



2019 Budget

Executive Director's Recommendations

October 16, 2018

Metropolitan Water Reclamation District of Greater Chicago



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
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**Metropolitan Water Reclamation District of Chicago
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For the Fiscal Year Beginning

January 1, 2018

Christopher P. Morill

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Metropolitan Water Reclamation District of Greater Chicago, Illinois for its Annual Budget for the fiscal year beginning January 1, 2018. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



Metropolitan Water Reclamation District of Greater Chicago

2019 Budget

Executive Director's Recommendations October 16, 2018

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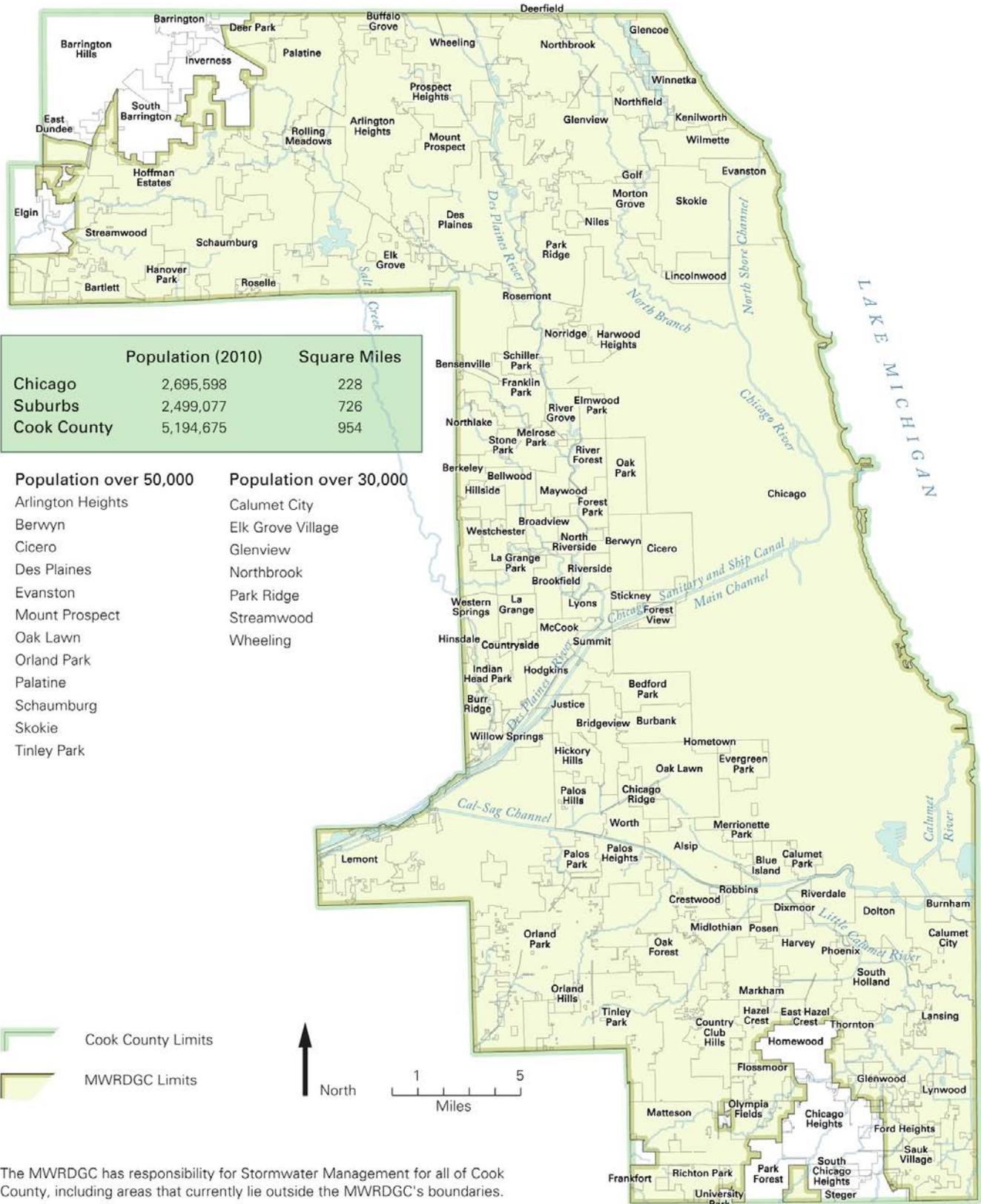
Commissioner

David J. Walsh

Commissioner



Cook County and Metropolitan Water Reclamation District of Greater Chicago



The MWRDGC has responsibility for Stormwater Management for all of Cook County, including areas that currently lie outside the MWRDGC's boundaries.

**DESCRIPTION OF THE METROPOLITAN WATER RECLAMATION DISTRICT OF GREATER CHICAGO:
ITS HISTORY, LOCATION, SIZE, POPULATION, AND TYPE OF GOVERNMENT**

Origin and History

The Metropolitan Water Reclamation District of Greater Chicago (District) is an independent government and taxing body encompassing approximately 92 percent of the land area and 98 percent of the assessed valuation of Cook County, Illinois.

The District is a separate legal entity sharing an overlapping tax base with the City of Chicago, the Chicago Board of Education, the County of Cook, the Cook County Forest Preserve District, the Chicago Park District, the Chicago Public Building Commission, the Cook County Community College District, and various municipalities and school districts outside the City of Chicago but within the District's boundaries.

The District was originally organized as the Sanitary District of Chicago in 1889 under an act of the Illinois General Assembly, which has been modified from time to time to increase the District's authority and jurisdiction. The enabling act in 1889 was in direct response to a long standing problem with contamination of the water supply and nuisance conditions of the rivers. The District reversed the flow of the Chicago and Calumet River Systems to stop the discharge of sewage to Lake Michigan and instead, discharge it to the Des Plaines River, where it could be diluted as it flowed into the Illinois River and eventually the Mississippi River. Prior to the District's construction of a 61.3 mile system of canals and waterway improvements, the Chicago and Calumet River Systems were tributaries to Lake Michigan. These river systems are now tributaries to the Illinois River system.

From 1955 through 1988, the District was called The Metropolitan Sanitary District of Greater Chicago. In order to provide a more accurate perception of the District's current functions and responsibilities, the name was changed effective, January 1, 1989, to the Metropolitan Water Reclamation District of Greater Chicago.

Mission and Responsibilities

The mission of the District is to protect the health and safety of the public in its service area, protect the quality of the water supply source (Lake Michigan), improve the quality of water in watercourses in its service area, protect businesses and homes from flood damages, and manage water as a vital resource for its service area.

The District collects wastewater from municipalities in its service area, conveys it to wastewater reclamation plants, provides full secondary treatment, and discharges clean water to local waterways. The District is also responsible for stormwater management for all of Cook County, including areas outside of the District's corporate boundaries for wastewater services.

Services

The District's seven modern water reclamation plants provide excellent treatment for residential and industrial wastewater, meeting permitted discharge limits virtually at all times. The treatment process is protected by a pretreatment program to guard against hazardous substances and toxic chemicals. These are strictly regulated pursuant to federal and state requirements. The District routinely monitors industries and non-residential sources to assure that wastes are disposed of in an environmentally responsible and lawful manner.

Treated wastewater, along with runoff from rainfall, enters local canals, rivers, and streams that serve as headwaters of the Illinois River system. Stormwater in the separate sewer area is controlled to reduce flood damages by a number of stormwater detention reservoirs. In the combined sewer area, the District's Tunnel and Reservoir Plan (TARP) has significantly reduced basement backup and overflows to local waterways.

Flow within the District's waterway system and the Lake Michigan discretionary diversion flow are controlled by three inlet structures on Lake Michigan: the Wilmette Pumping Station, the Chicago River Controlling Works, and the O'Brien Lock and Dam. The single outlet control structure is the Lockport Lock and Powerhouse.

While exercising no direct control over wastewater collection systems owned and maintained by cities, villages, sewer districts, and utilities, the District does control municipal sewer construction by permits outside the City of Chicago. It also owns a network of intercepting sewers to convey wastewater from the local collection systems to the water reclamation plants.

Facilities

The District is located primarily within the boundaries of Cook County, Illinois. The District serves an area of 882.1 square miles, which includes the City of Chicago and 128 surrounding suburban communities. The District serves an equivalent population of 10.35 million people; 5.25 million real people, a commercial and industrial equivalent of 4.5 million people, and a combined sewer overflow equivalent of 0.6 million people. The District's 560 miles of intercepting sewers and force mains range in size from 6 inches to 27 feet in diameter, and are fed by approximately 10,000 local sewer system connections.

The TARP is one of the country's largest public works projects for pollution and flood control. Four tunnel systems total 109.4 miles of tunnels, eight to 33 feet in diameter and 150 to 300 feet underground. The tunnels are planned to empty into three large reservoirs to provide storage for the polluted water captured by TARP.

DESCRIPTION OF THE METROPOLITAN WATER RECLAMATION DISTRICT OF GREATER CHICAGO: ITS HISTORY, LOCATION, SIZE, POPULATION, AND TYPE OF GOVERNMENT

The District owns and operates one of the world’s largest water reclamation plants, in addition to six other plants and 23 pumping stations. The District treats an average of 1.3 billion gallons of wastewater each day. The District’s total wastewater treatment capacity is over 2.0 billion gallons per day.

The District controls 76.1 miles of navigable waterways, which are part of the inland waterway system connecting the Great Lakes with the Gulf of Mexico. It also owns and operates 34 stormwater detention reservoirs to provide regional stormwater flood damage reduction.

The District recycles all of its biosolids through a farm land application program in nearby counties and local use of Exceptional Quality biosolids and composted biosolids in the Chicago metropolitan area.

Governance

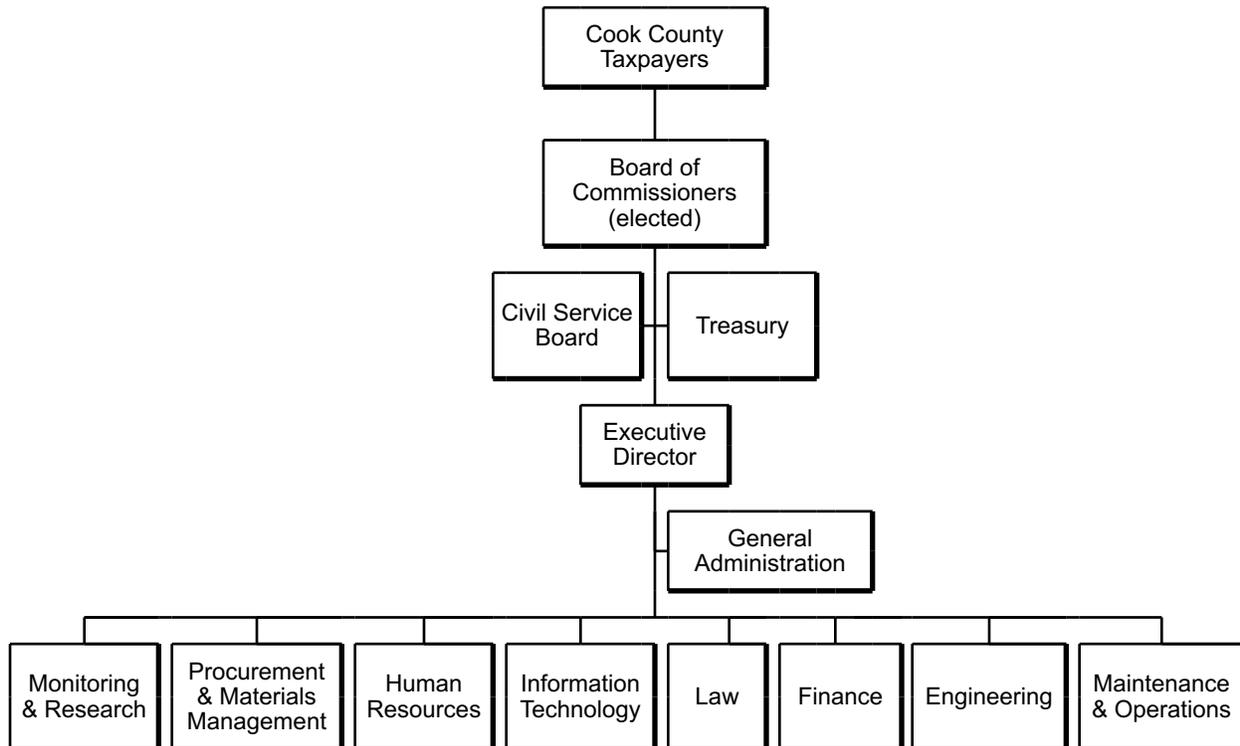
The District is governed by a nine-member Board of Commissioners (Board). Commissioners are elected at large and serve on a salaried basis. Three Commissioners are elected every two years for six-year terms. Biannually, the Board elects from its membership a President, Vice President, and Chairman of the Committee on Finance.

Organization Structure

The Executive Director, who reports directly to the Board, manages the District’s day-to-day operations. Eight appointed department heads report to the Executive Director.

The Treasurer of the District, its chief financial officer, is appointed by and reports directly to the Board.

General Administration, which includes the Administrative Services Division, Diversity Section, and Public Affairs Section are direct staff and support units, reporting to the Executive Director.



HOW TO USE THE DISTRICT’S BUDGET

The organization and presentation of the District’s Budget is designed to satisfy the needs of citizens, public officials, and District employees. It is organized in compliance with the Illinois Compiled Statutes and structured to meet external and internal managerial needs. As a comprehensive management and balanced financial plan, this document describes the programs, services, and resources the District provides, as well as policies and long-run financial plans.

The District’s Budget is organized as follows:

- 1) By Appropriation and Tax Levy Ordinances. Enacted by the Board of Commissioners under the authority of the Illinois Compiled Statutes, these are the legal authority allowing the District to carry out its legally mandated mission.
- 2) By Funds. These are the accounting entities segregating sums of money or other resources for the purpose of carrying on specific activities or government functions in accordance with certain legal restrictions or limitations.
- 3) By Department. These are the primary organizational units of the District.

The District’s Budget is presented in various sections, each providing the reader with specific information related to the District’s financial plans and services.

The sections are presented as follows:

- I. **BUDGET FOREWORD**. An introductory section that contains: the Executive Director's Budget Message; Strategic Business Plan; narratives on operational goals and accomplishments, major issues, policy and program changes; Budget Highlights; Financial Policies, Objectives, and Accomplishments; Policy Development and the Budget Process; and the beginning of the Annual Appropriation Ordinance, which gives the Budget legal authority. The full Appropriation Ordinance begins on page 36 and sections II through VII.
- II. **BUDGET AND FINANCIAL SUMMARIES, SCHEDULES, AND EXHIBITS**. These provide an overview of the District’s Budget and financial plans of the past, present, and future, including proposed tax levies, revenues, and appropriations.
- III. **FINANCIAL STATEMENTS BY FUND**. These contain detailed information on taxes and all other sources of revenue and expenditure, plus financial statements detailing current assets, current liabilities, and the amount of assets available for appropriation in 2019.
- IV. **CORPORATE FUND**. These present detailed information by department, and priority of activities, objectives, programs, performance measures, proposed line item expenditures, and staffing. The legend below shows the placement of data within the text boxes of the organizational charts. Each department provides actual, budgeted, and proposed full-time equivalent (FTE) positions over a three year period. Salary schedules for pay plans and grades, as shown in the Position Analysis, are included in the Appendix.

Organization Unit Number		
Organization Unit Name		
2017	2018	2019
FTE	FTE	FTE
Count	Count	Count
Actual	Budgeted	Proposed

- V. **CAPITAL BUDGET**. The District’s current and long-term programs for capital construction, modernization, and rehabilitation are detailed in the Construction Fund and Capital Improvements Bond Fund.
- VI. **STORMWATER MANAGEMENT FUND**. The District’s current and long-term programs for the Stormwater Management Fund are detailed.
- VII. **OTHER FUNDS**. Information detailing the Reserve Claim Fund, Bond Redemption and Interest Sinking Funds, and the MWRD Retirement Fund are provided in this section.
- VIII. **TAX LEVY ORDINANCES**. These present the financial and management plan of the District as a legal document which coordinates and establishes the legal authority for the District to obtain and expend funds during the fiscal year.
- IX. **APPENDIX**. Information detailing the District’s compensation plan, glossaries, acronym list, awards, and organizational memberships.

To aid the reader in finding specific information quickly, there is a Table of Contents inserted on the manila tabbed divider before each section.

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SECTION I

BUDGET FOREWORD

This section introduces the budget with explanations of the organization and structure of the District's Budget. It also presents an overview of the substance of the 2019 Budget. It includes the following:

- In the *Budget Message*, the Executive Director discusses his 2019 Budget Recommendations.
- In the *Strategic Business Plan*, an update of the strategic business plan is presented.
- The *Budget Message/Highlights* section includes a statement of the District's operational goals and accomplishments and a narrative on major issues, policy, and program changes. It is in this section that broad policy, program objectives, and operational accomplishments are defined.
- In the *Financial Policies, Objectives, and Accomplishments* section, an overview of the financial guidelines and accomplishments of the District is presented.
- The *Policy Development and the Budget Process* section describes policy development and the total budget process. The detailed budget process is presented in 12 clearly stated steps with a flowchart of the budget cycle.
- The *Annual Appropriation Ordinance* gives legal effect to the entire budget document as enacted into law by the Board of Commissioners under authority of the Illinois Compiled Statutes. It includes an explanation of the crosshatch (#) symbols used with some personnel positions within the budget, indicating changes to positions once vacated.

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Protecting Our Water Environment

Metropolitan Water Reclamation District of Greater Chicago

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- David J. Walsh

October 16, 2018

Honorable Ladies and Gentlemen:

I am pleased to present the 2019 Executive Director’s Budget Recommendations for the Metropolitan Water Reclamation District of Greater Chicago (District). The budget recommendations are a fiscally responsible plan that support the District’s mission of protecting our water environment and the health and safety of the public in our service area. The Corporate Fund budget recommendations reflect modest growth of 1.8 percent over the 2018 appropriation and prioritize the maintenance and operation of our seven water reclamation plants. The Stormwater Management Program continues to implement flood control projects and support local stormwater issues. Our Capital Improvement Program provides great value for taxpayers by utilizing a combination of funding options including low interest State Revolving Fund loans, bonds, and pay-as-you-go funding to invest in Cook County infrastructure.

Celebrating 130 Years

The District will celebrate its 130th anniversary during 2019 and our mission to protect public health remains largely the same since our inception as the Sanitary District of Chicago in 1889. While the District’s first assignments of reversing the flow of the Chicago River and constructing a vast network of waterways to protect the quality of Lake Michigan were clear, the District continues to evolve and implement new technologies that further our commitment to environmental protection.

The District operates seven water reclamation plants that treat an average of 1.3 billion gallons of wastewater each day, controls 76.1 miles of navigable waterways, and owns and operates 34 stormwater detention reservoirs to provide regional flood protection. Beginning in 1972, the District began working on the Tunnel and Reservoir Plan (TARP) to meet water quality standards in the 375 square mile combined sewer service area. The tunnel system, which consists of 109.4 miles of tunnels ranging from eight feet to 33 feet in diameter with a storage capacity of 2.3 billion gallons, was completed in 2006. The second phase of TARP is a series of reservoirs that are primarily intended for flood control for the combined sewer area, and enhance pollution control benefits of the tunnel system. In 2018, Stage 1 of the final reservoir in the system, the McCook Reservoir, became operational while construction on Stage 2 is scheduled to be completed in 2029.



The Main Channel of the Sanitary and Ship Canal Extension, including the Lockport Powerhouse and Lock, were completed in 1907. The opening of the Lock connected the Great Lakes to the Mississippi River system. In the photo to the left, officials tour the Lockport Powerhouse and Lock on August 4, 1907.

Reducing the number of combined sewer overflows, improving stormwater management, and developing new technologies at the water reclamation plants have led to cleaner area waterways. The number of fish species in the Chicago Area Waterways System (CAWS) has drastically increased since the 1970s when monitoring of the fish population began. From 10 known species in 1974, the number has increased to 76. In 2018, the District teamed with the Army Corps of Engineers and the Chicago Park District to demolish a century old dam along the North Branch of the Chicago River to allow fish migration and improve navigation for recreational paddlers.

The District's 2015-2020 Strategic Business Plan, *Recovering Resources, Transforming Water*, encompasses the District's mission and provides a framework for evaluating new projects, ensuring sustainability, and providing clean water resources for generations to come.

Improving Infrastructure

Large-scale public works infrastructure projects have been a hallmark of the District's identity from our inception. From the opening of the Chicago Sanitary and Ship Canal in 1900 that successfully reversed the flow of the Chicago River, to construction of TARP tunnels and reservoirs, the District excels at implementing large capital projects.

The District's \$689.3 million 2019 Capital Improvement Program uses a combination of funding options to meet the District's capital needs in a fiscally sound manner. The 2019 Capital Improvement Program includes construction of 21 new pay-as-you-go projects funded through the Construction Fund, 20 new projects funded with State Revolving Fund loans and General Obligation bonds, and four large stormwater projects funded with Alternate Revenue bonds or Stormwater State Revolving Fund loans.



Stage 1 of the McCook Reservoir began taking water for the first time during an unusually warm January 11, 2018.

On January 11, 2018, the McCook Reservoir, Stage 1 began taking on water for the first time, protecting against combined sewer overflows, as well as alleviating flooding for 37 suburban communities. The Stage 1 reservoir has a 3.5 billion gallon storage capacity. Construction is on going for the Stage 2 reservoir, which will have an additional 6.5 billion gallon capacity and is scheduled to be operational in 2029.

In 2019, the District will begin construction on several projects to modernize our aging infrastructure at the seven water reclamation plants that will allow the District to optimize processes, chemical usage, and energy consumption. In 2018, the District will complete a \$23.2 million project to improve the operations at the Stickney Water Reclamation Plant (WRP). Nine new 160-foot diameter primary settling tanks will reduce methane gas emissions by replacing Imhoff tanks that have been in service since 1929. In 2019, construction will begin on a \$15.0 million dollar project to rehabilitate the anaerobic digesters at the Stickney WRP, as well as replace a section of gas piping that will ensure proper gas conveyance from the new primary settling tanks.

Operational Excellence



Workers with a hoist cage at the bottom of a drop shaft during sewer construction on December 21, 1927.

The District continues a tradition of operational excellence from the opening of the Calumet WRP in 1922 through today. The District serves 128 communities in nearly all of Cook County, treating an average of 1.3 billion gallons of water each day, with a total treatment capacity of 2.0 billion gallons per day. In 2017, five of seven water reclamation plants received National Association of Clean Water Agencies Platinum Peak Performance Awards for maintaining 100 percent compliance with National Pollutant Discharge Elimination Permits. The remaining two plants received a Gold Award and a Silver Award. All seven plants have earned 99.7 percent or higher compliance since 2007 and similar results are anticipated for 2018. Disinfection upgrades were implemented at the Calumet WRP in 2015 and an ultraviolet radiation disinfection system was introduced at the O'Brien WRP in 2016.

In addition to investing in technologies at the seven water reclamation plants to eliminate nitrogen and phosphorus from wastewater, the District is working to protect the CAWS from non-point source pollution. In conjunction with the Illinois Environmental Protection Agency (IEPA), the District coordinates stakeholders to address chloride levels in area waterways. In 2018, the District hosted municipal representatives, Illinois Department of Transportation (IDOT) representatives, and the private sector to share best management practices for applying road salt. The District and the University of Illinois were awarded a \$350,000 grant to study agricultural drainage to minimize nitrogen and phosphorus in agricultural runoff.

Stormwater Management

In 2004, the Illinois General Assembly granted authority to the District to manage stormwater for Cook County, expanding the mission of the agency to mitigate flooding and improve water quality throughout the region. Changing weather patterns and intense bursts of precipitation quickly overwhelm systems throughout Cook County. The 2019 Budget highlights the District's commitment to reduce flooding. The Stormwater Management Fund budget recommendation is increasing by \$25.8 million over the 2018 appropriation to further our investment in flood control projects and continue to support local stormwater issues. During 2019, construction will begin on both channel improvements on Addison Creek and the Addison Creek Reservoir. Together these large-scale projects will reduce overbank flooding for over 2,000 structures.

Through flood-prone property acquisition, community partnerships, and cost sharing agreements for local stormwater projects, the District is leveraging tax dollars and investing in both Green Infrastructure projects and large capital projects. Green Infrastructure projects are designed to capture water and allow it to infiltrate into the ground before it enters the traditional conveyance system.



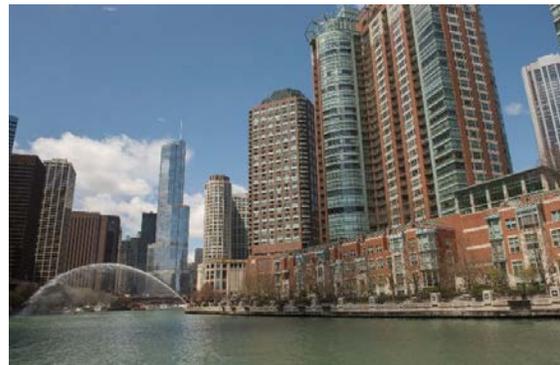
The District partners with local municipalities and other governmental organizations to fund Green Infrastructure projects that capture, store, and infiltrate stormwater by mimicking the natural water cycle. Funding is provided for construction projects that are in flood-prone areas and provide educational opportunities for residents on the benefits of Green Infrastructure. The 2019 Budget includes \$10.7 million for cost sharing on local Green Infrastructure projects.

The District is actively partnering with local governments or has recently completed projects including the following:

- The District partnered with the City of Chicago to complete the Albany Park Stormwater Diversion Tunnel in 2018. The tunnel will convey water overflowing at the North Branch of the Chicago River and convey it more than a mile east to the North Shore Channel. The Albany Park neighborhood experienced major flooding that impacted hundreds of homes in the past, and this project will help protect those homes against future flood damages.
- Permeable pavers are being installed throughout Cook County in partnership with the District. The Village of Arlington Heights is installing a permeable parking lot and a bioinfiltration basin at the Arlington Heights Police Station. Green alleys are being constructed in Chicago's 10th Ward, the City of Des Plaines, the Village of Forest Park, the Village of Harwood Heights, the Village of Maywood, the Village of Posen, and the Village of River Forest.
- The District partnered with the Village of Skokie and the Skokie Park District on two projects that allow for a combined 46,000 gallons of water to be retained at Devonshire Park and the Skokie Police Station Headquarters. The projects include rain gardens and a naturalized detention area.

Financial Summary

The District continues to maintain a AAA bond rating from Fitch Ratings and a AA+ bond rating from Standard & Poor's. The District's funding policies for both the Retirement Fund and Other Postemployment Benefits Fund demonstrate the District's commitment to long-term fiscal management and contribute to strong credit ratings. These accomplishments, in the midst of an uncertain Illinois financial environment, are outstanding achievements and speak to the careful, thoughtful management of the agency as directed by the District's Board of Commissioners.



The Nicholas J. Melas Centennial Fountain was built in 1989 to commemorate the District's 100th anniversary.

The 2019 Executive Director’s Budget Recommendations and the Five-Year Financial Plan were developed to maintain budgetary fund balances using the Strategic Business Plan as a guideline to establish priorities. The operation, maintenance, and investment in the District’s infrastructure, flood control projects, and other essential services will continue to receive primary focus. The District has been aggressive over the past year in addressing some of the primary drivers of the budget, including energy costs, personnel and health care costs, and unfunded pension liabilities. These recommendations continue our conservative fiscal management and include the policies, objectives, and resources to allow the District to remain true to our mission of protecting our water environment and the health of the residents of Cook County.

The District’s appropriation and tax levy for 2019 as recommended, compared to the 2018 Budget as Adjusted is:

	<u>2019</u>	<u>2018 Adjusted</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
Total Tax Levy	\$ 640,649,270	\$ 621,317,594	\$ 19,331,676	3.1 %
Aggregate Levy	\$ 341,239,500	\$ 329,699,997	\$ 11,539,503	3.5 %
Appropriation	\$ 1,079,658,141	\$ 1,151,051,387	\$ (71,393,246)	(6.2)%

The aggregate levy is statutorily limited to an annual increase of five percent or the Consumer Price Index (CPI), whichever is lower. The increase in the 2019 aggregate levy is equal to the estimated CPI plus new property for 2019.

Conclusion

The 2019 Executive Director's Budget Recommendations were prepared to incorporate the goals and strategies of the Strategic Business Plan, *Recovering Resources, Transforming Water*. The 2019 update to the plan is included in full on the following pages. We are committed as an agency to providing the excellent service expected of the District.

Respectfully submitted,



John P. Murray
Acting Executive Director

STRATEGIC BUSINESS PLAN

Recovering Resources, Transforming Water

2019 UPDATE TO THE 2015-2020 STRATEGIC BUSINESS PLAN

The District's Strategic Business Plan is used throughout the year to measure results and communicate progress to the Board of Commissioners and staff. This plan is reviewed and updated on an annual basis. It serves as a guiding document until it is replaced by a new Strategic Business Plan.

There have been significant achievements made during this Strategic Business Plan cycle. The 7.9 billion gallon Thornton Composite Reservoir came online in 2015, and the 3.5 billion gallon McCook Reservoir Stage 1 was placed in service in 2017. Together they provide 11.4 billion gallons of flood protection to residents and water quality improvements to the Chicago Area Waterway System. Also in 2015, the District received authority to recover resources from the treatment process and resell these assets to help offset treatment costs.

Becoming a sustainable partner in the region by recovering resources, lowering carbon emissions, creating new revenue streams, and promoting resiliency are current goals. The District has an excellent soil enhancer product, nutrients, clean water, and energy that can add benefit to our communities. The District's real estate resources are being used to add value to the communities we serve.

The District's Mission Statement and Values continue to guide the District's future.

MISSION

The District will protect the health and safety of the public in its service area, protect the quality of the water supply source (Lake Michigan), improve the quality of water in watercourses in its service area, protect businesses and homes from flood damages, and manage water as a vital resource for its service area. The District's service area is 882.1 square miles of Cook County, Illinois. The District is committed to achieving the highest standards of excellence in fulfilling its mission.

VALUES

Excellence

We believe excellence is a never-ending journey to exceed the expectations placed upon us as individuals and as an organization.

Individual excellence is exhibited by performing one's responsibilities to the best of his or her ability. We promote employee development and encourage everyone to perform at their best. Organizational excellence is obtained by continuous improvement to existing processes. Excellence at both levels is achieved through proactive, resourceful, reliable, and prudent execution of processes and responsibilities. Striving for excellence will result in continuous improvements in the way we operate and the quality of the environment.

Innovation

We seek optimal solutions to provide the best services and products available.

Innovation increases efficiency and performance by being adaptable and strategic in the face of change. Meaningful, productive change involves looking at challenges and opportunities from new perspectives and then developing and implementing new ideas to address the challenge. We are open to implementing new concepts and sharing what we have learned from our diverse experiences and, in the process, evolving. Embracing growth within the District's mission, we continue to be a model of wastewater treatment and stewardship of the water environment.

Respect

We create an atmosphere of open communication that rewards commitment and performance and is responsive to the needs of our employees and our communities.

Respect is measured by how we treat each other, by the contributions that flow from our diversity, by the productivity of our relationships, and by a job well done, no matter what the job. To meet our goals, we depend on the integrity, knowledge, skill, diversity, and teamwork of our employees. Creating a respectful, courteous, and fair workplace will lead to improved communication, heightened levels of workplace participation, and innovation due to diverse thinking.

Safety

We are dedicated to safeguarding our greatest assets - our employees - together with the environment and our communities.

There is always time to do it safely. We strive to provide a safe environment for our employees and our communities. We continually seek new ways to improve safety performance by routinely training employees in safe operating practices and regulatory responsibilities. We incorporate safety in all planning, operations, and activities. Continuously improving our safety practices will improve the well-being of our employees and the District as a whole.

Accountability

We are dedicated to fulfilling our responsibility by being accountable to our taxpayers, coworkers, and the environment in a prudent manner.

As public service employees, we bring a high degree of integrity, professionalism, quality, and caring to our work. We have a commitment to our communities to provide service with the highest level of integrity, transparency, and accountability. Acting with accountability will make us a stronger organization by earning the respect, trust, and confidence of our coworkers and the communities we serve.

VISION

The vision statement “*Recovering Resources, Transforming Water*” captures the changing landscape taking place in the water industry. The District is looking to add value in traditional and non-traditional ways. This vision has produced six main goals for the organization. These goals are listed below with a descriptive statement that captures the thinking behind each goal.

Add Value: Every employee at the District will look for opportunities to add value.

Excellence: Nothing of consequence is accomplished without enthusiasm.

Resource Recovery: The District will pursue the beneficial recovery of natural resources.

Develop Employees: Value is measured through personal contribution and growth.

Leading Partnerships: We recognize the importance of active involvement in the world around us.

Technology: It is essential for the District to have a robust and formal Information Technology (IT) governance model as needs and desired investments in IT outpace the resources available.

GOALS AND STRATEGIES

The Strategic Business Plan outlines six major goals aimed at achieving the vision of the District. Under each goal, strategies to accomplish the goal are described. Each strategy has performance measures. The measures are used to ensure efforts are achieving the desired results. During the annual strategic planning review, the measures are used to make adjustments to the plan as needed so the District can remain focused on continual improvement.

GOAL 1 - Add Value

Every employee at the District will look for opportunities to add value. The District will be focused on adding value at every level in the organization. Each employee is challenged to add value in every interaction either internal or external to the agency. The following specific strategies have been developed to meet this goal:

Customer Service: Every employee’s action should mindfully fulfill the customer’s needs.

- Issue permits in less than 30 days;
- Transition from an enforcement perspective to informed compliance;
- Develop and implement effective flood mitigation programs for our customers;
- Structure a multi-dimensional, culture changing strategy around flood implementation;
- Develop and implement targeted odor control strategies.

Real Estate: Explore opportunities for community partnerships aimed at reducing waste, our carbon footprint, or revitalizing the environment.

- Utilize wood chips in biosolids compost blend;
- Work with community to revitalize the urban forest through the “Restore the Canopy” program;
- Utilize Fulton County property for nutrient control research and demonstration.

Service Levels: The District will establish service level agreements that meet the needs and expectations of the internal customer.

- Establish contract turnaround timeframe agreements for all contract classes;
- Develop planning schedules and adhere to project timeframes;
- Streamline and simplify the budget process.

GOAL 2 - Excellence

Nothing of consequence is accomplished without enthusiasm. Excellence should be our goal in everything we do, from meeting compliance objectives to delivering projects on time. In order to achieve excellence, the organization should focus on results. It is the measure of the result that determines the degree of success.

Finances: Ensure the responsible use of resources in the delivery of services.

- Continue the prioritization of projects to ensure best use of current spending;
- Provide base budget targets and assure approvals above base are tied to strategic initiatives;
- Manage resources to ensure financial stability targets are met.

Process Evaluation: Develop processes that are results oriented.

- Modernize and update aging infrastructure;
- Optimize energy intensive processes;
- Optimize chemical intensive processes;
- Optimize work distribution processes and workflow.

Sense of Urgency: Establish a sense of urgency in delivering community services.

- Deliver and implement a flood relief plan for Cook County;
- Establish excellence in maintenance and operations;
- Expedite capital improvement program projects in design, bid, contract award, and construction schedule.

Performance Management: The District will develop performance measures that reflect the excellent contributions of staff.

- Develop automatic measures that indicate performance to our public.

GOAL 3 - Resource Recovery

The District will pursue the recovery of natural resources. The District understands the obligation of every organization to implement sustainable and resilient practices. The District also understands the importance of a sustainable economy and financial base. Therefore, the District will seek opportunities to recover resources, return materials to the economy, and earn revenue or offset operational costs.

Water: Pursue reuse applications for the high quality water produced at our plants and for the capture and reuse of stormwater.

- Explore reuse opportunities in the Kirie, Calumet, and Stickney industrial corridors.

Phosphorus: Recover phosphorus in a slow release fertilizer for environmentally-friendly reuse.

- Optimize the recovery process at the Stickney WRP;
- Evaluate recovery processes at the Calumet and Egan WRPs;
- Explore algae nutrient reduction processes as an additional recovery resource.

Energy: Reduce energy consumption and increase renewable energy production.

- Maximize use of digester gas;
- Market electrical capacity at Lockport to maximize return on investment;
- Optimize aeration processes and reduce energy consumption in aeration by 25 percent;
- Document the carbon footprint at each WRP.

Biosolids: Maximize the utilization of Class A Exceptional Quality (EQ) biosolids in our service area.

- Develop partnerships with state and local agencies to use EQ biosolids in construction projects;
- Identify, monitor, and evaluate beneficial use opportunities for biosolids;
- Increase local distribution points to reduce hauling costs.

Recycle and Prevention: Promote environmental stewardship through recycling and preventative measures.

- Recycle demolition material on all District projects;
- Ensure availability of medical disposal options;
- Explore opportunities for recycle partnerships;
- Develop and distribute additional prevention education materials.

GOAL 4 - Develop Employees

Value is measured through personal contribution and growth. Employees at the District are the best in the industry. In order to maintain a leadership role in wastewater, the District needs to develop future leadership and pass down competencies. The District will invest in its future by investing in its employees.

- Develop and implement leadership initiatives that support succession planning;
- Develop and implement competency-based individual development plans;
- Develop a culture that recognizes the value of every employee.

GOAL 5 - Leading Partnerships

We recognize the importance of active involvement in the world around us.

Relationships: Develop strategic relationships with constituents through active involvement in a variety of venues and organizations on a local, state, and national level.

- Inventory and align professional memberships and participation;
- Participate in active leadership roles in a variety of organizations;
- Utilize our enhanced awareness from strategic relationships to make informed decisions.

Leadership: Promote the District as one of the top leaders in the water industry.

- Provide active leadership in the invasive species discussion;
- Provide active leadership in water issues in Cook County;
- Provide active leadership in state water issues;
- Provide active leadership in federal water issues.

GOAL 6 - Technology

It is essential for the District to have a robust and formal IT governance model as the needs and desired investments in IT outpace the resources available. IT security, business continuity, and compliance requirements need sensible and enforceable policies. The IT Department will focus on providing the District an appropriate balance between maintaining a secure computing environment and providing readily accessible, easy to use applications.

- Implement a modern web content management system that provides a streamlined approach for storing and delivering web content (e.g., images, videos, department pages);
- Develop a framework for deploying web services and data integration technologies to streamline access to various hosted data systems and applications;
- Continue to improve upon customer service by being transparent via IT Service Management, including providing a service catalog and real-time insight into all service tickets;
- Provide a secure internet environment and implement measures to proactively prevent external infiltration and intrusion.

Budget Message / Highlights

The following pages illustrate how the District is implementing the Strategic Business Plan by summarizing major policies, ongoing programs, and initiatives that directly support the development of the District's 2019 annual budget. Specific strategies for each Goal highlight how the District is meeting our mission and the vision of "Recovering Resources, Transforming Water."

Goal 1 - Add Value

Develop and implement effective flood mitigation programs for our customers. The mission of the Stormwater Management Fund is to protect the safety of Cook County's residents and minimize flood damage by coordinating, planning, implementing, financing, and operating regional stormwater management projects and to administer uniform rules for watershed development. The framework of the District's countywide Stormwater Management Program is presented in the Cook County Stormwater Management Plan.

In 2011, the District completed detailed watershed plans (DWPs) identifying flooding problems within each of the six major watersheds within its service area. As a part of the Capital Improvement Program, the District began preliminary and final engineering for regional projects identified within the DWPs and approved by the Board. In 2014, the Illinois General Assembly expanded the authority of the District's Stormwater Management Program to allow the District to address local drainage problems and acquire flood-prone property from property owners on a voluntary basis. These legislative changes allow the District to identify and assist municipalities with the implementation of projects that address local flooding concerns.

Structure a multi-dimensional, culture changing strategy around flood implementation. Managing stormwater includes not only building traditional flood control measures, but also incorporating Green Infrastructure into regional planning. In 2017, the District began accepting annual applications to help fund local government projects that utilize Green Infrastructure. In 2017, the District accepted 47 applications and selected 20 projects for funding in 2018. In 2018, the District accepted 48 applications and selections for funding in 2019 are ongoing. Green Infrastructure can reduce wet-weather flows to combined sewer systems, reducing combined sewer overflows to local waterways and protecting water quality in these vital waterways. Green Infrastructure also reduces runoff volumes and improves water quality in separate sewer service areas. Green Infrastructure also provides social benefits that enhance the livability of communities. The 2019 Budget includes \$35.1 million in the Stormwater Management Fund for Intergovernmental Agreements that include Green Infrastructure projects and other stormwater improvements.

Work with community to revitalize the urban forest through the "Restore the Canopy, Plant a Tree" program. The District launched the "Restore the Canopy, Plant a Tree" program in April 2016 to replenish Cook County's tree canopy that was decimated due to emerald ash borer and extreme weather events. The District is distributing trees to community groups, municipalities, schools, and residents throughout Cook County. Since the program began, the District has partnered with approximately 155 different entities and has distributed more than 55,000 red oak, pin oak, swamp white oak, black oak, and pecan saplings.



Maximize our real estate portfolio. Over the years, the District has acquired substantial real property holdings to carry out its corporate responsibilities. It currently owns approximately 24,000 acres of land located in Cook, Will, DuPage, and Fulton Counties in Illinois and controls 76.1 miles of navigable waterways, which include the Cal-Sag Channel, Chicago Sanitary and Ship Canal (Main Channel), and the North Shore Channel.

The District's land holdings are necessary to carry out its lawfully authorized corporate purpose of wastewater collection, treatment, disposal, and ancillary activities. The additional corporate responsibility of stormwater management conferred by the Illinois General Assembly in 2004 has increased the District's activities and may result in an increase of its land holdings in Cook County to facilitate the construction of projects.

The District's land holdings are generally categorized as corporate or non-corporate use properties. Its corporate use properties are those land holdings which are used or will soon be used for the District's corporate purposes. Non-corporate use properties are those land holdings which are not immediately required for corporate purposes. The non-corporate use properties may be required for future use or it is in the District's best interest strategically to maintain ownership. An example of the latter is land along the waterway corridors that may be needed for future water quality improvement or stormwater management projects.

Budget Message / Highlights

Currently, non-corporate land holdings include approximately 4,900 acres in Cook County, 450 acres in DuPage County, and 670 acres in Will County. These non-corporate use properties are for the most part managed by the Real Estate/General Administration Division of the District's Law Department. These properties may be leased to other parties until required for corporate purposes in accordance with requirements set forth in state law (70 ILCS 2605/8-8c). State law provides, among other things, that a District lease to a private party/entity may be awarded only upon open and public competitive bidding to the highest responsible bidder. Additionally, state law provides that the District may issue permits or grant easements for others to use District land, provided such use would not interfere with the District's corporate purposes. Management of District land currently includes over 177 leases, 391 easements, and 78 permits.



Centennial Hill, along the Centennial Trail in Willow Springs. The property is owned by the District and leased to the Forest Preserve District of Cook County.

The District continues to pursue a balanced and mixed-use approach with respect to administering its non-corporate use properties. This balanced program seeks to maximize rental income in those instances where District land is made available for private use, while setting aside substantial holdings for public recreational use by leasing to other governmental entities (park districts, municipalities, and forest preserve districts). The leases to other governmental entities are for a nominal fee and typically for the express purpose of enhancing public access to, and the development of parks, hiking and bicycle trails, and passive recreational use along the waterways. The District's balanced approach has resulted in approximately 75 percent of District leased lands being leased to governmental entities for public recreational or other public use. The other approximately 25 percent of District leased lands are leased to private parties for industrial and business purposes from which the District expects to derive approximately \$21.5 million in 2019 in rental and fee income.

Goal 2 - Excellence

Manage resources to ensure financial stability targets are met. The District provides and subsidizes health care benefits for its retirees through a statutorily authorized Other Postemployment Benefits (OPEB) Trust for the purpose of providing for the funding and payment of health benefits for retired, disabled, or terminated employees of the District or for their dependents and beneficiaries.

Since the Trust was established in 2007, the District adopted an OPEB advance funding policy meant to (i) improve the District's financial position by reducing the amount of future employer contributions and (ii) serve to establish a reserve to help ensure the financial ability to provide health care coverage for District retirees and annuitants in the future. The current funding policy includes a 100 percent target funding level, an advance funding period of 12 years, and a defined advance funding amount of \$5.0 million to be contributed in each of the 12 years from 2015 through 2026. No further advance funding contributions are expected after 2026. Through December 31, 2017, \$127.4 million has been contributed by the District to the OPEB Trust. The advance funding contribution for 2018 was \$5.0 million and the 2019 budgeted contribution is \$5.0 million. While authorized by statute, there is currently no legal requirement for the District to partially or fully fund the OPEB Trust.



Workers pose on a dipper dredge bucket on October 16, 1899 during construction of a bypass channel on the South Branch of the Chicago River.

Budget Message / Highlights

The accumulated unfunded OPEB obligation is \$113.5 million as of December 31, 2017, the date of the most recent actuarial valuation. The unfunded liability represents the amount by which the accrued liability exceeds the value of the plan assets that have been placed in a trust and dedicated to providing benefits to retirees and their beneficiaries. The policies adopted by the District are cautious by design, and will provide ample opportunity for adjustment. Future direction may also be changed significantly by national health care policies.

Optimize energy intensive processes. The District began working with the Public Building Commission of Chicago to conduct an Investment Grade Energy Audit of the District's facilities in 2014. The Investment Grade Energy Audit was completed by NORESKO, an energy service company. The audit resulted in a comprehensive list of energy conservation projects that meet District requirements and objectives. Under the Investment Grade Energy Audit report, projects identified to be beneficial to the District include the installation of steam blanket insulation, heating, ventilation, and air condition control upgrades, and interior lighting upgrades to LED fixtures in various locations. In 2018, the District completed work at the Calumet WRP and the Stickney WRP Storeroom. Estimated annual savings resulting from these projects are \$270,000 with a simple payback of 15.6 years. In addition, the District received rebates of \$129,500 for natural gas and \$270,000 for electricity from the Illinois Department of Commerce and Economic Opportunity. The District plans to perform similar projects in the North Service Area and various remote locations for the remainder of 2018. Annual costs savings and payback are \$204,000 and 17.7 years respectively. Projects planned for 2019 include lighting upgrades at the Stickney WRP and the Mainstream Pumping Station. These projects will result in annual costs savings of \$223,000 and a payback in 21.2 years. The District anticipates planned projects will result in rebates from Nicor Gas and ComEd in amounts similar to natural gas and electricity rebates mentioned above.

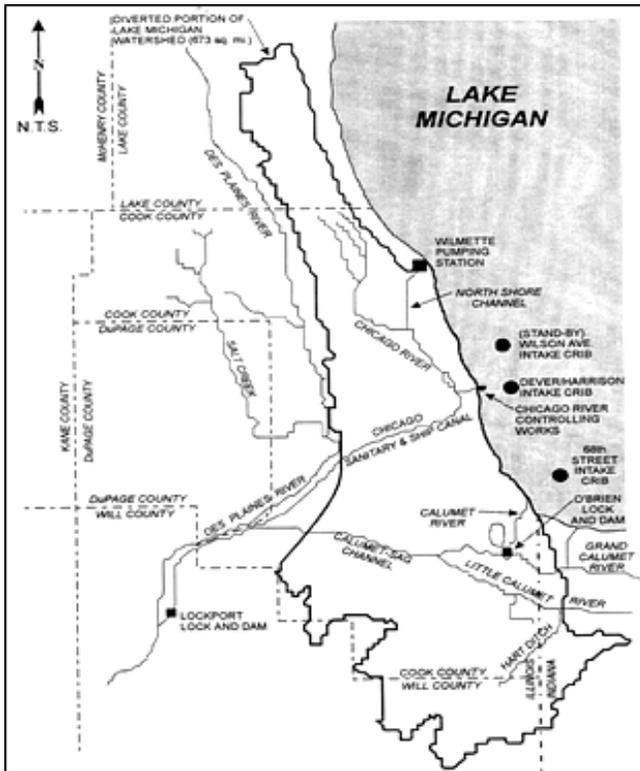
Modernize and update aging infrastructure. The District continually works to maintain and improve its infrastructure. One example is the installation of primary settling tanks under a project in the Capital Improvements Bond Fund. The elimination of the current Imhoff process and replacement with more modern and effective treatment equipment will nearly double digester gas production. Digester gas is utilized in process and space heating throughout the Stickney Water Reclamation Plant, and is considered a renewable resource. Increased gas production will result in reduced demand for natural gas. Electrical demands will also decrease, with the elimination of the necessity of pumping up to 100 million gallons per day of recycle flow from the old grit removal process and the low-pressure compressors necessary for the removal of sludge from the aging Imhoff tanks.

To ensure the accuracy of sewer mapping, the District has developed an innovative partnership with local communities in its service area throughout Cook County as part of the Infiltration/Inflow Control Program. The District lends Global Positioning System (GPS) units to local sewer system owners that discharge directly or indirectly to the District's facilities. The GPS units map the collection systems using Geographic Information System (GIS) software.



Through GIS mapping technologies and GPS units, sewer system owners can pinpoint manholes, inlets, catch basins, cleanouts, lift stations, outfalls, gravity mains, lateral lines, and other items.

Budget Message / Highlights



Drainage from the Chicago watershed was redirected to the Des Plaines River and away from Lake Michigan in 1900, thereby protecting the drinking water supply.

Establish excellence in maintenance and operations. The following examples demonstrate the District’s commitment to excellence in maintenance and operations.

Protect the quality of Lake Michigan water: The District has successfully eliminated all sewage discharges to Lake Michigan and strives to minimize discharges to the lake caused by excessive rainfall runoff. To continue to protect Lake Michigan, our region’s fresh drinking water supply, and protect the public health, the District will continue to monitor potential sources of discharges that may threaten Lake Michigan and will minimize combined sewer discharges to the lake through careful operation of the TARP project and the waterway system.

Protect aquatic life and public recreation: The District operates instream and sidestream elevated pool aeration (SEPA) stations to maintain sufficient dissolved oxygen in key sections of the Chicago Area Waterway System (CAWS) to protect aquatic life. The District conducts chemical and biological monitoring of district service area waterways and has developed, through collaborators in academia, both a one-dimensional and a three-dimensional water quality model of portions of the CAWS to assess the operation of the waterway to continually improve water quality and protect aquatic life. In 2018, the District continued to implement an operational optimization plan for Lake Michigan discretionary diversion and aeration stations to utilize these resources most efficiently, while improving water quality in the CAWS. Since 2016, the District has implemented disinfection technologies and microbiological monitoring of effluents at the O'Brien and Calumet WRPs to protect water quality in the CAWS to ensure safety for public recreation.

Provide flood protection and improved water quality to residents under the Tunnel and Reservoir Plan: TARP Phase I was fully completed in 2006 and consists of 109.4 miles of deep rock tunnels designed to capture up to 2.3 billion gallons of the first flush of sewage contaminated stormwater from combined sewers that had previously flowed into the area waterways. TARP Phase II includes three storage reservoirs built at the end of the tunnels to provide an additional 15.0 billion gallons of capacity. These reservoirs are described below and additional information for the TARP system projects status is on page 393.

Majewski Reservoir: This 350 million gallon reservoir was completed in 1998 and has prevented over 6.3 billion gallons of combined sewer overflow from entering the waterways and mitigated over \$460.0 million in flood damage.

Thornton Composite Reservoir: In November 2015, the Thornton Composite Reservoir became operational. Through July of 2018, approximately 20.0 billion gallons of polluted water have been captured.

McCook Reservoir: The McCook Reservoir, the last component of the TARP system, will serve 3.1 million people in 37 communities, including most of Chicago, providing a total volume of 10.0 billion gallons. The first stage opened on December 4, 2017 with 3.5 billion gallons of storage. The second stage will provide 6.5 billion gallons of storage, but is still being mined and is expected to be completed in 2029. The McCook Reservoir is projected to bring more than \$140.0 million annually in flood reduction benefits to residents in its service area.

A new 20-foot diameter inflow tunnel and gate shaft, scheduled to be completed in 2020, is being constructed to connect the existing Des Plaines Tunnel system directly to the McCook Reservoir. The new tunnel will provide a greater benefit to the communities served by the Des Plaines Tunnel than using the inflow/outflow tunnels.

Budget Message / Highlights

Collection, Treatment, and Solids Utilization for the Maintenance & Operations Department	Budgeted 2019	Budgeted 2018	2017 Actual	% Change 2018-2019
Total cost of collection (millions)	\$52.4	\$51.6	\$45.1	1.6%
Total cost of treatment (millions)	\$69.9	\$70.1	\$65.6	(0.3)%
Total cost of solids utilization (millions)	\$24.4	\$21.5	\$22.5	13.5%
Number of full time equivalent employees:				
Collection	246	244	237	0.8%
Treatment	386	378	381	2.1%
Solids Utilization	42	38	42	10.5%
Design average flow/design maximum flow million gallons per day (MGD) level of treatment by plant:				
Stickney WRP - Secondary	1,200/1,440	1,200/1,440	1,200/1,440	
Calumet WRP - Secondary	354/430	354/430	354/430	
O'Brien WRP - Secondary	333/450	333/450	333/450	
Kirie WRP - Secondary	52/110	52/110	52/110	
Egan WRP - Tertiary	30/50	30/50	30/50	
Hanover Park WRP - Tertiary	12/22	12/22	12/22	
Lemont WRP - Secondary	2.3/4	2.3/4	2.3/4	
Outputs:	Budgeted 2019	Budgeted 2018	2017 Actual	% Change 2018-2019
Amount of wastewater collected and treated by plant:				
Stickney WRP (million gallons)	276,000	284,000	247,598	(2.8)%
Calumet WRP (million gallons)	100,000	100,000	93,816	— %
O'Brien WRP (million gallons)	85,000	89,000	84,714	(4.5)%
Kirie WRP (million gallons)	14,500	14,000	15,298	3.6 %
Egan WRP (million gallons)	10,200	10,200	8,725	— %
Hanover Park WRP (million gallons)	3,700	3,500	3,951	5.7 %
Fox River WRP (contract agreement)	2,150	2,000	2,069	7.5 %
Lemont WRP (million gallons)	1,000	1,000	933	— %
Outputs:	Budgeted 2019	Budgeted 2018	2017 Actual	% Change 2018-2019
Dry tons of biosolids utilized by area:				
North Service Area	800	1,000	698	(20.0)%
Calumet Service Area	29,000	29,000	17,077	— %
Stickney Service Area	70,000	70,000	57,600	— %
Outcomes:	2017	2016	2015	2014
Achievement of water reclamation plant pollution permit requirements by plant:				
Stickney WRP	99.94%	99.77%	100.00%	99.94%
Calumet WRP	100.00%	100.00%	100.00%	100.00%
O'Brien WRP	100.00%	100.00%	100.00%	100.00%
Kirie WRP	100.00%	100.00%	100.00%	100.00%
Egan WRP	100.00%	100.00%	100.00%	100.00%
Hanover Park WRP	100.00%	100.00%	100.00%	100.00%
Lemont WRP	100.00%	100.00%	100.00%	100.00%

Budget Message / Highlights

Provide sewage collection and treatment and maintain award-winning plants. In 2019, the District expects to collect and treat approximately 493 billion gallons of wastewater at our seven WRPs. These services will be performed in compliance with discharge permits issued by the US Environmental Protection Agency, which regulates the quality of our effluent as it leaves our treatment plants. Our high level of compliance emphasizes our excellent performance. This is reflected in a 99.99 percent overall compliance with the National Pollutant Discharge Elimination System (NPDES) requirements in 2017. This compliance resulted in one Silver, one Gold and five Platinum Awards from the National Association of Clean Water Agencies (NACWA). Operating performance in 2018 is expected to achieve higher performance levels. See page 13 for Collection, Treatment, and Solids Utilization data.

In 2017, the District successfully renewed their NPDES permits for the Calumet, O'Brien, and Stickney WRPs. The District is currently awaiting responses from the Illinois Environmental Protection Agency for the following renewal applications: Stickney WRP CAAPP Title V permit, Kirie WRP NPDES, Hanover Park WRP NPDES, Lemont WRP NPDES, Egan WRP NPDES, Lockport Powerhouse and General Stormwater NPDES.

Goal 3 - Resource Recovery

Recover phosphorus in a slow release fertilizer for environmentally-friendly reuse. In partnership with Ostara Nutrient Recovery Technologies, the District opened the world's largest nutrient recovery facility at the Stickney WRP. Phosphorus and nitrogen recovery will provide significant environmental benefits to the CAWS and downstream through the Mississippi River to the Gulf of Mexico. Excess phosphorus in waterways can cause algae to grow and bloom, creating toxic conditions that destroy aquatic life and severely limit recreational activities. Ostara's technology recovers phosphorus and nitrogen to create a high value fertilizer that is both economically and environmentally viable.

Increase local distribution of biosolids. Due to changes in Illinois law in 2015, Exceptional Quality (EQ) biosolids and EQ biosolids blend, products are now recognized as soil amendment in Illinois. The District can sell its EQ Compost, produced by composting biosolids with wood chips, and EQ air-dried biosolids, and distribute them more widely, to the general public.

Increase the production of renewable energy from biogas. Four of the District's water reclamation plants produce digester gas, also known as "biogas," as a byproduct of the anaerobic digestion process. The biogas is used as a fuel source in boilers at the four plants to produce steam or hot water which is used to heat the digesters and plant buildings. However, not all of the biogas is fully utilized throughout the year. The District will evaluate technologies and opportunities for utilizing 100 percent of the biogas production at each of the water reclamation plants to increase the quality of resources recovered, reduce dependence on purchased energy, and reduce the District's carbon footprint. The district will also investigate pre-digestion treatment technologies and processes which may increase biogas production. Analysis of options will include a review of financial return on investment, carbon offsets, and market risks.



The District demonstrated stormwater management tips and Exceptional Quality biosolids at the Chicago Flower and Garden Show at Navy Pier, March 14-18, 2018

Goal 4 - Develop Employees

Develop a culture that recognizes the value of every employee. The District's female and minority workforce rates are 26 and 42 percent, respectively, as of July 31, 2018. The rates are calculated based on published data from the 2010 census.

The District continues to look for opportunities to eliminate layers within the organization and consolidate job classifications where possible to provide flexibility in the use of staff. The District continues its policy of staff reductions only through attrition. For two decades, the staff size and composition has been managed through the use of our "crosshatch program." A "#1" following a position title in the budget indicates that the position will be dropped immediately upon becoming vacant. A "#2" after a position title signifies that when the position is vacated, the person filling the vacancy will receive the title in the parentheses. It can also indicate that while a grade level for a class title has been lowered, the incumbent in the position will be retained at the current

Budget Message / Highlights

grade level. This is indicated by a notation of the new grade level in parentheses following the title. A “#4” after a title signifies that while a class title has been assigned to the Technical, Administrative and Managerial (TAM) salary schedule, the incumbent in the position will be compensated under the previously assigned Professional and Managerial or General Service salary schedule. When the position is vacated, the person filling the vacancy by promotion or new appointment will be compensated under the TAM salary schedule.

A total of 1,973 positions are budgeted for 2019, an increase of seven budgeted positions from 2018. The District continues to budget to slow the growth of future salary appropriations to fit within restrictions on property taxes resulting from the Property Tax Extension Limitation Act.

Salary related expenditures, not including benefits, are the largest item in our operating budget, comprising approximately 54 percent of the Corporate Fund appropriation. It is impossible to match future appropriation requirements with restricted growth in property tax revenue without making plans to change the way we work. Efforts have been made since 1995 to reengineer many labor intensive functions and reallocate staff, impacting all areas of District operations, including professional/managerial, clerical, operating, and building trade personnel.

Develop and implement leadership initiatives that support succession planning. The District also develops employees of the organization by providing training, coaching, and leadership opportunities for supervisors and leaders. The combination of these endeavors in addition to employee selection efforts will build depth in the talent of the organizations’ staff and provide ample selection for succession planning.

Develop and implement competency-based individual development plans. The District plans to develop employees on an individual basis through improving its competency based performance evaluation process by including expanding measurable competencies and providing more opportunities for supervisors and employees to set goals, provide coaching, feedback, and individual development plans.

Goal 5 - Leading Partnerships

Develop strategic relationships with constituents through active involvement in a variety of venues and organizations on a local, state, and national level. The District is actively developing strategic partnerships such as those described below. For a complete list of professional memberships, please see page 577.

In 2018, the District along with the University of Illinois Urbana-Champaign was awarded a \$350,000 research partnership grant by the Illinois Nutrient and Education Council. The study will evaluate drainage water recycling as an effective management strategy to reduce nutrients from escaping into local waterways while facilitating the reduction of fertilizer applied to cropland. Runoff from fertilizer is a major source of nutrients impairing the quality of water downstream.



Drainage demonstration projects in Fulton County, Illinois. Recycling runoff water for irrigation generated comparable yields with 50 percent fertilizer rates.

Promote the District as one of the top leaders in the water industry. The District is leading the CAWS Chloride Reduction Initiative Work Group to address the water quality standards for chlorides within the CAWS. An important purpose of the group is to develop and implement Best Management Practices to address chloride issues within the CAWS due to the usage of road salt, particularly in the winter. The chlorides work group consists of municipalities, private industry, and nongovernmental organizations. The group includes four committees: social and economic impact, legal, water quality, and data acquisition, which all seek to provide insight on the most effective method to reduce chlorides within the CAWS.

The District is one of funding members of the Lower Des Plaines Watershed Group (LDPWG), a non-profit organization formed in 2017 to cost effectively improve the health of the Lower Des Plaines River and its tributaries. The District participates on the LDPWG Executive Board and is collaborating with other member agencies to implement intensive monitoring in the watershed and address aquatic life stressors.

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Goal 6 - Technology

Develop a framework for deploying web services and data integration technologies to streamline access to various hosted data systems and applications. The Information Technology Department continues to balance the technology needs of the District with available resources while focusing on security and service delivery and maintaining transparency. The District plays a vital role in the overall upkeep of critical infrastructure throughout Cook County and keeping the District's information technology systems secure is crucial to maintaining service delivery to the community. To ensure that these systems remain secure from outside attacks, security training is being expanded and new tools are being implemented to enhance the security of the District's systems.

As technology advances, new tools and systems are being developed that help further the District's mission. The role of the Information Technology Department is to assist departments in developing and executing these advancements to help keep costs in line and service levels high. Access to on-line applications and mobile technology is being expanded and internal applications are being deployed to provide departments with the tools they need to maintain and enhance service delivery to the community.

Implement a modern web content management system that provides a streamlined approach for storing and delivering web content. Communication internally and externally is important to ensure operations run smoothly and the public is informed about District services and initiatives. Web content and services are being upgraded to provide transparency in services delivered to District departments and information to District constituents.

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Tax Levy, Tax Rate, and Appropriations

The overall 2019 tax levy required to finance the 2019 Budget is \$640.6 million, an increase of \$19.3 million, or 3.1 percent, from the 2018 Adjusted Budget. This overall increase is driven by a 10.7 percent increase in the Stormwater Management Fund, supporting the District’s efforts to address flooding issues throughout Cook County, a 1.1 percent increase in the Bond Redemption & Interest Fund, and an aggregate 3.5 percent increase in the Corporate, Construction, Retirement, and Reserve Claim Funds. Among the funds subject to the Property Tax Extension Limitation law, the Corporate Fund levy has an increase of \$14.1 million, or 5.9 percent, while the Reserve Claim Fund levy is increasing by \$1.5 million, or 25.0 percent. These increases are offset by a decrease of \$4.1 million, or 35.0 percent, in the Construction Fund. The Retirement Fund levy remains flat from 2018 to 2019 at \$71.6 million.

The overall tax rate for 2019, based on the most recent Equalized Assessed Valuation (EAV), totals 40.84 cents, a 0.08 cent increase from the 2018 Adjusted Tax Rate. The allowance for loss in collection of property taxes is budgeted at 3.5 percent, the same as 2018. The budgeted loss will be maintained at this level, based on trends in the required refunds of prior property tax payments.

Overall appropriations for 2019 total \$1,079.7 million, a decrease of \$71.4 million, or 6.2 percent, from the 2018 Adjusted Budget. The decrease is driven by a decrease of \$76.6 million in the Capital Improvement Bond Fund, which is appropriated on an obligation basis and based on project schedules. A decrease in the Bond Redemption & Interest Fund of \$17.9 million is attributable to an advance payment in 2018 of \$28.4 million. Additionally, decreases in the Construction Fund of \$8.5 million and the Retirement Fund of \$2.3 million are offset by an increase of \$25.8 million in the Stormwater Management Fund, a \$6.6 million increase in the Corporate Fund, and a \$1.5 million increase in the Reserve Claim Fund. Explanations of these changes are provided in the following detailed Fund summaries.

Levies	2019	2018 Adjusted	Increase (Decrease)	Percent Change
Corporate Fund	\$ 254,574,100	\$ 240,465,800	\$ 14,108,300	5.9 %
Construction Fund	7,600,000	11,700,000	(4,100,000)	(35.0)%
Stormwater Management Fund	52,926,000	47,826,000	5,100,000	10.7 %
Retirement Fund	71,565,400	71,534,197	31,203	— %
Reserve Claim Fund	7,500,000	6,000,000	1,500,000	25.0 %
Bond Redemption & Interest Fund	246,483,770	243,791,597	2,692,173	1.1 %
TOTAL	\$ 640,649,270	\$ 621,317,594	\$ 19,331,676	3.1 %
Appropriations	2019	2018 Adjusted	Increase (Decrease)	Percent Change
Corporate Fund	\$ 376,807,500	\$ 370,209,200	\$ 6,598,300	1.8 %
Construction Fund	17,602,300	26,080,600	(8,478,300)	(32.5)%
Capital Improvements Bond Fund	236,431,900	312,982,900	(76,551,000)	(24.5)%
Stormwater Management Fund	91,410,100	65,581,000	25,829,100	39.4 %
Retirement Fund	87,281,000	89,604,000	(2,323,000)	(2.6)%
Reserve Claim Fund	31,767,800	30,289,500	1,478,300	4.9 %
Bond Redemption & Interest Fund	238,357,541	256,304,187	(17,946,646)	(7.0)%
TOTAL	\$ 1,079,658,141	\$ 1,151,051,387	(71,393,246)	(6.2)%

Comparisons of the estimated taxes paid by the owner of a home with a market value of \$100,000 for 2018 as budgeted, and 2017 as adjusted for the 2016 EAV, are as follows:

	2019 Budgeted	2018 Adjusted	Increase	Percent Change
Estimated taxes for \$100,000 home	\$121.00	\$120.76	\$0.24	0.20%

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Basis of Budgeting and Accounting

The basis of budgeting and the basis of accounting determine when revenues and expenditures are recognized for the purposes of budget control and financial reporting. As per Illinois Compiled Statutes, the District's budget is adopted and executed such that receipts are recognized on a cash basis and expenditures on an accrual basis or as soon as they are incurred. The Comprehensive Annual Financial Report is prepared using the modified accrual basis of accounting in conformity with Generally Accepted Accounting Principles (GAAP). The exceptions between the basis of budgeting and the basis of accounting are noted below.

In the Corporate, Construction, and Stormwater Management Fund budgets, revenues are recognized on a cash basis except for property and personal property replacement taxes, which are recognized based on working cash borrowing plus an estimate of collections of property and property replacement taxes over and above the working cash borrowing. Expenditures are recognized on a GAAP basis except for inventory expenditures, which are accounted for on the purchase method for budgetary purposes and on the consumption method for GAAP financial reporting purposes. Transfers out to other funds are budgeted as expenditures, while transfers in are considered other financing sources.



Three laborers posing next to a compressed air rock drill during the construction of the Chicago Sanitary and Ship canal. The estimated date is November 1896.

The Capital Improvements Bond Fund (CIBF) is budgeted on an “obligation” basis of accounting, which records total expenditures and grant revenues in the period in which contracts or grants are awarded.

Appropriations lapse at year-end for the Corporate, Construction, Retirement, Stormwater Management, and Debt Service Funds. Appropriations for the CIBF lapse at the end of the year to the extent of the unencumbered balances. Encumbered balances are not reported as reservations of fund balances, as the amounts are reappropriated in the following year.

The government-wide and fiduciary financial statements are reported using the economic resource measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the period of related cash flows. Property taxes are recognized in the year of levy and personal property replacement taxes are recognized in the year earned. Grants and similar items are recognized as revenue in the fiscal year that all eligibility requirements have been met.

The District's governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis, revenues are recognized when susceptible to accrual, i.e., when measurable and available to finance operations. Expenditures are recognized in the period in which the fund liability is incurred, except for principal and interest on long-term debt, compensated absences, claims, judgments, and arbitrage, which are recognized when due and payable.

The accounting and reporting treatment applied to the capital assets and long-term liabilities associated with a fund are determined by its measurement focus. Since governmental funds are accounted for on the current financial resources measurement focus, only current assets and current liabilities are included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of “available spendable resources.” Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

Property taxes, user charge revenue, interest, land rentals, and personal property replacement tax revenue are accrued to the extent that they are measurable and available to satisfy liabilities of the reporting period. In general, the revenue recognition period is limited to amounts collected within 60 days following year-end. Receivables that are unavailable are reported as deferred revenue.

Budget Message / Highlights

Grants from federal and state agencies are recorded as revenues in fund financial statements when reimbursable expenditures are incurred, or other eligibility requirements imposed by the provider are met, and the grant resources are measurable and available.

Property taxes attach as an enforceable lien on property as of January 1 of the levy year. They are levied and recorded as a receivable as of January 1 and are due in two installments in the following year.

Corporate Fund

The Corporate Fund is the District's general operating fund and includes appropriation requests for the day-to-day operational costs anticipated for 2019. The total appropriation for the Corporate Fund in 2019 is \$376.8 million, an increase of \$6.6 million, or 1.8 percent, from the 2018 Adjusted Budget. The 2019 tax levy for the Corporate Fund is \$254.6 million, an increase of \$14.1 million, or 5.9 percent, compared to the 2018 Adjusted Budget. It is the District's intent over the next few years to maintain a fund balance, or net assets appropriable for the Corporate Fund, higher than the \$44 to \$55 million range. A strong fund balance allows the District to balance the competing imperatives of minimizing the annual levy and providing for unexpected shortfalls in revenues.

In 2019, economically sensitive non-property tax revenues, such as interest income, are expected to show stronger growth than has been seen since 2008 based on forecasted local and national economic indicators, including three rate increases throughout 2019. Property taxes and user charge revenues are the primary funding sources for the District's Corporate Fund. Illinois law limits the tax rate of this fund to 41.00 cents per \$100 of EAV. The estimated tax rate for the Corporate Fund in 2019 is 16.22 cents, an increase of 0.44 cents from 2018 Adjusted Tax Rate. User charges, budgeted at \$46.0 million for 2019, are collected from industrial, commercial, and non-profit organizations to recover operations, maintenance, and replacement costs proportional to their sewage discharges, in excess of property taxes collected. The major categories of payers include chemical manufacturers, food processors, and government services, are generally expected to maintain their recent level of discharges.

Stormwater Management Fund

The Stormwater Management Fund is utilized to plan, implement, and finance stormwater management activities throughout all of Cook County, including stream maintenance in areas that currently lie outside the District's boundaries. The fund consolidates the stormwater management activities of the Engineering and Maintenance & Operations Departments and supports the activities outlined in the Cook County Stormwater Management Plan, which serves as a framework for the District's countywide Stormwater Management Program. Starting in 2019, the administration of the District's Watershed Management Ordinance (WMO), a vital tool in helping ensure new development does not exacerbate existing flooding, will be fully integrated into the Stormwater Management Fund.



The Buffalo Creek Reservoir Expansion Project in Buffalo Grove, Illinois that will protect 107 structures and provide in excess of \$25 million in flood relief benefits.

Budget Message / Highlights

One of the initial goals of the Stormwater Management Program was to develop detailed watershed plans (DWPs) for each of the watersheds in Cook County. The DWPs identified and prioritized “regional” stormwater projects based on a benefit to cost ratio. These include streambank stabilization projects, which involve addressing critical active streambank erosion threatening public safety, structures, and/or infrastructure, or flood control projects, which address regional overbank flooding. The Board of Commissioners has approved over 30 regional projects moving forward to design and construction.

In 2014, the State Legislature expanded the authorities of the District’s stormwater management legislation to allow for the District to address local drainage problems and acquire flood-prone property from property owners on a voluntary basis. These legislative changes form the basis of the District’s Phase II Stormwater Management Program, the intent of which is to identify and assist municipalities with the implementation of projects that address local flooding concerns through a variety of engineered solutions—both Green Infrastructure and traditional gray projects, and flood-prone property acquisitions. The District, through its Phase II program, is also conducting Stormwater Master Plan studies to comprehensively address flooding by identifying potential projects within publicly and privately owned property. It is anticipated that Stormwater Master Plans will be developed for all areas of Cook County over the next several years following the process defined through initial pilot studies completed in 2016.



Space to Grow partners unveil a transformed schoolyard today at Cook Academy in Chicago's Auburn Gresham neighborhood on September 5, 2018.

In 2011, the District established a Green Infrastructure Program (GIP), which facilitates the planning, design, and construction of multiple Green Infrastructure projects throughout Cook County. In 2014, the District began a partnership with the Chicago Department of Water Management and the Chicago Public Schools in the Space to Grow program to provide stormwater retention at elementary schools while reconstructing substandard playgrounds. There are currently 15 schools with construction completed, six of which opened in 2018. There are four additional that are planned for construction in 2019.

In addition, since 2017, the District initiated over 25 Green Infrastructure partnerships throughout Cook County for projects that provide flood reduction and other community benefits.

The WMO establishes uniform and minimum stormwater regulations throughout Cook County. The WMO went into effect on May 1, 2014, and the District's Board of Commissioners most recently amended the WMO on February 15, 2018. In 2019, the Stormwater Management Fund will include 27 positions from the Local Sewers Section shifted from the Corporate Fund to fully integrate the WMO.

The Stormwater Management Fund is used to fund operational costs directly related to the Stormwater Management Program, and pay-as-you-go infrastructure projects. It is also used to leverage taxpayer dollars through partnerships with local agencies to fund local Green Infrastructure and stormwater projects. Finally, the funds is used to pay the principal and interest on Alternate Revenue Bonds and Stormwater State Revolving Fund loans for larger scale Stormwater projects such the Addison Creek Reservoir. The 2019 Appropriation for the Stormwater Management Fund is \$91.4 million, an increase of \$25.8 million, or 39.4 percent, over the 2018 Adjusted Budget. This planned growth in the Appropriation supports the District's commitment to mitigate flooding issues throughout Cook County. Property taxes are the primary funding source for the District's Stormwater Management Fund. Illinois law limits the tax rate of this fund to five cents per \$100 of EAV. The estimated tax rate for the Stormwater Management Fund in 2019 is 3.37 cents, an increase of 0.23 cents from the 2018 Adjusted Tax Rate.

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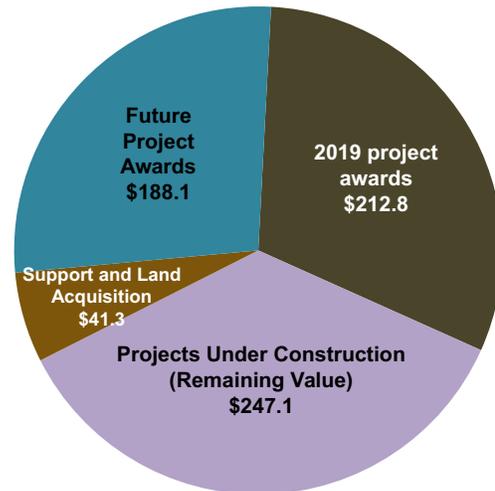
Capital Improvement Program:

Construction Fund and Capital Improvements Bond Fund

The District’s overall Capital Improvement Program (CIP) includes 2019 project awards, land acquisition, support, future projects, and the construction value remaining on projects currently under construction. The 2019 CIP has a total estimated cost of \$689.3 million. Capital projects involve the acquisition, improvement, replacement, remodeling, completing, altering, constructing, and enlarging of District facilities. Included are all fixtures which are permanently attached to and made a part of such structures and non-structural improvements.

Projects under construction have been presented and authorized in previous budgets and are recognized in the annual budget as outstanding liabilities in the Capital Improvements Bond Fund (CIBF). In the Construction Fund, projects are re-appropriated. Future projects, not yet appropriated, are included in the annual budget to present a comprehensive picture of the District’s CIP. These future projects will be requested for appropriation subject to their priority, design, and available funding.

**Overall Capital Improvement Program
(millions \$)**



The District utilizes two funds for its CIP: the Construction Fund and the CIBF. The Construction Fund is utilized as a pay-as-you-go capital rehabilitation and modernization program. Capital projects are financed by a tax levy or other funding sufficient to pay for project costs as they are constructed. As the District replaces, rehabilitates, and modernizes aged and less effective infrastructure, capital projects are assigned to the Corporate Fund, Construction Fund, or CIBF based on the nature of the project, dollar magnitude, and useful life of the improvement.

The CIBF includes major capital infrastructure projects whose useful lives extend beyond 20 years, and which will be financed by long-term debt, federal and state grants, and State Revolving Fund loans.

The Illinois Property Tax Extension Limitation Law (Tax Cap) limits new debt that the District can issue by a debt service extension base, which allows local governments with non-referendum authority to continue to issue non-referendum debt as long as the annual debt service levies do not exceed the limit. The debt service extension base is increased annually by the Consumer Price Index (CPI) or five percent, whichever is less. However, an exemption for projects initiated before October 1, 1991 was granted to the District to enable completion of the TARP.

Construction Fund

The Construction Fund appropriation for 2019 totals \$17.6 million, a decrease of \$8.5 million, or 32.5 percent, from the 2018 Adjusted Budget.

Capital projects in the Construction Fund are primarily supported by property taxes. The 2019 tax levy planned for the Construction Fund is \$7.6 million, a decrease of \$4.1 million, or 35.0 percent, from the 2018 Adjusted Levy. A listing and description of proposed projects, projects under construction, and scheduled for 2019 award, can be found in the Capital Budget (Section V) of this budget document.

Capital Improvements Bond Fund

The 2019 appropriation for the Capital Improvements Bond Fund is \$236.4 million, a decrease of \$76.6 million, or 24.5 percent, from the 2018 Adjusted Budget. The appropriation is based on the scheduled award of \$202.4 million in construction costs on projects. The decrease in appropriation for the CIBF reflects the pattern in the award of major projects. An appropriation for the open value of existing contracts is also carried forward from the prior year. The remaining \$34.0 million appropriation for this fund will provide for studies and professional services to support District design and administration of proposed and ongoing construction activity, including the TARP reservoirs.

Budget Message / Highlights

A comprehensive narrative and exhibits detailing the CIP is provided in the Capital Budget (Section V) of this budget document. A listing and description of proposed projects, projects under construction, and scheduled for 2019 award, can be found in the Capital Budget (Section V) of this budget document.



Workers pause for a photo during construction of a portion of the Southwest Intercepting Sewer on November 21, 1935.

Retirement Fund

The Retirement Fund of the District is established under Illinois Compiled Statutes to provide funding and administration for a retirement program for District employees. The Fund is financed with employee and employer contributions and investment income, which are distributed to the fund when collected. The annual appropriation requests for this fund are taxes receivable from previous years' tax levies.

To address growing unfunded pension liabilities, Public Act 96-0889, signed by the Governor on April 14, 2010, modifies benefits for most Illinois public pension systems, other than Police and Fire Pension Funds, by creating two tiers within the plans. The provisions apply to a person who first becomes an employee and participant of the fund on or after January 1, 2011. The bill increases the age to receive full retirement benefits to age 67 with at least 10 years of service, and age 62 to receive a reduced benefit. It also increases the number of months used to calculate the final average salary to 96 months within the last 10 years and caps the final average salary used to calculate an annuity.

The District has addressed pension liabilities through both funding policies approved by the Board of Commissioners and supporting legislative changes for the Metropolitan Water Reclamation District Retirement Fund. On August 3, 2012, Public Act 97-0894 was signed into law and increased the employee contributions by one percent per year for three years for employees who were members before January 1, 2011. The increased contribution will remain in place until the fund reaches a 90 percent funding ratio.

The 2019 appropriation for the Retirement Fund is \$87.3 million, a decrease of \$2.3 million, or 2.6 percent, compared to the 2018 Adjusted Budget. The 2019 total tax support for the Retirement Fund is \$89.8 million, which is comprised of \$18.3 million from the District's Personal Property Replacement Tax allocation and a \$71.6 million property tax levy. The property tax levy of \$71.6 million is flat to the 2018 Adjusted Levy. The appropriation is based on a statutorily required formula that bases the District levy, and subsequent appropriations, on employee contributions made in previous years. The 2012 statutory amendment increased the tax levy calculation from a multiplier of 2.19 of employee to a multiplier of 4.19. A detailed explanation of the fund's fiscal status, participation, and income is presented in the Other Funds pages (Section VII) of this budget document.

Reserve Claim Fund

The Reserve Claim Fund acts as the District's insurance fund. The District is partially self-insured and utilizes this fund for emergency repairs and claims against the District. District policy is to annually levy a half-cent annual tax rate to provide funds for current claims and to accumulate a fund reserve towards the statutorily authorized limit of \$74.0 million.

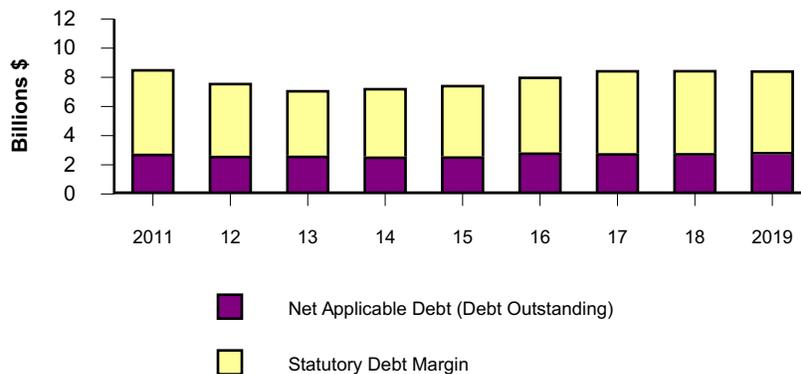
The 2019 appropriation of \$31.8 million is an increase of \$1.5 million, or 4.9 percent, from the 2018 Adjusted Budget. The practice is to fund toward the maximum fund balance allowable. This estimate is reviewed and adjusted annually. A historical profile of the resources available in the fund is provided in Section VII of this budget document. The levy increased \$1.5 million for this fund in 2019. The District is levying against the last known EAV at the maximum rate allowed by state statute in 2019. The Board reaffirmed the policy to permit a levy at the statutorily allowable tax rate to protect the District in the event of catastrophic failure of District operational infrastructure or other claims. For the 2019 Budget, the last known EAV (\$147.9 billion) is for the 2017 levy year.

Budget Message / Highlights

Bond Redemption & Interest Fund

The Bond Redemption & Interest Fund is the District’s debt service fund. The District finances its major CIP with the sale of long-term general obligation bonds, grants received from the state and federal government, and loans from the Illinois State Water Pollution Control Revolving Loan Fund, or State Revolving Fund (SRF). Principal and interest payments on District general obligation bonds, and SRF loans, require an annual levy and appropriation.

Net Debt and Statutory Debt Margin



The SRF Loan Fund provides low-interest loans to finance qualifying projects. Upon project completion, District bonds are issued at the same low-interest rate. The current interest rate for new loans to the District is 1.84 percent. The District has authorized approximately \$2.2 billion of SRF loans since the program’s inception. Several projects are currently financed through SRF loans.

The District expects to receive \$120.0 million in 2019 and approximately \$150.0 million annually from SRF loans for the next several years. The SRF Loan Fund replaced the Federal Construction Grants program from which the District had historically received 55 to 75 percent direct funding for qualifying capital improvements.

The 2019 appropriation for the Bond Redemption & Interest Fund totals \$238.4 million, a decrease of \$17.9 million, or 7.0 percent, compared to the 2018 Adjusted Budget. The 2018 appropriation included a \$28.4 million advance payment on seven State Revolving Loan Fund loans that resulted in \$9.6 million in interest savings. A debt service graph is found on page 52 that displays debt service from 2011 through 2023 and one on page 546 that displays debt service from 2019 through retirement. The 2019 tax levy for this fund is \$246.5 million, an increase of \$2.7 million, or 1.1 percent, from the 2018 Adjusted Levy.

Non-Referendum Bonding Authority

The District's Capital Improvement Program (CIP) is financed primarily with State Revolving Fund loans, pay-as-you-go funding, and general obligation bond sale proceeds. The 1995 Tax Extension Limitation Law (Tax Cap), together with subsequent amendments to the statute, limit the District's ability to issue debt. The District has authority to issue bonds without seeking voter approval via referendum through the year 2024, effective January 1, 2011. The statutory debt limit is equal to 5.75 percent of the District’s EAV. The District's 2017 EAV is \$147.9 billion, setting the District's statutory debt limit at \$8.5 billion. Outstanding debt applicable to the debt limit as of December 31, 2018, totals \$2.9 billion. The debt margin is \$5.6 billion.

The 2019 debt service extension base limit is \$166.1 million. With the inclusion of the levies for the SRF series of bonds for non-TARP projects, Capital Improvement Bonds, and Refunding Bonds, there is approximately \$7.3 million annual debt service available under the statutory debt service limit related to the tax levy year 2018.

Additional bond issues through 2024 will be used to finance capital projects identified by prioritization. Initial estimates and schedules for the projects were analyzed and compared to bond issuance authority and funding availability. The bond issuance authority will generally accommodate the proposed project expenditures through 2024. Extension or increase in the authority may be necessary for additional projects that may be required to meet more stringent NPDES permit discharge limits, including effluent disinfection, nutrient removal, and supplemental aeration.

Budget Message / Highlights

History of Legislative Amendments Limiting Borrowing Authority	
Public Act 89-0100	The initial Tax Cap legislation that limited non-referendum authority to projects that were initiated prior to October 1, 1991. Effective July 7, 1995
Public Act 89-0385	Provided the District with the authority to issue non-referendum “limited bonds” for capital projects initiated after October 1, 1991. Effective August 18, 1995
Public Act 90-0485	Provided a further modification by authorizing the exclusion of debt for TARP projects from this debt service limit. Effective August 17, 1997
Public Act 93-0279	Increased the dollar limit on bonds that may be issued during any one budget year to not exceed \$150 million, plus the amounts of any bonds authorized and unissued during the three preceding budget years. Effective July 22, 2003
Public Act 96-0501	Allows for an annual increase in the debt service extension limitation base by the lesser of five percent or the percentage increase in the Consumer Price Index beginning with the 2009 levy. Effective August 14, 2009

Real Estate Tax Levies

The District’s primary source of operating revenue is ad valorem real estate taxes. The passage of the Tax Cap in 1995 limited future increases in property tax levies, except debt service, to the lesser of five percent or the change in the national CPI, plus allowable increases for new property. The District made significant reductions in operating expenditures in 1995 and 1996 to absorb the initial impact of revenue reductions due to the Tax Cap. Since then, restructuring of the Construction Fund projects, a healthy fund balance, interest transfers, and reduced property tax funding requirements for the Working Cash Funds allowed controlled growth in the Corporate Fund within the limits of the Tax Cap.

The CPI has averaged 1.6 percent growth over the last 10 years, while a 2.8 percent increase is anticipated for 2018. The Corporate Fund expenditure rate has been impacted in the past few years by increased contributions to the Retirement Fund. The District remains aggressive in controlling Corporate Fund expenditures. Cook County reassesses property values on a triennial cycle, rotating from North Suburban to South Suburban to City of Chicago. Historically, when the city is reassessed, there are a larger number of assessment appeals that must be resolved before the final EAV can be set, tax rates calculated, and property tax bills prepared. To provide for refunds, the rate for loss in collections is 3.5 percent.

Non-Property Tax Revenues - Fund Balances

A portion of the projected net assets remained unappropriated to provide for a fiscally responsible fund balance. A Corporate Fund balance within \$44 to \$54 million, or 12 to 15 percent of appropriations, is consistent with recommendations of the Government Finance Officers Association (GFOA). The District’s current fund balance exceeds this goal and is viewed by District management and the financial markets as necessary to maintain financial stability and sustain us through economic uncertainties. This is an integral part of a long-term plan that also includes reductions of future expenditures to better match current revenues. Revenues and expenditures are closely monitored, so that favorable variances in revenues are recognized and made available for expenditure or unfavorable revenue variances lead to appropriate restrictions.



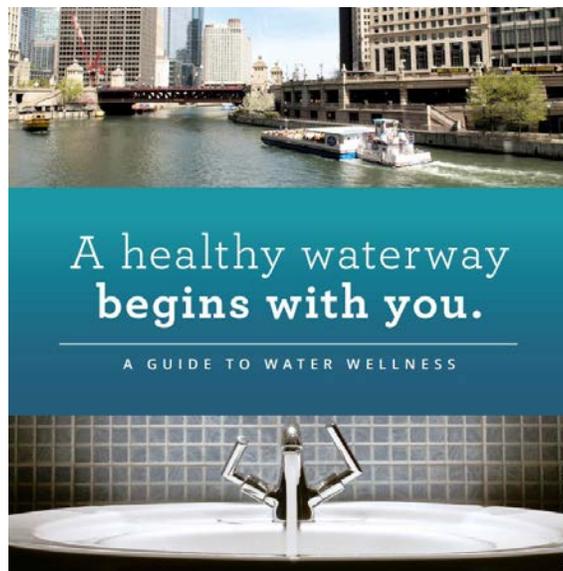
Working on the Oak Park sewer at the intersection of Chicago Avenue and Marion Street, looking east on February 7, 1922.

Budget Message / Highlights

Investment interest income in 2019 is projected to be \$16.9 million, an increase of \$9.1 million from the 2018 Adjusted Budget. The actual revenue for 2017 was \$8.6 million. The Treasurer is statutorily limited to investments in U.S. Government direct and agency securities, and high quality, short-term municipal bonds, bank securities of deposit, certain short-term obligations of corporations (commercial paper) rated in the highest classifications, the State Treasurer's Illinois funds, and certain other investments with a maximum maturity of five years. The variation in investment income is largely due to the decrease in short-term interest rates and cyclical increases and decreases in fund balances. The current level of short-term interest rates is anticipated to continue through 2019. Interest income earned in any fund except the Reserve Claim Fund and the Retirement Fund may be transferred to other funds as necessary.

Personal Property Replacement Tax (PPRT) revenue estimated for 2019 is \$33.3 million, a decrease of \$4.8 million from the 2018 Adjusted Budget. As the PPRT is primarily a tax on corporate income, it trends in parallel with the condition of the state and national economy. PPRT revenue is distributed first to fully fund the Retirement Fund and subsequent receipts are distributed to other non-debt funds.

User charge revenues are collected from industrial, commercial, and non-profit organizations to recover operations, maintenance, and replacement costs proportional to their sewage discharges, in excess of property taxes collected. They typically parallel changes in operations and maintenance costs, as well as the rehabilitation of District facilities in the Construction Fund. The major categories of payers, include chemical manufacturing, food processing, and government services, and are generally expected to maintain their recent level of discharges. User charge revenue is estimated at \$46.0 million for 2019, unchanged from the 2018 Adjusted Budget.



To educate the public on specific ways to protect the waterways, the District prepared a consumer guide that offers information on best practices. The guide offers suggestions for keeping contaminants out of the waterways and promotes simple lifestyle modifications that can improve water quality. This guide and more information are available at www.mwrd.org.

Financial Policies, Objectives, and Accomplishments

Financial Policies, Objectives, and Accomplishments

In order to meet its federal, state, and local responsibilities, while ensuring cost-effective operations, the District adheres to a number of financial policies. These policies are part of a dynamic process whereby the best use is made of available District resources. The following provides an overview of these policies, their objectives, and the measurable accomplishments resulting from their use.

Budgetary Policies

In order to protect the strong financial position of the District, ensure uninterrupted services, and stabilize annual tax levies, the Board adopted the following policies on December 21, 2006 to enhance and maintain budgetary fund balances. The General Corporate Fund policy was amended on December 10, 2009. The Bond Redemption & Interest Funds Investment Income policy was amended on November 3, 2011. The Stormwater Management Fund policy was adopted on December 10, 2009 and amended on November 3, 2011 and December 17, 2015.

General Corporate Fund

- Corporate Fund undesignated fund balance as of January 1 of each budget year must be maintained at between 12 percent and 15 percent of appropriations. The fund balance may be maintained by not fully appropriating prior year fund balances. This level of fund balance will ensure the District's ability to maintain all operations even in the event of unanticipated revenue shortfalls and provide time to adjust budget and operations;
- Corporate Working Cash Fund must be sufficient to finance 95 percent of the full annual expenditure of the Corporate Fund. This will be financed through transfers of surpluses from the Construction Working Cash Fund, direct tax levies, tax levy financed debt (Working Cash Bonds), and transfers of accumulated interest from other funds. This level of fund balance will continue financing of the Corporate Fund in the event of the typical and extraordinary delays in second installment real estate tax collections;
- Reserve Claim Fund balance will be targeted toward the maximum level permitted by statute, 0.05 percent of the equalized assessed valuation (EAV), whenever economically feasible. This will be financed through tax levies at the maximum 0.5 cents per \$100 of EAV when economically feasible and financially prudent. This level of funding will protect the District in the event that environmental remediation costs cannot be recovered from former industrial tenants of District properties, catastrophic failure of District operational infrastructure, or other claims. As the District is partially self-insured, adequate reserves are critical.

The District will appropriate funds from the unassigned fund balance for emergencies and other requirements that the District believes to be in its best interest. In the event that any of these specific component objectives cannot be met, the Executive Director will report this fact and the underlying causes to the Board with a plan to bring the fund balances back into compliance with policy within a two-year period. In order to maintain relevance, this policy will be reviewed every three years following adoption or sooner at the discretion of the Executive Director.

Stormwater Management Fund

The maximum property tax levy of five cents per \$100 of EAV for the Stormwater Management Fund shall be allocated at a maximum two cents per \$100 of EAV to fund operations and maintenance expenditures and the remainder of the levy shall fund direct cash outflows for capital and capital related expenditures and the interest and redemption of general obligation bond issues for capital projects.

Capital Improvements Bond Fund Investment Income

Investment earnings from the Capital Improvements Bond Fund (CIBF) resulting from all future bond issues will fund an equity transfer to the Bond Redemption & Interest Funds and be used to abate property tax levies or for other corporate needs. This practice will also limit the payment of arbitrage rebates.

Bond Redemption & Interest Funds Investment Income

Fund balances in the Bond Redemption & Interest Funds that might accumulate due to investment income will be identified and used to abate Bond Redemption & Interest property tax levies or for other corporate purposes. These abatements appropriately reduce property tax levies by the amount earned on invested balances above what is necessary for paying principal and interest due over the following 12 months, while still maintaining appropriate fund balances and when not required for other corporate

Financial Policies, Objectives, and Accomplishments

purposes. This policy and the subsequent tax abatements will assist in compliance with the Board's overall tax levy policy, which is not to exceed a five percent increase over the prior year, excluding the Stormwater Management Fund tax levy.

Abatement of Interest Rate Subsidies from Build America Bond Issuances

Interest reimbursement payments related to taxes levied for Build America Bond issuances will be presented to the Board for approval to abate, to be used for any lawful corporate purpose, or a combination thereof as determined as part of the annual budget process. Such abatement or alternative lawful use of the funds will be presented to the Board for approval prior to any abatement or use of reimbursement funds.

Capital Improvements Bond Fund Accumulated Income

Revenues that have accumulated in the CIBF from investment income, royalties, grants, or SRF revenues will primarily be used for capital projects. Capital projects are generally in the CIBF; however, capital projects in the Construction or Corporate Funds of critical importance may be financed by transfers from this revenue source. These funds may be transferred to the Bond Redemption & Interest Fund to be used to abate property taxes or may be used for other corporate needs as necessary.

Annual Budget

The District's Annual Budget shall present a complete financial plan for the budget year. The Budget will be prepared and presented as one comprehensive management and balanced financial plan, including capital and operating requirements, financing requirements, requirements for employee retirement, and reserve claim funding.

In addition, the District prepares and manages its budgets based on the following long-standing policies:

- Budget estimates shall be prepared, and appropriations made, in a manner that reflects the use of program and performance principles and unit cost data. Appropriations shall be arranged according to funds, programs, and organizational units;
- Historical levels of funding and expenditure shall be included in the Budget to provide comparisons. Financial forecasting of future requirements shall be included to provide estimates of future financial and operating conditions;
- The Budget shall contain separate and combined estimated balance sheets for each fund, with estimates of current assets and liabilities as available for appropriation at the beginning of the budget year;
- The Budget shall include a statement showing the method of arriving at the net tax figure, and provide estimates of all taxes to be levied for such budget year, as well as all other current receipts to be derived from other revenue sources;
- Statements shall be included in the Budget, which detail bonded indebtedness of the District, and show bonds authorized and unsold, District borrowing capacity, and the maturity dates of bond issues and corresponding rates of interest;
- The District will comply with the 1995 Tax Cap and Board policy limiting increases in the total property tax levy to five percent, excluding the Stormwater Management Fund.

Retirement Fund

On October 2, 2014, the Board adopted a policy establishing the objectives, goals, and funding sources for the annual contribution to the Metropolitan Water Reclamation District Retirement Fund.

Policy Objectives:

- Provide for a funding plan based on actuarially determined contributions;
- Provide funding discipline to ensure promised benefits can be paid;
- Seek reasonable and equitable allocation of the cost of benefits over time;
- Minimize volatility of the District's contributions to the extent reasonably possible and consistent with other policy goals;
- Support the goals of accountability and transparency with clear benchmarks and reporting.

Funding Goal: The funding goal of the District is to contribute annually to the Fund an amount that over time will increase the ratio of Fund assets to accrued liabilities to 100 percent by the year 2050.

Source of Funding: The source of funding for the District's contribution is the annual real estate tax levy and personal property replacement tax receipts as allowed under 40 ILCS 5/13-503.

The District may, at its discretion, transfer excess interest income to the Fund in accordance with 70 ILCS 2605/5.9. Such transfers will be made in addition to the annual tax levy amount funded by real estate and personal property replacement tax receipts.

Financial Policies, Objectives, and Accomplishments

Implementation of Funding Policy:

- In order to achieve the above goals and objectives, the District will annually contribute: (1) an amount equivalent to the maximum employer contribution allowable by statute or (2) if the maximum amount exceeds the amount available for contribution from the District's tax levy in any budget year, the District may contribute an amount determined by the Fund actuary based on a triennial projection that exceeds the minimum employer contribution required by the statute and achieves a funded ratio of 100 percent by the year 2050.

Benchmarks:

- Progress toward the above funding goal will be determined in part by an actuarial projection to be performed by the Fund's actuary every three years. This triennial projection will calculate a consistent multiple through the year 2050 that (1) satisfies the statutory requirements every year and (2) achieves a funded ratio of 100 percent by 2050. The projection multiple will serve as a guide for determining employer contributions until the next projection is performed. In addition to the triennial projection, the funded ratio calculated each year by the Fund actuary will serve as a benchmark to determine progress toward the funding goal.

Budgetary Objectives

- The District shall make every effort to minimize the tax levy through the use of sound management and cost-effective operations.
- The District will maintain a positive relationship between revenues and expenditures.
- The financing of the Corporate, Stormwater Management, and Construction Funds Budgets will be managed through use of the Corporate, Stormwater and Construction Working Cash Funds, respectively. Interfund transfers will be used to minimize property tax levies for the Working Cash Funds.
- The District's Budget shall be prepared and presented in such a manner that it serves as a clear and comprehensive policy document, financial plan, operations guide, and communications device to its staff, public officials, and citizens.

Budgetary Accomplishments

The District's property tax levies are in compliance with the Tax Cap Law. Fiscal plans have been developed and implemented to reduce expenditures as necessary to meet property tax revenue constraints while meeting our statutory and regulatory responsibilities.

The District has effectively institutionalized a financing strategy that avoids short-term financing of District operations. The bond rating agencies have favorably recognized this practice. For 2019, the Working Cash Funds have sufficient balances to provide the desired level of financing without imposing a tax levy.

The Five-Year Financial Forecast component of the Budget and interim budgetary reporting have identified future revenue shortfalls well ahead of time to allow for legislative relief to be sought or for other management plans and programs to be developed to avoid actual revenue shortfalls or financial overcommitments.

For the 34th consecutive year, the GFOA of the United States and Canada has presented the Distinguished Budget Presentation for the District's 2018 Annual Budget. In 2016, the District received special recognition in the category of Performance Measures. The entire 2019 Budget is available at www.mwr.org.

Investment and Cash Management Policy

The District's formal investment policy, in place since December 1999, and last revised in July 2010, states in its preamble that, "It shall be the policy of the District that all public funds available, not restricted by immediate need, be invested in investment securities so as to maximize return without sacrifice of safety or necessary liquidity." This policy complies with Public Act 90-688 requiring all public entities within the State of Illinois to have a formal investment policy passed by its governing authority and sets forth the parameters and objectives of the District's investment and cash management policy.

The primary objectives of investment activities, in priority order, are safety, liquidity, and yield.

District funds can be invested in such securities as authorized by Illinois Public Act 235, the Public Funds Investment Act. The investments which the District may purchase are limited to the following: (1) securities, which are fully guaranteed by the U.S. Government as to principal and interest; (2) certain U.S. Government Agency securities; (3) certificates of deposit or time deposits of banks and savings and loan associations which are insured by a federal corporation; (4) short-term discount obligations of the Federal National Mortgage Association; (5) certain short-term obligations of corporations (commercial paper) rated in the highest

***Financial Policies,
Objectives, and
Accomplishments***

classifications by at least two of the major rating services; (6) fully collateralized repurchase agreements; (7) the State Treasurer’s Illinois and Prime Funds; (8) money market mutual funds and certain other instruments; and (9) municipal bonds of the state, or of any other state, or of any political subdivisions thereof, whether interest is taxable or tax-exempt under federal law, rated within the four highest classifications by a major rating service.

Certificates of deposit or time deposits will be collateralized with securities of the U.S. Government, in an amount equal to 105 percent (at market) of the funds on deposit, or with a Federal Home Loan Bank letter of credit equal to 102 percent (at market).

Funds received are to be deposited on the day of receipt and invested as soon as the funds become available, if not immediately required for cash flow needs.

Investment Objectives

- To maintain an average daily investment of at least 99 percent of funds available for investment.
- To increase minority and community development banking and broker/dealer participation in District investments to 30 percent of invested funds.

Investment Accomplishments

In the past ten years, the interest income earned on investments has been:

2009	\$ 11,000,000	2014	\$ 8,335,000	
2010	8,100,000	2015	6,426,000	
2011	9,800,000	2016	5,892,000	
2012	10,300,000	2017	8,555,000	
2013	11,525,000	2018	13,494,000 (Estimated)	
		Total	\$ 93,427,000	

Bonded Debt Policy

Bonded debt of the District is to be issued only in the amounts and for the purposes to which Illinois Statutes limit the District.

Bonded debt issued for working cash or capital improvement purposes is to be issued as general obligation debt of the District. Capital improvement bonded debt is to be issued to mature no more than 30 years from the year of issue.

Bonded debt is to be issued only when needed, and in amounts necessary for meeting such needs, unless financial market conditions and/or projections indicate that it is in the District’s best interest to deviate from this practice.

Excess fund balances in the Bond Redemption & Interest Fund may be identified and used to abate Bond Redemption & Interest Fund levies.

Bonded Debt Objectives

- To maintain or improve the District’s Aa2, AAA, and AA+ bond ratings from Moody’s Investor Services, Fitch Ratings, and Standard & Poor’s Corporation, respectively.
- To provide timely and cost-effective bonded debt financing.
- To structure future debt service so as to provide a stable trend in future debt service tax levies.

Bonded Debt Accomplishments

The District has maintained strong bond ratings despite the economic challenges facing the overlapping governments.

The primary reason for the recent downgrades in ratings is the pressure on the District’s tax base due to the significant debt burden and pension liabilities for major governmental agencies in Cook County, reflecting Moody’s and Standard & Poor’s opinion on the affordability of possible tax increases by other agencies and how this could impact Cook County residents. In addition, Moody’s changed its pension rating methodology in April 2013 and implemented different assumptions to estimate the unfunded pension liability than is currently required by governmental accounting standards. (See Bond Rating History on the following page.)

***Financial Policies,
Objectives, and
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Bond Rating History

Fitch Ratings		Standard & Poor's Corporation		Moody's Investor Services	
2001-present	AAA	2016-present	AA+	2015-present	Aa2
1999-2001	AA+	2006-2016	AAA	2013-2015	Aa1
1995-1999	AA	2001-2006	AA+	2002-2013	Aaa
		1969-2001	AA	1999-2002	Aa1
				1997-1999	Aa1
				1974-1997	Aa2
				1968-1974	Aa
				1944-1968	A1
				1938-1944	Baa

The Illinois Legislature amended the Metropolitan Water Reclamation District Act to provide that the District must levy a direct annual tax to pay the principal and interest on indebtedness within 30 years after contracting the debt, enabling the District to issue debt for a maximum of 30 years after contracting the debt. In addition, the District’s Act was amended to extend non-referendum bonding authority to December 31, 2024.

Financial and Accounting Policies

The significant accounting policies of the District conform to GAAP in the United States of America, promulgated by the Government Accounting Standards Board (GASB) as applicable to governmental units.

The basic accounting and reporting entity of the District is a “fund.” The District’s governmental funds are reported using the current financial resources measurement focus and modified accrual basis of accounting.

The fiduciary funds of the District are the Pension Trust Fund and the OPEB Trust Fund. Trust fund assets and liabilities are accounted for on the full accrual basis, and investments are recorded at market value. Property taxes, user charge revenue, and the personal property replacement tax are accrued to the extent that they are measurable and available to satisfy liabilities of the reporting period.

An internal audit function is maintained as an independent appraisal activity for the review of accounting, financial, internal control structure, and other operations. It aids managerial control by measuring and evaluating the effectiveness of and compliance with District policies, procedures, and other internal controls, as directed by the Executive Director.

Financial and Accounting Objectives

- District financial information is available through the Comprehensive Annual Financial Report (CAFR), Budget Report, Grantor Agency Reports, and supplementary information.
- District financial reports are prepared in compliance with GAAP to fulfill the District’s duty to be publicly accountable while allowing users to assess that accountability.
- District financial reports are designed to assist users in evaluating the District’s ongoing operations and assessing the level of services provided and our ability to meet obligations as they become due.
- The annual audit performed by independent certified public accountants ensures compliance with the District’s financial objectives. In addition to meeting the requirements as set forth in the State of Illinois Compiled Statutes, Chapter 70, 2605/5.12, the audit will also ensure compliance with the Federal Single Audit Act regulations in OMB Circular A-133.
- The Internal Auditing Section assists the Executive Director by furnishing independent and objective analyses, appraisals, and recommendations for improvement concerning the activities reviewed.
- On July 13, 2006, the Board adopted a policy to address GASB Pronouncement #45, requiring reporting of the future liability for maintaining OPEB, primarily retiree health insurance benefits.

Financial Policies, Objectives, and Accomplishments

- An irrevocable trust was established to fund the future liability with the following operating parameters. On October 2, 2014, the funding policy was amended by the Board with the following parameters:
 - 100 percent maximum funding level;
 - 12 year funding period;
 - \$5 million funding in each of the 12 years 2015 through 2026, with no further advance funding contributions required after 2026. Beginning in 2027, cash to be withdrawn from the Trust to fund claims and insurance premiums will be determined by the plan’s actuary with the funding percentage to be maintained at 100 percent for all future years.

On November 19, 2009, the Board adopted the OPEB Trust Investment Policy, which was subsequently amended on December 19, 2013, and states that investments shall be made with judgment and care, with prudence, discretion, and intelligence exercised in the management of the Trust assets. The Trust’s investment asset allocation and target percentages were amended, as follows:

Asset Class	Fund Asset Mix		
	Minimum	Normal	Maximum
Domestic Equities	25.0%	30.0%	35.0%
Developed International Equities	12.0%	15.0%	18.0%
Fixed Income Securities (Bonds)	40.0%	45.0%	50.0%
Global Balance Portfolio	7.5%	10.0%	12.5%
Cash/Cash Equivalents (Money Market)	—	1.0%	100.0%

The District has adopted the following fund balance policy in conformity with GASB Pronouncement #54, Fund Balance Reporting and Governmental Fund Type Definitions:

- *Committed Fund Balances* - The District’s Board shall establish, modify, or rescind a fund balance commitment by formal action of the Board;
- *Assigned Fund Balances* - The Executive Director may assign amounts of fund balances to a specific purpose;
- *Accounting Policies of Fund Balances* - The General Corporate Fund is a combination of the Corporate, Working Cash, and Reserve Claim Funds. In the General Corporate Fund, the District considers restricted amounts to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, followed by committed amounts, and then assigned amounts. Unassigned amounts are used only after the other categories of fund balance have been fully utilized. In governmental funds, other than the General Corporate Fund, the District considers restricted amounts to have been spent last. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District will first utilize assigned amounts, followed by committed amounts, and then restricted amounts.

Initiatives are being considered to improve the policies and procedures for the management of capital assets. The process of determining more realistic estimated useful lives and dollar thresholds for capital assets is being examined. Also, an enhanced policy is essential to ensure all bond compliance and regulatory reporting requirements are properly fulfilled.

For the year ended December 31, 2015, the Board adopted a policy to implement GASB 68. The following categories are recognized and reported in the CAFR to better illustrate the pension liability to the District:

- Net pension liability
- Annual pension expense

Financial Accomplishments

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its CAFR for the year ended December 31, 2017, and for the MWRD Retiree Health Care Trust for the year ended December 31, 2017. This is the 43rd consecutive year and 11th consecutive year that the District has received these prestigious awards, respectively. The CAFRs are available at www.mwrdd.org. The external audit of the District’s 2017 financial statements, completed on May 11, 2018, includes an unmodified opinion. In 2018, the Internal Audit Section completed 13 audits in addition to financial reviews of lease applications.

Policy Development and The Budget Process

Policy Development and the Budget Process

Policy development for the District, performed on both the legislative and executive level, is ongoing and integrally related to the budget process.

Planning and Policy Development Activities of the Board of Commissioners

The District’s Board is the organization’s legislative branch wherein planning is done through a standing committee structure, whereby committee chairpersons and vice-chairpersons are elected by the Board concurrent with the biannual election of officers. With the exception of the Committee on Finance, whose chair is specifically referred to in the District’s enabling legislation, the focus of each committee is determined by the Board itself. The members of these committees are made up of fellow commissioners. The Board’s committees follow:

Affirmative Action	Budget and Employment	Engineering
Ethics	Federal Legislation	Finance
Industrial Waste and Water Pollution	Information and Technology	Judiciary
Labor and Industrial Relations	Maintenance and Operations	Monitoring and Research
Municipalities	Procurement	Public Information and Education
Pension, Human Resources, and Civil Service	Public Health and Welfare	Real Estate Development
State Legislation and Rules	Stormwater Management	

These standing committees develop plans and formulate policies that are then brought before the entire Board for formal adoption. These plans and policies provide direction to both the Board itself and the staff. On critical issues, and where broad discussion is warranted for future consensus building, the committee chairperson periodically calls “study sessions” inviting public testimony and discussion.

District Commissioners participate in regional planning and policy development as members of commissions, associations, and steering committees. By law, the Chairman of Finance serves on the Cook County Public Building Commission. The District has formally designated Commissioner representatives on the Chicago Metropolitan Agency for Planning and Fulton County Steering Committee. District participation in these regional planning committees ensures regional coordination, cooperation, and communication for policy development and planning.

The Board periodically recruits pro bono ad hoc Blue Ribbon Committees made up of government and business leaders to solicit input on issues of either regional interest or where expertise in an area outside the District’s primary functions is required.

Formal adoption of District policies is enacted at regularly scheduled Board meetings (semi-monthly) or at special Board meetings focused on a specific issue.

Strategic Business Plan

Policy decisions and budgetary priorities are guided by the District’s Strategic Business Plan. 2019 is the fifth year of the current five-year plan, with the vision statement *Recovering Resources, Transforming Water*. The plan sets values, mission, a vision statement, and goals and strategies that guide decision making and is used throughout the year to measure results and communicate progress to the Board of Commissioners and staff. It serves as a guiding document until replaced by a new Strategic Business Plan.

Planning Activities by Staff

The Executive Director serves as the District’s Chief Executive Officer and is responsible for the day-to-day administration of the organization. It is through the direction and authority of this office that compliance with the laws governing the agency and the policies established by the Board is assured. Under the direction of these laws and policies, staff planning takes place on various organizational platforms. Through organizational planning units, steering committees, task forces, and general managerial planning, District staff establishes organizational goals, objectives, and priorities. Planning takes place on both an interdepartmental and intradepartmental basis. Each committee or task force has representation that crosses departmental lines to ensure corporate agreement.

Policy Development and The Budget Process

Committees and Task Forces Planning

Other formal planning is accomplished through the utilization of committees and task forces. Committees and task forces meet monthly with the exception of the Board of Standardization, which meets quarterly or as needed. A list of the various staff committees and task forces is as follows:

Inventory Review Board	Biosolids Task Force	Non-Core Business Project Committee
Board of Standardization	Injury Task Force	Records Management Committee
Natural Gas Committee	Audit Committee	Operations Committee

Each of these planning groups is delegated the responsibility to serve as District-wide planners for specific organizational needs. The Operations Committee includes subcommittees with designated assignments and purpose. These subcommittees work independently and then report their recommendations to the committee of the whole.

The Budget Process and Budget Procedures

The Management & Budget Section of General Administration, staff to the Executive Director, prepares the Annual Budget and five-year financial plan, including coordinating and consolidating the capital and maintenance plans for the upcoming and future years. Revenue projections and debt service requirements are examined along with the financial feasibility of capital projects in light of external and self-imposed financial constraints. The end product of this process is the Annual Appropriation Ordinance and a Five-Year Financial Forecast.

The Five-Year Financial Forecast is prepared prior to the Executive Director's Budget Recommendations and reflects the best estimates of revenues, fund equity, and appropriation needs available at the time. The forecast is presented to the Executive Director. Subject to his review and approval, it is then included in the Budget. The projections are a tool designed to aid the District in planning and controlling its financial position over a longer range than the Annual Budget. It contributes to making the budget a comprehensive financial plan of District operations, past, present, and future. It summarizes the tax impact of the District's strategic goals and objectives. The 2019-2023 Five-Year Financial Forecast has been updated to incorporate budgetary amendments approved by the Board of Commissioners in the 2019 Final Adopted and Amended Budget, December 20, 2018.

All participants in the planning process are made aware of the District's budget process and cycle. The budget calendar is relatively the same from year-to-year and is distributed to the Board and staff in the first quarter of the preceding budget year. Correspondingly, planning groups develop plans, schedules, and detailed justification for personnel contractual services, materials and supplies, equipment, and capital projects to comply with the annual budgeting process and cycle. Existing facilities' plans, historical expenditures, cash-flow projections, and long-term forecasts provide valuable guidelines as to the availability of resources for the upcoming budget development. These guidelines both facilitate the development of the budget and allow for meaningful debate during the budget review process as to priorities and organizational goals for the budget year, as well as future years. An outline of the Annual Budget process and procedures follows. The Strategic Business Plan guides the development of the Budget and the Five-Year Financial Forecast.

Policy Development and The Budget Process

The fiscal year of the District begins on January 1 and ends on December 31.

1. After the first half of the fiscal year, the Budget Office holds a meeting with departmental budget representatives to discuss policy and procedures for budget preparation that begins in July. Instructions are distributed to departments, together with guidelines from the Executive Director, which indicate the direction the Budget should follow for the coming fiscal year. The basic forms are returned to the Budget Office and a general summary is prepared for the Executive Director, who conducts departmental hearings in August.
2. A revenue meeting is conducted by the Executive Director, Administrative Services Officer, and Budget Officer, along with those departments responsible for revenue items. Available resources used to finance the Budget are analyzed at this meeting.
3. When departmental estimates are approved and final decisions are made, a Budget Message is prepared and the proposals of the Executive Director become the initial budget document. After departmental requests are finalized, the Executive Director's Budget Recommendations are published within 15 days. The Executive Director's Budget Recommendations are published and presented to the Board in October. At all times, the Budget figures are balanced between revenues and expenditures.
4. The Board's Committee on Budget and Employment holds public meetings with the Executive Director and department heads regarding the Executive Director's proposals.
5. At the conclusion of these hearings, the Committee on Budget and Employment recommends the preparation of a second document, a supplement to the Executive Director's Budget Recommendations called the "Tentative Budget," which incorporates changes approved at the hearings. Once printed, this is placed on public display, along with the Executive Director's Budget Recommendations, for a minimum of 10 days. An advertisement is published in a general circulation newspaper announcing the availability of the Tentative Budget for inspection at the main office of the District, and specifying the time and date of the public hearing.
6. At least one public hearing is held between 10 and 20 days after the Budget has been made available for public inspection. All interested individuals and groups are invited to participate.
7. After the public hearing, the Committee on Budget and Employment presents the Tentative Budget, which includes revisions and the approved Appropriation and Tax Levy Ordinances, to the Board for adoption. This action must take place before January 1.
8. The Budget, as adopted by the Board, can be amended once at the next Regular Meeting of the Board. No amendment, however, can be requested before a minimum of five days after the Budget has been adopted. Amendments for contracts and/or services not received before December 31 must be reappropriated in the new Budget and are included through this amendment process.
9. The final budget document "As Adopted and Amended" is produced, and an abbreviated version, known as the "short form" is published in a newspaper of general circulation before January 20 of the fiscal year.
10. Budget implementation begins on January 1. The Finance Department and Budget Office provide control of appropriations and ensure that all expenditures are made in accordance with budget specifications. The manual entitled "Budget Code Book" is published in conformance with the Adopted Budget and is used to administer, control, and account for the Budget.
11. Supplemental appropriations can be made for the appropriation of revenues from federal or state grants, loans, bond issues, and emergencies. The Executive Director is authorized to transfer appropriations between line items within an object class of expenditure within a department. After March 1 of each fiscal year, transfers of appropriations between objects of expenditures or between departments must be presented for approval to the Board in accordance with applicable statutes.
12. The Board can authorize, by a two-thirds majority, the transfer of accumulated investment income between funds and the transfer of assets among the Working Cash Funds.

CALENDAR FOR 2019 BUDGET

Board of Commissioners Holds a Study Session on the Capital Improvement Program immediately following the Regular Board Meeting Thursday, September 6, 2018

Executive Director's Budget Recommendations Submitted to Board of Commissioners Tuesday, October 16, 2018

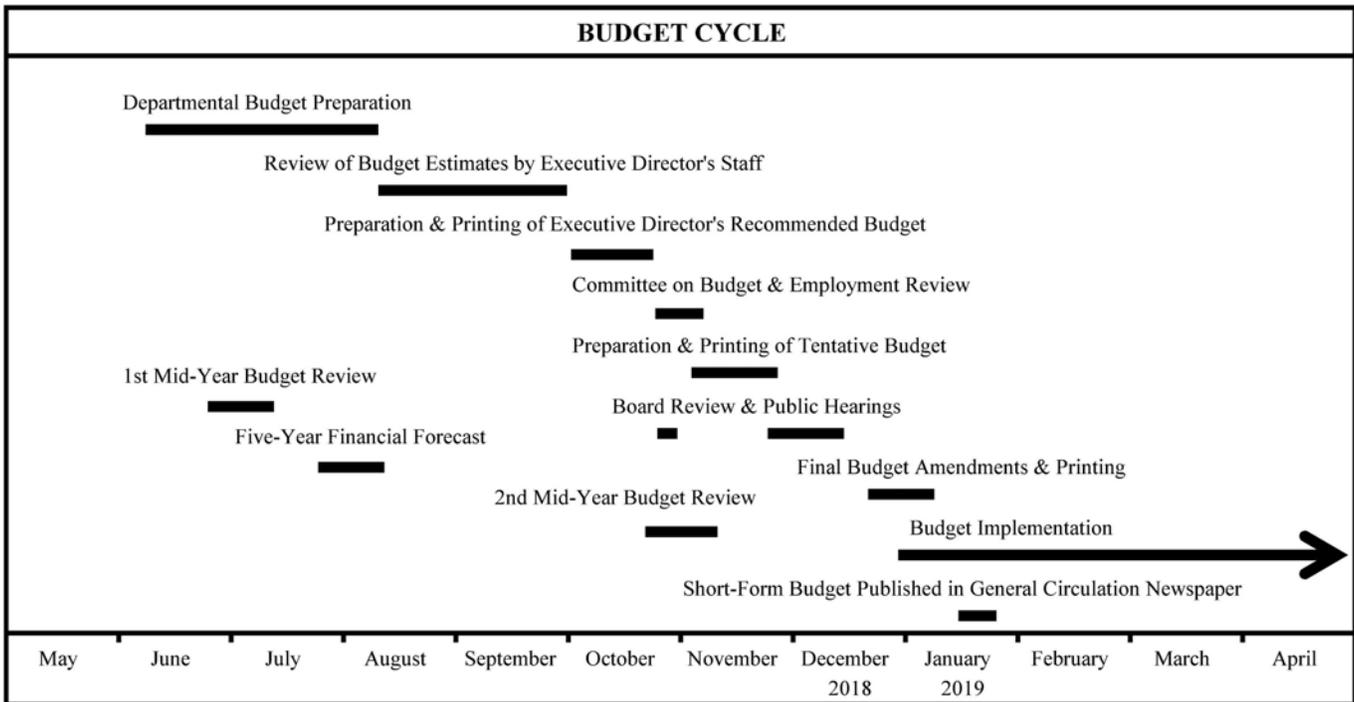
Committee on Budget & Employment Hearings at 1:00 P.M. Thursday, November 1, 2018
(Friday, November 2, 2018, if necessary)

Committee on Budget & Employment Submits Tentative Budget to Board of Commissioners for Public Display Tuesday, November 20, 2018

Board of Commissioners Holds a Public Hearing on the Budget at 2:00 P.M. Thursday, December 6, 2018

Board of Commissioners Adopts the Budget Thursday, December 13, 2018

Board of Commissioners Amends the Adopted Budget Thursday, December 20, 2018



The procedure for the annual budget process is detailed on the previous page.

ORDINANCE NUMBER O18-006

**ANNUAL APPROPRIATION ORDINANCE OF THE
METROPOLITAN WATER RECLAMATION DISTRICT
OF GREATER CHICAGO
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2019
AND ENDING DECEMBER 31, 2019**

BE IT ORDAINED by the Board of Commissioners of the Metropolitan Water Reclamation District of Greater Chicago:

Section 1. That this Ordinance be and the same is hereby termed the “Annual Appropriation Ordinance of the Metropolitan Water Reclamation District of Greater Chicago for the fiscal year beginning January 1, 2019 and ending December 31, 2019.”

Section 2. That the amounts hereinafter set forth or so much thereof as may be authorized by law and as may be needed, and not exceeding the aggregate sum allocated to and expendable by each department or principal division, be and the same are hereby appropriated for the payment of: (a) interest coupons on bonds; (b) sinking fund requirements for the payment of the principal of said bonds; (c) the Metropolitan Water Reclamation District Retirement Fund; (d) Construction Fund purposes; (e) Capital Improvements Bond Fund purposes; (f) Reserve Claim Fund; (g) Stormwater Management Fund purposes; and (h) all other corporate purposes of the Metropolitan Water Reclamation District of Greater Chicago during the fiscal year beginning January 1, 2019 and ending December 31, 2019.

Section 3. That for the purposes of accounting and expenditure control, the budgetary accounts set forth under the recital of estimated resources of the Metropolitan Water Reclamation District of Greater Chicago and budgetary accounts and code designations set forth in this Ordinance, shall be the official code designations of the Metropolitan Water Reclamation District of Greater Chicago and that the manual of Classification of Budgetary Code Accounts issued by General Administration of the Metropolitan Water Reclamation District of Greater Chicago, as revised, shall be in conformity therewith.

Section 4. That the Clerk and the other Heads of Departments of the Metropolitan Water Reclamation District of Greater Chicago shall use the aforesaid official code designations in administering the Appropriation Ordinance and in accounting for expenditures authorized herein.

Section 5. That wherever an appropriation is made under the classification “Personal Services,” “Contractual Services,” “Materials and Supplies,” “Machinery and Equipment,” “Capital Improvements,” “Land” or “Fixed and other Charges,” it is supported by a schedule of Line Items.

The Executive Director is authorized to transfer appropriations between line items within an object class of expenditure within a department. Transfers of appropriations between objects of expenditure or between departments must

be presented for approval to the Board of Commissioners in accordance with applicable statutes.

All expenditures against such appropriations shall be made in accordance with such supporting Line Item Schedules, and no voucher shall be approved by the Clerk for a sum exceeding the amount shown in said schedules; that the titles and the compensations appearing in the Personal Services supporting schedules shall be construed to be the official titles and maximum compensation for the same.

(a) Included in the appropriation for Total Personal Services is Account Number 601010 “Salaries of Regular Employees” that includes District pickup of employees’ contributions to the Pension Fund and in applicable departments, divisions or sections is Account Number 601060 “Compensation Plan Adjustments” provided for the purpose of implementing the Compensation Plan and associated salary and pay grade schedules for classified employees and exempt secretaries as adopted by the Board of Commissioners. The amount set up under Account Number 601060 “Compensation Plan Adjustments” include (1) the adjustment of salaries for employees eligible to receive step increases based on the prescribed standards of service and performance, (2) changes in Labor and Trades Wage Schedule Classifications as authorized by the Board of Commissioners, and (3) payments to eligible employees for incentive pay for unused sick leave, retirements, severance, termination, and unused overtime and/or vacation pay as authorized by the Board of Commissioners.

(b) The symbol “#” or crosshatch followed by a number, when used in the budget document, means the following:

#1. After a title, signifies that the incumbent will retain the title until he or she vacates the position and then the position will be dropped.

#2. After a title, signifies that when the position is vacated, the person filling the vacancy will receive the title within the parentheses. It can also indicate that while a grade level for a class title has been lowered, the incumbent in the position will be retained at the current grade level. This is indicated by a notation of the new grade level in parentheses following the title.

#4. After a title, signifies that while a class title has been assigned to the Technical, Administrative and Managerial (TAM) salary schedule, the incumbent in the position will be compensated under the previously assigned Professional and Managerial (PM) or General Service (GS) salary schedule. When the position is vacated, the person filling the vacancy by promotion or

new appointment will be compensated under the TAM salary schedule.

Section 6. That amounts appropriated under classifications other than “Personal Services” to any department or division of the Metropolitan Water Reclamation District of Greater Chicago shall be expended under the following conditions:

(a) Insofar as practicable, all contracts for purchases and open market orders for purchases to be charged against such appropriation shall be based upon specifications which are definite and certain as to character and quality, and which conform to standard specifications for the various classes of Materials and Supplies, Machinery and Equipment already prescribed or hereafter to be prescribed by the Board of Standardization of the Metropolitan Water Reclamation District of Greater Chicago.

(b) The Clerk of the Metropolitan Water Reclamation District of Greater Chicago shall certify to the sufficiency of appropriations out of which such amounts due under contracts are to be paid.

(c) The Director of Procurement and Materials Management shall certify that the specifications for purchases of such Materials and Supplies, and Machinery and Equipment, for which standard specifications have been prescribed by the Board of Standardization of the Metropolitan Water Reclamation District of Greater Chicago, are in conformity with such standard specifications.

(d) All open market orders issued by any department or division for Materials and Supplies, and Machinery and Equipment, for which specifications shall have been prescribed by the Board of Standardization of the Metropolitan Water Reclamation District of Greater Chicago, shall contain a description of the goods ordered and insofar as practicable and feasible conform with such standard specifications.

(e) The Director of Procurement and Materials Management shall, in auditing claims for goods delivered on open market order, determine through inspection or otherwise, whether the goods delivered conform to such standard specifications.

(f) Every contract or purchase order involving amounts in excess of \$10,000.00 shall be signed by the Chairman of the Committee on Finance or other duly authorized officer of the Board of Commissioners, by the Executive Director, by the Clerk, and by the Director of Procurement and Materials Management of the Metropolitan Water Reclamation District of Greater Chicago.

The only exception to the above is for contracts and purchase orders for materials, supplies, and equipment for which the competitive bid threshold is \$25,000.00. These contracts and purchase orders only require the signature of the Director of Procurement and Materials Management of the Metropolitan Water Reclamation District of Greater Chicago.

(g) The Comptroller of the Metropolitan Water Reclamation District of Greater Chicago shall conduct audits of all expenditures. The Comptroller shall report the results of such

audit to the President and the Board of Commissioners of the Metropolitan Water Reclamation District of Greater Chicago.

Section 7. That no employee shall have the right to demand continuous employment and compensation by reason of the appropriation if it becomes necessary to lay an employee off due to lack of work or lack of funds.

Section 8. That the supporting schedules and statements including unpaid bills and the item objects and purposes are appropriated for as follows:

NOTE PAGE

SECTION II

BUDGET AND FINANCIAL SUMMARIES, SCHEDULES, AND EXHIBITS

This section includes a broad overview of the 2019 Budget with comparisons to past years and the projection of future District needs.

It begins by asking two basic questions: Where Does the Money Come From? and Where Does the Money Go? Answers are presented graphically using a dollar bill to illustrate.

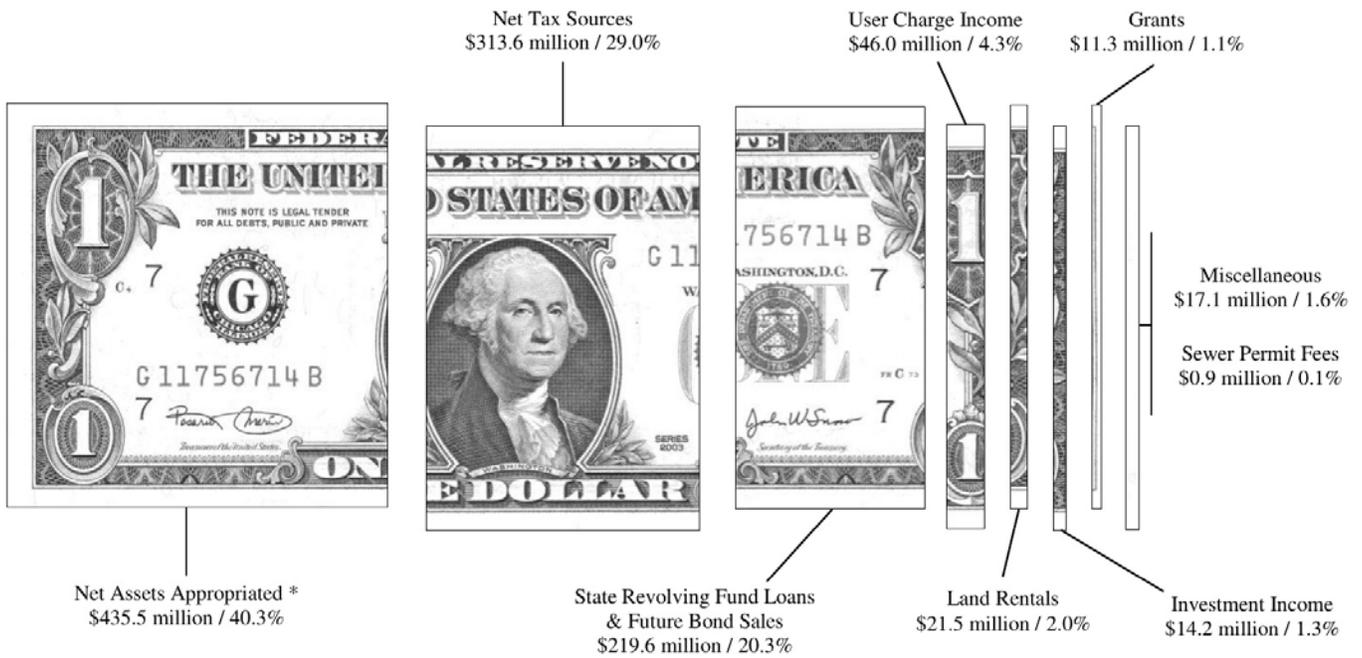
The comparison of budget and current year appropriations, tax levies, and tax rates by fund is one of the most comprehensive and most useful comparisons in the budget.

Continuing to look at the overall picture, this section presents a detailed view of the entire budget, organizing information in different ways so that the user can compare budget and current year appropriations by department, fund, object, and program. Allocation of personnel is also compared by year, department, and fund.

Having looked at the budget plan for 2019 and comparing it to previous years, this section also provides a projection of the future: the comprehensive Five-Year Financial Forecast for 2019 - 2023.

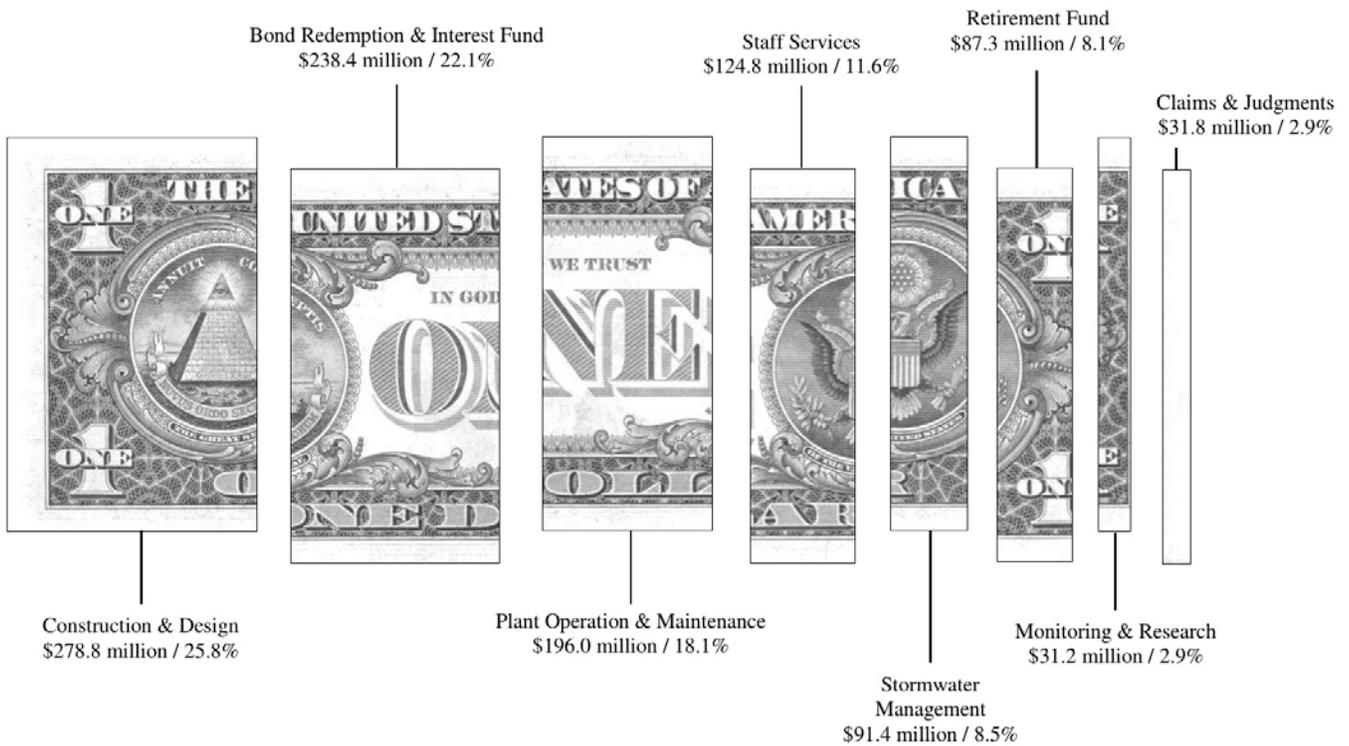
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WHERE THE MONEY COMES FROM: \$1,079.7 MILLION



* \$435.5 of the \$535.5 Net Assets Appropriable detailed in the analysis on the next page will be appropriated as revenue for 2019 (excludes Capital Improvements Bond Fund).

WHERE THE MONEY GOES: \$1,079.7 MILLION



SUMMARY OF NET ASSETS APPROPRIABLE
at January 1, 2019
(In Millions)

CURRENT ASSETS	FUND								TOTAL
	CORPORATE	CAPITAL IMPROVEMENTS BOND	CONSTRUCTION	STORMWATER MANAGEMENT	RETIREMENT	BOND REDEMPTION & INTEREST	RESERVE CLAIM		
Cash & Investments	\$ 110.0	\$ 232.0	\$ 13.6	\$ 29.1	—	\$ 112.0	\$ 25.7	\$	522.4
Restricted Cash	—	—	—	—	—	—	—	—	—
Deposit with Escrow Agent	—	—	—	—	—	—	—	—	—
Taxes Receivable	232.8	—	11.3	46.6	69.0	236.2	5.8		601.8
Replacement Tax	15.8	—	—	—	18.3	—	—		34.1
Grants	—	1.0	—	—	—	—	—		1.0
State Revolving Fund Loans Receivable	—	120.0	—	—	—	—	—		120.0
Due from Other Funds	—	—	—	—	—	—	—		—
Total	\$ 358.7	\$ 353.0	\$ 24.9	\$ 75.7	\$ 87.3	\$ 348.2	\$ 31.5	\$	1,279.3

**CURRENT LIABILITIES,
DESIGNATIONS AND RESTRICTIONS**

Unpaid Bills and Contingent Liabilities	\$ 37.4	\$ 962.4	\$ 3.0	\$ 3.4	—	\$ —	\$ 0.4	\$	1,006.5
Due to Working Cash Funds	190.0	—	12.0	26.5	—	—	—		228.5
Liabilities for Restricted Assets	—	—	—	—	—	—	—		—
Principal and Interest	—	—	—	—	—	118.2	—		118.2
Total	\$ 227.4	\$ 962.4	\$ 15.0	\$ 29.9	\$ —	\$ 118.2	\$ 0.4	\$	1,353.2
*Net Assets Appropriable	\$ 131.3	\$ (609.4)	\$ 9.9	\$ 45.8	\$ 87.3	\$ 230.1	\$ 31.2	\$	(73.9)
Budget Reserve	<u>(100.0)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>\$</u>	<u>(100.0)</u>
Net Assets Appropriated	\$ 31.3	\$ (609.4)	\$ 9.9	\$ 45.8	\$ 87.3	\$ 230.1	\$ 31.2	\$	(173.8)
Equity Transfer	\$ 4.2	\$ (4.2)	—	(6.4)	—	6.4	—	\$	—

* Net Assets Appropriable = Current Assets - Current Liabilities

Note: Amounts are rounded.

ESTIMATED TAX RATE

Estimated tax rate to be levied for each \$100.00 of assessed valuation as equalized to finance the appropriations of the Metropolitan Water Reclamation District of Greater Chicago is as follows:

Upon all taxable property within the territorial limits of the Metropolitan Water Reclamation District of Greater Chicago as said territorial limits exist on January 1, 2019.

Gross Corporate Fund	16.22¢
Construction Fund	0.48
Stormwater Management Fund	3.37
Retirement Fund	4.56
Reserve Claim Fund	0.48
Subtotal	<u>25.11¢</u>

Bond Redemption & Interest Fund:

Capital Improvement Bonds - Series:

2016 Qualified Energy Conservation Limited Tax Series F	0.01¢
2009 Limited Tax Series	2.27
2011 Limited Tax Series B	1.21
2011 Unlimited Tax Series C	0.16
2014 Limited Tax Series C	0.53
2014 Unlimited Tax Series A	0.33
2014 Alternate Revenue Unlimited Tax Series B	0.22
2016 Alternate Revenue Unlimited Tax Series E	0.17
2016 Unlimited Tax Series C	0.10
2016 Limited Tax Series D	0.07

State Revolving Fund Bonds - Series:

Various	6.21¢
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Refunding Bonds - Series:

2007 Unlimited Tax Series A	1.70¢
2007 Unlimited Tax Series B	0.32
2007 Limited Tax Series C	0.35
2014 Limited Tax Series D	1.01
2016 Unlimited Tax Series A	0.93
2016 Limited Tax Series B	0.14

Subtotal Bond Redemption & Interest Fund	<u>15.73¢</u>
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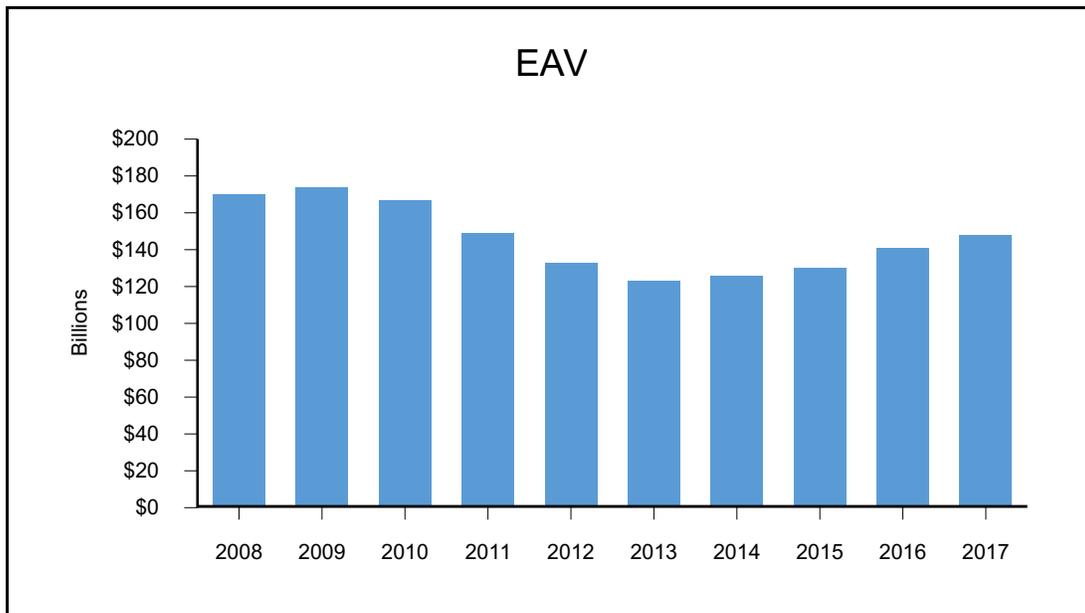
TOTAL ESTIMATED TAX RATE - 2019	<u>40.84¢</u>
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TAXABLE PROPERTY WITHIN THE DISTRICT (Equalized Assessed Valuation)

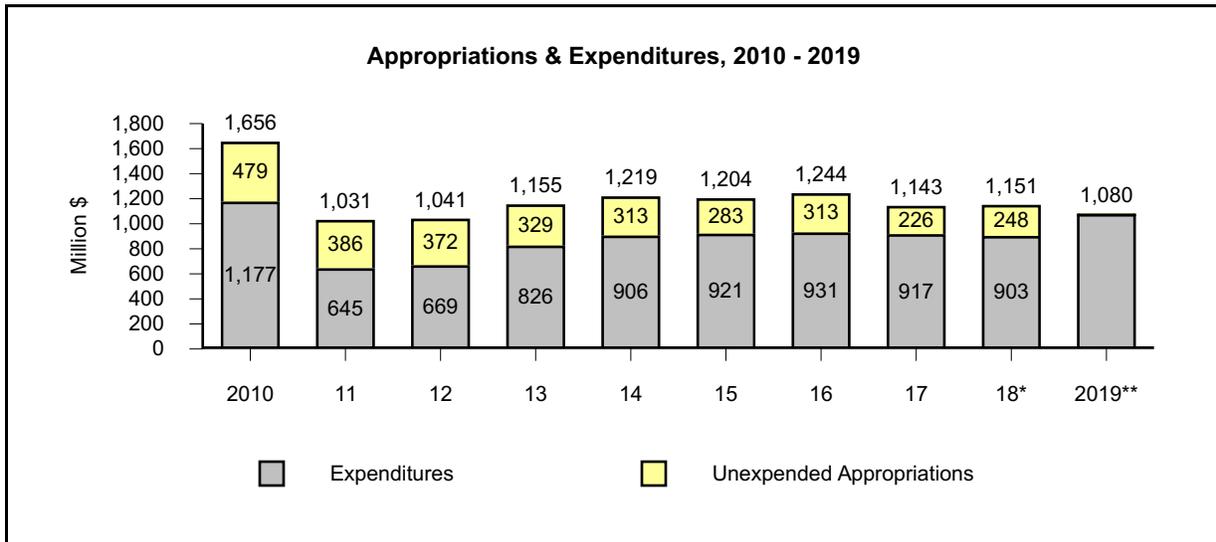
The equalized assessed property valuation (EAV) of the Metropolitan Water Reclamation District increased 8.02 percent from 2015 to 2016, showing the significant recovery after four years of decline from 2010 to 2013. The boundaries of the District encompass 91 percent of the area of Cook County. The District is located in one of the strongest and most economically diverse geographical areas of the country. The growth in commercial, industrial, and residential sectors in both downtown Chicago and the suburbs contributes to the strong base and the growth in the value of properties located within the District. The Cook County Assessor is responsible for all taxable real property within Cook County except for railroad property and pollution control facilities, which are assessed directly by the State of Illinois.

The equalized assessed valuation of real estate property is determined in Cook County based on market values of real estate, reduced by a classification factor determined by property use, and then multiplied by the State of Illinois equalization factor. The statutory objective is to value property at 33 1/3 percent of estimated fair market value.

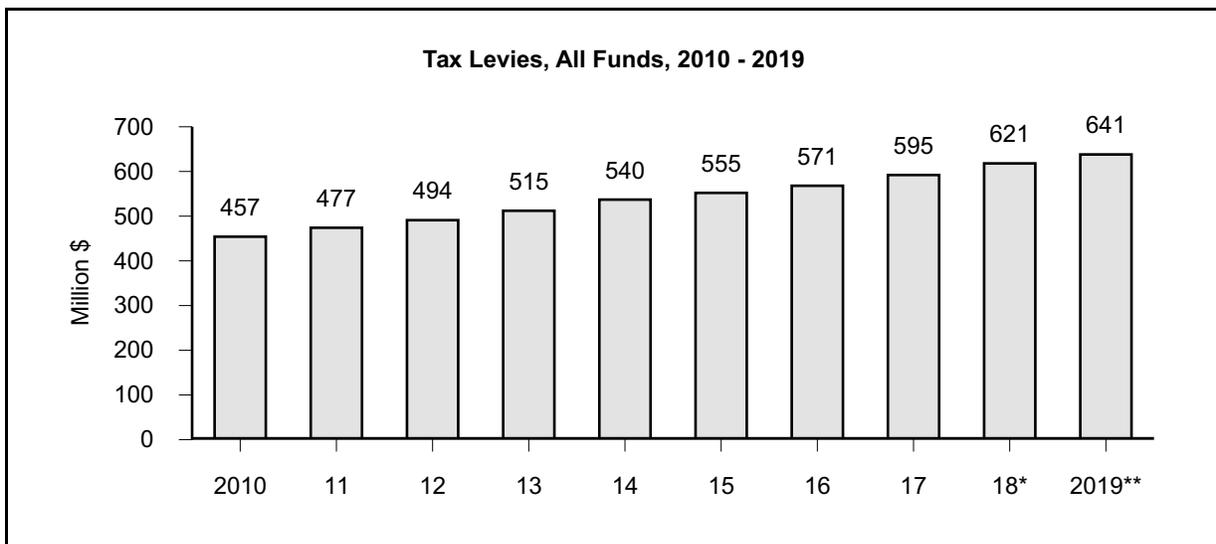
The equalized assessed property valuation of the District is very important due to the primary reliance of the District on the property tax to fund current operations and future capital programs.



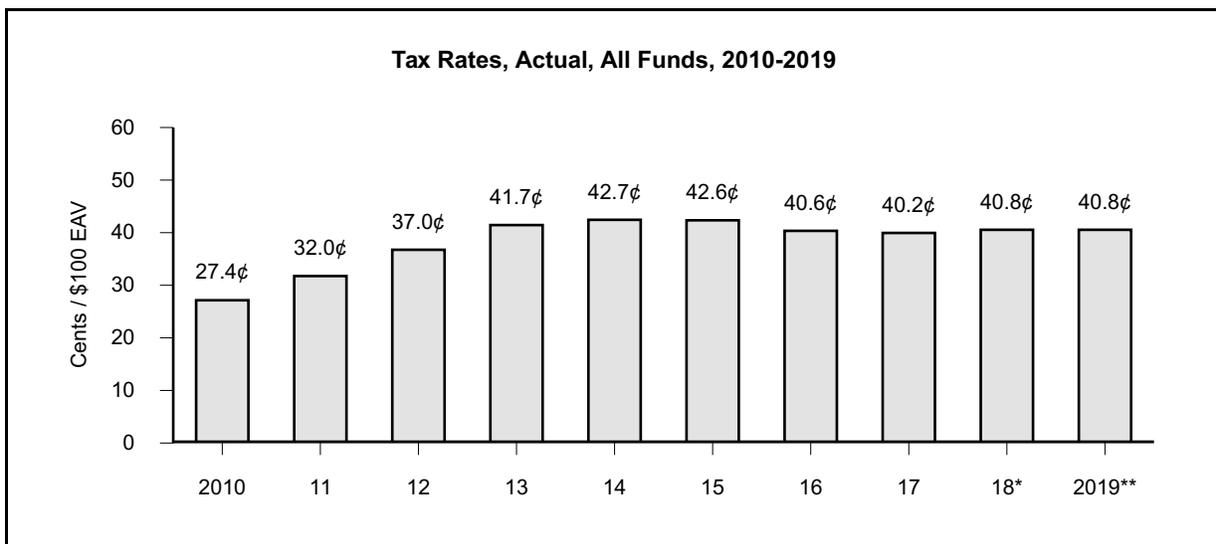
Year	Real Property	Railroad Property and Pollution Control Facilities	Total
2008	169.91 billion	186.24 million	170.10 billion
2009	174.26 billion	212.23 million	174.47 billion
2010	166.66 billion	256.49 million	166.92 billion
2011	148.77 billion	275.01 million	149.05 billion
2012	133.11 billion	286.93 million	133.40 billion
2013	123.11 billion	311.53 million	123.42 billion
2014	125.43 billion	308.36 million	125.74 billion
2015	129.96 billion	344.38 million	130.30 billion
2016	140.40 billion	350.47 million	140.75 billion
2017	147.58 billion	362.43 million	147.95 billion



*Adjusted
 **Estimated
 Note: Amounts are rounded.



*Adjusted
 **Estimated



*Adjusted
 **Estimated using 2017 EAV

COMPARATIVE STATEMENT OF APPROPRIATIONS AND TAX LEVIES 2019-2017 ALL FUNDS

APPROPRIATIONS	2019 **	2018 AS PASSED	2018 AS ADJUSTED *	2017 ACTUAL
FUND				
Corporate Fund	\$ 376,807,500	\$ 370,209,200	\$ 370,209,200	\$ 368,925,800
Construction Fund	17,602,300	26,080,600	26,080,600	34,450,400
Capital Improvements Bond Fund ***	236,431,900	312,982,900	312,982,900	354,625,600
Stormwater Management Fund	91,410,100	65,581,000	65,581,000	45,800,100
Retirement Fund	87,281,000	89,604,000	89,604,000	79,505,000
Reserve Claim Fund	31,767,800	30,289,500	30,289,500	30,617,100
Bond Redemption & Interest Fund	238,357,541	256,304,187	256,304,187	228,825,813
TOTAL	\$ 1,079,658,141	\$ 1,151,051,387	\$ 1,151,051,387	\$ 1,142,749,813
LEVIES				
Corporate Fund	\$ 254,574,100	\$ 240,465,800	\$ 240,465,800	\$ 224,824,731
Construction Fund	7,600,000	11,700,000	11,700,000	17,000,000
Stormwater Management Fund	52,926,000	47,826,000	47,826,000	40,856,008
Retirement Fund	71,565,400	71,534,197	71,534,197	73,438,135
Reserve Claim Fund	7,500,000	6,000,000	6,000,000	5,900,000
Subtotal	\$ 394,165,500	\$ 377,525,997	\$ 377,525,997	\$ 362,018,874
Bond Redemption & Interest Fund:				
Capital Improvement Bonds - Series:				
2016 Qualified Energy Conservation Limited Tax Series F	\$ 165,804	\$ 165,804	\$ 165,804	\$ 165,804
2009 Limited Tax Series	35,564,767	35,564,767	35,564,767	35,564,767
2011 Limited Tax Series B	18,950,616	28,911,239	28,911,239	41,406,315
2011 Unlimited Tax Series C	2,515,991	4,184,800	4,184,800	3,981,898
2014 Limited Tax Series C	8,286,788	6,763,472	6,763,472	3,240,156
2014 Unlimited Tax Series A	5,181,348	5,181,348	5,181,348	5,181,348
2014 Alternate Revenue Unlimited Tax Series B ****	3,391,037	3,390,570	3,390,570	—
2016 Alternate Revenue Unlimited Tax Series E ****	2,590,674	2,590,674	2,590,674	—
Alternate Revenue Abatement ****	—	—	—	—
2016 Unlimited Tax Series C	1,554,405	1,554,405	1,554,405	1,554,405
2016 Limited Tax Series D	1,036,270	1,036,270	1,036,270	1,036,270
State Revolving Fund Bonds - Series: Various	97,420,666	85,458,595	85,458,596	77,609,685
Refunding Bonds - Series:				
2007 Unlimited Tax Series A	26,694,301	26,623,057	26,623,057	26,509,845
2007 Unlimited Tax Series B	4,996,749	4,996,749	4,996,749	4,996,749
2007 Limited Tax Series C	5,541,607	5,541,607	5,541,607	5,541,607
2014 Limited Tax Series D	15,895,337	15,130,830	15,130,830	9,264,767
2016 Unlimited Tax Series A	14,555,959	14,555,959	14,555,959	14,555,959
2016 Limited Tax Series B	2,141,451	2,141,451	2,141,451	2,141,451
Subtotal Bond Redemption & Interest Fund	\$ 246,483,770	\$ 243,791,597	\$ 243,791,597	\$ 232,751,026
TOTAL	\$ 640,649,270	\$ 621,317,594	\$ 621,317,594	\$ 594,769,900
Abatement after the budget year ****	(6,185,100)	(6,152,228)	(6,152,228)	
Total (after planned abatement)	\$ 634,464,170	\$ 615,165,366	\$ 615,165,366	

NOTES: * As Adjusted reflects the 2017 EAV (\$147,945,823,261) estimated to increase 3.0 percent, plus any subsequent supplemental levies or appropriations.

** 2019 reflects an estimated 3.0 percent increase in EAV from the 2018 estimate.

*** Prior year obligations for the Capital Improvements Bond Fund are included in the Appropriation for Liabilities.

**** As part of the plan of financing, it is intended and anticipated that tax revenues deposited in the Stormwater Management Fund be transferred to the Bond Redemption & Interest Fund and used to abate taxes levied for this issue.

COMPARATIVE STATEMENT OF TAX RATES 2019-2017 ALL FUNDS

Per \$100 in Equalized Assessed Valuation (EAV)

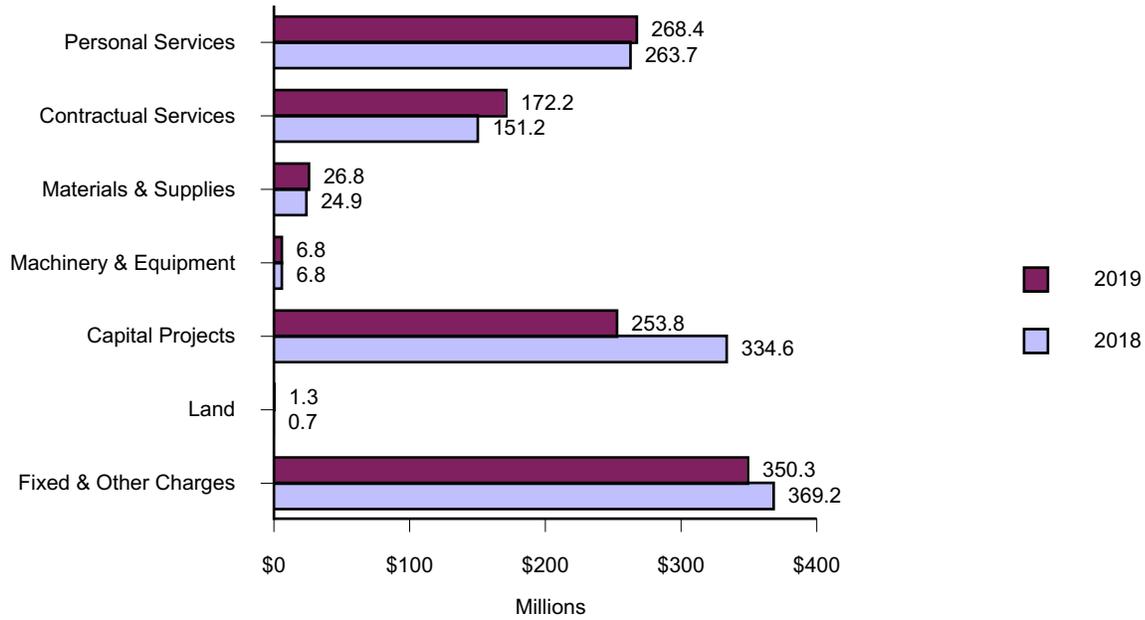
FUND		2019 **	2018 AS PASSED	2018 AS ADJUSTED *	2017 ACTUAL
	tax rate limit				
Corporate Fund	41¢	16.22¢	16.11¢	15.78¢	15.20¢
Construction Fund	10¢	0.48	0.78	0.77	1.15
Stormwater Management Fund	5¢	3.37	3.20	3.14	2.76
Retirement Fund		4.56	4.79	4.69	4.96
Reserve Claim Fund	½ ¢	0.48	0.40	0.39	0.40
Subtotal		25.11¢	25.28¢	24.77¢	24.47¢
Bond Redemption & Interest Fund:					
Capital Improvement & Interest Fund:					
2016 Qualified Energy Conservation Limited Tax Series F		0.01¢	0.01¢	0.01¢	0.01¢
2009 Limited Tax Series		2.27	2.38	2.33	2.40
2011 Limited Tax Series B		1.21	1.94	1.90	2.80
2011 Unlimited Tax Series C		0.16	0.28	0.27	0.27
2014 Limited Tax Series C		0.53	0.45	0.44	0.22
2014 Unlimited Tax Series A		0.33	0.35	0.34	0.35
2014 Alternate Revenue Unlimited Tax Series B ***		0.22	0.23	0.22	—
2016 Alternate Revenue Unlimited Tax Series E ***		0.17	0.17	0.17	—
Alternate Revenue Abatement ***		—	—	—	—
2016 Unlimited Tax Series C		0.10	0.10	0.10	0.11
2016 Limited Tax Series D		0.07	0.07	0.07	0.07
State Revolving Fund Bonds - Series:					
Various		6.21	5.72	5.61	5.25
Refunding Bonds - Series:					
2007 Unlimited Tax Series A		1.70	1.78	1.75	1.79
2007 Unlimited Tax Series B		0.32	0.33	0.33	0.34
2007 Limited Tax Series C		0.35	0.37	0.36	0.37
2014 Limited Tax Series D		1.01	1.01	0.99	0.63
2016 Unlimited Tax Series A		0.93	0.97	0.96	0.98
2016 Limited Tax Series B		0.14	0.14	0.14	0.14
Subtotal Bond Redemption & Interest Fund		15.73¢	16.30¢	15.99¢	15.73¢
TOTAL		40.84¢	41.58¢	40.76¢	40.20¢

NOTES: * As Adjusted reflects the 2017 EAV (\$147,945,823,261) estimated to increase 3.0 percent, plus any subsequent supplemental levies or appropriations.

** 2019 reflects an estimated 3.0 percent increase in EAV from the 2018 estimate.

*** As part of the plan of financing, it is intended and anticipated that tax revenues deposited in the Stormwater Management Fund be transferred to the Bond Redemption & Interest Fund and used to abate taxes levied for this issue.

COMPARATIVE APPROPRIATIONS BY MAJOR OBJECT OF EXPENDITURE



COMPARATIVE APPROPRIATIONS BY MAJOR CHARACTER OF EXPENDITURE



COMPARATIVE APPROPRIATIONS BY MAJOR OBJECT OF EXPENDITURE 2019-2018 ALL FUNDS

ORGANIZATION or FUND	YEAR	TOTAL	PERSONAL SERVICES	CONTRACTUAL SERVICES	MATERIALS & SUPPLIES	MACHINERY & EQUIPMENT	CAPITAL PROJECTS	LAND	FIXED & OTHER CHARGES
Board of Commissioners	2019	\$ 5,266,700	\$ 4,312,800	\$ 928,400	\$ 25,500	\$ —	\$ —	\$ —	\$ —
	2018	\$ 5,145,200	\$ 4,249,300	\$ 890,400	\$ 5,500	\$ —	\$ —	\$ —	\$ —
General Administration	2019	19,717,900	12,980,400	4,915,300	302,400	994,800	525,000	—	—
	2018	16,725,400	11,895,600	4,622,100	207,700	—	—	—	—
Monitoring & Research	2019	31,253,400	29,325,200	996,200	537,700	394,300	—	—	—
	2018	31,888,700	30,150,900	964,900	482,800	290,100	—	—	—
Procurement & Materls. Management	2019	9,786,100	5,845,000	155,500	3,496,400	172,200	117,000	—	—
	2018	9,466,700	5,796,900	131,800	3,508,000	30,000	—	—	—
Human Resources	2019	60,108,000	55,096,600	4,808,400	203,000	—	—	—	—
	2018	59,226,400	54,412,200	4,531,500	257,700	25,000	—	—	—
Information Technology	2019	18,352,300	8,906,100	8,407,400	833,300	205,500	—	—	—
	2018	17,052,500	8,855,300	7,478,000	689,200	30,000	—	—	—
Law	2019	7,168,700	5,719,200	675,900	18,600	—	—	—	755,000
	2018	7,502,800	5,309,400	1,285,200	18,200	—	—	—	890,000
Finance	2019	3,674,700	3,289,100	363,000	22,600	—	—	—	—
	2018	3,743,900	3,335,100	393,400	15,400	—	—	—	—
Maint. & Operations:									
General Division	2019	33,888,000	13,586,200	18,974,800	817,000	510,000	—	—	—
	2018	26,155,200	12,686,000	12,716,700	752,500	—	—	—	—
North Service Area	2019	43,382,000	26,034,900	13,386,400	3,571,000	389,700	—	—	—
	2018	42,258,700	25,512,400	13,930,300	2,709,100	106,900	—	—	—
Calumet Service Area	2019	36,634,900	19,246,500	12,826,000	3,648,400	914,000	—	—	—
	2018	36,295,300	18,749,700	13,695,200	3,764,700	85,700	—	—	—
Stickney Service Area	2019	82,101,500	39,183,200	29,456,400	13,146,900	315,000	—	—	—
	2018	86,426,300	38,231,300	35,901,200	12,268,800	25,000	—	—	—
TOTAL Maintenance & Operations	2019	\$ 196,006,400	\$ 98,050,800	\$ 74,643,600	\$ 21,183,300	\$ 2,128,700	\$ —	\$ —	\$ —
	2018	\$ 191,135,500	\$ 95,179,400	\$ 76,243,400	\$ 19,495,100	\$ 217,600	\$ —	\$ —	\$ —
Engineering	2019	25,473,300	25,076,300	342,900	54,100	—	—	—	—
	2018	28,322,100	27,840,200	401,500	80,400	—	—	—	—
TOTAL Corporate Fund	2019	\$ 376,807,500	\$ 248,601,500	\$ 96,236,600	\$ 26,676,900	\$ 3,895,500	\$ 642,000	\$ —	\$ 755,000
	2018	\$ 370,209,200	\$ 247,024,300	\$ 96,942,200	\$ 24,760,000	\$ 592,700	\$ —	\$ —	\$ 890,000
Construction Fund	2019	17,602,300	—	2,795,900	—	2,934,000	11,872,400	—	—
	2018	26,080,600	—	6,302,500	—	5,397,100	14,381,000	—	—
Capital Improvements Bond Fund	2019	236,431,900	—	20,157,500	—	—	214,224,400	300,000	1,750,000
	2018	312,982,900	—	9,472,000	—	795,000	300,665,900	300,000	1,750,000
Stormwater Management Fund	2019	91,410,100	9,792,200	53,004,900	131,400	—	27,081,600	1,000,000	400,000
	2018	65,581,000	6,683,500	38,466,500	124,900	—	19,506,100	400,000	400,000
Bond Redemption & Interest Fund	2019	238,357,541	—	—	—	—	—	—	238,357,541
	2018	256,304,187	—	—	—	—	—	—	256,304,187
Retirement Fund	2019	87,281,000	—	—	—	—	—	—	87,281,000
	2018	89,604,000	—	—	—	—	—	—	89,604,000
Reserve Claim Fund	2019	31,767,800	10,000,000	—	—	—	—	—	21,767,800
	2018	30,289,500	10,000,000	—	—	—	—	—	20,289,500
GRAND TOTAL	2019	\$ 1,079,658,141	\$ 268,393,700	\$ 172,194,900	\$ 26,808,300	\$ 6,829,500	\$ 253,820,400	\$ 1,300,000	\$ 350,311,341
	2018	\$ 1,151,051,387	\$ 263,707,800	\$ 151,183,200	\$ 24,884,900	\$ 6,784,800	\$ 334,553,000	\$ 700,000	\$ 369,237,687
PERCENTAGES	2019	100.0%	24.9%	15.9%	2.5%	0.6%	23.5%	0.1%	32.4%
	2018	100.0%	22.9%	13.1%	2.2%	0.6%	29.1%	0.1%	32.1%

Note: Percentages are rounded.

**COMPARATIVE APPROPRIATIONS BY CHARACTER OF EXPENDITURE
2019-2018 ALL FUNDS**

ORGANIZATION OR FUND	YEAR	TOTAL	CURRENT EXPENSE	CAPITAL OUTLAY	DEBT RETIREMENT
Board of Commissioners	2019	\$ 5,266,700	\$ 5,266,700	\$ —	\$ —
	2018	\$ 5,145,200	\$ 5,145,200	\$ —	\$ —
General Administration	2019	19,717,900	18,198,100	1,519,800	—
	2018	16,725,400	16,725,400	—	—
Monitoring & Research	2019	31,253,400	30,859,100	394,300	—
	2018	31,888,700	31,598,600	290,100	—
Procurement & Materials Management	2019	9,786,100	9,496,900	289,200	—
	2018	9,466,700	9,436,700	30,000	—
Human Resources	2019	60,108,000	60,108,000	—	—
	2018	59,226,400	59,201,400	25,000	—
Information Technology	2019	18,352,300	18,146,800	205,500	—
	2018	17,052,500	17,022,500	30,000	—
Law	2019	7,168,700	7,168,700	—	—
	2018	7,502,800	7,502,800	—	—
Finance	2019	3,674,700	3,674,700	—	—
	2018	3,743,900	3,743,900	—	—
Maintenance & Operations:					
General Division	2019	33,888,000	33,378,000	510,000	—
	2018	26,155,200	26,155,200	—	—
North Service Area	2019	43,382,000	42,992,300	389,700	—
	2018	42,258,700	42,151,800	106,900	—
Calumet Service Area	2019	36,634,900	35,720,900	914,000	—
	2018	36,295,300	36,209,600	85,700	—
Stickney Service Area	2019	82,101,500	81,786,500	315,000	—
	2018	86,426,300	86,401,300	25,000	—
TOTAL Maintenance & Operations	2019	\$ 196,006,400	\$ 193,877,700	\$ 2,128,700	\$ —
	2018	\$ 191,135,500	\$ 190,917,900	\$ 217,600	\$ —
Engineering	2019	25,473,300	25,473,300	—	—
	2018	28,322,100	28,322,100	—	—
TOTAL Corporate Fund	2019	\$ 376,807,500	\$ 372,270,000	\$ 4,537,500	\$ —
	2018	\$ 370,209,200	\$ 369,616,500	\$ 592,700	\$ —
Construction Fund	2019	17,602,300	2,795,900	14,806,400	—
	2018	26,080,600	6,302,500	19,778,100	—
Capital Improvements Bond Fund	2019	236,431,900	20,157,500	216,274,400	—
	2018	312,982,900	9,472,000	303,510,900	—
Stormwater Management Fund	2019	91,410,100	63,328,500	28,081,600	—
	2018	65,581,000	45,674,900	19,906,100	—
Bond Redemption & Interest Fund	2019	238,357,541	—	—	238,357,541
	2018	256,304,187	—	—	256,304,187
Retirement Fund	2019	87,281,000	87,281,000	—	—
	2018	89,604,000	89,604,000	—	—
Reserve Claim Fund	2019	31,767,800	31,767,800	—	—
	2018	30,289,500	30,289,500	—	—
GRAND TOTAL	2019	\$ 1,079,658,141	\$ 577,600,700	\$ 263,699,900	\$ 238,357,541
	2018	\$ 1,151,051,387	\$ 550,959,400	\$ 343,787,800	\$ 256,304,187
PERCENTAGES	2019	100%	53%	24%	22%
	2018	100%	48%	30%	22%

Note: Percentages are rounded.

2019 - 2018* PROGRAM APPROPRIATION - ALL FUNDS
BY DEPARTMENT AND MAJOR PROGRAM
(In Millions)

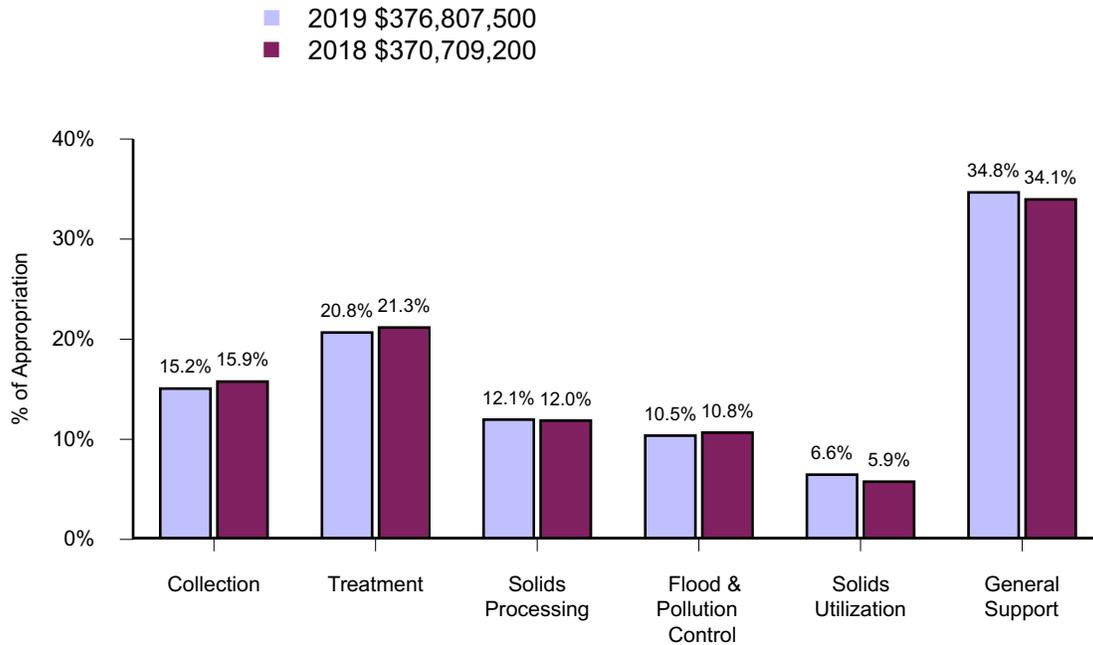
DEPARTMENT	MAJOR PROGRAM															
	COLLECTION		TREATMENT		SOLIDS PROCESSING		SOLIDS UTILIZATION		FLOOD & POLLUTION CONTROL		GENERAL SUPPORT		TOTAL			
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018		
Board of Commissioners	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 5.3	\$ 5.1	\$ 5.3	\$ 5.1
General Administration	—	—	—	—	—	—	—	—	—	—	—	—	19.7	16.7	19.7	16.7
Monitoring & Research	—	—	—	—	—	—	—	—	—	30.9	31.5	0.4	0.4	31.3	31.9	
Procurement & Materials Management	—	—	—	—	—	—	—	—	—	—	—	9.8	9.5	9.8	9.5	
Human Resources	—	—	—	—	—	—	—	—	—	—	—	60.1	59.2	60.1	59.2	
Information Technology	—	—	—	—	—	—	—	—	—	—	—	18.4	17.1	18.4	17.1	
Law	—	—	—	—	—	—	—	—	—	0.4	0.4	6.7	7.0	7.2	7.5	
Finance	—	—	—	—	—	—	—	—	—	0.3	—	3.4	3.7	3.7	3.7	
Maintenance & Operations	52.4	51.6	69.9	70.1	39.1	38.1	24.4	21.5	4.9	4.8	5.1	4.9	196.0	191.1		
Engineering	4.8	7.4	8.6	8.7	6.3	6.1	0.4	0.4	3.2	3.3	2.2	2.4	25.5	28.3		
Total Corporate Fund	\$ 57.3	\$ 59.0	\$ 78.6	\$ 78.9	\$ 45.4	\$ 44.3	\$ 24.8	\$ 21.9	\$ 39.7	\$ 40.0	\$ 131.1	\$ 126.2	\$ 376.8	\$ 370.2		
Construction and Capital Improvements Bond Funds	\$ 44.9	\$ 47.7	\$ 53.7	\$ 72.1	\$ 42.4	\$ 34.8	\$ 5.0	\$ 8.6	\$ 105.9	\$ 171.1	\$ 2.1	\$ 4.8	\$ 254.0	\$ 339.1		
Stormwater Management Fund	—	—	—	—	—	—	—	—	91.3	65.5	0.1	0.1	91.4	65.6		
Miscellaneous (Debt Service, Retirement, and Reserve Funds)	—	—	—	—	—	—	—	—	—	—	357.4	376.2	357.4	376.2		
GRAND TOTAL	\$ 102.2	\$ 106.7	\$ 132.3	\$ 150.9	\$ 87.8	\$ 79.1	\$ 29.7	\$ 30.5	\$ 236.9	\$ 276.6	\$ 490.8	\$ 507.2	\$ 1,079.7	\$ 1,151.1		

Notes: Totals are rounded.
*Adjusted Appropriation

APPROPRIATION DISTRIBUTION BY MAJOR PROGRAM

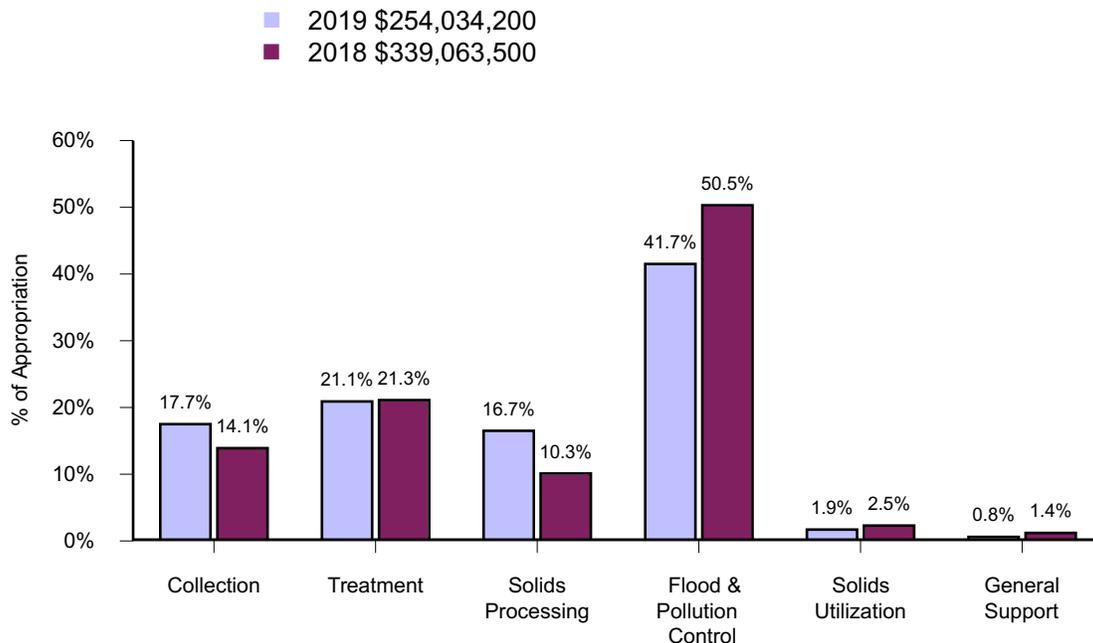
To comply with Illinois State Statute, it is necessary to prepare budget estimates and appropriate funds according to programs, as well as organizational units, performance principles, and unit cost data. The two charts on this page show the relationship of major objectives or functions within the Corporate, Construction, and Capital Improvements Bond Funds. The charts compare major program appropriations to the total fund appropriations for 2019 and 2018, as shown on page 51.

Corporate Fund



Note: Percentages are rounded.

Capital Improvements Bond & Construction Funds



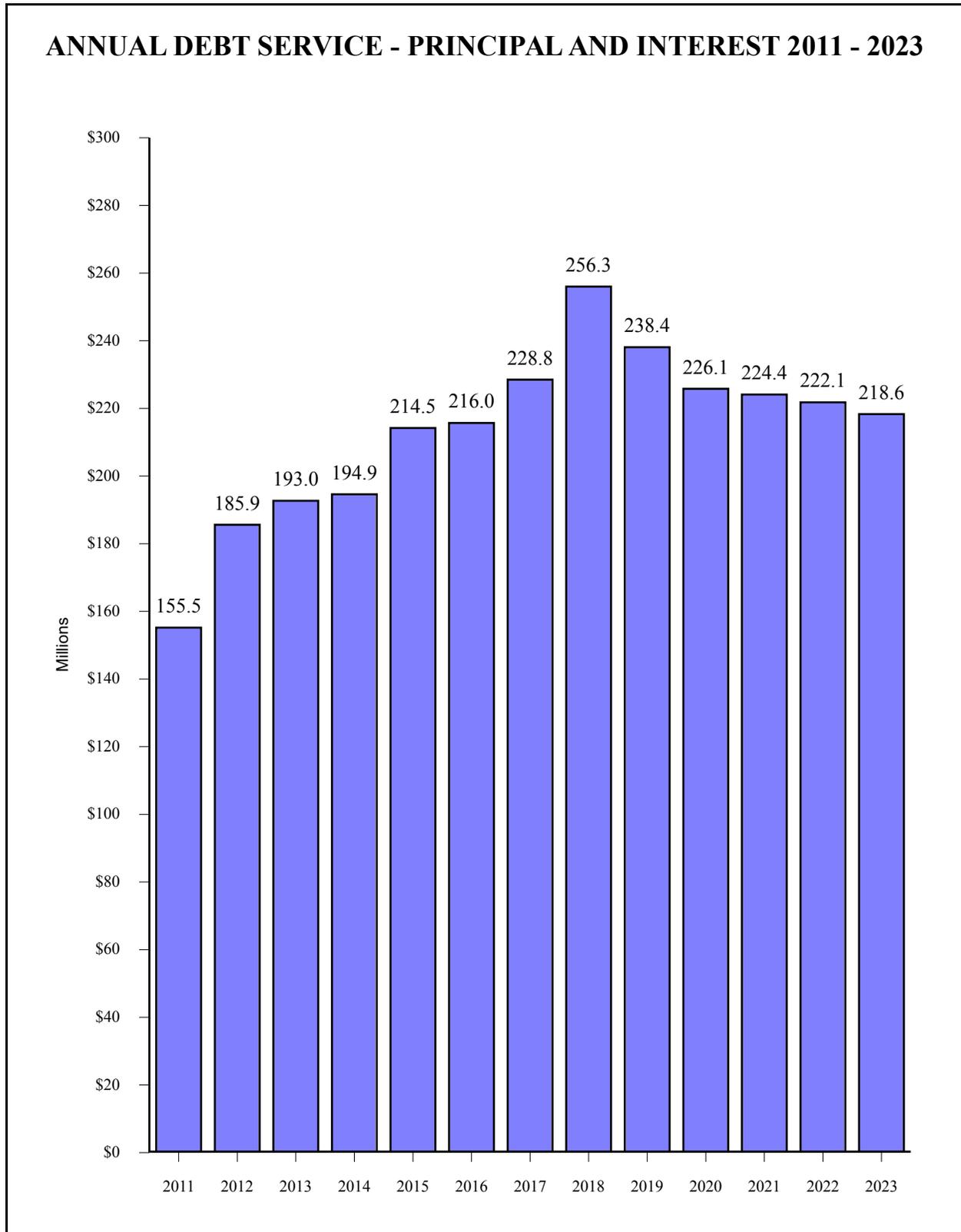
Note: Percentages are rounded.

2019 - 2018 PROGRAM APPROPRIATION COMPARISON ALL FUNDS

PROGRAM OBJECTIVE

NUMBER	NAME	2019 BUDGET	2018 BUDGET	DOLLAR INCREASE (DECREASE)	PERCENT INCREASE (DECREASE)	FTE POSITIONS	
						2019	2018
1000	Collection	\$ 102,214,167	\$ 106,673,907	\$ (4,459,740)	(4.2)	286	309
2000	Treatment	132,252,382	150,946,255	(18,693,873)	(12.4)	460	454
3000	Solids Processing	87,846,966	79,054,980	8,791,986	11.1	254	250
4000	Flood & Pollution Control	236,855,475	276,602,265	(39,746,790)	(14.4)	443	423
5000	Solids Utilization	29,726,010	30,536,700	(810,690)	(2.7)	43	41
7000	General Support (Debt, Retirement, Law, etc.)	490,763,141	507,237,280	(16,474,139)	(3.2)	487	489
TOTAL		\$1,079,658,141	\$1,151,051,387	\$ (71,393,246)	(6.2)	1,973	1,966

SUMMARY BY FUND	2019 BUDGET	2018 BUDGET	DOLLAR INCREASE (DECREASE)	PERCENT INCREASE (DECREASE)	FTE POSITIONS	
					2019	2018
Corporate Fund	\$ 376,807,500	\$ 370,209,200	\$ 6,598,300	1.8	1,889	1,909
Construction & Capital Improvements Bond Funds	254,034,200	339,063,500	(85,029,300)	(25.1)	—	—
Stormwater Management Fund	91,410,100	65,581,000	25,829,100	39.4	84	57
Retirement Fund	87,281,000	89,604,000	(2,323,000)	(2.6)	—	—
Bond Redemption & Interest Fund	238,357,541	256,304,187	(17,946,646)	(7.0)	—	—
Reserve Claim Fund	31,767,800	30,289,500	1,478,300	4.9	—	—
TOTAL	\$ 1,079,658,141	\$ 1,151,051,387	\$ (71,393,246)	(6.2)	1,973	1,966



This chart shows debt service for current bonds outstanding. The increase in 2018 is due to the advance payment of \$28.4 million, resulting in a savings of \$9.6 million over the life of the loans. Increases in 2017 and 2015 are due to issuances of July 2016 Limited and Unlimited Tax Series Bonds and December 2014 Limited and Unlimited Tax Series Bonds, respectively. The increase in 2012 is due to the issuance of July 2011 General Obligation Bonds.

Bonds to be sold in the future are not included in this chart and are detailed in the Five-Year Financial Forecast on pages 60 and 68.

**OUTSTANDING BONDS AND ESTIMATED STATUTORY DEBT MARGIN
DECEMBER 31, 2018**

BOND SERIES	DATE OF MATURITY	INTEREST RATES	AMOUNT PAYABLE
Capital Improvements Bonds - Series:			
2009 Limited Tax Series	2038	5.72%	\$ 600,000,000
2011 Limited Tax Series B	2032	3.1% to 5.0%	237,030,000
2011 Unlimited Tax Series C	2031	3.0% to 5.0%	43,735,000
2014 Unlimited Tax Series A	2044	5.0%	100,000,000
2014 Alternate Revenue Unlimited Tax Series B	2044	2.0% to 5.0%	47,190,000
2014 Limited Tax Series C	2028	2.0% to 5.0%	62,535,000
2016 Unlimited Tax Series C	2045	5.0%	30,000,000
2016 Limited Tax Series D	2030	5.0%	20,000,000
2016 Alternate Revenue Unlimited Tax Series E	2045	5.0%	50,000,000
2016 Qualified Energy Conservation Limited Tax Series F	2036	4.0%	4,000,000
SUBTOTAL - Capital Improvements Bonds:			<u>\$ 1,194,490,000</u>
Refunding Bonds - Series:			
2007 Unlimited Tax Series A	2022	4.0% to 5.0%	\$ 91,325,000
2007 Unlimited Tax Series B	2035	4.0% to 5.0%	91,845,000
2007 Limited Tax Series C	2033	4.0% to 5.0%	101,860,000
2014 Limited Tax Series D	2022	2.0% to 5.0%	53,125,000
2016 Unlimited Tax Series A	2031	5.0%	280,930,000
2016 Limited Tax Series B	2031	5.0%	41,330,000
SUBTOTAL - Refunding Bonds:			<u>\$ 660,415,000</u>
State Revolving Fund Bonds - Series:			
97AA SRF L170822	2019	2.506%	\$ 3,203,445
97BB SRF L171151	2020	2.535%	1,269,943
97CC SRF L172031	2021	2.535%	7,928,891
97DD SRF L171152	2023	2.905%	4,803,225
01A SRF L172126	2024	2.57%	19,357,481
01B SRF L172127	2024	2.50%	22,996,315
01C SRF L172128	2026	2.50%	23,082,086
04A SRF L172485	2028	2.50%	12,654,586
04B SRF L172488	2028	2.50%	14,783,023
04C SRF L172493	2027	2.50%	1,314,718
04D SRF L172494	2027	2.50%	1,260,783
04E SRF L172495	2028	2.50%	4,350,153
04F SRF L172496	2031	—%	2,484,180
04G SRF L172611	2027	2.50%	2,048,188
04H SRF L172849	2029	2.50%	32,490,869
07A SRF L172625	2030	2.50%	27,541,161
07B SRF L172850	2030	2.50%	19,080,229
07C SRF L172770	2031	—%	41,666,667
07D SRF L172763	2030	2.50%	6,281,836
09A SRF L173074	2032	1.25%	32,968,915
09B SRF L173064	2031	—%	4,786,123
09C SRF L173063	2031	—%	1,399,464
09D SRF L174558	2033	2.295%	29,269,495
09E SRF L173005	2031	1.25%	27,185,219
09F SRF L174557	2032	1.25%	44,859,856
09G SRF L173075	2032	1.25%	21,043,981
09H SRF L173800	2031	—%	459,904
09I SRF L174675	2031	1.25%	7,283,027

**OUTSTANDING BONDS AND ESTIMATED STATUTORY DEBT MARGIN
DECEMBER 31, 2018**

BOND SERIES	DATE OF MATURITY	INTEREST RATES	AMOUNT PAYABLE
State Revolving Fund Bonds - Series (continued):			
12A SRF L174710	2034	2.295%	\$ 6,208,752
12B SRF L174712	2034	2.295%	5,317,315
12C SRF L174621	2036	1.995%	12,484,442
12D SRF L174988	2035	1.93%	23,917,079
12E SRF L174709	2035	1.93%	4,955,103
12F SRF L174989	2035	1.93%	46,565,837
12G SRF L174923	2038	1.93%	32,840,169
12H SRF L174924	2035	1.93%	21,583,947
12I SRF L175222	2036	2.21%	4,644,104
12J SRF L175172	2035	1.995%	2,350,755
12K SRF L174925	2035	1.995%	12,144,738
12L SRF L175161	2036	2.21%	30,943,211
12M SRF L175168	2037	2.21%	11,447,119
12N SRF L175164	2036	1.995%	2,608,184
12O SRF L175166	2035	1.995%	4,199,543
14A SRF L173076	2036	2.21%	74,725,359
14B SRF L175171	2036	2.21%	2,559,300
14C SRF L174559	2036	2.295%	18,805,139
14D SRF L175263	2038	1.86%	11,223,741
14E SRF L173062	2038	1.86%	34,622,669
14G SRF L175152	2038	1.86%	15,369,975
14H SRF L175355	2036	1.86%	1,163,155
14I SRF L175223	2038	1.86%	5,918,088
14J SRF L175219	2036	2.21%	3,075,898
14K SRF L175366	2038	1.86%	4,871,950
14L SRF L175368	2038	1.75%	5,452,385
14M SRF L175372	2038	2.221%	1,441,655
14N SRF L175371	2038	1.995%	1,320,441
16A SRF L174555	2038	1.75%	129,663,954
16D SRF L175460	2038	1.75%	4,872,946
SUBTOTAL - State Revolving Fund Bonds:			\$ 955,150,713
TOTAL OUTSTANDING BONDS:			\$ 2,810,055,713

CALCULATION OF ESTIMATED STATUTORY DEBT MARGIN

Debt Applicable to Debt Limit:			
Outstanding Bonds		\$ 2,810,055,713	
Less: Alternate Revenue Bonds Outstanding		(97,190,000)	
Bond Anticipation Note - Principal		130,000,000	
Bond Anticipation Note - Interest		1,000,000	
Capital Lease - Biosolids Facility		35,979,558	
Liabilities of Tax Financed Funds		\$ 3,000,000	\$ 2,882,845,271
Less Applicable Assets:			
Cash and Investments - Bond Redemption & Interest Fund		\$ (112,000,000)	
Interest on Bonds Payable in Next Twelve Months		115,014,150	\$ 3,014,150
NET DEBT APPLICABLE TO LIMIT:			\$ 2,885,859,421
Statutory Debt Limit 5.75% of 2017 EAV			\$ 8,506,884,838
Less Net Debt Applicable to Limit			2,885,859,421
ESTIMATED STATUTORY DEBT MARGIN:			\$ 5,621,025,417

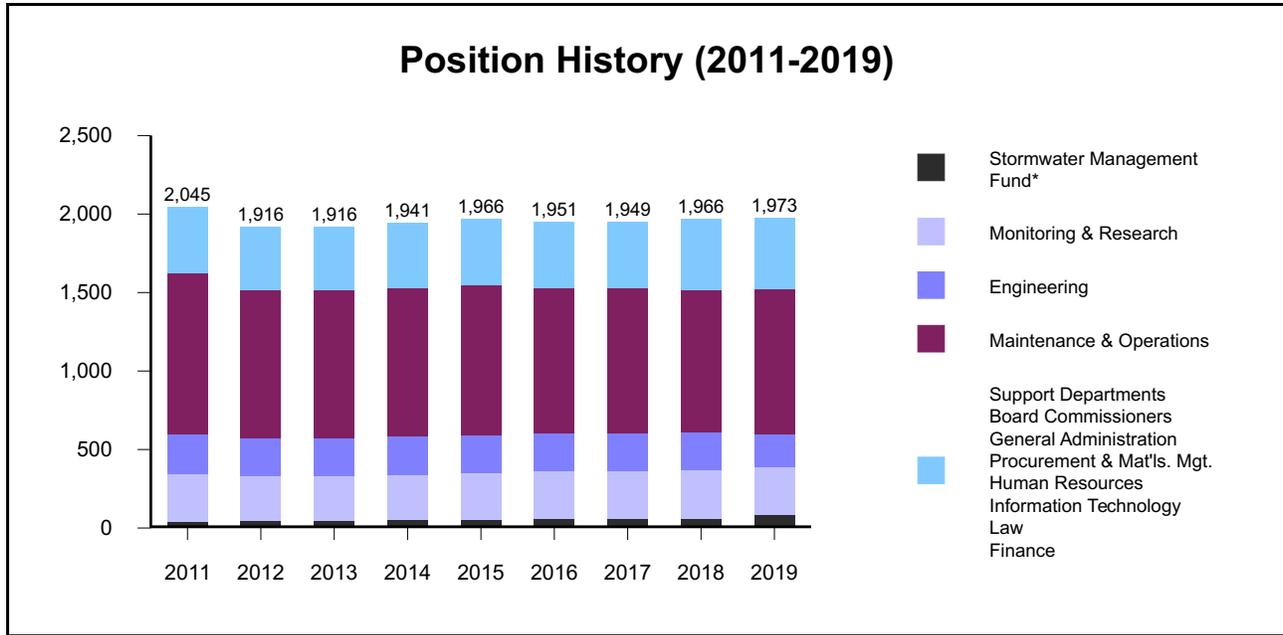
**ACCOUNT SUMMARY COMPARISON
2019 - 2018 ALL FUNDS**

ORGANIZATION OR FUND	Account Appropriation		Increase (Decrease) 2019-2018	
	2019	2018	Dollars	Percent
Board of Commissioners	\$ 5,266,700	5,145,200	\$ 121,500	2.4
General Administration	19,717,900	16,725,400	2,992,500	17.9
Monitoring & Research	31,253,400	31,888,700	(635,300)	(2.0)
Procurement & Materials Management	9,786,100	9,466,700	319,400	3.4
Human Resources	60,108,000	59,226,400	881,600	1.5
Information Technology	18,352,300	17,052,500	1,299,800	7.6
Law	7,168,700	7,502,800	(334,100)	(4.5)
Finance	3,674,700	3,743,900	(69,200)	(1.8)
Maintenance & Operations:				
General Division	33,888,000	26,155,200	7,732,800	29.6
North Service Area	43,382,000	42,258,700	1,123,300	2.7
Calumet Service Area	36,634,900	36,295,300	339,600	0.9
Stickney Service Area	<u>82,101,500</u>	<u>86,426,300</u>	<u>(4,324,800)</u>	(5.0)
TOTAL Maintenance & Operations	\$ 196,006,400	191,135,500	\$ 4,870,900	2.5
Engineering	<u>25,473,300</u>	<u>28,322,100</u>	<u>(2,848,800)</u>	(10.1)
TOTAL Corporate Fund	\$ 376,807,500	370,209,200	\$ 6,598,300	1.8
Construction Fund	17,602,300	26,080,600	(8,478,300)	(32.5)
Capital Improvements Bond Fund	<u>236,431,900</u>	<u>312,982,900</u>	<u>(76,551,000)</u>	(24.5)
TOTAL Capital Budget	\$ 254,034,200	339,063,500	\$ (85,029,300)	(25.1)
Stormwater Management Fund	91,410,100	65,581,000	25,829,100	39.4
Bond Redemption & Interest Fund	238,357,541	256,304,187	(17,946,646)	(7.0)
Retirement Fund	87,281,000	89,604,000	(2,323,000)	(2.6)
Reserve Claim Fund	<u>31,767,800</u>	<u>30,289,500</u>	<u>1,478,300</u>	4.9
GRAND TOTAL	<u>1,079,658,141</u>	<u>1,151,051,387</u>	<u>(71,393,246)</u>	(6.2)

**PERSONNEL SUMMARY COMPARISON
2019 - 2017 ALL FUNDS**

ORGANIZATION OR FUND	Proposed FTEs 2019	Budgeted FTEs 2018	Actual FTEs 2017	Increase (Decrease) 2019-2018	
				FTEs	Percent
Board of Commissioners	38	38	37	—	—
General Administration	119	121	122	(2)	(1.7)
Monitoring & Research	302	312	305	(10)	(3.2)
Procurement & Materials Management	63	63	60	—	—
Human Resources	93	91	71	2	2.2
Information Technology	74	73	68	1	1.4
Law	40	37	36	3	8.1
Finance	27	28	28	(1)	(3.6)
Maintenance & Operations:					
General Division	115	107	115	8	7.5
North Service Area	248	245	246	3	1.2
Calumet Service Area	189	185	188	4	2.2
Stickney Service Area	369	367	372	2	0.5
TOTAL Maintenance & Operations	921	904	921	17	1.9
Engineering	212	242	242	(30)	(12.4)
TOTAL Corporate Fund	1,889	1,909	1,890	(20)	(1.0)
Construction Fund	—	—	—	—	—
Capital Improvements Bond Fund	—	—	—	—	—
TOTAL Capital Budget	—	—	—	—	—
Stormwater Management Fund	84	57	59	27	47.4
Bond Redemption & Interest Fund	—	—	—	—	—
Retirement Fund	—	—	—	—	—
Reserve Claim Fund	—	—	—	—	—
GRAND TOTAL	1,973	1,966	1,949	7	0.4

PERSONAL SERVICE APPROPRIATIONS



*In 2019, 84 positions for the Maintenance & Operations and Engineering Departments are budgeted in the Stormwater Management Fund, while the operations remain within the departments.

The Maintenance & Operations, Engineering, and Monitoring & Research Departments are referred to as the District’s operating departments. These departments are directly responsible for the daily operations of sewage collection, treatment, environmental monitoring activities, and disposal. The remaining departments are generally termed as support departments. While positions in these departments may be considered indirect or overhead, they are also necessary for technical expertise, statutory compliance, governance, and public accountability.

The staffing reduction in 2012 was part of a five-year plan to restructure the organization to ensure future financial viability. The staffing increases in 2014 and 2015 were necessary to address new and continuing initiatives as presented in the Strategic Business Plan. The staffing increase in 2018 is primarily due to the expansion of the internship and apprenticeship programs. The recommended increase for 2019 is due to the reassessment of staffing needs in the Maintenance & Operations Department.

The exhibit below provides the personal service appropriations for 2018 and 2019, and the actual expenditures for personal services in 2017. The District has introduced a number of initiatives in an effort to control cost increases including actively managing employee health benefit costs.

Personal Service Summary - All Funds	2017 Actual Exp.	2018 Adj. Approp.	2019 Budgeted	Increase (Decrease) 2019-2018	
				Dollars	Percent
Salaries of Regular Employees	\$ 181,002,331	\$ 193,464,400	\$ 197,788,600	\$ 4,324,200	2.2 %
Compensation Plan Adjustments	7,393,517	7,934,400	7,864,200	\$ (70,200)	(0.9)%
Social Security & Medicare Contributions	2,678,867	2,846,200	2,929,900	\$ 83,700	2.9 %
Employee Claims	4,255,692	10,074,000	10,060,000	\$ (14,000)	(0.1)%
Other Employee Personal Services*	1,770,517	2,145,000	2,067,700	\$ (77,300)	(3.6)%
Health & Life Insurance Premiums**	43,402,648	47,008,800	47,683,300	\$ 674,500	1.4 %
Total	\$ 240,503,572	\$ 263,472,800	\$ 268,393,700	\$ 4,920,900	1.9 %

* Includes Tuition, Training, and Non-budgeted Salaries
 ** Includes Other Postemployment Benefits Distribution

FIVE-YEAR FINANCIAL FORECAST

2019 - 2023

The District's Five-Year Financial Forecast (FYFF), as defined by generally accepted accounting principles, is an interim financial report. Interim financial reports are designed to provide estimates of future financial operating conditions to policymakers and managers. They reflect no legal obligation of the organization, present or future.

The FYFF is prepared prior to the Executive Director's Budget Recommendations and reflects the best estimates of revenues, fund equity, and appropriation needs available at the time. This forecast is presented to the Executive Director. Subject to his review and approval, it is then included in the Budget.

The FYFF presentation is in the form of a letter from the Budget Officer to the Executive Director, which discusses the assumptions used in making the forecast. It also provides a discussion of the changes and trends in operations, which are expected to occur during the FYFF period. Graphs and tables are provided, detailing the financial projections of all funds.



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October 16, 2018

SUBJECT: FIVE-YEAR FINANCIAL FORECAST, 2019 - 2023

Dear Sir:

I have reviewed the Five-Year Financial Forecast prepared for the fiscal years 2019 - 2023 and offer the following report and summary. Subject to your review and approval, this will be included in the 2019 Budget. These projections are a tool designed to aid the District in planning and controlling its financial position over a longer range than the 2019 Budget itself. They also contribute to making the Budget a comprehensive financial plan of District operations, present, and future.

This forecast is designed to provide the reviewer with a better understanding of how the District’s revenues and expenditures are expected to develop during the next five years. It also summarizes the tax impact of the District’s strategic goals and objectives. As useful as the forecast is in providing a short- and long-term view of the District’s financial position, it should be used with an understanding of the underlying expenditure and revenue assumptions. The report’s value lies in the projected trends rather than the absolute numbers. The current trends require the District to remain diligent in cutting costs and increasing efficiencies.

OVERVIEW

Illinois Property Tax Extension Limitation (Tax Cap) statute remains the primary limiting factor for the District’s long-term financial planning. This law essentially limits increases in property tax levies for our aggregate or operating funds, to an increase of five percent or the change in the national Consumer Price Index (CPI), whichever is less. Revenue sources for the District are limited by statute and are derived primarily from property taxes. Projections of economic growth in Illinois, reflected in revenues from personal property replacement tax collections, investment income, real estate leases, and user charge collections are anticipated to show slow to moderate growth over the projection period.

The aggregate levy for 2019 is estimated to increase by 3.5 percent over 2018, as adjusted, and is projected to increase an average of 3.5 percent per year for 2020 through 2023. As noted on the graph on page 64, the 2019 levy is projected to be at the Tax Cap limitation. In planning for future years, it is necessary to plan major expenditures such that appropriations and resulting levies do not exceed the statutory limitations on property tax revenues in any given year. The Cook County Clerk ensures that the District’s levy remains in compliance by adjusting the levy extension, if required. The District has directed the Cook County Clerk to make any such reduction only to the Construction Fund. The Tax Cap may reduce the 2018 aggregate levy to be collected in 2019, depending on the 2018 CPI. It is not anticipated to be a significant reduction.

In 2001, the Illinois Legislature amended the Metropolitan Water Reclamation District Act to allow the issuance of debt for up to 30 years (previously 20 years). The District’s overall non-referendum authority was last extended by the legislature in 2010 through December 31, 2024. In 2004, the District received authority to issue \$150 million (previously \$100 million) of non- referendum bonds during any budget year. These legislated changes provide resources for financing the capital program for the immediate five year time period covered by this forecast.

EXPENDITURES: DEPARTMENTAL GUIDELINES AND METHODOLOGY

The Budget Office asked each department to project its needs for the years 2019 - 2023. The projections were made in current dollars, then inflated based on the most recently provided inflation factors from the Illinois Commission on Government Forecasting and Accountability. These were applied to reflect market forecasts for material and service expenditures appropriate to our industry. The Human Resources Department directly projected health and life insurance costs based on current multi-year agreements and industry trends. Electricity was adjusted for operating needs and contractual rates.

REVENUE AND FINANCING ASSUMPTIONS

Key assumptions made in the projections of revenues and tax rates are:

- Short-term fluctuations in commodities such as lumber and metals should have little impact over the long term. Over the long term, these costs will be viewed as normal cost increases in tandem with an economy that will continue with modest growth trends for the projection period. The District will monitor the impacts of tariffs, particularly on steel and other commodities;
- Tax collections will be 96.5 percent of what is levied - allowing for loss in collections, Property Tax Appeals Board (PTAB) decisions, circuit court decisions, and other tax refunds;
- The annual Equalized Assessed Valuation (EAV) projection is based on the 2017 amount as provided by the Cook County Clerk, with estimated growth of 3.0 percent annually from 2019 - 2023;
- The estimated annual tax levy increase for the aggregate funds controlled by the Tax Cap is based on projections of available funding, increases in the CPI, estimated at 3.0 percent for the years 2019 - 2023, and allowable adjustments to EAV for new property at just under 0.5 percent annually;
- The planned sale of capital improvement bonds, assumed to be a 30-year level payment, will occur as follows:

<u>Year</u>	<u>Limited Bonds</u>	<u>Unlimited Bonds</u>
2019		
2020		
2021	\$100 million	\$25 million
2022		
2023		

- Bond Redemption & Interest Fund levy estimates are based on a 5.0 percent interest rate on bond issues;
- The District is expected to receive approximately \$120 million in 2019 and \$175 million annually from 2020 - 2023 in State Revolving Fund loans;

APPROPRIATION FORECASTS

Total District appropriations are summarized in the exhibit on page 64, and detailed in Table I on page 65. The year-to-year variation is largely due to the schedule of awards for major capital projects. Changes and explanations within the various District funds are as follows:

Corporate Fund

The Corporate Fund, the District's general fund, includes all appropriations for day-to-day operations. Appropriations for the fund are expected to increase an average of 1.9 percent annually from 2019 through 2023. This relative stability of appropriations is attributed to revenue estimates, as well as planned control of growth in operations and stability in staffing levels. Annual average increases greater than the general price index are anticipated for health care. Following four years of growth in energy and chemical costs, the District anticipates a stable outlook. The District's long-term benefits strategy continues to focus on rising health care costs. Employee and retiree benefits constitute approximately 11.1 percent of the Corporate Fund budget. While strategies to limit cost increases have resulted in average annual increases of 2.3 percent from 2013 to 2018, benefits are projected to increase an average 6.2 percent annually over the next five years. The District continues to fund the Other Postemployment Benefits Trust to ensure future retiree health care benefits by contributing \$5.0 million annually through 2026. Salaries are projected to increase 2.0 percent from 2020 through 2023, while the number of positions is projected to remain stable or decrease slightly.

Energy Costs

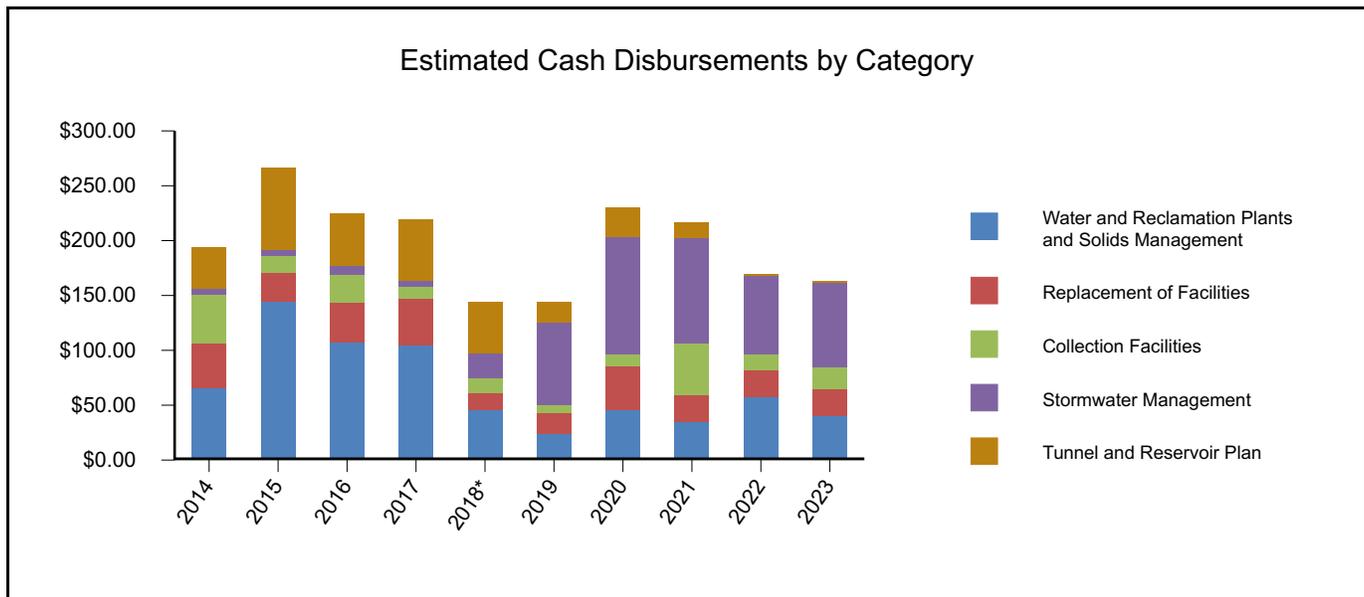
Energy costs are expected to decrease by 14.7 percent from 2018 to 2019 due primarily to a rate reduction and elimination of the Energy Efficiency charge. Projections remain stable from 2019 through 2023. In 2017, the District extended the electricity supply contract for 2019 at a rate that is 13.46% percent lower than the 2018 rate. The District has entered into an agreement with American Powernet LP, to sell Renewable Energy Credits on the open market in Illinois, Maryland and the District of Columbia. Estimated revenue is approximately \$200,000 annually. Finally, the District has completed phase 1 of 3 guaranteed energy performance agreements with the Public Building Commission and NORESCO. Work completed in 2017 at the Calumet Water Reclamation

Plant, included replacing lighting, HVAC controls and steam blanket insulation. In 2018, phase 2 work began in the North Area and various outlying stations. The third phase of the project is scheduled for 2019 at the Stickney Water Reclamation Plant.

Capital Improvements Bond and Construction Funds

The Capital Improvements Bond Fund (CIBF) accounts for all resources, principally State Revolving Fund loans, bond proceeds and Build America Bond rebates (categorized as grants), used for the construction of capital projects. Total bond sales to support the CIBF are projected at \$125 million in 2021. This funding will be used in conjunction with federal appropriations from the Army Corps of Engineers to support a major portion of the McCook reservoir projects. The District has agreements with the Army Corps of Engineers to share the funding costs of the CUP reservoirs. In the US Army Corps of Engineers’ (Corps) FY 2018 Work Plan, \$34.7 million in federal funds was designated to be transferred to the District to take over the management and complete Stage 2 of the McCook Reservoir. The District is currently working with the Corps to execute a Project Cooperation Agreement (PCA) amendment, that will allow the transfer of funds and responsibility to take place. The authority for this transfer stems from Section 1043 of the Water Resources Development Act of 2014.

The Construction Fund is a pay-as-you go Capital fund used to finance modernization, rehabilitation, and small capital projects, funded primarily through annual property tax levies. Appropriations for this fund lapse at year-end and uncompleted projects must be reappropriated. Initial estimates and schedules have been analyzed and compared to bond issuance authority and funding availability. The estimated cash balances in the CIBF will accommodate the proposed projects through 2023. The table below shows the Estimated Cash Disbursements by Category for construction projects.



*Estimated 2018 Year-end

Retirement Fund

The appropriation for the Retirement Fund is decreasing from 2018 to 2019 by \$2.3 million and is projected to remain stable from 2020 through 2023 due to the full implementation of legislative changes aimed at reducing unfunded pension liabilities. Due to a change in legislation, beginning in 2013, the tax levy is based on the fund’s actuarially determined contribution requirement, but shall not exceed an amount equal to employee contributions of two years prior, multiplied by 4.19. The previous multiplier was 2.19, and employee contributions for employees who were fund members before January 1, 2011 increased one percent per year from nine percent in 2012 to 12 percent in 2015.

Debt Service Fund

Debt Service Fund appropriations will decrease slightly, an average of 2.0 percent annually over the next five years due primarily to the utilization of low-interest State Revolving Fund loans. Current debt service schedules, additional debt service requirements for new revolving fund loans, and anticipated bond sales will increase due to increased capital expenditures related to major plant expansion and system improvements, a phosphorus removal project, TARP reservoir projects, and Stormwater Management Program projects, including cost sharing projects with local municipalities that address localized flooding issues and the Addison Creek Reservoir.

Reserve Claim Fund

The appropriation for the Reserve Claim Fund is expected to grow slowly between 2020 and 2023, from \$30.5 million to \$37.0 million. The Reserve Claim Fund is the District's self-insurance fund, and the annual appropriation equals all available resources in the fund. The projected annual appropriation is based on average annual expenditures of \$5.0 million remaining steady. Expenditures related to Workers' Compensation claims have been decreasing over the past three years and are expected to remain stable. Beginning in 2015, the District purchased insurance coverage for roughly \$10.5 billion in assets.

TAX LEVY FORECASTS

Tax levies are projected to increase an average rate of 3.0 percent annually over the five-year period. Efforts will be undertaken to adjust annual variability consistent with meeting our objectives. The District has been very successful in managing its financial resources to limit any increases in the overall tax levy, excluding Stormwater Management, to five percent with tax abatements since before the imposition of the Tax Cap. Projections of tax levies and revenue sources for the various District funds are as follows:

Corporate Fund

Tax levy projections for the Corporate Fund are expected to increase an average of 3.7 percent annually from 2019 through 2023. Property tax revenues account for 65.0 percent of 2019 Corporate Fund projected revenue. Other significant funding sources include industrial user charge fees, investment income, and land rentals. The funding from the user charge system, which by design recovers costs attributable to industrial users, is expected to continue to slowly decline over the next five years from \$46 million to \$43 million. Local governments, and chemical and food processing users pay the majority of user charge fees.

Construction Fund

The tax levy for the Construction Fund is \$7.6 million in 2019. The Levy is projected to remain stable at \$8.0 million through 2021, and then increase to \$15.0 million. The Construction Fund finances small construction projects and equipment replacement on a pay-as-you-go basis.

Retirement Fund

The average increase projected for 2019 through 2022 is 0.8 percent for the Retirement Fund Property Tax levy. The Fund also receives a portion of the District's Personal Property Replacement Tax (PPRT) distribution from the State of Illinois equal to 20.9 percent of the total Retirement Fund revenues. In 2012, changes to the District's pension laws increased both the employee contributions and the District's contribution to the Retirement Fund. From 2015 to 2017, the Retirement Fund tax levy increased by over \$10 million each year as the legislative changes were phased in. From 2019 through 2022, the Property Tax Levy, PPRT distribution, and the appropriation are expected to be stable.

Reserve Claim

The tax levy for the Reserve Claim Fund is projected to be \$7.5 million in 2019 and remain flat at \$7.5 million from 2020 through 2023.

Stormwater Management Fund

The Stormwater Management Fund levy is projected to increase an average of 8.5 percent annually as the District continues to address local flooding issues. Regional stormwater management projects are being vetted for funding in 2019 and the following years.

Bond Redemption and Interest Fund

The 2019 tax levies for the District's Debt Service Fund are based on six refunding bonds, 10 capital improvement bonds, and 63 State Revolving Fund (SRF) loans. Additional projected capital improvement and SRF loans sales will be used to finance TARP, flood prevention, and other capital projects. Debt service funds account for annual property tax levies and certain other revenues, primarily investment income, that is used to finance the payment of interest and principal on general obligation bond issues. Stormwater Alternate Revenue Bonds are paid from the Stormwater Levy and the same amount is abated from the debt service tax levy. The projected debt for the District during 2019 through 2023 appears on page 68. The District's outstanding bonds and ability to issue additional bonds are presented on pages 544 - 548.

TAX RATE FORECASTS

Forecasts of property tax rates are dependent on projected EAV. The estimated tax rates are calculated using the projected levy and EAV applicable for a particular tax year. Assuming a 3.00% annual increase in EAV, the District's tax rate per \$100 of assessed value will remain flat from 2019 through 2023 at approximately \$0.41.

Annual tax rate limits exist for the District's Corporate, Construction, Reserve Claim, and Working Cash Funds. The District's Corporate and Construction Funds annual tax rate limits are 41 and 10 cents per \$100 of assessed value, respectively. Adequate margins exist in both the Corporate and Construction Funds to extend taxes for District operations. A half-cent annual levy is allowed for the Reserve Claim, Corporate, and Construction Working Cash Funds. The Stormwater Management Fund can levy up to five cents and is not limited by the Tax Cap. The rates are expected to increase primarily due to increases for stormwater management and debt service.

SUPPORTING EXHIBITS

The data presented to illustrate the projected financial status of the District is divided into six segments: Summary of All Funds, the Corporate Fund, Capital Improvements Funds, Debt Service, Program Distribution within Fund, and the Combined GAAP-Basis Balance Sheets for the General Corporate Fund.

The graphs on page 64, and the tables on page 65, summarize the projected appropriations, property tax rates, and tax levies for all funds for the years 2019 through 2023. Historical comparisons can be made by reviewing the actual appropriations, tax rates, and levies for the years 2010 through 2019 on page 43.

Table II, on page 66 provides detailed revenue and tax rate projections, as well as appropriations by department and major categories for the Corporate Fund for 2019 through 2023. Corporate Fund appropriations and expenditures for the years 2010 through 2019 can be found on page 107

Projections for revenues, tax rates, and appropriations for the Construction Fund for the years 2019 through 2023, appear on page 67, and projected appropriable resources and appropriations for the Capital Improvements Bond Fund appear on page 68. The table on the bottom of page 66 and the exhibits on page 69 present appropriation projections by major programs. A summary of actual and projected expenditures for both funds, for the years 2014 through 2023, can be found in the Capital Improvement Program Section, on page 334.

The balance sheet statement on page 70 is prepared on a GAAP-basis of accounting and is included to show the effect on the General Corporate Fund, which is comprised of the Corporate, Corporate Working Cash, and Reserve Claim Funds. The total fund equity projection for 2019 is \$331.4 million.

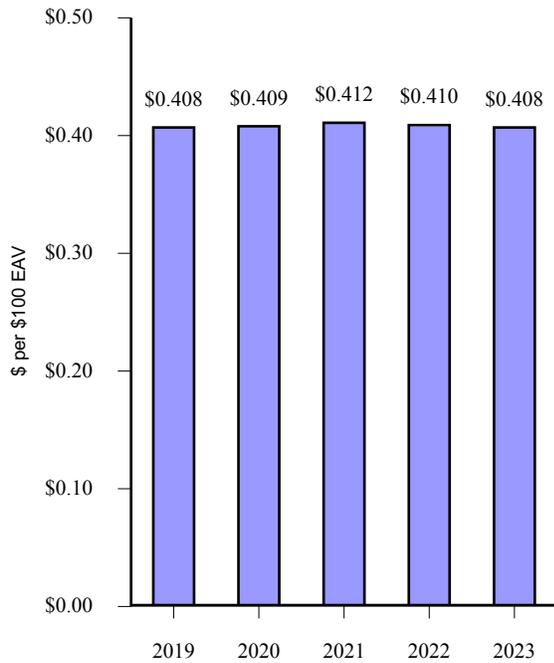
Respectfully submitted,



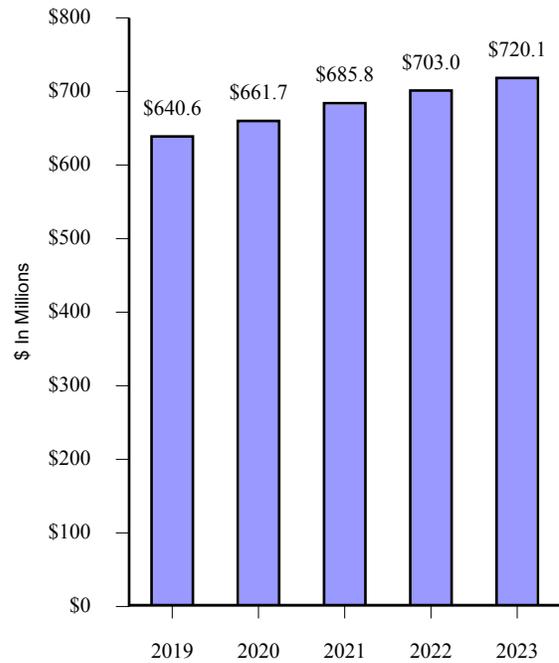
Shellie A. Riedle
Budget Officer

FIVE-YEAR FINANCIAL FORECAST, 2019 - 2023

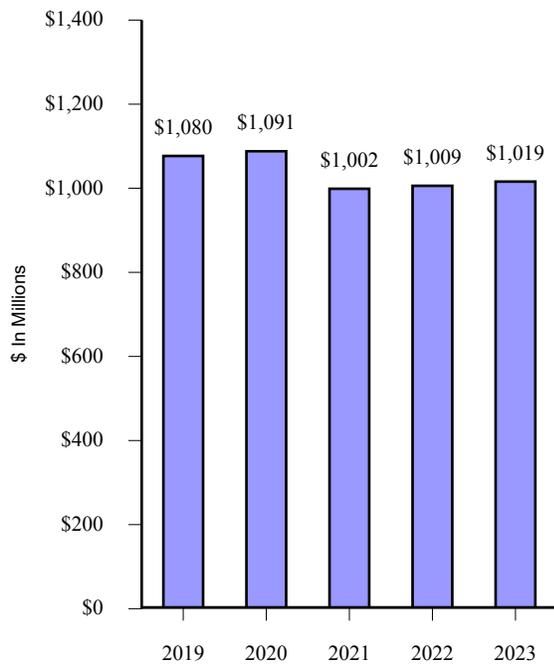
Projected Tax Rates



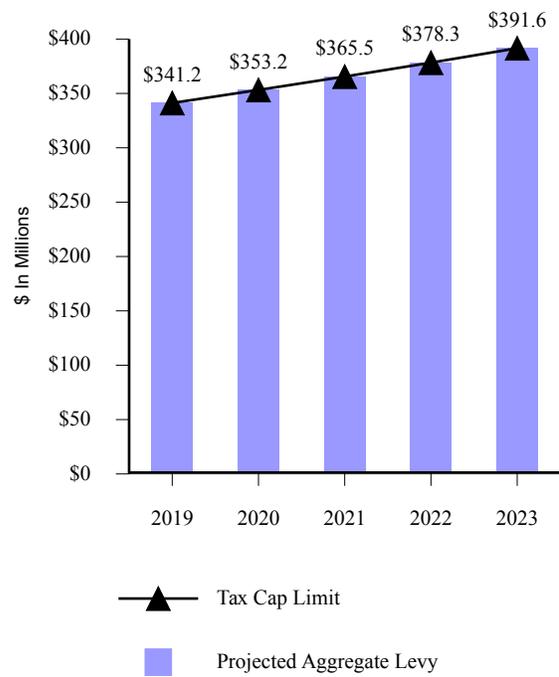
Projected Total Tax Levy



Projected Appropriation



Projected Aggregate Levy



FIVE-YEAR FINANCIAL FORECAST, 2019 - 2023

TABLE I

ALL FUNDS					
Projected Tax Rates	2019	2020	2021	2022	2023
Corporate	\$ 0.1622	\$ 0.1639	\$ 0.1661	\$ 0.1642	\$ 0.1664
Construction	0.0048	0.0049	0.0048	0.0087	0.0085
Stormwater Management	0.0337	0.0359	0.0379	0.0398	0.0415
Debt Service	0.1570	0.1549	0.1544	0.1495	0.1445
Retirement	0.0456	0.0449	0.0441	0.0433	0.0425
Reserve Claim	0.0048	0.0046	0.0045	0.0044	0.0042
Total (\$ in cents)	\$ 0.4081	\$ 0.4093	\$ 0.4118	\$ 0.4099	\$ 0.4076
Percentage Change		0.30%	0.62%	(0.47)%	(0.56)%
Projected tax rate per \$100 Equalized Assessed Valuation (EAV). Assumes 2018 EAV of \$152.4 billion increasing 3.0% in 2019 and 3% each year thereafter.					
Projected Tax Levies	2019	2020	2021	2022	2023
Corporate	\$ 254,574	265,018	276,555	281,550	293,991
Construction	7,600	8,000	8,000	15,000	15,000
Stormwater Management	52,926	58,026	63,126	68,226	73,326
Debt Service- Existing	246,484	243,124	239,571	236,602	231,825
Debt Service- Proposed	—	7,375	17,543	19,863	23,357
Retirement	71,565	72,665	73,489	74,288	75,090
Reserve Claim	7,500	7,500	7,500	7,500	7,500
Total Levy (\$ in thousands)	\$ 640,649	\$ 661,708	\$ 685,784	\$ 703,029	\$ 720,088
Percentage Change	3.31%	3.29%	3.64%	2.51 %	2.43 %
Aggregate Levy (\$ in thousands)	\$ 341,240	\$ 353,183	\$ 365,544	\$ 378,338	\$ 391,580
Percentage Change	3.50%	3.50%	3.50%	3.50 %	3.50 %
Projected Annual Appropriations	2019	2020	2021	2022	2023
Corporate	376,807	\$ 383,234	\$ 389,557	\$ 397,797	\$ 405,485
Capital Improvements Bond	236,432	241,943	181,441	173,494	174,144
Construction	17,602	16,772	10,500	16,000	16,200
Stormwater Management	91,410	104,804	66,906	55,000	57,500
Debt Service- Existing	238,358	226,148	224,352	224,352	218,578
Debt Service- Proposed		—	7,375	17,543	19,863
Retirement	87,281	87,319	88,660	89,666	90,641
Reserve Claim	31,768	30,500	33,000	35,000	37,000
Total Appropriation (\$ in thousands)	\$ 1,079,658	\$ 1,090,720	\$ 1,001,791	\$ 1,008,851	\$ 1,019,410
Projected Positions	2019	2020	2021	2022	2023
Corporate	1,889	1,887	1,886	1,885	1,885
Stormwater Management	84	83	83	83	83
Total Positions	1,973	1,970	1,969	1,968	1,968

Note: Totals are rounded.

FIVE-YEAR FINANCIAL FORECAST, 2019 - 2023

TABLE II

CORPORATE FUND						% average annual change
Five-Year Revenue and Tax Rate Projections	2019	2020	2021	2022	2023	2019-2023
Property Taxes	\$ 245,664	\$ 255,743	\$ 266,876	\$ 271,696	\$ 283,701	3.67 %
Personal Property Replacement Tax	15,000	15,000	15,000	15,000	15,000	— %
User Charge	46,000	43,000	42,000	42,000	43,000	(1.62)%
Investment Income	2,600	3,200	3,200	3,300	3,300	6.55 %
Land Rentals	21,500	22,000	22,500	23,000	23,500	2.25 %
Miscellaneous	10,532	4,059	4,201	4,348	4,500	(12.74)%
Equity Transfer	4,200	—	—	—	—	
Net Assets Appropriable	131,297	122,594	113,020	108,404	101,775	(6.16)%
Budget Reserve	(99,985)	(82,361)	(77,240)	(69,951)	(69,290)	(8.56)%
Total Appropriable Resources (\$ in thousands)	\$ 376,807	\$ 383,234	\$ 389,557	\$ 397,797	\$ 405,485	1.85 %
Projected Equalized Assessed Valuation (EAV)	\$ 156.96	\$ 161.66	\$ 166.51	\$ 171.51	\$ 176.66	
(Based on 2017 EAV, assumes 3.0% increase for 2018 and then 3.0% annually)	billion	billion	billion	billion	billion	
Projected Tax Rate Cents per \$100 EAV	16.2	16.4	16.6	16.4	16.6	
Gross Levy - assumes 3.5% uncollectible.	\$ 254,574	\$ 265,018	\$ 276,555	\$ 281,550	\$ 293,991	
Projected Appropriations by Major Categories	2019	2020	2021	2022	2023	2019-2023
Employee Cost - Salaries	\$ 201,797	\$ 205,833	\$ 209,950	\$ 214,149	\$ 218,432	2.00 %
Employee Cost - Health Care	41,804	45,048	47,761	51,079	54,478	6.85 %
Other Postemployment Benefits Trust	5,000	5,000	5,000	5,000	5,000	— %
Professional Services	5,237	4,284	4,142	4,215	4,129	(5.45)%
Energy Cost	39,939	39,885	39,885	39,885	39,885	(0.03)%
Chemicals	12,446	12,447	12,472	12,447	12,447	— %
Materials & Supplies	13,107	11,675	11,776	11,601	11,600	(2.89)%
Solids Disposal	11,081	11,026	11,026	11,026	11,026	(0.12)%
Contracted Solids Disposal	3,943	5,402	5,594	5,792	5,996	11.90 %
Computer Systems & Telecommunications	8,665	8,751	8,839	8,927	9,016	1.00 %
Repairs to Structures & Equipment	12,069	13,550	12,704	13,218	12,718	1.57 %
Contractual Services	17,579	17,810	18,330	18,355	18,562	1.37 %
Machinery & Equipment	3,385	1,698	1,170	1,105	1,098	(21.78)%
Real Estate Taxes	755	825	908	998	1,098	9.82 %
Total (\$ in thousands)	\$ 376,807	\$ 383,234	\$ 389,557	\$ 397,797	\$ 405,485	1.85 %
Projected Appropriations by Department	2019	2020	2021	2022	2023	2019-2023
Board of Commissioners	\$ 5,267	\$ 5,363	\$ 5,414	\$ 5,481	\$ 5,540	1.27 %
General Administration	19,718	18,269	18,433	18,687	18,945	(0.92)%
Monitoring & Research	31,253	31,635	32,153	32,396	32,784	1.20 %
Procurement & Materials Management	9,786	8,797	8,891	9,033	9,156	(1.52)%
Human Resources	60,108	63,519	66,682	70,423	74,169	5.40 %
Information Technology	18,352	18,154	18,592	18,868	19,258	1.22 %
Law	7,169	7,342	7,511	7,695	7,891	2.43 %
Finance	3,675	3,631	3,698	3,791	3,816	0.96 %
Engineering	25,473	25,820	26,592	26,871	27,233	1.69 %
Maintenance & Operations	196,006	200,704	201,591	204,552	206,693	1.34 %
Total (\$ in thousands)	\$ 376,807	\$ 383,234	\$ 389,557	\$ 397,797	\$ 405,485	1.85 %
Projected Appropriation Distribution by Program	2019	2020	2021	2022	2023	2019-2023
1000 Collection	\$ 57,288	\$ 57,594	\$ 58,084	\$ 58,653	\$ 59,352	0.9 %
2000 Treatment	78,562	81,849	82,734	83,708	84,794	1.93 %
3000 Solids Processing	45,421	46,334	46,082	47,133	47,155	0.95 %
4000 Flood & Pollution Control	39,651	39,991	40,520	40,869	41,372	1.07 %
5000 Solids Disposal	24,774	25,245	25,700	26,174	26,680	1.87 %
7000 General Support	131,111	132,221	136,437	141,260	146,132	2.8 %
Total (\$ in thousands)	\$ 376,807	\$ 383,234	\$ 389,557	\$ 397,797	\$ 405,485	1.85 %

Note: Totals are rounded.

FIVE-YEAR FINANCIAL FORECAST, 2019 - 2023

TABLE III

CONSTRUCTION FUND					
Five-Year Revenue and Tax Rate Projections	2019	2020	2021	2022	2023
Property Taxes	\$ 7,334	\$ 7,720	\$ 7,720	\$ 14,475	\$ 14,475
Personal Property Replacement Tax	—	—	—	—	—
Equity Transfer	—	—	—	—	—
Investment Income & Miscellaneous Revenue	406	520	520	520	620
Net Assets Appropriable	9,882	3,540	40	405	1,800
Total Revenue & Appropriable Resources (\$ in thousands)	\$ 17,622	\$ 11,780	\$ 8,280	\$ 15,400	\$ 16,895
Projected Equalized Assessed Valuation (EAV)	\$ 156.96	\$ 161.66	\$ 166.51	\$ 171.51	\$ 176.66
(Based on 2017 EAV, assumes 3.0% increase for 2018 and then 3.0% annually thereafter)	billion	billion	billion	billion	billion
Projected Tax Rate Cents per \$100 of EAV	0.5¢	0.5¢	0.5¢	0.9¢	0.8¢
Gross Levy - assumes 3.5% uncollectible rate.	7,600	8,000	8,000	15,000	15,000
Projected Appropriations	2019	2020	2021	2022	2023
Capital Projects	\$ 14,656	\$ 11,781	\$ 5,513	\$ 10,099	\$ 10,320
Professional Services	2,796	4,991	4,987	5,901	5,880
Other Charges	150	—	—	—	—
Total (\$ in thousands)	\$ 17,602	\$ 16,772	\$ 10,500	\$ 16,000	\$ 16,200
Projected Appropriation Distribution by Program	2019	2020	2021	2022	2023
1000 Collection	\$ 4,196	\$ 3,320	\$ 2,540	\$ 3,913	\$ 3,882
2000 Treatment	6,262	5,167	2,059	4,258	4,062
3000 Solids Processing	582	550	268	458	454
4000 Flood & Pollution Control	3,126	4,450	3,558	4,531	4,508
5000 Solids Disposal	\$ 1,565	\$ 1,015	\$ 317	\$ 829	\$ 817
7000 General Support	1,871	2,270	1,759	2,011	2,477
Total (\$ in thousands)	\$ 17,602	\$ 16,772	\$ 10,500	\$ 16,000	\$ 16,200
STORMWATER MANAGEMENT FUND					
Five-Year Revenue and Tax Rate Projections	2019	2020	2021	2022	2023
Property Taxes	\$ 51,074	\$ 55,995	\$ 60,917	\$ 65,838	\$ 70,760
Investment Income & Miscellaneous Revenue	800	900	900	900	900
Sewer Permit Fees	900	1,000	1,000	1,000	1,000
Net Assets Appropriable	45,807	28,197	5,435	11,078	14,808
Equity Transfer (Debt Service for Alternate Revenue Bonds)	(6,397)	(7,294)	(10,339)	(14,508)	(17,554)
Total Revenue & Appropriable Resources (\$ in thousands)	\$ 92,184	\$ 78,798	\$ 57,913	\$ 64,308	\$ 69,914
Projected EAV	\$ 156.96	\$ 161.66	\$ 166.51	\$ 171.51	\$ 176.66
(Based on 2016 EAV, assumes 3.0% increase for 2017 and then 3.0% annually)	billion	billion	billion	billion	billion
Projected Tax Rate Cents per \$100 of EAV	3.4¢	3.6¢	3.8¢	4.0¢	4.2¢
Gross Levy - assumes 3.5% uncollectible rate.	\$ 52,926	\$ 58,026	\$ 63,126	\$ 68,226	\$ 73,326
Projected Appropriations	2019	2020	2021	2022	2023
Employee Cost - Salaries	\$ 8,913	\$ 9,092	\$ 9,273	\$ 9,459	\$ 9,648
Employee Cost - Health Care	879	940	991	1,053	1,117
Contractual Services	28,337	39,122	26,900	14,011	12,966
Capital Projects	2,500	2,493	2,488	2,716	2,871
Other Charges	50,781	53,158	27,255	27,761	30,898
Total (\$ in thousands)	\$ 91,410	\$ 104,804	\$ 66,906	\$ 55,000	\$ 57,500
Projection Appropriation Distribution by Program	2019	2020	2021	2022	2023
4000 Flood & Pollution Control	\$ 91,410	\$ 104,804	\$ 66,906	\$ 55,000	\$ 57,500
Total (\$ in thousands)	\$ 91,410	\$ 104,804	\$ 66,906	\$ 55,000	\$ 57,500

Note: Totals are rounded.

FIVE-YEAR FINANCIAL FORECAST, 2019 - 2023

TABLE IV

CAPITAL IMPROVEMENTS BOND FUND*					
Appropriable Resources (Cash)	2019	2020	2021	2022	2023
Bond Sales - Limited	\$ —	\$ —	\$ 100,000	\$ —	\$ —
Bond Sales - Unlimited	—	—	25,000	—	—
Bond Sales - Unlimited Stormwater Management	—	—	—	—	—
State Revolving Loan Fund Receipts	120,000	175,000	175,000	175,000	175,000
Investment Income & Grant Revenue	19,067.30	18,767.26	17,067.26	15,367.26	13,667.26
Beginning Cash	232,000	206,067	174,835	266,902	207,269
Total Assets Appropriable (\$ in thousands)	\$ 371,067	\$ 399,835	\$ 491,902	\$ 457,269	\$ 395,936
Expenditures	\$ 165,000	\$ 225,000	\$ 225,000	\$ 250,000	\$ 250,000
Ending Cash (\$ in thousands)	\$ 206,067	\$ 174,835	\$ 266,902	\$ 207,269	\$ 145,936
Projected Appropriations by Major Categories	2019	2020	2021	2022	2023
Professional Consulting Services	\$ 20,023	\$ 15,900	\$ 15,137	\$ 10,902	\$ 15,137
Capital Projects	214,524	224,358	162,937	160,097	156,114
Other Charges	1,885	1,686	3,368	2,494	2,893
Total (\$ in thousands)	\$ 236,432	\$ 241,943	\$ 181,441	\$ 173,494	\$ 174,144
Projected Appropriation Distribution by Program	2019	2020	2021	2022	2023
1000 Collection	\$ 40,713	\$ 72,411	\$ 38,502	\$ 18,820	\$ 27,429
2000 Treatment	47,428	58,645	40,323	41,443	38,873
3000 Solids Processing	41,843	28,342	26,881	49,507	26,856
4000 Flood & Pollution Control	102,811	79,333	72,678	61,435	77,928
5000 Solids Disposal	3,388	2,792	2,649	1,933	2,649
7000 General Support	250	419	409	356	409
Total (\$ in thousands)	\$ 236,432	\$ 241,943	\$ 181,441	\$ 173,494	\$ 174,144

*The Capital Improvements Bond Fund is appropriated on an obligation basis. Expenditures are expected to be disbursed over the term of the projects funded.

DEBT SERVICE FUNDS					
Projected Debt					
EXISTING DEBT	2019	2020	2021	2022	2023
January 1 Debt	\$ 2,810,056	\$ 2,806,712	\$ 2,864,171	\$ 3,038,883	\$ 3,080,052
Annual Current Debt Retirement	(123,343)	(115,201)	(117,136)	(118,646)	(118,979)
Net Debt	\$ 2,686,712	\$ 2,691,511	\$ 2,747,035	\$ 2,920,237	\$ 2,961,072
PROPOSED FUTURE DEBT	2019	2020	2021	2022	2023
Annual Sale of Bonds:					
Capital Bonds - Limited	—	—	100,000	—	—
Capital Bonds - Unlimited	—	—	25,000	—	—
Alternate Bonds - Unlimited Stormwater	—	—	—	—	—
State Revolving Fund Bond Issues	120,000	175,000	175,000	175,000	175,000
Future Debt Retirement	—	(2,340)	(8,153)	(15,185)	(23,456)
Proposed New Debt (\$ in thousands)	120,000	172,660	291,848	159,815	151,544
PROJECTED DEBT OUTSTANDING	\$ 2,806,712	\$ 2,864,171	\$ 3,038,883	\$ 3,080,052	\$ 3,112,617
Gross Levy for Existing Debt	\$ 246,484	\$ 243,124	\$ 239,571	\$ 236,602	\$ 231,825
Gross Levy for Future Debt	—	7,375	17,543	19,863	23,357
Total Debt Levy	\$ 246,484	\$ 250,499	\$ 257,114	\$ 256,464	\$ 255,182
Tax Rate (cents)	—	—	—	—	—
Forecasted Stormwater Alternate Revenue Abatement**	\$ (6,397)	\$ (7,294)	\$ (10,339)	\$ (14,508)	\$ (17,554)
Projected Levy After Abatement	\$ 240,087	\$ 243,205	\$ 246,775	\$ 241,957	\$ 237,628
Projected Equalized Assessed Valuation (EAV)***	\$ 156.96	\$ 161.66	\$ 166.51	\$ 171.51	\$ 176.66
	billion	billion	billion	billion	billion

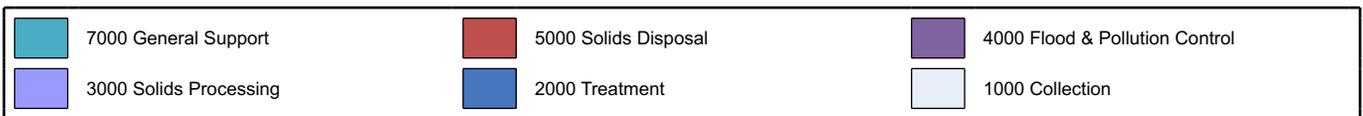
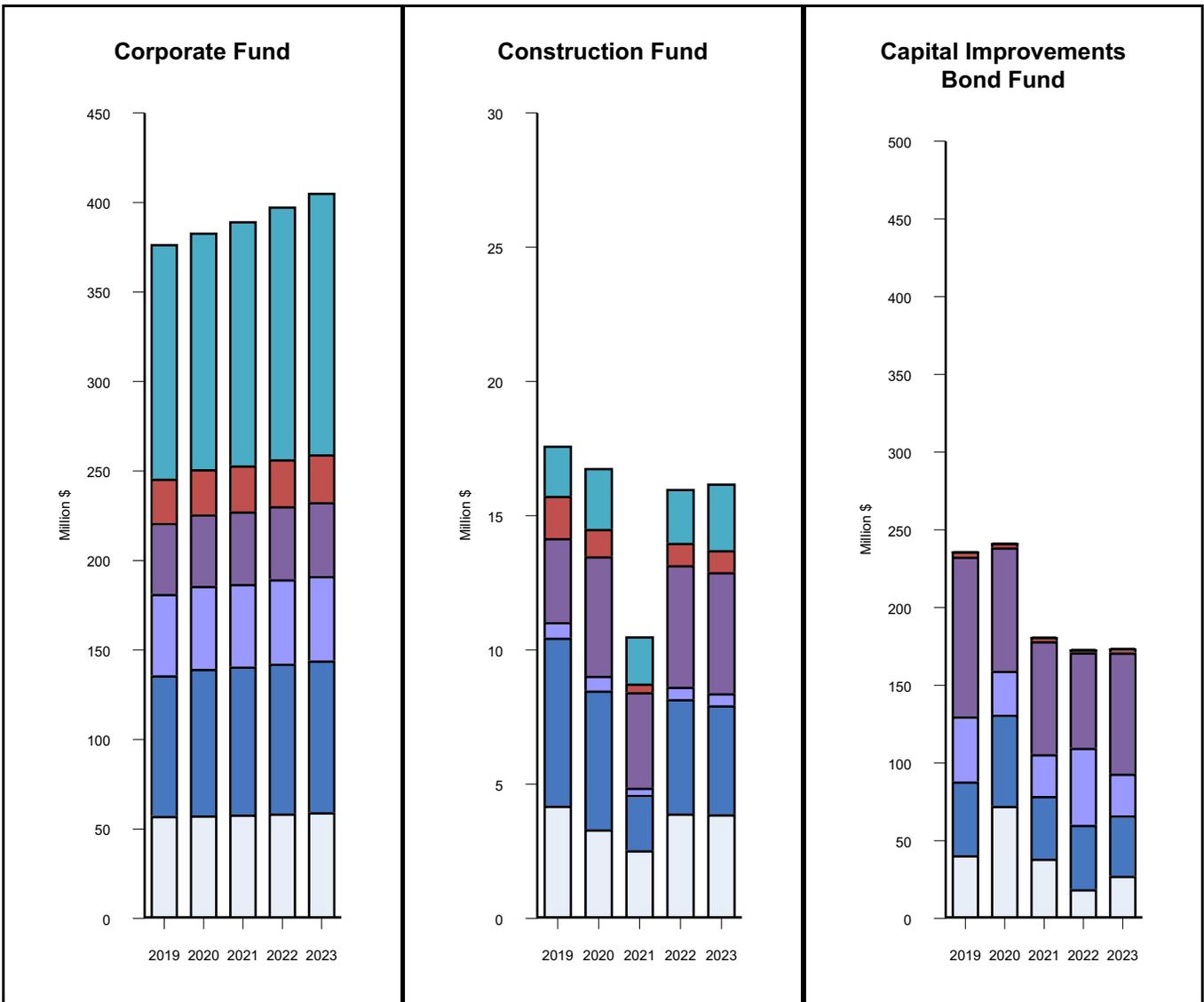
**As part of the plan of financing, it is intended and anticipated that tax revenues deposited in the Stormwater Fund be transferred to the Bond Fund

Note: Totals are rounded.

***Assumes a 3.0% increase in 2018, and a 3.0% increase annually thereafter.

FIVE-YEAR FINANCIAL FORECAST, 2019 - 2023

APPROPRIATIONS



This set of stacked bar charts is a restatement of each fund's appropriation table. The relatively steady proportions across all programs within the Corporate Fund reflect the District's consistent view of its objectives in the near term. The most significant aspect of the Construction Fund involves increasing its use for smaller pay-as-you-go capital projects administered by the Maintenance & Operations Department. The fluctuations in the Capital Improvements Bond Fund's (CIBF) appropriations represent the award of major Master Plan and disinfection projects. The CIBF operates on a full obligation basis and is the only fund where the encumbered appropriations do not lapse at the fiscal year end.

FIVE-YEAR FINANCIAL FORECAST, 2019 - 2023

Combined GAAP Balance Sheets - General Corporate Fund
(in Thousands)

Assets	2019	2020	2021	2022	2023
Cash	22,017	22,457	22,906	23,364	23,831
Prepaid Insurance	4,267	4,352	4,439	4,528	4,619
Investments	224,896	229,394	233,982	238,662	243,435
Receivables:					
Property Taxes	262,074	272,518	284,055	289,050	301,491
Less Allowance for Uncollectible Taxes	(9,173)	(9,538)	(9,942)	(10,117)	(10,552)
Net Property Taxes Receivable	252,901	262,980	274,113	278,933	290,939
Personal Property Replacement Tax	—	—	—	—	—
User Charges	2,895	2,953	3,012	3,072	3,133
Miscellaneous	6,052	6,173	6,296	6,422	6,550
Due from Stormwater Management Fund					
Restricted Deposits					
Inventories	36,193	36,917	37,655	38,408	39,176
Total Assets	\$ 549,221	\$ 565,226	\$ 582,403	\$ 593,389	\$ 611,683
Liabilities and Fund Equity					
Liabilities:					
Deferred Tax Revenue	\$ 188,959	\$ 190,849	\$ 192,757	\$ 194,685	\$ 196,632
Accounts Payable and Other Liabilities	28,873	28,296	27,730	27,175	27,719
Unearned Revenue	—	—	—	—	—
Total Liabilities	\$ 217,832	\$ 219,145	\$ 220,487	\$ 221,860	\$ 224,351
Fund Equity:					
Fund Balances					
Prepaid Insurance	\$ 4,267	\$ 4,352	\$ 4,439	\$ 4,528	\$ 4,619
Non-spendable - Inventory	\$ 36,193	\$ 36,917	\$ 37,655	\$ 38,408	\$ 39,176
Restricted - Working Cash	291,767	297,602	303,554	309,625	315,818
Real Estate Escrow	2,407	2,409	2,412	2,414	2,416
Reserve Claim	26,936	27,475	28,025	28,586	29,158
Deposits	—	—	—	—	—
Unreserved:					
Undesignated	(30,181)	(22,674)	(14,169)	(12,032)	(3,855)
Total Fund Equity	\$ 331,389	\$ 346,081	\$ 361,916	\$ 371,529	\$ 387,332
Total Liabilities and Fund Equity	\$ 549,221	\$ 565,226	\$ 582,403	\$ 593,389	\$ 611,683

Note: Totals are rounded.

SECTION III

FINANCIAL STATEMENTS BY FUND

In this section, the financial structure of the District is presented with an explanation of the funds used, the accounting basis employed, and the relationships among the various funds. All financial statements, which Illinois Compiled Statutes require to be included in the Budget, are presented in this section. These statements and schedules provide full disclosure of assets and liabilities.

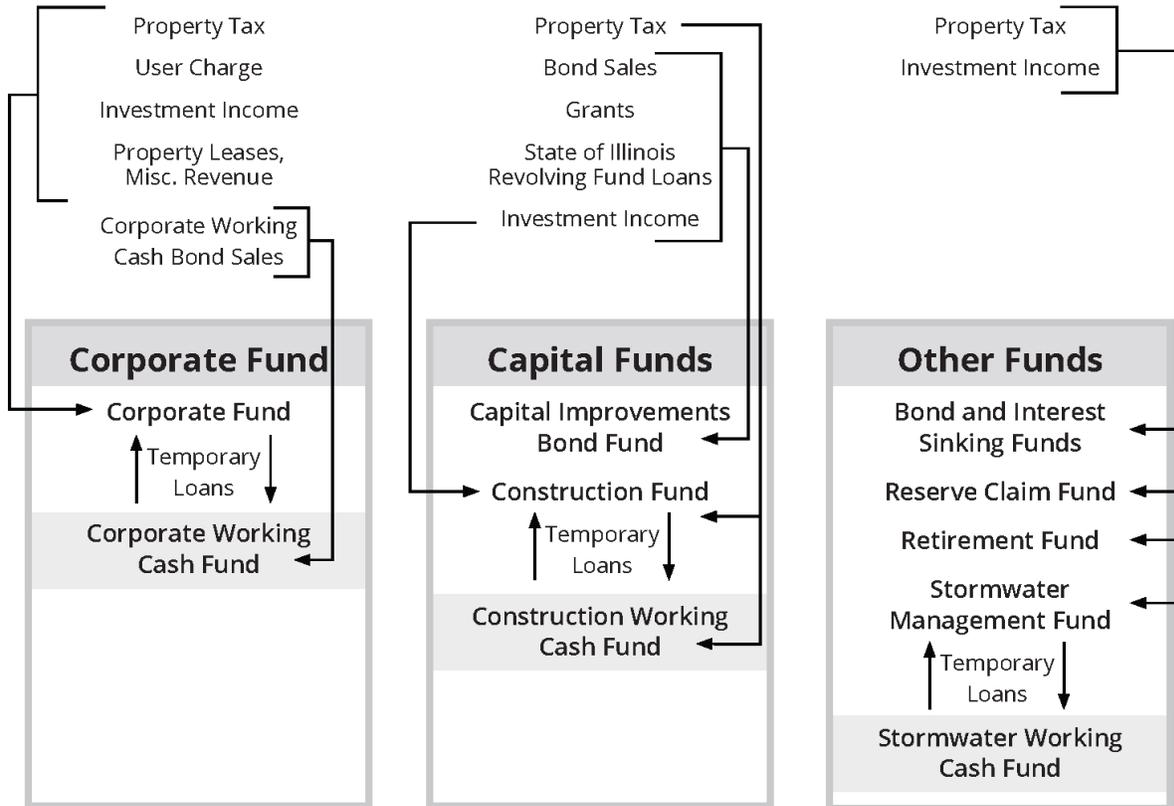
The financial statements are first presented in summary, with an overall financial narrative, then with summary statements of revenue and expenditures for 2017 through the Budget Year 2019. Consolidated statements of taxes receivable, providing historical data on tax levies, are included in this section. A consolidated Appropriation for Liabilities statement is presented, which identifies and provides an appropriation for unpaid bills, contracts, and other liabilities. These liabilities are then subtracted from current assets to determine assets available for appropriation.

Major fund category narratives are presented for the Corporate Fund, Capital Funds, and Other Funds, which discuss revenue sources, trends in revenue and expenditures, fiscal/financial policies, and other elements of these funds. Estimated balance sheets, statements of appropriable revenue, and statements of financial sources are then presented individually for each fund.

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District's Flow of Funds Structure

Revenue Sources



Uses of Funds

General Operational Expenditures

Permanent Facilities
 Environmental Facilities
 Stormwater Management Projects
 Other Capital Expenditures

Principal and Interest on Bond Issues
 Payments for Claims and Damages
 Employee Pension Payments
 Stormwater Management Expenditures

Note: Working Cash can be transferred between other Working Cash Funds.

FINANCIAL NARRATIVE

FUND STRUCTURE, PURPOSE, AND ACCOUNTING BASIS

The financial structure of the Metropolitan Water Reclamation District of Greater Chicago (District) is organized on a fund accounting basis. Each statutorily authorized fund maintains a self-balancing set of accounts that are reported separately in their own financial statements. The District's use of funds ensures that public money is spent appropriately and within the amounts authorized. Established funds account for the different types of activities and legal restrictions that are associated with a particular government function. The use of funds and the budgeting, accounting, and auditing that are associated with this type of structure are governed by Illinois Compiled Statutes and Generally Accepted Accounting Principles (GAAP), as determined by the Governmental Accounting Standards Board (GASB).

The District uses the following funds to control its financial activities:

- Corporate
- Capital Improvements Bond
- Construction
- Stormwater Management
- Reserve Claim
- Corporate Working Cash
- Bond Redemption & Interest (Debt Service)
- Construction Working Cash
- Stormwater Working Cash
- Retirement

BASIS OF BUDGETING AND ACCOUNTING

The budget is prepared using a cash basis of accounting for revenue recognition and an accrual basis for recording expenditures, as prescribed by Illinois Compiled Statutes. Revenues are recognized when received in cash, and expenditures are recorded at the time the liability is incurred, except for principal and interest on long-term debt, compensated absences, claims, judgments, and arbitrage, which are recognized when due and payable.

Encumbrance accounting is used in the budgetary process for all funds. Appropriations lapse at year end for the Corporate, Stormwater Management, Reserve Claim, Construction, Retirement, and Bond Redemption & Interest Funds. Appropriations for the Capital Improvements Bond Fund use a full encumbrance (obligation) method of budgetary accounting, which means that appropriations lapse at year-end only to the extent of the unencumbered balances. The appropriation for the Capital Improvements Bond Fund is adjusted to carry forward the open value of encumbrances from the prior year.

All of the funds in the previous section are defined as governmental-type funds, except for the pension trust fund. For GAAP purposes, the governmental-type funds are accounted for on a spending or "financial flow" measurement focus using the modified accrual basis of accounting, which means that only current assets and liabilities are generally included on the balance sheets. The reported fund balances (net current assets) are considered a measure of "available spendable resources."

The Comprehensive Annual Financial Report of the District is prepared on a GAAP basis. GASB Statement Number 34 became effective for the 2002 fiscal year, and the District is in compliance with all of its provisions. The District is using the modified approach for assessing infrastructure, except for Tunnel and Reservoir Plan (TARP) deep tunnels and drop shafts, which will be depreciated. The District uses specific accounts to record the repair or preservation of existing capital assets, in addition to the construction of new assets or enhancements of existing capital assets. Inventory is accounted for on the purchase method for budgetary purposes and on the consumption method for GAAP financial reporting.

The District is a special district government created by the State of Illinois. Its powers and authority, in regard to revenue sources, are generally restricted to those powers granted by applicable state statutes. The following exhibits, 1 - 6, are derived from the summary of revenue and expenditures found on pages 76 - 78 of the 2019 Budget and similar summaries in prior years' budgets. This section contains a summary of all District funds.

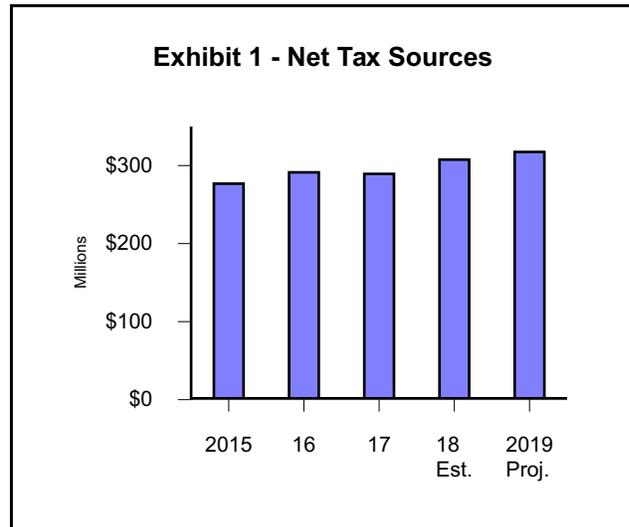
TAX SOURCES

The main source of revenue for the District is ad valorem property taxes. The authority to levy property taxes for the various funds generally specifies a tax rate limit per hundred dollars of property value, which when applied, yields a maximum amount of money which can be levied or collected against property owners. All District funds, with the exception of the District's Capital Improvements Bond Fund, derive their revenues primarily from property taxes. Approximately 71.4 percent of the 2019 appropriation is supported by property taxes. Taxes levied in one year are collected in the next year, and Working Cash Funds for the Corporate, Construction, and Stormwater Management Funds provide temporary financing while awaiting property tax receipts. Net Tax Sources displayed in Exhibit 1 reflect only property tax revenue for the Corporate, Construction, and Stormwater Management Funds. The estimate for uncollectible taxes for 2019 is 3.5 percent, based on annual review of prior years' tax collections.

A personal property replacement tax provides income tax revenue from corporations, partnerships, and the invested capital of public utilities to replace the personal property taxes, which were once received from these sources. These revenues are received

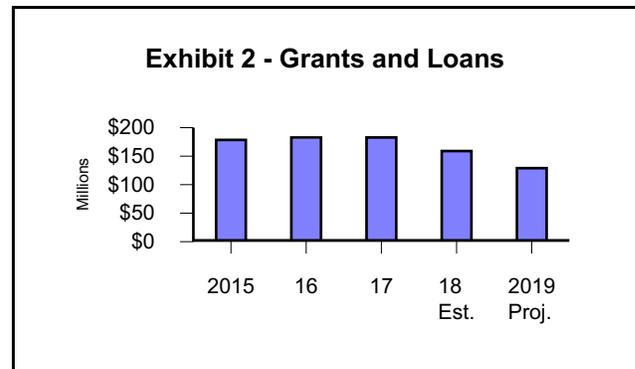
directly from the State of Illinois. Revenue from this source is estimated at \$33.3 million for 2019, a decrease of \$4.8 million from the 2018 Original Budget, or 12.7 percent. This revenue source typically trends with the state of the economy. Beginning with the State's FY2018 Budget, funds have been diverted from the local government allocation, accounting for the decline.

Exhibit 1 presents revenue from net tax sources for the years 2015 - 2019. Beginning in 1995, the Illinois Tax Cap laws limit increase in property tax levies in the aggregate to the lesser of 5.0 percent or the change in the national Consumer Price Index (CPI), plus new property. The Stormwater Management Fund and the payment of Bond principal and interest are exempt from the tax cap extension limitations. For 2019, an increase of 3.5 percent is forecast, consisting of an estimated 3.0 percent growth in the CPI plus an estimated 0.5 percent for new development and newly annexed properties.



GRANTS AND LOANS

Federal and state grants, and state loans contribute to finance the District's capital programs. For 2019, \$120.0 million in Wastewater/Stormwater State Revolving Fund (SRF) loan revenue and \$11.3 million in federal grants is budgeted. In the past, the District has been successful in obtaining some grant funding and will continue to pursue grants for Stormwater and other projects. Exhibit 2 shows the grants and loans for the years 2015 - 2019. The District anticipates receiving an annual allocation of up to \$175.0 million in State Revolving Fund loans in each of the next four years.



BOND SALES

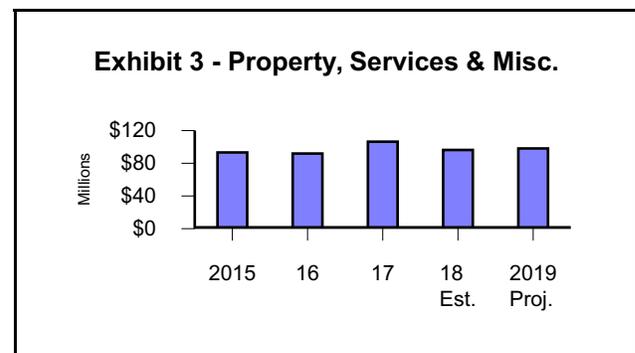
The District's Capital Program is financed primarily with State Revolving Fund loans and general obligation bond sale proceeds. Bonds are used to provide necessary revenue for capital project cash flows. The District last issued bonds in 2016 and does not plan on new bond sales until 2020.

In both 2014 and 2016, General Obligation Unlimited Tax Bonds were issued as “alternate revenue bonds” pursuant to the Debt Reform Act. The 2014 Series B and 2016 Series E bonds will be paid by the District from the levy and collection of Stormwater Management tax receipts, which constitute a “revenue source” pledged as security for the payment of principal and interest on the bonds. 2016 Series F bonds are Qualified Energy Conservation Bonds to fund energy efficiency projects in the WRPs.

The District is continuing to follow the implementation of new federal legislation limiting tax exempt advance refunding on outstanding debt. The Capital Funds narrative on page 91 provides a more detailed discussion. The statement of outstanding bonds and statutory debt margin on pages 53 and 54 shows the District's strong position. The Five-Year Financial Forecast on pages 60 and 68 details future bond sale projections.

PROPERTY, SERVICES, AND MISCELLANEOUS

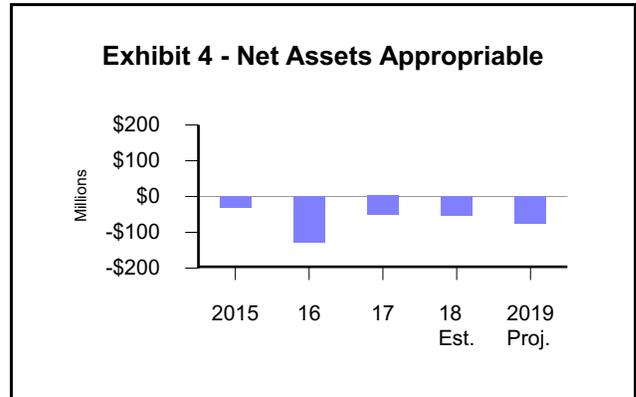
Exhibit 3 summarizes revenue from property, services, and miscellaneous items. A major revenue source is the user charge system, which imposes a surcharge above property tax payments for commercial, industrial, and tax-exempt users of the sewage systems. Estimated User Charge revenues in 2019 are \$46.0 million.



Land rentals, investment income, sewer permit fees, connection impact fees, and other revenues will provide an estimated \$53.7 million in 2019. Estimates for land rental revenues are based on existing and renegotiated leases. Investment income is based on projections of cash flow and interest rates for 2019. Interest rates on short-term securities are expected to increase three to four times during 2019. Our investments are predominately short-term in nature. Sewer permit revenue estimates are based on anticipated projects and 2018 rates. Connection impact fees were established in 1998 to require new service areas to contribute to the past investment in the District’s infrastructure.

NET ASSETS APPROPRIABLE

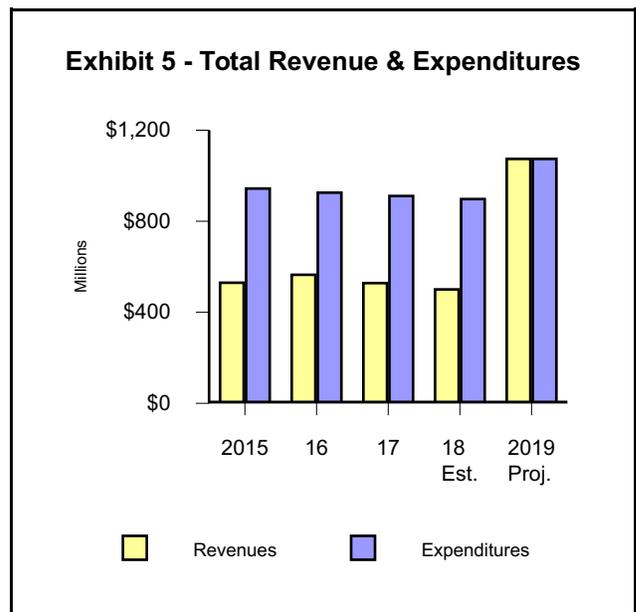
Exhibit 4 shows the trend in net assets appropriable, which is primarily impacted by bond sales, expenditures for capital projects, and the reservation of future years’ principal and interest payments in the debt service funds. Net assets appropriable have been used to reduce future years’ taxes. Beginning in 2005, a portion of the projected Corporate Fund net assets was left unappropriated to maintain a fiscally sound fund balance. The negative amounts in 2015 - 2019 are attributable to use of the obligation basis of budgetary accounting for the Capital Improvements Bond Fund and indicated that future bond sales or State Revolving Fund loans are necessary to finance projects.



TOTAL REVENUES AND EXPENDITURES

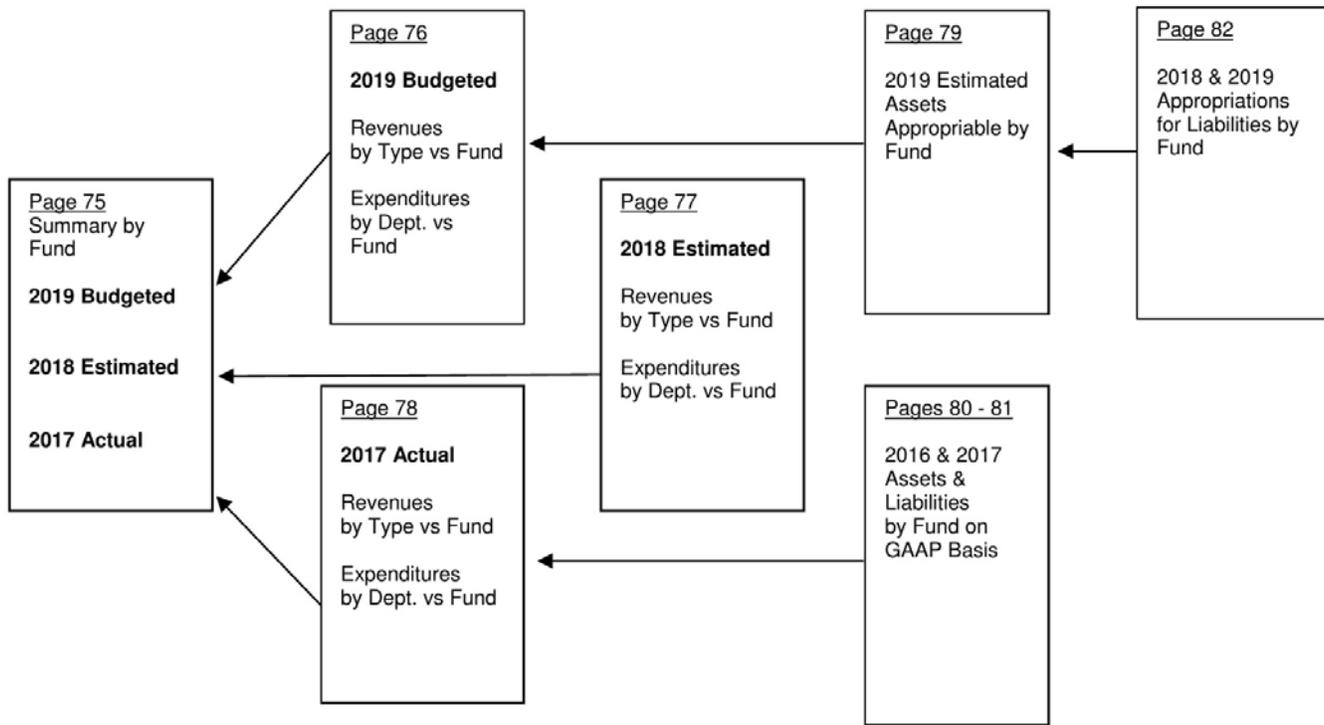
Exhibit 5 displays the relationship between revenues and expenditures. The difference between revenues and expenditures is primarily accounted for by bond sale proceeds to finance future payments for capital projects. In general, the Capital Improvements Bond Fund aside, a balance is maintained between revenues and expenditures to fully utilize net assets appropriable, therefore, limiting property taxes.

For 2019, a portion of the Corporate Fund projected net assets will remain unappropriated to ensure a fiscally responsible fund balance. District management and the financial markets view a Corporate Fund balance within the \$45 to \$55 million range as necessary to maintain financial stability in the face of economic uncertainties. This fund balance level is consistent with the level recommended by the Government Finance Officers Association. This strategy is an integral part of a long-term plan that also includes reductions of future expenditures to better match current revenues.



SUMMARY FINANCIAL STATEMENTS

Summary financial statements presented on pages 75 - 78 provide comparisons of revenues and expenditures for all funds for the years 2017 - 2019. These statements provide a financial summarization by fund of the 2019 Budget as proposed, the estimated status at 2018 fiscal year-end, and the actual results of operations for fiscal year 2017. The relationships among the pages are diagrammed below.



The table of taxes receivable on page 83 provides detailed data on property tax levies and tax receipts from 2014 to 2018. While 2014 through 2016 show high levels of collection, delayed refunds continue to be processed through the Property Tax Appeals Board and the Circuit Courts. Estimated refunds affecting levy years prior to 2014 are summarized.

Specific details about all revenue sources, assets, liabilities, and appropriable revenue are presented in the various funds' financial narratives and statements on pages 85 through 105.

ALL FUNDS

**SUMMARY OF REVENUE, EXPENDITURES, AND NET ASSETS APPROPRIABLE (b)
2019 BUDGETED, 2018 ESTIMATED, AND 2017 ACTUAL**

(In Thousands)

	FUND							TOTAL
	CORPORATE	CAPITAL IMPROVEMENTS BOND	CONSTRUCTION	STORMWATER MANAGEMENT	RETIREMENT (d)	BOND REDEMPTION & INTEREST (d)	RESERVE CLAIM (d)	
2019 BUDGETED								
Net Assets Appropriable	\$ 131,296.6	\$ (609,357.7)	\$ 9,882.3	\$ 45,807.0	\$ 87,281.0	\$ 230,060.6	\$ 31,167.8	\$ (73,862.4)
Net Assets Appropriated	\$ 31,311.5	\$ (609,357.7)	\$ 9,882.3	\$ 45,807.0	\$ 87,281.0	\$ 230,060.6	\$ 31,167.8	\$ (173,847.5)
Revenue	345,496.0	845,789.6	7,720.0	45,603.1	—	8,296.9	600.0	1,253,505.6
Appropriation	\$ 376,807.5	\$ 236,431.9	\$ 17,602.3	\$ 91,410.1	\$ 87,281.0	\$ 238,357.5	\$ 31,767.8	\$ 1,079,658.1
2018 ESTIMATED								
Beginning Net Assets Appropriable as adjusted (c)	\$ 143,474.1	\$ (615,827.5)	\$ 15,526.9	\$ 35,706.1	\$ 89,604.0	\$ 248,287.6	\$ 30,591.2	\$ (52,637.6)
Revenue (a)	338,517.0	164,360.5	11,451.0	40,229.3	—	8,016.6	458.1	563,032.5
Adjustment for 2017 receipts	(3,319.3)	—	(461.8)	(369.2)	—	—	—	(4,150.3)
Expenditures	(347,375.2)	(157,890.7)	(16,633.8)	(29,759.2)	(89,604.0)	(256,304.2)	(5,600.0)	(903,167.1)
Ending Net Assets Appropriable	\$ 131,296.6	\$ (609,357.7)	\$ 9,882.3	\$ 45,807.0	\$ —	\$ —	\$ 25,449.3	\$ (396,922.5)
2017 ACTUAL								
Beginning Net Assets Appropriable as adjusted (c)	\$ 142,061.5	\$ (549,041.4)	\$ 6,384.0	\$ 13,843.2	\$ 79,505.0	\$ 224,536.5	\$ 31,455.6	\$ (51,255.6)
Revenue	339,836.6	178,242.3	22,936.2	39,264.3	—	4,625.7	310.0	\$ 585,215.1
Expenditures	(338,424.1)	(245,028.4)	(13,793.3)	(17,401.4)	(79,505.0)	(215,647.3)	(6,905.1)	(916,704.6)
Ending Net Assets Appropriable	\$ 143,474.1	\$ (615,827.5)	\$ 15,526.9	\$ 35,706.1	\$ —	\$ 13,514.9	\$ 24,860.5	\$ (382,745.0)
Adjusted NAA 1/1/2018	\$ 140,154.8		\$ 15,065.1	\$ 35,336.9				
Adjustment (a)	\$ (3,319.3)		\$ (461.8)	\$ (369.2)				

(a) Adjustment to NAA required due to current 2018 estimate on collection of property tax levies and PPRT. See the Balance Sheets and Appropriable Revenue statements 01/01/2018 for the Corporate (pages 87-88), Construction (pages 95-96), and Stormwater Management (pages 99-100) Funds. The adjustment is reflected in the 2018 revenues.

(b) This statement is a summary presentation of pages 76-78, separating current revenue and NAA from the revenue category.

(c) Ending NAA for one year are revised for accounting adjustments, equity transfers, and changes in the amount of designations to establish beginning net assets for the next year.

(d) Revenue for the Retirement, Reserve Claim, and Bond Redemption & Interest Funds does not include the current year tax levies, which are reflected in the next year's NAA.

ALL FUNDS
SUMMARY OF REVENUE AND EXPENDITURES
2019 BUDGETED
(In Thousands)

	FUND							
	CORPORATE	CAPITAL IMPROVEMENTS BOND	CONSTRUCTION	STORMWATER MANAGEMENT	RETIREMENT	BOND REDEMPTION & INTEREST	RESERVE CLAIM	TOTAL
REVENUE								
Net Assets Appropriable	\$ 131,296.6	\$ (609,357.7)	\$ 9,882.3	\$ 45,807.0	\$ 87,281.0	\$ 230,060.6	\$ 31,167.8	\$ (73,862.4)
Budget Reserve	(99,985.1)	—	—	—	—	—	—	(99,985.1)
Net Property Taxes	245,664.0	—	7,334.0	51,073.6	—	—	—	304,071.6
Personal Property Replacement Tax	15,000.0	—	—	—	—	—	—	15,000.0
Working Cash Borrowings Adjustment	(4,564.0)	—	(134.0)	(773.6)	—	—	—	(5,471.6)
Bond Sales (Present & Future)	—	708,922.3	—	—	—	—	—	708,922.3
Grants (Federal & State)	—	11,267.3	—	—	—	—	—	11,267.3
Investment Income	2,600.0	7,800.0	500.0	800.0	—	1,900.0	600.0	14,200.0
State Revolving Fund Loans	—	120,000.0	—	—	—	—	—	120,000.0
Property & Services	21,500.0	—	—	900.0	—	—	—	22,400.0
User Charge	46,000.0	—	—	—	—	—	—	46,000.0
TIF Differential Fee & Impact Fee	9,725.0	—	20.0	—	—	—	—	9,745.0
Equity Transfer	4,200.0	(4,200.0)	—	(6,396.9)	—	6,396.9	—	—
Resource Recovery	600.0	—	—	—	—	—	—	600.0
Miscellaneous	4,771.0	2,000.0	—	—	—	—	—	6,771.0
TOTAL REVENUE	\$ 376,807.5	\$ 236,431.9	\$ 17,602.3	\$ 91,410.1	\$ 87,281.0	\$ 238,357.5	\$ 31,767.8	\$ 1,079,658.1
EXPENDITURES								
Board of Commissioners	\$ 5,266.7	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 5,266.7
General Administration	19,717.9	—	—	—	—	—	—	19,717.9
Monitoring & Research	31,253.4	—	—	—	—	—	—	31,253.4
Procurement & Materials Mgmt.	9,786.1	—	—	—	—	—	—	9,786.1
Human Resources	60,108.0	—	—	—	—	—	—	60,108.0
Information Technology	18,352.3	—	—	—	—	—	—	18,352.3
Law	7,168.7	—	—	—	—	—	—	7,168.7
Finance	3,674.7	—	—	—	—	—	—	3,674.7
Engineering	25,473.3	236,431.9	17,602.3	—	—	—	—	279,507.5
Maintenance & Operations	196,006.4	—	—	—	—	—	—	196,006.4
Stormwater Management Fund	—	—	—	91,410.1	—	—	—	91,410.1
Retirement Fund	—	—	—	—	87,281.0	—	—	87,281.0
Bond Redemption & Interest Fund	—	—	—	—	—	238,357.5	—	238,357.5
Reserve Claim Fund	—	—	—	—	—	—	31,767.8	31,767.8
TOTAL EXPENDITURES	\$ 376,807.5	\$ 236,431.9	\$ 17,602.3	\$ 91,410.1	\$ 87,281.0	\$ 238,357.5	\$ 31,767.8	\$ 1,079,658.1

* The Capital Improvements Bond Fund is budgeted on an "obligation" basis, which records expenditures in the period in which the contracts or grants are awarded.

ALL FUNDS
SUMMARY OF REVENUE AND EXPENDITURES
2018 ESTIMATED
(In Thousands)

	FUND							TOTAL
	CORPORATE	CAPITAL IMPROVEMENTS BOND	CONSTRUCTION	STORMWATER MANAGEMENT	RETIREMENT	BOND REDEMPTION & INTEREST	RESERVE CLAIM	
REVENUE								
Net Assets Appropriable	\$ 143,474.1	\$ (615,827.5)	\$ 15,526.9	\$ 35,706.1	\$ 89,604.0	\$ 248,287.6	\$ 30,591.2	\$ (52,637.6)
Adjustment for Receipts	(3,319.3)	—	(461.8)	(369.2)	—	—	—	(4,150.3)
Net Property Taxes	232,049.5	—	11,290.5	46,152.1	—	—	—	289,492.1
Personal Property Replacement Tax	19,849.5	—	—	—	—	—	—	19,849.5
Working Cash Borrowings Adjustment	(4,599.0)	—	(190.5)	(752.1)	—	—	—	(5,541.6)
Bond Sales (Present & Future)	—	—	—	—	—	—	—	—
Grants (Federal & State)	—	11,294.5	—	—	—	—	—	11,294.5
Investment Income	2,594.0	5,266.0	341.0	595.0	—	2,226.0	458.1	11,480.1
State Revolving Fund Loans	—	150,000.0	—	—	—	—	—	150,000.0
Property & Services	22,003.0	—	—	—	—	—	—	22,003.0
User Charge	46,000.0	—	—	—	—	—	—	46,000.0
TIF Differential Fee & Impact Fee	10,725.0	—	10.0	—	—	—	—	10,735.0
Equity Transfer	4,200.0	(4,200.0)	—	(5,770.6)	—	5,770.6	—	—
Miscellaneous	5,695.0	2,000.0	—	4.9	—	20.0	—	7,719.9
TOTAL REVENUE	\$ 478,671.8	\$ (451,467.0)	\$ 26,516.1	\$ 75,566.2	\$ 89,604.0	\$ 256,304.2	\$ 31,049.3	\$ 506,244.6
EXPENDITURES								
Board of Commissioners	\$ 4,610.2	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 4,610.2
General Administration	15,947.9	—	—	—	—	—	—	15,947.9
Monitoring & Research	28,857.7	—	—	—	—	—	—	28,857.7
Procurement & Materials Mgmt.	8,981.4	—	—	—	—	—	—	8,981.4
Human Resources	56,030.1	—	—	—	—	—	—	56,030.1
Information Technology	14,866.1	—	—	—	—	—	—	14,866.1
Law	6,465.4	—	—	—	—	—	—	6,465.4
Finance	3,494.5	—	—	—	—	—	—	3,494.5
Engineering	26,101.4	157,890.7	16,633.8	—	—	—	—	200,625.9
Maintenance & Operations	182,020.5	—	—	—	—	—	—	182,020.5
Stormwater Management Fund	—	—	—	29,759.2	—	—	—	29,759.2
Retirement Fund	—	—	—	—	89,604.0	—	—	89,604.0
Bond Redemption & Interest Fund	—	—	—	—	—	256,304.2	—	256,304.2
Reserve Claim Fund	—	—	—	—	—	—	5,600.0	5,600.0
Equity Transfer	—	—	—	—	—	—	—	—
TOTAL EXPENDITURES	\$ 347,375.2	\$ 157,890.7	\$ 16,633.8	\$ 29,759.2	\$ 89,604.0	\$ 256,304.2	\$ 5,600.0	\$ 903,167.1

* The Capital Improvements Bond Fund is budgeted on an "obligation" basis, which records expenditures in the period in which the contracts or grants are awarded.

ALL FUNDS
SUMMARY OF REVENUE AND EXPENDITURES
2017 ACTUAL
(In Thousands)

	FUND							TOTAL
	CORPORATE	CAPITAL IMPROVEMENTS BOND	CONSTRUCTION	STORMWATER MANAGEMENT	RETIREMENT	BOND REDEMPTION & INTEREST	RESERVE CLAIM	
REVENUE								
Net Assets Appropriable	\$ 142,061.5	\$ (549,041.4)	\$ 6,384.0	\$ 13,843.2	\$ 79,505.0	\$ 224,536.5	\$ 31,455.6	\$ (51,255.6)
Adjustment for Receipts	7,254.5	—	(1,201.1)	212.8	—	—	—	6,266.2
Net Property Taxes	216,955.9	—	16,405.0	39,426.0	—	—	—	272,786.9
Personal Property Replacement Tax	18,164.0	—	—	—	—	—	—	18,164.0
Working Cash Borrowings Adjustment	(4,272.0)	—	(205.0)	(626.0)	—	—	—	(5,103.0)
Bond Sales	—	—	—	—	—	—	—	—
Grants (Federal & State)	—	16,137.2	—	—	—	—	—	16,137.2
Investment Income	1,523.4	3,938.8	196.4	222.8	—	1,346.2	310.0	7,537.6
State Revolving Fund Loans	—	168,986.7	—	—	—	—	—	168,986.7
Property & Services	21,779.4	—	—	—	—	—	—	21,779.4
User Charge	53,252.0	—	—	—	—	—	—	53,252.0
TIF Differential Fee & Impact Fee	12,036.3	—	740.3	—	—	—	—	12,776.6
Equity Transfer	6,000.0	(13,000.0)	7,000.0	—	—	3,269.3	—	3,269.3
Miscellaneous	7,143.1	2,179.6	0.6	28.7	—	10.2	—	9,362.2
TOTAL REVENUE	\$ 481,898.1	\$ (370,799.1)	\$ 29,320.2	\$ 53,107.5	\$ 79,505.0	\$ 229,162.2	\$ 31,765.6	\$ 533,959.5
EXPENDITURES								
Board of Commissioners	\$ 4,073.0	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 4,073.0
General Administration	15,729.4	—	—	—	—	—	—	15,729.4
Monitoring & Research	29,089.3	—	—	—	—	—	—	29,089.3
Procurement & Materials Mgmt.	8,727.2	—	—	—	—	—	—	8,727.2
Human Resources	54,172.3	—	—	—	—	—	—	54,172.3
Information Technology	14,556.9	—	—	—	—	—	—	14,556.9
Law	5,920.2	—	—	—	—	—	—	5,920.2
Finance	3,529.7	—	—	—	—	—	—	3,529.7
Engineering	26,061.0	245,028.4	13,793.3	—	—	—	—	284,882.7
Maintenance & Operations	176,565.1	—	—	—	—	—	—	176,565.1
Stormwater Management Fund	—	—	—	14,132.2	—	—	—	14,132.2
Retirement Fund	—	—	—	—	79,505.0	—	—	79,505.0
Bond Redemption & Interest Fund	—	—	—	—	—	215,647.3	—	215,647.3
Reserve Claim Fund	—	—	—	—	—	—	6,905.1	6,905.1
Equity Transfer	—	—	—	3,269.3	—	—	—	3,269.3
TOTAL EXPENDITURES	\$ 338,424.1	\$ 245,028.4	\$ 13,793.3	\$ 17,401.5	\$ 79,505.0	\$ 215,647.3	\$ 6,905.1	\$ 916,704.7

* The Capital Improvements Bond Fund is budgeted on an "obligation" basis which records expenditures in the period in which the contracts or grants are awarded.

SUMMARY OF ESTIMATED ASSETS APPROPRIABLE FOR THE CORPORATE, CAPITAL IMPROVEMENTS BOND, RETIREMENT, CONSTRUCTION, STORMWATER MANAGEMENT, BOND REDEMPTION & INTEREST, AND RESERVE CLAIM FUNDS FOR THE YEAR 2019

DESCRIPTION	FUND							
	CORPORATE	CAPITAL IMPROVEMENTS BOND	CONSTRUCTION	STORMWATER MANAGEMENT	RETIREMENT	BOND REDEMPTION & INTEREST	RESERVE CLAIM	TOTAL
2019 Revenue	\$ 341,296,000	\$ 849,989,585	\$ 7,720,000	\$ 52,000,000	\$ —	\$ 1,900,000	\$ 600,000	\$ 1,253,505,585
Resources Available at 01/01/2019	358,664,581	353,000,000	24,880,000	75,707,666	87,281,000	348,244,870	31,546,693	1,279,324,810
Total Resources	\$ 699,960,581	\$ 1,202,989,585	\$ 32,600,000	\$ 127,707,666	\$ 87,281,000	\$ 350,144,870	\$ 32,146,693	\$ 2,532,830,395
Liabilities:								
Payable From Restricted Assets	—	—	—	—	—	—	—	—
Liabilities and Designations at 01/01/2019	227,368,016	962,357,685	14,997,700	29,900,666	—	118,184,246*	378,893	1,353,187,206
Equity Transfer	4,200,000	(4,200,000)	—	(6,396,900)	—	6,396,900	—	—
Budget Reserve	99,985,065	—	—	—	—	—	—	99,985,065
ASSETS APPROPRIABLE	\$ 376,807,500	\$ 236,431,900	\$ 17,602,300	\$ 91,410,100	\$ 87,281,000	\$ 238,357,524	\$ 31,767,800	\$ 1,079,658,124

* Liabilities for the Bond Redemption & Interest Fund are for future Years' Principal and Interest

GAAP Basis Statement From 2017 CAFR - Exhibit A-1
Governmental Funds Balance Sheets / Statements of Net Assets

December 31, 2017 (with comparative amounts for prior year)

	General Corporate Fund		Debt Service Fund		Capital Improvement Bond Funds	
	2017	2016	2017	2016	2017	2016
(in thousands of dollars)						
Assets and deferred outflows of resources						
Assets:						
Cash	\$ 21,162	\$ 19,388	\$ 11,145	\$ 3,478	\$ 14,113	\$ 7,514
Certificates of deposit	116,881	65,675	10,051	20,009	56,219	82,187
Investments (note 4)	99,282	146,736	88,768	92,185	255,468	233,557
Prepaid insurance	4,101	2,117	—	—	—	—
Taxes receivable, net (note 5)	221,802	223,793	224,578	219,040	—	—
Other receivables, net (note 5)	8,599	14,294	—	—	42,497	97,261
Due from other funds (note 12)	101	101	—	—	—	—
Restricted deposits	527	285	—	—	—	—
Inventories	34,787	35,502	—	—	—	—
Capital assets not being depreciated/amortized (note 6)	—	—	—	—	—	—
Capital assets being depreciated/amortized, net (note 6)	—	—	—	—	—	—
Total assets	507,242	507,891	334,542	334,712	368,297	420,519
Deferred outflows of resources:						
Loss on prior debt refunding	—	—	—	—	—	—
Deferred outflows for pension related amounts	—	—	—	—	—	—
Total deferred outflows of resources	—	—	—	—	—	—
Total assets and deferred outflows of resources	\$ 507,242	\$ 507,891	\$ 334,542	\$ 334,712	\$ 368,297	\$ 420,519
Liabilities, deferred inflows of resources, and fund balances/net position						
Liabilities:						
Accounts payable and other liabilities (note 5)	\$ 21,924	\$ 28,126	\$ —	\$ —	\$ 55,356	\$ 45,543
Due to Pension Trust Fund (note 12)	—	—	—	—	—	—
Due to other funds (note 12)	—	—	—	—	—	—
Accrued interest payable	—	—	—	—	—	—
Unearned Revenue (note 5)	8,139	4,855	—	—	—	—
Long-term liabilities: (note 11)						
Due within one year	—	—	—	—	—	—
Due in more than one year	—	—	—	—	—	—
Total liabilities	30,063	32,981	—	—	55,356	45,543
Deferred inflows of resources:						
Unavailable tax revenue (note 5)	185,236	174,919	187,542	171,204	—	—
Other unavailable revenue (note 5)	—	—	—	—	944	941
Deferred inflows for other pension amounts	—	—	—	—	—	—
Total deferred inflows of resources	185,236	174,919	187,542	171,204	944	941
Fund balances:						
Nonspendable:						
Prepaid insurance	4,101	2,117	—	—	—	—
Inventories	34,787	35,502	—	—	—	—
Restricted for:						
Deposits	527	285	—	—	—	—
Working cash	280,437	279,390	—	—	—	—
Reserve claims	25,890	27,125	—	—	—	—
Debt service	—	—	147,000	163,508	—	—
Capital projects	—	—	—	—	164,524	228,694
Construction	—	—	—	—	—	—
Assigned	—	—	—	—	147,473	145,341
Unassigned (Deficit)	(53,799)	(44,428)	—	—	—	—
Total fund balances	291,943	299,991	147,000	163,508	311,997	374,035
Total liabilities, deferred inflows, and fund balances	\$ 507,242	\$ 507,891	\$ 334,542	\$ 334,712	\$ 368,297	\$ 420,519
Net position:						
Net investment in capital assets						
Restricted for corporate working cash						
Restricted for reserve claim						
Restricted for debt service						
Restricted for capital projects						
Restricted for construction working cash						
Restricted for stormwater working cash						
Unrestricted (Deficit)						
Total net position						

Metropolitan Water Reclamation District of Greater Chicago

Retirement Fund		Other Governmental / Nonmajor Funds		Total Governmental Funds		Adjustments (Note 2a)		Statements of Net Position	
2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
\$ —	\$ —	\$ 2,590	\$ 5,081	\$ 49,010	\$ 35,461	\$ —	\$ —	\$ 49,010	\$ 35,461
—	—	29,069	5,003	212,220	172,874	—	—	212,220	172,874
—	—	32,958	31,360	476,476	503,838	—	—	476,476	503,838
—	—	79	1	4,180	2,118	—	—	4,180	2,118
75,042	69,200	55,128	45,865	576,550	557,898	—	—	576,550	557,898
—	—	746	—	51,842	111,555	—	—	51,842	111,555
—	—	—	—	101	101	(101)	(101)	—	—
—	—	—	—	527	285	—	—	527	285
—	—	—	—	34,787	35,502	—	—	34,787	35,502
—	—	—	—	—	—	5,910,375	5,730,902	5,910,375	5,730,902
—	—	—	—	—	—	1,684,067	1,696,032	1,684,067	1,696,032
<u>75,042</u>	<u>69,200</u>	<u>120,570</u>	<u>87,310</u>	<u>1,405,693</u>	<u>1,419,632</u>	<u>7,594,341</u>	<u>7,426,833</u>	<u>9,000,034</u>	<u>8,846,465</u>
—	—	—	—	—	—	4,899	5,426	4,899	5,426
—	—	—	—	—	—	182,036	187,959	182,036	187,959
—	—	—	—	—	—	186,935	193,385	186,935	193,385
<u>\$ 75,042</u>	<u>\$ 69,200</u>	<u>\$ 120,570</u>	<u>\$ 87,310</u>	<u>\$ 1,405,693</u>	<u>\$ 1,419,632</u>	<u>\$ 7,781,276</u>	<u>\$ 7,620,218</u>	<u>\$ 9,186,969</u>	<u>\$ 9,039,850</u>
\$ —	\$ —	\$ 4,886	\$ 5,430	\$ 82,166	\$ 79,099	\$ —	\$ —	\$ 82,166	\$ 79,099
15,868	20,051	—	—	15,868	20,051	73,990	60,208	89,858	80,259
—	—	101	101	101	101	(101)	(101)	—	—
—	—	—	—	—	—	15,899	16,145	15,899	16,145
—	—	—	—	8,139	4,855	—	—	8,139	4,855
—	—	—	—	—	—	167,351	140,400	167,351	140,400
—	—	—	—	—	—	4,192,025	4,179,147	4,192,025	4,179,147
<u>15,868</u>	<u>20,051</u>	<u>4,987</u>	<u>5,531</u>	<u>106,274</u>	<u>104,106</u>	<u>4,449,164</u>	<u>4,395,799</u>	<u>4,555,438</u>	<u>4,499,905</u>
59,174	49,149	46,028	35,849	477,980	431,121	(477,980)	(431,121)	—	—
—	—	—	—	944	941	(944)	(941)	—	—
—	—	—	—	—	—	15,102	—	15,102	—
<u>59,174</u>	<u>49,149</u>	<u>46,028</u>	<u>35,849</u>	<u>478,924</u>	<u>432,062</u>	<u>(463,822)</u>	<u>(432,062)</u>	<u>15,102</u>	<u>—</u>
—	—	79	1	4,180	2,118	(4,180)	(2,118)	—	—
—	—	—	—	34,787	35,502	(34,787)	(35,502)	—	—
—	—	—	—	527	285	(527)	(285)	—	—
—	—	59,713	59,454	340,150	338,844	(340,150)	(338,844)	—	—
—	—	—	—	25,890	27,125	(25,890)	(27,125)	—	—
—	—	—	—	147,000	163,508	(147,000)	(163,509)	—	—
—	—	4,146	—	168,670	228,694	(168,670)	(228,694)	—	—
—	—	5,696	—	5,696	—	(5,696)	—	—	—
—	—	—	—	147,473	145,341	(147,473)	(145,341)	—	—
—	—	(79)	(13,525)	(53,878)	(57,953)	53,878	57,954	—	—
—	—	69,555	45,930	820,495	883,464	(820,495)	(883,464)	—	—
<u>\$ 75,042</u>	<u>\$ 69,200</u>	<u>\$ 120,570</u>	<u>\$ 87,310</u>	<u>\$ 1,405,693</u>	<u>\$ 1,419,632</u>				
Net position:									
Net investment in capital assets						4,710,123	4,591,899	4,710,123	4,591,899
Restricted for corporate working cash						280,437	279,390	280,437	279,390
Restricted for reserve claim						9,976	2,128	9,976	2,128
Restricted for debt service						318,646	318,575	318,646	318,575
Restricted for capital projects						32,067	75,762	32,067	75,762
Restricted for construction working cash						22,204	22,070	22,204	22,070
Restricted for stormwater working cash						37,509	37,384	37,509	37,384
Unrestricted (Deficit)						(794,533)	(787,263)	(794,533)	(787,263)
Total net position						<u>\$ 4,616,429</u>	<u>\$ 4,539,945</u>	<u>\$ 4,616,429</u>	<u>\$ 4,539,945</u>

Notes reference the 2017 CAFR of the District - Available on the internet at www.mwr.org

**APPROPRIATION FOR LIABILITIES - BY FUND
JANUARY 1, 2019 AND 2018**

CORPORATE FUND	2019	2018
Unpaid Bills:		
Accrued Salaries & Wages	\$ 3,685,000	\$ 3,850,000
Personal Services - Other	2,700,000	1,022,559
Payroll Withholding & Miscellaneous	2,000,000	2,000,000
Contractual Services	28,983,016	28,000,000
Due to Corporate Working Cash Fund	190,000,000	190,000,000
Designated for Future Claims Liabilities	—	—
Total Liabilities of Corporate Fund	\$ 227,368,016	\$ 224,872,559
CONSTRUCTION FUND		
Unpaid Bills:		
Contracts Payable	\$ 2,497,700	\$ 2,340,000
Contractual Services	500,000	1,300,000
Machinery & Equipment	—	—
Due to Construction Working Cash Fund	12,000,000	12,000,000
Total Liabilities of Construction Fund	\$ 14,997,700	\$ 15,640,000
CAPITAL IMPROVEMENTS BOND FUND		
Unpaid Bills:		
Contractual Services	\$ 74,000,000	\$ 73,937,199
Contracts Payable	888,357,685	1,040,318,906
Total Liabilities of Capital Improvements Bond Fund	\$ 962,357,685	\$ 1,114,256,105
RESERVE CLAIM FUND		
Accounts Payable & Other Liabilities	\$ 378,893	\$ 241,216
BOND REDEMPTION & INTEREST FUND		
Future Payment of Principal & Interest	\$ 238,357,524	\$ 256,304,186
STORMWATER MANAGEMENT FUND		
Accrued Salaries & Wages	\$ 100,000	\$ 104,000
Vouchers Payable	1,300,000	2,000,000
Contracts Payable	2,000,666	1,461,208
Due to Stormwater Working Cash Fund	26,500,000	26,500,000
Total Liabilities of Stormwater Management Fund	\$ 29,900,666	\$ 30,065,208
TOTAL LIABILITIES JANUARY 1, 2019 AND 2018	\$ 1,473,360,484	\$ 1,641,379,274

**STATEMENT OF TAXES RECEIVABLE FOR 2018 AND PRIOR YEARS AT JANUARY 1, 2019
INCLUDING THE ESTIMATED COLLECTIONS FOR THE YEAR 2019**

YEAR FUND	TAX EXTENSION	COLLECTED THRU 12/31/18	%	UNCOLLECTED AT 12/31/18	RESERVE \$	%	ESTIMATED NET TAXES RECEIVABLE	CASH ESTIMATED IN 2019
2018								
Corporate	\$ 240,465,800	\$ —	—%	\$ 240,465,800	\$ 8,416,303	3.5%	\$ 232,049,497	\$ 234,454,155
Bond Redemption & Interest	243,791,597	—	—%	243,791,597	8,532,706	3.5%	235,258,891	237,696,807
Retirement	71,534,197	—	—%	71,534,197	2,503,697	3.5%	69,030,500	69,030,500
Construction	11,700,000	—	—%	11,700,000	409,500	3.5%	11,290,500	11,407,500
Stormwater Management	47,826,000	—	—%	47,826,000	1,673,910	3.5%	46,152,090	46,630,350
Reserve Claim	6,000,000	—	—%	6,000,000	210,000	3.5%	5,790,000	5,850,000
Total	\$ 621,317,594	\$ —	—%	\$ 621,317,594	\$ 21,746,116	3.5%	\$ 599,571,478	\$ 605,069,312
2017								
Corporate	\$ 223,946,065	\$ 218,347,413	97.5%	\$ 5,598,652	\$ 7,838,112	3.5%	\$ —	\$ 2,463,407
Bond Redemption & Interest	233,887,123	228,039,945	97.5%	5,847,178	8,186,049	3.5%	—	2,572,758
Retirement	73,438,135	71,602,182	97.5%	1,835,953	2,570,335	3.5%	—	—
Construction	17,000,000	16,575,000	97.5%	425,000	595,000	3.5%	—	187,000
Stormwater Management	40,856,008	39,834,608	97.5%	1,021,400	1,429,960	3.5%	—	449,416
Reserve Claim	5,900,000	5,752,500	97.5%	147,500	206,500	3.5%	—	64,900
Total	\$ 595,027,331	\$ 580,151,648	97.5%	\$ 14,875,683	\$ 20,825,957	3.5%	\$ —	\$ 5,737,481
2016								
Corporate	\$ 226,742,879	\$ 223,568,479	98.6%	\$ 3,174,400	\$ 7,936,001	3.5%	\$ —	\$ (1,587,200)
Bond Redemption & Interest	225,714,902	222,554,893	98.6%	3,160,009	7,900,022	3.5%	—	(1,580,004)
Retirement	65,161,200	62,880,558	96.5%	2,280,642	2,280,642	3.5%	—	—
Construction	13,784,956	13,591,967	98.6%	192,989	482,473	3.5%	—	(96,495)
Stormwater Management	34,250,000	33,770,500	98.6%	479,500	1,198,750	3.5%	—	(239,750)
Reserve Claim	5,800,000	5,718,800	98.6%	81,200	203,000	3.5%	—	(40,600)
Total	\$ 571,453,937	\$ 562,085,197	98.4%	\$ 9,368,740	\$ 20,000,888	3.5%	\$ —	\$ (3,544,049)
2015								
Corporate	\$ 227,659,785	\$ 224,700,208	98.7%	\$ 2,959,577	\$ 7,968,092	3.5%	\$ —	\$ (1,593,618)
Bond Redemption & Interest	224,487,727	221,569,387	98.7%	2,918,340	7,857,070	3.5%	—	(1,571,414)
Retirement	58,004,000	55,973,860	96.5%	2,030,140	2,030,140	3.5%	—	—
Construction	15,196,952	14,999,392	98.7%	197,560	531,893	3.5%	—	(106,379)
Stormwater Management	24,050,000	23,737,350	98.7%	312,650	841,750	3.5%	—	(168,350)
Reserve Claim	5,700,000	5,625,900	98.7%	74,100	199,500	3.5%	—	(39,900)
Total	\$ 555,098,464	\$ 546,606,096	98.5%	\$ 8,492,368	\$ 19,428,446	3.5%	\$ —	\$ (3,479,661)
2014								
Corporate	\$ 230,415,559	\$ 225,576,832	97.9%	\$ 4,838,727	\$ 8,064,545	3.5%	\$ —	\$ (691,247)
Bond Redemption & Interest	218,319,348	213,734,642	97.9%	4,584,706	7,641,177	3.5%	—	(654,958)
Retirement	50,530,700	49,267,433	97.5%	1,263,268	1,768,575	3.5%	—	—
Construction	17,400,000	17,034,600	97.9%	365,400	609,000	3.5%	—	(52,200)
Stormwater Management	21,000,000	20,559,000	97.9%	441,000	735,000	3.5%	—	(63,000)
Reserve Claim	3,000,000	2,937,000	97.9%	63,000	105,000	3.5%	—	(9,000)
Total	\$ 540,665,607	\$ 529,109,506	97.9%	\$ 11,556,101	\$ 18,923,296	3.5%	\$ —	\$ (1,470,405)
Prior Years'								
Corporate								\$ (230,416)
Bond Redemption & Interest								(218,319)
Levies								
Retirement								—
Construction								(17,400)
Stormwater Management								(21,000)
Reserve Claim								(3,000)
Total								\$ (490,135)
RECAPITULATION BY FUND								
Corporate	\$ 1,149,230,088	\$ 892,192,932		\$ 257,037,156	\$ 40,223,053		\$ 232,049,497	\$ 232,815,081
Bond Redemption & Interest	1,146,200,697	885,898,867		260,301,830	40,117,024		235,258,891	236,244,870
Retirement	318,668,232	239,724,032		78,944,200	11,153,388		69,030,500	69,030,500
Construction	75,081,908	62,200,958		12,880,950	2,627,867		11,290,500	11,322,027
Stormwater Management	167,982,008	117,901,458		50,080,550	5,879,370		46,152,090	46,587,666
Reserve Claim	26,400,000	20,034,200		6,365,800	924,000		5,790,000	5,822,400
Total	\$ 2,883,562,933	\$ 2,217,952,447		\$ 665,610,486	\$ 100,924,703		\$ 599,571,478	\$ 601,822,543

**STATEMENT OF PERSONAL PROPERTY REPLACEMENT TAXES
RECEIVABLE FOR 2019 AND PRIOR YEARS AT JANUARY 1, 2019
INCLUDING THE ESTIMATED COLLECTIONS FOR THE YEAR 2019**

LEVY YEAR	FUND	BUDGETED RECEIVABLE	ACTUAL/ESTIMATED COLLECTED THROUGH 2018	CASH ESTIMATED IN 2019
2019	Corporate	\$ 15,000,000	\$ —	\$ —
	Retirement	18,258,400	—	—
	Construction	—	—	—
	Total	\$ 33,258,400	\$ —	\$ —
2018	Corporate	\$ 19,849,500	\$ —	\$ 15,849,500
	Retirement	18,250,500	—	18,250,500
	Construction	—	—	—
	Total	\$ 38,100,000	\$ —	\$ 34,100,000
2017	Corporate	\$ 18,164,000	\$ 16,162,500	\$ —
	Retirement	18,736,200	18,736,200	—
	Construction	—	—	—
	Total	\$ 36,900,200	\$ 34,898,700	\$ —
2016	Corporate	\$ 24,676,000	\$ 23,751,730	\$ —
	Retirement	16,624,500	16,624,500	—
	Construction	1,100,000	—	—
	Total	\$ 42,400,500	\$ 40,376,230	\$ —
2015	Corporate	\$ 23,101,600	\$ 23,435,980	\$ —
	Retirement	14,798,400	14,798,400	—
	Construction	—	—	—
	Total	\$ 37,900,000	\$ 38,234,380	\$ —
2014	Corporate	18,608,149	30,257,802	—
	Retirement	12,891,851	12,891,851	—
	Construction	10,500,000	—	—
	Total	\$ 42,000,000	\$ 43,149,653	\$ —

CORPORATE FUND FINANCIAL NARRATIVE

The Corporate Fund is the general fund of the District and used to account for the general operations and expenditures. The 2019 Budget is \$376.8 million, an increase of \$6.6 million, or 1.8 percent, from the 2018 Adjusted Budget. Property taxes are the major source of revenue for the Corporate Fund. In 2019, the net property tax levy will provide 65.2 percent of the fund's revenue. The property tax levy for 2019 is \$254.6 million, an increase of \$14.1 million, or 5.9 percent, from the 2018 Adjusted Levy.

The Corporate Fund receives significant funding from user charge revenue, estimated at \$46.0 million in 2019, unchanged from the 2018 Adjusted Budget. While industries have made adjustments to reduce their loadings and associated expenses, current user charge rates continue to provide revenue paralleling the costs of treatment. The state economy significantly impacts the food processing and chemical industries, two major categories of user charge payers. The third major segment of user charge payers is government-operated airports and water filtration facilities. The revenues from these sources are more affected by weather conditions than the general economy. The 2018 year-end estimated revenue is stable at \$46.0 million.

User charge rates and revenues parallel changes in operations and maintenance costs. User charge rates are based on United States Environmental Protection Agency's required review of the classes of users to ensure that each class pays its proportionate share of actual operations, maintenance, and replacement (OM&R) costs. Large commercial, industrial, and tax exempt users are charged fees based on the volume and strength of biochemical oxygen demand and suspended solids in their effluents, with credit given for the OM&R portion of any property taxes paid. The OM&R credit is adjusted for any users in tax increment financing districts to give credit only for property taxes actually received. Residential and small commercial/industrial classes pay only property taxes. This rate method ensures that the costs of providing service to these classes of users are fully recaptured. The user charge rate history appears in the Appendix.

Personal Property Replacement Tax (PPRT) revenue is primarily based on a corporate income tax. The Corporate Fund allocation is budgeted at \$15.0 million for 2019, a decrease of \$4.8 million compared to the 2018 Adjusted Budget of \$19.8 million for the Corporate Fund. PPRT revenues are accounted for in arrears and compared against the prior year tax estimate. Beginning in FY2018, the State of Illinois began allocating additional PPRT funds to fund community colleges, which decreased the funds available for local government allocations. The District projects revenue received in 2018 to be \$16.2 million, short of budgetary expectations. The PPRT is allocated first to the Retirement Fund to pay 20.9 percent of the Retirement Fund total levy.

In 2019, land rental revenue is budgeted at \$21.5 million, an increase of \$0.5 million from the 2018 Adjusted Budget. Real estate income for the District has trended upwards in recent years. Expiring leases are reviewed and necessary environmental or other types of property remediation are performed, when possible, well ahead of lease expiration to expedite re-leasing at current market rates.

For 2019, the District anticipates a \$9.5 million Tax Increment Financing (TIF) surplus distribution primarily from the expiration of TIF districts within the City of Chicago. A \$4.2 million equity transfer from the Capital Improvements Bond Fund's accumulated interest income, which can be used for any corporate purpose, will be used to supplement the Corporate Fund. Investment income is budgeted for 2019 at \$2.6 million, an increase of \$1.3 million from the 2018 Original Budget. This Investment Income estimates assumes two rate hikes in 2018 and three in 2019 after several years of relatively stable but low short-term interest rates.

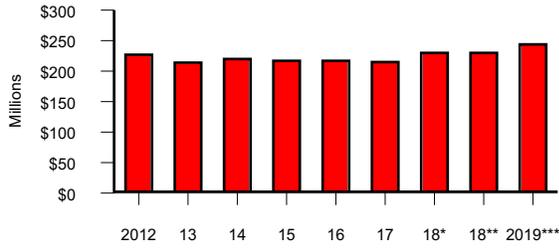
Overall, 2018 non-tax revenue is projected to end the year over the 2018 Original Budget by \$2.4 million, or 2.9 percent. This increase is driven by solid investment returns based on increasing interest rates and higher than anticipated TIF surplus distributions from the City of Chicago and suburban Cook County. In 2018, sewer permit fee revenues are expected to total \$1.0 million. Beginning in 2019, sewer permit fees will be recorded in the Stormwater Management Fund to offset a portion of operational costs related to the administration of the Watershed Management Ordinance being transferred from the Corporate Fund.

A fund balance within the \$44.0 to \$55.0 million range is viewed by District management and the financial markets as necessary to maintain financial stability and sustain us through economic uncertainties. This fund balance level is consistent with the level recommended by the Government Finance Officers Association. In order to ensure that an adequate fund balance is maintained, all net assets appropriable have not been reappropriated as revenue for the subsequent year. For 2019, a portion amounting to \$100.0 million of the projected net assets will remain unappropriated to provide for a fiscally responsible fund balance.

The Corporate Working Cash Fund is used to provide short-term financing to the Corporate Fund. As the property tax levy for one year is not collected until the next year, short-term financing of the current year tax levy is necessary. The District is authorized to sell Working Cash Bonds and is authorized to extend a property tax levy to meet these needs, but neither a tax levy nor bond sale is planned for 2019. The estimated amount the District will allocate as available for loan in 2019 is \$256.1 million, or 95 percent, of the maximum.

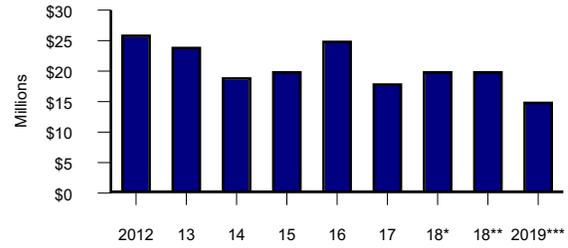
REVENUE - CORPORATE FUND (BUDGETARY BASIS)

Net Property Tax Levy



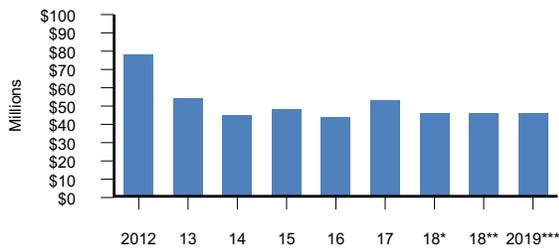
The property tax levy is the primary source of revenue for the Corporate Fund. Its increase, therefore, trends with increases in appropriations.

Personal Property Replacement Tax



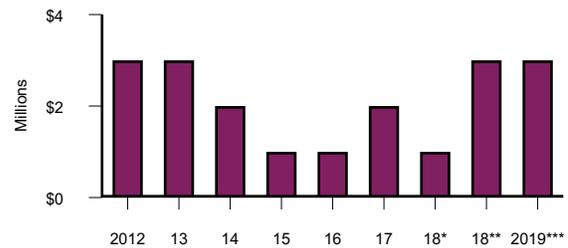
Beginning in 2014, the District's distribution to the Retirement Fund increased. Errors in the State's calculations and changes in the allocation have resulted in decreased PPRT revenue.

User Charge



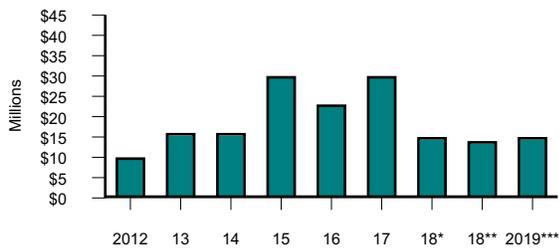
The growth in the food processing and chemical industries has been offset by improvements in processing and reduced discharges, resulting in steady revenue projections.

Investment Income



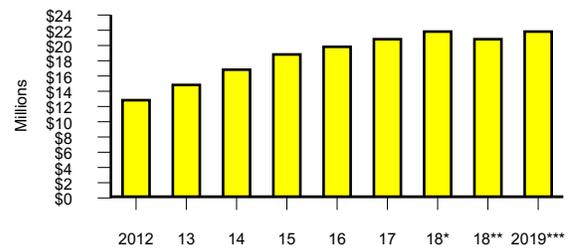
Investment income is expected to increase due to anticipated rate increases in 2018 and 2019. In both 2015 and 2016, low rates and smaller investment balances resulted in lower returns.

Other



In 2015, TIF surplus distribution and land sales were higher than anticipated. In 2017, the Corporate Fund received a \$6.0 million equity transfer from the Capital Improvement Bond Fund and a higher than normal TIF surplus distribution.

Land Rentals



Land rentals have continue to gradually increase since 2012. The projects are expected to remain stable at \$21.5 million.

Note: Other includes sewer permit and permit services fees, land sales, agricultural product sales, Tax Increment Finance (TIF) district surplus distribution, and other small revenue sources. Beginning in 2019, sewer permit fees will be recorded to the Stormwater Management Fund.

- 2012-2017 actual
- * 2018 as budgeted
- ** 2018 adjusted estimated
- *** 2019 estimate

**CORPORATE FUND
ESTIMATED BALANCE SHEET
JANUARY 1, 2019 AND 2018**

	ASSETS			
	2019		2018	
	AMOUNT	AVAILABLE FOR APPROPRIATION	AMOUNT	AVAILABLE FOR APPROPRIATION
CURRENT ASSETS				
Cash & Investments	\$ 110,000,000	\$ 110,000,000	\$ 127,347,300	\$ 127,347,300
Taxes Receivable	232,049,497	232,815,081	216,107,953	216,737,459
Replacement Tax	15,849,500	15,849,500	18,164,000	18,164,000
Total Current Assets	\$ 357,898,997	\$ 358,664,581	\$ 361,619,253	\$ 362,248,759
LIABILITIES & FUND EQUITY				
CURRENT LIABILITIES				
Unpaid Bills:				
Accrued Salaries & Wages	\$ 3,685,000	\$ 3,685,000	\$ 3,850,000	\$ 3,850,000
Personal Services - Other	2,700,000	2,700,000	1,022,559	1,022,559
Payroll Withholding & Miscellaneous	2,000,000	2,000,000	2,000,000	2,000,000
Contractual Services	28,983,016	28,983,016	28,000,000	28,000,000
Due to Corporate Working Cash Fund	190,000,000	190,000,000	190,000,000	190,000,000
Total Current Liabilities	\$ 227,368,016	\$ 227,368,016	\$ 224,872,559	\$ 224,872,559
Total Liabilities & Designations		\$ 227,368,016		\$ 224,872,559
ASSETS APPROPRIABLE FOR 2019 & 2018				
Net Assets Appropriable		\$ 131,296,565		\$ 137,376,200
Budget Reserve		\$ (99,985,065)		\$ (103,261,000)
Net Assets Appropriated		\$ 31,311,500		\$ 34,115,200
Estimated Revenue		\$ 345,496,000		\$ 336,094,000
Total Assets Appropriable		\$ 376,807,500		\$ 370,209,200
FUND EQUITY				
Undesignated		\$ 130,530,981		\$ 136,746,694
Total Fund Equity		\$ 130,530,981		\$ 136,746,694
Total Liabilities & Fund Equity		\$ 357,898,997		\$ 361,619,253

**CORPORATE FUND
APPROPRIABLE REVENUE
2019 - 2016**

REVENUE DESCRIPTION	ESTIMATED			ACTUAL	
	2019 BUDGET	2018 ADJUSTED	2018 BUDGET	2017	2016
Revenue from Property Taxes					
Gross Tax Levy	\$ 254,574,100	\$ 240,465,800	\$ 240,465,800	\$ 224,824,731	\$ 226,742,879
Less Allowance for Uncollectible Taxes	(8,910,094)	(8,416,303)	(8,416,303)	(7,868,866)	(7,936,001)
Net Property Taxes	\$ 245,664,006	\$ 232,049,497	\$ 232,049,497	\$ 216,955,865	\$ 218,806,878
Revenue from Personal Property					
Replacement Tax	\$ 15,000,000	\$ 19,849,500	\$ 19,849,500	\$ 18,164,000	\$ 24,676,000
Net Tax Sources	\$ 260,664,006	\$ 251,898,997	\$ 251,898,997	\$ 235,119,865	\$ 243,482,878
Adjustment to match working cash borrowings	(4,564,007)	(4,598,997)	(4,598,997)	(4,271,953)	(4,671,474)
Working Cash Financing at 95% of Gross Tax Sources	\$ 256,100,000	\$ 247,300,000	\$ 247,300,000	\$ 230,800,000	\$ 238,800,000
Investment Income	\$ 2,600,000	\$ 2,594,000	\$ 1,300,000	\$ 1,523,399	\$ 1,020,669
Land Rentals	21,500,000	21,000,000	21,500,000	20,628,245	20,458,550
Sewer Permit Fees	—	1,000,000	900,000	1,100,992	1,007,195
Sewer Service Agreement Revenue	1,500,000	1,500,000	1,500,000	2,286,078	1,497,979
User Charge	46,000,000	46,000,000	46,000,000	53,252,035	44,487,370
Resource Recovery	600,000	600,000	1,600,000	295,602	—
Lockport Electricity Generation	1,200,000	1,300,000	1,000,000	1,323,132	1,176,146
Miscellaneous (details below)	11,796,000	13,023,000	10,794,000	15,620,329	12,438,302
Subtotal	\$ 85,196,000	\$ 87,017,000	\$ 84,594,000	\$ 96,029,812	\$ 82,086,211
Adjustment to Net Assets Available for Projected Receipts	—	(3,319,300)	—	7,254,500	11,314,834
Equity Transfer	4,200,000	4,200,000	4,200,000	6,000,000	—
GRAND TOTAL	\$ 345,496,000	\$ 335,197,700	\$ 336,094,000	\$ 340,084,312	\$ 332,201,045
<hr/>					
TIF Surplus Distribution	\$ 9,500,000	\$ 10,500,000	\$ 9,500,000	\$ 11,811,280	\$ 8,431,979
TIF Differential Fee	225,000	225,000	225,000	225,000	225,000
Land Sales	—	3,000	—	50,200	1,233,562
Claims & Damage Settlements	—	200,000	—	213,158	186,573
Scrap Sales	50,000	55,000	50,000	116,041	67,015
Sales of Automobiles	18,000	20,000	16,000	42,440	23,707
Interest on Taxes - Cook County Treasurer	3,000	20,000	3,000	10,265	3,774
Other	2,000,000	2,000,000	1,000,000	3,151,945	2,266,692
Total	\$ 11,796,000	\$ 13,023,000	\$ 10,794,000	\$ 15,620,329	\$ 12,438,302

**CORPORATE FUND
FINANCING
2019 - 2014**

	ESTIMATED			ACTUAL			
	2019 (1)	2018 REVISED	2018 ORIGINAL	2017	2016	2015	2014
BORROWINGS							
Working Cash Loans Current Year	\$ 256,100,000	\$ 190,000,000	\$ 247,300,000	\$ 190,000,000	\$ 190,000,000	\$ 190,000,000	\$236,200,000
Working Cash Loans Prior Year	—	—	—	—	—	—	—
Total Borrowings	\$ 256,100,000	\$ 190,000,000	\$ 247,300,000	\$ 190,000,000	\$ 190,000,000	\$ 190,000,000	\$236,200,000
REPAYMENTS							
Working Cash Loans Repaid							
Current	\$ 190,000,000	\$ 190,000,000	\$ 190,000,000	\$ 190,000,000	\$ 190,000,000	\$ 236,200,000	\$190,000,000
Working Cash Loans Repaid							
Prior	—	—	—	—	—	—	—
Total Repayments	\$ 190,000,000	\$ 236,200,000	\$190,000,000				

(1) FINANCING LIMITATION

		2019
		(In Millions)
Property Tax Levy	\$	254.6
Personal Property Replacement Tax		15.0
Total	\$	269.6
* Borrowing Limitation		95.0%
Total Available for Financing	\$	256.1
* Statutory limitation is 100%		

**CORPORATE WORKING CASH FUND
ESTIMATED BALANCE SHEET
JANUARY 1, 2019 AND 2018
AND ESTIMATED AMOUNTS AVAILABLE FOR 2019 AND 2018**

	ASSETS			
	2019		2018	
	AMOUNT	AVAILABLE FOR APPROPRIATION	AMOUNT	AVAILABLE FOR APPROPRIATION
CURRENT ASSETS				
Cash & Investments	\$ 91,228,000	\$ 91,228,000	\$ 89,986,148	\$ 89,986,148
Due from Corporate Fund	190,000,000	190,000,000	190,000,000	190,000,000
Total Current Assets	<u>\$ 281,228,000</u>	<u>\$ 281,228,000</u>	<u>\$ 279,986,148</u>	<u>\$ 279,986,148</u>
	FUND EQUITY			
Estimated Revenue & Other Financing Sources		\$ 2,100,000		\$ 800,000
ASSETS AVAILABLE FOR 2019 AND 2018		<u>\$ 283,328,000</u>		<u>\$ 280,786,148</u>
FUND EQUITY		<u>\$ 281,228,000</u>		<u>\$ 279,986,148</u>

**CORPORATE WORKING CASH FUND
REVENUES
2019 - 2016**

REVENUE DESCRIPTION	ESTIMATED			ACTUAL	
	2019 BUDGET	2018 ADJUSTED	2018 BUDGET	2017	2016
Revenue from Money & Property					
Investment Income	\$ 2,100,000	\$ 1,630,000	\$ 800,000	\$ 817,809	\$ 537,822
Revenue from Miscellaneous Sources	—	—	—	—	—
TOTAL	<u>\$ 2,100,000</u>	<u>\$ 1,630,000</u>	<u>\$ 800,000</u>	<u>\$ 817,809</u>	<u>\$ 537,822</u>

CAPITAL FUNDS FINANCIAL NARRATIVE

The Capital Funds of the District are the Capital Improvements Bond Fund (CIBF) and the Construction Fund. These funds are used to account for the acquisition of capital facilities and other capital assets through the Capital Improvement Program. The District's major functions of sewage collection and treatment, solids processing, solids utilization, flood control, and stormwater management are capital intensive, requiring significant investments in infrastructure. The District's mission of protecting the Lake Michigan drinking water supply from pollution and stormwater management drives the capital program for the District. Funding for the national, state, and local priorities that drive the District's program is provided by bonds, loans, grants, and other financial assistance available to the District.

The District utilizes a combination of funding methods to finance the Capital Improvement Program. The 2019 revenue sources include 11.6 percent from property taxes, grants, investment income or other miscellaneous revenues. Low-interest Wastewater and Stormwater State Revolving Fund loans account for 48.3 percent of 2019 revenues, while General Obligation and Alternate Revenue Bonds account for 40.1 percent. Stormwater Alternate Revenue bonds and Stormwater State Revolving Fund loans finance large stormwater projects that address overland flooding throughout Cook County backed by the Stormwater Management Fund Property Tax Levy to pay the principal and interest on the loans.

The Construction Fund is supported primarily by Property Taxes and is used to finance smaller construction projects on a pay-as-you-go basis, while the Capital Improvements Bond Fund is used to budget and account for larger infrastructure and stormwater projects.

Capital Improvement Bond Fund

The CIBF is used to provide resources from Wastewater and Stormwater State Revolving Fund loans, grants, bonds, and other sources to design and construct major capital facilities that are structures of permanent duration. The 2019 appropriation is \$236.4 million, a decrease of \$76.6 million from the 2018 Adjusted Budget, or 24.5 percent. The appropriation varies by the scheduled awards of major projects.

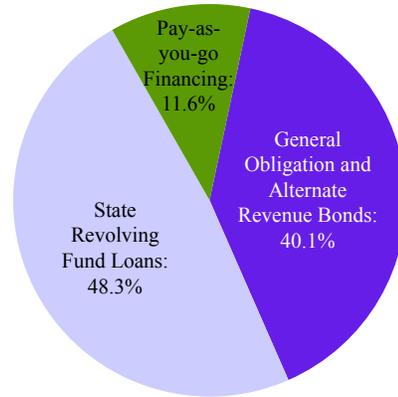
The CIBF balance sheet (page 93) estimates the net assets appropriable for 2019 at (\$609.4) million and (\$626.1) million million for 2018. The CIBF balance sheet estimated negative net assets appropriable for 2019 and 2018 are a result of accounting for the full value of the contract awards as a liability, without recognizing the bonds to be sold during the course of the projects to meet financial needs. An obligation basis of budgetary accounting is used for this fund. Liabilities are recognized as the total value of all project awards at the time of award, even though cash disbursements are made over several future years. On a cash flow basis, the District has a goal to keep expenditures at a maximum of \$250.0 million per year.

Since 1969, the District has issued approximately \$6.0 billion in bonds in order to support its capital program. The District is authorized to issue \$150.0 million in nonreferendum Capital Improvements Bonds in any one year, plus amounts unissued from the prior three years. Bonds for State Revolving Fund loans are excluded. The District's nonreferendum bonding authority was extended to 2024 by state statute, effective January 1, 2011, and the annual debt issuance authorization was increased from \$100.0 million to \$150.0 million in 2003. This level of authority allows the District to proceed with the award of multi-year contracts, then sell bonds as cash flow requirements demand during the course of the project. The Five-Year Financial Forecast on pages 59 - 70 presents detailed projections of the financial aspects of the capital program into the future.

Illinois property tax limitation laws limit the District's authority to issue bonds without a referendum. Projects initiated prior to October 1, 1991, which generally cover only Tunnel and Reservoir Plan (TARP) projects, are excluded from the limitation. The District is authorized to issue "limited tax bonds" without a voter referendum. Limited bonds can be issued to the extent that any new debt when combined with existing debt service does not exceed the debt service extension base. The extension base limitation for the 2018 levy year is \$166.1 million and \$170.7 million for the 2019 levy year.

The State of Illinois Stormwater/Wastewater Revolving Loan Fund (SRF) provides low-interest loans to finance qualifying projects. The current interest rate for new loans to the District is 1.84 percent. The District expects to receive an allocation of \$120.0 million in 2019 and \$175.0 million annually for the following four years. The District continues to plan for the use of SRF loans and other low cost financing options. SRF loans will make up 58.3 percent of construction cost financing for projects currently under construction and those with projected 2019 construction contract award dates. For 2019, a Build America Bonds (BABs) subsidy

2019 Capital Improvement Plan Revenue Sources



of \$11.3 million and \$2.0 million in miscellaneous revenue is available for capital projects in the Capital Improvements Bond Fund, while \$4.2 million in accumulated interest income will be transferred to the Corporate Fund.

Construction Fund

The 2019 tax levy for the Construction Fund is \$7.6 million, a decrease of \$4.1 million, or 35.0 percent, from the 2018 Adjusted Budget. The fund will also be supported by existing assets appropriable to fund capital projects. Additionally, 2017 marked the end of a 10-year payment agreement with the City of Chicago for sewer connection impact fees reducing revenue by \$745,000 annually beginning in 2018.

The 2019 appropriation is \$17.6 million, a decrease of \$8.5 million, or 32.5 percent, from the 2018 Adjusted Budget. This decreased appropriation level reflects the anticipated expenditures for existing projects and the appropriations required to fund projects with 2019 award dates.

The Construction Fund is a property tax supported fund designed to provide resources for capital projects for which long-term bond funding is not desirable or is not available. This fund is intended for pay-as-you-go capital projects to perform major rehabilitation of facilities, extending their useful life, and to acquire other capital assets. The funding mechanism is a working cash fund that provides loans in anticipation of tax collections. The liabilities for contracts not completed during a fiscal year are reappropriated in the next year. Net assets appropriable, therefore, fluctuate based on the value of contract liabilities carried forward to the following year. For 2019, there is \$7.2 million budgeted for projects currently under construction and \$8.0 for projects scheduled for award in 2019.

**CAPITAL IMPROVEMENTS BOND FUND
ESTIMATED BALANCE SHEET
JANUARY 1, 2019 AND 2018**

	ASSETS			
	2019		2018	
	AMOUNT	AVAILABLE FOR APPROPRIATION	AMOUNT	AVAILABLE FOR APPROPRIATION
CURRENT ASSETS				
Cash & Investments	\$ 232,000,000	\$ 232,000,000	\$ 337,222,198	\$ 337,222,198
Grants Receivable	1,000,000	1,000,000	941,207	941,207
State Revolving Fund Loans Receivable	120,000,000	120,000,000	150,000,000	150,000,000
Total Current Assets	\$ 353,000,000	\$ 353,000,000	\$ 488,163,405	\$ 488,163,405
LIABILITIES & FUND EQUITY				
CURRENT LIABILITIES				
Unpaid Bills:				
Contractual Services	\$ 74,000,000	\$ 74,000,000	\$ 73,937,199	\$ 73,937,199
Contracts Payable	888,357,685	888,357,685	1,040,318,906	1,040,318,906
Total Current Liabilities	\$ 962,357,685	\$ 962,357,685	\$ 1,114,256,105	\$ 1,114,256,105
Designated for Future Claims Liabilities	—	—	—	—
Total Liabilities	\$ 962,357,685	\$ 962,357,685	\$ 1,114,256,105	\$ 1,114,256,105
ASSETS APPROPRIABLE				
Net Assets Appropriable		<u>\$ (609,357,685)</u>		<u>\$ (626,092,700)</u>
Net Assets Appropriated		(609,357,685)		(626,092,700)
Estimated Revenue		<u>845,789,585</u>		<u>939,075,600</u>
Total Assets Appropriable		\$ 236,431,900		\$ 312,982,900
FUND EQUITY				
	\$ (609,357,685)		\$ (626,092,700)	
Total Liabilities & Fund Equity	\$ 353,000,000		\$ 488,163,405	

CAPITAL IMPROVEMENTS BOND FUND
APPROPRIABLE REVENUE
2019 - 2016

REVENUE DESCRIPTION	ESTIMATED			ACTUAL	
	2019 BUDGET	2018 ADJUSTED	2018 BUDGET	2017	2016
Revenue from Money & Property					
Bond Sales (Present & Future)	\$ 708,922,285	\$ —	\$ 776,281,100	\$ —	\$ 125,003,513
Investment Income	7,800,000	5,266,000	3,700,000	3,938,820	2,395,116
Subtotal	\$ 716,722,285	\$ 5,266,000	\$ 779,981,100	\$ 3,938,820	\$ 127,398,629
Revenue from Miscellaneous Sources					
Federal & State Grants	\$ 11,267,300	\$ 11,294,500	\$ 11,294,500	\$ 16,137,198	\$ 11,233,702
State Revolving Fund Loans	120,000,000	150,000,000	150,000,000	168,986,700	173,739,000
Miscellaneous	2,000,000	2,000,000	2,000,000	2,179,586	2,468,262
Subtotal	\$ 133,267,300	\$ 163,294,500	\$ 163,294,500	\$ 187,303,484	\$ 187,440,964
Total Revenue	\$ 849,989,585	\$ 168,560,500	\$ 943,275,600	\$ 191,242,304	\$ 314,839,593
Other Financing Sources (Uses)					
Equity Transfer	\$ (4,200,000)	\$ (4,200,000)	\$ (4,200,000)	\$ (13,000,000)	\$ —
GRAND TOTAL	\$ 845,789,585	\$ 164,360,500	\$ 939,075,600	\$ 178,242,304	\$ 314,839,593

**CONSTRUCTION FUND
ESTIMATED BALANCE SHEET
JANUARY 1, 2019 AND 2018**

	ASSETS			
	2019		2018	
	AMOUNT	AVAILABLE FOR APPROPRIATION	AMOUNT	AVAILABLE FOR APPROPRIATION
CURRENT ASSETS				
Cash & Investments	\$ 13,558,000	\$ 13,558,000	\$ 13,926,461	\$ 13,926,461
Taxes Receivable	11,290,500	11,322,000	16,405,000	16,454,139
Replacement Tax	—	—		
Total Current Assets	\$ 24,848,500	\$ 24,880,000	\$ 30,331,461	\$ 30,380,600
LIABILITIES & FUND EQUITY				
CURRENT LIABILITIES				
Unpaid Bills:				
Contracts Payable	\$ 2,497,700	\$ 2,497,700	\$ 2,340,000	\$ 2,340,000
Contractual Services	500,000	500,000	1,300,000	1,300,000
Machinery & Equipment	—	—	—	—
Due to:				
Construction Working Cash Fund	12,000,000	12,000,000	12,000,000	12,000,000
Total Current Liabilities	\$ 14,997,700	\$ 14,997,700	\$ 15,640,000	\$ 15,640,000
Total Current Liabilities and Designations		\$ 14,997,700		\$ 15,640,000
ASSETS APPROPRIABLE FOR 2019 AND 2018				
Net Assets Appropriable		\$ 9,882,300		\$ 14,740,600
Net Assets Appropriated		\$ 9,882,300		\$ 14,740,600
Estimated Revenue		7,720,000		11,340,000
Total Assets Appropriable		\$ 17,602,300		\$ 26,080,600
FUND EQUITY				
Designated for Future Claims Liabilities		—		—
Undesignated	\$ 9,850,800		\$ 14,691,461	
Total Fund Equity	\$ 9,850,800		\$ 14,691,461	
Total Liabilities & Fund Equity	\$ 24,848,500		\$ 30,331,461	

CONSTRUCTION FUND FINANCING

2019 - 2014

	ESTIMATED			ACTUAL			
	2019	2018 REVISED	2018 ORIGINAL	2017	2016	2015	2014
BORROWINGS							
Working Cash Loans	\$ 7,200,000	\$ 11,100,000	\$ 11,100,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 10,000,000
Total Borrowings	\$ 7,200,000	\$ 11,100,000	\$ 11,100,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 10,000,000
REPAYMENTS							
Working Cash Loans Repaid							
Current	\$ 11,100,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 10,000,000	\$ 7,000,000
Prior Year	—	—	—	—	—	—	—
Total Repayments	\$ 11,100,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 10,000,000	\$ 7,000,000

(1) FINANCING LIMITATION

2019	
(In Millions)	
Property Tax Levy	\$ 7.6
Personal Property Replacement Tax	—
Total	\$ 7.6
Borrowing Limitation*	95.0% * Statutory limitation is 100%
Total Available for Financing	\$ 7.2

**CONSTRUCTION FUND
APPROPRIABLE REVENUE
2019 - 2016**

REVENUE DESCRIPTION	ESTIMATED		ACTUAL		
	2019 BUDGET	2018 ADJUSTED	2018 BUDGET	2017	2016
Revenue from Property Taxes					
Gross Tax Levy	\$ 7,600,000	\$ 11,700,000	\$ 11,700,000	\$ 17,000,000	\$ 13,784,956
Less: Allowance for Uncollectible Taxes	(266,000)	(409,500)	(409,500)	(595,000)	(581,000)
Net Property Taxes	\$ 7,334,000	\$ 11,290,500	\$ 11,290,500	\$ 16,405,000	\$ 13,302,483
Revenue from Personal Property					
Replacement Tax	—	—	—	—	1,100,000
Net Tax Sources	\$ 7,334,000	\$ 11,290,500	\$ 11,290,500	\$ 16,405,000	\$ 14,402,483
Adjustment to Match Working Cash Borrowings	(134,000)	(190,500)	(190,500)	(205,000)	(319,000)
Working Cash Financing (Maximum 95% of Gross Tax Sources)	7,200,000	11,100,000	11,100,000	16,200,000	14,100,000
Connection Impact Fees	20,000	10,000	40,000	740,250	1,491,000
Investment Income	500,000	341,000	200,000	196,389	178,062
Miscellaneous	—	—	—	624	43,039
User Charge	—	—	—	—	—
Equity Transfer from the Capital Improvement Bond Fund	—	—	—	7,000,000	—
Subtotal	\$ 520,000	\$ 351,000	\$ 240,000	\$ 7,937,263	\$ 1,712,101
Adjustment to Net Assets Available for Projected Receipts	—	(461,800)	—	(1,201,100)	(4,451,800)
Total	\$ 7,720,000	\$ 10,989,200	\$ 11,340,000	\$ 22,936,163	\$ 11,360,301

**CONSTRUCTION WORKING CASH FUND
ESTIMATED BALANCE SHEET
JANUARY 1, 2019 AND 2018
AND ESTIMATED AMOUNTS AVAILABLE FOR 2019 AND 2018**

	ASSETS			
	2019		2018	
	AMOUNT	AVAILABLE FOR APPROPRIATION	AMOUNT	AVAILABLE FOR APPROPRIATION
CURRENT ASSETS				
Cash & Investments	\$ 11,260,000	11,260,000	\$ 10,212,039	\$ 10,212,039
Due from Construction Fund	11,100,000	11,100,000	12,000,000	12,000,000
Total Current Assets	\$ 22,360,000	22,360,000	\$ 22,212,039	\$ 22,212,039
FUND EQUITY				
Estimated Revenue & Other Financing Sources		\$ 300,000		\$ 200,000
ASSETS APPROPRIABLE FOR 2019 & 2018		\$ 22,660,000		\$ 22,412,039
FUND EQUITY	\$ 22,360,000		\$ 22,212,039	

**CONSTRUCTION WORKING CASH FUND
REVENUES
2019 - 2016**

REVENUE DESCRIPTION	ESTIMATED			ACTUAL	
	2019 BUDGET	2018 ADJUSTED	2018 BUDGET	2017	2016
Revenue from Money & Property					
Investment Income	\$ 300,000	\$ 206,000	\$ 200,000	\$ 116,028	\$ 122,332
Revenue from Miscellaneous Sources	—	—	—	—	—
TOTAL	\$ 300,000	\$ 206,000	\$ 200,000	\$ 116,028	\$ 122,332

OTHER FUNDS FINANCIAL NARRATIVE

The Stormwater Management Fund was established in 2005 to fund stormwater management activities throughout all of Cook County. The 2019 property tax levy for the Stormwater Management Fund is \$52.9 million, an increase of \$5.1 million, or 10.7 percent from the 2018 Adjusted Budget. An equity transfer to the Bond Redemption & Interest Fund is planned in the amount of \$6.4 million to pay the principal and interest on two Stormwater Alternative Revenue Bonds. No tax levy is recommended for the Stormwater Working Cash Fund, which provides temporary loans to the Stormwater Management Fund in anticipation of tax collections. Details of this fund's purpose and \$91.4 million appropriation for 2019 are presented in Section VI.

The Bond Redemption & Interest (B&I) Fund is a series of subfunds that account for the property tax levies and other revenues received to pay for the principal and interest of bonds issued by the District and State Revolving Fund loans. The 2019 property tax levy for the B&I Fund is \$246.5 million, an increase of \$2.7 million, or 1.1 percent, from the 2018 Adjusted Budget. Appropriations and tax levies are adjusted for new bond sales or state revolving fund loans. The 2019 appropriation for this fund is \$238.4 million, a decrease \$17.9 million, or 7.0 percent from the 2018 Original Budget. The 2018 budget included a \$28.4 million advance payment on seven state revolving fund loans that will result in \$9.6 million in interest savings.

Property tax levy collections are invested prior to the time when actual principal and interest payments must be made. Investment income earned on tax collections is credited to the specific sub-funds for each bond issue. The amount of estimated investment income for 2018 projected year end is \$2.2 million, while 2019 estimate is \$1.9 million, an increase of \$0.9 million from the 2018 Original Budget. As mentioned above, an equity transfer from the Stormwater Management Fund of \$6.4 million will be used for the principal and interest on two bonds, and an abatement in a corresponding amount is anticipated. Whenever possible, excess investment income will be used to abate a portion of the levy. A detailed presentation on the B&I Fund is found on pages 544-548.

The Reserve Claim Fund is the District's self-insurance fund, and is financed through an annual property tax levy of no more than one-half cent (0.5¢) per \$100 of the last known equalized assessed valuation (EAV). This one-half cent tax rate is the maximum allowed by state statute. It is Board policy to levy the maximum whenever possible. For 2019, a \$7.5 million levy is budgeted. The available fund balance and amount available for appropriation for the Reserve Claim Fund are based on the net impact of current revenues and current expenditures.

The 2019 appropriation for this fund is \$31.8 million, an increase of \$1.5 million, or 4.9 percent, from the 2018 Adjusted Budget. The maximum fund balance that can be accumulated is 0.05 percent of the last known EAV. For the 2019 Budget, using the last known EAV of 2016, the maximum accumulation is estimated at \$74.0 million. The allowance for accounts payable and estimated liabilities is estimated at \$0.4 million.

The financial status of this fund is closely monitored. Administrative risk management programs in the Claims and Safety areas are in place to help control the rate of growth for the employee disability component. A detailed presentation of this fund begins on page 541.

The Retirement Fund receives the proceeds of the annual tax levy that the District extends on behalf of the Metropolitan Water Reclamation District Retirement Fund, a pension trust fund. The amounts, as certified by the Retirement Fund Board, are levied by the District and appropriated when received. The property tax levy for 2019 is \$71.6 million, an increase of \$31,203 from the 2018 Adjusted Levy. The levy is calculated based on a statutory multiplier of 4.19 times employee contributions made two years prior, or 2017 and 2016, respectively. Additionally, \$18.7 million from Personal Property Replacement Tax is allocated to the Retirement Fund tax levy for 2019. The appropriable resources and appropriation consist of the collection of the previous year's property tax levy plus personal property replacement tax receipts. The 2019 appropriation is \$87.3 million, a decrease of \$2.3 million, or 2.6 percent, from the 2018 Adjusted Budget. An expanded presentation on the Retirement Fund is made on pages 549 through 551.

**STORMWATER MANAGEMENT FUND
ESTIMATED BALANCE SHEET
JANUARY 1, 2019 AND 2018**

	ASSETS			
	2019		2018	
	AMOUNT	AVAILABLE FOR APPROPRIATION	AMOUNT	AVAILABLE FOR APPROPRIATION
CURRENT ASSETS				
Cash & Investments	\$ 29,120,000	29,120,000	\$ 16,000,800	\$ 16,000,800
Taxes Receivable	46,152,090	46,587,666	39,426,048	39,816,008
Total Current Assets	\$ 75,272,090	75,707,666	\$ 55,426,848	\$ 55,816,808
LIABILITIES & FUND EQUITY				
CURRENT LIABILITIES				
Unpaid Bills:				
Accrued Salaries & Wages	\$ 100,000	\$ 100,000	\$ 104,000	\$ 104,000
Contracts Payable	2,000,666	2,000,666	1,461,208	1,461,208
Vouchers Payable	1,300,000	1,300,000	2,000,000	2,000,000
Due to:				
Stormwater Working Cash Fund	26,500,000	26,500,000	26,500,000	26,500,000
Total Current Liabilities	\$ 29,900,666	\$ 29,900,666	\$ 30,065,208	\$ 30,065,208
Designated for Future Claims Liabilities		—		—
Total Current Liabilities and Designations		\$ 29,900,666		\$ 30,065,208
ASSETS APPROPRIABLE FOR 2019 & 2018				
Net Assets Appropriable		\$ 45,807,000		\$ 25,751,600
Net Assets Appropriated		\$ 45,807,000		\$ 25,751,600
Equity Transfer to Bond and Interest Fund				
Estimated Revenue		45,603,100		38,800,000
Total Assets Appropriable		\$ 91,410,100		\$ 64,551,600
FUND EQUITY				
	\$ 45,371,424		\$ 25,361,640	
Total Liabilities & Fund Equity	\$ 75,272,090		\$ 55,426,848	

STORMWATER MANAGEMENT FUND FINANCING

2019 - 2014

	ESTIMATED			ACTUAL			
	2019	2018 REVISED	2018 ORIGINAL	2017	2016	2015	2014
BORROWINGS							
Working Cash Loans	\$ 50,300,000	\$ 26,500,000	\$ 45,400,000	\$ 26,500,000	\$ 26,500,000	\$ 12,400,000	\$ 10,000,000
Total Borrowings	\$ 50,300,000	\$ 26,500,000	\$ 45,400,000	\$ 26,500,000	\$ 26,500,000	\$ 12,400,000	\$ 10,000,000
REPAYMENTS							
Working Cash Loans Repaid							
Current	\$ 26,500,000	\$ 26,500,000	\$ 26,500,000	\$ 26,500,000	\$ 12,400,000	\$ 10,000,000	\$ 19,000,000
Prior Year	—	—	—	—	—	—	—
Total Repayments	26,500,000	26,500,000	26,500,000	26,500,000	12,400,000	10,000,000	19,000,000

(1) FINANCING LIMITATION

2019	
(In Millions)	
Property Tax Levy	\$ 52.9
Personal Property Replacement Tax	—
Total	\$ 52.9
Borrowing Limitation*	95.0% * Statutory limitation is 100%
Total Available for Financing	\$ 50.3

STORMWATER MANAGEMENT FUND

APPROPRIABLE REVENUE

2019 - 2016

REVENUE DESCRIPTION	ESTIMATED		ACTUAL		
	2019 BUDGET	2018 ADJUSTED	2018 BUDGET	2017	2016
Revenue from Property Taxes					
Gross Tax Levy	\$ 52,926,000	\$ 47,826,000	\$ 47,826,000	\$ 40,856,008	\$ 34,250,000
Less: Allowance for Uncollectible Taxes	(1,852,410)	(1,673,910)	(1,673,910)	(1,429,960)	(1,198,750)
Net Property Taxes	\$ 51,073,590	\$ 46,152,090	\$ 46,152,090	\$ 39,426,048	\$ 33,051,250
Adjustment to Match Working Cash Borrowings	(773,590)	(752,090)	(752,090)	(626,048)	(551,250)
Working Cash Financing at 95% of Gross Tax Sources	\$ 50,300,000	\$ 45,400,000	\$ 45,400,000	\$ 38,800,000	\$ 32,500,000
Revenue from Money & Property					
Investment Income	\$ 800,000	\$ 595,000	\$ 200,000	\$ 222,780	\$ 117,260
Sewer Permit Fees	900,000	—	—	—	—
Miscellaneous	—	4,927	—	28,745	399
Grants	—	—	—	—	—
Subtotal	\$ 1,700,000	\$ 599,927	\$ 200,000	\$ 251,525	\$ 117,659
Adjustment to Net Assets Available for Projected Receipts	\$ —	\$ (369,200)	\$ —	\$ 212,750	\$ 721,400
Equity Transfer to Bond Redemption & Interest Fund	\$ (6,396,900)	(5,770,600)	(5,770,600)	—	—
Total	\$ 45,603,100	\$ 39,860,127	\$ 39,829,400	\$ 39,264,275	\$ 33,339,059

**STORMWATER WORKING CASH FUND
ESTIMATED BALANCE SHEET
JANUARY 1, 2019 AND 2018**

	ASSETS			
	2019		2018	
	AMOUNT	AVAILABLE FOR APPROPRIATION	AMOUNT	AVAILABLE FOR APPROPRIATION
CURRENT ASSETS				
Cash & Investments	\$ 11,128,000	11,128,000	\$ 10,769,633	\$ 10,769,633
Due from Stormwater Management Fund	26,500,000	26,500,000	26,500,000	26,500,000
Total Current Assets	\$ 37,628,000	37,628,000	\$ 37,269,633	\$ 37,269,633
FUND EQUITY				
Estimated Revenue & Other Financing Sources		\$ 300,000		\$ 100,000
ASSETS APPROPRIABLE FOR 2019 AND 2018		\$ 37,928,000		\$ 37,369,633
FUND EQUITY	\$ 37,628,000		\$ 37,269,633	

**STORMWATER WORKING CASH FUND
APPROPRIABLE REVENUE
2019 - 2016**

REVENUE DESCRIPTION	ESTIMATED			ACTUAL	
	2019 BUDGET	2018 ADJUSTED	2018 BUDGET	2017	2016
Investment Income	\$ 300,000	\$ 178,000	\$ 100,000	\$ 94,364.57	\$ 168,037
GRAND TOTAL	\$ 300,000	\$ 178,000	\$ 100,000	\$ 94,364.57	\$ 168,037

BOND REDEMPTION & INTEREST FUND
ESTIMATED BALANCE SHEET
JANUARY 1, 2019 AND 2018

	ASSETS			
	2019		2018	
	AMOUNT	AVAILABLE FOR APPROPRIATION	AMOUNT	AVAILABLE FOR APPROPRIATION
CURRENT ASSETS				
Cash & Investments	\$ 112,000,000	\$ 112,000,000	\$ 112,917,005	\$ 112,917,005
Restricted Cash	—	—	—	—
Deposits with Escrow Agent	—	—	—	—
Taxes Receivable	235,258,891	236,244,870	225,701,074	226,617,605
Total Current Assets	\$ 347,258,891	\$ 348,244,870	\$ 338,618,079	\$ 339,534,610
LIABILITIES & FUND EQUITY				
CURRENT LIABILITIES				
Bonds Payable	\$ 123,343,344		\$ 141,435,815	
Interest Payable	115,014,180		114,868,371	
Program Expense Payable			—	
Equity Transfer	—		—	
Total Current Liabilities	\$ 238,357,524		\$ 256,304,186	
ASSETS APPROPRIABLE FOR 2019 AND 2018				
Net Assets Appropriable		\$ 348,244,870		\$ 339,534,610
Equity Transfer from Stormwater Management Fund		6,396,900		5,770,600
Estimated Revenue		1,900,000		1,000,000
Total Assets Available		\$ 356,541,770		\$ 346,305,210
Liabilities Payable from Restricted Assets		—		—
Less: Assets Available for Future Years (Principal & Interest Payments)		(118,184,246)		(90,001,024)
Total Assets Appropriable		\$ 238,357,524		\$ 256,304,186
FUND EQUITY				
Undesignated	\$ 108,901,367		\$ 82,313,893	
TOTAL FUND EQUITY	\$ 108,901,367		\$ 82,313,893	
Total Liabilities & Fund Equity	\$ 347,258,891		\$ 338,618,079	

BOND REDEMPTION & INTEREST FUND
APPROPRIABLE REVENUE
2019-2016

REVENUE DESCRIPTION	ESTIMATED			ACTUAL	
	2019 BUDGET	2018 ADJUSTED	2018 BUDGET	2017	2016
Revenue from Taxes					
Real Estate					
Current	\$ 237,696,807	\$ 228,039,945	\$ 228,039,945	\$ 224,164,748	\$ 223,010,587
Prior	(1,451,937)	(1,422,340)	(1,422,340)	(1,191,583)	(952,025)
Total	\$ 236,244,870	\$ 226,617,605	\$ 226,617,605	\$ 222,973,165	\$ 222,058,562
Revenue from Money & Property					
Investment Income	\$ 1,900,000	\$ 2,226,000	\$ 1,000,000	\$ 1,346,189	\$ 1,020,000
Revenue from Miscellaneous Sources					
Cash Available	112,000,000	112,917,005	112,917,005	110,265,700	10,853,283
Other	—	20,000	—	10,220	—
Other Financing Sources (Uses)					
Bond Premium	—	—	—	—	—
Sale of Capital Improvement Bonds (CIB)	—	—	—	—	—
Bond Redemption	—	—	—	—	—
Refunding Transaction Costs	—	—	—	—	—
Equity Transfer From Stormwater Management Fund	6,396,900	5,770,600	5,770,600	3,269,250	3,272,650
Less: Amount to Be Expended After Budget Year	(118,184,246)	(91,247,024)	(90,001,024)	(122,217,224)	(21,557,195)
GRAND TOTAL	\$ 238,357,524	\$ 256,304,186	\$ 256,304,186	\$ 215,647,300	\$ 215,647,300

**RESERVE CLAIM FUND
ESTIMATED BALANCE SHEET
JANUARY 1, 2019 AND 2018**

	ASSETS			
	2019		2018	
	AMOUNT	AVAILABLE FOR APPROPRIATION	AMOUNT	AVAILABLE FOR APPROPRIATION
CURRENT ASSETS				
Cash & Investments	\$ 25,724,293	\$ 25,724,293	\$ 24,500,000	\$ 24,500,000
Taxes Receivable	5,790,000	5,822,400	5,693,500	5,730,716
Total Current Assets	\$ 31,514,293	\$ 31,546,693	\$ 30,193,500	\$ 30,230,716
	LIABILITIES & FUND EQUITY			
ACCOUNTS PAYABLE & OTHER LIABILITIES	\$ 378,893	\$ 378,893	\$ 241,216	\$ 241,216
ASSETS APPROPRIABLE FOR 2019 AND 2018				
Net Assets Appropriable		\$ 31,167,800		\$ 29,989,500
Equity Transfer to Bond and Interest Fund		—		—
Estimated Revenue		600,000		300,000
Total Assets Appropriable		\$ 31,767,800		\$ 30,289,500
FUND EQUITY	\$ 31,135,400		\$ 29,952,284	
Total Liabilities & Fund Equity	\$ 31,514,293		\$ 30,193,500	

**RESERVE CLAIM FUND
APPROPRIABLE REVENUE
2019 - 2016**

REVENUE DESCRIPTION	ESTIMATED			ACTUAL	
	2019 BUDGET	2018 ADJUSTED	2018 BUDGET	2017	2016
Revenue from Taxes					
Real Estate - Current	\$ 5,850,000	\$ 5,752,500	\$ 5,752,500	\$ 5,655,000	\$ 5,555,316
Real Estate - Prior	(27,600)	(21,784)	(21,784)	(28,177)	11,690
Replacement Tax	—	—	—	—	—
SUBTOTAL	\$ 5,822,400	\$ 5,730,716	\$ 5,730,716	\$ 5,626,823	\$ 5,567,006
Investment Income & Miscellaneous	600,000	458,062	300,000	309,988	405,179
GRAND TOTAL	\$ 6,422,400	\$ 6,188,778	\$ 6,030,716	\$ 5,936,811	\$ 5,972,185

**RETIREMENT FUND
ESTIMATED BALANCE SHEET
JANUARY 1, 2019 AND 2018**

	ASSETS			
	2019		2018	
	AMOUNT	AVAILABLE FOR APPROPRIATION	AMOUNT	AVAILABLE FOR APPROPRIATION
CURRENT ASSETS				
Taxes Receivable	\$ 69,030,500	69,030,500	\$ 70,867,800	\$ 70,867,800
Replacement Tax	18,250,500	18,250,500	18,736,200	18,736,200
Total Current Assets	\$ 87,281,000	87,281,000	\$ 89,604,000	\$ 89,604,000
LIABILITIES & FUND EQUITY				
ASSETS APPROPRIABLE FOR 2019 AND 2018				
Net Assets Appropriable		\$ 87,281,000		\$ 89,604,000
Total Assets Appropriable Due to Retirement Fund		\$ 87,281,000		\$ 89,604,000
FUND EQUITY				
Total Fund Equity	\$ 87,281,000		\$ 89,604,000	

**RETIREMENT FUND
APPROPRIABLE REVENUE
2019 - 2016**

REVENUE DESCRIPTION	ESTIMATED			ACTUAL	
	2019 BUDGET	2018 ADJUSTED	2018 BUDGET	2017	2016
Revenue from Taxes					
Real Estate - Current	\$ 69,030,500	\$ 70,867,800	\$ 70,867,800	\$ 62,880,558	\$ 55,973,860
Replacement Tax	18,250,500	18,736,200	18,736,200	16,624,500	14,798,400
GRAND TOTAL	\$ 87,281,000	\$ 89,604,000	\$ 89,604,000	\$ 79,505,058	\$ 70,772,260

NOTE PAGE

SECTION IV

CORPORATE FUND

The Corporate Fund provides for day-to-day staff services as well as the operations and maintenance of water reclamation plants, pumping stations, collection sewers, tunnels, and related facilities. This section provides appropriation detail for the operations and support departments.

Graphs indicate staffing, appropriations, and expenditures budgeted from 2010 through 2019. The structure of sub-units and sections, the number of actual 2017 full-time equivalent (FTE) positions, as well as FTE positions budgeted for 2018 and 2019 are shown in the organization chart. In this section, and throughout the Budget, actual expenditures are used for 2017 with estimated costs for 2018 and budgeted costs for 2019. Additional information for each department includes:

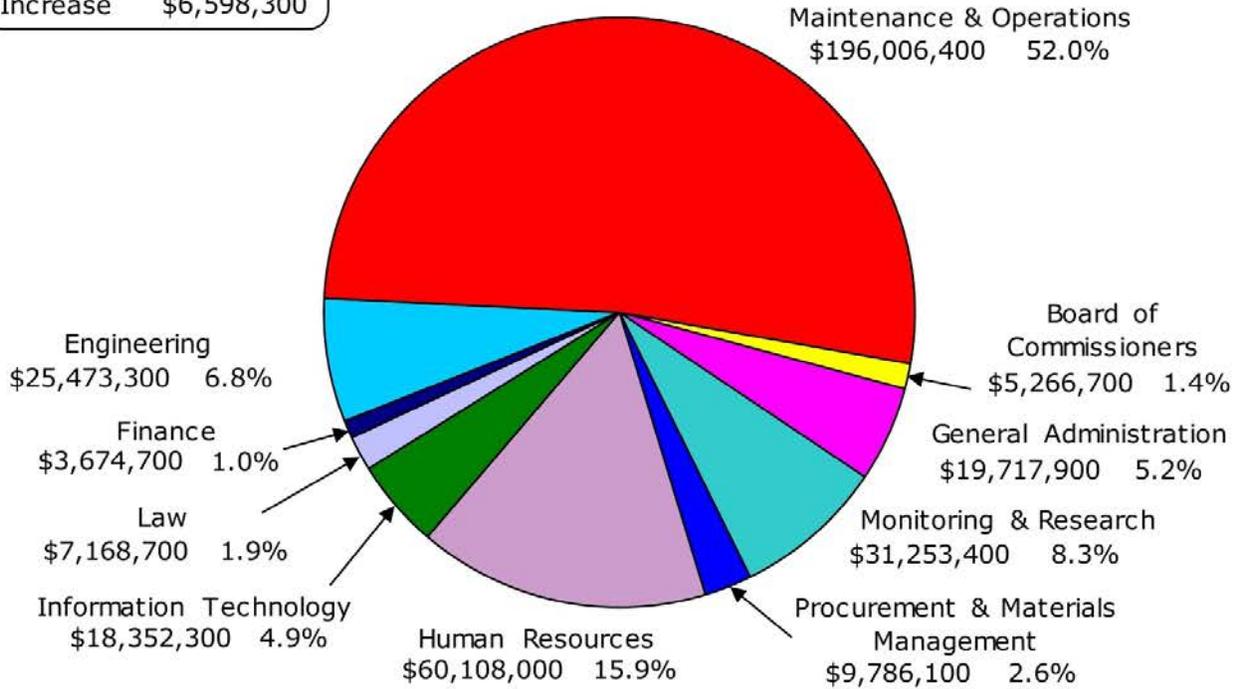
- A *Department Head Transmittal Letter* provides an outline of department plans for the 2019 budget year.
- A *Narrative* explanation of the responsibilities of the department, changes in appropriation from the 2018 Budget, accomplishments during 2018, and significant features for the 2019 Budget. The mission statement, major goals, and initiatives are also provided.
- A list of *Objectives by Priority* describes each objective, assigns the costs associated with it, and indicates its percentage of the total department budget.
- *Programs by Priority* includes major department functions and projected costs and staffing levels with comparison to budgeted 2018. Actual costs are shown for 2017.
- *Performance Data* measures specific department activities by cost and, where possible, measurable units, and compares budgeted costs for 2019 and 2018 with actual costs for 2017.
- The *Line Item Analysis* provides detailed line item appropriations over a three-year period. Appropriations for 2019 are shown as proposed by the Executive Director. Original and adjusted appropriations and estimated expenditures are shown for 2018. Actual 2017 expenditures are provided.
- The *Position Analysis* provides comparative departmental personnel position information for the previous, current, and budget years. Position counts and appropriations for the current and budget years are provided as totals by section or unit, division, and department. The pay plan and grade for each class title is provided and can be used to reference the salary schedules contained in the appendix to determine the applicable salary range. The 2019 salary appropriation is adjusted for vacancies in the Line Item Analysis.

Corporate Fund Appropriations, Expenditures, and Budgeted FTE Positions, 2010 - 2019	107
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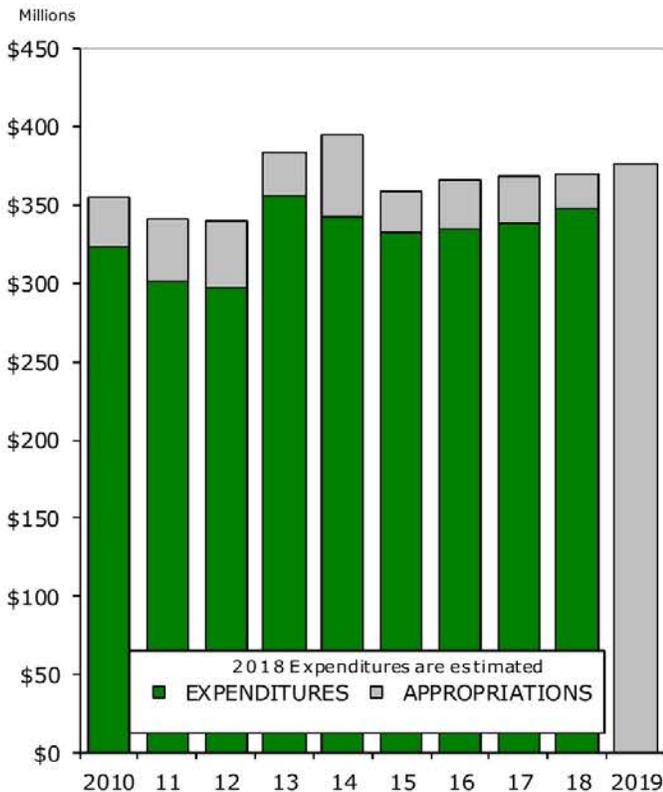
CORPORATE FUND

2019	\$376,807,500
2018	\$370,209,200
Increase	\$6,598,300

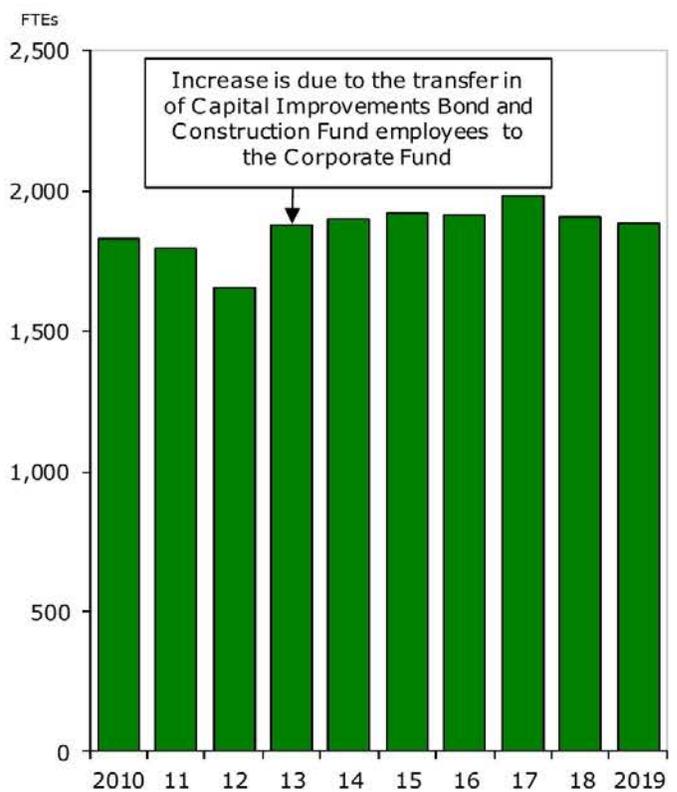
FUNCTIONS



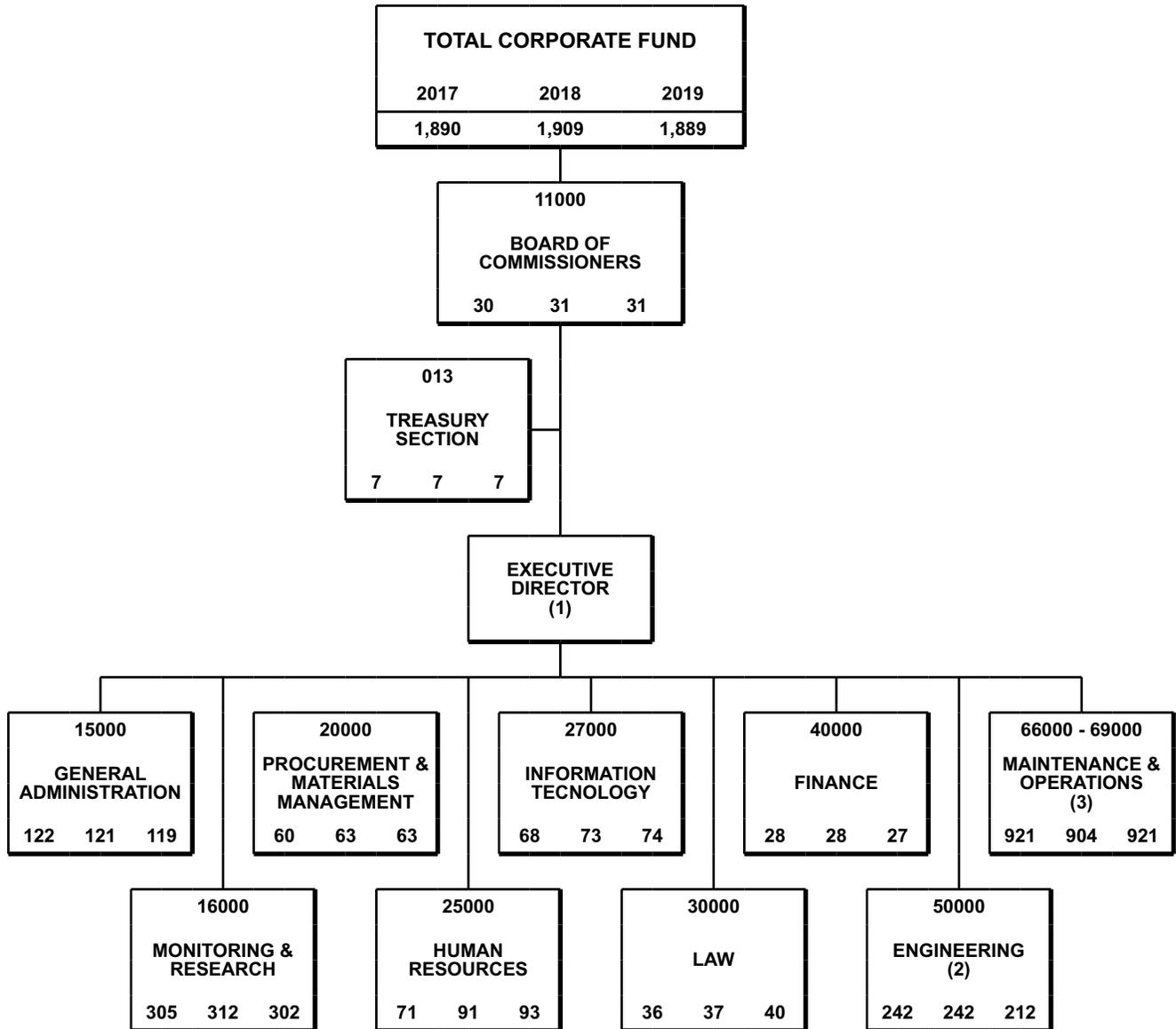
APPROPRIATIONS & EXPENDITURES



BUDGETED FTE POSITIONS



CORPORATE FUND



- (1) Personnel count for the Executive Director's Office is reflected in General Administration.
- (2) 57 positions are funded by the Stormwater Management Fund, the management of which remains in the Engineering Department.
- (3) 27 positions are funded by the Stormwater Management Fund, the management of which remains in the Maintenance & Operations Department.

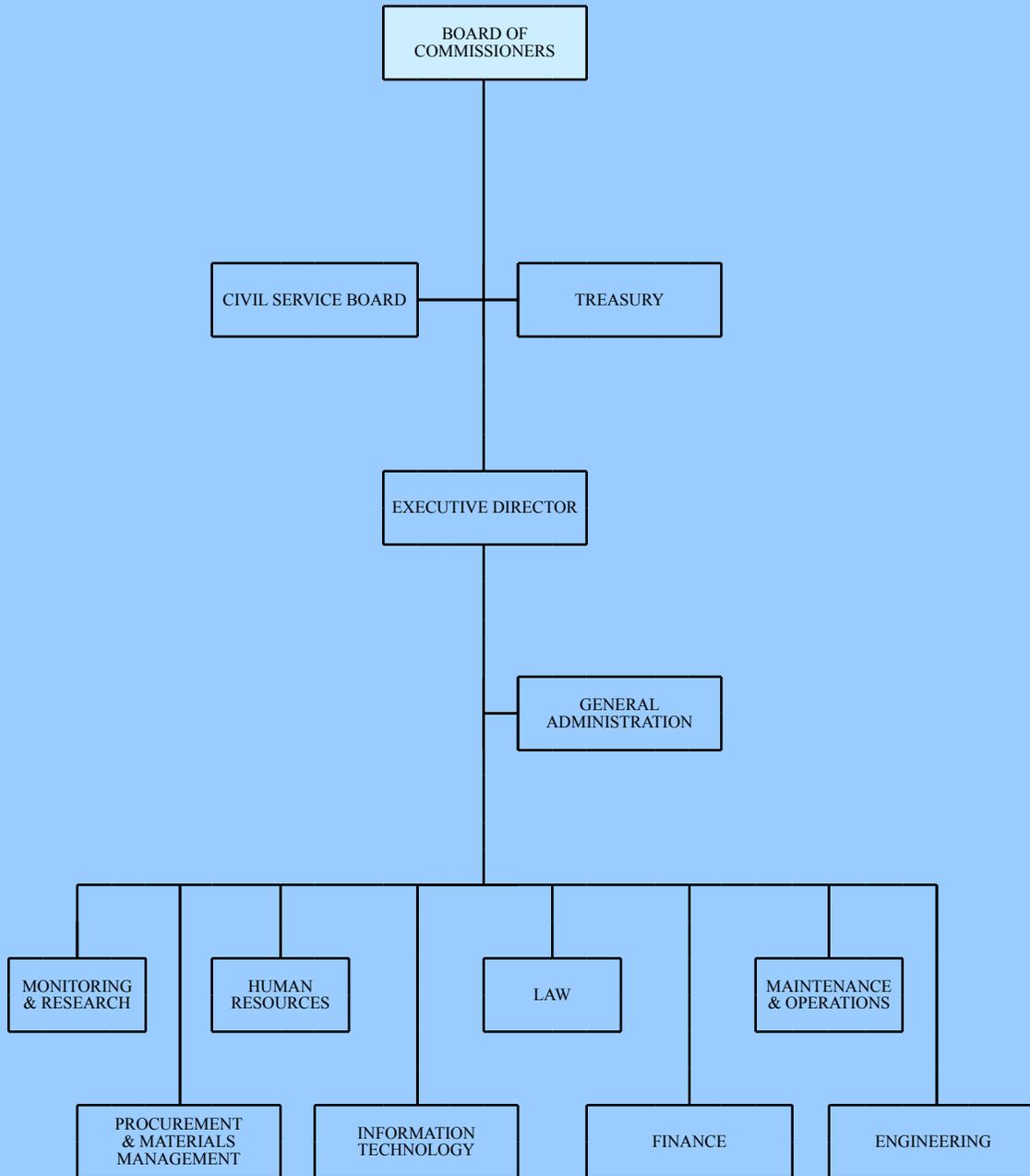
Account Number	Account Name	LINE ITEM ANALYSIS						
		Fund: Corporate		Department: All				
		2017	2018			2019		
Expenditure	Original Appropriation	Adjusted Appropriation 09/30/18	Expenditure (Committed Budget plus Disbursement) 09/30/18	Estimated Expenditure 12/31/18	Proposed by Executive Director	Recommended by Committee on Budget and Employment		
601010	Salaries of Regular Employees	\$175,631,950	\$ 187,998,400	\$ 187,653,500	\$ 126,892,065	\$178,532,300	\$188,038,300	\$ —
601060	Compensation Plan Adjustments	7,285,145	7,642,200	7,742,200	5,638,269	7,390,000	7,651,400	—
601070	Social Security and Medicare Contributions	2,602,035	2,762,800	2,762,800	1,955,793	2,835,900	2,805,900	—
601080	Salaries of Nonbudgeted Employees	64,939	31,900	31,900	—	—	5,300	—
601090	Employee Claims	21,969	60,000	74,000	54,634	60,000	60,000	—
601100	Tuition and Training Payments	1,028,242	1,139,300	1,149,200	717,928	1,014,700	1,243,400	—
601250	Health and Life Insurance Premiums	42,900,978	46,455,800	46,441,800	30,517,675	44,636,900	46,804,400	—
601270	General Salary Adjustments	—	—	—	—	—	1,204,800	—
601300	Personal Services, N.O.C.	668,566	933,900	933,900	472,382	788,000	788,000	—
100	TOTAL PERSONAL SERVICES	230,203,824	247,024,300	246,789,300	166,248,746	235,257,800	248,601,500	—
612010	Travel	55,863	117,500	117,600	39,670	94,000	105,700	—
612030	Meals and Lodging	144,671	221,200	220,600	103,029	187,800	193,700	—
612040	Postage, Freight, and Delivery Charges	104,794	93,000	93,500	89,801	112,800	122,900	—
612050	Compensation for Personally-Owned Automobiles	150,807	203,600	203,600	101,308	160,800	158,500	—
612080	Motor Vehicle Operating Services	69,267	64,800	64,800	58,953	57,100	65,000	—
612090	Reprographic Services	123,837	140,900	140,900	136,457	123,400	126,400	—
612150	Electrical Energy	36,219,039	38,941,900	38,766,900	24,088,738	35,603,300	34,718,600	—
612160	Natural Gas	2,954,432	2,820,300	2,995,300	2,038,237	3,075,400	2,970,200	—
612170	Water and Water Services	1,868,726	1,803,900	1,803,900	1,220,427	1,849,900	2,124,200	—
612210	Communication Services	1,505,737	2,063,300	2,074,800	1,809,020	1,861,300	1,578,200	—
612240	Testing and Inspection Services	118,984	276,300	276,300	215,161	209,200	166,700	—
612250	Court Reporting Services	76,779	112,000	121,000	109,850	71,000	88,500	—
612260	Medical Services	90,281	97,300	103,800	103,360	92,000	121,100	—
612280	Subscriptions and Membership Dues	720,582	816,700	816,700	690,537	816,600	865,800	—
612290	Insurance Premiums	3,058,107	3,080,300	3,080,300	2,794,444	3,075,300	3,471,100	—
612330	Rental Charges	472,532	533,000	533,000	511,539	513,300	753,300	—
612340	Discount Loss	2,651	1,500	1,500	883	1,500	3,000	—
612360	Advertising	94,659	124,000	123,000	97,831	102,000	133,000	—
612370	Administration Building Operation	1,014,937	1,015,800	1,178,500	1,178,451	1,154,400	1,313,200	—
612390	Administration Building McMillan Pavilion Operation	736,741	645,700	733,000	732,213	642,300	782,900	—
612410	Governmental Service Charges	3,577,199	3,540,800	3,540,800	2,555,712	3,384,400	3,491,100	—
612420	Maintenance of Grounds and Pavements	828,992	1,013,500	1,013,500	943,877	906,800	1,430,900	—

101 11000 - 69000	Fund: Corporate Department: All	LINE ITEM ANALYSIS						
		2017	2018				2019	
		Expenditure	Original Appropriation	Adjusted Appropriation 09/30/18	Expenditure (Committed Budget plus Disbursement) 09/30/18	Estimated Expenditure 12/31/18	Proposed by Executive Director	Recommended by Committee on Budget and Employment
612430	Payments for Professional Services	3,044,450	5,221,000	5,205,400	3,902,482	3,578,000	4,594,500	—
612440	Preliminary Engineering Reports and Studies	13,440	—	—	—	—	—	—
612490	Contractual Services, N.O.C.	1,092,951	1,705,600	1,529,700	1,193,674	1,270,100	1,618,000	—
612520	Waste Material Disposal Charges	10,284,686	10,894,000	10,872,900	10,860,911	9,724,000	10,926,400	—
612530	Farming Services	24,700	24,700	24,700	20,000	20,000	154,700	—
612590	Sludge Disposal	3,600,138	3,700,000	3,700,000	3,700,000	3,669,600	6,193,300	—
612600	Repairs to Collection Facilities	3,075,735	3,249,300	3,225,700	3,010,736	2,874,600	3,486,100	—
612620	Repairs to Waterway Facilities	86,663	89,900	89,900	87,632	87,700	119,000	—
612650	Repairs to Process Facilities	4,648,489	5,528,900	5,518,900	5,391,527	5,024,200	5,582,800	—
612670	Repairs to Railroads	266,937	368,700	322,500	299,986	310,000	266,900	—
612680	Repairs to Buildings	637,081	1,092,100	1,103,600	979,312	897,200	1,134,700	—
612760	Repairs to Material Handling and Farming Equipment	280,002	313,600	313,600	302,106	294,000	315,900	—
612780	Safety Repairs and Services	340,819	459,500	459,500	402,007	356,700	442,000	—
612790	Repairs to Marine Equipment	80,328	94,600	94,600	93,358	46,900	89,000	—
612800	Repairs to Office Furniture and Equipment	91,871	124,300	124,900	124,022	114,200	54,500	—
612810	Computer Equipment Maintenance	237,365	364,200	334,200	182,785	187,800	340,100	—
612820	Computer Software Maintenance	3,844,881	4,224,400	4,226,200	3,930,898	3,822,200	4,311,200	—
612840	Communications Equipment Maintenance (Includes Software)	701,834	758,700	784,200	778,544	769,600	800,500	—
612860	Repairs to Vehicle Equipment	507,702	611,100	655,900	612,154	549,100	588,200	—
612970	Repairs to Testing and Laboratory Equipment	353,884	356,500	356,500	345,250	296,300	396,800	—
612990	Repairs, N.O.C.	16,775	33,800	33,800	28,232	26,100	38,000	—
200	TOTAL CONTRACTUAL SERVICES	87,220,346	96,942,200	96,980,000	75,865,112	88,012,900	96,236,600	—
623030	Metals	150,296	139,300	132,300	89,989	128,500	134,800	—
623070	Electrical Parts and Supplies	2,061,270	2,327,800	2,901,800	2,683,667	2,561,000	2,950,100	—
623090	Plumbing Accessories and Supplies	837,421	1,135,700	1,127,100	935,600	1,076,600	1,174,800	—
623110	Hardware	110,328	102,200	102,200	86,359	95,700	104,100	—
623130	Buildings, Grounds, Paving Materials, and Supplies	428,907	629,300	586,100	412,533	596,100	504,800	—
623170	Fiber, Paper, and Insulation Materials	51,955	52,100	52,100	48,353	47,800	53,800	—
623190	Paints, Solvents, and Related Materials	55,995	57,900	57,900	46,263	55,400	64,300	—
623250	Vehicle Parts and Supplies	177,464	161,700	177,300	175,411	160,800	178,400	—
623270	Mechanical Repair Parts	2,398,403	2,691,600	3,805,400	3,651,820	3,617,900	4,060,600	—

101 11000 - 69000	Fund: Corporate Department: All	LINE ITEM ANALYSIS						
		2017	2018				2019	
		Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/18	Expenditure (Committed Budget plus Disbursement) 09/30/18	Estimated Expenditure 12/31/18
623300	Manhole Materials	10,266	6,900	6,900	6,045	6,600	25,000	—
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	316,659	367,000	368,000	329,899	336,500	360,300	—
623530	Farming Supplies	38,338	41,700	41,700	29,872	26,600	32,000	—
623560	Processing Chemicals	9,134,723	12,878,200	11,169,200	11,022,334	10,142,700	12,445,500	—
623570	Laboratory Testing Supplies, Small Equipment, and Chemicals	992,092	988,200	1,024,500	912,773	930,500	1,065,600	—
623660	Cleaning Supplies	297,967	266,300	268,800	199,959	258,600	269,400	—
623680	Tools and Supplies	478,341	293,300	294,300	279,832	279,500	352,600	—
623700	Wearing Apparel	219,987	191,600	200,700	175,404	182,700	243,600	—
623720	Books, Maps, and Charts	16,504	20,900	23,000	17,013	16,500	20,100	—
623780	Safety and Medical Supplies	226,466	363,600	361,100	197,814	310,400	291,500	—
623800	Computer Software	80,645	143,100	197,300	139,816	147,700	138,800	—
623810	Computer Supplies	488,286	519,600	519,600	460,251	479,800	765,800	—
623820	Fuel	448,396	614,000	635,200	547,242	606,600	616,000	—
623840	Gases	76,620	71,200	71,200	64,554	66,000	85,700	—
623850	Communications Supplies	97,557	134,200	164,200	159,154	118,100	219,500	—
623860	Lubricants	234,253	247,500	245,000	138,207	224,000	234,100	—
623990	Materials and Supplies, N.O.C.	269,397	315,100	316,100	279,516	291,400	285,700	—
300	TOTAL MATERIALS AND SUPPLIES	19,698,534	24,760,000	24,849,000	23,089,680	22,764,000	26,676,900	—
634600	Equipment for Collection Facilities	45,129	44,200	44,200	44,118	43,600	60,000	—
634650	Equipment for Process Facilities	108,984	178,400	237,600	215,264	243,800	166,700	—
634760	Material Handling and Farming Equipment	—	—	11,900	11,627	—	454,200	—
634790	Marine Equipment	—	—	—	—	—	80,000	—
634810	Computer Equipment	36,706	—	7,100	6,920	7,000	312,000	—
634820	Computer Software	—	55,000	25,000	14,200	14,200	182,000	—
634840	Communications Equipment (Includes Software)	—	—	—	—	—	16,500	—
634860	Vehicle Equipment	—	—	—	—	—	2,099,000	—
634970	Testing and Laboratory Equipment	424,452	315,100	363,100	359,046	309,900	394,300	—
634990	Machinery and Equipment, N.O.C.	—	—	12,000	11,225	12,000	130,800	—
400	TOTAL MACHINERY AND EQUIPMENT	615,271	592,700	700,900	662,400	630,500	3,895,500	—
645680	Buildings	—	—	—	—	—	642,000	—
500	TOTAL CAPITAL PROJECTS	—	—	—	—	—	642,000	—

101 11000 - 69000	Fund: Corporate Department: All	LINE ITEM ANALYSIS						
		2017	2018			2019		
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/18	Expenditure (Committed Budget plus Disbursement) 09/30/18	Estimated Expenditure 12/31/18	Proposed by Executive Director	Recommended by Committee on Budget and Employment
667130	Taxes on Real Estate	686,083	890,000	890,000	683,013	710,000	755,000	—
700	TOTAL FIXED AND OTHER CHARGES	686,083	890,000	890,000	683,013	710,000	755,000	—
TOTAL CORPORATE FUND		\$338,424,057	\$ 370,209,200	\$ 370,209,200	\$ 266,548,952	\$347,375,200	\$376,807,500	\$ —

NOTES: 1. Amounts may not add up due to rounding.
 2. Departmental appropriation totals for salaries in the Line Item Analysis may differ from those contained in the Position Analysis by a factor identified to adjust for vacancies.
 Additionally, Estimated Expenditure may either exceed Adjusted Appropriation when transfers of funds are anticipated or be less than Expenditure (Committed Budget plus Disbursement) when not all commitments are anticipated to be completed by year-end.



Protecting Our Water Environment

Metropolitan Water Reclamation District of Greater Chicago

100 EAST ERIE STREET CHICAGO, ILLINOIS 60611-3154 312.751.5600

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September 11, 2018

Mr. John P. Murray
Acting Executive Director
OFFICE

Dear Sir:

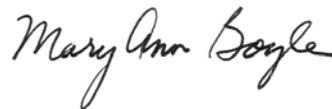
Subject: 2019 Program for the Board of Commissioners

The Board of Commissioners' program for 2019, as prepared in detail, is transmitted herewith. The budget presentation supports the request for funding of the department's 2019 initiatives in alignment with and in support of the Strategic Business Plan. The budget requests include all amendments as directed by you during the Executive Director Budget Hearings in August of this year.

The narrative provides a summary of the department, 2019 major initiatives and challenges, and 2018 accomplishments. Supporting schedules of objectives, performance, and staffing levels present three years of detailed budgetary information.

Thank you for the opportunity to present the proposed Board of Commissioners budget for 2019.

Respectfully submitted,

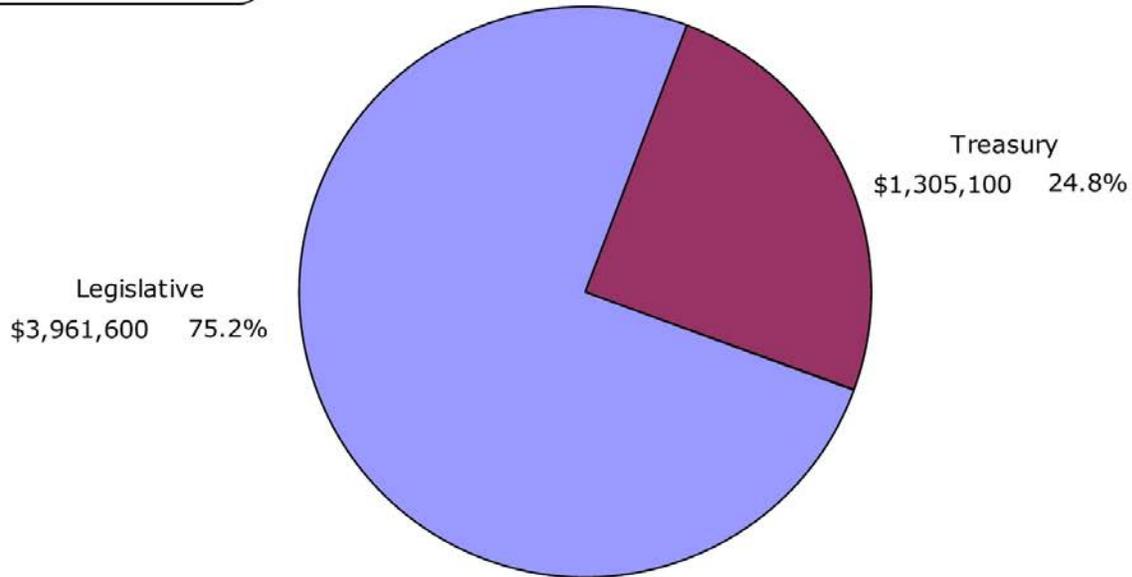


Mary Ann Boyle
Treasurer

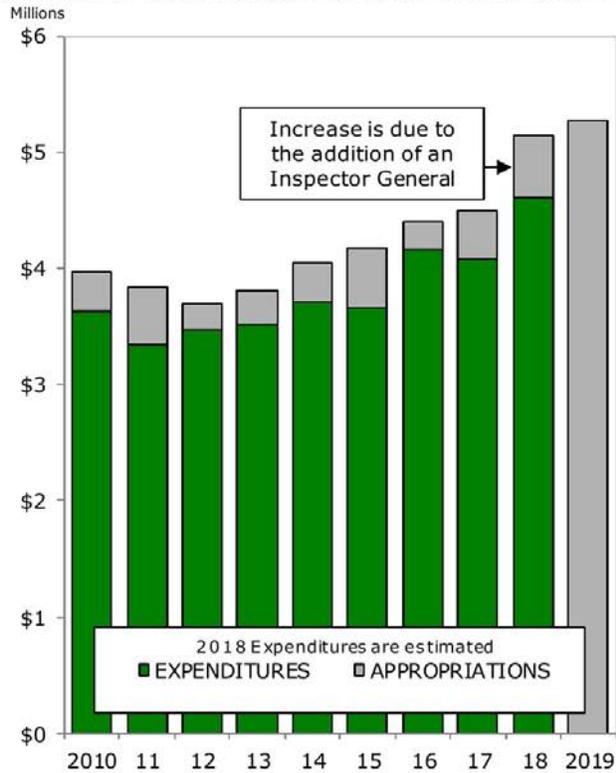
BOARD OF COMMISSIONERS

FUNCTIONS

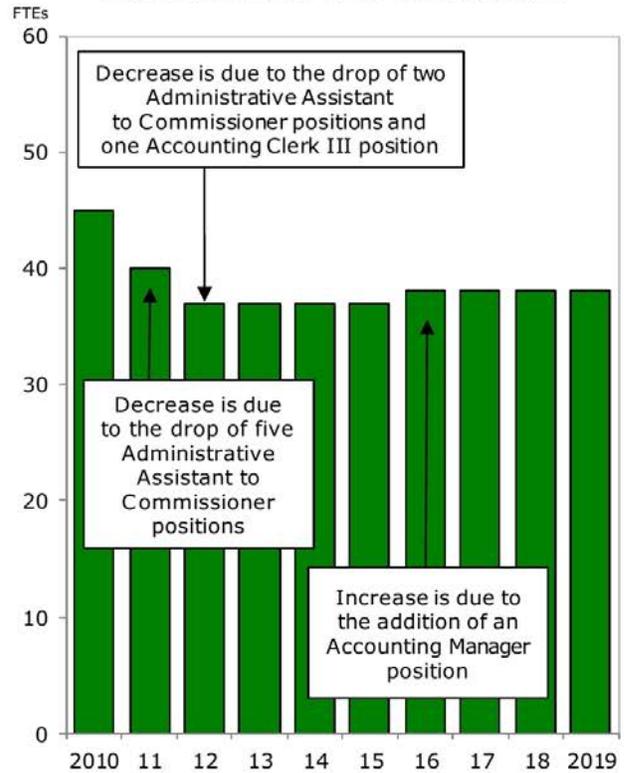
2019	\$5,266,700
2018	\$5,145,200
Increase	\$121,500



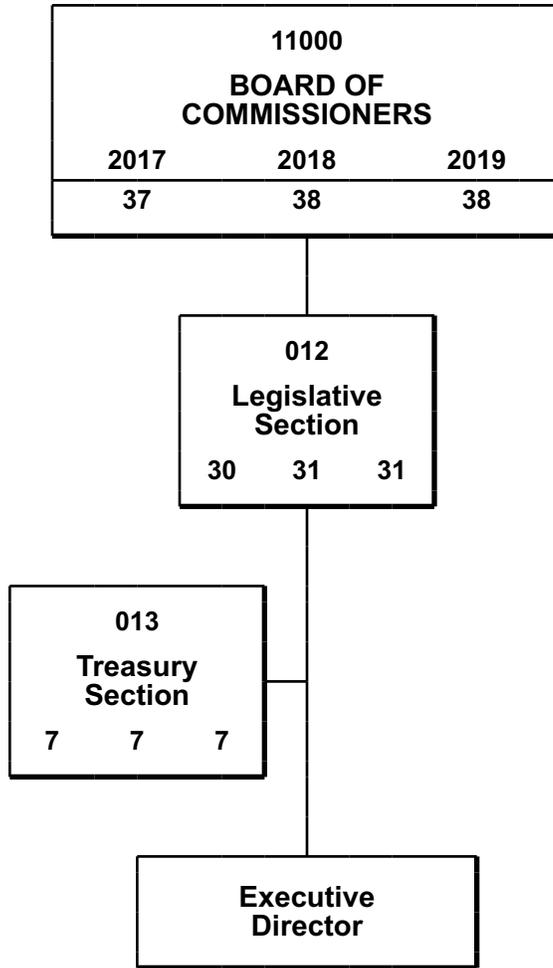
APPROPRIATIONS & EXPENDITURES



BUDGETED FTE POSITIONS



BOARD OF COMMISSIONERS



BOARD OF COMMISSIONERS

The mission of the Board of Commissioners is the mission of the District: to protect the health and safety of the public in its service area, protect the quality of the water supply source (Lake Michigan), improve the quality of waterways in its service area, protect businesses and homes from flood damages, and manage water as a vital resource for its service area.

The mission of the Treasury Section is to provide quality management of the District's financial resources by maximizing income on investments with minimal risk, issuing bonds to finance the wastewater collection, treatment, and flood control facilities' capital needs, cost-effectively meeting the cash requirements of the District's operations through the utilization of appropriate technology and efficient banking practices, and maintaining the District's outstanding bond rating.

Departmental Summary

The Board of Commissioners comprises two sections: Legislative and Treasury. The Legislative Section is the policy-making entity of the District, responsible for establishing policies and procedures consistent with the District's mission of protecting the water environment for the citizens of Cook County and providing a forum to facilitate community involvement. The Treasury Section is responsible for the collection and investment of District revenues, the issuance of bonds to meet District capital requirements, the payment of principal and interest on outstanding bonds as required, and the maintenance of the District's bond ratings.

Summary of 2018 Accomplishments

- Investment interest income earned for the year was approximately \$13.5 million reflecting higher yields on interest-bearing investments due to four interest rate increases by the Federal Reserve during 2018;
- For the sixth consecutive year, the District had access to \$200 million in low-interest loans made available from the Illinois Environmental Protection Agency's State Revolving Fund Program that will be used for wastewater and stormwater capital improvement projects. The Illinois Clean Water Initiative provides loans to fund construction projects and aid to communities to comply with the United States Environmental Protection Agency's guidelines and standards, addresses critical infrastructure needs, and stimulates local economic development;
- The District continued toward the funding policy goals for the Retirement Fund and the Other Postemployment Benefits (OPEB) Trust Fund. As of December 31, 2017, the Retirement Fund's funded ratio was 58.3 percent and the OPEB Trust Fund's funded ratio was 63.2 percent (based upon the most recent actuarial valuation in 2017);
- The District was presented with the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for the 2017 Retiree Health Care Trust Comprehensive Annual Financial Report. This marks the 11th consecutive year that the Retiree Health Care Trust has been presented with the award.

Budget Highlights

The 2019 appropriation for the Board of Commissioners is \$5,266,700, an increase of \$121,500, or 2.4 percent, from 2018. The staffing level remains unchanged at 38 positions.

The significant feature of the Treasury Section 2019 Budget is:

- Investment Interest Income Estimate: \$16.9 million or less - The Federal Reserve is expected to raise rates at least twice in 2019, which will lead to higher investment yields for the year.

2019 Initiatives in Support of the Strategic Business Plan Include the Following:

• Add Value

The Treasury Section will continue to leverage professional service providers selected through the Request for Proposal process to provide cost-effective services for District taxpayers.

The Treasury Section will continue to develop tools to monitor and ensure financial stability and to analyze and leverage market conditions to implement best strategies for investment and debt management.

The Treasury Section will explore new and different ideas on investment and debt management to maximize returns and cost efficiency for District taxpayers while adhering to District policies.

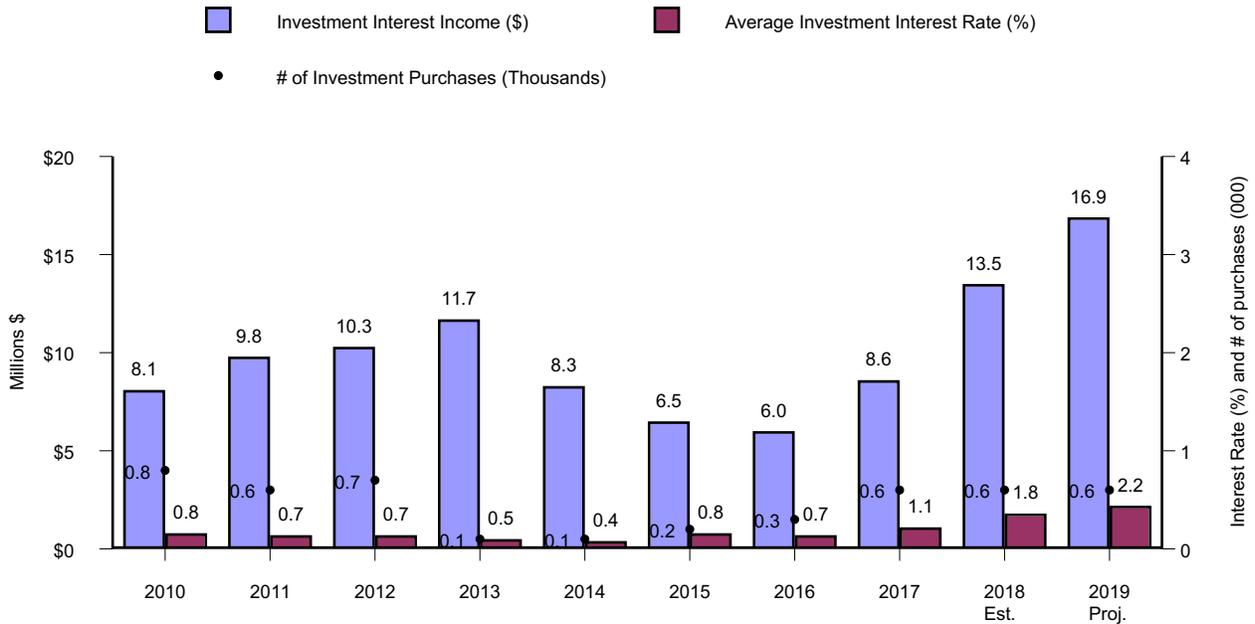
• Excellence

The Treasury Section will continue to provide excellent customer service to District taxpayers through the responsible management of cash, investments, and debt to ensure financial stability targets are met.

The Treasury Section will maintain sufficient liquidity to meet the District’s payment requirements for operations, payroll, and capital expenditures, fund all expenditures in compliance with federal law and state statute, and maintain pension and OPEB funding strategies to ensure the long-term health of the retirement programs.

The Treasury Section will maximize investment yield on District investments while safeguarding the principal by investing excess cash to maximize investment returns within the statutory and investment policy guidelines.

Investment Interest Income / Average Investment Interest Rate All Funds 2010-2019



Ending Investment Inventory (Par Value) (Dollars in Millions)	2010	2011	2012	2013	2014	2015	2016	2017	2018 Est.	2019 Proj.
	\$660.8	\$990.4	\$975.0	\$717.0	\$547.2	\$715.2	\$711.3	\$736.7	\$647.9	\$587.9

The Treasury Section will continue to focus the Capital Finance Program on the prudent use of debt financing for capital needs and debt service savings, while issuing debt financings in compliance with federal securities laws and state statutory authorization.

• **Develop Employees**

Treasury Section employees will continue to attend seminars and conferences in 2019 to develop knowledge and skills in the areas of investment, treasury, and debt management. Employees will also continue to cross-train to ensure business continuity at all times.

11000 BOARD OF COMMISSIONERS

OBJECTIVES AND PROGRAM SUMMARY

OBJECTIVES BY PRIORITY:		Cost	Percent
1.	Establish policies and priorities to guide the Executive Director in meeting the District's responsibilities: ensuring the protection of the environment and the health and welfare of people in the community in the most responsive, efficient, and economical manner.	\$ 3,961,600	75.2%
2.	Provide cash management services to maximize investment interest return without sacrifice of principal or required liquidity, measured by exceeding the benchmark 90-day Treasury bill rate and investment on average of over 99 percent of available funds.	\$ 1,305,100	24.8%
Enhance the District's image in national financial markets through the prudent use of debt financing for capital needs and debt service savings.			
Total		\$ 5,266,700	100.0%

MEASURABLE GOALS:	2017	2018	2019
	Actual	Estimated	Proposed
1. Maximize investment earnings by exceeding the interest rate benchmark monthly.	100%	100%	100%
2. Invest 99 percent of available funds on a daily basis.	100%	100%	100%
3. Achieve AAA bond rating with all three major rating agencies.	33%	33%	33%
4. Maintain minority broker/dealer investment participation at 30 percent or more of applicable investment purchases.	30%	30%	30%

PROGRAMS BY PRIORITY:			Budgeted		Change		
Number	Name	Actual	FTEs	Dollars	Dollars	Percent	
7110	Legislative	\$ 2,844,660	2019	31	\$ 3,874,700	\$ 41,700	1.1
			2018	31	\$ 3,833,000		
7210	Treasury Activities	\$ 661,872	2019	4	\$ 801,500	\$ 75,200	10.4
			2018	4	\$ 726,300		
7316	Other Postemployment Benefits Trust Management and Report Preparation	\$ 141,877	2019	1	\$ 151,600	\$ 3,700	2.5
			2018	1	\$ 147,900		
7601	Capital Financing Program and Other Related Costs	\$ 347,893	2019	2	\$ 352,000	\$ (500)	(0.1)
			2018	2	\$ 352,500		
7604	Social Security and Medicare Contributions	\$ 76,680	2019	—	\$ 86,900	\$ 1,400	1.6
			2018	—	\$ 85,500		
Totals		\$ 4,072,982	2019	38	\$ 5,266,700	\$ 121,500	2.4%
			2018	38	\$ 5,145,200		

11000 BOARD OF COMMISSIONERS

PERFORMANCE DATA

Program Number	Measurable Activity		2017	2018	2019
			Actual	Budgeted	Estimated
7110	Legislative	Cost	\$ 2,844,660	\$ 3,833,000	\$ 3,874,700
7210	Treasury Activities	Cost	\$ 661,872	\$ 726,300	\$ 801,500
7316	Other Postemployment Benefits Trust Management and Report Preparation	Cost	\$ 141,877	\$ 147,900	\$ 151,600
7601	Capital Financing Program and Other Related Costs	Cost	\$ 347,893	\$ 352,500	\$ 352,000
7604	Social Security and Medicare Contributions	Cost	\$ 76,680	\$ 85,500	\$ 86,900
		Totals	\$ 4,072,982	\$ 5,145,200	\$ 5,266,700

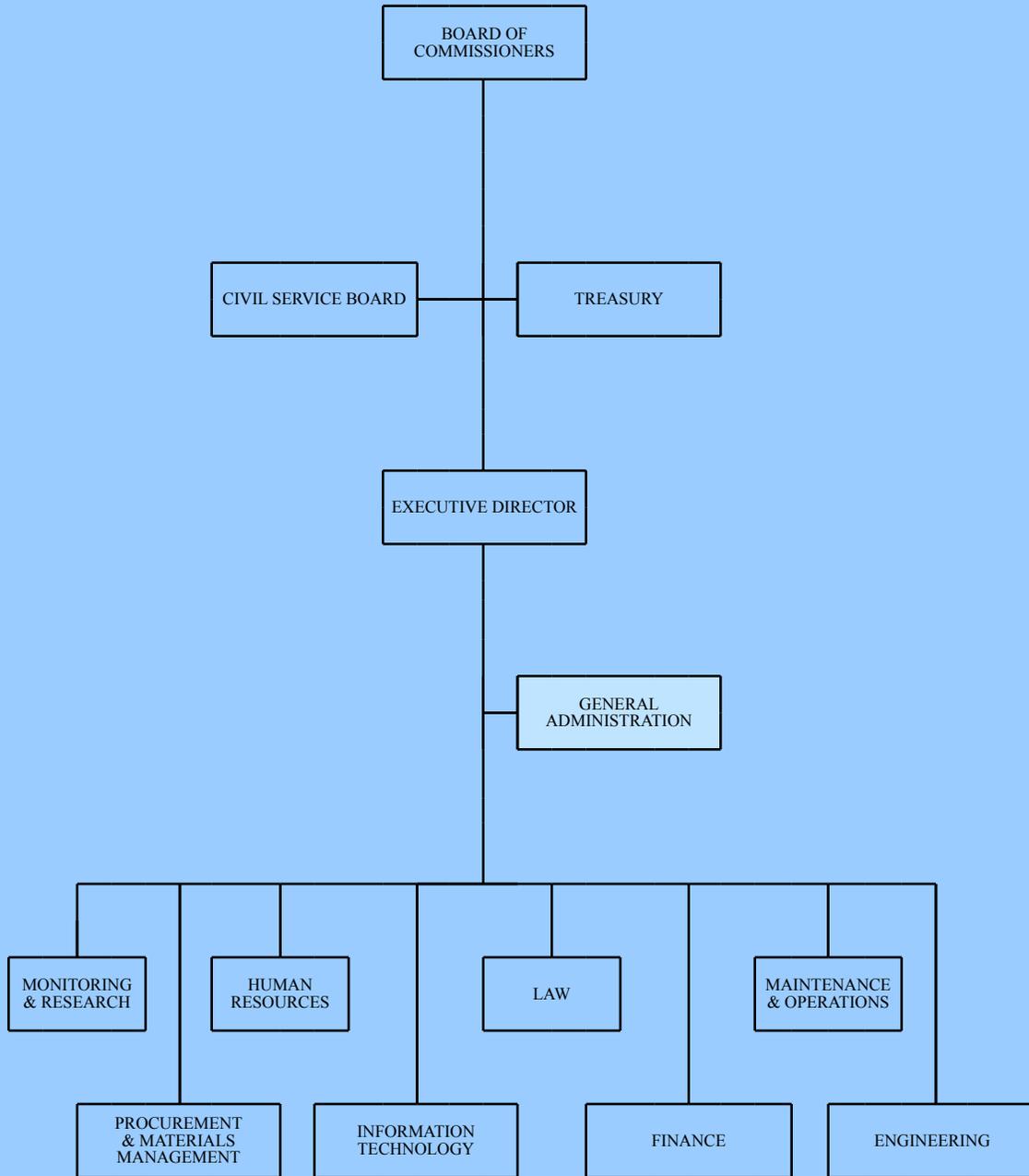
101 11000	Fund: Corporate Department: Board of Commissioners	LINE ITEM ANALYSIS						
		2017	2018			2019		
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/18	Expenditure (Committed Budget plus Disbursement) 09/30/18	Estimated Expenditure 12/31/18	Proposed by Executive Director	Recommended by Committee on Budget and Employment
601010	Salaries of Regular Employees	\$ 3,421,654	\$ 3,682,100	\$ 3,682,100	\$ 2,413,355	\$ 3,456,200	\$ 3,716,000	\$ —
601060	Compensation Plan Adjustments	10,968	38,600	38,600	21,122	30,800	61,800	—
601070	Social Security and Medicare Contributions	76,680	85,500	85,500	56,640	84,200	86,900	—
601100	Tuition and Training Payments	16,233	15,100	15,100	11,081	15,100	20,100	—
601300	Personal Services, N.O.C.	309,316	428,000	428,000	232,664	428,000	428,000	—
100	TOTAL PERSONAL SERVICES	3,834,851	4,249,300	4,249,300	2,734,861	4,014,300	4,312,800	—
612010	Travel	8,345	20,100	20,100	5,842	20,100	19,700	—
612030	Meals and Lodging	9,777	30,300	30,300	8,807	30,300	21,700	—
612280	Subscriptions and Membership Dues	34,802	38,600	38,600	38,600	38,600	27,700	—
612430	Payments for Professional Services	178,572	800,900	800,900	267,789	500,900	858,800	—
612490	Contractual Services, N.O.C.	435	500	500	435	500	500	—
200	TOTAL CONTRACTUAL SERVICES	231,930	890,400	890,400	321,473	590,400	928,400	—
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	6,201	5,500	5,500	4,352	5,500	25,500	—
300	TOTAL MATERIALS AND SUPPLIES	6,201	5,500	5,500	4,352	5,500	25,500	—
TOTAL BOARD OF COMMISSIONERS		\$ 4,072,982	\$ 5,145,200	\$ 5,145,200	\$ 3,060,686	\$ 4,610,200	\$ 5,266,700	\$ —

NOTES: 1. Amounts may not add up due to rounding.
 2. Departmental appropriation totals for salaries in the Line Item Analysis may differ from those contained in the Position Analysis by a factor identified to adjust for vacancies.
 Additionally, Estimated Expenditure may either exceed Adjusted Appropriation when transfers of funds are anticipated or be less than Expenditure (Committed Budget plus Disbursement) when not all commitments are anticipated to be completed by year-end.

Fund: Corporate Dept: Board of Commissioners		POSITION ANALYSIS				
		2017	2018		2019	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	PROPOSED BY THE EXECUTIVE DIRECTOR	
					BUDGETED FTEs	APPROPRIATION IN DOLLARS
012	Legislative Section					
EX22	President	1	1		1	
EX21	Vice President	1	1		1	
EX01	Commissioner (Chairman, Committee on Finance)	1	1		1	
EX02	Commissioner	6	6		6	
EX03	Administrative Aide to President	1	1		1	
EX04	Administrative Assistant to Commissioner (Secretary)	20	21		21	
TOTAL	Legislative Section	30	31	2,726,809.53	31	2,731,383.72
013	Treasury Section					
EX05	Treasurer	1	1		1	
HP20	Assistant Treasurer	1	1		1	
HP18	Accounting Manager	1	1		1	
HP16	Financial Analyst	3	3		3	
EX06	Secretary to Officer	1	1		1	
TOTAL	Treasury Section	7	7	973,677.00	7	1,003,302.30
TOTAL	Board of Commissioners	37	38	3,700,486.53	38	3,734,686.02

NOTE: Departmental appropriation totals for salaries in the Position Analysis differ from those contained in the Line Item Analysis by a factor identified to adjust for vacancies. Salary ranges corresponding to the pay plan and grade for each class title can be found in the table of Salary Schedules in the Appendix.

NOTE PAGE



Protecting Our Water Environment

Metropolitan Water Reclamation District of Greater Chicago

100 EAST ERIE STREET CHICAGO, ILLINOIS 60611-3154 312.751.5600

BOARD OF COMMISSIONERS

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Barbara J. McGowan
Vice President
Frank Avila
Chairman of Finance
Kenneth Dunkin
Martin J. Durkan
Josina Morita
Debra Shore
Kari K. Steele
David J. Walsh

September 11, 2018

Mr. John P. Murray
Acting Executive Director
OFFICE

Dear Sir:

Subject: 2019 Program for General Administration

General Administration's program for 2019, as prepared in detail, is transmitted herewith. The budget presentation supports the request for funding of 2019 initiatives in alignment with and in support of the Strategic Business Plan. The budget requests include all amendments as directed by you during the Executive Director Budget Hearings in August of this year.

The narrative provides a summary of General Administration's organization, 2019 major initiatives and challenges, and 2018 accomplishments. Supporting schedules of objectives, performance, and staffing levels present three years of detailed budgetary information.

Thank you for the opportunity to present the proposed General Administration budget for 2019.

Respectfully submitted,

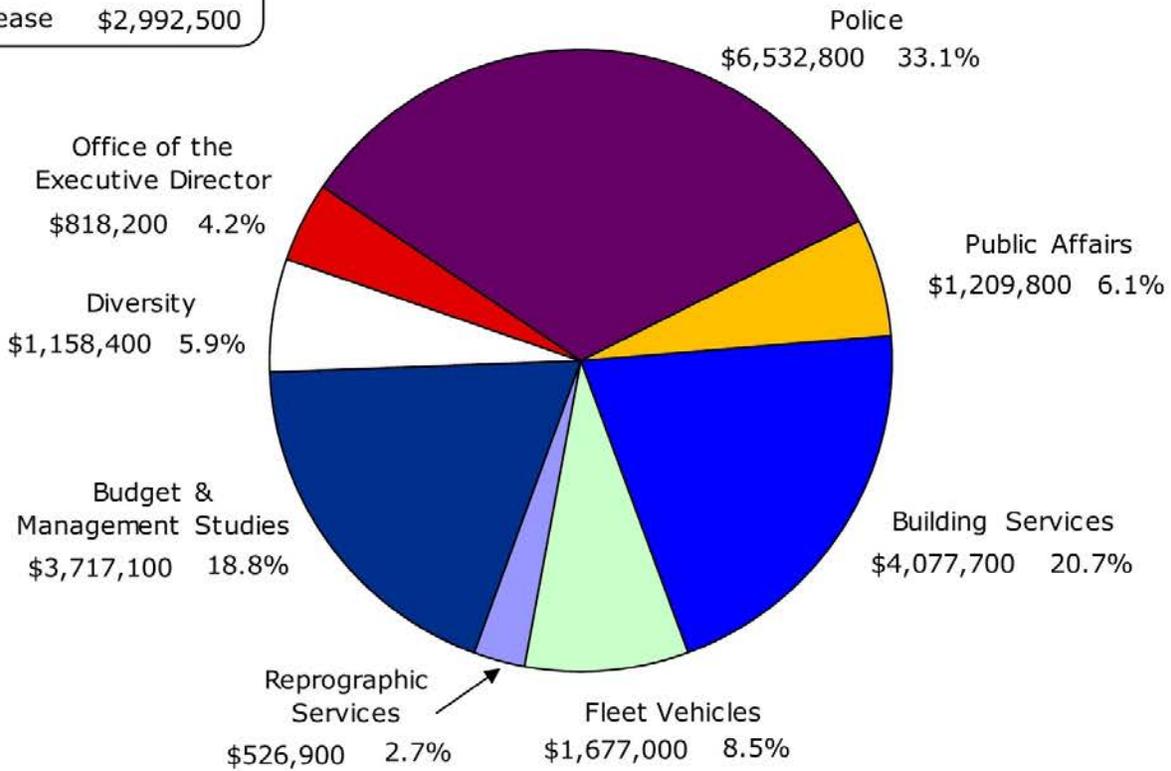


Eileen M. McElligott
Administrative Services Officer

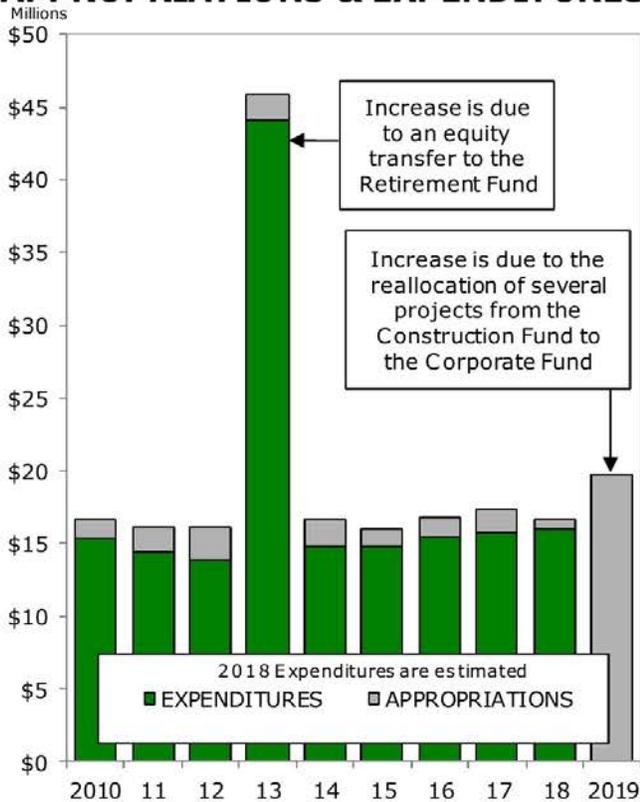
GENERAL ADMINISTRATION

2019	\$19,717,900
2018	\$16,725,400
Increase	\$2,992,500

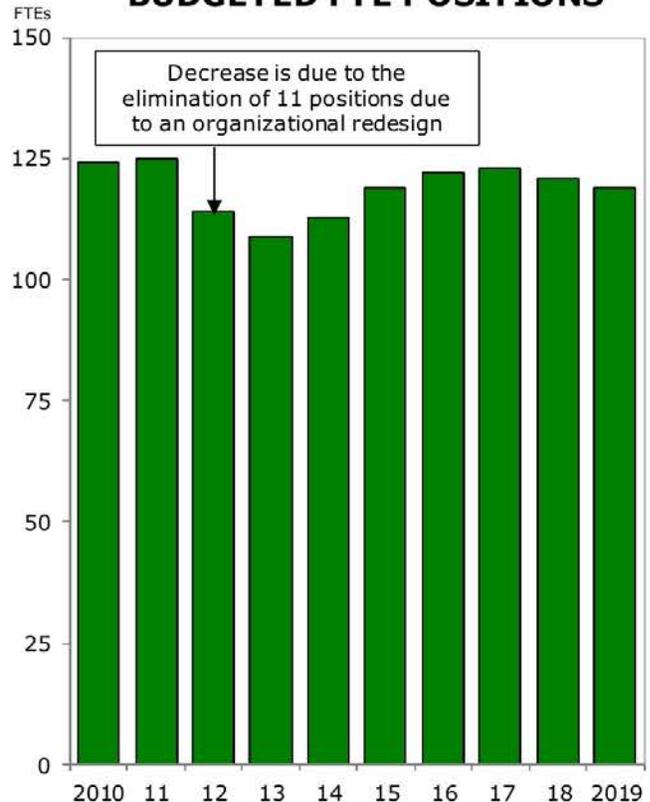
FUNCTIONS



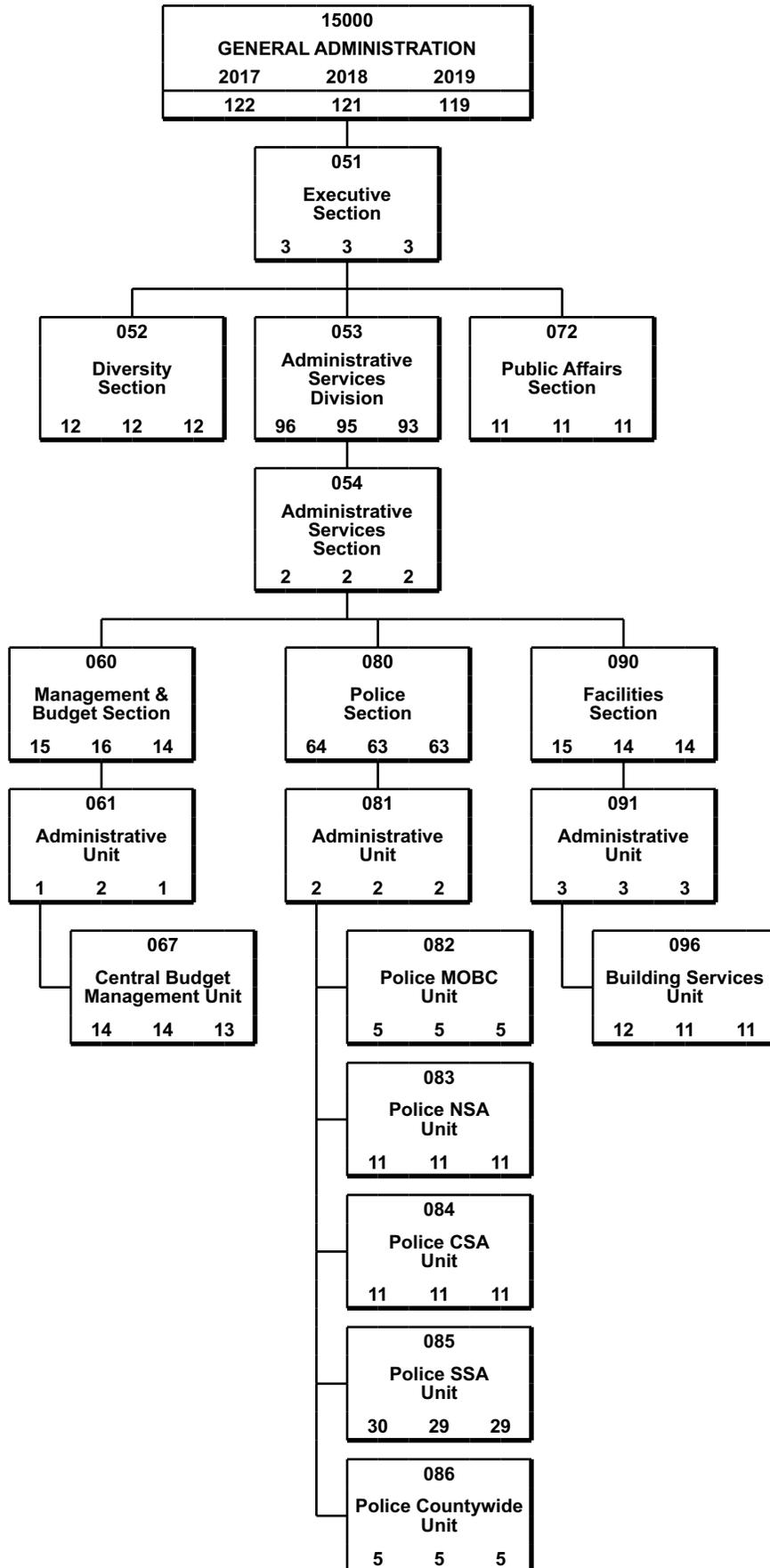
APPROPRIATIONS & EXPENDITURES



BUDGETED FTE POSITIONS



GENERAL ADMINISTRATION



GENERAL ADMINISTRATION

The mission of the Administrative Services Division is to prepare and administer the annual budget, provide a secure work environment for all employees, visitors, contractors, and citizens, and provide support services to maintain the Main Office Building Complex (MOBC).

The mission of the Diversity Section is to ensure that minority owned (MBE), women owned (WBE), and small (SBE) business enterprises are given equal opportunities to participate in the performance of the District's construction program and professional service contracts in excess of \$100,000, in accordance with case law and the District's policies.

The mission of the Public Affairs Section is to promote a broader understanding and appreciation of the District and the valuable services it provides, present clear and accurate information about the work of the District and its areas of responsibility, cultivate relationships and facilitate communication with all stakeholders, and plan and implement targeted promotional efforts and social marketing campaigns.

Departmental Summary

General Administration supports the Office of the Executive Director in implementing Board policies. General Administration includes the Office of the Executive Director, the Administrative Services Division, the Diversity Section, and the Public Affairs Section.

Summary of 2018 Accomplishments

- The 2018 Budget received the 34th consecutive Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA);
- Continued to train in-house staff on several topics intended to increase the efficiency of the budgeting process by implementing a new budget publishing solution;
- Began modernization of two elevators at the Main Office Building (MOB) with the goal of eliminating service stoppage;
- Completed an overhaul of the MOB roof to extend service life an additional ten years;
- Facilities Section expects another year of reduced utility expenditures resulting in savings of roughly 13 percent from 2015;
- Continued to increase the number of Protected Class Enterprise vendors included on the District's vendor list;
- Hosted two MBE/WBE/SBE vendor outreach events, servicing over 400 subcontractors;
- Participated in two of the United States Drug Enforcement Administration's National Prescription Drug Take Back Day Initiative at three water reclamation plants and the MOBC;
- Continued to manage the District's Prescription Drug Take Back Program at four District locations;
- The Police Section continued to reduce Police overtime expenditures resulting in savings of roughly 56 percent from 2015;
- Promoted Restore the Canopy tree distribution, compost, and Space to Grow green schoolyard projects;
- Facilitated the Buffalo Creek Reservoir Expansion and Melvina Ditch Reservoir Expansion groundbreaking ceremonies;
- Participated in the Chicago Flower and Garden Show, showcasing composted biosolids and best management practices in stormwater management and Green Infrastructure;
- Organized the 6th Annual Sustainability Summit, honoring individuals and organizations promoting a sustainable environment;
- Published approximately 100 press releases and captured thousands of photos and hundreds of hours of footage of District properties and events using drone, photography, and videography equipment;
- Hosted the District's African American History Celebration titled "Ascent to the National Stage", which gave an overview of Illinois elected officials' rise from a local to a national arena;
- Hosted 190 tours/open houses with over 5,000 visitors, attended over 60 outreach events impacting more than 37,000 people, and visited over 30 schools and other organizations to educate more than 1,800 people.

Budget Highlights

The 2019 appropriation for General Administration is \$19,717,900, an increase of \$2,992,500, or 17.9 percent, from 2018. The staffing level has decreased from 121 to 119 positions, which includes the drop of two Administrative Specialist positions.

Significant features of the 2019 Budget include:

- Major projects include construction of a plenum fan array, replacement of two chillers, and replacement of the main production equipment in the printshop at the Main Office Building Annex;
- Continue the reduction of fleet inventory and pursue replacement of vehicles, with hybrid vehicles when possible, at 10 years or 100,000 miles. Vehicles not meeting the minimum usage criteria may be designated as pool vehicles for better utilization;
- Continue the management of the District's positive public image through proactive communications and by hosting ribbon cutting ceremonies as major projects are completed.

2019 Administrative Services Division Initiatives in Support of the Strategic Business Plan Include the Following:

The Administrative Services Division is comprised of three distinct support service functions, consisting of the Management & Budget, Police, and Facilities Sections. It is focused on the goals established in the Strategic Business Plan and is committed to using the established strategies for continuous improvement in 2019.

- **Add Value**

The Management & Budget Section will continue to develop time saving methods for developing the budget. In 2018, a new financial reporting tool was implemented that increased efficiencies in the data consolidation and publication of the budget book.

- **Excellence**

The Management & Budget Section will provide capital budget analyses to assist in the prioritization of projects to ensure best use of current spending.

The Management & Budget Section will analyze recent expenditure data to develop base budget targets for all departments. Budget requests above the base will be reviewed and analyzed to ensure such requests are aligned to strategic initiatives.

The Management & Budget Section continually strives to produce a budget that provides transparency to the public. The section's goals include earning Special Capital Recognition and Special Performance Measures Recognition from the GFOA.

The Police Section will protect employees, contractors, visitors, and the District's assets through access control and patrolling and monitoring District land and facilities in a professional and service-oriented manner.

The Facilities Section is responsible for the maintenance and operations of the MOBC, which includes building operations, automotive fleet services, mailroom, and print services. It is committed to providing a functional and cost-effective office environment for staff and delivering efficient and cost-effective automotive fleet services, mailroom, and print services. The Facilities Section will continue to support the MOBC through the careful management of our physical assets and staff services.

- **Resource Recovery**

The Police Section operates the District's Prescription Drug Take Back Program at four locations and will continue to participate in the United States Drug Enforcement Administration's National Prescription Drug Take Back Initiative. Together, the programs prevent and reduce the accidental contamination of streams, rivers, and lakes by disposing of pharmaceuticals in an environmentally-friendly manner.

The Facilities Section will continue to improve its single-stream recycling program at the MOBC, reducing waste by removing recyclable materials and containers from the waste stream. Moreover, in 2019, the food waste produced by the MOB cafeteria for the compost recycling program will continue.

- **Develop Employees**

The Administrative Services Division will continue to develop employees through participation in training seminars and conferences to increase professional knowledge and skills. In-house training, webinars, and eLearning opportunities are utilized whenever possible to extend training to multiple employees in a cost-effective manner.

- **Leading Partnerships**

The Management & Budget Section will work with all departments to develop and execute the District's program of subscriptions and memberships. The names of employees in leadership roles in a variety of organizations will be published in the budget.

The Management & Budget Section will work with the GFOA, the Civic Federation, and other agencies to promote best practices and continuous improvement in our budget document.

The Police Section will participate as a member of the Law Enforcement Mutual Aid Agreement, and work with other agencies and municipalities to protect people and assets.

- **Technology**

The Management & Budget Section implemented a new budget publishing solution in 2018 for the preparation of the 2019 Budget. This system streamlines the budget book preparation process.

The Facilities Section will replace its main print production equipment with the latest generation of production technology. A digital storefront will also be added to the printshop for electronic submission of print jobs and automated tracking of expenditures by department and by job.

2019 Diversity Section Initiatives in Support of the Strategic Business Plan Include the Following:

The Diversity Section is focused on the goals established in the Strategic Business Plan and is committed to using the established strategies for continuous improvement in 2019.

• Add Value

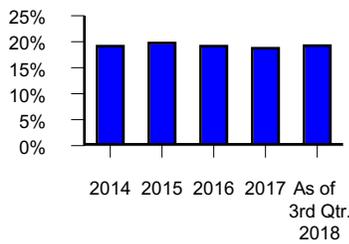
The Diversity Section will continue to fulfill its community leadership role regarding contract and employment diversity in the District’s service communities by establishing and monitoring goals for construction-related projects, as well as participating in outreach activities, including trade shows, conferences, and contractor training sessions covering District business practices. These activities directly impact the development of MBE, WBE, and SBE vendors. The Diversity Section will continue to be a part of the discussions for pending legislation, agreements, and programs that could adversely affect goal attainment. The Diversity Section will strive to increase the District’s MBE, WBE, and SBE vendor list by 10 percent in 2019.

Construction & Consulting Contracts	2014*	2015	2016	2017	As of 2018 3rd Quarter
Minority-owned Business Enterprises	\$75,053,441	\$23,292,180	\$39,402,363	\$9,800,078	\$9,378,306
Women-owned Business Enterprises	\$39,870,628	\$10,855,589	\$27,298,129	\$5,565,425	\$6,003,293
Small Business Enterprises *	\$857,220	\$375,118	\$307,759	\$1,364,898	\$1,804,394
Total Contracts Awarded	\$386,198,534	\$116,523,512	\$202,973,188	\$51,475,204	\$48,164,379

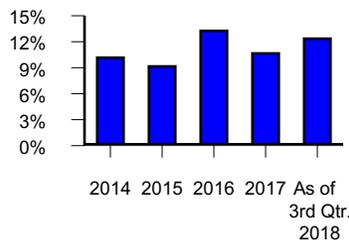
For years 2016-2018, SBE contract award amounts only include non-MBEs and non-WBEs.

*\$236 million contract awarded in 2014 for 04-128-3P, Westside Primary Settling Tanks at the Stickney Water Reclamation Plant

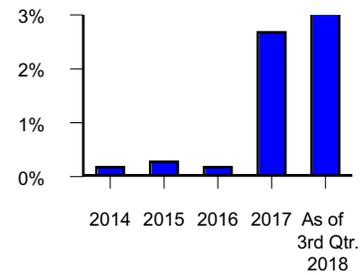
Minority-owned Business Enterprises



Women-owned Business Enterprises



Small Business Enterprises



• Excellence

The Diversity Section began implementation of the Disparity Study recommendation to develop a small business program that provides tangible participation opportunities on a race- and gender-neutral basis. By meeting or exceeding the participation targets, the small business program will ensure that bona fide MBEs, WBEs, and SBEs are given an equal and increasing opportunity to participate in the performance of District construction and consulting contracts. The Diversity Section will work with the Engineering Department in a contract unbundling process to increase race- and gender-neutral small business participation to reach a two percent goal.

• Develop Employees

The Diversity Section will continue the development of performance management metrics to better measure the performance of staff. In 2018, the Diversity staff was trained in contract compliance through the American Contract Compliance Association, which highlights new and pending rules and legislation regarding Affirmative Action. In 2019, Diversity staff will be trained in team building and interviewing techniques.

• Leading Partnerships

The Diversity Section will host two vendor outreach events, providing prospective vendors access to District officers and commissioners. The Diversity Section will continue to partner with the District’s sister government agencies to discover more efficient methods to help vendors become successful government contractors and develop sustainable relationships with prime contractors and financial institutions. Staff will continue to co-host workshops and other meetings with sister agencies to train their members on how to do business with the District and provide information on new District contract opportunities. Additionally, the Diversity Section will continue working internally with user departments to provide MBE, WBE, and SBE opportunities on District contracts.

2019 Public Affairs Section Initiatives in Support of the Strategic Business Plan Include the Following:

The Public Affairs Section has embraced the goals established in the Strategic Business Plan and is committed to using the established strategies to maintain the District's public image in 2019.

- **Add Value**

The Public Affairs Section will work with subject matter experts to develop materials that educate the public on how to manage stormwater and prevent water pollution. The Public Affairs Section will also continue to oversee the distribution of thousands of tree saplings, in addition to several programs promoting the District's stormwater management mission.

- **Excellence**

The Public Affairs Section exhibits a sense of urgency in all activities. The Public Affairs Section is determined to enthusiastically achieve excellence in all work products and through interactions with colleagues, stakeholders, reporters, and the public. Quality communications will continue to feature professionally written and designed materials that reflect the organization's important role and history of excellence. The Public Affairs Section will strive to produce deliverables of professional quality in all forms of media. The Public Affairs Section will work to inform the public about the value the District adds to our community and stakeholders. The Public Affairs Section will continue to produce fact sheets, talking points, photos, videos, press releases, and other materials that will help staff educate the public about the value of the District's work and areas of responsibility. Microsoft PowerPoint presentations, exhibits, and displays provided by the Public Affairs Section will continue to enhance speaking engagements, while press releases researched and prepared by the Public Affairs Section will be distributed to stakeholders and media members. The Public Affairs Section utilizes social media, participates in and supports community events with presenters and handouts, hosts tours and open houses, and provides photos and imagery to targeted audiences that help to educate the public on the value and importance of the District's work. The Public Affairs Section will also add value to the scholars and reporters interested in past and present imagery by making photo files and imagery freely available and promote the District's real estate portfolio by publicizing properties and their varied uses.

- **Resource Recovery**

The Public Affairs Section will educate and inform the public about the District's resource recovery work by producing targeted, audience-appropriate materials that clearly explain this subject. The phosphorus recovery facility at the Stickney Water Reclamation Plant offers an opportunity to educate the public about the impact that phosphorus has on waterways and the positive impact the recovery facility will have on improving our water environment locally as well as nationally. The Public Affairs Section will also continue to support biosolids and compost marketing efforts.

- **Develop Employees**

The Public Affairs Section will continue to learn new skills and techniques in order to keep up-to-date with current communication practices and technology. Staff will be encouraged to pursue classroom training, online training, webinars, and to read industry publications and books. The Public Affairs Section will also continue to keep abreast of changes and new developments within the District and the industry and the current trends in water treatment reported throughout the world. The Public Affairs Section is aware that all employees influence the public image of the District. Therefore, the Public Affairs Section will continue to produce resources, such as fact sheets, that will help educate staff about the District's work and areas of responsibility. The Public Affairs Section will continue to send out daily "MWRD in the News" emails that help all employees remain knowledgeable about new developments at the District and in the water industry. These daily reminders also help cultivate a sense of urgency among staff.

- **Leading Partnerships**

The Public Affairs Section will foster partnerships and engagement with organizations, communities, and individuals who share in the commitment to the water environment and an interest in District work and areas of responsibility. The Public Affairs Section will continue to develop strategic relationships with the public through participation in local events by developing communication materials and by providing requested resources, such as photos and brochures.

- **Technology**

The Public Affairs Section will continue to use technology to efficiently and effectively educate the public and the District's stakeholders about the value and importance of our work. Our two Federal Aviation Administration licensed drone pilots will continue to record videos and photograph District facilities and processes. The Public Affairs Section will continue to use technology both as a tool for creating communications by using appropriate and up-to-date software, hardware, and technical processes and as a medium of communication, using social media, email, and databases. The Public Affairs Section will continue to update the District's website with fresh, current information; utilize social media as an interactive communications tool; continue to update and send email blasts and mailings to targeted officials, stakeholders, and the media; produce a bi-monthly employee newsletter; maintain electronic message signs at all seven water reclamation plants; and generate online photo archives which will include current photos and scanned historical imagery.

15000 GENERAL ADMINISTRATION

OBJECTIVES AND PROGRAM SUMMARY

OBJECTIVES BY PRIORITY:		Cost	Percent
1.	Physically protect and secure District personnel, facilities, and outlying properties through access control, police patrol, and proactive crime prevention.	\$ 6,532,800	33.1%
2.	Carry out policies established by the elected Board of Commissioners for the protection of the water environment of the District.	\$ 818,200	4.2%
3.	Reach participation goals established by the Board of Commissioners for Minority-owned Business Enterprises, Women-owned Business Enterprises, and Small Business Enterprises for construction and professional services contracts.	\$ 1,158,400	5.9%
4.	Prepare and administer the District's annual budget to be used as a policy, financial, operations, and communications plan in the furtherance of the District's mission and statutory requirements.	\$ 3,373,400	17.1%
5.	Operate and maintain the Main Office Building Complex to provide a functional and cost-effective office environment for staff, contractors, and visitors.	\$ 4,077,700	20.7%
6.	Provide public understanding of District functions and activities through media, publications, and tours.	\$ 1,209,800	6.1%
7.	Provide fleet management services by administering the operation, maintenance, repair, and procurement of the District's fleet.	\$ 1,677,000	8.5%
8.	Reproduce and distribute materials used for the District's internal and external communications and records purposes in a timely, efficient, and cost-effective manner.	\$ 526,900	2.7%
9.	Perform organization and management research studies and compliance audits to evaluate the District's various business activities for cost-saving opportunities, compliance with legal mandates, and policies established by the Board of Commissioners.	\$ 343,700	1.7%
Total		\$ 19,717,900	100.0%

MEASURABLE GOALS:		2017	2018	2019
		Actual	Actual	Proposed
1.	Receive the Government Finance Officers Association Distinguished Budget Presentation Award annually.	Yes	Yes	Yes
2.	Increase public awareness of the District and its mission through growth in social media followers of at least 10 percent per year among the principal social media sites including Facebook, Twitter, LinkedIn, YouTube, and Instagram.			

Year	Facebook		Twitter		LinkedIn		YouTube		Instagram	
	Number of Followers	Percent Increase from Previous Year	Number of Followers	Percent Increase from Previous Year	Number of Followers	Percent Increase from Previous Year	Number of Followers	Percent Increase from Previous Year	Number of Followers	Percent Increase from Previous Year
2019 - Proposed	4,000	20%	3,200	16%	2,500	22%	225	97%	400	123%
2018 - Estimated	3,340	26%	2,752	30%	2,056	20%	114	90%	179	100%
2017 - Actual	2,646	22%	2,112	35%	1,719	23%	60	100%	N/A	N/A

15000 GENERAL ADMINISTRATION

OBJECTIVES AND PROGRAM SUMMARY

PROGRAMS BY PRIORITY:		2017	Budgeted		Change			
Number	Name	Actual	FTEs	Dollars	Dollars	Percent		
7100	Office of the Executive Director	\$ 486,967	2019	3	\$ 476,700	\$ (20,500)	(4.1)	
			2018	3	\$ 497,200			
7110	Legislative	\$ 424,203	2019	—	\$ 341,500	\$ (99,800)	(22.6)	a)
			2018	—	\$ 441,300			
7220	Reprographic Services	\$ 501,119	2019	2	\$ 526,900	\$ (7,400)	(1.4)	
			2018	2	\$ 534,300			
7240	Public Affairs	\$ 1,102,084	2019	11	\$ 1,209,800	\$ (103,000)	(7.8)	
			2018	11	\$ 1,312,800			
7251	Corporate Budget Preparation, Monitoring, and Administration	\$ 1,956,320	2019	8	\$ 3,005,400	\$ 1,174,000	64.1	b)
			2018	9	\$ 1,831,400			
7252	Management and Organization Studies	\$ 259,543	2019	3	\$ 343,700	\$ (900)	(0.3)	
			2018	3	\$ 344,600			
7253	Support Department Budget Preparation, Monitoring, and Administration	\$ —	2019	3	\$ 280,800	\$ (300)	(0.1)	
			2018	3	\$ 281,100			
7254	Enterprise System	\$ 87,945	2019	1	\$ 87,200	\$ (500)	(0.6)	
			2018	1	\$ 87,700			
7340	Security of Plants and Properties	\$ 6,151,030	2019	63	\$ 6,372,500	\$ 17,800	0.3	
			2018	64	\$ 6,354,700			
7460	Main Office Building Complex Services	\$ 3,039,055	2019	11	\$ 4,077,700	\$ 1,000,300	32.5	c)
			2018	11	\$ 3,077,400			
7470	Contract Diversity	\$ 990,351	2019	12	\$ 1,158,400	\$ 20,000	1.8	
			2018	12	\$ 1,138,400			
7490	Automotive Fleet Operations	\$ 576,347	2019	2	\$ 1,677,000	\$ 1,006,900	150.3	d)
			2018	2	\$ 670,100			
7604	Social Security and Medicare Contributions	\$ 154,459	2019	—	\$ 160,300	\$ 5,900	3.8	
			2018	—	\$ 154,400			
Totals		\$15,729,423	2019	119	\$ 19,717,900	\$ 2,992,500	17.9%	
			2018	121	\$ 16,725,400			

a) Decrease is due to the reduction in Federal consulting activity required due to the completion of McCook Reservoir Phase I (\$100,000).

b) Increase is due to the contingency for District-wide Corporate Fund general salary adjustments (\$1,204,800).

c) Increase is due to the reallocation of the paint and carpet replacement project in the Main Office Building (\$425,000) and the Main Office Building Annex common area major projects (\$100,000) from the Construction Fund to the Corporate Fund, and the estimated increases in man-hour rates for 18-416-11, Building Engineers Services (\$377,900) and 18-408-11, Janitorial Services (\$52,700).

d) Increase is due to the reallocation of replacement fleet vehicles from the Construction Fund to the Corporate Fund (\$900,000) and the overhaul of in-plant fueling systems at various locations (\$94,800).

15000 GENERAL ADMINISTRATION

PERFORMANCE DATA

Program Number	Measurable Activity		2017 Actual	2018 Budgeted	2019 Estimated	
7100	Office of the Executive Director	Cost	\$ 486,967	\$ 497,200	\$ 476,700	
7110	Legislative	Cost	\$ 424,203	\$ 441,300	\$ 341,500	a)
7220	Reprographic Services					
7221	Duplication Services	# of Impressions	3,068,687	3,000,000	3,030,000	
		Cost	\$ 489,211	\$ 521,300	\$ 505,600	
		Cost/Impression	\$ 0.16	\$ 0.17	\$ 0.17	
7224	Design Services	Cost	\$ 11,908	\$ 13,000	\$ 21,300	b)
7240	Public Affairs					
7247	Internal Public Affairs					
	Interdepartmental Support	Cost	\$ 298,431	\$ 363,200	\$ 331,000	
7248	External Public Affairs					
	Respond to Public Inquiries and Furnish Public Information Pamphlets	# of Responses	46,000	47,000	48,000	
		Cost	\$ 268,297	\$ 317,022	\$ 293,385	
		Cost/Response	\$ 5.83	\$ 6.75	\$ 6.11	
	Coordinate District Communications with Public, Civic, and Social Groups	# of Contacts	23,000	24,000	25,000	
		Cost	\$ 146,599	\$ 173,222	\$ 160,307	
		Cost/Contact	\$ 6.37	\$ 7.22	\$ 6.41	
	Monitor Public Hearings, Board Meetings, Internet, and Media and Issue Press Releases	Cost	\$ 189,289	\$ 223,664	\$ 206,988	
	Special Public Events	Cost	\$ 199,468	\$ 235,692	\$ 218,120	
7250	Budget Preparation and Management Studies					
7251	Corporate Budget Preparation, Monitoring, and Administration	Cost	\$ 1,956,320	\$ 1,831,400	\$ 3,005,400	c)
7252	Management and Organization Studies	Cost	\$ 259,543	\$ 344,600	\$ 343,700	
7253	Support Department Budget Preparation, Monitoring, and Administration	Cost	\$ —	\$ 281,100	\$ 280,800	
7254	Enterprise Systems	Cost	\$ 87,945	\$ 87,700	\$ 87,200	
<p>a) Decrease is due to the reduction in Federal consulting activity required due to the completion of McCook Reservoir Phase I (\$100,000).</p> <p>b) Increase is due to additional design services required for the 130th anniversary of the District in 2019. Design services have been consolidated into one budget item for 2019 (\$17,500).</p> <p>c) Increase is due to the contingency for District-wide Corporate Fund general salary adjustments (\$1,204,800).</p>						

15000 GENERAL ADMINISTRATION

PERFORMANCE DATA

Program Number	Measurable Activity		2017 Actual	2018 Budgeted	2019 Estimated	
7340	Security of Plants and Properties					
	Patrol of District Facilities	# of Miles	136,610	115,803	136,600	d)
		Cost	\$ 1,190,759	\$ 1,230,186	\$ 1,233,632	
		Cost/Mile	\$ 8.72	\$ 10.62	\$ 9.03	
	Patrol of District Real Estate	# of Miles	265,182	230,000	265,200	e)
		Cost	\$ 3,367,260	\$ 3,478,756	\$ 3,488,500	
		Cost/Mile	\$ 12.70	\$ 15.13	\$ 13.15	
	Access Control to Facilities	# of Hours	46,121	46,000	46,100	
		Cost	\$ 1,593,011	\$ 1,645,758	\$ 1,650,368	
		Cost/Hour	\$ 34.54	\$ 35.78	\$ 35.80	
7460	Main Office Building Complex Services					
7461	Main Office Building Complex Operations	Area (Sq. Ft.)	198,901	198,901	198,901	
		Cost	\$ 2,694,665	\$ 2,702,100	\$ 3,677,400	f)
		Cost/Sq. Ft.	\$ 13.55	\$ 13.59	\$ 18.49	
7463	Collect and Distribute Mail	# of Pieces	1,008,726	756,730	893,300	
		Cost	\$ 259,564	\$ 289,800	\$ 313,900	
		Cost/Piece	\$ 0.26	\$ 0.38	\$ 0.35	
7464	Telephone Switchboard Operations at Main Office Building Complex	Cost	\$ 84,826	\$ 85,500	\$ 86,400	
7470	Contract Diversity					
7471	Contract Compliance	Cost	\$ 442,905	\$ 505,800	\$ 520,300	
7472	Community Activity	Cost	\$ 326,794	\$ 378,700	\$ 383,100	
7473	Contract Diversity Support	Cost	\$ 220,652	\$ 253,900	\$ 255,000	
7490	Automotive Fleet Operations					
7491	Automotive Fleet Procurement	Cost	\$ 8,633	\$ —	\$ 900,000	g)
7496	Automotive Fleet Disposal	Cost	\$ 6,684	\$ —	\$ —	
7499	Automotive Fleet Operations	Cost	\$ 561,030	\$ 670,100	\$ 777,000	h)
7604	Social Security and Medicare Contributions	Cost	\$ 154,459	\$ 154,400	\$ 160,300	
	Totals		\$ 15,729,423	\$ 16,725,400	\$ 19,717,900	

d) Increase is due to the increased number of patrols through more efficient utilization of staff.

e) Increase is due to mandatory property checks for special business reasons.

f) Increase is due to the reallocation of the paint and carpet replacement project in the Main Office Building (\$425,000) and the Main Office Building Annex common area major projects (\$100,000) from the Construction Fund to the Corporate Fund, and the estimated increases in man-hour rates for 18-416-11, Building Engineers Services (\$377,900) and 18-408-11, Janitorial Services (\$52,700).

g) Increase is due to the reallocation of replacement fleet vehicles from the Construction Fund to the Corporate Fund (\$900,000).

h) Increase is due to the overhaul of in-plant fueling systems at various locations. (\$94,800).

101 15000	Fund: Corporate Department: General Administration	LINE ITEM ANALYSIS						
		2017	2018			2019		
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/18	Expenditure (Committed Budget plus Disbursement) 09/30/18	Estimated Expenditure 12/31/18	Proposed by Executive Director	Recommended by Committee on Budget and Employment
601010	Salaries of Regular Employees	\$ 10,214,862	\$ 10,863,500	\$ 10,728,500	\$ 7,454,476	\$ 10,457,900	\$ 10,917,700	\$ —
601060	Compensation Plan Adjustments	781,971	840,000	740,000	429,155	553,300	664,600	—
601070	Social Security and Medicare Contributions	154,459	154,400	154,400	113,592	168,100	160,300	—
601080	Salaries of Nonbudgeted Employees	1,248	—	—	—	—	—	—
601100	Tuition and Training Payments	80,968	37,700	37,700	13,435	18,100	33,000	—
601270	General Salary Adjustments	—	—	—	—	—	1,204,800	—
100	TOTAL PERSONAL SERVICES	11,233,507	11,895,600	11,660,600	8,010,658	11,197,400	12,980,400	—
612010	Travel	7,777	7,200	7,200	3,756	8,400	10,000	—
612030	Meals and Lodging	12,433	11,000	11,000	5,591	13,700	17,200	—
612040	Postage, Freight, and Delivery Charges	97,267	84,800	84,800	81,559	106,100	109,700	—
612050	Compensation for Personally-Owned Automobiles	1,928	3,000	3,000	1,900	2,600	3,700	—
612080	Motor Vehicle Operating Services	68,058	62,700	62,700	58,161	55,600	62,700	—
612090	Reprographic Services	116,109	118,000	118,000	115,597	113,600	103,400	—
612150	Electrical Energy	318,240	340,000	340,000	195,078	336,100	325,200	—
612160	Natural Gas	25,934	24,000	24,000	14,490	22,800	24,900	—
612170	Water and Water Services	5,492	5,200	5,200	4,335	6,300	6,500	—
612210	Communication Services	3,000	3,000	3,000	3,000	3,000	3,000	—
612280	Subscriptions and Membership Dues	685,780	778,100	778,100	651,937	778,000	838,100	—
612330	Rental Charges	14,010	8,700	8,700	8,376	8,600	93,500	—
612360	Advertising	12,417	13,000	13,000	960	12,000	13,000	—
612370	Administration Building Operation	1,014,937	1,015,800	1,178,500	1,178,451	1,154,400	1,313,200	—
612390	Administration Building McMillan Pavilion Operation	736,741	645,700	733,000	732,213	642,300	782,900	—
612430	Payments for Professional Services	407,640	474,000	474,000	421,775	399,000	324,000	—
612490	Contractual Services, N.O.C.	235,074	428,300	362,000	309,169	337,600	331,800	—
612680	Repairs to Buildings	21,557	26,500	26,500	9,500	8,000	41,300	—
612800	Repairs to Office Furniture and Equipment	90,251	118,200	118,200	117,400	108,000	47,900	—
612840	Communications Equipment Maintenance (Includes Software)	17,784	17,800	42,800	42,784	37,800	22,800	—
612860	Repairs to Vehicle Equipment	383,733	437,100	481,900	447,595	404,000	440,500	—
200	TOTAL CONTRACTUAL SERVICES	4,276,163	4,622,100	4,875,600	4,403,627	4,557,900	4,915,300	—
623070	Electrical Parts and Supplies	9,275	7,600	7,600	7,600	5,500	8,600	—

101 15000	Fund: Corporate Department: General Administration	LINE ITEM ANALYSIS						
		2017	2018				2019	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/18	Expenditure (Committed Budget plus Disbursement) 09/30/18	Estimated Expenditure 12/31/18	Proposed by Executive Director	Recommended by Committee on Budget and Employment
623090	Plumbing Accessories and Supplies	11,869	7,500	7,500	7,500	7,400	8,500	—
623110	Hardware	16,618	14,400	14,400	14,400	14,300	16,000	—
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	111,618	115,100	114,500	110,784	114,500	136,600	—
623660	Cleaning Supplies	997	1,300	1,300	1,000	1,200	1,300	—
623700	Wearing Apparel	24,201	28,400	35,500	35,401	19,300	53,400	—
623720	Books, Maps, and Charts	497	500	500	44	400	1,000	—
623850	Communications Supplies	—	—	—	—	—	25,000	—
623990	Materials and Supplies, N.O.C.	44,679	32,900	32,900	32,574	30,000	52,000	—
300	TOTAL MATERIALS AND SUPPLIES	219,753	207,700	214,200	209,303	192,600	302,400	—
634860	Vehicle Equipment	—	—	—	—	—	900,000	—
634990	Machinery and Equipment, N.O.C.	—	—	—	—	—	94,800	—
400	TOTAL MACHINERY AND EQUIPMENT	—	—	—	—	—	994,800	—
645680	Buildings	—	—	—	—	—	525,000	—
500	TOTAL CAPITAL PROJECTS	—	—	—	—	—	525,000	—
TOTAL GENERAL ADMINISTRATION		\$ 15,729,423	\$ 16,725,400	\$ 16,750,400	\$ 12,623,588	\$ 15,947,900	\$ 19,717,900	\$ —

NOTES: 1. Amounts may not add up due to rounding.
 2. Departmental appropriation totals for salaries in the Line Item Analysis may differ from those contained in the Position Analysis by a factor identified to adjust for vacancies.
 Additionally, Estimated Expenditure may either exceed Adjusted Appropriation when transfers of funds are anticipated or be less than Expenditure (Committed Budget plus Disbursement) when not all commitments are anticipated to be completed by year-end.

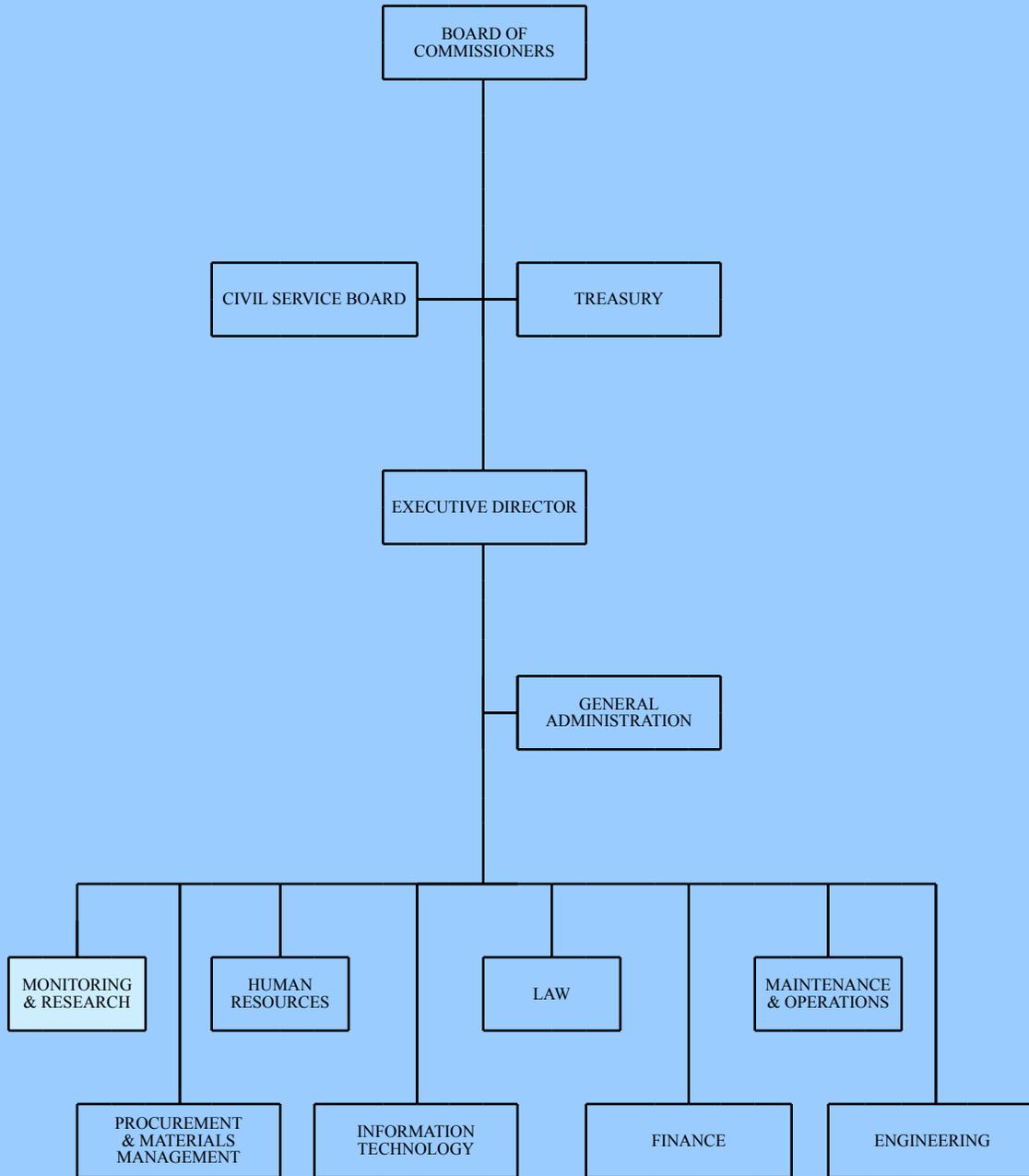
Fund: Corporate Dept: General Administration		POSITION ANALYSIS				
		2017	2018		2019	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
051	Executive Section					
EX07	Executive Director	1	1		1	
EX06	Secretary to Officer	2	2		2	
TOTAL	Executive Section	3	3	492,312.24	3	474,023.94
052	Diversity Section					
HP18	Diversity Administrator	1	1		1	
HP16	Senior Diversity Officer	2	2		2	
HP15	Compliance Officer #2 (Diversity Officer) (New Grade HP14)	3	1		1	
HP14	Diversity Officer	3	5		5	
HP11	Administrative Specialist	2	2		2	
HP09	Administrative Clerk	1	1		1	
TOTAL	Diversity Section	12	12	1,045,948.21	12	1,057,586.40
053	Administrative Services Division					
054	Administrative Services Section					
EX19	Administrative Services Officer	1	1		1	
EX06	Secretary to Officer	1	1		1	
TOTAL	Administrative Services Section	2	2	339,787.75	2	339,787.76
060	Management & Budget Section					
061	Administrative Unit					
HP20	Budget Officer	1	1		1	
HP11	Administrative Specialist	—	1		—	
TOTAL	Administrative Unit	1	2	221,091.67	1	163,116.46
067	Central Budget Management Unit					
HP18	Supervising Budget & Management Analyst	1	1		1	
HP17	Management Analyst III #2 (Senior Budget & Management Analyst) (New Grade HP16)	1	—		—	
HP16	Senior Budget & Management Analyst	3	4		4	
HP14	Budget & Management Analyst	8	8		8	

Fund: Corporate Dept: General Administration		POSITION ANALYSIS				
		2017	2018		2019	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	PROPOSED BY THE EXECUTIVE DIRECTOR	
					BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP11	Administrative Specialist	1	1		—	
TOTAL	Central Budget Management Unit	14	14	1,334,318.62	13	1,287,756.06
TOTAL	Management & Budget Section	15	16	1,555,410.29	14	1,450,872.52
080	Police Section					
081	Administrative Unit					
HP18	Chief of Police	1	1		1	
HP12	Administrative Assistant #2 (Administrative Specialist) (New Grade HP11)	1	1		1	
TOTAL	Administrative Unit	2	2	241,562.19	2	245,498.24
082	Police Main Office Building Complex Unit					
NR2483	Police Officer	5	5		5	
TOTAL	Police Main Office Building Complex Unit	5	5	405,496.00	5	421,928.00
083	Police North Service Area Unit					
HP14	Police Sergeant	1	1		1	
NR2483	Police Officer	10	10		10	
TOTAL	Police North Service Area Unit	11	11	910,815.67	11	943,679.62
084	Police Calumet Service Area Unit					
HP14	Police Sergeant	1	1		1	
NR2483	Police Officer	10	10		10	
NR2483	Police Officer #1	—	—		—	
TOTAL	Police Calumet Service Area Unit	11	11	920,536.04	11	953,399.98
085	Police Stickney Service Area Unit					
HP16	Police Lieutenant	2	2		2	
HP14	Police Sergeant	5	5		5	
NR2483	Police Officer	22	22		22	
NR2483	Police Officer #1	1	—		—	
TOTAL	Police Stickney Service Area Unit	30	29	2,550,566.38	29	2,627,728.22

Fund: Corporate Dept: General Administration		POSITION ANALYSIS				
		2017	2018		2019	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
086	Police Countywide Unit					
NR2483	Police Officer	5	5		5	
TOTAL	Police Countywide Unit	5	5	405,496.00	5	421,928.00
TOTAL	Police Section	64	63	5,434,472.28	63	5,614,162.06
090	Facilities Section					
091	Administrative Unit					
HP16	Senior Budget & Management Analyst	1	1		1	
HP11	Administrative Specialist	2	2		2	
TOTAL	Administrative Unit	3	3	240,214.44	3	223,371.21
096	Building Services Unit					
HP14	Budget & Management Analyst	1	1		1	
HP14	Chief Printing Press Operator	1	1		1	
HP12	Printing Press Operator	1	1		1	
HP11	Administrative Specialist	2	2		2	
HP09	Administrative Clerk	3	3		3	
HP09	Administrative Clerk #1	1	—		—	
NR8661	Motor Vehicle Dispatcher Supervisor	1	1		1	
NR8660	Motor Vehicle Dispatcher	2	2		2	
TOTAL	Building Services Unit	12	11	735,782.60	11	748,329.41
TOTAL	Facilities Section	15	14	975,997.04	14	971,700.62
TOTAL	Administrative Services Division	96	95	8,305,667.36	93	8,376,522.96
072	Public Affairs Section					
EX18	Public & Intergovernmental Affairs Officer	1	1		1	
EX06	Secretary to Officer	1	1		1	
HP17	Senior Public Affairs Specialist #2 (New Grade HP16)	1	1		1	
HP15	Community Education Specialist #2 (Public Affairs Specialist) (New Grade HP14)	1	—		—	
HP15	Public Affairs Specialist #2 (New Grade HP14)	3	3		3	
HP14	Public Affairs Specialist	—	1		1	

Fund: Corporate Dept: General Administration		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP13	Graphic Artist	2	2		2	
HP13	Senior Administrative Specialist	1	1		1	
HP11	Administrative Specialist	—	1		1	
HP09	Administrative Clerk	1	—		—	
TOTAL	Public Affairs Section	11	11	1,047,474.24	11	1,064,144.12
TOTAL	General Administration	122	121	10,891,402.05	119	10,972,277.42
NOTE: Departmental appropriation totals for salaries in the Position Analysis differ from those contained in the Line Item Analysis by a factor identified to adjust for vacancies. Salary ranges corresponding to the pay plan and grade for each class title can be found in the table of Salary Schedules in the Appendix.						

NOTE PAGE



Protecting Our Water Environment

Metropolitan Water Reclamation District of Greater Chicago

100 EAST ERIE STREET CHICAGO, ILLINOIS 60611-3154 312.751.5600

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September 11, 2018

Mr. John P. Murray
Acting Executive Director
OFFICE

Dear Sir:

Subject: 2019 Program for the Monitoring & Research Department

The Monitoring & Research Department's program for 2019, as prepared in detail, is transmitted herewith. The budget presentation supports the request for funding of the department's 2019 initiatives in alignment with and in support of the Strategic Business Plan. The budget requests include all amendments as directed by you during the Executive Director Budget Hearings in August of this year.

The narrative provides a summary of the department, 2019 major initiatives and challenges, and 2018 accomplishments. Supporting schedules of objectives, performance, and staffing levels present three years of detailed budgetary information.

Thank you for the opportunity to present the proposed Monitoring & Research Department budget for 2019.

Respectfully submitted,

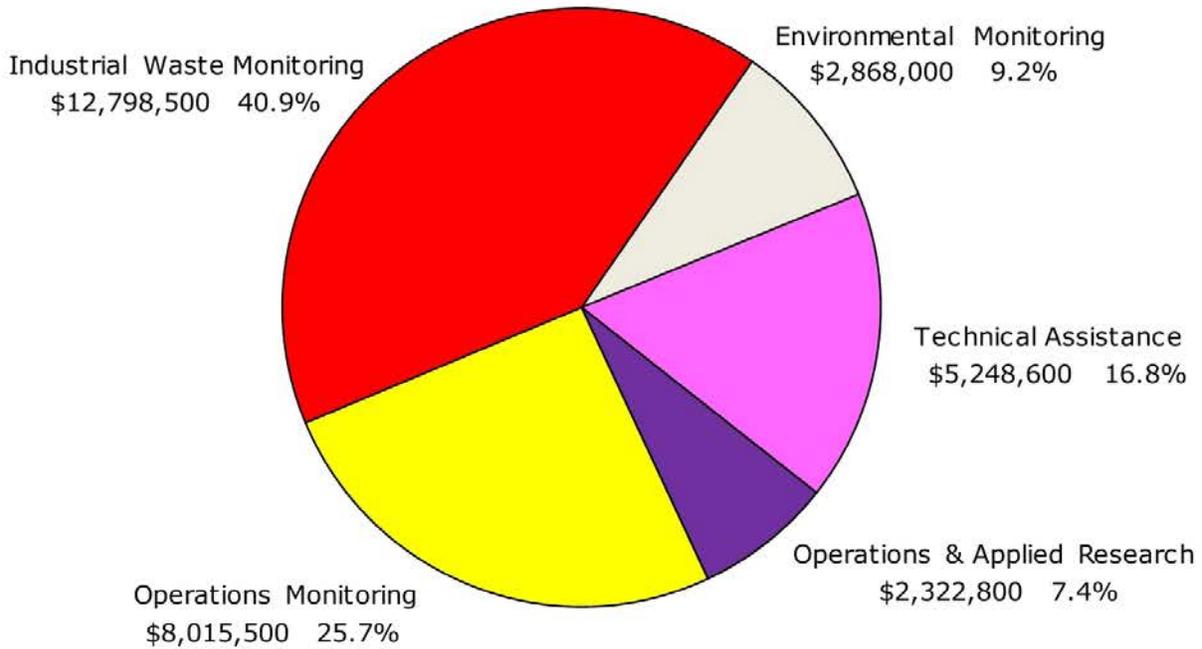


Edward W. Podczerwinski
Director of Monitoring & Research

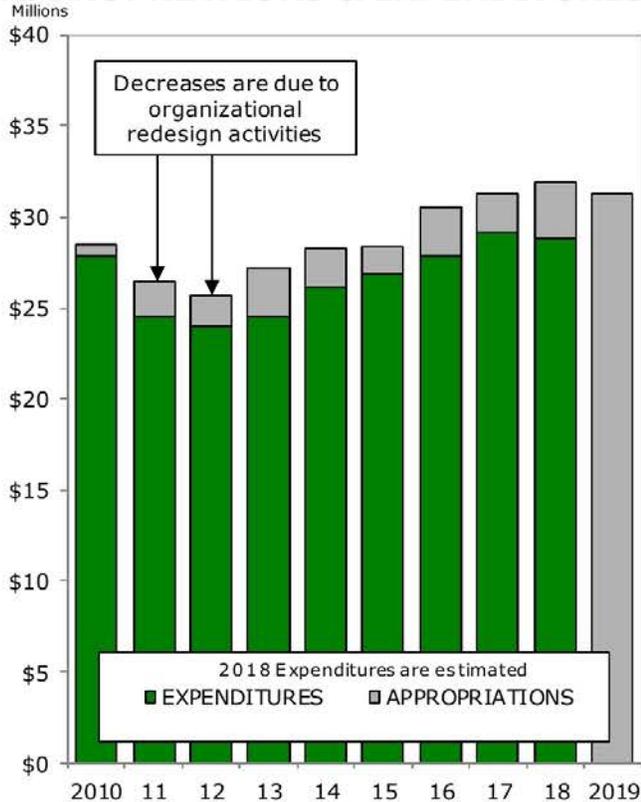
MONITORING & RESEARCH

2019	\$31,253,400
2018	\$31,888,700
Decrease	(\$635,300)

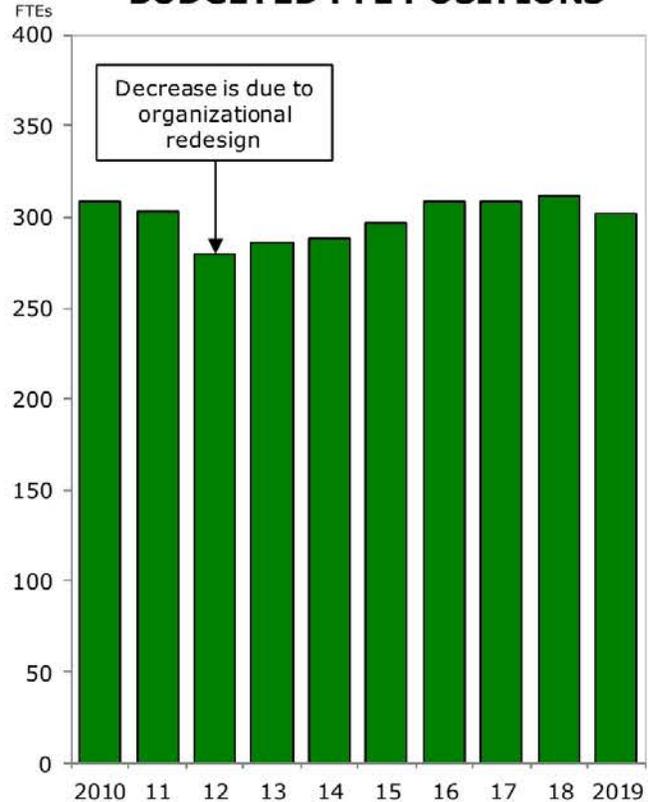
FUNCTIONS



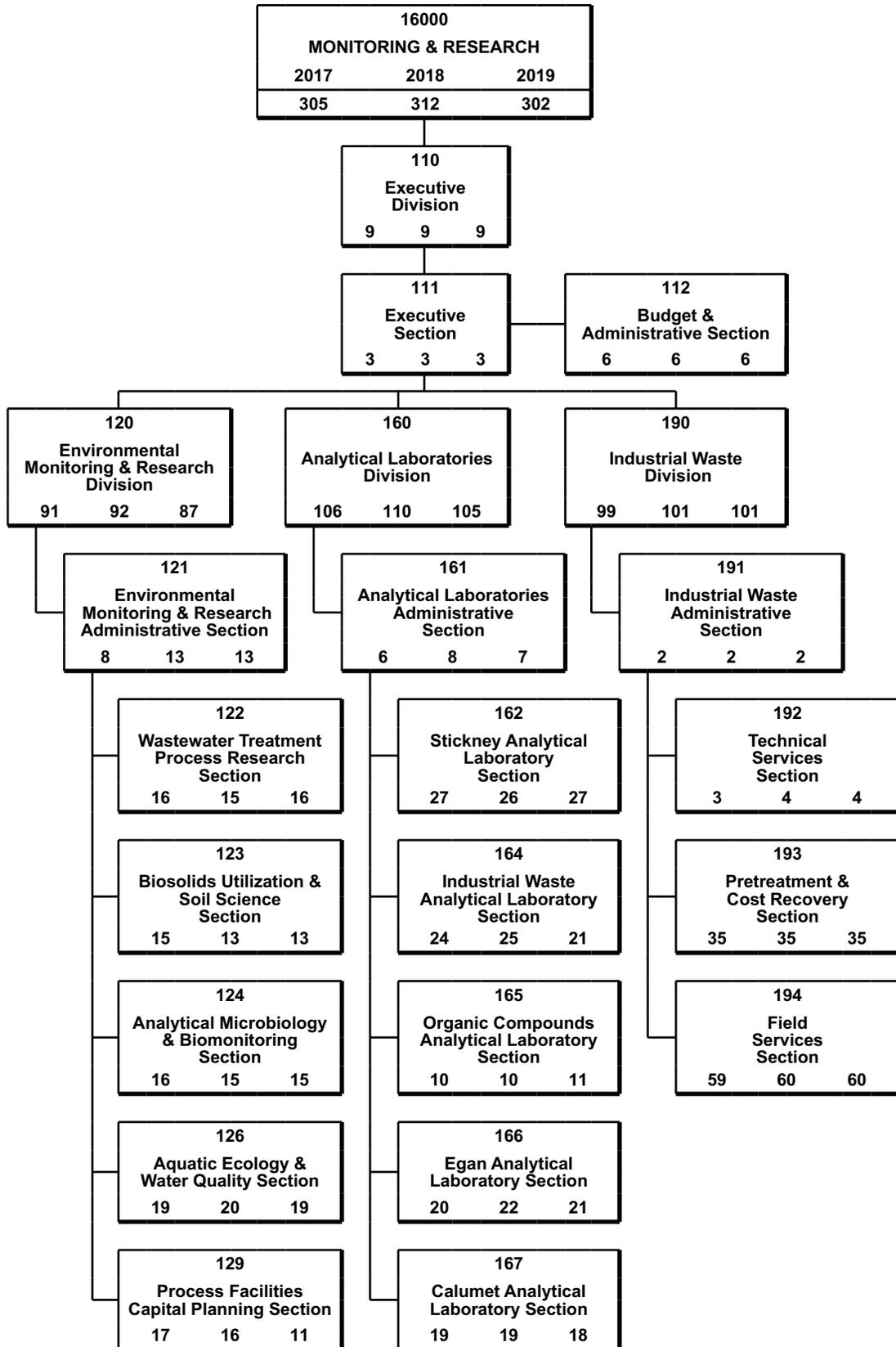
APPROPRIATIONS & EXPENDITURES



BUDGETED FTE POSITIONS



MONITORING & RESEARCH



MONITORING & RESEARCH

The Monitoring & Research (M&R) Department's mission is to dependably provide industrial waste program ordinance administration, cost-effective monitoring and surveillance, high quality analytical data, technical support, long-term planning, and research to protect and improve District facilities, operations, and the environment.

Departmental Summary

The department's primary responsibilities include:

- Monitoring liquid and solids process trains for operational control, regulatory compliance, and odor emissions;
- Administering the Pretreatment, Resource Recovery, and User Charge Programs in compliance with federal regulations;
- Monitoring improvements in water quality of area rivers, canals, and groundwater to document regulatory compliance;
- Providing process facility capital planning and technical assistance to address operational challenges and regulatory issues;
- Conducting applied research to reduce the cost of District operations and to improve water quality.

Summary of 2018 Accomplishments

- Completed the redesign of the Chemist and Laboratory Technician series;
- Screened and tested 47 high strength organic materials (HSOM) to determine their suitability for acceptance under the Resource Recovery Program and began receiving materials at the Stickney and Calumet Water Reclamation Plants (WRP);
- Completed start-up monitoring and support of the Anita™ Mox ammonia removal process at the Egan WRP and began start-up monitoring and support of the WASSTRIP® process for enhanced phosphorus recovery at the Stickney WRP;
- Installed tile and denitrifying bioreactors at the Fulton County site as part of the collaboration with the agricultural sector on development and demonstration of best management practices to reduce nutrient discharge from the state;
- Completed conceptual designs for a biological phosphorus removal pilot at the Egan WRP and a sidestream return activated sludge fermentation pilot at the Calumet WRP;
- Conducted wet weather monitoring in the Calumet River System to assess the effectiveness of the Thornton Composite Reservoir portion of the Tunnel and Reservoir Plan (TARP);
- Finalized the study to optimize Lake Michigan discretionary diversion and existing aeration station operation to achieve maximum attainment of dissolved oxygen standards in the Chicago Area Waterway System (CAWS);
- Hired an industrial hygiene consultant to conduct an air quality study in the laboratories to ensure a clean working environment. This will continue annually in each laboratory facility on a rotating basis.

Budget Highlights

The 2019 appropriation for M&R is \$31,253,400, a decrease of \$635,300, or 2.0 percent, from 2018. The staffing level has decreased from 312 to 302 positions, which includes the addition of four Laboratory Technician II positions and one Senior Environmental Research Scientist, offset by the drop of one Assistant Environmental Chemist #1, one Senior Laboratory Technician #1, one Assistant Aquatic Biologist #1, one Senior Environmental Chemist #1, four Environmental Chemists, one Laboratory Technician I, one Associate Civil Engineer, and one Associate Electrical Engineer position, and the transfer out of one Senior Mechanical Engineer, one Senior Electrical Engineer, one Associate Mechanical Engineer, and one Associate Electrical Engineer to the Maintenance & Operations (M&O) Department. Also, a crosshatch #1 was added to three Laboratory Technician I positions and an Administrative Specialist position was reclassified to a Senior Administrative Specialist.

Significant features of the 2019 budget include:

- Continue to lead the phosphorus feasibility studies and implement biological phosphorus removal at District WRPs;
- Continue implementation of a District-wide Odor Reduction Strategy;
- Conduct the final year of a seven-year microbial source tracking study to determine the sources and distribution of microbes in portions of the CAWS designated for primary contact recreation;
- Continue to lead the Mainstream Shortcut Biological Nitrogen Removal Task Force to study energy-saving processes;
- Continue to conduct permit-required groundwater monitoring for four TARP systems, three reservoirs, six biosolids management sites, and Fischer Farm in Hanover Park;
- Continue to lead and develop the Resource Recovery Programs for supporting the District's energy recovery, phosphorus removal, and biosolids composting initiatives;
- Initiate development of a phosphorus assessment and reduction plan for the CAWS;
- Complete the Post Construction Monitoring Report evaluating effectiveness of the Calumet TARP System.

2019 Initiatives in Support of the Strategic Business Plan Include the Following:

• Add Value

M&R continuously works to make improvements to its business practices and to maintain a clear focus on its mission, while striving to decrease the number of budgeted positions in an increasingly complex environment and maintaining all essential technical support, analytical laboratory, and industrial waste program ordinance administration functions. This is a testament to M&R’s highly skilled, professional, and dedicated staff.

M&R generates an important revenue stream through the recovery of operations, maintenance, and replacement costs incurred from treating wastewater discharges from Large Commercial/Industrial Users and Tax- Exempt Users of the sewerage system and the costs of administering the District’s Pretreatment and User Charge Programs. The User Charge Program assesses charges to recover operations, maintenance, and replacement costs incurred by the District, beyond those recovered through payment of ad valorem property taxes, based on the annual volume and the biochemical oxygen demand and suspended solids loadings of wastewater discharged. Projected 2019 User Charge revenue, based on 2019 rates and a three-year (2015-2017) average of user clearing data, is \$46.0 million. The User Charge rates take into account the costs budgeted in the Corporate Fund for operations and maintenance, as well as in the Construction Fund for the required rehabilitation of District facilities.

Five-Year Trend in User Charge Revenue	
Year	User Charge Receipts
2015	\$48,476,512
2016	\$44,487,370
2017	\$53,252,035
2018 Estimated	\$46,000,000
2019 Projected	\$46,000,000

In 2019, M&R will administer approximately 1,000 accounts, which are required to submit annual reports as part of M&R’s User Charge and Pretreatment Programs. For these accounts, M&R will conduct approximately 1,000 inspections and sampling events, and anticipates processing about 2,600 reports and filings to reconcile User Charge liabilities. Another 2,800 accounts will be administered via an automatic review and billing process in a continuing effort to simplify the administrative process and reduce administrative costs, as allowed under the District’s User Charge Ordinance. M&R will continue to encourage users who are eligible for reduced reporting and self-monitoring to migrate to this automated process. M&R remains vigilant in identifying and classifying new users and, in 2019, has a goal of identifying and classifying 50 new users to be administered under the User Charge Program to recover the costs associated with treating those users’ wastewater. In addition, M&R continues to monitor industrial users that require higher scrutiny to safeguard the water reclamation plants and local waterways.

M&R will continue a collaborative research project with Argonne National Laboratory to use microbial source tracking tools, methodologies, and assessments for the reaches of the CAWS that have been designated for Primary Contact Recreation use by the Illinois Pollution Control Board. This multi-year project is budgeted for \$263,400 in the Construction Fund in 2019.

M&R will continue to provide technical support to the M&O Department in 2019 with the production of a value-added product by co-composting biosolids with wood chips and other vegetative materials to produce Exceptional Quality biosolids compost for utilization in the Chicago metropolitan area. M&R will conduct public outreach and marketing for local utilization of the composted biosolids product to reduce hauling cost.

• Excellence

M&R is committed to automating and streamlining its business practices. Staff from M&R and the Information Technology Department have worked together to further improve the Laboratory Information Management System to increase data processing and reporting and to enhance data acquisition from automated instruments. M&R and the Information Technology Department began a major Laboratory Information Management System upgrade to SampleManager V12. This upgrade is expected to reduce customization by 70 percent and allow future updates to the system to happen seamlessly. M&R will seek to further streamline operations by consolidating staffing and analyses. This is made possible in large part by reductions in discretionary monitoring of WRP processes, industrial users, and environmental impacts of District operations through a series of service-level agreements between M&R, other departments, and permitting authorities. M&R will continue to evaluate technological improvements in analytical instrumentation that are helpful in conserving resources and are less expensive to operate.

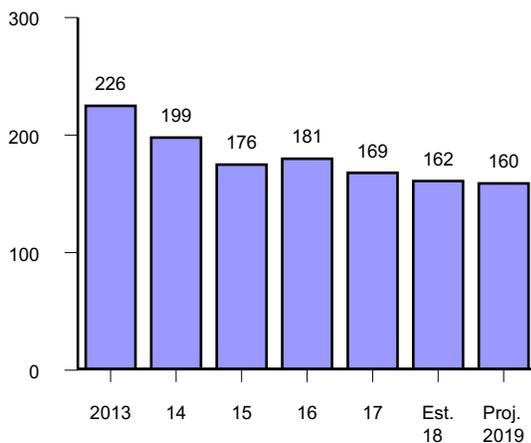
M&R is also committed to stopping pollution at its source by operating an effective Industrial Waste Pretreatment Program in full compliance with all federal and state statutes. During 2019, the administration of the District’s Industrial Waste Pretreatment Program will require the issuance or renewal of Discharge Authorizations for approximately 70 Significant Industrial Users and the review of approximately 700 Continued Compliance Reports and 20 Spill Prevention, Containment, and Countermeasure Plans. During 2019, M&R expects to conduct approximately 1,000 inspections associated with administering the District’s Sewage

and Waste Control Ordinance and will randomly sample and analyze at least 50 percent of the anticipated 1,800 chemical toilet disposals at the Stickney WRP. During 2019, M&R is not anticipating any substantial variation in the number of enforcement activities. As a result of the District’s Industrial Waste Pretreatment Program, all of the biosolids produced by the District in 2019 are expected to meet the highest quality criteria for trace metals in the United States Environmental Protection Agency Biosolids Rule (40 CFR Part 503) and the WRP effluents are expected to meet all National Pollutant Discharge Elimination System permit limits for regulated industrial pollutants.

Five-Year Trend in Enforcement Activities

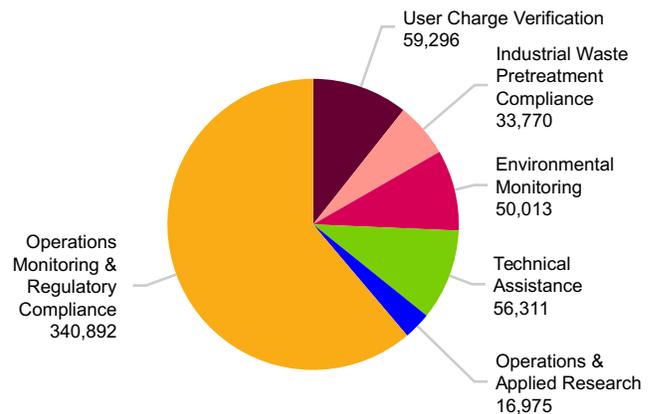
Year	Cease and Desist Orders
2015	71
2016	56
2017	72
2018 Estimated	70
2019 Projected	70

Number of Emergency Responses



2014, 2015 - Decrease is due to lower industrial activity and fewer heavy precipitation events

2019 Projected Laboratory Analyses by Program



M&R provides first-response services for hazardous materials emergencies and complaints of pollution and will conduct approximately 160 investigations in response to requests from federal, state, and local agencies, municipalities, private citizens, self-reported industrial activities, and requests from the M&O Department in 2019.

In 2019, M&R will collect and analyze approximately 650 samples from 111 TARP groundwater monitoring wells and three reservoirs and will compile 10 annual monitoring reports for the four TARP tunnel systems, including the Mainstream, Calumet, Des Plaines (below Weller Creek), and Upper Des Plaines (above Weller Creek - O’Hare) systems and three reservoirs, the Gloria Alitto Majewski Reservoir, the Thornton Composite Reservoir, and the McCook Reservoir, to meet the operating permit requirements of these facilities. These samples also include groundwater monitoring at six biosolids management facilities, including Fischer Farm in Hanover Park, in accordance with permits issued by the Illinois Environmental Protection Agency. In 2019, a total of 32 monitoring reports will be submitted to the Illinois Environmental Protection Agency.

M&R monitors the liquid and solids process trains daily at multiple critical control points at each of the seven WRPs to inform process control and to improve operations and the quality of effluents and biosolids, which will generate 557,257 projected tests in 2019. This includes chemical, biological, and microbiological monitoring. Whole effluent toxicity tests and fecal bacteria indicator analyses will be conducted as required by National Pollutant Discharge Elimination System permits. M&R provides support to the M&O Department by making non-proprietary reagents that are needed to operate online ammonia and chlorine analysis systems.

M&R provides Quality Assurance support to M&O by providing calibration and check standards for the analysis of pH and residual chloride. This support allows the District to provide defensible results for these important operational parameters. M&R will continue this support in 2019.

The District conducts an Odor Monitoring Program to minimize or eliminate nuisance odors in the communities surrounding its facilities. In 2019, M&R will continue to lead the development of a District-wide Odor Reduction Strategy for the District's facilities, collection systems, and biosolids drying areas to target odor problem areas and reduce odors that may affect the communities.

M&R will continue to implement some of the recommendations from the interdepartmental, long-term, process facility capital planning process. The review includes District business initiatives, anticipated regulatory requirements, and community service level expectations. In addition, the District's capital plan was updated over a 20-year timeframe. In 2019, M&R will continue to address issues such as updating the water reclamation plant process and hydraulic models, as well as incorporating findings from the ongoing development of the District's Biosolids Strategy and Odor Reduction Strategy.

- **Resource Recovery**

Nutrient enrichment of the water environment has become a national concern. M&R is leading the District's Phosphorus Removal and Recovery Task Force that will assist the M&O Department in implementing and optimizing Enhanced Biological Phosphorus Removal at the Stickney, Calumet, O'Brien, Kirie, and Egan WRPs. The District began accepting HSOM from various industries at the Calumet and Stickney WRPs as a source of carbon to improve biological phosphorus removal in 2017 and anticipates the delivery of 600 loads of HSOM from its permitted haulers in 2019. M&R will continue to support the operation of the WASSTRIP® process at the Stickney WRP to help increase the phosphorus recovery in the Ostara facility. M&R is leading the effort to monitor the HSOM to screen out material that is harmful to water reclamation plant operations or unsuitable for use in phosphorus removal. M&R is continuing the investigation of technologies to reduce energy costs such as mainstream shortcut biological nitrogen removal, membrane aerated bioreactors, biocatalysts for activated sludge replacement, ammonia aeration control, and co-digestion. M&R will also continue work with the Engineering and M&O Departments to evaluate phycoremediation (algae-based) strategies to reduce nutrients in the O'Brien WRP's effluent and to reduce the District's energy footprint.

The District has developed a sound, local biosolids distribution program. Under this program, Exceptional Quality air-dried biosolids and composted biosolids are used as a soil amendment by local park and school districts in the Chicago metropolitan area for maintaining high-quality vegetation on fields and landscaping. M&R will continue the promotion of biosolids and sustainability practices through a sustainability workshop, biosolids beneficial reuse awards, and other public events.

- **Develop Employees**

M&R is committed to providing continuing education and professional development to all of its employees. M&R conducts a monthly environmental issues and research seminar series at the Lue-Hing Research and Development Complex, which is video conferenced to multiple facilities and is archived in streaming online video format through the District's web portal. The seminar series is approved by the Illinois Society of Professional Engineers for professional development credits and is available to all employees and the local community. Based on the 2,050 attendees in 2018, it is anticipated that attendance for 2019 will be approximately 2,000.

M&R employees benefit from participation at local, regional, and national professional society meetings and workshops as speakers, session chairs and moderators, or committee chairs or members. M&R economizes where possible by providing its employees access to webinars that are presented by the Water Environment Federation, Water Research Foundation, National Association of Clean Water Agencies, United States Environmental Protection Agency, National Environmental Laboratory Accreditation Conference Institute, American Chemical Society, and others. In 2019, M&R will continue to encourage professional staff to attend relevant conferences and view webinars to promote professional growth and request all staff to utilize the District's eLearning resources to enhance working knowledge and job skills. In addition, M&R continues to develop employees through cross-training and job shadowing opportunities.

M&R emphasizes employee safety in their work environment. M&R maintains a Chemical Hygiene Plan to ensure employee safety at its laboratories and conducts monthly safety training. Also, M&R provides an annual indoor air quality assessment for each facility in the Analytical Laboratories Division. A M&R staff member has been certified to handle the radioactive materials by the laboratory in a safe and secure manner.

- **Leading Partnerships**

M&R will continue to work with the Public Affairs Section to develop fact sheets regarding important issues on water quality in area waterways, public health risks of recreation on the waterways, risk of exposure to pathogens in wastewater-to-wastewater water reclamation plant operations, and utilizing biosolids for land application. M&R will provide support to outreach activities, such as school science fair projects, District laboratory tours, local public meetings, and parades.

M&R has been providing assistance to oversight agencies studying and controlling the migration of invasive aquatic species for decades. In 2019, M&R will continue to assist the United States Fish and Wildlife Service and the Army Corps of Engineers with surveillance for the presence of Asian carp (*Hypophthalmichthys spp.*) in the CAWS and for the Great Lakes and Mississippi River Interbasin Study, respectively.

M&R provides support to the Illinois Environmental Protection Agency by participating in various work groups for implementing the Illinois Nutrient Loss Reduction Strategy and developing nutrient water quality standards for Illinois. M&R is also continuing to work through the Illinois Association of Wastewater Agencies in 2019 to partner with a consortium of agricultural industry organizations to investigate watershed approaches for improving water quality in the Illinois River basin. The activities under this partnership include research and demonstration projects and field days at the District's Fulton County site and exploration of developing a nutrient trading program as a tool to achieve statewide nutrient management goals.

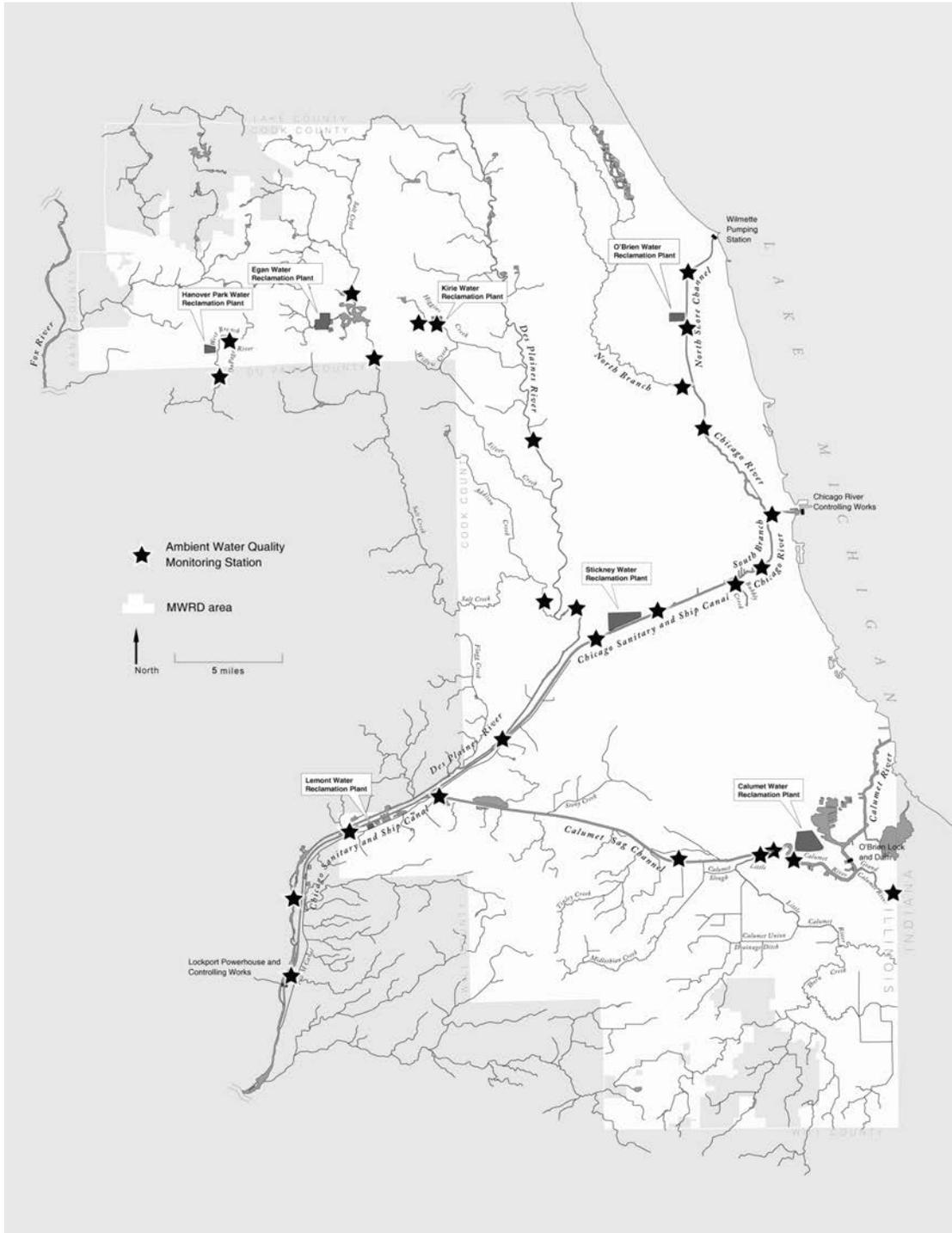
- **Technology**

The internet-based Publicly owned treatment works Administration and Compliance System (iPACS) is used to monitor Commercial/Industrial User compliance with United States Environmental Protection Agency regulations. In 2019, enhancements to iPACS will allow M&R to continue implementing electronic management of assignment scheduling and reporting, as well as Industrial User self-reporting.

In 2019, M&R and the Information Technology Department will continue to use consultants and in-house expertise to make enhancements to the Laboratory Information Management System SampleManager V12 upgrade that will support the continued attainment of laboratory accreditation. M&R will apply the new technology of ion chromatography to the analysis of anions. This will enable the laboratories to streamline operations by concentrating four anion analyses to one location, saving money on instrumentation and consumables.

Monitoring & Research

Waterways Monitoring Program 4672 - Waterways Monitoring Stations



Operations of the District meet stringent standards contained in National Pollutant Discharge Elimination System permits issued for each WRP. Processing and utilization of solids are regulated by Illinois Environmental Protection Agency permits and federal regulations. M&R monitors ambient water quality at 28 sampling locations, and operates 22 continuous dissolved oxygen monitoring stations in the shallow and deep-draft waterways within the District’s service area. The environmental information is used to demonstrate compliance with water quality standards and the beneficial effects of the District’s operational improvements on water quality in the waterways. Fish sampling in the District service area is also conducted at select locations to characterize the biological integrity of the waterways.

16000 MONITORING & RESEARCH

OBJECTIVES AND PROGRAM SUMMARY

OBJECTIVES BY PRIORITY:		Cost	Percent	
1. WATER RECLAMATION PLANT OPERATIONS MONITORING: Monitor the District's collection, treatment, and disposal operations to ensure compliance with National Pollutant Discharge Elimination System, Illinois Environmental Protection Agency, and other regulations.	Liquid Process Analyses	\$ 5,236,700	16.8%	
	Solids Process Analyses	\$ 2,612,200	8.4%	
	Air Quality Monitoring	\$ 166,600	0.5%	
		<u>\$ 8,015,500</u>	<u>25.7%</u>	
2. INDUSTRIAL WASTE PROGRAMS: Administer the Sewage and Waste Control Ordinance (Pretreatment Program), User Charge Ordinance (User Charge Program), Environmental Remediation Wastewater Ordinance, and Chemical Toilet Wastes Disposal Ordinance.	Residential Users	\$ 739,900	2.4%	
	Tax-Exempt Users	\$ 2,042,500	6.5%	
	Large Commercial/Industrial Users	\$ 3,545,800	11.3%	
	Environmental Remediation	\$ 213,600	0.7%	
	Chemical Toilet Waste	\$ 193,300	0.6%	
	* Note: "SIUs" refers to Significant Industrial Users.	SIUs* - Pretreatment Program	\$ 4,689,900	15.0%
	SIUs* - Extraordinary Monitoring/ Enforcement	\$ 692,100	2.2%	
	Other Industrial Users	\$ 278,800	0.9%	
	All Other - General	\$ 402,600	1.3%	
		<u>\$ 12,798,500</u>	<u>40.9%</u>	
3. ENVIRONMENTAL MONITORING: Monitor the water quality of Lake Michigan and the waterways in order to detect and reduce the incidence of pollution.	Lake Michigan Monitoring	\$ 68,000	0.2%	
	Waterways Monitoring	\$ 2,168,300	6.9%	
	Inspection Events	\$ 159,900	0.5%	
	Groundwater Monitoring	\$ 471,800	1.6%	
		<u>\$ 2,868,000</u>	<u>9.2%</u>	
4. TECHNICAL ASSISTANCE: Conduct a program of independent review of water reclamation plant operations, regular consultation, and assistance for the solution of operating problems, provide technical assistance to other agencies upon request, provide review and response to proposed regulations issued by federal, state, and local governments, and provide long-term facility planning.	M&O Assistance	\$ 1,614,100	5.2%	
	General Assistance	\$ 637,300	2.0%	
	Regulatory Review and Response	\$ 615,200	2.0%	
	Engineering Process Design Support	\$ 1,301,900	4.2%	
	Regulatory Compliance Reporting	\$ 284,400	0.9%	
	Facility Capital Planning	\$ 795,700	2.5%	
		<u>\$ 5,248,600</u>	<u>16.8%</u>	
5. OPERATIONS AND APPLIED RESEARCH: Conduct operations and applied research for process improvement and cost reduction in District operations.		\$ 2,322,800	7.4%	
		<u>\$ 31,253,400</u>	<u>100.0%</u>	
Total		\$ 31,253,400	100.0%	

16000 MONITORING & RESEARCH

OBJECTIVES AND PROGRAM SUMMARY

MEASURABLE GOALS:	2017	2018	2019
	Actual	Estimated	Proposed
1. Submit all required environmental monitoring reports on time.	100%	100%	100%
2. Maintain laboratory accreditation.	100%	100%	100%
3. Continue a seven-year microbiome microbial source monitoring study of the Chicago Area Waterways. 2019 is the seventh and final year of this study.	70%	90%	100%
4. Provide sample data for Illinois Environmental Protection Agency monitoring compliance reports by the 13th of the following month 100 percent on time.	100%	100%	100%
5. Provide sample data for industrial surveillance and Pretreatment and Cost Recovery Section by the 15th of the following month 100 percent on time.	100%	100%	100%
6. Provide water quality sample data by the 15th of the following month 100 percent on time.	100%	100%	100%
7. Issue Discharge Authorizations in response to all SIU requests and enforcement actions within the timeframes established under the Sewage and Waste Control Ordinance.	100%	100%	100%
8. Process User Charge Annual Certified Statements submitted by Commercial/Industrial Users by September 30th.	100%	100%	100%
9. Respond to emergency assistance requests from fire and police departments, citizens, state and federal agencies, municipalities, industries, and the District.	169	162	160

PROGRAMS BY PRIORITY:		2017	Budgeted		Change		
Number	Name	Actual	FTEs	Dollars	Dollars	Percent	
4650	Operations Monitoring	\$ 7,462,653	2019 79	\$ 8,015,500	\$ 14,600	0.2	
			2018 81	\$ 8,000,900			
4660	Industrial Waste Monitoring	\$10,579,403	2019 122	\$12,395,900	\$ 869,500	7.5	a)
			2018 117	\$11,526,400			
4670	Environmental Monitoring	\$ 2,896,586	2019 28	\$ 2,868,000	\$ (264,300)	(8.4)	b)
			2018 30	\$ 3,132,300			
4680	Technical Assistance	\$ 5,775,101	2019 50	\$ 5,248,600	\$ (1,184,700)	(18.4)	c)
			2018 61	\$ 6,433,300			
4690	Operations and Applied Research	\$ 2,007,686	2019 23	\$ 2,322,800	\$ (58,200)	(2.4)	
			2018 23	\$ 2,381,000			
7604	Social Security and Medicare Contributions	\$ 367,913	2019 —	\$ 402,600	\$ (12,200)	(2.9)	
			2018 —	\$ 414,800			
		\$29,089,342	2019 302	\$31,253,400	\$ (635,300)	(2.0)%	
			2018 312	\$31,888,700			

a) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$963,600).

b) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$181,700) and the drop of one FTE position (\$90,300).

c) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$581,000), the transfer of one Senior Mechanical Engineer position, one Senior Electrical Engineer position, one Associate Electrical Engineer position, and one Associate Mechanical Engineer position to the Maintenance & Operations Department (\$490,400), and the drop of two FTE positions (\$246,200).

16000 MONITORING & RESEARCH

PERFORMANCE DATA

Program Number	Measurable Activity		2017 Actual	2018 Budgeted	2019 Estimated	
4650	Operations Monitoring: Monitoring of water reclamation plant operations to inform operations and comply with permits and regulations					
4652	Liquid Monitoring: Monitoring of the District's liquid process trains (primarily effluent) to inform operations and comply with permits and regulations	Liquid Process Analyses	257,095	250,666	246,737	
		Program Cost	\$ 4,886,972	\$ 5,188,800	\$ 5,236,700	
		Program Cost/Analysis	\$ 19.01	\$ 20.70	\$ 21.22	
4653	Solids Monitoring: Monitoring of the District's sludge and biosolids generated from the wastewater treatment process to inform operations and comply with permits and regulations	Number of Analyses	97,098	102,262	90,905	
		Program Cost	\$ 2,392,469	\$ 2,638,900	\$ 2,612,200	
		Program Cost/Analysis	\$ 24.64	\$ 25.81	\$ 28.74	
4654	Air Monitoring: Air quality monitoring at the District's WRPs and solids management areas to comply with regulations and identify odors affecting surrounding areas resulting in citizen complaints	Number of Analyses	3,244	3,500	3,250	
		Sampling Events	389	600	450	a)
		Program Cost	\$ 183,212	\$ 173,200	\$ 166,600	
		Program Cost/Analysis	\$ 56.48	\$ 49.49	\$ 51.26	
4660	Industrial Waste Monitoring: Activities associated with sampling, analysis, enforcement, and administration of users so classified below to monitor compliance with the User Charge and Pretreatment Programs					
4661	User Charge Ordinance - Residential and Small Non-Residential Commercial/Industrial Users	Number of Users	6,154	6,200	6,200	
		Program Cost	\$ 155,289	\$ 154,500	\$ 739,900	b)
		Program Cost/User	\$ 25.23	\$ 24.92	\$ 119.34	b)
4662	User Charge Ordinance - Tax-Exempt Users	Number of Users	2,958	2,970	2,970	
		Program Cost	\$ 1,268,760	\$ 1,423,000	\$ 2,042,500	c)
		Program Cost/User	\$ 428.92	\$ 479.12	\$ 687.71	c)
		Revenue	\$ 13,206,505	\$ 12,880,000	\$ 13,000,000	
		Revenue/User	\$ 4,464.67	\$ 4,336.70	\$ 4,377.10	
4663	User Charge Ordinance - Large Commercial/Industrial Users	Number of Users	645	630	630	
		Program Cost	3,383,445	3,669,100	3,545,800	
		Program Cost/User	\$ 5,245.65	\$ 5,823.97	\$ 5,628.25	
		Revenue	\$ 40,045,530	\$ 33,120,000	\$ 33,000,000	
		Revenue/User	\$ 62,086.09	\$ 52,571.43	\$ 52,380.95	
		Industrial Waste Monitoring Analyses	69,289	75,858	59,296	d)
		Program Cost/Analysis	\$ 48.83	\$ 48.37	\$ 59.80	
4664	Environmental Remediation Wastewater Ordinance	Permits Issued	10	15	15	
		Program Cost	\$ 118,756	\$ 97,400	\$ 213,600	e)
		Program Cost/Permit	\$ 11,875.60	\$ 6,493.33	\$ 14,240.00	
4665	Chemical Toilet Wastes Disposal Ordinance	Permits Issued	3	3	4	f)
		Program Cost	\$ 43,730	\$ 87,900	\$ 193,300	g)
		Program Cost/Permit	\$ 14,576.67	\$ 29,300.00	\$ 48,325.00	

- a) Decrease is due to the cessation of odor monitoring at the pelletizer facility as of June 2018.
- b) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$582,900).
- c) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$652,200).
- d) Decrease is due to estimates based on actual data collected for the first half of 2018.
- e) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$115,900).
- f) Increase is due to the issuance of an additional Chemical Toilet Waste Permit during 2018.
- g) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$104,700).

16000 MONITORING & RESEARCH

PERFORMANCE DATA

Program Number	Measurable Activity		2017 Actual	2018 Budgeted	2019 Estimated	
4666	Sewage and Waste Control Ordinance - SIU Minimum Regulatory Requirement Activities: Annual sampling and inspection of SIU facilities, as required by federal regulation	Number of SIUs	353	340	345	
		Waste Monitoring Analyses	31,105	42,000	33,770	h)
		Program Cost	\$ 3,309,407	\$ 3,653,600	\$ 4,689,900	i)
		Program Cost/Analysis	\$ 106.39	\$ 86.99	\$ 138.88	
		Program Cost/SIU	\$ 9,375.09	\$ 10,745.88	\$ 13,593.91	
4667	Sewage and Waste Control Ordinance - SIU Extraordinary Monitoring and Enforcement Activities: SIUs that have been the subject of violation-related enforcement actions to verify compliance through inspection and/or sampling	Number of SIUs	107	120	120	
		Program Cost	\$ 1,718,477	\$ 1,810,600	\$ 692,100	j)
		Program Cost/SIU	\$ 16,060.53	\$ 15,088.33	\$ 5,767.50	
4668	Other Regulatory Activities - Industrial Users	Number of IUs	219	300	300	
		Program Cost	\$ 581,539	\$ 630,300	\$ 278,800	k)
		Program Cost/IU	\$ 2,655.43	\$ 2,101.00	\$ 929.33	
4670	Environmental Monitoring: Regulatory required monitoring or discretionary sampling and analysis to address or evaluate the impact of wastewater conveyance, treatment, and discharge of treated effluent on local surface water and groundwater	Sampling Events	—	—	—	
		Number of Backflows	—	—	—	
		Environmental Analyses	422	100	383	l)
4671	Lake Michigan Monitoring: Sampling and analysis to determine the impact of Combined Sewer Overflow backflow, due to storm events, on the water quality of Lake Michigan	Program Cost	\$ 73,785	\$ 63,700	\$ 68,000	
		Program Cost/Analysis	\$ 174.85	\$ 637.00	\$ 177.55	
4672	Waterways Monitoring: Sampling and analysis of Chicago Area Waterways to assess the impact of treated effluent discharge and comply with regulations	Sampling Events	1,029	900	1,000	
		Environmental Analyses	40,010	33,354	33,663	
		Program Cost	\$ 2,120,343	\$ 2,298,100	\$ 2,168,300	
		Program Cost/Analysis	\$ 53.00	\$ 68.90	\$ 64.41	
4673	Inspection Events: Inspections in response to complaints from citizens and requests from fire and police departments, and municipal and regulatory agencies. Also, activities related to enforcement of the Sewage and Waste Control Ordinance for direct discharges to waterways	Inspection Events	169	156	160	
		Program Cost	\$ 242,639	\$ 258,200	\$ 159,900	m)
		Program Cost/Inspection	\$ 1,435.73	\$ 1,655.13	\$ 999.38	
4674	Groundwater Monitoring: Sampling and analysis conducted at various sites such as wells and reservoirs associated with the TARP System, and lysimeters and wells at solids management areas to comply with IEPA permits	Number of Analyses	10,070	12,284	15,967	n)
		Sampling Events	609	1,300	650	o)
		Number of Sites	160	160	165	
		Program Cost	\$ 459,819	\$ 512,300	\$ 471,800	
		Program Cost/Analysis	\$ 45.66	\$ 41.70	\$ 29.55	

h) Decrease is due to estimates based on actual data collected for the first half of 2018.

i) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$983,300).

j) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$1,114,900).

k) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$347,900).

l) Increase is due to estimates based on actual data collected for the first half of 2018.

m) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$96,500).

n) Increase in analyses is due to more samples collected as a result of the recently completed Phase I of the McCook Reservoir.

o) Decrease is due to the implementation of the Illinois Environmental Protection Agency-approved plan for reduced monitoring of Tunnel and Reservoir Plan wells.

16000 MONITORING & RESEARCH

PERFORMANCE DATA

Program Number	Measurable Activity		2017 Actual	2018 Budgeted	2019 Estimated	
4680	Technical Assistance					
4681	Assistance to Maintenance & Operations Department Troubleshoot problems in plant operations or evaluate options to improve the effectiveness and cost efficiencies in plant operations	Responses Completed	224	170	218	p)
		Number of Analyses	43,215	45,602	41,103	
		Sampling Events	453	792	300	q)
		Program Cost	\$ 1,939,397	\$ 2,187,600	\$ 1,614,100	r)
		Program Cost/Analysis	\$ 44.88	\$ 47.97	\$ 39.27	r)
		Program Cost/Sampling Event	\$ 4,281.23	\$ 2,762.12	\$ 5,380.33	r)
4682	General Assistance to All Other Departments: Technical assistance based on requests, primarily to the Law Department	Responses Completed	231	234	240	
		Number of Analyses	1,152	1,737	342	s)
		Sampling Events	45	40	35	
		Program Cost	\$ 626,875	\$ 701,800	\$ 637,300	
		Program Cost/Analysis	\$ 544.16	\$ 404.03	\$ 1,863.45	
		Program Cost/Sampling Event	\$ 13,930.56	\$ 17,545.00	\$ 18,208.57	
4683	Regulatory Review and Response: Review of current or pending federal, state, and local regulations to determine the impact and cost on District operations	Responses Completed	198	244	141	t)
		Program Cost	\$ 765,995	\$ 871,400	\$ 615,200	u)
4684	Engineering Process Design Support: Technical assistance to the Engineering Department to improve District facilities and optimize process design	Number of Analyses	16,947	13,615	14,861	
		Responses Completed	150	114	130	
		Sampling Events	110	118	10	v)
		Program Cost	\$ 1,264,395	\$ 1,422,400	\$ 1,301,900	
		Program Cost/Analysis	\$ 74.61	\$ 104.47	\$ 87.61	
4685	Regulatory Compliance Reporting: Preparation of reports and letters required by regulatory agencies, such as USEPA and IEPA, to comply with permits and other regulatory requirements or to justify modifications of regulatory requirements	Reports/Data Transmittal Letters	56	56	56	
		Number of Analyses	18	12	5	w)
		Program Cost	\$ 249,838	\$ 265,000	\$ 284,400	
		Program Cost/Analysis	\$ 13,879.89	\$ 22,083.33	\$ 56,880.00	
4686	Facility Capital Planning and Capital/Maintenance Project Evaluations: Activities to develop, facilitate, prioritize, and document the District's capital plan alternatives to improve the District's treatment plant processes and infrastructure	Program Cost	\$ 928,601	\$ 985,100	\$ 795,700	x)

p) Increase is due to estimates based on actual data collected for the first half of 2018.

q) Decrease is due to the sampling for the enhanced biological phosphorus removal project being terminated at the O'Brien WRP and reduced at the Stickney and Calumet WRPs.

r) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$293,700) and the transfer of two FTE positions to the Maintenance & Operations Department (\$268,400).

s) Decrease is due to a reduction in special projects.

t) Decrease is due to estimates based on actual data collected for the first half of 2018.

u) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$251,500).

v) Decrease is due to a significant reduction in the number of new high strength waste suppliers that require sampling of their materials.

w) Decrease is due to a reduction in required analyses, which vary based on the schedule of the National Pollutant Discharge Elimination System permits.

x) Decrease is due to the transfer of one FTE position to the Maintenance & Operations Department (\$138,600).

16000 MONITORING & RESEARCH

PERFORMANCE DATA

Program Number	Measurable Activity		2017 Actual	2018 Budgeted	2019 Estimated	
4690	Operations and Applied Research: Basic and applied research to generate information to improve District operations, evaluate the impact of District activities on the environment, and to address the potential impact of regulations on District operations	Sampling Events	1,169	1,210	1,000	y)
		Research Projects	65	70	60	
		Laboratory Analyses	20,405	18,764	16,975	
		Program Cost	\$ 2,007,686	\$ 2,381,000	\$ 2,322,800	
		Program Cost/Analysis	\$ 98.39	\$ 126.89	\$ 136.84	
7604	Social Security and Medicare Contributions	Program Cost	\$ 367,913	\$ 414,800	\$ 402,600	
		Totals	\$ 29,089,342	\$ 31,888,700	\$ 31,253,400	

y) Decrease is due to estimates based on actual data collected for the first half of 2018.

101 16000	Fund: Corporate Department: Monitoring & Research	LINE ITEM ANALYSIS						
		2017	2018			2019		
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/18	Expenditure (Committed Budget plus Disbursement) 09/30/18	Estimated Expenditure 12/31/18	Proposed by Executive Director	Recommended by Committee on Budget and Employment
601010	Salaries of Regular Employees	\$ 26,103,909	\$ 29,031,800	\$ 29,031,800	\$ 18,968,175	\$ 26,518,100	\$ 28,065,000	\$ —
601060	Compensation Plan Adjustments	803,658	644,200	644,200	598,842	644,200	779,900	—
601070	Social Security and Medicare Contributions	367,913	414,800	414,800	275,164	405,000	402,600	—
601080	Salaries of Nonbudgeted Employees	56,764	2,000	2,000	—	—	—	—
601100	Tuition and Training Payments	66,481	58,100	58,100	41,876	52,300	77,700	—
100	TOTAL PERSONAL SERVICES	27,398,725	30,150,900	30,150,900	19,884,056	27,619,600	29,325,200	—
612010	Travel	10,231	22,000	22,000	8,941	16,000	18,000	—
612030	Meals and Lodging	27,053	34,700	34,700	22,968	31,000	39,700	—
612040	Postage, Freight, and Delivery Charges	5,394	4,400	4,400	4,370	3,700	8,700	—
612050	Compensation for Personally-Owned Automobiles	25,773	27,300	27,300	17,671	22,000	27,400	—
612080	Motor Vehicle Operating Services	346	800	800	411	500	300	—
612090	Reprographic Services	—	100	100	—	—	—	—
612170	Water and Water Services	413	400	400	400	400	—	—
612330	Rental Charges	900	2,300	2,300	—	100	1,300	—
612410	Governmental Service Charges	17,000	67,000	67,000	13,600	17,000	17,000	—
612430	Payments for Professional Services	92,591	102,900	102,900	81,008	30,900	102,400	—
612490	Contractual Services, N.O.C.	233,583	319,900	279,900	214,123	134,300	365,600	—
612790	Repairs to Marine Equipment	26,643	29,600	29,600	28,358	13,400	24,000	—
612970	Repairs to Testing and Laboratory Equipment	352,192	353,500	353,500	342,268	293,400	391,800	—
200	TOTAL CONTRACTUAL SERVICES	792,118	964,900	924,900	734,118	562,700	996,200	—
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	23,683	30,100	31,800	26,428	27,100	30,000	—
623530	Farming Supplies	33,727	38,000	38,000	26,472	23,200	28,000	—
623570	Laboratory Testing Supplies, Small Equipment, and Chemicals	348,277	354,900	351,200	308,236	300,400	415,000	—
623700	Wearing Apparel	15,193	10,200	12,200	11,589	10,700	12,600	—
623720	Books, Maps, and Charts	2,320	600	600	450	600	600	—
623810	Computer Supplies	—	2,400	2,400	2,054	2,300	500	—
623820	Fuel	11,909	9,400	9,400	9,296	9,000	13,400	—
623990	Materials and Supplies, N.O.C.	44,676	37,200	37,200	34,788	30,100	37,600	—
300	TOTAL MATERIALS AND SUPPLIES	479,785	482,800	482,800	419,313	403,400	537,700	—

101 16000	Fund: Corporate Department: Monitoring & Research	LINE ITEM ANALYSIS						
		2017	2018				2019	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/18	Expenditure (Committed Budget plus Disbursement) 09/30/18	Estimated Expenditure 12/31/18	Proposed by Executive Director	Recommended by Committee on Budget and Employment
634970	Testing and Laboratory Equipment	418,714	290,100	330,100	328,143	272,000	394,300	—
400	TOTAL MACHINERY AND EQUIPMENT	418,714	290,100	330,100	328,143	272,000	394,300	—
TOTAL MONITORING & RESEARCH		\$ 29,089,342	\$ 31,888,700	\$ 31,888,700	\$ 21,365,630	\$ 28,857,700	\$ 31,253,400	\$ —

NOTES: 1. Amounts may not add up due to rounding.
 2. Departmental appropriation totals for salaries in the Line Item Analysis may differ from those contained in the Position Analysis by a factor identified to adjust for vacancies.
 Additionally, Estimated Expenditure may either exceed Adjusted Appropriation when transfers of funds are anticipated or be less than Expenditure (Committed Budget plus Disbursement) when not all commitments are anticipated to be completed by year-end.

Fund: Corporate Dept: Monitoring & Research		POSITION ANALYSIS				
		2017	2018		2019	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	PROPOSED BY THE EXECUTIVE DIRECTOR	
					BUDGETED FTEs	APPROPRIATION IN DOLLARS
110	Executive Division					
111	Executive Section					
EX11	Director of Monitoring & Research	1	1		1	
EX06	Secretary to Officer	1	1		1	
HP12	Secretary #2 (Administrative Specialist) (New Grade HP11)	—	—		1	
HP11	Administrative Specialist	1	1		—	
TOTAL	Executive Section	3	3	427,449.88	3	451,170.72
112	Budget & Administrative Section					
HP23	Deputy Director of Monitoring & Research	1	—		—	
HP22	Assistant Director of Monitoring & Research	—	1		1	
HP18	Supervising Budget & Management Analyst	1	1		1	
HP17	Management Analyst III #2 (Senior Budget & Management Analyst) (New Grade HP16)	1	—		—	
HP16	Senior Budget & Management Analyst	—	1		1	
HP14	Budget & Management Analyst	2	2		2	
HP11	Administrative Specialist	1	1		1	
TOTAL	Budget & Administrative Section	6	6	744,084.92	6	735,993.46
TOTAL	Executive Division	9	9	1,171,534.80	9	1,187,164.18
120	Environmental Monitoring & Research Division					
121	Environmental Monitoring & Research Administrative Section					
HP22	Assistant Director of Monitoring & Research	1	1		1	
HP20	Environmental Monitoring & Research Manager	1	1		1	
HP20	Managing Civil Engineer	1	1		1	
HP18	Biostatistician	1	1		1	
HP18	Principal Environmental Scientist	—	2		2	
HP15	Associate Civil Engineer	1	1		1	
HP13	Senior Administrative Specialist	1	2		2	
HP11	Administrative Specialist	2	4		4	
TOTAL	Environmental Monitoring & Research Administrative Section	8	13	1,503,580.86	13	1,555,250.83

Fund: Corporate Dept: Monitoring & Research		POSITION ANALYSIS				
		2017	2018		2019	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	PROPOSED BY THE EXECUTIVE DIRECTOR	
					BUDGETED FTEs	APPROPRIATION IN DOLLARS
122	Wastewater Treatment Process Research Section					
HP18	Principal Environmental Scientist	—	1		1	
HP18	Supervising Environmental Research Scientist	1	—		—	
HP17	Senior Environmental Research Scientist	3	3		3	
HP15	Environmental Research Scientist	3	3		3	
HP13	Senior Environmental Research Technician	1	1		1	
HP11	Administrative Specialist	1	—		—	
HP11	Environmental Research Technician	2	6		6	
HP11	Laboratory Technician II	3	—		1	
HP11	Laboratory Technician II #2 (Environmental Research Technician)	1	—		—	
HP10	Laboratory Technician I	1	1		—	
HP10	Laboratory Technician I #1	—	—		1	
TOTAL	Wastewater Treatment Process Research Section	16	15	1,375,438.88	16	1,391,154.21
123	Biosolids Utilization & Soil Science Section					
HP18	Principal Environmental Scientist	—	1		1	
HP18	Supervising Environmental Soil Scientist	1	—		—	
HP17	Senior Environmental Soil Scientist	2	2		2	
HP15	Environmental Soil Scientist	3	3		3	
HP15	Environmental Chemist	1	1		1	
HP14	Assistant Environmental Chemist #1	1	—		—	
HP11	Administrative Specialist	1	—		—	
HP11	Environmental Research Technician	3	5		5	
HP11	Laboratory Technician II	1	—		—	
HP11	Laboratory Technician II #2 (Environmental Research Technician)	1	—		—	
HP09	Laboratory Assistant	1	1		1	
TOTAL	Biosolids Utilization & Soil Science Section	15	13	1,152,902.63	13	1,172,459.59
124	Analytical Microbiology & Biomonitoring Section					
HP18	Principal Environmental Scientist	—	1		1	
HP18	Supervising Environmental Microbiologist	1	—		—	

Fund: Corporate Dept: Monitoring & Research		POSITION ANALYSIS				
		2017	2018		2019	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP17	Senior Environmental Microbiologist	1	1		1	
HP16	Associate Environmental Microbiologist #2 (Environmental Microbiologist) (New Grade HP15)	1	1		1	
HP15	Environmental Microbiologist	1	1		1	
HP14	Assistant Environmental Microbiologist #1	1	—		—	
HP13	Senior Laboratory Technician	1	1		1	
HP11	Administrative Specialist	1	—		—	
HP11	Laboratory Technician II	5	7		7	
HP11	Laboratory Technician II #4	2	1		1	
HP09	Laboratory Assistant	2	2		2	
TOTAL	Analytical Microbiology & Biomonitoring Section	16	15	1,187,727.68	15	1,203,011.94
126	Aquatic Ecology & Water Quality Section					
HP18	Principal Environmental Scientist	—	1		1	
HP18	Supervising Aquatic Biologist	1	—		—	
HP17	Senior Aquatic Biologist	1	1		1	
HP16	Associate Aquatic Biologist #2 (Aquatic Biologist) (New Grade HP15)	2	2		2	
HP15	Aquatic Biologist	—	1		1	
HP14	Assistant Aquatic Biologist #1	1	1		—	
HP13	Senior Environmental Research Technician	1	1		1	
HP11	Environmental Research Technician	1	5		5	
HP11	Laboratory Technician II	2	—		—	
HP11	Laboratory Technician II #2 (Environmental Research Technician)	2	—		—	
NR6441	Patrol Boat Operator	2	2		2	
NR3642	Pollution Control Technician II	2	2		2	
NR3641	Pollution Control Technician I	4	4		4	
TOTAL	Aquatic Ecology & Water Quality Section	19	20	1,638,512.80	19	1,585,566.86
129	Process Facilities Capital Planning Section					
HP18	Principal Civil Engineer	1	1		1	
HP17	Senior Civil Engineer	2	2		2	

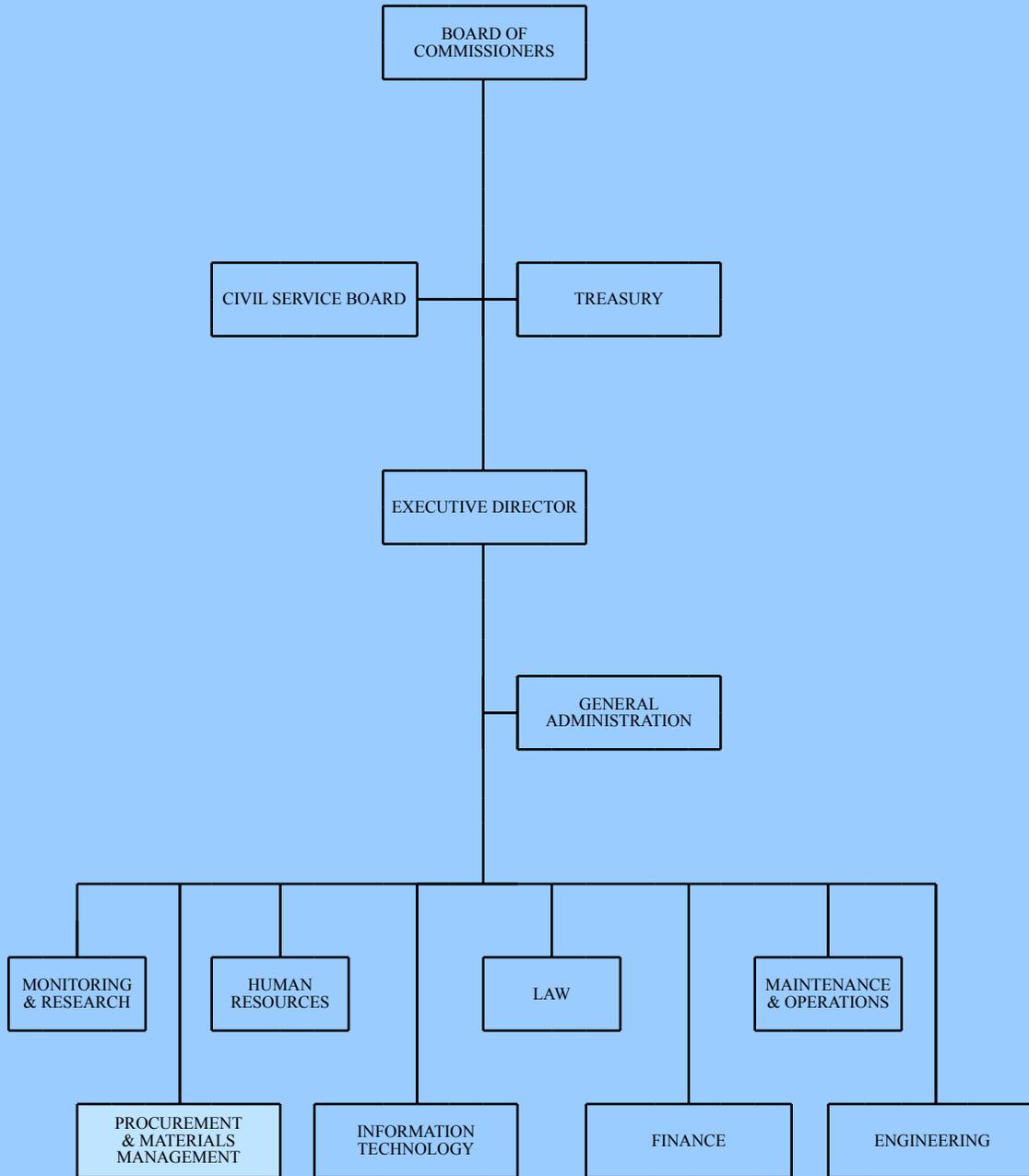
Fund: Corporate Dept: Monitoring & Research		POSITION ANALYSIS				
		2017	2018		2019	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP17	Senior Electrical Engineer	1	1		—	
HP17	Senior Environmental Research Scientist	2	2		3	
HP17	Senior Mechanical Engineer	2	2		1	
HP15	Associate Civil Engineer	2	2		1	
HP15	Associate Electrical Engineer	2	2		—	
HP15	Environmental Research Scientist	2	2		2	
HP15	Associate Mechanical Engineer	3	2		1	
TOTAL	Process Facilities Capital Planning Section	17	16	1,853,698.65	11	1,290,384.68
TOTAL	Environmental Monitoring & Research Division	91	92	8,711,861.50	87	8,197,828.11
160	Analytical Laboratories Division					
161	Analytical Laboratories Administrative Section					
HP22	Assistant Director of Monitoring & Research	1	1		1	
HP18	Supervising Environmental Chemist	1	1		1	
HP17	Senior Environmental Chemist	1	1		1	
HP17	Senior Environmental Chemist #1	—	1		—	
HP15	Environmental Chemist	1	2		2	
HP13	Senior Administrative Specialist	1	1		2	
HP12	Administrative Assistant #2 (Administrative Specialist) (New Grade HP11)	1	—		—	
HP11	Administrative Specialist	—	1		—	
TOTAL	Analytical Laboratories Administrative Section	6	8	980,126.96	7	845,410.53
162	Stickney Analytical Laboratory Section					
HP18	Supervising Environmental Chemist	1	1		1	
HP17	Senior Environmental Chemist	1	2		2	
HP15	Environmental Chemist	6	5		4	
HP14	Assistant Environmental Chemist #1	1	—		—	
HP13	Senior Laboratory Technician	3	3		3	
HP11	Administrative Specialist	1	1		1	
HP11	Laboratory Technician II	9	9		11	

Fund: Corporate Dept: Monitoring & Research		POSITION ANALYSIS				
		2017	2018		2019	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP10	Laboratory Technician I	2	2		—	
HP10	Laboratory Technician I #1	—	—		2	
HP09	Laboratory Assistant	3	3		3	
TOTAL	Stickney Analytical Laboratory Section	27	26	2,034,613.08	27	2,091,013.06
164	Industrial Waste Analytical Laboratory Section					
HP18	Supervising Environmental Chemist	1	1		1	
HP17	Senior Environmental Chemist	1	2		2	
HP15	Environmental Chemist	4	5		4	
HP14	Assistant Environmental Chemist #1	1	1		—	
HP13	Senior Laboratory Technician	3	3		3	
HP11	Laboratory Technician II	13	12		10	
HP09	Laboratory Assistant	1	1		1	
TOTAL	Industrial Waste Analytical Laboratory Section	24	25	2,116,039.97	21	1,823,596.84
165	Organic Compounds Analytical Laboratory Section					
HP18	Supervising Instrumentation Chemist	1	1		1	
HP17	Senior Instrumentation Chemist	2	2		2	
HP16	Instrumentation Chemist II #2 (Instrumentation Chemist) (New Grade HP15)	2	2		2	
HP15	Instrumentation Chemist	2	2		2	
HP13	Senior Laboratory Technician	1	1		1	
HP11	Laboratory Technician II	2	2		3	
TOTAL	Organic Compounds Analytical Laboratory Section	10	10	1,118,452.68	11	1,160,991.24
166	Egan Analytical Laboratory Section					
HP18	Supervising Environmental Chemist	1	1		1	
HP17	Senior Environmental Chemist	1	2		2	
HP15	Environmental Chemist	3	4		3	
HP14	Assistant Environmental Chemist #1	2	1		1	
HP13	Senior Laboratory Technician	2	2		2	
HP13	Senior Laboratory Technician #1	—	1		—	

Fund: Corporate Dept: Monitoring & Research		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP12	Administrative Assistant #2 (Administrative Specialist) (New Grade HP11)	1	1		1	
HP11	Laboratory Technician II	6	6		8	
HP11	Laboratory Technician II #4	1	1		1	
HP10	Laboratory Technician I	1	1		—	
HP09	Laboratory Assistant	2	2		2	
TOTAL	Egan Analytical Laboratory Section	20	22	1,868,973.95	21	1,726,849.78
167	Calumet Analytical Laboratory Section					
HP18	Supervising Environmental Chemist	1	1		1	
HP17	Senior Environmental Chemist	1	2		2	
HP15	Environmental Chemist	4	4		3	
HP13	Senior Laboratory Technician	2	2		2	
HP12	Administrative Assistant #2 (Administrative Specialist) (New Grade HP11)	1	1		1	
HP11	Laboratory Technician II	7	7		7	
HP10	Laboratory Technician I #1	1	—		—	
HP09	Laboratory Assistant	2	2		2	
TOTAL	Calumet Analytical Laboratory Section	19	19	1,625,614.51	18	1,521,609.38
TOTAL	Analytical Laboratories Division	106	110	9,743,821.15	105	9,169,470.83
190	Industrial Waste Division					
191	Industrial Waste Administrative Section					
HP22	Assistant Director of Monitoring & Research	1	1		1	
HP11	Administrative Specialist	1	1		1	
TOTAL	Industrial Waste Administrative Section	2	2	301,142.29	2	301,142.14
192	Technical Services Section					
HP18	Supervising Environmental Specialist	—	1		1	
HP17	Senior Environmental Specialist	1	1		1	
HP15	Environmental Specialist	2	2		2	
TOTAL	Technical Services Section	3	4	475,962.39	4	475,962.49

Fund: Corporate Dept: Monitoring & Research		POSITION ANALYSIS				
		2017	2018		2019	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	PROPOSED BY THE EXECUTIVE DIRECTOR	
					BUDGETED FTEs	APPROPRIATION IN DOLLARS
193	Pretreatment & Cost Recovery Section					
HP18	Supervising Environmental Specialist	2	2		2	
HP17	Senior Civil Engineer	1	1		1	
HP17	Senior Environmental Specialist	3	3		3	
HP15	Associate Civil Engineer	7	7		7	
HP15	Associate Mechanical Engineer #2 (Associate Civil Engineer)	1	1		1	
HP15	Environmental Specialist	16	16		16	
HP12	Secretary #2 (Administrative Specialist) (New Grade HP11)	1	1		—	
HP11	Administrative Specialist	2	2		3	
HP09	Administrative Clerk	2	2		2	
TOTAL	Pretreatment & Cost Recovery Section	35	35	3,597,481.48	35	3,582,816.99
194	Field Services Section					
HP18	Supervising Environmental Specialist	1	1		1	
HP17	Senior Environmental Specialist	5	5		5	
HP15	Environmental Specialist	29	29		29	
HP13	Senior Administrative Specialist	1	1		1	
HP11	Administrative Specialist	1	1		1	
NR3642	Pollution Control Technician II	1	2		2	
NR3641	Pollution Control Technician I	21	21		21	
TOTAL	Field Services Section	59	60	5,519,055.38	60	5,486,537.73
TOTAL	Industrial Waste Division	99	101	9,893,641.54	101	9,846,459.35
TOTAL	Monitoring & Research	305	312	29,520,858.99	302	28,400,922.47

NOTE: Departmental appropriation totals for salaries in the Position Analysis differ from those contained in the Line Item Analysis by a factor identified to adjust for vacancies. Salary ranges corresponding to the pay plan and grade for each class title can be found in the table of Salary Schedules in the Appendix.



Protecting Our Water Environment

Metropolitan Water Reclamation District of Greater Chicago

100 EAST ERIE STREET CHICAGO, ILLINOIS 60611-3154 312.751.5600

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September 11, 2018

Mr. John P. Murray
Acting Executive Director
OFFICE

Dear Sir:

Subject: 2019 Program for Procurement & Materials Management Department

The Procurement & Materials Management Department's program for 2019, as prepared in detail, is transmitted herewith. The budget presentation supports the request for funding of 2019 initiatives in alignment with and in support of the Strategic Business Plan. The budget requests include all amendments as directed by you during the Executive Director Budget Hearings in August of this year.

The narrative provides a summary of the department, 2019 major initiatives and challenges, and 2018 accomplishments. Supporting schedules of objectives, performance, and staffing levels present three years of detailed budgetary information.

Thank you for the opportunity to present the proposed Procurement & Materials Management Department budget for 2019.

Respectfully submitted,

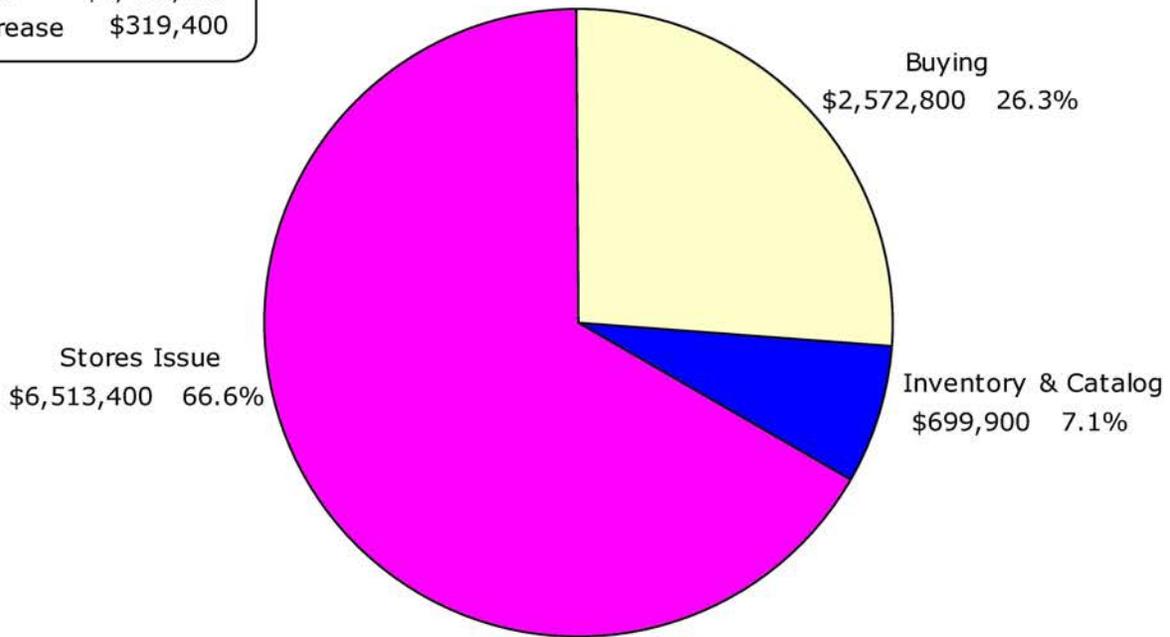


Darlene A. LoCascio
Director of Procurement & Materials Management

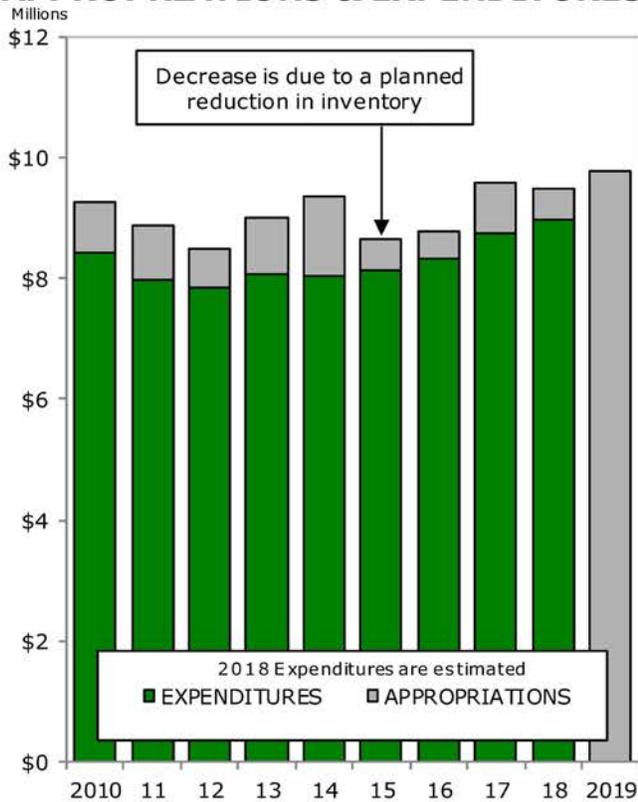
PROCUREMENT & MATERIALS MANAGEMENT

2019	\$9,786,100
2018	\$9,466,700
Increase	\$319,400

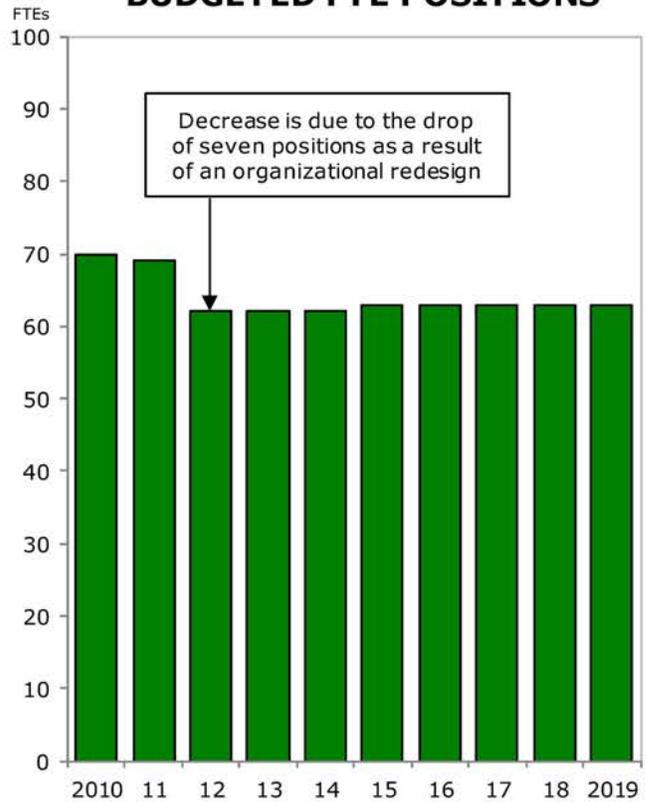
FUNCTIONS



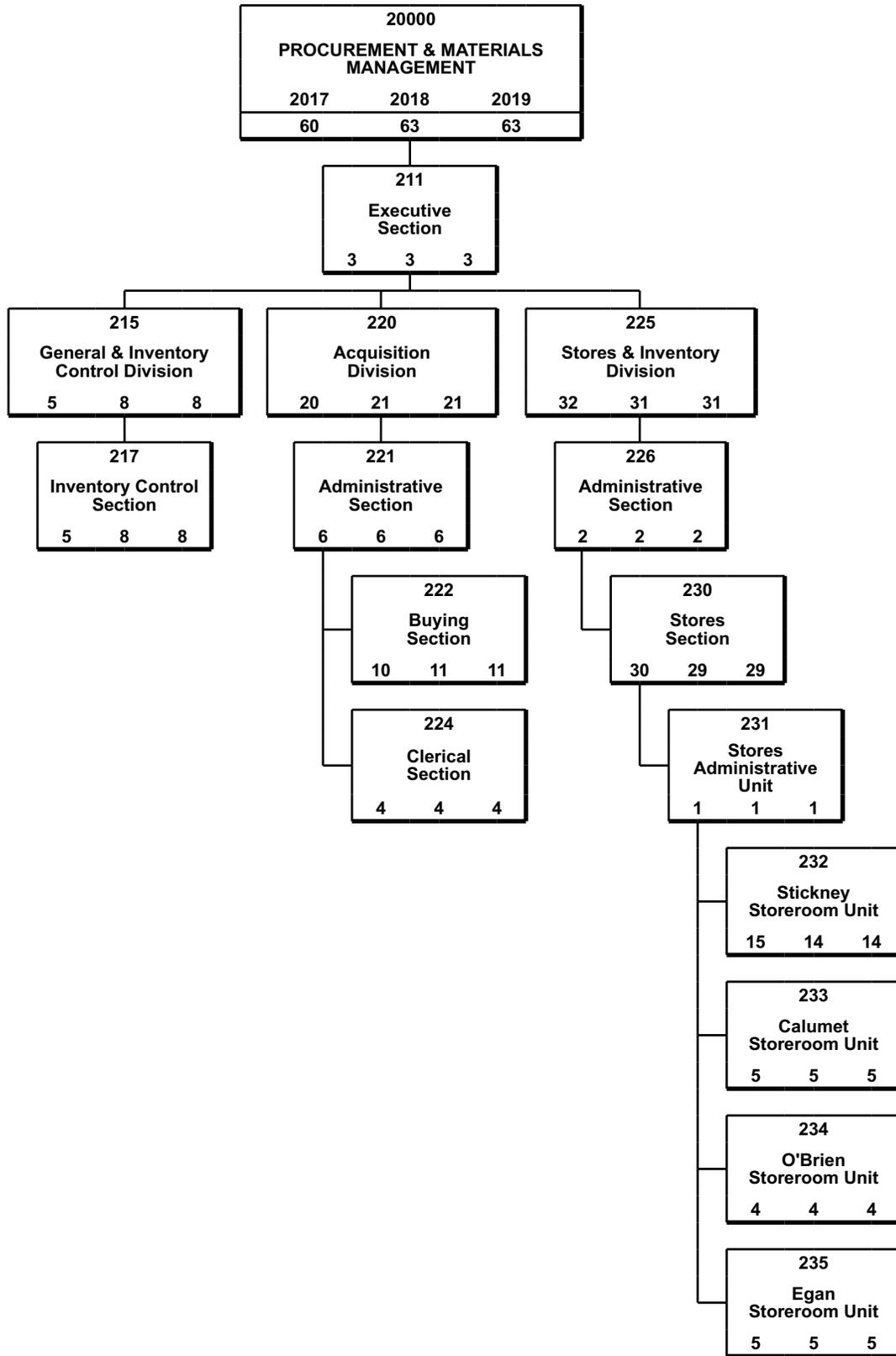
APPROPRIATIONS & EXPENDITURES



BUDGETED FTE POSITIONS



PROCUREMENT & MATERIALS MANAGEMENT



PROCUREMENT & MATERIALS MANAGEMENT

The mission of the Procurement & Materials Management Department (P&MM) is to procure goods and services required for District operations in compliance with the Purchasing Act.

Departmental Summary

P&MM is charged with the responsibility of procuring all of the materials and services that are used by the District. The Purchasing Act for the District delineates both the authority and operating regulations. This Act outlines the duties and responsibilities of the Director of Procurement & Materials Management in the various areas of purchasing supplies and services, requesting and receiving bids, determining control and operation of the storerooms, disposing of obsolete, surplus, and unusable materials, and verifying quality and testing of materials.

Summary of 2018 Accomplishments

- Enhanced the evaluation process to include other departments in the selection of engineering consultants and attorneys. In April 2018, a request for qualifications for attorneys was advertised to attract additional legal firms to be included in the vendor database. This allowed legal firms to be classified in specialized areas;
- Continued to purchase recyclable plastic pallets to replace wooden pallets in the storerooms. This is the third and final year of the planned replacement;
- Collaborated with the Maintenance & Operations Department (M&O) and sold electrical energy from Lockport in 2018, as a Pennsylvania-New Jersey-Maryland Interconnection (PJM) service provider on the wholesale market;
- Secured the electricity supply price for 2020 at \$.02744 per kilowatt-hour (kWh), for a total unit price of \$.02968 kWh, including a bandwidth of 100 percent;
- Reduced engineering spare parts inventory;
- Redesigned the oil room at the Stickney Water Reclamation Plant (WRP) storeroom with pallet flow racking to accommodate 55-gallon drums to ensure stock rotation and space utilization;
- Planned replacement of lighting using high-efficiency, light-emitting diode fixtures in the Egan WRP storeroom.

Budget Highlights

The 2019 appropriation for P&MM is \$9,786,100, an increase of \$319,400, or 3.4 percent, from 2018. The staffing level remains unchanged at 63 positions.

Significant features of the 2019 Budget are:

- Implement improvements to the Fertilizer Building at the Stickney WRP to secure and store materials from outlying areas;
- Enhance the vendor on-line application process, including allowing vendors to update their profile information;
- Develop a request for qualifications for the Engineering Department, and search criteria for the vendor information database;
- Sell renewable energy credits as a PJM service provider on the wholesale market.

2019 Initiatives in Support of the Strategic Business Plan Include the Following:

• Add Value

In 2018, P&MM had an active role in the selection of engineering consultants and attorneys. In April 2018, a request for qualifications for attorneys was advertised to attract additional legal firms to be included in the vendor database. This allowed legal firms to be classified in specialized areas for easier identification when a particular expertise is needed. In 2019, a request for qualifications for engineering consultant firms will be advertised to attract additional engineering firms to be included in the vendor database. This will include search criteria for the database.

P&MM will continue to collaborate with M&O to ensure that 100 percent of materials and supplies required for preventive maintenance work orders are available in the storerooms.

In 2015, P&MM reviewed the processing of requisitions under \$25,000 for materials and supplies, and under \$10,000 for services, to reduce the turnaround time to five days. Modifications were made to the process in 2016. In 2018, P&MM reviewed the data after seven months and found a decrease in turnaround time from 10.6 days in 2015 to 8.3 days. P&MM will determine what additional modifications need to be implemented in order to reach the goal of a five-day turnaround time from requisition to purchase order by 2019.

The above will improve service levels to meet the needs and expectations of the internal customer, to improve planning schedules, and to adhere to project timeframes.

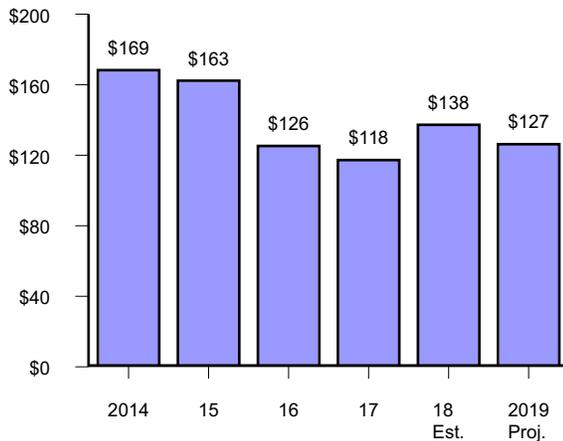
• Excellence

In 2018, the District secured the electricity supply price for 2020 at \$.02744 per kWh for a total unit price of \$.02968 per kWh, including a bandwidth of 100 percent. As a result of this one year extension, the District will realize a cost savings of approximately \$1.1 million in 2020. By 2020, P&MM will be able to purchase electricity for the year 2021 on the open market as a PJM member which can assist efforts to obtain a price for electricity that is equal to or less than the 2020 price.

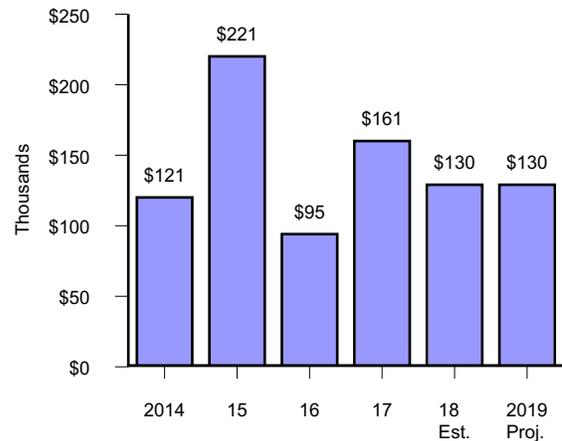
It is estimated that the value of engineering spare parts inventory will decrease by approximately \$1 million in 2019. P&MM is continuing to monitor levels of engineering parts for obsolescence and optimum reorder points.

Both of these points reflect our commitment to ensure the best use of current spending.

Cost to Prepare a Purchase Order



Sales of Surplus Goods



- 2016 - Decrease is due to vacancies in Acquisition Division

- 2015 - Beginning in 2015, sales of vehicles were included in Revenue totals
 - 2016 - Decrease is due to fewer materials being identified as surplus
 - 2018 - Decrease is due to a projected reduction of surplus materials

• Resource Recovery

In collaboration with M&O, the District has become a PJM service provider. In 2018, the District was able to market electricity generated from the Lockport Powerhouse. In 2019, the District will be allowed to purchase electrical energy for 2021, and sell Renewable Energy Credits on the wholesale market.

• Develop Employees

The development of employees is important to P&MM. We continue to develop and implement leadership initiatives that support succession planning.

• Technology

P&MM will be working with the Information Technology Department to combine the Engineering database with the P&MM vendor database. P&MM will also establish criteria to search for vendors that meet the requirements of a task or project. This will ensure consistent data input from all users to produce useful information.

P&MM will also be working with the Information Technology Department to enhance the vendor portal to allow vendors to update information in their vendor profile. This will ensure that vendor information is current and accurate.

As always, P&MM is committed to supporting the District’s Strategic Business Plan.

20000 PROCUREMENT & MATERIALS MANAGEMENT

OBJECTIVES AND PROGRAM SUMMARY

OBJECTIVES BY PRIORITY:	Cost	Percent
1. Provide purchasing services for all outside labor, materials, services, and equipment through contracts and purchase orders with an estimated value of \$200.1 million. The estimated number of contracts and purchase orders is 129 and 5,500, respectively. Maximize participation in District purchases by administering the Minority-owned, Women-owned, and Small Business Enterprise programs. Support for the department's budget preparation.	\$ 2,572,800	26.3%
2. Service the District's user departments' material and supply requirements by operating and maintaining an effective and economical storeroom function by ordering, receiving, storing, and issuing inventory valued at \$33,400,000 and consisting of 68,000 items.	\$ 6,513,400	66.6%
3. Support the material and supply requirements of the District by planning, monitoring, cataloging, and controlling \$33,400,000 of inventory consisting of 68,000 items.	\$ 699,900	7.1%
Total	\$ 9,786,100	100.0%

MEASURABLE GOALS:	2017 Actual	2018 Estimated	2019 Proposed
1. Process all requisitions and issue the related purchase orders within 25 days.			
Percent of Purchase Orders Processed within 25 days	79%	92%	92%
Percent of Purchase Orders Processed within 10 days	55%	65%	65%
Percent of Purchase Orders (Board approved) Processed within 120 days	100%	100%	100%
2. Maintain an inventory level of at least 97 percent for operating supplies and engineering material in stock.			
Total Number of Inventory Items	67,235	65,100	68,000
Total Stock-outs (Storeroom stock items only)	986	900	900
Stock Issues (Number of Stock Documents)	16,112	16,400	16,200
Total Quantity SKUs (Individual Items) Issued	1,171,161	1,255,000	1,120,000
Multi-Issues of Like Items	37,396	38,000	37,500
Total Stock Transports and Two-Steps	27,758	27,000	26,000
Percent of Stock-outs (Maintain a level below three percent)	2.6%	2.4%	2.4%
3. Achieve inventory accuracy of 98 percent of operating supplies.			
Total Cycle Counts (Periodic physical inventory)	75,817	76,000	78,000
Total Errors	538	475	450
Percent Accuracy	99.3%	99.4%	99.4%
4. Maximize participation in District purchases under \$10,000 by pursuing Minority-owned, Women-owned, and Small Business Enterprise solicitation initiatives.			
Minority-owned Business Enterprises Solicited	3.5%	6.0%	6.0%
Women-owned Business Enterprises Solicited	4.5%	6.0%	6.0%
Small Business Enterprises Solicited	0.1%	1.0%	1.0%
Total Percent Solicited	8.1%	13.0%	13.0%

20000 PROCUREMENT & MATERIALS MANAGEMENT

OBJECTIVES AND PROGRAM SUMMARY

PROGRAMS BY PRIORITY:		2017	Budgeted		Change		
Number		Actual	FTEs	Dollars	Dollars	Percent	
7253	Support Department Budget Preparation, Monitoring, and Administration	\$ 40,076	2019	1 \$ 124,600	\$ 3,600	3.0	
			2018	1 \$ 121,000			
7260	Buying Procedures	\$ 2,109,249	2019	23 \$ 2,448,200	\$ (37,100)	(1.5)	
			2018	23 \$ 2,485,300			
7270	Inventory and Cataloging	\$ 772,525	2019	8 \$ 699,900	\$ 7,300	1.1	
			2018	8 \$ 692,600			
7280	Stores Operation and Issue	\$ 5,732,979	2019	31 \$ 6,430,500	\$ 343,400	5.6	a)
			2018	31 \$ 6,087,100			
7604	Social Security and Medicare Contributions	\$ 72,353	2019	— \$ 82,900	\$ 2,200	2.7	
			2018	— \$ 80,700			
Totals		\$ 8,727,182	2019	63 \$ 9,786,100	\$ 319,400	3.4%	
			2018	63 \$ 9,466,700			

a) Increase is due to the purchase of cantilever racking (\$117,000), a multi-directional forklift (\$82,000), bar-coding equipment (\$55,000), a standard forklift (\$35,200), and professional services for the bar-coding project (\$15,000).

20000 PROCUREMENT & MATERIALS MANAGEMENT

PERFORMANCE DATA

Program Number	Measurable Activity		PERFORMANCE DATA		
			2017 Actual	2018 Budgeted	2019 Estimated
7253	Support Department Budget Preparation, Monitoring, and Administration	Cost	\$ 40,076	\$ 121,000	\$ 124,600
7260	Buying Procedures				
	Purchase of all Labor, Materials, Services, and Equipment for the District				
7261	Prepare, Issue, and Maintain Purchase Orders to Appropriate Suppliers	Purchase Orders	5,552	5,000	5,500
		Cost	\$ 476,675	\$ 482,300	\$ 484,600
		Cost/Purchase Order	\$ 85.86	\$ 96.46	\$ 88.11
7262	Process Requisition Requirements into Inquiries for Competitive Purchases	Requisitions	8,828	7,500	8,000
		Cost	\$ 217,096	\$ 252,300	\$ 251,100
		Cost/Requisition	\$ 24.59	\$ 33.64	\$ 31.39
7263	Purchase all Labor, Materials, Services, and Equipment through Formal Contracts	Contracts Advertised	152	150	150
		Cost	\$ 860,586	\$ 989,300	\$ 978,200
		Cost/Contract	\$ 5,661.75	\$ 6,595.33	\$ 6,521.33
7264	Prepare, Receive, and Evaluate Quotations from Various Suppliers	Inquiries	36,325	34,000	35,000
		Cost	\$ 276,997	\$ 260,800	\$ 266,800
		Cost/Inquiry	\$ 7.63	\$ 7.67	\$ 7.62
7265	Advertise, Evaluate Bids, and Award the Sale of Obsolete Inventory, Scrap, Surplus Materials, and Document Fees	Revenue	\$ 160,581	\$ 71,000	\$ 130,000
		Cost	\$ 13,832	\$ 105,000	\$ 108,300
		Cost/\$1,000 Revenue	\$ 86.14	\$ 1,478.87	\$ 833.08
7269	Buying Procedures - All Other (General)	Cost	\$ 264,063	\$ 395,600	\$ 359,200
7270	Inventory and Cataloging				
	Plan and Control Inventory to Support Material and Supply Requirements of the District				
7271	Identify, Classify, Code, and Maintain Catalog Descriptions for Equipment, Materials, and Supplies in District Storerooms	Inventory	\$ 34,775,347	\$ 33,400,000	\$ 33,400,000
		Cost	\$ 171,631	\$ 176,900	\$ 179,600
		Cost/Million	\$ 4,935.42	\$ 5,296.41	\$ 5,377.25
7272	Cycle Counting and Transaction File Maintenance to Ensure Optimum Levels of Inventory and Accountability of District Stock	Inventory	\$ 34,775,347	\$ 33,400,000	\$ 33,400,000
		Cost	\$ 299,668	\$ 352,000	\$ 354,200
		Cost/Million	\$ 8,617.25	\$ 10,538.92	\$ 10,604.79
7273	Requirement Planning, Controlling, Monitoring, and Analyzing Commodity Index Coded Items in an Optimum and Economic Manner	Cost	\$ 162,941	\$ 137,800	\$ 139,900
7279	Inventory and Cataloging - All Other (General)	Cost	\$ 138,285	\$ 25,900	\$ 26,200

20000 PROCUREMENT & MATERIALS MANAGEMENT

PERFORMANCE DATA

Program Number	Measurable Activity		2017 Actual	2018 Budgeted	2019 Estimated	
7280	Stores Operation and Issue					
	Operate and Maintain an Effective and Economical Storeroom Function					
7282	Initiate and Prepare Requisitions, Material Requirement Planning Runs, Systems Contracts, Total Stock Transports, Two-Steps, and Miscellaneous Purchases in Accordance with Established Policies and Rules	Requisitions	6,570	6,700	6,700	
		Cost	\$ 285,205	\$ 467,800	\$ 482,700	
		Cost/Requisition	\$ 43.41	\$ 69.82	\$ 72.04	
7283	Receive, Inspect, and Move Purchased Materials, Both Stock and Non-Stock Items, to Ensure Compliance with Quantity, Quality, and Specifications of Purchase Orders	Receipts	19,306	14,500	20,000	
		Cost	\$ 756,497	\$ 660,400	\$ 680,100	
		Cost/Receipt	\$ 39.18	\$ 45.54	\$ 34.01	
7284	Provide the Proper Storage Facilities, People, and Equipment to Effectively Store Materials and Supplies to Protect Against Damage, Malfunction or Loss, and to Move Materials in a Safe and Economical Manner	Inventory	\$ 34,775,347	\$ 33,400,000	\$ 33,400,000	
		Cost	\$ 735,408	\$ 595,700	\$ 852,700	a)
		Cost/Million	\$ 21,147.40	\$ 17,835.33	\$ 25,529.94	
7285	Provide Controlled Disbursement of Stored Materials and Supplies to Requesting Departments	Issue Slips	16,112	16,000	16,200	
		Cost	\$ 633,294	\$ 624,600	\$ 648,500	
		Cost/Issue Slip	\$ 39.31	\$ 39.04	\$ 40.03	
7286	Stores Operation and Issue - All Other (General)	Cost	\$ 82,603	\$ 293,800	\$ 357,300	b)
7289	Inventory Purchases	Cost	\$ 3,239,972	\$ 3,444,800	\$ 3,409,200	
7604	Social Security and Medicare Contributions	Cost	\$ 72,353	\$ 80,700	\$ 82,900	
		Total	\$ 8,727,182	\$ 9,466,700	\$ 9,786,100	
<p>a) Increase is due to the purchase of cantilever racking (\$117,000), a multi-directional forklift (\$82,000), and a standard forklift (\$35,200).</p> <p>b) Increase is due to the purchase of bar-coding equipment (\$55,000) and professional services for the bar-coding project (\$15,000).</p>						

101 20000	Fund: Corporate Department: Procurement & Materials Management	LINE ITEM ANALYSIS						
		2017	2018				2019	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/18	Expenditure (Committed Budget plus Disbursement) 09/30/18	Estimated Expenditure 12/31/18	Proposed by Executive Director	Recommended by Committee on Budget and Employment
601010	Salaries of Regular Employees	\$ 5,118,659	\$ 5,590,700	\$ 5,590,700	\$ 3,747,144	\$ 5,285,600	\$ 5,686,900	\$ —
601060	Compensation Plan Adjustments	62,538	123,900	123,900	55,516	70,000	74,600	—
601070	Social Security and Medicare Contributions	72,353	80,700	80,700	54,619	80,300	82,900	—
601100	Tuition and Training Payments	596	1,600	1,600	1,140	200	600	—
100	TOTAL PERSONAL SERVICES	5,254,146	5,796,900	5,796,900	3,858,419	5,436,100	5,845,000	—
612010	Travel	—	1,500	1,500	535	1,000	1,500	—
612030	Meals and Lodging	245	2,000	1,500	871	1,000	800	—
612050	Compensation for Personally-Owned Automobiles	1,146	1,900	1,900	394	600	1,100	—
612360	Advertising	82,243	111,000	110,000	96,871	90,000	120,000	—
612430	Payments for Professional Services	—	—	—	—	—	15,000	—
612490	Contractual Services, N.O.C.	—	—	500	415	500	—	—
612680	Repairs to Buildings	3,424	6,500	6,500	5,147	6,500	8,400	—
612800	Repairs to Office Furniture and Equipment	1,621	1,200	1,700	1,700	1,200	1,600	—
612840	Communications Equipment Maintenance (Includes Software)	—	—	500	400	—	—	—
612860	Repairs to Vehicle Equipment	8,983	7,700	7,700	7,049	6,700	7,100	—
200	TOTAL CONTRACTUAL SERVICES	97,662	131,800	131,800	113,382	107,500	155,500	—
623030	Metals	122,624	103,700	96,700	59,535	100,700	104,300	—
623070	Electrical Parts and Supplies	300,921	313,300	313,300	193,860	308,300	303,100	—
623090	Plumbing Accessories and Supplies	305,075	342,600	342,600	261,819	337,600	342,500	—
623110	Hardware	78,287	79,800	79,800	64,233	74,800	79,800	—
623130	Buildings, Grounds, Paving Materials, and Supplies	303,267	456,500	413,300	272,500	446,500	356,500	—
623170	Fiber, Paper, and Insulation Materials	46,410	42,200	42,200	39,053	39,200	42,700	—
623190	Paints, Solvents, and Related Materials	51,131	51,300	51,300	39,973	49,000	51,300	—
623250	Vehicle Parts and Supplies	9,376	10,500	12,500	11,551	10,000	10,400	—
623270	Mechanical Repair Parts	195,315	237,500	237,500	183,664	236,000	237,500	—
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	14,457	11,100	12,600	11,981	10,000	15,000	—
623570	Laboratory Testing Supplies, Small Equipment, and Chemicals	620,673	607,700	647,700	585,488	607,700	625,000	—
623660	Cleaning Supplies	293,194	263,300	263,300	196,058	253,300	265,900	—
623680	Tools and Supplies	98,540	73,000	78,000	72,855	73,000	100,000	—

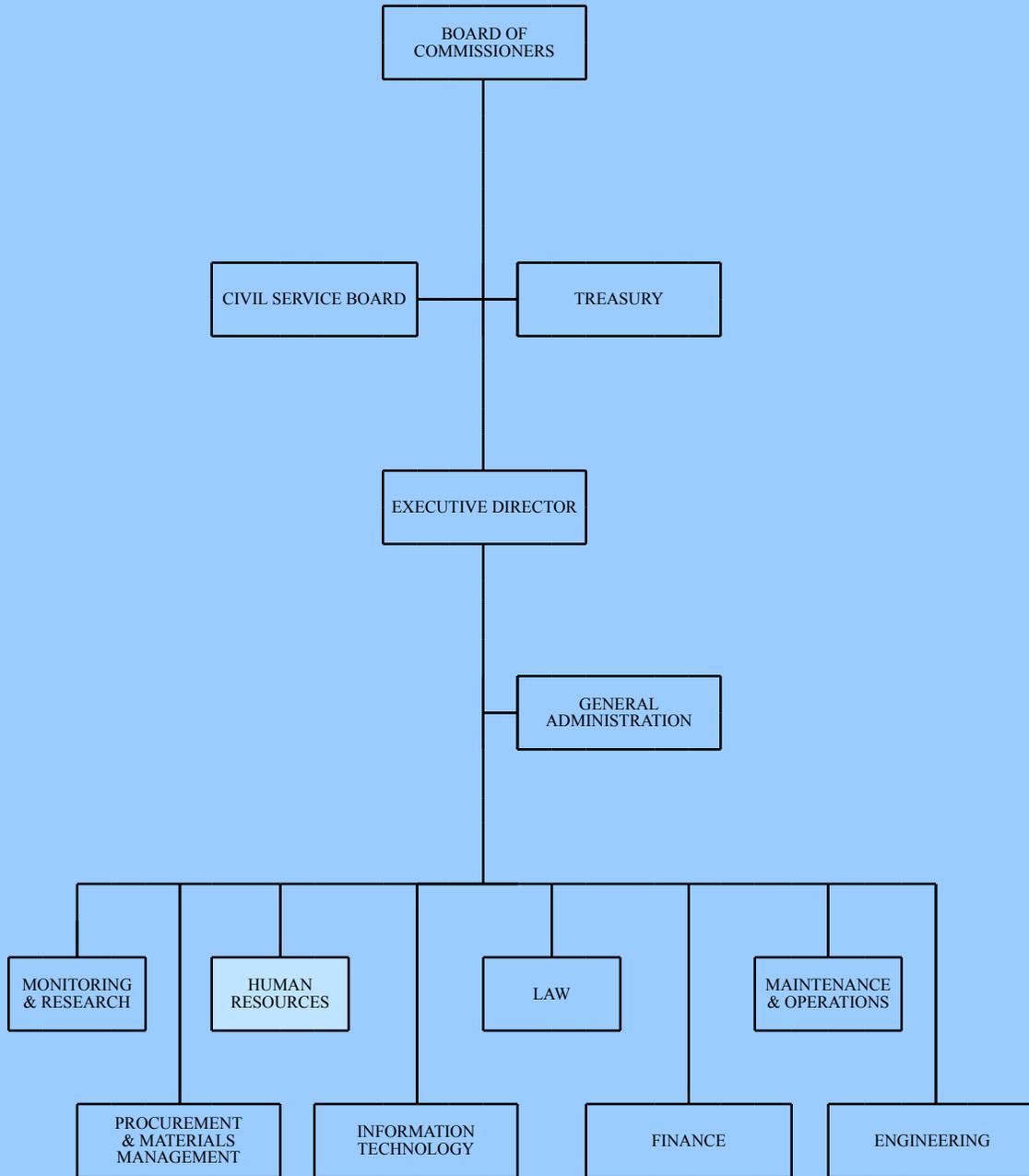
101 20000	Fund: Corporate Department: Procurement & Materials Management	LINE ITEM ANALYSIS						
		2017	2018				2019	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/18	Expenditure (Committed Budget plus Disbursement) 09/30/18	Estimated Expenditure 12/31/18	Proposed by Executive Director	Recommended by Committee on Budget and Employment
623700	Wearing Apparel	172,487	145,200	145,200	121,376	145,200	175,000	—
623780	Safety and Medical Supplies	88,223	100,000	100,000	51,722	86,000	71,300	—
623810	Computer Supplies	66,910	48,000	48,000	28,698	43,300	40,000	—
623820	Fuel	181,152	265,900	265,900	180,789	255,900	285,000	—
623840	Gases	75,779	70,100	70,100	63,833	65,100	85,100	—
623850	Communications Supplies	7,755	8,100	8,100	3,961	7,100	7,400	—
623860	Lubricants	227,260	226,100	226,100	131,090	211,100	226,400	—
623990	Materials and Supplies, N.O.C.	116,537	52,100	52,100	42,770	52,000	72,200	—
300	TOTAL MATERIALS AND SUPPLIES	3,375,374	3,508,000	3,506,300	2,616,808	3,411,800	3,496,400	—
634650	Equipment for Process Facilities	—	30,000	19,800	19,752	26,000	—	—
634760	Material Handling and Farming Equipment	—	—	11,900	11,627	—	117,200	—
634810	Computer Equipment	—	—	—	—	—	55,000	—
400	TOTAL MATERIALS AND SUPPLIES	—	30,000	31,700	31,379	26,000	172,200	—
645680	Buildings	—	—	—	—	—	117,000	—
500	TOTAL CAPITAL PROJECTS	—	—	—	—	—	117,000	—
TOTAL PROCUREMENT & MATERIALS MANAGEMENT		\$ 8,727,182	\$ 9,466,700	\$ 9,466,700	\$ 6,619,988	\$ 8,981,400	\$ 9,786,100	\$ —

NOTES: 1. Amounts may not add up due to rounding.
 2. Departmental appropriation totals for salaries in the Line Item Analysis may differ from those contained in the Position Analysis by a factor identified to adjust for vacancies.
 Additionally, Estimated Expenditure may either exceed Adjusted Appropriation when transfers of funds are anticipated or be less than Expenditure (Committed Budget plus Disbursement) when not all commitments are anticipated to be completed by year-end.

Fund: Corporate Dept: Procurement & Materials Management		POSITION ANALYSIS				
		2017	2018		2019	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
211	Executive Section					
EX08	Director of Procurement & Materials Management	1	1		1	
EX06	Secretary to Officer	2	2		2	
TOTAL	Executive Section	3	3	442,079.12	3	442,079.04
215	General & Inventory Control Division					
217	Inventory Control Section					
HP17	Supervising Stores Specialist #2 (New Grade HP16)	1	1		1	
HP16	Materials Planning Supervisor #2 (Senior Stores Specialist) (New Grade HP14)	1	1		1	
HP12	Stores Specialist	3	5		5	
HP09	Administrative Clerk	—	1		1	
TOTAL	Inventory Control Section	5	8	658,811.94	8	669,799.51
TOTAL	General & Inventory Control Division	5	8	658,811.94	8	669,799.51
220	Acquisition Division					
221	Administrative Section					
HP20	Assistant Director of Procurement & Materials Management	1	1		1	
HP14	Budget & Management Analyst	1	1		1	
HP13	Senior Administrative Specialist	1	1		1	
HP12	Administrative Assistant #2 (Administrative Specialist) (New Grade HP11)	1	1		1	
HP11	Administrative Specialist	2	2		2	
TOTAL	Administrative Section	6	6	586,022.80	6	581,980.60
222	Buying Section					
HP18	Head Buyer	2	2		2	
HP17	Buyer III #2 (Senior Buyer) (New Grade HP16)	1	—		—	
HP16	Senior Buyer	4	5		5	
HP14	Buyer	3	4		4	
TOTAL	Buying Section	10	11	1,180,469.40	11	1,172,912.44
224	Clerical Section					
HP11	Administrative Specialist	2	2		2	

Fund: Corporate Dept: Procurement & Materials Management		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP09	Administrative Clerk	2	2		2	
TOTAL	Clerical Section	4	4	209,248.37	4	218,483.73
TOTAL	Acquisition Division	20	21	1,975,740.57	21	1,973,376.77
225	Stores & Inventory Division					
226	Administrative Section					
HP19	Stores & Inventory Manager #2 (New Grade HP18)	1	1		1	
HP15	Senior Stores Specialist #2 (New Grade HP14)	1	1		1	
TOTAL	Administrative Section	2	2	274,289.72	2	279,363.24
230	Stores Section					
231	Stores Administrative Unit					
HP17	Supervising Stores Specialist #2 (New Grade HP16)	1	1		1	
TOTAL	Stores Administrative Unit	1	1	129,958.60	1	129,958.64
232	Stickney Storeroom Unit					
HP11	Administrative Specialist	1	1		1	
HP09	Administrative Clerk	2	1		1	
NR1857	Principal Storekeeper	2	2		2	
NR1853	Storekeeper	8	8		8	
NR8651	Maintenance Laborer Class A	1	1		1	
NR1835	Materials Handler Laborer #1	1	1		1	
TOTAL	Stickney Storeroom Unit	15	14	1,103,873.78	14	1,143,164.87
233	Calumet Storeroom Unit					
HP09	Administrative Clerk	1	1		1	
NR1857	Principal Storekeeper	1	1		1	
NR1853	Storekeeper	2	2		2	
NR8651	Maintenance Laborer Class A	1	1		1	
TOTAL	Calumet Storeroom Unit	5	5	369,153.44	5	384,840.56
234	O'Brien Storeroom Unit					
HP09	Administrative Clerk	1	1		1	
NR1857	Principal Storekeeper	1	1		1	

Fund: Corporate Dept: Procurement & Materials Management		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
NR1853	Storekeeper	1	1		1	
NR8651	Maintenance Laborer Class A	1	1		1	
TOTAL	O'Brien Storeroom Unit	4	4	290,554.28	4	302,954.34
235	Egan Storeroom Unit					
HP09	Administrative Clerk	1	1		1	
NR1857	Principal Storekeeper	1	1		1	
NR1853	Storekeeper	2	2		2	
NR8651	Maintenance Laborer Class A	1	1		1	
TOTAL	Egan Storeroom Unit	5	5	374,152.73	5	389,840.10
TOTAL	Stores Section	30	29	2,267,692.83	29	2,350,758.51
TOTAL	Stores & Inventory Division	32	31	2,541,982.55	31	2,630,121.75
TOTAL	Procurement & Materials Management	60	63	5,618,614.18	63	5,715,377.07
NOTE: Departmental appropriation totals for salaries in the Position Analysis differ from those contained in the Line Item Analysis by a factor identified to adjust for vacancies. Salary ranges corresponding to the pay plan and grade for each class title can be found in the table of Salary Schedules in the Appendix.						



Protecting Our Water Environment

Metropolitan Water Reclamation District of Greater Chicago

100 EAST ERIE STREET CHICAGO, ILLINOIS 60611-3154 312.751.5600

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September 11, 2018

Mr. John P. Murray
Acting Executive Director
OFFICE

Dear Sir:

Subject: 2019 Program for the Human Resources Department

The Human Resources Department's program for 2019, as prepared in detail, is transmitted herewith. The budget presentation supports the request for funding of 2019 initiatives in alignment with and in support of the Strategic Business Plan. The budget requests include all amendments as directed by you during the Executive Director Budget Hearings in August of this year.

The narrative provides a summary of the department, 2019 major initiatives and challenges, and 2018 accomplishments. Supporting schedules of objectives, performance, and staffing levels present three years of detailed budgetary information.

Thank you for the opportunity to present the proposed Human Resources Department for 2019.

Respectfully submitted,

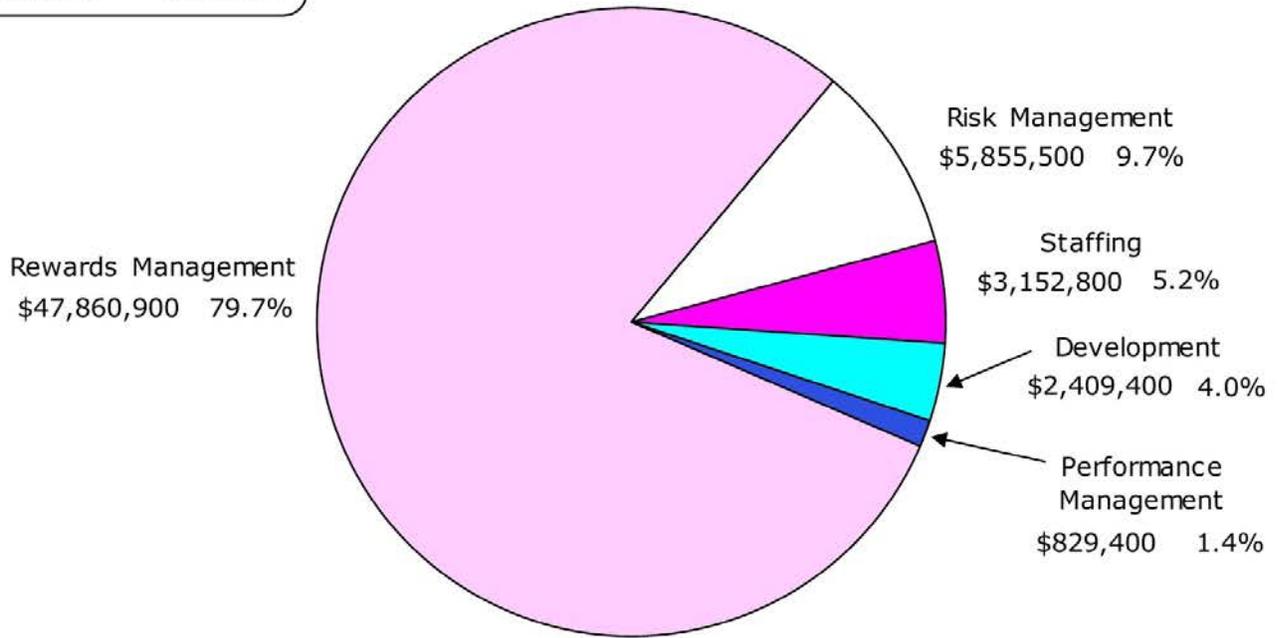


Beverly K. Sanders
Director of Human Resources

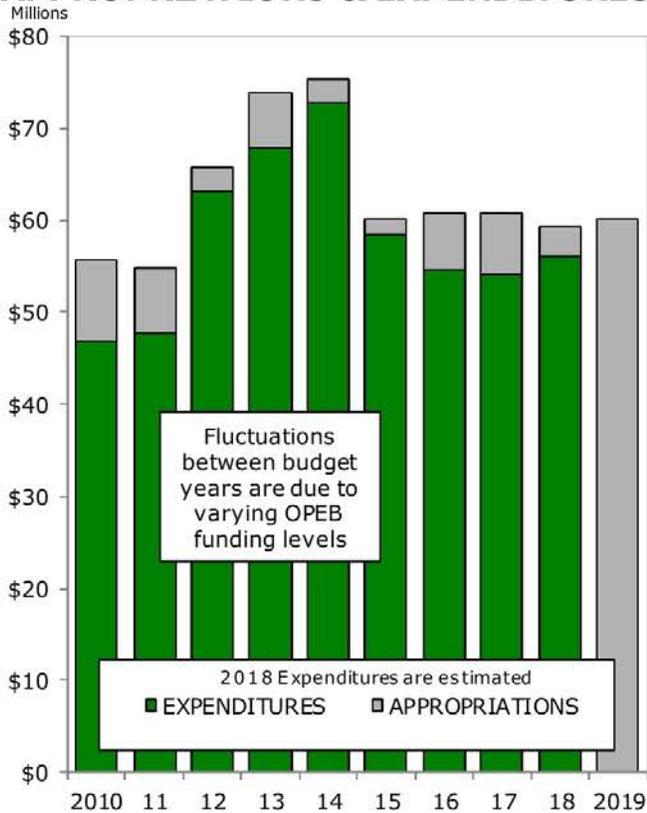
HUMAN RESOURCES

2019	\$60,108,000
2018	\$59,226,400
Increase	\$881,600

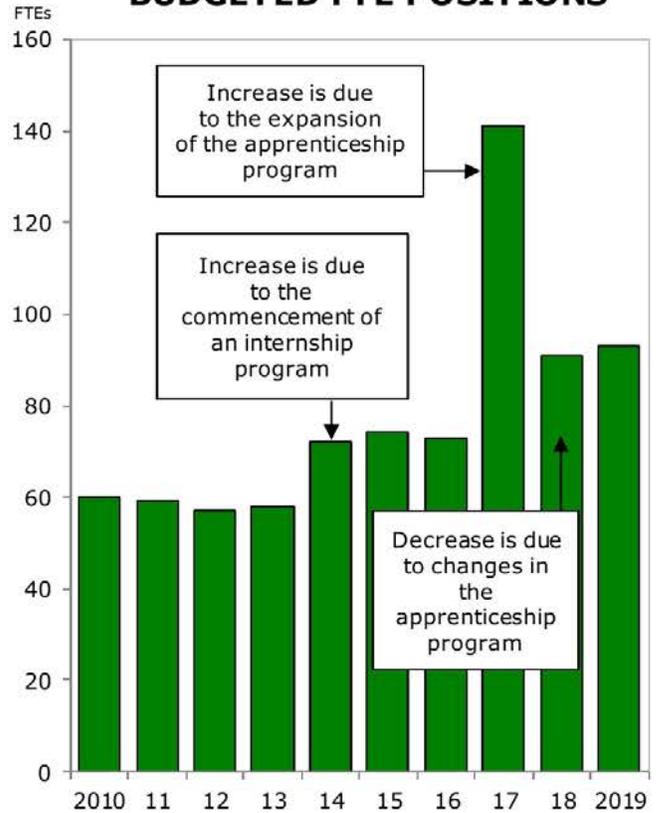
FUNCTIONS



APPROPRIATIONS & EXPENDITURES



BUDGETED FTE POSITIONS



HUMAN RESOURCES

25000		
HUMAN RESOURCES		
2017	2018	2019
71	91	93

252		
Executive Unit		
7	7	7

254		
Employee Selection Section		
14	14	14

255		
Employee Development Section		
19	39	39

256		
Classification, Compensation, & Benefits Section		
8	8	9

257		
Risk Management Section (1)		
0	0	4

258		
Employee Relations Section		
8	8	8

259		
Safety Section (1) (2)		
15	15	12

- (1) Effective 01/01/19, four positions from Section 259 were transferred to Section 257.
- (2) Effective 01/01/19, Section 259 was retitled from Risk Management Section to Safety Section.

HUMAN RESOURCES

Through strategic partnerships, the Human Resources Department develops and delivers innovative, efficient, and cost effective programs and services that are aligned with the District's core business strategies.

Departmental Summary

The department's primary responsibilities include:

- Staffing: ensure that the District plans for recruiting, hiring, and retaining the diverse talent needed to meet its organizational goals;
- Development: guide staff in acquiring and maintaining the skills needed to properly perform their roles within the organization;
- Performance Management: assist managers and employees by developing and implementing a performance management system that supports the goals of the organization;
- Rewards Management: develop and implement appropriate incentives to aid in recruiting and retaining the highest quality staff;
- Risk Management: develop and administer a comprehensive risk management program that protects the assets of the District;
- Safety: develop and supervise the safety guidelines and procedures, provide safety training, and make recommendations to provide a safe working environment for employees and others on District property.

Summary of 2018 Accomplishments

The following initiatives and accomplishments strengthened the District's financial stability and better assured the continuity of operations in adverse circumstances:

- The District's Emergency Operations Plan was updated and successfully tested in a tabletop exercise for senior and plant management; staff also made a presentation at the Utility Management Conference on the same topic;
- The District's Business Continuity Plan and Critical Operational Guidance documents were updated and expanded for the Maintenance & Operations Department for mission-essential functions. Training was conducted for plant-level business continuity staff.

The following initiatives and accomplishments supported process improvement, were results-oriented, and decreased costs for the District:

- The District's Return-to-Work Program continued to reduce both the number and severity of employee injuries. Area-specific online dashboards continued to provide access to key workers' compensation claims information at all times;
- Safety staff conducted approximately 1,300 Occupational Safety and Health Administration focused training sessions, with approximately 10,000 attendees, including OSHA 10 classes for 54 field-level engineering personnel, as well as plant-level hands-on training for the revised and enhanced Lockout/Tagout program to safeguard employees from the unexpected startup of machinery and equipment.

Developed and implemented leadership initiatives that support succession planning:

- A leaders coaching leaders program was developed and delivered to approximately 70 District supervisors;
- Twelve employees were offered leadership training through an emerging leaders program, water and wastewater leaderships program, and executive coaching;
- Twenty engineering employees participated in mentoring activities.

Developed a culture that recognized the value of every employee:

- All employees received mandatory refresher compliance training for ethics in the workplace;
- Over 5,000 individuals, including employees and the public, were served by Employee Selection staff through the recruitment and selection process;
- An ongoing training program was provided to new hires in specific job classifications, providing job readiness skills and an introduction to District core values and ethics;
- A Parental Leave Policy was adopted for employees to allow paid time-off benefits for the birth or adoption of a child.

Other major accomplishments include:

- The internship program continued to provide meaningful projects and educational training experiences for students interested in wastewater management and District operations;
- Civil Service examinations were administered for 42 classifications.

Budget Highlights

The 2019 appropriation for the Human Resources Department is \$60,108,000, an increase of \$881,600, or 1.5 percent, from 2018. The staffing level has increased from 91 to 93 positions, which includes the addition of one Human Resources Manager and one Safety Manager. The number of employees budgeted in the Human Resources Department includes 13 Apprentices, 20 full-time equivalent Interns, and three Civil Service Board members.

2019 Initiatives in Support of the Strategic Business Plan Include the Following:

• Add Value

In 2019, the Risk Management Section will continue its focus on the development and administration of a comprehensive and sustainable risk management program. Key areas of focus include use of the risk management information system for risk analysis and enhanced communication on risk issues across the organization and further development of key programs, including return-to-work, emergency operations, and continuity of operations.

The Safety Section will continue to focus on safe work procedures, a safe work environment, preventive health measures, life protection, accident prevention and investigations, and recordkeeping. Increased emphasis will be placed on targeting programs to address the District’s key cost drivers. The emphasis will be on walking and working surfaces in order to reduce slip and fall accidents. Additionally, back safety classes will continue to take place in 2019 in an effort to reduce back injuries and improve body mechanics. Safety staff will work closely with Claims staff to reduce overall workers’ compensation costs for the District.

The Human Resources Department’s merit-based selection practices provide the District with a pool of candidates who have demonstrated the essential job-related knowledge, skills, and abilities to perform effectively. The Human Resources Department plans to administer 45 examinations in 2019. All employment applications are submitted and received online.

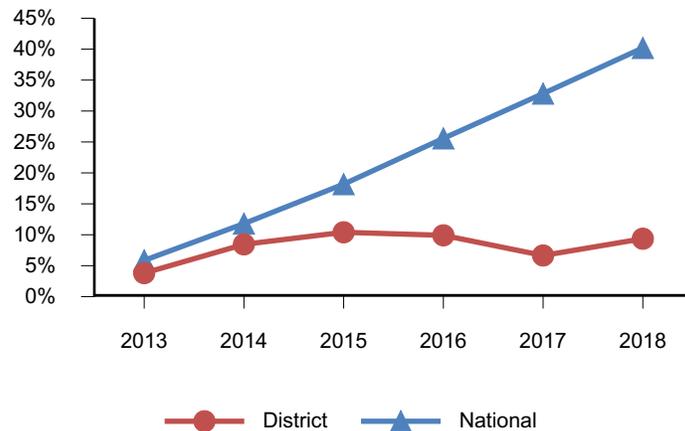
• Excellence

The District’s benefits program plays an integral part in its ability to attract and retain a high quality workforce. The District offers health care benefits to employees and eligible dependents, as well as approximately 1,990 retirees. The core components of the program are a Participating Provider Option and Health Maintenance Organization, a Medicare Advantage Plan (Medicare-eligible retirees only), and prescription drug coverage. Dental and vision benefits are also provided to active employees.

The cost of these health care benefits has a significant impact on the District’s budget each year with total spending of approximately \$49 million. While these costs are partially offset by employee and retiree contributions, they must be actively managed. The District continues to implement programs and plan design elements that help in managing these costs. In addition, the District continues its wellness initiatives with annual on-site health fairs, free on-site flu shots, and wellness events such as the Mainstream March 5K Walk/Run. The goal of these wellness initiatives is to build a work environment that promotes health and wellness for all District employees.

As a result of these efforts, the District has been able to control its health care spending. From 2013 through 2018, the national trend has been an average annual increase of 6.91 percent in health care costs resulting in a total increase of 40.20 percent during this period. The District’s health care trend over that same period has been 1.56 percent annually or a total of 9.36 percent.

**Health Care Cost Trend
(Compounded)**



In 2019, the District will introduce a new employee benefits software platform. This platform will provide a robust employee portal with consumerism tools such as cost calculators and educational videos to help employees select the most appropriate health plan, better navigate their insurance benefits and be a more educated consumer of health care. The platform will also include a robust communication module to assist the District in keeping employees informed about the benefits plans and changes in the health care market overall. These consumer tools can play a key role in helping employees be more conscious of their health care needs, which can assist the District in controlling health care costs.

• Develop Employees

The District provides its employees with training and development opportunities through tuition reimbursement, seminars and conferences, in-house training, and online eLearning courses.

Employee Development Participation

	Tuition Reimbursement *	In-House Training	eLearning Courses Accessed
2016	53	3,854	6,219
2017	53	3,977	4,912
Estimated 2018	55	2,700	6,400
Projected 2019	55	3,800	6,400

*Number of participants who were reimbursed

To ensure the ongoing professional development of all District employees in 2019, the Human Resources Department will continue to offer eLearning classes in business, financial management, and information technology, development courses for specific classifications and supervisors, and specialized training as requested by departments. The Human Resources Department will continue to develop competency-based job classifications and build new measures of employee performance, while providing a basis for individual development plans. Executive coaching services will continue to be used for succession planning and to conduct individual assessments of employee talents, skills, and career objectives that will help identify developmental needs to prepare employees for leadership roles.

The Human Resources Department administers seven collective bargaining agreements for the District’s approximately 786 represented employees and provides advice and counseling to managers and supervisors regarding investigations and disciplinary matters for both represented and non-represented employees. The Human Resources Department will continue to promote the use of proactive and timely discussions between managers, employees, and their representatives to address grievance and complaint activities.

The Human Resources Department also ensures the District’s compliance with the Family and Medical Leave Act and the Americans with Disabilities Act and is responsible for receiving and investigating complaints of workplace violence, discrimination, sexual harassment, and other types of harassment and complaints.

• Leading Partnerships

As of October 1, 2013, the District began using the revised external labor rates for females and minorities, based on published data from the 2010 census. The District’s minority workforce representation, as of July 31, 2018, was 42 percent, which compares favorably with the Cook County minority labor force availability rate of 36 percent. The District’s female workforce representation, as of July 31, 2018, was 26 percent, compared to the Cook County female labor force availability rate of 41 percent, when adjusted for District-specific occupations.

Percentage of District Employees Who Are Minorities or Females							2000 Census External Availability	2010 Census External Availability
	2014	2015	2016	2017	2018	2019 Proj.		
Minorities	40%	40%	41%	41%	42%	42%	33%	36%
Females	26%	26%	26%	26%	26%	26%	25%	41%

It is important to note that a majority of the District’s job categories include classifications that are nontraditional for women. Nontraditional occupations, as defined by the United States Department of Labor, are those occupations wherein 25 percent or fewer women have the requisite skills or work in that occupation. Consequently, the external female labor force rates are adjusted for District-specific occupations. They include only job classifications found at the District and exclude occupations such as teachers, registered nurses, and social workers.

The Human Resources Department coordinates the District-wide recruitment program. Ongoing advertising in print and electronic media assists the District in attracting a diverse and qualified applicant pool for current and future examinations. In 2019, the District will continue to target its recruitment efforts on increasing minority and female representation in specific job categories in which they are underrepresented. A large part of the public image of the District is dependent on employee behaviors and interactions with the public. To assist employees in representing the District well, various training programs will continue. Uniform application of disciplinary processes and the Civil Service Board forum will provide unambiguous expectations of employees and will assure employees that good work is rewarded.

- **Technology**

The Employee Selection Section initiated implementation of a new applicant tracking system to manage the employee selection and appointment process. The system will facilitate use on multiple platforms, including smartphones and tablets, posting of job information to social media site platforms, and automation of the employment requisition, certification, and appointment process.

As part of its efforts to manage health care costs, the District will be introducing an employee benefits software platform in 2019. This system will include an employee portal to assist employees in managing their health benefits and provide consumerism tools to allow employees to make informed decisions when selecting a benefits plan. The District will benefit from improved communication of benefit programs, a reduction in the need for paper mailings to employees, and a streamlined process for collecting benefits information from employees. This will result in a more efficient benefits administration process.

The Employee Relations Section worked with the Information Technology Department to develop an electronic transfer program for represented employees. It is planned to fully implement this process in 2019. The benefit of this program will be to reduce the use of paper and to increase the speed, transparency and accuracy of the transfer process.

25000 HUMAN RESOURCES

OBJECTIVES AND PROGRAM SUMMARY

OBJECTIVES BY PRIORITY:	Cost	Percent
1. Review employment applications and develop and administer 45 examinations to meet Civil Service requirements and current operational needs. Oversee the certification process to fill positions. Develop and maintain a targeted advertising program necessary to establish recruitment resources, administer college and campus recruitment activities, and administer diversity outreach activities.	\$ 1,796,700	3.0
2. Develop and administer a comprehensive risk management program and provide a safe work environment for District employees through training, accident prevention initiatives, and workplace monitoring.	\$ 5,855,500	9.7
3. Maintain comparative wage and salary data, administer non-represented and management compensation systems, and recommend changes to the Civil Service Board and the Board of Commissioners in order to ensure internal pay equity and external competitiveness. Maintain a highly competitive employee benefits package, including health, life, and dental insurance, a vision plan, and a deferred compensation plan, as well as administer other related benefit programs, such as Employee Assistance Program services, a flexible spending account plan, and voluntary insurance products.	\$ 29,435,300	49.0
4. Administer seven collective bargaining agreements, covering 786 employees, and manage employee relations programs, which include investigation of employee complaints and performance rating reviews on behalf of the Director of Human Resources, and administer the unemployment compensation and performance management programs.	\$ 829,400	1.4
5. Provide health insurance benefits and administration for retirees and annuitants, which include Other Postemployment Benefits pre-funding for retiree health care expenses.	\$ 18,425,600	30.7
6. Implement the District's equal employment opportunity and affirmative action objectives through targeted recruitment, counseling, and complaint investigation.	\$ 382,000	0.6
7. Provide the necessary administrative support to the District and Human Resources Department sections by maintaining centralized files; overseeing the hiring, promotion, transfer, termination, return-to-work, or any other action affecting an employee's status; and managing computerized information to perform departmental functions with greater efficiency at a lower cost. Comply with state Civil Service statutes by arranging for hearing of complaints from employees or other persons, the hearing of charges against employees for discharge, and the ratification of amendments to the Personnel Rules and the compensation and classification plan.	\$ 974,100	1.6
8. Provide educational opportunities for employees through professional development, technical training, and tuition reimbursement.	\$ 2,409,400	4.0
Total	\$ 60,108,000	100.0%

MEASURABLE GOALS:	2017	2018	2019
	Actual	Estimated	Proposed
1. Minimize the number of days between an original entrance appointment and the start date for the new employee.	32	35	32
2. Reduce the number of workers' compensation claims per 100 employees.	5.44	6.26	6.00
3. Reduce the number of lost time claims per 100 employees.	1.22	2.44	2.00

25000 HUMAN RESOURCES

OBJECTIVES AND PROGRAM SUMMARY

PROGRAMS BY PRIORITY:		2017	Budgeted		Change		
Number	Name	Actual	FTEs	Dollars	Dollars	Percent	
7290	Examinations and Employment Activities	\$ 1,816,624	2019	13	\$ 1,796,700	\$ 77,800	4.5
			2018	13	\$ 1,718,900		
7295	Equal Employment Opportunity Activities	\$ 352,383	2019	3	\$ 382,000	\$ 28,500	8.1
			2018	3	\$ 353,500		
7310	Training and Development Activities	\$ 1,522,783	2019	39	\$ 2,409,400	\$ (22,000)	(0.9)
			2018	39	\$ 2,431,400		
7315	Retiree Benefits	\$13,364,690	2019	1	\$ 13,425,600	\$ (193,800)	(1.4) a)
			2018	1	\$ 13,619,400		
7316	Other Postemployment Benefits Trust Management and Report Preparation	\$ 5,000,000	2019	—	\$ 5,000,000	\$ —	—
			2018	—	\$ 5,000,000		
7320	Employee Benefits	\$25,184,945	2019	4	\$ 29,296,800	\$ 735,800	2.6 b)
			2018	4	\$ 28,561,000		
7325	Labor and Employee Relations	\$ 756,485	2019	7	\$ 829,400	\$ (9,200)	(1.1)
			2018	7	\$ 838,600		
7330	Human Resources Administration	\$ 847,617	2019	10	\$ 974,100	\$ 26,100	2.8
			2018	9	\$ 948,000		
7480	Safety Program	\$ 1,206,205	2019	12	\$ 1,576,800	\$ 48,600	3.2
			2018	11	\$ 1,528,200		
7500	Risk Management Operations	\$ 4,005,782	2019	4	\$ 4,278,700	\$ 184,900	4.5 c)
			2018	4	\$ 4,093,800		
7604	Social Security and Medicare Contributions	\$ 114,787	2019	—	\$ 138,500	\$ 4,900	3.7
			2018	—	\$ 133,600		
Totals		\$54,172,301	2019	93	\$ 60,108,000	\$ 881,600	1.5%
			2018	91	\$ 59,226,400		

a) Decrease is due to the suspension of an Affordable Care Act fee for 2019 (\$1,112,600) and a reduction in insurance premiums for retirees (\$240,000), offset by an anticipated increase in the cost of retiree pharmacy benefits (\$804,900) and the Medicare Advantage Plan (\$352,900).

b) Increase is due to the projected growth in health insurance premiums for active employee PPO (\$1,900,500) and HMO (\$171,800), offset by an anticipated reduction in the cost of active employee pharmacy benefits (\$1,344,900).

c) Increase is due to an anticipated increase in the cost of premiums for property (\$94,800) and casualty (\$80,000) insurance.

25000 HUMAN RESOURCES

PERFORMANCE DATA

Program Number	Measurable Activity		2017 Actual	2018 Budgeted	2019 Estimated	
7290	Examinations and Employment Activities					
		Candidates	2,229	2,900	2,100	a)
		Examinations	61	50	45	
		Applications	4,272	6,500	3,500	a)
		Requisitions	290	275	280	
		Cost	\$ 1,699,889	\$ 1,599,067	\$ 1,796,700	b)
	Recruitment and Marketing Activities					
	Diversity/Outreach Recruitment	Cost	\$ 59,045	\$ 62,324	\$ —	c)
	Campus Recruitment	Cost	\$ 57,690	\$ 57,509	\$ —	c)
7295	Equal Employment Opportunity Activities					
	Provide Counseling and Investigate Complaints	Actions	1,000	1,000	1,000	
		Cost	\$ 352,383	\$ 353,500	\$ 382,000	
		Cost/Action	\$ 352.38	\$ 353.50	\$ 382.00	
7310	Training and Development Activities					
	In-House Training and Professional Development	Courses	3,977	2,300	—	d)
		Cost	\$ 837,031	\$ 799,037	\$ —	
		Cost/Course	\$ 210.47	\$ 347.41	\$ —	
	Seminars and Conferences	Cost	\$ 3,770	\$ 10,100	\$ —	
	eLearning	Courses	4,912	6,400	—	
		Cost	\$ —	\$ 25,000	\$ —	
		Cost/Course	\$ —	\$ 3.91	\$ —	
	Training and Professional Development	Training Courses	—	—	3,800	
		eLearning Courses	—	—	6,400	
		Cost	\$ —	\$ —	\$ 956,600	d)
	Apprenticeship Program	Cost	\$ —	\$ 777,363	\$ 795,000	
	Administer and Finance the Tuition Reimbursement Program for the Entire District	Participants	53	50	55	
		Cost	\$ 322,732	\$ 314,000	\$ 297,800	
		Cost/Participant	\$ 6,089.28	\$ 6,280.00	\$ 5,414.55	
	Internship Program	Cost	\$ 359,250	\$ 505,900	\$ 360,000	e)

- a) Decrease is due to a declining trend in employment applicants due to low unemployment rates and fewer large scale exams planned for 2019.
- b) Increase is due to the consolidation of Recruitment and Marketing Activities with the Examinations and Employment Activities (\$119,800), and the addition of a Human Resources Manager (\$95,400).
- c) Starting with Budget Year 2019, Recruitment and Marketing Activities were consolidated with Examinations and Employment Activities (\$119,800).
- d) Starting with Budget Year 2019, In-house Training and Professional Development, Seminars and Conferences, and eLearning are consolidated and renamed Training and Professional Development. The 2019 cost includes the addition of live instructor-led Harassment Awareness training (\$100,000).
- e) Decrease is due to a change in the number of budgeted Interns and improved estimates of hours worked based on historical data (\$145,900).

25000 HUMAN RESOURCES

PERFORMANCE DATA

Program Number	Measurable Activity		2017 Actual	2018 Budgeted	2019 Estimated	
7315	Retiree Benefits					
	Health Insurance - Corporate Fund Retirees	Retirees	1,973	1,970	1,975	
		Cost	\$ 8,660,473	\$ 9,758,600	\$ 8,759,900	f)
		Cost/Retiree	\$ 4,389.49	\$ 4,953.60	\$ 4,435.39	
	Prescription Drug Retirees	Participants	1,973	1,970	1,975	
		Cost	\$ 4,704,217	\$ 3,860,800	\$ 4,665,700	g)
		Cost/Participant	\$ 2,384.30	\$ 1,959.80	\$ 2,362.38	g)
7316	Other Postemployment Benefits Trust Management and Report Preparation	Cost	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	
7320	Employee Benefits					
	Health Insurance - Corporate Fund Employees (includes vision care) ¹	Participants	1,684	1,708	1,706	
		Cost	\$ 19,962,506	\$ 20,973,200	\$ 22,618,700	h)
		Cost/Participant	\$ 11,854.22	\$ 12,279.39	\$ 13,258.32	
	Prescription Drugs - Corporate Fund Employees ¹	Participants	1,684	1,708	1,706	
		Cost	\$ 3,753,215	\$ 5,806,900	\$ 4,462,000	i)
		Cost/Participant	\$ 2,228.75	\$ 3,399.82	\$ 2,615.47	i)
	Dental Insurance - Corporate Fund Employees ¹	Participants	1,673	1,702	1,700	
		Cost	\$ 1,143,026	\$ 1,428,900	\$ 1,351,500	
		Cost/Participant	\$ 683.22	\$ 839.54	\$ 795.00	
	Life Insurance - Corporate Fund Employees ¹	Employees	1,765	1,798	1,775	
		Cost	\$ 80,159	\$ 86,300	\$ 85,400	
		Cost/Employee	\$ 45.42	\$ 48.00	\$ 48.11	
	Deferred Compensation Administration	Cost	\$ 38,000	\$ 38,000	\$ 78,000	j)
	Other Benefits					
	Employee Assistance Program	Cost	\$ 51,082	\$ 42,000	\$ 42,000	
	Flexible Spending Accounts Program	Cost	\$ 36,957	\$ 42,000	\$ 43,000	
	Compensation and Classification Activities	Cost	\$ 120,000	\$ 143,700	\$ 616,200	k)

f) Decrease is due to the suspension of an Affordable Care Act fee for 2019 (\$1,112,600).

g) Increase is due to an anticipated increase in the cost of retiree pharmacy benefits (\$804,900).

h) Increase is due to the projected growth in health insurance premiums for active employee PPO (\$1,900,500) and HMO (\$171,800), offset by the reallocation of salaries from Health Insurance - Corporate Fund Employees to Compensation and Classification Activities (\$435,100) to better classify activities.

i) Decrease is due to an updated projection model based on the District's population for employee pharmacy benefits (\$1,344,900).

j) Increase is due to the cost of the request for proposal work for the Deferred Compensation Plan Consultant (\$40,000).

k) Increase is due to the reallocation of salaries from Health Insurance - Corporate Fund Employees to Compensation and Classification Activities (\$435,100) and an increase in the Severance, Retirement and Termination Pay projection based on anticipated employee retirements (\$86,500), offset by the move of Health & Welfare Consulting (\$22,500) and the Wellness Program (\$25,000) from Compensation and Classification Activities to Health Insurance - Corporate Fund Employees to better classify activities.

¹ Additional funds are budgeted in the Stormwater Management Fund. The 2019 projections reflect the cost of medical, pharmacy, dental, life, and vision benefits for 27 employees transferred from the Corporate Fund to the Stormwater Management Fund in 2019 (\$292,962).

25000 HUMAN RESOURCES

PERFORMANCE DATA

Program Number	Measurable Activity		2017 Actual	2018 Budgeted	2019 Estimated	
7325	Labor and Employee Relations					
	Labor and Employee Relations Activities	Employees Served	1,949	1,966	1,973	
		Cost	\$ 602,966	\$ 677,266	\$ 635,200	l)
	Compliance with Unemployment Compensation Requirements	Claims	12	15	15	
		Cost	\$ 21,969	\$ 59,014	\$ 60,000	
		Cost/Claim	\$ 1,830.75	\$ 3,934.27	\$ 4,000.00	
	Employee Performance Management	Cost	131,550	102,320	134,200	l)
7330	Human Resources Administration					
	Personnel Activity Administration	Employees Served	1,949	1,966	1,973	
		Cost	\$ 691,589	\$ 791,376	\$ 750,500	
		Cost/Employee	\$ 354.84	\$ 402.53	\$ 380.39	
	Medical Services Payments and Record Maintenance	Examinations	500	500	—	m)
		Cost	\$ 46,028	\$ 59,782	\$ —	m)
		Cost/Examination	\$ 92.06	\$ 119.56	\$ —	
	Pre-employment Activities	New Hires	—	—	105	m)
		Cost	\$ —	\$ —	\$ 66,000	m)
		Cost/New Hire	\$ —	\$ —	\$ 628.57	
	Civil Service Board Procedures					
	Hear and Render Decisions on Appeals from Employees, Ratify Amendments to the Personnel Rules, Hear and Render Decisions on Discharges	Actions	23	40	35	
		Cost	\$ 110,000	\$ 96,842	\$ 157,600	n)
		Cost/Action	\$ 4,782.61	\$ 2,421.05	\$ 4,502.86	
l) Starting with Budget Year 2019, salaries were reallocated from Labor and Employee Relations Activities to Employee Performance Management to better classify costs related to that activity (\$31,900).						
m) Starting with Budget Year 2019, the measurement for Medical Services Payments and Record Maintenance was changed to track the number of New Hires instead of Examinations, and Medical Services Payments and Record Maintenance was renamed Pre-employment Activities to enhance clarity.						
n) Starting with Budget Year 2019, salaries were reallocated from Personnel Activity Administration to Civil Service Board Procedures activity to better classify costs related to that activity (\$60,800).						

25000 HUMAN RESOURCES

PERFORMANCE DATA

Program Number	Measurable Activity		2017 Actual	2018 Budgeted	2019 Estimated	
7480	Safety Program					
	Occupational Safety and Health Administration (OSHA) Compliance, OSHA Inspections, Reporting, and Accident Investigation	Cost	\$ 548,325	\$ 625,700	\$ —	o)
	Contract Review for Compliance with Safety Standards	# of Reviews	18	30	—	p)
		Cost	\$ 6,353	\$ 7,200	\$ —	
		Cost/Review	\$ 352.94	\$ 240.00	\$ —	
	Safety Equipment					
	New/Rental	Cost	\$ 100,655	\$ 138,750	\$ —	q)
	Replacement	Cost	\$ 2,195	\$ 23,750	\$ —	
	Maintenance	Cost	\$ 9,445	\$ 79,200	\$ —	
	Medical Health Surveillance					
	First Aid Assistance	Cost	\$ 1,016	\$ 35,000	\$ —	
	Hearing Tests	People Tested	363	450	—	
		Cost	\$ 6,256	\$ 9,500	\$ —	
		Cost/Test	\$ 17.23	\$ 21.11	\$ —	
	Respiratory Evaluations	People Tested	38	60	—	
		Cost	\$ 2,088	\$ 5,000	\$ —	
		Cost/Test	\$ 54.95	\$ 83.33	\$ —	
	Safety Training					
	CPR and First Aid	People Trained	389	250	—	
		Cost	\$ 40,678	\$ 38,600	\$ —	
		Cost/Trainee	\$ 104.57	\$ 154.40	\$ —	
	Confined Spaces	People Trained	112	100	—	
		Cost	\$ 9,177	\$ 9,400	\$ —	
		Cost/Trainee	\$ 81.94	\$ 94.00	\$ —	
<p>o) Starting with Budget Year 2019, Occupational Safety and Health Administration (OSHA) Compliance, OSHA Inspections, Reporting, and Accident Investigation, Contract Review for Compliance with Safety Standards, First Aid Assistance and Safety Training activities were grouped and renamed Occupational Safety and Health Administration (OSHA) Compliance, OSHA Inspections, Reporting, and Accident Investigation, Contract Review for Compliance with Safety Standards, Safety Training, and Professional Development. Hearing Tests, Respiratory Evaluations, Fire Prevention and Protection, and Hazardous Materials Abatement were grouped together and renamed Payment for External Services to Support Safety Activities to improve the classification of activities.</p> <p>p) Starting with Budget Year 2019, the Safety Program measures were changed to track the number of classes and the number of attendees instead of the number of reviews, people trained, and people tested to enhance clarity and better reflect current operations.</p> <p>q) Starting with Budget Year 2019, the Safety Equipment categories of New/Rental, Replacement, and Maintenance were grouped and renamed Safety Equipment Purchase, Rental, and Maintenance to better reflect current operations. Decrease in cost is due to modified requirements to the annual schedule for maintenance of safety equipment (\$35,100).</p>						

25000 HUMAN RESOURCES

PERFORMANCE DATA

Program Number	Measurable Activity		2017 Actual	2018 Budgeted	2019 Estimated	
	Lockout/Tagout	People Trained	196	500	—	r)
		Cost	\$ 4,235	\$ 4,800	\$ —	
		Cost/Trainee	\$ 21.61	\$ 9.60	\$ —	
	General Safety	People Trained	7,822	7,500	—	
		Cost	\$ 381,369	\$ 423,800	\$ —	
		Cost/Trainee	\$ 48.76	\$ 56.51	\$ —	
	Professional Safety	Cost	\$ 17,471	\$ 16,200	\$ —	
	Industrial Hygiene/Right to Know	People Trained	350	650	—	
		Cost	\$ 25,942	\$ 28,400	\$ —	
		Cost/Trainee	\$ 74.12	\$ 43.69	\$ —	
	Fire Prevention and Protection	Cost	\$ —	\$ 22,200	\$ —	
	Hazardous Materials Abatement	Cost	51,000	60,700	—	
	Occupational Safety and Health Administration (OSHA) Compliance, OSHA Inspections, Reporting, and Accident Investigation, Contract Review for Compliance with Safety Standards, Safety Training, and Professional Development	Cost	\$ —	\$ —	\$ 1,267,700	
	Safety Training	# of Classes	—	—	1,100	s)
		# of Attendees	—	—	8,000	
	Safety Equipment Purchase, Rental, and Maintenance	Cost	\$ —	\$ —	\$ 178,000	t)
	Payment for External Services to Support Safety Activities	Cost	\$ —	\$ —	\$ 131,100	
7500	Risk Management Operations					
	Administration and Professional Development (formerly Administration)	Cost	\$ 437,910	\$ 448,007	\$ 472,600	
	Asset Appraisal and Other Services	Cost	\$ 273,565	\$ 315,493	\$ —	u)
	Broker Services	Cost	\$ 236,200	\$ 250,000	\$ —	u)
	Third Party Services	Cost	\$ —	\$ —	\$ 551,500	u)
	Insurance Premiums (such as property insurance)	Cost	\$ 3,058,107	\$ 3,080,300	\$ 3,254,600	v)
7604	Social Security and Medicare Contributions	Cost	\$ 114,787	\$ 133,600	\$ 138,500	
		Total	\$ 54,172,301	\$ 59,226,400	\$ 60,108,000	

- r) Starting with Budget Year 2019, Occupational Safety and Health Administration (OSHA) Compliance, OSHA Inspections, Reporting, and Accident Investigation, Contract Review for Compliance with Safety Standards, First Aid Assistance and Safety Training activities were grouped and renamed Occupational Safety and Health Administration (OSHA) Compliance, OSHA Inspections, Reporting, and Accident Investigation, Contract Review for Compliance with Safety Standards, Safety Training, and Professional Development. Hearing Tests, Respiratory Evaluations, Fire Prevention and Protection, and Hazardous Materials Abatement were grouped together and renamed Payment for External Services to Support Safety Activities to improve the classification of activities.
- s) Starting with Budget Year 2019, the Safety Program measures were changed to track the number of classes and the number of attendees instead of the number of reviews, people trained, and people tested to enhance clarity and better reflect current operations.
- t) Starting with Budget Year 2019, the Safety Equipment categories of New/Rental, Replacement, and Maintenance were grouped and renamed Safety Equipment Purchase, Rental, and Maintenance to better reflect current operations. Decrease in cost is due to modified requirements to the annual schedule for maintenance of safety equipment (\$35,100).
- u) Starting with Budget Year 2019, Asset Appraisal and Other Services, and Broker Services were grouped and renamed Third Party Services, and salaries were reallocated from Asset Appraisal and Other Services to Administration and Professional Development to improve the classification of activities (\$15,500).
- v) Increase is due to an anticipated increase in the cost of premiums for property (\$94,800) and casualty (\$80,000) insurance.

101 25000	Fund: Corporate Department: Human Resources	LINE ITEM ANALYSIS						
		2017	2018			2019		
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/18	Expenditure (Committed Budget plus Disbursement) 09/30/18	Estimated Expenditure 12/31/18	Proposed by Executive Director	Recommended by Committee on Budget and Employment
601010	Salaries of Regular Employees	\$ 5,591,181	\$ 6,489,600	\$ 6,489,600	\$ 3,994,897	\$ 5,481,900	\$ 6,709,300	\$ —
601060	Compensation Plan Adjustments	199,621	213,700	213,700	106,899	145,600	314,600	—
601070	Social Security and Medicare Contributions	114,787	133,600	133,600	100,526	110,100	138,500	—
601090	Employee Claims	21,969	60,000	74,000	54,634	60,000	60,000	—
601100	Tuition and Training Payments	492,329	553,600	553,600	402,874	544,000	709,800	—
601250	Health and Life Insurance Premiums	42,900,978	46,455,800	46,441,800	30,517,675	44,636,900	46,804,400	—
601300	Personal Services, N.O.C.	359,250	505,900	505,900	239,718	360,000	360,000	—
100	TOTAL PERSONAL SERVICES	49,680,114	54,412,200	54,412,200	35,417,224	51,338,500	55,096,600	—
612010	Travel	2,478	5,800	5,800	2,301	5,000	5,200	—
612030	Meals and Lodging	7,825	18,200	18,200	4,151	16,000	17,300	—
612040	Postage, Freight, and Delivery Charges	—	200	200	—	200	—	—
612050	Compensation for Personally-Owned Automobiles	523	2,200	2,200	280	700	1,100	—
612080	Motor Vehicle Operating Services	24	—	—	—	—	100	—
612250	Court Reporting Services	7,327	12,000	12,000	9,999	12,000	11,500	—
612260	Medical Services	90,281	97,300	103,800	103,360	92,000	121,100	—
612290	Insurance Premiums	3,058,107	3,080,300	3,080,300	2,794,444	3,075,300	3,471,100	—
612330	Rental Charges	7,925	26,700	26,700	10,130	24,600	21,500	—
612430	Payments for Professional Services	1,040,556	1,107,300	1,100,800	952,249	1,040,200	979,900	—
612490	Contractual Services, N.O.C.	54,781	46,400	46,400	40,217	44,000	72,100	—
612780	Safety Repairs and Services	60,445	135,100	135,100	116,001	133,100	107,500	—
200	TOTAL CONTRACTUAL SERVICES	4,330,272	4,531,500	4,531,500	4,033,132	4,443,100	4,808,400	—
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	61,413	58,300	55,200	44,190	53,300	30,500	—
623720	Books, Maps, and Charts	1,615	2,500	4,600	4,120	—	500	—
623780	Safety and Medical Supplies	95,424	193,500	193,500	96,033	177,600	166,500	—
623990	Materials and Supplies, N.O.C.	3,463	3,400	4,400	3,548	3,400	5,500	—
300	TOTAL MATERIALS AND SUPPLIES	161,915	257,700	257,700	147,891	234,300	203,000	—
634820	Computer Software	—	25,000	25,000	14,200	14,200	—	—
400	TOTAL MATERIALS AND SUPPLIES	—	25,000	25,000	14,200	14,200	—	—
TOTAL HUMAN RESOURCES		\$ 54,172,301	\$ 59,226,400	\$ 59,226,400	\$ 39,612,447	\$ 56,030,100	\$ 60,108,000	\$ —

NOTES: 1. Amounts may not add up due to rounding.

2. Departmental appropriation totals for salaries in the Line Item Analysis may differ from those contained in the Position Analysis by a factor identified to adjust for vacancies.

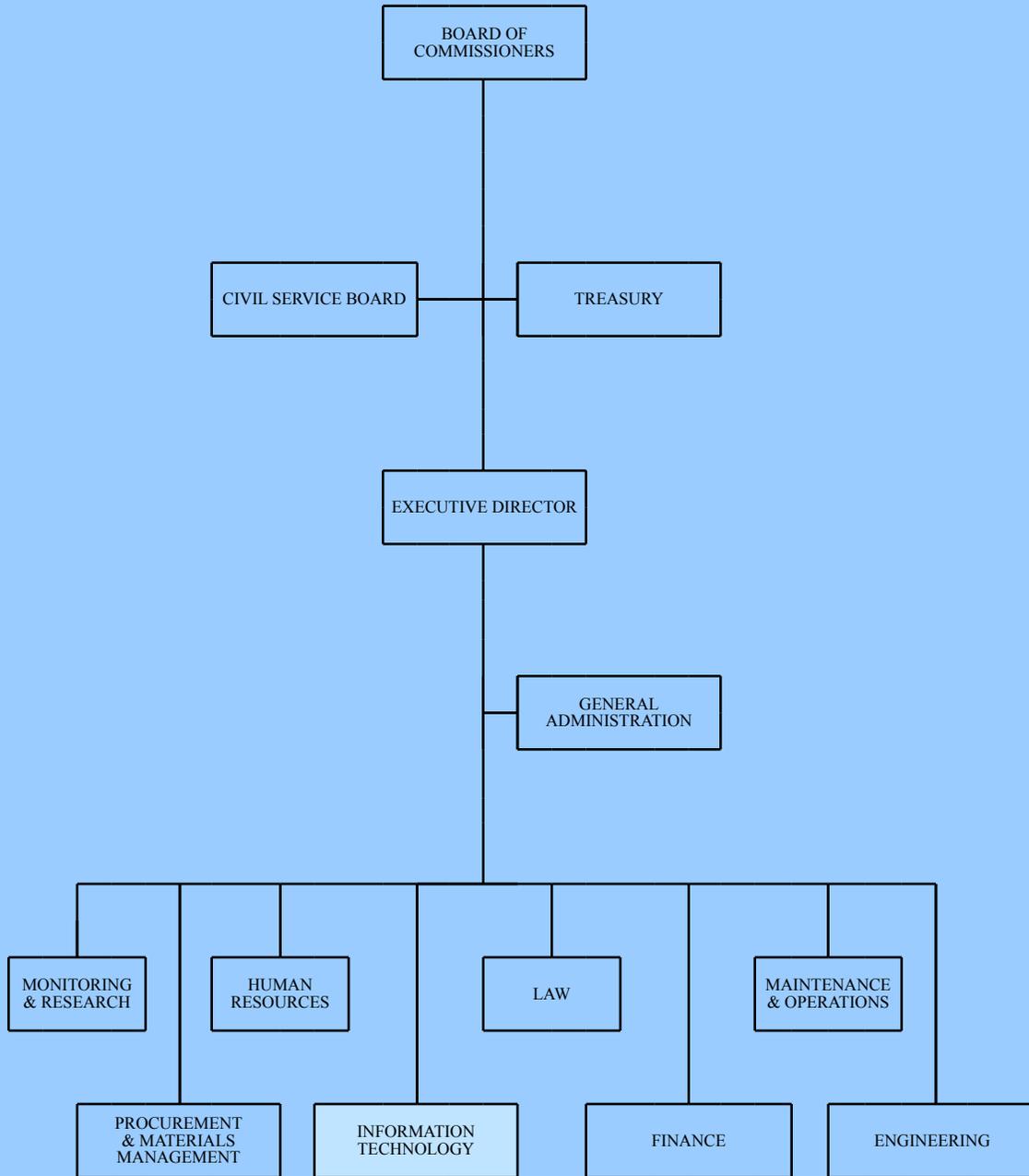
Additionally, Estimated Expenditure may either exceed Adjusted Appropriation when transfers of funds are anticipated or be less than Expenditure (Committed Budget plus Disbursement) when not all commitments are anticipated to be completed by year-end.

Fund: Corporate Dept: Human Resources		POSITION ANALYSIS				
		2017	2018		2019	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
252	Executive Unit					
EX10	Director of Human Resources	1	1		1	
HP20	Assistant Director of Human Resources	1	1		1	
EX06	Secretary to Officer	1	1		1	
EX16	Civil Service Board Chairman	1	1		1	
EX09	Civil Service Board Member	2	2		2	
HP11	Administrative Specialist	1	1		1	
TOTAL	Executive Unit	7	7	632,697.10	7	617,776.63
254	Employee Selection Section					
HP19	Human Resources Manager #1	—	—		1	
HP19	Human Resources Manager #2 (New Grade HP18)	1	1		—	
HP18	Human Resources Manager	—	—		1	
HP17	Senior Human Resources Analyst #2 (New Grade HP16)	1	—		—	
HP16	Senior Human Resources Analyst	1	2		2	
HP16	Senior Human Resources Analyst #2 (Human Resources Analyst) (New Grade HP14)	1	—		—	
HP15	Associate Human Resources Analyst #2 (Human Resources Analyst) (New Grade HP14)	1	1		1	
HP14	Human Resources Analyst	4	5		5	
HP13	Senior Administrative Specialist	2	2		2	
HP11	Administrative Specialist	3	3		2	
TOTAL	Employee Selection Section	14	14	1,328,447.53	14	1,398,704.06
255	Employee Development Section					
HP19	Human Resources Manager #2 (New Grade HP18)	1	1		1	
HP17	Senior Human Resources Analyst #2 (New Grade HP16)	1	1		—	
HP16	Senior Human Resources Analyst	—	—		1	
HP14	Human Resources Analyst	2	2		2	
HP12	Human Resources Assistant #2 (Administrative Specialist) (New Grade HP11)	1	1		1	
HP11	Administrative Specialist	1	1		1	

Fund: Corporate Dept: Human Resources		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
TM01	Intern	12	20		20	
PR1025	Apprentice	1	13		13	
TOTAL	Employee Development Section	19	39	1,917,061.96	39	1,880,949.72
256	Classification, Compensation, & Benefits Section					
HP19	Human Resources Manager #2 (New Grade HP18)	1	1		1	
HP17	Senior Human Resources Analyst #2 (New Grade HP16)	2	2		2	
HP15	Associate Human Resources Analyst #2 (Human Resources Analyst) (New Grade HP14)	1	—		—	
HP14	Human Resources Analyst	2	3		3	
HP11	Administrative Specialist	1	1		1	
HP11	Administrative Specialist #1	—	—		1	
HP11	Administrative Specialist #4	1	1		1	
TOTAL	Classification, Compensation, & Benefits Section	8	8	834,702.67	9	900,904.94
257	Risk Management Section					
HP19	Risk Manager #2 (New Grade HP18)	—	—		1	
HP17	Claims Administrator #2 (New Grade HP16)	—	—		1	
HP17	Senior Risk Analyst #2 (New Grade HP16)	—	—		1	
HP11	Administrative Specialist	—	—		1	
TOTAL	Risk Management Section	—	—	—	4	463,530.86
258	Employee Relations Section					
HP18	Human Resources Manager	1	1		1	
HP16	Senior Human Resources Analyst	2	2		2	
HP15	Associate Human Resources Analyst #2 (Human Resources Analyst) (New Grade HP14)	1	1		1	
HP14	Human Resources Analyst	2	2		2	
HP11	Administrative Specialist	2	2		2	
TOTAL	Employee Relations Section	8	8	820,659.01	8	820,750.32
259	Safety Section (formerly Risk Management Section)					
HP19	Risk Manager #2 (New Grade HP18)	1	1		—	
HP18	Safety Manager	—	—		1	

Fund: Corporate Dept: Human Resources		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP17	Claims Administrator #2 (New Grade HP16)	1	1		—	
HP17	Senior Risk Analyst #2 (New Grade HP16)	1	1		—	
HP17	Senior Safety Specialist #2 (New Grade HP16)	1	1		1	
HP15	Safety Coordinator #2 (Safety Specialist) (New Grade HP14)	4	3		3	
HP14	Safety Specialist	5	6		6	
HP11	Administrative Specialist	2	2		1	
TOTAL	Safety Section (formerly Risk Management Section)	15	15	1,529,378.70	12	1,201,398.38
TOTAL	Human Resources	71	91	7,062,946.97	93	7,284,014.91

NOTE: Departmental appropriation totals for salaries in the Position Analysis differ from those contained in the Line Item Analysis by a factor identified to adjust for vacancies. Salary ranges corresponding to the pay plan and grade for each class title can be found in the table of Salary Schedules in the Appendix.



Protecting Our Water Environment

Metropolitan Water Reclamation District of Greater Chicago

100 EAST ERIE STREET CHICAGO, ILLINOIS 60611-3154 312.751.5600

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Debra Shore
Kari K. Steele
David J. Walsh

September 11, 2018

Mr. John P. Murray
Acting Executive Director
OFFICE

Dear Sir:

Subject: 2019 Program for the Information Technology Department

The Information Technology Department's program for 2019, as prepared in detail, is transmitted herewith. The budget presentation supports the request for funding of the department's 2019 initiatives in alignment with and in support of the Strategic Business Plan. The budget requests include all amendments as directed by you during the Executive Director Budget Hearings in August of this year.

The narrative provides a summary of the department, 2019 major initiatives and challenges, and 2018 accomplishments. Supporting schedules of objectives, performance, and staffing levels present three years of detailed budgetary information.

Thank you for the opportunity to present the proposed Information Technology Department budget for 2019.

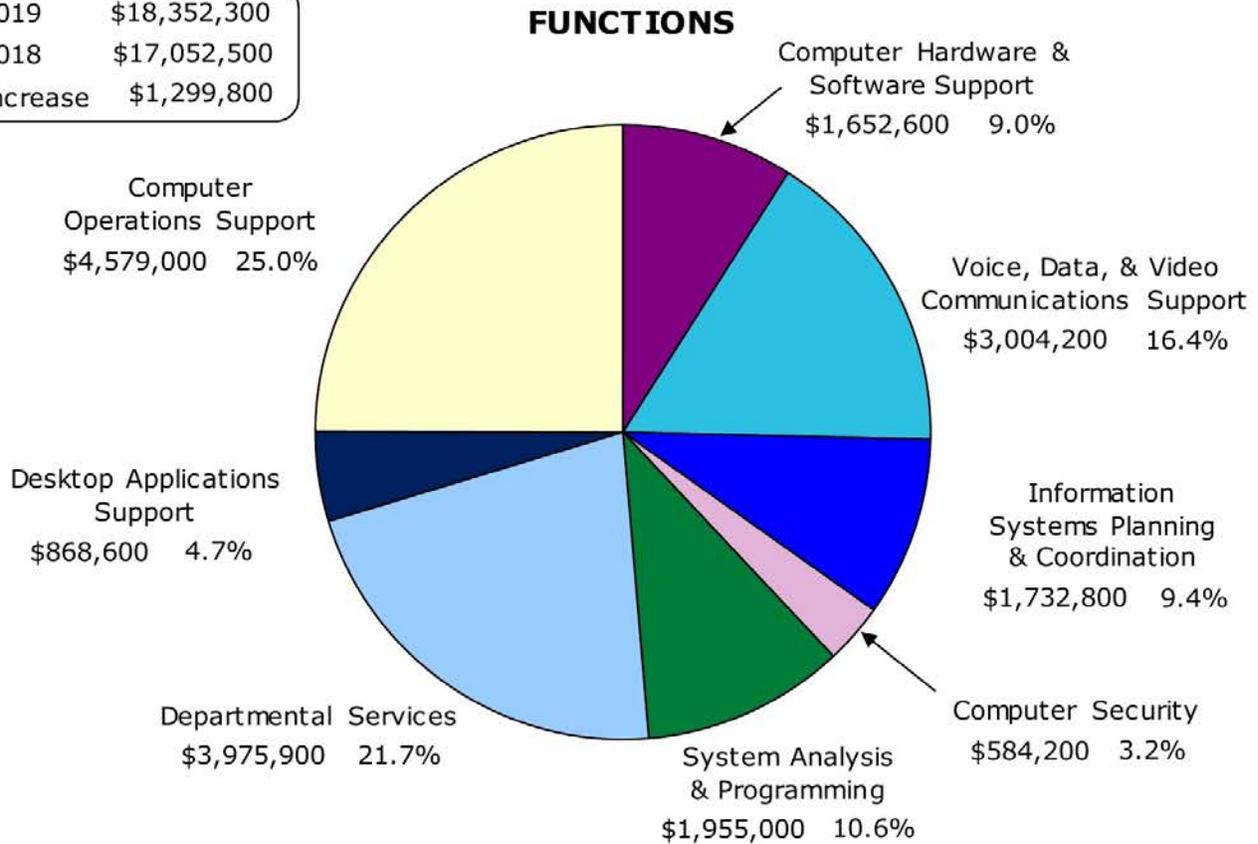
Respectfully submitted,



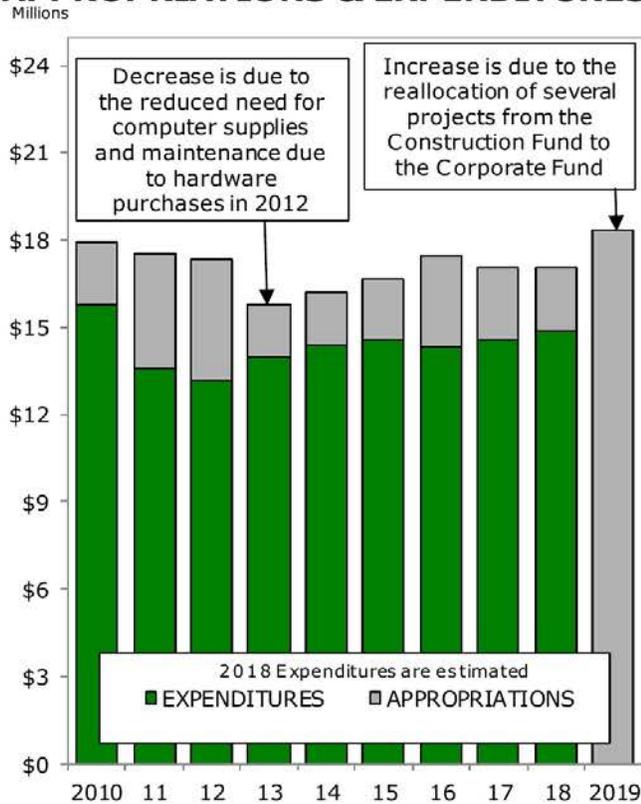
John H. Sudduth
Director of Information Technology

INFORMATION TECHNOLOGY

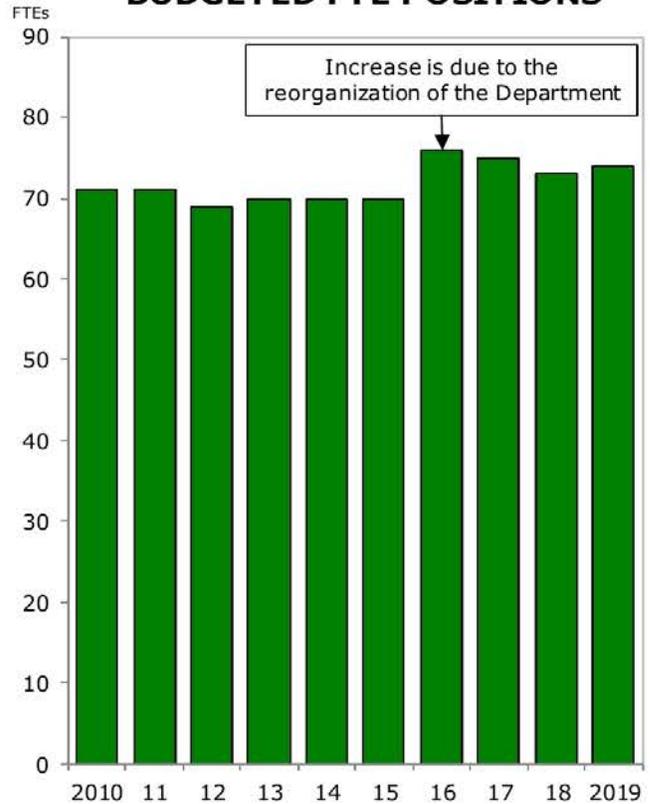
2019	\$18,352,300
2018	\$17,052,500
Increase	\$1,299,800



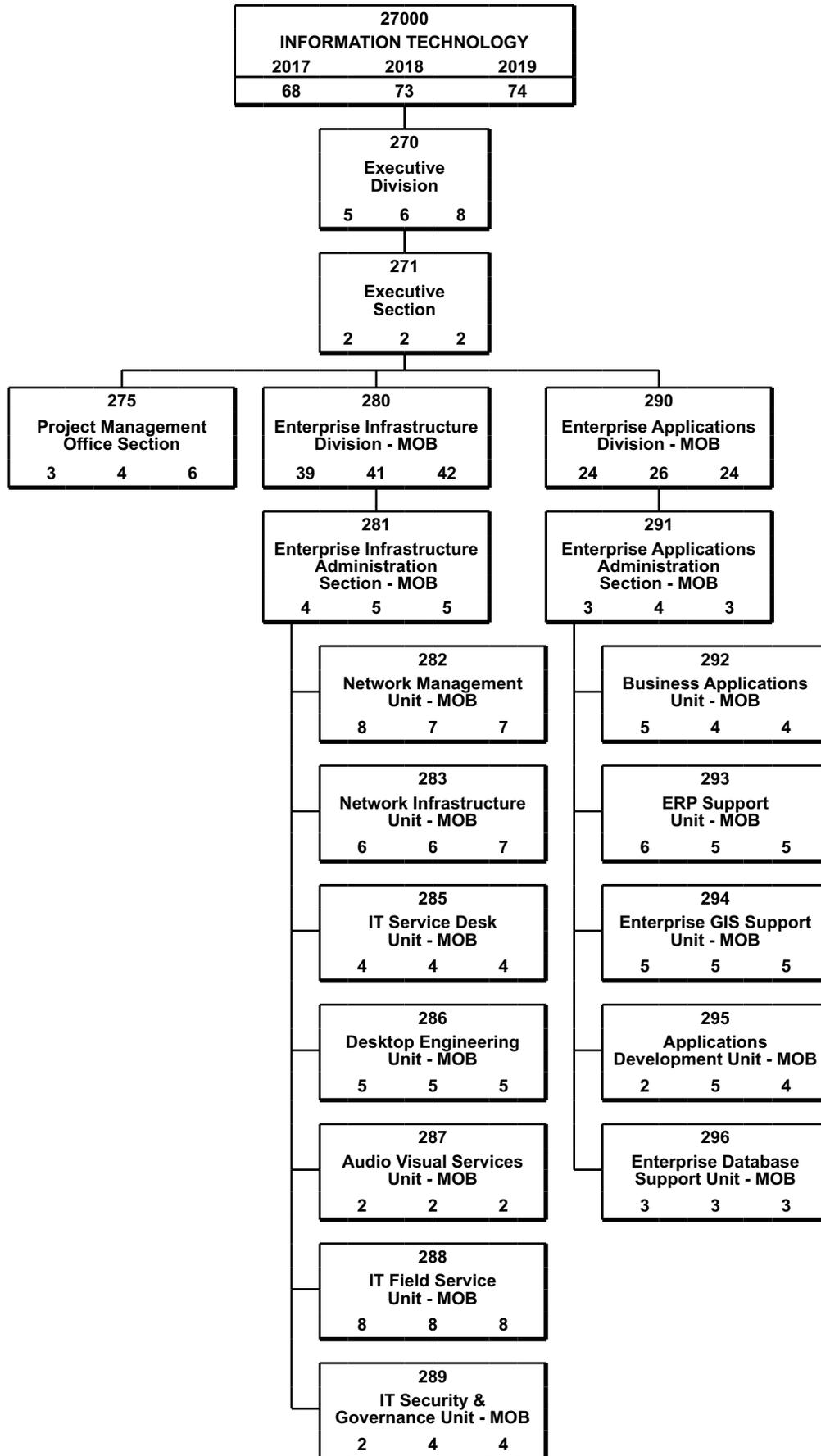
APPROPRIATIONS & EXPENDITURES



BUDGETED FTE POSITIONS



INFORMATION TECHNOLOGY



INFORMATION TECHNOLOGY

The mission of the Information Technology Department (ITD) is to promote successful achievement of the District's Strategic Business Plan through targeted information technology (IT) investments and services and to maintain technology infrastructures and architectures at levels that promote efficacy, efficiency, and sustainable practices throughout the District.

Departmental Summary

In pursuit of its mission, the ITD coordinates the planning and implementation of IT throughout the District. The ITD establishes District-wide computer standards and provides services in the following key areas: IT planning and program management, design and implementation, applications development and support, infrastructure operations and maintenance, user support, security, and disaster recovery.

Summary of 2018 Accomplishments

- Continued updating the District's Main Office Building Complex networking hardware, increasing stability and efficiency;
- Continued the implementation of the IT Infrastructure Strategy, including the replacement of networking equipment at the Main Office Building, Stickney Water Reclamation Plant, and the Egan Water Reclamation Plant;
- Continued the upgrade of the District's videoconferencing infrastructure, including Polycom-based desktop and mobile device client capabilities, allowing videoconferencing from desktops and mobile devices;
- Continued the implementation of the IT service catalog;
- Completed phase one of the implementation of single sign-on technology in the effort to streamline user passwords;
- Continued the upgrade of the District's voicemail system;
- Implemented the replacement of antiquated communication lines.

Budget Highlights

The 2019 appropriation for the ITD is \$18,352,300, an increase of \$1,299,800, or 7.6 percent, from 2018. The staffing level has increased from 73 to 74 positions, which includes the addition of a Senior Project Manager, a Project Manager, and a Network Analyst, offset by the drop of an Applications Administrator and an Assistant Director of Information Technology.

Significant features of the 2019 budget are:

- Continue the evaluation and alignment of the ITD's existing strategic plan to promote the achievement of the District's Strategic Business Plan;
- Continue the replacement of antiquated communication lines in the effort to reduce telecommunications cost;
- Develop a new application for issuing local sewer permits;
- Develop a new application for tracking Combined Sewer Overflow events;
- Complete the implementation of the IT Service Catalog, which will increase transparency, by detailing the services offered by the Information Technology Department;
- Continue the upgrade of the District's desk phone system, transforming the District's phone system to digital from analog;
- Implement additional cyber security protection, including email filtering and advanced intrusion detection;
- Evaluate additional consolidation of infrastructure and software technologies to streamline administration, leading to reduced costs and optimized performance;
- Complete post-implementation reviews with stakeholders to assess the effectiveness of existing applications;
- Complete the upgrade of the District's website.

2019 Initiatives in Support of the Strategic Business Plan Include the Following:

• Add Value

The ITD supports the various systems that are used by departments to implement their strategies. Among these are the internet-based Publicly owned treatment works Administration and Compliance System, the Laboratory Information Management System, the Combined Sewer Overflow Notification System, the Small Streams Maintenance Reporting System, the Metropolitan Water Reclamation District Incident Reporting System, the Stormwater Inundation Mapping Application, and the Stormwater Management Reporting Application.

• Excellence

The ITD will continue to assist the Public Affairs Section in improving the delivery and maintenance of the District's website content, www.mwr.org, providing easy and transparent access to reports and data and clear, consistent, accurate, and accessible information about the District and its areas of responsibility. The ITD will complete a project to upgrade the District's public website.

The development and use of current technologies, such as mobile applications, will facilitate interaction with the public and deliver reliable and useful information. The first District-developed mobile application, the Metropolitan Water Reclamation District Citizen Incident Reporting System, available at www.mwrd.org, was developed for use by the public to report odor, water pollution, waterway blockage, or other incidents.

- **Resource Recovery**

The ITD supports systems that are used by the departments to implement their strategies to pursue the recovery of natural resources. Among these are the internet-based Publicly owned treatment works Administration and Compliance System, the Laboratory Information Management System, and the Scales application. In addition, the ITD is committed to maintaining a reliable and flexible technology infrastructure to support new initiatives.

- **Develop Employees**

The ITD will continue to develop a culture that encourages a collaborative environment where the contributions of every employee are recognized. The ITD will continue to develop process and people-focused skill sets to meet the challenges of the changing demands of user departments and current technology platforms. When projects require highly specialized subject matter expertise, the ITD may partner with outside resources. Management will work with staff to develop competency-based individual development plans and ensure that employees recognize and understand their accountabilities.

The ITD will continue to facilitate the overall development of the District's employees by providing the audio and video infrastructure to prepare in-house training sessions, which will be available to all employees via the District's portal. The portal also supports other training materials.

The ITD will continue to support the use of videoconferencing technologies and webinars to facilitate meetings and on-site training. Infrastructure improvements will facilitate the anticipated increased use of web-based training, managed by the Human Resources Department, from employee workstations.

- **Leading Partnerships**

The ITD will maintain its relationship with the Water and Wastewater Chief Information Officer Forumsm, which is the only water and wastewater agency-focused organization for IT executives in the industry. The Water and Wastewater Chief Information Officer Forumsm provides its members with the unique opportunity to discuss specific IT leadership challenges and solutions with their industry counterparts. It also provides an opportunity for members to engage with industry leaders from global technology companies regarding the future state of systems relevant to the District.

ITD staff will continue to attend the Water Environment Federation's Annual Technical Exhibition and Conference to stay abreast of IT developments in water quality.

- **Technology**

The ITD will continue efforts to simplify the SAP enterprise resource planning system to increase utilization and maximize effectiveness by reducing the amount of customization and leveraging standard built-in functionality.

The Geographic Information System program will continue to grow via data and application development and continued systems integration. Application and data development will continue to focus on providing District staff with the richest geographic information available while integrating it with the current business systems to support various business decisions. Also in 2019, the Geographic Information System program will continue to deliver data and applications to District field staff via mobile devices, providing them with a more streamlined and efficient mechanism to enter data at the point of origin.

The ITD will continue to upgrade technology infrastructure, such as storage area networks, servers, VMware, Citrix, and desktops, which will provide higher reliability and availability, as well as reduce power and cooling requirements.

The ITD will continue to evolve the District's information technology security offering by implementing new protection mechanisms in the effort to combat spam, malware, and other cyber security threats.

The ITD will continue to pursue opportunities for enterprise solutions to ensure that efforts can be shared across agency resources. Efforts are currently underway in the areas of document management, project management, and completing the rollout of Microsoft Office 365. The move to the use of Microsoft Office 365 provides employees with the latest versions of Microsoft Office software and also moves them into the mobile workspace by providing access to District email and documents on up to five different devices (including Windows Phone, iOS, and Android devices). The ITD expects considerable savings over time in infrastructure, administration, and licensing costs due to the Microsoft Office 365 implementation.

27000 INFORMATION TECHNOLOGY

OBJECTIVES AND PROGRAM SUMMARY

OBJECTIVES BY PRIORITY:	Cost	Percent
1. COMPUTER HARDWARE AND SOFTWARE SUPPORT: The Information Technology Department (ITD) provides maintenance and operations of all hardware, including SAP servers, storage area networks/thin client central computer hardware, and software for nine major locations.	\$ 1,652,600	9.0%
2. VOICE, DATA, AND VIDEO COMMUNICATIONS SUPPORT: The Enterprise Infrastructure Division maintains the District's wide area network as well as the Main Office Building Complex local area networks. Staff is responsible for planning, installing, and maintaining voice, data, and video communications for the entire District.	\$ 3,004,200	16.4%
3. INFORMATION SYSTEMS PLANNING AND COORDINATION: Provides a strategic perspective used to align the ITD with the stated goals and objectives of the District and its departments. Staff is responsible for services such as strategic planning of technology and communications as well as disaster recovery planning.	\$ 1,732,800	9.4%
4. SYSTEMS ANALYSIS AND PROGRAMMING: The Enterprise Applications Division is responsible for the system management of the Enterprise Financial System applications which includes ongoing database maintenance, system configuration, and enhancement using Advanced Business Application Programming techniques. Internet/intranet services will continue to expand to meet the District's needs.	\$ 1,955,000	10.6%
5. COMPUTER OPERATIONS SUPPORT: The ITD operates two computer rooms which house the District's Sun and ALPHA systems, storage area networks, network servers, and ancillary equipment.	\$ 4,579,000	25.0%
6. DEPARTMENTAL SERVICES: The ITD provides direct consulting, planning, and maintenance assistance to all departments as well as the administration of storage area networks/thin clients and necessary networking. Additional services include support of department-specific software such as the Laboratory Information Management System, Maintenance Management System, and the internet-based Publicly owned treatment works Administration and Compliance System, along with Treasury Section and real estate applications.	\$ 3,975,900	21.7%
7. COMPUTER SECURITY: The ITD is responsible for the security of all District information systems, disaster recovery system, and data, which includes monitoring and enforcing compliance with software licensing agreements, District security directives, and the disaster recovery plan. Staff is also responsible for auditing remaining workstations to verify compliance.	\$ 584,200	3.2%
8. DESKTOP APPLICATIONS SUPPORT: The assigned staff will continue to provide applications and technical support to approximately 1,970 computer system users.	\$ 868,600	4.7%
Total	\$ 18,352,300	100.0%

MEASURABLE GOALS:	2017 Actual	2018 Estimated	2019 Proposed
1. Call Center - Timeframe: Response time to call center requests for assistance.	< 24 Hrs.	< 24 Hrs.	< 24 Hrs.
2. Call Center - Total Repeats: Reduce number of repeat calls for service.	Reduced 10%	Reduce 20%	Reduce 20%
3. Project Schedule: Ensure project completion consistent with Request For Proposal/Budget requests.	On Time	On Time	On Time
4. Project Budget: Ensure the completion of ITD projects at or below budget.	At Budget	At Budget	At Budget
5. Customer Satisfaction: Ensure user satisfaction with ITD systems, applications, and infrastructure. On a scale of one to five, where five is the highest.	3	4	4

27000 INFORMATION TECHNOLOGY

OBJECTIVES AND PROGRAM SUMMARY

PROGRAMS BY PRIORITY:		2017	Budgeted		Change		
Number		Actual	FTEs	Dollars	Dollars	Percent	
7381	Systems Analysis and Programming	\$ 1,534,352	2019 17	\$ 1,955,000	\$ 48,900	2.6	
			2018 17	\$ 1,906,100			
7382	Desktop Applications Support	\$ 891,511	2019 6	\$ 868,600	\$ (65,200)	(7.0)	
			2018 6	\$ 933,800			
7383	Voice, Data, and Video Communications Support	\$ 1,964,692	2019 10	\$ 3,004,200	\$ 814,700	37.2	a)
			2018 9	\$ 2,189,500			
7384	Central Computer Hardware and Proprietary Software Support	\$ 1,397,869	2019 8	\$ 1,652,600	\$ (166,900)	(9.2)	b)
			2018 9	\$ 1,819,500			
7385	Computer Operations, Maintenance, and Support	\$ 3,915,022	2019 7	\$ 4,579,000	\$ 123,100	2.8	
			2018 7	\$ 4,455,900			
7387	Computer Security	\$ 313,826	2019 4	\$ 584,200	\$ 11,000	1.9	
			2018 4	\$ 573,200			
7388	Information Systems Planning	\$ 684,685	2019 6	\$ 982,400	\$ 154,000	18.6	c)
			2018 5	\$ 828,400			
7389	Information Systems Coordination	\$ 416,613	2019 4	\$ 750,400	\$ 233,900	45.3	d)
			2018 3	\$ 516,500			
7800	Information Technology Services	\$ 3,332,460	2019 12	\$ 3,852,600	\$ 142,900	3.9	
			2018 13	\$ 3,709,700			
7604	Social Security and Medicare Contributions	\$ 105,834	2019 —	\$ 123,300	\$ 3,400	2.8	
			2018 —	\$ 119,900			
Totals		\$14,556,864	2019 74	\$ 18,352,300	\$ 1,299,800	7.6%	
			2018 73	\$ 17,052,500			

a) Increase is due to the addition of telemetry services (\$595,600) and the addition of network fiber cable runs (\$150,000).

b) Decrease is due to the reduced need for enterprise consulting services (\$150,000).

c) Increase is due to the addition of general information technology consulting services (\$75,000) and the addition of information technology project management consulting (\$75,000).

d) Increase is due to the addition of one FTE position (\$107,700), higher severance payments due to expected retirements in 2019 (\$78,400), and the addition of telecommunication expense management services (\$50,000).

27000 INFORMATION TECHNOLOGY

PERFORMANCE DATA

Program Number	Measurable Activity		2017 Actual	2018 Budgeted	2019 Estimated	
7380	Information Technology and Telecommunications					
7381	Systems Analysis and Programming	Application Modules Supported	80	90	90	
		Cost	\$ 1,534,352	\$ 1,906,100	\$ 1,955,000	
		Cost/Module	\$ 19,179.40	\$ 21,178.89	\$ 21,722.22	
7382	Desktop Applications Support	# of Service Calls	12,126	13,002	13,002	
		Cost	\$ 891,511	\$ 933,800	\$ 868,600	
		Cost/Service Call	\$ 73.52	\$ 71.82	\$ 66.81	
7383	Voice, Data, and Video Communications Support	Cost	\$ 1,964,692	\$ 2,189,500	\$ 3,004,200	a)
7384	Central Computer Hardware and Proprietary Software Support	Cost	\$ 1,397,869	\$ 1,819,500	\$ 1,652,600	b)
7385	Computer Operations, Maintenance, and Support	Cost	\$ 3,915,022	\$ 4,455,900	\$ 4,579,000	
7387	Computer Security	Cost	\$ 313,826	\$ 573,200	\$ 584,200	
7388	Information Systems Planning	Cost	\$ 684,685	\$ 828,400	\$ 982,400	c)
7389	Information Systems Coordination	Cost	\$ 416,613	\$ 516,500	\$ 750,400	d)
7800	Information Technology Services	# of Users	1,949	2,000	1,970	
		Cost	\$ 3,332,460	\$ 3,709,700	\$ 3,852,600	
		Cost/User	\$ 1,709.83	\$ 1,854.85	\$ 1,955.63	
7604	Social Security and Medicare Contributions	Cost	\$ 105,834	\$ 119,900	\$ 123,300	
		Total	\$ 14,556,864	\$ 17,052,500	\$ 18,352,300	

a) Increase is due to the addition of telemetry services (\$595,600) and the addition of network fiber cable runs (\$150,000).

b) Decrease is due to the reduced need for enterprise consulting services (\$150,000).

c) Increase is due to the addition of general information technology consulting services (\$75,000) and the addition of information technology project management consulting (\$75,000).

d) Increase is due to the addition of one FTE position (\$107,700), higher severance payments due to expected retirements in 2019 (\$78,400), and the addition of telecommunication expense management services (\$50,000).

101 27000	Fund: Corporate Department: Information Technology	LINE ITEM ANALYSIS						
		2017	2018			2019		
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/18	Expenditure (Committed Budget plus Disbursement) 09/30/18	Estimated Expenditure 12/31/18	Proposed by Executive Director	Recommended by Committee on Budget and Employment
601010	Salaries of Regular Employees	\$ 7,504,043	\$ 8,514,700	\$ 8,514,700	\$ 5,551,744	\$ 7,796,800	\$ 8,516,000	\$ —
601060	Compensation Plan Adjustments	185,067	154,700	154,700	49,727	66,500	228,800	—
601070	Social Security and Medicare Contributions	105,834	119,900	119,900	78,993	115,900	123,300	—
601100	Tuition and Training Payments	31,967	66,000	66,000	36,774	12,000	38,000	—
100	TOTAL PERSONAL SERVICES	7,826,911	8,855,300	8,855,300	5,717,237	7,991,200	8,906,100	—
612010	Travel	446	800	900	881	900	2,000	—
612030	Meals and Lodging	890	2,400	2,300	684	700	5,000	—
612040	Postage, Freight, and Delivery Charges	790	500	1,000	1,000	800	1,500	—
612050	Compensation for Personally-Owned Automobiles	834	2,100	2,100	918	1,500	1,500	—
612210	Communication Services	948,399	1,177,600	1,177,600	1,125,950	975,100	1,575,200	—
612330	Rental Charges	293,970	325,500	325,500	325,407	325,400	475,500	—
612430	Payments for Professional Services	99,973	602,500	602,500	506,548	178,500	915,200	—
612490	Contractual Services, N.O.C.	—	49,600	17,800	9,750	9,800	10,000	—
612810	Computer Equipment Maintenance	237,365	364,200	334,200	182,785	187,800	340,100	—
612820	Computer Software Maintenance	3,839,570	4,216,900	4,216,900	3,921,598	3,813,000	4,303,700	—
612840	Communications Equipment Maintenance (Includes Software)	684,050	735,900	735,900	730,360	727,300	777,700	—
200	TOTAL CONTRACTUAL SERVICES	6,106,286	7,478,000	7,416,700	6,805,881	6,220,800	8,407,400	—
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	9,763	18,700	18,700	17,452	16,000	15,500	—
623800	Computer Software	76,921	118,400	172,600	121,696	126,300	99,700	—
623810	Computer Supplies	410,474	431,500	431,500	394,984	398,500	555,300	—
623850	Communications Supplies	89,803	120,600	150,600	150,293	106,300	162,800	—
300	TOTAL MATERIALS AND SUPPLIES	586,960	689,200	773,400	684,425	647,100	833,300	—
634810	Computer Equipment	36,706	—	7,100	6,920	7,000	7,000	—
634820	Computer Software	—	30,000	—	—	—	182,000	—
634840	Communications Equipment (Includes Software)	—	—	—	—	—	16,500	—
400	TOTAL MACHINERY AND EQUIPMENT	36,706	30,000	7,100	6,920	7,000	205,500	—
TOTAL INFORMATION TECHNOLOGY		\$ 14,556,864	\$ 17,052,500	\$ 17,052,500	\$ 13,214,464	\$ 14,866,100	\$ 18,352,300	\$ —

NOTES: 1. Amounts may not add up due to rounding.
 2. Departmental appropriation totals for salaries in the Line Item Analysis may differ from those contained in the Position Analysis by a factor identified to adjust for vacancies.
 Additionally, Estimated Expenditure may either exceed Adjusted Appropriation when transfers of funds are anticipated or be less than Expenditure (Committed Budget plus Disbursement) when not all commitments are anticipated to be completed by year-end.

Fund: Corporate Dept: Information Technology		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
270	Executive Division					
271	Executive Section					
EX17	Director of Information Technology	1	1		1	
EX06	Secretary to Officer	1	1		1	
TOTAL	Executive Section	2	2	339,787.74	2	339,787.76
275	Project Management Office Section					
HP19	Project Management Office Manager	1	1		1	
HP18	Senior Project Manager	—	—		1	
HP16	Applications Administrator	—	1		—	
HP16	Applications Administrator #2 (Project Manager)	—	—		1	
HP16	Project Manager	—	—		2	
HP16	Senior Business Analyst	1	1		—	
HP14	Business Analyst	1	1		1	
TOTAL	Project Management Office Section	3	4	419,261.57	6	652,528.51
TOTAL	Executive Division	5	6	759,049.31	8	992,316.27
280	Enterprise Infrastructure Division - MOB					
281	Enterprise Infrastructure Administration Section - MOB					
HP20	Assistant Director of Information Technology	1	1		1	
HP19	Information Technology Manager	2	3		3	
HP11	Administrative Specialist	1	1		1	
TOTAL	Enterprise Infrastructure Administration Section - MOB	4	5	637,118.05	5	651,948.44
282	Network Management Unit - MOB					
HP18	Senior Network Engineer #1	1	—		—	
HP18	Senior Systems Administrator	1	1		1	
HP18	Senior Systems Administrator #1	1	1		1	
HP17	Computer Systems Administrator #2 (Systems Administrator) (New Grade HP16)	3	3		3	
HP17	Senior Systems Programmer #2 (Systems Administrator) (New Grade HP16)	1	1		1	

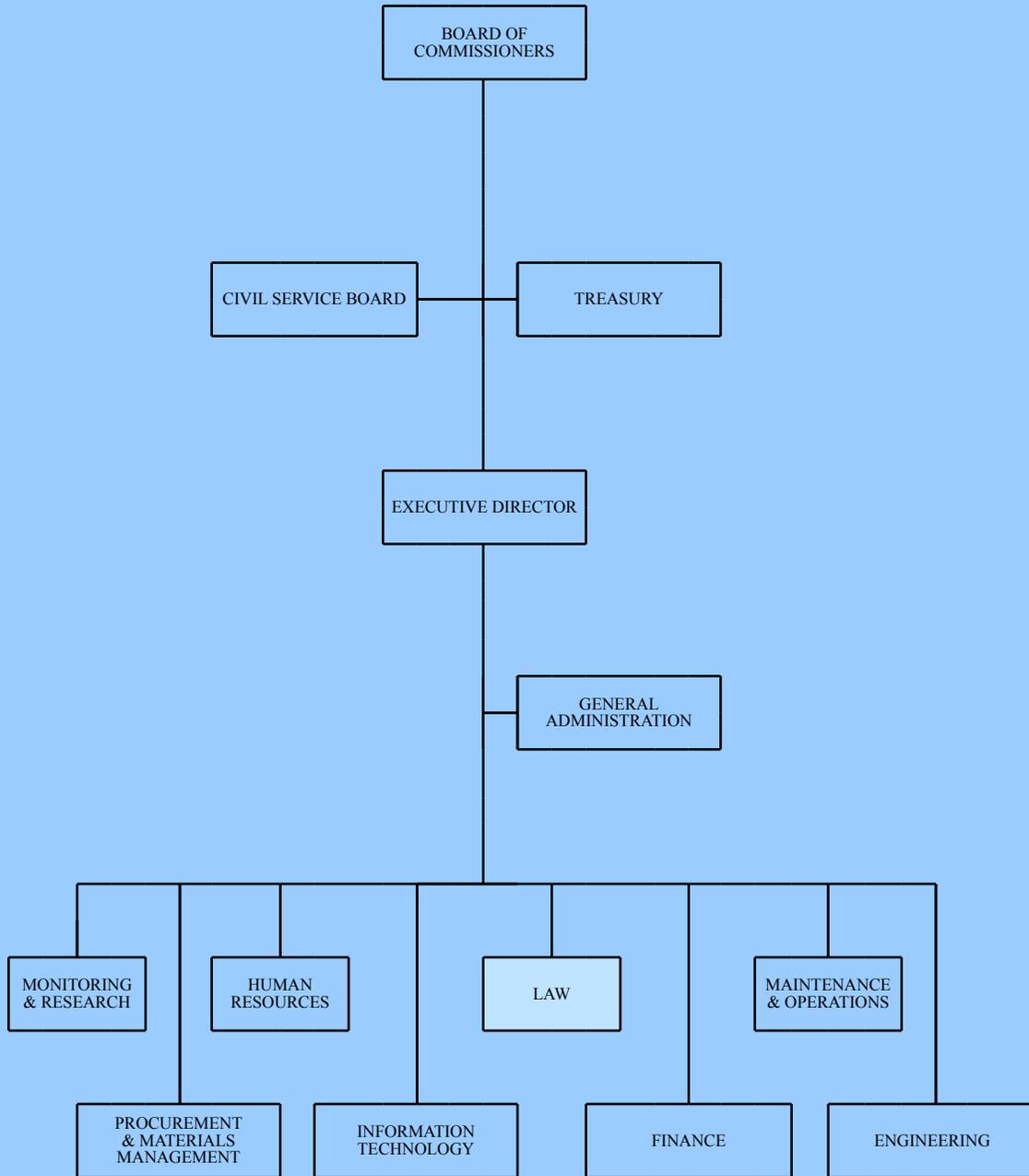
Fund: Corporate Dept: Information Technology		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP16	Systems Administrator	1	1		1	
TOTAL	Network Management Unit - MOB	8	7	928,696.45	7	934,034.14
283	Network Infrastructure Unit - MOB					
HP18	Senior Network Engineer	1	1		1	
HP16	Network Engineer	4	4		4	
HP14	Network Analyst	—	—		1	
NR1541	Telecommunications Specialist	1	1		—	
NR1541	Telecommunications Specialist #1	—	—		1	
TOTAL	Network Infrastructure Unit - MOB	6	6	691,673.81	7	780,633.36
285	IT Service Desk Unit - MOB					
HP15	IT Support Coordinator	1	1		1	
HP12	Systems Support Specialist II #2 (IT Support Analyst I) (New Grade HP11)	1	1		1	
HP11	IT Support Analyst I	2	2		2	
TOTAL	IT Service Desk Unit - MOB	4	4	293,749.84	4	281,981.44
286	Desktop Engineering Unit - MOB					
HP18	Senior Desktop Engineer	1	1		1	
HP17	Computer Systems Administrator #2 (Desktop Engineer) (New Grade HP16)	3	3		3	
HP15	Computer Systems Coordinator #2 (Desktop Analyst) (New Grade HP14)	1	1		1	
TOTAL	Desktop Engineering Unit - MOB	5	5	665,672.94	5	670,748.52
287	Audio Visual Services Unit - MOB					
HP16	A/V Administrator	1	1		1	
HP14	A/V Analyst	1	1		1	
TOTAL	Audio Visual Services Unit - MOB	2	2	188,759.01	2	193,618.36
288	IT Field Service Unit - MOB					
HP18	Senior Computer Systems Administrator #2 (IT Support Coordinator) (New Grade HP15)	1	1		1	
HP17	Computer Systems Administrator #2 (IT Support Analyst II) (New Grade HP13)	3	2		1	

Fund: Corporate Dept: Information Technology		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP15	Computer Systems Coordinator #2 (IT Support Analyst II) (New Grade HP13)	1	1		1	
HP15	Computer Systems Coordinator #2 (IT Support Analyst I) (New Grade HP11)	1	1		1	
HP13	IT Support Analyst II	—	1		2	
HP11	IT Support Analyst I	2	2		2	
TOTAL	IT Field Service Unit - MOB	8	8	832,290.40	8	779,858.30
289	IT Security & Governance Unit - MOB					
HP18	Senior IT Security Administrator	1	1		1	
HP17	Computer Systems Administrator #2 (IT Security Analyst) (New Grade HP14)	1	1		1	
HP16	IT Security Administrator	—	1		1	
HP14	IT Security Analyst	—	1		1	
TOTAL	IT Security & Governance Unit - MOB	2	4	474,311.52	4	474,311.49
TOTAL	Enterprise Infrastructure Division - MOB	39	41	4,712,272.02	42	4,767,134.05
290	Enterprise Applications Division - MOB					
291	Enterprise Applications Administration Section - MOB					
HP20	Assistant Director of Information Technology	—	1		—	
HP19	Information Technology Manager	2	2		2	
HP11	Administrative Specialist	1	1		1	
TOTAL	Enterprise Applications Administration Section - MOB	3	4	526,793.02	3	383,775.34
292	Business Applications Unit - MOB					
HP18	Senior Applications Administrator	1	1		1	
HP17	Webmaster #1	1	1		1	
HP16	Applications Administrator	2	1		1	
HP14	Applications Analyst	1	1		1	
TOTAL	Business Applications Unit - MOB	5	4	491,535.47	4	502,406.58
293	ERP Support Unit - MOB					
HP18	Senior Applications Administrator	1	1		1	
HP17	Senior Systems Programmer #1	2	2		2	

Fund: Corporate Dept: Information Technology		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP16	Applications Administrator	1	1		1	
HP14	Applications Analyst	2	1		1	
TOTAL	ERP Support Unit - MOB	6	5	645,851.37	5	650,711.08
	294 Enterprise GIS Support Unit - MOB					
HP18	Senior Applications Administrator	1	1		1	
HP16	Applications Administrator #2 (GIS Analyst) (New Grade HP14)	2	2		1	
HP14	GIS Analyst	2	2		3	
TOTAL	Enterprise GIS Support Unit - MOB	5	5	570,701.40	5	549,195.14
	295 Applications Development Unit - MOB					
HP18	Senior Applications Developer	1	1		1	
HP16	Applications Administrator	—	1		—	
HP16	Applications Developer	—	1		1	
HP14	Applications Analyst	1	2		2	
TOTAL	Applications Development Unit - MOB	2	5	464,394.10	4	409,592.30
	296 Enterprise Database Support Unit - MOB					
HP18	Senior Database Administrator	1	1		1	
HP16	Database Administrator	2	2		2	
TOTAL	Enterprise Database Support Unit - MOB	3	3	386,785.19	3	386,785.09
TOTAL	Enterprise Applications Division - MOB	24	26	3,086,060.55	24	2,882,465.53
TOTAL	Information Technology	68	73	8,557,381.88	74	8,641,915.85

NOTE: Departmental appropriation totals for salaries in the Position Analysis differ from those contained in the Line Item Analysis by a factor identified to adjust for vacancies. Salary ranges corresponding to the pay plan and grade for each class title can be found in the table of Salary Schedules in the Appendix.

NOTE PAGE



Protecting Our Water Environment

Metropolitan Water Reclamation District of Greater Chicago

100 EAST ERIE STREET CHICAGO, ILLINOIS 60611-3154 312.751.5600

BOARD OF COMMISSIONERS

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September 11, 2018

Mr. John P. Murray
Acting Executive Director
OFFICE

Dear Sir:

Subject: 2019 Program for the Law Department

The Law Department's program for 2019, as prepared in detail, is transmitted herewith. The budget presentation supports the request for funding of 2019 initiatives in alignment with and in support of the Strategic Business Plan. The budget requests include all amendments as directed by you during the Executive Director Budget Hearings in August of this year.

The narrative provides a summary of the department, 2019 major initiatives and challenges, and 2018 accomplishments. Supporting schedules of objectives, performance, and staffing levels present three years of detailed budgetary information.

Thank you for the opportunity to present the proposed Law Department for 2019.

Respectfully submitted,

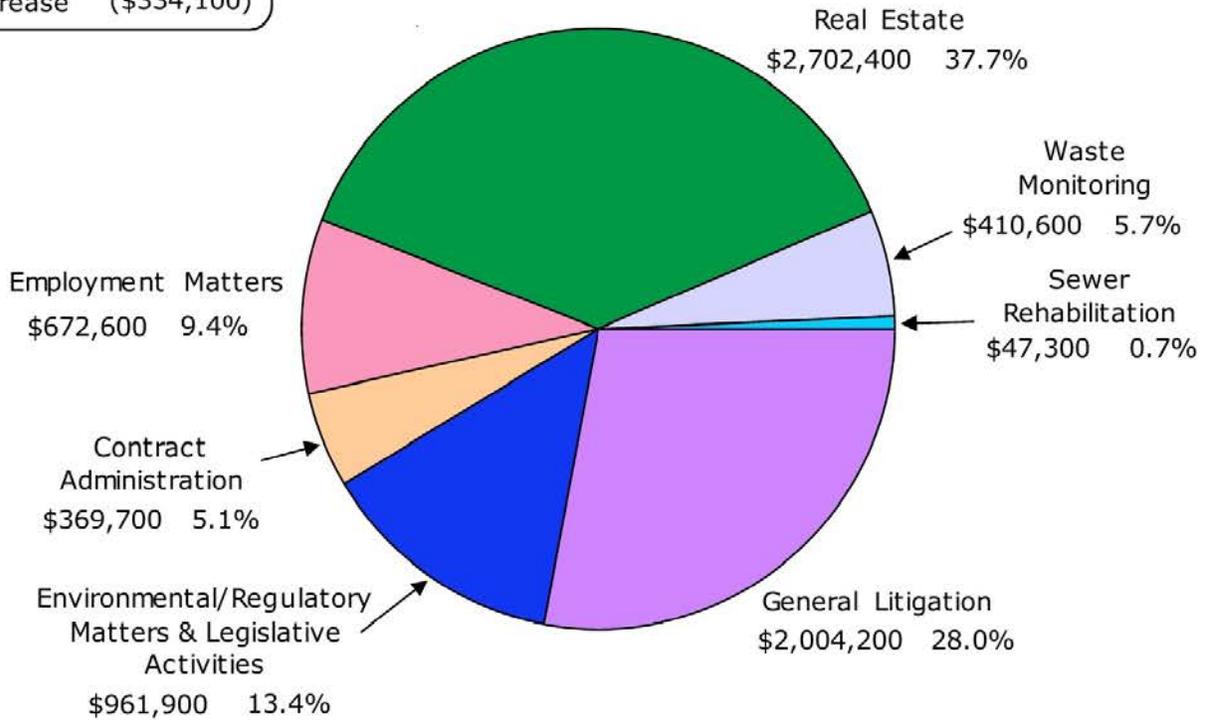


Susan T. Morakalis
General Counsel

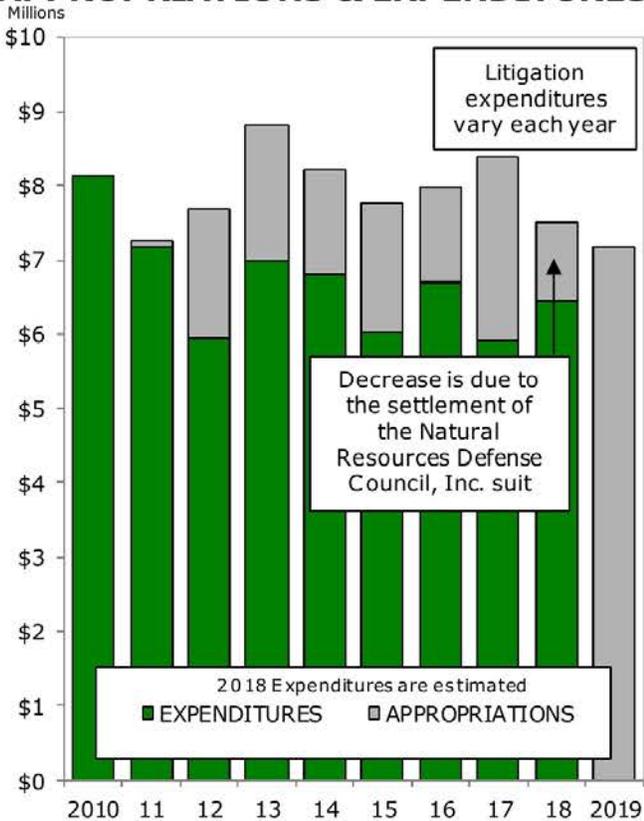
LAW

FUNCTIONS

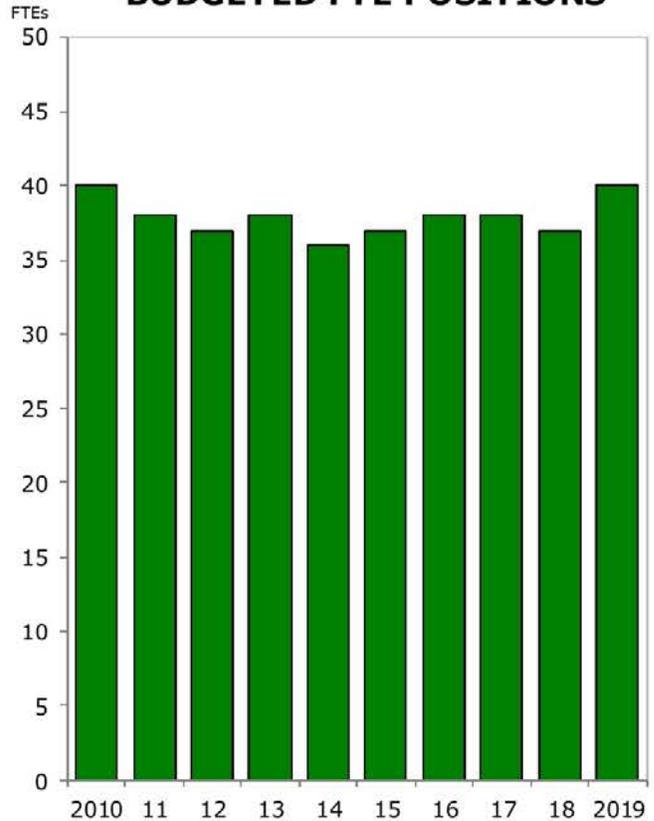
2019	\$7,168,700
2018	\$7,502,800
Decrease	(\$334,100)



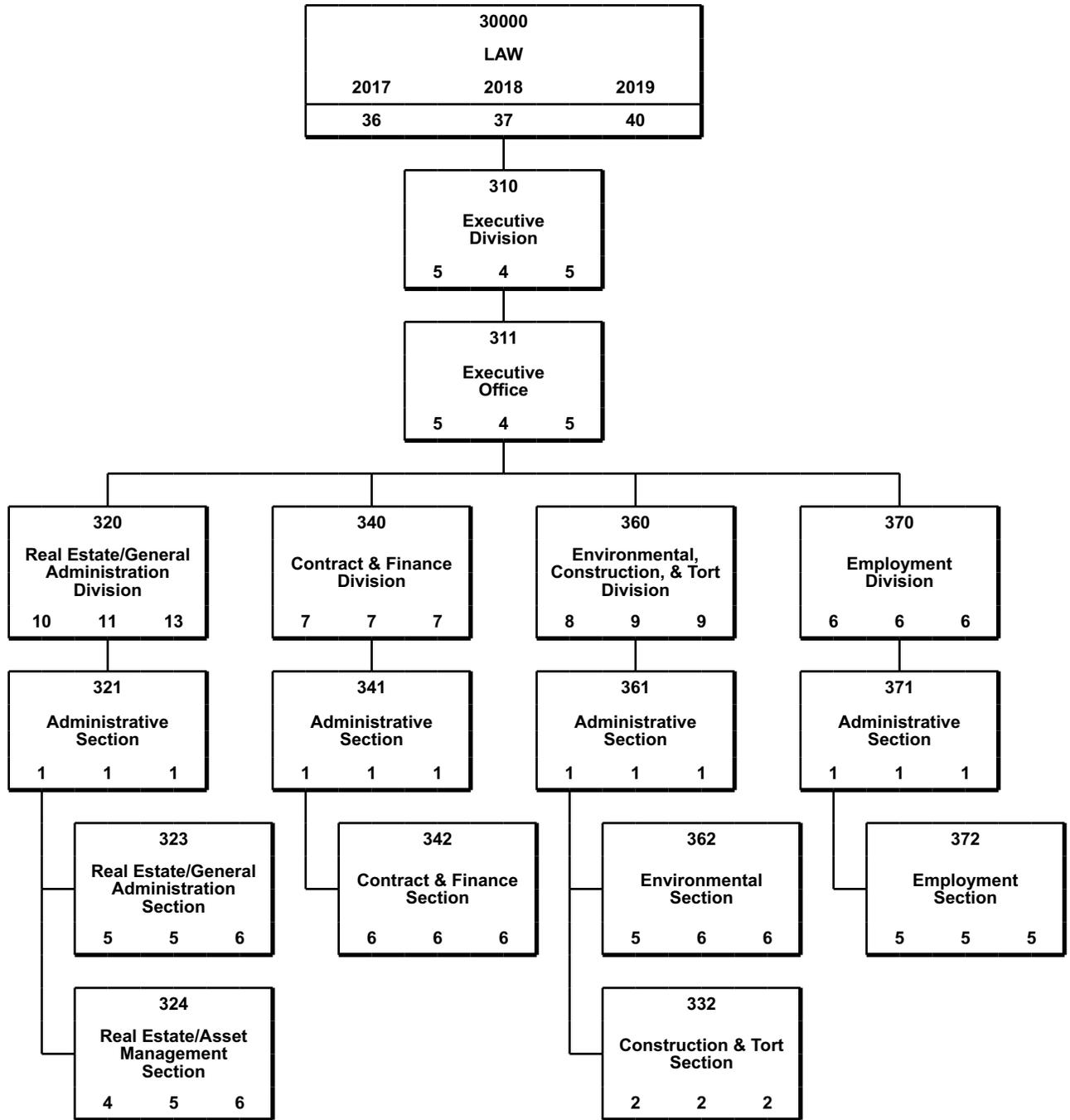
APPROPRIATIONS & EXPENDITURES



BUDGETED FTE POSITIONS



LAW



LAW

The mission of the Law Department is to provide high quality cost-effective legal counsel, representation, litigation and transactional services, and real estate administration services to the District.

Departmental Summary

The department's primary responsibilities include:

- Providing legal counsel to the Board of Commissioners, Executive Director, and department heads;
- Working with other departments to implement initiatives;
- Ensuring compliance with laws, regulations, and ordinances applicable to the District;
- Performing all necessary legal actions regarding environmental, tort, contractual, financial, employment, municipal, and real estate matters, including litigation;
- Representing the District in administrative hearings, arbitration, and litigation at the trial and appellate levels in state and federal courts;
- Administering approximately 24,000 acres of District real estate;
- Representing the District's legislative interests with the Illinois General Assembly, including drafting, introducing, testifying on, and passing legislation as necessary, and protecting the District's interests against adversarial legislation.

Summary of 2018 Accomplishments

- Processed 289 Freedom of Information Act requests;
- Drafted and implemented Procedural Rules for the Watershed Management Ordinance;
- Assisted with the drafting and negotiation of numerous Intergovernmental Agreements with local municipalities to assist in stormwater management efforts;
- Defended an appeal of the District's Lake Michigan diversion allotment;
- Handled all legal issues for the naming and labeling of the District's compost product;
- Successfully negotiated a lease in which a public entity agreed to demolish an existing dilapidated building in exchange for leasing the site for public recreational purposes;
- Developed and implemented an updated Cook County Multi-Project Labor Agreement for District construction projects;
- Handled seven lawsuits in the U.S. District Court for the Northern District of Illinois. In representing all named defendants, staff attorneys successfully navigated the discovery process, which involved extensive motion practice, multiple court appearances and depositions, extensive written and e-discovery, and lengthy correspondence with opposing counsel;
- Defended a proposed class action lawsuit alleging an unconstitutional taking of private property during severe rain events;
- Worked cooperatively with the Finance and Monitoring & Research Departments to collect outstanding user charges, record liens, and prosecute collection lawsuits as needed;
- Obtained full or partial dismissals in six of the seven federal employment lawsuits by thoroughly researching a wide range of legal issues and filing on point motions to dismiss and support memoranda of law;
- Prevailed in two evidentiary hearings before the Civil Service Board, obtaining rulings upholding the District's disciplinary actions and charges;
- Developed and implemented a new Request for Qualification process for procurement of professional legal services;
- With the assistance of the Finance and Monitoring & Research Departments, brought an enforcement action against a user for multiple violations under the District's Sewage and Waste Control Ordinance. The enforcement action resulted in a settlement requiring the user to implement best management practices, including substantial investment in its facilities infrastructure and wastewater pretreatment process;
- In furtherance of the Board of Commissioners' policy direction, provided legal research, drafting, review, and guidance to the Human Resources Department in implementing the District's first paid parental leave policy;
- In conjunction with the Engineering Department, obtained numerous temporary and permanent easements and fee simple titles on nearly 400 parcels of land pertaining to regional stormwater projects, including Addison Creek Reservoir, Addison Creek Channel Improvements, Midlothian Creek, Lyons Levee, and the Plainfield Road Corridor Study, and created a list of Land Acquisition Procedures to streamline the land acquisition process.

Budget Highlights

The 2019 appropriation for the Law Department is \$7,168,700, a decrease of \$334,100, or 4.5 percent, from 2018. The staffing level has increased from 37 to 40 positions, which includes the addition of one Deputy General Counsel position, an Investigator position, a Senior Administrative Specialist position, and two Senior Attorney positions, offset by the drop of two Assistant Attorney positions. The significant features of the 2019 budget are:

- Generate real estate lease and easement income at approximately \$21,500,000;
- Continue to work cooperatively with the Finance and Monitoring & Research Departments to develop a more efficient process by which to seek collection of past-due user charges from tax-exempt users.

2019 Initiatives in Support of the Strategic Business Plan Include the Following:

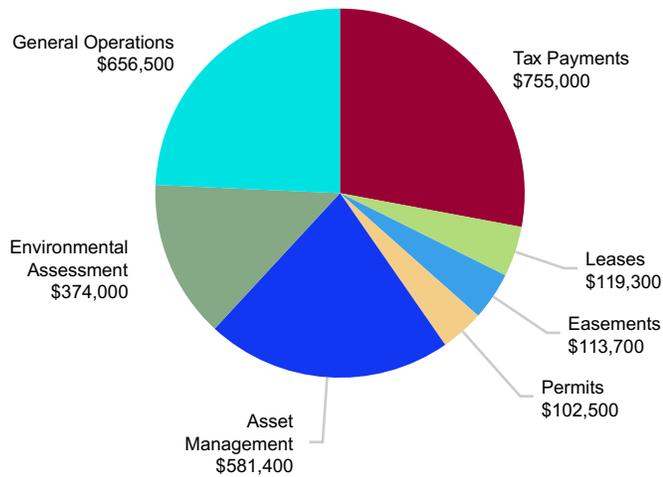
• **Add Value**

The Law Department continues to administer a cost-effective real estate program. The Real Estate/General Administration Division has continued to pursue a multi-pronged approach to the administration of District lands not currently required for its corporate purposes. This balanced program seeks to maximize rental income in those instances where District land is made available for private use in accordance with state law, incorporate Green Infrastructure into leases whenever possible, improve the aesthetics of, and create greater opportunity for public access and use of District land located along its waterways, and ensure the protection of District lands including, but not limited to, environmental remediation.

The District’s rental revenues continue to increase, while efforts to re-lease expired and remediated leaseholds at higher rentals continue. While maximizing rentals from private use of District land, the Real Estate/General Administration Division has remained committed to improving the aesthetics, public access, and public recreational opportunities along its waterways. Toward that end, the District continues to lease some of its land, for a nominal fee, to local park districts, the Forest Preserve District, and municipalities for the specific purpose of providing the general public with greater access to recreational opportunities along the waterways. The Real Estate/General Administration Division plays an integral role in acquiring land rights necessary for the District's regional Stormwater Management projects.

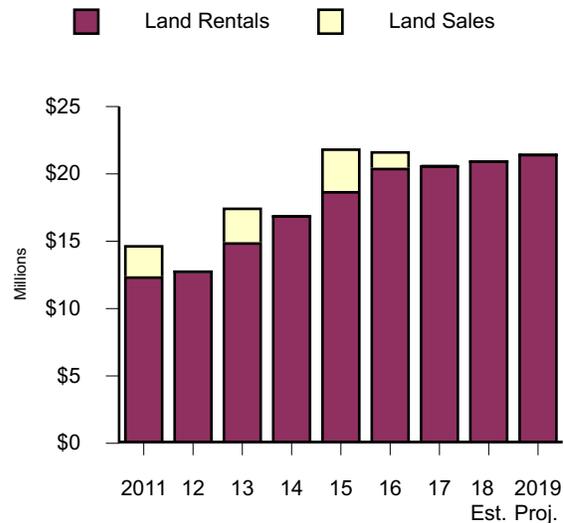
The Law Department evaluates a variety of contracts and agreements for the acquisition of equipment, labor, software, construction, and professional services. The different categories include sole source, furnish and deliver, emergency matters, as well as maintenance. The dollar amounts of the agreements reviewed range from the thousands to the hundreds of millions. The agreements also vary in complexity. The Contract & Finance Division reviews approximately 100 agreements per year. The average number of workdays to review all contracts, from the fairly routine to the more complex, is approximately eight workdays. While the overall goal is to review and comment on all contracts within the timeframe requested by the operating department, the Law Department is striving to further reduce the average turnaround time.

2019 Real Estate Program Budget



Total \$2,702,400

**Real Estate Income
Land Sales, Leases, Easements, &
Permits**



Land Sale Details
 2011 - 315.3 acres sold in Will County
 2013 - 326.4 acres sold in Will County
 2014 - 5.9 acres sold in Cook County
 2015 - 4.2 acres sold to the IL State Toll Highway Authority
 2016 - 4.4 acres sold to the City of Chicago
 2017 - .05 acres sold to the Wm. Wrigley Jr. Company

- **Excellence**

The Law Department employs multiple-tactic strategies to achieve optimal results for the District in the legal arena. First, by making sure the District maintains compliance with all applicable laws, we keep claim filings low. We continually counsel, train, and advise management as to best practices. When potential claims do arise, we assess the potential liability and costs and recommend actions to resolve them or maximize the District's position. If litigation cannot be avoided, we use all tools at our disposal to obtain dismissal or summary judgment, negotiate favorable settlements, or if necessary, to prevail at trial. If necessary, we will pursue our cases all the way to the Supreme Court. Our careful preparation, skill, resource management, risk management, and determination allow the District to take the most advantageous route to accomplish its goals at the lowest possible cost.

- **Resource Recovery**

In 2019, the Law Department will continue the implementation of the District's Resource Recovery Plan by assisting the operating departments in the administration of the District's Resource Recovery Ordinance. The ordinance outlines the District's program to sell or otherwise dispose of recovered resources or renewable energy resources resulting from the operation of District facilities. The Law Department will provide counsel and continuous support to the District's Board of Commissioners, technical, and financial professionals in connection with various renewable energy initiatives that will enable the District to achieve its goal of energy neutrality by 2023.

Another component of these initiatives is to obtain high strength liquid waste to aid in the biological removal of phosphorus from the District's effluent water.

The Law Department continues to support the District's efforts to beneficially reuse biosolids that are a byproduct of the District's wastewater treatment operations.

- **Develop Employees**

The Law Department encourages employees to attend professional development conferences and seminars, as well as to complete eLearning courses and wellness programs that are beneficial to the District. In addition, access to continuing legal education webinars is offered through an economical subscription package. The Law Department will continue to support the Human Resources Department in the legal aspects of the Tuition Reimbursement Program policy and procedures. Internally, the Law Department will enhance its onboarding procedure and develop orientation materials for staff new to the department. We will also resume our intradepartmental seminar series to further enhance employee development.

- **Leading Partnerships**

In 2019, the Law Department will continue to work with numerous local governments and non-governmental organizations and community groups in Cook County to draft, review, and negotiate various types of Intergovernmental Agreements for projects that fulfill the District's stormwater management and flood control legislative mandate, including both regional and local stormwater management capital projects, Green Infrastructure, and the acquisition and removal of repetitive loss flood-prone properties. Additionally, in order to continue implementation of the District's Resource Recovery Ordinance, the Law Department will continue to assist the operating departments with negotiation of any Intergovernmental Agreements to further the purpose of the Resource Recovery Ordinance.

The Local Governmental Law Consortium that the Law Department established in 2015 provides a professional network with other local government in-house counsel in Cook County. Regular semi-annual meetings have been conducted and the Local Government Law Consortium is currently comprised of 16 public bodies, including eight Cook County municipalities, the City of Chicago Corporation Counsel, City of Chicago Department of Water Management, City Colleges, Chicago Housing Authority, Forest Preserve District of Cook County, Metropolitan Pier and Exposition Authority, and the Public Building Commission of Chicago.

In furtherance of the District's leadership role in the Local Governmental Law Consortium, the Law Department hosted a Freedom of Information Act and Open Meetings Act panel discussion forum comprised of panelists including the District's Freedom of Information Act Officer and representatives from the Office of the Illinois Attorney General, the City of Chicago Chief Assistant Corporation Counsel, the Citizen Advocacy Center and the Better Government Association. The forum was moderated by District staff, with introductory remarks by President Mariyana Spyropoulos, and was attended by 31 attorneys, representing 12 governmental agencies and public access organizations.

- **Technology**

A Geographic Information System mapping component is available on the District's website. It includes pertinent data and visuals for every parcel of real estate owned by the District.*

The Law Department will continue to utilize electronic filing options before both the federal and state courts and the newly expanded electronic filing options available before the Equal Employment Opportunity Commission and the Illinois Pollution Control Board. In accordance with our goals to become paperless and efficient, the Law Department staff has been trained in the

Circuit Court of Cook County electronic filing system in order to comply with procedures that became mandatory on January 1, 2018.

Additionally, all of the Law Department's claims data is tracked electronically within our Legal Files Document Management System and is readily reported on-demand to the Human Resources Department. The Law Department's electronic claims data report is able to be directly utilized and imported by the Human Resources Department's Origami Risk Management System. The Risk Management Information System (RMIS) integrates relevant case data tracked by the Law Department in our case management software, specifically for RMIS purposes. This RMIS information being tracked by the Law Department's case management software is an essential component used to analyze and report on risk and exposure data arising from the litigation of claims.

30000 LAW

OBJECTIVES AND PROGRAM SUMMARY

OBJECTIVES BY PRIORITY:	Cost	Percent
1. Provide prosecution, defense, and appellate services in litigation. Provide other direct legal services and counseling, as necessary, to the Board of Commissioners, the Executive Director, and the Officers of the District to further the corporate purposes and protect the interests of the District.	\$ 2,004,200	28.0 %
2. Handle all environmental matters and monitor all state legislation and legislative activities.	\$ 961,900	13.4 %
3. Work with other departments to manage legal aspects of employment-related matters and litigation before the Civil Service Board and in the state and federal courts.	\$ 672,600	9.4 %
4. Provide for the administration of all vacant and unoccupied District real estate; administer the leasing and disposition or other use of District real estate when not presently needed for its corporate purposes; assist in and administer the acquisition of right-of-way for District construction and capital improvement projects and other corporate uses; administer environmental and remediation activities; supervise real estate tax litigation; provide assistance in developing and processing the real estate agenda for meetings of the Board of Commissioners. Through its leasing and easement grant activities, the Real Estate Division will generate approximately \$21.5 million in income in 2019.	\$ 2,702,400	37.7 %
5. Provide legal services to ensure the proper disposal of wastes through the sewer systems in the Chicagoland area; oversee the diversion of water from Lake Michigan for water quality services; provide legal representation, counseling, and administrative support in connection with enforcement of the Sewage and Waste Control Ordinance, Watershed Management Ordinance, and User Charge Ordinance of the District.	\$ 410,600	5.7 %
6. Review proposed contracts, execute awarded contracts, review bond surety and insurance matters, and process Freedom of Information Act requests.	\$ 369,700	5.1 %
7. Sewer Rehabilitation. Upon referral from the Engineering Department, the Law Department conducts administrative hearings to enforce compliance with the Watershed Management Ordinance.	\$ 47,300	0.7 %
Total	\$ 7,168,700	100.0 %

MEASURABLE GOALS:	Unit of Measure	2017 Actual	2018 Estimated	2019 Proposed
1. Revise lease procedures and policies to enhance the marketability of District real estate while increasing the use of Green Infrastructure.	Millions	\$20.6	\$21.0	\$21.5
2. Conduct training for managers and supervisors at four District locations on Freedom of Information Act requests.	Training Sessions	—	2	2
3. Preparation of draft Intergovernmental Agreements for technical projects within 30 days of referral.	Percentage Completed	—	50%	100%
4. Complete the acquisition of approximately 175 properties for proposed channel improvements along Addison Creek in the municipalities of Northlake, Melrose Park, Stone Park, Westchester, Bellwood, and Broadview.	Percentage of Right of Way Acquired	75%	80%	100%

30000 LAW

OBJECTIVES AND PROGRAM SUMMARY

PROGRAMS BY PRIORITY:		2017	Budgeted		Change		
Number	Name	Actual	FTEs	Dollars	Dollars	Percent	
1571	Local Sewer Rehabilitation Ordinance Enforcement Activity	\$ 46,133	2019	1	\$ 47,300	\$ 500	1.1
			2018	1	\$ 46,800		
4660	Waste Monitoring	\$ 408,903	2019	3	\$ 410,600	\$ (34,900)	(7.8)
			2018	3	\$ 445,500		
7350	General Legal Matters	\$ 3,245,263	2019	22	\$ 3,928,400	\$ (256,500)	(6.1) a)
			2018	21	\$ 4,184,900		
7360	Real Estate Operations	\$ 2,152,593	2019	14	\$ 2,702,400	\$ (50,200)	(1.8)
			2018	12	\$ 2,752,600		
7604	Social Security and Medicare Contributions	\$ 67,312	2019	—	\$ 80,000	\$ 7,000	9.6
			2018	—	\$ 73,000		
Totals		\$ 5,920,204	2019	40	\$ 7,168,700	\$ (334,100)	(4.5)%
			2018	37	\$ 7,502,800		

a) Decrease is due to the reduction in outside professional services for special counsel on environmental matters (\$400,700) and the drop of an Assistant Attorney (\$62,500), offset by the addition of a Senior Attorney and a Deputy General Counsel (\$313,300).

30000 LAW

PERFORMANCE DATA

Program Number	Measurable Activity		2017	2018	2019	
			Actual	Budgeted	Estimated	
1571	Local Sewer Rehabilitation Ordinance Enforcement Activity	Cases	18	20	20	
		Cost	\$ 46,133	\$ 46,800	\$ 47,300	
		Cost/Case	\$ 2,562.94	\$ 2,340.00	\$ 2,365.00	
4660	Waste Monitoring					
	Provide Legal Representation and Administrative Support for:					
4662	User Charge Ordinance - Tax-Exempt Users	Cases	15	7	30	a)
		Cost	\$ 45,701	\$ 52,500	\$ 52,600	
		Cost/Case	\$ 3,046.73	\$ 7,500.00	\$ 1,753.33	
4663	User Charge - Large Commercial/Industrial Users	Cases	26	21	21	
		Cost	\$ 214,049	\$ 240,800	\$ 214,000	
		Cost/Case	\$ 8,232.65	\$ 11,466.67	\$ 10,190.48	
4667	Sewage and Waste Control Ordinance - Significant Industrial Users	Cases	12	13	13	
		Cost	\$ 149,153	\$ 152,200	\$ 144,000	
		Cost/Case	\$ 12,429.42	\$ 11,707.69	\$ 11,076.92	
7350	General Litigation					
	Provide Prosecution and Defense Services to Protect the Interests of the District:					
7351	Legislative	Cost	\$ 147,198	\$ 190,800	\$ 196,100	
7352	Financial Matters	Cost	\$ 155,110	\$ 168,000	\$ 170,000	
7353	Environmental and Regulatory Matters	Cost	\$ 657,699	\$ 740,600	\$ 765,800	
7354	Contract Administration	Cost	\$ 332,945	\$ 372,100	\$ 369,700	
7355	Litigation	Cost	\$ 606,779	\$ 1,196,500	\$ 750,800	b)
7356	Employment Matters	Cost	\$ 609,488	\$ 744,100	\$ 672,600	
7359	General Legal Services	Cost	\$ 736,044	\$ 772,800	\$ 1,003,400	c)
7360	Real Estate Operations					
	Provide Administration of All District Land:					
7361	Real Estate Leases - Administration of Leases and Granting of Leases	Leases	172	180	177	
		Cost	\$ 110,279	\$ 116,600	\$ 119,300	
		Cost/Lease	\$ 641.16	\$ 647.78	\$ 674.01	
7362	Real Estate Easements - Administration of Easements and Granting of New Easements	Easements	387	382	391	
		Cost	\$ 108,899	\$ 112,800	\$ 113,700	
		Cost/Easement	\$ 281.39	\$ 295.29	\$ 290.79	
7363	Real Estate Permits - Administration of Permits and Granting of New Permits	Permits	75	73	78	
		Cost	\$ 97,813	\$ 101,600	\$ 102,500	
		Cost/Permit	\$ 1,304.17	\$ 1,391.78	\$ 1,314.10	

a) Increase is due to a change in collection procedures to address uncollectible accounts in a more systematic manner.

b) Decrease is due to the reduction in outside professional services for special counsel on environmental matters (\$400,700).

c) Increase is due to the addition of a Deputy General Counsel (\$194,000).

30000 LAW

PERFORMANCE DATA

Program Number	Measurable Activity		2017 Actual	2018 Budgeted	2019 Estimated	
7367	Real Estate Asset Management - Administer Plan to Increase Revenue by Lease/Sale of Real Estate Holdings	Cost	\$ 426,475	\$ 447,400	\$ 581,400	d)
7368	Real Estate Environmental Assessment - Administer Activities Related to Environmental Assessment and Remediation of Real Estate Holdings	Cost	\$ 186,744	\$ 455,400	\$ 374,000	e)
7369	Other Real Estate Operations, Including Development of Agenda, Providing Information, Tax Litigation, and Support Services to the Board of Commissioners	Cost	\$ 533,383	\$ 628,800	\$ 656,500	
	Payment of Real Estate Taxes	Cost	\$ 689,000	\$ 890,000	\$ 755,000	f)
7604	Social Security and Medicare Contributions	Cost	\$ 67,312	\$ 73,000	\$ 80,000	
		Total	\$ 5,920,204	\$ 7,502,800	\$ 7,168,700	

d) Increase is due to the addition of a Senior Administrative Specialist and an Investigator (\$130,400).

e) Decrease is due to the reduction in legal fees for environmental assessments (\$99,600) and the drop of an Assistant Attorney (\$48,100), offset by the addition of a Senior Attorney (\$59,600).

f) Decrease is due to the reduction of the assessed value of Will County properties (\$135,000).

101 30000	Fund: Corporate Department: Law	LINE ITEM ANALYSIS						
		2017	2018			2019		
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/18	Expenditure (Committed Budget plus Disbursement) 09/30/18	Estimated Expenditure 12/31/18	Proposed by Executive Director	Recommended by Committee on Budget and Employment
601010	Salaries of Regular Employees	\$ 4,682,750	\$ 5,083,100	\$ 5,083,100	\$ 3,381,456	\$ 4,877,900	\$ 5,485,500	\$ —
601060	Compensation Plan Adjustments	111,951	139,300	139,300	133,239	138,000	139,700	—
601070	Social Security and Medicare Contributions	67,312	73,000	73,000	50,628	74,900	80,000	—
601100	Tuition and Training Payments	10,819	14,000	14,000	5,777	13,000	14,000	—
100	TOTAL PERSONAL SERVICES	4,872,831	5,309,400	5,309,400	3,571,099	5,103,800	5,719,200	—
612010	Travel	4,284	5,000	5,000	1,453	4,500	5,000	—
612030	Meals and Lodging	9,320	13,000	13,000	3,030	12,000	13,000	—
612040	Postage, Freight, and Delivery Charges	368	1,000	1,000	850	800	1,000	—
612050	Compensation for Personally-Owned Automobiles	3,776	5,100	5,100	1,134	4,500	5,100	—
612090	Reprographic Services	1,632	17,000	17,000	15,100	4,000	17,000	—
612250	Court Reporting Services	10,074	50,000	59,000	49,851	9,000	27,000	—
612430	Payments for Professional Services	237,587	1,090,300	1,081,300	731,916	500,000	500,000	—
612490	Contractual Services, N.O.C.	81,746	103,800	103,800	81,954	102,000	107,800	—
200	TOTAL CONTRACTUAL SERVICES	348,787	1,285,200	1,285,200	885,289	636,800	675,900	—
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	2,993	5,500	5,500	2,150	3,500	5,200	—
623720	Books, Maps, and Charts	9,509	12,300	12,300	9,627	11,000	13,000	—
623990	Materials and Supplies, N.O.C.	—	400	400	—	300	400	—
300	TOTAL MATERIALS AND SUPPLIES	12,502	18,200	18,200	11,777	14,800	18,600	—
667130	Taxes on Real Estate	686,083	890,000	890,000	683,013	710,000	755,000	—
700	TOTAL FIXED AND OTHER CHARGES	686,083	890,000	890,000	683,013	710,000	755,000	—
TOTAL LAW		\$ 5,920,204	\$ 7,502,800	\$ 7,502,800	\$ 5,151,179	\$ 6,465,400	\$ 7,168,700	\$ —

NOTES: 1. Amounts may not add up due to rounding.

2. Departmental appropriation totals for salaries in the Line Item Analysis may differ from those contained in the Position Analysis by a factor identified to adjust for vacancies.

Additionally, Estimated Expenditure may either exceed Adjusted Appropriation when transfers of funds are anticipated or be less than Expenditure (Committed Budget plus Disbursement) when not all commitments are anticipated to be completed by year-end.

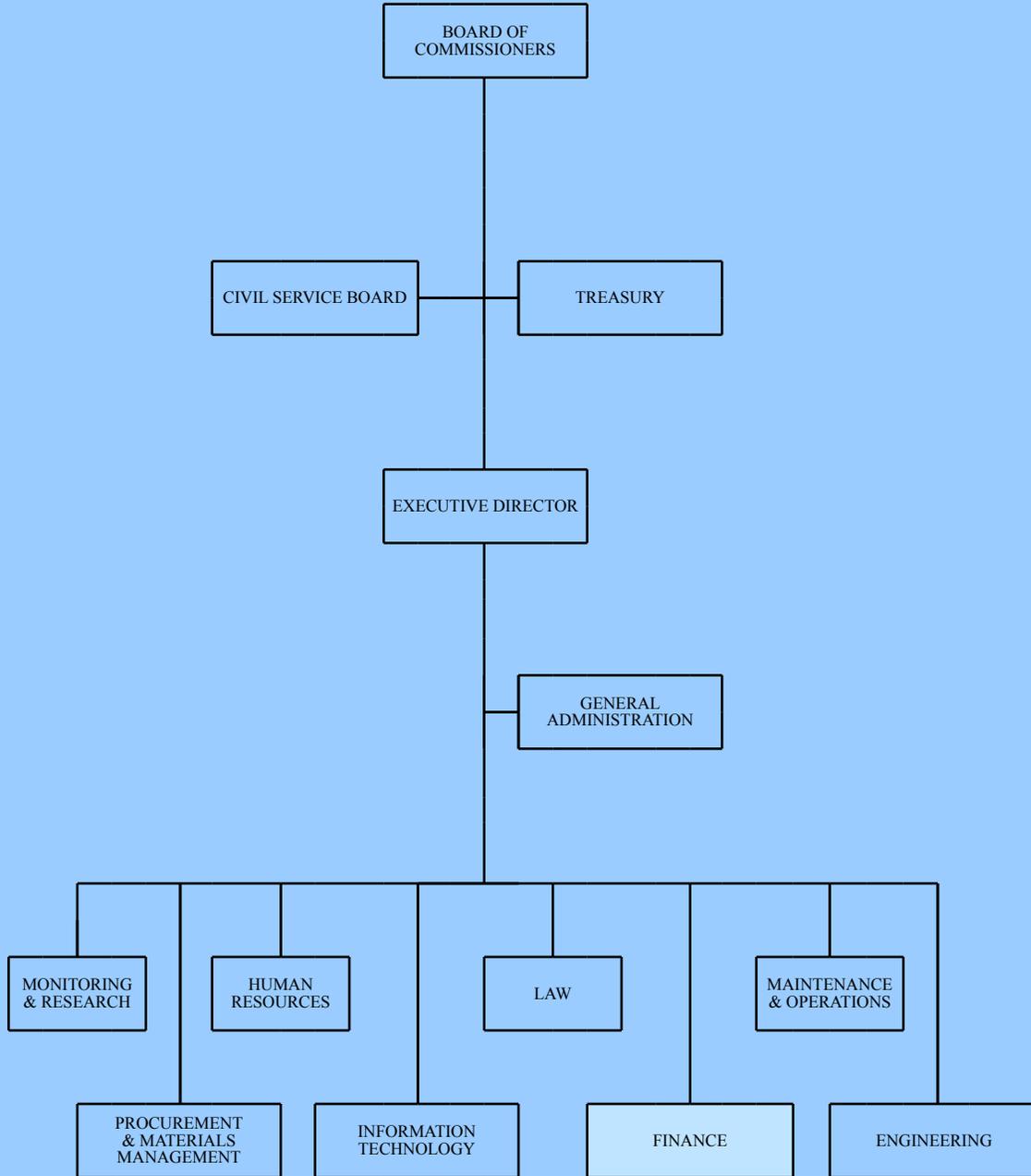
Fund: Corporate Dept: Law		POSITION ANALYSIS				
		2017	2018		2019	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	PROPOSED BY THE EXECUTIVE DIRECTOR	
					BUDGETED FTEs	APPROPRIATION IN DOLLARS
310	Executive Division					
311	Executive Office					
EX12	General Counsel	1	1		1	
HP23	Deputy General Counsel	1	—		1	
HP22	Head Assistant Attorney	1	1		1	
EX06	Secretary to Officer	1	1		1	
HP13	Senior Administrative Specialist	1	1		1	
TOTAL	Executive Office	5	4	667,135.78	5	871,657.27
TOTAL	Executive Division	5	4	667,135.78	5	871,657.27
320	Real Estate / General Administration Division					
321	Administrative Section					
HP22	Head Assistant Attorney	1	1		1	
TOTAL	Administrative Section	1	1	166,444.29	1	175,961.23
323	Real Estate / General Administration Section					
HP18	Senior Attorney	1	1		1	
HP15	Senior Legal Assistant	2	2		2	
HP13	Investigator	—	1		1	
HP13	Investigator #1	—	—		1	
HP13	Investigator #2 (Legal Assistant)	1	—		—	
HP11	Administrative Specialist	1	1		1	
TOTAL	Real Estate / General Administration Section	5	5	518,543.96	6	599,416.98
324	Real Estate / Asset Management Section					
HP20	Principal Attorney	1	1		1	
HP18	Senior Attorney	1	1		2	
HP16	Assistant Attorney	—	1		—	
HP13	Legal Assistant	1	1		1	
HP13	Senior Administrative Specialist	1	1		2	
TOTAL	Real Estate / Asset Management Section	4	5	578,310.19	6	686,865.14
TOTAL	Real Estate / General Administration Division	10	11	1,263,298.44	13	1,462,243.35

Fund: Corporate Dept: Law		POSITION ANALYSIS				
		2017	2018		2019	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
340	Contract & Finance Division					
341	Administrative Section					
HP22	Head Assistant Attorney	1	1		1	
TOTAL	Administrative Section	1	1	233,060.93	1	233,060.88
342	Contract & Finance Section					
HP20	Principal Attorney	1	1		1	
HP18	Senior Attorney	2	2		2	
HP17	Management Analyst III #2 (Senior Budget & Management Analyst) (New Grade HP16)	1	1		1	
HP15	Senior Legal Assistant	1	1		1	
HP14	Public Affairs Specialist	1	1		1	
TOTAL	Contract & Finance Section	6	6	829,235.30	6	829,235.40
TOTAL	Contract & Finance Division	7	7	1,062,296.23	7	1,062,296.28
360	Environmental, Construction, & Tort Division					
361	Administrative Section					
HP22	Head Assistant Attorney	1	1		1	
TOTAL	Administrative Section	1	1	233,060.93	1	204,511.83
362	Environmental Section					
HP20	Principal Attorney	1	1		1	
HP18	Senior Attorney	2	2		3	
HP16	Assistant Attorney	—	1		—	
HP13	Legal Assistant	1	1		1	
HP12	Secretary #2 (Administrative Specialist) (New Grade HP11)	1	1		1	
TOTAL	Environmental Section	5	6	661,631.79	6	709,067.31
332	Construction & Tort Section					
HP20	Principal Attorney	2	2		2	
TOTAL	Construction & Tort Section	2	2	376,422.23	2	342,962.10
TOTAL	Environmental, Construction, & Tort Division	8	9	1,271,114.95	9	1,256,541.24

Fund: Corporate Dept: Law		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
370	Employment Division					
371	Administrative Section					
HP22	Head Assistant Attorney	1	1		1	
TOTAL	Administrative Section	1	1	233,060.94	1	233,060.88
372	Employment Section					
HP20	Principal Attorney	1	1		1	
HP18	Senior Attorney	2	2		2	
HP13	Legal Assistant	1	1		1	
HP11	Administrative Specialist	1	1		1	
TOTAL	Employment Section	5	5	611,464.98	5	626,855.32
TOTAL	Employment Division	6	6	844,525.92	6	859,916.20
TOTAL	Law	36	37	5,108,371.32	40	5,512,654.34

NOTE: Departmental appropriation totals for salaries in the Position Analysis differ from those contained in the Line Item Analysis by a factor identified to adjust for vacancies. Salary ranges corresponding to the pay plan and grade for each class title can be found in the table of Salary Schedules in the Appendix.

NOTE PAGE



Protecting Our Water Environment

Metropolitan Water Reclamation District of Greater Chicago

100 EAST ERIE STREET CHICAGO, ILLINOIS 60611-3154 312.751.5600

BOARD OF COMMISSIONERS

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Debra Shore
Kari K. Steele
David J. Walsh

September 11, 2018

Mr. John P. Murray
Acting Executive Director
OFFICE

Dear Sir:

Subject: 2019 Program for the Finance Department

The Finance Department's program for 2019, as prepared in detail, is transmitted herewith. The budget presentation supports the request for funding of the department's 2019 initiatives in alignment with and in support of the Strategic Business Plan. The budget requests include all amendments as directed by you during the Executive Director Budget Hearings in August of this year.

The narrative provides a summary of the department, 2019 major initiatives and challenges, and 2018 accomplishments. Supporting schedules of objectives, performance, and staffing levels present three years of detailed budgetary information.

Thank you for the opportunity to present the proposed Finance Department budget for 2019.

Respectfully submitted,

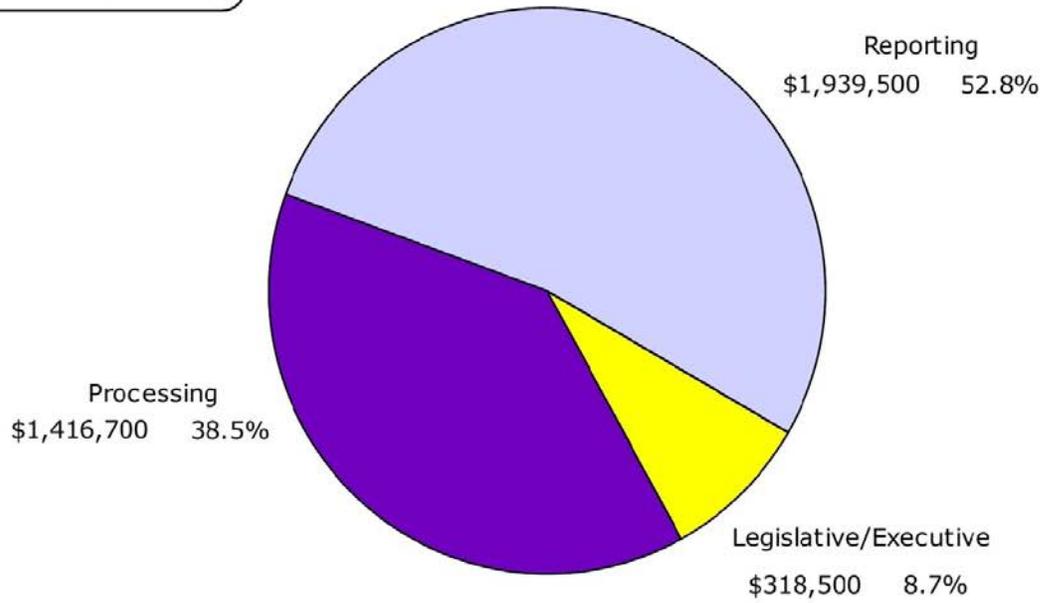


Jacqueline Torres
Clerk/Director of Finance

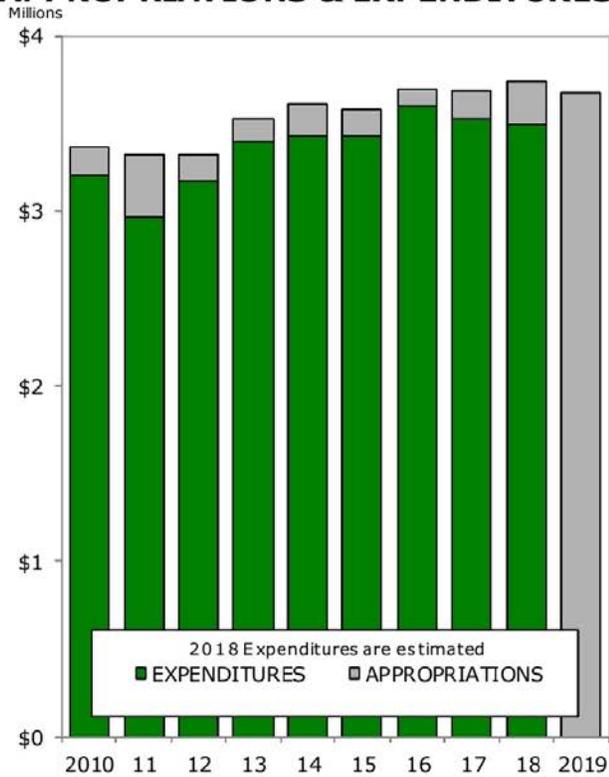
FINANCE

FUNCTIONS

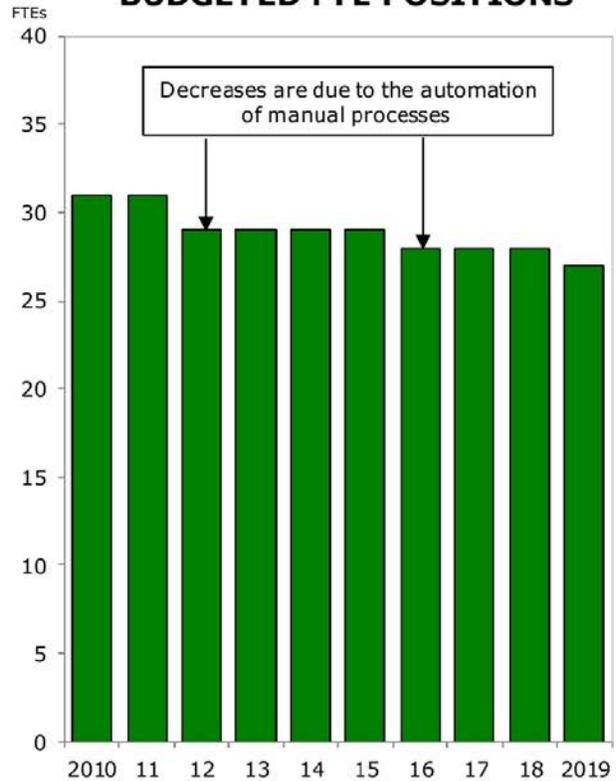
2019	\$3,674,700
2018	\$3,743,900
Decrease	(\$69,200)



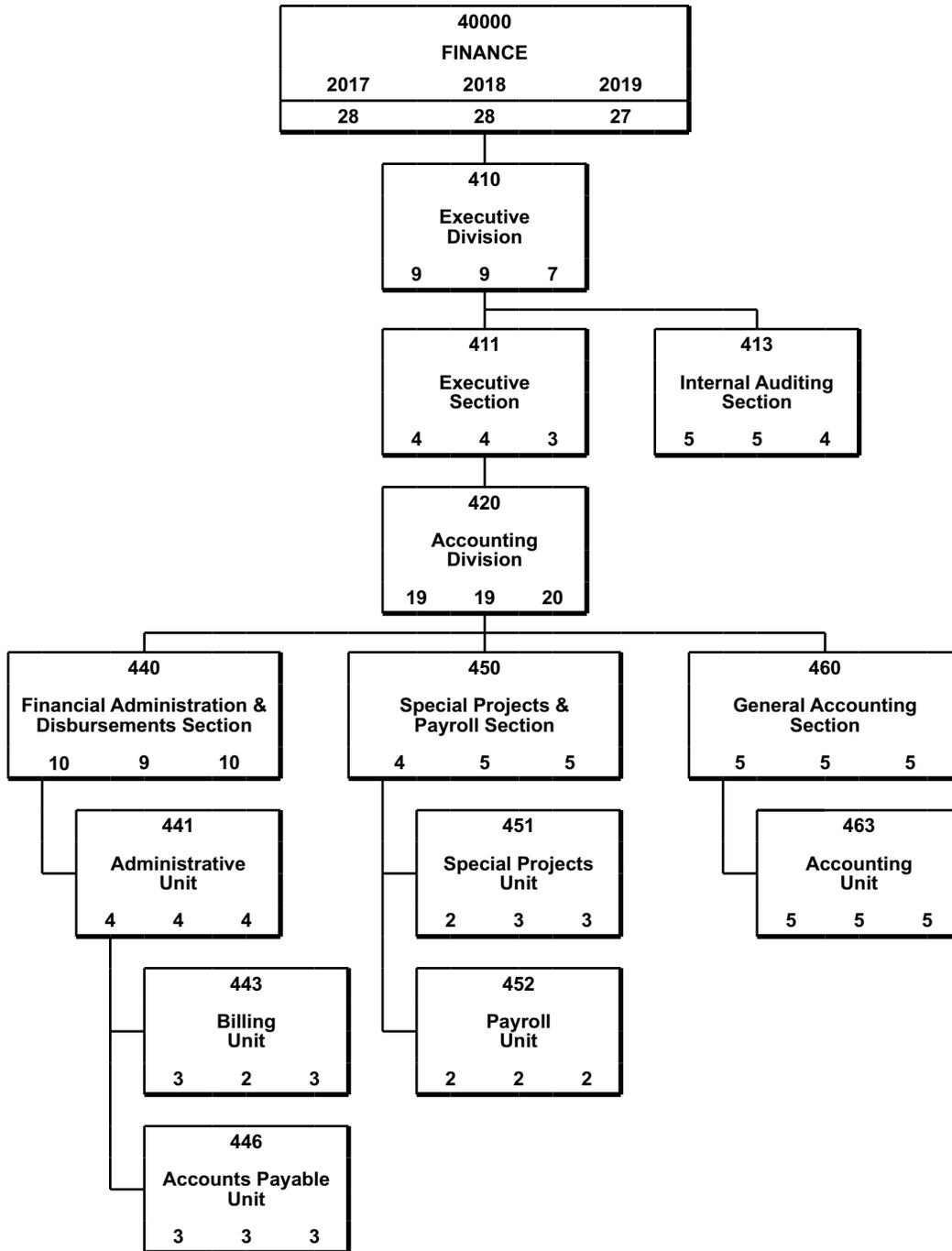
APPROPRIATIONS & EXPENDITURES



BUDGETED FTE POSITIONS



FINANCE



FINANCE

The mission of the Finance Department is to provide leadership in developing cost saving strategies for transaction processing, optimize operations, provide reliable financial reports, and ensure compliance with all applicable statutes, regulations, professional standards, and policies for the benefit of District stakeholders.

Departmental Summary

The Finance Department's primary responsibilities include:

- Auditing and reporting District financial information and auditing of operational performance, compliance, and internal controls;
- Processing District financial transactions including vendor payments, payroll, billing, and collection activities;
- Creating Board of Commissioner agenda and minutes and maintaining official records of the Board's legislative actions.

Central to the Finance Department's activities is the financial reporting function which enables diverse users to readily assess the District's financial position and the results of its operations. Excellent bond ratings, external auditors' unmodified opinions, and Certificates of Achievement for Excellence in Financial Reporting demonstrate the effectiveness of District fiscal management and financial reporting excellence.

Summary of 2018 Accomplishments

- The District was presented with the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the 2017 Comprehensive Annual Financial Report (CAFR) for the 43rd consecutive year;
- The District received an unmodified opinion on the fair presentation, in all material aspects, of the District's 2017 financial statements from external auditors. This achievement aids in maintaining the District's excellent bond credit rating;
- Completed the 2018 CAFR using the newly implemented CAFR publishing solution, resulting in a more efficient report process;
- Implemented Government Accounting Standards Board (GASB) pronouncement 75, Accounting and Financial Reporting for Postemployment Benefits other than Pensions, to improve transparency of Other Post-Employment Benefits obligations;
- Completed 13 internal audit projects and provided complex financial reviews of all prospective tenant lease applications. Additionally, Internal Audit completed a request for proposal for court reporting services. Internal Audit reviewed and assessed various District processes and provided recommendations to improve efficiencies and mitigate risk. Audits also assessed compliance with various District processes and suggested best practice improvements when applicable. Routine internal audits included reviews and monitoring of internal system controls, employee expense reimbursements, procurement card expenditures, and contract compliance. Specialized reviews included residency compliance, statutory spending compliance, utilization of vendor cash discounts, and condition assessment ratings of capitalized infrastructure assets;
- Modified the WorkForce automated time management system to implement a new parental leave benefit with the addition of a new pay code and added a reimbursement column to the manager approval screen;
- Continued to administer the District's Whistleblower Hotline service that is used to improve accountability and transparency for District management, officials, staff, and taxpayers.

Budget Highlights

The 2019 appropriation for the Finance Department is \$3,674,700, a decrease of \$69,200, or 1.8 percent, from 2018. The staffing level has decreased from 28 to 27 positions, which includes the drop of one Secretary to Officer position.

Significant features of the 2019 Budget are:

- Increase compliance, efficiency, and accuracy with the implementation of a cloud based travel and expense management software with the ability to capture expenses electronically;
- Early implementation of GASB pronouncement 87, Leases, to improve accounting and financial reporting for leases by governments.

2019 Initiatives in Support of the Strategic Business Plan Include the Following:

• Add Value

The Finance Department will focus on adding value at every level within the department to improve its interactions with customers. The Finance Department plans to ensure compliance with the Prompt Payment Act for District vendor payments, and ensure timely payment of payroll and other employee expenses.

- **Excellence**

The Finance Department will continue to focus on excellence in delivering services and achieving compliance. The Finance Department will continue to obtain an unmodified audit opinion on the District's financial statements, earn the Certificate of Excellence in Financial Reporting from the GFOA, and ensure that all applicable GASB pronouncements are implemented.

- **Develop Employees**

Employee recognition for excellence will be an ongoing focus for the Finance Department. Training efforts have resulted in promotions for 33 percent of staff in the last five years. The Finance Department will continue to develop a workforce that is competent, motivated, and adaptive to change. The Finance Department will continue its cross-training program for professional and support staff to ensure that institutional knowledge is retained and improved through ongoing training, the utilization of eLearning, the encouragement of tuition reimbursement programs, and the expansion of webinar opportunities.

- **Leading Partnerships**

The Finance Department stays current with government accounting and financial reporting standards by actively participating in GFOA conferences and training. The Finance Department also remains current with Enterprise and other financial systems by attending SAP conferences and other related webinars. It is equally important for the Finance Department to work closely with the operating departments to understand the changes in processes to meet the reporting needs of operations. Employees are encouraged to attend the Water Environment Federation Technical Exhibition and Conference and partner with operating departments to support the District's mission.

- **Technology**

The Finance Department will continue to embrace technology to reduce transaction processing costs and optimize operations. Plans are underway for the following initiatives:

- Develop solutions for data collection and monitoring for GASB 87, Leases;
- Implement cloud based travel and expense management software with the ability to capture expenses electronically;
- Improve the Accounts Payable system by increasing the number of vendors paid via the Automated Clearing House;
- Provide on-line access to vendor payment information.

40000 FINANCE

OBJECTIVES AND PROGRAM SUMMARY

OBJECTIVES BY PRIORITY:	Cost	Percent
1. Provide for the processing of all District expenditures, which consist of vendor payments, employee wages, expenses, and fringe benefits. Vendor payments are made in compliance with the Prompt Payment Act. Provide for the accounting, billing and collection of all revenue such as user charge, State Revolving Fund, real estate, and other miscellaneous billings.	\$ 1,416,700	38.5%
2. Provide for the external audit, general accounting, and reporting of financial information (financial statement preparation, fixed assets, cost accounting analysis, general ledger maintenance, and bank account reconciliation). Provide for the independent appraisal and analysis of departmental internal activities approved for internal audit by the Audit Committee.	\$ 1,939,500	52.8%
3. Provide for the preparation of Board meeting agendas and minutes reports and for the documentation, retention, and retrieval of all official records of the Board of Commissioners.	\$ 318,500	8.7%
Total	\$ 3,674,700	100.0%

MEASURABLE GOALS:	2017 Actual	2018 Estimated	2019 Proposed
1. Maintain 100 percent compliance with the Prompt Payment Act.	100%	100%	100%
2. Maintain a 95 percent or better collection rate for user charge and other fees.	95%	95%	95%
3. Complete 95 percent of audits proposed by the Audit Committee.	98%	95%	95%
4. Maintain an unmodified audit opinion on Financial and Single Audit statements and submit all required filings by June 30.	100%	100%	100%

PROGRAMS BY PRIORITY:		2017 Actual	Budgeted		Change		
Number	Name		FTEs	Dollars	Dollars	Percent	
4663	User Charge Ordinance - Large Commercial/Industrial Users	\$ —	2019 3	\$ 272,900	\$ 272,900	100.0	a)
			2018 —	\$ —			
7394	Transaction Processing	\$ 1,317,114	2019 11	\$ 1,143,800	\$ (179,300)	(13.6)	b)
			2018 13	\$ 1,323,100			
7396	Reporting	\$ 1,716,219	2019 11	\$ 1,894,200	\$ (30,400)	(1.6)	
			2018 12	\$ 1,924,600			
7398	Legislative/Executive	\$ 453,759	2019 2	\$ 318,500	\$ (131,700)	(29.3)	c)
			2018 3	\$ 450,200			
7604	Social Security and Medicare Contributions	\$ 42,562	2019 —	\$ 45,300	\$ (700)	(1.5)	
			2018 —	\$ 46,000			
Totals		\$ 3,529,654	2019 27	\$ 3,674,700	\$ (69,200)	(1.8)%	
			2018 28	\$ 3,743,900			

a) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$271,000).
 b) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$174,600).
 c) Decrease is due to the drop of one Secretary to Officer position (\$101,800) and the reallocation of salaries to more accurately reflect current activities (\$31,800).

40000 FINANCE

PERFORMANCE DATA

Program Number	Measurable Activity		2017 Actual	2018 Budgeted	2019 Estimated	
4660	Waste Monitoring					
4663	User Charge Ordinance - Large Commercial/Industrial Users	Cost	\$ —	\$ —	\$ 272,900	a)
7390	Accounting and Auditing					
7394	Transaction Processing	Transactions	73,680	77,700	77,700	
		Cost	\$ 1,317,114	\$ 1,323,100	\$ 1,143,800	b)
		Cost/Transaction	\$ 17.88	\$ 17.03	\$ 14.72	
7396	Reporting	Cost	\$ 1,716,219	\$ 1,924,600	\$ 1,894,200	
7398	Legislative/Executive	Cost	\$ 453,759	\$ 450,200	\$ 318,500	c)
7604	Social Security and Medicare Contributions	Cost	\$ 42,562	\$ 46,000	\$ 45,300	
		Total	\$ 3,529,654	\$ 3,743,900	\$ 3,674,700	

- a) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$271,000).
- b) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$174,600).
- c) Decrease is due to the drop of one Secretary to Officer position (\$101,800) and the reallocation of salaries to more accurately reflect current activities (\$31,800).

101 40000	Fund: Corporate Department: Finance	LINE ITEM ANALYSIS						
		2017	2018				2019	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/18	Expenditure (Committed Budget plus Disbursement) 09/30/18	Estimated Expenditure 12/31/18	Proposed by Executive Director	Recommended by Committee on Budget and Employment
601010	Salaries of Regular Employees	\$ 3,052,435	\$ 3,217,600	\$ 3,207,700	\$ 2,132,307	\$ 3,000,000	\$ 3,101,900	\$ —
601060	Compensation Plan Adjustments	21,234	41,500	41,500	6,125	20,000	111,900	—
601070	Social Security and Medicare Contributions	42,562	46,000	46,000	30,611	45,100	45,300	—
601100	Tuition and Training Payments	29,993	30,000	39,900	36,788	39,900	30,000	—
100	TOTAL PERSONAL SERVICES	3,146,224	3,335,100	3,335,100	2,205,831	3,105,000	3,289,100	—
612010	Travel	770	12,800	12,800	968	3,000	11,000	—
612030	Meals and Lodging	2,459	13,600	13,600	4,429	7,500	6,100	—
612040	Postage, Freight, and Delivery Charges	40	100	100	22	100	500	—
612050	Compensation for Personally-Owned Automobiles	416	—	—	—	—	100	—
612090	Reprographic Services	2,298	2,300	2,300	2,260	2,300	2,500	—
612250	Court Reporting Services	59,378	50,000	50,000	50,000	50,000	50,000	—
612340	Discount Loss	2,651	1,500	1,500	883	1,500	3,000	—
612430	Payments for Professional Services	304,426	306,700	306,600	279,610	306,600	282,800	—
612490	Contractual Services, N.O.C.	1,015	1,500	1,500	1,095	1,500	2,000	—
612800	Repairs to Office Furniture and Equipment	—	4,900	5,000	4,922	5,000	5,000	—
200	TOTAL CONTRACTUAL SERVICES	373,452	393,400	393,400	344,189	377,500	363,000	—
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	9,934	13,400	13,400	6,873	10,000	20,600	—
623720	Books, Maps, and Charts	44	1,500	1,500	96	1,500	1,500	—
623990	Materials and Supplies, N.O.C.	—	500	500	60	500	500	—
300	TOTAL MATERIALS AND SUPPLIES	9,978	15,400	15,400	7,029	12,000	22,600	—
TOTAL FINANCE		\$ 3,529,654	\$ 3,743,900	\$ 3,743,900	\$ 2,557,049	\$ 3,494,500	\$ 3,674,700	\$ —

NOTES: 1. Amounts may not add up due to rounding.

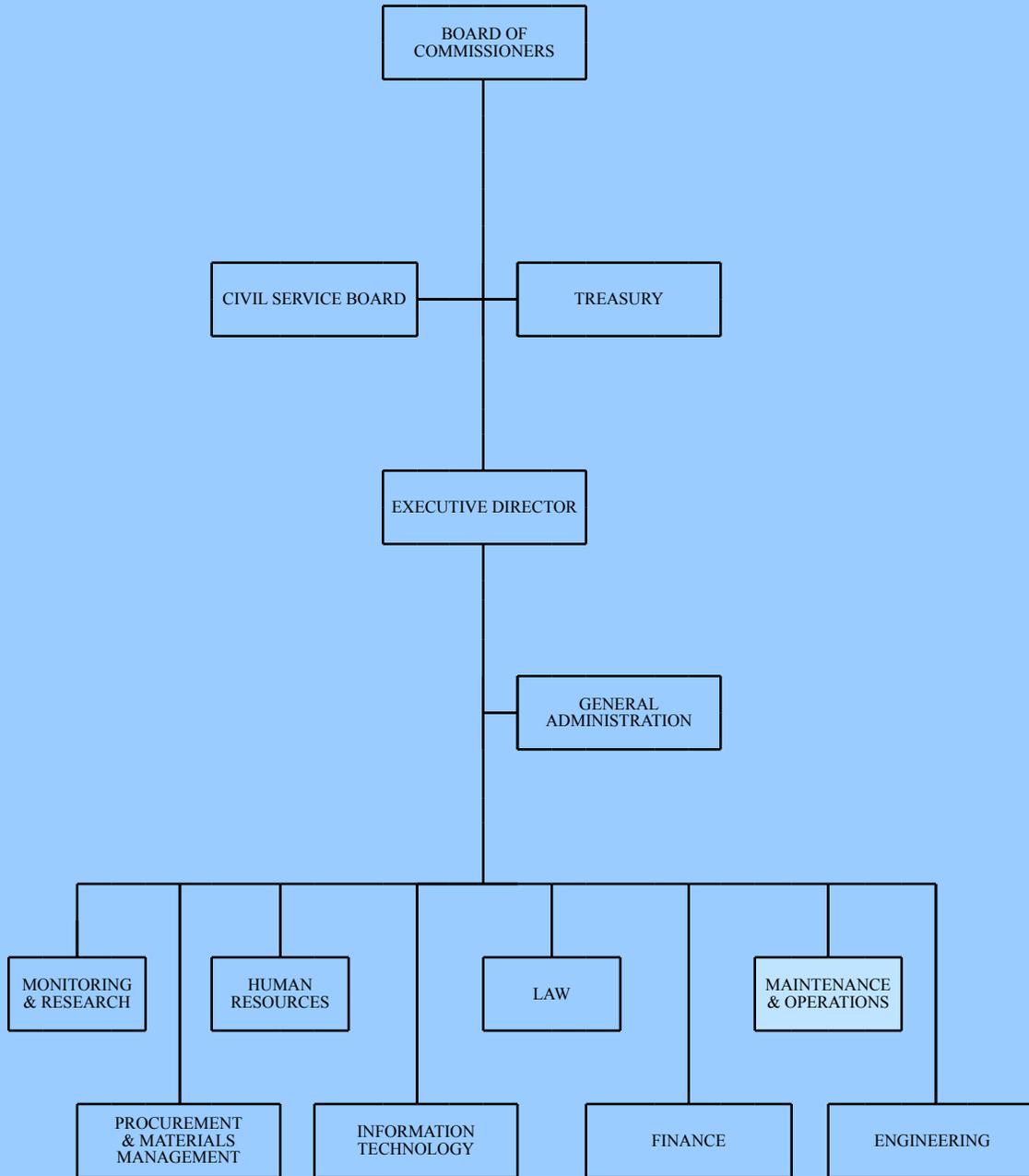
2. Departmental appropriation totals for salaries in the Line Item Analysis may differ from those contained in the Position Analysis by a factor identified to adjust for vacancies.

Additionally, Estimated Expenditure may either exceed Adjusted Appropriation when transfers of funds are anticipated or be less than Expenditure (Committed Budget plus Disbursement) when not all commitments are anticipated to be completed by year-end.

Fund: Corporate Dept: Finance		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
410	Executive Division					
411	Executive Section					
EX13	Clerk/Director of Finance	1	1		1	
HP21	Comptroller #4	1	1		1	
EX06	Secretary to Officer	2	2		1	
TOTAL	Executive Section	4	4	658,384.72	3	524,092.14
413	Internal Auditing Section					
HP19	Accounting Manager #2 (New Grade HP18)	1	1		1	
HP17	Supervising Accountant #2 (Financial Analyst) (New Grade HP16)	1	2		2	
HP16	Financial Analyst	2	1		1	
HP12	Accounting Associate	1	1		—	
TOTAL	Internal Auditing Section	5	5	598,957.91	4	529,064.12
TOTAL	Executive Division	9	9	1,257,342.63	7	1,053,156.26
420	Accounting Division					
440	Financial Administration & Disbursements Section					
441	Administrative Unit					
HP19	Accounting Manager #2 (New Grade HP18)	1	1		1	
HP17	Supervising Accountant #2 (Financial Analyst) (New Grade HP16)	2	1		1	
HP16	Financial Analyst	—	1		1	
HP13	Senior Administrative Specialist	1	1		1	
TOTAL	Administrative Unit	4	4	508,937.37	4	508,937.52
443	Billing Unit					
HP12	Accounting Associate	3	2		3	
TOTAL	Billing Unit	3	2	135,834.65	3	213,592.34
446	Accounts Payable Unit					
HP13	Accounting Clerk III #2 (Accounting Associate) (New Grade HP12)	1	1		1	

Fund: Corporate Dept: Finance		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP12	Accounting Associate	2	2		2	
TOTAL	Accounts Payable Unit	3	3	231,649.01	3	232,285.04
TOTAL	Financial Administration & Disbursements Section	10	9	876,421.03	10	954,814.90
450	Special Projects & Payroll Section					
451	Special Projects Unit					
HP19	Accounting Manager #2 (New Grade HP18)	1	1		1	
HP16	Financial Analyst	1	1		1	
HP14	Budget & Management Analyst	—	1		1	
TOTAL	Special Projects Unit	2	3	334,132.91	3	334,609.86
452	Payroll Unit					
HP16	Financial Analyst	1	1		1	
HP12	Accounting Associate	1	1		1	
TOTAL	Payroll Unit	2	2	185,447.20	2	198,658.20
TOTAL	Special Projects & Payroll Section	4	5	519,580.11	5	533,268.06
460	General Accounting Section					
463	Accounting Unit					
HP19	Accounting Manager #2 (New Grade HP18)	1	1		1	
HP16	Financial Analyst	2	2		2	
HP13	Accounting Clerk III #2 (Accounting Associate) (New Grade HP12)	1	1		1	
HP12	Accounting Associate	1	1		1	
TOTAL	Accounting Unit	5	5	580,263.43	5	576,325.88
TOTAL	General Accounting Section	5	5	580,263.43	5	576,325.88
TOTAL	Accounting Division	19	19	1,976,264.57	20	2,064,408.84
TOTAL	Finance	28	28	3,233,607.20	27	3,117,565.10

NOTE: Departmental appropriation totals for salaries in the Position Analysis differ from those contained in the Line Item Analysis by a factor identified to adjust for vacancies. Salary ranges corresponding to the pay plan and grade for each class title can be found in the table of Salary Schedules in the Appendix.



Protecting Our Water Environment

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100 EAST ERIE STREET CHICAGO, ILLINOIS 60611-3154 312.751.5600

September 11, 2018

Mr. John P. Murray
Acting Executive Director
OFFICE

Dear Sir:

Subject: 2019 Program for the Maintenance & Operations Department

The Maintenance & Operations Department's program for 2019, as prepared in detail, is transmitted herewith. The budget presentation supports the request for funding of the department's 2019 initiatives in alignment with and in support of the Strategic Business Plan. The budget requests include all amendments as directed by you during the Executive Director Budget Hearings in August of this year.

The narrative provides a summary of the department, 2019 major initiatives and challenges, and 2018 accomplishments. Supporting schedules of objectives, performance, and staffing levels present three years of detailed budgetary information.

Thank you for the opportunity to present the proposed Maintenance and Operations Department budget for 2019.

Respectfully submitted,

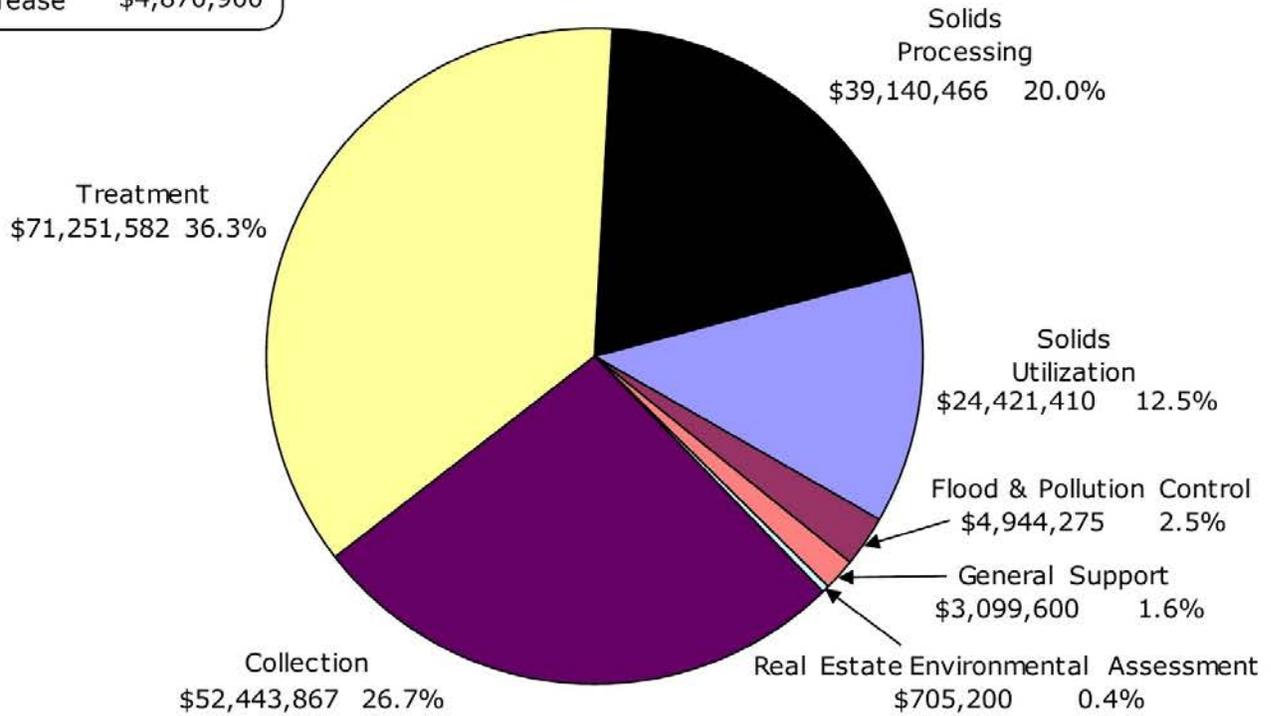


Thomas M. Conway
Acting Director of Maintenance & Operations

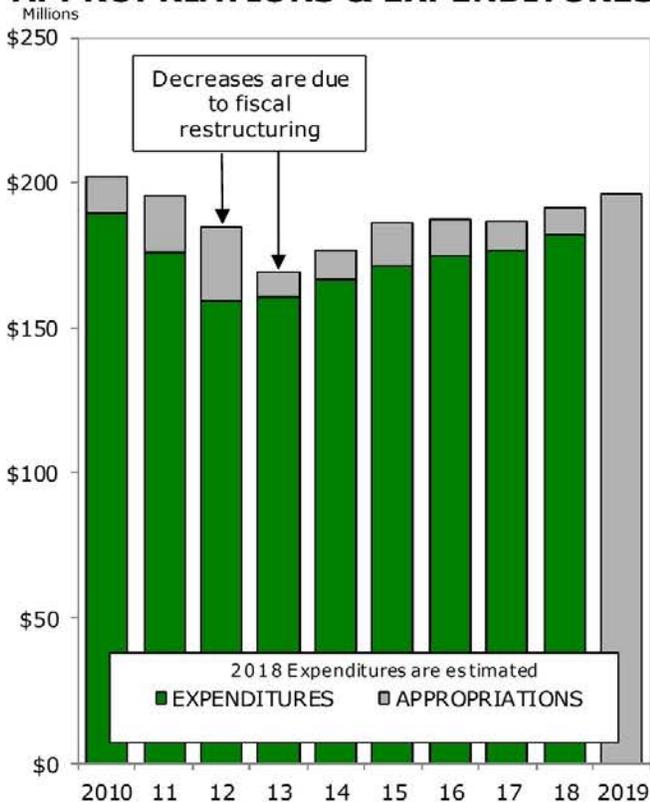
MAINTENANCE & OPERATIONS – ALL DIVISIONS

2019	\$196,006,400
2018	\$191,135,500
Increase	\$4,870,900

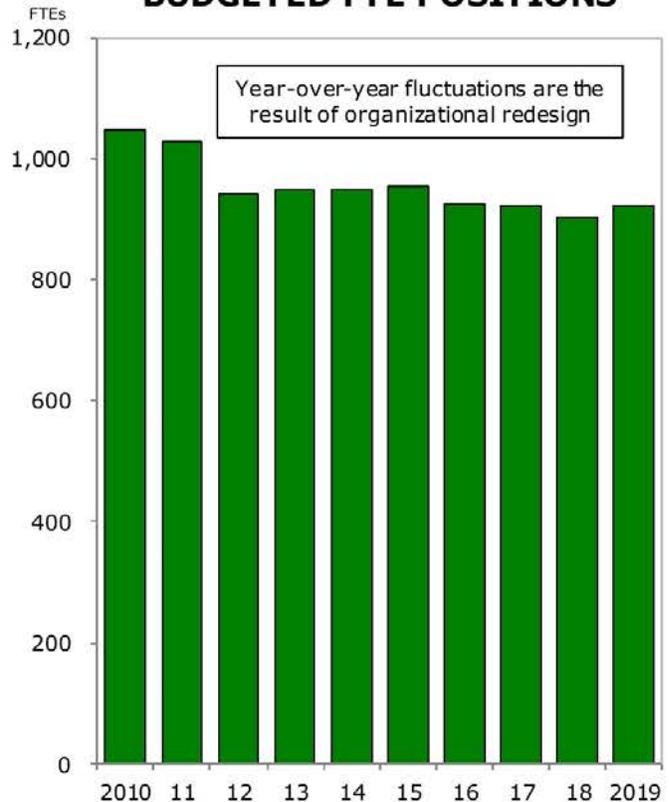
FUNCTIONS



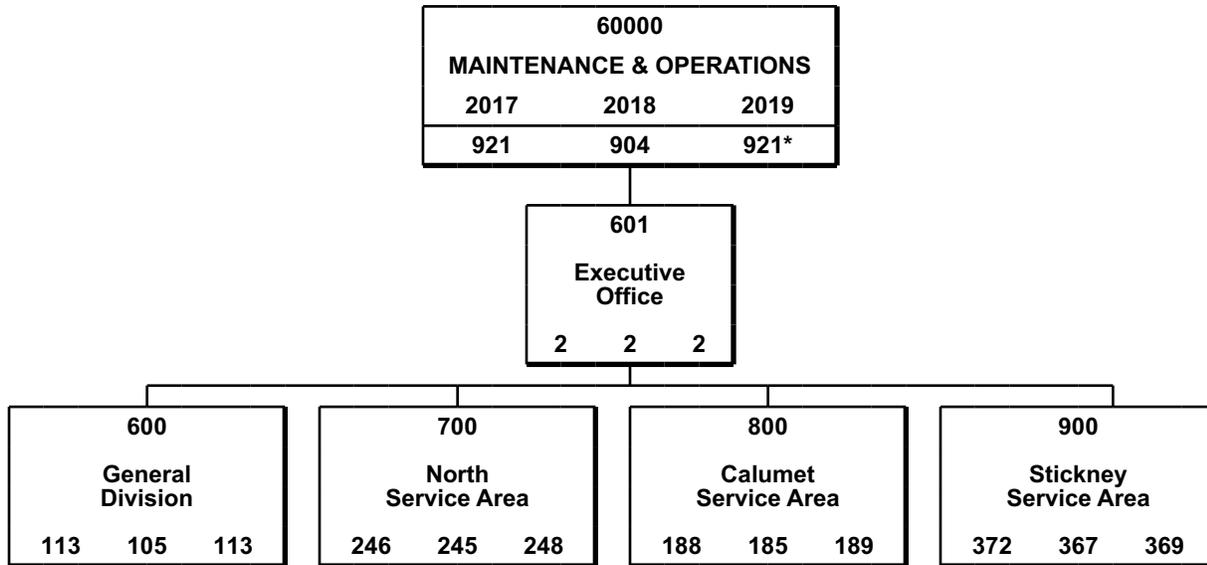
APPROPRIATIONS & EXPENDITURES



BUDGETED FTE POSITIONS



MAINTENANCE & OPERATIONS - ALL DIVISIONS



* The 2019 position total for the Maintenance & Operations Department is 921. There are an additional 27 positions funded by the Stormwater Management Fund, while the operations remain in the Maintenance & Operations Department.

MAINTENANCE & OPERATIONS

The mission of the Maintenance & Operations Department (M&O) is to maintain and operate the District's facilities at an optimal level, to protect our environment by collecting and treating wastewater, minimizing flooding, maintaining our waterways free of pollution, producing and beneficially reusing high quality biosolids, and providing environmental remediation for District-owned real estate in the most economical and environmentally sustainable manner.

Departmental Summary

M&O consists of four divisions. Three of the divisions, referred to as the Calumet Service Area, the North Service Area, and the Stickney Service Area, collectively maintain and operate the collection systems and treatment plants within the District's 882.1 square mile service area, serving a population equivalent of 5,073,092 people. The fourth division, referred to as the General Division, maintains and operates the Lockport Powerhouse, the waterways, the collection systems, and nine solids management areas. The department's primary responsibilities include:

- Collecting and treating approximately 492.6 billion gallons of wastewater annually by operating seven wastewater treatment plants and through a contract agreement with the Fox River Water Reclamation District, a 560 mile network of intercepting sewers, 109.4 miles of the Tunnel and Reservoir Plan tunnels, and three ancillary reservoirs;
- Improving the quality of water in the area waterways by maintaining and operating five sidestream elevated pool aeration stations and two instream aeration stations;
- Providing flood relief to Cook County by maintaining 532 miles of small streams and rivers and 37 detention reservoirs, of which 34 are dedicated solely to stormwater retention;
- Processing high quality biosolids, which is the byproduct of wastewater treatment, for beneficial reuse.

Summary of 2018 Accomplishments

- Created a pilot-scale bagging program for marketing the District's Class A Exceptional Quality (EQ) compost, while also completing marketing improvements for EQ biosolids, including website updates and creating online order forms;
- Installed drainage water management and denitrifying bioreactor systems at the District's Fulton County site to assist the Monitoring & Research Department's demonstration of nutrient runoff recapture as a means of enhancing watershed health;
- Began installation of a second turbo blower at the Hanover Park Water Reclamation Plant (WRP), which will improve aeration process efficiency and reduce electrical costs;
- Rehabilitated six main sewage pump motors at the O'Brien WRP, which District staff accomplished by cleaning via dry ice blasting, re-varnishing, performing electrical testing, and correcting abnormalities that were discovered;
- Completed performance testing of ANITA™ Mox system for sidestream deammonification process at the Egan WRP, which will treat post-dewatering process centrate and thereby minimize its pumping to the O'Brien WRP for treatment;
- Completed installation of an upgraded sludge concentration conveyor at the Calumet WRP, which will ensure efficient debris removal from sludge screenings and decrease future maintenance costs;
- Began installation of programmable fire alarm panels and network components at the Calumet WRP, which will replace existing obsolete equipment and improve the ability to maintain critical life-safety systems;
- Completed installation of an upgraded vacuum priming system at the 95th Street Pumping Station, which will increase the overall dependability of the vacuum system and reduce the risk of flooding during heavy rain events;
- Introduced high strength organic waste to Aeration Battery D at the Stickney WRP, to enhance the biological phosphorus removal process.

Budget Highlights

The 2019 appropriation for the M&O Corporate Fund is \$196,006,400, an increase of \$4,870,900, or 2.5 percent, from 2018. The Corporate Fund staffing level has increased from 904 to 921. The increase is due to the addition of two Associate Process Control Engineers, two Electrical Mechanics, two Engineering Technician V positions, one Machinist, two Maintenance Laborer Class A positions, one Maintenance Laborer Class A Shift, one Master Mechanic, one Operating Engineer II, and one Systems Dispatcher, and the transfer in of one Associate Electrical Engineer, one Associate Mechanical Engineer, one Senior Electrical Engineer, and one Senior Mechanical Engineer from the Monitoring & Research Department and one Associate Civil Engineer from the Engineering Department, offset by the drop of one Assistant Engineer of Treatment Plant Operations II. Five of the added positions will not be filled until five existing positions, one Engineering Technician IV, one Maintenance Laborer Class A Shift, two Maintenance Laborer Class B positions, and one Master Mechanic I, are vacated and dropped. An additional 27 positions are funded in the Stormwater Management Fund. The total 2019 position count is 948, compared to the total 2018 position count of 931.

For M&O, like the rest of the District, the Strategic Business Plan (SBP) guides and informs the department's activities. From a large-scale project to a routine task, each activity links to the plan. In 2019, M&O will continue to advance the SBP, its six goals, and accompanying strategies.

2019 Initiatives in Support of the Strategic Business Plan Include the Following:

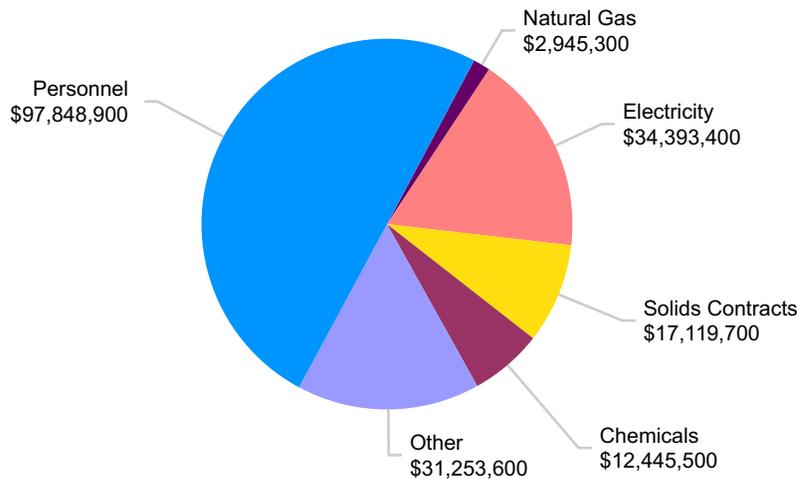
- **Add Value**

The Lockport Powerhouse was built in 1907 and marks the southwestern extent of the District-managed Chicago Area Waterway System (CAWS). It was recognized by the National Park Service with a listing on the National Register of Historic Places on March 10, 2004. However, its value is not just as a site with architectural or historic merit. The facility is integral to managing the CAWS and reducing the risk of flooding throughout the District’s service area. The Lockport Powerhouse enables the District to control the levels of the canal.

In addition to its role in managing the waterways, the Lockport Powerhouse also adds value by providing financial benefits from hydroelectric power generation. The water flowing through the facility is harnessed by two turbines to provide a safe and environmentally friendly hydroelectric energy source that is sold back to Commonwealth Edison. By the end of December 2017, the Lockport Powerhouse generated 37,583,707 kilowatt hours of power and \$1.3 million in revenue. Projected generation for 2018 and 2019 is 40,000,000 kilowatt-hours annually, with a projected annual value of approximately \$1.3 million for 2018 and \$1.2 million for 2019.

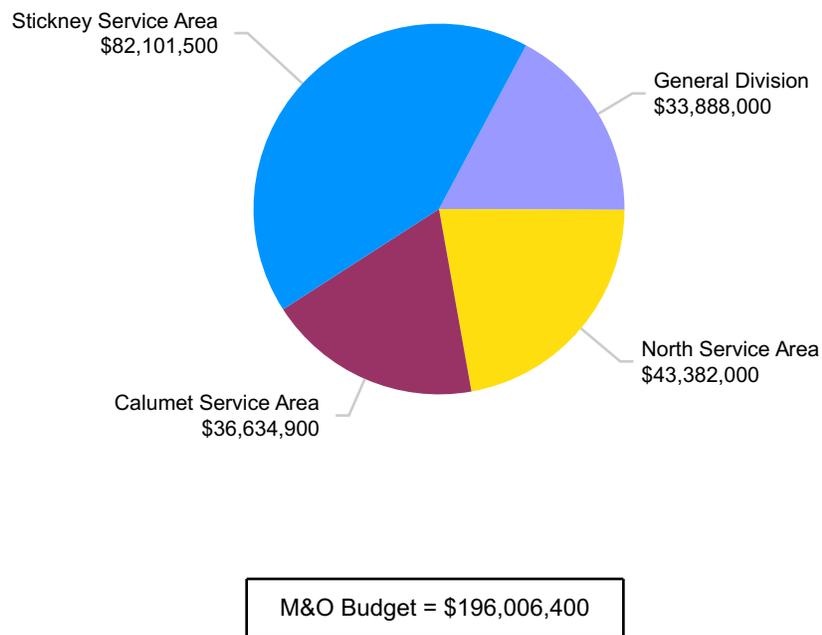
To add value, the District actively looks for opportunities to leverage existing resources, including real estate, a strategy specified in the SBP. In support of that strategy, M&O is partnering with the Monitoring & Research Department to use the District’s Fulton County, Illinois property for research related to nutrient recovery and control, another strategy defined in the SBP. Beginning in 2018, two drainage water management systems and three denitrifying bioreactor systems covering 82 acres of farmland will be installed. The systems are part of a project to demonstrate and study the recapture of nutrient runoff as a means of enhancing watershed health.

2019 Appropriations by Major Line Item



M&O Budget = \$196,006,400

2019 Appropriations by Service Area



• **Excellence**

Creating and maintaining a culture of excellence is no small task. The District’s commitment to this goal was once again made apparent when the National Association for Clean Water Agencies recently honored the organization for successfully meeting the highest standards in producing clean water. In recognition of decades of complete and consistent compliance of National Pollutant Discharge Elimination System permits, the District received Platinum Peak Performance awards at five of its WRPs, a distinction provided to treatment plants that have reached this status for five consecutive years. The following facilities have earned Platinum status: the Calumet WRP for 26 years; the Lemont WRP for 21 years, the Kirie WRP for 13 years, the O’Brien WRP for 12 years, and the Hanover Park WRP for 10 years. In addition, the Egan WRP earned a gold award for the fourth straight year, and the Stickney WRP earned a silver award for meeting 99.94 percent compliance. For 2017, the year most recently considered, the District achieved an overall compliance rate of 99.99 percent. These awards represent the District’s enduring excellence in the face of more stringent regulatory requirements, aging infrastructure, changing weather patterns, and new demands for waterway activity.

The SBP clearly establishes the strategies necessary to achieve excellence, with process optimization as one of the central themes. Using the SBP as a guide to operations, M&O is working to optimize energy intensive processes, a strategy that is particularly important in the face of increasing external challenges. Going forward, disinfection, more stringent effluent requirements, and changing operations will only serve to amplify energy costs, which account for approximately 20 percent of the department’s budget. To counterbalance these cost drivers, the department is aggressively pursuing energy efficiencies, especially in energy-intensive areas of the treatment process, such as aeration. To that end, the department continues to refine its air usage reduction program, which includes the installation of better performing equipment, the creation of key performance indicators to monitor energy consumption, and the reduction of dissolved oxygen set points while still complying with permit requirements.

When considering the electrical energy required to run a wastewater treatment plant, and the substantial costs involved, both the demand side and the supply side of the equation need to be managed effectively. On the supply side, the District is driving down energy costs by purchasing electricity at discounted rates through a competitive auction. The District also participates in a voluntary energy curtailment program and expects to receive a \$1.1 million rebate for the 2018-2019 period. The program requests participants to reduce energy use voluntarily when the region’s electricity grid is on the verge of a brownout or blackout due to high electricity usage.

Since 1998, when it first joined the curtailment program, the District has received approximately \$12.97 million in total revenue for reducing electricity usage at designated times. Historically, the District has used a curtailment service provider (CSP) to register for the program. On average, a CSP charges 10 percent of the total compensation. Fortunately, the District no longer needs the

services of a CSP because on May 3, 2018, the Board of Commissioners approved the District’s membership in Pennsylvania-New Jersey-Maryland Interconnection, a regional transmission organization that coordinates the movement of wholesale electricity in several states, including Illinois. As a member, the District can register assets to participate in the base residual auction without assistance of a CSP. For the 2021-2022 calendar year (the earliest available), the District will commit to curtail 36.887 megawatt hours. The committed amount will be pooled with other members’ commitments and sold at the demand response auction. Each participating member will receive an equal dollar value per megawatt hour. Energy curtailment is a smart choice for the District as it saves money and helps the environment by reducing energy usage, which reduces the emission of greenhouse gases. Curtailment also follows the SBP strategy that calls for the responsible use of resources in the delivery of services.

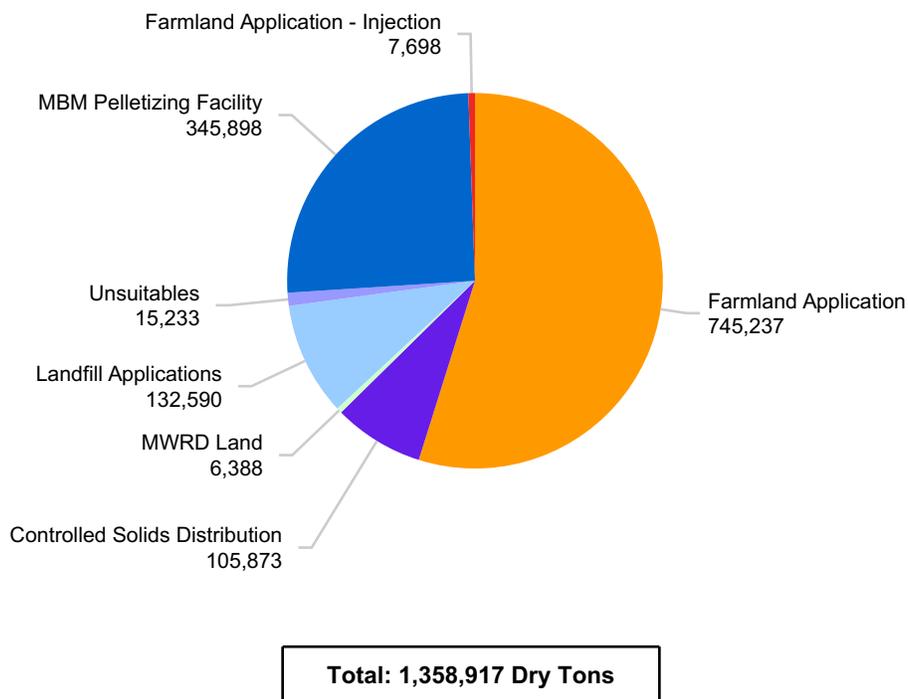
• **Resource Recovery**

The major pillars of the resource recovery program include biosolids, phosphorus, and energy. M&O is actively pursuing programs and initiatives that align with all three.

At the District, biosolids are produced as a resource to be beneficially reused as a safe and environmentally friendly alternative to synthetic fertilizer. In recognition of their value, the SBP identifies the sale of biosolids as a high-value, high-priority strategy. As a first step in executing that strategy, the District successfully lobbied the State of Illinois to recognize EQ biosolids in the same manner as the United States Environmental Protection Agency: as a product safe for distribution and sale. As proof of their quality and inherent value, the District’s compost and air-dried biosolids products are registered with the Illinois Department of Agriculture as soil amendments, which affords the District the ability to create a commercial market for these products within its service area. The District has made strides in developing that market through several initiatives including a pilot program to distribute bags of composts at different venues, attendance at trade and landscaping events to showcase our EQ product, and a mutually beneficial arrangement with the Illinois Tollway to provide compost for their extensive landscaping work. In order to receive the necessary bulking agents to create high-quality composted biosolids, the District has developed a successful yard waste acceptance program, two major elements of which are an intergovernmental agreement with the City of Chicago and the District’s Resource Recovery Ordinance. All of these programs, actions, and initiatives are designed to cultivate a local customer base, improve product performance, and advance the goal of Resource Recovery.

The chart below illustrates how biosolids have been beneficially reused over the years. Given the District’s ongoing efforts to transform the biosolids market, the allocation of biosolids reuse will undoubtedly evolve over time.

**Resource Recovery: Biosolids Reuse (in Dry Tons)
2008 - 2017**



Regulations regarding the amount of phosphorus contained in treated effluent have become increasingly strict. While too much phosphorus in water can cause algae to bloom, depleting the oxygen supply and killing other aquatic life, phosphorus is also essential to plant growth and is a key ingredient in agricultural fertilizer. In 2016, in partnership with Ostara Nutrient Recovery Technology Inc. (Ostara), the Ostara Pearl® Process was launched at the Stickney WRP to address nutrient recovery. This innovative technology addresses both the positive and negative aspects of phosphorus as it occurs in a wastewater treatment plant. It allows the waste stream to be disposed of in an efficient way, while recovering phosphorus in a slow-release fertilizer for environmentally friendly reuse. Called the Ostara Pearl® Process, it uses patented fluid bed reactors (43-foot high stainless steel vats) to extract phosphorus and ammonia from the waste stream by adding appropriate doses of magnesium chloride and caustic to form a precipitation reaction. The result is fertilizer pellets rich in phosphorus, nitrogen, and magnesium that are dried and bagged for sale. It is a solution that benefits the environment while providing a revenue stream to the District from the sale of the high value fertilizer back to Ostara. The production estimate is approximately four to seven tons of pellets per day. However, as with any new process, the assumptions and estimates will be reevaluated as additional experience is acquired. Currently, other chemical options, such as using magnesium oxide to reduce consumption of the more costly sodium hydroxide and magnesium chloride, are being explored with process optimization as the goal.

This nutrient recovery facility, the largest of its kind, is an example of how progressive technology can be implemented to transform a wastewater treatment facility into a resource recovery center, providing significant environmental benefits to the CAWS. Moreover, it serves as an example of the District's commitment to evaluating projects along multiple dimensions: financial, societal, and environmental. With initiatives like this, the District is charting a trajectory from a traditional utility to a Utility of the Future.

Another resource recovery project with high strategic value is the rehabilitation of the digester gas turbine at the Stickney WRP. The project is perfectly aligned with the goal of resource recovery as it relates to energy, specifically the maximization of digester gas usage. A contract to rehabilitate the turbine was awarded in 2016 and will be completed in late 2018. During the summer months, the turbine will operate using digester gas, a byproduct of the treatment process, to power equipment, such as pumps and aeration blowers. The digester gas will be consumed in the combustor of a three-megawatt electric generator. The generated electricity will, in turn, be delivered back to the grid and distributed throughout the plant, thereby reducing total electrical demand.

The turbine has hardly been turned on and already the department is pursuing measures to optimize its performance. In the first quarter of 2019, gas cleaning equipment will be installed to remove the undesirable components from the digester gas stream. Gas that has not been "scrubbed" or cleaned can leave deposits on the turbine blades, leading to blade erosion and a significant drop in operating efficiency. Scrubbed gas, on the other hand, can decrease maintenance intervals, improve fuel (heat) value, and improve performance.

- **Develop Employees**

Understanding that a skilled workforce creates a strong organization, M&O is committed to providing training opportunities to all of its employees. Illustrating that point, a Senior Engineer from the Kirie WRP will travel to Denmark in late 2018 to visit the water treatment facility of Aarhus Vand, an independent regional waste and wastewater enterprise located in southern Denmark that is owned by the municipality of Aarhus. The Danish facility is in the process of expanding and renovating to become 150 percent energy self-sufficient. The knowledge and experience gained by the employee will be of great value.

A strong training program is also increasingly important as M&O reduces its reliance on maintenance outsourcing. In order to perform the maintenance function well, employees must be adequately trained. In 2019, staff will attend conferences and training sessions on a variety of topics, including electrical troubleshooting, generators and emergency power, pump repair, and programmable logic controllers.

- **Leading Partnerships**

In 2018, the District entered into an agreement with Siga Sec Global, Inc. (Siga) for a pilot project at the Lockport Powerhouse to install cyber security equipment to monitor gate movements and analyze data for anomalies. Siga was referred to the District by Current Innovation, NFP, which is a non-profit water entity based in Chicago and launched in 2016 as a public-private partnership of the City of Chicago, the District, and World Business Chicago. Siga develops anomaly detection and cyber security solutions for supervisory control and data acquisition systems, with the purpose of protecting and monitoring mission-critical operational assets. Siga has agreed to conduct this pilot study at no cost to the District. Pilot testing of the technology will allow the District to verify its stated benefits and determine if it is a viable option for full-scale implementation or use at other District facilities. Siga is currently collecting data for analysis. Reports based on the retrieved data will be developed and may eventually provide an additional layer of monitoring and detection for greater cyber security. This project is consistent with the District's SBP, particularly with respect to nurturing strategic partnerships and pursuing technology solutions for optimized performance.

- **Technology**

Two projects are currently underway to install disc filter technology at the Egan and Hanover Park WRPs. The disc filters will replace the existing gravity filter beds, which have degraded over time. Gravity filtration is a physical process to separate solids from liquids. It is used for filtering treated wastewater effluent in tertiary treatment, which involves the removal of residual suspended solids. Tertiary treatment is performed before disinfection to improve chlorination or ultraviolet disinfection. Following a thorough investigation by M&O and the District's project vetting committee, disc filter technology was identified as the preferred replacement option. There are several advantages to disc filter technology, including the high-quality effluent it provides, its smaller physical footprint, its reduced energy demand, and its relatively simple operation and maintenance requirements. These projects, which are funded in the District's Capital Improvements Bond Fund, exemplify the organization's commitment to designing an operating budget and a capital improvement program that work together to fulfill the SBP.

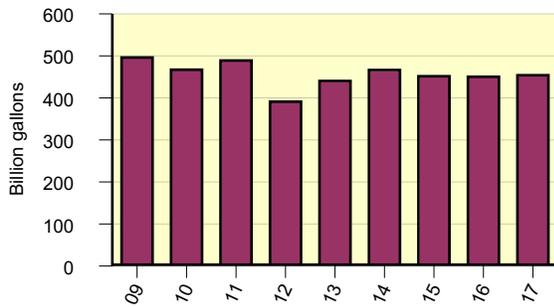
60000 M&O - ALL DIVISIONS

OBJECTIVES AND PROGRAM SUMMARY

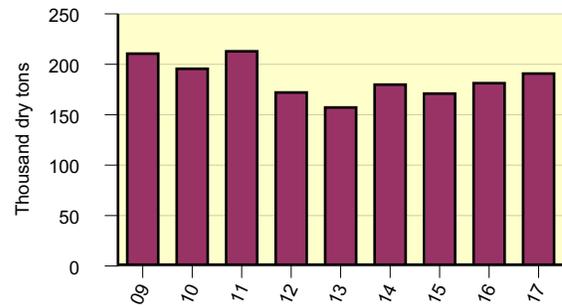
OBJECTIVES BY PRIORITY:

	Cost	Percent
1. COLLECTION & TREATMENT: The M&O Department will collect and treat approximately 492.6 billion gallons of wastewater through its seven treatment facilities and through a contract agreement with the Fox River Water Reclamation District.	\$ 123,695,449	63.0%
2. SOLIDS PROCESSING: The M&O Department will remove and process approximately 182,600 dry tons of concentrated sewage through various systems, including heated digestion, centrifuging, concentration, and aging low solids sludge and centrifuge cake in lagoons.	\$ 39,140,466	20.0%
3. SOLIDS UTILIZATION: The M&O Department will utilize approximately 99,800 dry tons of biosolids for application at final utilization sites, such as farm applications and daily and final cover at sanitary landfills.	\$ 24,421,410	12.5%
4. FLOOD & POLLUTION CONTROL: The M&O Department, in cooperation with local communities, will strive to minimize local area flooding and pollution of Lake Michigan through continuous control of the water levels in 76.1 miles of canals and 532 miles of small streams and rivers, and through the operation of 37 detention reservoirs, of which 34 are dedicated solely to stormwater retention. It will also work to maintain the quality of the waterways system and associated District properties through the activities of the debris boats and the channel maintenance crews.	\$ 4,944,275	2.5%
5. GENERAL SUPPORT: The M&O Department provides technical and administrative support for other departments indirectly related to the operational activities of Collection & Treatment, Solids Processing, Flood & Pollution Control, and Solids Utilization.	\$ 3,099,600	1.6%
6. REAL ESTATE ENVIRONMENTAL ASSESSMENT: The M&O Department inspects and evaluates District properties for compliance with the United States Environmental Protection Agency and the Illinois Environmental Protection Agency requirements.	\$ 705,200	0.4%
Total	\$ 196,006,400	100.0%

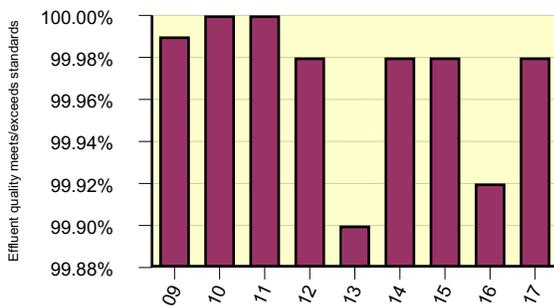
Collection & Treatment



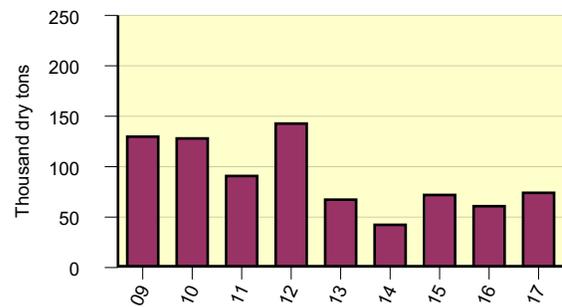
Solids Processing



NPDES Permit Compliance



Solids Utilization



60000 M&O - ALL DIVISIONS

OBJECTIVES AND PROGRAM SUMMARY

PROGRAMS BY PRIORITY:		2017	Budgeted		Change	
Number	Name	Actual	FTEs	Dollars	Dollars	Percent
1000	Collection	\$ 45,098,039	2019	246 \$ 52,443,867	\$ 885,060	1.7
			2018	244 \$ 51,558,807		
1100	Surface Interceptor Systems	\$ 4,061,806	2019	27 \$ 3,789,100	\$ (161,500)	(4.1)
			2018	27 \$ 3,950,600		
1200	Tunnel and Reservoir System	\$ 10,340,307	2019	43 \$ 14,079,600	\$ 601,000	4.5
			2018	43 \$ 13,478,600		
1300	Pumping Station Facilities	\$ 14,081,661	2019	74 \$ 15,245,300	\$ (187,400)	(1.2)
			2018	74 \$ 15,432,700		
1900	Collection - Indirect Costs	\$ 16,614,265	2019	102 \$ 19,329,867	\$ 632,960	3.4
			2018	100 \$ 18,696,907		
2000	Treatment	\$ 65,316,889	2019	386 \$ 69,915,082	\$ (218,073)	(0.3)
			2018	378 \$ 70,133,155		
2000	Pre-Treatment	\$ 3,812,181	2019	29 \$ 3,437,700	\$ 82,200	2.4
			2018	29 \$ 3,355,500		
2100	Primary Treatment	\$ 3,441,404	2019	37 \$ 3,482,500	\$ 72,000	2.1
			2018	36 \$ 3,410,500		
2200	Secondary Treatment	\$ 23,071,525	2019	95 \$ 19,178,800	\$ (2,533,200)	(11.7)
			2018	94 \$ 21,712,000		
2300	Tertiary Treatment	\$ 2,560,671	2019	18 \$ 3,995,300	\$ (217,100)	(5.2)
			2018	18 \$ 4,212,400		
2900	Treatment - Indirect Costs	\$ 32,431,108	2019	207 \$ 39,820,782	\$ 2,378,027	6.4
			2018	201 \$ 37,442,755		
3000	Solids Processing	\$ 34,051,350	2019	203 \$ 39,140,466	\$ 1,008,786	2.6
			2018	200 \$ 38,131,680		
3100	Thickening	\$ 5,921,273	2019	39 \$ 6,012,900	\$ 91,200	1.5
			2018	39 \$ 5,921,700		
3200	Stabilization	\$ 5,971,832	2019	43 \$ 6,160,300	\$ 138,100	2.3
			2018	43 \$ 6,022,200		
3300	Dewatering	\$ 10,630,203	2019	42 \$ 13,440,000	\$ (104,200)	(0.8)
			2018	41 \$ 13,544,200		
3900	Solids Processing - Indirect Costs	\$ 11,528,042	2019	79 \$ 13,527,266	\$ 883,686	7.0
			2018	77 \$ 12,643,580		

Note: Explanations of significant changes are provided by individual division.

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OBJECTIVES AND PROGRAM SUMMARY

PROGRAMS BY PRIORITY:		2017	Budgeted		Change	
Number	Name	Actual	FTEs	Dollars	Dollars	Percent
4000	Flood & Pollution Control	\$ 4,487,433	2019 23	\$ 4,944,275	\$ 128,610	2.7
			2018 23	\$ 4,815,665		
4200	Waterways Control and Stormwater Reservoirs	\$ 2,375,265	2019 18	\$ 2,330,700	\$ (164,700)	(6.6)
			2018 17	\$ 2,495,400		
4210	Maintenance of Waterways	\$ 162,617	2019 —	\$ 314,000	\$ 82,900	35.9
			2018 —	\$ 231,100		
4300	Stormwater Management	\$ 164,285	2019 —	\$ 31,300	\$ (1,100)	(3.4)
			2018 —	\$ 32,400		
4400	Aeration Facilities	\$ 1,006,503	2019 2	\$ 1,048,900	\$ 34,200	3.4
			2018 2	\$ 1,014,700		
4900	Flood & Pollution Control - Indirect Costs	\$ 778,763	2019 3	\$ 1,219,375	\$ 177,310	17.0
			2018 4	\$ 1,042,065		
5000	Solids Utilization	\$ 22,463,922	2019 42	\$ 24,421,410	\$ 2,871,810	13.3
			2018 38	\$ 21,549,600		
5100	Solids Drying	\$ 5,369,720	2019 10	\$ 6,361,800	\$ 250,900	4.1
			2018 9	\$ 6,110,900		
5200	Solids Distribution	\$ 10,320,993	2019 8	\$ 12,885,500	\$ 2,277,100	21.5
			2018 7	\$ 10,608,400		
5900	Solids Utilization - Indirect Costs	\$ 6,773,209	2019 24	\$ 5,174,110	\$ 343,810	7.1
			2018 22	\$ 4,830,300		
7000	General Support (excluding program numbers 7368 & 7604)	\$ 2,918,228	2019 19	\$ 3,099,600	\$ 80,007	2.6
			2018 19	\$ 3,019,593		
7368	Real Estate Environmental Assessment	\$ 979,665	2019 2	\$ 705,200	\$ 49,500	7.5
			2018 2	\$ 655,700		
7604	Social Security and Medicare Contributions	\$ 1,249,621	2019 —	\$ 1,336,500	\$ 65,200	5.1
			2018 —	\$ 1,271,300		
Totals		\$ 176,565,147	2019 921	\$ 196,006,400	\$ 4,870,900	2.5%*
			2018 904	\$ 191,135,500		

* The 2019 position total for the M&O Department is 948, which includes 27 positions funded by the Stormwater Management Fund.

Note: Explanations of significant changes are provided by individual division.

60000 M&O - ALL DIVISIONS

PERFORMANCE DATA

Program Number	Measurable Activity		2017 Actual	2018 Budgeted	2019 Estimated
1000-2900	Collection & Treatment				
	Collect and Treat Wastewater at Seven Treatment Facilities and Through a Contract Agreement with the Fox River Water Reclamation District	Mil. Gallons	457,104	503,700	492,550
		Cost	\$ 110,414,928	\$ 121,691,962	\$ 122,358,949
		Cost/Mil. Gallons	\$ 241.55	\$ 241.60	\$ 248.42
3000	Solids Processing				
	Remove and Process Solids from Concentrated Sewage Using Systems Including Heated Digestion, Centrifuging, Concentration, and Aging Low Solids Sludge and Centrifuge Cake in Lagoons	Dry Tons	192,104	188,500	182,600
		Cost	\$ 34,051,350	\$ 38,131,680	\$ 39,140,466
		Cost/Dry Ton	\$ 177.25	\$ 202.29	\$ 214.35
4000	Flood & Pollution Control				
	Operation and Maintenance of the Waterways to Minimize Area Flooding and Pollution				
4200	Minimize Area Flooding and Pollution of Lake Michigan Through the Continuous Control of Water Levels in Major Rivers and Canals	Cost	\$ 534,053	\$ 978,400	\$ 895,800
	Generate Electricity at Lockport Powerhouse to Obtain Approximately \$1.2 million in Revenue	kWh	37,583,707	40,000,000	40,000,000
		Cost	\$ 556,239	\$ 139,700	\$ 501,800
		Cost/kWh	\$ 0.0148	\$ 0.0035	\$ 0.0125
		* Revenue Generated	\$ 1,323,132	\$ 1,000,000	\$ 1,200,000
	Minimize Diversion of Lake Michigan Water in Accordance with the U.S. Supreme Court Decree	Mil. Gal./Year Diversion	41,632	60,152	60,152
		Cost	\$ 447,544	\$ 309,800	\$ 408,200
		Cost/Mil. Gal./Year	\$ 10.75	\$ 5.15	\$ 6.79
	Operation of Detention Reservoirs	Reservoirs	36	37	37
		Cost	\$ 837,429	\$ 1,067,500	\$ 524,900
		Cost/Reservoir	\$ 23,261.92	\$ 28,851.35	\$ 14,186.49
4210	Maintenance of the Waterways and Canal Banks Within the Jurisdiction of the District. Activities Include Debris Removal, Insect and Rodent Control, Bridge Repairs, and Aeration Costs.	Cost	\$ 162,617	\$ 231,100	\$ 314,000
4300	Stormwater Management	Cost	\$ 164,285	\$ 32,400	\$ 31,300
4400	Aeration Facilities	Cost	\$ 1,006,503	\$ 1,014,700	\$ 1,048,900
4900	Flood & Pollution Control - Indirect Costs	Cost	\$ 778,763	\$ 1,042,065	\$ 1,219,375
5000	Solids Drying/Utilization				
	Utilize Biosolids for Application at Final Utilization Sites Such as the Land Reclamation Fields in Fulton County, the Fischer Farm, Daily and Final Cover at Sanitary Landfills, and Other Farm Applications	Dry Tons	75,375	100,000	99,800
		Cost	\$ 18,191,073	\$ 17,169,900	\$ 17,599,210
		Cost/Dry Ton	\$ 241.34	\$ 171.70	\$ 176.34
5271	Pelletizer Disposal	Dry Tons	37,143	40,000	80,000
	Control Management and Disposal of Solids by Private Contracts	Cost	\$ 4,272,849	\$ 4,379,700	\$ 6,822,200
		Cost/Dry Ton	\$ 115.04	\$ 109.49	\$ 85.28
7000	General Support (excluding program numbers 7368 & 7604)				
	Technical and Administrative Support for Other Departments' Activities Indirectly Related to the Operational Activities of Collection & Treatment, Solids Processing, Flood & Pollution Control, and Solids Utilization	Cost	\$ 2,918,228	\$ 3,019,593	\$ 3,099,600
7368	Real Estate Environmental Assessment	Cost	\$ 979,665	\$ 655,700	\$ 705,200
7604	Social Security and Medicare Contributions	Cost	\$ 1,249,621	\$ 1,271,300	\$ 1,336,500
	Departmental Total		\$ 176,565,147	\$ 191,135,500	\$ 196,006,400

Note: Explanations of significant changes are provided by individual division.

* Revenue generated not included in total costs.

Account Number	Account Name	LINE ITEM ANALYSIS						
		2017		2018			2019	
		Expenditure	Original Appropriation	Adjusted Appropriation 09/30/18	Expenditure (Committed Budget plus Disbursement) 09/30/18	Estimated Expenditure 12/31/18	Proposed by Executive Director	Recommended by Committee on Budget and Employment
101 60000	Fund: Corporate Department: Maintenance & Operations Division: All Divisions							
601010	Salaries of Regular Employees	\$ 85,103,264	\$ 88,536,900	\$ 88,536,900	\$ 61,693,259	\$ 86,857,500	\$ 91,677,700	\$ —
601060	Compensation Plan Adjustments	4,713,807	5,102,100	5,102,100	3,848,044	5,284,300	4,829,400	—
601070	Social Security and Medicare Contributions	1,249,621	1,271,300	1,271,300	939,240	1,375,900	1,336,500	—
601080	Salaries of Nonbudgeted Employees	6,927	29,900	29,900	—	—	5,300	—
601100	Tuition and Training Payments	197,837	239,200	239,200	121,611	220,100	201,900	—
100	TOTAL PERSONAL SERVICES	91,271,456	95,179,400	95,179,400	66,602,153	93,737,800	98,050,800	—
612010	Travel	14,735	30,300	30,300	9,931	25,500	23,300	—
612030	Meals and Lodging	58,039	71,000	71,000	38,219	57,400	55,300	—
612050	Compensation for Personally-Owned Automobiles	108,549	144,900	144,900	72,572	119,900	108,500	—
612080	Motor Vehicle Operating Services	653	900	900	361	900	1,700	—
612150	Electrical Energy	35,900,800	38,601,900	38,426,900	23,893,660	35,267,200	34,393,400	—
612160	Natural Gas	2,928,497	2,796,300	2,971,300	2,023,747	3,052,600	2,945,300	—
612170	Water and Water Services	1,858,821	1,795,000	1,795,000	1,212,392	1,839,600	2,113,700	—
612210	Communication Services	554,338	882,700	894,200	680,070	883,200	—	—
612240	Testing and Inspection Services	118,984	276,300	276,300	215,161	209,200	166,700	—
612330	Rental Charges	155,665	169,700	169,700	167,625	154,600	161,500	—
612410	Governmental Service Charges	3,560,199	3,473,800	3,473,800	2,542,112	3,367,400	3,474,100	—
612420	Maintenance of Grounds and Pavements	828,992	1,013,500	1,013,500	943,877	906,800	1,430,900	—
612430	Payments for Professional Services	543,957	535,400	535,400	515,656	483,300	489,500	—
612490	Contractual Services, N.O.C.	404,189	673,500	635,200	454,456	557,800	645,100	—
612520	Waste Material Disposal Charges	10,284,686	10,894,000	10,872,900	10,860,911	9,724,000	10,926,400	—
612530	Farming Services	24,700	24,700	24,700	20,000	20,000	154,700	—
612590	Sludge Disposal	3,600,138	3,700,000	3,700,000	3,700,000	3,669,600	6,193,300	—
612600	Repairs to Collection Facilities	3,075,735	3,249,300	3,225,700	3,010,736	2,874,600	3,486,100	—
612620	Repairs to Waterway Facilities	43,619	46,700	46,700	44,588	44,600	47,900	—
612650	Repairs to Process Facilities	4,648,489	5,528,900	5,518,900	5,391,527	5,024,200	5,582,800	—
612670	Repairs to Railroads	266,937	368,700	322,500	299,986	310,000	266,900	—
612680	Repairs to Buildings	612,100	1,059,100	1,070,600	964,665	882,700	1,085,000	—
612760	Repairs to Material Handling and Farming Equipment	280,002	313,600	313,600	302,106	294,000	315,900	—
612780	Safety Repairs and Services	280,374	324,400	324,400	286,006	223,600	334,500	—
612790	Repairs to Marine Equipment	53,685	65,000	65,000	65,000	33,500	65,000	—
612820	Computer Software Maintenance	5,311	7,500	9,300	9,300	9,200	7,500	—

Account Number	Account Name	LINE ITEM ANALYSIS						
		2017		2018			2019	
		Expenditure	Original Appropriation	Adjusted Appropriation 09/30/18	Expenditure (Committed Budget plus Disbursement) 09/30/18	Estimated Expenditure 12/31/18	Proposed by Executive Director	Recommended by Committee on Budget and Employment
101 60000	Fund: Corporate Department: Maintenance & Operations Division: All Divisions							
612840	Communications Equipment Maintenance (Includes Software)	—	5,000	5,000	5,000	4,500	—	—
612860	Repairs to Vehicle Equipment	114,985	166,300	166,300	157,510	138,400	140,600	—
612990	Repairs, N.O.C.	8,668	25,000	25,000	19,520	18,000	28,000	—
200	TOTAL CONTRACTUAL SERVICES	70,335,845	76,243,400	76,129,000	57,906,694	70,196,300	74,643,600	—
623030	Metals	27,671	35,600	35,600	30,455	27,800	30,500	—
623070	Electrical Parts and Supplies	1,751,074	2,006,900	2,580,900	2,482,207	2,247,200	2,638,400	—
623090	Plumbing Accessories and Supplies	520,477	785,600	777,000	666,281	731,600	823,800	—
623110	Hardware	15,423	8,000	8,000	7,726	6,600	8,300	—
623130	Buildings, Grounds, Paving Materials, and Supplies	125,640	172,800	172,800	140,033	149,600	148,300	—
623170	Fiber, Paper, and Insulation Materials	5,545	9,900	9,900	9,300	8,600	11,100	—
623190	Paints, Solvents, and Related Materials	4,864	6,600	6,600	6,290	6,400	13,000	—
623250	Vehicle Parts and Supplies	168,088	151,200	164,800	163,860	150,800	168,000	—
623270	Mechanical Repair Parts	2,203,088	2,454,100	3,567,900	3,468,156	3,381,900	3,823,100	—
623300	Manhole Materials	10,266	6,900	6,900	6,045	6,600	25,000	—
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	43,120	48,900	46,400	45,151	44,100	38,800	—
623530	Farming Supplies	4,610	3,700	3,700	3,400	3,400	4,000	—
623560	Processing Chemicals	9,134,723	12,878,200	11,169,200	11,022,334	10,142,700	12,445,500	—
623570	Laboratory Testing Supplies, Small Equipment, and Chemicals	23,141	25,600	25,600	19,049	22,400	25,600	—
623660	Cleaning Supplies	3,776	1,700	4,200	2,901	4,100	2,200	—
623680	Tools and Supplies	375,583	210,300	210,300	202,832	201,100	244,600	—
623700	Wearing Apparel	1,404	1,300	1,300	538	1,000	2,600	—
623780	Safety and Medical Supplies	42,819	70,100	67,600	50,060	46,800	53,700	—
623800	Computer Software	3,724	24,700	24,700	18,120	21,400	39,100	—
623810	Computer Supplies	10,902	37,700	37,700	34,514	35,700	170,000	—
623820	Fuel	255,334	338,700	359,900	357,157	341,700	317,600	—
623840	Gases	841	1,100	1,100	721	900	600	—
623850	Communications Supplies	—	5,500	5,500	4,900	4,700	24,300	—
623860	Lubricants	6,993	21,400	18,900	7,117	12,900	7,700	—
623990	Materials and Supplies, N.O.C.	58,890	188,600	188,600	165,776	175,100	117,500	—
300	TOTAL MATERIALS AND SUPPLIES	14,797,997	19,495,100	19,495,100	18,914,923	17,775,100	21,183,300	—
634600	Equipment for Collection Facilities	45,129	44,200	44,200	44,118	43,600	60,000	—

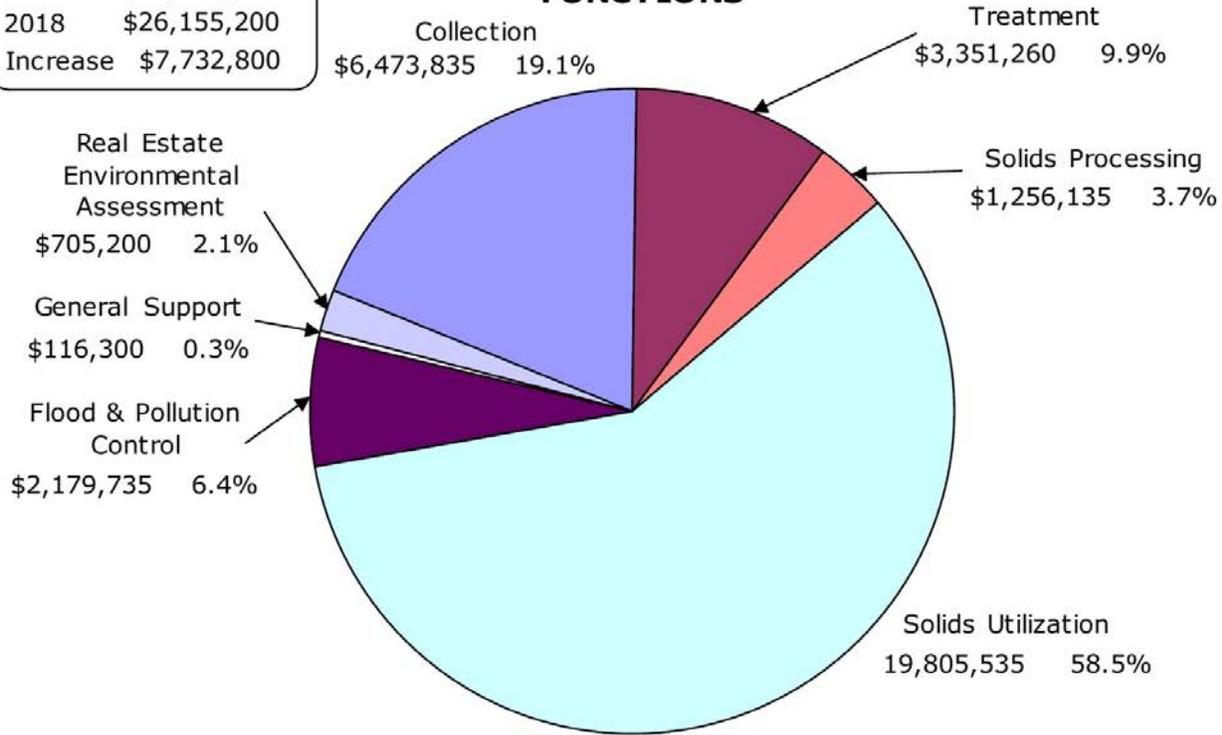
101 60000	Fund: Corporate Department: Maintenance & Operations Division: All Divisions	LINE ITEM ANALYSIS						
		2017	2018			2019		
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/18	Expenditure (Committed Budget plus Disbursement) 09/30/18	Estimated Expenditure 12/31/18	Proposed by Executive Director	Recommended by Committee on Budget and Employment
634650	Equipment for Process Facilities	108,984	148,400	217,800	195,513	217,800	166,700	—
634760	Material Handling and Farming Equipment	—	—	—	—	—	337,000	—
634790	Marine Equipment	—	—	—	—	—	80,000	—
634810	Computer Equipment	—	—	—	—	—	250,000	—
634860	Vehicle Equipment	—	—	—	—	—	1,199,000	—
634970	Testing and Laboratory Equipment	5,737	25,000	33,000	30,904	37,900	—	—
634990	Machinery and Equipment, N.O.C.	—	—	12,000	11,225	12,000	36,000	—
400	TOTAL MACHINERY AND EQUIPMENT	159,850	217,600	307,000	281,760	311,300	2,128,700	—
TOTAL MAINTENANCE & OPERATIONS		\$176,565,148	\$ 191,135,500	\$ 191,110,500	\$ 143,705,530	\$182,020,500	\$196,006,400	\$ —

NOTES: 1. Amounts may not add up due to rounding.
 2. Departmental appropriation totals for salaries in the Line Item Analysis may differ from those contained in the Position Analysis by a factor identified to adjust for vacancies.
 Additionally, Estimated Expenditure may either exceed Adjusted Appropriation when transfers of funds are anticipated or be less than Expenditure (Committed Budget plus Disbursement) when not all commitments are anticipated to be completed by year-end.
 3. For the M&O Department, Expenditure (Committed Budget plus Disbursement) may exceed Adjusted Appropriation for a specific division as funding is controlled at the M&O Overall department-level.

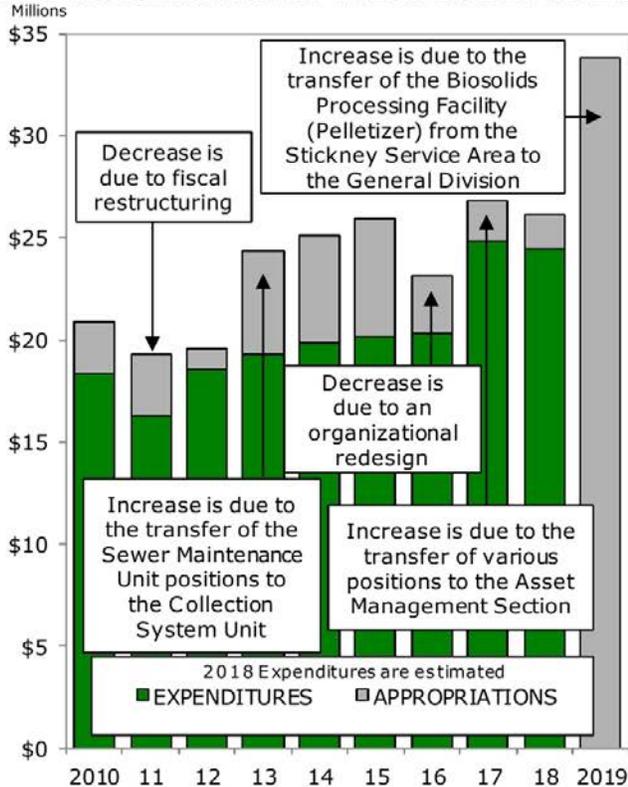
MAINTENANCE & OPERATIONS – GENERAL DIVISION

2019 \$33,888,000
 2018 \$26,155,200
 Increase \$7,732,800

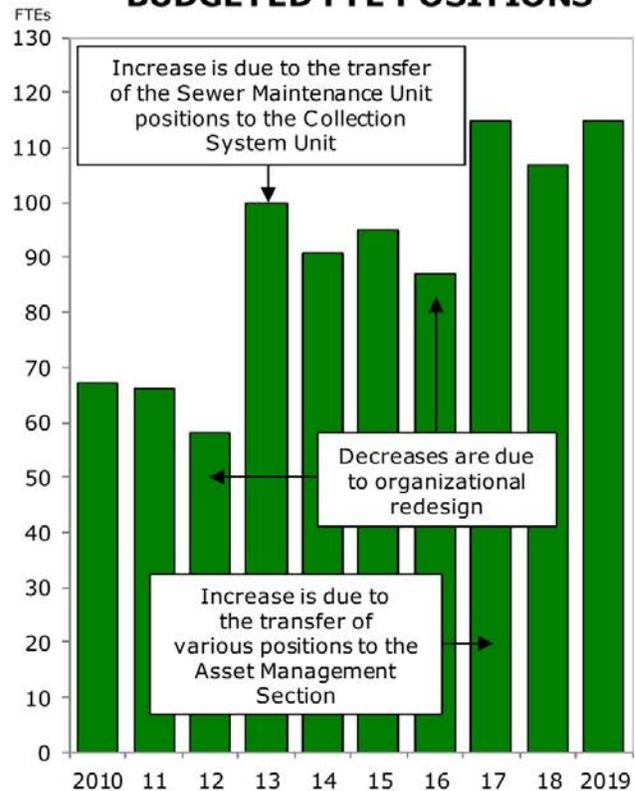
FUNCTIONS



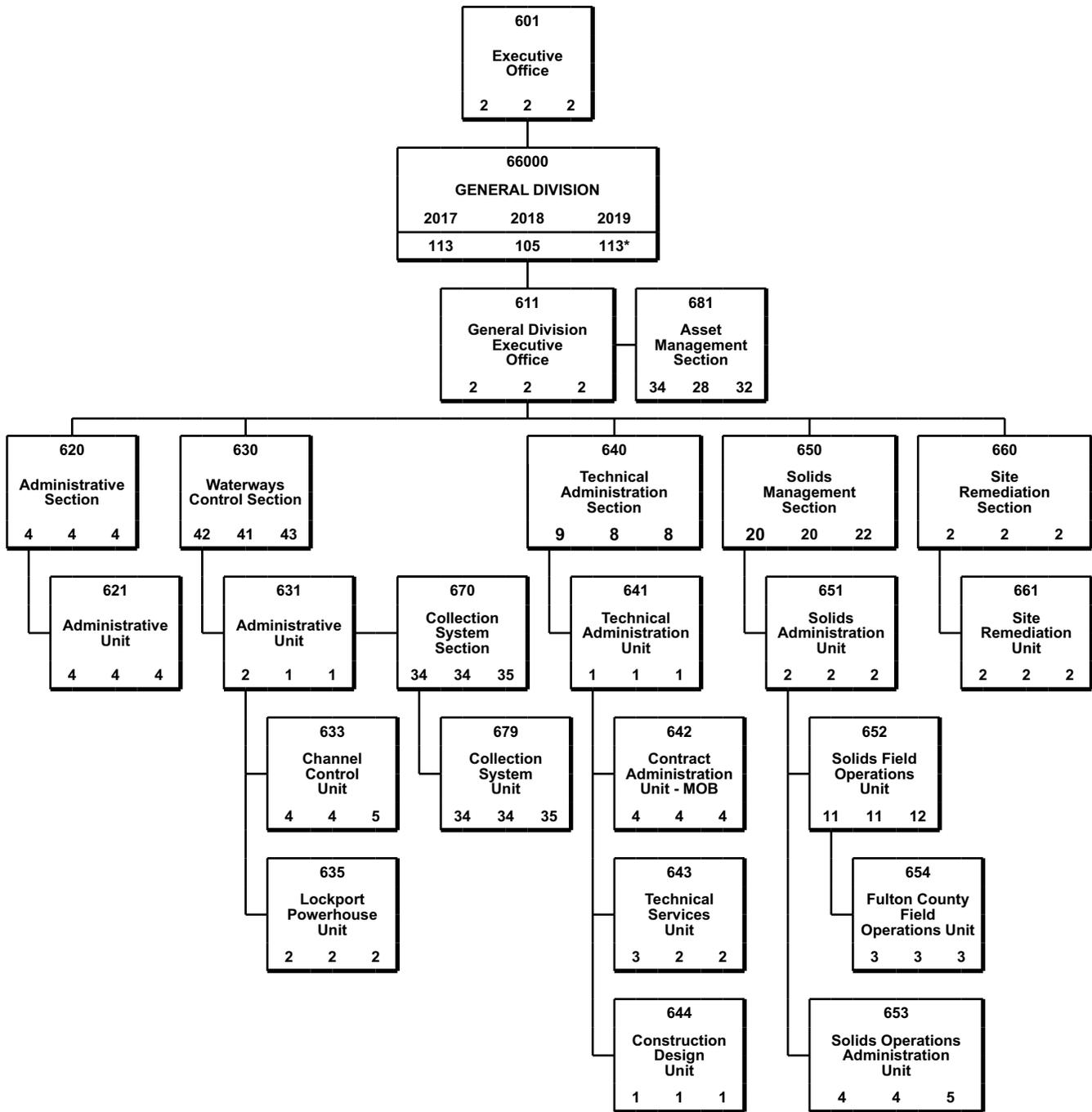
APPROPRIATIONS & EXPENDITURES



BUDGETED FTE POSITIONS



MAINTENANCE & OPERATIONS - GENERAL DIVISION



* In 2019, 18 positions in the General Division are funded by the Stormwater Management Fund while the operations remain in the Maintenance & Operations Department: two in Unit 634, six in Unit 636, four in Unit 639, and six in Unit 679.

66000 M&O - GENERAL DIVISION

OBJECTIVES AND PROGRAM SUMMARY

OBJECTIVES BY PRIORITY:	Cost	Percent
1. COLLECTION & TREATMENT: The General Division provides technical and administrative support to the Maintenance & Operations Department's seven treatment facilities. It provides management and coordination of the collection system related activities.	\$ 9,825,095	29.0%
2. SOLIDS PROCESSING: The General Division provides technical and administrative support for the removal and processing of solids from concentrated sewage through various systems including heated digestion, centrifuging, air drying, and conditioning of low solids sludge and centrifuge cake in lagoons.	\$ 1,256,135	3.7%
3. SOLIDS UTILIZATION: The General Division provides management and coordination of biosolids processing and utilization of District-wide activities.	\$ 19,805,535	58.5%
4. FLOOD & POLLUTION CONTROL: The Waterways Control Section minimizes flooding and pollution of Lake Michigan through continuous control of the water levels of major rivers and canals, while limiting diversion of water from the lake in accordance with the U.S. Supreme Court Decree of 1967. In addition, the Waterways Control Section operates the Lockport Powerhouse and will generate an estimated 40 million kWh of electricity resulting in approximately \$1.2 million in revenue.	\$ 2,179,735	6.4%
5. GENERAL SUPPORT: The General Division provides technical and administrative support for other departments not directly related to the operational activities of Collection & Treatment, Solids Processing, Solids Utilization, and Flood & Pollution Control.	\$ 116,300	0.3%
6. REAL ESTATE ENVIRONMENTAL ASSESSMENT: The General Division inspects and evaluates District properties for compliance with the United States Environmental Protection Agency and the Illinois Environmental Protection Agency requirements.	\$ 705,200	2.1%
	Total \$ 33,888,000	100.0%

MEASURABLE GOALS:	Unit of Measure	2017 Actual	2018 Estimated	2019 Proposed
1. The operation of the Lockport Powerhouse will generate the equivalent of \$1.2 million worth of electricity revenue in 2019.	kWh Generated	37,583,707	40,000,000	40,000,000
	<i>* Revenue Generated</i>	\$ 1,323,132	\$ 1,300,000	\$ 1,200,000
2. The General Division will minimize diversion of Lake Michigan water in accordance with U.S. Supreme Court Decree, through control of water levels.	Mil. Gal./Yr. Diversion	41,632	60,152	60,152
3. The Solids Management Section will oversee the utilization of 99,000 dry tons of biosolids in 2019. (North Service Area's 800 dry tons of solids remain in that division.	Dry Tons	74,677	99,000	99,000
<i>* Revenue generated not included in total costs.</i>				

66000 M&O - GENERAL DIVISION

OBJECTIVES AND PROGRAM SUMMARY

PROGRAMS BY PRIORITY:		2017	Budgeted		Change		
Number	Name	Actual	FTEs	Dollars	Dollars	Percent	
1000	Collection	\$ 5,279,232	2019 44	\$ 6,473,835	\$ 750,165	13.1	
			2018 43	\$ 5,723,670			
1100	Surface Interceptor Systems	\$ 2,676,316	2019 20	\$ 2,807,900	\$ 57,500	2.1	
			2018 20	\$ 2,750,400			
1200	Tunnel and Reservoir System	\$ 908,601	2019 7	\$ 988,000	\$ 348,700	54.5	a)
			2018 7	\$ 639,300			
1300	Pumping Station Facilities	\$ 407,597	2019 6	\$ 687,800	\$ 37,200	5.7	
			2018 6	\$ 650,600			
1900	Collection - Indirect Costs	\$ 1,286,718	2019 11	\$ 1,990,135	\$ 306,765	18.2	b)
			2018 10	\$ 1,683,370			
2000	Treatment	\$ 2,436,561	2019 23	\$ 3,165,360	\$ 342,740	12.1	
			2018 19	\$ 2,822,620			
2000	Pre-Treatment	\$ 104,879	2019 1	\$ 135,400	\$ 25,300	23.0	c)
			2018 1	\$ 110,100			
2100	Primary Treatment	\$ 127,440	2019 2	\$ 167,200	\$ 19,800	13.4	
			2018 1	\$ 147,400			
2200	Secondary Treatment	\$ 319,978	2019 3	\$ 401,300	\$ 75,400	23.1	d)
			2018 2	\$ 325,900			
2300	Tertiary Treatment	\$ 70,906	2019 1	\$ 61,000	\$ (3,400)	(5.3)	
			2018 1	\$ 64,400			
2900	Treatment - Indirect Costs	\$ 1,813,358	2019 16	\$ 2,400,460	\$ 225,640	10.4	e)
			2018 14	\$ 2,174,820			
3000	Solids Processing	\$ 1,214,020	2019 9	\$ 1,256,135	\$ 45,165	3.7	
			2018 9	\$ 1,210,970			
3100	Thickening	\$ 224,307	2019 2	\$ 254,800	\$ 11,500	4.7	
			2018 2	\$ 243,300			
3200	Stabilization	\$ 87,311	2019 1	\$ 116,600	\$ 29,800	34.3	f)
			2018 1	\$ 86,800			
3300	Dewatering	\$ 96,777	2019 1	\$ 70,000	\$ 300	0.4	
			2018 1	\$ 69,700			
3900	Solids Processing - Indirect Costs	\$ 805,625	2019 5	\$ 814,735	\$ 3,565	0.4	
			2018 5	\$ 811,170			

- a) Increase is due to the anticipated award of 19-656-11, Services to Inspect & Maintain TARP Electrical Control Structures (\$250,000) and the higher demand for 19-654-11, Limitorque - TARP Sluice Gate & Actuators (\$96,800).
- b) Increase is due to the planned award to furnish and deliver a diesel step van truck (\$320,000).
- c) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$25,300).
- d) Increase is due to the net transfer in of one FTE position from the Stickney WRP (\$78,200).
- e) Increase is due to the transfer in of two FTE positions from the Stickney WRP (\$240,400).
- f) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$30,000).

66000 M&O - GENERAL DIVISION

OBJECTIVES AND PROGRAM SUMMARY

PROGRAMS BY PRIORITY:		2017	Budgeted		Change		
Number	Name	Actual	FTEs	Dollars	Dollars	Percent	
4000	Flood & Pollution Control	\$ 2,174,600	2019 12	\$ 2,179,735	\$ 94,565	4.5	
			2018 12	\$ 2,085,170			
4200	Waterways Control and Stormwater Reservoirs	\$ 1,537,836	2019 10	\$ 1,403,800	\$ (133,000)	(8.7)	
			2018 9	\$ 1,536,800			
4210	Maintenance of Waterways	\$ 162,617	2019 —	\$ 202,500	\$ 80,300	65.7	g)
			2018 —	\$ 122,200			
4300	Stormwater Management	\$ 164,285	2019 —	\$ 31,300	\$ (1,100)	(3.4)	
			2018 —	\$ 32,400			
4400	Aeration Facilities	\$ 113,204	2019 1	\$ 140,500	\$ 37,400	36.3	h)
			2018 1	\$ 103,100			
4900	Flood & Pollution Control - Indirect Costs	\$ 196,658	2019 1	\$ 401,635	\$ 110,965	38.2	i)
			2018 2	\$ 290,670			
5000	Solids Utilization	\$12,475,138	2019 24	\$19,805,535	\$ 6,500,065	48.9	
			2018 21	\$13,305,470			
5100	Solids Drying	\$ 5,117,953	2019 5	\$ 5,827,800	\$ 240,500	4.3	j)
			2018 4	\$ 5,587,300			
5200	Solids Distribution	\$ 5,676,749	2019 7	\$11,988,000	\$ 6,029,300	101.2	k)
			2018 6	\$ 5,958,700			
5900	Solids Utilization - Indirect Costs	\$ 1,680,436	2019 12	\$ 1,989,735	\$ 230,265	13.1	l)
			2018 11	\$ 1,759,470			
7000	General Support (excludes program numbers 7368 and 7604)	\$ 150,707	2019 1	\$ 116,300	\$ (68,000)	(36.9)	m)
			2018 1	\$ 184,300			
7368	Real Estate Environmental Assessment	\$ 979,665	2019 2	\$ 705,200	\$ 49,500	7.5	
			2018 2	\$ 655,700			
7604	Social Security and Medicare Contributions	\$ 169,974	2019 —	\$ 185,900	\$ 18,600	11.1	
			2018 —	\$ 167,300			
	Totals	\$24,879,897	2019 115	\$33,888,000	\$ 7,732,800	29.6%	*
			2018 107	\$26,155,200			

g) Increase is due to the anticipated delivery of a pontoon boat in 2019 (\$80,000).
 h) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$37,200).
 i) Increase is due to the higher demand for a distribution control unit at the Waterways Control Room (\$110,000).
 j) Increase is due to the higher demand for 18-699-11, Services of Heavy Equipment With Operator (\$103,000), 19-691-11, Truck Hauling of Processed Solids (\$98,000), and 19-672-11, Tires for Heavy Equipment (\$15,000).
 k) Increase is due to the transfer of a multi-year 98-RFP-10, Pelletizing Facility from the Stickney Service Area to the General Division (\$6,193,300).
 l) Increase is due to the transfer of city water services from the Stickney Service Area to the General Division (\$158,000).
 m) Decrease is due to the reduced demand for compost probes (\$65,100).

* The 2019 position total for the General Division is 115, with 18 positions budgeted in the Stormwater Management Fund.

66000 M&O - GENERAL DIVISION

PERFORMANCE DATA

Program Number	Measurable Activity		2017 Actual	2018 Budgeted	2019 Estimated	
1000-2900	Collection & Treatment					
	Technical and Administrative Support for Collection and Treatment Activities	Cost	\$ 7,715,793	\$ 8,546,290	\$ 9,639,195	a)
3000	Solids Processing					
	Technical and Administrative Support for Solids Removal and Processing	Cost	\$ 1,214,020	\$ 1,210,970	\$ 1,256,135	
4000	Flood & Pollution Control					
4200	Operation and Maintenance of the Waterways to Minimize Area Flooding and Pollution	Cost	\$ 534,053	\$ 1,087,300	\$ 895,800	b)
	Generate Electricity at Lockport Powerhouse to Obtain Approximately \$1.2 million in Revenue	kWh	37,583,707	40,000,000	40,000,000	
		Cost	\$ 556,239	\$ 139,700	\$ 166,900	c)
		Cost/kWh	\$ 0.0148	\$ 0.0035	\$ 0.0042	
		<i>* Revenue Generated</i>	\$ 1,323,132	\$ 1,000,000	\$ 1,200,000	
	Minimize Diversion of Lake Michigan Water in Accordance with the U.S. Supreme Court Decree	Mil. Gal./Year	41,632	60,152	60,152	
		Cost	\$ 447,544	\$ 309,800	\$ 341,100	
		Cost/Mil. Gal./Year	\$ 10.75	\$ 5.15	\$ 5.67	
4210	Maintenance of the Waterways and Canal Banks Within the Jurisdiction of the District. Activities Include Debris Removal, Insect and Rodent Control, Bridge Repairs, and Aeration Costs	Cost	\$ 162,617	\$ 122,200	\$ 202,500	d)
4300	Stormwater Management	Cost	\$ 164,285	\$ 32,400	\$ 31,300	
4400	Aeration Facilities	Cost	\$ 113,204	\$ 103,100	\$ 140,500	e)
4900	Flood & Pollution Control - Indirect Costs	Cost	\$ 196,658	\$ 290,670	\$ 401,635	f)
5000	Solids Drying/Utilization					
	Management and Coordination of the Solids Utilization Program	Dry Tons	74,677	99,000	99,000	
		Cost	\$ 12,475,138	\$ 13,305,470	\$ 13,612,235	g)
		Cost/Dry Ton	\$ 167.05	\$ 134.40	\$ 137.50	
5271	Pelletizer Disposal	Dry Tons	—	—	40,000	
	Control Management and Disposal of Solids by Private Contracts	Cost	\$ —	\$ —	\$ 6,193,300	h)
		Cost/Dry Ton	\$ —	\$ —	\$ 154.83	

- a) Increase is due to the transfer in of three FTEs from the Hanover Park WRP and Stickney WRP (\$390,200), the planned award to furnish and deliver a diesel step van truck (\$320,000), the anticipated award of 19-656-11, Services to Inspect & Maintain TARP Electrical Control Structures (\$250,000), and the addition of an Engineering Technician V position (\$79,300).
- b) Decrease is due to the transfer of Telemetry Services to the Information Technology Department (\$272,600), offset by the addition of a Systems Dispatcher position (\$70,800).
- c) Increase is due to addition of a Systems Dispatcher (\$23,600).
- d) Increase is due to the anticipated delivery of a pontoon boat in 2019 (\$80,000).
- e) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$37,200).
- f) Increase is due to the higher demand for a distribution control unit at the Waterways Control Room (\$110,000).
- g) Increase is due to the transfer of city water services from the Stickney Service Area to the General Division (\$158,000), 18-699-11, Service of Heavy Equipment Biosolids (\$103,000), and the higher demand for 19-691-11, Truck Hauling of Processed Solids (\$98,000).
- h) Increase is due to the transfer of a multi-year 98-RFP-10, Pelletizing Facility from the Stickney Service Area to the General Division (\$6,193,300).

66000 M&O - GENERAL DIVISION

PERFORMANCE DATA

Program Number	Measurable Activity		2017 Actual	2018 Budgeted	2019 Estimated	
7000	General Support (excludes program numbers 7368 and 7604)					
	Technical and Administrative Support for Other Departments' Activities Indirectly Related to the Operational Activities of Collection & Treatment, Solids Processing, Flood & Pollution Control, and Solids Utilization	Cost	\$ 150,707	\$ 184,300	\$ 116,300	i)
7368	Real Estate Environmental Assessment	Cost	\$ 979,665	\$ 655,700	\$ 705,200	
7604	Social Security and Medicare Contributions	Cost	\$ 169,974	\$ 167,300	\$ 185,900	
Division Total			\$ 24,879,897	\$ 26,155,200	\$ 33,888,000	
<p>i) Decrease is due to reduced demand for compost probes (\$65,100).</p> <p>* Revenue generated not included in total costs.</p>						

Account Number	Account Name	LINE ITEM ANALYSIS						
		2017		2018			2019	
		Expenditure	Original Appropriation	Adjusted Appropriation 09/30/18	Expenditure (Committed Budget plus Disbursement) 09/30/18	Estimated Expenditure 12/31/18	Proposed by Executive Director	Recommended by Committee on Budget and Employment
101 66000	Fund: Corporate Department: Maintenance & Operations Division: General							
601010	Salaries of Regular Employees	\$ 11,677,399	\$ 11,816,900	\$ 11,816,900	\$ 8,285,999	\$ 11,706,200	\$ 12,676,600	\$ —
601060	Compensation Plan Adjustments	493,328	665,300	665,300	277,370	597,500	676,900	—
601070	Social Security and Medicare Contributions	169,974	167,300	167,300	122,410	179,200	185,900	—
601080	Salaries of Nonbudgeted Employees	—	19,700	19,700	—	—	3,800	—
601100	Tuition and Training Payments	14,881	16,800	16,800	11,749	11,200	43,000	—
100	TOTAL PERSONAL SERVICES	12,355,582	12,686,000	12,686,000	8,697,528	12,494,100	13,586,200	—
612010	Travel	2,203	3,400	3,400	1,184	2,500	2,900	—
612030	Meals and Lodging	10,917	9,700	9,700	5,004	8,000	7,500	—
612050	Compensation for Personally-Owned Automobiles	17,346	7,100	7,100	4,111	5,000	9,500	—
612080	Motor Vehicle Operating Services	166	300	300	170	200	300	—
612150	Electrical Energy	66,741	75,600	75,600	51,174	73,000	71,400	—
612160	Natural Gas	7,408	8,600	8,600	6,011	7,900	8,000	—
612170	Water and Water Services	64,768	53,200	53,200	31,878	44,800	210,100	—
612210	Communication Services	164,760	276,300	192,900	143,689	189,300	—	—
612240	Testing and Inspection Services	6,359	13,800	13,800	13,789	13,600	6,100	—
612330	Rental Charges	14,830	8,600	8,600	8,544	8,300	8,600	—
612410	Governmental Service Charges	19,138	18,600	18,600	14,787	14,100	18,400	—
612420	Maintenance of Grounds and Pavements	659,089	679,700	679,700	678,230	616,600	668,300	—
612430	Payments for Professional Services	525,957	516,400	516,400	497,116	464,700	470,500	—
612490	Contractual Services, N.O.C.	192,107	222,500	220,700	188,350	182,500	227,500	—
612520	Waste Material Disposal Charges	8,829,928	9,402,000	9,402,000	9,398,490	8,352,400	9,413,000	—
612590	Sludge Disposal	—	—	—	—	—	6,193,300	—
612600	Repairs to Collection Facilities	895,224	940,100	938,800	850,450	850,500	1,187,200	—
612620	Repairs to Waterway Facilities	43,619	46,700	46,700	44,588	44,600	47,900	—
612650	Repairs to Process Facilities	11,436	14,300	14,300	14,300	12,700	14,800	—
612680	Repairs to Buildings	10,718	40,400	28,000	22,740	24,700	23,000	—
612760	Repairs to Material Handling and Farming Equipment	223,023	239,900	239,900	229,500	228,500	239,500	—
612780	Safety Repairs and Services	14,986	14,000	14,000	12,855	12,800	16,500	—
612790	Repairs to Marine Equipment	53,685	65,000	65,000	65,000	33,500	65,000	—
612820	Computer Software Maintenance	5,311	7,500	9,300	9,300	9,200	7,500	—
612860	Repairs to Vehicle Equipment	33,647	49,500	57,900	57,900	48,000	54,500	—

Account Number	Account Name	LINE ITEM ANALYSIS						
		2017		2018			2019	
		Expenditure	Original Appropriation	Adjusted Appropriation 09/30/18	Expenditure (Committed Budget plus Disbursement) 09/30/18	Estimated Expenditure 12/31/18	Proposed by Executive Director	Recommended by Committee on Budget and Employment
101	Fund: Corporate							
66000	Department: Maintenance & Operations							
	Division: General							
612990	Repairs, N.O.C.	1,474	3,500	3,700	2,650	2,700	3,500	—
200	TOTAL CONTRACTUAL SERVICES	11,874,838	12,716,700	12,628,200	12,351,808	11,250,100	18,974,800	—
623070	Electrical Parts and Supplies	10,880	10,600	13,600	11,671	11,200	17,000	—
623090	Plumbing Accessories and Supplies	4,819	11,000	11,000	10,571	10,600	11,000	—
623110	Hardware	1,703	2,000	1,500	1,500	1,400	2,000	—
623130	Buildings, Grounds, Paving Materials, and Supplies	36,390	47,000	41,000	31,877	38,500	34,000	—
623250	Vehicle Parts and Supplies	79,674	67,000	66,000	65,963	64,700	82,000	—
623270	Mechanical Repair Parts	63,302	91,600	102,600	85,216	93,600	157,800	—
623300	Manhole Materials	10,266	6,900	6,900	6,045	6,600	25,000	—
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	5,970	7,000	7,000	6,235	6,200	4,000	—
623530	Farming Supplies	4,610	3,700	3,700	3,400	3,400	4,000	—
623560	Processing Chemicals	254,724	197,000	210,500	208,732	184,600	247,000	—
623660	Cleaning Supplies	1,116	500	500	500	500	500	—
623680	Tools and Supplies	16,405	15,800	15,800	15,169	14,400	15,300	—
623700	Wearing Apparel	1,229	700	700	538	600	2,000	—
623780	Safety and Medical Supplies	5,082	8,000	9,600	8,598	8,600	8,000	—
623810	Computer Supplies	30	400	400	—	200	1,400	—
623820	Fuel	139,970	184,400	193,600	193,509	185,500	172,200	—
623860	Lubricants	906	1,500	2,000	1,900	2,000	1,500	—
623990	Materials and Supplies, N.O.C.	12,401	97,400	97,400	95,108	93,900	32,300	—
300	TOTAL MATERIALS AND SUPPLIES	649,477	752,500	783,800	746,532	726,500	817,000	—
634790	Marine Equipment	—	—	—	—	—	80,000	—
634810	Computer Equipment	—	—	—	—	—	110,000	—
634860	Vehicle Equipment	—	—	—	—	—	320,000	—
634970	Testing and Laboratory Equipment	—	—	23,000	23,000	22,000	—	—
400	TOTAL MACHINERY AND EQUIPMENT	—	—	23,000	23,000	22,000	510,000	—
TOTAL GENERAL DIVISION		\$ 24,879,897	\$ 26,155,200	\$ 26,121,000	\$ 21,818,868	\$ 24,492,700	\$ 33,888,000	\$ —

NOTES: 1. Amounts may not add up due to rounding.
 2. Departmental appropriation totals for salaries in the Line Item Analysis may differ from those contained in the Position Analysis by a factor identified to adjust for vacancies.
 Additionally, Estimated Expenditure may either exceed Adjusted Appropriation when transfers of funds are anticipated or be less than Expenditure (Committed Budget plus Disbursement) when not all commitments are anticipated to be completed by year-end.
 3. For the M&O Department, Expenditure (Committed Budget plus Disbursement) may exceed Adjusted Appropriation for a specific division as funding is controlled at the M&O Overall department-level.

Fund: Corporate Dept: Maintenance & Operations Division: General		POSITION ANALYSIS				
		2017	2018		2019	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	PROPOSED BY THE EXECUTIVE DIRECTOR	
					BUDGETED FTEs	APPROPRIATION IN DOLLARS
601	Executive Office					
EX14	Director of Maintenance & Operations	1	1		1	
EX06	Secretary to Officer	1	1		1	
TOTAL	Executive Office	2	2	369,474.75	2	369,474.81
611	General Division Executive Office					
HP22	Assistant Director of Maintenance & Operations	1	1		1	
HP11	Administrative Specialist	1	1		1	
TOTAL	General Division Executive Office	2	2	291,036.06	2	294,403.74
620	Administrative Section					
621	Administrative Unit					
HP18	Supervising Budget & Management Analyst	1	1		1	
HP16	Senior Budget & Management Analyst	1	1		1	
HP14	Budget & Management Analyst	2	2		2	
TOTAL	Administrative Unit	4	4	453,557.51	4	469,767.97
TOTAL	Administrative Section	4	4	453,557.51	4	469,767.97
630	Waterways Control Section					
631	Administrative Unit					
HP20	Managing Civil Engineer	1	—		—	
HP20	Managing Engineer	—	1		1	
HP11	Administrative Specialist	1	—		—	
TOTAL	Administrative Unit	2	1	188,211.11	1	196,576.64
633	Channel Control Unit					
NR6271	Systems Dispatcher	4	4		5	
TOTAL	Channel Control Unit	4	4	459,596.80	5	597,688.00
634	Channel Maintenance Unit					
(* Number of positions budgeted and funded by the Stormwater Management Fund appears below position count)						
HP18	Principal Engineer	—	—		—	
			(*1)		(*1)	
HP17	Senior Civil Engineer	—	—		—	
		(*1)				

Fund: Corporate Dept: Maintenance & Operations Division: General		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP15	Associate Civil Engineer	— (*1)	— (*1)		— (*1)	
TOTAL	Channel Maintenance Unit	—	—	—	—	—
TOTAL	Stormwater Management Fund Positions	(*2)	(*2)		(*2)	
635	Lockport Powerhouse Unit					
NR7394	Powerhouse Mechanic Leadman	1	1		1	
NR7393	Powerhouse Mechanic	1	1		1	
TOTAL	Lockport Powerhouse Unit	2	2	238,097.60	2	247,728.00
636	Boat Operations Unit					
	(* Number of positions budgeted and funded by the Stormwater Management Fund appears below position count)					
HP14	Engineering Technician V	— (*1)	— (*1)		— (*2)	
HP14	Engineering Technician V #4	— (*1)	— (*1)		—	
HP12	Engineering Technician IV	— (*1)	— (*1)		— (*2)	
HP12	Engineering Technician IV #4	— (*1)	— (*1)		—	
NR8650	Maintenance Laborer Class A Shift	— (*2)	— (*2)		— (*2)	
TOTAL	Boat Operations Unit	—	—	—	—	—
TOTAL	Stormwater Management Fund Positions	(*6)	(*6)		(*6)	
639	Channel Maintenance Unit (formerly Stickney Service Area Channel Maintenance Unit)					
	(* Number of positions budgeted and funded by the Stormwater Management Fund appears below position count)					
HP14	Engineering Technician V	— (*1)	— (*1)		— (*1)	
HP14	Engineering Technician V #4	— (*1)	— (*1)		— (*1)	
NR8650	Maintenance Laborer Class A Shift	— (*2)	— (*2)		— (*2)	
TOTAL	Channel Maintenance Unit (formerly Stickney Service Area Channel Maintenance Unit)	—	—	—	—	—
TOTAL	Stormwater Management Fund Positions	(*4)	(*4)		(*4)	

Fund: Corporate Dept: Maintenance & Operations Division: General		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
670	Collection System Section					
679	Collection System Unit (* Number of positions budgeted and funded by the Stormwater Management Fund appears below position count)					
HP17	Senior Civil Engineer	1	—		—	
HP17	Senior Engineer	—	1		1	
HP15	Associate Civil Engineer	1	1		—	
HP15	Associate Civil Engineer #1	—	—		1	
HP14	Engineering Technician V	4	5		6	
HP12	Engineering Technician IV	1	—		—	
HP11	Engineering Technician III	1	1		1	
NR8331	Laborer Foreman	6	6		6	
		(*1)	(*1)		(*1)	
NR8650	Maintenance Laborer Class A Shift	14	14		14	
		(*4)	(*4)		(*4)	
PR6473	Truck Driver	6	6		6	
		(*1)	(*1)		(*1)	
TOTAL	Collection System Unit	34	34	2,953,305.42	35	3,121,579.77
TOTAL	Stormwater Management Fund Positions	(*6)	(*6)		(*6)	
TOTAL	Collection System Section	34	34	2,953,305.42	35	3,121,579.77
TOTAL	Stormwater Management Fund Positions	(*6)	(*6)		(*6)	
TOTAL	Waterways Control Section	42	41	3,839,210.93	43	4,163,572.41
TOTAL	Stormwater Management Fund Positions	(*18)	(*18)		(*18)	
640	Technical Administration Section					
641	Technical Administration Unit					
HP20	Managing Civil Engineer	1	—		—	
HP20	Managing Engineer	—	1		1	
TOTAL	Technical Administration Unit	1	1	196,576.59	1	196,576.65
642	Contract Administration Unit - MOB					
HP18	Principal Civil Engineer	1	—		—	
HP18	Principal Engineer	—	1		1	
HP17	Senior Mechanical Engineer	1	1		1	

Fund: Corporate Dept: Maintenance & Operations Division: General		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP15	Associate Civil Engineer	1	1		1	
HP12	Administrative Assistant #2 (Administrative Specialist) (New Grade HP11)	1	1		1	
TOTAL	Contract Administration Unit - MOB	4	4	477,810.03	4	488,530.11
643	Technical Services Unit					
HP17	Senior Civil Engineer	1	—		—	
HP17	Senior Engineer	—	1		1	
HP15	Associate Civil Engineer	1	1		1	
HP11	Administrative Specialist	1	—		—	
TOTAL	Technical Services Unit	3	2	237,958.12	2	237,958.25
644	Construction Design Unit					
HP18	Principal Civil Engineer	1	—		—	
HP18	Principal Engineer	—	1		1	
TOTAL	Construction Design Unit	1	1	155,928.59	1	155,928.50
TOTAL	Technical Administration Section	9	8	1,068,273.33	8	1,078,993.51
650	Solids Management Section					
651	Solids Administration Unit					
HP20	Managing Civil Engineer	1	—		—	
HP20	Managing Engineer	—	1		1	
HP12	Administrative Assistant #2 (Administrative Specialist) (New Grade HP11)	1	1		1	
TOTAL	Solids Administration Unit	2	2	257,115.91	2	265,479.24
652	Solids Field Operations Unit					
HP18	Principal Engineer	1	1		1	
HP17	Senior Civil Engineer	1	—		—	
HP17	Senior Engineer	—	1		1	
HP15	Associate Civil Engineer	—	—		1	
HP14	Engineering Technician V	3	3		3	
HP14	Engineering Technician V #4	2	2		2	

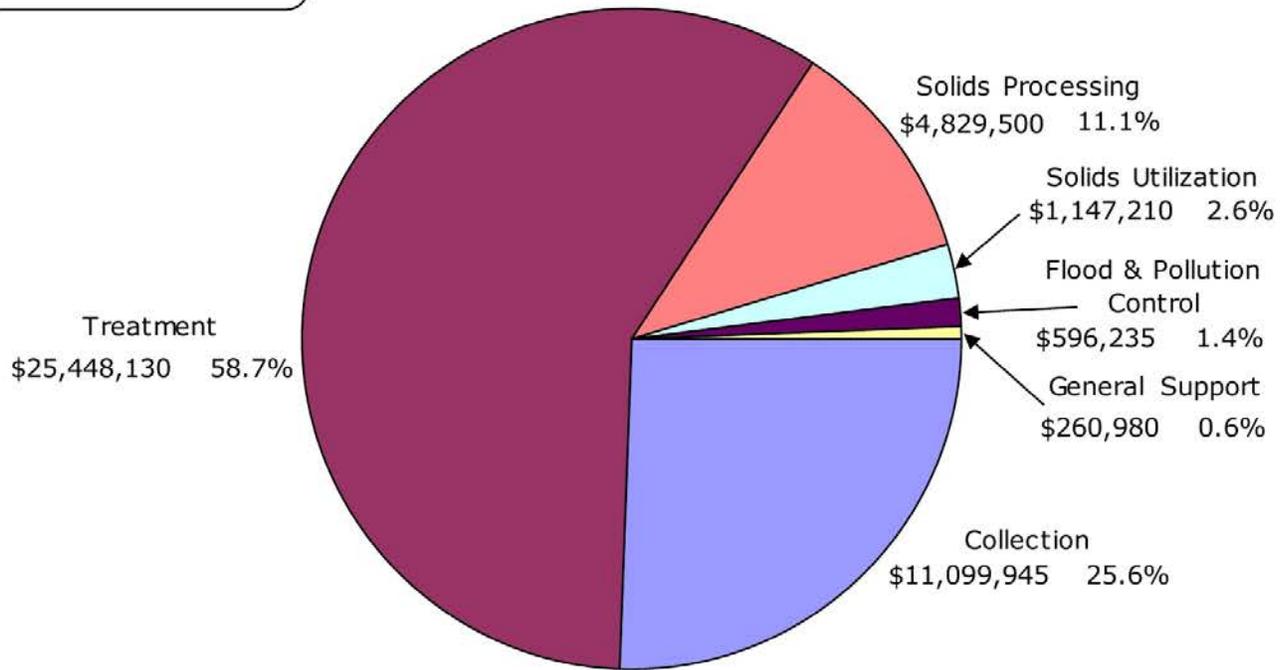
Fund: Corporate Dept: Maintenance & Operations Division: General		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP12	Engineering Technician IV	3	3		3	
HP11	Engineering Technician III	1	1		1	
TOTAL	Solids Field Operations Unit	11	11	1,098,655.46	12	1,216,323.92
653 Solids Operations Administration Unit						
HP17	Senior Civil Engineer	1	—		—	
HP17	Senior Engineer	—	1		1	
HP15	Associate Civil Engineer	1	1		1	
HP12	Engineering Technician IV #4	1	1		1	
NR8651	Maintenance Laborer Class A	—	—		1	
NR8652	Maintenance Laborer Class B	1	1		—	
NR8652	Maintenance Laborer Class B #1	—	—		1	
TOTAL	Solids Operations Administration Unit	4	4	403,931.80	5	486,445.45
654 Fulton County Field Operations Unit						
HP12	Agricultural Technician II	1	1		1	
HP11	Agricultural Technician I	1	1		1	
HP11	Administrative Specialist	1	1		1	
TOTAL	Fulton County Field Operations Unit	3	3	221,226.39	3	224,593.99
TOTAL	Solids Management Section	20	20	1,980,929.56	22	2,192,842.60
660 Site Remediation Section						
661 Site Remediation Unit						
HP20	Engineer of Site Remediation	1	1		1	
HP17	Site Remediation Specialist	1	1		1	
TOTAL	Site Remediation Unit	2	2	323,818.21	2	323,818.30
TOTAL	Site Remediation Section	2	2	323,818.21	2	323,818.30
681 Asset Management Section						
HP20	Managing Engineer	1	1		1	
HP18	Principal Electrical Engineer	3	1		1	
HP18	Principal Engineer	—	1		1	

Fund: Corporate Dept: Maintenance & Operations Division: General		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP18	Principal Mechanical Engineer	3	3		3	
HP17	Senior Electrical Engineer	6	4		5	
HP17	Senior Engineer	—	—		1	
HP17	Senior Mechanical Engineer	4	4		4	
HP15	Associate Electrical Engineer	6	6		7	
HP15	Associate Mechanical Engineer	3	4		5	
HP15	Associate Process Control Engineer	3	—		—	
HP14	Assistant Electrical Engineer	1	—		—	
HP14	Assistant Mechanical Engineer	2	2		2	
HP14	Assistant Mechanical Engineer #2 (Engineering Technician IV) (New Grade HP12)	1	1		1	
HP14	Engineering Technician V	—	1		1	
HP11	Administrative Specialist	1	—		—	
TOTAL	Asset Management Section	34	28	3,490,252.87	32	4,012,380.76
TOTAL	Maintenance & Operations General Division	115	107	11,816,553.22	115	12,905,254.10
TOTAL	Stormwater Management Fund Positions	(*18)	(*18)		(*18)	
<p>Note: Eighteen positions budgeted in Sections 634, 636, 639, and 679 are funded by the Stormwater Management Fund while the operations remain in the Maintenance & Operations Department.</p>						
<p>NOTE: Departmental appropriation totals for salaries in the Position Analysis differ from those contained in the Line Item Analysis by a factor identified to adjust for vacancies. Salary ranges corresponding to the pay plan and grade for each class title can be found in the table of Salary Schedules in the Appendix.</p>						

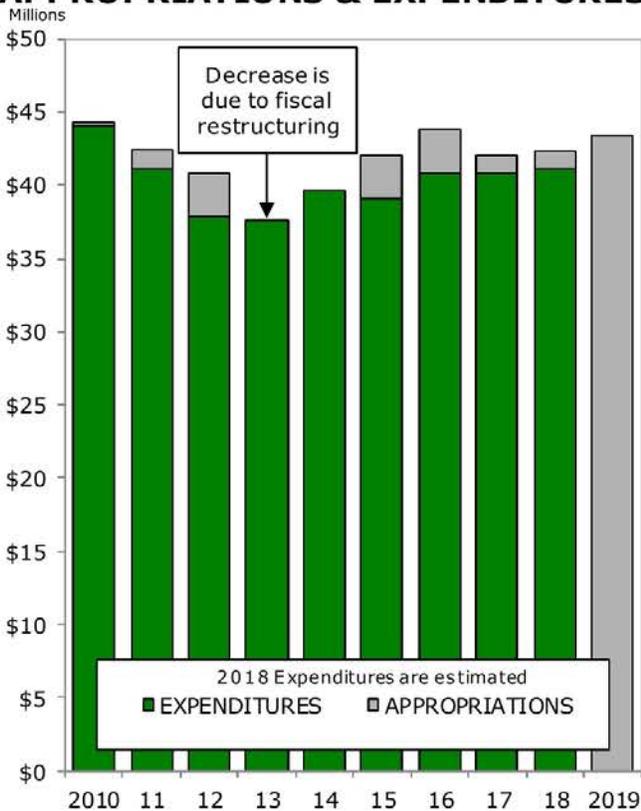
MAINTENANCE & OPERATIONS – NORTH SERVICE AREA

2019	\$43,382,000
2018	\$42,258,700
Increase	\$1,123,300

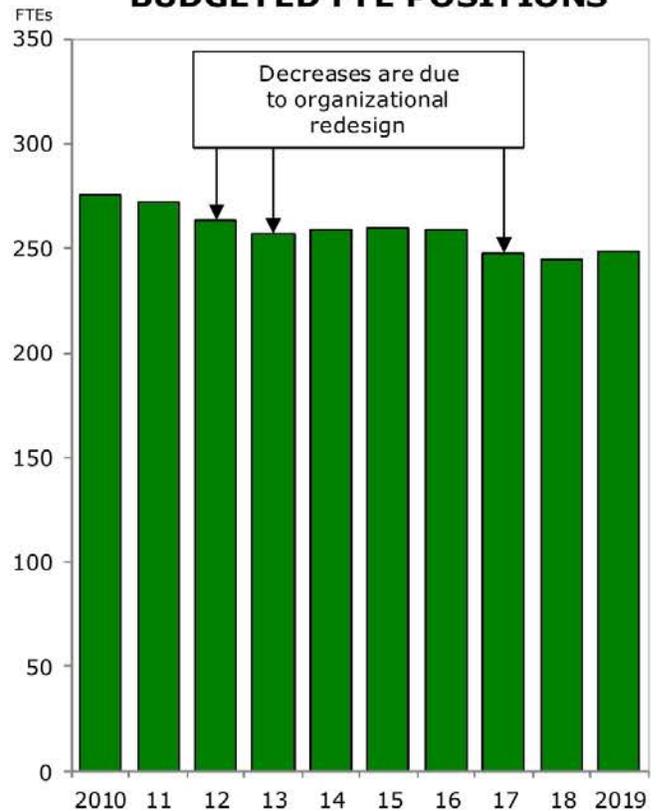
FUNCTIONS



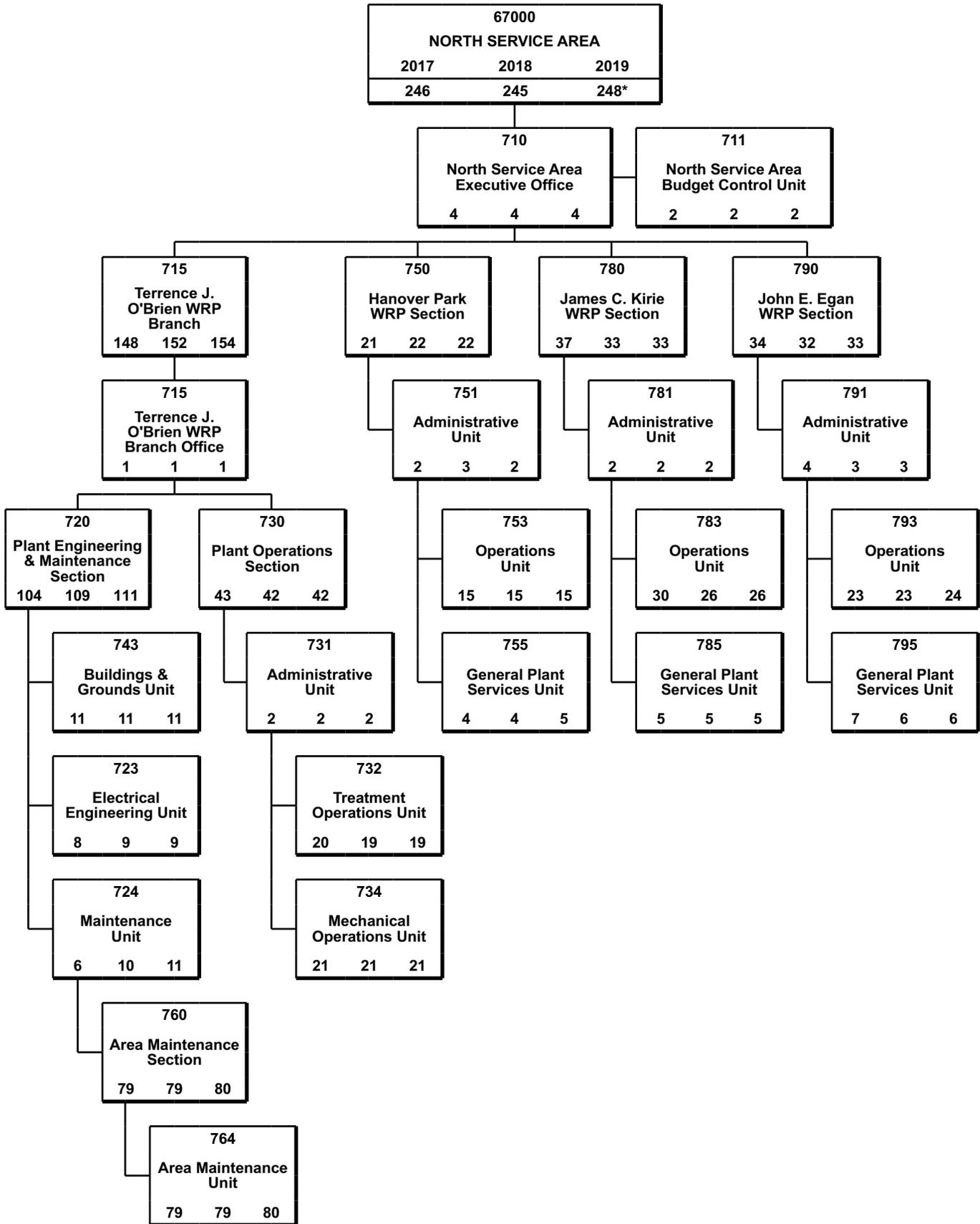
APPROPRIATIONS & EXPENDITURES



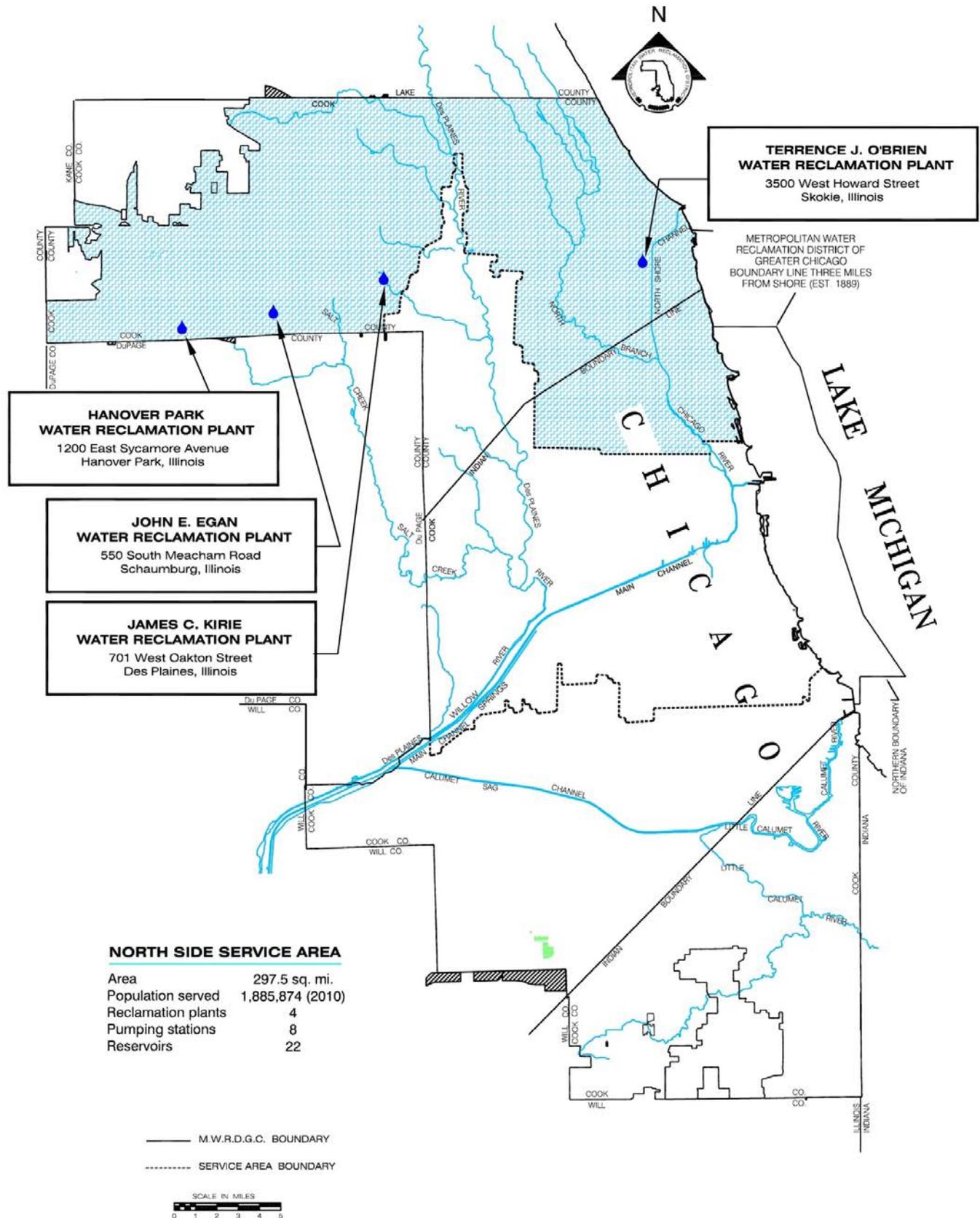
BUDGETED FTE POSITIONS



MAINTENANCE & OPERATIONS - NORTH SERVICE AREA



* In 2019, there are no positions funded by the Stormwater Management Fund.



67000 M&O - NORTH SERVICE AREA

OBJECTIVES AND PROGRAM SUMMARY

OBJECTIVES BY PRIORITY:				Cost	Percent	
1. COLLECTION & TREATMENT: The North Service Area will collect and treat approximately 115.6 billion gallons of wastewater through its treatment facilities and a contract agreement with the Fox River Water Reclamation District.				\$36,548,075	84.3%	
	Design:	Flows ^	CBOD *	SS *		
Terrence J. O'Brien Water Reclamation Plant (WRP)		333 MGD	10 mg/L	12 mg/L		
John E. Egan Water Reclamation Plant		30 MGD	10 mg/L	12 mg/L		
Hanover Park Water Reclamation Plant		12 MGD	10 mg/L	12 mg/L		
James C. Kirie Water Reclamation Plant		52 MGD	4 mg/L	5 mg/L		
Fox River Water Reclamation District		4 MGD	—	—		
^ In millions of gallons per day (MGD).						
* National Pollutant Discharge Elimination System monthly effluent quality standards in milligrams per liter:						
CBOD - Carbonaceous Biochemical Oxygen Demand						
SS - Suspended Solids						
2. SOLIDS PROCESSING: The North Service Area will remove 60,600 dry tons and process 15,600 dry tons of concentrated sewage through various systems including heated digestion, centrifuging, concentration, and centrifuge cake in lagoons at CALSMA** and LASMA**.				\$ 4,829,500	11.1%	
3. SOLIDS UTILIZATION: The North Service Area will provide support to utilize 800 dry tons of biosolids for the Fischer Farm in Hanover Park and other agricultural applications.				\$ 1,147,210	2.6%	
4. FLOOD & POLLUTION CONTROL: The North Service Area will work to prevent local area flooding and control diversion of water from Lake Michigan through the operation of 22 detention reservoirs in cooperation with local communities and by assisting in the operation of the Wilmette Controlling Works and the North Shore Channel. The North Service Area will also work to maintain the quality of the waterways system and associated District property by utilizing debris boats and channel maintenance crews.				\$ 596,235	1.4%	
5. GENERAL SUPPORT: The North Service Area will provide technical and administrative support for other departments not directly related to the operational activities of Collection & Treatment, Solids Processing, Solids Utilization, and Flood & Pollution Control.				\$ 260,980	0.6%	
				Total	\$43,382,000	100.0%
**CALSMA - Calumet Solids Management Area and LASMA - Lawndale Avenue Solids Management Area						

MEASURABLE GOALS:		2017	2018	2019
	Unit of Measure	Actual	Estimated	Proposed
1. The North Service Area will collect and treat approximately 115.6 billion gallons of wastewater in 2019.	Billion Gallons	114.8	115.6	115.6
2. The North Service Area will remove 60,600 dry tons and process 15,600 dry tons of concentrated sewage.	Dry Tons Process Solids	15,893	15,600	15,600
3. The North Service Area will obtain 100 percent permit compliance in 2019 for National Pollutant Discharge Elimination System effluent limits.	Percent	100.00%	100.00%	100.00%
4. The North Service Area will provide support to utilize 800 dry tons of biosolids in 2019.	Dry Tons	698	800	800

67000 M&O - NORTH SERVICE AREA

OBJECTIVES AND PROGRAM SUMMARY

PROGRAMS BY PRIORITY:		2017	Budgeted		Change	
Number	Name	Actual	FTEs	Dollars	Dollars	Percent
1000	Collection	\$10,119,650	2019	67 \$ 11,099,945	\$ 37,495	0.3
			2018	67 \$ 11,062,450		
1100	Surface Interceptor Systems	\$ 361,919	2019	3 \$ 321,900	\$ 7,700	2.5
			2018	3 \$ 314,200		
1200	Tunnel and Reservoir System	\$ 1,567,973	2019	14 \$ 1,506,900	\$ 28,700	1.9
			2018	14 \$ 1,478,200		
1300	Pumping Station Facilities	\$ 4,408,862	2019	25 \$ 4,720,000	\$ 31,300	0.7
			2018	25 \$ 4,688,700		
1900	Collection - Indirect Costs	\$ 3,780,896	2019	25 \$ 4,551,145	\$ (30,205)	(0.7)
			2018	25 \$ 4,581,350		
2000	Treatment	\$23,252,320	2019	154 \$ 25,096,530	\$ 626,580	2.6
			2018	151 \$ 24,469,950		
2000	Pre-Treatment	\$ 948,077	2019	7 \$ 810,500	\$ 15,500	2.0
			2018	7 \$ 795,000		
2100	Primary Treatment	\$ 634,595	2019	6 \$ 604,800	\$ (13,400)	(2.2)
			2018	6 \$ 618,200		
2200	Secondary Treatment	\$ 8,132,062	2019	44 \$ 8,275,800	\$ 94,700	1.2
			2018	44 \$ 8,181,100		
2300	Tertiary Treatment	\$ 1,397,460	2019	12 \$ 1,807,600	\$ 37,100	2.1
			2018	11 \$ 1,770,500		
2900	Treatment - Indirect Costs	\$12,140,126	2019	85 \$ 13,597,830	\$ 492,680	3.8
			2018	83 \$ 13,105,150		

a) Increase is due to the purchase of a Distributed Control System multi-network for the Kirie, Egan, and Hanover Park WRPs (\$140,000), the reallocation of salaries to more accurately reflect current activities (\$105,100), the addition of one Associate Process Control Engineer and one Electrical Mechanic (\$103,700), the purchase of Endress Hauser repair parts and service for the O'Brien and Kirie WRPs (\$70,000), and motor protection relays (\$25,000).

67000 M&O - NORTH SERVICE AREA

OBJECTIVES AND PROGRAM SUMMARY

PROGRAMS BY PRIORITY:		2017	Budgeted		Change	
Number	Name	Actual	FTEs	Dollars	Dollars	Percent
3000	Solids Processing	\$ 3,485,923	2019 23	\$ 4,829,500	\$ 336,325	7.5
			2018 23	\$ 4,493,175		
3100	Thickening	\$ 706,089	2019 5	\$ 804,200	\$ 33,000	4.3
			2018 5	\$ 771,200		
3200	Stabilization	\$ 761,823	2019 6	\$ 742,000	\$ (8,600)	(1.1)
			2018 6	\$ 750,600		
3300	Dewatering	\$ 972,164	2019 6	\$ 1,472,000	\$ 215,200	17.1
			2018 6	\$ 1,256,800		
3900	Solids Processing - Indirect Costs	\$ 1,045,847	2019 6	\$ 1,811,300	\$ 96,725	5.6
			2018 6	\$ 1,714,575		
4000	Flood & Pollution Control	\$ 744,474	2019 2	\$ 596,235	\$ (22,640)	(3.7)
			2018 2	\$ 618,875		
4200	Waterways Control and Stormwater Reservoirs	\$ 481,537	2019 2	\$ 292,000	\$ (24,700)	(7.8)
			2018 2	\$ 316,700		
4400	Aeration Facilities	\$ 178,199	2019 —	\$ 172,700	\$ (5,800)	(3.2)
			2018 —	\$ 178,500		
4900	Flood & Pollution Control - Indirect Costs	\$ 84,738	2019 —	\$ 131,535	\$ 7,860	6.4
			2018 —	\$ 123,675		
5000	Solids Utilization	\$ 2,661,549	2019 1	\$ 1,147,210	\$ 121,085	11.8
			2018 1	\$ 1,026,125		
5200	Solids Distribution	\$ 184,176	2019 —	\$ 178,700	\$ (3,200)	(1.8)
			2018 —	\$ 181,900		
5900	Solids Utilization - Indirect Costs	\$ 2,477,373	2019 1	\$ 968,510	\$ 124,285	14.7
			2018 1	\$ 844,225		
7000	General Support (excluding program number 7604)	\$ 201,263	2019 1	\$ 260,980	\$ 11,955	4.8
			2018 1	\$ 249,025		
7604	Social Security and Medicare Contributions	\$ 331,337	2019 —	\$ 351,600	\$ 12,500	3.7
			2018 —	\$ 339,100		
Totals		\$40,796,516	2019 248	\$43,382,000	\$ 1,123,300	2.7%*
			2018 245	\$42,258,700		

b) Increase is due to the purchase of a screw conveyor coupling and shaft (\$100,000) and an increased need for Polymer to reflect the current operational capabilities at the Egan WRP (\$90,100).

* The 2019 position total for the North Service Area is 248, with no positions budgeted in the Stormwater Management Fund.

67000 M&O - NORTH SERVICE AREA

PERFORMANCE DATA

Program Number	Measurable Activity		2017 Actual	2018 Budgeted	2019 Estimated	
1000-2900	Collection & Treatment					
	Collect and Treat Wastewater at Treatment Facilities and Through a Contract Agreement with the Fox River Water Reclamation District					
	Terrence J. O'Brien Water Reclamation Plant	Mil. Gallons	84,714	89,000	85,000	
		Cost	\$ 18,728,208	\$ 19,572,500	\$ 20,268,900	a)
		Cost/Mil. Gallons	\$ 221.08	\$ 219.92	\$ 238.46	
	John E. Egan Water Reclamation Plant	Mil. Gallons	8,725	10,200	10,200	
		Cost	\$ 5,623,400	\$ 5,677,650	\$ 5,780,250	
		Cost/Mil. Gallons	\$ 644.52	\$ 556.63	\$ 566.69	
	Hanover Park Water Reclamation Plant	Mil. Gallons	3,951	3,500	3,700	
		Cost	\$ 2,701,783	\$ 2,680,800	\$ 2,694,470	
		Cost/Mil. Gallons	\$ 683.82	\$ 765.94	\$ 728.24	
	James C. Kirie Water Reclamation Plant	Mil. Gallons	15,298	14,000	14,500	
		Cost	\$ 5,852,695	\$ 6,098,450	\$ 5,949,855	
		Cost/Mil. Gallons	\$ 382.58	\$ 435.60	\$ 410.33	
	Fox River Water Reclamation District	Mil. Gallons	2,069	2,000	2,150	
		Cost	\$ 465,884	\$ 1,503,000	\$ 1,503,000	
		Cost/Mil. Gallons	\$ 225.17	\$ 751.50	\$ 699.07	
3000	Solids Processing					
	Remove 60,600 Dry Tons of Solids, Transfer 45,000 Dry Tons to the Stickney WRP and Process 15,600 Dry Tons from Concentrated Sewage Through Various Systems	Dry Tons	15,893	13,500	15,600	b)
		Cost	\$ 3,485,923	\$ 4,493,175	\$ 4,829,500	c)
		Cost/Dry Ton	\$ 219.34	\$ 332.83	\$ 309.58	
	a) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$453,200), and the scheduled replacement of ultraviolet bulbs for disinfection (\$307,900).					
	b) Increase is due to an updated estimate for solids processing to reflect current operational capabilities at the Egan WRP.					
	c) Increase is due to the purchase of a screw conveyor coupling and shaft for the Egan WRP (\$100,000), an increased need for Polymer to reflect the current operational capabilities at the Egan WRP (\$90,100), and landscaping services for the North Service Area (\$75,000).					

67000 M&O - NORTH SERVICE AREA

PERFORMANCE DATA

Program Number	Measurable Activity		2017 Actual	2018 Budgeted	2019 Estimated	
4000	Flood & Pollution Control					
	Operation and Maintenance of the Waterways to Minimize Area Flooding and Pollution					
4200	Minimize Area Flooding and Pollution of Lake Michigan Through the Continuous Control of Water Levels in Major Rivers and Canals and the Operation of Detention Reservoirs	Reservoirs	22	22	22	
		Cost	\$ 481,537	\$ 316,700	\$ 292,000	
		Cost/Reservoir	\$ 21,888.05	\$ 14,395.45	\$ 13,272.73	
4400	Aeration Facilities	Cost	\$ 178,199	\$ 178,500	\$ 172,700	
4900	Flood & Pollution Control - Indirect Costs	Cost	\$ 84,738	\$ 123,675	\$ 131,535	
5000	Solids Utilization					
	Utilize Biosolids for Application at Final Utilization Sites Such as Fischer Farm at Hanover Park and Other Farm Application Sites	Dry Tons	698	1,000	800	d)
		Cost	\$ 2,661,549	\$ 1,026,125	\$ 1,147,210	
		Cost/Dry Ton	\$ 3,813.11	\$ 1,026.13	\$ 1,434.01	
7000	General Support (excluding program number 7604)					
	Technical and Administrative Support for Other Departments' Activities Indirectly Related to the Operational Activities of Collection & Treatment, Solids Processing, Flood & Pollution Control, and Solids Utilization	Cost	\$ 201,263	\$ 249,025	\$ 260,980	
7604	Social Security and Medicare Contributions	Cost	\$ 331,337	\$ 339,100	\$ 351,600	
		Division Total	\$ 40,796,516	\$ 42,258,700	\$ 43,382,000	

d) Decrease is due to an updated estimate of solids utilization that includes wet weather patterns.

Account Number	Account Name	LINE ITEM ANALYSIS						
		2017		2018			2019	
		Expenditure	Original Appropriation	Adjusted Appropriation 09/30/18	Expenditure (Committed Budget plus Disbursement) 09/30/18	Estimated Expenditure 12/31/18	Proposed by Executive Director	Recommended by Committee on Budget and Employment
101 67000	Fund: Corporate Department: Maintenance & Operations Division: North Service Area							
601010	Salaries of Regular Employees	\$ 22,635,492	\$ 23,691,800	\$ 23,691,800	\$ 16,555,599	\$ 23,327,400	\$ 24,285,900	\$ —
601060	Compensation Plan Adjustments	1,418,077	1,443,100	1,168,100	1,014,876	1,443,100	1,354,500	—
601070	Social Security and Medicare Contributions	331,337	339,100	339,100	250,405	366,900	351,600	—
601080	Salaries of Nonbudgeted Employees	6,927	—	—	—	—	—	—
601100	Tuition and Training Payments	35,419	38,400	46,700	35,409	38,400	42,900	—
100	TOTAL PERSONAL SERVICES	24,427,252	25,512,400	25,245,700	17,856,288	25,175,800	26,034,900	—
612010	Travel	4,205	5,900	11,400	6,374	8,100	8,000	—
612030	Meals and Lodging	19,097	15,400	21,400	14,553	14,900	16,200	—
612050	Compensation for Personally-Owned Automobiles	17,611	30,300	30,300	14,092	26,000	19,000	—
612080	Motor Vehicle Operating Services	110	200	100	45	200	1,000	—
612150	Electrical Energy	7,831,673	7,709,800	7,534,800	4,940,433	7,190,400	7,088,800	—
612160	Natural Gas	540,130	460,900	635,900	456,416	460,900	475,500	—
612170	Water and Water Services	77,378	56,200	56,200	43,821	52,900	75,800	—
612210	Communication Services	137,230	174,500	196,900	149,658	196,900	—	—
612240	Testing and Inspection Services	29,891	39,300	43,300	42,120	30,400	42,200	—
612330	Rental Charges	1,839	10,400	10,400	9,400	7,000	3,000	—
612410	Governmental Service Charges	3,352,900	3,262,500	3,262,500	2,356,490	3,162,500	3,262,500	—
612420	Maintenance of Grounds and Pavements	7,500	35,000	35,000	34,750	20,200	112,600	—
612490	Contractual Services, N.O.C.	3,929	9,400	9,400	3,368	6,600	3,400	—
612520	Waste Material Disposal Charges	519,210	506,400	509,600	504,867	484,400	514,800	—
612530	Farming Services	24,700	24,700	24,700	20,000	20,000	154,700	—
612600	Repairs to Collection Facilities	61,042	66,800	43,200	28,149	45,100	74,100	—
612650	Repairs to Process Facilities	1,058,187	1,199,200	1,196,200	1,170,085	1,087,700	1,138,700	—
612680	Repairs to Buildings	126,908	178,000	190,500	189,519	153,500	278,700	—
612760	Repairs to Material Handling and Farming Equipment	9,597	21,700	21,700	20,776	20,400	24,400	—
612780	Safety Repairs and Services	55,574	85,000	85,000	85,000	76,200	85,000	—
612860	Repairs to Vehicle Equipment	7,593	38,700	30,300	29,630	13,900	8,000	—
200	TOTAL CONTRACTUAL SERVICES	13,886,303	13,930,300	13,948,800	10,119,545	13,078,200	13,386,400	—
623030	Metals	9,097	15,100	15,100	11,022	11,000	10,000	—
623070	Electrical Parts and Supplies	684,655	679,800	938,800	1,052,477	815,300	1,151,900	—
623090	Plumbing Accessories and Supplies	133,922	156,400	156,400	129,008	156,400	155,400	—
623110	Hardware	11,207	—	—	—	—	—	—

Account Number	Account Name	LINE ITEM ANALYSIS						
		2017		2018			2019	
		Expenditure	Original Appropriation	Adjusted Appropriation 09/30/18	Expenditure (Committed Budget plus Disbursement) 09/30/18	Estimated Expenditure 12/31/18	Proposed by Executive Director	Recommended by Committee on Budget and Employment
101 67000	Fund: Corporate Department: Maintenance & Operations Division: North Service Area							
623130	Buildings, Grounds, Paving Materials, and Supplies	18,560	29,700	29,700	26,483	26,500	20,100	—
623190	Paints, Solvents, and Related Materials	1,377	2,500	500	400	500	1,400	—
623250	Vehicle Parts and Supplies	12,775	8,700	16,700	16,202	13,700	12,000	—
623270	Mechanical Repair Parts	485,177	501,800	676,800	634,516	481,800	681,400	—
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	13,829	20,900	16,400	16,296	16,400	13,800	—
623560	Processing Chemicals	801,647	1,143,500	1,336,500	1,303,295	972,400	1,315,700	—
623570	Laboratory Testing Supplies, Small Equipment, and Chemicals	22,902	25,600	23,600	17,478	22,000	25,600	—
623660	Cleaning Supplies	82	—	—	—	—	—	—
623680	Tools and Supplies	105,308	73,200	73,200	72,264	73,200	66,900	—
623700	Wearing Apparel	175	—	—	—	—	—	—
623780	Safety and Medical Supplies	21,535	18,100	15,600	11,884	15,600	24,000	—
623800	Computer Software	124	1,600	1,600	—	800	21,000	—
623810	Computer Supplies	6,486	8,600	10,000	8,570	7,900	25,000	—
623820	Fuel	15,570	14,000	19,400	16,818	15,400	13,000	—
623840	Gases	281	—	—	—	—	—	—
623850	Communications Supplies	—	—	—	—	—	24,300	—
623860	Lubricants	4,852	3,100	4,600	3,646	4,600	3,000	—
623990	Materials and Supplies, N.O.C.	9,160	6,500	6,500	5,646	6,500	6,500	—
300	TOTAL MATERIALS AND SUPPLIES	2,358,719	2,709,100	3,341,400	3,326,004	2,640,000	3,571,000	—
634600	Equipment for Collection Facilities	45,129	44,200	44,200	44,118	43,600	60,000	—
634650	Equipment for Process Facilities	73,376	62,700	115,300	107,048	115,300	87,700	—
634760	Material Handling and Farming Equipment	—	—	—	—	—	37,000	—
634810	Computer Equipment	—	—	—	—	—	140,000	—
634860	Vehicle Equipment	—	—	—	—	—	65,000	—
634970	Testing and Laboratory Equipment	5,737	—	—	—	—	—	—
400	TOTAL MACHINERY AND EQUIPMENT	124,242	106,900	159,500	151,166	158,900	389,700	—
TOTAL NORTH SERVICE AREA		\$ 40,796,516	\$ 42,258,700	\$ 42,695,400	\$ 31,453,003	\$ 41,052,900	\$ 43,382,000	\$ —

NOTES: 1. Amounts may not add up due to rounding.
 2. Departmental appropriation totals for salaries in the Line Item Analysis may differ from those contained in the Position Analysis by a factor identified to adjust for vacancies.
 Additionally, Estimated Expenditure may either exceed Adjusted Appropriation when transfers of funds are anticipated or be less than Expenditure (Committed Budget plus Disbursement) when not all commitments are anticipated to be completed by year-end.
 3. For the M&O Department, Expenditure (Committed Budget plus Disbursement) may exceed Adjusted Appropriation for a specific division as funding is controlled at the M&O Overall department-level.

Fund: Corporate Dept: Maintenance & Operations Division: North Service Area		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
710	North Service Area Executive Office					
HP22	Assistant Director of Maintenance & Operations	1	1		1	
HP20	Managing Engineer	1	1		1	
HP14	Engineering Technician V	1	1		1	
HP12	Secretary #2 (Administrative Specialist) (New Grade HP11)	1	1		1	
TOTAL	North Service Area Executive Office	4	4	615,526.81	4	628,751.23
711	North Service Area Budget Control Unit					
HP16	Senior Budget & Management Analyst	—	1		1	
HP14	Budget & Management Analyst	2	1		1	
TOTAL	North Service Area Budget Control Unit	2	2	206,290.59	2	201,907.41
715	Terrence J. O'Brien Water Reclamation Plant Branch					
715	Terrence J. O'Brien Water Reclamation Plant Branch Office					
HP21	Engineer of Treatment Plant Operations I #2 (Managing Engineer) (New Grade HP20)	1	1		1	
TOTAL	Terrence J. O'Brien Water Reclamation Plant Branch Office	1	1	213,312.56	1	213,312.59
720	Plant Engineering & Maintenance Section					
743	Buildings & Grounds Unit					
HP14	Engineering Technician V	1	1		1	
HP09	Administrative Clerk	1	1		1	
NR8331	Laborer Foreman	1	1		1	
NR8651	Maintenance Laborer Class A	3	3		3	
NR8652	Maintenance Laborer Class B	5	5		5	
TOTAL	Buildings & Grounds Unit	11	11	722,990.34	11	754,124.27
723	Electrical Engineering Unit					
HP15	Associate Process Control Engineer	—	1		1	
NR6251	Chief Electrical Operator	1	1		1	
NR6233	Electrical Operator II	5	5		5	
NR6232	Electrical Operator I	2	2		2	
TOTAL	Electrical Engineering Unit	8	9	896,236.11	9	913,068.27

Fund: Corporate Dept: Maintenance & Operations Division: North Service Area		POSITION ANALYSIS				
		2017	2018		2019	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	PROPOSED BY THE EXECUTIVE DIRECTOR	
					BUDGETED FTEs	APPROPRIATION IN DOLLARS
724	Maintenance Unit					
HP19	Master Mechanic II	1	1		—	
HP19	Master Mechanic	—	—		1	
HP17	Assistant Master Mechanic	4	4		4	
HP17	Senior Electrical Engineer	—	2		2	
HP15	Associate Process Control Engineer	—	—		1	
HP14	Assistant Electrical Engineer	—	1		1	
HP12	Engineering Technician IV	—	1		1	
HP11	Administrative Specialist	—	1		1	
HP09	Administrative Clerk	1	—		—	
TOTAL	Maintenance Unit	6	10	1,224,321.29	11	1,321,041.45
760	Area Maintenance Section					
764	Area Maintenance Unit					
PR5933	Architectural Ironworker	2	2		2	
PR5353	Bricklayer	1	1		1	
PR5153	Carpenter	2	2		2	
PR7425	Electrical Instrument & Testing Mechanic Foreman	1	1		1	
PR7424	Electrical Instrument & Testing Mechanic Leadman	1	1		1	
PR7423	Electrical Instrument & Testing Mechanic	12	12		12	
PR7347	Electrical Mechanic Foreman	1	1		1	
PR7349	Electrical Mechanic Sub-Foreman	1	1		1	
PR7343	Electrical Mechanic	13	13		14	
PR6453	Hoisting Engineer	1	1		1	
PR7579	Machinist Foreman	1	1		1	
PR7575	Machinist Leadman	1	1		1	
PR7573	Machinist	16	16		16	
PR5553	Painter	2	2		2	
PR7779	Pipefitter Foreman	1	1		1	

Fund: Corporate Dept: Maintenance & Operations Division: North Service Area		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
PR7775	Pipefitter Leadman	1	1		1	
PR7773	Pipefitter	12	12		12	
PR5753	Plumber	2	2		2	
PR5975	Structural Ironworker Leadman	1	1		1	
PR5973	Structural Ironworker	2	2		2	
PR6473	Truck Driver	5	5		5	
TOTAL	Area Maintenance Unit	79	79	7,847,008.00	80	8,117,657.60
TOTAL	Area Maintenance Section	79	79	7,847,008.00	80	8,117,657.60
TOTAL	Plant Engineering & Maintenance Section	104	109	10,690,555.74	111	11,105,891.59
730	Plant Operations Section					
731	Administrative Unit					
HP19	Assistant Engineer of Treatment Plant Operations II #2 (Principal Engineer) (New Grade HP18)	1	1		1	
HP12	Engineering Technician IV	1	1		1	
TOTAL	Administrative Unit	2	2	245,440.20	2	255,840.26
732	Treatment Operations Unit					
HP16	Treatment Plant Operator III	1	1		1	
HP14	Treatment Plant Operator II	6	8		8	
HP14	Treatment Plant Operator II #4	2	—		—	
HP12	Treatment Plant Operator I	4	4		4	
NR8650	Maintenance Laborer Class A Shift	4	4		4	
NR8650	Maintenance Laborer Class A Shift #1	1	—		—	
NR8651	Maintenance Laborer Class A	2	2		2	
TOTAL	Treatment Operations Unit	20	19	1,592,212.04	19	1,667,146.70
734	Mechanical Operations Unit					
HP17	Chief Operating Engineer I	1	1		1	
HP16	Assistant Chief Operating Engineer	1	1		1	
NR6810	Fireman-Oiler	6	6		6	
NR6832	Operating Engineer II	8	8		8	

Fund: Corporate Dept: Maintenance & Operations Division: North Service Area		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
NR6831	Operating Engineer I	5	5		5	
TOTAL	Mechanical Operations Unit	21	21	2,101,092.77	21	2,159,127.61
TOTAL	Plant Operations Section	43	42	3,938,745.01	42	4,082,114.57
TOTAL	Terrence J. O'Brien Water Reclamation Plant Branch	148	152	14,842,613.31	154	15,401,318.75
750	Hanover Park Water Reclamation Plant Section					
751	Administrative Unit					
HP20	Managing Engineer	—	1		1	
HP19	Assistant Engineer of Treatment Plant Operations II #2 (Principal Engineer) (New Grade HP18)	1	1		—	
HP11	Administrative Specialist	1	1		1	
TOTAL	Administrative Unit	2	3	391,978.86	2	268,025.67
753	Operations Unit					
HP17	Senior Civil Engineer	1	—		—	
HP17	Senior Engineer	—	1		—	
HP17	Senior Mechanical Engineer	—	—		1	
HP16	Treatment Plant Operator III	1	1		1	
HP14	Treatment Plant Operator II	6	6		6	
HP14	Treatment Plant Operator II #4	1	1		1	
HP12	Treatment Plant Operator I	5	5		5	
NR6810	Fireman-Oiler	1	1		1	
TOTAL	Operations Unit	15	15	1,398,899.27	15	1,407,430.40
755	General Plant Services Unit					
HP14	Engineering Technician V	1	1		1	
NR8651	Maintenance Laborer Class A	1	1		2	
NR8652	Maintenance Laborer Class B	2	2		1	
NR8652	Maintenance Laborer Class B #1	—	—		1	
TOTAL	General Plant Services Unit	4	4	289,555.44	5	377,373.09
TOTAL	Hanover Park Water Reclamation Plant Section	21	22	2,080,433.57	22	2,052,829.16

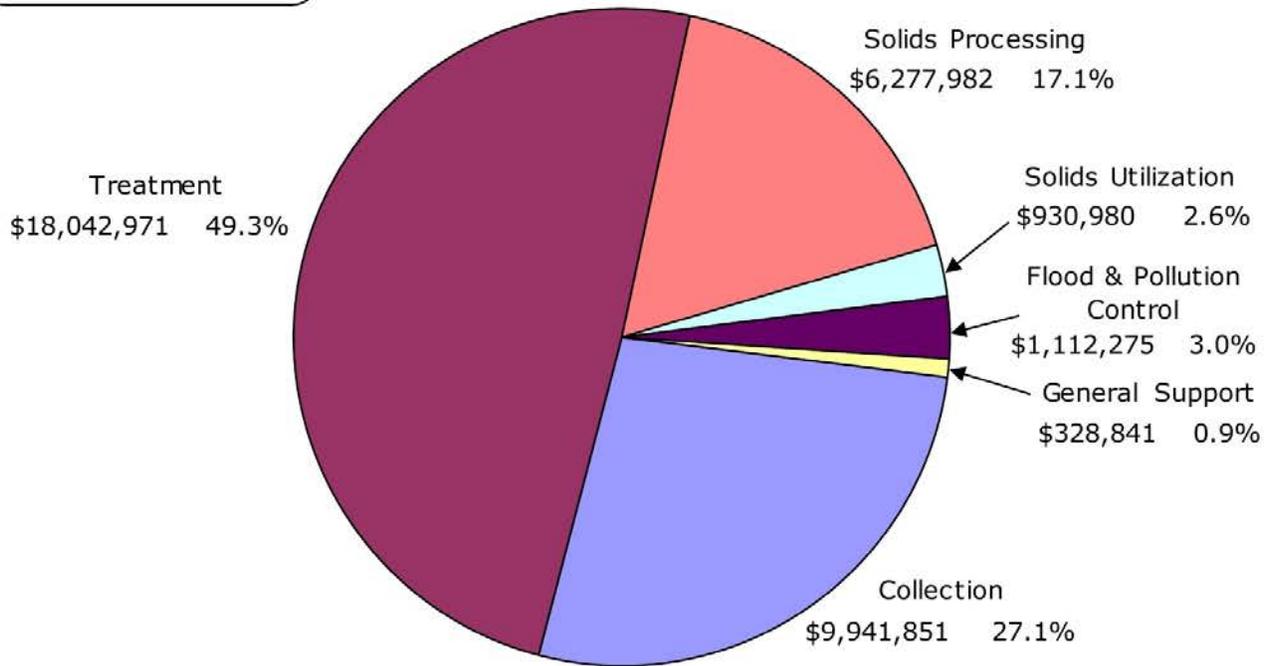
Fund: Corporate Dept: Maintenance & Operations Division: North Service Area		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
780	James C. Kirie Water Reclamation Plant Section					
781	Administrative Unit					
HP20	Managing Engineer	1	1		1	
HP11	Administrative Specialist	1	1		1	
TOTAL	Administrative Unit	2	2	242,818.18	2	237,820.70
783	Operations Unit					
HP18	Principal Engineer	1	—		—	
HP17	Senior Civil Engineer	1	—		—	
HP17	Senior Engineer	—	1		1	
HP16	Assistant Chief Operating Engineer	1	1		1	
HP16	Treatment Plant Operator III	1	1		1	
HP14	Treatment Plant Operator II	5	6		6	
HP14	Treatment Plant Operator II #4	2	1		1	
HP12	Treatment Plant Operator I	4	4		4	
NR6810	Fireman-Oiler	2	2		2	
NR8650	Maintenance Laborer Class A Shift	4	4		3	
NR8650	Maintenance Laborer Class A Shift #1	3	—		1	
NR6831	Operating Engineer I	6	6		6	
TOTAL	Operations Unit	30	26	2,456,923.90	26	2,508,852.32
785	General Plant Services Unit					
HP14	Engineering Technician V	—	1		1	
HP14	Engineering Technician V #4	1	—		—	
NR8651	Maintenance Laborer Class A	3	3		3	
NR8652	Maintenance Laborer Class B	1	1		1	
TOTAL	General Plant Services Unit	5	5	385,282.86	5	396,826.81
TOTAL	James C. Kirie Water Reclamation Plant Section	37	33	3,085,024.94	33	3,143,499.83

Fund: Corporate Dept: Maintenance & Operations Division: North Service Area		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
790	John E. Egan Water Reclamation Plant Section					
791	Administrative Unit					
HP20	Managing Engineer	1	1		1	
HP18	Principal Engineer	2	1		1	
HP11	Administrative Specialist	1	1		1	
TOTAL	Administrative Unit	4	3	420,586.51	3	414,574.94
793	Operations Unit					
HP16	Assistant Chief Operating Engineer	1	1		1	
HP16	Treatment Plant Operator III	—	1		1	
HP16	Treatment Plant Operator III #4	1	—		—	
HP14	Treatment Plant Operator II	7	7		7	
HP12	Treatment Plant Operator I	4	4		4	
NR6810	Fireman-Oiler	2	2		2	
NR8650	Maintenance Laborer Class A Shift	—	—		1	
NR8651	Maintenance Laborer Class A	1	1		1	
NR6832	Operating Engineer II	1	1		1	
NR6831	Operating Engineer I	6	6		6	
TOTAL	Operations Unit	23	23	2,111,176.84	24	2,238,331.06
795	General Plant Services Unit					
HP14	Engineering Technician V	1	—		—	
NR8331	Laborer Foreman	1	1		1	
NR8651	Maintenance Laborer Class A	4	4		4	
NR8652	Maintenance Laborer Class B	1	1		1	
TOTAL	General Plant Services Unit	7	6	449,134.40	6	467,292.80
TOTAL	John E. Egan Water Reclamation Plant Section	34	32	2,980,897.75	33	3,120,198.80
TOTAL	Maintenance & Operations North Service Area	246	245	23,810,786.97	248	24,548,505.18
Note: There are no positions budgeted for the Stormwater Management Fund for 2019.						
NOTE: Departmental appropriation totals for salaries in the Position Analysis differ from those contained in the Line Item Analysis by a factor identified to adjust for vacancies. Salary ranges corresponding to the pay plan and grade for each class title can be found in the table of Salary Schedules in the Appendix.						

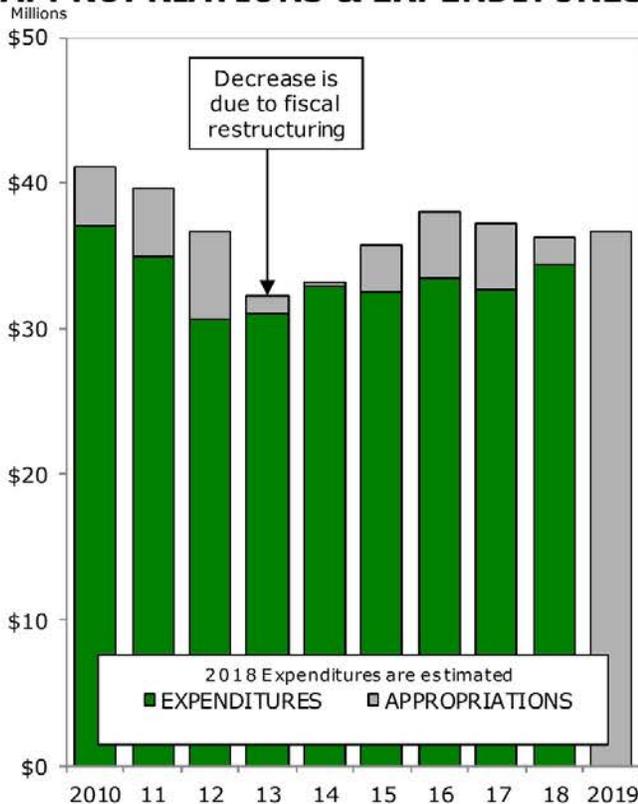
MAINTENANCE & OPERATIONS – CALUMET SERVICE AREA

2019	\$36,634,900
2018	\$36,295,300
Increase	\$339,600

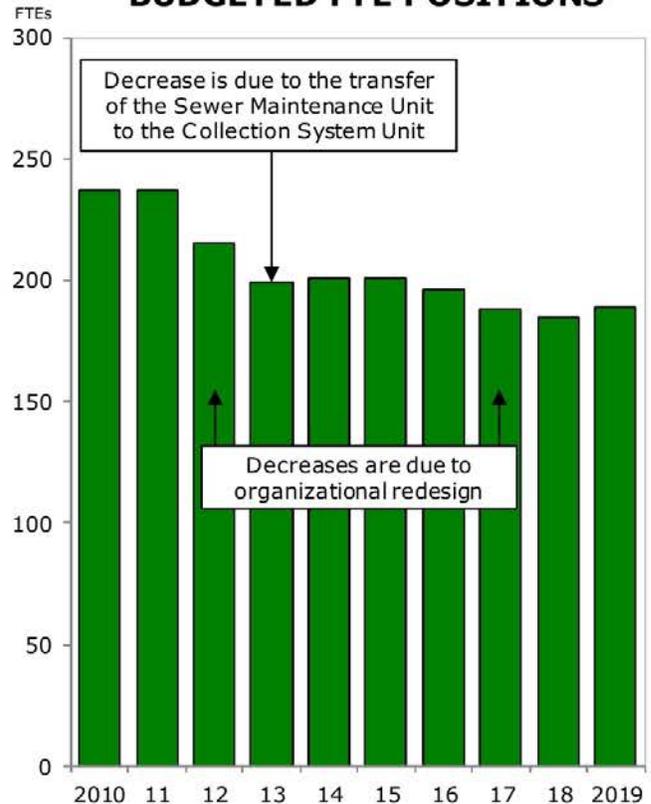
FUNCTIONS



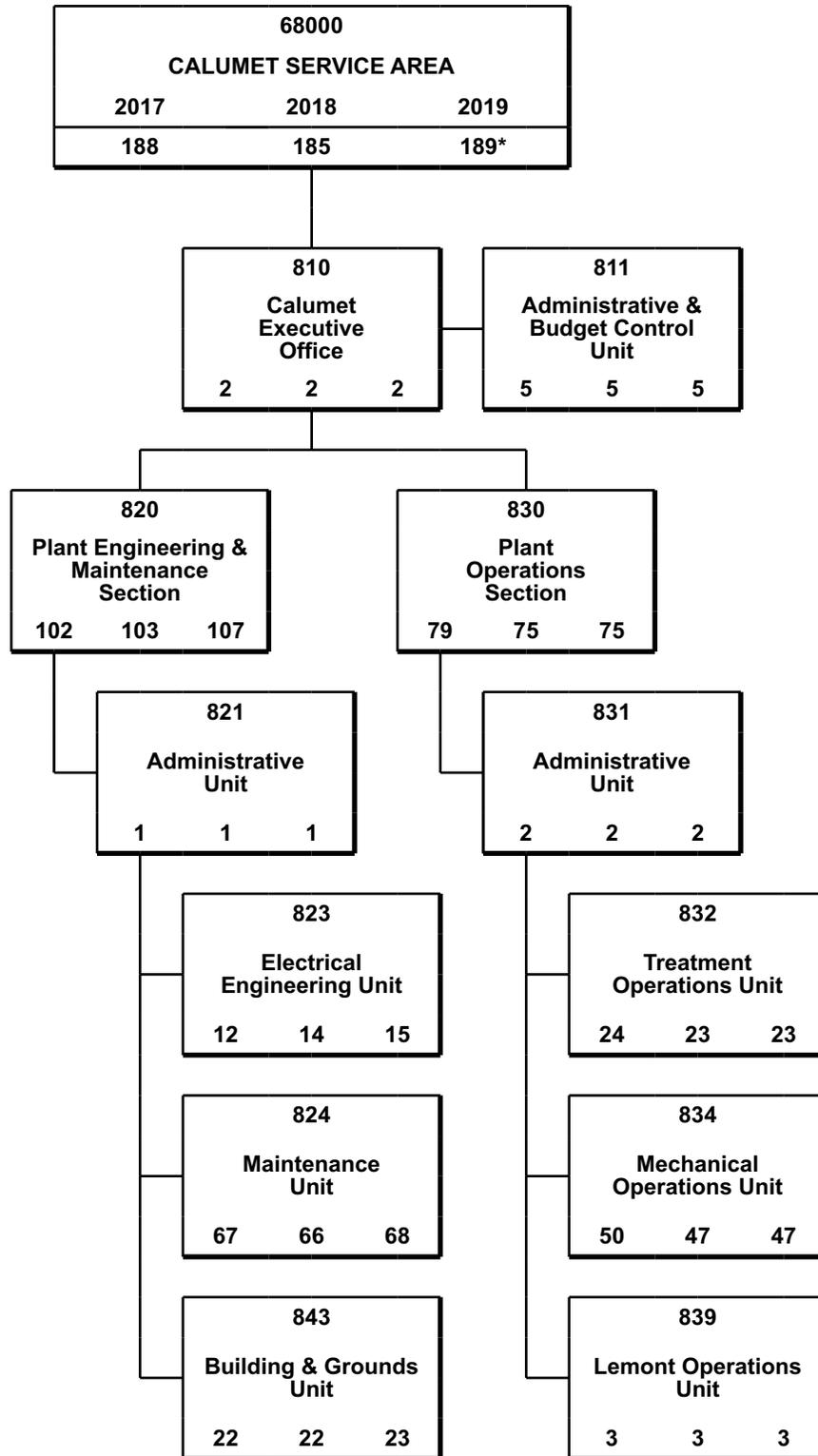
APPROPRIATIONS & EXPENDITURES



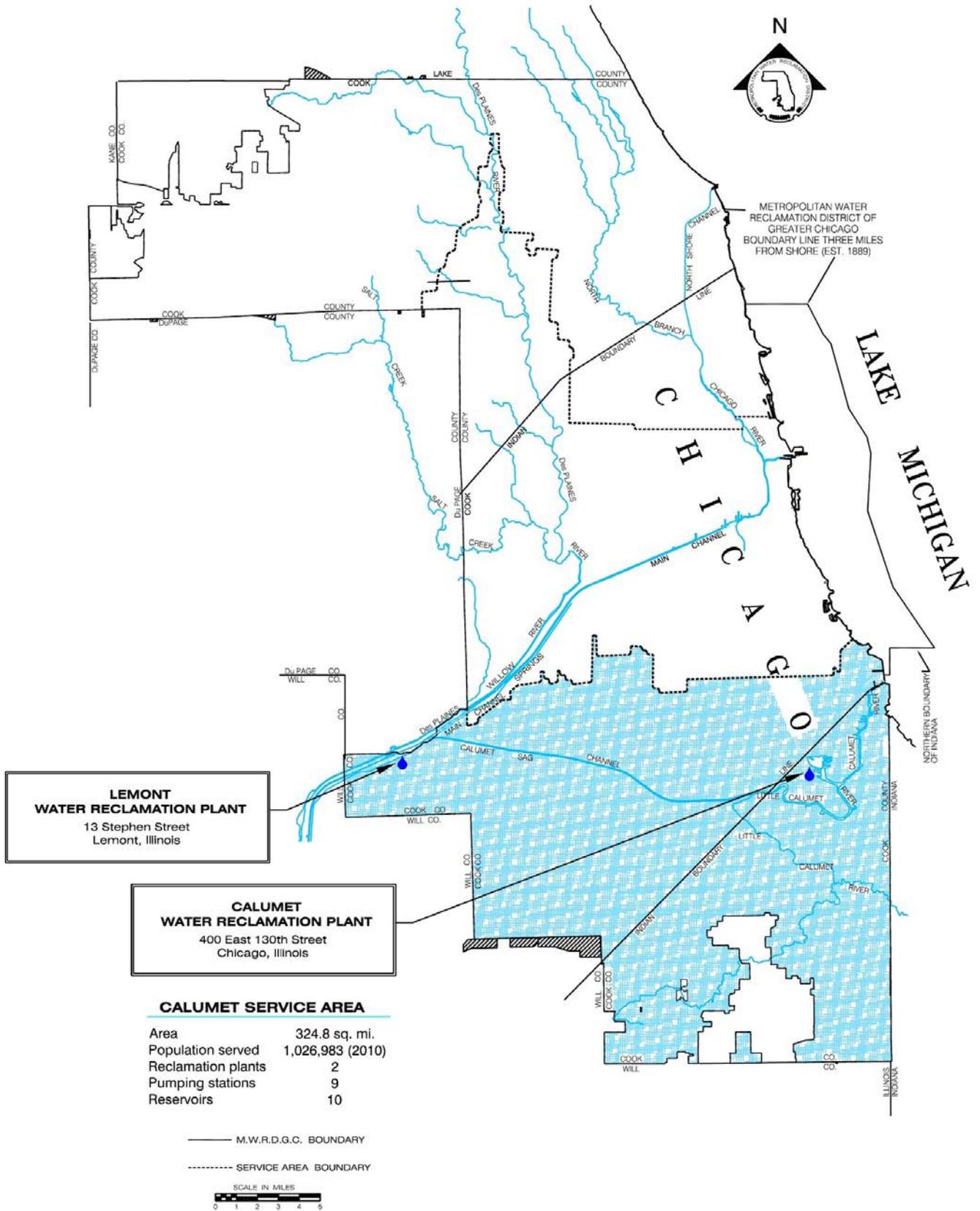
BUDGETED FTE POSITIONS



MAINTENANCE & OPERATIONS - CALUMET SERVICE AREA



* In 2019, there are no positions funded by the Stormwater Management Fund.



LEMONT WATER RECLAMATION PLANT
 13 Stephen Street
 Lemont, Illinois

CALUMET WATER RECLAMATION PLANT
 400 East 130th Street
 Chicago, Illinois

CALUMET SERVICE AREA

Area	324.8 sq. mi.
Population served	1,026,983 (2010)
Reclamation plants	2
Pumping stations	9
Reservoirs	10

—— M.W.R.D.G.C. BOUNDARY

----- SERVICE AREA BOUNDARY



68000 M&O - CALUMET SERVICE AREA

OBJECTIVES AND PROGRAM SUMMARY

OBJECTIVES BY PRIORITY:		Cost	Percent
1. COLLECTION & TREATMENT: The Calumet Service Area will collect and treat approximately 101 billion gallons of wastewater through its Calumet and Lemont treatment facilities.		\$27,984,822	76.4%
	Design: Flows ^ CBOD * SS *		
Calumet Water Reclamation Plant	354 MGD 10 mg/L 15 mg/L		
Lemont Water Reclamation Plant	2.3 MGD 20 mg/L 25 mg/L		
^ In millions of gallons per day (MGD).			
* National Pollutant Discharge Elimination System monthly effluent quality standards in milligrams per liter:			
CBOD - Carbonaceous Biochemical Oxygen Demand			
SS - Suspended Solids			
2. SOLIDS PROCESSING: The Calumet Service Area will remove and process 30,000 dry tons of concentrated sewage through various systems including heated digestion, centrifuging, concentration, and aging low solids sludge and centrifuge cake in lagoons.		\$ 6,277,982	17.1%
3. SOLIDS UTILIZATION: The Calumet Service Area will provide support to the Solids Management Section to utilize approximately 29,000 dry tons of biosolids for application at final utilization sites such as daily and final cover in sanitary landfills.		\$ 930,980	2.6%
4. FLOOD & POLLUTION CONTROL: The Calumet Service Area will work to prevent local area flooding through the operation of 10 detention reservoirs, in cooperation with local communities. It will also work to maintain the quality of the waterways system and associated District property, in cooperation with the channel maintenance and debris boat crews.		\$ 1,112,275	3.0%
5. GENERAL SUPPORT: The Calumet Service Area will provide technical and administrative support for other departments not directly related to the operational activities of Collection & Treatment, Solids Processing, Solids Utilization, and Flood & Pollution Control.		\$ 328,841	0.9%
		<u>Total</u>	<u>\$36,634,900</u> <u>100.0%</u>

MEASURABLE GOALS:		2017	2018	2019
	Unit of Measure	Actual	Estimated	Proposed
1. The Calumet Service Area will collect and treat approximately 101 billion gallons of wastewater in 2019.	Billion Gallons	95	101	101
2. The Calumet Service Area will remove and process solids from 30,000 dry tons of concentrated sewage.	Dry Tons Process Solids	29,261	30,000	30,000
3. The Calumet Service Area will obtain 100 percent permit compliance in 2019 for National Pollutant Discharge Elimination System effluent limits.	Percent	100.00%	100.00%	100.00%
4. The Calumet Service Area will provide support to utilize 29,000 dry tons of biosolids in 2019.	Dry Tons	17,077	29,000	29,000

68000 M&O - CALUMET SERVICE AREA

OBJECTIVES AND PROGRAM SUMMARY

PROGRAMS BY PRIORITY:		2017	Budgeted		Change		
Number	Name	Actual	FTEs	Dollars	Dollars	Percent	
1000	Collection	\$ 9,653,815	2019	56 \$ 9,941,851	\$ (283,703)	(2.8)	
			2018	55 \$ 10,225,554			
1100	Surface Interceptor Systems	\$ 607,125	2019	4 \$ 465,400	\$ (200,400)	(30.1)	a)
			2018	4 \$ 665,800			
1200	Tunnel and Reservoir System	\$ 3,292,782	2019	10 \$ 2,926,700	\$ (279,900)	(8.7)	b)
			2018	10 \$ 3,206,600			
1300	Pumping Station Facilities	\$ 2,426,246	2019	15 \$ 2,608,800	\$ (19,700)	(0.7)	
			2018	15 \$ 2,628,500			
1900	Collection - Indirect Costs	\$ 3,327,662	2019	27 \$ 3,940,951	\$ 216,297	5.8	c)
			2018	26 \$ 3,724,654			
2000	Treatment	\$14,489,932	2019	84 \$ 17,775,371	\$ 150,856	0.9	
			2018	83 \$ 17,624,515			
2000	Pre-Treatment	\$ 623,801	2019	4 \$ 494,400	\$ 15,100	3.2	
			2018	4 \$ 479,300			
2100	Primary Treatment	\$ 849,252	2019	11 \$ 1,062,500	\$ 8,700	0.8	
			2018	11 \$ 1,053,800			
2200	Secondary Treatment	\$ 5,403,066	2019	22 \$ 5,479,700	\$ (125,200)	(2.2)	
			2018	22 \$ 5,604,900			
2300	Tertiary Treatment	\$ 1,046,539	2019	5 \$ 2,111,700	\$ (251,100)	(10.6)	d)
			2018	6 \$ 2,362,800			
2900	Treatment - Indirect Costs	\$ 6,567,274	2019	42 \$ 8,627,071	\$ 503,356	6.2	e)
			2018	40 \$ 8,123,715			

a) Decrease is due to the transfer of telemetry service (\$196,500) to the Information Technology Department.

b) Decrease is due to reduced demand for electrical service at the Tunnel and Reservoir Plan Pumping Station (\$303,400), offset by the reallocation of salaries to more accurately reflect current activities (\$32,500).

c) Increase is due to the replacement of one dump truck and two stake body trucks (\$90,000), the addition of one FTE position (\$83,100), and the replacement of one end loader (\$60,000).

d) Decrease is due to a reduction to 18-632-11, Sodium Hypochlorite (\$255,600) based on the need for fewer chemicals than originally anticipated in the disinfection process.

e) Increase is due to the replacement of one dump truck and two stake body trucks (\$184,500), landscaping services for the Calumet Service Area (\$125,000), the replacement of one end loader (\$123,000), the addition of one FTE position (\$121,600), and the upgrade of Foxboro input/output equipment (\$54,000), offset by a reduced need for boiler repair parts (\$120,000).

68000 M&O - CALUMET SERVICE AREA

OBJECTIVES AND PROGRAM SUMMARY

PROGRAMS BY PRIORITY:		2017	Budgeted		Change	
Number	Name	Actual	FTEs	Dollars	Dollars	Percent
3000	Solids Processing	\$ 6,175,476	2019 39	\$ 6,277,982	\$ 367,571	6.2
			2018 38	\$ 5,910,411		
3100	Thickening	\$ 800,323	2019 7	\$ 924,300	\$ 20,800	2.3
			2018 7	\$ 903,500		
3200	Stabilization	\$ 1,827,325	2019 9	\$ 1,613,900	\$ (16,300)	(1.0)
			2018 9	\$ 1,630,200		
3300	Dewatering	\$ 314,113	2019 3	\$ 259,300	\$ 7,300	2.9
			2018 3	\$ 252,000		
3900	Solids Processing - Indirect Costs	\$ 3,233,715	2019 20	\$ 3,480,482	\$ 355,771	11.4
			2018 19	\$ 3,124,711		
4000	Flood & Pollution Control	\$ 1,010,749	2019 2	\$ 1,112,275	\$ 29,002	2.7
			2018 2	\$ 1,083,273		
4200	Waterways Control and Stormwater Reservoirs	\$ 204,312	2019 1	\$ 207,000	\$ 1,400	0.7
			2018 1	\$ 205,600		
4400	Aeration Facilities	\$ 715,100	2019 1	\$ 735,700	\$ 2,600	0.4
			2018 1	\$ 733,100		
4900	Flood & Pollution Control - Indirect Costs	\$ 91,337	2019 —	\$ 169,575	\$ 25,002	17.3
			2018 —	\$ 144,573		
5000	Solids Utilization	\$ 795,158	2019 6	\$ 930,980	\$ 63,613	7.3
			2018 5	\$ 867,367		
5100	Solids Drying	\$ 61,605	2019 —	\$ 52,900	\$ 1,100	2.1
			2018 —	\$ 51,800		
5200	Solids Distribution	\$ 61,605	2019 1	\$ 52,900	\$ 1,100	2.1
			2018 1	\$ 51,800		
5900	Solids Utilization - Indirect Costs	\$ 671,948	2019 5	\$ 825,180	\$ 61,413	8.0
			2018 4	\$ 763,767		
7000	General Support (excluding program number 7604)	\$ 287,544	2019 2	\$ 328,841	\$ (1,439)	(0.4)
			2018 2	\$ 330,280		
7604	Social Security and Medicare Contributions	\$ 248,267	2019 —	\$ 267,600	\$ 13,700	5.4
			2018 —	\$ 253,900		
Totals		\$32,660,941	2019 189	\$ 36,634,900	\$ 339,600	0.9%*
			2018 185	\$ 36,295,300		

f) Increase is due to the replacement of one dump truck and two stake body trucks (\$139,500), the addition of one FTE position (\$101,200), and the replacement of one end loader (\$93,000).

g) Increase is due to the replacement of one dump truck and two stake body trucks (\$13,500) and the replacement of one end loader (\$9,000).

* The 2019 position total for the Calumet Service Area is 189, with no positions budgeted in the Stormwater Management Fund.

68000 M&O - CALUMET SERVICE AREA

PERFORMANCE DATA

Program Number	Measurable Activity		2017 Actual	2018 Budgeted	2019 Estimated	
1000-2900	Collection & Treatment					
	Collect and Treat Wastewater at the Calumet and Lemont Water Reclamation Plants					
	Calumet Water Reclamation Plant	Mil. Gallons	93,816	100,000	100,000	
		Cost	\$ 23,698,417	\$ 27,388,999	\$ 27,282,947	
		Cost/Mil. Gallons	\$ 252.61	\$ 273.89	\$ 272.83	
	Lemont Water Reclamation Plant	Mil. Gallons	933	1,000	1,000	
		Cost	\$ 445,330	\$ 461,070	\$ 434,275	
		Cost/Mil. Gallons	\$ 477.31	\$ 461.07	\$ 434.28	
3000	Solids Processing					
	Remove and Process Solids from Concentrated Sewage Through Various Systems Including Heated Digestion, Centrifuging, Concentration, and Aging Low Solids Sludge and Centrifuge Cake in Lagoons	Dry Tons	29,261	40,000	30,000	
		Cost	\$ 6,175,476	\$ 5,910,411	\$ 6,277,982	a)
		Cost/Dry Ton	\$ 211.05	\$ 147.76	\$ 209.27	
4000	Flood & Pollution Control					
	Operation and Maintenance of the Waterways to Minimize Area Flooding and Pollution					
4200	Minimize Area Flooding and Pollution of Lake Michigan Through the Continuous Control of Water Levels in Major Rivers and Canals and the Operation of Detention Reservoirs	Reservoirs	10	10	10	
		Cost	\$ 204,312	\$ 205,600	\$ 207,000	
		Cost/Reservoir	\$ 20,431.20	\$ 20,560.00	\$ 20,700.00	
4400	Aeration Facilities	Cost	\$ 715,100	\$ 733,100	\$ 735,700	
4900	Flood & Pollution Control - Indirect Costs	Cost	\$ 91,337	\$ 144,573	\$ 169,575	b)
5000	Solids Utilization					
	Utilize Biosolids for Application at Final Utilization Sites, such as for Daily and Final Cover in Sanitary Landfills	Dry Tons	17,077	29,000	29,000	
		Cost	\$ 795,158	\$ 867,367	\$ 930,980	
		Cost/Dry Ton	\$ 46.56	\$ 29.91	\$ 32.10	
7000	General Support (excluding program number 7604)					
	Technical and Administrative Support for Other Departments' Activities Indirectly Related to the Operational Activities of Collection and Treatment, Solids Processing, Flood & Pollution Control, and Solids Utilization	Cost	\$ 287,544	\$ 330,280	\$ 328,841	
7604	Social Security and Medicare Contributions	Cost	\$ 248,267	\$ 253,900	\$ 267,600	
	Division Total		\$ 32,660,941	\$ 36,295,300	\$ 36,634,900	
	a) Increase is due to the replacement of one dump truck and two stake body trucks (\$139,500), the addition of one FTE position (\$101,200), the replacement of one end loader (\$93,000), and the reallocation of salaries to more accurately reflect current activities (\$54,300).					
	b) Increase is due to the replacement of one dump truck and two stake body trucks (\$13,500) and the replacement of one end loader (\$9,000).					

Account Number	Account Name	LINE ITEM ANALYSIS						
		2017		2018			2019	
		Expenditure	Original Appropriation	Adjusted Appropriation 09/30/18	Expenditure (Committed Budget plus Disbursement) 09/30/18	Estimated Expenditure 12/31/18	Proposed by Executive Director	Recommended by Committee on Budget and Employment
101 68000	Fund: Corporate Department: Maintenance & Operations Division: Calumet Service Area							
601010	Salaries of Regular Employees	\$ 16,774,746	\$ 17,605,700	\$ 17,605,700	\$ 12,281,297	\$ 17,161,100	\$ 18,159,200	\$ —
601060	Compensation Plan Adjustments	898,280	850,100	1,125,100	956,008	1,000,100	795,200	—
601070	Social Security and Medicare Contributions	248,267	253,900	253,900	191,201	281,800	267,600	—
601100	Tuition and Training Payments	10,778	40,000	37,000	28,334	31,500	24,500	—
100	TOTAL PERSONAL SERVICES	17,932,071	18,749,700	19,021,700	13,456,839	18,474,500	19,246,500	—
612010	Travel	—	6,000	3,500	—	2,000	5,000	—
612030	Meals and Lodging	4,540	17,100	14,100	5,924	7,000	10,000	—
612050	Compensation for Personally-Owned Automobiles	27,792	45,000	45,000	24,717	38,400	40,000	—
612080	Motor Vehicle Operating Services	179	100	200	110	300	100	—
612150	Electrical Energy	9,050,447	9,330,700	9,330,700	5,858,953	8,824,100	8,558,300	—
612160	Natural Gas	802,678	597,000	597,000	426,533	597,000	565,200	—
612170	Water and Water Services	374,780	390,200	390,200	252,021	374,300	390,200	—
612210	Communication Services	152,242	196,500	322,000	238,319	322,000	—	—
612240	Testing and Inspection Services	31,278	66,600	66,600	57,091	30,200	66,900	—
612330	Rental Charges	17,000	10,000	10,000	9,900	9,300	10,000	—
612410	Governmental Service Charges	98,780	103,000	103,000	97,836	101,400	103,000	—
612420	Maintenance of Grounds and Pavements	6,091	20,000	20,000	—	20,000	145,000	—
612490	Contractual Services, N.O.C.	2,966	16,200	16,200	10,774	8,700	10,500	—
612520	Waste Material Disposal Charges	374,583	379,100	354,800	351,055	350,200	392,100	—
612600	Repairs to Collection Facilities	60,902	159,900	159,900	88,882	94,000	153,300	—
612650	Repairs to Process Facilities	1,279,879	1,752,900	1,731,900	1,671,324	1,543,800	1,748,600	—
612680	Repairs to Buildings	185,511	471,400	480,400	415,338	384,500	494,300	—
612760	Repairs to Material Handling and Farming Equipment	47,381	52,000	52,000	51,830	45,100	52,000	—
612780	Safety Repairs and Services	20,720	20,000	20,000	20,000	19,600	20,000	—
612860	Repairs to Vehicle Equipment	55,610	53,500	53,500	53,450	53,500	53,500	—
612990	Repairs, N.O.C.	4,228	8,000	8,000	8,000	3,900	8,000	—
200	TOTAL CONTRACTUAL SERVICES	12,597,586	13,695,200	13,779,000	9,642,057	12,829,300	12,826,000	—
623030	Metals	4,722	10,100	10,100	10,073	7,800	10,100	—
623070	Electrical Parts and Supplies	301,011	347,800	637,800	462,823	480,700	427,800	—
623090	Plumbing Accessories and Supplies	153,932	294,600	294,600	286,284	294,600	204,600	—
623110	Hardware	—	2,800	2,800	2,800	2,000	2,800	—
623130	Buildings, Grounds, Paving Materials, and Supplies	30,526	42,000	50,000	42,636	38,700	54,000	—

Account Number	Account Name	LINE ITEM ANALYSIS						
		2017		2018			2019	
		Expenditure	Original Appropriation	Adjusted Appropriation 09/30/18	Expenditure (Committed Budget plus Disbursement) 09/30/18	Estimated Expenditure 12/31/18	Proposed by Executive Director	Recommended by Committee on Budget and Employment
101	Fund: Corporate							
68000	Department: Maintenance & Operations							
	Division: Calumet Service Area							
623190	Paints, Solvents, and Related Materials	817	2,800	2,700	2,500	2,500	2,800	—
623250	Vehicle Parts and Supplies	28,541	36,000	39,000	39,000	31,500	36,000	—
623270	Mechanical Repair Parts	432,111	705,800	696,800	684,839	685,800	844,600	—
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	10,744	10,000	12,000	11,660	12,000	10,000	—
623560	Processing Chemicals	1,009,356	2,167,800	1,475,800	1,407,658	1,267,900	1,916,800	—
623570	Laboratory Testing Supplies, Small Equipment, and Chemicals	—	—	1,500	1,230	100	—	—
623660	Cleaning Supplies	1,394	700	3,200	2,038	3,200	1,000	—
623680	Tools and Supplies	69,803	38,300	38,300	32,706	35,500	38,300	—
623780	Safety and Medical Supplies	14,785	20,300	20,300	8,880	17,600	20,300	—
623810	Computer Supplies	70	300	300	—	200	300	—
623820	Fuel	26,326	38,500	42,100	42,036	42,100	45,000	—
623860	Lubricants	—	14,900	10,900	1,000	5,000	2,000	—
623990	Materials and Supplies, N.O.C.	11,537	32,000	32,000	19,571	28,000	32,000	—
300	TOTAL MATERIALS AND SUPPLIES	2,095,675	3,764,700	3,370,200	3,057,735	2,955,200	3,648,400	—
634650	Equipment for Process Facilities	35,608	85,700	102,500	88,464	102,500	79,000	—
634760	Material Handling and Farming Equipment	—	—	—	—	—	300,000	—
634860	Vehicle Equipment	—	—	—	—	—	535,000	—
400	TOTAL MACHINERY AND EQUIPMENT	35,608	85,700	102,500	88,464	102,500	914,000	—
TOTAL CALUMET SERVICE AREA		\$ 32,660,941	\$ 36,295,300	\$ 36,273,400	\$ 26,245,096	\$ 34,361,500	\$ 36,634,900	\$ —

NOTES: 1. Amounts may not add up due to rounding.

2. Departmental appropriation totals for salaries in the Line Item Analysis may differ from those contained in the Position Analysis by a factor identified to adjust for vacancies.

Additionally, Estimated Expenditure may either exceed Adjusted Appropriation when transfers of funds are anticipated or be less than Expenditure (Committed Budget plus Disbursement) when not all commitments are anticipated to be completed by year-end.

3. For the M&O Department, Expenditure (Committed Budget plus Disbursement) may exceed Adjusted Appropriation for a specific division as funding is controlled at the M&O Overall department-level.

Fund: Corporate Dept: Maintenance & Operations Division: Calumet Service Area		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
810	Calumet Executive Office					
HP22	Assistant Director of Maintenance & Operations	1	1		1	
HP11	Administrative Specialist	1	1		1	
TOTAL	Calumet Executive Office	2	2	307,879.42	2	307,879.24
811	Administrative & Budget Control Unit					
HP14	Budget & Management Analyst	2	2		2	
HP12	Secretary #2 (Administrative Specialist) (New Grade HP11)	1	1		1	
HP11	Administrative Specialist	1	1		1	
HP09	Administrative Clerk	1	1		1	
TOTAL	Administrative & Budget Control Unit	5	5	396,101.12	5	403,461.48
820	Plant Engineering & Maintenance Section					
821	Administrative Unit					
HP20	Managing Engineer	1	1		1	
TOTAL	Administrative Unit	1	1	196,576.57	1	196,576.64
823	Electrical Engineering Unit					
HP15	Associate Process Control Engineer	—	1		2	
HP14	Engineering Technician V	—	1		1	
NR6251	Chief Electrical Operator	1	1		1	
NR6233	Electrical Operator II	5	5		5	
NR6232	Electrical Operator I	6	6		6	
TOTAL	Electrical Engineering Unit	12	14	1,375,653.95	15	1,515,628.13
824	Maintenance Unit					
HP19	Master Mechanic	—	—		1	
HP18	Master Mechanic I	1	1		—	
HP18	Master Mechanic I #1	—	—		1	
HP17	Assistant Master Mechanic	3	3		3	
PR5353	Bricklayer	1	1		1	
PR5155	Carpenter Leadman	1	1		1	
PR5153	Carpenter	2	2		2	

Fund: Corporate Dept: Maintenance & Operations Division: Calumet Service Area		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
PR7425	Electrical Instrument & Testing Mechanic Foreman	1	1		1	
PR7423	Electrical Instrument & Testing Mechanic	7	7		7	
PR7347	Electrical Mechanic Foreman	1	1		1	
PR7349	Electrical Mechanic Sub-Foreman	1	1		1	
PR7343	Electrical Mechanic	9	9		10	
PR6453	Hoisting Engineer	3	3		3	
PR6453	Hoisting Engineer #1	1	—		—	
PR7579	Machinist Foreman	1	1		1	
PR7573	Machinist	10	10		10	
PR5553	Painter	2	2		2	
PR7779	Pipefitter Foreman	1	1		1	
PR7773	Pipefitter	9	9		9	
PR5753	Plumber	2	2		2	
PR5975	Structural Ironworker Leadman	1	1		1	
PR5973	Structural Ironworker	5	5		5	
PR6479	Truck Driver Foreman	1	1		1	
PR6473	Truck Driver	4	4		4	
TOTAL	Maintenance Unit	67	66	6,686,592.03	68	7,062,806.15
843	Buildings & Grounds Unit					
HP14	Engineering Technician V	—	—		1	
HP12	Engineering Technician IV	2	2		1	
HP12	Engineering Technician IV #1	—	—		1	
NR8331	Laborer Foreman	2	2		2	
NR8651	Maintenance Laborer Class A	8	8		8	
NR8652	Maintenance Laborer Class B	10	10		10	
TOTAL	Buildings & Grounds Unit	22	22	1,492,305.69	23	1,610,728.60
TOTAL	Plant Engineering & Maintenance Section	102	103	9,751,128.24	107	10,385,739.52

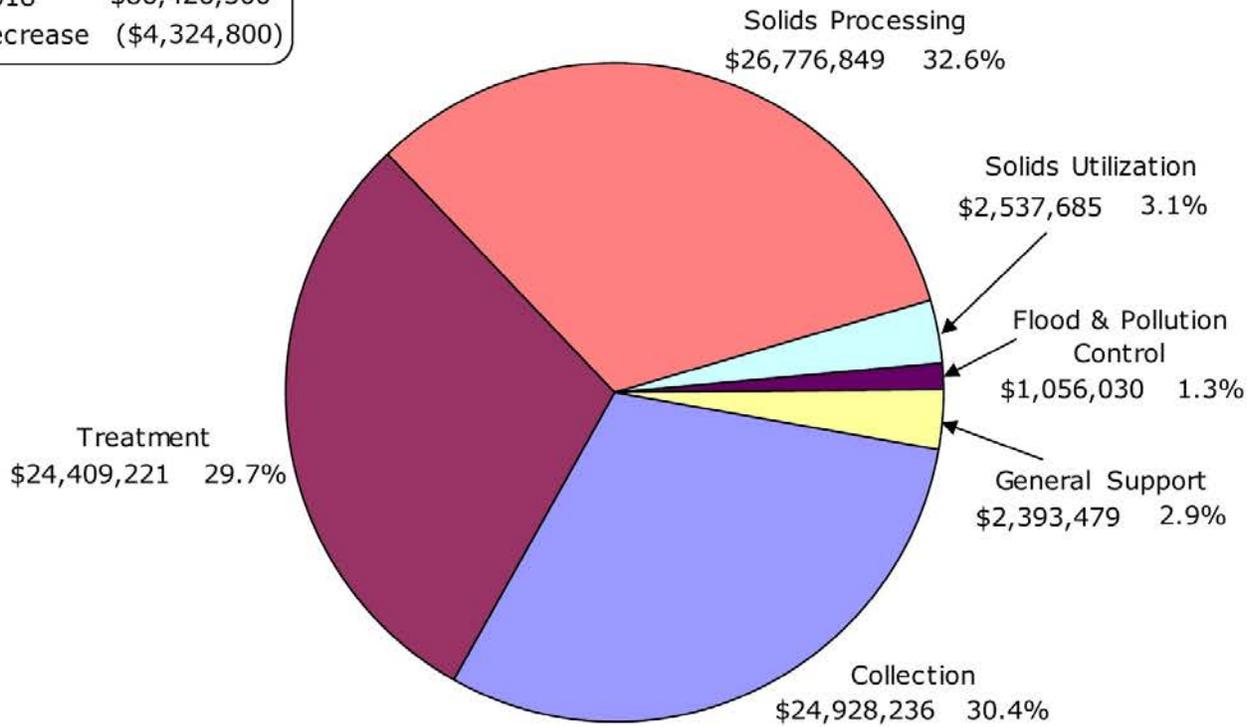
Fund: Corporate Dept: Maintenance & Operations Division: Calumet Service Area		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
830	Plant Operations Section					
831	Administrative Unit					
HP21	Engineer of Treatment Plant Operations I #2 (Managing Engineer) (New Grade HP20)	1	1		1	
HP18	Principal Engineer	1	1		1	
TOTAL	Administrative Unit	2	2	369,241.14	2	369,241.07
832	Treatment Operations Unit					
HP16	Treatment Plant Operator III	1	1		1	
HP14	Treatment Plant Operator II	7	7		7	
HP14	Treatment Plant Operator II #4	1	1		1	
HP12	Treatment Plant Operator I	5	5		5	
NR8650	Maintenance Laborer Class A Shift	8	8		8	
NR8650	Maintenance Laborer Class A Shift #1	1	—		—	
NR8651	Maintenance Laborer Class A	1	1		1	
TOTAL	Treatment Operations Unit	24	23	2,053,798.55	23	2,033,681.55
834	Mechanical Operations Unit					
HP17	Chief Operating Engineer I	1	1		1	
HP16	Assistant Chief Operating Engineer	2	2		2	
NR6810	Fireman-Oiler	5	5		5	
NR8650	Maintenance Laborer Class A Shift	7	7		7	
NR8650	Maintenance Laborer Class A Shift #1	2	—		—	
NR6832	Operating Engineer II	12	12		12	
NR6831	Operating Engineer I	18	18		18	
PR6473	Truck Driver	2	2		2	
PR6473	Truck Driver #1	1	—		—	
TOTAL	Mechanical Operations Unit	50	47	4,548,244.02	47	4,697,556.24
839	Lemont Operations Unit					
HP14	Treatment Plant Operator II	1	1		1	

Fund: Corporate Dept: Maintenance & Operations Division: Calumet Service Area		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP12	Treatment Plant Operator I	2	2		2	
TOTAL	Lemont Operations Unit	3	3	268,076.88	3	272,935.77
TOTAL	Plant Operations Section	79	75	7,239,360.59	75	7,373,414.63
TOTAL	Maintenance & Operations Calumet Service Area	188	185	17,694,469.37	189	18,470,494.87
Note: There are no positions budgeted for the Stormwater Management Fund for 2019.						
NOTE: Departmental appropriation totals for salaries in the Position Analysis differ from those contained in the Line Item Analysis by a factor identified to adjust for vacancies. Salary ranges corresponding to the pay plan and grade for each class title can be found in the table of Salary Schedules in the Appendix.						

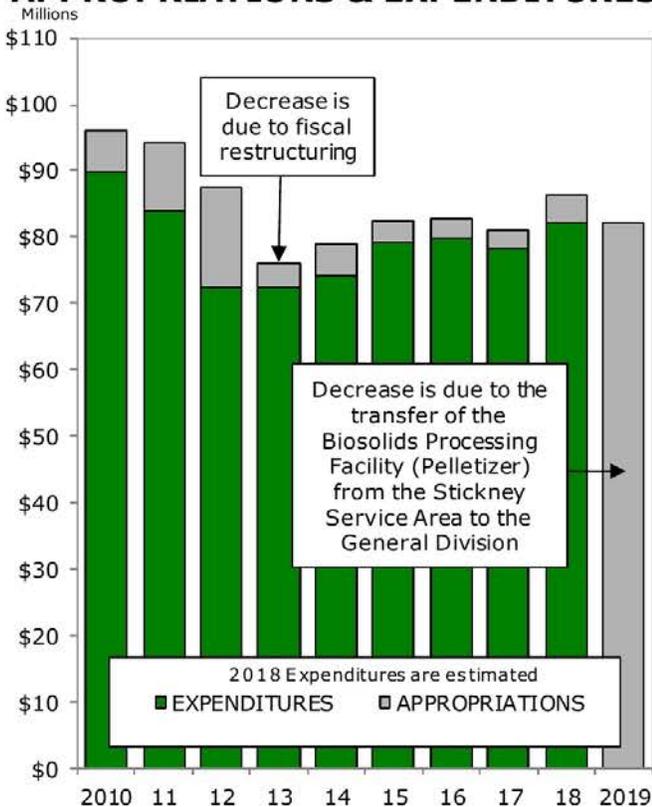
MAINTENANCE & OPERATIONS – STICKNEY SERVICE AREA

2019	\$82,101,500
2018	\$86,426,300
Decrease	(\$4,324,800)

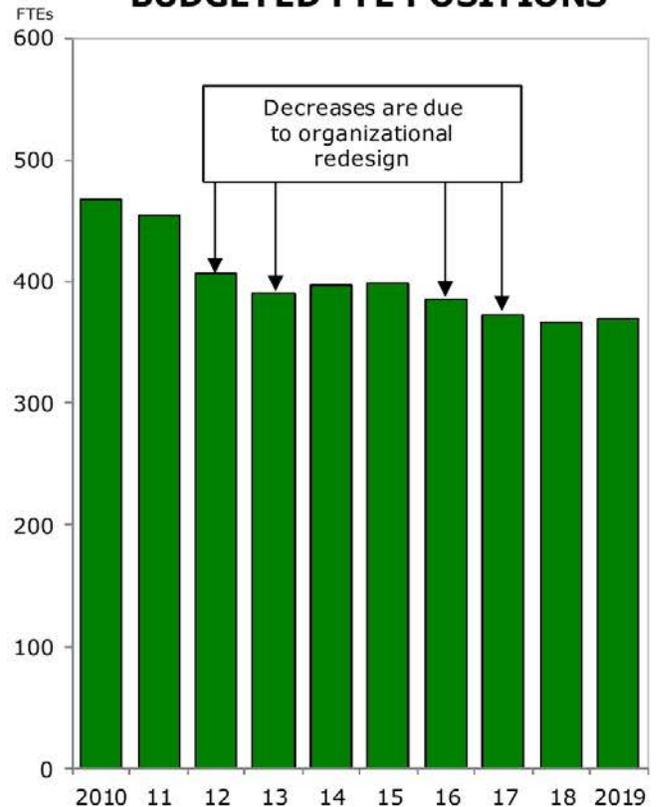
FUNCTIONS



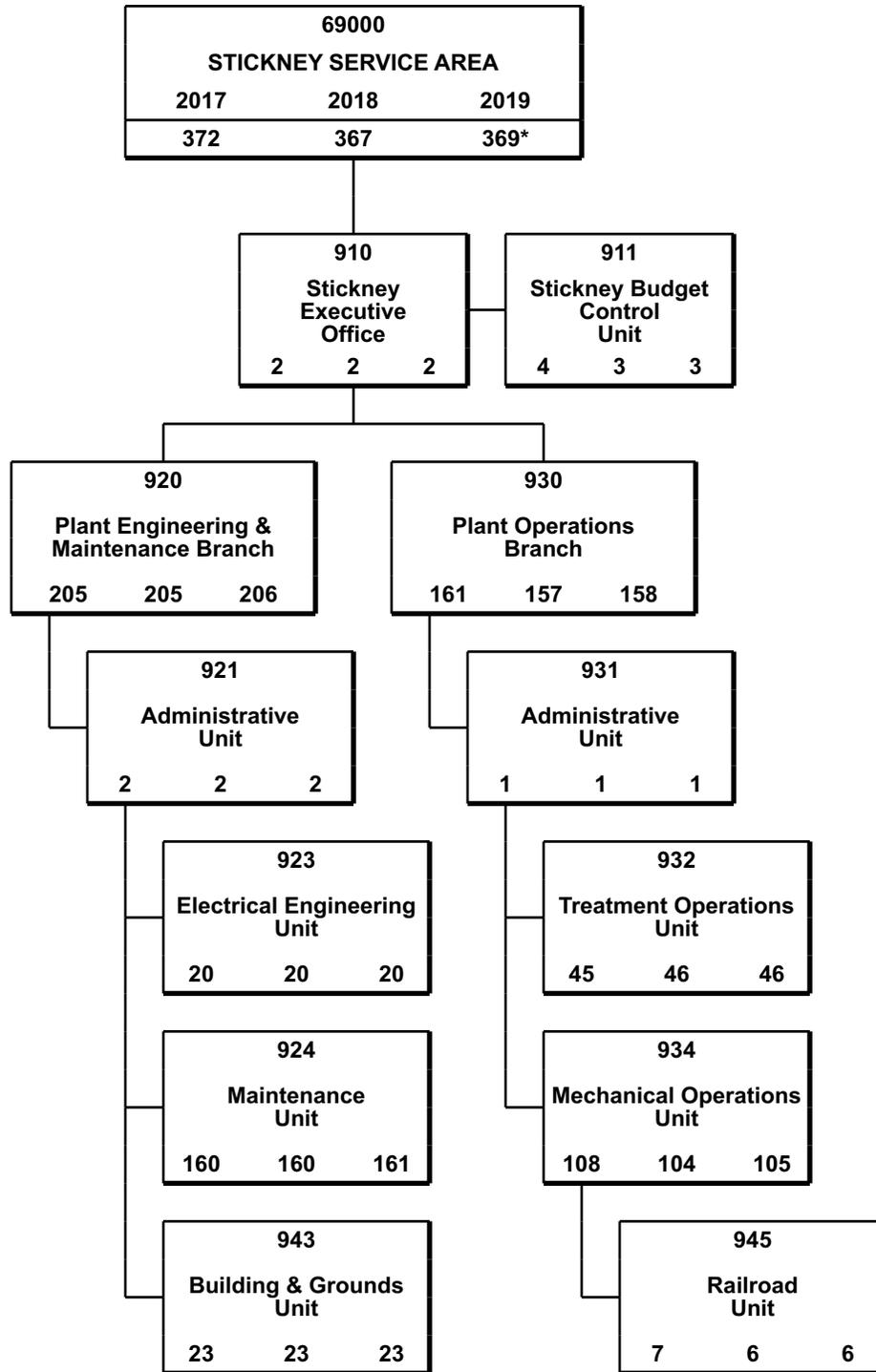
APPROPRIATIONS & EXPENDITURES



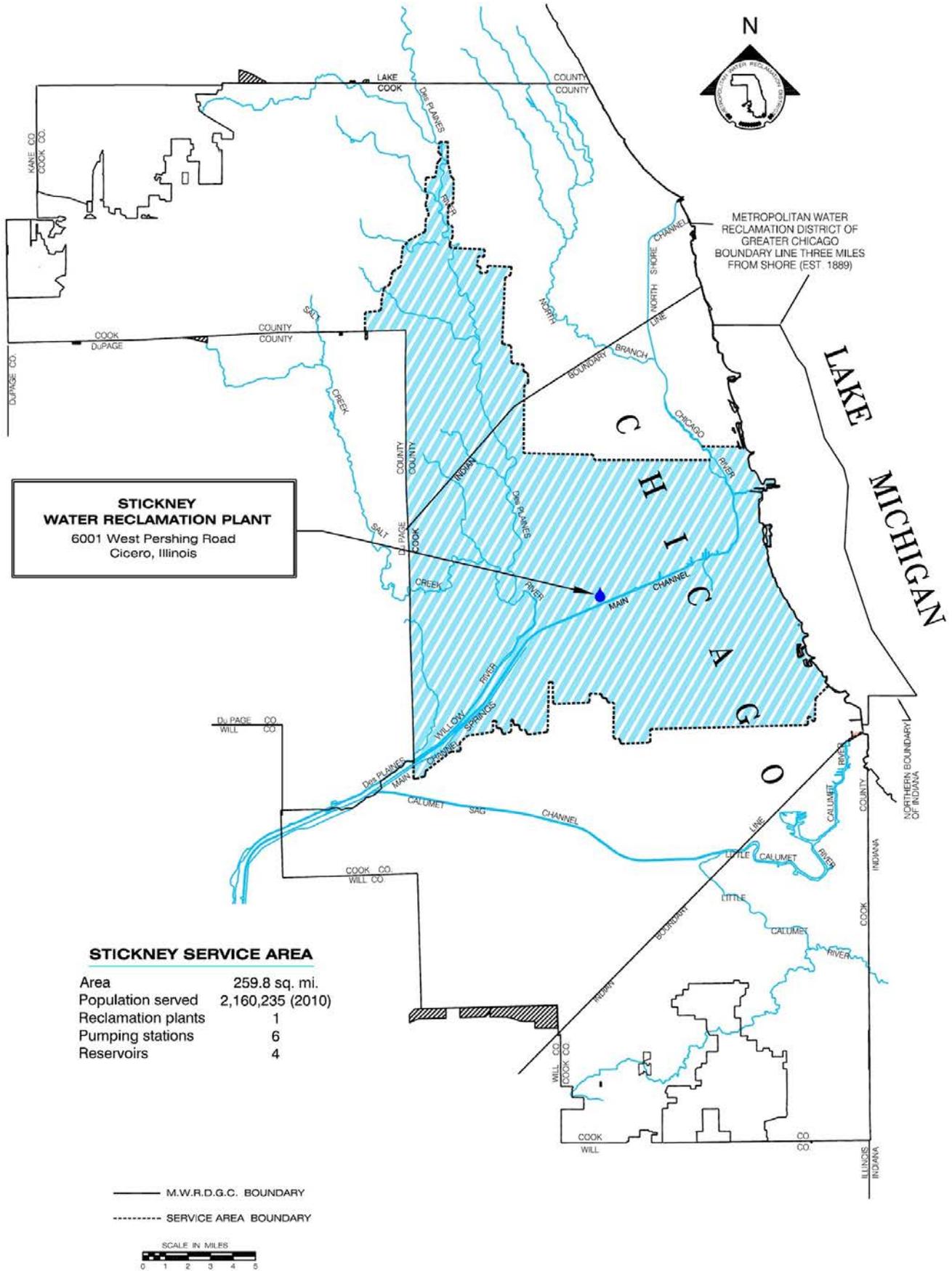
BUDGETED FTE POSITIONS



MAINTENANCE & OPERATIONS - STICKNEY SERVICE AREA



* In 2019, nine positions in the Stickney Service Area are funded by the Stormwater Management Fund while the operations remain in the Maintenance & Operations Department, one in Unit 924 and eight in Unit 934.



69000 M&O - STICKNEY SERVICE AREA

OBJECTIVES AND PROGRAM SUMMARY

OBJECTIVES BY PRIORITY:				Cost	Percent
1.	COLLECTION & TREATMENT: The Stickney Service Area will collect and treat approximately 276 billion gallons of wastewater through its treatment facilities.			\$49,337,457	60.1%
		Design:	Flows ^ CBOD * SS *		
	Stickney Water Reclamation Plant		1,200 MGD 10 mg/L 12 mg/L		
	^ In millions of gallons per day (MGD).				
	* National Pollutant Discharge Elimination System monthly effluent quality standards in milligrams per liter:				
	CBOD - Carbonaceous Biochemical Oxygen Demand				
	SS - Suspended Solids				
2.	SOLIDS PROCESSING: The Stickney Service Area will remove 95,000 dry tons and process solids from 137,000 dry tons of concentrated sewage (includes 45,000 dry tons from North Service Area) through various systems including heated digestion, centrifuging, concentration, and aging low solids sludge and centrifuge cake in lagoons.			\$26,776,849	32.6%
3.	SOLIDS UTILIZATION: The Stickney Service Area will provide support to the Solids Management Section to utilize 70,000 dry tons of biosolids for application at final utilization sites, such as farm application, and as daily and final cover in sanitary landfills.			\$ 2,537,685	3.1%
4.	FLOOD & POLLUTION CONTROL: The Stickney Service Area will work to prevent local area flooding through the operation of five detention reservoirs, in cooperation with local communities. It will also work to maintain the quality of the waterways system and associated District property, in cooperation with the debris boats and the channel maintenance and debris boat crews.			\$ 1,056,030	1.3%
5.	GENERAL SUPPORT: The Stickney Service Area will provide technical and administrative support for other departments not directly related to the operational activities of Collection & Treatment, Solids Processing, Solids Utilization, and Flood & Pollution Control.			\$2,393,479	2.9%
				<u>Total</u> \$82,101,500	<u>100.0%</u>

MEASURABLE GOALS:				
	Unit of Measure	2017 Actual	2018 Estimated	2019 Proposed
1. The Stickney Service Area will collect and treat approximately 276 billion gallons of wastewater in 2019.	Billion Gallons	248	276	276
2. The Stickney Service Area will remove and process solids from 137,000 dry tons of concentrated sewage, including 45,000 dry tons transferred from the North Service Area.	Dry Tons Process Solids	146,950	137,000	137,000
3. The Stickney Service Area will obtain 100 percent permit compliance in 2019 for National Pollutant Discharge Elimination System effluent limits.	Percent	99.94%	100.00%	100.00%
4. The Stickney Service Area will provide support to utilize 70,000 dry tons of biosolids in 2019 (does not include Pelletizer Facility Operations).	Dry Tons	57,600	70,000	70,000

69000 M&O - STICKNEY SERVICE AREA

OBJECTIVES AND PROGRAM SUMMARY

PROGRAMS BY PRIORITY:		2017	Budgeted		Change		
Number	Name	Actual	FTEs	Dollars	Dollars	Percent	
1000	Collection	\$20,045,342	2019	79 \$24,928,236	\$ 381,103	1.6	
			2018	79 \$24,547,133			
1100	Surface Interceptor Systems	\$ 416,446	2019	— \$ 193,900	\$ (26,300)	(11.9)	
			2018	— \$ 220,200			
1200	Tunnel and Reservoir System	\$ 4,570,951	2019	12 \$ 8,658,000	\$ 503,500	6.2	a)
			2018	12 \$ 8,154,500			
1300	Pumping Station Facilities	\$ 6,838,956	2019	28 \$ 7,228,700	\$ (236,200)	(3.2)	b)
			2018	28 \$ 7,464,900			
1900	Collection - Indirect Costs	\$ 8,218,989	2019	39 \$ 8,847,636	\$ 140,103	1.6	
			2018	39 \$ 8,707,533			
2000	Treatment	\$25,138,076	2019	125 \$23,877,821	\$ (1,338,249)	(5.3)	
			2018	125 \$25,216,070			
2000	Pre-Treatment	\$ 2,135,424	2019	17 \$ 1,997,400	\$ 26,300	1.3	
			2018	17 \$ 1,971,100			
2100	Primary Treatment	\$ 1,830,117	2019	18 \$ 1,648,000	\$ 56,900	3.6	
			2018	18 \$ 1,591,100			
2200	Secondary Treatment	\$ 9,216,419	2019	26 \$ 5,022,000	\$ (2,578,100)	(33.9)	c)
			2018	26 \$ 7,600,100			
2300	Tertiary Treatment	\$ 45,766	2019	— \$ 15,000	\$ 300	2.0	
			2018	— \$ 14,700			
2900	Treatment - Indirect Costs	\$11,910,350	2019	64 \$15,195,421	\$ 1,156,351	8.2	d)
			2018	64 \$14,039,070			

a) Increase is due to higher demand for electric energy for the Mainstream Pumping Station and Tunnel and Reservoir Plan facilities, based on the McCook Reservoir coming online (\$545,600), offset by the transfer of telemetry service for the Tunnel and Reservoir Plan to the Information Technology Department (\$52,500).

b) Decrease is due to reduced demand for electrical energy for pumping stations and control gates at the Stickney WRP and the Racine Avenue Pumping Station (\$352,100), offset by increases due to reallocation of salaries to more accurately reflect current activities (\$78,100), electric parts for exciter controls (\$25,000), and Basler excitation equipment commissioning (\$10,000).

c) Decrease is due to reduced demand for electric energy service for aeration blowers (\$2,571,500).

d) Increase is due to the addition of 19-605-11, Personnel Carriers (\$204,000), landscaping services for the Stickney Service Area (\$200,000), increase in natural gas for process and building heating (\$165,700), Emerson Distributed Control System workstations (\$130,000), the reallocation of salaries to more accurately reflect current activities (\$126,900), parts for dewatering centrifuges (\$97,800), replacement parts under outline agreements for Walker, Flow-Technics, and Drydon equipment (\$81,400), one medium lift gate truck for the Stickney Service Area (\$75,000), and parts for thickening centrifuges (\$69,000).

69000 M&O - STICKNEY SERVICE AREA

OBJECTIVES AND PROGRAM SUMMARY

PROGRAMS BY PRIORITY:		2017	Budgeted		Change		
Number	Name	Actual	FTEs	Dollars	Dollars	Percent	
3000	Solids Processing	\$23,175,931	2019	132 \$ 26,776,849	\$ 259,725	1.0	
			2018	130 \$ 26,517,124			
3100	Thickening	\$ 4,190,554	2019	25 \$ 4,029,600	\$ 25,900	0.6	
			2018	25 \$ 4,003,700			
3200	Stabilization	\$ 3,295,373	2019	27 \$ 3,687,800	\$ 133,200	3.7	
			2018	27 \$ 3,554,600			
3300	Dewatering	\$ 9,247,149	2019	32 \$ 11,638,700	\$ (327,000)	(2.7)	e)
			2018	31 \$ 11,965,700			
3900	Solids Processing - Indirect Costs	\$ 6,442,855	2019	48 \$ 7,420,749	\$ 427,625	6.1	f)
			2018	47 \$ 6,993,124			
4000	Flood & Pollution Control	\$ 557,610	2019	7 \$ 1,056,030	\$ 27,683	2.7	
			2018	7 \$ 1,028,347			
4200	Waterways Control and Stormwater Reservoirs	\$ 151,580	2019	5 \$ 539,400	\$ (5,800)	(1.1)	
			2018	5 \$ 545,200			
4900	Flood & Pollution Control - Indirect Costs	\$ 406,030	2019	2 \$ 516,630	\$ 33,483	6.9	
			2018	2 \$ 483,147			
5000	Solids Utilization	\$ 6,532,077	2019	11 \$ 2,537,685	\$ (3,812,953)	(60.0)	
			2018	11 \$ 6,350,638			
5100	Solids Drying	\$ 190,162	2019	5 \$ 481,100	\$ 9,300	2.0	
			2018	5 \$ 471,800			
5200	Solids Distribution	\$ 4,398,463	2019	— \$ 665,900	\$ (3,750,100)	(84.9)	g)
			2018	— \$ 4,416,000			
5900	Solids Utilization - Indirect Costs	\$ 1,943,452	2019	6 \$ 1,390,685	\$ (72,153)	(4.9)	
			2018	6 \$ 1,462,838			
7000	General Support (excluding program number 7604)	\$ 2,278,714	2019	15 \$ 2,393,479	\$ 137,491	6.1	
			2018	15 \$ 2,255,988			
7604	Social Security and Medicare Contributions	\$ 500,043	2019	— \$ 531,400	\$ 20,400	4.0	
			2018	— \$ 511,000			
Totals		\$78,227,793	2019	369 \$ 82,101,500	\$ (4,324,800)	(5.0)%	*
			2018	367 \$ 86,426,300			

e) Decrease is due to the reduced demand for 19-934-11 Magnesium Chloride (\$480,000) and parts for dewatering centrifuges (\$190,000), offset by the addition of one FTE position (\$131,800) and the higher demand for 18-959-11, Furnish and Deliver Sulfuric Acid (\$49,500), Ostara parts (\$45,000), 18-935-11, Furnish and Deliver Sodium Hydroxide (\$30,000), four sludge discharge valves (\$25,000), Alfa Laval centrifuge drives (\$10,000), and a pressure vessel inspection (\$10,000).

f) Increase is due to the addition of centrifuge parts (\$246,500), replacement parts under the outline agreements for Walker, Flow-Technics and Drydon equipment (\$120,400), the reallocation of salaries to more accurately reflect current activities (\$108,200), 19-602-11, Furnish and Deliver Chains, Sprockets and Appurtenances (\$68,000), and Distributed Control System replacement parts (\$51,000), offset by the reduced demand for spare electrical and mechanical repair parts (\$161,100).

g) Decrease is due to the transition of 98-RFP-10, Design, Build, Operate and Maintain a Biosolids Processing Facility to General Division (\$3,700,000).

* The 2019 position total for the Stickney Service Area is 369, with an additional nine positions budgeted in the Stormwater Management Fund.

69000 M&O - STICKNEY SERVICE AREA

PERFORMANCE DATA

Program Number	Measurable Activity		2017 Actual	2018 Budgeted	2019 Estimated	
1000-2900	Collection & Treatment					
	Collect and Treat Wastewater at the Stickney Water Reclamation Plant	Mil. Gallons	247,598	284,000	276,000	
		Cost	\$ 45,183,418	\$ 49,763,203	\$ 48,806,057	a)
		Cost/Mil. Gallons	\$ 182.49	\$ 175.22	\$ 176.83	
3000	Solids Processing					
	Remove 95,000 Dry Tons of Solids and Process 137,000 Dry Tons of Solids (Includes 45,000 Dry Tons from North Service Area) from Concentrated Sewage Through Various Systems Including Heated Digestion, Centrifuging, Concentration, and Aging Low Solids Sludge and Centrifuge Cake in Lagoons	Dry Tons	146,950	135,000	137,000	
		Cost	\$ 23,175,931	\$ 26,517,124	\$ 26,776,849	b)
		Cost/Dry Ton	\$ 157.71	\$ 196.42	\$ 195.45	
4000	Flood & Pollution Control					
	Operation and Maintenance of the Waterways to Minimize Area Flooding and Pollution					
4200	Minimize Area Flooding and Pollution of Lake Michigan Through the Continuous Control of Water Levels in Major Rivers and Canals and the Operation of Detention Reservoirs	Reservoirs	4	5	5	
		Cost	\$ 151,580	\$ 545,200	\$ 539,400	
		Cost/Reservoir	\$ 37,895.00	\$ 109,040.00	\$ 107,880.00	
4900	Flood & Pollution Control - Indirect Costs	Cost	\$ 406,030	\$ 483,147	\$ 516,630	
5000	Solids Utilization					
	Utilize Biosolids for Application at Final Utilization Sites Such as Daily Cover for Chicago Industrial Dump Landfill, Final Cover of Landfills, and Farm/Land Application	Dry Tons	57,600	70,000	70,000	
		Cost	\$ 2,259,228	\$ 1,970,938	\$ 1,908,785	
		Cost/Dry Ton	\$ 39.22	\$ 28.16	\$ 27.27	
5271	Pelletizer Disposal	Dry Tons	37,143	40,000	40,000	
	Control Management and Disposal of Solids by Private Contracts	Cost	\$ 4,272,849	\$ 4,379,700	\$ 628,900	c)
		Cost/Dry Ton	\$ 115.04	\$ 109.49	\$ 15.72	c)
7000	General Support (excluding program number 7604)					
	Technical and Administrative Support for Other Departments' Activities Indirectly Related to the Operational Activities of Collection and Treatment, Solids Processing, Flood & Pollution Control, and Solids Utilization	Cost	\$ 2,278,714	\$ 2,255,988	\$ 2,393,479	
7604	Social Security and Medicare Contributions	Cost	\$ 500,043	\$ 511,000	\$ 531,400	
	Division Total		\$ 78,227,793	\$ 86,426,300	\$ 82,101,500	

- a) Decrease is due to a reduced demand for electrical energy for the Stickney Service Area (\$2,464,900), offset by an increase due to the reallocation of salaries to more accurately reflect current activities (\$483,400), higher demand for water services for the Stickney Service Area (\$267,600), the addition of 19-605-11, Personnel Carriers (\$204,000), landscaping services for the Stickney Service Area (\$200,000), natural gas for the Stickney Service Area (\$166,800), Emerson Distributed Control System workstations (\$130,000), and one medium lift gate truck for the Stickney Service Area (\$75,000).
- b) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$366,900), the addition of two FTE positions (\$206,900), parts for dewatering centrifuges (\$144,500), replacement parts under the outline agreements for Walker, Flow-Technics and Drydon equipment (\$120,400), increased demand for plumbing supplies for solids heat digestion (\$96,200), and 19-602-11, Chains, Sprockets and Appurtenances (\$68,000), offset by the reduced demand for 19-934-11 Magnesium Chloride (\$480,000) and electrical energy for the Stickney Service Area (\$251,400).
- c) Decrease is due to the transition of 98-RFP-10, Design, Build, Operate and Maintain a Biosolids Processing Facility to General Division (\$3,700,000).

Account Number	Account Name	LINE ITEM ANALYSIS						
		2017		2018			2019	
		Expenditure	Original Appropriation	Adjusted Appropriation 09/30/18	Expenditure (Committed Budget plus Disbursement) 09/30/18	Estimated Expenditure 12/31/18	Proposed by Executive Director	Recommended by Committee on Budget and Employment
101 69000	Fund: Corporate Department: Maintenance & Operations Division: Stickney Service Area							
601010	Salaries of Regular Employees	\$ 34,015,627	\$ 35,422,500	\$ 35,422,500	\$ 24,570,364	\$ 34,662,800	\$ 36,556,000	\$ —
601060	Compensation Plan Adjustments	1,904,122	2,143,600	2,143,600	1,599,791	2,243,600	2,002,800	—
601070	Social Security and Medicare Contributions	500,043	511,000	511,000	375,224	548,000	531,400	—
601080	Salaries of Nonbudgeted Employees	—	10,200	10,200	—	—	1,500	—
601100	Tuition and Training Payments	136,759	144,000	138,700	46,119	139,000	91,500	—
100	TOTAL PERSONAL SERVICES	36,556,550	38,231,300	38,226,000	26,591,498	37,593,400	39,183,200	—
612010	Travel	8,328	15,000	12,000	2,372	12,900	7,400	—
612030	Meals and Lodging	23,485	28,800	25,800	12,738	27,500	21,600	—
612050	Compensation for Personally-Owned Automobiles	45,801	62,500	62,500	29,652	50,500	40,000	—
612080	Motor Vehicle Operating Services	198	300	300	36	200	300	—
612150	Electrical Energy	18,951,938	21,485,800	21,485,800	13,043,100	19,179,700	18,674,900	—
612160	Natural Gas	1,578,281	1,729,800	1,729,800	1,134,787	1,986,800	1,896,600	—
612170	Water and Water Services	1,341,896	1,295,400	1,295,400	884,671	1,367,600	1,437,600	—
612210	Communication Services	100,106	235,400	182,400	148,404	175,000	—	—
612240	Testing and Inspection Services	51,457	156,600	152,600	102,161	135,000	51,500	—
612330	Rental Charges	121,996	140,700	140,700	139,781	130,000	139,900	—
612410	Governmental Service Charges	89,380	89,700	89,700	73,000	89,400	90,200	—
612420	Maintenance of Grounds and Pavements	156,311	278,800	278,800	230,897	250,000	505,000	—
612430	Payments for Professional Services	18,000	19,000	19,000	18,540	18,600	19,000	—
612490	Contractual Services, N.O.C.	205,188	425,400	388,900	251,965	360,000	403,700	—
612520	Waste Material Disposal Charges	560,966	606,500	606,500	606,500	537,000	606,500	—
612590	Sludge Disposal	3,600,138	3,700,000	3,700,000	3,700,000	3,669,600	—	—
612600	Repairs to Collection Facilities	2,058,566	2,082,500	2,083,800	2,043,255	1,885,000	2,071,500	—
612650	Repairs to Process Facilities	2,298,987	2,562,500	2,576,500	2,535,819	2,380,000	2,680,700	—
612670	Repairs to Railroads	266,937	368,700	322,500	299,986	310,000	266,900	—
612680	Repairs to Buildings	288,964	369,300	371,700	337,069	320,000	289,000	—
612780	Safety Repairs and Services	189,094	205,400	205,400	168,151	115,000	213,000	—
612840	Communications Equipment Maintenance (Includes Software)	—	5,000	5,000	5,000	4,500	—	—
612860	Repairs to Vehicle Equipment	18,135	24,600	24,600	16,530	23,000	24,600	—
612990	Repairs, N.O.C.	2,967	13,500	13,300	8,870	11,400	16,500	—
200	TOTAL CONTRACTUAL SERVICES	31,977,118	35,901,200	35,773,000	25,793,283	33,038,700	29,456,400	—
623030	Metals	13,852	10,400	10,400	9,360	9,000	10,400	—

Account Number	Account Name	LINE ITEM ANALYSIS						
		2017		2018			2019	
		Expenditure	Original Appropriation	Adjusted Appropriation 09/30/18	Expenditure (Committed Budget plus Disbursement) 09/30/18	Estimated Expenditure 12/31/18	Proposed by Executive Director	Recommended by Committee on Budget and Employment
101	Fund: Corporate							
69000	Department: Maintenance & Operations							
	Division: Stickney Service Area							
623070	Electrical Parts and Supplies	754,528	968,700	990,700	955,236	940,000	1,041,700	—
623090	Plumbing Accessories and Supplies	227,804	323,600	315,000	240,418	270,000	452,800	—
623110	Hardware	2,513	3,200	3,700	3,426	3,200	3,500	—
623130	Buildings, Grounds, Paving Materials, and Supplies	40,165	54,100	52,100	39,037	45,900	40,200	—
623170	Fiber, Paper, and Insulation Materials	5,545	9,900	9,900	9,300	8,600	11,100	—
623190	Paints, Solvents, and Related Materials	2,670	1,300	3,400	3,390	3,400	8,800	—
623250	Vehicle Parts and Supplies	47,099	39,500	43,100	42,695	40,900	38,000	—
623270	Mechanical Repair Parts	1,222,498	1,154,900	2,091,700	2,063,584	2,120,700	2,139,300	—
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	12,576	11,000	11,000	10,960	9,500	11,000	—
623560	Processing Chemicals	7,068,996	9,369,900	8,146,400	8,102,649	7,717,800	8,966,000	—
623570	Laboratory Testing Supplies, Small Equipment, and Chemicals	239	—	500	341	300	—	—
623660	Cleaning Supplies	1,184	500	500	363	400	700	—
623680	Tools and Supplies	184,067	83,000	83,000	82,693	78,000	124,100	—
623700	Wearing Apparel	—	600	600	—	400	600	—
623780	Safety and Medical Supplies	1,417	23,700	22,100	20,698	5,000	1,400	—
623800	Computer Software	3,600	23,100	23,100	18,120	20,600	18,100	—
623810	Computer Supplies	4,317	28,400	27,000	25,944	27,400	143,300	—
623820	Fuel	73,468	101,800	104,800	104,794	98,700	87,400	—
623840	Gases	560	1,100	1,100	721	900	600	—
623850	Communications Supplies	—	5,500	5,500	4,900	4,700	—	—
623860	Lubricants	1,235	1,900	1,400	570	1,300	1,200	—
623990	Materials and Supplies, N.O.C.	25,792	52,700	52,700	45,453	46,700	46,700	—
300	TOTAL MATERIALS AND SUPPLIES	9,694,125	12,268,800	11,999,700	11,784,653	11,453,400	13,146,900	—
634860	Vehicle Equipment	—	—	—	—	—	279,000	—
634970	Testing and Laboratory Equipment	—	25,000	10,000	7,904	15,900	—	—
634990	Machinery and Equipment, N.O.C.	—	—	12,000	11,225	12,000	36,000	—
400	TOTAL MACHINERY AND EQUIPMENT	—	25,000	22,000	19,129	27,900	315,000	—
TOTAL STICKNEY SERVICE AREA		\$ 78,227,793	\$ 86,426,300	\$ 86,020,700	\$ 64,188,563	\$ 82,113,400	\$ 82,101,500	\$ —

NOTES: 1. Amounts may not add up due to rounding.

2. Departmental appropriation totals for salaries in the Line Item Analysis may differ from those contained in the Position Analysis by a factor identified to adjust for vacancies.

Additionally, Estimated Expenditure may either exceed Adjusted Appropriation when transfers of funds are anticipated or be less than Expenditure (Committed Budget plus Disbursement) when not all commitments are anticipated to be completed by year-end.

3. For the M&O Department, Expenditure (Committed Budget plus Disbursement) may exceed Adjusted Appropriation for a specific division as funding is controlled at the M&O Overall department-level.

Fund: Corporate Dept: Maintenance & Operations Division: Stickney Service Area		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
910	Stickney Executive Office					
HP23	Deputy Director of Maintenance & Operations #2 (Assistant Director of Maintenance & Operations) (New Grade HP22)	1	1		1	
HP12	Secretary #2 (Administrative Specialist) (New Grade HP11)	1	1		1	
TOTAL	Stickney Executive Office	2	2	339,457.57	2	343,393.68
911	Stickney Budget Control Unit					
HP17	Management Analyst III #2 (Senior Budget & Management Analyst) (New Grade HP16)	1	—		—	
HP14	Budget & Management Analyst	2	2		2	
HP11	Administrative Specialist	1	1		1	
TOTAL	Stickney Budget Control Unit	4	3	264,746.27	3	274,465.62
920	Plant Engineering & Maintenance Branch					
921	Administrative Unit					
HP21	Engineer of Treatment Plant Operations I #2 (Managing Engineer) (New Grade HP20)	1	1		1	
HP11	Administrative Specialist	1	1		1	
TOTAL	Administrative Unit	2	2	281,393.91	2	284,761.62
923	Electrical Engineering Unit					
HP18	Principal Electrical Engineer	—	1		1	
HP15	Associate Process Control Engineer	—	1		1	
HP14	Engineering Technician V	3	1		1	
HP12	Engineering Technician IV	1	1		1	
NR6275	Chief Powerhouse Dispatcher I	1	1		1	
NR6272	Powerhouse Dispatcher	4	4		4	
NR6233	Electrical Operator II	11	11		11	
TOTAL	Electrical Engineering Unit	20	20	2,083,146.01	20	2,153,267.45
924	Maintenance Unit					
(* Number of positions budgeted and funded by the Stormwater Management Fund appear below position count)						
HP19	Master Mechanic II	1	1		—	
HP19	Master Mechanic	—	—		1	
HP17	Assistant Master Mechanic	5	5		5	

Fund: Corporate Dept: Maintenance & Operations Division: Stickney Service Area		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP14	Engineering Technician V	1	2		2	
HP11	Administrative Specialist	1	1		1	
PR5935	Architectural Ironworker Leadman	1	1		1	
PR5933	Architectural Ironworker	3	3		3	
PR5933	Architectural Ironworker #1	1	—		—	
PR5353	Bricklayer	1	1		1	
PR5159	Carpenter Foreman	1	1		1	
PR5155	Carpenter Leadman	1	1		1	
PR5153	Carpenter	6	6		6	
PR7425	Electrical Instrument & Testing Mechanic Foreman	1	1		1	
PR7424	Electrical Instrument & Testing Mechanic Leadman	1	1		1	
PR7423	Electrical Instrument & Testing Mechanic	13	13		13	
PR7347	Electrical Mechanic Foreman	1	1		1	
PR7349	Electrical Mechanic Sub-Foreman	2	2		2	
PR7343	Electrical Mechanic	18	18		18	
PR6459	Hoisting Engineer Foreman	1	1		1	
PR6453	Hoisting Engineer	10	10		10	
PR5989	Ironworker Foreman	1	1		1	
PR5973	Structural Ironworker	9	9		9	
PR7579	Machinist Foreman	1	1		1	
PR7575	Machinist Leadman	2	2		2	
PR7573	Machinist	25	25		26	
PR5555	Painter Leadman	1	1		1	
PR5553	Painter	3	3		3	
PR7743	Pipecoverer	2	2		2	
PR7779	Pipefitter Foreman	1	1		1	
PR7775	Pipefitter Leadman	2	2		2	
PR7773	Pipefitter	23	23		23	
		(*1)	(*1)		(*1)	

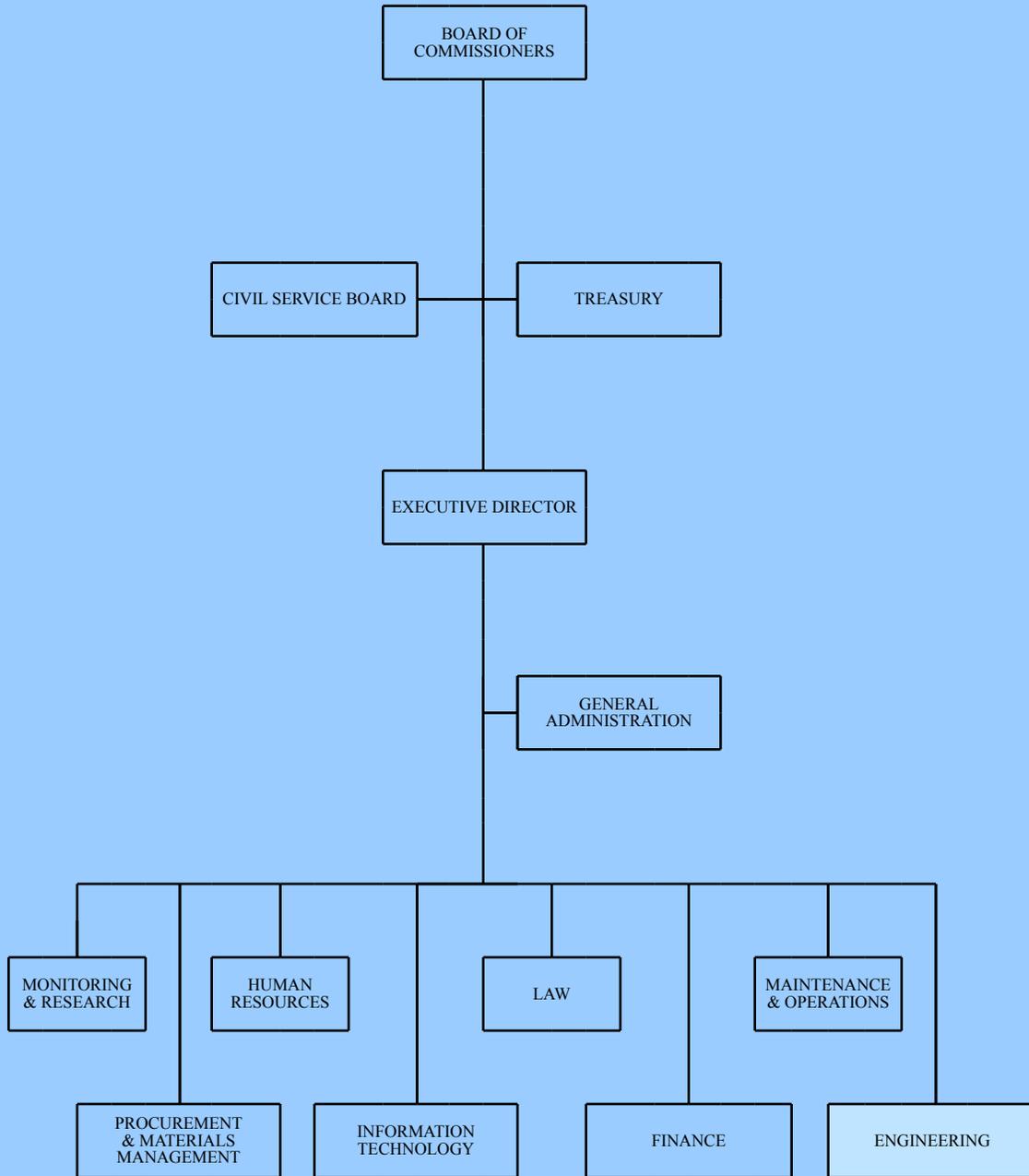
Fund: Corporate Dept: Maintenance & Operations Division: Stickney Service Area		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
PR5759	Plumber Foreman	1	1		1	
PR5753	Plumber	4	4		4	
PR5955	Sheet Metal Worker Leadman	1	1		1	
PR5953	Sheet Metal Worker	6	6		6	
PR6479	Truck Driver Foreman	1	1		1	
PR6473	Truck Driver	8	8		8	
TOTAL	Maintenance Unit	160	160	16,028,465.44	161	16,465,577.33
TOTAL	Stormwater Management Fund Positions	(*1)	(*1)		(*1)	
943	Buildings & Grounds Unit					
HP18	Principal Mechanical Engineer	1	1		1	
HP15	Associate Civil Engineer	1	1		1	
HP14	Engineering Technician V	2	2		2	
HP09	Administrative Clerk	1	1		1	
NR8331	Laborer Foreman	2	2		2	
NR8651	Maintenance Laborer Class A	7	7		7	
NR8652	Maintenance Laborer Class B	9	9		9	
TOTAL	Buildings & Grounds Unit	23	23	1,719,939.91	23	1,773,285.26
TOTAL	Plant Engineering & Maintenance Branch	205	205	20,112,945.27	206	20,676,891.66
TOTAL	Stormwater Management Fund Positions	(*1)	(*1)		(*1)	
930	Plant Operations Branch					
931	Administrative Unit					
HP20	Managing Engineer	1	1		1	
TOTAL	Administrative Unit	1	1	179,845.65	1	188,211.15
932	Treatment Operations Unit					
HP19	Assistant Engineer of Treatment Plant Operations II #2 (Principal Engineer) (New Grade HP18)	1	1		1	
HP17	Senior Civil Engineer	1	—		—	
HP17	Senior Engineer	—	1		1	
HP16	Treatment Plant Operator III	6	6		6	
HP14	Treatment Plant Operator II	8	8		8	

Fund: Corporate Dept: Maintenance & Operations Division: Stickney Service Area		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP14	Treatment Plant Operator II #4	1	1		1	
HP12	Treatment Plant Operator I	6	6		6	
HP11	Administrative Specialist	1	1		1	
HP11	Engineering Technician III	—	1		1	
NR8331	Laborer Foreman	1	1		1	
NR8650	Maintenance Laborer Class A Shift	15	15		15	
NR8651	Maintenance Laborer Class A	5	5		5	
TOTAL	Treatment Operations Unit	45	46	4,143,629.36	46	4,255,929.01
934	Mechanical Operations Unit					
	(* Number of positions budgeted and funded by the Stormwater Management Fund appear below position count)					
HP18	Chief Operating Engineer II	1	1		1	
HP17	Chief Operating Engineer I	2	2		2	
HP16	Assistant Chief Operating Engineer	6	6		6	
NR6810	Fireman-Oiler	10	11		11	
NR8650	Maintenance Laborer Class A Shift	20	20		20	
		(*4)	(*4)		(*4)	
NR8650	Maintenance Laborer Class A Shift #1	5	—		—	
		(*2)				
NR8651	Maintenance Laborer Class A	4	4		4	
NR6832	Operating Engineer II	34	34		35	
NR6831	Operating Engineer I	26	26		26	
		(*4)	(*4)		(*4)	
TOTAL	Mechanical Operations Unit	108	104	10,067,975.38	105	10,489,262.16
TOTAL	Stormwater Management Fund Positions	(*10)	(*8)		(*8)	
945	Railroad Unit					
HP11	Engineering Technician III	1	—		—	
NR8331	Laborer Foreman	1	1		1	

Fund: Corporate Dept: Maintenance & Operations Division: Stickney Service Area		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
NR8650	Maintenance Laborer Class A Shift	5	5		5	
TOTAL	Railroad Unit	7	6	491,961.60	6	511,888.00
TOTAL	Plant Operations Branch	161	157	14,883,411.99	158	15,445,290.32
TOTAL	Stormwater Management Fund Positions	(*10)	(*8)		(*8)	
TOTAL	Maintenance & Operations Stickney Service Area	372	367	35,600,561.10	369	36,740,041.28
TOTAL	Stormwater Management Fund Positions	(*11)	(*9)		(*9)	

Note: Nine positions budgeted in Sections 924 and 934 are funded by the Stormwater Management Fund while the operations remain in the Maintenance & Operations Department.

NOTE: Departmental appropriation totals for salaries in the Position Analysis differ from those contained in the Line Item Analysis by a factor identified to adjust for vacancies. Salary ranges corresponding to the pay plan and grade for each class title can be found in the table of Salary Schedules in the Appendix.



Protecting Our Water Environment

Metropolitan Water Reclamation District of Greater Chicago

100 EAST ERIE STREET CHICAGO, ILLINOIS 60611-3154 312.751.5600

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September 11, 2018

Mr. John P. Murray
Acting Executive Director
OFFICE

Dear Sir:

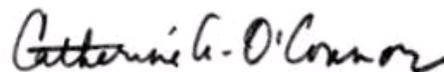
Subject: 2019 Program for the Engineering Department - Corporate Fund

The Engineering Department - Corporate Fund's program for 2019, as prepared in detail, is transmitted herewith. The budget presentation supports the request for funding of the department's 2019 initiatives in alignment with and in support of the Strategic Business Plan. The budget requests include all amendments as directed by you during the Executive Director Budget Hearings in August of this year.

The narrative provides a summary of the department, 2019 major initiatives and challenges, and 2018 accomplishments. Supporting schedules of objectives, performance, and staffing levels present three years of detailed budgetary information.

Thank you for the opportunity to present the proposed Engineering Department - Corporate Fund budget for 2019.

Respectfully submitted,

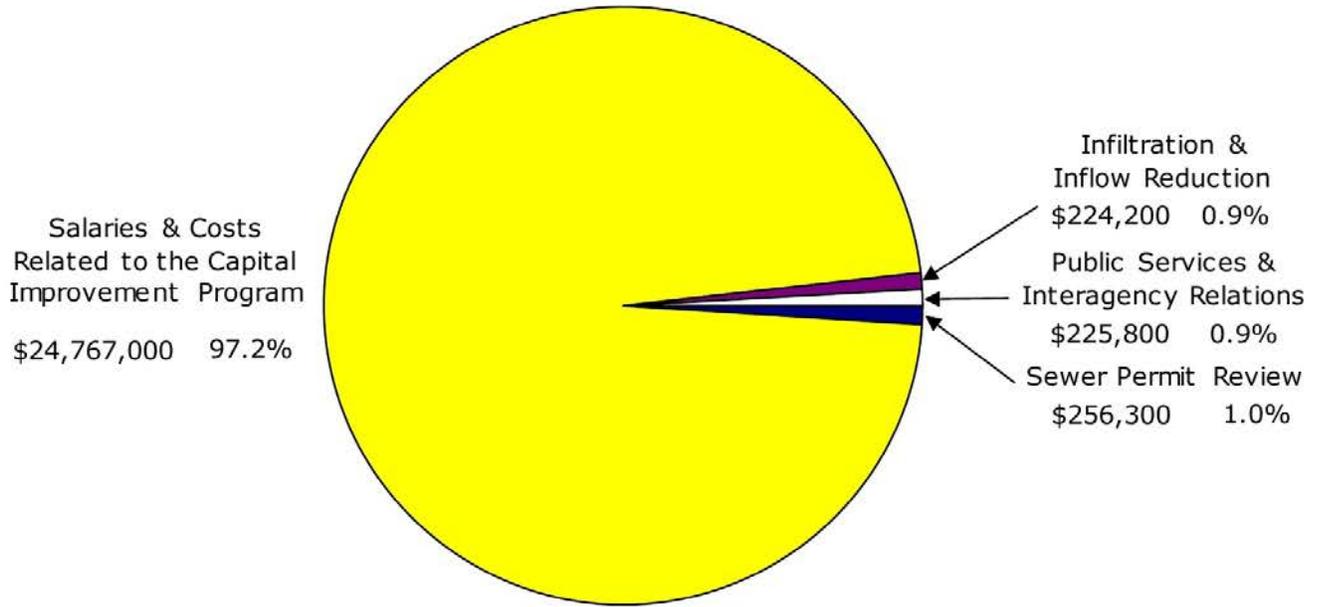


Catherine A. O'Connor
Director of Engineering

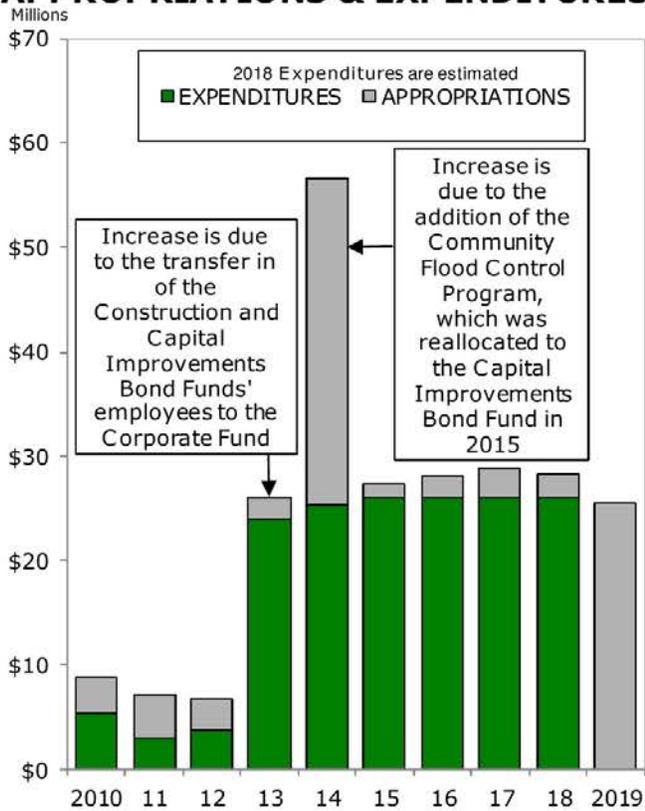
ENGINEERING – CORPORATE FUND

2019	\$25,473,300
2018	\$28,322,100
Decrease	(\$2,848,800)

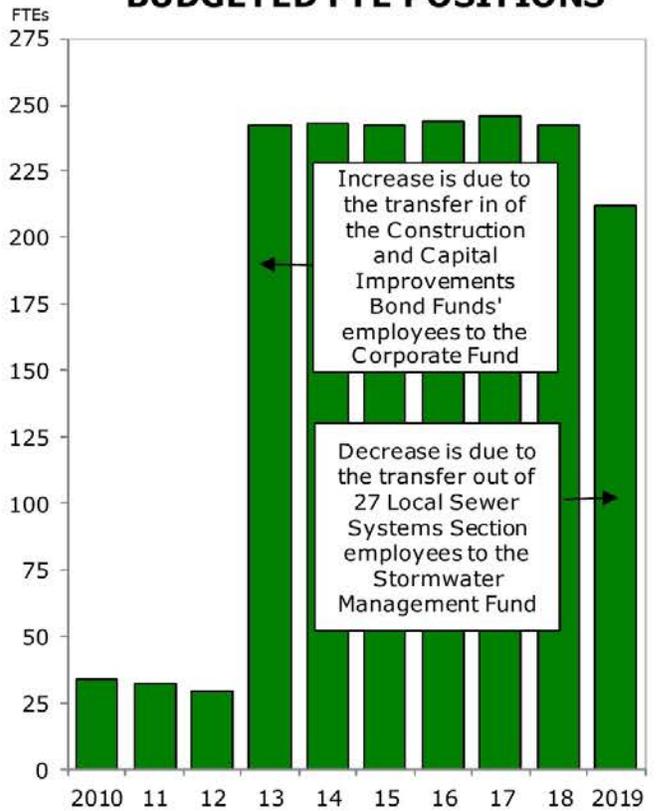
FUNCTIONS



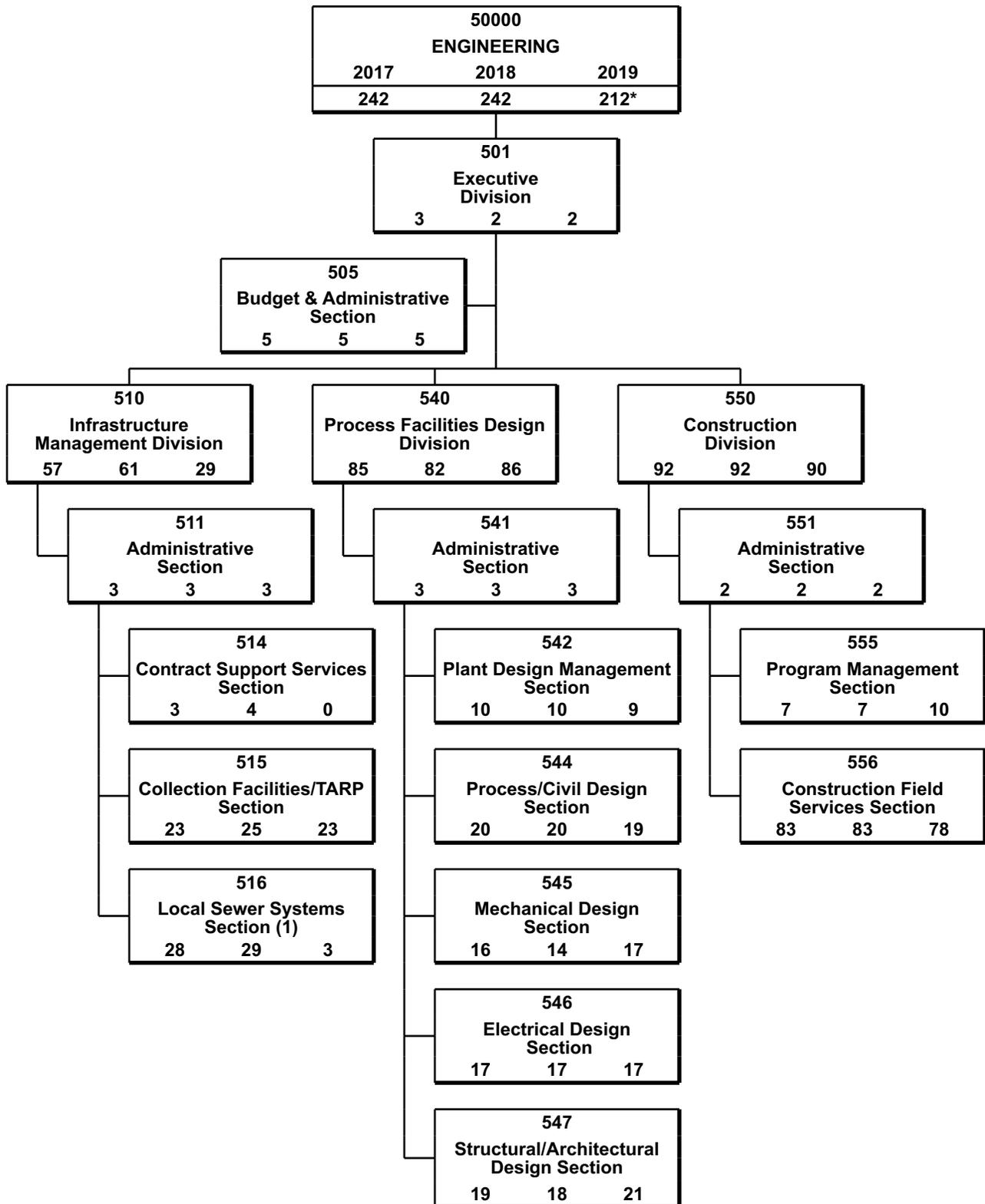
APPROPRIATIONS & EXPENDITURES



BUDGETED FTE POSITIONS



ENGINEERING



* The 2019 position total for the Engineering Department - Corporate Fund is 212. There are an additional 57 positions funded by the Stormwater Management Fund while the operations remain in the Engineering Department.

- (1) Effective 01/01/19, 27 positions were transferred from the Engineering Department - Corporate Fund to the Stormwater Management Fund.

ENGINEERING CORPORATE FUND

The mission of the Engineering Department is to plan, design, and construct projects prioritized in the Capital Improvement Program and to regulate stormwater management, flood protection areas, and construction and maintenance of local sewers, which are tributary to the District's intercepting sewer system.

Departmental Summary

The programs of the Engineering Department are described in three sections of the budget: the Corporate Fund, described below, the Capital Budget, described in Section V, and the Stormwater Management Fund, which is described in Section VI. The Corporate Fund finances most of the Engineering positions, with the rest financed by the Stormwater Management Fund. The Capital Budget is used to finance projects executed by the Infrastructure Management Division, Process Facilities Design Division, and the Construction Division, with the Stormwater Management Fund making up the balance of project funding by the District.

The department's primary responsibilities include:

- Plan, develop, and implement a Capital Improvement Program that meets the District's statutory responsibilities, complies with applicable state and federal regulations and requirements, and responds to the needs of the District's residents, as directed through the policies adopted by its Board of Commissioners in the areas of sewage treatment, stormwater management, resource recovery, and pollution control;
- Provide requested and required engineering assistance to other departments within the District in support of their missions. The Engineering Department engages internal staff for all intercepting sewer rehabilitation design, all construction management, and roughly half of the District's process facilities design. Employing a rigorous qualifications-based selection process, the balance of design work is completed by engineering consulting firms. By blending District staff design expertise with design expertise of highly qualified outside firms, the Engineering Department is able to ensure that water reclamation plant upgrade, rehabilitation, and resource recovery projects are state of the art.

The Corporate Fund budget is also used for repair and maintenance projects not eligible for Capital Improvement Program funding.

Summary of 2018 Accomplishments

- The District and the Chicago District of the Army Corps of Engineers were presented with the Outstanding Civil Engineering Achievement Award (Mega Project) for the McCook Reservoir Project by the American Society of Civil Engineers - Illinois Section.

Budget Highlights

The 2019 appropriation for the Engineering Department - Corporate Fund is \$25,473,300, a decrease of \$2,848,800, or 10.1 percent, from 2018. This decrease is largely due to the change in funding of salaries and benefits for Local Sewer Systems Section employees from the Corporate Fund to the Stormwater Management Fund. These positions administer the Watershed Management Ordinance, which is closely aligned with the objectives and strategies of the Cook County Stormwater Management Plan. Revenues generated from Watershed Management Ordinance permit review fees will offset a portion of operational costs being transferred to the Stormwater Management Fund.

The staffing level has decreased from 242 to 212 positions, a net decrease of 30 positions from 2018, as a result of transferring 27 Local Sewer Systems Section employees to the Stormwater Management Fund and one Associate Civil Engineer to the Maintenance & Operations Department, the drop of one Administrative Clerk, one Engineering Draftsman II, and three Engineering Technician III positions, and the add of one Senior Structural Engineer and two Engineering Draftsman II positions.

The 2019 Budget provides financing for Engineering Department positions, which allows approximately \$24 million in personnel costs to be utilized for direct capital project expenditures in the Construction Fund and Capital Improvements Bond Fund.

2019 Initiatives in Support of the Strategic Business Plan Include the Following:

• Develop Employees

The Engineering Department encourages staff to attend professional development conferences and seminars that present state-of-the-art technologies and provide information on the latest developments in engineering design and construction. Engineering staff includes numerous licensed professional engineers who are leaders in their respective fields. Staff regularly attend national and international conferences, seminars, and society meetings where they present papers and act as chairs or moderators in their areas of expertise. Additionally, the Engineering Department rotates staff between the design and construction administration sections in order to gain perspective and understanding of all aspects of contract development and execution. Further efforts will be made in 2019 to expand this program to more staff members.

- **Leading Partnerships**

Efforts are underway to work with local municipalities and engage local industries to explore the use of effluent water for commercial and industrial purposes that require clean, but not necessarily potable water. Developing these partnerships will help reduce the local industry's dependence on water from Lake Michigan, provide economic development incentives for local municipalities, and further the District's goal of recovering water as a precious resource. The Engineering Department continues to pursue several partnerships with local and national business enterprises, including Koppers Inc. and Intren, LLC, and will continue to seek and expand the District's plant effluent water reuse opportunities.

- **Technology**

An electronic project management system, e-Builder, has been implemented to manage all of the District's Capital Improvement Plan projects and report on the \$250 million in expenditures, as well as the various metrics used in the department. These include tracking project design and construction schedules, forecasting award dates, cash flow projections for budgeting, and all construction contractor submittals and documentation. Use of this system will improve work flow and efficiency and allow for more accurate predictions of our project expenditures.

50000 ENGINEERING

OBJECTIVES AND PROGRAM SUMMARY

OBJECTIVES BY PRIORITY:	Cost	Percent
1. Protect public health by administering the Watershed Management Ordinance to regulate local sewer connections to local treatment plants, discharges to District waters, and migration of runoff from new developments and redevelopments.	\$ 256,300	1.0%
2. Provide information to the public and local communities regarding District ordinances, coordinate solutions to regional problems with other governmental agencies, and review and evaluate new cost-effective sewer construction procedures and products.	\$ 225,800	0.9%
3. Reduce treatment costs by eliminating excessive infiltration/inflow of stormwater into sanitary sewers through a comprehensive rehabilitation program of local sewer systems.	\$ 224,200	0.9%
4. Ongoing maintenance projects, salaries, and employee expenses related to the Capital Improvement Program.	\$ 24,767,000	97.2%
Total	\$ 25,473,300	100.0%

MEASURABLE GOALS:	2017 Actual	2018 Estimated	2019 Proposed
1. Compliance status of the 114 satellite entities (sewer system owners) with the requirements of the Infiltration/Inflow Control Program.			
Number of satellite entities that have completed the Short Term Requirements ¹	—	—	10
Percentage Complete	0%	0%	9%
Annual Summary Reports Received	109	114	114
Annual Summary Reports in Compliance ²	85	60	114
<p>¹Under the Short Term Requirements, each satellite entity will perform a prioritized condition assessment of their high-risk public sewers, conduct rehabilitation work to address infiltration/inflow sources, and develop and submit their individual Private Sector Program and Long Term Operation and Maintenance Program to the District for approval. The deadline to complete the Short Term Requirements is July 10, 2019. It is anticipated that satellite entities will take until July 10, 2019 to complete the Short Term Requirements due to the number of requirements and extensive amount of work required. The District will work with satellite entities that have not completed the Short Term Requirements by July 10, 2019 to ensure that the work will be completed in a reasonable time frame.</p> <p>²Annual Summary Reports in compliance with the reporting requirements of the Infiltration/Inflow Control Program. The District is continually providing assistance and collaborating with the satellite entities to produce compliant Annual Summary Reports.</p>			

50000 ENGINEERING

OBJECTIVES AND PROGRAM SUMMARY

PROGRAMS BY PRIORITY:		2017	Budgeted		Change		
Number	Name	Actual	FTEs	Dollars	Dollars	Percent	
1000	Collection	\$ 6,499,670	2019	38 \$ 4,795,900	\$ (2,567,500)	(34.9)	
			2018	65 \$ 7,363,400			
1530	Local Sewer Permit Activity	\$ 1,962,378	2019	2 \$ 256,300	\$ (2,006,500)	(88.7)	a)
			2018	22 \$ 2,262,800			
1560	Local Sewer Public Service Coordination	\$ 651,635	2019	1 \$ 225,800	\$ (461,600)	(67.2)	a)
			2018	6 \$ 687,400			
1571	Local Sewer Rehabilitation Ordinance Enforcement Activity	\$ 232,701	2019	2 \$ 224,200	\$ (180,700)	(44.6)	a)
			2018	3 \$ 404,900			
1700	Collection System Design	\$ 1,099,399	2019	9 \$ 1,219,200	\$ 300	—	
			2018	9 \$ 1,218,900			
1800	Collection Construction	\$ 2,553,557	2019	24 \$ 2,870,400	\$ 81,000	2.9	
			2018	25 \$ 2,789,400			
2000	Treatment	\$ 8,075,278	2019	75 \$ 8,647,700	\$ (76,000)	(0.9)	
			2018	75 \$ 8,723,700			
2700	Treatment Design	\$ 2,985,072	2019	26 \$ 3,215,500	\$ 38,100	1.2	
			2018	25 \$ 3,177,400			
2800	Treatment Construction	\$ 5,090,206	2019	49 \$ 5,432,200	\$ (114,100)	(2.1)	
			2018	50 \$ 5,546,300			
3000	Solids Processing	\$ 5,800,444	2019	51 \$ 6,280,900	\$ 143,900	2.3	
			2018	51 \$ 6,137,000			
3700	Solids Processing Design	\$ 2,826,592	2019	24 \$ 3,072,300	\$ 191,400	6.6	b)
			2018	23 \$ 2,880,900			
3800	Solids Processing Construction	\$ 2,973,852	2019	27 \$ 3,208,600	\$ (47,500)	(1.5)	
			2018	28 \$ 3,256,100			

a) Decrease is due to the transfer of Local Sewer Systems Section positions from the Corporate Fund to the Stormwater Management Fund.
 b) Increase is due to the net addition of one FTE position (\$54,200) and an increased estimate for retirement, severance, and termination payments (\$160,000).

50000 ENGINEERING

OBJECTIVES AND PROGRAM SUMMARY

PROGRAMS BY PRIORITY:		2017	Budgeted		Change	
Number	Name	Actual	FTEs	Dollars	Dollars	Percent
4000	Flood and Pollution Control	\$ 3,181,908	2019 28	\$ 3,172,400	\$ (127,900)	(3.9)
			2018 28	\$ 3,300,300		
4216	Bridge and Road Maintenance	\$ 33,256	2019 —	\$ 49,900	\$ (55,100)	(52.5)
			2018 —	\$ 105,000		
4322	Storm and Flood Ordinance Development	\$ 16,790	2019 —	\$ 17,800	\$ 700	4.1
			2018 —	\$ 17,100		
4341	Planning/Design	\$ 63,411	2019 —	\$ 64,200	\$ 700	1.1
			2018 —	\$ 63,500		
4342	Contract Administration	\$ 104,549	2019 1	\$ 107,900	\$ —	—
			2018 1	\$ 107,900		
4343	Construction	\$ 98,310	2019 1	\$ 100,900	\$ —	—
			2018 1	\$ 100,900		
4700	Flood and Pollution Control Design	\$ 630,108	2019 6	\$ 663,400	\$ (8,700)	(1.3)
			2018 6	\$ 672,100		
4800	Flood and Pollution Control Construction	\$ 2,235,484	2019 20	\$ 2,168,300	\$ (65,500)	(2.9)
			2018 20	\$ 2,233,800		
5000	Solids Disposal	\$ 343,833	2019 3	\$ 352,100	\$ (10,000)	(2.8)
			2018 3	\$ 362,100		
5700	Solids Disposal Design	\$ 10,221	2019 —	\$ 10,200	\$ —	—
			2018 —	\$ 10,200		
5800	Solids Disposal Construction	\$ 333,612	2019 3	\$ 341,900	\$ (10,000)	(2.8)
			2018 3	\$ 351,900		
7000	General Support (excluding program number 7604)	\$ 1,809,311	2019 17	\$ 1,874,700	\$ (177,300)	(8.6)
			2018 20	\$ 2,052,000		
7604	Social Security and Medicare Contributions	\$ 350,514	2019 —	\$ 349,600	\$ (34,000)	(8.9)
			2018 —	\$ 383,600		
Totals		\$26,060,958	2019 212	\$25,473,300	\$ (2,848,800)	(10.1)%
			2018 242	\$28,322,100		

c) Decrease is due to reduced funding required for 13-059-1D, Biennial Bridge Inspection, based on scheduled contract payments (\$55,100).

d) Decrease is due to the transfer out and drop of two FTE positions (\$141,500), reduced requests for participation in utility programs (\$19,000), and the reallocation of salaries to more accurately reflect current activities (\$5,300).

50000 ENGINEERING

PERFORMANCE DATA

Program Number	Measurable Activity		2017 Actual	2018 Budgeted	2019 Estimated	
1500	Local Sewer - Engineering Activity					
1530	Local Sewer Permit Activity					
1531	Review/Issuance of MWRD Sewer Permits (includes standard permits and notification and request for inspection permits)	Permits	545	557	624	
		Cost	\$ 966,052	\$ 1,204,100	\$ 76,000	a)
		Cost/Permit	\$ 1,772.57	\$ 2,161.76	\$ 121.79	a)
1533	Review of Other Permits	Cost	\$ 146,838	\$ 149,000	\$ 126,200	a)
1535	Local Sewer Construction Surveillance/Enforcement	Inspections	4,536	543	556	
		Cost	\$ 768,334	\$ 823,500	\$ 25,500	a)
		Cost/Inspection	\$ 169.39	\$ 1,516.57	\$ 45.86	a)
1537	Permit Revision	Revisions	69	76	79	
		Cost	\$ 81,154	\$ 86,200	\$ 28,600	a)
		Cost/Revision	\$ 1,176.14	\$ 1,134.21	\$ 362.03	a)
1560	Local Sewer - Public Service Coordination					
1561	Public Service	Requests	1,021	560	615	
		Cost	\$ 418,162	\$ 447,100	\$ 54,500	a)
		Cost/Request	\$ 409.56	\$ 798.39	\$ 88.62	a)
1563	Interagency Coordination	Cost	\$ 233,473	\$ 240,300	\$ 171,300	a)
1571	Local Sewer Rehabilitation Ordinance Enforcement Activity	Systems	250	114	114	
		Cost	\$ 232,701	\$ 404,900	\$ 224,200	a)
		Cost/System	\$ 930.80	\$ 3,551.75	\$ 1,966.67	a)
1700	Collection System Design	Cost	\$ 1,099,399	\$ 1,218,900	\$ 1,219,200	
1800	Collection Construction	Cost	\$ 2,553,557	\$ 2,789,400	\$ 2,870,400	
2700	Treatment Design	Cost	\$ 2,985,072	\$ 3,177,400	\$ 3,215,500	
2800	Treatment Construction	Cost	\$ 5,090,206	\$ 5,546,300	\$ 5,432,200	
3700	Solids Processing Design	Cost	\$ 2,826,592	\$ 2,880,900	\$ 3,072,300	b)
3800	Solids Processing Construction	Cost	\$ 2,973,852	\$ 3,256,100	\$ 3,208,600	
4200	Waterways Control and Stormwater Detention Reservoirs	Cost	\$ 33,256	\$ 105,000	\$ 49,900	c)
4300	Stormwater Management	Cost	\$ 283,060	\$ 289,400	\$ 290,800	
4700	Flood and Pollution Control Design	Cost	\$ 630,108	\$ 672,100	\$ 663,400	
4800	Flood and Pollution Control Construction	Cost	\$ 2,235,484	\$ 2,233,800	\$ 2,168,300	
5700	Solids Disposal Design	Cost	\$ 10,221	\$ 10,200	\$ 10,200	
5800	Solids Disposal Construction	Cost	\$ 333,612	\$ 351,900	\$ 341,900	
7000	General Support (excluding program number 7604)	Cost	\$ 1,809,311	\$ 2,052,000	\$ 1,874,700	d)
7604	Social Security and Medicare Contributions	Cost	\$ 350,514	\$ 383,600	\$ 349,600	
		Total	\$ 26,060,958	\$ 28,322,100	\$ 25,473,300	

a) Decrease is due to the transfer of Local Sewer Systems Section positions from the Corporate Fund to the Stormwater Management Fund.

b) Increase is due to the net addition of one FTE position (\$54,200) and an increased estimate for retirement, severance, and termination payments (\$160,000).

c) Decrease is due to reduced funding required for 13-059-1D, Biennial Bridge Inspection, based on scheduled contract payments (\$55,100).

d) Decrease is due to the transfer and drop of two FTE positions (\$141,500), reduced requests for participation in utility programs (\$19,000), and the reallocation of salaries to more accurately reflect current activities (\$5,300).

101 50000	Fund: Corporate Department: Engineering	LINE ITEM ANALYSIS						
		2017	2018			2019		
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/18	Expenditure (Committed Budget plus Disbursement) 09/30/18	Estimated Expenditure 12/31/18	Proposed by Executive Director	Recommended by Committee on Budget and Employment
601010	Salaries of Regular Employees	\$ 24,839,194	\$ 26,988,400	\$ 26,788,400	\$ 17,555,252	\$ 24,800,400	\$ 24,162,300	\$ —
601060	Compensation Plan Adjustments	394,330	344,200	544,200	389,601	437,300	446,100	—
601070	Social Security and Medicare Contributions	350,514	383,600	383,600	255,781	376,400	349,600	—
601100	Tuition and Training Payments	101,020	124,000	124,000	46,573	100,000	118,300	—
100	TOTAL PERSONAL SERVICES	25,685,058	27,840,200	27,840,200	18,247,206	25,714,100	25,076,300	—
612010	Travel	6,796	12,000	12,000	5,062	9,600	10,000	—
612030	Meals and Lodging	16,631	25,000	25,000	14,279	18,200	17,600	—
612040	Postage, Freight, and Delivery Charges	935	2,000	2,000	2,000	1,100	1,500	—
612050	Compensation for Personally-Owned Automobiles	7,862	17,100	17,100	6,439	9,000	10,000	—
612080	Motor Vehicle Operating Services	186	400	400	19	100	200	—
612090	Reprographic Services	3,797	3,500	3,500	3,500	3,500	3,500	—
612170	Water and Water Services	4,000	3,300	3,300	3,300	3,600	4,000	—
612330	Rental Charges	63	100	100	—	—	—	—
612430	Payments for Professional Services	139,150	201,000	201,000	145,932	138,600	126,900	—
612440	Preliminary Engineering Reports and Studies	13,440	—	—	—	—	—	—
612490	Contractual Services, N.O.C.	82,128	82,100	82,100	82,059	82,100	83,100	—
612620	Repairs to Waterway Facilities	43,044	43,200	43,200	43,044	43,100	71,100	—
612970	Repairs to Testing and Laboratory Equipment	1,693	3,000	3,000	2,981	2,900	5,000	—
612990	Repairs, N.O.C.	8,107	8,800	8,800	8,712	8,100	10,000	—
200	TOTAL CONTRACTUAL SERVICES	327,831	401,500	401,500	317,327	319,900	342,900	—
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	33,477	60,400	64,400	60,538	52,500	42,600	—
623680	Tools and Supplies	4,218	10,000	6,000	4,145	5,400	8,000	—
623700	Wearing Apparel	6,702	6,500	6,500	6,500	6,500	—	—
623720	Books, Maps, and Charts	2,520	3,500	3,500	2,676	3,000	3,500	—
623990	Materials and Supplies, N.O.C.	1,152	—	—	—	—	—	—
300	TOTAL MATERIALS AND SUPPLIES	48,068	80,400	80,400	73,859	67,400	54,100	—
TOTAL ENGINEERING		\$ 26,060,958	\$ 28,322,100	\$ 28,322,100	\$ 18,638,392	\$ 26,101,400	\$ 25,473,300	\$ —

NOTES: 1. Amounts may not add up due to rounding.
 2. Departmental appropriation totals for salaries in the Line Item Analysis may differ from those contained in the Position Analysis by a factor identified to adjust for vacancies.
 Additionally, Estimated Expenditure may either exceed Adjusted Appropriation when transfers of funds are anticipated or be less than Expenditure (Committed Budget plus Disbursement) when not all commitments are anticipated to be completed by year-end.

Fund: Corporate Dept: Engineering		POSITION ANALYSIS				
		2017	2018		2019	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
501	Executive Division					
EX15	Director of Engineering	1	1		1	
HP22	Assistant Director of Engineering	1	—		—	
EX06	Secretary to Officer	1	1		1	
TOTAL	Executive Division	3	2	369,474.80	2	369,474.82
505	Budget & Administrative Section					
HP18	Supervising Budget & Management Analyst	1	1		1	
HP17	Management Analyst III #2 (Senior Budget & Management Analyst) (New Grade HP16)	1	1		1	
HP15	Management Analyst II #2 (Budget & Management Analyst) (New Grade HP14)	1	1		1	
HP14	Budget & Management Analyst	1	1		1	
HP13	Senior Administrative Specialist	1	1		1	
TOTAL	Budget & Administrative Section	5	5	611,433.46	5	617,444.88
510	Infrastructure Management Division					
511	Administrative Section					
HP22	Assistant Director of Engineering	1	1		1	
HP20	Managing Civil Engineer	1	1		1	
HP11	Administrative Specialist	1	1		1	
TOTAL	Administrative Section	3	3	507,823.79	3	501,086.58
514	Contract Support Services Section					
HP14	Engineering Technician V #4	1	1		—	
HP12	Engineering Technician IV	1	1		—	
HP11	Administrative Specialist	—	1		—	
HP09	Administrative Clerk	1	1		—	
TOTAL	Contract Support Services Section	3	4	301,568.45	—	—
515	Collection Facilities / TARP Section					
HP20	Managing Civil Engineer	1	1		1	
HP18	Principal Civil Engineer	3	3		3	
HP17	Senior Civil Engineer	6	6		6	

Fund: Corporate Dept: Engineering		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP15	Associate Civil Engineer	3	3		3	
HP14	Assistant Civil Engineer	3	3		3	
HP14	Engineering Technician V	1	1		1	
HP14	Engineering Technician V #4	1	1		1	
HP13	Engineering Draftsman III	1	1		1	
HP12	Engineering Technician IV	2	3		3	
HP11	Engineering Technician III	2	3		1	
TOTAL	Collection Facilities / TARP Section	23	25	2,695,038.77	23	2,590,235.68
516	Local Sewer Systems Section					
	(* Number of positions budgeted and funded by the Stormwater Management Fund appears below position count)					
HP18	Principal Civil Engineer	2 (*1)	2 (*1)		1 (*2)	
HP17	Senior Civil Engineer	7 (*2)	7 (*2)		1 (*8)	
HP15	Associate Civil Engineer	6 (*3)	6 (*3)		1 (*8)	
HP14	Assistant Civil Engineer	2 (*2)	3 (*2)		— (*6)	
HP14	Assistant Mechanical Engineer	1	—		—	
HP14	Assistant Mechanical Engineer #2 (Assistant Civil Engineer)	—	1		—	
HP14	Engineering Technician V	3	3		— (*3)	
HP12	Engineering Technician IV	2 (*1)	2 (*1)		— (*4)	
HP12	Engineering Technician IV #4	1	1		— (*1)	
HP11	Administrative Specialist	1	1		— (*1)	
HP11	Engineering Technician III	1	1		— (*1)	

Fund: Corporate Dept: Engineering		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP09	Administrative Clerk	2	2		— (*2)	
TOTAL	Local Sewer Systems Section	28	29	2,942,519.24	3	392,010.07
TOTAL	Stormwater Management Fund Positions	(*9)	(*9)		(*36)	
TOTAL	Infrastructure Management Division	57	61	6,446,950.25	29	3,483,332.33
TOTAL	Stormwater Management Fund Positions	(*9)	(*9)		(*36)	
522	Stormwater Management Section (* Number of positions budgeted and funded by the Stormwater Management Fund appears below position count)					
HP20	Managing Civil Engineer	— (*1)	— (*1)		— (*1)	
HP18	Principal Civil Engineer	— (*3)	— (*3)		— (*3)	
HP17	Senior Civil Engineer	— (*7)	— (*7)		— (*7)	
HP15	Associate Civil Engineer	— (*6)	— (*6)		— (*6)	
HP14	Assistant Civil Engineer	— (*3)	— (*3)		— (*3)	
HP11	Administrative Specialist	— (*1)	— (*1)		— (*1)	
TOTAL	Stormwater Management Section	—	—	—	—	—
TOTAL	Stormwater Management Fund Positions	(*21)	(*21)		(*21)	
540	Process Facilities Design Division					
541	Administrative Section					
HP22	Assistant Director of Engineering	1	1		1	
HP11	Administrative Specialist	2	2		2	
TOTAL	Administrative Section	3	3	356,337.60	3	369,222.13
542	Plant Design Management Section					
HP20	Managing Civil Engineer	1	1		—	
HP18	Principal Civil Engineer	2	2		2	
HP17	Senior Civil Engineer	3	4		4	
HP16	Computer Aided Drafting and Design Administrator	1	1		1	
HP15	Associate Civil Engineer	2	1		1	

Fund: Corporate Dept: Engineering		POSITION ANALYSIS				
		2017	2018		2019	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	PROPOSED BY THE EXECUTIVE DIRECTOR	
					BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP12	Engineering Technician IV	1	1		1	
TOTAL	Plant Design Management Section	10	10	1,318,920.42	9	1,144,150.30
544	Process / Civil Design Section (formerly Process Design Section)					
HP20	Managing Civil Engineer	1	1		1	
HP18	Principal Civil Engineer	3	3		3	
HP17	Senior Civil Engineer	7	6		5	
HP17	Senior Process Control Engineer	1	1		1	
HP15	Associate Civil Engineer	2	3		3	
HP15	Associate Process Control Engineer	1	1		1	
HP14	Assistant Civil Engineer	2	2		2	
HP13	Engineering Draftsman III	—	—		1	
HP13	Engineering Draftsman III #4	1	1		—	
HP12	Engineering Draftsman II	1	2		2	
HP12	Engineering Draftsman II #4	1	—		—	
TOTAL	Process / Civil Design Section (formerly Process Design Section)	20	20	2,385,211.40	19	2,268,242.34
545	Mechanical Design Section					
HP20	Managing Mechanical Engineer	2	—		1	
HP18	Principal Mechanical Engineer	2	2		2	
HP17	Senior Mechanical Engineer	4	4		5	
HP15	Associate Mechanical Engineer	4	4		4	
HP14	Assistant Mechanical Engineer	1	1		2	
HP13	Engineering Draftsman III	1	1		1	
HP12	Engineering Draftsman II	1	1		1	
HP12	Engineering Draftsman II #4	1	1		1	
TOTAL	Mechanical Design Section	16	14	1,602,407.32	17	1,982,514.29
546	Electrical Design Section					
HP20	Managing Electrical Engineer	1	1		1	
HP18	Principal Electrical Engineer	2	2		2	
HP17	Senior Electrical Engineer	5	5		5	

Fund: Corporate Dept: Engineering		POSITION ANALYSIS				
		2017	2018		2019	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP15	Associate Electrical Engineer	5	5		5	
HP14	Assistant Electrical Engineer	1	1		1	
HP13	Engineering Draftsman III	1	1		1	
HP12	Engineering Draftsman II	2	2		2	
TOTAL	Electrical Design Section	17	17	2,061,162.13	17	2,047,759.17
547	Structural / Architectural Design Section					
HP20	Managing Structural Engineer	1	1		1	
HP18	Principal Architect	1	1		1	
HP18	Principal Structural Engineer	2	2		2	
HP17	Senior Architect	2	2		2	
HP17	Senior Structural Engineer	3	3		4	
HP15	Associate Architect	3	3		3	
HP15	Associate Structural Engineer	2	2		3	
HP14	Assistant Structural Engineer	3	3		3	
HP13	Engineering Draftsman III	1	1		1	
HP12	Engineering Draftsman II	—	—		1	
HP12	Engineering Draftsman II #4	1	—		—	
TOTAL	Structural / Architectural Design Section	19	18	2,080,466.61	21	2,369,719.28
TOTAL	Process Facilities Design Division	85	82	9,804,505.48	86	10,181,607.51
550	Construction Division					
551	Administrative Section					
HP22	Assistant Director of Engineering	1	1		1	
HP11	Administrative Specialist	1	1		1	
TOTAL	Administrative Section	2	2	301,142.30	2	301,142.15
555	Program Management Section					
HP20	Managing Civil Engineer	1	1		1	
HP18	Principal Civil Engineer	—	—		1	
HP17	Senior Civil Engineer	—	—		1	
HP17	Senior Electrical Engineer	1	1		—	

Fund: Corporate Dept: Engineering		POSITION ANALYSIS				
		2017	2018		2019	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	PROPOSED BY THE EXECUTIVE DIRECTOR	
					BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP15	Associate Civil Engineer	2	2		2	
HP14	Assistant Civil Engineer	1	1		1	
HP14	Assistant Electrical Engineer	—	—		1	
HP14	Assistant Mechanical Engineer	1	1		—	
HP14	Engineering Technician V	—	—		1	
HP13	Senior Administrative Specialist	1	1		1	
HP11	Administrative Specialist	—	—		1	
TOTAL	Program Management Section	7	7	826,463.18	10	1,147,633.99
556	Construction Field Services Section					
HP20	Managing Civil Engineer	1	1		2	
HP20	Managing Mechanical Engineer	—	1		—	
HP18	Principal Civil Engineer	4	4		3	
HP18	Principal Electrical Engineer	3	2		2	
HP17	Senior Civil Engineer	10	10		10	
HP17	Senior Electrical Engineer	3	3		4	
HP17	Senior Mechanical Engineer	2	2		1	
HP15	Associate Civil Engineer	11	11		10	
HP15	Associate Civil Engineer #2 (Engineering Technician V) (New Grade HP14)	1	—		—	
HP15	Associate Electrical Engineer	3	3		3	
HP15	Associate Mechanical Engineer	4	4		4	
HP15	Associate Structural Engineer	1	1		—	
HP14	Assistant Civil Engineer	4	4		4	
HP14	Assistant Electrical Engineer	2	2		1	
HP14	Assistant Mechanical Engineer	1	1		1	
HP14	Engineering Technician V	12	11		11	
HP14	Engineering Technician V #4	3	2		2	
HP12	Administrative Assistant #2 (Administrative Specialist) (New Grade HP11)	1	1		1	
HP12	Engineering Technician IV	9	9		10	

Fund: Corporate Dept: Engineering		POSITION ANALYSIS				
		2017	2018		2019	
				PROPOSED BY THE EXECUTIVE DIRECTOR		
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP12	Engineering Technician IV #4	1	1		—	
HP11	Engineering Technician III	7	10		9	
TOTAL	Construction Field Services Section	83	83	8,763,580.88	78	8,182,976.26
TOTAL	Construction Division	92	92	9,891,186.36	90	9,631,752.40
TOTAL	Engineering	242	242	27,123,550.35	212	24,283,611.94
TOTAL	Stormwater Management Fund Positions	(*30)	(*30)		(*57)	
Note: Fifty-seven positions budgeted in Sections 516 and 522 are funded by the Stormwater Management Fund while the operations remain in the Engineering Department.						
NOTE: Departmental appropriation totals for salaries in the Position Analysis differ from those contained in the Line Item Analysis by a factor identified to adjust for vacancies. Salary ranges corresponding to the pay plan and grade for each class title can be found in the table of Salary Schedules in the Appendix.						

NOTE PAGE