



**PUBLIC BUILDING COMMISSION OF CHICAGO**  
**Comprehensive Annual**  
**Financial Report**  
For the Years Ended December 31, 2010 & 2009



**Mayor Rahm Emanuel, Chairman**  
**Erin Lavin Cabonargi, Executive Director**



**PUBLIC BUILDING COMMISSION OF CHICAGO, ILLINOIS**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009**

**Issued June 29, 2011**

**Public Building Commission  
Board of Commissioners**

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**Dr. Bryan Traubert**

**Erin Lavin Cabonargi, Executive Director**

**Prepared by Finance Section  
Daryl McNabb, Director of Finance**

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June 29, 2011

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Chairman  
RAHM EMANUEL  
Mayor  
City of Chicago

Executive Director  
ERIN LAVIN CABONARGI

To the Honorable Mayor Rahm Emanuel, Chairman of the Public Building Commission, 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) for the years ended December 31, 2010 and 2009. Responsibility for both the accuracy of the data and completeness of the presentation, including all disclosures, rests with the Commission. The purpose of the CAFR is to provide complete and accurate information that complies with reporting requirements. 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) and should be read in conjunction with it. 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, with the Commission balancing the cost of control with the benefits derived. The Commission has enhanced its internal control program by contracting with an external Inspector General and increasing the number of approved policies and procedures in financial management and other administrative areas of the organization.

### **Authority**

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





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

## **Governance**

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

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

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

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

## **Purpose of the Commission**

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

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

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

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

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

## **Major Initiatives**

The Commission currently has many initiatives underway. Four highlights for 2010 are Modern Schools Across Chicago (MSAC), the Chicago Public Library (CPL) capital program, security camera installation and integration and Energy Performance Contracting.

In June 2006, the Mayor of the City of Chicago announced an ambitious program to build or renovate more than 20 new and existing schools for the Chicago Public Schools (CPS). MSAC is an innovative funding program that will provide more than \$1 billion in new or improved infrastructure for the school district. The first project to be completed was Miles Davis Replacement Elementary School, opening in the Englewood community in



September, 2008. Since that time, eleven more facilities have been opened. Four schools are scheduled to open in 2011, with several more in the construction, design or planning stages. The Commission has been granted the development authority for a total of 19 MSAC projects. At the time of issuance of this report, these projects illustrate excellent cost performance, collectively trending \$116 million under budget.

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

The Commission is also partnering with Chicago Public Library (CPL) on a program that includes the construction of new branch libraries as well as addition and renovation projects throughout the City. Up to 21 new or renovated facilities are envisioned in this program, with total development costs estimated at more than \$200 million. The first facility in this program, the Beverly Branch Library, opened in 2009. Since that time, two more facilities have opened and two additional facilities are anticipated to open in the remaining months of 2011. Like the MSAC program, the library program will utilize TIF funding where available, proving that libraries can also be development anchors in City neighborhoods. The five libraries opened or in development by the Commission reflect excellent cost performance, trending a \$3 million collective project surplus.

In recent years, the Commission has worked with numerous client partners to develop and enhance networks of security cameras and tie those cameras into the Office of Emergency Management and Communications' (OEMC) system, supporting 911. The City's OEMC network includes approximately \$44.8 million of network infrastructure and public right-of-way surveillance coverage deployed since 2007. In addition to the City of Chicago, clients have included CPS, the Chicago Housing Authority (CHA), the Chicago Transit Authority (CTA) and the City Colleges of Chicago. The Commission is supporting these clients with specification development, procurement and deployment of surveillance systems to improve security of their facilities. Discussions are ongoing with additional clients to determine if similar opportunities for collaboration are present.

For the CHA, the Commission has placed surveillance systems at sixty properties, deploying over 2,700 surveillance cameras which are available to public safety responders via the OEMC network. For CPS, the



Commission has deployed surveillance cameras in the public right of way at 20 additional area high schools to bring the total number of high schools covered in this program to 40. The Commission also installed a surveillance system at Fenger Academy consisting of 80 high definition cameras, which will serve as a model for high risk high schools. Plans are in place to install cameras at five CTA transit stations. The Commission is working on plans with CCC to connect its cameras to the OEMC network and to develop license-plate-recognition at certain parking facilities across the district. The Commission continues to work with OEMC to create and implement the city-wide strategy to integrate all public right-of-way cameras in the City of Chicago into the OEMC network for availability to first responders and emergency management teams, and to implement multiple surveillance solutions supporting the City's Department of Homeland Security grant initiatives.

The Commission has engaged in Energy Performance Contracting, having initiated a program within the Daley Center in 2010. The energy conservation measures being implemented at the Daley Center include lighting upgrades, water conservation modifications to public restrooms, energy management system optimization, conversion of the chilled water loop to variable flow, new boiler controls, variable air boxes for fan systems and upgrades to condenser water controls, chiller motors, starters and compressors. The improvements will reduce carbon emissions by more than 2,500 tons, the equivalent of planting 572 acres of trees or removing 461 from area roads.

These improvements are guaranteed to save approximately \$9 million over the fifteen year financing term, and will continue to save in operating costs beyond that term. The application of annual savings to cover the financing costs is the innovative feature of this program, and the Commission is currently exploring the replication of this approach with several client agencies.

## **Clients**

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

### **City of Chicago**

- Chicago Fire Department
- Chicago Police Department
- Chicago Public Library
- Department of Environment
- Department of General Services



Department of Innovation and Technology  
Office of Emergency Management and Communications

City Colleges of Chicago  
Chicago Housing Authority  
Chicago Public Schools  
Chicago Park District  
Chicago Transit Authority  
Cook County  
Cook County Forest Preserve District

### **Use of Prototypes**

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

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

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

The Commission has long been involved with LEED certification of its projects and is proud of its considerable success in this area. LEED is a performance-based rating system developed by the U.S. Green Building Council (USGBC). It is a standardized metric for the "greenness" of a building, or the success of its sustainable design and construction efforts. LEED is a tool to help the building industry design, build and operate high performance buildings. The seven areas considered by LEED in determining ratings are energy efficiency, reduction of urban heat island effect, stormwater management, reduction of water use, incorporation of



transportation alternatives, diversion of construction and demolition waste from landfills and economic considerations such as use of local building materials and generation/retention of green jobs.

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

The Commission’s LEED objectives are consistent with those of the City of Chicago and reflect Chicago Climate Action Plan goals to address carbon footprint, quality of life and resource use, costs and constraints. For example, the City’s Green Permit program provides incentives for sustainable or green design practices by streamlining the building permit process. These LEED objectives are evidenced by the 40 LEED certified buildings completed by the City of Chicago as of December 31, 2010, the most of any municipality in the country. Of these, 31 of the projects were managed by the Commission. Please see the Statistical Section for additional information regarding LEED.

### **Economic Opportunity and Human Sustainability**

As a steward of public funds, the Commission prioritizes the enhancement of the economic opportunity and human sustainability component of our projects. By implementing contract provisions that make our projects more accessible to all vendors, the Commission contributes to the overall mission of empowering minority- and women-owned business enterprises (M/WBE’s) and minority and women workers, and spurring job creation in communities that have historically had little access to such work.

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

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

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



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

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

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

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

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

### **Public Information**

As custodians of the public trust, the Commission is pleased to offer extensive information on its programs and projects to the public. The Commission's website, [www.pbcchicago.com](http://www.pbcchicago.com), includes information on all current projects, including contractors, payment applications funded by the Commission, building and site details and pictures of the projects throughout construction. The website includes information on historical Commission projects as well, such as a site map and date of opening. The website includes information for prospective vendors on how they can partner with the Commission on future projects. All Board actions from past meetings and agendas for upcoming meetings are posted, as are staff reports provided to Board members on a quarterly basis. Financial statements are posted, as well as links to Commission client partners' websites. The Commission is proud to provide this level of information and transparency for of all aspects of its business practices.



## **Awards**

The 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, 2009. This was the first year that the Commission 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 has been recognized numerous times in recent years for several other distinguishing awards. The following are awards received in 2010.

On February 12, 2010, the Commission received the "Honor Award" in the category of Water and Wastewater from the American Council of Engineering Companies of Illinois for the South Water Purification Plant. The award recognizes exceptional engineering that meets the needs of the client and benefits the public welfare.

On September 19, 2010, the Langston Hughes Elementary School was honored when the project's Architect of Record, Schroeder Murchie Niemiec Gazda-Auskalnis (SMNG-A), received the Silver Award at the Association of Licensed Architects' 2010 Design Awards Program.

The Commission's 41<sup>st</sup> Street Beach and Osterman Beach Comfort Stations were honored when the Architect of Record for both projects, Muller & Muller, were recognized for "Sustainable Innovation in the Built Environment" by Mayor Daley's Greenworks 2010 program.

## **Independent Audit**

The Act requires the Commission's financial statements to be audited annually by independent certified public accountants. The fiscal year 2010



audit was conducted by Deloitte & Touche LLP (“Deloitte”) with support from Washington, Pittman & McKeever, a minority-owned certified public accounting firm and Velma Butler Associates, a women-owned certified public accounting firm. An unqualified audit opinion, rendered by Deloitte, is included in the financial section of this report.

### **Acknowledgements**

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

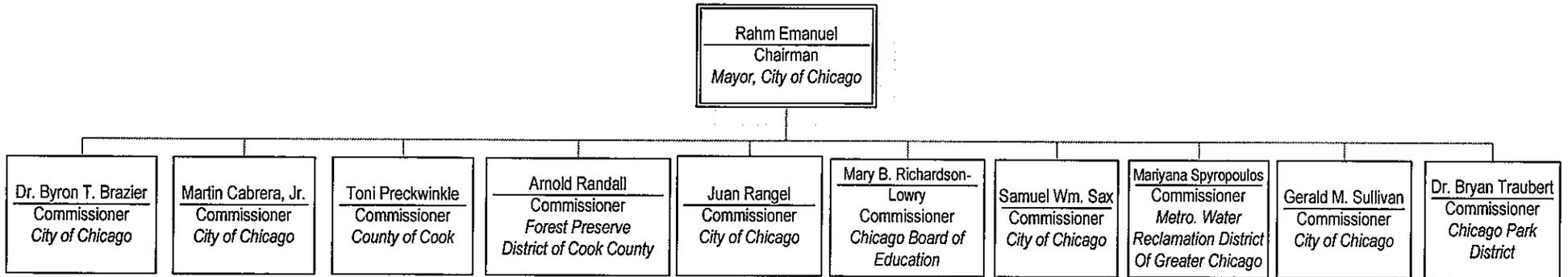
Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Erin Lavin Cabonargi". The signature is fluid and cursive, extending across the width of the page.

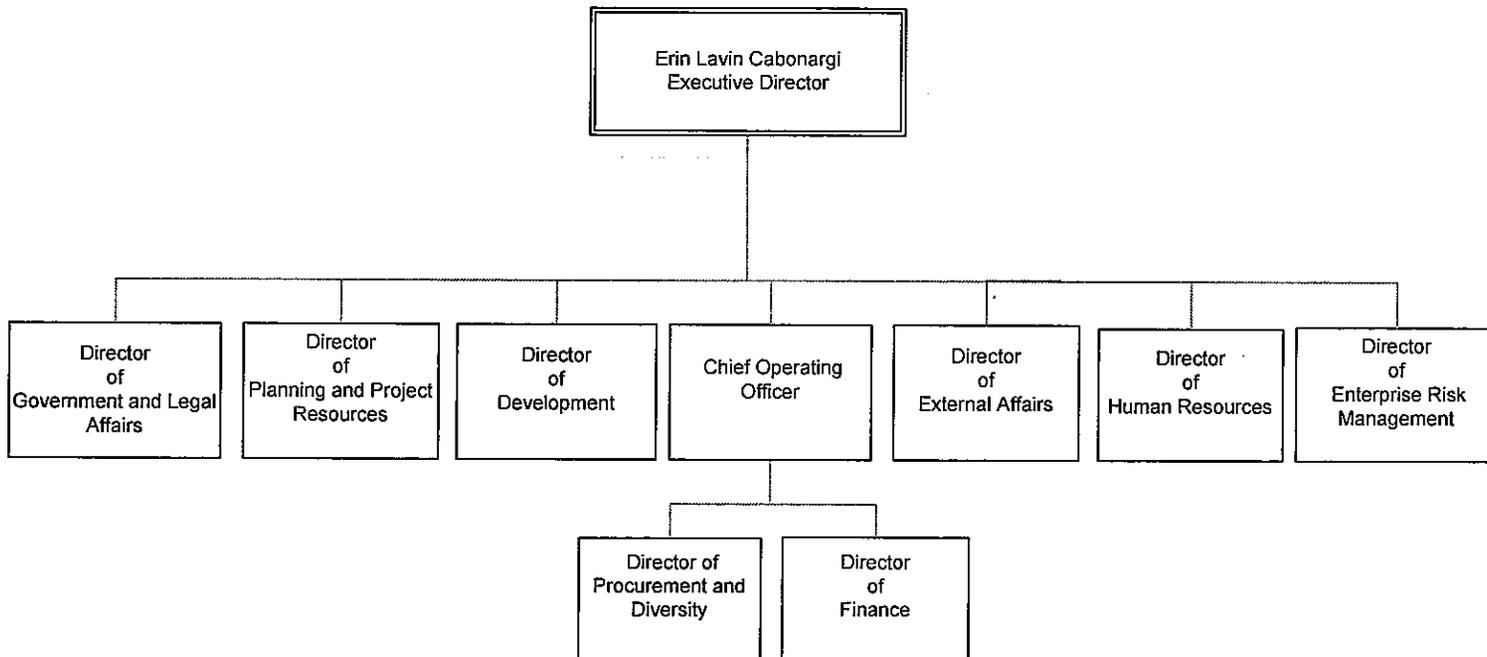
Erin Lavin Cabonargi  
Executive Director

# PUBLIC BUILDING COMMISSION OF CHICAGO

## BOARD OF COMMISSIONERS



## ADMINISTRATION



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Public Building Commission  
of Chicago, Illinois

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

# **PUBLIC BUILDING COMMISSION OF CHICAGO**

## **Comprehensive Annual Financial Report**

### **Financial Section**

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

## INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying basic financial statements of the Public Building Commission of Chicago (the "Commission") as of and for the years ended December 31, 2010 and 2009, as listed in the foregoing table of contents. These basic financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these 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 financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Commission as of December 31, 2010 and 2009, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

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

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

*Deloitte & Touche LLP*

June 29, 2011

## **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, 2010, 2009, and 2008. Please read it in conjunction with the Commission’s financial statements, which follow this section.

### **INTRODUCTION**

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

The Commission’s basic financial statements for the years ended December 31, 2010 and 2009 have been prepared using proprietary fund (enterprise fund) accounting that uses the same basis of accounting as private sector business enterprises. The basic financial statements reflect that the Commission is operated under one enterprise fund.

### **OVERVIEW**

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

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

### **BASIC FINANCIAL STATEMENTS**

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

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

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

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

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

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

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

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

## **FINANCIAL INFORMATION**

The assets of the Commission exceeded liabilities by approximately \$ 80.2 million at December 31, 2010. Of this amount, \$67.8 million is invested in capital assets and \$12.4 million is restricted for use by the Daley Center and for Commission operations. The Commission's total net assets increased by \$2.0 million for the year ended December 31, 2010 and decreased by \$1.6 million for the year ended December 31, 2009. The increase in net assets for the year ended December 31, 2010 is attributable to increases in administrative fee revenue, which is recognized at three different project milestones: award of construction contract, 50% construction completion, and project closeout. Administrative fee revenue began to be recognized at these three different project milestones effective January 1, 2009 and was applied retrospectively to 2008. The decrease in net assets for the year ended December 31, 2009 is attributable to increased project management costs offset by increases in the administrative fee revenue.

The assets of the Commission exceeded liabilities by approximately \$78.2 million at December 31, 2009. Of this amount, \$59.3 million is invested in capital assets and \$18.9 million is restricted for use by the Daley Center and for Commission operations. The Commission's total net assets decreased by \$1.6 million for the year ended December 31, 2009 and increased by \$3.3 million for the year ended December 31, 2008. The decrease in net assets for the year ended December 31, 2009 is attributable to increased project management costs offset by increases in the administrative fee revenue. The increase in net assets for the year ended December 31, 2008 is attributable to an increase in administrative fee revenue due to the growing development program of the Commission.

Operating revenues for 2010 and 2009 were \$401.8 million and \$404.6 million, respectively. Operating expenses were \$388.5 million and \$394.3 million, respectively. Both fluctuate based on the volume of construction activity as operating revenue includes project revenue, which is recognized to the extent of current construction costs. Investment income for 2010 and 2009 was \$66 thousand and \$138 thousand, respectively. The decrease is due to lower interest rate performance as realized throughout the investment marketplace. The low interest rates realized in the latter half of 2009 persisted throughout 2010, resulting in the continuing decline of investment income.

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

In 2010, the Commission maintained its key role in the development of different public capital programs, the largest being the “Modern Schools Across Chicago” program. Under this campaign, the Commission has been charged with the construction of 24 new public schools, with 11 school facilities opened over the three-year period ended December 31, 2010.

The Commission also continued its work with the Chicago Public Library on its current capital program, with the new Beverly Branch Library opening in 2009, while four other branch libraries began construction in 2010. Two of those facilities have already opened in 2011. During 2010, there was continued activity in the area of public safety construction, as the Commission opened one police station. Additional municipal projects included six Park District facilities, a major Campus Park project at Marshall High School, a chlorine water treatment plant and continuation of security camera installation as part of the city-wide surveillance camera initiative.

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

## Summary of Condensed Financial Information at December 31, 2010, 2009, and 2008:

	<b>Condensed Balance Sheets</b>		
	<b>As of December 31, 2010, 2009, and 2008</b>		
	<b>2010</b>	<b>2009</b>	<b>2008</b>
<b>Assets:</b>			
Capital assets — net	\$ 67,811,898	\$ 59,290,143	\$ 53,899,416
Other assets	<u>365,024,323</u>	<u>397,888,707</u>	<u>425,338,063</u>
<b>Total assets</b>	<b><u>\$432,836,221</u></b>	<b><u>\$457,178,850</u></b>	<b><u>\$479,237,479</u></b>
<b>Liabilities:</b>			
Current liabilities	\$ 120,197,377	\$ 122,716,024	\$ 130,889,408
Noncurrent liabilities	<u>232,434,631</u>	<u>256,293,719</u>	<u>268,598,118</u>
<b>Total liabilities</b>	<b><u>\$352,632,008</u></b>	<b><u>\$379,009,743</u></b>	<b><u>\$399,487,526</u></b>
<b>Net assets:</b>			
Invested in capital assets	\$ 67,811,898	\$ 59,290,143	\$ 53,899,416
Restricted — Daley Center	6,693,513	8,986,898	8,490,010
Restricted — Commission's operations	<u>5,698,802</u>	<u>9,892,066</u>	<u>17,360,527</u>
	<b><u>\$ 80,204,213</u></b>	<b><u>\$ 78,169,107</u></b>	<b><u>\$ 79,749,953</u></b>

	<b>Condensed Statements of Revenues, Expenses</b>		
	<b>and Change in Net Assets</b>		
	<b>For the Years Ended December 31, 2010, 2009, and 2008</b>		
	<b>2010</b>	<b>2009</b>	<b>2008</b>
<b>Operating revenue:</b>			
Project revenue	\$ 350,139,390	\$ 356,258,006	\$ 287,763,265
Rental and other revenue	<u>51,706,075</u>	<u>48,391,820</u>	<u>48,184,988</u>
<b>Total revenues</b>	<b><u>401,845,465</u></b>	<b><u>404,649,826</u></b>	<b><u>335,948,253</u></b>
<b>Operating expenses:</b>			
Construction costs	354,127,008	360,002,634	289,096,584
Other operating expenses	<u>34,367,088</u>	<u>34,248,008</u>	<u>32,380,559</u>
<b>Total operating expenses</b>	<b><u>388,494,096</u></b>	<b><u>394,250,642</u></b>	<b><u>321,477,143</u></b>
<b>Operating income</b>	<b>13,351,369</b>	<b>10,399,184</b>	<b>14,471,110</b>
<b>Other expenses</b>	<b><u>(11,316,263)</u></b>	<b><u>(11,980,030)</u></b>	<b><u>(11,167,624)</u></b>
<b>Increase (decrease) in net assets</b>	<b>2,035,106</b>	<b>(1,580,846)</b>	<b>3,303,486</b>
<b>Net assets — beginning of year</b>	<b><u>78,169,107</u></b>	<b><u>79,749,953</u></b>	<b><u>76,446,467</u></b>
<b>Net assets — end of year</b>	<b><u>\$ 80,204,213</u></b>	<b><u>\$ 78,169,107</u></b>	<b><u>\$ 79,749,953</u></b>

## **Capital Assets**

At December 31, 2010, the Commission's \$67.8 million invested in capital assets is net of accumulated depreciation of \$84.5 million. The Commission had \$152.4 million of gross capital assets, including \$11.7 million in land, \$71.3 million in the Daley Center building, \$43.3 million of building improvements to that structure, as well as \$26.1 million of construction in process. During 2010, the Commission had capital additions of \$12.1 million, including \$4.8 million related to the final phase of elevator modernization, which consisted of building improvements for the Daley Center.

At December 31, 2009, the Commission's \$59.3 million invested in capital assets is net of accumulated depreciation of \$81.0 million. The Commission had \$140.4 million of gross capital assets, including \$11.7 million in land, \$71.3 million in the Daley Center building, \$42.5 million of building improvements to that structure, as well as \$14.9 million of construction in process. During 2009, the Commission had capital additions of \$8.9 million, which consisted of building improvements for the Daley Center.

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

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

As of December 31, 2010, 2009, and 2008, the Commission had \$219.0 million, \$235.4 million, and \$251.0 million, respectively, in principal outstanding. In 2010, the Commission issued \$10.3 million in Public Building Commission of Chicago Building Revenue Refunding Bonds Series 2010A (Chicago Park District), which along with other sources refunded the Public Building Commission of Chicago Building revenue Bonds Series 1998A (Chicago Park District). No additional long-term debt was incurred by the Commission in 2009 or 2008. The decrease is due to debt payments made throughout the year.

On March 24, 2010, the Commission executed a \$5.9 million Tax Exempt Lease Purchase Agreement with Green Campus Corps, LLC to finance an Energy Performance Contract pertaining to certain improvements at the Daley Center. As of December 31, 2010, \$3.5 million in improvements had been completed and the amount financed to date of \$3.5 million was outstanding.

As of December 31, 2010, 2009, and 2008, the Commission had \$219.0 million, \$235.4 million, and \$251.0 million, respectively, in capital leases receivable. The decrease in capital lease receivable is due to the lease payments made in 2010, 2009, and 2008 for the Series 1993A, Series 1998A, 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, Room 200, Chicago, Illinois 60602. This report is available on the Commission's website at [www.pbcchicago.com](http://www.pbcchicago.com).

# PUBLIC BUILDING COMMISSION OF CHICAGO

## STATEMENTS OF NET ASSETS AS OF DECEMBER 31, 2010 AND 2009

<b>ASSETS</b>	<b>2010</b>	<b>2009</b>
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 416,827	\$ 3,871,656
Due from other governments — rent receivables	5,775,704	5,089,389
Due from other agencies — project receivables	73,733,628	97,545,122
Other receivables	533,718	644,855
Other current assets	396,901	1,990,753
Current portion of capital lease receivable	<u>17,535,000</u>	<u>5,455,000</u>
Total current assets	<u>98,391,778</u>	<u>114,596,775</u>
<b>INVESTMENTS:</b>		
U.S. Treasury obligations	7,548,326	7,358,340
Money market mutual funds	<u>55,932,056</u>	<u>44,439,004</u>
Total investments	<u>63,480,382</u>	<u>51,797,344</u>
<b>NONCURRENT ASSETS:</b>		
Capital leases receivable	<u>201,435,000</u>	<u>229,960,000</u>
<b>CAPITAL ASSETS (DALEY CENTER):</b>		
Land	11,667,688	11,667,688
Building	71,276,903	71,276,903
Building improvements	43,305,674	42,451,607
Construction in progress	26,108,271	14,871,113
Accumulated depreciation	<u>(84,546,638)</u>	<u>(80,977,168)</u>
Net capital assets	<u>67,811,898</u>	<u>59,290,143</u>
<b>OTHER ASSETS</b>	<u>1,717,163</u>	<u>1,534,588</u>
Total noncurrent assets	<u>270,964,061</u>	<u>290,784,731</u>
<b>TOTAL</b>	<u>\$432,836,221</u>	<u>\$457,178,850</u>

(Continued)

# PUBLIC BUILDING COMMISSION OF CHICAGO

## STATEMENTS OF NET ASSETS AS OF DECEMBER 31, 2010 AND 2009

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	2010	2009
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable and accrued expenses	\$ 57,736,634	\$ 67,762,026
Interest payable	2,063,382	2,367,305
Retained on contracts	22,401,089	26,421,202
Deferred rental income	9,142,351	9,425,285
Current portion of deferred project revenue	10,390,825	10,941,971
Current portion of long-term and capital lease obligations	<u>18,463,096</u>	<u>5,798,235</u>
 Total current liabilities	 <u>120,197,377</u>	 <u>122,716,024</u>
<b>NONCURRENT LIABILITIES:</b>		
Long-term debt	208,878,206	237,529,314
Capital lease obligation	2,984,944	
Other liabilities	2,530,405	1,986,585
Deferred project revenue	<u>18,041,076</u>	<u>16,777,820</u>
 Total noncurrent liabilities	 <u>232,434,631</u>	 <u>256,293,719</u>
 Total liabilities	 <u>352,632,008</u>	 <u>379,009,743</u>
<b>NET ASSETS:</b>		
Invested in capital assets	67,811,898	59,290,143
Restricted — Daley Center	6,693,513	8,986,898
Restricted — Commission's operations	<u>5,698,802</u>	<u>9,892,066</u>
 Total net assets	 <u>80,204,213</u>	 <u>78,169,107</u>
 TOTAL	 <u>\$432,836,221</u>	 <u>\$457,178,850</u>

See notes to basic financial statements.

(Concluded)

# PUBLIC BUILDING COMMISSION OF CHICAGO

## STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

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	2010	2009
OPERATING REVENUES:		
Project revenue	\$ 350,139,390	\$ 356,258,006
Rental income — lessees	14,779,488	15,911,279
Rental income — Daley Center	26,359,369	25,995,778
Other revenue	<u>10,567,218</u>	<u>6,484,763</u>
Total operating revenues	<u>401,845,465</u>	<u>404,649,826</u>
OPERATING EXPENSES:		
Construction costs	354,127,008	360,002,634
Maintenance and operations — Daley Center	17,859,574	17,610,264
Administrative expense	12,938,044	13,169,614
Depreciation expense	<u>3,569,470</u>	<u>3,468,130</u>
Total operating expenses	<u>388,494,096</u>	<u>394,250,642</u>
OPERATING INCOME	<u>13,351,369</u>	<u>10,399,184</u>
OTHER INCOME (EXPENSES):		
Investment income	66,168	138,491
Other income	270,673	273,034
Interest expense	<u>(11,653,104)</u>	<u>(12,391,555)</u>
Net other expenses	<u>(11,316,263)</u>	<u>(11,980,030)</u>
INCREASE (DECREASE) IN NET ASSETS	2,035,106	(1,580,846)
NET ASSETS — Beginning of year	<u>78,169,107</u>	<u>79,749,953</u>
NET ASSETS — End of year	<u>\$ 80,204,213</u>	<u>\$ 78,169,107</u>

See notes to basic financial statements.

# PUBLIC BUILDING COMMISSION OF CHICAGO

## STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010	2009
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
Received for projects	\$ 385,885,168	\$ 315,167,991
Received for lease and rent payments	56,614,609	56,816,947
Payments for project construction and administration	<u>(396,292,737)</u>	<u>(380,959,345)</u>
Net cash provided by (used in) operating activities	<u>46,207,040</u>	<u>(8,974,407)</u>
CASH FLOWS USED IN CAPITAL AND RELATED FINANCING ACTIVITIES:		
Payments for capital acquisitions	(9,841,366)	(10,050,702)
Proceeds from issuance of bonds	10,635,299	
Bond issuance costs	(289,262)	
Principal paid on revenue bonds	(16,089,701)	(15,625,000)
Payment to refund bonds	(10,504,749)	
Interest paid on revenue bonds	<u>(12,225,893)</u>	<u>(12,811,457)</u>
Net cash used in financing activities	<u>(38,315,672)</u>	<u>(38,487,159)</u>
CASH FLOWS (USED IN) PROVIDED BY INVESTING ACTIVITIES:		
Change in investments	(11,683,038)	45,261,991
Investment income	66,168	138,492
Other income	<u>270,673</u>	<u>273,034</u>
Net cash (used in) provided by investing activities	<u>(11,346,197)</u>	<u>45,673,517</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(3,454,829)	(1,788,049)
CASH AND CASH EQUIVALENTS — Beginning of year	<u>3,871,656</u>	<u>5,659,705</u>
CASH AND CASH EQUIVALENTS — End of year	<u>\$ 416,827</u>	<u>\$ 3,871,656</u>
RECONCILIATION OF OPERATING INCOME TO CASH FLOWS FROM OPERATING ACTIVITIES:		
Operating income	\$ 13,351,369	\$ 10,399,184
Adjustments to reconcile:		
Depreciation	3,569,470	3,468,130
Changes in assets and liabilities:		
Due from other governments	(686,315)	(121,114)
Due from other agencies	23,811,494	(33,899,700)
Other receivables	111,137	192,034
Other current assets	1,593,852	(1,458,826)
Capitalized lease receivable	16,445,000	15,625,000
Accounts payable and accrued expenses	(8,941,850)	1,149,923
Retained on contracts	(4,020,113)	10,132,070
Deferred rental income	(282,934)	(593,996)
Deferred project revenue	712,110	(13,747,446)
Other liabilities	<u>543,820</u>	<u>(119,666)</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>\$ 46,207,040</u>	<u>\$ (8,974,407)</u>
SUPPLEMENTAL DISCLOSURES OF NONCASH ACTIVITIES:		
Financing activities—capital lease obligation	<u>\$ 3,451,372</u>	<u>\$</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, 2010 AND 2009

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

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

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

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

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

**Investments** — Investments consist of money market (government bonds) mutual funds and U.S. Treasury obligations. Investments with maturity of less than one year are carried at amortized cost plus accrued interest, which approximates fair value. All other investments are carried at fair value. Investments at December 31, 2010 and 2009, consist of \$58,676,012 and \$43,753,195, respectively, restricted for future capital construction and improvements related to Commission projects and for amounts held to cover future debt service principal and interest payments. Other investments at December 31, 2010 and 2009, consist of \$4,804,370 and \$8,044,149, respectively, for use by the Richard J. Daley Center (“Daley Center”) and for Commission operations.

**Capital Leases Receivable** — Capital leases receivable, discounted at the effective interest rate of each bond issue, are reflected as assets. The portion of the lease payments attributable to administrative and other period charges is not capitalized as a lease receivable. The corresponding revenue bonds are reflected as liabilities. The current portion of leases receivable at December 31, 2010 and 2009, is \$17,535,000 and \$5,455,000, respectively.

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

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

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

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

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

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

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

**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 lease obligations at December 31, 2010 and 2009 is \$466,428 and \$0, 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 are included in deferred project revenue.

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

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

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

**Use of Estimates** — The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**New Accounting Standards** — GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, requires that all intangible assets not specifically excluded by its scope provisions be classified as capital assets. Accordingly, existing authoritative guidance related to the accounting and financial reporting for capital assets should be applied to these intangible assets, as applicable. The requirements of this statement are effective for financial statements for periods beginning after June 15, 2009. The provisions of this statement generally are required to be applied retroactively. The Commission adopted this statement in 2010. The effect of adoption did not have an impact on the Commission's basic financial statements.

GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. The requirements of this statement are effective for financial statements for periods beginning after June 15, 2009. The Commission adopted this statement in 2010. The effect of adoption did not have a material impact on the Commission's basic financial statements.

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

## **2. CASH AND INVESTMENTS**

As provided by the respective bond resolutions, cash and investments of the construction and revenue funds will be subject to a lien and charge in favor of the bondholders until paid out or transferred. Cash and investments from bond proceeds at December 31, 2010 and 2009, were in custody of the trustees.

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

- Bonds, notes, certificates of indebtedness, treasury bills, or other securities guaranteed by the full faith and credit of the United States of America as to principal and interest.
- Certain bonds, notes, debentures, or other similar obligations of the United States of America or its agencies.
- Short-term discount obligations issued by the Federal National Mortgage Association.
- Interest-bearing savings accounts, interest-bearing certificates of deposit, interest-bearing time deposits, or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act and which deposits are insured by the Federal Deposit Insurance Corporation.
- Money market mutual funds registered under the Investment Company Act of 1940 (limited to obligations described above and to agreements to repurchase such obligations).
- Repurchase agreements to acquire securities through banks or trust companies authorized to do business in the State of Illinois.

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

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

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

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

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

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

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

At December 31, 2010 and 2009, the carrying amounts of the Commission's cash deposits were \$416,827 and \$3,871,656, respectively. The Commission's cash bank balances at December 31, 2010 and 2009, totaled \$777,598 and \$4,303,488, respectively, of which \$777,598 and \$4,303,488, respectively, was covered by Federal Deposit Insurance Corporation insurance.

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

	<b>Carrying Amount at December 31, 2010</b>	<b>Maturities Less Than One Year</b>
U.S. Treasury obligations	\$ 7,548,326	\$ 7,548,326
Money market mutual funds	<u>55,932,056</u>	<u>55,932,056</u>
Total	<u>\$63,480,382</u>	<u>\$63,480,382</u>

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

**Credit Risk** — Throughout 2010 and 2009, Moody's and S&P rated the Commission's investments in money market mutual funds Aaa and AAAM, respectively.

### 3. CAPITAL ASSETS (DALEY CENTER)

A summary of changes in capital assets is as follows:

	<b>Balance December 31, 2009</b>	<b>Additions, Transfers in, and Depreciation</b>	<b>Disposals, Adjustments, and Transfers Out</b>	<b>Balance December 31, 2010</b>
Capital assets, not being depreciated:				
Land	\$ 11,667,688	\$ -	\$ -	\$ 11,667,688
Construction in progress	<u>14,871,112</u>	<u>12,091,226</u>	<u>(854,067)</u>	<u>26,108,271</u>
Total capital assets, not being depreciated	<u>26,538,800</u>	<u>12,091,226</u>	<u>(854,067)</u>	<u>37,775,959</u>
Capital assets, being depreciated:				
Daley Center	71,276,903			71,276,903
Building improvements	<u>42,451,607</u>	<u>854,067</u>		<u>43,305,674</u>
Total capital assets, being depreciated	<u>113,728,510</u>	<u>854,067</u>	<u>-</u>	<u>114,582,577</u>
Less accumulated depreciation for:				
Daley Center	(62,010,906)	(1,425,538)		(63,436,444)
Building improvements	<u>(18,966,262)</u>	<u>(2,143,932)</u>		<u>(21,110,194)</u>
Total accumulated depreciation	<u>(80,977,168)</u>	<u>(3,569,470)</u>	<u>-</u>	<u>(84,546,638)</u>
Total capital assets, being depreciated—net	<u>32,751,342</u>	<u>(2,715,403)</u>	<u>-</u>	<u>30,035,939</u>
Total capital assets	<u>\$ 59,290,142</u>	<u>\$ 9,375,823</u>	<u>\$ (854,067)</u>	<u>\$ 67,811,898</u>

	Balance December 31, 2008	Additions, Transfers in, and Depreciation	Disposals, Adjustments, and Transfers Out	Balance December 31, 2009
Capital assets, not being depreciated:				
Land	\$ 11,667,688	\$ -	\$ -	\$ 11,667,688
Construction in progress	<u>7,938,981</u>	<u>8,478,152</u>	<u>(1,546,021)</u>	<u>14,871,112</u>
Total capital assets, not being depreciated	<u>19,606,669</u>	<u>8,478,152</u>	<u>(1,546,021)</u>	<u>26,538,800</u>
Capital assets, being depreciated:				
Daley Center	71,276,903			71,276,903
Building improvements	<u>40,524,883</u>	<u>1,926,724</u>	<u>                    </u>	<u>42,451,607</u>
Total capital assets, being depreciated	<u>111,801,786</u>	<u>1,926,724</u>	<u>                    </u>	<u>113,728,510</u>
Less accumulated depreciation for:				
Daley Center	(60,585,368)	(1,425,538)		(62,010,906)
Building improvements	<u>(16,923,670)</u>	<u>(2,042,592)</u>	<u>                    </u>	<u>(18,966,262)</u>
Total accumulated depreciation	<u>(77,509,038)</u>	<u>(3,468,130)</u>	<u>                    </u>	<u>(80,977,168)</u>
Total capital assets, being depreciated—net	<u>34,292,748</u>	<u>(1,541,406)</u>	<u>                    </u>	<u>32,751,342</u>
Total capital assets	<u>\$ 53,899,417</u>	<u>\$ 6,936,746</u>	<u>\$ (1,546,021)</u>	<u>\$ 59,290,142</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, 2010, is as follows (in thousands):

	Balance December 31, 2009	Additions	Reductions	Balance December 31, 2010
\$353,095,000 Series 1993A — Board of Education of the City of Chicago Buildings and Facilities — acquiring sites, constructing, and equipping buildings and facilities, 4.20% to 5.75%	\$ 22,685	\$ -	\$11,025	\$ 11,660
\$17,295,000 Series 1998A — Chicago Park District Park Sites and Facilities — building revenue refunding bonds (1993C), 4.15% to 5.375%	13,330		13,330	-
\$114,480,000 Series 1999B — Board of Education of the City of Chicago Building and Facilities — building revenue refunding bonds (1993A), 5.00% to 5.25%	114,105		415	113,690
\$91,340,000 Series 2006 — Chicago Transit Authority — building refunding revenue bonds 4.00% to 5.25% (2003)	85,295		1,955	83,340
\$10,280,000 Series 2010A — Chicago Park District refunding revenue bonds (1998A), 2.00% to 4.00%		<u>10,280</u>		<u>10,280</u>
Total revenue bonds outstanding — December 31, 2010	235,415	<u>\$10,280</u>	<u>\$26,725</u>	218,970
Premium	7,912			7,905
Less current portion	<u>(5,798)</u>			<u>(17,996)</u>
Noncurrent portion	<u>\$237,529</u>			<u>\$208,879</u>

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

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

**Series 2010A Bonds** — Public Building Commission of Chicago Building Revenue Refunding Bonds, Series 2010A (Chicago Park District) \$10,280,000 were issued in October 2010. The bonds have interest rates ranging from 2.00% to 4.00% and maturity dates ranging from January 1, 2011 to January 1, 2013. In connection with this issuance, the Commission deposited \$10,650,488 of proceeds in an irrevocable trust with an escrow agent to provide for the advance refunding of \$10,245,000 of its Series 1998A bonds which will mature in 2013. As a result of this issuance, \$10,245,000 is considered defeased and the liability has been removed from the December 31, 2010 statement of net assets.

Gross interest expense for 2010 and 2009 is \$11,938,805 and \$12,672,866, respectively, for debt service payments. Amortization of deferred issuance costs, bond premium, and gain on refunding of bonds of \$285,701 is also included as a reduction of interest expense for 2010 and 2009. This results in a net interest expense of \$11,653,104 and \$12,391,555 for 2010 and 2009, respectively.

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

Series of	Leases	Annual Rentals Due	
		From	To
1990A	Board of Education of the City of Chicago <sup>1</sup>	1990	2019
1990B	Board of Education of the City of Chicago <sup>1</sup>	1990	2014
1993A	Board of Education of the City of Chicago <sup>3</sup>	1993	2018
1998A	Chicago Park District <sup>5</sup>	1998	2012
1999B	Board of Education of the City of Chicago	1999	2018
2001	Board of Education of the City of Chicago <sup>2</sup>	2001	2015
2001A	Board of Education of the City of Chicago <sup>2</sup>	2002	2018
2003A	Chicago Transit Authority <sup>4</sup>	2004	2023
2006	Chicago Transit Authority	2007	2033
2010A	Chicago Park District	2011	2013

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

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

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

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

<sup>5</sup> Principal and interest have been defeased from the 2010A proceeds.

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

**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, 2010, is as follows:

<b>Years Ending December 31</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2011	\$ 17,535,000	\$ 11,559,358	\$ 29,094,358
2012	18,285,000	10,266,725	28,551,725
2013	19,250,000	9,372,625	28,622,625
2014	16,615,000	8,503,475	25,118,475
2015	19,070,000	7,654,138	26,724,138
2016–2020	69,885,000	23,309,463	93,194,463
2021–2025	17,900,000	13,503,713	31,403,713
2026–2030	23,250,000	8,299,725	31,549,725
2031–2033	<u>17,180,000</u>	<u>1,835,400</u>	<u>19,015,400</u>
Total	<u>\$218,970,000</u>	<u>\$94,304,622</u>	<u>\$313,274,622</u>

The future minimum payments as of December 31, 2009, are as follows:

<b>Years Ending December 31</b>	<b>Principal</b>	<b>Interest and Other</b>	<b>Total Rent Payment</b>
2010–2033	<u>\$235,415,000</u>	<u>\$ 106,738,960</u>	<u>\$ 342,153,960</u>
Total	<u>\$235,415,000</u>	<u>\$ 106,738,960</u>	<u>\$ 342,153,960</u>

**Defeased Debt** — The Commission has refunded all or a portion of various bonds by depositing U.S. government securities in irrevocable trusts to provide for all future debt service payments on old bonds. As a result, such bonds are considered to be defeased and the liability for these bonds has been removed from the balance sheet. The outstanding balances for refunded bonds as of December 31, 2010 and 2009, are as follows:

	<b>Amount Outstanding</b>	
	<b>2010</b>	<b>2009</b>
1990A	\$ 208,540,000	\$ 222,640,000
1990B	6,425,000	7,470,000
1995A	5,095,000	5,935,000
1998A	10,245,000	
2003	<u>92,750,000</u>	<u>97,750,000</u>
Total	<u>\$323,055,000</u>	<u>\$333,795,000</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, 2010 and 2009, 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, 2010, is as follows (in thousands):

	Balance December 31, 2009	Additions	Reductions	Balance December 31, 2010
\$353,095,000 Series 1993A — Board of Education of the City of Chicago Buildings and Facilities — acquiring sites, constructing, and equipping buildings and facilities	\$ 22,685	\$ -	\$11,025	\$ 11,660
\$17,295,000 Series 1998A — Chicago Park District Park Sites and Facilities — building revenue refunding bonds (1993C)	13,330		13,330	-
\$114,480,000 Series 1999B — Board of Education of the City of Chicago Building and Facilities — building revenue refunding bonds (1993A)	114,105		415	113,690
\$91,340,000 Series 2006 — Chicago Transit Authority — building Transit Authority — building refunding revenue bonds (2003)	85,295		1,955	83,340
\$10,280,000 Series 2010A — Chicago Park District Sites and Facilities — building revenue refunding bonds (1998A)	<u>          </u>	<u>10,280</u>	<u>          </u>	<u>10,280</u>
 Total capital lease receivable — December 31, 2010	 235,415	 <u>\$10,280</u>	 <u>\$26,725</u>	 218,970
 Less current portion	 <u>(5,455)</u>			 <u>(17,535)</u>
 Noncurrent portion	 <u>\$229,960</u>			 <u>\$201,435</u>

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

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

**Future Minimum Lease Payment Receivable** — The future minimum lease payment receivables as of December 31, 2010, are as follows:

<b>Years Ending December 31</b>	<b>Principal</b>	<b>Interest and Other</b>	<b>Total Rent Payment</b>
2011	\$ 17,535,000	\$ 12,131,273	\$ 29,666,273
2012	18,285,000	11,422,549	29,707,549
2013	19,250,000	10,506,982	29,756,982
2014	16,615,000	9,283,563	25,898,563
2015	19,070,000	8,357,106	27,427,106
2016–2020	69,885,000	25,119,345	95,004,345
2021–2025	17,900,000	13,042,106	30,942,106
2026–2030	23,250,000	7,689,413	30,939,413
2031–2033	<u>17,180,000</u>	<u>1,384,425</u>	<u>18,564,425</u>
Total	<u>\$218,970,000</u>	<u>\$98,936,762</u>	<u>\$317,906,762</u>

The future minimum lease payment receivables as of December 31, 2009, are as follows:

<b>Years Ending December 31</b>	<b>Principal</b>	<b>Interest and Other</b>	<b>Total Rent Payment</b>
2010–2033	<u>\$235,415,000</u>	<u>\$ 112,115,683</u>	<u>\$347,530,683</u>
Total	<u>\$235,415,000</u>	<u>\$ 112,115,683</u>	<u>\$347,530,683</u>

## 6. CAPITAL LEASE OBLIGATION

The summary of capital lease obligations as of December 31, 2010, is as follows (in thousands):

	<b>Balance December 31, 2009</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance December 31, 2010</b>
Green Campus Corps, LLC Tax-Exempt Lease Purchase Agreement	<u>\$ -</u>	<u>\$ 3,451</u>	<u>\$ -</u>	<u>\$ 3,451</u>
Total capital lease obligation — December 31, 2010	<u>\$ -</u>	<u>\$ 3,451</u>	<u>\$ -</u>	3,451
Less current portion				<u>(49)</u>
Noncurrent portion				<u>\$ 3,402</u>

On March 24, 2010, the Commission executed a \$5.9 million Tax Exempt Lease Purchase Agreement with Green Campus Corps, LLC to finance an Energy Performance Contract pertaining to certain improvements at the Daley Center. As of December 31, 2010, \$3.5 million in improvements had been entered into service and the amount financed to date of \$3.5 million was outstanding.

**Future Minimum Lease Payment Obligation** — The future minimum lease payment obligations as of December 31, 2010, are as follows:

<b>Years Ending December 31</b>	<b>Principal</b>	<b>Interest and Other</b>	<b>Total Rent Payment</b>
2011	\$ 48,841	\$ 417,587	\$ 466,428
2012	198,836	282,144	480,980
2013	223,901	272,103	496,004
2014	250,703	260,813	511,516
2015	279,339	248,189	527,528
2016–2020	1,898,362	998,166	2,896,528
2021–2025	<u>2,958,946</u>	<u>423,106</u>	<u>3,382,052</u>
Total	<u>\$5,858,928</u>	<u>\$2,902,108</u>	<u>\$8,761,036</u>

## 7. RETIREMENT PLAN

On June 21, 1995, the Board of Commissioners of the Commission approved the adoption of the Public Building Commission of Chicago Retirement Plan (the “Plan”) for Commission employees meeting certain minimum age and service requirements. Amendments to the Plan were approved on November 9, 2004, and made effective January 1, 2005. The Plan, as amended, is a defined contribution plan, which requires the Commission to make quarterly contributions to the Plan to equal an annualized amount of 8.75% of participants’ salary. Participants in the Plan vest at a rate of 20% per year after three years, with 100% vesting after seven years from date of hire. Participants must make nonelective contributions, deducted from their compensation, up to 7% based on their annual salary. The Plan is administered by the Variable Annuity Life Insurance Company (VALIC) of Houston, Texas. Certain employees of the Commission are eligible to participate in the City of Chicago Municipal Employee’s pension plan. Those employees are excluded from coverage under the Commission’s Plan.

The amount of covered payroll for those Commission employees participating in the Plan was \$3,253,445 and \$3,147,969, respectively, for the years ended December 31, 2010 and 2009. The contribution requirement of the Commission for the quarter ended December 31, 2010 and 2009 was \$66,050 and \$76,031, respectively. The required contribution for 2010 will be paid in 2011.

The Commission’s personnel policy also provides for certain employer-funded, postemployment benefits to be paid to eligible employees of the Commission. The benefits are a defined amount to be paid to employees upon retirement from the Commission. The Commission’s payments under the terms of the policy are financed on a pay-as-you-go basis. During 2010 and 2009, the Commission made payments of \$0 and \$0, respectively. The remaining payments under this policy as of December 31, 2010 and 2009 are estimated at \$322,000 and \$335,000, respectively.

## 8. COMMITMENTS

At December 31, 2010 and 2009, the Commission had commitments for construction contracts and related architects’ and consultants’ fees of approximately \$400,324,648 and \$371,216,714, respectively.

## 9. LITIGATION

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

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# **PUBLIC BUILDING COMMISSION OF CHICAGO**

## **Comprehensive Annual Financial Report**

### **Statistical Section (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 sources. For the Commission's primary revenue source, project revenue, capacity is an extension of the capacity of each of its respective clients. Therefore, no information is provided regarding the Commission's actual revenue capacity.

##### **Debt Capacity**

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

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

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

##### **Operating Information**

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

##### **Sources**

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

# **PUBLIC BUILDING COMMISSION OF CHICAGO**

## **Comprehensive Annual Financial Report**

### **Statistical Section (Unaudited)**

#### **Financial Trends**

The table on page 28 depicts the Commission's net assets by component annually since 2002.

The table on page 29 depicts the Commission's revenues, expenses and change in net assets annually since 2002.

**PUBLIC BUILDING COMMISSION OF CHICAGO**

**Net Assets by Component  
Last Nine Fiscal Years  
(Unaudited)**

	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Invested in Capital Assets</b>	\$49,357,425	\$50,196,844	\$51,382,282	\$51,301,569	\$49,537,537	\$48,861,411	\$53,899,416	\$59,290,143	\$67,811,898
<b>Restricted - Daley Center</b>	14,499,684	11,707,074	8,978,063	9,277,951	10,937,123	11,162,245	8,490,010	8,986,898	6,693,513
<b>Restricted - Commission's Operations</b>	12,007,151	12,939,856	16,215,961	19,639,700	19,529,911	16,422,811	17,360,527	9,892,066	5,698,802
<b>Total Net Assets</b>	<b>\$75,864,260</b>	<b>\$74,843,774</b>	<b>\$76,576,306</b>	<b>\$80,219,220</b>	<b>\$80,004,571</b>	<b>\$76,446,467</b>	<b>\$79,749,953</b>	<b>\$78,169,107</b>	<b>\$80,204,213</b>

Source: Basic Financial Statements

**PUBLIC BUILDING COMMISSION OF CHICAGO**

Condensed Statements of Revenues, Expenses and Change in Net Assets  
Last Nine Fiscal Years  
(Unaudited)

	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>OPERATING REVENUES:</b>									
Project Revenue	\$254,913,880	\$293,723,830	\$314,518,301	\$128,391,233	\$200,438,673	\$212,208,185	\$287,763,265	\$356,258,006	\$350,139,390
Rental and other revenue	46,793,340	46,349,285	54,987,329	49,688,496	45,747,040	43,613,407	48,184,988	48,391,820	51,706,075
<b>TOTAL REVENUES</b>	<b>\$301,707,220</b>	<b>\$340,073,115</b>	<b>\$369,505,630</b>	<b>\$178,079,729</b>	<b>\$246,185,713</b>	<b>\$255,821,592</b>	<b>\$335,948,253</b>	<b>\$404,649,826</b>	<b>\$401,845,465</b>
<b>OPERATING EXPENSES:</b>									
Construction Costs	\$268,610,668	\$298,391,316	\$326,975,453	\$141,853,947	\$212,499,351	\$220,023,597	\$289,096,584	\$360,002,634	\$354,127,008
Maintenance and Operations - Daley Center	15,483,102	15,337,119	15,672,982	15,080,004	15,947,776	15,513,964	18,563,355	17,610,264	17,859,574
Administrative Expenses	6,417,006	7,705,948	7,447,982	6,807,782	7,575,958	12,791,050	10,553,961	13,169,614	12,938,044
Other operating expenses	2,660,219	2,758,241	2,872,775	2,967,556	3,024,715	3,044,036	3,263,243	3,468,130	3,569,470
<b>TOTAL EXPENSES</b>	<b>\$293,170,995</b>	<b>\$324,192,624</b>	<b>\$352,969,192</b>	<b>\$166,709,289</b>	<b>\$239,047,800</b>	<b>\$251,372,647</b>	<b>\$321,477,143</b>	<b>\$394,250,642</b>	<b>\$388,494,096</b>
<b>OPERATING INCOME</b>	<b>\$8,536,225</b>	<b>\$15,880,491</b>	<b>\$16,536,438</b>	<b>\$11,370,440</b>	<b>\$7,137,913</b>	<b>\$4,448,945</b>	<b>\$14,471,110</b>	<b>\$10,399,184</b>	<b>\$13,351,369</b>
<b>OTHER INCOME (EXPENSES):</b>	<b>(\$11,557,591)</b>	<b>(\$16,900,977)</b>	<b>(\$14,803,906)</b>	<b>(\$7,727,525)</b>	<b>(\$7,352,562)</b>	<b>(\$8,007,049)</b>	<b>(\$11,167,624)</b>	<b>(\$11,980,030)</b>	<b>(\$11,316,263)</b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>(\$3,021,366)</b>	<b>(\$1,020,486)</b>	<b>\$1,732,532</b>	<b>\$3,642,915</b>	<b>(\$214,649)</b>	<b>(\$3,558,104)</b>	<b>\$3,303,486</b>	<b>(\$1,580,846)</b>	<b>\$2,035,106</b>
<b>NET ASSETS-Beginning of year</b>	<b>\$78,885,626</b>	<b>\$75,864,260</b>	<b>\$74,843,774</b>	<b>\$76,576,306</b>	<b>\$80,219,220</b>	<b>\$80,004,571</b>	<b>\$76,446,467</b>	<b>\$79,749,953</b>	<b>\$78,169,107</b>
<b>NET ASSETS-End of year</b>	<b>\$75,864,260</b>	<b>\$74,843,774</b>	<b>\$76,576,306</b>	<b>\$80,219,220</b>	<b>\$80,004,571</b>	<b>\$76,446,467</b>	<b>\$79,749,953</b>	<b>\$78,169,107</b>	<b>\$80,204,213</b>

Source: Basic Financial Statements.

# **PUBLIC BUILDING COMMISSION OF CHICAGO**

## **Comprehensive Annual Financial Report**

### **Statistical Section (Unaudited)**

#### **Revenue Capacity**

The table on page 31 depicts the Commission's revenue sources annually since 2002.

**PUBLIC BUILDING COMMISSION OF CHICAGO**

**Revenue Sources  
Last Nine Fiscal Years  
(Unaudited)**

	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>Project Revenue by Type</b>									
Public Health & Safety	\$25,626,103	\$45,832,140	\$31,655,076	\$15,694,379	\$30,559,982	\$44,217,910	\$67,312,710	\$35,293,636	\$19,268,253
City Projects	37,096,247	36,381,855	47,649,258	9,967,742	13,132,451	27,684,775	33,762,812	21,359,153	22,804,685
Library Projects	15,173,528	10,157,548	19,568,682	11,391,086	3,148,272	3,883,362	6,286,817	10,331,652	18,777,592
Park Projects	21,998,155	1,651,923	181,922	(266,090)	983,254	6,008,306	7,208,425	19,480,302	30,844,399
City Colleges Projects	11,609,722	40,423,445	23,707,273	20,698,822	114,192,328	69,011,937	394,063	(892,083)	93,216
Millennium Park Projects	26,346,939	40,260,236	24,118,386	20,354,279	(5,550,074)	(10,604)	1,253,745	(22,992)	(32)
County Projects	46,734	(549,461)	7,527	(13,881)	(144,014)	(30,613)	(6,758)	1,085	12,232
School Projects	110,582,029	85,900,985	109,216,984	44,422,911	43,383,942	56,749,104	167,924,322	258,825,028	245,636,323
Campus Park Projects	5,955,238	4,183,853	1,585,245	257,893	2,065,219	4,876,664	3,495,254	3,966,566	5,470,955
Chicago 2016 Projects	-	-	-	-	-	-	-	8,791,459	7,501,294
CTA Projects	-	27,360,321	55,640,905	5,097,314	(1,240,580)	(92,170)	(92,865)	(876,616)	(269,522)
Other Projects	479,185	2,120,985	1,187,043	786,778	(92,107)	(90,486)	224,740	816	(5)
<b>Subtotal</b>	<b>\$254,913,880</b>	<b>\$293,723,830</b>	<b>\$314,518,301</b>	<b>\$128,391,233</b>	<b>\$200,438,673</b>	<b>\$212,208,185</b>	<b>\$287,763,265</b>	<b>\$356,258,006</b>	<b>\$350,139,390</b>
<b>Rental Income - Lessees</b>	<b>\$28,424,778</b>	<b>\$26,123,466</b>	<b>\$34,007,882</b>	<b>\$26,792,127</b>	<b>\$26,696,278</b>	<b>\$25,130,524</b>	<b>\$18,774,075</b>	<b>\$15,911,279</b>	<b>\$14,779,488</b>
<b>Rental Income - Daley Center</b>	<b>\$15,949,943</b>	<b>\$15,592,158</b>	<b>\$16,316,682</b>	<b>\$17,274,412</b>	<b>\$17,844,210</b>	<b>\$18,200,760</b>	<b>\$20,797,558</b>	<b>\$25,995,778</b>	<b>\$26,359,369</b>
<b>Administrative Fee Revenue</b>	<b>\$2,125,563</b>	<b>\$3,141,127</b>	<b>\$4,252,686</b>	<b>\$5,216,542</b>	<b>\$944,774</b>	<b>\$71,750</b>	<b>\$8,444,135</b>	<b>\$6,336,263</b>	<b>\$10,567,218</b>
<b>Investment Income</b>	<b>\$15,923,930</b>	<b>\$13,591,078</b>	<b>\$13,233,987</b>	<b>\$15,179,712</b>	<b>\$8,115,981</b>	<b>\$5,650,895</b>	<b>\$1,758,869</b>	<b>\$138,491</b>	<b>\$66,168</b>
<b>TOTAL REVENUES</b>	<b>\$317,338,094</b>	<b>\$352,171,659</b>	<b>\$382,329,538</b>	<b>\$192,854,026</b>	<b>\$254,039,916</b>	<b>\$261,262,114</b>	<b>\$337,537,902</b>	<b>\$404,639,817</b>	<b>\$401,911,633</b>

Source: Public Building Commission of Chicago and Basic Financial Statements

# **PUBLIC BUILDING COMMISSION OF CHICAGO**

## **Comprehensive Annual Financial Report**

### **Statistical Section (Unaudited)**

#### **Debt Capacity**

The tables on pages 33-34 depict the Commission's debt service requirements to maturity for currently outstanding series of bonds issued by the Commission.

The tables on pages 35-38 depict the Commission's outstanding debt service per capita annually since 2001 for each series of bonds issued by the Commission that is still outstanding as of December 31, 2010.

## PUBLIC BUILDING COMMISSION OF CHICAGO

### Detailed Schedule of Debt Service Requirements to Maturity As of December 31, 2010

(Unaudited)

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

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$11,660,000	\$306,075	\$11,966,075
TOTAL	\$11,660,000	\$306,075	\$11,966,075

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

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$435,000	\$5,967,638	\$6,402,638
2012	12,800,000	5,945,888	18,745,888
2013	13,540,000	5,273,888	18,813,888
2014	14,320,000	4,563,038	18,883,038
2015	16,665,000	3,811,238	20,476,238
2016	17,605,000	2,936,325	20,541,325
2017	18,605,000	2,012,063	20,617,063
2018	19,720,000	1,035,300	20,755,300
TOTAL	\$113,690,000	\$31,545,378	\$145,235,378

(continued)

Source: Public Building Commission of Chicago.

**PUBLIC BUILDING COMMISSION OF CHICAGO**

**Detailed Schedule of Debt Service Requirements to Maturity  
As of December 31, 2010  
(Unaudited)**

**Series 2006  
Chicago Transit Authority  
\$91.34 Million**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2011	\$2,035,000	\$4,153,938	\$6,188,938
2012	2,115,000	4,070,938	6,185,938
2013	2,205,000	3,984,538	6,189,538
2014	2,295,000	3,891,669	6,186,669
2015	2,405,000	3,782,775	6,187,775
2016	2,530,000	3,659,400	6,189,400
2017	2,660,000	3,214,775	5,874,775
2018	2,785,000	2,774,219	5,559,219
2019	2,915,000	2,715,038	5,630,038
2020	3,065,000	2,715,038	5,780,038
2021	3,225,000	2,715,038	5,940,038
2022	3,390,000	2,715,038	6,105,038
2023	3,565,000	2,621,456	6,186,456
2024	3,760,000	2,429,175	6,189,175
2025	3,960,000	2,226,525	6,186,525
2026	4,175,000	2,012,981	6,187,981
2027	4,400,000	1,787,888	6,187,888
2028	4,635,000	1,550,719	6,185,719
2029	4,890,000	1,300,688	6,190,688
2030	5,150,000	1,037,138	6,187,138
2031	5,430,000	759,413	6,189,413
2032	5,720,000	466,725	6,186,725
2033	6,030,000	158,288	6,188,288
<b>TOTAL</b>	<b>\$83,340,000</b>	<b>\$56,743,400</b>	<b>\$140,083,400</b>

**Series 2010A  
Chicago Park District  
\$10.28 Million**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2011	\$3,405,000	\$206,120	\$3,611,120
2012	3,370,000	207,600	3,577,600
2013	3,505,000	70,100	3,575,100
<b>TOTAL</b>	<b>\$10,280,000</b>	<b>\$483,820</b>	<b>\$10,763,820</b>

(concluded)

Source: Public Building Commission of Chicago.

**PUBLIC BUILDING COMMISSION OF CHICAGO**

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

\$ Thousands, Except Per Capita

**Board of Education of City of Chicago**

<b>Year Ending</b>	<b>Series 1993A Outstanding Debt</b>	<b>Series 1999B Outstanding Debt</b>	<b>Series 1999C Outstanding Debt</b>	<b>Total Outstanding Debt</b>	<b>Population of Chicago</b>	<b>Debt per Capita - City of Chicago</b>	<b>Population of Cook County</b>	<b>Debt per Capita - Cook County</b>
12/31/2001	\$126,770	\$114,480	\$316,255	\$557,505	2,896,016	\$192.51	5,376,837	\$103.69
12/31/2002	108,385	114,480	298,110	520,975	2,896,016	\$179.89	5,376,837	\$96.89
12/31/2003	89,030	114,480	251,660	455,170	2,896,016	\$157.17	5,376,837	\$84.65
12/31/2004	68,630	114,480	183,100	366,210	2,896,016	\$126.45	5,376,837	\$68.11
12/31/2005	60,520	114,480	110,650	285,650	2,896,016	\$98.64	5,376,837	\$53.13
12/31/2006	51,975	114,480		166,455	2,896,016	\$57.48	5,376,837	\$30.96
12/31/2007	42,960	114,480		157,440	2,896,016	\$54.36	5,376,837	\$29.28
12/31/2008	33,105	114,480		147,585	2,896,016	\$50.96	5,376,837	\$27.45
12/31/2009	22,685	114,105		136,790	2,896,016	\$47.23	5,376,837	\$25.44
12/31/2010	11,660	113,690		125,350	2,695,598	\$46.50	5,194,675	\$24.13

(continued)

Sources: Outstanding debt from Basic Financial Statements. Population of Chicago and Cook County from U.S. Census Bureau.

**PUBLIC BUILDING COMMISSION OF CHICAGO**

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

\$ Thousands, Except Per Capita

<b>Chicago Park District</b>								
<b>Year Ending</b>	<b>Series 1993B Outstanding Debt</b>	<b>Series 1998A Outstanding Debt</b>	<b>Series 2010A Outstanding Debt</b>	<b>Total Outstanding Debt</b>	<b>Population of Chicago</b>	<b>Debt per Capita - City of Chicago</b>	<b>Population of Cook County</b>	<b>Debt per Capita - Cook County</b>
12/31/2001	\$14,700	\$17,295		\$31,995	2,896,016	\$11.05	5,376,837	\$5.95
12/31/2002	12,910	17,295		30,205	2,896,016	\$10.43	5,376,837	\$5.62
12/31/2003	11,000	17,295		28,295	2,896,016	\$9.77	5,376,837	\$5.26
12/31/2004	8,955	17,295		26,250	2,896,016	\$9.06	5,376,837	\$4.88
12/31/2005	6,765	17,295		24,060	2,896,016	\$8.31	5,376,837	\$4.47
12/31/2006	4,420	17,295		21,715	2,896,016	\$7.50	5,376,837	\$4.04
12/31/2007	1,910	17,295		19,205	2,896,016	\$6.63	5,376,837	\$3.57
12/31/2008		16,280		16,280	2,896,016	\$5.62	5,376,837	\$3.03
12/31/2009		13,330		13,330	2,896,016	\$4.60	5,376,837	\$2.48
12/31/2010			\$10,280	10,280	2,695,598	\$3.81	5,194,675	\$1.98

(continued)

Sources: Outstanding debt from Basic Financial Statements. Population of Chicago and Cook County from U.S. Census Bureau.

**PUBLIC BUILDING COMMISSION OF CHICAGO**

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

\$ Thousands, Except Per Capita

**Chicago Transit Authority**

<b>Year Ending</b>	<b>Series 2003 Outstanding Debt</b>	<b>Series 2006 Outstanding Debt</b>	<b>Total Outstanding Debt</b>	<b>Population of Chicago</b>	<b>Debt per Capita - City of Chicago</b>	<b>Population of Cook County</b>	<b>Debt per Capita - Cook County</b>
12/31/2001			0	2,896,016	\$0.00	5,376,837	\$0.00
12/31/2002			0	2,896,016	\$0.00	5,376,837	\$0.00
12/31/2003	\$119,020		\$119,020	2,896,016	\$41.10	5,376,837	\$22.14
12/31/2004	119,020		119,020	2,896,016	\$41.10	5,376,837	\$22.14
12/31/2005	115,120		115,120	2,896,016	\$39.75	5,376,837	\$21.41
12/31/2006		\$91,340	91,340	2,896,016	\$31.54	5,376,837	\$16.99
12/31/2007		88,965	88,965	2,896,016	\$30.72	5,376,837	\$16.55
12/31/2008		87,175	87,175	2,896,016	\$30.10	5,376,837	\$16.21
12/31/2009		85,295	85,295	2,896,016	\$29.45	5,376,837	\$15.86
12/31/2010		83,340	83,340	2,695,598	\$30.92	5,194,675	\$16.04

(continued)

Sources: Outstanding debt from Basic Financial Statements. Population of Chicago and Cook County from U.S. Census Bureau.

**PUBLIC BUILDING COMMISSION OF CHICAGO**

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

\$ Thousands, Except Per Capita

<b>Total - All Clients</b>					
<b>Year Ending</b>	<b>Total Outstanding Debt</b>	<b>Population of Chicago</b>	<b>Debt per Capita - City of Chicago</b>	<b>Population of Cook County</b>	<b>Debt per Capita - Cook County</b>
12/31/2001	\$589,500	2,896,016	\$203.56	5,376,837	\$109.64
12/31/2002	\$551,180	2,896,016	\$190.32	5,376,837	\$102.51
12/31/2003	\$602,485	2,896,016	\$208.04	5,376,837	\$112.05
12/31/2004	\$511,480	2,896,016	\$176.62	5,376,837	\$95.13
12/31/2005	\$424,830	2,896,016	\$146.69	5,376,837	\$79.01
12/31/2006	\$279,510	2,896,016	\$96.52	5,376,837	\$51.98
12/31/2007	\$265,610	2,896,016	\$91.72	5,376,837	\$49.40
12/31/2008	\$251,040	2,896,016	\$86.68	5,376,837	\$46.69
12/31/2009	\$235,415	2,896,016	\$81.29	5,376,837	\$43.78
12/31/2010	\$218,970	2,695,598	\$81.23	5,194,675	\$42.15

(concluded)

Sources: Outstanding debt from Basic Financial Statements. Population of Chicago and Cook County from U.S. Census Bureau.

# **PUBLIC BUILDING COMMISSION OF CHICAGO**

## **Comprehensive Annual Financial Report**

### **Statistical Section (Unaudited)**

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

The table on page 40 displays population, housing and economic information for the City of Chicago.

The table on page 41 displays population, housing and economic information for Cook County.

The table on page 42 lists the Principal Employers in the City of Chicago for 2010 and nine years prior.

The chart on page 43 depicts cost metrics for seven elementary school prototype projects bid by the Commission between May 1, 2008 and October 26, 2010.

The chart on page 44 depicts cost metrics for four high school prototype projects bid by the Commission between February 22, 2007 and June 22, 2010.

The chart on page 45 depicts cost metrics for five engine company prototype projects bid by the Commission between March 6, 2007 and November 5, 2009.

The chart on page 46 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 47 depicts cost metrics for four fieldhouse prototype projects bid by the Commission between April 18, 2008 and September 1, 2010.

The chart on page 48 depicts cost metrics for five library projects employing two different prototypes bid by the Commission between December 19, 2007 and November 3, 2009.

The tables on pages 49-51 depict the Minority- and Women-owned Business Enterprise (M/WBE) commitments for all construction awards made by the Commission in 2010.

The table on page 52 depicts the M/WBE actual results on all projects for which the Commission completed construction in 2010.

The tables on pages 53-54 depict the Equal Employment Opportunity (EEO) actual results on all projects for which the Commission completed construction in 2010.

## PUBLIC BUILDING COMMISSION OF CHICAGO

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

Year	Population (1)	Median Age (2)	Number of Households (2)	Unemployment Rate (3)	Per Capita Income (4)	Total Income
2001	2,896,016	34.8	1,074,200	7.20%	\$35,727	\$103,465,963,632
2002	2,896,016	31.9	1,059,960	8.5	36,213	104,873,427,408
2003	2,896,016	32.6	1,067,823	8.2	36,811	106,605,244,976
2004	2,896,016	32.6	1,051,018	7.2	38,427	111,285,206,832
2005	2,896,016	33.0	1,045,282	7.0	40,110	116,159,201,760
2006	2,896,016	33.5	1,040,000	5.2	42,828	124,030,573,248
2007	2,896,016	33.7	1,033,328	2.7	44,914	130,071,662,624
2008	2,896,016	34.1	1,032,746	6.4	46,124	133,575,841,984
2009	2,896,016	34.5	1,037,069	10.0	44,379	128,522,294,064
2010	2,695,598	34.8	1,045,666	10.2	N/A	N/A

Source: (1) U.S. Census Bureau  
 (2) World Business Chicago website, Claritas estimates;  
 (3) U.S. Bureau of Labor Statistics  
 (4) U.S. Department of Commerce, Bureau of Economic Analysis, Per Capita Income for Chicago-Joliet-Naperville Metropolitan Statistical Area

## PUBLIC BUILDING COMMISSION OF CHICAGO

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

Year	Population (1)	Median Age (1)	Number of Households (1)	Unemployment Rate (2)	Per Capita Income (3)	Total Income
2001	5,376,837	34.3	1,955,396	6.4	\$35,054	\$188,479,644,198
2002	5,376,837	33.9	1,952,609	6.9	35,988	193,501,609,956
2003	5,376,837	34.5	1,934,893	7.3	36,554	196,544,899,698
2004	5,376,837	34.8	1,919,008	6.6	38,559	207,325,457,883
2005	5,376,837	35.1	1,937,864	5.7	40,549	218,025,363,513
2006	5,376,837	35.5	1,932,197	4.7	43,541	234,112,859,817
2007	5,376,837	35.8	1,940,735	5.1	46,264	248,753,986,968
2008	5,376,837	35.9	1,941,698	6.5	47,752	256,754,720,424
2009	5,376,837	34.9	1,931,361	10.3	46,161	248,200,172,757
2010	5,194,675	35.3	1,966,356	10.5	N/A	N/A

Source: (1) U.S. Census Bureau  
(2) U.S. Bureau of Labor Statistics  
(3) U.S. Department of Commerce, Bureau of Economic Analysis

**PUBLIC BUILDING COMMISSION OF CHICAGO**

**Principal Employers (Non-Government)  
Current Year and Nine Years Ago  
(Unaudited)**

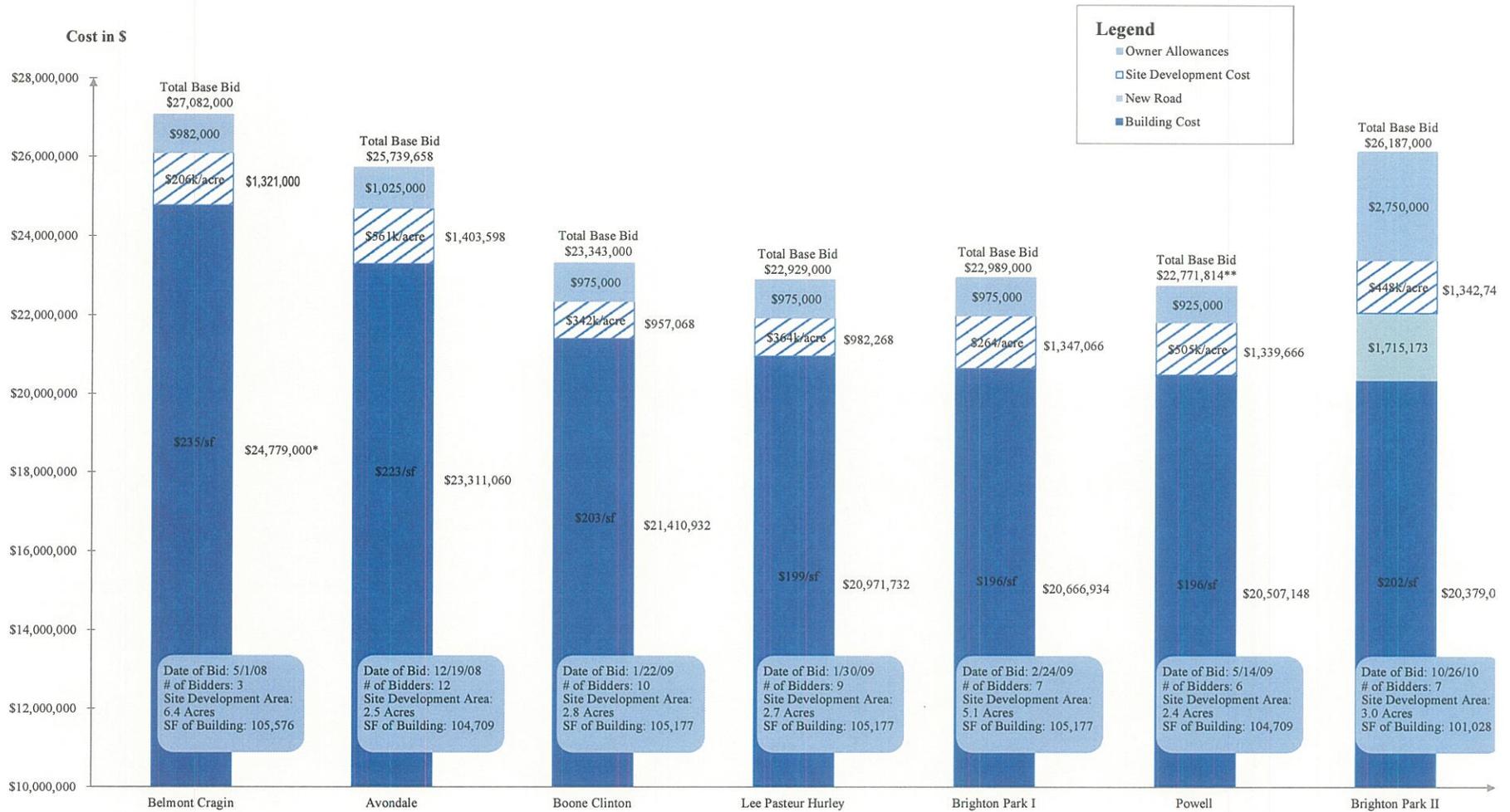
<u>Employer</u>	<u>2010</u>			<u>2001</u>		
	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
J. P. Morgan Chase (1)	8,094	1	0.81%			
United Airlines	5,585	2	0.55%	9,282	1	0.81%
Northern Trust	5,434	3	0.54%	5,769	2	0.51%
Jewel Food Stores, Inc.	5,307	4	0.52%			
Bank of America NT	4,668	5	0.46%			
Walgreen Co.	4,552	6	0.45%			
Accenture LLP	4,224	7	0.42%			
CVS Corporation	4,067	8	0.40%			
ABM Janitorial Midwest, Inc.	3,840	9	0.38%			
American Airlines	3,153	10	0.31%	5,317	4	0.46%
First National Bank of Chicago				5,565	3	0.49%
Ameritech				5,303	5	0.46%
Arthur Andersen, LLP				4,972	6	0.44%
M O Hill & Robert Prince				4,686	7	0.41%
Ford Motor Company				3,197	8	0.28%
Dominick's Finer Foods, LLC				3,167	9	0.28%
Commonwealth Edison Company				3,146	10	0.28%

(1) J. P. Morgan Chase is formerly known as Banc One.

Source: City of Chicago, Department of Revenue, Employer's Expense Tax Return dated June 30, 2010.

**PUBLIC BUILDING COMMISSION OF CHICAGO**

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



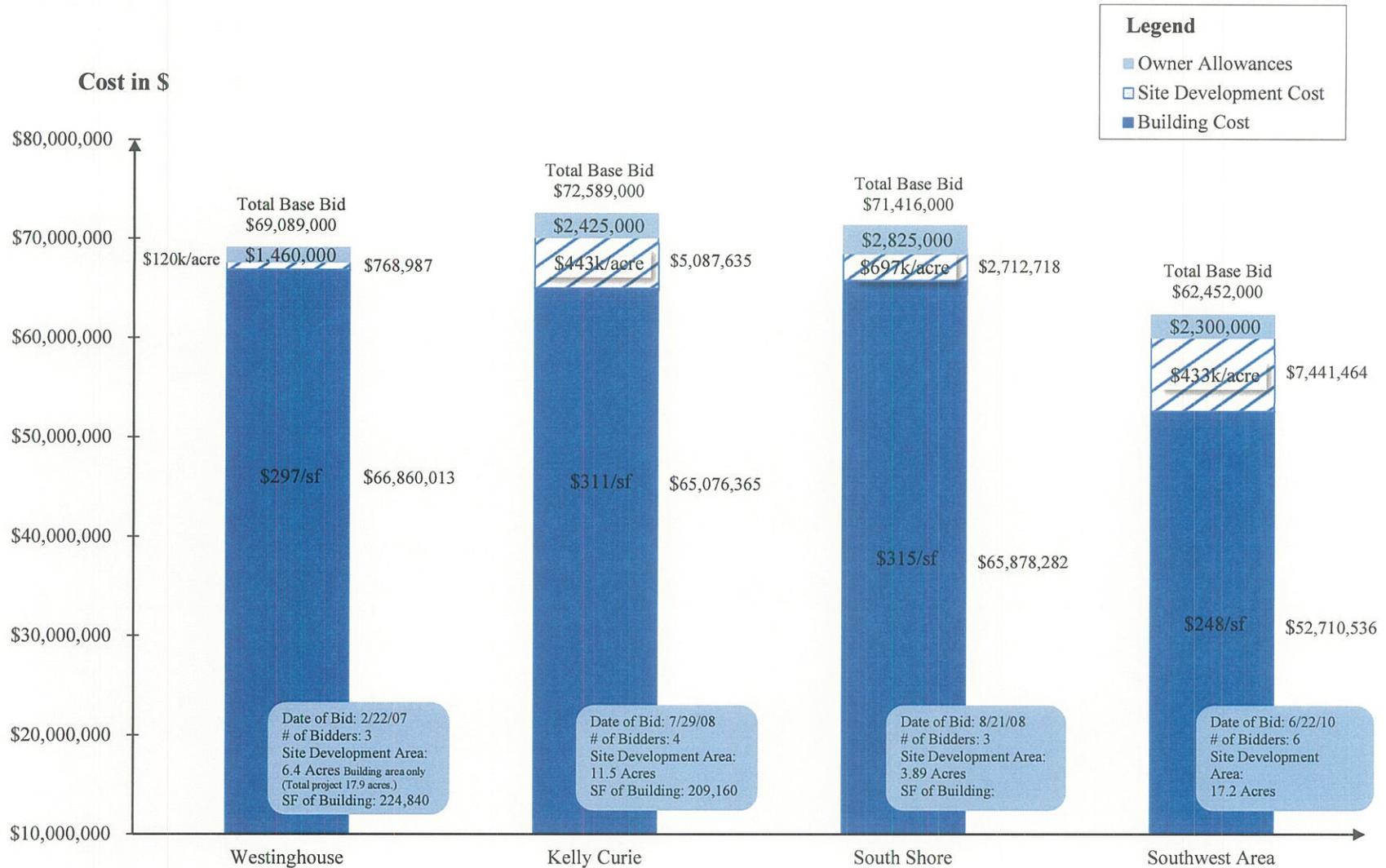
\* Includes \$118k allowance for project acceleration.

\*\* Total Base Bid of \$26,000,000 includes \$3,228,186 for site preparation and was adjusted in this report for comparison purposes to \$22,771,814 = \$26,000,000 - \$3,228,186.

Source: Public Building Commission of Chicago

**PUBLIC BUILDING COMMISSION OF CHICAGO**

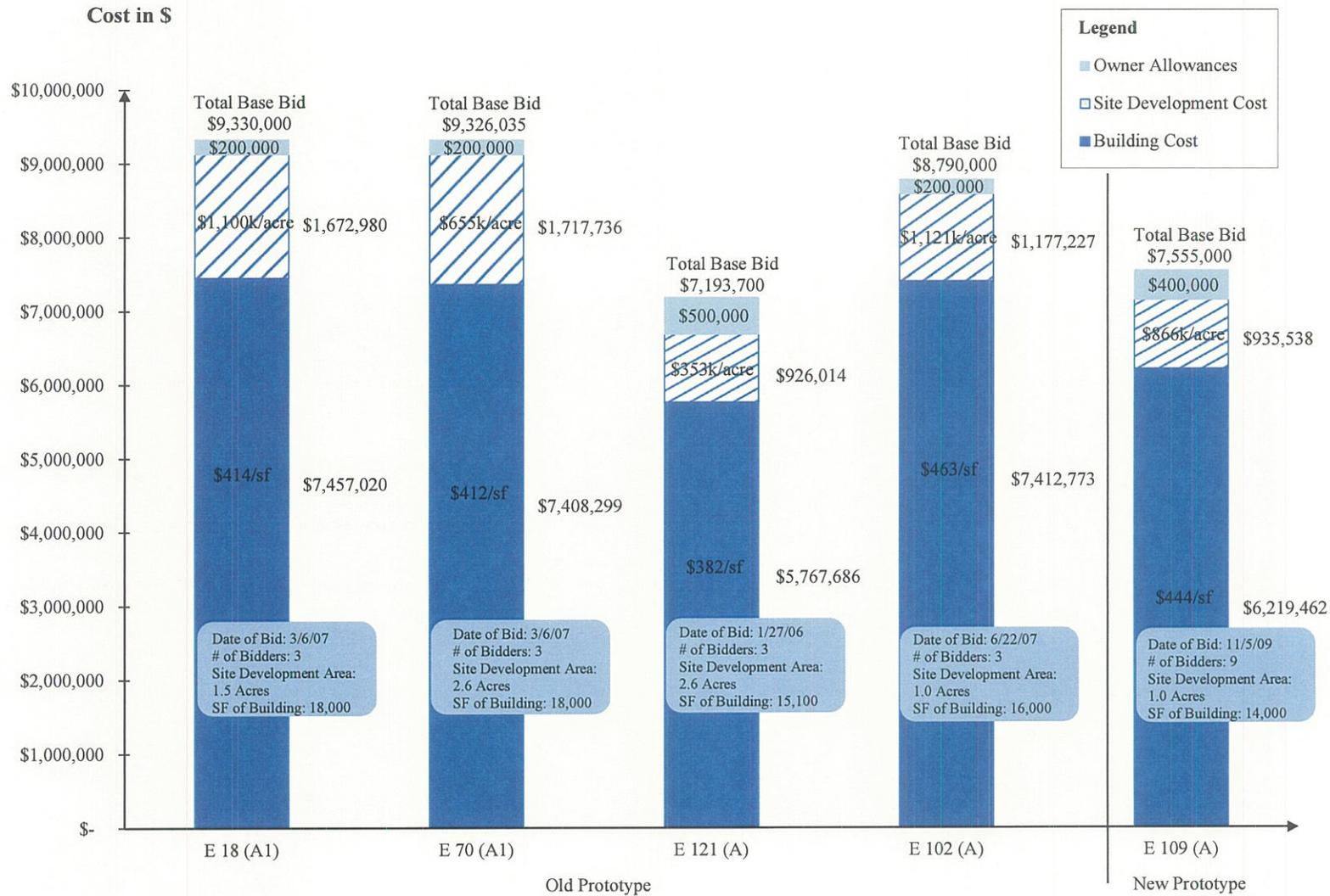
**Market Conditions Report - High Schools  
(Unaudited)**



Source: Public Building Commission of Chicago

**PUBLIC BUILDING COMMISSION OF CHICAGO**

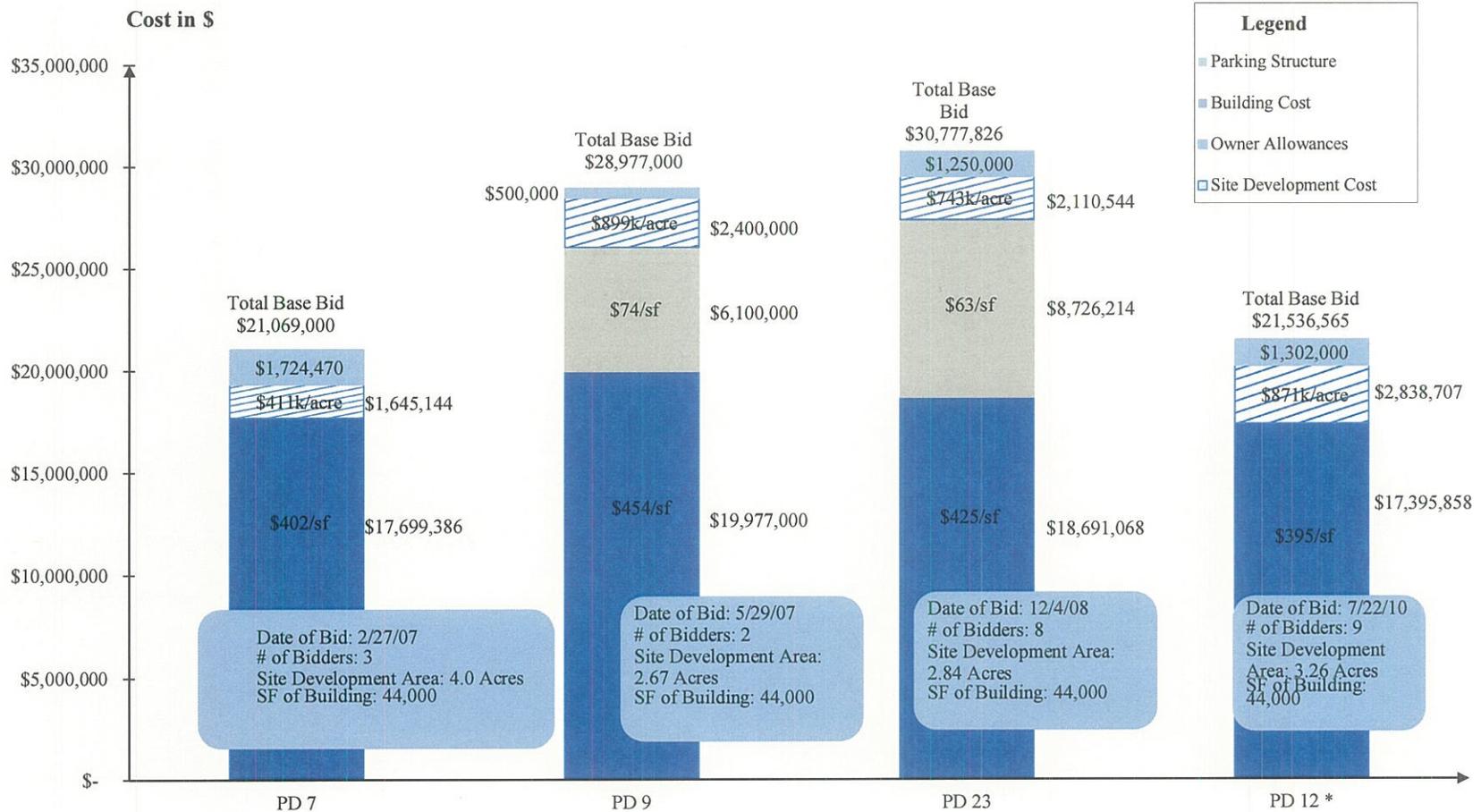
**Market Conditions Report - Engine Companies  
(Unaudited)**



Source: Public Building Commission of Chicago

**PUBLIC BUILDING COMMISSION OF CHICAGO**

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

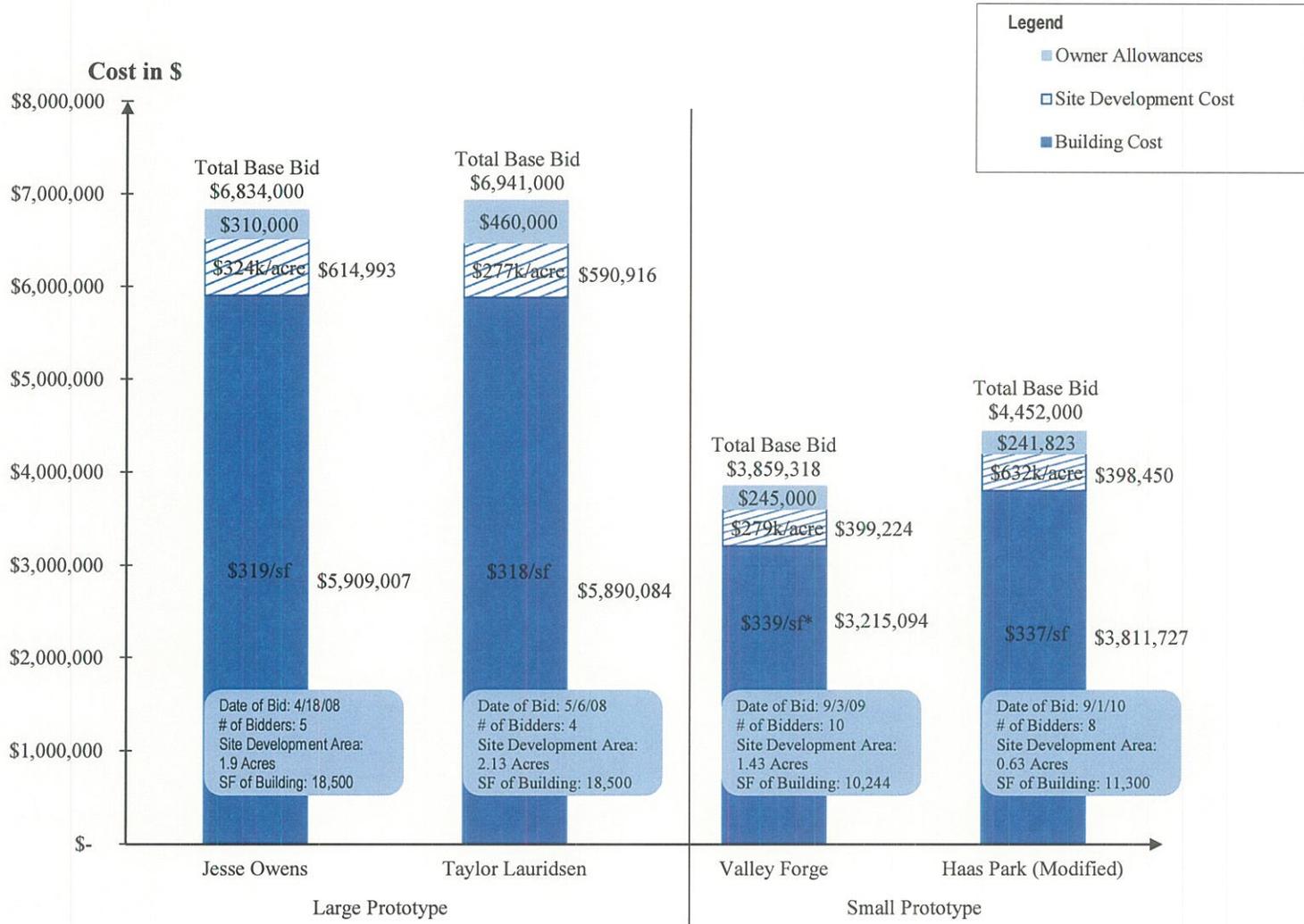


\* Includes geothermal and rainwater harvesting and communication tower technology.

Source: Public Building Commission of Chicago

**PUBLIC BUILDING COMMISSION OF CHICAGO**

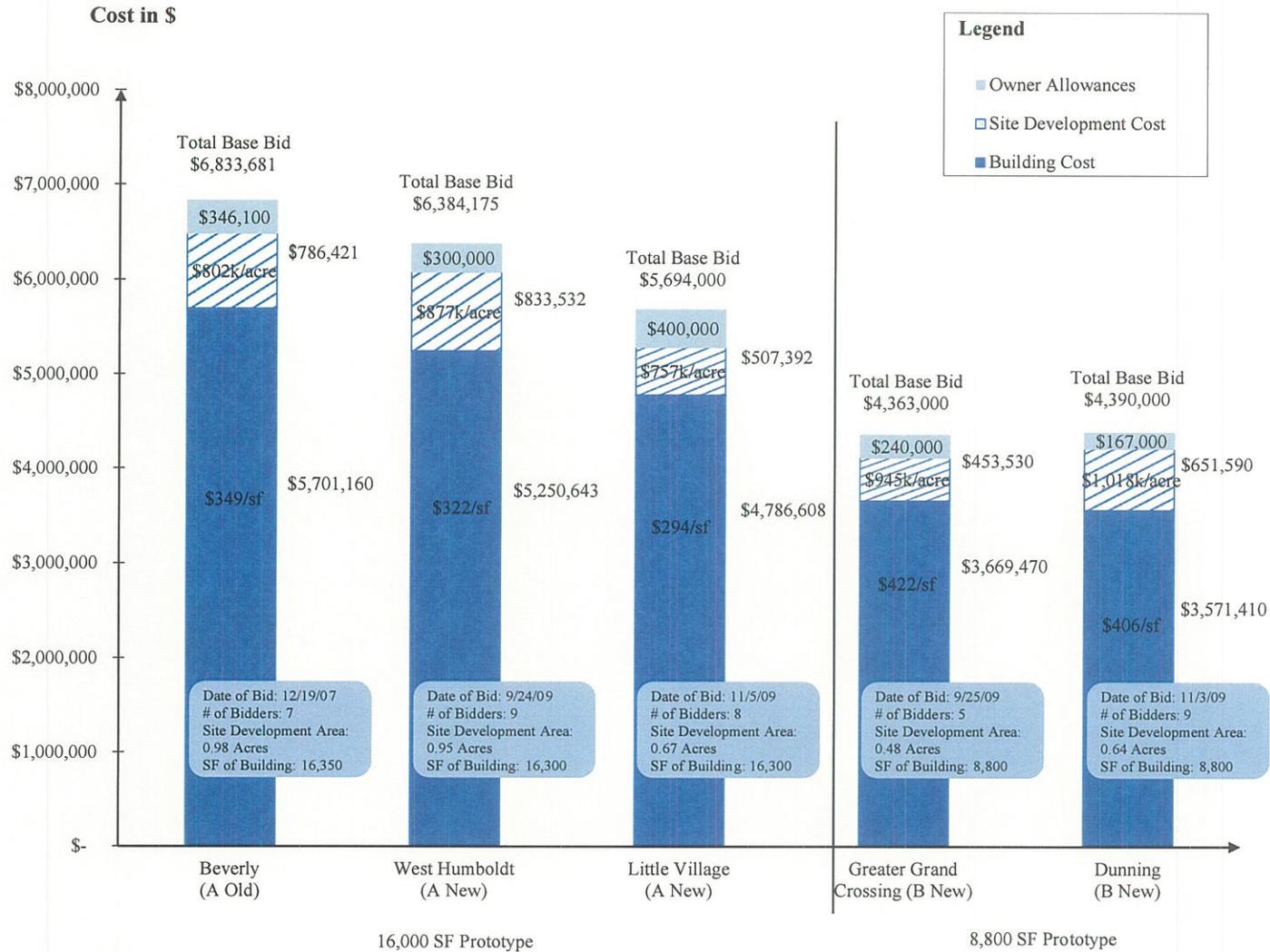
**Market Conditions Report - Fieldhouses  
(Unaudited)**



Source: Public Building Commission of Chicago

**PUBLIC BUILDING COMMISSION OF CHICAGO**

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



Source: Public Building Commission of Chicago

**PUBLIC BUILDING COMMISSION OF CHICAGO**

**M/WBE Commitments  
All 2010 Construction Awards  
(Unaudited)**

**General Construction Contracts - 2010 Awards**  
Stated goals: MBE - 24%; WBE - 4%

<b>Project Name</b>	<b>Contractor</b>	<b>Awarded Contract Value</b>	<b>MBE Commitments</b>	<b>%</b>	<b>WBE Commitments</b>	<b>%</b>
Gwendolyn Brooks College Preparatory Academy	F.H. Paschen, SN Nielsen & Associates	\$34,855,000	\$8,367,000	24.0%	\$1,400,000	4.0%
Chicago Park District Park 484	CCC/Speedy Gonzalez Landscaping JV	\$1,562,038	\$647,500	41.5%	\$65,000	4.2%
Marshall Metro High School Campus Park	John Keno & Company, Inc.	\$2,770,000	\$675,150	24.4%	\$145,000	5.2%
3 1st Street Harbor - Coastal	Paschen Gillen Skipper Marine JV	\$30,316,650	\$970,000	3.2%	\$198,000	0.7%
3 1st Street Harbor - Landside	James McHugh Construction	\$53,669,965	\$16,150,000	30.1%	\$2,519,000	4.7%
Marquette Park Playground	F.H. Paschen, SN Nielsen & Associates	\$306,000	\$73,790	24.1%	\$13,000	4.2%
Piotrowski Park Playground	Pan-Oceanic Engineering	\$339,792	\$83,793	24.7%	\$16,759	4.9%
Oliver Wendell Holmes Elementary School	F.H. Paschen, SN Nielsen & Associates	\$2,515,000	\$713,163	28.4%	\$308,000	12.2%
Garvy Elementary School	Skender Construction	\$9,490,195	\$2,393,000	25.2%	\$400,000	4.2%
Sauganash Elementary School	Blinderman Construction	\$10,525,134	\$2,527,000	24.0%	\$438,000	4.2%
Wellington Elementary School Renovation	Tropic Construction/Nestbuilders JV.	\$6,021,225	\$5,759,629	95.7%	\$261,596	4.3%
Southwest Area High School	F.H. Paschen, SN Nielsen & Associates	\$62,452,000	\$15,117,000	24.2%	\$2,540,000	4.1%
12th District Police Station	Harbour Contractors, Inc.	\$21,536,565	\$5,207,000	24.2%	\$918,100	4.3%
Haas Park Fieldhouse	F.H. Paschen, SN Nielsen & Associates	\$4,452,000	\$1,070,000	24.0%	\$178,200	4.0%
Michael Reese Hospital Campus Demolition	Heneghan Wrecking Company, Inc.	\$400,600	\$120,500	30.1%	\$41,000	10.2%
Brighton Park II Elementary School	George Sollitt/Oakley JV	\$26,187,000	\$6,546,750	25.0%	\$1,100,000	4.2%
Mt. Greenwood Elementary School	Skender Construction	\$7,955,000	\$2,016,500	25.3%	\$321,200	4.0%
Back of the Yards High School Site Prep.	F.H. Paschen, SN Nielsen & Associates	\$4,550,000	\$1,094,000	24.0%	\$183,000	4.0%
<b>Subtotal - General Construction Contracts</b>		<b>\$279,904,164</b>	<b>\$69,531,775</b>	<b>24.8%</b>	<b>\$11,045,855</b>	<b>3.9%</b>

(continued)

**PUBLIC BUILDING COMMISSION OF CHICAGO**

**M/WBE Commitments**  
**All 2010 Construction Awards**  
**(Unaudited)**

**JOC 2010 Work Orders**  
 Stated goals: MBE - 24%; WBE - 4%

<b>Contract</b>	<b>Contractor</b>	<b>Work Order Value</b>	<b>MBE Commitments</b>	<b>%</b>	<b>WBE Commitments</b>	<b>%</b>
JOC Contract 1461	Rossi Contractors, Inc.	\$1,183,459	\$332,640	28.1%	\$20,320	1.7%
JOC Contract 1462	F.H. Paschen/SN Nielsen	\$1,519,935	\$459,274	30.2%	\$123,430	8.1%
JOC Contract 1463	McDonagh Demolition, Inc.	\$335,674	\$208,172	62.0%	\$265,900	79.2%
JOC Contract 1466	Pacific Construction Services	\$28,359	\$0	0.0%	\$0	0.0%
JOC Contract 1481	F.H. Paschen/SN Nielsen	\$4,427,383	\$1,753,040	39.6%	\$230,995	5.2%
JOC Contract 1483	Leopardo Companies	\$45,426	\$23,000	50.6%	\$0	0.0%
JOC Contract 1484	Pacific Construction Services	\$6,569	\$0	0.0%	\$0	0.0%
JOC Contract 1505A	Pacific Construction Services	\$234,828	\$93,500	39.8%	\$10,175	4.3%
JOC Contract 1505B	F.H. Paschen/SN Nielsen	\$990,117	\$235,170	23.8%	\$44,455	4.5%
JOC Contract 1505C	Rossi Contractors, Inc.	\$4,423,954	\$1,413,587	32.0%	\$255,551	5.8%
JOC Contract 1505D	McDonagh Demolition, Inc.	\$1,970,040	\$473,858	24.1%	\$1,141,780	58.0%
<b>Subtotal - JOC Work Orders</b>		<b>\$15,165,744</b>	<b>\$4,992,241</b>	<b>32.9%</b>	<b>\$2,092,606</b>	<b>13.8%</b>

**Special Contract 2010 Awards**  
 Stated goals: MBE - 25%; WBE - 5%

<b>Project</b>	<b>Contractor</b>	<b>Work Order Value</b>	<b>MBE Commitments</b>	<b>%</b>	<b>WBE Commitments</b>	<b>%</b>
Operation Virtual Shield	IBM Corporation	\$16,890,523	\$3,830,868	22.7%	\$777,319	4.6%
<b>Subtotal - Special Contract Work Orders</b>		<b>\$16,890,523</b>	<b>\$3,830,868</b>	<b>22.7%</b>	<b>\$777,319</b>	<b>4.6%</b>

(continued)

**PUBLIC BUILDING COMMISSION OF CHICAGO**

**M/WBE Commitments  
All 2010 Construction Awards  
(Unaudited)**

**CM at Risk 2010 Trade Contract Awards**  
Stated goals - MBE - 30%; WBE - 8%

<b>Trade Contract</b>	<b>Contractor</b>	<b>Value of Trade Contract</b>	<b>MBE Commitments</b>	<b>%</b>	<b>WBE Commitments</b>	<b>%</b>
Ogden Elementary School	Turner Construction	\$25,864,499	\$11,346,980	43.9%	\$3,219,105	12.4%
Jones College Preparatory High School	Bovis Lend Lease	\$193,361	\$12,000	6.2%	\$0	0.0%
<b>Subtotal - Special Contract Work Orders</b>		<b>\$26,057,860</b>	<b>\$11,358,980</b>	<b>43.6%</b>	<b>\$3,219,105</b>	<b>12.4%</b>
<b>TOTAL - All 2010 Construction Awards</b>		<b>\$338,018,291</b>	<b>\$89,713,864</b>	<b>26.5%</b>	<b>\$17,134,885</b>	<b>5.1%</b>

(concluded)

Source: Public Building Commission of Chicago

**PUBLIC BUILDING COMMISSION OF CHICAGO**

**M/WBE Actual Results  
All 2010 Completed Projects  
(Unaudited)**

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

Project Name	Contractor	Adjusted			MBE		WBE			
		Contract Value	Commitments	%	MBE Actuals	%	Commitments	%	WBE Actuals	%
Comfort Stations - 40th Street and Osterman Beach	Pacific Construction Services	\$3,332,231	\$702,000	21.1%	\$2,526,193	75.8%	\$180,000	5.4%	\$655,075	19.7%
Marshall Metro High School Campus Park	John Keno & Company	\$2,770,000	\$797,680	28.8%	\$917,213	33.1%	\$145,000	5.2%	\$156,336	5.6%
Marquette Park Playground	F. H. Paschen	\$331,244	\$73,790	22.3%	\$75,545	22.8%	\$13,000	3.9%	\$17,079	5.2%
Park 484	CCC/Speedy Gonzalez JV	\$1,562,038	\$647,500	41.5%	\$627,660	40.2%	\$65,000	4.2%	\$66,627	4.3%
Piotrowski Park Playground	Pan-Oceanic Engineering	\$335,172	\$83,793	25.0%	\$185,180	55.2%	\$16,759	5.0%	\$18,000	5.4%
Valley Forge Park and Fieldhouse	Leopardo Companies	\$3,859,318	\$933,468	24.2%	\$939,390	24.3%	\$163,000	4.2%	\$178,009	4.6%
23rd District Police Station	Harbour Contractors	\$30,761,578	\$7,519,490	24.4%	\$7,547,417	24.5%	\$1,318,833	4.3%	\$1,094,204	3.6%
Mariano Azuela Elementary School	George Sollitt Construction	\$23,269,651	\$5,600,000	24.1%	\$6,837,673	29.4%	\$940,000	4.0%	\$1,276,172	5.5%
Calmecca Academy of Fine Arts & Dual Language	F. H. Paschen	\$22,989,000	\$5,530,000	24.1%	\$10,003,477	43.5%	\$925,000	4.0%	\$836,030	3.6%
Holmes Elementary School	F. H. Paschen	\$2,515,000	\$713,163	28.4%	\$687,820	27.3%	\$308,000	12.2%	\$277,443	11.0%
Federico Garcia Lorca Elementary School	Leopardo/Reyes AJV	\$25,739,658	\$10,194,027	39.6%	\$10,792,728	41.9%	\$1,022,096	4.0%	\$1,250,293	4.9%
Eric Solorio Academy High School	F. H. Paschen	\$71,189,000	\$17,427,000	24.5%	\$16,507,158	23.2%	\$2,905,000	4.1%	\$3,024,097	4.2%
West Ridge Elementary School	George Sollitt/Oakley JV	\$23,881,182	\$6,465,700	27.1%	\$7,082,959	29.7%	\$940,000	3.9%	\$398,292	1.7%
South Water Plant Chlorine Improvements	George Sollitt Construction	\$48,583,653	\$11,700,000	24.1%	\$11,740,697	24.2%	\$2,050,000	4.2%	\$2,053,573	4.2%
Burroughs School Artificial Turf	F. H. Paschen	\$315,823	\$94,410	29.9%	\$94,410	29.9%	\$25,740	8.2%	\$25,740	8.2%
Marshall Metro High School Campus Park (JOC)	McDonagh Demolition	\$3,675,264	\$1,181,678	32.2%	\$1,029,597	28.0%	\$504,452	13.7%	\$1,043,594	28.4%
Fenger High School Security Camera Project	IBM Corporation	\$721,997	\$28,335	3.9%	\$28,335	3.9%	\$70,859	9.8%	\$71,284	9.9%
Operation Virtual Shield Phase 3	IBM Corporation	\$10,697,113	\$3,745,086	35.0%	\$3,745,086	35.0%	\$458,840	4.3%	\$458,840	4.3%
Chase Bank Security Camera Project	IBM Corporation	\$1,387,750	\$602,805	43.4%	\$602,805	43.4%	\$70,004	5.0%	\$70,004	5.0%
<b>TOTAL</b>		<b>\$277,916,672</b>	<b>\$74,039,925</b>	<b>26.6%</b>	<b>\$81,971,343</b>	<b>29.5%</b>	<b>\$12,121,583</b>	<b>4.4%</b>	<b>\$12,970,692</b>	<b>4.7%</b>

Note: Reports are conservative at time of reporting because the Commission has beneficial occupancy; however, financial close out has yet to be rendered.

Source: Public Building Commission of Chicago

**PUBLIC BUILDING COMMISSION OF CHICAGO**

**EEO Compliance  
All 2010 Completed Projects  
(Unaudited)**

<b>Project Name</b>	<b>Contractor</b>		<b>Minority Journey- workers</b>	<b>Minority Apprentices</b>	<b>Minority Laborers</b>	<b>Female Journey- Workers</b>	<b>Female Apprentices</b>	<b>Female Laborers</b>	<b>City Residency</b>	<b>Community Hiring</b>
Mariano Azuela Elementary School	George Sollitt Construction	Commitments	45.0%	50.0%	50.0%	5.0%	10.0%	5.0%	50.0%	0.0%
		Actuals	54.3%	54.1%	82.3%	1.6%	10.5%	3.8%	48.3%	4.0%
		Eligible for LD's	No	No	No	Yes	No	Yes	Yes	No
Federico Garcia Lorca Elementary School	Leopardo/Reyes Joint Venture	Commitments	40.0%	50.0%	50.0%	0.0%	2.5%	5.0%	50.0%	5.0%
		Actuals	36.0%	68.2%	72.4%	1.6%	2.5%	3.2%	50.8%	4.7%
		Eligible for LD's	Yes	No	No	No	No	Yes	No	No
Calmecca Academy of Fine Arts & Dual Lang.	F.H. Paschen, S.N. Nielsen & Assoc.	Commitments	50.0%	50.0%	50.0%	0.0%	10.0%	5.0%	50.0%	5.0%
		Actuals	48.3%	88.6%	94.9%	1.4%	13.9%	5.5%	51.9%	8.5%
		Eligible for LD's	Yes	No	No	No	No	No	No	No
40th Street/Osterman Beach Comfort Stations	Pacific Construction Services	Commitments	50.0%	50.0%	50.0%	4.0%	5.0%	5.0%	50.0%	7.5%
		Actuals	45.7%	92.3%	91.5%	9.8%	55.2%	12.0%	47.6%	4.1%
		Eligible for LD's	Yes	No	No	No	No	No	Yes	Yes
West Ridge Elementary School	George Sollitt/Oakley Joint Venture	Commitments	45.0%	50.0%	50.0%	5.0%	10.0%	5.0%	50.0%	0.0%
		Actuals	52.3%	69.3%	74.3%	3.6%	21.0%	6.3%	54.8%	0.1%
		Eligible for LD's	No	No	No	Yes	No	No	No	No
Marquette Park Playground	F.H. Paschen, S.N. Nielsen & Assoc.	Commitments	42.0%	50.0%	50.0%	2.5%	10.0%	7.5%	50.0%	7.5%
		Actuals	38.8%	100.0%	98.1%	0.0%	100.0%	0.0%	58.7%	7.6%
		Eligible for LD's	Yes	No	No	Yes	No	Yes	No	No
Piotrowski Park Playground	Pan-Oceanic Engineering	Commitments	50.0%	50.0%	50.0%	0.0%	10.0%	10.0%	50.0%	7.5%
		Actuals	79.5%	0.0%	104.6%	4.8%	0.0%	1.6%	55.9%	32.1%
		Eligible for LD's	No	Yes	No	No	Yes	Yes	No	No
Holmes Elementary School	F.H. Paschen, S.N. Nielsen & Assoc.	Commitments	30.0%	45.0%	30.0%	7.0%	7.0%	7.0%	50.0%	0.0%
		Actuals	56.5%	79.6%	84.9%	2.0%	18.9%	4.5%	45.0%	0.0%
		Eligible for LD's	No	No	No	Yes	No	Yes	Yes	No
Eric Solorio Academy High School	F.H. Paschen, S.N. Nielsen & Assoc.	Commitments	40.0%	50.0%	50.0%	0.0%	5.0%	0.0%	50.0%	5.0%
		Actuals	41.6%	59.8%	83.9%	0.6%	9.2%	1.1%	49.4%	4.2%
		Eligible for LD's	No	No	No	No	No	No	No	No
Marshall Campus Park	John Keno & Company	Commitments	33.0%	0.0%	50.0%	0.0%	0.0%	0.0%	50.0%	7.5%
		Actuals	68.9%	103.3%	102.3%	2.0%	0.0%	0.0%	34.3%	13.3%
		Eligible for LD's	No	No	No	Yes	No	No	Yes	No
23rd District Police Station/Parking Struc.	Harbour Contractors	Commitments	30.0%	50.0%	50.0%	0.0%	0.0%	0.0%	50.0%	0.0%
		Actuals	34.8%	33.9%	80.3%	0.3%	0.0%	1.8%	41.5%	0.1%
		Eligible for LD's	No	Yes	No	No	No	No	Yes	No

(continued)

**PUBLIC BUILDING COMMISSION OF CHICAGO**

**EEO Compliance  
All 2010 Completed Projects  
(Unaudited)**

Project Name	Contractor		Minority Journey- workers	Minority Apprentices	Minority Laborers	Female Journey- Workers	Female Apprentices	Female Laborers	City Residency	Community Hiring
Valley Forge Park and Fieldhouse	Leopardo Companies	Commitments	50.0%	40.0%	50.0%	0.0%	0.0%	10.0%	50.0%	7.5%
		Actuals	48.8%	46.6%	73.9%	0.8%	1.2%	7.7%	50.2%	4.3%
		Eligible for LD's	Yes	No	No	No	No	Yes	No	Yes
Park 484	CCC/Speedy Gonzalez Joint Venture	Commitments	25.0%	25.0%	50.0%	2.0%	2.0%	5.0%	50.0%	7.5%
		Actuals	34.2%	66.6%	86.8%	1.6%	14.7%	1.2%	51.6%	5.1%
		Eligible for LD's	No	No	No	No	No	Yes	No	Yes
South Water Plant Chlorine Improvements	George Sollitt Construction	Commitments	40.0%	50.0%	50.0%	0.0%	10.0%	0.0%	50.0%	5.0%
		Actuals	56.0%	90.0%	109.0%	3.0%	30.9%	0.1%	49.9%	9.9%
		Eligible for LD's	No	No	No	No	No	No	No	No
Burroughs School Artificial Turf	F.H. Paschen, S.N. Nielsen & Assoc.	Commitments	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
		Actuals	57.6%	100.0%	69.0%	13.8%	0.0%	0.0%	44.9%	0.0%
		Eligible for LD's	No	No	No	No	No	No	No	No
Marshall Campus Park Site Prep	McDonagh Demolition	Commitments	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
		Actuals	39.2%	0.0%	90.3%	7.6%	0.0%	26.3%	50.0%	2.8%
		Eligible for LD's	No	No	No	No	No	No	No	No
Fenger High School Security Cameras	IBM Corporation	Commitments	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
		Actuals	60.4%	0.0%	0.0%	0.0%	0.0%	0.0%	70.9%	0.0%
		Eligible for LD's	No	No	No	No	No	No	No	No
Operation Virtual Shield Phase 3	IBM Corporation	Commitments	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
		Actuals	10.0%	3.0%	0.0%	5.3%	0.0%	0.0%	27.8%	0.0%
		Eligible for LD's	No	No	No	No	No	No	No	No
Chase Bank Security Cameras	IBM Corporation	Commitments	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
		Actuals	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	44.8%	0.0%
		Eligible for LD's	No	No	No	No	No	No	No	No
<b>AVERAGES</b>		Commitments	30.0%	32.1%	35.8%	1.3%	4.3%	3.4%	36.8%	3.4%
		Actuals	45.4%	55.5%	73.6%	3.1%	14.6%	4.0%	48.9%	5.3%

(concluded)

Source: Public Building Commission of Chicago

# **PUBLIC BUILDING COMMISSION OF CHICAGO**

## **Comprehensive Annual Financial Report**

### **Statistical Section (Unaudited)**

#### **Operating Information**

The tables on pages 56-59 depict the construction change order percent for all projects active as of December 31, 2010.

The table on page 60 depicts the number of projects completed by the Commission per client per year since 2001.

The table on page 61 depicts the Leadership in Energy and Environmental Design (LEED) projects completed by the Commission per client as of December 31, 2010, including the LEED rating received.

The table on page 62 depicts certain statistics accrued by the Commission's LEED program as of December 31, 2010.

**PUBLIC BUILDING COMMISSION OF CHICAGO**

**Active Projects Construction Change Order Percent**

**As of December 31, 2010**

**(Unaudited)**

<b>Project</b>	<b>Original Contract Amount Including Contingency</b>	<b>Original Base Contract Amount</b>	<b>Approved Changes</b>	<b>Revised Construction Total</b>	<b>Projected Changes</b>	<b>Total Approved and Projected Changes</b>	<b>Change % from Original</b>
<b>General Construction</b>							
Marshall School Campus Park	\$6,753,448	\$6,306,170	\$407,096	\$6,713,266	\$64,889	\$471,985	7.5%
Bontemps School Campus Park	\$1,116,993	\$1,056,993	\$37,130	\$1,094,123	\$0	\$37,130	3.5%
S. Water Plant Chlorine Improvements	\$47,987,000	\$47,987,000	\$370,810	\$48,357,810	\$285,843	\$656,653	1.4%
Vehicle Maintenance Facility	\$15,180,000	\$14,880,000	\$880,517	\$15,760,517	(\$81,972)	\$798,545	5.4%
Michael Reese Hospital Demolition	\$12,278,011	\$12,278,011	\$3,243,136	\$15,521,147	(\$141,010)	\$3,102,126	25.3%
Miles Davis ES	\$25,376,000	\$24,876,000	\$109,592	\$24,985,592	\$0	\$109,592	0.4%
Westinghouse HS	\$69,089,000	\$67,629,000	\$2,582,362	\$70,211,362	\$0	\$2,582,362	3.8%
Langston Hughes ES	\$30,220,000	\$29,720,000	\$218,084	\$29,938,084	\$0	\$218,084	0.7%
Skinner ES	\$25,444,700	\$24,944,700	\$323,893	\$25,268,593	\$0	\$323,893	1.3%
Belmont Cragin Area ES	\$27,082,000	\$26,491,348	\$1,006,622	\$27,497,970	\$0	\$1,006,622	3.8%
Southwest Area MS	\$29,390,000	\$28,690,000	\$1,053,030	\$29,743,030	\$30,000	\$1,083,030	3.8%
Powell	\$26,000,000	\$25,500,000	\$161,236	\$25,661,236	\$304,792	\$466,028	1.8%
Avondale Irving Park ES	\$25,739,658	\$25,239,658	\$258,557	\$25,498,215	\$15,073	\$273,630	1.1%
Boone Clinton Area ES	\$23,343,000	\$22,843,000	\$2,094,216	\$24,937,216	\$174,679	\$2,268,895	9.9%
Brighton Park II Area ES	\$26,187,000	\$24,687,000	\$0	\$24,687,000	\$0	\$0	0.0%
Lee/Pasteur Area ES	\$22,929,000	\$22,429,000	\$840,659	\$23,269,659	\$87,860	\$928,519	4.1%
South Shore HS	\$71,416,000	\$70,116,000	\$2,142,861	\$72,258,861	\$1,405,015	\$3,547,876	5.1%
Southwest Area HS	\$62,452,000	\$60,952,000	\$0	\$60,952,000	\$23,907	\$23,907	0.0%
Kelly Curie HS	\$72,589,000	\$71,289,000	(\$705,149)	\$70,583,851	\$1,668,270	\$963,121	1.4%

(continued)

**PUBLIC BUILDING COMMISSION OF CHICAGO**

**Active Projects Construction Change Order Percent**

As of December 31, 2010

(Unaudited)

Project	Original Contract Amount Including Contingency	Original Base Contract Amount	Approved Changes	Revised Construction Total	Projected Changes	Total Approved and Projected Changes	Change % from Original
Brighton Park I Area ES	\$22,989,000	\$22,489,000	\$209,145	\$22,698,145	\$237,053	\$446,198	2.0%
Gwendolyn Brooks HS Addition	\$34,855,000	\$33,955,000	\$27,796	\$33,982,796	\$211,192	\$238,988	0.7%
Ella Flagg Young ES Stairwell	\$539,800	\$497,331	\$58,403	\$555,734	\$0	\$58,403	11.7%
Richard J. Daley ES Stairwell	\$390,594	\$351,744	\$0	\$351,744	\$0	\$0	0.0%
Garvy ES Addition	\$9,490,195	\$9,190,195	\$33,971	\$9,224,166	\$4,338	\$38,309	0.4%
Sauganash ES Addition	\$10,525,134	\$10,175,134	\$0	\$10,175,134	\$50,935	\$50,935	0.5%
Burroughs School Turf	\$362,937	\$362,937	(\$148)	\$362,789	\$0	(\$148)	0.0%
Holmes ES Addition	\$2,515,000	\$2,245,000	(\$2,385)	\$2,242,615	\$153,187	\$150,802	6.7%
Marvin Camras ES Renovation	\$6,021,225	\$5,521,225	\$0	\$5,521,225	\$613,807	\$613,807	11.1%
Air Force Academy	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
Engine Company 18	\$9,330,000	\$9,130,000	\$291,992	\$9,421,992	\$0	\$291,992	3.2%
Engine Company 70	\$9,326,035	\$9,126,035	\$812,381	\$9,938,416	\$0	\$812,381	8.9%
Engine Company 102	\$8,790,000	\$8,590,000	\$117,811	\$8,707,811	\$0	\$117,811	1.4%
Engine Company 109	\$7,555,000	\$7,355,000	\$131,739	\$7,486,739	\$150,412	\$282,151	3.8%
Beverly Branch Library	\$6,833,681	\$6,583,681	\$179,229	\$6,762,910	\$0	\$179,229	2.7%
West Humboldt Park Branch Library	\$6,384,175	\$6,234,175	\$89,056	\$6,323,231	\$73,900	\$162,956	2.6%
Little Village Branch Library	\$5,694,000	\$5,494,000	\$139,996	\$5,633,996	\$157,504	\$297,500	5.4%
Grand Crossing Branch Library	\$4,383,000	\$4,243,000	\$49,117	\$4,292,117	\$75,405	\$124,522	2.9%
Dunning Branch Library	\$4,390,000	\$4,273,000	\$24,322	\$4,297,322	\$21,150	\$45,472	1.1%
Sulzer Regional Branch - Phase 1	\$326,242	\$326,242	\$0	\$326,242	\$0	\$0	0.0%
Woodson Regional Branch - Phase 1	\$259,655	\$259,655	\$0	\$259,655	\$0	\$0	0.0%

(continued)

**PUBLIC BUILDING COMMISSION OF CHICAGO**

**Active Projects Construction Change Order Percent**

As of December 31, 2010

(Unaudited)

Project	Original Contract Amount Including Contingency	Original Base Contract Amount	Approved Changes	Revised Construction Total	Projected Changes	Total Approved and Projected Changes	Change % from Original
7th District Police Station	\$21,069,000	\$19,919,000	\$168,962	\$20,087,962	\$118,020	\$286,982	1.4%
9th Police District	\$28,977,000	\$28,577,000	\$907,323	\$29,484,323	\$0	\$907,323	3.2%
23rd District Police Station	\$30,777,825	\$30,077,825	\$142,252	\$30,220,077	\$223,377	\$365,629	1.2%
12th District Police Station Blue Island	\$21,536,564	\$20,843,564	\$0	\$20,843,564	\$0	\$0	0.0%
Norwood Park Senior Sattellite Center	\$2,310,254	\$2,210,254	\$68,572	\$2,278,826	\$0	\$68,572	3.1%
Taylor Lauridsen Field House	\$6,941,000	\$6,741,000	\$542,250	\$7,283,250	\$0	\$542,250	8.0%
Haas Field House	\$4,452,000	\$4,335,177	\$0	\$4,335,177	\$102,250	\$102,250	2.4%
Jesse Owens Field House	\$6,834,000	\$6,684,000	\$277,986	\$6,961,986	\$0	\$277,986	4.2%
Valley Forge Field House	\$3,859,318	\$3,734,318	\$316,362	\$4,050,680	\$88,267	\$404,629	10.8%
Marquette Park Playground	\$306,000	\$288,000	\$41,037	\$329,037	\$4,546	\$45,583	15.8%
Piotrowski Park Playground	\$339,792	\$319,792	\$2,200	\$321,992	\$0	\$2,200	0.7%
Bromann Park Playground	\$233,841	\$215,192	(\$2,051)	\$213,141	\$0	(\$2,051)	-1.0%
31st Street Harbor	\$84,538,914	\$82,538,914	\$135,331	\$82,674,245	\$427,196	\$562,527	0.7%
Comfort Station - 40th Street	\$1,511,071	\$1,471,071	\$173,946	\$1,645,017	\$43,462	\$217,408	14.8%
Comfort Station - Osterman	\$1,418,071	\$1,378,071	\$435,080	\$1,813,151	\$24,715	\$459,795	33.4%
Park 484	\$1,562,038	\$1,412,038	\$0	\$1,412,038	\$118,798	\$118,798	8.4%
<b>Subtotal</b>	<b>\$988,200,171</b>	<b>\$965,062,450</b>	<b>\$20,396,327</b>	<b>\$985,458,777</b>	<b>\$6,736,860</b>	<b>\$27,133,187</b>	<b>2.8%</b>

(continued)

**PUBLIC BUILDING COMMISSION OF CHICAGO**

**Active Projects Construction Change Order Percent**

As of December 31, 2010

(Unaudited)

<b>Project</b>	<b>Original Contract Amount Including Contingency</b>	<b>Original Base Contract Amount</b>	<b>Approved Changes</b>	<b>Revised Construction Total</b>	<b>Projected Changes</b>	<b>Total Approved and Projected Changes</b>	<b>Change % from Original</b>
<b>Specialty Contracts</b>							
Operation Virtual Shield - Phase 3	\$9,586,620	\$9,586,620	\$1,015,933	\$10,602,553	\$0	\$1,015,933	10.6%
CHA Video Surveillance	\$1,261,878	\$1,261,878	\$0	\$1,261,878	\$0	\$0	0.0%
Operation Virtual Shield - Phase 4	\$14,636,843	\$14,636,843	\$0	\$14,636,843	\$0	\$0	0.0%
Fenger HS Security Camera Install	\$721,997	\$721,997	\$0	\$721,997	\$0	\$0	0.0%
CPS Chase Bank Security Cameras	\$1,467,458	\$1,467,458	\$0	\$1,467,458	\$0	\$0	0.0%
DGS 1869 W. Pershing	\$184,826	\$184,826	\$0	\$184,826	\$0	\$0	0.0%
<b>Subtotal</b>	<b>\$27,859,622</b>	<b>\$27,859,622</b>	<b>\$1,015,933</b>	<b>\$28,875,555</b>	<b>\$0</b>	<b>\$1,015,933</b>	<b>10.6%</b>
<b>CM at Risk</b>							
Ogden	\$44,788,221	\$43,428,221	\$312,822	\$43,741,043	\$269,651	\$582,473	1.3%
<b>Total</b>	<b>\$1,060,848,014</b>	<b>\$1,036,350,293</b>	<b>\$21,725,082</b>	<b>\$1,058,075,375</b>	<b>\$7,006,511</b>	<b>\$28,731,593</b>	<b>2.8%</b>

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

(concluded)

Source: Public Building Commission of Chicago

**PUBLIC BUILDING COMMISSION OF CHICAGO**

**Projects Completed By Client  
Last Ten Fiscal Years  
(Unaudited)**

<b>Client</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>TOTAL</b>
Campus Parks	10	4	10	0	0	2	4	5	1	2	38
Chicago Department on Aging	0	1	0	4	0	0	0	0	1	0	6
Chicago Fire Department	0	2	0	0	3	0	0	3	1	0	9
Chicago Park District	1	0	1	1	0	0	0	1	3	6	13
Chicago Police Department	1	1	0	1	3	1	0	1	1	1	10
Chicago Public Library	2	0	2	1	3	4	0	0	1	0	13
Chicago Public Schools	17	16	4	3	4	1	0	1	7	8	61
City Colleges of Chicago	2	4	4	0	1	1	1	0	0	0	13
City of Chicago	6	18	11	4	3	0	0	0	1	3	46
<b>TOTAL</b>	<b>39</b>	<b>46</b>	<b>32</b>	<b>14</b>	<b>17</b>	<b>9</b>	<b>5</b>	<b>11</b>	<b>16</b>	<b>20</b>	<b>209</b>

Source: Public Building Commission of Chicago

**PUBLIC BUILDING COMMISSION OF CHICAGO**

**LEED Projects Completed By Client  
As of December 31, 2010  
(Unaudited)**

<u>Name of Project</u>	<u>Client</u>	<u>LEED Rating</u>
Engine Company 102	Chicago Fire Department	Gold
Engine Company 121	Chicago Fire Department	Silver
Engine Company 18	Chicago Fire Department	Silver
Engine Company 70	Chicago Fire Department	Silver
Comfort Station - 40th Street Beach	Chicago Park District	Silver (1)
Comfort Station - Osterman Beach	Chicago Park District	Silver (1)
Jesse Owens Park and Fieldhouse	Chicago Park District	Gold
Taylor Lauridsen Park and Fieldhouse	Chicago Park District	Gold
Valley Forge Park and Fieldhouse	Chicago Park District	Gold (1)
22nd District Police Station	Chicago Police Department	Silver
23rd District Police Station	Chicago Police Department	Gold (1)
7th District Police Station	Chicago Police Department	Gold
9th District Police Station	Chicago Police Department	Gold
Avalon Branch Library	Chicago Public Library	Certified
Beverly Branch Library	Chicago Public Library	Silver
Bucktown/Wicker Park Branch Library	Chicago Public Library	Certified
Budlong Woods Branch Library	Chicago Public Library	Certified
Logan Square Branch Library	Chicago Public Library	Silver
Oriole Park Branch Library	Chicago Public Library	Certified
Vodak/East Side Branch Library	Chicago Public Library	Certified
West Chicago Avenue Branch Library	Chicago Public Library	Certified
West Englewood Branch Library	Chicago Public Library	Certified
West Pullman Branch Library	Chicago Public Library	Certified
Albany Park Middle School	Chicago Public Schools	Certified
Mariano Azuela Elementary School	Chicago Public Schools	Silver (2)
Calmecca Academy of Fine Arts & Dual Language	Chicago Public Schools	Silver (2)
Dr. Jorge Prieto Math and Science Academy	Chicago Public Schools	Silver
Irene C. Hernandez Middle School	Chicago Public Schools	Gold
Holmes Elementary School	Chicago Public Schools	Silver (1)
Federico Garcia Lorca Elementary School	Chicago Public Schools	Silver (2)
Mark T. Skinner West Elementary School	Chicago Public Schools	Gold
Miles Davis Academy	Chicago Public Schools	Silver
Eric Solorio Academy High School	Chicago Public Schools	Silver (1)
New Westinghouse High School	Chicago Public Schools	Silver
Tarkington School of Excellence	Chicago Public Schools	Certified
West Ridge Elementary School	Chicago Public Schools	Silver (2)
Chicago Center for Green Technology	City of Chicago - Department of Environment	Platinum
Western Boulevard Vehicle Maintenance Facility	City of Chicago - Department of Fleet Management	Silver
4th Ward Yard	City of Chicago - Department of Streets and Sanitation	Silver
South Water Plant Chlorine Improvements	City of Chicago - Department of Water Management	Silver
Norwood Park Senior Satellite Center	City of Chicago - Department on Aging	Certified

Notes:

- (1) Targeted: not yet certified.
- (2) Targeted; not yet certified. Tracking in Gold range.

Source: Public Building Commission of Chicago.

## **PUBLIC BUILDING COMMISSION OF CHICAGO**

### **LEED Fast Facts as of December 31, 2010 (Unaudited)**

<b>Category</b>	<b>Results</b>
Total gallons of stormwater diverted from sewers per year	486,439
Total gallons of potable water saved per year	16,526,653
Total energy savings per year	\$925,297
Total square feet of green roof area	492,972
Total shade trees on new construction sites	1,714
Total value of recycled materials purchased	\$37,488,460
Total value of regional materials purchased	\$63,989,511
Total value of wood materials harvested from sustainable forests	\$1,818,879
Tons of construction and demolition waste diverted from landfills	53,765
Electric Vehicle Charging Stations Developed	36

Source: Public Building Commission of Chicago