaining requirements for the capital lease which financed energy efficiency improvements at the Richard J. Daley Center.

The tables on pages 38-43 depict the Commission's outstanding debt service per capita and debt service as a percentage of personal income in relation to the City of Chicago on an annual basis for the last ten fiscal years for the capital lease and for each series of bonds that are still outstanding as of December 31, 2017.

The tables on pages 44-49 depict the Commission's outstanding debt service per capita and debt service as a percentage of personal income in relation to Cook County on an annual basis for the last ten fiscal years for the capital lease and for each series of bonds that are still outstanding as of December 31, 2017.

PUBLIC BUILDING COMMISSION OF CHICAGO

Detailed Schedule of Debt Service Requirements to Maturity

As of December 31, 2017

(Unaudited)

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

Fiscal Year	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	19,720,000	1,035,300	20,755,300
TOTAL	\$19,720,000	\$1,035,300	\$20,755,300

(continued)

PUBLIC BUILDING COMMISSION OF CHICAGO

Detailed Schedule of Debt Service Requirements to Maturity

As of December 31, 2017

(Unaudited)

Series 2006
Chicago Transit Authority
\$91.34 Million

Fiscal Year	Principal	Interest	Total
2018	2,785,000	3,403,969	6,188,969
2019	2,915,000	3,271,913	6,186,913
2020	3,065,000	3,122,413	6,187,413
2021	3,225,000	2,965,163	6,190,163
2022	3,390,000	2,799,788	6,189,788
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
TOTAL	\$67,095,000	\$31,914,142	\$99,009,242

(continued)

PUBLIC BUILDING COMMISSION OF CHICAGO

**Detailed Schedule of Debt Service Requirements to Maturity
As of December 31, 2017**

(Unaudited)

**2010 Richard J. Daley Center
Tax Exempt Lease Purchase
\$5.9 Million**

<u>Fiscal</u> <u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	388,963	157,454	546,418
2019	422,524	142,080	564,604
2020	457,987	125,388	583,376
2021	495,455	107,305	602,760
2022	535,016	87,752	622,768
2023	576,777	66,647	643,424
2024	620,845	43,903	664,748
2025	667,331	19,431	686,762
TOTAL	\$4,164,898	\$749,961	\$4,914,859

(concluded)

PUBLIC BUILDING COMMISSION OF CHICAGO

**Outstanding Debt Service Per Capita - City of Chicago
Last Ten Fiscal Years
(Unaudited)**

\$ Thousands, Except Per Capita

Board of Education of City of Chicago

Year Ending	Series 1993A Outstanding Debt (1)	Series 1999B Outstanding Debt (1)	Series 1999C Outstanding Debt (1)	Total Outstanding Debt (1)	Population - Chicago (2)	Debt per Capita - City of Chicago
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
12/31/2010	11,660	113,690		125,350	2,695,598	46.50
12/31/2011		113,255		113,255	2,700,741	41.93
12/31/2012		100,455		100,455	2,714,856	37.00
12/31/2013		86,915		86,915	2,706,101	32.12
12/31/2014		72,595		72,595	2,722,389	26.67
12/31/2015		55,930		55,930	2,720,546	20.56
12/31/2016		38,325		38,325	2,704,958	14.17
12/31/2017		19,720		19,720	2,716,450	7.26

Chicago Park District

Year Ending	Series 1993B Outstanding Debt (1)	Series 1998A Outstanding Debt (1)	Series 2010A Outstanding Debt (1)	Total Outstanding Debt (1)	Population - Chicago (2)	Debt per Capita - City of Chicago
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
12/31/2010			\$10,280	10,280	2,695,598	3.81
12/31/2011			6,875	6,875	2,700,741	2.55
12/31/2012			3,505	3,505	2,714,856	1.29
12/31/2013				0	2,706,101	0.00
12/31/2014				0	2,722,389	0.00
12/31/2015				0	2,720,546	0.00
12/31/2016				0	2,704,958	0.00
12/31/2017				0	2,716,450	0.00

(continued)

Sources: (1) Basic Financial Statements
(2) U.S. Census Bureau

PUBLIC BUILDING COMMISSION OF CHICAGO

Outstanding Debt Service Per Capita - City of Chicago Last Ten Fiscal Years (Unaudited)

\$ Thousands, Except Per Capita

Chicago Transit Authority					
Year Ending	Series 2003 Outstanding Debt (1)	Series 2006 Outstanding Debt (1)	Total Outstanding Debt (1)	Population - Chicago (2)	Debt per Capita - City of Chicago
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
12/31/2010		83,340	83,340	2,695,598	30.92
12/31/2011		81,305	81,305	2,700,741	30.10
12/31/2012		79,190	79,190	2,714,856	29.17
12/31/2013		76,985	76,985	2,718,782	28.32
12/31/2014		74,690	74,690	2,722,389	27.44
12/31/2015		72,285	72,285	2,720,546	26.57
12/31/2016		69,755	69,755	2,704,958	25.79
12/31/2017		67,095	67,095	2,716,450	24.70

Richard J. Daley Center			
Year Ending	Total Outstanding Debt (1)	Population - Chicago (2)	Debt per Capita - City of Chicago
12/31/2007			
12/31/2008			
12/31/2009			
12/31/2010	\$5,859	2,695,598	\$2.17
12/31/2011	5,810	2,700,741	2.15
12/31/2012	5,611	2,714,856	2.07
12/31/2013	5,387	2,718,782	1.98
12/31/2014	5,189	2,722,389	1.91
12/31/2015	4,849	2,720,546	1.78
12/31/2016	4,522	2,704,958	1.67
12/31/2017	4,165	2,716,450	1.53

(continued)

Sources: (1) Basic Financial Statements
(2) U.S. Census Bureau

PUBLIC BUILDING COMMISSION OF CHICAGO

Outstanding Debt Service Per Capita - City of Chicago Last Ten Fiscal Years (Unaudited)

\$ Thousands, Except Per Capita

Total - All Debt

Year Ending	Total Outstanding Debt (1)	Population - Chicago (2)	Debt per Capita - City of Chicago
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
12/31/2010	224,829	2,695,598	83.41
12/31/2011	207,245	2,700,741	76.74
12/31/2012	188,761	2,714,856	69.53
12/31/2013	169,287	2,718,782	62.27
12/31/2014	152,474	2,722,389	56.01
12/31/2015	133,064	2,720,546	48.91
12/31/2016	112,602	2,704,958	41.63
12/31/2017	90,980	2,716,450	33.49

(concluded)

Sources: (1) Basic Financial Statements
(2) U.S. Census Bureau

PUBLIC BUILDING COMMISSION OF CHICAGO

**Outstanding Debt Service as a Percentage of Personal Income - City of Chicago
Last Ten Fiscal Years
(Unaudited)**

\$ Thousands

Board of Education of City of Chicago

Year Ending	Series 1993A Outstanding Debt (1)	Series 1999B Outstanding Debt (1)	Series 1999C Outstanding Debt (1)	Total Outstanding Debt (1)	Personal Income - City of Chicago (2)	Percentage - Debt to Personal Income - City of Chicago
12/31/2007	42,960	114,480		157,440	130,071,662	0.12%
12/31/2008	33,105	114,480		147,585	133,575,841	0.11%
12/31/2009	22,685	114,105		136,790	128,522,294	0.11%
12/31/2010	11,660	113,690		125,350	119,533,597	0.10%
12/31/2011		113,255		113,255	124,171,968	0.09%
12/31/2012		100,455		100,455	131,141,119	0.08%
12/31/2013		86,915		86,915	132,791,082	0.07%
12/31/2014		72,595		72,595	130,214,588	0.06%
12/31/2015		55,930		55,930	146,599,347	0.04%
12/31/2016		38,325		38,325	150,452,469	0.03%
12/31/2017		19,720		19,720	N/A	N/A

Chicago Park District

Year Ending	Series 1993B Outstanding Debt (1)	Series 1998A Outstanding Debt (1)	Series 2010A Outstanding Debt (1)	Total Outstanding Debt (1)	Personal Income - City of Chicago (2)	Percentage - Debt to Personal Income - City of Chicago
12/31/2007	1,910	17,295		19,205	130,071,662	0.01%
12/31/2008		16,280		16,280	133,575,841	0.01%
12/31/2009		13,330		13,330	128,522,294	0.01%
12/31/2010			\$10,280	10,280	119,533,597	0.01%
12/31/2011			6,875	6,875	124,171,968	0.01%
12/31/2012			3,505	3,505	131,141,119	0.00%
12/31/2013				0	132,791,082	0.00%
12/31/2014				0	130,214,588	0.00%
12/31/2015				0	146,599,347	0.00%
12/31/2016				0	150,452,469	0.00%
12/31/2017				0	N/A	N/A

(continued)

Sources: (1) Basic Financial Statements

(2) Calculated from Population of City of Chicago attributed to U.S. Census Bureau and Per Capita Income attributed to U.S. Department of Commerce, Bureau of Economic Analysis.

PUBLIC BUILDING COMMISSION OF CHICAGO

**Outstanding Debt Service as a Percentage of Personal Income - City of Chicago
Last Ten Fiscal Years
(Unaudited)**

\$ Thousands

Chicago Transit Authority					Percentage - Debt to Personal Income - City of Chicago
Year Ending	Series 2003 Outstanding Debt (1)	Series 2006 Outstanding Debt (1)	Total Outstanding Debt (1)	Personal Income - City of Chicago (2)	
12/31/2007		88,965	88,965	130,071,662	0.07%
12/31/2008		87,175	87,175	133,575,841	0.07%
12/31/2009		85,295	85,295	128,522,294	0.07%
12/31/2010		83,340	83,340	119,533,597	0.07%
12/31/2011		81,305	81,305	124,171,968	0.07%
12/31/2012		79,190	79,190	131,330,821	0.06%
12/31/2013		76,985	76,985	132,791,082	0.06%
12/31/2014		80,651	80,651	130,214,588	0.06%
12/31/2015		77,930	77,930	146,599,347	0.05%
12/31/2016		69,755	69,755	150,452,469	0.05%
12/31/2017		67,095	67,095	N/A	N/A

Richard J. Daley Center				Percentage - Debt to Personal Income - City of Chicago
Year Ending	Total Outstanding Debt (1)	Personal Income - City of Chicago (2)		
12/31/2007				
12/31/2008				
12/31/2009				
12/31/2010	\$5,859	\$119,533,597		0.0049%
12/31/2011	5,810	124,171,968		0.0047%
12/31/2012	5,611	131,330,821		0.0043%
12/31/2013	5,387	132,791,082		0.00%
12/31/2014	5,189	130,214,588		0.00%
12/31/2015	4,849	146,599,347		0.00%
12/31/2016	4,522	150,452,469		0.00%
12/31/2017	4,165	N/A		N/A

(continued)

Sources: (1) Basic Financial Statements

(2) Calculated from Population of City of Chicago attributed to U.S. Census Bureau and Per Capita Income attributed to U.S. Department of Commerce, Bureau of Economic Analysis.

PUBLIC BUILDING COMMISSION OF CHICAGO

Outstanding Debt Service as a Percentage of Personal Income - City of Chicago Last Ten Fiscal Years (Unaudited)

\$ Thousands

Year Ending	Total Outstanding Debt (1)	Personal Income - City of Chicago (2)	Percentage - Debt to Personal Income - City of Chicago
12/31/2007	265,610	130,071,662	0.20%
12/31/2008	251,040	133,575,841	0.19%
12/31/2009	235,415	128,522,294	0.18%
12/31/2010	224,829	119,533,597	0.19%
12/31/2011	207,245	124,171,968	0.17%
12/31/2012	188,761	131,330,821	0.14%
12/31/2013	169,287	132,790,235	0.13%
12/31/2014	158,435	130,214,588	0.12%
12/31/2015	138,709	146,599,347	0.09%
12/31/2016	112,602	150,452,469	0.07%
12/31/2017	90,980	N/A	N/A

(concluded)

Sources: (1) Basic Financial Statements

(2) Calculated from Population of City of Chicago attributed to U.S. Census Bureau and
attributed to U.S. Department of Commerce, Bureau of Economic Analysis.

PUBLIC BUILDING COMMISSION OF CHICAGO

**Outstanding Debt Service Per Capita - Cook County
Last Ten Fiscal Years
(Unaudited)**

\$ Thousands, Except Per Capita

Board of Education of City of Chicago

Year Ending	Series 1993A Outstanding Debt (1)	Series 1999B Outstanding Debt (1)	Series 1999C Outstanding Debt (1)	Total Outstanding Debt (1)	Population - Cook County (2)	Debt per Capita - Cook County
12/31/2007	42,960	114,480		157,440	5,154,235	30.55
12/31/2008	33,105	114,480		147,585	5,161,831	28.59
12/31/2009	22,685	114,105		136,790	5,181,728	26.40
12/31/2010	11,660	113,690		125,350	5,199,971	24.11
12/31/2011		113,255		113,255	5,217,080	21.71
12/31/2012		100,455		100,455	5,231,351	19.20
12/31/2013		86,915		86,915	5,240,700	16.58
12/31/2014		72,595		72,595	5,246,456	13.84
12/31/2015		55,930		55,930	5,238,216	10.68
12/31/2016		38,325		38,325	5,203,499	7.37
12/31/2017		19,720		19,720	5,211,263	3.78

Chicago Park District

Year Ending	Series 1993B Outstanding Debt (1)	Series 1998A Outstanding Debt (1)	Series 2010A Outstanding Debt (1)	Total Outstanding Debt (1)	Population - Cook County (2)	Debt per Capita - Cook County
12/31/2007	1,910	17,295		19,205	5,154,235	3.73
12/31/2008		16,280		16,280	5,161,831	3.15
12/31/2009		13,330		13,330	5,181,728	2.57
12/31/2010			\$10,280	10,280	5,199,971	1.98
12/31/2011			6,875	6,875	5,217,080	1.32
12/31/2012			3,505	3,505	5,231,351	0.67
12/31/2013				0	5,240,700	0.00
12/31/2014				0	5,246,456	0.00
12/31/2015				0	5,238,216	0.00
12/31/2016				0	5,203,499	0.00
12/31/2017				0	5,211,263	0.00

(continued)

Sources: (1) Basic Financial Statements
(2) U.S. Census Bureau

PUBLIC BUILDING COMMISSION OF CHICAGO

**Outstanding Debt Service Per Capita - Cook County
Last Ten Fiscal Years
(Unaudited)**

\$ Thousands, Except Per Capita

Year Ending	Chicago Transit Authority			Population - Cook County (2)	Debt per Capita - Cook County
	Series 2003 Outstanding Debt (1)	Series 2006 Outstanding Debt (1)	Total Outstanding Debt (1)		
12/31/2007		88,965	88,965	5,154,235	17.26
12/31/2008		87,175	87,175	5,161,831	16.89
12/31/2009		85,295	85,295	5,181,728	16.46
12/31/2010		83,340	83,340	5,199,971	16.03
12/31/2011		81,305	81,305	5,217,080	15.58
12/31/2012		79,190	79,190	5,231,351	15.14
12/31/2013		76,985	76,985	5,240,700	14.69
12/31/2014		80,651	80,651	5,246,456	15.37
12/31/2015		77,930	77,930	5,238,216	14.88
12/31/2016		69,755	69,755	5,203,499	13.41
12/31/2017		67,095	67,095	5,211,263	12.87

Richard J. Daley Center

Year Ending	Total Outstanding Debt (1)	Population - Cook County (2)	Debt per Capita - Cook County
12/31/2007			
12/31/2008			
12/31/2009			
12/31/2010	\$5,859	5,199,971	1.13
12/31/2011	5,810	5,217,080	1.11
12/31/2012	5,611	5,231,351	1.07
12/31/2013	5,387	5,240,700	1.03
12/31/2014	5,189	5,246,456	0.99
12/31/2015	4,849	5,238,216	0.93
12/31/2016	4,522	5,203,499	0.87
12/31/2017	4,165	5,211,263	0.80

(continued)

Sources: (1) Basic Financial Statements
(2) U.S. Census Bureau

PUBLIC BUILDING COMMISSION OF CHICAGO

Outstanding Debt Service Per Capita - Cook County Last Ten Fiscal Years (Unaudited)

\$ Thousands, Except Per Capita

Total - All Debt

Year Ending	Total Outstanding Debt (1)	Population - Cook County (2)	Debt per Capita - Cook County
12/31/2007	265,610	5,154,235	51.53
12/31/2008	251,040	5,161,831	48.63
12/31/2009	235,415	5,181,728	45.43
12/31/2010	224,829	5,199,971	43.24
12/31/2011	207,245	5,217,080	39.72
12/31/2012	188,761	5,231,351	36.08
12/31/2013	169,287	5,240,700	32.30
12/31/2014	158,435	5,246,456	30.20
12/31/2015	138,709	5,238,216	26.48
12/31/2016	112,602	5,203,499	21.64
12/31/2017	90,980	5,211,263	17.46

(concluded)

Sources: (1) Basic Financial Statements
(2) U.S. Census Bureau

PUBLIC BUILDING COMMISSION OF CHICAGO

**Outstanding Debt Service as a Percentage of Personal Income - Cook County
Last Ten Fiscal Years
(Unaudited)**

\$ Thousands

Board of Education of City of Chicago

Year Ending	Series 1993A Outstanding Debt (1)	Series 1999B Outstanding Debt (1)	Series 1999C Outstanding Debt (1)	Total Outstanding Debt (1)	Personal Income - Cook County (2)	Percentage - Debt to Personal Income - Cook County
12/31/2007	42,960	114,480		157,440	242,226,547	0.06%
12/31/2008	33,105	114,480		147,585	242,983,149	0.06%
12/31/2009	22,685	114,105		136,790	228,144,911	0.06%
12/31/2010	11,660	113,690		125,350	236,609,669	0.05%
12/31/2011		113,255		113,255	244,871,968	0.05%
12/31/2012		100,455		100,455	255,873,612	0.04%
12/31/2013		86,915		86,915	260,258,402	0.03%
12/31/2014		72,595		72,595	269,038,264	0.03%
12/31/2015		55,930		55,930	286,603,750	0.02%
12/31/2016		38,325		38,325	294,877,085	0.01%
12/31/2017		19,720		19,720	N/A	N/A

Chicago Park District

Year Ending	Series 1993B Outstanding Debt (1)	Series 1998A Outstanding Debt (1)	Series 2010A Outstanding Debt (1)	Total Outstanding Debt (1)	Personal Income - Cook County (2)	Percentage - Debt to Personal Income - Cook County
12/31/2007	1,910	17,295		19,205	242,226,547	0.008%
12/31/2008		16,280		16,280	242,983,149	0.007%
12/31/2009		13,330		13,330	228,144,911	0.006%
12/31/2010			\$10,280	10,280	236,609,669	0.004%
12/31/2011			6,875	6,875	244,871,968	0.003%
12/31/2012			3,505	3,505	255,873,612	0.001%
12/31/2013				0	260,258,402	0.000%
12/31/2014				0	269,038,264	0.00%
12/31/2015				0	286,603,750	0.00%
12/31/2016				0	294,877,085	0.00%
12/31/2017				0	N/A	N/A

(continued)

Sources: (1) Basic Financial Statements
(2) U.S. Department of Commerce, Bureau of Economic Analysis

PUBLIC BUILDING COMMISSION OF CHICAGO

**Outstanding Debt Service as a Percentage of Personal Income - Cook County
Last Ten Fiscal Years
(Unaudited)**

\$ Thousands

Chicago Transit Authority

Year Ending	Series 2003 Outstanding Debt (1)	Series 2006 Outstanding Debt (1)	Total Outstanding Debt (1)	Personal Income - Cook County (2)	Percentage - Debt to Personal Income - Cook County
12/31/2007		88,965	88,965	242,226,547	0.04%
12/31/2008		87,175	87,175	242,983,149	0.04%
12/31/2009		85,295	85,295	228,144,911	0.04%
12/31/2010		83,340	83,340	236,609,669	0.04%
12/31/2011		81,305	81,305	244,871,968	0.03%
12/31/2012		79,190	79,190	256,036,686	0.03%
12/31/2013		76,985	76,985	260,258,402	0.030%
12/31/2014		80,651	80,651	269,038,264	0.03%
12/31/2015		77,930	77,930	286,603,750	0.03%
12/31/2016		69,755	69,755	294,877,085	0.02%
12/31/2017		67,095	67,095	N/A	N/A

Richard J. Daley Center

Year Ending	Total Outstanding Debt (1)	Personal Income - Cook County (2)	Percentage - Debt to Personal Income - Cook County
12/31/2007			
12/31/2008			
12/31/2009			
12/31/2010	\$5,859	\$236,609,669	0.002%
12/31/2011	5,810	244,871,968	0.002%
12/31/2012	5,611	256,036,686	0.002%
12/31/2013	5,387	260,258,402	0.002%
12/31/2014	5,189	269,038,264	0.00%
12/31/2015	4,849	286,603,750	0.00%
12/31/2016	4,522	294,877,085	0.00%
12/31/2017	4,165	N/A	N/A

(continued)

Sources: (1) Basic Financial Statements

(2) U.S. Department of Commerce, Bureau of Economic Analysis

PUBLIC BUILDING COMMISSION OF CHICAGO

Outstanding Debt Service as a Percentage of Personal Income - Cook County; Last Ten Fiscal Years (Unaudited)

\$ Thousands

Year Ending	Total Outstanding Debt (1)	Personal Income - Cook County (2)	Percentage - Debt to Personal Income - Cook County
12/31/2007	265,610	242,226,547	0.11%
12/31/2008	251,040	242,983,149	0.10%
12/31/2009	235,415	228,144,911	0.10%
12/31/2010	224,829	236,609,669	0.10%
12/31/2011	207,245	244,871,968	0.08%
12/31/2012	188,761	256,036,686	0.07%
12/31/2013	169,287	260,258,402	0.065%
12/31/2014	158,435	269,038,264	0.06%
12/31/2015	138,709	286,603,750	0.05%
12/31/2016	112,602	294,877,085	0.04%
12/31/2017	90,980	N/A	N/A

(concluded)

Sources: (1) Basic Financial Statements

(2) U.S. Department of Commerce, Bureau of Economic Analysis

PUBLIC BUILDING COMMISSION OF CHICAGO

Comprehensive Annual Financial Report

Statistical Section (Unaudited)

Demographic and Economic Information

The table on page 52 displays population, housing and economic information for the City of Chicago.

The table on page 53 displays population, housing and economic information for Cook County.

The table on page 54 lists the Principal Employers in the City of Chicago for 2017 and ten years prior.

The chart on page 55 depicts cost metrics for two elementary school projects bid by the Commission between July 1, 2017 and December 31, 2017.

The chart on page 56 depicts cost metrics for eight elementary school linked annex projects bid by the Commission between June 8, 2017 and December 31, 2017.

The chart on page 57 depicts cost metrics for four elementary school addition projects bid by the Commission between May 8, 2010 and March 5, 2013.

The chart on page 58 depicts cost metrics for six high school projects bid by the Commission between February 22, 2007 and June 29, 2011.

The chart on page 59 depicts cost metrics for six engine company prototype projects bid by the Commission between January 27, 2006 and March 31, 2011.

The chart on page 60 depicts cost metrics for four police district prototype projects bid by the Commission between February 27, 2007 and July 22, 2010.

The chart on page 61 depicts cost metrics for four fieldhouse prototype projects bid by the Commission between April 18, 2008 and September 1, 2010.

The chart on page 62 depicts cost metrics for seven library projects employing three different prototypes bid by the Commission between December 19, 2007 and May 2, 2013.

The table on page 63 depicts the M/WBE actual results on construction contracts for all projects for which the Commission completed construction in 2017.

The table on page 64 depicts the M/WBE actual results on professional service contracts for all projects for which the Commission completed construction in 2017.

The table on page 65 depicts the M/WBE actual results on Job Order Contracting (JOC) contracts for all projects for which the Commission completed construction in 2017.

The table on page 66 depicts the Equal Employment Opportunity (EEO) actual results on all projects for which the Commission completed construction in 2017.

PUBLIC BUILDING COMMISSION OF CHICAGO

Population, Housing and Economic Statistics -City of Chicago Last Ten Years (Unaudited)

Year	Population (1)	Median Age (2)	Number of Households (2)	Unemployment Rate (3)	Per Capita Income (4)	Total Income (5)
2008	2,896,016	34.1	1,032,746	6.1	46,124	133,575,841,984
2009	2,896,016	34.5	1,037,069	10.9	44,379	128,522,294,064
2010	2,695,598	32.9	1,045,560	11.6	44,344	119,533,597,712
2011	2,700,741	33.0	1,030,746	11.3	45,977	124,171,968,957
2012	2,714,856	33.1	1,030,746	10.1	48,305	131,141,119,080
2013	2,706,101	33.3	1,028,746	9.5	49,071	132,791,082,171
2014	2,722,389	33.7	1,067,453	6.4	47,831	130,214,588,259
2015	2,720,546	33.6	1,194,337	6.1	53,886	146,599,341,756
2016	2,704,958	34.2	1,053,229	5.9	55,621	150,452,468,918
2017	2,716,450	34.4	1,194,098	4.9		

Source: (1) U.S. Census Bureau
(2) World Business Chicago; 2004-2012 Claritas estimates, 2013 ACS (5-year); 2014 ESRI estimate
(3) U.S. Bureau of Labor Statistics
(4) U.S. Department of Commerce, Bureau of Economic Analysis, Per Capita Income for Chicago-Naperville-Elgin MSA
(5) Population multiplied by Per Capita Income

PUBLIC BUILDING COMMISSION OF CHICAGO

Population, Housing and Economic Statistics - Cook County Last Ten Years (Unaudited)

Year	Population (1)	Median Age (2)	Number of Households (2)	Unemployment Rate (3)	Per Capita Income (4)	Total Personal Income (4)
2008	5,161,831	35.9	1,941,698	6.4	47,073	242,983,149,000
2009	5,181,728	34.9	1,931,361	10.4	44,029	228,144,911,000
2010	5,198,853	35.3	1,966,356	10.8	45,512	236,609,669,000
2011	5,212,589	35.4	1,934,771	10.3	46,937	244,871,968,000
2012	5,227,992	35.3	1,933,670	9.3	48,943	255,873,612,456
2013	5,240,700	35.5	1,933,335	9.6	49,661	260,258,402,700
2014	5,246,456	35.7	1,937,060	7.5	51,280	269,038,263,680
2015	5,238,216	35.9	1,954,712	6.1	54,714	286,603,750,224
2016	5,203,499	36.3	1,966,356	6.2	56,669	294,877,084,831
2017	5,211,263	36.5	2,193,073	5.1		

Source: (1) U.S. Department of Commerce, Bureau of Economic Analysis

(2) U.S. Census Bureau

(3) U.S. Bureau of Labor Statistics

(4) U.S. Department of Commerce, Bureau of Economic Analysis

**PUBLIC BUILDING COMMISSION OF CHICAGO
CITY OF CHICAGO, ILLINOIS
PRINCIPAL EMPLOYERS (NON-GOVERNMENT)
Current Year and Nine Years Ago (See Note at the End of this
Page)**

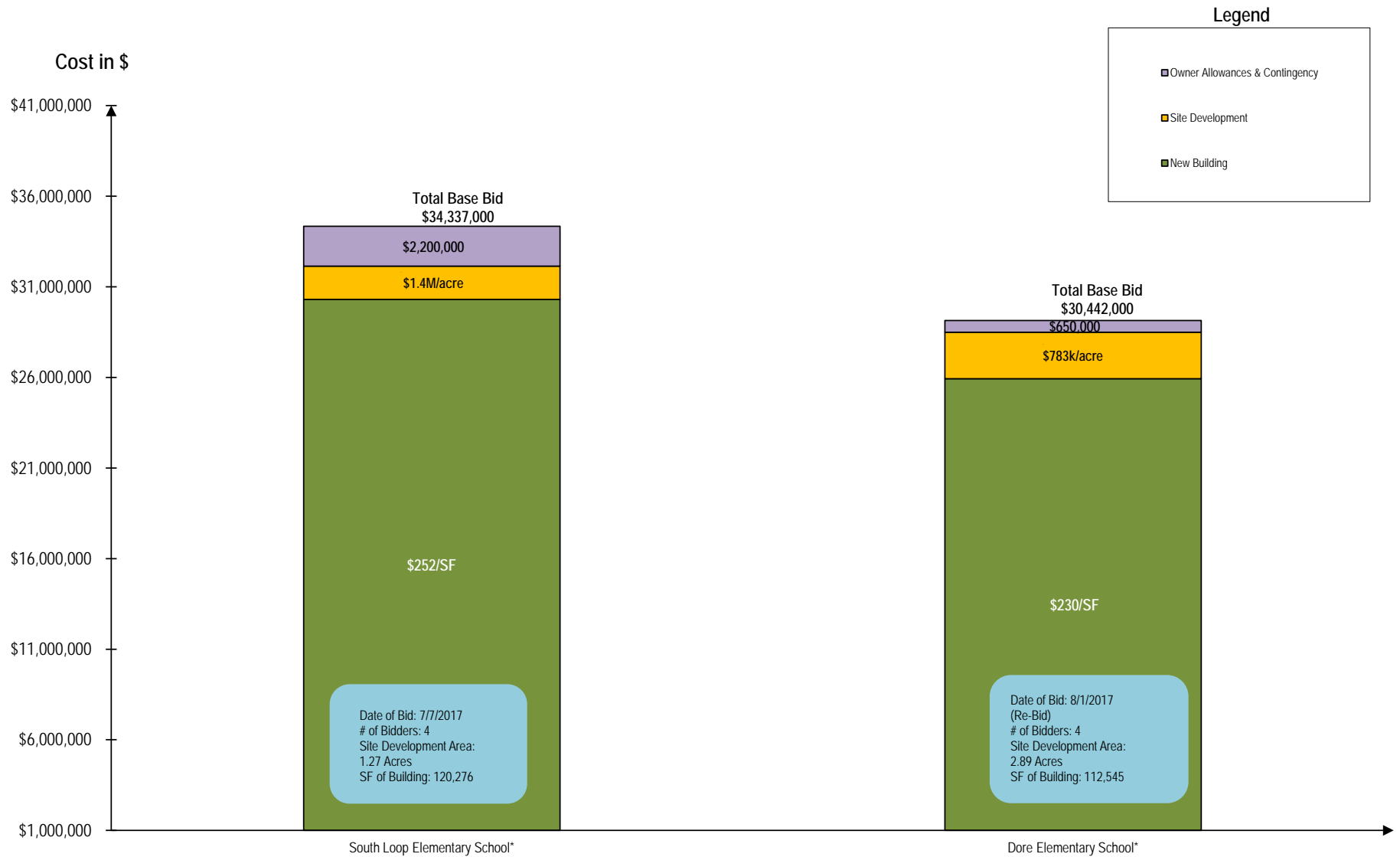
Employer	2017 (1)			2008 (3)		
	Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank	Percentage of Total City Employment
Advocate Health Care	19,049	1	1.48 %			
Northwestern Memorial Healthcare	16,667	2	1.29			
University of Chicago	16,583	3	1.29			
JPMorgan Chase & Co.	15,701	4	1.22	8,865	1	0.81 %
Amazon.com Inc.	13,240	5	1.03			
United Continental Holdings Inc. (2)	12,994	6	1.01	6,403	2	0.58
Walgreens Boots Alliance Inc.	12,751	7	0.99			
Northwestern University	10,847	8	0.84			
Presence Health	10,225	9	0.79			
Wal-mart Stores Inc.	10,220	10	0.79			
Jewel Food Stores, Inc.				5,977	3	0.55
Northern Trust				5,084	4	0.46
Accenture LLP				4,532	5	0.41
American Airlines				3,582	6	0.33
SBC/AT&T				3,459	7	0.32
Ford Motor Company				3,325	8	0.30
CVS Corporation				3,161	9	0.29
Bonded Maintenance Company				2,955	10	0.27

NOTES:

- (1) Source: Reprinted with permission from the January 15, 2018 issue of Crain's Chicago Business.
© 2017 Crain Communications Inc. All Rights Reserved.
- (2) United Continental Holdings Inc. formerly known as United Airlines.
- (3) Source: City of Chicago, Department of Revenue, Employer's Expense Tax Returns.
Prior to 2014, the source for information was the City of Chicago, Bureau of Revenue-Tax Division report,
which is no longer available.

PUBLIC BUILDING COMMISSION OF CHICAGO

**Market Conditions Report - CPS New Schools
(Unaudited)**

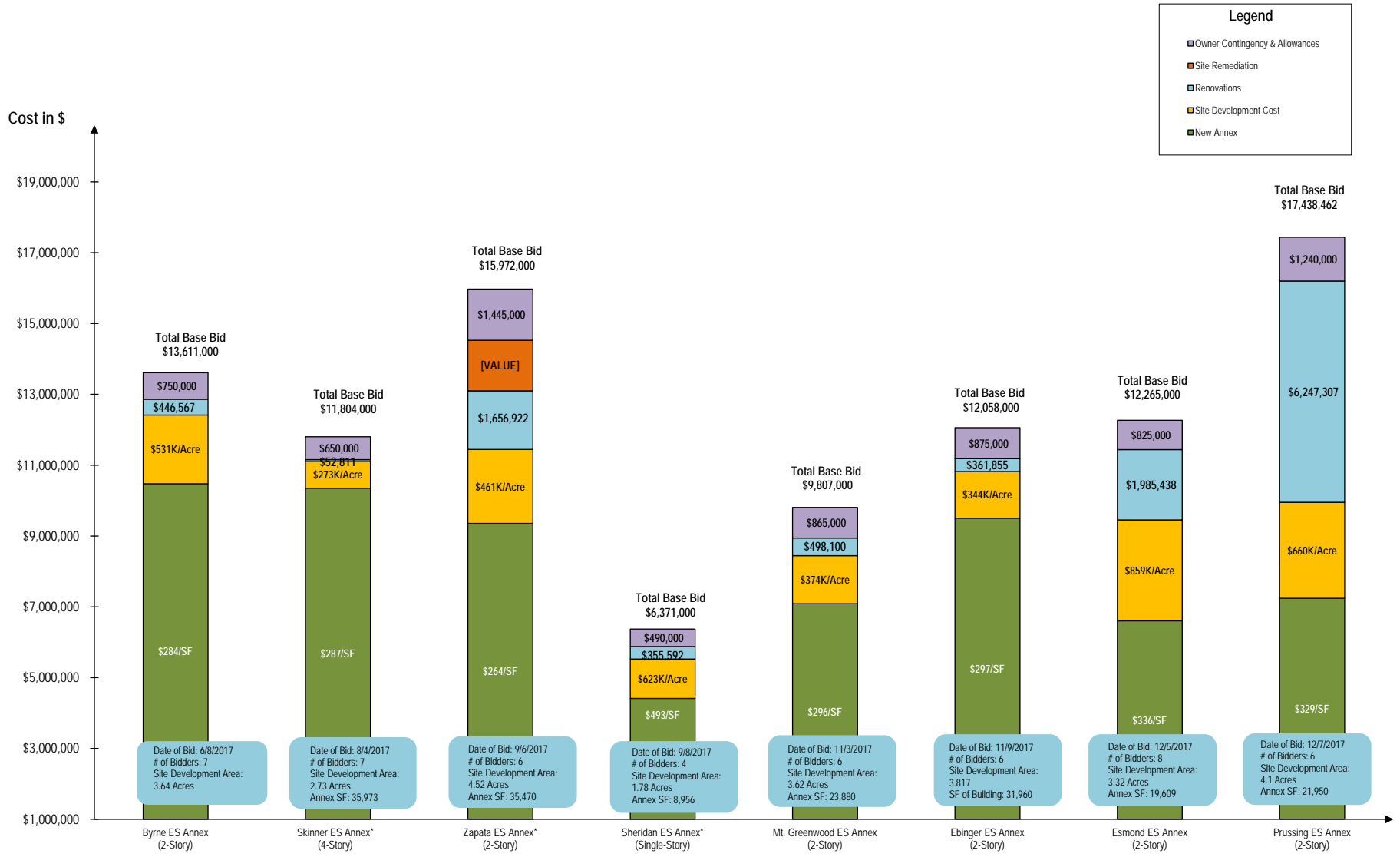


Report represents cost analysis of bid at bid opening based on estimate and bid results.
*Design by CPS. Site Preparation not included in bid analysis (by CPS)

PUBLIC BUILDING COMMISSION OF CHICAGO

Market Conditions Report - CPS Annexes

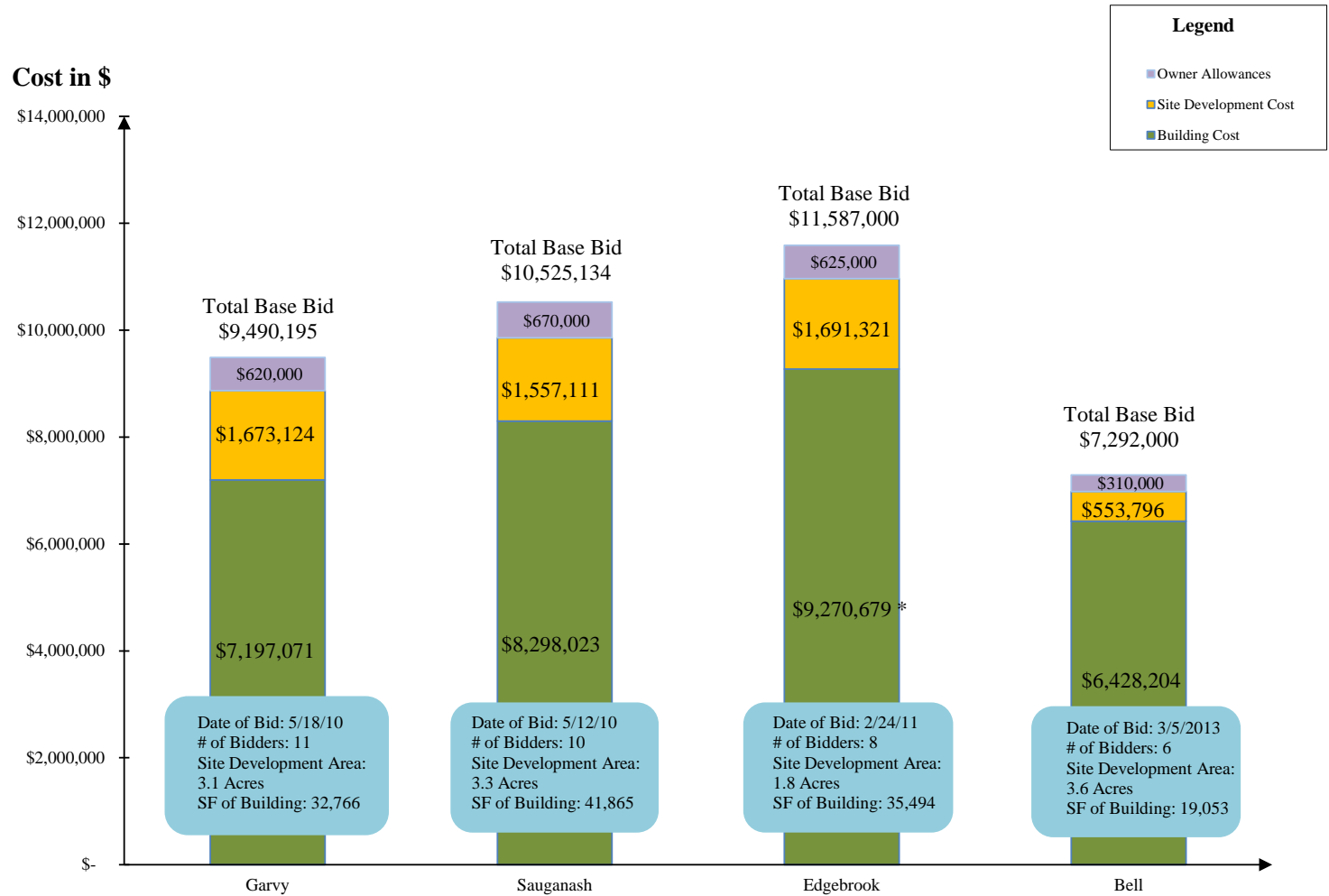
(Unaudited)



Report represents cost analysis of bid at bid opening based on estimate and bid results.
 *Design by CPS

PUBLIC BUILDING COMMISSION OF CHICAGO

**Market Conditions Report - Elementary School Additions
(Unaudited)**

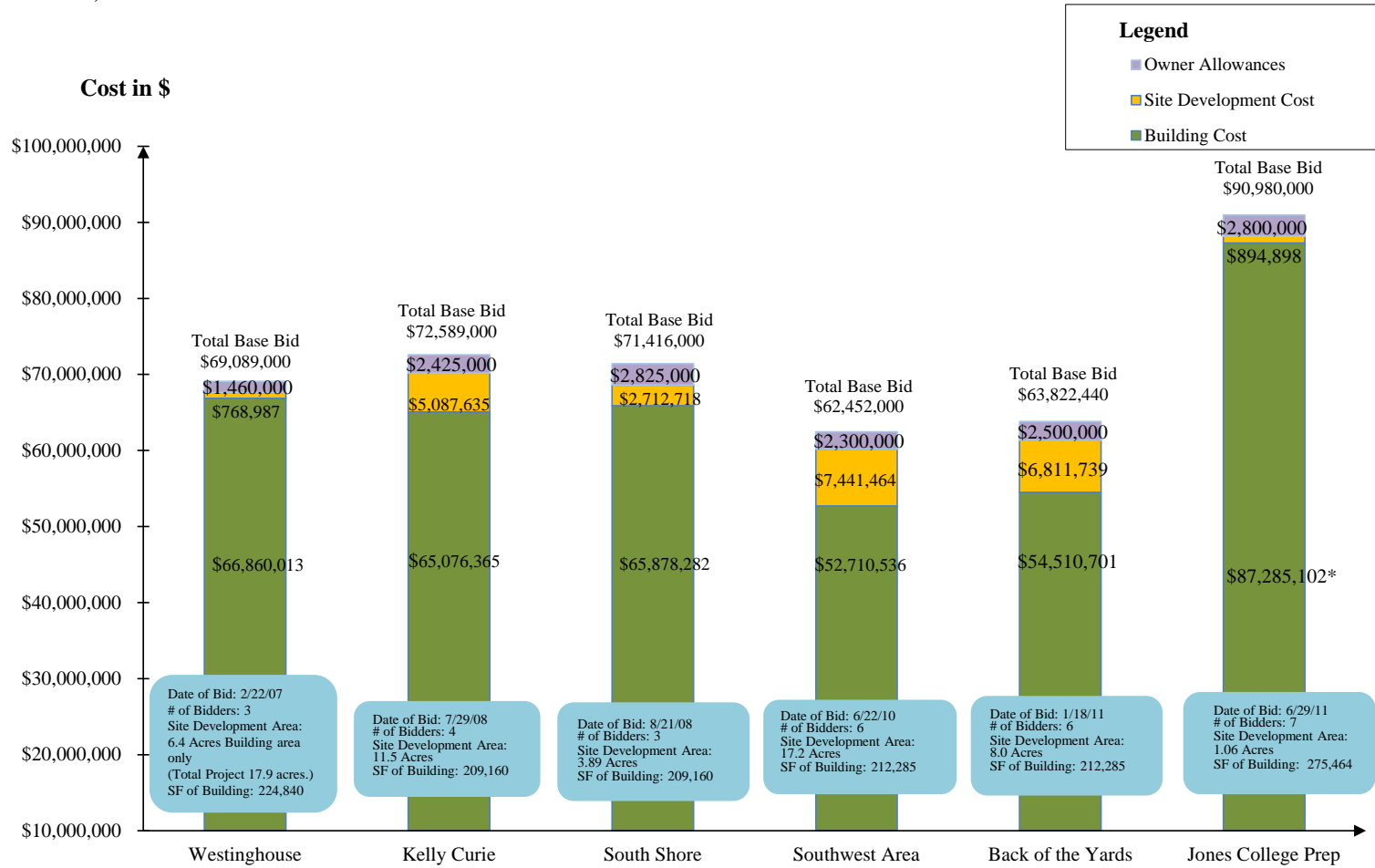


* Includes caisson foundation system.
Represents analysis at Date of Bid included in chart.

Source: Public Building Commission of Chicago.

PUBLIC BUILDING COMMISSION OF CHICAGO

**Market Conditions Report - High Schools
(Unaudited)**



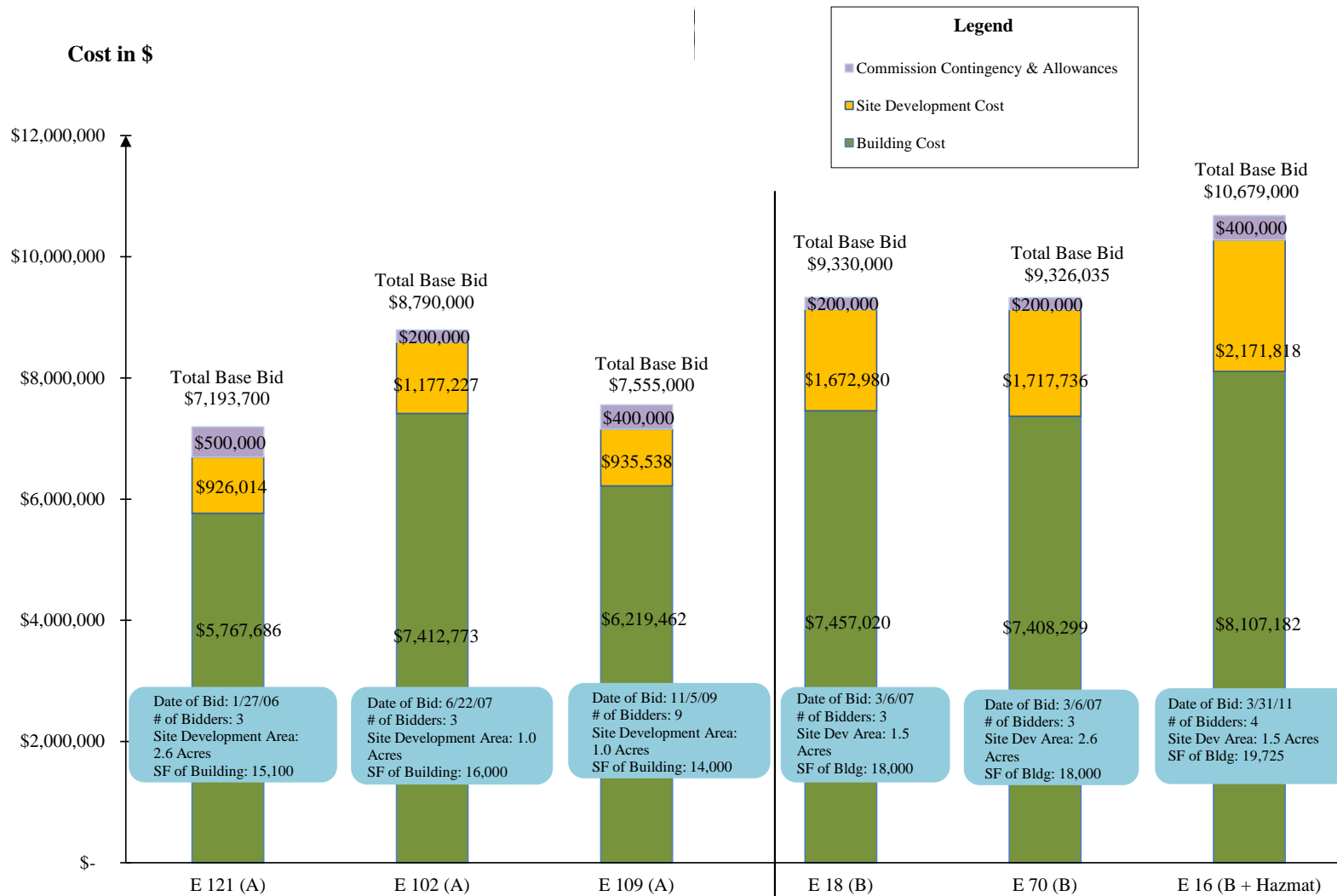
* Contributing factors to the higher building cost include the urban downtown construction site, a full auditorium and a subterranean parking garage, unlike traditional high school delivery.

Represents analysis at Date of Bid included in chart.

Source: Public Building Commission of Chicago

PUBLIC BUILDING COMMISSION OF CHICAGO

**Market Conditions Report - Engine Companies
(Unaudited)**

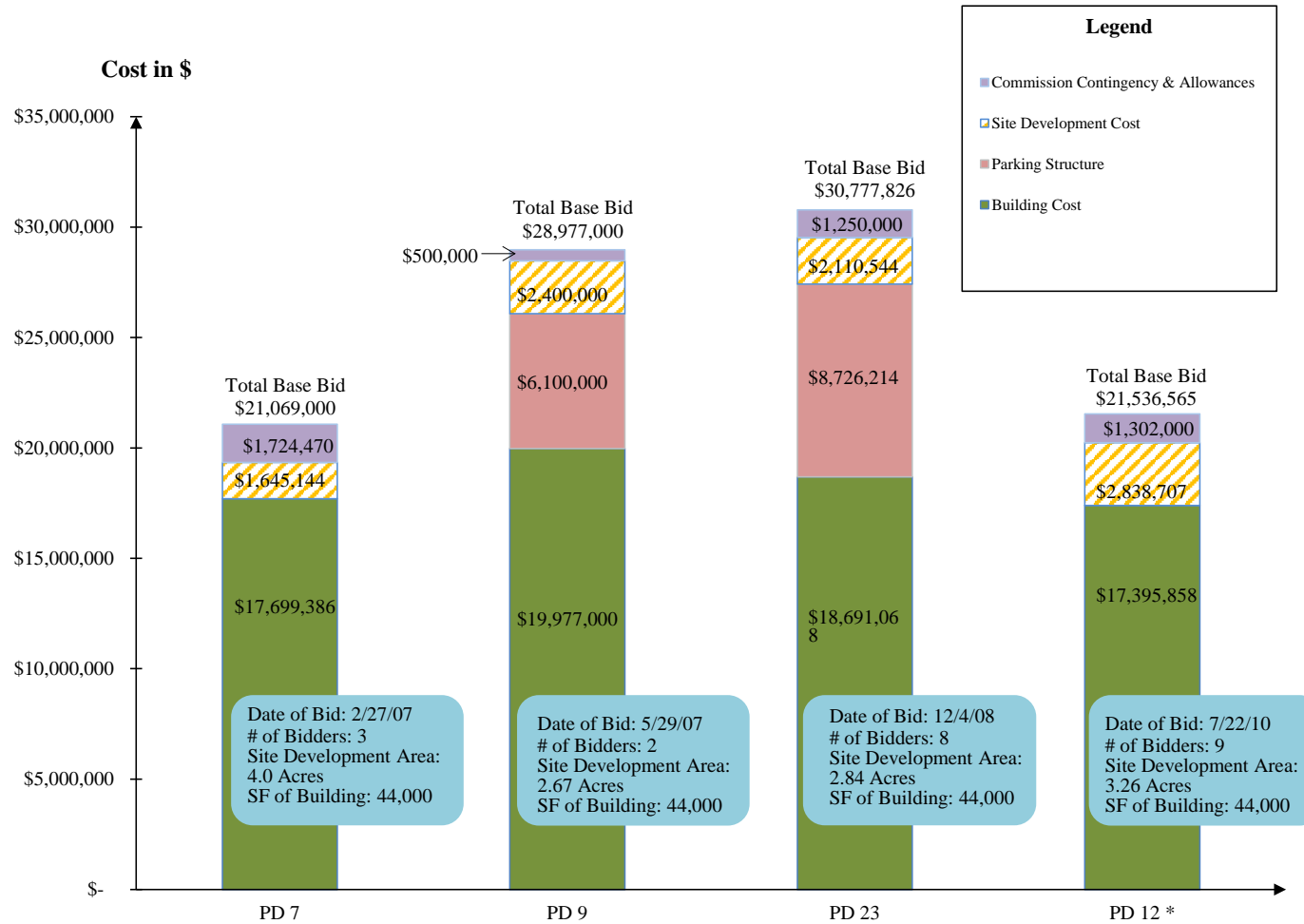


Represents analysis at Date of Bid included in chart.

Source: Public Building Commission of Chicago

PUBLIC BUILDING COMMISSION OF CHICAGO

**Market Conditions Report - Police Districts
(Unaudited)**

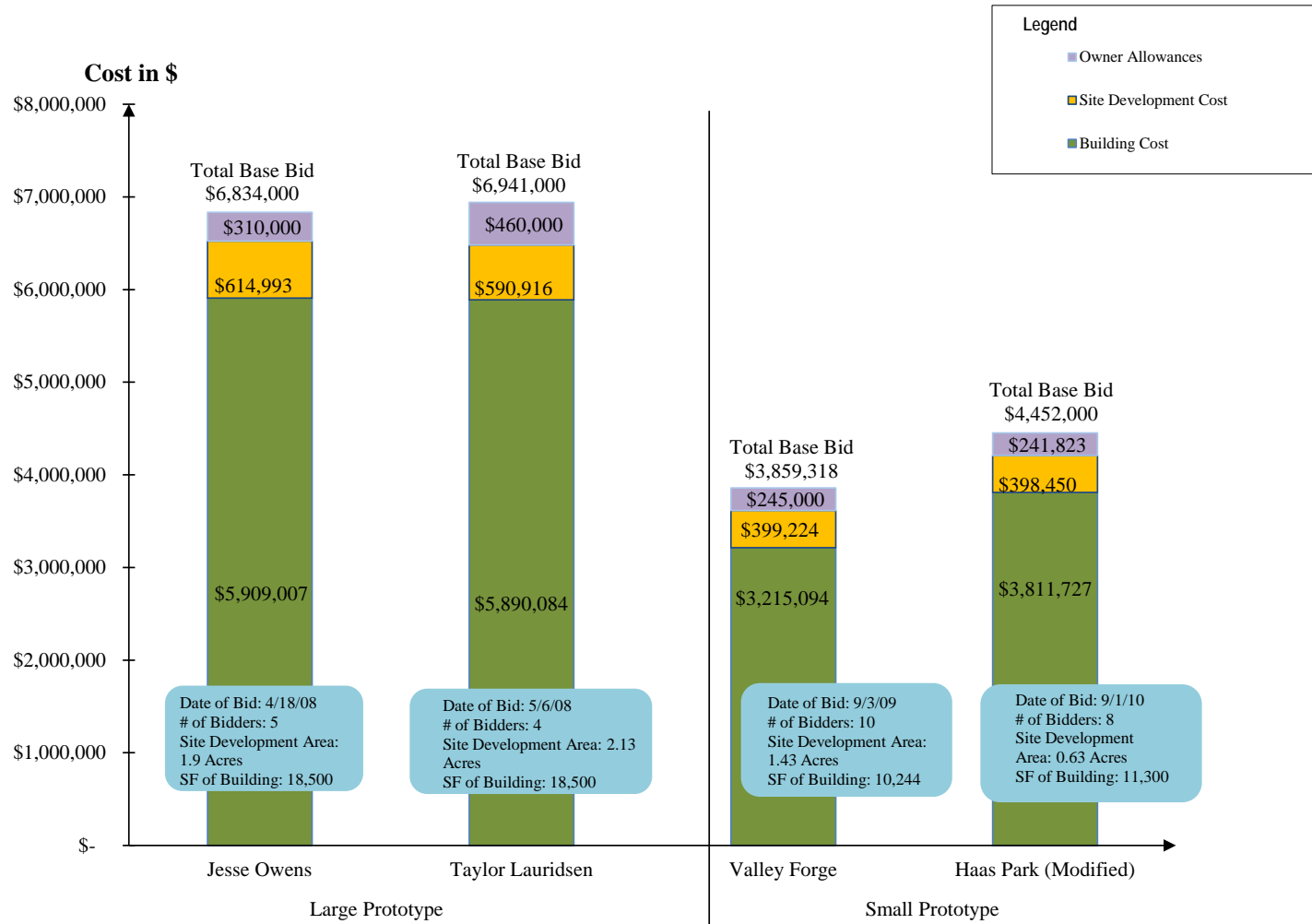


* Includes geothermal, rainwater harvesting and communication tower technology.
Represents analysis at Date of Bid included in chart.

Source: Public Building Commission of Chicago.

PUBLIC BUILDING COMMISSION OF CHICAGO

**Market Conditions Report - Fieldhouses
(Unaudited)**



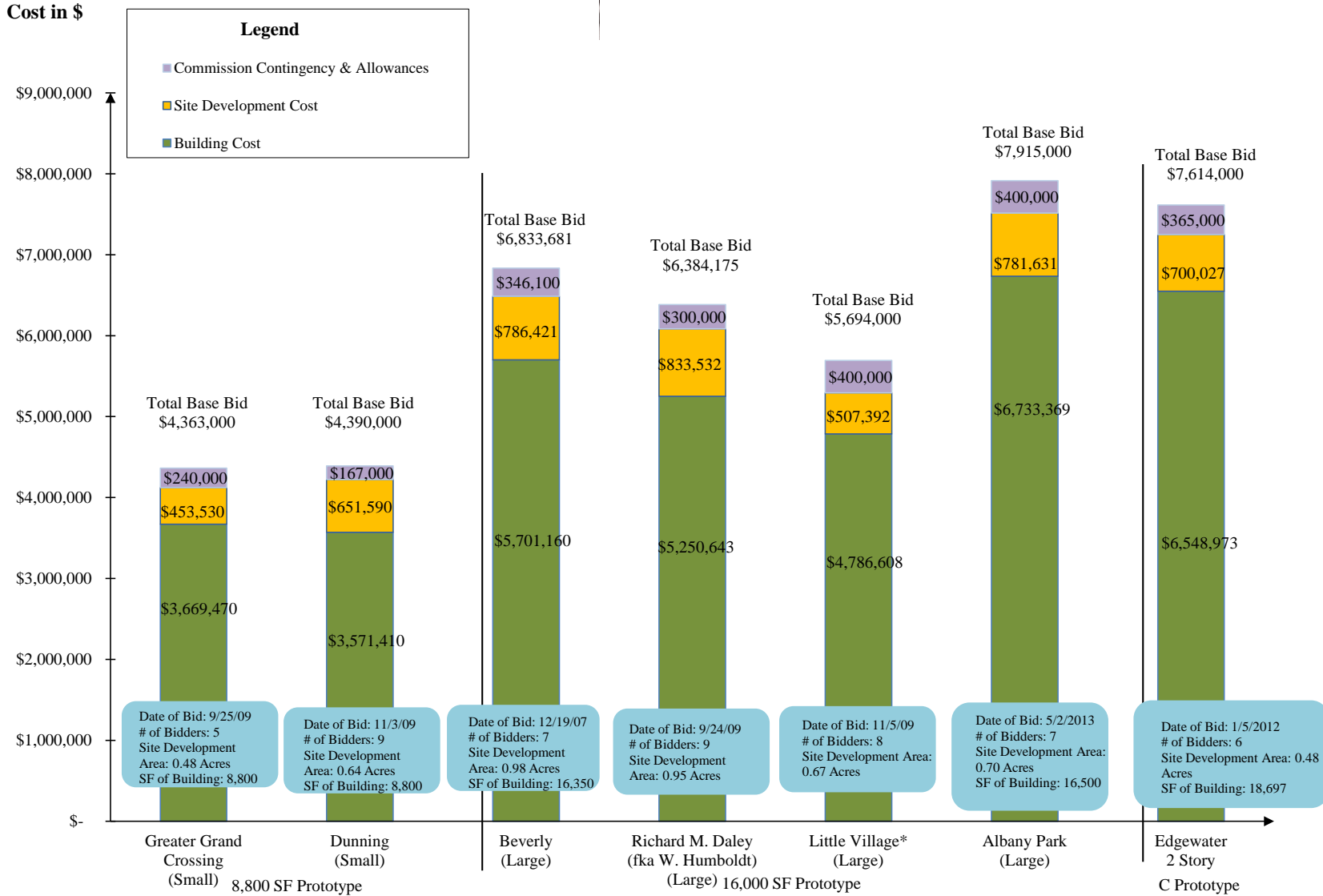
* Includes change order of \$25/sf for geothermal and rain harvesting systems.

Represents analysis at Date of Bid included in chart.

Source: Public Building Commission of Chicago

PUBLIC BUILDING COMMISSION OF CHICAGO

**Market Conditions Report - Libraries
(Unaudited)**



* Shared Campus with Engine Company 109
Represents analysis at Date of Bid included in chart.

Source: Public Building Commission of Chicago.

PUBLIC BUILDING COMMISSION OF CHICAGO

**MWBE Compliance Report - Construction
All 2017 Completed Projects
(Unaudited)**

Minimum Stated Goals: MBE - 26%; WBE - 6%

Project Name	Contractor	Adjusted		MBE Commitments	%	MBE Actuals	%	WBE Commitments	%	WBE Actuals	%
		Contract Value	Paid To Date								
CVCA Exterior Lighting Anthony Wing Decommissioning	Robe Construction, Inc.	\$594,098.12	\$508,859.37	\$150,000.00	25.25%	\$160,137.00	31.47%	\$35,390.40	5.96%	\$35,973.72	7.07%
*Edwards Elementary School Annex & Reno	Berglund Construction	\$33,792,856.00	\$29,291,056.52	\$13,853,966.39	41.00%	\$12,516,181.73	42.73%	\$2,212,611.38	6.55%	\$1,818,756.64	6.21%
Harold Washington Library Center's Thomas Hughes Children's Library Renovation	Path Construction Company, Inc.	\$1,750,220.54	\$1,631,277.83	\$244,038.29	13.94%	\$335,088.85	20.54%	\$82,377.03	4.71%	\$77,210.77	4.73%
**MWRD Boiler Replacement - 125th St. Pumping Station	Noresco, LLC	\$344,402.00	\$309,961.80	\$40,332.00	11.71%	\$42,456.88	13.70%	\$24,500.00	7.11%	\$24,500.00	7.90%
**MWRD 2016/2017 Energy Conservation Project	Noresco, LLC	\$3,885,500.00	\$3,885,500.00	\$777,100.00	20.00%	\$1,056,339.97	27.19%	\$388,550.00	10.00%	\$503,217.90	12.95%
TOTAL		\$40,367,076.66	\$35,626,655.52	\$15,065,436.68	37.32%	\$14,110,204.43	39.61%	\$2,743,428.81	6.80%	\$2,459,659.03	6.90%

Note: Figures for actuals are as of 12/29/2017 and may change as the projects financially close out.

Source: Public Building Commission of Chicago

*Design Build contract(s) and the MBE and WBE commitments reflect project specific MBE and WBE goals.

**MWRD projects are required to meet SBE commitments see project information below

Project Name	Contractor	Contract Value	Paid To Date	SBE Commitments	%	SBE Actuals	%
**MWRD Boiler Replacement - 125th St. Pumping Station	Noresco, LLC	\$344,402.00	\$309,961.80	\$20,500.00	5.95%	\$20,500.00	6.61%
**MWRD 2016/2017 Energy Conservation Project	Noresco, LLC	\$3,885,500.00	\$3,885,500.00	\$388,550.00	10.00%	\$503,217.90	12.95%
Total SBE				\$409,050.00	9.67%	\$523,717.90	12.48%

PUBLIC BUILDING COMMISSION OF CHICAGO

MWBE Compliance Report - Professional Services
 All 2017 Completed Projects
 (Unaudited)

Minimum Stated Goals: MBE - 25%; WBE - 5%

Project	Total Value of Professional				WBE					
	Service Awards	Paid To Date	MBE Commitments	%	MBE Actual	%	Commitments	%	WBE Actual	%
CVCA Exterior Lighting Anthony Wing Decommissioning	\$92,238.35	\$84,657.65	\$10,362.00	11.23%	\$5,555.00	6.56%	\$2,060.00	2.23%	\$2,060.00	2.43%
Edwards Elementary School Annex & Reno	\$4,743,369.83	\$4,367,181.04	\$2,885,977.39	60.84%	\$2,552,819.04	58.45%	\$501,244.25	10.57%	\$480,972.00	11.01%
Harold Washington Library Center's Thomas Hughes Children's Library Renovation	\$144,606.76	\$123,798.76	\$39,395.06	27.24%	\$27,051.26	21.85%	\$1,472.25	1.02%	\$770.00	0.62%
MWRD Boiler Replacement - 125th St. Pumping Station	\$225.00	\$225.00	\$0.00	0.00%	\$0.00	0.00%	\$225.00	100.00%	\$225.00	100.00%
MWRD 2016/2017 Energy Conservation Project	\$225.00	\$225.00	\$0.00	0.00%	\$0.00	0.00%	\$225.00	100.00%	\$225.00	100.00%
TOTAL	\$4,980,664.94	\$4,576,087.45	\$2,935,734.45	58.94%	\$2,585,425.30	56.50%	\$505,226.50	10.14%	\$484,252.00	10.58%

Source: Public Building Commission of Chicago

PUBLIC BUILDING COMMISSION OF CHICAGO

M/WBE Compliance Report - *JOC Construction
 All 2017 Completed Projects
 (Unaudited)

Project Name	Contractor	Adjusted		MBE Commitments	%	MBE Actuals	%	WBE Commitments	%	WBE Actuals	%
		Contract Value	Paid To Date								
None											
TOTAL		\$0.00	\$0.00	\$0.00	0.00%	\$0.00	0.00%	\$0.00	0.00%	\$0.00	0.00%

Note: Figures for actuals are as of 12/29/2017 and may change as the projects financially close out.

Source: Public Building Commission of Chicago

Note: JOC is a Term Agreement with MBE/WBE compliance determined at the end of the Agreement. Each Task Order, however, is monitored with MBE/WBE goals and/or EEO Provisions. There where no substantially completed JOC projects of 2017

PUBLIC BUILDING COMMISSION OF CHICAGO

**EEO Compliance Report
All 2017 Completed Projects
(Unaudited)**

Minimum Stated Goals: MBE - 26%; WBE - 6%

Project Name	Contractor		Minority	Minority	Minority	Female	Female	Female	City	Community
			Journey- workers	Apprentices	Laborers	Journey- Workers	Apprentices	Laborers	Residency	Hiring
CVCA Exterior Lighting Anthony Wing Decommissioning	Robe Construction, Inc.	Commitments	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	50.00%	5.00%
		Actuals	26.41%	100.00%	84.77%	5.01%	0.00%	6.27%	44.54%	5.64%
		Eligible for LD's	No	No	No	No	No	No	Yes	No
*Edwards Elementary School Annex & Reno	Berglund Construction	Commitments	40.00%	30.00%	30.00%	3.00%	3.00%	3.00%	50.00%	7.50%
		Actuals	70.50%	81.05%	93.15%	0.90%	4.62%	3.12%	43.36%	21.31%
		Eligible for LD's	No	No	No	Yes	No	No	Yes	No
Harold Washington Library Center's Thomas Hughes Children's Library Renovation	Path Construction Company, Inc.	Commitments	65.00%	70.00%	70.00%	10.00%	10.00%	5.00%	50.00%	7.50%
		Actuals	58.76%	91.03%	20.35%	7.03%	30.27%	26.97%	38.13%	16.19%
		Eligible for LD's	Yes	No	Yes	Yes	No	No	Yes	No
MWRD Boiler Replacement - 125th St. Pumping Station	Noresco, LLC	Commitments	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
		Actuals	0.00%	16.00%	0.00%	0.00%	0.00%	0.00%	2.06%	0.00%
		Eligible for LD's	No	No	No	No	No	No	No	No
MWRD 2016/2017 Energy Conservation Project	Noresco, LLC	Commitments	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
		Actuals	47.60%	69.70%	0.00%	3.21%	0.00%	0.00%	22.64%	0.00%
		Eligible for LD's	No	No	No	No	No	No	No	No

Source: Public Building Commission of Chicago.

*Edwards Elementary School is a Design Build contract that consists of a new Annex and Renovations to the existing buildings, however, compliance is determined at substantial completion of the entire project.

Note: JOC is a Term Agreement with MBE/WBE compliance determined at the end of the Agreement. Each Task Order, however, is monitored with MBE/WBE goals and/or EEO Provisions. There where no substantially completed JOC projects of 2017

PUBLIC BUILDING COMMISSION OF CHICAGO

Comprehensive Annual Financial Report

Statistical Section (Unaudited)

Operating Information

The table on page 68 depicts the annual employee count for the Commission since 2008.

The table on page 69 depicts the construction change order percent for projects as of December 31, 2017.

The table on pages 70-72 depicts the number of projects completed by the Commission per client per year for the last ten fiscal years.

The table on pages 73-75 depicts the Leadership in Energy and Environmental Design (LEED) projects completed by the Commission per client as of December 31, 2017, including the LEED rating received.

The table on page 76 depicts certain statistics accrued by the Commission's LEED program as of December 31, 2017.

PUBLIC BUILDING COMMISSION OF CHICAGO

Employee Count Last Ten Years (Unaudited)

<u>Year</u>	<u>Employees</u>
2008	53
2009	51
2010	60
2011	59
2012	42
2013	61
2014	63
2015	56
2016	48
2017	43

Source: Public Building Commission of Chicago.

PUBLIC BUILDING COMMISSION OF CHICAGO
Construction Change Order Percentage - 2017

Project	Project Type	Original Contract Award (including Contingency & Allowances)	Original Base Construction Amount (Cost of Work)	Approved Changes	Approved Change % from Original Base Construction Amount	Projected Changes	Total Approved and Projected Changes	Approved and Projected Change % from Original Base Construction Amount
Chicago Vocational Career Academy Exterior Lighting & Anthony Wing Decommissioning	Renovation	\$ 742,476.80	\$ 572,476.80	\$ 16,021.37	2.8%	\$ -	\$ 16,021.37	2.8%
Harold Washington Library Center's Thomas Hughes Children's Library Renovation ¹	Renovation	\$ 1,671,000.00	\$ 1,596,000.00	\$ 136,036.00	8.5%	\$ 101,842.00	\$ 237,878.00	14.9%
Total		\$ 2,413,476.80	\$ 2,168,476.80	\$ 152,057.37	7.0%	\$ 101,842.00	\$ 253,899.37	11.7%

Data Set: General Construction (GC) Contract and Change Information for Design Bid Build (DBB) Projects that Achieved Substantial Completion in 2017. Does not include technology projects or projects developed under alternate delivery methods (e.g. Design Build, CM at Riskm ESCO.)

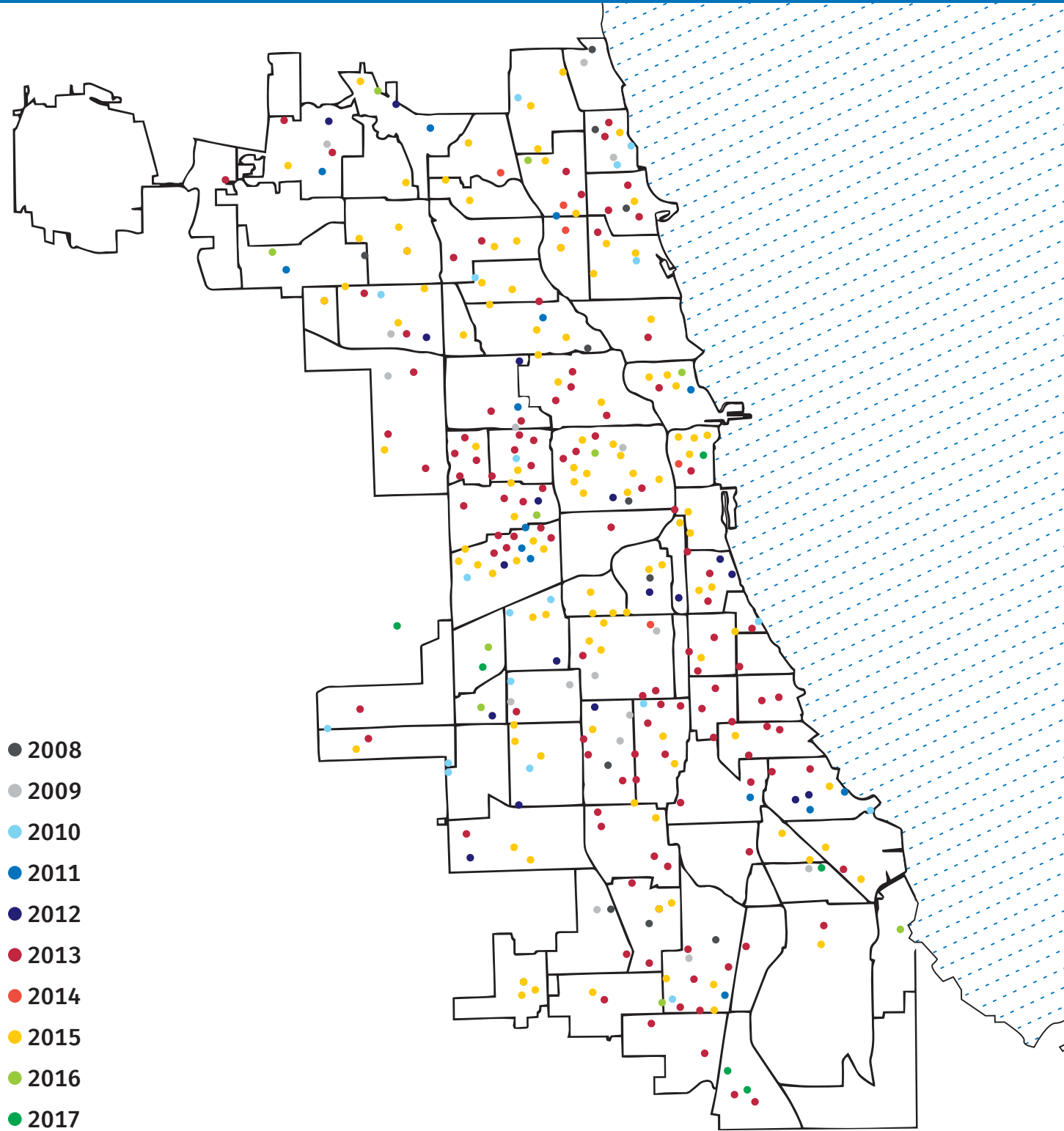
¹Design by User Agency

Approved Changes include Contingency Usage Authorization & Contract Change Orders approved as of the data date. **Projected Changes** include those in the approval process or a potential, estimated change as of data date.

Approved/Projected Changes does not include closeout credits for EEO Liquidated Damages or closeout of unused contingency or allowances.

Data Date: December 19, 2017

PUBLIC BUILDING COMMISSION OF CHICAGO
COMPLETED PROJECTS: 2008-2017



PUBLIC BUILDING COMMISSION OF CHICAGO

COMPLETED PROJECTS: 2008-2017

2008

9th District Police Station
Bennett Elementary School Campus Park
Drummond Montessori Magnet School Campus Park
Engine Company 121 Firehouse
Engine Company 18 Firehouse
Engine Company 70 Firehouse
Miles Davis Magnet Academy
Stewart Elementary School Campus Park
Thorp Scholastic Academy Campus Park
Wacker Elementary School Campus Park
Willye B. White Fieldhouse

2009

7th District Police Station
Beverly Branch Library
Bontemps Elementary School Campus Park
Bromann Park Playlot
Daley Elementary Academy Stairwell
Engine Company 102 Firehouse
Hernandez Middle School
Hughes Elementary School
Jesse Owens Park Fieldhouse
Norwood Park Senior Center
Prieto Math & Science Academy
Skinner West Elementary School
Taylor-Lauridsen Park Fieldhouse
Western Boulevard Vehicle Maintenance Facility
Westinghouse High School
Young Elementary School Stairwell

2010

19th District Police Station (formerly 23rd District)
41st Street Beach Comfort Station
Azuela Elementary School
Bromann Park Playground Expansion
Burroughs Elementary School Artificial Turf
Calmea Academy
Camras Children's Engineering School Renovation
Fenger Academy High School Cameras
Holmes Elementary School
Lorca Elementary School
Madigan Park (#484)
Marquette Park Playground
Marshall Metropolitan High School Campus Park
Osterman Beach Comfort Station
Piotrowski Park Playground
Solorio Academy High School
South Water Purification Plant
Valley Forge Park Fieldhouse
West Ridge Elementary School

2011

Brooks College Preparatory Academy Additions
Collins High School Renovation
Dunning Branch Library
Engine Company 109 Firehouse
Garvy Elementary School Addition
Greater Grand Crossing Branch Library & Reading Garden
Haas Park Fieldhouse
Little Village Branch Library
Mt. Greenwood Elementary School Linked Annex
The Ogden International School of Chicago Powell Academy
Richard M. Daley Branch Library
Sauganash Elementary School Addition
South Shore International College Preparatory High School
Sulzer Regional Library Renovation
Woodson Regional Library Renovation

2012

12th District Police Station
31st Street Harbor
Air Force Academy Renovation
Douglas Park Artificial Turf
Durkin Park Elementary School Linked Annex
Edgebrook Elementary School Addition
Engine Company 16 Firehouse
Goode STEM Academy
Henderson Elementary School Renovation
Humboldt Park Library Addition & Renovation
Lloyd Elementary School Artificial Turf
Michael Reese Hospital Demolition
Onahan Elementary School Linked Annex
Ortiz de Dominguez Elementary School Artificial Turf
Peck Elementary School Renovation
Ramova Theater Stabilization
Rosenblum Park Redevelopment
Shields Middle School
South Shore High School Demolition

2013

Back of the Yards College Preparatory High School & Branch Library
CPS School Investment Program (98 schools)
Dirksen Elementary School Modular
Edgewater Branch Library
Edison Park Elementary School Linked Annex
Gray Elementary School Modular
Hale Elementary School Linked Annex
Higgins Community Academy Renovation
Jones College Preparatory High School
Lake View High School Renovation
Leonard Louie Fieldhouse

Little Village Elementary School Modular
Locke Elementary School Modular
Lyon Elementary School Modular
Stevenson Elementary School Linked Annex
Tonti Elementary School Modular

2014

Albany Park Branch Library
Bell Elementary School Addition
Coonley Elementary School Addition
Jones College Preparatory High School Renovation
Stock Yards National Bank Building Stabilization

2015

Chicago Children's Advocacy Center Expansion
Chicago Vocational Career Academy Renovation
Chinatown Branch Library
CPL YOUmedia Renovations (3 libraries)
CPS Air Conditioning Program (35 schools)
Dunne Technology Academy Annex & Modernization
Lincoln Elementary School Annex
Lindblom Academy Parking Lot
Mt. Greenwood Elementary School Modular
Oriole Park Elementary School Annex
Retrofit One (60 public buildings)
Tonti Elementary School Modular
Turf Field at National Teachers Academy
Wildwood World Magnet School Annex
Woodson Regional Library Renovation

2016

Canty Elementary School Annex
CPL Early Learning Educational Investments (2 libraries)
Edwards Elementary School Annex
Jamieson Elementary School Annex
Malcolm X College Demolition
Payton College Preparatory High School Annex
Richardson Middle School
Southeast Area Elementary School
Wildwood World Magnet School: Renovation & Intercom Repair

2017

125th Street Pumping Station
CVCA: Exterior Lighting & Anthony Wing Decommissioning
Edwards Elementary School Renovation
MWRD Energy Conservation Project (2 water reclamation plants)
Thomas Hughes Children's Library Renovation

COMPLETED PROJECTS BY CLIENT: 2008-2017

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	TOTAL
City of Chicago	0	2	3	0	2	0	1	2	1	2	13
Campus Parks	5	1	2	0	0	0	0	0	0	0	8
Chicago Fire Department	3	1	0	1	1	0	0	0	0	0	6
Chicago Park District	1	3	6	1	2	1	0	0	0	0	14
Chicago Police Department	1	1	1	0	1	0	0	0	0	0	4
Chicago Public Library	0	1	0	7	1	1	1	5	1	1	18
Chicago Public Schools	1	7	8	8	12	30	3	43	7	2	121
Office of Emergency Management & Communications	4	5	12	13	32	16	21	28	16	0	147
TOTAL	15	21	32	30	51	48	26	78	25	5	331

PUBLIC BUILDING COMMISSION OF CHICAGO LEED-CERTIFIED PROJECTS

	PROJECT NAME	LEED RATING	
CITY OF CHICAGO	4 th Ward Yard	Silver	8 PROJECTS
	Chicago Center for Green Technology	Platinum	
	Chicago Children's Advocacy Center Expansion	Gold	
	Norwood Park Senior Satellite Center	Certified	
	Richard J. Daley Center	Silver	
	Richard J. Daley Center (recertification)	Silver	
	South Water Purification Plant	Silver	
	Western Boulevard Vehicle Maintenance Facility	Silver	
CHICAGO FIRE DEPARTMENT	Engine Company 16	Platinum	6 PROJECTS
	Engine Company 18	Silver	
	Engine Company 70	Silver	
	Engine Company 102	Gold	
	Engine Company 109	Gold	
	Engine Company 121	Silver	
CHICAGO PARK DISTRICT	31 st Street Harbor	Gold	8 PROJECTS
	41 st Street Beach Comfort Station	Certified	
	Haas Park Fieldhouse	Gold	
	Jesse Owens Park Fieldhouse	Gold	
	Osterman Beach Comfort Station	Silver	
	Ping Tom Memorial Park Leonard Louie Fieldhouse	Platinum	
	Taylor-Lauridsen Park Fieldhouse	Gold	
	Valley Forge Park Fieldhouse	Gold	
CHICAGO POLICE DEPARTMENT	7 th District Police Station	Gold	4 PROJECTS
	9 th District Police Station	Gold	
	19 th District Police Station (formerly 23 rd District)	Gold	
	22 nd District Police Station	Silver	
CHICAGO PUBLIC LIBRARY	Avalon Branch Library	Certified	15 PROJECTS
	Beverly Branch Library	Silver	
	Bucktown/Wicker Park Branch Library	Certified	
	Budlong Woods Branch Library	Certified	
	Dunning Branch Library	Gold	
	Edgewater Branch Library	Gold	
	Greater Grand Crossing Branch Library	Gold	
	Little Village Branch Library	Gold	
	Logan Square Branch Library	Silver	
	Oriole Park Branch Library	Certified	
	Richard M. Daley Branch Library	Gold	
	Vodak/East Side Branch Library	Certified	
	West Chicago Avenue Branch Library	Certified	
	West Englewood Branch Library	Certified	
West Pullman Branch Library	Certified		

PUBLIC BUILDING COMMISSION OF CHICAGO
LEED-CERTIFIED PROJECTS (CONTINUED)

	PROJECT NAME	LEED RATING	
CHICAGO PUBLIC SCHOOLS	Albany Park Middle School	Certified	42 PROJECTS
	Azuela Elementary School	Gold	
	Back of the Yards College Preparatory High School	Gold	
	Brooks College Preparatory Academy Additions	Silver	
	Calmecca Academy	Gold	
	Canty Elementary School Annex	Silver	
	Coonley Elementary School Addition	Silver	
	Davis Magnet Academy	Silver	
	Dunne Technology Academy Annex & Modernization	Certified	
	Durkin Park Elementary School Addition	Gold	
	Edgebrook Elementary School Addition	Silver	
	Edison Park Elementary School Linked Annex	Gold	
	Edwards Elementary School Annex	Silver	
	Garvy Elementary School Addition	Silver	
	Goode STEM Academy	Platinum	
	Hale Elementary School Linked Annex	Gold	
	Hernandez Middle School	Gold	
	Holmes Elementary School Addition	Certified	
	Hughes Elementary School	Gold	
	Jamieson Elementary School Annex	Silver	
	Jones College Preparatory High School	Gold	
	Lincoln Elementary School Addition	Silver	
	Lorca Elementary School	Gold	
	Mt. Greenwood Elementary School Linked Annex	Gold	
	Ogden International School of Chicago	Gold	
	Onahan Elementary School Linked Annex	Silver	
	Oriole Park Elementary School Addition	Certified	
	Payton College Preparatory High School Annex	Silver	
	Powell Elementary School	Gold	
	Prieto Math & Science Academy	Silver	
	Richardson Middle School	Gold	
	Sauganash Elementary School Addition	Gold	
	Shields Middle School	Gold	
	Skinner West Elementary School	Gold	
	Solorio Academy High School	Gold	
	South Shore International College Preparatory High School	Gold	
	Southeast Area Elementary School	Silver	
	Stevenson Elementary School Annex	Gold	
	Tarkington School of Excellence	Certified	
	Westinghouse High School	Silver	
	West Ridge Elementary School	Silver	
	Wildwood World Magnet School Annex	Certified	

TOTAL NUMBER OF LEED-CERTIFIED PROJECTS AT YEAR END:

73 PROJECTS

PUBLIC BUILDING COMMISSION OF CHICAGO
LEED-CERTIFIED PROJECTS BY CLIENT



CITY OF CHICAGO
8 PROJECTS



CHICAGO FIRE DEPARTMENT
6 PROJECTS



CHICAGO PARK DISTRICT
8 PROJECTS



CHICAGO POLICE DEPARTMENT
4 PROJECTS

**CHICAGO
PUBLIC
LIBRARY**

CHICAGO PUBLIC LIBRARY
15 PROJECTS



CHICAGO PUBLIC SCHOOLS
42 PROJECTS

PUBLIC BUILDING COMMISSION OF CHICAGO
LEED FAST FACTS



94.91%
percentage of waste
diverted from landfills
(207,323 tons)



\$124,228,786
of regional materials (extracted,
processed & manufactured
within 500 miles) purchased



656,958
total square feet of
green roof space



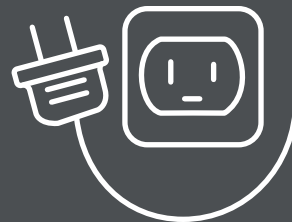
26,439,470
gallons of potable
water saved per
year



2,520
shade trees
planted on new
construction sites



\$78,172,648
of recycled materials
purchased



\$1,595,787
in energy savings per year at
PBC projects citywide