

**James Wadsworth Elementary School
AFTER**



**Metropolitan Water Reclamation District
of Greater Chicago**

2018 Budget

BUILDING A RESILIENT COOK COUNTY

**Executive Director's Recommendations
October 17, 2017**



**James Wadsworth Elementary School
BEFORE**



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Metropolitan Water Reclamation District of Chicago
Illinois**

For the Fiscal Year Beginning

January 1, 2017

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, 2017. 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

2018 Budget

BUILDING A RESILIENT COOK COUNTY

Executive Director's Recommendations

October 17, 2017

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Executive Director

Mary Ann Boyle
Treasurer

Allison Fore
Public and Intergovernmental Affairs Officer

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Director of Procurement and Materials Management

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Director of Engineering

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Director of Monitoring and Research

Beverly K. Sanders
Director of Human Resources

John H. Sudduth
Director of Information Technology

Jacqueline Torres
Clerk/Director of Finance

Board of Commissioners



Seated, from left to right:

Barbara J. McGowan
Vice President

Mariyana T. Spyropoulos
President

Frank Avila
Chairman of Finance

Standing, from left to right:

David J. Walsh

Kari K. Steele

Debra Shore

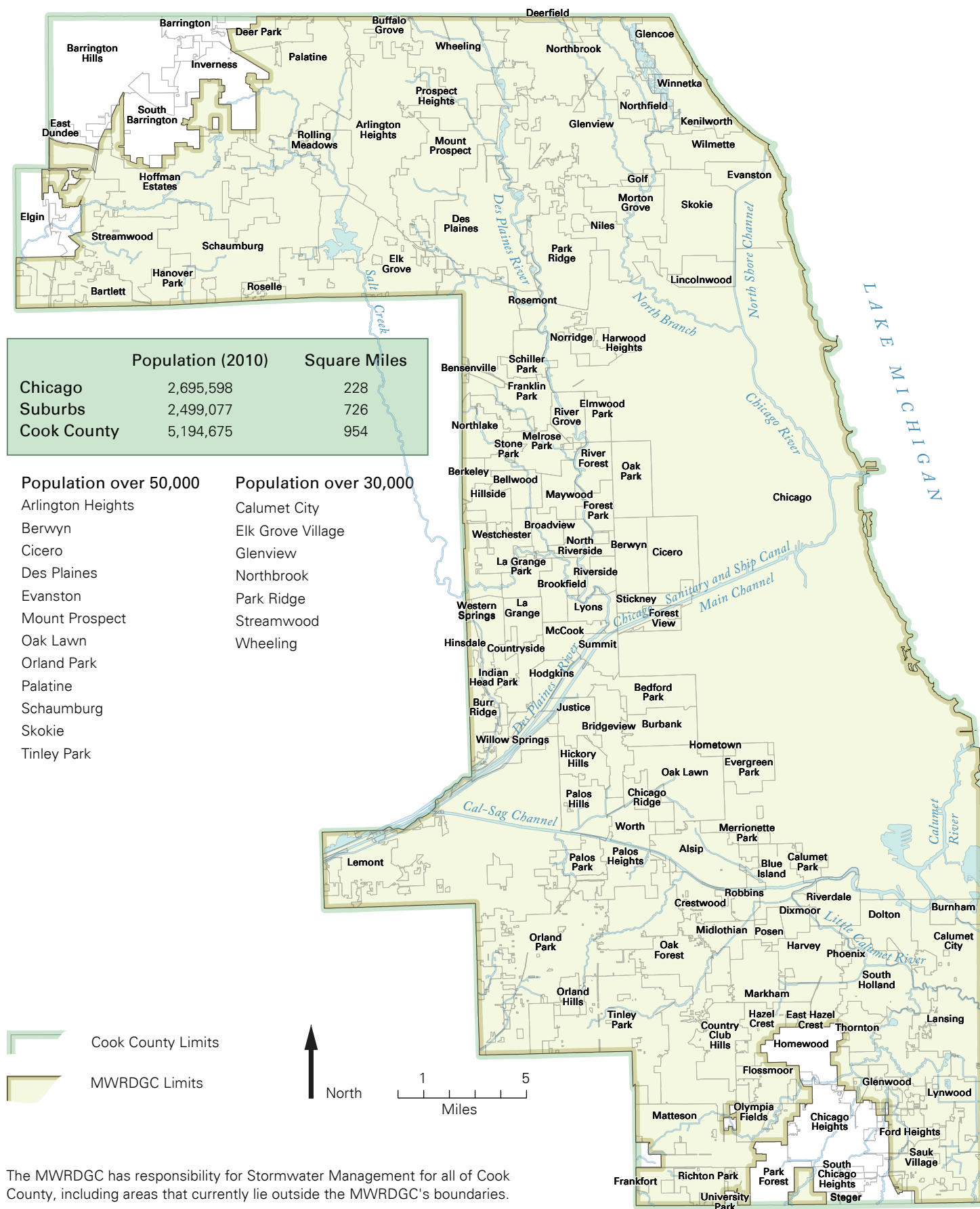
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Cook County and Metropolitan Water Reclamation District of Greater Chicago



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 sewered 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, 8 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

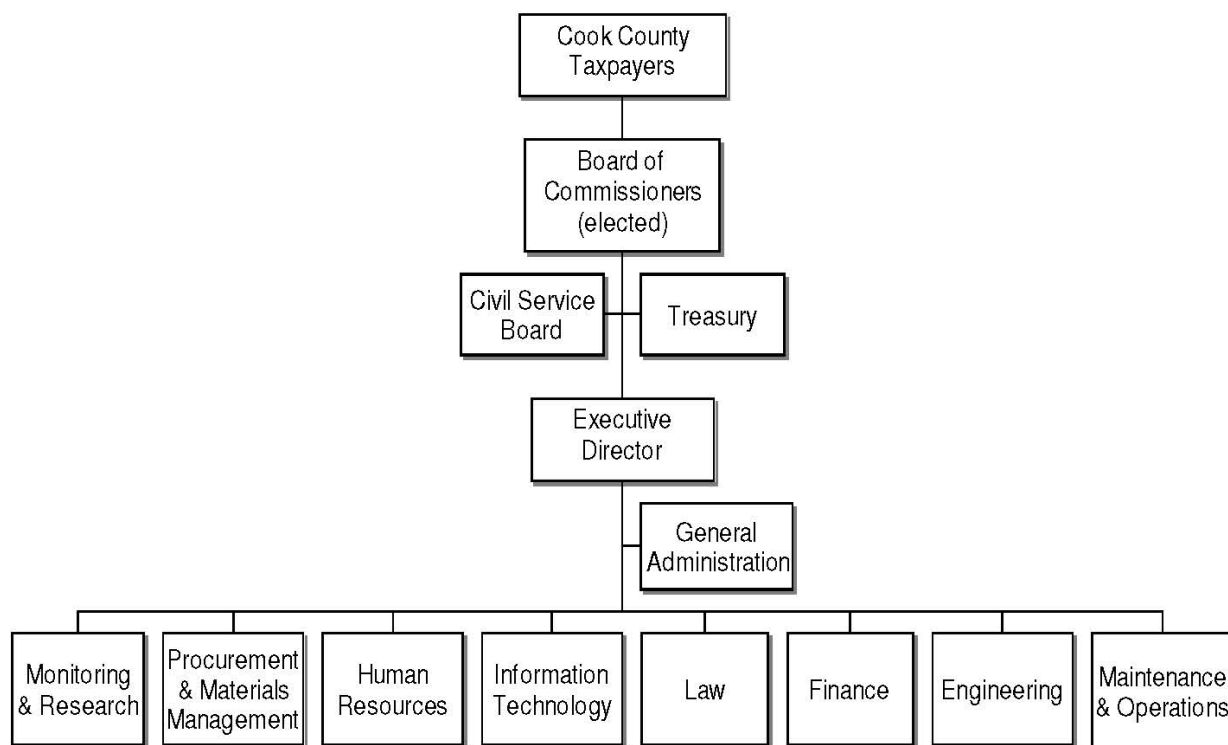
The District is governed by a nine-member Board of Commissioners (Board). Commissioners are elected at large and serve on a salaried basis. Three Commissioners are elected every two years for six-year terms. Biannually, the Board elects from its membership a President, Vice President, and Chairman of 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 consists of pages 34 and 35 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 2018.
- 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 to the right 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 ranges for pay plans and grades, as shown in the Position Analysis, are included in the Appendix.

Organization Unit Number		
Organization Unit Name		
2016	2017	2018
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 2018 Budget. It includes the following:

- In the *Budget Message*, the Executive Director discusses his 2018 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 13 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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Metropolitan Water Reclamation District of Greater Chicago

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October 17, 2017

Executive Director's Budget Message for 2018

Honorable Ladies and Gentlemen:

In 2018, the Metropolitan Water Reclamation District of Greater Chicago's (District) budget priorities continues to be guided by the Strategic Business Plan, *Recovering Resources, Transforming Water*, adopted in 2015. In 2017, we continued to implement strategies to meet our goals and long-term vision. In late 2017, the final phase of the historic Tunnel and Reservoir Plan (TARP) is set to begin with the opening of the first stage of the McCook Reservoir with a storage capacity of 3.5 billion gallons.

We have another year of experience with phosphorus recovery at the Stickney Water Reclamation Plant (WRP) and disinfection at the O'Brien and Calumet WRPs. We completed five stormwater pilot studies throughout Cook County, examining numerous engineering techniques to help communities solve local flooding issues. The successes of 2017 have prepared us to meet our next challenges with a focus on community partnerships to address local flooding issues and build a resilient Cook County.

I am pleased to present the 2018 Executive Director's Budget Recommendation, which represents a comprehensive plan to meet the Strategic Business Plan's goals in a fiscally responsible manner. The Corporate Fund budget remains virtually flat to the 2017 appropriation, decreasing by 0.6 percent, as we continue to prioritize spending while controlling cost increases. Our capital program continues to utilize a mix of funding options including low interest State Revolving Fund loans, bonds, and pay-as-you-go funding, providing the best value for taxpayers while modernizing our water reclamation plants and investing in Cook County infrastructure. The total appropriation request decreases by 2.7 percent from 2017.



The first stage of the McCook Reservoir is scheduled to open in late 2017, providing 3.5 billion gallons of storage capacity. The final stage of the TARP system is scheduled to be completed in 2029.



Streambank stabilization along Tinley Creek in Crestwood.

Building a Resilient Cook County

The 2018 budget recommendation highlights the District's commitment to reduce flooding. The Stormwater Management Fund budget recommendation is a \$20.1 million increase over the 2017 appropriation that will further our investment in flood control projects and continue to support local stormwater issues.

The Stormwater Management Program is aggressively working to minimize flooding damage caused by historic rain patterns consisting of intense, short bursts that overwhelm community systems. 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 can maximize

environmental and community benefits at a lower overall cost than traditional gray infrastructure. Project design utilizing outcome engineering provides a design framework that will utilize the best technologies for each site while providing the best taxpayer value.

The 2018 budget recommendation includes \$26.7 million for intergovernmental agreements to fund cost-shared local green infrastructure and traditional stormwater projects. In July 2017, the District received fifty project applications for new local Green Infrastructure projects. Examples of the projects that the District is actively partnering with local governments or has recently completed include the following:

- The District will continue the successful Space to Grow Program with the Chicago Department of Water Management, Chicago Public Schools, the Healthy Schools Campaign, and Openlands, transforming schoolyards with green infrastructure. Five schools were completed in 2015 and 2016 with a retention capacity of 753,152 gallons per rain event. Construction will begin on six additional schools beginning in 2018.
- The District has partnered with the Village of Robbins to develop a plan for stormwater improvements to address flooding along Midlothian Creek impacting approximately 140 acres and over 100 homes. Since flooding issues were identified as a significant barrier to economic opportunities in the Village, a holistic approach to stormwater management has been developed to serve as a catalyst for positive socioeconomic change.
- The Heritage Park Flood Control project in Wheeling was completed in coordination with the Wheeling Park District's master plan for recreational improvements while providing compensatory storage for the Army Corps of Engineers' Levee 37, protecting over 600 homes and businesses.
- Green infrastructure improvements in Blue Island, including two permeable parking areas and rain gardens, address urban flooding.
- An underground detention control system at Wescott Park in Northbrook enables stored stormwater to irrigate the park instead of entering the local sewer system.
- Streambank stabilization along Tinley Creek in Crestwood will protect 173 structures, pedestrian bridges, and an existing bike path.
- To reduce overbank flooding that impacts structures along Addison Creek from Northlake to Broadview, the District is constructing a 600 acre-foot flood control reservoir in Bellwood. This project will be completed in 2020.
- In partnership with the City of Chicago, the Albany Park Tunnel project will provide an 18 foot diameter rock tunnel from the North Branch of the Chicago River to the North Shore Channel to reduce overbank flooding that impacts 336 structures.



A trail at the Heritage Park Flood Control Facility, which was facilitated through an intergovernmental agreement between the District, the Wheeling Park District, and the Village of Wheeling.



Recreational use of local waterways is growing. The District's new interactive mapping tool keeps users informed of local water quality.

Environmental Leadership

The District has continued its environmental leadership focus with a commitment to improving water quality of the Chicago Area Waterway System. In 2016, five of seven water reclamation plants received National Association for Clean Water Agencies Platinum Peak Performance Awards for maintaining 100 percent compliance with National Pollutant Discharge Elimination Permits, while all plants received awards. All seven plants have earned 99.6 percent or higher compliance since 2007 and similar results anticipated for 2017. 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.

As water quality continues to improve, recreational activities are growing. During 2017, the District introduced a mapping tool to help the public understand the health of the Chicago Area Waterway System, making monitoring data available to the public. The application can be found at gispub.mwr.org/awqa

and covers water quality, fish monitoring, and continuous dissolved oxygen and pinpoints these data to a map of sampling stations. The Citizen Incident Reporting Application, found on the District's website or via a mobile application, allows citizens to report incidents of odors, stream blockages, and other environmental-related issues. Dispatchers monitor both the online reporting system and a hotline 24 hours per day.

Resource Recovery

The District understands the obligation to implement sustainable practices and has invested in research and development of resource recovery programs. In 2017, the District continued both phosphorus and nitrogen recovery, which will provide significant environmental benefits to the Chicago Area Waterway System 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. Phosphorus recovery at the Stickney WRP began in 2016 while we are working toward implementation at the Calumet WRP by 2022.

During 2018, we will continue to pursue water reuse applications for high quality water produced at our plants in the Stickney and Calumet industrial corridors. We have made our first water sale. Chicago is a tough water market for reuse but we continue to pursue this road to promote the value of water and encourage a circular economy.

The District's Exceptional Quality (EQ) biosolids and EQ biosolids blend that is composted with wood chips continue to be successful compost products. 2017 is the first year EQ is recognized by the State of Illinois to be a viable, marketable product. MWRD began to sell compost to the public this year while continuing to support villages, park districts, and non-profit organizations. Our efforts included delivering 110 tons of compost to the Park District of Ford Heights for the construction of a youth baseball field and 127 tons to a park in Franklin Park. Biosolids can be used anywhere that soil amendments and chemical fertilizers are used. In 2018, we plan to continue growing sales of our compost to private partners. This produces some revenue and considerable saving for the District in handling costs.

During 2018, the District will continue to evaluate processes and design treatment processes to optimize energy efficiency in order to reach our goal of energy neutrality by 2023. In addition to implementing a food-to-energy program that will maximize use of digester capacity, the District is marketing electrical capacity at the Lockport Powerhouse, optimizing aeration processes that will reduce energy consumption by 25 percent, and introducing solar thermal and sewer thermal systems to heat water at the water reclamation plants.

Financial Summary

The District continues to maintain a AAA bond rating with 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. Further illustrating the District's commitment sustainable capital program funding, the Bond Redemption & Interest Fund budget recommendation includes a prepayment of \$28.4 million on several State Revolving Fund loans that will result in \$9.6 million in interest savings. These accomplishment, in the midst of an uncertain Illinois financial environment, is an outstanding achievement and speaks to the careful, thoughtful management of the agency as directed by the District's Board of Commissioners.

The 2018 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 core mission of protecting our water environment and the health of the residents of Cook County.



From L to R: Franklin Park Village Trustee Andy Ybarra, MWRD Managing Civil Engineer Ahmad Laban, MWRD Commissioner Kari Steele, Franklin Park Village President Barrett Pedersen, Franklin Park Utilities Deputy Commissioner Andrew Smolen and MWRD Environmental Soil Scientist Dominic Brose check out the sunflowers in Franklin Park's new garden that rose from a bed of MWRD biosolids to astonishing heights.

The District's appropriation and tax levy for 2018 recommended, compared to the 2017 Budget as Adjusted is:

	<u>2018</u>	<u>2017 (Adjusted)</u>	<u>Increase /(Decrease)</u>	<u>Percent Change</u>
Total Tax Levy	\$620,737,284	\$598,705,062	\$22,032,222	3.7%
Aggregate Levy	\$329,699,997	\$319,555,195	\$10,144,802	3.2%
Appropriation	\$1,111,879,486	\$1,142,749,813	(\$30,870,327)	(2.7%)

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 2018 aggregate levy is equal to the estimated CPI plus new property for 2018.

Conclusion

Please take the time to review the 2018 update to the Strategic Business Plan in full on the following pages. The challenges are many. Our role is clear. We are committed as an agency to continue providing the excellent service expected of the District. We are raising the bar on water quality initiatives, recovering resources, neutralizing energy usage, and managing stormwater. In 2018, we will continue to implement our Strategic Business Plan as we build a resilient Cook County.

Respectfully submitted,



David St. Pierre
Executive Director

STRATEGIC BUSINESS PLAN

Recovering Resources, Transforming Water

2018 UPDATE TO THE 2015-2020 STRATEGIC BUSINESS PLAN

In 2015, the Executive Team reviewed the 2011–2014 Strategic Business Plan (SBP) and determined that the goals and strategies had been significantly advanced. The vision to “Improve Our Environment” in the areas of Finance, Employee, Public, and Natural Environments served the District well. Although it remains important to keep our eyes focused on these areas to ensure that we continue to maintain excellence, the team set new goals for the next five years based on the Board of Commissioners’ input and recommendations.

During the past SBP, the District passed a Watershed Management Ordinance (2013) and a new infiltration and inflow program (2014). These programs are aimed at improving flood controls throughout the county and maintaining important infrastructure. The Illinois General Assembly granted the District the authority to support local flood mitigation projects and to purchase flood-prone properties – two important tools that are used in our work to protect the community from the impacts of severe storms (2014).

During the current SBP cycle, the Thornton Composite Reservoir came online (2015) and the first phase of McCook Reservoir was placed into service (2017). This dynamic duo provides over 10 billion gallons of flood protection to residents and water quality improvements to the Chicago Area Waterway System. The Illinois General Assembly amended the Illinois Environmental Protection Act to create the new definition of Exceptional Quality biosolids which clarifies their importance as a natural alternative to fertilizer (2015). Additionally, the District received authority to recover resources from the treatment process and resell these assets to help offset treatment costs (2015). Becoming a sustainable partner in the region by recovering resources, lowering carbon emissions, creating new revenue streams, and promoting resiliency are all part of the goals set for the near future. The District has a great soil enhancer product, nutrients, clean water, and energy that can all be used to encourage economic job creation and add benefit to our communities. The District has real estate resources that can also be used to add value to the communities we serve.

The District’s Mission Statement and Values continue to guide the District’s future. So, without further ado, the District is excited to introduce the 2018 update to the SBP.

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.

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.

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: The District will embrace a new era of technology that delivers reliable and useful information.

GOALS AND STRATEGIES

The SBP outlines six major goals aimed at achieving the vision of the District. Under each goal, strategies were developed to accomplish the goal. Each strategy will have performance measures. The measures will be used to ensure efforts are achieving the desired results. During the SBP review, the measures will be 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.

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.

- 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 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 to recover resources in a way that has a return on investment and can produce private sector jobs in our region.

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 Calumet and Stickney industrial corridors;
- Evaluate cistern capture and reuse opportunities in Cook County.

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

- Implement recovery process at the Stickney WRP by 2016;
- Implement recovery process at the Calumet and Egan WRPs by 2022;
- Explore algae nutrient reduction processes as an additional recovery resource.

Energy: Achieve energy neutrality by 2023.

- Implement food-to-energy, doubling gas production at the Calumet WRP;
- Maximize use of digester capacity at the Stickney WRP;
- Market electrical capacity at Lockport to maximize return on investment;
- Optimize aeration processes and reduce energy consumption by 25 percent.

Biosolids: Pursue the sale of biosolids to the marketplace for repackaging.

- Successfully bid the sale of biosolids to private partners.

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 prevention education materials to add to the new “Water Wellness” collection.

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

The District will embrace a new era of technology that delivers reliable and useful information. We live in an age of information. Information allows for good decision making and navigation toward success. The District has always collected volumes of data. This initiative to focus on accessing that data and converting it to useful information will help the District navigate a successful future.

- Simplify SAP to increase utilization, maximize effectiveness, and bring up-to-date;
- Provide reliable system services to every user;
- Utilize current capability and develop a shared information technology vision;
- Ensure consistent data input from all users to produce useful information;
- Enhance use of current technology platforms.

SUMMARY

The District's SBP 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 replaced by a new SBP.

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 2018 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. Building a resilient Cook County includes not only building traditional flood control measures, but also incorporating green infrastructure (GI) into regional planning. In 2017, the District accepted applications to help fund local government projects that utilize GI to better manage stormwater. GI can reduce wet-weather flows to combined sewer systems, reducing combined sewer overflows to local waterways and protecting water quality in these vital waterways. GI also reduces runoff volumes and improves water quality in separate sewer service areas. GI also provides social benefits that enhance the livability of communities. The 2018 budget recommendation includes \$26.7 million in the Stormwater Management Fund for intergovernmental agreements that include GI 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 125 different entities and has distributed more than 40,000 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 approximately 76 miles of navigable waterways, which include the Cal-Sag Channel, Chicago Sanitary and Ship Canal (Main Channel), and the North Shore Channel. Additionally, the District has acquired rights-of-way and easements for the construction and installation of its facilities and structures upon, under, and through miles of real estate owned by other parties.

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.

Currently, non-corporate land holdings include approximately 4,800 acres in Cook County, 250 acres in DuPage County, and 750 acres in Will County. These non-corporate use properties are for the most part managed by the Real Estate/General

Budget Message / Highlights

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 180 leases, 382 easements, and 73 permits.

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 2018 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. On August 23, 2007, the General Assembly of the State of Illinois approved the amendment to the Metropolitan Water Reclamation District Act (70 ILCS 2605/9.6d), which authorized and set forth the requirements for the establishment of the District's 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.

In 2007, the District adopted an initial 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 healthcare coverage for District retirees and annuitants in the future. The funding policy was amended by the Board on October 2, 2014. The amended funding policy changed the target funding level from 50 percent to 100 percent, advanced funding period from 50 years to 12 years, and defined the advance funding amount of \$5 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, 2016, \$122.4 million has been contributed by the District to the OPEB Trust Fund. The advance funding contribution for 2017 was \$5.0 million and the 2018 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 Fund.

The accumulated unfunded OPEB obligation is \$137.3 million as of December 31, 2015, 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 (PBC) to conduct an Investment Grade Energy Audit of the District's facilities in 2014. The Investment Grade Audit was completed by Noresco, an Energy Service Company (ESCO). 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 in eleven locations at the Calumet WRP and HVAC controls upgrade in several buildings at the Calumet WRP and upgrading the interior lighting with LED fixtures at the Stickney and Calumet WRPs. The District will save an estimated \$272,000 annually, resulting in a simple payback of 15.6 years. In addition, the District anticipates receiving Illinois Department of Commerce and Economic Opportunity rebates in the amount of \$314,000 for natural gas and \$243,400 for electricity.



Construction at the confluence of the McCook Reservoir Connecting Tunnel (left) and Mainstream Tunnel (right).

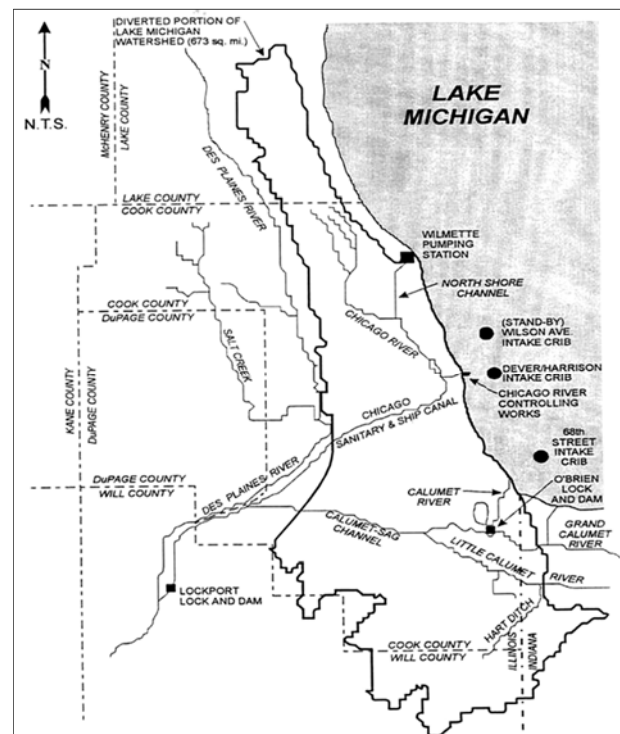
Budget Message / Highlights

Optimize chemical intensive processes. The District will cost-effectively collect and treat approximately 503.7 billion gallons of wastewater from businesses and homes and captured stormwater runoff from its service area. Our performance for treating this wastewater approaches 100 percent compliance with all applicable effluent standards at all WRPs. On June 7, 2011, the Board adopted a policy to disinfect the effluent from the O'Brien and Calumet WRPs. To expedite the installation of disinfection facilities, an interdepartmental task force was convened to update the disinfection study document, Technical Memorandum TM 1-WQ (CTE/AECOM, Aug. 2005). TM 1-WQ indicated that ultraviolet disinfection was the best option for the District. The task force reviewed the findings of the study, considered recent advances with various disinfection technologies, and updated cost estimates. The task force selected chlorination/de-chlorination for the Calumet WRP and ultraviolet technology for the O'Brien WRP. The task force also developed design criteria, block diagrams, and space reservations to inform the final design of the disinfection facilities. The construction of these facilities was completed in 2015 and placed into service during 2016.

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: The District operates in-stream 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 intensive chemical and biological monitoring of all WRPs 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 2017, the District began implementing a preliminary operational optimization plan for Lake Michigan discretionary diversion and aeration stations to utilize these resources most efficiently, while improving water quality in the CAWS.



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.

Provide flood protection and improved water quality to residents under the Tunnel and Reservoir Plan: TARP 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. The final leg of the TARP tunnels began operation in March 2006. In addition, two of three planned storage reservoirs provide an additional 8.2 billion gallons of capacity. Gloria A. Majewski and Thornton Composite Reservoirs were completed in 1998 and 2015, respectively. The final reservoir, McCook Reservoir, will add another 10 billion gallons of capacity when completed. See page 436 for the TARP system project status map.

Majewski Reservoir: This 350 million gallon reservoir was completed in 1998 and has prevented over 5.5 billion gallons of combined sewer overflow from entering the waterways and mitigated over \$380 million in flood damage.

Thornton Composite Reservoir: In November 2015, construction of the Thornton Composite Reservoir became operational. Through July of 2017, more than 11.0 billion gallons of polluted water have been captured.

McCook Reservoir: The McCook Reservoir, the last component of the TARP system, will service 3.1 million people in 37 communities in southwest Cook County, providing a total volume of 10.0 billion gallons. The first stage will be completed in 2017 and 3.5 billion gallons of storage. The second stage will provide 6.5 billion gallons of storage and is

Budget Message / Highlights

expected to be completed in 2029. The McCook Reservoir is projected to bring more than \$140 million annually in flood reduction benefits to residents in its service area.

The McCook Reservoir is being constructed on District property between the Des Plaines River and the Sanitary and Ship Canal. In 2016, mining of stage one was completed and stage two was 18 percent complete as of August 2017. A new 20-foot-diameter inflow tunnel and gate shaft, scheduled to be completed in 2019, 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.

Provide sewage collection and treatment and maintain award-winning plants. In 2018, the District expects to collect and treat approximately 503.7 billion gallons of wastewater at our seven WRPs. These services will be performed in compliance with discharge permits issued by the USEPA, 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 99.97 percent overall compliance with the National Pollutant Discharge Elimination System (NPDES) requirements in 2016. This compliance resulted in one Silver, one Gold and five Platinum Awards from the National Association of Clean Water Agencies (NACWA). Operating performance in 2017 is expected to achieve higher performance levels. See page 13 for Collection, Treatment, and Solids Utilization data.

The District is currently awaiting responses from the Illinois Environmental Protection Agency (IEPA) 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.



In 2017, the Calumet WRP received the NACWA Platinum Award for 25 consecutive years of 100 percent discharge permit compliance.

Expedite capital improvement program projects in design, bid, contract award, and construction schedule. The District owns and operates seven modern and effective WRPs, 560 miles of intercepting sewers and force mains, 109.4 miles of TARP tunnels, 23 pumping stations, 34 flood control reservoirs, and two TARP reservoirs. Through preventive maintenance management, modernization, rehabilitation, and planned replacement, the District will ensure the long-term reliability and cost-effectiveness of operations. To aid planning and prioritize projects for both the near term, defined as zero to five years, and the long-term, projects in a five to 20-year timeframe, the District implemented procedures for project vetting and Long-Term Capital Plan evaluation. The project evaluation process requires review and approval from all of the operational departments.

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. The 2018 budget includes \$1.6 million revenue estimate for phosphorus recovery efforts.

Pursue the sale of biosolids to the marketplace for repackaging. Due to changes in Illinois law in 2015, the District can sell Exceptional Quality (EQ) biosolids and EQ biosolids compost, produced by composting biosolids with wood chips, to the general public. EQ biosolids and compost can be used as soil amendments under a wide range of scenarios.

Budget Message / Highlights**Collection, Treatment, and Solids Utilization for the Maintenance & Operations Department**

	Budgeted 2018	Budgeted 2017	Actual 2016	% Change 2017-2018
Total cost of collection (millions)	\$51.2	\$48.5	\$44.9	5.6%
Total cost of treatment (millions)	\$69.6	\$69.1	\$65.3	0.7%
Total cost of solids utilization (millions)	\$21.4	\$21.5	\$19.7	(0.4%)
Number of full time equivalent employees:				
Collection	243	237	239	2.5%
Treatment	378	382	384	(1.1%)
Solids Utilization	38	42	45	(9.5%)

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 2018	Budgeted 2017	Actual 2016	% Change 2017-2018
Amount of wastewater collected and treated by plant:				
Stickney WRP (million gallons)	284,000	260,000	249,153	9.2%
Calumet WRP (million gallons)	100,000	100,000	92,800	--
O'Brien WRP (million gallons)	89,000	89,000	82,304	--
Kirie WRP (million gallons)	14,000	14,400	13,837	(2.8%)
Egan WRP (million gallons)	10,200	10,200	8,682	--
Hanover Park WRP (million gallons)	3,500	3,500	3,514	--
Fox River WRP (contract agreement)	2,000	2,000	2,206	--
Lemont WRP (million gallons)	1,000	1,000	1,000	--

Outputs:	Budgeted 2018	Budgeted 2017	Actual 2016	% Change 2017-2018
Dry tons of biosolids utilized by area:				
North Service Area	1,000	1,000	650	--
Calumet Service Area	29,000	29,000	15,347	--
Stickney Service Area	70,000	60,000	46,127	16.7%

Outcomes:

Achievement of water reclamation plant pollution permit requirements by plant:

	2016	2015	2014	2013
Stickney WRP	99.77%	100.00%	99.94%	99.71%
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%	99.96%
Hanover Park WRP	100.00%	100.00%	100.00%	100.00%
Lemont WRP	100.00%	100.00%	100.00%	100.00%

Budget Message / Highlights

Achieve Energy Neutrality by 2023. The District has adopted the ambitious goal of becoming energy neutral. A major activity to achieve this goal is maximizing the use and production of digester gas. The District's Resource Recovery Ordinance established in 2016 has opened opportunities for industries to deliver high strength organic waste to the WRPs for co-digestion and biogas production. The District has been negotiating with a firm selected through a Request for Proposal process to guarantee a long-term supply of organic waste material to boost digester gas production by 160 percent at the Calumet WRP. The contractor will also construct an organic waste receiving station. A second agreement will be negotiated with another contractor to design and build a facility to clean the digester gas to pipeline quality standards. The cleaned digester gas, biomethane, will be transferred in a new pipeline to a connection with a natural gas transmission main. The District is also in the process of negotiating a long-term, off-take agreement with the contractor for purchase of the biomethane.

Pursue reuse applications for the high quality water produced at our plants. In 2015, the District began to investigate use of gray-water industrial reuse of treated water for industrial and commercial users on Chicago's south side. By using reclaimed water instead of potable water, there is an environmental benefit as less water is removed from Lake Michigan, and less energy and chemicals are used to clean that equivalent volume of water to drinking water quality.

Goal 4 – Develop Employees

Develop a culture that recognizes the value of every employee. The District's female and minority work force rates are 26 and 40 percent, respectively, as of June 30, 2017. The rates are calculated based on published data from the 2010 census.

The District continues implementation of a reorganization plan focused on eliminating layers within the organization and consolidating the number of job classifications. The goal is to gain flexibility in the utilization of staff, increase the efficiency of operations throughout the District, and provide increased promotional opportunities to District employees.

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 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 1,969 positions are budgeted for 2018, a decrease of 73 budgeted positions from 2017, including the drop of 58 apprentice positions due to changes in the program. Through partnerships with unions, the program will seek to increase representation of females and minorities in selected trades' classifications.

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 50 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.



Clark, the Cubs mascot, helped celebrate the grand opening of a new baseball diamond in Ford Heights. The District provided 110 tons of biosolids compost for the project.

Budget Message / Highlights

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 580.

- On August 31, 2017, the District established a three-year Memorandum of Understanding with Current Innovations, NFP (Current) to support research and identify innovative water technologies and to streamline pilot testing or demonstrations beneficial to District operations. Current is a Chicago-based not-for-profit organization, launched in 2016 as a partnership of the City of Chicago, the District, and World Business Chicago. Current serves as a leading platform to validate, demonstrate, commercialize and scale innovative water technologies and promote research to solve critical water challenges.
- The Local Governmental Law Consortium (LGLC) 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 LGLC 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.

Promote the District as one of the top leaders in the water industry. The District has partnered with the Army Corps of Engineers and the Chicago Park District on a project to remove the North Branch Dam from the Chicago River and restore riparian areas to provide better habitat for wildlife and improve connectivity in the waterway.

Currently, 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.

Goal 6 – Technology

Provide reliable system services to every user. The District's Information Technology Department (ITD) aims to successfully integrate people, process and technology by fostering partnerships and consistently delivering solutions. The customer and business needs drive the organization. To become more agile in providing technology services to business partners, ITD has adopted an organizational model focused on service delivery. Success in this service-aligned organization is dependent on a clear understanding of how various departments in the District conduct business and the challenges they face. The introduction of the Project Management Office and the introduction of and ITD Service Catalog are two vital steps towards helping the ITD gain this understanding. The new Service Catalog provides customers the ability to request services online using a self-service, web-based tool. Customers can see a list of available services, timeframes for service delivery, service history, and track progress for active service requests.

Utilize current capability and develop a shared information technology vision. The Project Management Office works closely with departments developing knowledge and understanding of their business processes, objectives and technology needs. By employing strong business skills to support equally strong technical capabilities, ITD achieves a better understanding of how services are consumed by the business; how ITD's actions affect customers' productivity, and how ITD can provide innovative solutions.

Budget Message / Highlights

Tax Levy, Tax Rate, and Appropriations

The overall 2018 tax levy required to finance the 2018 Budget is \$620.7 million, an increase of \$22.0 million, or 3.7 percent, from the 2017 Adjusted Budget. This overall increase is driven by a 17.1 percent increase in the Stormwater Management Fund, supporting the District's efforts to address flooding issues throughout Cook County, a 2.1 percent increase in the Bond Redemption & Interest Fund, and an aggregate 3.2 percent increase in the Corporate, Construction, Retirement, and Reserve Claim Funds. Among the funds subject to the Property Tax Extension Limitation law, a \$24.0 million increase in the Corporate Fund after four consecutive years of declining Corporate Fund levies is offset by decreases of \$12.1 million in Construction Fund and \$1.9 million in the Retirement Fund. The Reserve Claim Fund has an increase of \$0.1 million, or 1.7 percent.

The overall tax rate for 2018, based on the most recent Equalized Assessed Valuation (EAV), totals 41.54 cents, a 0.25 cent increase from the 2017 Adjusted Tax Rate. The allowance for loss in collection of property taxes is budgeted at 3.5 percent, the same as 2017. The budgeted loss will be maintained at this level, based on trends in the required refunds of prior property tax payments.

Overall appropriations for 2018 total \$1,111.9 million, a decrease of \$30.9 million, or 2.7 percent, from the 2017 Adjusted Budget. The decrease is driven by a decrease of \$76.2 million in the Capital Improvements Bond Fund, a \$9.7 million decrease in the Construction Fund, a \$2.3 million decrease in the Corporate Fund, and a \$0.3 million decrease in the Reserve Claim Fund. These reductions are offset by a \$27.5 million increase in the Bond Redemption & Interest Fund, \$20.1 million increase in the Stormwater Management Fund, and a \$10.1 million increase in the Retirement Fund. Explanations of these changes are provided in the following detailed Fund summaries. The Bond Redemption & Interest Fund includes a pre-payment of \$28.4 million.

The following tables and narratives provide clearer explanations of budgetary differences between the 2018 Budget and the 2017 Adjusted Budget.

<u>Levies</u>	<u>2018</u>	<u>2017 Adjusted</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
Corporate Fund	\$247,965,800	\$223,946,065	\$24,019,735	10.7%
Construction Fund	4,200,000	16,270,995	(12,070,995)	(74.2%)
Stormwater Management Fund	47,826,000	40,856,008	6,969,992	17.1%
Retirement Fund	71,534,197	73,438,135	(1,903,938)	(2.6%)
Reserve Claim Fund	6,000,000	5,900,000	100,000	1.7%
Bond Redemption & Interest Fund	243,211,287	238,293,859	4,917,428	2.1%
TOTAL	\$620,737,284	\$598,705,062	\$22,032,222	3.7%
<u>Appropriations</u>	<u>2018</u>	<u>2017 Adjusted</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
Corporate Fund	\$366,579,800	\$368,925,800	(\$2,346,000)	(0.6%)
Construction Fund	24,794,100	34,450,400	(9,656,300)	(28.0%)
Capital Improvements Bond Fund	278,427,700	354,625,600	(76,197,900)	(21.5%)
Stormwater Management Fund	65,880,200	45,800,100	20,080,100	43.8%
Retirement Fund	89,604,000	79,505,000	10,099,000	12.7%
Reserve Claim Fund	30,289,500	30,617,100	(327,600)	(1.1%)
Bond Redemption & Interest Fund	256,304,186	228,825,813	27,478,373	12.0%
TOTAL	\$1,111,879,486	\$1,142,749,813	(\$30,870,327)	(2.7%)

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:

	<u>2018 Budgeted</u>	<u>2017 Adjusted</u>	<u>Increase</u>	<u>Percent Change</u>
Estimated taxes for \$100,000 home	\$116.44	\$115.74	\$0.70	0.60%

Budget Message / Highlights

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.



MWRD staff uses hands on demonstrations to educate sixth graders on STEM careers at the Museum of Science and Industry

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.

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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.

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 measureable and available.

Budget Message / Highlights

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 all the day-to-day operational costs anticipated for 2018. The total appropriation for the Corporate Fund in 2018 is \$366.6 million, a decrease of \$2.3 million, or 0.6 percent, from the 2017 Adjusted Budget. The 2018 tax levy for the Corporate Fund is \$248.0 million, an increase of \$24.0 million or 10.7 percent compared to the 2017 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. This fund balance levels the competing imperatives of minimizing the annual levy and providing for unexpected shortfalls in revenues.

Continuing through 2018, economically sensitive non-property tax revenues, such as interest income, are expected to grow slightly based on forecasted local and national economic indicators.

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 2018 is 16.61 cents, an increase of 1.16 cents from 2017 Adjusted Tax Rate. User charges 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.



This is a conceptualized illustration of green infrastructure that will minimize urban flooding. In addition, green infrastructure provides water quality and social benefits that enhance the livability of communities.

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 initial Stormwater Master Plans were completed in 2016 and consist of five pilot studies to comprehensively address flooding by identifying potential projects within publicly and privately owned property. The pilot areas were recommended to the District by the four Councils of Government and the City of Chicago. 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 the initial pilot studies.

The Board of Commissioners granted authority in 2011 for the establishment of 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. In 2017, the District also partnered in green infrastructure projects in the Village of Skokie and the City of Berwyn.

The District’s Board of Commissioners adopted the Watershed Management Ordinance (WMO) on October 3, 2013, and it became effective on May 1, 2014. The WMO establishes uniform and minimum stormwater regulations throughout Cook County. The District developed a Technical Guidance manual to serve as a companion reference to the WMO. The District conducts training for municipal representatives and design engineers on the WMO’s requirements.

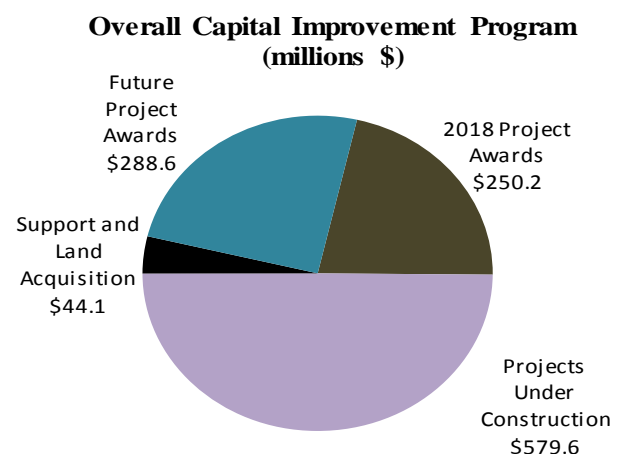
Property taxes are the primary funding source for the District’s Stormwater Management Fund. Illinois law limits the tax rate of this fund to five cents per \$100 of EAV. The estimated tax rate for the Stormwater Management Fund in 2018 is 3.2 cents, an increase of 0.38 cents from 2017 Adjusted Tax Rate.

Capital Improvement Program:

Construction Fund and Capital Improvements Bond Fund

The District’s overall Capital Improvement Program (CIP) includes 2018 project awards, land acquisition, support, future projects, and projects under construction, with an estimated total cost of \$1.16 billion. 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, and which cannot be removed without, in some way, impairing the facility or structure.

Projects under construction have been presented and authorized in previous budgets and are recognized in the annual budget as both outstanding liabilities in the Capital Improvements Bond Fund (CIBF) and as re-appropriations in the Construction Fund. 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.



Budget Message / Highlights

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 Construction Fund is used for operations-related projects, where the useful life of the improvement is less than 20 years.

The CIBF, the District's other capital fund, 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 (DSEB), which allows local governments with non-referendum authority to continue to issue non-referendum debt in terms of "limited bonds," as long as their annual debt service levies do not exceed the limit. However, an exemption for projects initiated before October 1, 1991 was granted to the District to enable completion of the TARP.

In 2009, a further modification to the law allows the DSEB to increase annually by the Consumer Price Index (CPI) or five percent, whichever is less. These changes allow the District to effectively utilize "limited bonds" as a source of financing.

Construction Fund

The Construction Fund appropriation for 2018 totals \$24.8 million, a decrease of \$9.7 million, or 28.0 percent, from the 2017 Adjusted Budget.

Capital projects in the Construction Fund are primarily supported by property taxes. The 2018 tax levy planned for the Construction Fund is \$4.2 million, a decrease of \$12.1 million from the 2017 Adjusted Levy. The Construction Fund will be supported by \$5.8 million of Build America Bonds subsidies to fund capital projects.

Capital Improvements Bond Fund

The 2018 appropriation for the Capital Improvements Bond Fund is \$278.4 million, a decrease of \$76.2 million, or 21.5 percent, from the 2017 Adjusted Budget. The appropriation is based on the scheduled award of \$237.4 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 \$41.0 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. A comprehensive narrative and exhibits detailing our entire CIP is provided in the Capital Budget (Section V) of this budget document.

A listing and description of proposed projects and projects under construction, scheduled for 2018, can be found in the Capital Budget (Section V) of this budget document.

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. The passage of legislation in 2008 allows the Board to transfer interest earned on any monies to the District's funds or funds that are most in need.

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.



Settling tanks at the Calumet Water Reclamation Plant.

Budget Message / Highlights

and caps the final average salary used to calculate an annuity, which was \$106,800 when Public Act 96-0889 became effective. This amount is increased annually by three percent or one-half of the increase in the Consumer Price Index-U (CPI-U), whichever is lower.

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 2018 appropriation for the Retirement Fund is \$89.6 million, an increase of \$10.1 million, or 12.7 percent, compared to the 2017 Adjusted Budget. The 2017 total tax support for the Retirement Fund is \$86.7 million, which is comprised of \$18.3 million from the District's Personal Property Replacement Tax allocation and a \$71.5 million property tax levy. The property tax levy of \$71.5 million is a decrease of \$1.9 million, or 2.6 percent, from the 2017 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 law increased the tax levy calculation from a multiplier of 2.19 of employee to a multiplier of 4.19. Also by statute, the District may transfer interest income to the Retirement Fund. 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 \$70.4 million.

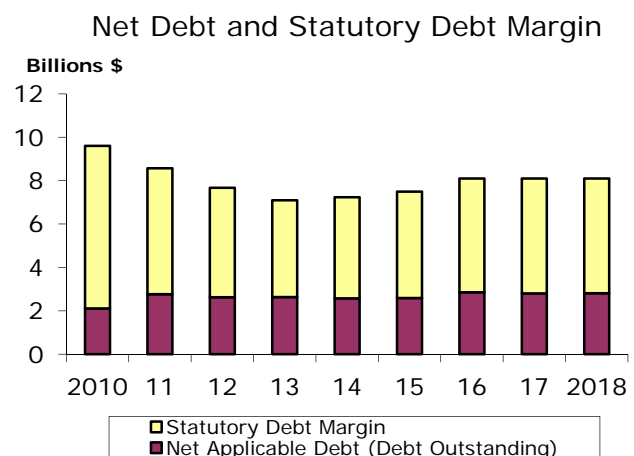
The 2017 appropriation of \$30.3 million is decrease of \$0.3 million, or 1.1 percent, from the 2017 Adjusted Budget. The practice is to fund toward the maximum fund balance allowable. This estimate is reviewed and adjusted annually. A historical profile of the resources available in the fund is provided in Section VII of this budget document. The levy increased \$0.1 million for this fund in 2018. The District is levying against the last known EAV at the maximum rate allowed by state statute in 2018. 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 2018 Budget, the last known EAV (\$140.8 billion) is for the 2016 levy year.

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.

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 1.76 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 State of Illinois expanded the SRF program to provide additional loan funding in 2016 through 2018. The District expects to receive approximately \$150 million in SRF loans through the year 2020. 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 District's debt is authorized under Illinois Compiled Statutes, which specifies a debt limit equal to 5.75 percent of the District's EAV. The District's 2016 EAV is \$140.8 billion, setting the District's statutory debt limit at \$8.1 billion. Outstanding debt applicable to the debt limit as of December 31, 2017, totals \$2.7 billion. The debt margin is \$5.3 billion.



Budget Message / Highlights

The 2018 appropriation for the Bond Redemption & Interest Fund totals \$256.3 million, an increase of \$27.5 million, or 12.0 percent, compared to the 2017 Adjusted Budget. The appropriation recommendation includes a \$28.4 million prepayment on seven State Revolving Fund loans that will result in \$9.6 million in interest savings. A debt service graph is found on page 50 that displays debt service from 2010 through 2022 and one on page 548 that displays debt service from 2018 through retirement. The 2018 tax levy for this fund is \$243.2 million, an increase of \$4.9 million, or 2.1 percent, from the 2017 Adjusted Levy.

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.

Since 2006, the CPI has averaged 1.9 percent, and the growth in Corporate Fund expenditures has increased about 0.9 percent annually. The Corporate Fund Expenditure Rate has been impacted in the past few years by increased contributions to the OPEB Fund and 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

The economic decline in this region has been reflected in decreased non-property tax revenues that help support District operations and fund balance levels. While the District is primarily supported by property taxes, prior years' strong levels of investment interest income, personal property replacement tax, and user charge revenues significantly cushioned the impacts of the Tax Cap Law restrictions on tax levy increases.

Decreases in certain non-property tax revenues are anticipated in the conservative revenue estimates used for the 2018 Budget. Before 2004, all net assets appropriable had been reappropriated as revenue for the subsequent year. Beginning in 2004, a portion of the projected net assets remained unappropriated to provide for a fiscally responsible fund balance. A Corporate Fund balance within \$44.0 to \$54.0 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.

Investment interest income in 2018 is projected to be \$7.8 million, an increase of \$2.8 million from the 2017 Adjusted Budget. The actual revenue for 2016 was \$5.9 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 2018. 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 2018 is \$38.1 million, an increase of \$1.2 million from the 2017 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 have decreased slightly over the past 3 years and are expected to continue to decrease slightly annually until 2021. Food processing, chemical, and government segments of the local economy comprise the majority of large payers. Several large payers have closed over the past several years. Increased production and payments at many of the remaining industries have made up for the closures. The 2018 revenues are conservatively estimated to be \$46.0 million and are projected at \$47.0 million in 2017.

Budget Message / Highlights

Non-Referendum Bonding Authority

The District has authority to issue bonds without seeking voter approval via referendum through the year 2024, effective January 1, 2011. The initial Tax Cap legislation (PA89-1) limited this non-referendum authority to projects that were initiated prior to October 1, 1991. Public Act 89-385 provided the District with the authority to issue non-referendum “limited bonds” for capital projects initiated after October 1, 1991. However, it was limited to the District’s 1994 debt service level of \$141,463,920 and amended by Public Act 96-0501 to allow for an annual increase equal to the CPI or five percent, whichever is less. It is currently at \$162,650,804. Public Act 90-0485 has provided a further modification by authorizing the exclusion of debt for TARP projects from this debt service limit. With inclusion of the levies for the 2004, 2007, 2009, 2012, and 2014 SRF series of bonds for non-TARP projects, Capital Improvement Bond Series of August 2009, Series B of July 2011, 2014 Series C, 2016 Series D & F Bonds, Refunding Bonds Series C of March 2007, 2014 Series D, and 2016 Series B. There is approximately \$15.9 million annual debt service available under the 1994 debt service limit related to the tax levy year 2017.

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.

Legislative Changes

The District had two 2017 legislative initiatives which passed the legislature and were signed into law by the Governor in 2017.

Public Act 100-0244 amends the District’s retirement benefits to extend survivor benefits in accord with the Illinois Religious Freedom and Marriage Fairness Act. The legislation narrowly applies to annuitants who retired prior to June 1, 2011 and received a spousal refund at the time of their separation from service.

Public Act 100-0341 will allow the District to participate in a nutrient trading program throughout Illinois to meet water quality standards, in the event that nutrient trading becomes available.

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; and
- 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 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.

Financial Policies, Objectives, and Accomplishments

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 Funds 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; and
- 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 2018, 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 33rd consecutive year, the GFOA of the United States and Canada has presented the Distinguished Budget Presentation for the District's 2017 Annual Budget. In 2016, the District received special recognition in the category of Performance Measures. For the years 1988 through 1998, the District's Budget was recognized as "Especially Notable" or "Outstanding." The entire 2018 Budget is available at www.mwrd.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

Financial Policies, Objectives, and Accomplishments

obligations of the Federal National Mortgage Association; (5) certain short-term obligations of corporations (commercial paper) rated in the highest 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:

2008	\$ 32,100,000	2013	\$ 11,525,000
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	6,951,000 (Estimated)
		Total	\$ 110,429,000

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

In April 2001, Fitch Ratings upgraded the District's outstanding General Obligation Bonds to AAA from AA+ and Standard & Poor's Corporation (S&P) upgraded the District's Bonds to AA+ from AA. In April 2002, Moody's Investor's Service (Moody's) upgraded the District's Bonds to Aaa from Aa1. For the July 2006 bond issue, Standard & Poor's increased the District's rating to AAA. In August 2013, Moody's downgraded the District's Bonds from Aaa to Aa1. In July 2015, Moody's further downgraded the District's Bond from Aa1 to Aa2. In May 2016, S&P downgraded the District's bond rating from AAA to AA+. The primary reason for the downgrades 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 S&P'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.

Financial Policies, Objectives, and Accomplishments

For the 2016 Bond issue, Fitch Ratings affirmed the District's rating at AAA citing its diverse economic base, structurally balanced financial operations, managed debt load, pension funding improvement, and the District's history of prudent financial stewardship. Standard & Poor's Corporation downgraded the District's rating to AA+ from AAA, citing the increasing overall debt burden and potential impact of pension liabilities, and the overlapping tax base. The District did not request a rating from Moody's for the 2016 Bonds.

Bond Rating History

In May 2016, Standard & Poor's Corporation downgraded the District's Bond from AAA to AA+ due to the potential impacts of pension liabilities and debt of overlapping governmental entities on the District's tax base. 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 now issue debt for a maximum of 30 years after contracting the debt. Previously, the District was allowed to issue debt for a maximum of 20 years. In addition, the District's Act was amended to extend non-referendum bonding authority from December 31, 2016 to December 31, 2024, effective January 1, 2011.

Moody's Investor Services		Fitch Ratings		Standard & Poor's Corporation	
1938-1944	Baa				
1944-1968	A				
1944-1968	A1				
1968-1974	Aa				
1974-1997	Aa2				
1997-1999	Aa1				
1999-2002	Aa1			1969-2001	AA
2002-2013	Aaa	1995-1999	AA	2001-2006	AA+
2013-2014	Aa1	1999-2001	AA+	2006-2016	AAA
2015-present	Aa2	2001-present	AAA	2016-present	AA+

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 measureable and available to satisfy liabilities

s 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

- 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.
- 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 twelve 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)	0.0%	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, 2016, and for the MWRD Retiree Health Care Trust for the year ended December 31, 2016. This is the 42nd consecutive year and 10th consecutive year that the District has received these prestigious awards, respectively. The CAFRs are available on the Internet at www.mwrd.org. The external audit of the District's 2016 financial statements, completed on May 12, 2017, includes an unmodified opinion. In 2017, the Internal Audit Section completed 10 audits and financial reviews of 15 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, which is updated annually after a public meeting that kicks off the budget season. 2018 is the fourth year of the current five-year plan, with the vision statement *Recovering Resources, Transforming Water*. The strategic plan sets out 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 and 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.

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 holds a public hearing on the Capital Improvement Program.
5. The Board's Committee on Budget and Employment holds public meetings with the Executive Director and department heads regarding the Executive Director's proposals.
6. 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.
7. 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.
8. 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.
9. 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.
10. 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.
11. 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.
12. 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.
13. 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 2018 BUDGET

Board of Commissioners Holds a Study Session on
Budget Overview immediately following the Regular Board Meeting Thursday, May 18, 2017

Board of Commissioners Holds a Study Session on
Budget Overview immediately following the Regular Board Meeting Thursday, June 1, 2017

Board of Commissioners Holds a Study Session on
Budget Overview immediately following the Regular Board Meeting Thursday, June 15, 2017

Executive Director's Budget Recommendations
Submitted to Board of Commissioners Tuesday, October 17, 2017

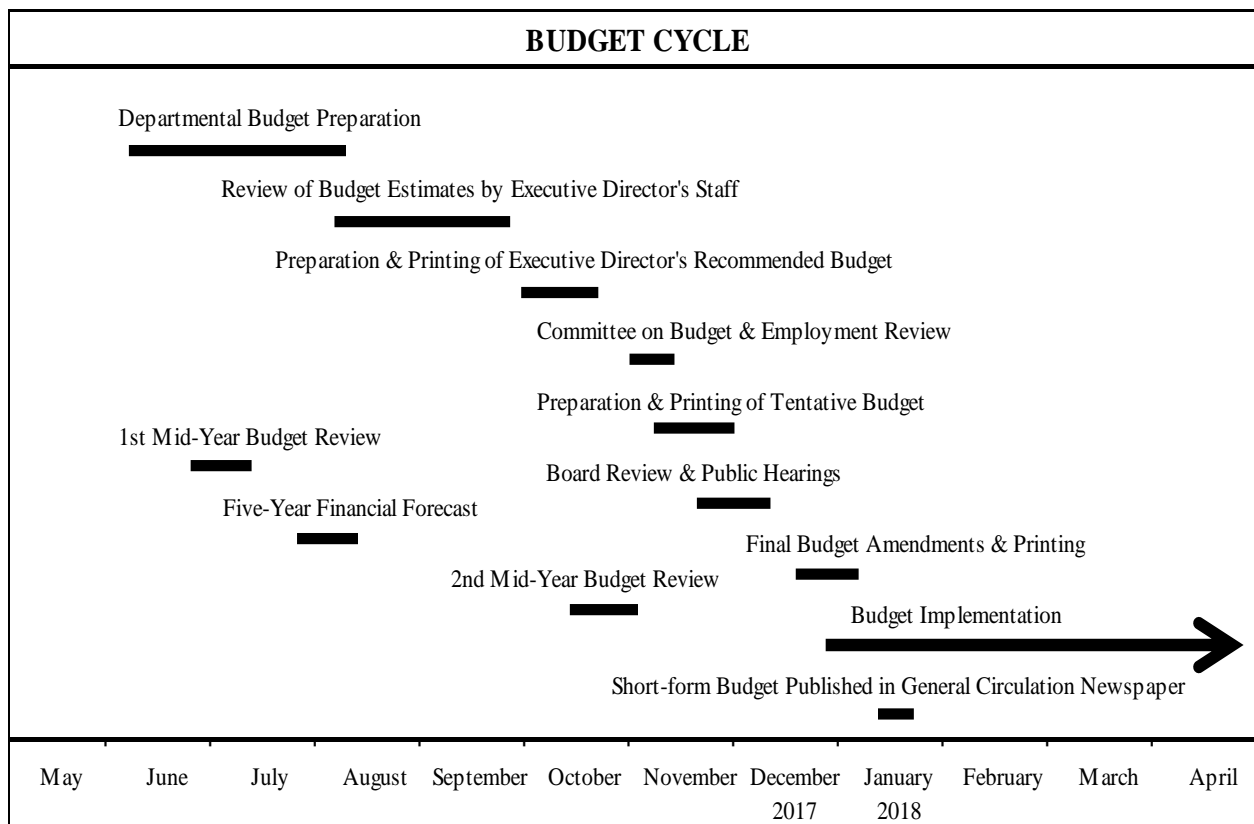
Committee on Budget & Employment Hearings at 1:00 P.M. Thursday, November 2, 2017
(Friday, November 3, 2017, if necessary)

Committee on Budget & Employment Submits Tentative Budget
to Board of Commissioners for Public Display Tuesday, November 21, 2017

Board of Commissioners Holds a Public Hearing
on the Budget at 2:00 P.M. Thursday, December 7, 2017

Board of Commissioners Adopts the Budget..... Thursday, December 14, 2017

Board of Commissioners Amends the Adopted Budget..... Thursday, December 21, 2017



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

ORDINANCE NUMBER 017-012

**ANNUAL APPROPRIATION ORDINANCE OF THE
METROPOLITAN WATER RECLAMATION DISTRICT
OF GREATER CHICAGO
FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2018
AND ENDING DECEMBER 31, 2018**

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, 2018 and ending December 31, 2018.”

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, 2018 and ending December 31, 2018.

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 2018 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.

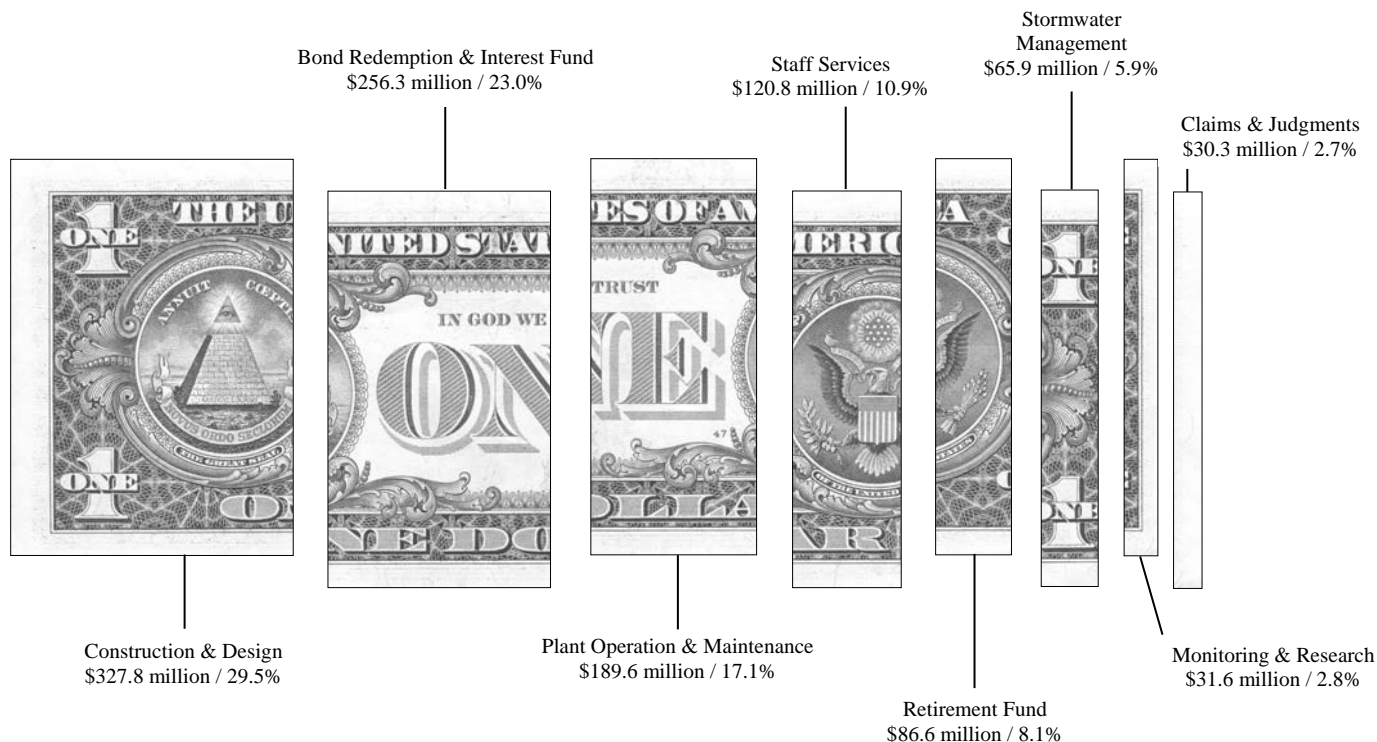
Continuing to look at the overall picture, this section presents a detailed view of the entire budget, organizing information in different ways so that the user can compare budget and current year appropriations by department, fund, object, and program. Allocation of personnel is also compared by year,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

Having looked at the budget plan for 2018 and comparing it to previous years, this section also provides a projection of the future: the comprehensive Five-Year Financial Forecast for 2018-2022.

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WHERE THE MONEY COMES FROM: \$1,111.9 MILLION

* \$440.8 of the \$542.0 Net Assets Appropriable detailed in the analysis on the next page will be appropriated as revenue for 2018 (excludes Capital Improvements Bond Fund).

WHERE THE MONEY GOES: \$1,111.9 MILLION

SUMMARY OF NET ASSETS APPROPRIABLE**at January 1, 2018**

(In Millions)

FUND

CURRENT ASSETS	CORPORATE	CAPITAL IMPROVEMENTS BOND	CONSTRUCTION	STORMWATER MANAGEMENT	RETIREMENT	BOND REDEMPTION & INTEREST	RESERVE CLAIM	TOTAL
Cash & Investments	\$ 122.0	\$ 337.2	\$ 13.9	\$ 16.3	\$ -	\$ 112.9	\$ 24.5	\$ 626.8
Restricted Cash	-	-	-	-	-	-	-	-
Deposit with Escrow Agent	-	-	-	-	-	-	-	-
Taxes Receivable	216.7	-	16.4	39.8	70.9	226.6	5.7	576.1
Replacement Tax	18.2	-	-	-	18.7	-	-	36.9
Grants	-	0.9	-	-	-	-	-	0.9
State Revolving Fund								
Loans Receivable	-	150.0	-	-	-	-	-	150.0
Due from Other Funds	-	-	-	-	-	-	-	-
Total	\$ 356.9	\$ 488.1	\$ 30.3	\$ 56.1	\$ 89.6	\$ 339.5	\$ 30.2	\$ 1,390.7

**CURRENT LIABILITIES,
DESIGNATIONS AND RESTRICTIONS**

Unpaid Bills and								
Contingent Liabilities	\$ 34.9	\$ 1,114.2	\$ 3.6	\$ 3.6	\$ -	\$ -	\$ 0.2	\$ 1,156.5
Due to Working Cash Funds	190.0	-	12.0	26.5	-	-	-	228.5
Liabilities for Restricted Assets	-	-	-	-	-	-	-	-
Principal and Interest	-	-	-	-	-	90.0	-	90.0
Total	\$ 224.9	\$ 1,114.2	\$ 15.6	\$ 30.1	\$ -	\$ 90.0	\$ 0.2	\$ 1,475.0
*Net Assets Appropriable	\$ 132.0	\$ (626.1)	\$ 14.7	\$ 26.0	\$ 89.6	\$ 249.5	\$ 30.0	\$ (84.3)
Budget Reserve	\$ (101.1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (101.1)
Net Assets Appropriated	\$ 30.9	\$ (626.1)	\$ 14.7	\$ 26.0	\$ 89.6	\$ 249.5	\$ 30.0	\$ (185.4)
Equity Transfer	\$ 4.2	\$ (10.0)	\$ 5.8	\$ (5.8)	\$ -	\$ 5.8	\$ -	\$ -

* 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, 2018.

Gross Corporate Fund.....	16.61 ¢
Construction Fund.....	0.28
Stormwater Management Fund.....	3.20
Retirement Fund.....	4.79
Reserve Claim Fund.....	<u>0.40</u>

Subtotal.....	25.28 ¢
---------------	---------

Bond Redemption & Interest Fund:

Capital Improvement Bonds - Series:

August 2009 Limited Tax.....	2.38 ¢
July 2011 Limited Tax Series B.....	1.94
July 2011 Unlimited Tax Series C.....	0.28
December 2014 Limited Tax Series C.....	0.45
December 2014 Unlimited Tax Series A.....	0.35
December 2014 Stormwater Alt Rev Unlimited Tax Series B.....	0.23
June 2016 Stormwater Alt Rev Unlimited Tax Series E.....	0.17
June 2016 Unlimited Tax Series C.....	0.10
June 2016 Limited Tax Series D.....	0.07
June 2016 Qualified Energy Conservation Series F.....	0.01

State Revolving Fund Bonds - Series:

Various	5.68 ¢
---------	--------

Refunding Bonds - Series:

March 2007 Unlimited Tax A.....	1.78 ¢
March 2007 Unlimited Tax B.....	0.33
March 2007 Limited Tax C.....	0.37
December 2014 Limited Tax Series D.....	1.01
June 2016 Unlimited Tax Series A.....	0.97
June 2016 Limited Tax Series B.....	<u>0.14</u>

Subtotal Bond Redemption & Interest Fund.....	16.26 ¢
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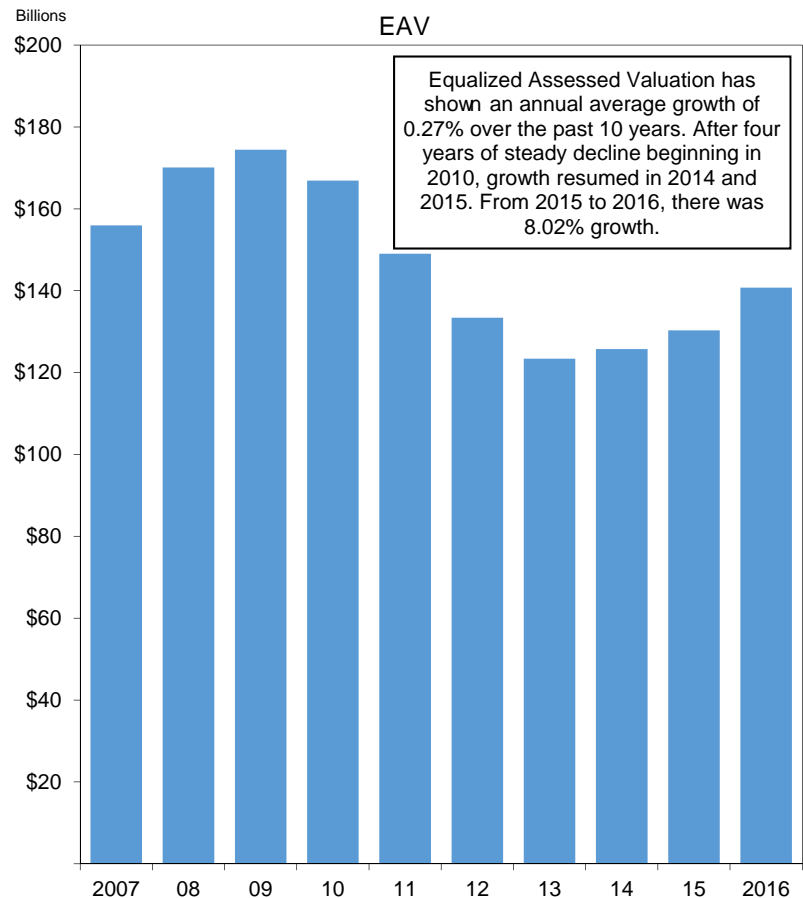
TOTAL ESTIMATED TAX RATE - 2018..... 41.54 ¢

TAXABLE PROPERTY WITHIN THE DISTRICT (Equalized Assessed Valuation)

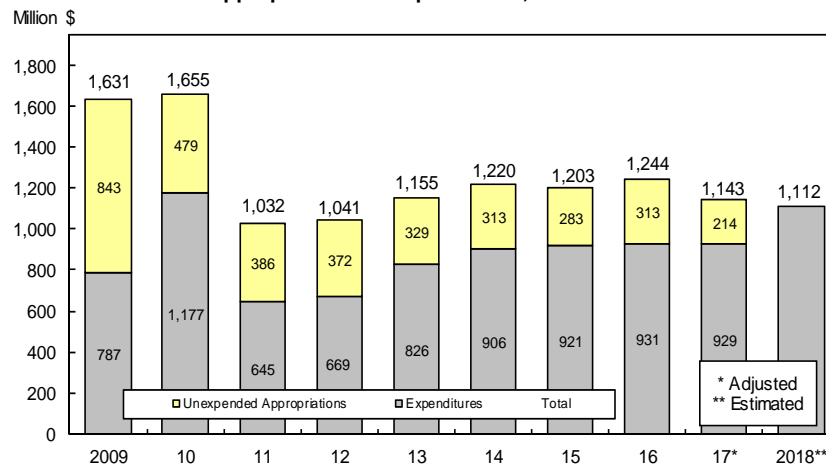
The equalized assessed property valuation (EAV) of the Metropolitan Water Reclamation District increased 8.02% from 2015 to 2016, showing the significant recovery after four years of decline beginning in 2010. The boundaries of the District encompass 91 percent of the area of Cook County. The District 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.

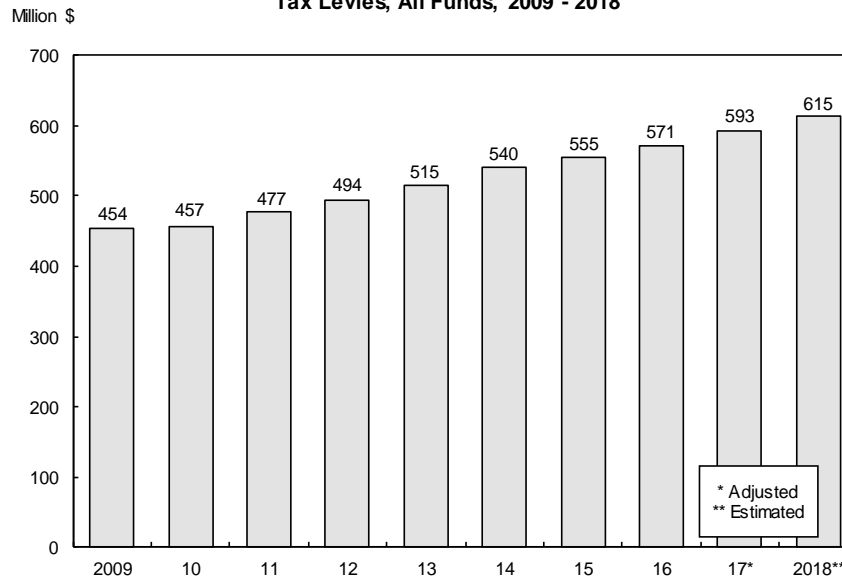
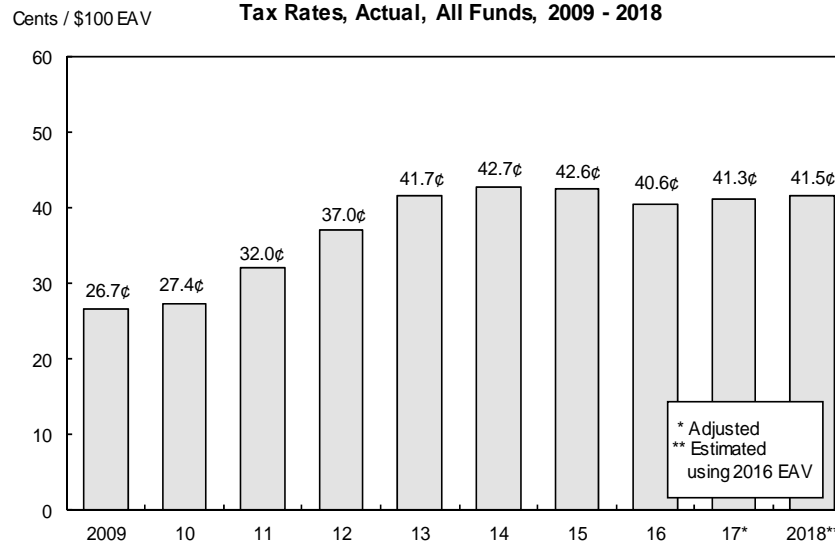
The equalized assessed property valuation of the District is very important due to the primary reliance of the District on the property tax to fund current operations and future capital programs.



Year	Real Property	Railroad Property and Pollution Control Facilities	Total
2007	155.80 billion	172.25 million	155.97 billion
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

Appropriations & Expenditures, 2009 - 2018

Note: Amounts are rounded.

Tax Levies, All Funds, 2009 - 2018**Tax Rates, Actual, All Funds, 2009 - 2018**

COMPARATIVE STATEMENT OF APPROPRIATIONS AND TAX LEVIES 2018-2016 ALL FUNDS

APPROPRIATIONS	2018 **	2017 AS PASSED	2017 AS ADJUSTED *	2016 ACTUAL
FUND				
Corporate Fund	\$ 366,579,800	\$ 368,925,800	\$ 368,925,800	\$ 366,260,700
Construction Fund	24,794,100	34,450,400	34,450,400	36,614,400
Capital Improvements Bond Fund ***	278,427,700	354,625,600	354,625,600	483,764,800
Stormwater Management Fund	65,880,200	45,800,100	45,800,100	40,500,800
Retirement Fund	89,604,000	79,505,000	79,505,000	70,772,000
Reserve Claim Fund	30,289,500	30,617,100	30,617,100	30,175,900
Bond Redemption & Interest Fund	256,304,186	228,825,813	228,825,813	216,047,130
TOTAL	\$ 1,111,879,486	\$ 1,142,749,813	\$ 1,142,749,813	\$ 1,244,135,730
LEVIES				
Corporate Fund	\$ 247,965,800	\$ 223,946,065	\$ 223,946,065	\$ 226,742,879
Construction Fund	4,200,000	17,000,000	16,270,995	13,784,956
Stormwater Management Fund	47,826,000	40,856,008	40,856,008	34,250,000
Retirement Fund	71,534,197	73,438,135	73,438,135	65,161,200
Reserve Claim Fund	6,000,000	5,900,000	5,900,000	5,800,000
Subtotal	\$ 377,525,997	\$ 361,140,208	\$ 360,411,203	\$ 345,739,035
Bond Redemption & Interest Fund:				
Capital Improvement Bonds - Series:				
June 2016 Q E C B Series F	\$ 165,804	\$ 165,804	\$ 165,804	\$ 165,803
August 2009 Limited Tax	35,564,767	35,564,767	35,564,767	35,564,767
July 2011 Limited Tax Series B	28,911,239	41,406,315	41,406,315	20,230,925
July 2011 Unlimited Tax Series C	4,184,800	3,981,898	3,981,898	7,622,520
December 2014 Limited Tax Series C	6,763,472	3,240,156	3,240,156	15,540,933
December 2014 Unlimited Tax Series A	5,181,348	5,181,348	5,181,348	5,181,347
2014 Alt Rev Unlimited Tax Series B ****	3,390,570	3,389,171	3,389,171	3,387,824
2016 Alt Rev Unlimited Tax Series E ****	2,590,674	2,590,674	2,590,674	2,590,674
Alternate Revenue Abatement ****	-	-	-	(5,978,498)
June 2016 Unlimited Tax Series C	1,554,405	1,554,405	1,554,405	1,554,404
June 2016 Limited Tax Series D	1,036,270	1,036,270	1,036,270	1,036,269
State Revolving Fund Bonds - Series: Various	84,878,285	72,765,937	77,172,673	70,808,592
Refunding Bonds - Series:				
March 2007 Unlimited Tax A	26,623,057	26,509,845	26,509,845	25,279,534
March 2007 Unlimited Tax B	4,996,749	4,996,749	4,996,749	4,996,749
March 2007 Limited Tax C	5,541,607	5,541,607	5,541,607	5,541,607
December 2014 Limited Tax Series D	15,130,830	9,264,767	9,264,767	15,494,041
June 2016 Unlimited Tax Series A	14,555,959	14,555,959	14,555,959	14,555,959
June 2016 Limited Tax Series B	2,141,451	2,141,451	2,141,451	2,141,451
Subtotal Bond Redemption & Interest Fund	\$ 243,211,287	\$ 233,887,123	\$ 238,293,859	\$ 225,714,901
TOTAL	\$ 620,737,284	\$ 595,027,331	\$ 598,705,062	\$ 571,453,936
Abatement after the budget year ****	(5,981,244)	(5,979,845)	(5,979,845)	
Total (after planned abatement)	\$ 614,756,040	\$ 589,047,486	\$ 592,725,217	

NOTES: * As Adjusted reflects the 2016 Equalized Assessed Valuation (EAV) (\$140,752,201,171) estimated to increase 3.0 percent, plus any subsequent supplemental levies and/or appropriations.

** 2018 reflects an estimated 3.0 percent increase in the EAV from the 2017 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

2018-2016 ALL FUNDS

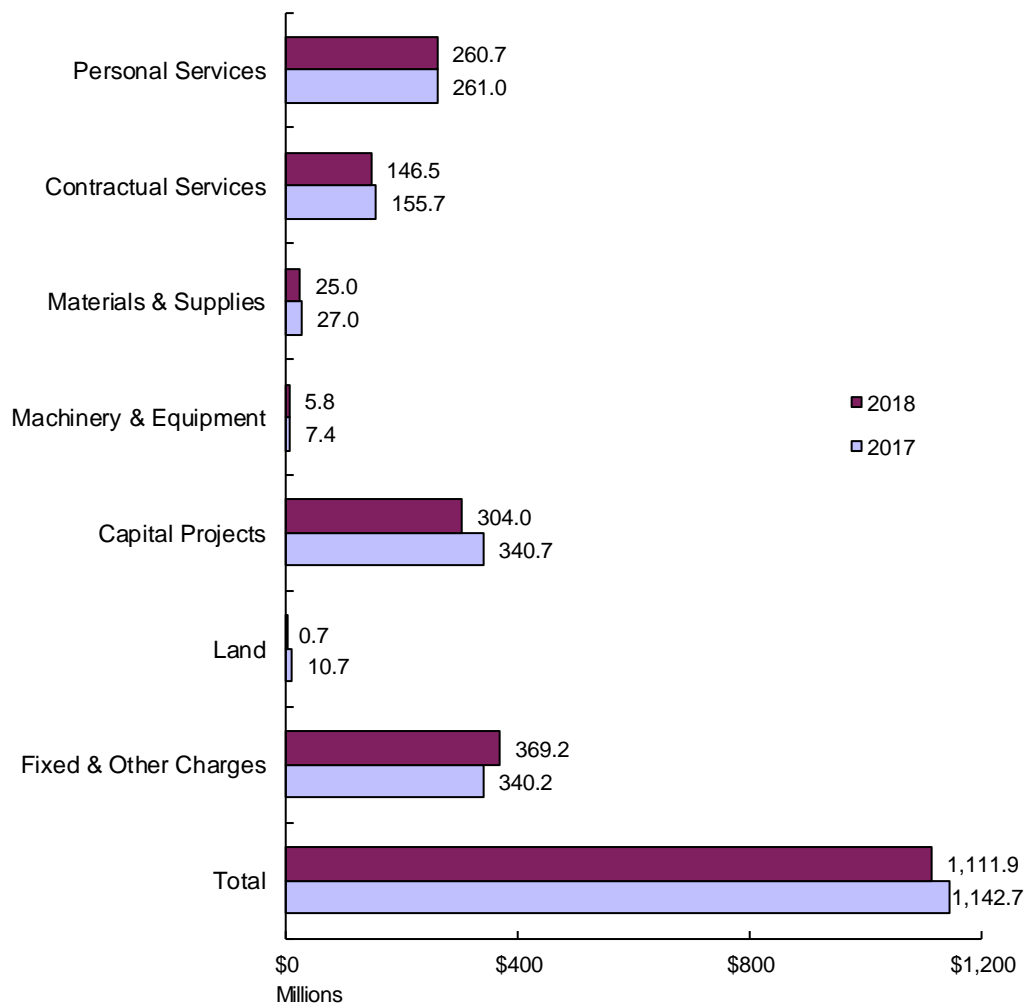
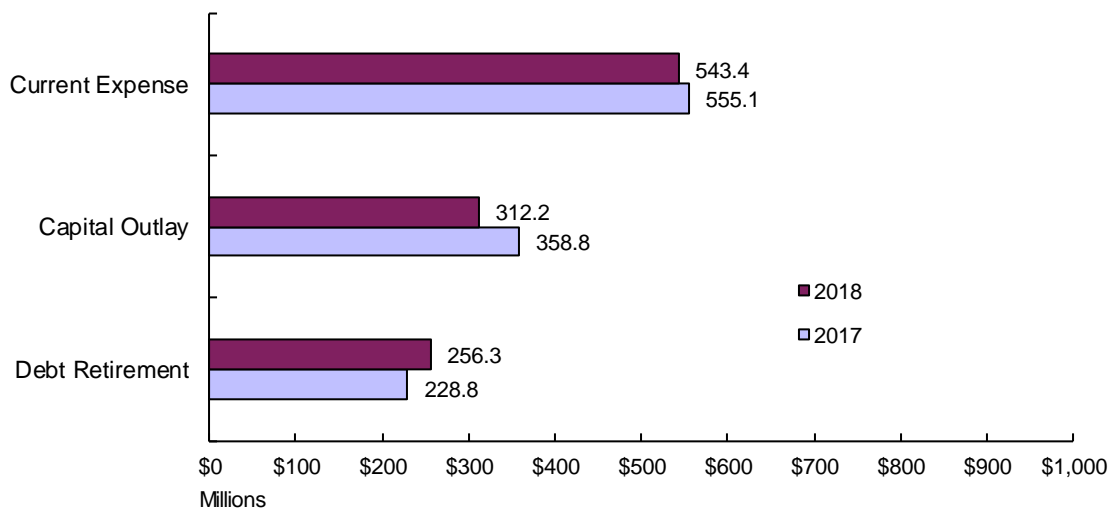
Per \$100 in Equalized Assessed Valuation (EAV)

FUND		2018 **	2017 AS PASSED	2017 AS ADJUSTED *	2016 ACTUAL
	tax rate limit				
Corporate Fund	41 ¢	16.61 ¢	16.20 ¢	15.45 ¢	16.11 ¢
Construction Fund	10 ¢	0.28	1.23	1.12	0.98
Stormwater Management Fund	5 ¢	3.20	2.96	2.82	2.43
Retirement Fund		4.79	5.31	5.07	4.63
Reserve Claim Fund	½ ¢	0.40	0.43	0.41	0.41
Subtotal		25.28 ¢	26.13 ¢	24.87 ¢	24.56 ¢
Bond Redemption & Interest Fund:					
Capital Improvement Bonds - Series:					
June 2016 Q E C B Series F		0.01 ¢	0.01 ¢	0.01 ¢	0.01 ¢
August 2009 Limited Tax		2.38	2.57	2.45	2.53
July 2011 Limited Tax Series B		1.94	3.00	2.86	1.44
July 2011 Unlimited Tax Series C		0.28	0.29	0.27	0.54
December 2014 Limited Tax Series C		0.45	0.23	0.22	1.10
December 2014 Unlimited Tax Series A		0.35	0.37	0.36	0.37
2014 Alt Rev Unlimited Tax Series B ***		0.23	0.25	0.23	0.24
2016 Alt Rev Unlimited Tax Series E ***		0.17	0.19	0.18	0.18
Alternate Revenue Abatement ***		-	-	-	(0.42)
June 2016 Unlimited Tax Series C		0.10	0.11	0.11	0.11
June 2016 Limited Tax Series D		0.07	0.07	0.07	0.07
State Revolving Fund Bonds - Series:					
Various		5.68	5.26	5.32	5.03
Refunding Bonds - Series:					
March 2007 Unlimited Tax Series A		1.78	1.92	1.83	1.80
March 2007 Unlimited Tax Series B		0.33	0.36	0.34	0.36
March 2007 Limited Tax Series C		0.37	0.40	0.38	0.39
December 2014 Limited Tax D		1.01	0.67	0.64	1.10
June 2016 Unlimited Tax Series A		0.97	1.05	1.00	1.03
June 2016 Limited Tax B		0.14	0.15	0.15	0.15
Subtotal Bond Redemption & Interest Fund		16.26 ¢	16.90 ¢	16.42 ¢	16.03 ¢
TOTAL		41.54 ¢	43.03 ¢	41.29 ¢	40.59 ¢

NOTES: * As Adjusted reflects the 2016 EAV (\$140,752,201,171) estimated to increase 3.0 percent, plus any subsequent supplemental levies and/or appropriations.

** 2018 reflects an estimated 3.0 percent increase in the EAV from the 2017 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

2018-2017* ALL FUNDS

ORGANIZATION or FUND	YEAR	TOTAL	PERSONAL SERVICES	CONTRACTUAL SERVICES	MATERIALS & SUPPLIES	MACHINERY & EQUIPMENT	CAPITAL PROJECTS	LAND	FIXED & OTHER CHARGES
Board of Commissioners	2018	\$ 4,650,500	\$ 4,206,600	\$ 438,400	\$ 5,500	\$ -	\$ -	\$ -	\$ -
	2017	4,496,300	4,188,700	297,600	10,000	-	-	-	-
General Administration	2018	16,343,500	11,731,600	4,404,200	207,700	-	-	-	-
	2017	17,387,400	12,052,900	5,046,700	287,800	-	-	-	-
Monitoring & Research	2018	31,637,100	29,899,300	964,900	482,800	290,100	-	-	-
	2017	31,270,400	28,876,800	1,413,800	556,800	423,000	-	-	-
Procurement & Materls. Management	2018	9,383,500	5,713,700	131,800	3,508,000	30,000	-	-	-
	2017	9,567,100	5,780,200	152,000	3,634,900	-	-	-	-
Human Resources	2018	59,106,300	54,292,100	4,531,500	257,700	25,000	-	-	-
	2017	60,905,400	55,589,000	5,077,500	238,900	-	-	-	-
Information Technology	2018	16,903,400	8,736,200	7,478,000	689,200	-	-	-	-
	2017	17,358,600	9,017,500	7,362,000	904,100	75,000	-	-	-
Law	2018	7,417,700	5,224,300	1,285,200	18,200	-	-	-	890,000
	2017	8,386,100	5,267,700	2,210,700	17,700	-	-	-	890,000
Finance	2018	3,680,300	3,271,500	393,400	15,400	-	-	-	-
	2017	3,684,400	3,270,200	394,600	19,600	-	-	-	-
Maint. & Operations:									
General Division	2018	25,848,100	12,378,900	12,716,700	752,500	-	-	-	-
	2017	26,761,600	13,085,400	12,767,700	908,500	-	-	-	-
North Service Area	2018	41,903,200	25,156,900	13,884,300	2,719,100	142,900	-	-	-
	2017	42,055,300	24,810,900	14,441,400	2,675,000	128,000	-	-	-
Calumet Service Area	2018	36,005,200	18,459,600	13,635,200	3,824,700	85,700	-	-	-
	2017	37,210,100	18,485,800	13,522,000	5,169,300	33,000	-	-	-
Stickney Service Area	2018	85,851,100	37,656,100	35,901,200	12,268,800	25,000	-	-	-
	2017	81,007,700	37,765,100	31,956,000	11,281,600	5,000	-	-	-
TOTAL Maintenance & Operations	2018	\$ 189,607,600	\$ 93,651,500	\$ 76,137,400	\$ 19,565,100	\$ 253,600	\$ -	\$ -	\$ -
	2017	\$ 187,034,700	\$ 94,147,200	\$ 72,687,100	\$ 20,034,400	\$ 166,000	\$ -	\$ -	\$ -
Engineering	2018	27,849,900	27,368,000	401,500	80,400	-	-	-	-
	2017	28,835,400	28,292,200	473,000	70,200	-	-	-	-
TOTAL Corporate Fund	2018	\$ 366,579,800	\$ 244,094,800	\$ 96,166,300	\$ 24,830,000	\$ 598,700	\$ -	\$ -	\$ 890,000
	2017	\$ 368,925,800	\$ 246,482,400	\$ 95,115,000	\$ 25,774,400	\$ 664,000	\$ -	\$ -	\$ 890,000
Construction Fund	2018	24,794,100	-	6,259,800	-	5,160,100	13,374,200	-	-
	2017	34,450,400	-	6,401,300	-	6,623,000	21,426,100	-	-
Capital Improvements	2018	278,427,700	-	5,285,000	-	-	271,092,700	300,000	1,750,000
Bond Fund	2017	354,625,600	-	29,055,400	-	-	313,054,300	10,300,000	2,215,900
Stormwater Management Fund	2018	65,880,200	6,582,700	38,838,300	124,900	-	19,534,300	400,000	400,000
	2017	45,800,100	6,531,200	25,081,300	1,274,500	85,000	6,248,800	410,000	6,169,300
Bond Redemption & Interest Fund	2018	256,304,186	-	-	-	-	-	-	256,304,186
	2017	228,825,813	-	-	-	-	-	-	228,825,813
Retirement Fund	2018	89,604,000	-	-	-	-	-	-	89,604,000
	2017	79,505,000	-	-	-	-	-	-	79,505,000
Reserve Claim Fund	2018	30,289,500	10,000,000	-	-	-	-	-	20,289,500
	2017	30,617,100	8,000,000	-	-	-	-	-	22,617,100
GRAND TOTAL	2018	\$ 1,111,879,486	\$ 260,677,500	\$ 146,549,400	\$ 24,954,900	\$ 5,758,800	\$ 304,001,200	\$ 700,000	\$ 369,237,686
	2017	\$ 1,142,749,813	\$ 261,013,600	\$ 155,653,000	\$ 27,048,900	\$ 7,372,000	\$ 340,729,200	\$ 10,710,000	\$ 340,223,113
PERCENTAGES	2018	100.0%	23.4%	13.2%	2.2%	0.5%	27.3%	0.1%	33.2%
	2017	100.0%	22.8%	13.6%	2.4%	0.6%	29.8%	0.9%	29.8%

Note: Percentages are rounded.

* Adjusted Appropriation

COMPARATIVE APPROPRIATIONS BY CHARACTER OF EXPENDITURE 2018-2017* ALL FUNDS

ORGANIZATION OR FUND	YEAR	TOTAL	CURRENT EXPENSE	CAPITAL OUTLAY	DEBT RETIREMENT
Board of Commissioners	2018	\$ 4,650,500	\$ 4,650,500	\$ -	\$ -
	2017	\$ 4,496,300	\$ 4,496,300	\$ -	\$ -
General Administration	2018	16,343,500	16,343,500	-	-
	2017	17,387,400	17,387,400	-	-
Monitoring & Research	2018	31,637,100	31,347,000	290,100	-
	2017	31,270,400	30,847,400	423,000	-
Procurement & Materials Management	2018	9,383,500	9,353,500	30,000	-
	2017	9,567,100	9,567,100	-	-
Human Resources	2018	59,106,300	59,081,300	25,000	-
	2017	60,905,400	60,905,400	-	-
Information Technology	2018	16,903,400	16,903,400	-	-
	2017	17,358,600	17,283,600	75,000	-
Law	2018	7,417,700	7,417,700	-	-
	2017	8,386,100	8,386,100	-	-
Finance	2018	3,680,300	3,680,300	-	-
	2017	3,684,400	3,684,400	-	-
Maintenance & Operations:				-	
General Division	2018	25,848,100	25,848,100	-	-
	2017	26,761,600	26,761,600	-	-
North Service Area	2018	41,903,200	41,760,300	142,900	-
	2017	42,055,300	41,927,300	128,000	-
Calumet Service Area	2018	36,005,200	35,919,500	85,700	-
	2017	37,210,100	37,177,100	33,000	-
Stickney Service Area	2018	85,851,100	85,826,100	25,000	-
	2017	81,007,700	81,002,700	5,000	-
TOTAL Maintenance & Operations	2018	\$ 189,607,600	\$ 189,354,000	\$ 253,600	\$ -
	2017	\$ 187,034,700	\$ 186,868,700	\$ 166,000	\$ -
Engineering	2018	27,849,900	27,849,900	-	-
	2017	28,835,400	28,835,400	-	-
TOTAL Corporate Fund	2018	\$ 366,579,800	\$ 365,981,100	\$ 598,700	\$ -
	2017	\$ 368,925,800	\$ 368,261,800	\$ 664,000	\$ -
Construction Fund	2018	24,794,100	6,259,800	18,534,300	-
	2017	34,450,400	6,401,300	28,049,100	-
Capital Improvements Bond Fund	2018	278,427,700	5,285,000	273,142,700	-
	2017	354,625,600	31,271,300	323,354,300	-
Stormwater Management Fund	2018	65,880,200	45,945,900	19,934,300	-
	2017	45,800,100	39,056,300	6,743,800	-
Bond Redemption & Interest Fund	2018	256,304,186	-	-	256,304,186
	2017	228,825,813	-	-	228,825,813
Retirement Fund	2018	89,604,000	89,604,000	-	-
	2017	79,505,000	79,505,000	-	-
Reserve Claim Fund	2018	30,289,500	30,289,500	-	-
	2017	30,617,100	30,617,100	-	-
GRAND TOTAL	2018	\$ 1,111,879,486	\$ 543,365,300	\$ 312,210,000	\$ 256,304,186
	2017	\$ 1,142,749,813	\$ 555,112,800	\$ 358,811,200	\$ 228,825,813
PERCENTAGES	2018	100%	49%	28%	23%
	2017	100%	49%	31%	20%

Note: Percentages are rounded.

* Adjusted Appropriation

2018 - 2017* PROGRAM APPROPRIATION - ALL FUNDS BY DEPARTMENT AND MAJOR PROGRAM

(In Millions)

MAJOR PROGRAM

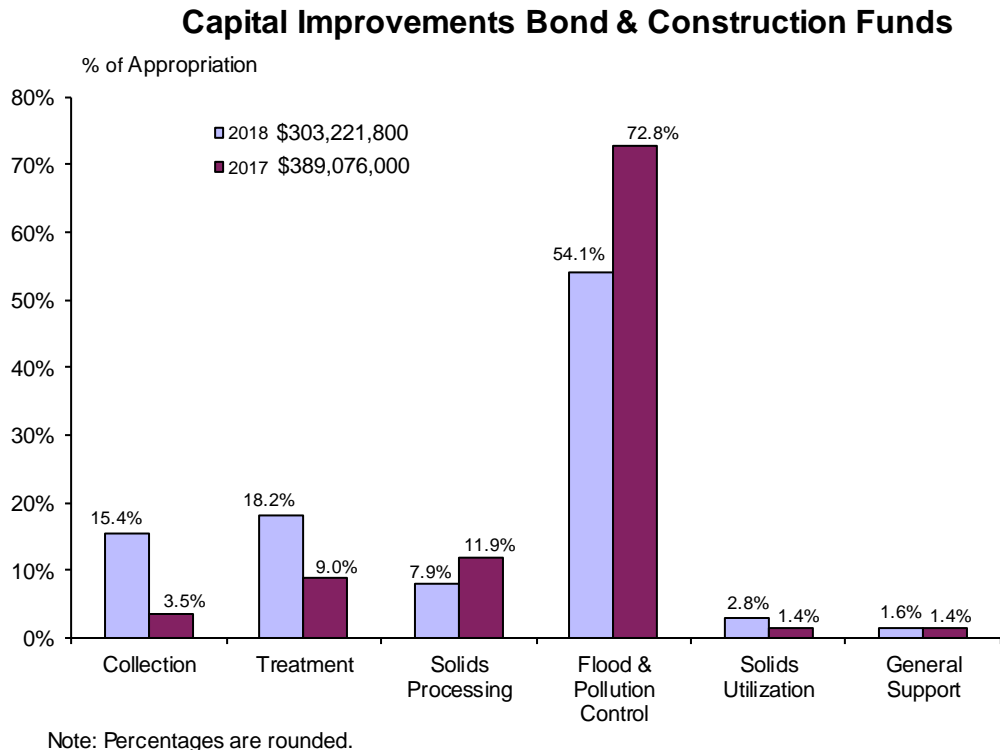
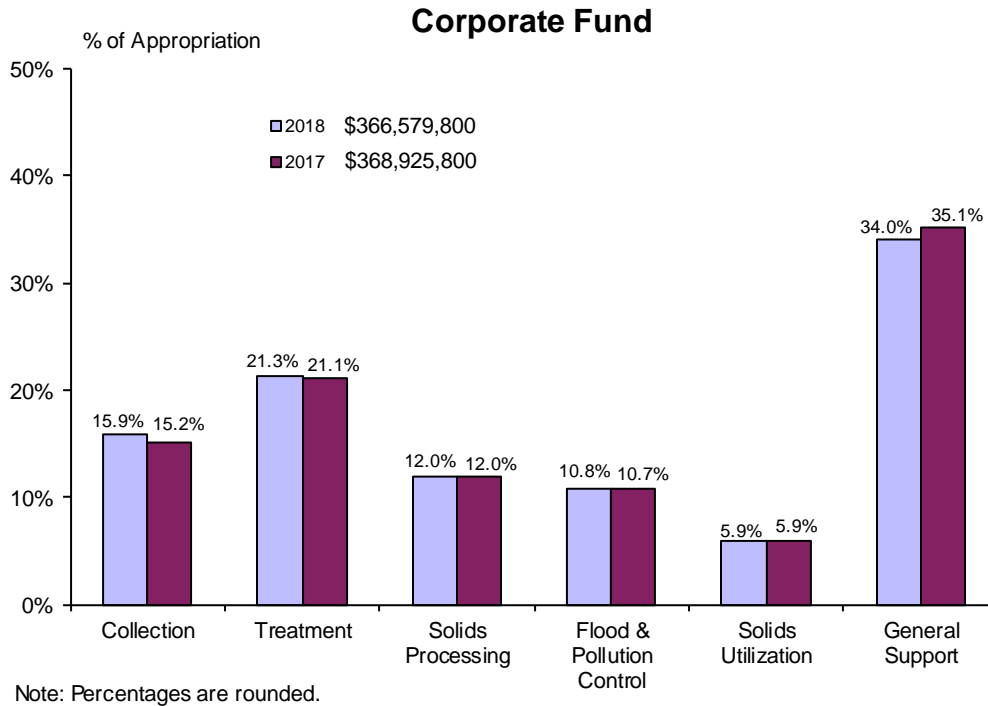
DEPARTMENT	COLLECTION		TREATMENT		SOLIDS PROCESSING		SOLIDS UTILIZATION		FLOOD & POLLUTION CONTROL		GENERAL SUPPORT		TOTAL	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Board of Commissioners	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4.7	\$ 4.5	\$ 4.7	\$ 4.5
General Administration	-	-	-	-	-	-	-	-	-	-	16.3	17.4	16.3	17.4
Monitoring & Research	-	-	-	-	-	-	-	-	31.2	30.9	0.4	0.4	31.6	31.3
Procurement & Materials Management	-	-	-	-	-	-	-	-	-	-	9.4	9.6	9.4	9.6
Human Resources	-	-	-	-	-	-	-	-	-	-	59.1	60.9	59.1	60.9
Information Technology	-	-	-	-	-	-	-	-	-	-	16.9	17.4	16.9	17.4
Law	-	-	-	-	-	-	-	-	0.4	0.5	6.9	7.9	7.4	8.3
Finance	-	-	-	-	-	-	-	-	-	-	3.7	3.7	3.7	3.7
Maintenance & Operations	51.2	48.5	69.6	69.1	37.8	37.8	21.4	21.5	4.7	4.8	4.9	5.4	189.6	187.1
Engineering	7.2	7.5	8.6	8.8	6.0	6.4	0.4	0.4	3.2	3.4	2.4	2.4	27.8	28.8
Total Corporate Fund	\$58.4	\$56.0	\$78.2	\$77.9	\$43.9	\$44.2	\$21.8	\$21.8	\$39.6	\$39.5	\$124.7	\$129.4	\$366.6	\$368.9
Construction and Capital Improvements Bond Funds	\$46.7	\$13.6	\$55.2	\$35.0	\$23.9	\$46.4	\$8.6	\$5.5	\$164.1	\$283.1	\$4.7	\$5.4	\$303.2	\$389.0
Stormwater Management Fund	-	1.0	-	-	-	-	-	-	65.8	39.0	0.1	5.9	65.9	45.9
Miscellaneous (Debt Service, Retirement, and Reserve Funds)	-	-	-	-	-	-	-	-	-	-	376.2	338.9	376.2	338.9
GRAND TOTAL	\$105.0	\$70.6	\$133.4	\$112.9	\$67.8	\$90.6	\$30.4	\$27.3	\$269.5	\$361.6	\$505.8	\$479.5	\$1,111.9	\$1,142.7

Note: Totals are rounded.

* Adjusted Appropriation

APPROPRIATION DISTRIBUTION BY PROGRAM

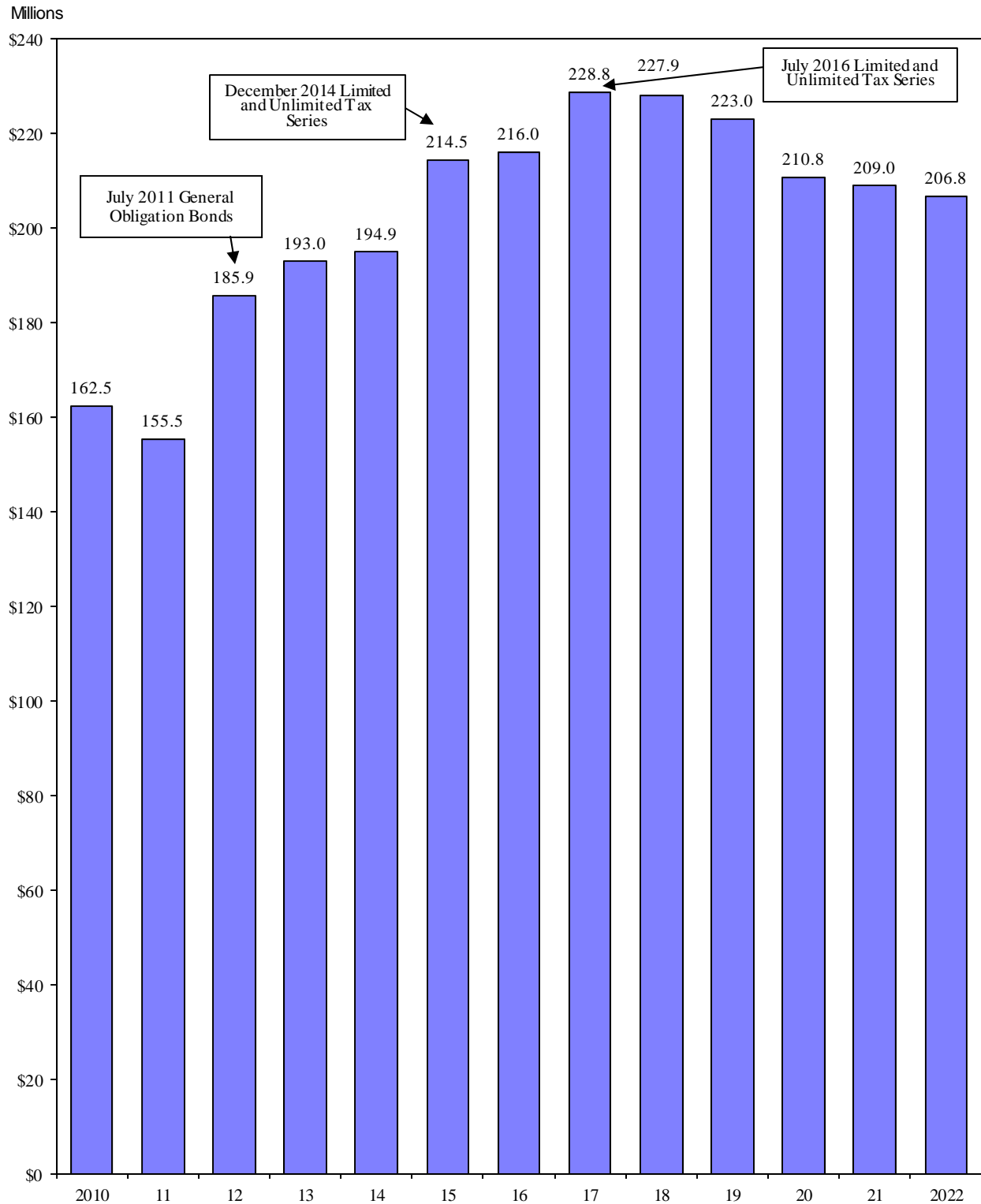
To comply with Illinois State Statute, it is necessary to prepare budget estimates and appropriate funds according to programs, as well as organizational units, performance principles, and unit cost data. The two charts on this page show the relationship of major objectives or functions within the Corporate, Construction, and Capital Improvements Bond Funds. The charts compare major program appropriations to the total fund appropriations for 2018 and 2017, as shown on page 49.



2018 - 2017 PROGRAM APPROPRIATION COMPARISON ALL FUNDS

PROGRAM OBJECTIVE		2018 BUDGET	2017 ADJUSTED BUDGET	DOLLAR INCREASE (DECREASE)	PERCENT INCREASE (DECREASE)	FTE POSITIONS	
NUMBER	NAME					2018	2017
1000	Collection	\$ 105,092,503	\$ 70,649,419	\$ 34,443,084	48.8	310	312
2000	Treatment	133,347,777	112,893,520	20,454,257	18.1	454	459
3000	Solids Processing	67,761,146	90,593,009	(22,831,863)	(25.2)	250	263
4000	Flood & Pollution Control	269,548,201	361,731,431	(92,183,230)	(25.5)	426	416
5000	Solids Utilization	30,378,660	27,321,901	3,056,759	11.2	40	45
7000	General Support (Debt, Retirement, Law, etc.)	505,751,199	479,560,533	26,190,666	5.5	489	547
TOTAL		\$ 1,111,879,486	\$ 1,142,749,813	\$ (30,870,327)	(2.7)	1,969	2,042

SUMMARY BY FUND		2018 BUDGET	2017 ADJUSTED BUDGET	DOLLAR INCREASE (DECREASE)	PERCENT INCREASE (DECREASE)	FTE POSITIONS	
						2018	2017
Corporate Fund		\$ 366,579,800	\$ 368,925,800	\$ (2,346,000)	(0.6)	1,912	1,983
Construction & Capital Improvements Bond Funds		303,221,800	389,076,000	(85,854,200)	(22.1)	-	-
Stormwater Management Fund		65,880,200	45,800,100	20,080,100	43.8	57	59
Retirement Fund		89,604,000	79,505,000	10,099,000	12.7	-	-
Bond Redemption & Interest Fund		256,304,186	228,825,813	27,478,373	12.0	-	-
Reserve Claim Fund		30,289,500	30,617,100	(327,600)	(1.1)	-	-
TOTAL		\$ 1,111,879,486	\$ 1,142,749,813	\$ (30,870,327)	(2.7)	1,969	2,042

ANNUAL DEBT SERVICE - PRINCIPAL AND INTEREST 2010 - 2022

This chart shows debt service for current bonds outstanding. It does not include bonds to be sold in the future, which are detailed in the Five-Year Financial Forecast on pages 58 and 66.

OUTSTANDING BONDS AND ESTIMATED STATUTORY DEBT MARGIN DECEMBER 31, 2017

BOND SERIES	DATE OF MATURITY	INTEREST RATES	AMOUNT PAYABLE
Capital Improvements Bonds - Series:			
August 2009 Limited Tax Series	2038	5.72	\$ 600,000,000
July 2011 Limited Tax Series B	2032	3.1 to 5.0	263,885,000
July 2011 Unlimited Tax Series C	2031	3.0 to 5.0	45,375,000
December 2014 Unlimited Tax Series A	2044	5.0	100,000,000
December 2014 Stormwater Alternate Revenue Series B	2044	2.0 to 5.0	48,145,000
December 2014 Limited Tax Series C	2028	2.0 to 5.0	62,535,000
June 2016 Unlimited Tax Series C	2045	5.0	30,000,000
June 2016 Limited Tax Series D	2030	5.0	20,000,000
June 2016 Stormwater Alternate Revenue Series E	2045	5.0	50,000,000
June 2016 Qualified Energy Conservation Series F	2036	4.0	4,000,000
SUBTOTAL - Capital Improvements Bonds:			\$ 1,223,940,000
Refunding Bonds - Series:			
March 2007 Unlimited Tax Series A	2022	4.0 to 5.0	\$ 111,340,000
March 2007 Unlimited Tax Series B	2035	4.0 to 5.0	91,845,000
March 2007 Limited Tax Series C	2033	4.0 to 5.0	101,860,000
December 2014 Limited Tax Series D	2022	2.0 to 5.0	59,110,000
June 2016 Unlimited Tax Series A	2031	5.0	280,930,000
June 2016 Limited Tax Series B	2031	5.0	41,330,000
SUBTOTAL - Refunding Bonds:			\$ 686,415,000
State Revolving Fund Bonds - Series:			
February 1997, 94V L171150	2018	2.50	\$ 2,117,422
January 2000, 97AA L170822	2019	2.506	6,328,097
December 2000, 97BB L171151	2020	2.535	1,881,321
July 2002, 97CC L172031	2021	2.535	10,068,822
August 2003, 97DD L171152	2023	2.905	5,683,514
July 2004, 01A L172126	2024	2.57	22,594,145
July 2004, 01B L172127	2024	2.50	26,216,060
July 2006, 01C L172128	2026	2.50	25,847,365
January 2009, 04A L172485	2028	2.50	13,893,845
January 2009, 04B L172488	2028	2.50	16,230,718
March 2007, 04C L172493	2027	2.50	1,451,922
March 2007, 04D L172494	2027	2.50	1,392,358
January 2009, 04E L172495	2028	2.50	4,751,146
March 2007, 04G L172611	2027	2.50	2,261,936
February 2009, 04H L172849	2029	2.50	35,165,782
June 2010, 07A L172625	2030	2.50	29,584,693
June 2010, 07D L172763	2030	2.50	6,747,943
July 2010, 07B L172850	2030	2.50	20,428,170
April 2011, 09H L173800	2031	0.00	496,697
April 2011, 04F L172496	2031	0.00	2,682,914
June 2011, 09B L173064	2031	0.00	5,169,013
June 2011, 09I L174675	2031	1.25	7,818,129
August 2011, 09E L173005	2031	1.25	29,106,369
September 2011, 09C L173063	2031	0.00	1,511,421
September 2011, 07C L172770	2031	0.00	45,000,000
September 2012, 09A L173074	2032	1.25	36,537,501
September 2012, 09F L174557	2032	1.25	49,651,904
July 2013, 09D L174558	2033	2.30	34,979,814
July 2013, 09G L173075	2032	1.25	24,182,912
August 2014, 12A L174710	2034	2.30	6,538,863
August 2014, 12B L174712	2034	2.30	5,600,030
July 2015, 12D L174988	2035	1.93	31,345,812
July 2015, 12E L174709	2035	1.93	5,207,899
July 2015, 12F L174989	2035	1.93	58,394,520
July 2015, 12H L174924	2035	1.93	27,838,343
July 2015, 12J L175172	2035	1.995	2,469,977
July 2015, 12K L174925	2035	1.995	12,318,415
July 2015, 12O L175166	2035	1.995	4,405,184
July 2016, 12C L174621	2036	1.995	12,499,087
July 2016, 12I L175222	2036	2.21	4,552,027
July 2016, 12L L175161	2036	2.21	29,318,155
July 2016, 12N L175164	2036	1.995	2,609,765
July 2016, 14A L173076	2036	2.21	78,072,667
July 2016, 14B L175171	2036	2.21	2,660,935
July 2016, 14J L175219	2036	2.21	2,831,200

OUTSTANDING BONDS AND ESTIMATED STATUTORY DEBT MARGIN DECEMBER 31, 2017

State Revolving Fund Bonds - Series (continued):			
December 2016, 14C L174559	2036	2.295	19,669,501
July 2017, 12M L175168	2037	2.21	10,033,324
July 2017, 14H L175355	2036	1.86	1,164,634
SUBTOTAL - State Revolving Fund Bonds:			<u>\$ 787,312,271</u>
TOTAL OUTSTANDING BONDS:			<u><u>\$ 2,697,667,271</u></u>

CALCULATION OF ESTIMATED STATUTORY DEBT MARGIN

Debt Applicable to Debt Limit:			
Outstanding Bonds	\$	2,697,667,271	
Less: Alternate Revenue Bonds Outstanding		(98,145,000)	
Bond Anticipation Note - Principal		156,000,000	
Bond Anticipation Note - Interest		1,000,000	
Capital Lease - Biosolids Facility		38,574,408	
Liabilities of Tax - Financed Funds		11,045,000	\$ 2,806,141,679
Less Applicable Assets:			
Cash and Investments - Bond Redemption & Interest Fund	\$	(112,917,005)	
Interest on Bonds Payable in Next Twelve Months		114,868,371	\$ 1,951,366
NET DEBT APPLICABLE TO LIMIT:			<u>\$ 2,808,093,045</u>
Statutory Debt Limit 5.75% of 2016 Equalized Assessed Valuation (\$140,752,201,171)			\$ 8,093,251,567
Less Net Debt Applicable to Limit			<u>2,808,093,045</u>
ESTIMATED STATUTORY DEBT MARGIN:			<u><u>\$ 5,285,158,522</u></u>

ACCOUNT SUMMARY COMPARISON

2018 - 2017 ALL FUNDS

ORGANIZATION OR FUND	Account Appropriation		Increase (Decrease)	
	2018	2017*	2018 - 2017 Dollars	Percent
Board of Commissioners	\$ 4,650,500	\$ 4,496,300	\$ 154,200	3.4
General Administration	16,343,500	17,387,400	(1,043,900)	(6.0)
Monitoring & Research	31,637,100	31,270,400	366,700	1.2
Procurement & Materials Management	9,383,500	9,567,100	(183,600)	(1.9)
Human Resources	59,106,300	60,905,400	(1,799,100)	(3.0)
Information Technology	16,903,400	17,358,600	(455,200)	(2.6)
Law	7,417,700	8,386,100	(968,400)	(11.5)
Finance	3,680,300	3,684,400	(4,100)	(0.1)
Maintenance & Operations:				
General Division	25,848,100	26,761,600	(913,500)	(3.4)
North Service Area	41,903,200	42,055,300	(152,100)	(0.4)
Calumet Service Area	36,005,200	37,210,100	(1,204,900)	(3.2)
Stickney Service Area	85,851,100	81,007,700	4,843,400	6.0
TOTAL Maintenance & Operations	\$ 189,607,600	\$ 187,034,700	\$ 2,572,900	1.4
Engineering	27,849,900	28,835,400	(985,500)	(3.4)
TOTAL Corporate Fund	\$ 366,579,800	\$ 368,925,800	\$ (2,346,000)	(0.6)
Construction Fund	24,794,100	34,450,400	(9,656,300)	(28.0)
Capital Improvements Bond Fund	278,427,700	354,625,600	(76,197,900)	(21.5)
TOTAL Capital Budget	\$ 303,221,800	\$ 389,076,000	\$ (85,854,200)	(22.1)
Stormwater Management Fund	65,880,200	45,800,100	20,080,100	43.8
Bond Redemption & Interest Fund	256,304,186	228,825,813	27,478,373	12.0
Retirement Fund	89,604,000	79,505,000	10,099,000	12.7
Reserve Claim Fund	30,289,500	30,617,100	(327,600)	(1.1)
GRAND TOTAL	<u>\$1,111,879,486</u>	<u>\$1,142,749,813</u>	<u>\$ (30,870,327)</u>	(2.7)

*Adjusted Appropriation

PERSONNEL SUMMARY COMPARISON

2018 - 2016 ALL FUNDS

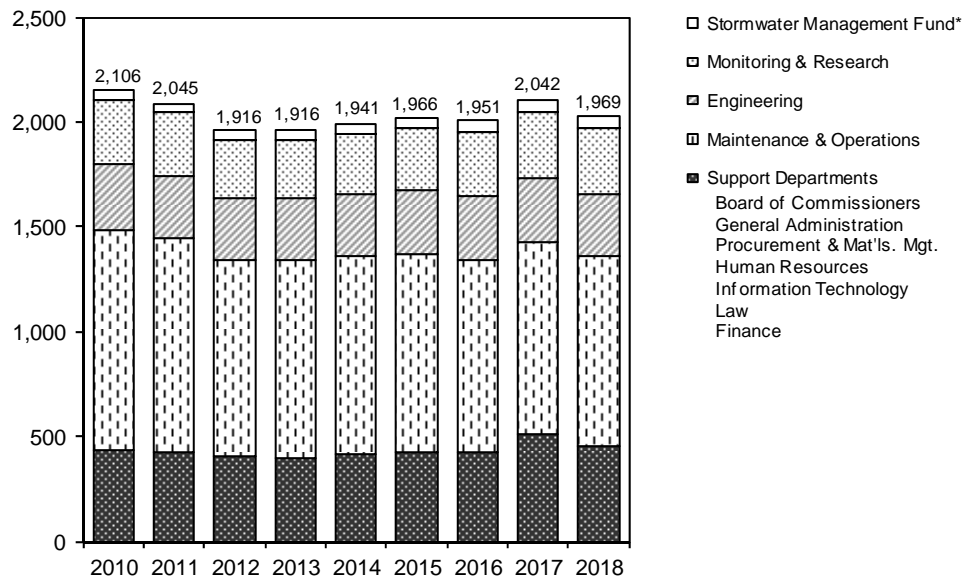
ORGANIZATION OR FUND	Proposed FTEs 2018	Budgeted FTEs 2017	Actual FTEs 2016	Increase (Decrease) 2018 - 2017	
				FTEs	Percent
Board of Commissioners	38	38	38	-	-
General Administration	121	123	121	(2)	(1.6)
Monitoring & Research	315	309	305	6	1.9
Procurement & Materials Management	63	63	62	-	-
Human Resources	91	141	73	(50)	(35.5)
Information Technology	73	75	64	(2)	(2.7)
Law	37	38	36	(1)	(2.6)
Finance	28	28	28	-	-
Maintenance & Operations:					
General Division	107	115	86	(8)	(7.0)
North Service Area	245	247	256	(2)	(0.8)
Calumet Service Area	185	188	196	(3)	(1.6)
Stickney Service Area	367	372	385	(5)	(1.3)
TOTAL Maintenance & Operations	<u>904</u>	<u>922</u>	<u>923</u>	<u>(18)</u>	<u>(2.0)</u>
Engineering	242	246	242	(4)	(1.6)
TOTAL Corporate Fund	<u>1,912</u>	<u>1,983</u>	<u>1,892</u>	<u>(71)</u>	<u>(3.6)</u>
Construction Fund	-	-	-	-	-
Capital Improvements Bond Fund	-	-	-	-	-
TOTAL Capital Budget	-	-	-	-	-
Stormwater Management Fund	57	59	59	(2)	(3.4)
Bond Redemption & Interest Fund	-	-	-	-	-
Retirement Fund	-	-	-	-	-
Reserve Claim Fund	-	-	-	-	-
GRAND TOTAL	<u><u>1,969</u></u>	<u><u>2,042</u></u>	<u><u>1,951</u></u>	<u><u>(73)</u></u>	<u><u>(3.6)</u></u>

PERSONAL SERVICE APPROPRIATIONS

Positions reported in this chart are actual positions through 2016, meaning that at some point during the year the position was filled. In 2016, 25 positions were unfilled for the entire year. In 2015, there were 16 positions that remained vacant for the entire year.

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, disposal, and environmental monitoring activities. 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.

Position History (2010-2018)



* In 2018, 57 positions for the Maintenance & Operations and Engineering Departments are budgeted in the Stormwater Management Fund, while the operations remain within the departments.

The staffing reductions in 2011 and 2012 were 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 2017 is due to the addition of 70 positions to the expanded apprenticeship program. The staffing reduction in 2018 is due to changes in the apprenticeship program, resulting in fewer positions.

The exhibit below provides the personal service appropriations for 2017 and 2018, and the actual expenditures for personal services in 2016. The District has introduced a number of initiatives in an effort to control all areas of personal service appropriations, several of which are discussed in the Budget Foreword section of this document.

Personal Service Summary - All Funds

	2016 Actual Exp.	2017 Adj. Approp.	2018 Budgeted	Increase (Decrease) 2018 - 2017	
				Dollars	Percent
Salaries of Regular Employees	\$ 179,393,577	\$ 192,669,100	\$ 191,892,000	\$ (777,100)	-0.4%
Compensation Plan Adjustments	7,037,089	7,937,700	6,723,400	(1,214,300)	-15.3%
Social Security & Medicare Contributions	2,604,667	2,766,700	2,846,200	79,500	2.9%
Employee Claims	4,713,270	8,060,200	10,060,000	1,999,800	24.8%
Other Employee Personal Services*	1,232,073	2,318,500	2,133,100	(185,400)	-8.0%
Health & Life Insurance Premiums**	43,695,382	47,261,400	47,022,800	(238,600)	-0.5%
Total	\$ 238,676,058	\$ 261,013,600	\$ 260,677,500	\$ (336,100)	-0.1%

* Includes Tuition, Training, and Non-budgeted Salaries

** Includes Other Postemployment Benefits Distribution

FIVE-YEAR FINANCIAL FORECAST

2018 - 2022

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.

Metropolitan Water Reclamation District of Greater Chicago

100 EAST ERIE STREET

CHICAGO, ILLINOIS 60611-3154

312.751.5600

October 17, 2017

SUBJECT: **FIVE-YEAR FINANCIAL FORECAST, 2018 – 2022**

Dear Sir:

I have reviewed the Five-Year Financial Forecast prepared for the fiscal years 2018 – 2022 and offer the following report and summary. Subject to your review and approval, this will be included in the 2018 Budget. These projections are a tool designed to aid the District in planning and controlling its financial position over a longer range than the 2018 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

The Property Tax Extension Limitation (Tax Cap) law of 1995, Public Act 89-1, 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 2018 is estimated to increase by 3.2 percent over 2017, as adjusted, and is projected to increase an average of 3.2 percent per year for 2019 through 2022. As noted on the graph on page 62, the 2018 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 2017 aggregate levy to be collected in 2018, depending on the 2017 CPI. It is not anticipated to be a significant reduction.

The Tax Cap law also has an impact on the future funding of the District's capital program. While the Debt Service levy is not part of the aggregate levy, under Public Act 89-0001, the District's non-referendum bond authority was restricted to fund only projects initiated prior to October 1, 1991, which generally covered only Tunnel and Reservoir Plan (TARP) projects. However, subsequent amendments authorized additional non-referendum bond authority to the extent that the total debt service requirement of any new debt when combined with existing debt service does not exceed the debt service extension base. This "limited bond" capacity was expanded for the District by passage of Public Act 90-485 in the 1997 legislative session by excluding debt issued and used for TARP projects from the limiting debt service extension base. In 2009, Public Act 96-0501 was passed which allows for an annual increase in this limiting debt service base by the lesser of five percent or the percentage increase in the CPI beginning with the 2011 levy. The debt service extension base is currently \$162.6 million and estimated to be at \$166.7 million in 2018.

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 foreseeable future.

Five-Year Financial Forecast, 2018-2022**October 17, 2017****EXPENDITURES: DEPARTMENTAL GUIDELINES AND METHODOLOGY**

The Budget Office asked each department to project its needs for the years 2018 – 2022. 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.

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;
- 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 2016 amount as provided by the Cook County Clerk, an estimated 3.0 percent increase in 2017, and a 3.0 percent increase in each year thereafter;
- 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 2.5 for the years 2018 – 2022, and allowable adjustments to EAV for new property at just under 0.7 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>	<u>Unlimited Stormwater Bonds</u>
2018			
2019			
2020	\$100 million	\$100 million	\$50 million
2021		\$100 million	\$50 million
2022		\$100 million	\$50 million

- 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 \$150 million annually in State Revolving Fund loans;
- Operating fund balances will be no less than 15.0 percent of appropriations.

APPROPRIATION FORECASTS

Total District appropriations are summarized in the exhibit on page 62, and detailed in Table I on page 63. 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 1.86 percent annually from 2018 through 2022. 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. The District has seen growth in chemical and energy from 2015-2018 based on operational needs and implementation of new processes, including chemical disinfection, but the outlook is stable for both chemicals and energy. The District's long-term benefits strategy continues to focus on rising health-care costs. Employee and retiree benefits constitute approximately 11 percent of the Corporate Fund budget. While strategies to limit cost increases have resulted in average annual increases of 2.27 percent from 2012 to 2017, benefits are projected to increase an average 7.67 percent annually over the next five years. A Medicare Advantage Plan for Medicare eligible retirees implemented in 2017 is expected to yield approximately \$2 million in annual savings to the District, which has been reflected in the forecast. The District continues to fund the Other Postemployment Benefits Trust to ensure future retiree healthcare benefits by contributing \$5 million annually through 2026.

Energy costs are expected to increase by five percent from 2017 to 2018 due primarily to the increased energy demand of operating the McCook Reservoir and increased regulatory costs. These increases are offset by a favorable energy supply rate and implementation of energy efficiency projects guided by our Strategic Business Plan goal of Energy Neutrality by 2023. Projections remain stable from 2018 through 2022. In 2016, the District extended the electricity supply contract for 2018 at a rate that is 7.2 percent lower than the 2016-2017 rate. The District has entered into an agreement with Blue Delta Energy to

Five-Year Financial Forecast, 2018-2022**October 17, 2017**

sell Renewable Energy Credits on the open market in Illinois, Maryland, and the District of Columbia. Estimated revenue is approximately \$300,000 annually. Finally, the District has performed an Energy Grade audit and entered into an agreement with the Public Building Commission and NORESO to replace lighting, controls, and steam blanket insulation at the Calumet Water Reclamation Plant.

A fund balance of 12 to 15 percent of appropriations, or within the \$44 to \$55 million range, is viewed by District management and the financial markets as necessary to maintain financial stability and sustain us through economic uncertainties. The beginning 2018 fund balance is projected to be higher, reflecting substantial restructuring over the past few years, including a reduction of 147 positions dropped between 2010 and 2018, an increase in in-house maintenance, and other operating efficiencies. Salaries are projected to increase 2.0 percent in 2019 and 1.0 percent from 2020 through 2022, while the number of positions is projected to remain stable or decrease slightly. A portion of the projected net assets will remain unappropriated to protect the downside of possible economic swings and provide for a fiscally responsible fund balance.

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 \$250 million in 2020, \$150 million in 2021 and 2022, which includes Stormwater Alternative Revenue Bonds of \$50 million each year from 2020 through 2022. No CIBF bond sales are projected in years 2018-2019. The bond sales will provide a sufficient level of available funds to continue the District's Capital Improvement Program, including the construction of the Tunnel and Reservoir/CUP Plan (Chicago Underflow Plan). By law, the District may separate the funding of its projects into "Limited" and "Unlimited Bonds." 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. The District also had language inserted into the Water Resources Development Act calling for reimbursement of funds for these projects. Due to the current federal fiscal climate, reimbursements are not expected in the near future and are not included in this projection.

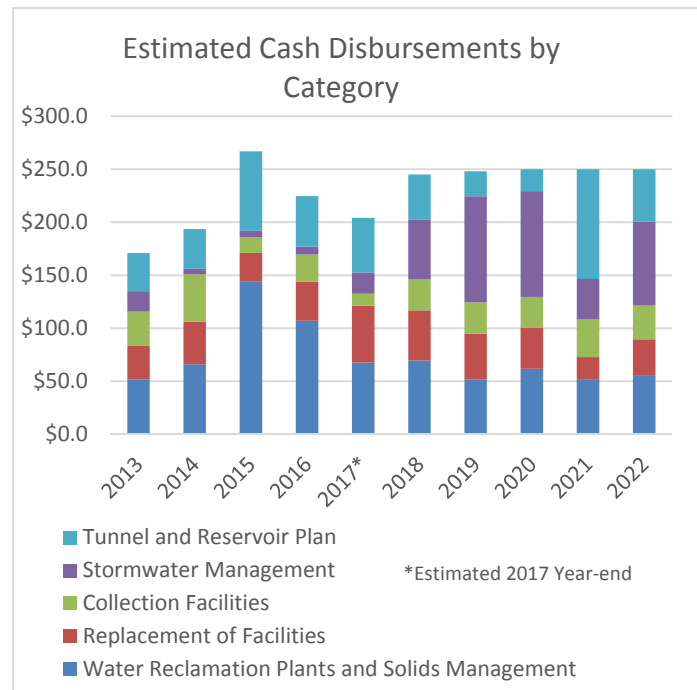
The Construction Fund is a pay as you go Capital fund used to finance modernization, rehabilitation, and small capital projects, funded primarily through annual property tax levies. However, the District plans to utilize Build America Bonds rebates to fund \$5.8 million each year from 2018 through 2020. 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 2022. In 2018, the Process Facility Capital Planning and Technology Evaluation Group will continue to update the Master Plans and prioritize and size future capital projects ensuring the most effective use of the CIBF.

Retirement, Debt Service, and Reserve Claim Funds

The appropriation for the Retirement Fund is increasing 12.7 percent from 2017 to 2018 and then will remain stable from 2019 through 2022 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.

In 2018, the District proposes to make an advance payment of \$28.4 million on State Revolving Fund loans. Adjusting for the advance payment, Debt Service Fund appropriations will increase an average of 3.25 percent annually over the next five years. 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



Five-Year Financial Forecast, 2018-2022**October 17, 2017**

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.

The appropriation for the Reserve Claim Fund is expected to remain steady at \$30.5 million annually. 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 low and stable due to an active safety education and enforcement program. In 2015, the District purchased insurance coverage for roughly \$10.5 billion in assets.

TAX LEVY FORECASTS

Overall tax levies are projected to increase an average rate of 4.1 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 2.7 percent annually from 2018 – 2022. This fund provides for day-to-day operations and has diverse sources of revenue. Property tax revenues account for 71.3 percent of 2018 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 \$4.2 million in 2018. The tax levy will be supplemented by use of \$5.8 million of Build America Bonds subsidies to fund capital projects from 2018 through 2020, to create approximately \$10 million in new funding annually. Beginning in 2012, pay-as-you-go capital projects related to equipment replacement were moved from the Corporate and Capital Improvements Bond Funds to the Construction Fund.

Stormwater Management Fund

The Stormwater Management Fund levy is projected to increase an average of 13.9 percent annually as the District continues to address local flooding issues. Regional stormwater management projects are being vetted for funding in 2018 and the following years.

Retirement Fund

The average increase projected for 2018 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 2018 through 2022, the Property Tax Levy, PPRT distribution, and the appropriation are expected to be stable.

Bond Redemption and Interest Fund

The existing tax levies for the District's Debt Service Fund are based on six refunding bonds, 10 capital improvement bonds, and 59 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 2018 through 2022 appears on page 66. The District's outstanding bonds and ability to issue additional bonds are presented on pages 547 – 550.

Reserve Claim and Working Cash Funds

The tax levy for the Reserve Claim Fund is projected to be \$6 million in 2018 and remain flat at \$5 million from 2019 through 2022. There is no levy planned for the working cash funds for this period. The District is authorized to levy a half-cent annually against taxable property for the Reserve Claim, Corporate, and Construction Working Cash funds. The Stormwater Working Cash Fund has no debt or tax levy authority. The District maintains insurance for catastrophic coverage.

The District's Board of Commissioners may, by a two-thirds vote of all its members, transfer fund balances among its working cash funds. The Corporate, Stormwater, and Construction Working Cash Funds will remain sufficiently funded by transfers among the working cash funds, themselves.

Five-Year Financial Forecast, 2018-2022**October 17, 2017****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. 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, 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. Public Act 93-0715 limits the growth of residential property EAV to seven percent annually with a maximum individual property exemption of \$20,000. This law had only a marginal impact on the revenue for funds levying their maximum rate, e.g., the Reserve Claim Fund. The seven percent limit on residential EAV increases was effective 2004 through 2006. In 2007, Public Act 95-0644 renewed the seven percent Expanded Homeowner's Exemption for an additional assessment period with new maximum exemption amounts.

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 Corporate Fund Group.

The graphs on page 62, and the tables on page 63, summarize the projected appropriations, property tax rates, and tax levies for all funds for the years 2018 through 2022. Historical comparisons can be made by reviewing the actual appropriations, tax rates, and levies for the years 2009 – 2018 on page 41.

Table II, on page 64 provides detailed revenue and tax rate projections, as well as appropriations by department and major categories for the Corporate Fund for 2018 through 2022. Corporate Fund appropriations and expenditures for the years 2009 – 2018 can be found on page 103.

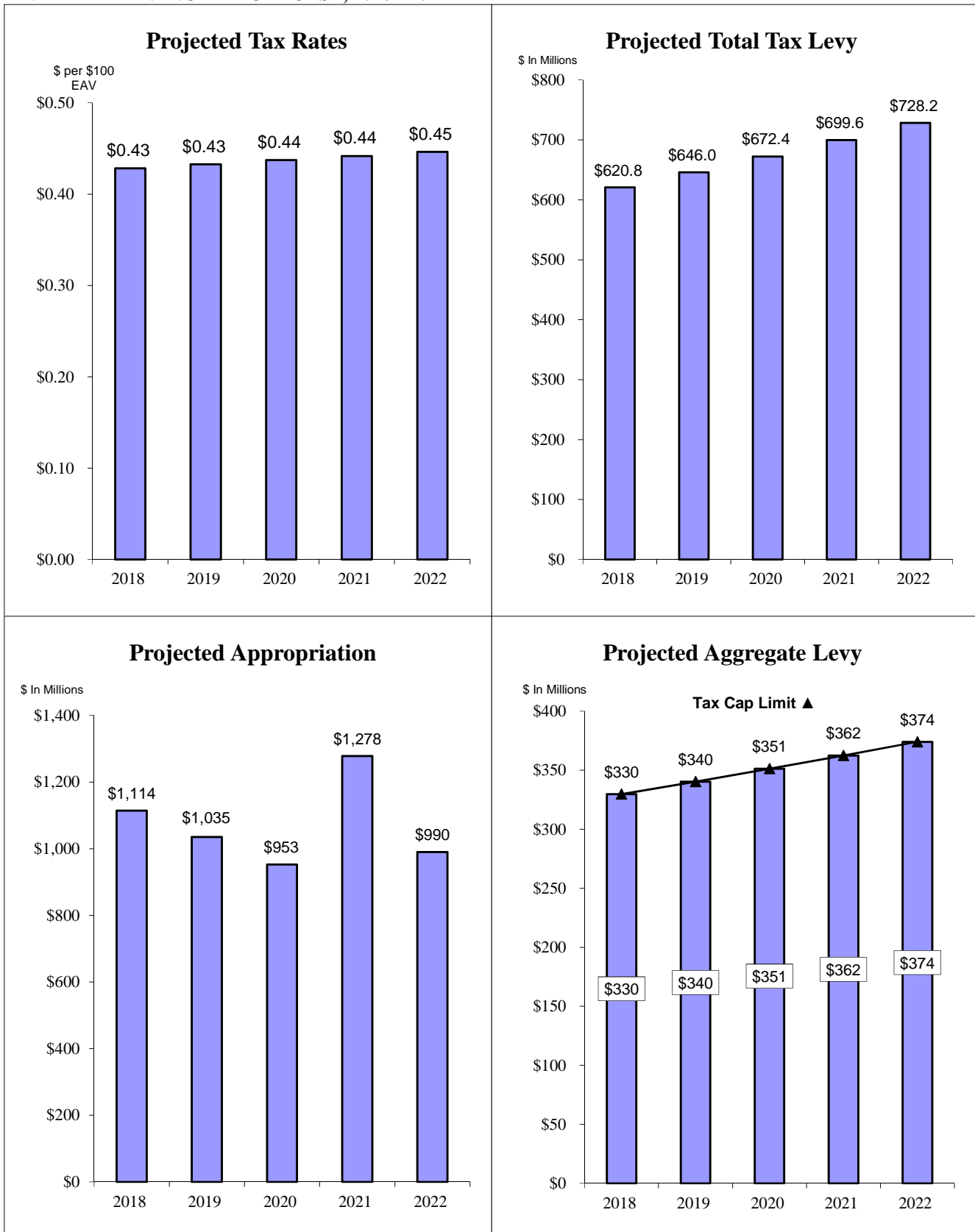
Projections for revenues, tax rates, and appropriations for the Construction Fund for the years 2018 through 2022, appear on page 65, and projected appropriable resources and appropriations for the Capital Improvements Bond Fund appear on page 66. The table on the bottom of page 64 and the exhibits on page 67 present appropriation projections by major programs. A summary of actual and projected expenditures for both funds, for the years 2013 – 2022, can be found in the Capital Improvement Program Section, on page 341.

The balance sheet statement on page 68 is prepared on a GAAP-basis of accounting and is included to show the effect on the Corporate Fund Group, which is comprised of the Corporate, Corporate Working Cash, and Reserve Claim Funds. One of the most important factors in evaluating the financial position of a government is the balance sheet of the Corporate Fund Group, which relates total assets, liabilities, and fund equity. The strength of a government's financial position is shown in its total fund equity and unreserved, undesignated fund balance. The total fund equity projection for 2018 is \$303.4 million. This total fund equity projection includes future claims in the Reserve Claim Fund. The projection for the years 2018 through 2022 shows an average of \$324.4 million.

Very truly yours,



Shellie A. Riedle
Budget Officer

FIVE-YEAR FINANCIAL FORECAST, 2018 - 2022

FIVE-YEAR FINANCIAL FORECAST, 2018 - 2022**TABLE I**

ALL FUNDS					
Projected Tax Rates	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Corporate	\$0.1710	\$0.1737	\$0.1755	\$0.1707	\$0.1687
Construction	0.0029	0.0028	0.0027	0.0088	0.0123
Stormwater Management	0.0330	0.0370	0.0410	0.0450	0.0493
Debt Service	0.1678	0.1678	0.1678	0.1678	0.1678
Retirement	0.0493	0.0480	0.0468	0.0461	0.0452
Reserve Claim	0.0041	0.0033	0.0033	0.0032	0.0031
Total (\$ in cents)	\$0.4282	\$0.4326	\$0.4372	\$0.4416	\$0.4463
Percentage Change		1.03%	1.05%	1.03%	1.05%
Projected tax rate per \$100 Equalized Assessed Valuation (EAV). Assumes 2017 EAV of \$145.0 billion increasing 3.0% in 2018 and 3.0% each year thereafter.					
Projected Tax Levies	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Corporate	\$247,966	\$259,350	\$270,000	\$270,400	\$275,300
Construction	4,200	4,200	4,200	14,000	20,000
Stormwater Management	47,826	55,206	63,048	71,365	80,371
Debt Service-Existing	243,268	244,405	240,015	236,462	233,493
Debt Service-Proposed	-	6,159	18,064	29,358	40,300
Retirement	71,534	71,686	72,029	73,059	73,746
Reserve Claim	6,000	5,000	5,000	5,000	5,000
Total Levy (\$ in thousands)	\$620,794	\$646,006	\$672,356	\$699,644	\$728,210
Percentage Change		4.06%	4.08%	4.06%	4.08%
Aggregate Levy (\$ in thousands)	\$329,700	\$340,236	\$351,229	\$362,459	\$374,046
Percentage Change		3.20%	3.23%	3.20%	3.20%
Projected Annual Appropriations	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Corporate	\$366,580	\$375,053	\$381,989	\$388,398	\$394,677
Capital Improvements Bond	280,268	218,756	128,123	434,604	126,994
Construction	24,794	13,812	11,474	14,898	20,732
Stormwater Management	65,880	60,768	64,477	66,929	69,449
Debt Service-Existing	256,304	233,038	210,829	209,032	206,785
Debt Service-Proposed	-	15,740	37,832	45,517	51,609
Retirement	89,604	87,281	87,466	87,885	89,142
Reserve Claim	30,617	30,500	30,500	30,500	30,500
Total Appropriation (\$ in thousands)	\$1,114,047	\$1,034,948	\$952,690	\$1,277,763	\$989,888
Projected Positions	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Corporate	1,898	1,896	1,895	1,894	1,892
Stormwater Management	57	56	56	56	56
Total Positions	1,955	1,952	1,951	1,950	1,948

Note: Totals are rounded.

FIVE-YEAR FINANCIAL FORECAST, 2018 - 2022

TABLE II

CORPORATE FUND						% average annual change
Five-Year Revenue and Tax Rate Projections	2018	2019	2020	2021	2022	2018 - 2022
Property Taxes	\$239,287	\$250,273	\$260,550	\$260,936	\$265,665	2.66%
Personal Property Replacement Tax	19,850	19,850	19,711	19,623	19,360	(0.62%)
User Charge	46,000	45,000	44,000	43,000	43,000	(1.67%)
Investment Income	1,300	1,900	2,100	2,200	2,300	16.50%
Land Rentals	21,500	22,000	22,500	23,000	23,500	2.25%
Sewer Permits	900	992	1,000	1,000	1,000	2.76%
Miscellaneous	2,658	2,790	2,888	2,989	3,094	3.87%
Equity Transfer	4,200	-	-	-	-	0.00%
Net Assets Appropriable	132,029	123,138	120,894	122,213	117,635	(2.80%)
Net Assets Available for Future Use	(101,143)	(90,890)	(91,654)	(86,563)	(80,876)	(5.36%)
Total Appropriable Resources (\$ in thousands)	\$366,580	\$375,053	\$381,989	\$388,398	\$394,677	1.86%
Projected Equalized Assessed Valuation (EAV) (Based on 2016 EAV, assumes 3.0% increase for 2017 and then 3.0% annually)	\$144.975 billion	\$149.324 billion	\$153.804 billion	\$158.418 billion	\$163.170 billion	
Projected Tax Rate Cents per \$100 EAV	17.1¢	17.4¢	17.6¢	17.1¢	16.9¢	
Gross Levy - assumes 3.5% uncollectible.	\$247,966	\$259,350	\$270,000	\$270,400	\$275,300	
Projected Appropriations by Major Categories	2018	2019	2020	2021	2022	2018 - 2022
Employee Cost - Salaries	\$197,639	\$201,592	\$203,608	\$205,644	\$207,700	1.25%
Employee Cost - Health Care	41,456	44,225	48,414	51,926	55,707	7.67%
Other Postemployment Benefits Trust	5,000	5,000	5,000	5,000	5,000	0.00%
Professional Services	4,768	5,090	5,141	5,192	5,244	2.44%
Energy Cost	41,762	41,867	41,971	42,076	42,181	0.25%
Chemicals	12,938	13,259	13,260	13,285	13,260	0.62%
Materials & Supplies	11,095	11,234	11,374	11,516	11,660	1.25%
Solids Disposal	10,919	11,197	11,079	10,819	10,819	(0.21%)
Contracted Solids Disposal	3,700	3,737	3,774	3,812	3,850	1.00%
Computer Systems & Telecommunications	8,233	8,406	8,706	8,979	9,039	2.37%
Repairs to Structures & Equipment	11,248	11,385	11,342	11,299	11,232	(0.03%)
Contractual Services	16,359	16,532	16,636	17,088	17,148	1.19%
Machinery & Equipment	574	579	585	591	597	1.00%
Real Estate Taxes	890	950	1,100	1,170	1,240	8.72%
Total (\$ in thousands)	\$366,580	\$375,053	\$381,989	\$388,398	\$394,677	1.86%
Projected Appropriations by Department	2018	2019	2020	2021	2022	2018 - 2022
Board of Commissioners	\$4,651	\$4,695	\$4,756	\$4,800	\$4,858	1.10%
General Administration	16,344	16,382	16,560	16,621	16,739	0.60%
Monitoring & Research	31,637	32,437	32,605	32,768	32,939	1.02%
Procurement & Materials Management	9,384	9,303	9,376	9,493	9,646	0.70%
Human Resources	59,106	61,948	66,167	69,852	73,102	5.46%
Information Technology	16,903	17,225	17,402	17,754	17,886	1.42%
Law	7,418	7,862	8,038	8,171	8,348	3.01%
Finance	3,680	3,699	3,752	3,876	3,960	1.85%
Engineering	27,850	28,382	28,653	29,101	29,281	1.26%
Maintenance & Operations	189,608	193,120	194,682	195,963	197,918	1.08%
Total (\$ in thousands)	\$366,580	\$375,053	\$381,989	\$388,398	\$394,677	1.86%
Projected Appropriation Distribution by Program	2018	2019	2020	2021	2022	2018 - 2022
1000 Collection	\$58,419	\$59,737	\$60,334	\$60,438	\$61,042	1.11%
2000 Treatment	78,179	79,847	80,622	80,928	81,488	1.04%
3000 Solids Processing	43,853	44,542	44,987	45,437	45,891	1.14%
4000 Flood & Pollution Control	39,631	40,461	40,696	41,779	41,974	1.45%
5000 Solids Disposal	21,754	22,080	22,411	22,747	23,089	1.50%
7000 General Support	124,744	128,386	132,939	137,069	141,193	3.15%
Total (\$ in thousands)	\$366,580	\$375,053	\$381,989	\$388,398	\$394,677	1.86%

Note: Totals are rounded.

FIVE-YEAR FINANCIAL FORECAST, 2018 - 2022**TABLE III**

CONSTRUCTION FUND					
Five-Year Revenue and Tax Rate Projections	2018	2019	2020	2021	2022
Property Taxes	\$4,053	\$4,053	\$4,053	\$13,510	\$19,300
Personal Property Replacement Tax	-	-	-	-	-
Equity Transfer	5,800	5,800	5,800	-	-
Investment Income & Miscellaneous Revenue	187	240	240	240	240
Net Assets Appropriable	14,754	3,719	1,381	1,148	1,192
Total Revenue & Appropriable Resources (\$ in thousands)	\$24,794	\$13,812	\$11,474	\$14,898	\$20,732
Projected Equalized Assessed Valuation (EAV) (Based on 2016 EAV, assumes 3.0% increase for 2017 and then 3.0% annually thereafter)	\$144.975 billion	\$149.324 billion	\$153.804 billion	\$158.418 billion	\$163.170 billion
Projected Tax Rate Cents per \$100 of EAV	0.3¢	0.3¢	0.3¢	0.9¢	1.2¢
Gross Levy - assumes 3.5% uncollectible rate.	\$4,200	\$4,200	\$4,200	\$14,000	\$20,000
Projected Appropriations	2018	2019	2020	2021	2022
Capital Projects	\$18,029	\$8,006	\$5,583	\$8,107	\$13,241
Professional Services	6,260	5,266	5,391	6,291	6,991
Other Charges	505	540	500	500	500
Total (\$ in thousands)	\$24,794	\$13,812	\$11,474	\$14,898	\$20,732
Projected Appropriation Distribution by Program	2018	2019	2020	2021	2022
1000 Collection	\$3,049	\$2,485	\$2,125	\$2,600	\$3,891
2000 Treatment	7,871	3,071	1,896	2,646	4,436
3000 Solids Processing	2,220	1,304	1,103	2,400	3,805
4000 Flood & Pollution Control	4,728	3,275	3,200	3,852	4,950
5000 Solids Disposal	\$3,950	\$365	\$250	\$500	\$750
7000 General Support	2,976	3,312	2,900	2,900	2,900
Total (\$ in thousands)	\$24,794	\$13,812	\$11,474	\$14,898	\$20,732

STORMWATER MANAGEMENT FUND					
Five-Year Revenue and Tax Rate Projections	2018	2019	2020	2021	2022
Property Taxes	\$46,152	\$53,274	\$60,841	\$68,867	\$77,558
Investment Income & Miscellaneous Revenue	200	300	300	400	400
Net Assets Appropriable	25,299	13,176	12,154	9,672	6,693
Equity Transfer (Debt Service for Alternate Revenue Bonds)	(5,771)	(5,982)	(8,818)	(12,010)	(15,202)
Total Revenue & Appropriable Resources (\$ in thousands)	\$65,880	\$60,768	\$64,477	\$66,929	\$69,449
Projected EAV (Based on 2016 EAV, assumes 3.0% increase for 2017 and then 3.0% annually)	\$144.975 billion	\$149.324 billion	\$153.804 billion	\$158.418 billion	\$163.170 billion
Projected Tax Rate Cents per \$100 of EAV	3.3¢	3.7¢	4.1¢	4.5¢	4.9¢
Gross Levy - assumes 3.5% uncollectible rate.	\$47,826	\$55,206	\$63,048	\$71,365	\$80,371
Projected Appropriations	2018	2019	2020	2021	2022
Employee Cost - Salaries	\$6,016	\$6,136	\$6,197	\$6,259	\$6,322
Employee Cost - Health Care	567	601	652	695	741
Contractual Services	36,048	23,337	26,451	27,416	28,102
Capital Projects	19,934	27,469	28,091	29,474	31,199
Other Charges	3,315	3,225	3,085	3,085	3,085
Total (\$ in thousands)	\$65,880	\$60,768	\$64,477	\$66,929	\$69,449
Projection Appropriation Distribution by Program	2018	2019	2020	2021	2022
4000 Flood & Pollution Control	\$65,880	\$60,768	\$64,477	\$66,929	\$69,449
Total (\$ in thousands)	\$65,880	\$60,768	\$64,477	\$66,929	\$69,449

Note: Totals are rounded.

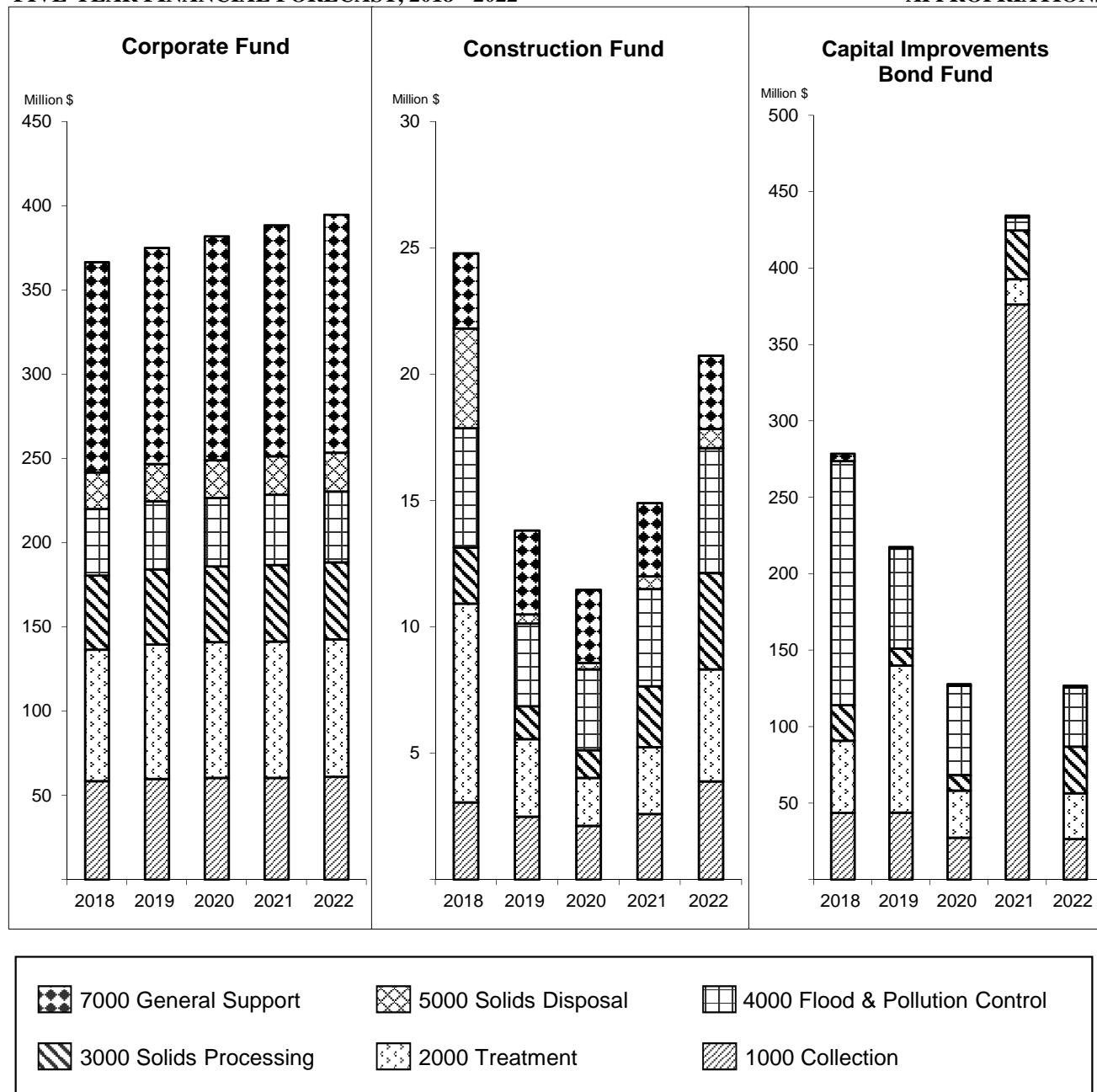
FIVE-YEAR FINANCIAL FORECAST, 2018 - 2022

TABLE IV

CAPITAL IMPROVEMENTS BOND FUND*					
Appropriable Resources (Cash)	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Bond Sales - Limited	\$ -	\$ -	\$100,000	\$ -	\$ -
Bond Sales - Unlimited	-	-	100,000	100,000	100,000
Bond Sales - Unlimited Stormwater Management	-	-	50,000	50,000	50,000
State Revolving Loan Fund Receipts	150,000	150,000	150,000	150,000	150,000
Investment Income & Grant Revenue	16,994	13,935	14,335	15,200	15,700
Beginning Cash	337,222	259,108	174,943	339,278	404,478
Total Assets Appropriable (\$ in thousands)	\$504,216	\$423,043	\$589,278	\$654,478	\$720,178
Expenditures	\$245,108	\$248,100	\$250,000	\$250,000	\$250,000
Ending Cash (\$ in thousands)	\$259,108	\$174,943	\$339,278	\$404,478	\$470,178
Projected Appropriations by Major Categories	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Professional Consulting Services	\$5,550	\$9,450	\$3,950	\$4,034	\$4,034
Capital Projects	272,833	207,921	122,788	428,873	121,263
Other Charges	1,885	1,385	1,385	1,697	1,697
Total (\$ in thousands)	\$280,268	\$218,756	\$128,123	\$434,604	\$126,994
Projected Appropriation Distribution by Program	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
1000 Collection	\$43,606	\$43,835	\$27,375	\$376,135	\$26,600
2000 Treatment	47,298	96,250	30,800	16,709	29,884
3000 Solids Processing	23,128	11,100	10,100	31,909	30,409
4000 Flood & Pollution Control	159,811	65,321	58,598	8,601	38,851
5000 Solids Disposal	4,675	1,000	1,000	1,000	1,000
7000 General Support	1,750	1,250	250	250	250
Total (\$ in thousands)	\$280,268	\$218,756	\$128,123	\$434,604	\$126,994
*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					
<u>EXISTING DEBT</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
January 1 Debt	\$2,801,872	\$2,838,855	\$2,873,881	\$3,161,330	\$3,340,979
Annual Current Debt Retirement	(113,017)	(112,049)	(103,701)	(105,426)	(106,722)
Net Debt	\$2,688,855	\$2,726,806	\$2,770,180	\$3,055,904	\$3,234,258
<u>PROPOSED FUTURE DEBT</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Annual Sale of Bonds:					
Capital Bonds - Limited	\$ -	\$ -	\$100,000	\$ -	\$ -
Capital Bonds - Unlimited	-	-	100,000	100,000	100,000
Alternate Bonds - Unlimited Stormwater	-	-	50,000	50,000	50,000
State Revolving Fund Bond Issues	150,000	150,000	150,000	150,000	150,000
Future Debt Retirement	-	(2,925)	(8,850)	(14,925)	(22,730)
Proposed New Debt (\$ in thousands)	\$150,000	\$147,075	\$391,150	\$285,075	\$277,270
<u>PROJECTED DEBT OUTSTANDING</u>	<u>\$2,838,855</u>	<u>\$2,873,881</u>	<u>\$3,161,330</u>	<u>\$3,340,979</u>	<u>\$3,511,528</u>
Gross Levy for Existing Debt	\$243,211	\$244,349	\$239,959	\$236,406	\$233,437
Gross Levy for Future Debt	-	6,159	18,064	29,358	40,300
Total Debt Levy	\$243,268	\$250,564	\$258,079	\$265,820	\$273,792
Tax Rate (cents)	16.8¢	16.8¢	16.8¢	16.8¢	16.8¢
Forecasted Stormwater Alternate Revenue Abatement**	(\$5,771)	(\$5,982)	(\$8,818)	(\$12,010)	(\$15,202)
Projected Levy After Abatement	\$237,498	\$244,582	\$249,261	\$253,809	\$258,591
Projected Equalized Assessed Valuation (EAV)***	\$144.975	\$149.324	\$153.804	\$158.418	\$163.170
	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 and used to abate taxes levied for the program.					

Note: Totals are rounded.

***Assumes a 3.0% increase in 2017, and a 3.0% increase annually thereafter.

FIVE-YEAR FINANCIAL FORECAST, 2018 - 2022**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, 2018 - 2022

Combined GAAP Balance Sheets - General Corporate Fund

(in Thousands)

Assets	2018	2019	2020	2021	2022
Cash	\$ 20,171	\$ 20,575	\$ 20,986	\$ 21,406	\$ 21,834
Restricted Cash	2,203	2,247	2,292	2,337	2,384
Investments	220,992	225,412	229,920	234,519	239,209
Receivables:					
Property Taxes	267,239	271,247	275,316	279,446	283,638
Less Allowance for Uncollectible Taxes	36,682	37,232	37,790	38,357	38,933
Net Property Taxes Receivable	230,557	234,016	237,526	241,089	244,705
Personal Property Replacement Tax	-	-	-	-	-
User Charges	5,231	5,388	5,550	5,716	5,888
Miscellaneous	10,143	10,346	10,553	10,764	10,979
Inventories	38,262	37,887	37,547	37,532	37,938
Total Assets	\$ 527,559	\$ 535,870	\$ 544,374	\$ 553,363	\$ 562,937
Liabilities and Fund Equity					
Liabilities:					
Deferred Tax Revenue	\$ 180,206	\$ 182,909	\$ 185,653	\$ 188,437	\$ 191,264
Accounts Payable and Other Liabilities	34,313	35,000	35,700	36,414	37,142
Due to Other Funds	-	-	-	-	-
Total Liabilities	\$ 214,519	\$ 217,909	\$ 221,352	\$ 224,851	\$ 228,406
Fund Equity:					
Fund Balances					
Non-spendable - Inventory	\$ 35,573	\$ 35,609	\$ 35,644	\$ 35,680	\$ 35,716
Restricted - Working Cash	287,835	292,152	296,534	300,982	305,497
Real Estate Escrow	2,407	2,409	2,412	2,414	2,416
Reserve Claim	27,670	27,947	28,226	28,509	28,794
Designated for Future Claims	-	-	-	-	-
Unreserved:					
Undesignated	(40,445)	(40,155)	(39,795)	(39,073)	(37,891)
Total Fund Equity	\$ 313,040	\$ 317,961	\$ 323,021	\$ 328,512	\$ 334,532
Total Liabilities and Fund Equity	\$ 527,559	\$ 535,870	\$ 544,374	\$ 553,363	\$ 562,937

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.

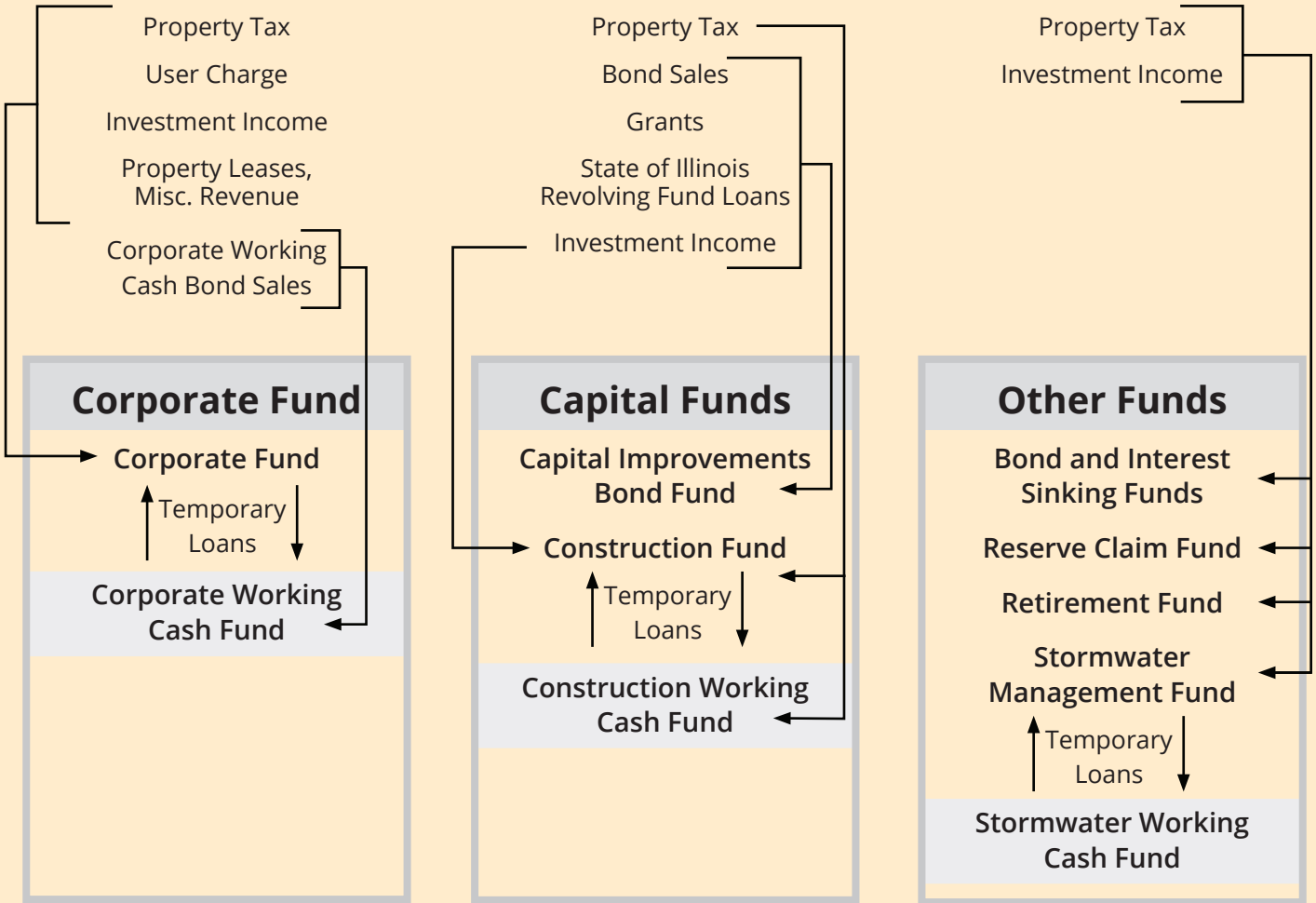
The financial statements are first presented in summary, with an overall financial narrative, then with summary statements of revenue and expenditures for 2016 through the Budget Year 2018. Consolidated statements of taxes receivable, providing historical data on tax levies, are included in this section. 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

The chart on the facing page shows the flow of money within and between these funds.

The Corporate Fund is used to pay for the operations and general expenditures of the District, not specifically chargeable to other funds. The Corporate Working Cash Fund consists of accounts maintained for the sole purpose of making temporary loans to the Corporate Fund in anticipation of tax collections. The accounts of the Corporate, Corporate Working Cash, and Reserve Claim Funds are combined and reported as the General Corporate Fund for financial reporting purposes.

The capital project funds account for resources used for the acquisition of capital facilities. The Capital Improvements Bond Fund is used for improvements, replacements, and additions to designated environmental improvement projects and accounts for the proceeds of bonds authorized by the Illinois General Assembly, grant revenues, and other revenues. Beginning in 2014, this fund is also used for larger stormwater capital projects utilizing alternate bond proceeds. The Construction Fund is used as a pay-as-you-go capital fund for the construction, replacement, or remodeling of long-term assets used in the principal functions of the District, funded primarily by a property tax levy. The Construction Working Cash Fund consists of accounts maintained for the sole purpose of making temporary loans to the Construction Fund in anticipation of tax collections. The accounts of the Construction and Construction Working Cash Funds are combined and reported as the Construction Fund for financial reporting purposes.

The Bond Redemption & Interest Fund is used for the payment of interest and redemption of general obligation bond issues. It accounts for property tax levies and certain other revenues, such as interest on investments. A subfund is created for each bond issue.

The Reserve Claim Fund is used for the payment of claims, awards, losses, or liabilities that might be imposed against the District and for the emergency replacement or repair of damaged District property. It accounts for a property tax levy and other revenues. As stated above, the accounts of the Reserve Claim Fund are included in the General Corporate Fund for financial reporting purposes.

The Stormwater Management Fund was established in 2005 by an act of the Illinois state legislature. The purpose of this fund is to account for property tax levies and certain other revenues, such as interest on investments and permit fees, which are used for planning, management, and implementation activities relating to stormwater, flood, and floodwater management in Cook County, including areas outside of the District's corporate boundaries. The Stormwater Working Cash Fund, established in 2005 by an act of the Illinois General Assembly, consists of accounts maintained for the sole purpose of making temporary loans to the Stormwater Management Fund in anticipation of tax collections. The accounts of the Stormwater Management Fund and the Stormwater Working Cash Fund are combined and reported as the Stormwater Management Fund for financial reporting purposes.

The Retirement Fund is used to fund pension costs in accordance with statutory provisions and to account for a specific property tax levy. The taxes are collected by the District and paid to the MWRD Retirement Fund, a pension trust fund.

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

FINANCIAL NARRATIVE (continued)

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 74 - 76 of the 2018 Budget and similar summaries in prior years' budgets. This is 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 67.3 percent of the 2018 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 2018 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 \$38.1 million for 2018, a increase of \$1.2 million from the 2017 Adjusted Budget or 3.3 percent. This revenue source typically trends with the state of the economy.

Exhibit 1 presents revenue from net tax sources for the years 2014 - 2018. 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 2018, an increase of 3.2 percent is forecast, consisting of an estimated 2.5 percent change in the CPI plus an estimated 0.7 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 2018, \$150.0 million in State Revolving Fund (SRF) loan revenue and \$11.1 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 2014 - 2018. The District anticipates receiving an annual allocation of up to \$150.0 million in State Revolving Fund loans in each of the next four years.

Exhibit 1

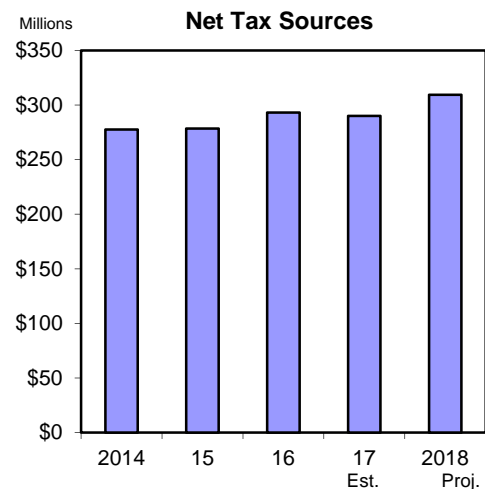
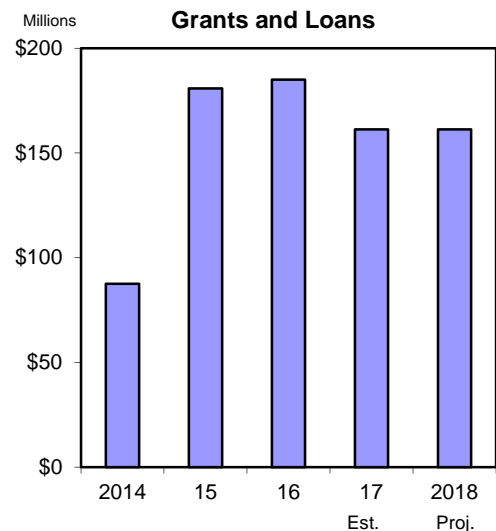


Exhibit 2



FINANCIAL NARRATIVE (continued)

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.

Tax Cap laws restrict the District's non-referendum bonding authority to funding projects initiated prior to October 1, 1991, which generally include only TARP projects. However, Public Act 89-385 provided additional non-referendum authority to the District to authorize the issuance of "limited bonds." In 1997, Public Act 90-485 was adopted and expands this "limited bond" authority by excluding bonds issued for TARP purposes from the tax extension limitation. The District's limited bonds have sold successfully and will be used in the future. In 2003, Public Act 92-143 was passed to authorize the issuance of 30 year bonds. Public Act 92-726 extended the non-referendum bonding authority from December 31, 2006 to December 31, 2016, and Public Act 96-1308, effective January 1, 2011, extended the non-referendum bonding authority from December 31, 2016 to December 31, 2024.

The Capital Funds narrative on page 89 provides a more detailed discussion. The statement of outstanding bonds and statutory debt margin on pages 51 and 52 shows the District's strong position. The Five-Year Financial Forecast on pages 58 and 66 details future bond sale projections. Bond sales are summarized in Exhibit 3.

PROPERTY, SERVICES, AND MISCELLANEOUS

Exhibit 4 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 2018 are \$46.0 million.

Land rentals, investment income, sewer permit fees, connection impact fees, and other revenues will provide an estimated \$40.7 million in 2018. 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 2018. Interest rates on short-term securities are expected to increase slightly through 2018. Our investments are predominately short-term in nature. Sewer permit revenue estimates are based on anticipated development projects and 2017 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 5 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

Exhibit 3

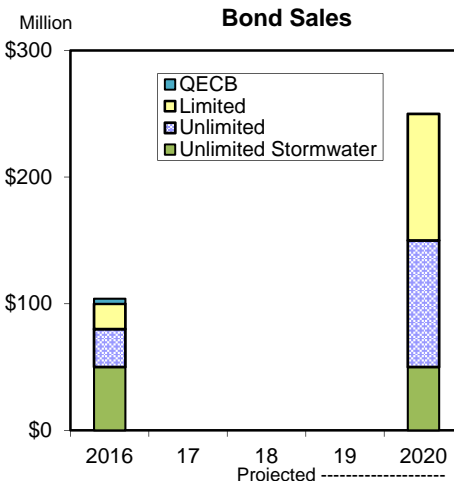


Exhibit 4

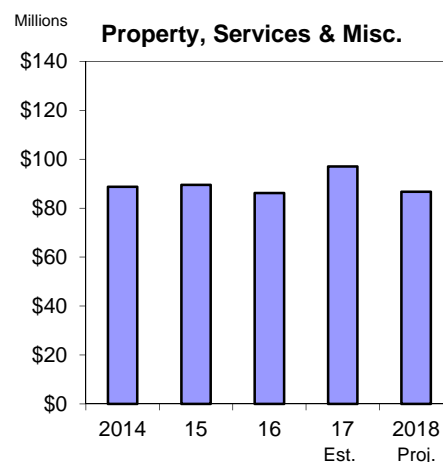
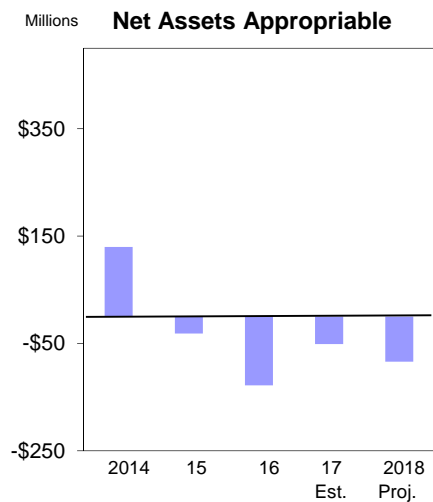


Exhibit 5



FINANCIAL NARRATIVE (continued)

amounts in 2016 - 2018 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.

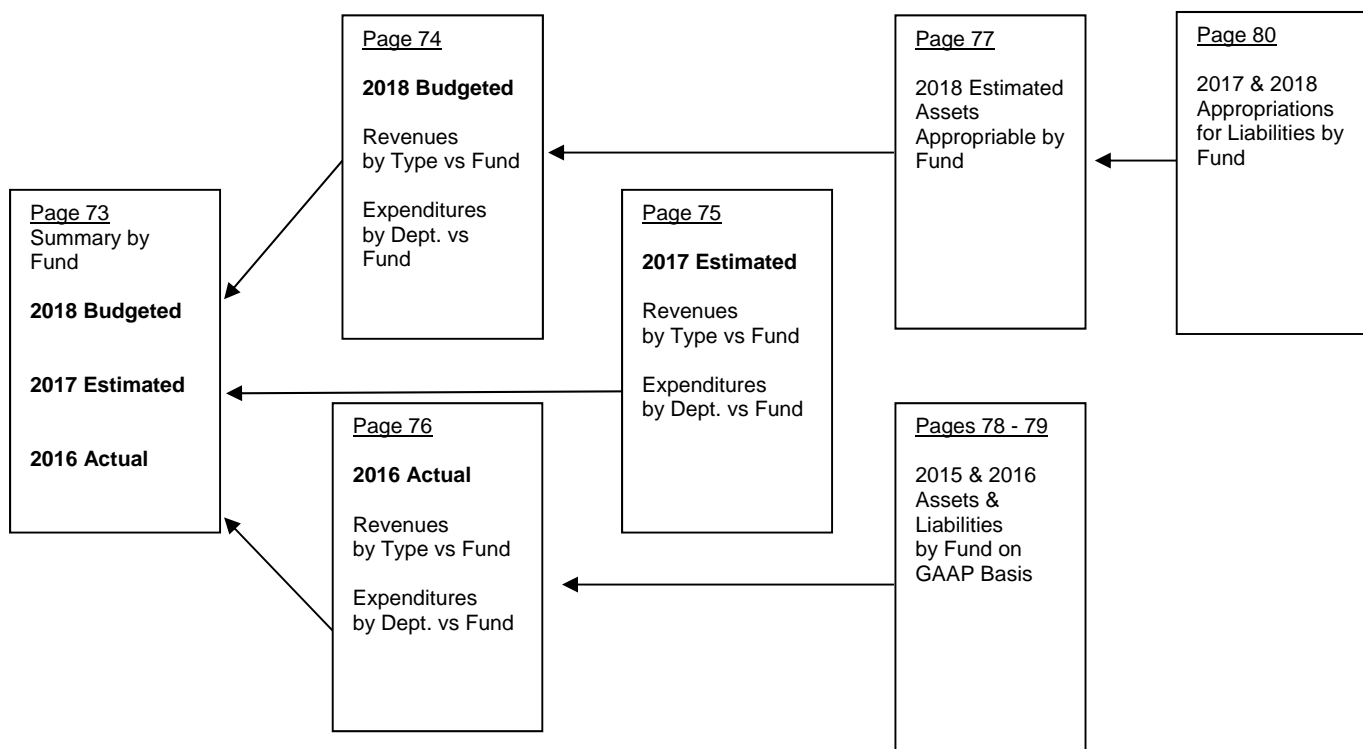
TOTAL REVENUES AND EXPENDITURES

Exhibit 6 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 2018, 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 73 - 76 provide comparisons of revenues and expenditures for all funds for the years 2016 - 2018. These statements provide a financial summarization by fund of the 2018 Budget as proposed, the estimated status at 2017 fiscal year-end, and the actual results of operations for fiscal year 2016. The relationships among the pages are diagramed below.

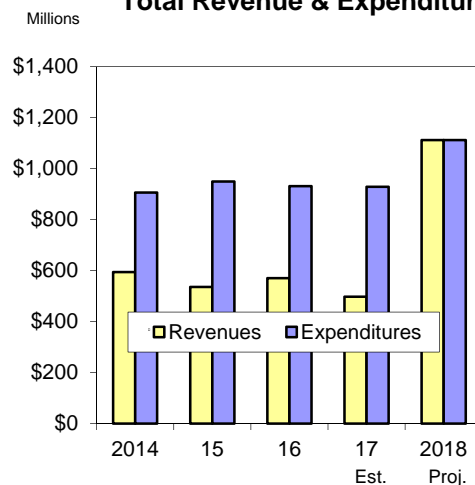


The table of taxes receivable on page 81 provides detailed data on property tax levies and tax receipts from 2013 to 2017. While 2013 through 2015 show high levels of collection, delayed refunds continue to be processed through the Property Tax Appeals Board and the Circuit Courts. Estimated refunds affecting levy years prior to 2013 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 83 through 102.

Exhibit 6

Total Revenue & Expenditures



ALL FUNDS**SUMMARY OF REVENUE, EXPENDITURES, AND NET ASSETS APPROPRIABLE ^(b)****2018 BUDGETED, 2017 ESTIMATED, AND 2016 ACTUAL**

(In Thousands)

	FUND							
	CORPORATE	CAPITAL IMPROVEMENTS BOND	CONSTRUCTION	STORMWATER MANAGEMENT	RETIREMENT ^(d)	BOND REDEMPTION & INTEREST ^(d)	RESERVE CLAIM ^(d)	TOTAL
2018 BUDGETED								
Net Assets Appropriable	\$ 132,028.9	\$ (626,092.7)	\$ 14,754.1	\$ 26,050.8	\$ 89,604.0	\$ 249,533.6	\$ 29,989.5	\$ (84,131.8)
Net Assets Appropriated	\$ 30,885.8	\$ (626,092.7)	\$ 14,754.1	\$ 26,050.8	\$ 89,604.0	\$ 249,533.6	\$ 29,989.5	\$ (185,274.9)
Revenue	335,694.0	904,520.4	10,040.0	39,829.4	-	6,770.6	300.0	1,297,154.4
Appropriation	\$ 366,579.8	\$ 278,427.7	\$ 24,794.1	\$ 65,880.2	\$ 89,604.0	\$ 256,304.2	\$ 30,289.5	\$ 1,111,879.5
2017 ESTIMATED								
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 ^(a)	322,045.2	153,769.5	24,070.0	38,971.2	-	4,289.3	243.0	543,388.2
Adjustment for 2017 receipts	5,391.3	-	456.0	(500.1)	-	-	-	5,347.2
Expenditures	(337,469.1)	(230,820.8)	(16,155.9)	(26,263.5)	(79,505.0)	(228,825.8)	(9,626.3)	(928,666.4)
Ending Net Assets Appropriable	\$ 132,028.9	\$ (626,092.7)	\$ 14,754.1	\$ 26,050.8	\$ -	\$ -	\$ 22,072.3	\$ (431,186.6)
2016 ACTUAL								
Beginning Net Assets Appropriable as adjusted ^(c)	\$ 145,889.3	\$ (609,914.9)	\$ 13,467.8	\$ 10,163.7	\$ 70,772.0	\$ 211,354.6	\$ 30,210.0	\$ (128,057.5)
Revenue	331,601.0	314,839.6	14,060.3	33,339.1	-	4,292.7	405.2	698,537.9
Expenditures	(335,428.8)	(253,966.1)	(21,144.1)	(29,659.6)	(70,772.0)	(215,647.3)	(4,786.4)	(931,404.3)
Ending Net Assets Appropriable	\$ 142,061.5	\$ (549,041.4)	\$ 6,384.0	\$ 13,843.2	\$ -	\$ -	\$ 25,828.8	\$ (360,923.9)
Adjusted NAA 1/1/2017	\$ 147,452.8		\$ 6,840.0	\$ 13,343.1				
Adjustment ^(a)	\$ 5,391.3		\$ 456.0	\$ (500.1)				

(a) Adjustment to NAA required due to current 2017 estimate on collection of property tax levies and PPRT. See the Balance Sheets and Appropriable Revenue statements 1/1/2017 for the Corporate (pages 85-86), Construction (pages 92-93), and Stormwater Management (pages 96-97) Funds. The adjustment is reflected in the 2017 revenues.

(b) This statement is a summary presentation of pages 74-77, 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

2018 BUDGETED

(In Thousands)

	FUND							
	CORPORATE	CAPITAL IMPROVEMENTS BOND*	CONSTRUCTION	STORMWATER MANAGEMENT	RETIREMENT	BOND REDEMPTION & INTEREST	RESERVE CLAIM	TOTAL
REVENUE								
Net Assets Appropriable	\$ 132,028.9	\$ (626,092.7)	\$ 14,754.1	\$ 26,050.8	\$ 89,604.0	\$ 249,533.6	\$ 29,989.5	\$ (84,131.8)
Budget Reserve	(101,143.1)	-	-	-	-	-	-	(101,143.1)
Net Property Taxes	239,287.0	-	4,053.0	46,152.1	-	-	-	289,492.1
Personal Property Replacement Tax	19,849.5	-	-	-	-	-	-	19,849.5
Working Cash Borrowings Adjustment	(4,736.5)	-	(53.0)	(752.1)	-	-	-	(5,541.6)
Bond Sales (Present & Future)	-	747,525.9	-	-	-	-	-	747,525.9
Grants (Federal & State)	-	11,294.5	-	-	-	-	-	11,294.5
Investment Income	1,300.0	3,700.0	200.0	200.0	-	1,000.0	300.0	6,700.0
State Revolving Fund Loans	-	150,000.0	-	-	-	-	-	150,000.0
Property & Services	22,400.0	-	-	-	-	-	-	22,400.0
User Charge	46,000.0	-	-	-	-	-	-	46,000.0
TIF Differential Fee & Impact Fee	2,225.0	-	40.0	-	-	-	-	2,265.0
Equity Transfer	4,200.0	(10,000.0)	5,800.0	(5,770.6)	-	5,770.6	-	-
Resource Recovery	1,600.0	-	-	-	-	-	-	1,600.0
Miscellaneous	3,569.0	2,000	-	-	-	-	-	5,569.0
TOTAL REVENUE	\$ 366,579.8	\$ 278,427.7	\$ 24,794.1	\$ 65,880.2	\$ 89,604.0	\$ 256,304.2	\$ 30,289.5	\$ 1,111,879.5
EXPENDITURES								
Board of Commissioners	\$ 4,650.5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,650.5
General Administration	16,343.5	-	-	-	-	-	-	16,343.5
Monitoring & Research	31,637.1	-	-	-	-	-	-	31,637.1
Procurement & Materials Mgmt.	9,383.5	-	-	-	-	-	-	9,383.5
Human Resources	59,106.3	-	-	-	-	-	-	59,106.3
Information Technology	16,903.4	-	-	-	-	-	-	16,903.4
Law	7,417.7	-	-	-	-	-	-	7,417.7
Finance	3,680.3	-	-	-	-	-	-	3,680.3
Engineering	27,849.9	278,427.7	24,794.1	-	-	-	-	331,071.7
Maintenance & Operations	189,607.6	-	-	-	-	-	-	189,607.6
Stormwater Management Fund	-	-	-	65,880.2	-	-	-	65,880.2
Retirement Fund	-	-	-	-	89,604.0	-	-	89,604.0
Bond Redemption & Interest Fund	-	-	-	-	-	256,304.2	-	256,304.2
Reserve Claim Fund	-	-	-	-	-	-	30,289.5	30,289.5
TOTAL EXPENDITURES	\$ 366,579.8	\$ 278,427.7	\$ 24,794.1	\$ 65,880.2	\$ 89,604.0	\$ 256,304.2	\$ 30,289.5	\$ 1,111,879.5

* 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 ESTIMATED

(In Thousands)

	FUND							
	CORPORATE	CAPITAL IMPROVEMENTS BOND*	CONSTRUCTION	STORMWATER MANAGEMENT	RETIREMENT	BOND REDEMPTION & INTEREST	RESERVE CLAIM	TOTAL
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	5,391.3	-	456.0	(500.1)	-	-	-	5,347.2
Net Property Taxes	216,108.0	-	16,405.0	39,426.0	-	-	-	271,939.0
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 (Present & Future)	-	-	-	-	-	-	-	-
Grants (Federal & State)	-	11,294.5	-	-	-	-	-	11,294.5
Investment Income	1,093.0	3,475.0	125.0	122.0	-	1,020.0	243.0	6,078.0
State Revolving Fund Loans	-	150,000.0	-	-	-	-	-	150,000.0
Property & Services	22,050.2	-	-	-	-	-	-	22,050.2
User Charge	47,000.0	-	-	-	-	-	-	47,000.0
TIF Differential Fee & Impact Fee	11,725.0	-	745.0	-	-	-	-	12,470.0
Equity Transfer	6,000	(13,000)	7,000	-	-	3,269.3	-	3,269.3
Miscellaneous	4,177.0	2,000.0	-	49.2	-	-	-	6,226.2
TOTAL REVENUE	\$ 469,498.0	\$ (395,271.9)	\$ 30,910.0	\$ 52,314.3	\$ 79,505.0	\$ 228,825.8	\$ 31,698.6	\$ 497,479.8
EXPENDITURES								
Board of Commissioners	\$ 4,241.2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	4,241.2
General Administration	16,110.9	-	-	-	-	-	-	16,110.9
Monitoring & Research	29,328.7	-	-	-	-	-	-	29,328.7
Procurement & Materials Mgmt.	8,931.9	-	-	-	-	-	-	8,931.9
Human Resources	54,292.4	-	-	-	-	-	-	54,292.4
Information Technology	15,201.4	-	-	-	-	-	-	15,201.4
Law	7,645.3	-	-	-	-	-	-	7,645.3
Finance	3,528.3	-	-	-	-	-	-	3,528.3
Engineering	25,243.8	230,820.8	16,155.9	-	-	-	-	272,220.5
Maintenance & Operations	172,945.2	-	-	-	-	-	-	172,945.2
Stormwater Management Fund	-	-	-	22,994.2	-	-	-	22,994.2
Retirement Fund	-	-	-	-	79,505.0	-	-	79,505.0
Bond Redemption & Interest Fund	-	-	-	-	-	228,825.8	-	228,825.8
Reserve Claim Fund	-	-	-	-	-	-	9,626.3	9,626.3
Equity Transfer	-	-	-	3,269.3	-	-	-	3,269.3
TOTAL EXPENDITURES	\$ 337,469.1	\$ 230,820.8	\$ 16,155.9	\$ 26,263.5	\$ 79,505.0	\$ 228,825.8	\$ 9,626.3	\$ 928,666.4

* 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

2016 ACTUAL

(In Thousands)

	FUND							
	CORPORATE	CAPITAL IMPROVEMENTS BOND*	CONSTRUCTION	STORMWATER MANAGEMENT	RETIREMENT	BOND REDEMPTION & INTEREST	RESERVE CLAIM	TOTAL
REVENUE								
Net Assets Appropriable	\$ 145,889.3	\$ (609,914.9)	\$ 13,467.8	\$ 10,163.7	\$ 70,772.0	\$ 211,354.6	\$ 30,210.0	\$ (128,057.5)
Adjustment for Receipts	11,314.8	-	(4,451.8)	721.4	-	-	-	7,584.4
Net Property Taxes	218,195.5	-	16,019.0	33,051.3	-	-	-	267,265.8
Personal Property Replacement Tax	24,676.0	-	1,100	-	-	-	-	25,776.0
Working Cash Borrowings Adjustment	(4,671.4)	-	(319.0)	(551.3)	-	-	-	(5,541.7)
Bond Sales	-	125,003.5	-	-	-	-	-	125,003.5
Grants (Federal & State)	-	11,233.7	-	-	-	-	-	11,233.7
Investment Income	1,020.7	2,395.1	178.1	117.3	-	1,020.0	403.9	5,135.1
State Revolving Fund Loans	-	173,739.0	-	-	-	-	-	173,739.0
Property & Services	22,699.3	-	-	-	-	-	-	22,699.3
User Charge	44,487.4	-	-	-	-	-	-	44,487.4
TIF Differential & Impact Fee	8,657.0	-	1,491.0	-	-	-	-	10,148.0
Equity Transfer	-	-	-	-	-	3,272.7	-	3,272.7
Miscellaneous	5,221.7	2,468.3	43.0	0.4	-	-	1.3	7,734.7
TOTAL REVENUE	\$ 477,490.3	\$ (295,075.3)	\$ 27,528.1	\$ 43,502.8	\$ 70,772.0	\$ 215,647.3	\$ 30,615.2	\$ 570,480.4
EXPENDITURES								
Board of Commissioners	\$ 4,157.6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,157.6
General Administration	15,469.4	-	-	-	-	-	-	15,469.4
Monitoring & Research	27,864.4	-	-	-	-	-	-	27,864.4
Procurement & Materials Mgmt.	8,327.6	-	-	-	-	-	-	8,327.6
Human Resources	54,540.2	-	-	-	-	-	-	54,540.2
Information Technology	14,292.5	-	-	-	-	-	-	14,292.5
Law	6,704.5	-	-	-	-	-	-	6,704.5
Finance	3,596.5	-	-	-	-	-	-	3,596.5
Engineering	26,039.0	253,966.1	21,144.1	-	-	-	-	301,149.2
Maintenance & Operations	174,437.1	-	-	-	-	-	-	174,437.1
Stormwater Management Fund	-	-	-	26,386.9	-	-	-	26,386.9
Retirement Fund	-	-	-	-	70,772.0	-	-	70,772.0
Bond Redemption & Interest Fund	-	-	-	-	-	215,647.3	-	215,647.3
Reserve Claim Fund	-	-	-	-	-	-	4,786.4	4,786.4
Equity Transfer	-	-	-	3,272.7	-	-	-	3,273
TOTAL EXPENDITURES	\$ 335,428.8	\$ 253,966.1	\$ 21,144.1	\$ 29,659.6	\$ 70,772.0	\$ 215,647.3	\$ 4,786.4	\$ 931,404.6

* 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 2018**

DESCRIPTION	FUND							TOTAL
	CORPORATE	CAPITAL IMPROVEMENTS BOND	CONSTRUCTION	STORMWATER MANAGEMENT	RETIREMENT	BOND REDEMPTION & INTEREST	RESERVE CLAIM	
2018 Revenue	\$ 331,494,000	\$ 914,520,400	\$ 4,240,000	\$ 45,600,000	-	\$ 1,000,000	\$ 300,000	\$ 1,297,154,400
Resources Available at 01/01/18	356,901,459	488,163,405	30,394,100	56,116,008	89,604,000	339,534,610	30,230,716	1,390,944,298
Total Resources	\$ 688,395,459	\$ 1,402,683,805	\$ 34,634,100	\$ 101,716,008	\$ 89,604,000	\$ 340,534,610	\$ 30,530,716	\$ 2,688,098,698
Liabilities:								
Liabilities and Designations at 01/01/18	224,872,559	1,114,256,105	15,640,000	30,065,208	-	90,001,024 *	241,216	1,475,076,112
Equity Transfer	4,200,000	(10,000,000)	5,800,000	(5,770,600)	-	5,770,600	-	-
Budget Reserve	101,143,100	-	-	-	-	-	-	101,143,100
ASSETS								
APPROPRIABLE	<u>\$ 366,579,800</u>	<u>\$ 278,427,700</u>	<u>\$ 24,794,100</u>	<u>\$ 65,880,200</u>	<u>\$ 89,604,000</u>	<u>\$ 256,304,186</u>	<u>\$ 30,289,500</u>	<u>\$ 1,111,879,486</u>

* Future Years' Principal and Interest

GAAP Basis Statement From 2016 CAFR - Exhibit A-1

Governmental Funds Balance Sheets / Statements of Net Assets

December 31, 2016 (with comparative amounts for prior year)

(in thousands of dollars)

	General Corporate Fund		Debt Service Fund		Capital Improvements Bond Fund	
	2016	2015	2016	2015	2016	2015
Assets						
Cash	\$ 19,388	\$ 57,769	\$ 3,478	\$ 15,826	\$ 7,514	\$ 92,764
Certificates of deposit	65,675	4,498	20,009	2,014	82,187	16,617
Investments (note 4)	146,736	174,547	92,185	90,831	233,557	202,441
Prepaid insurance	2,117	2,137	-	-	-	-
Taxes receivable, net (note 5)	223,793	224,745	219,040	216,631	-	-
Other receivables, net (note 5)	14,294	8,720	-	-	97,261	41,521
Due from other funds (note 12)	101	77	-	-	-	-
Restricted deposits	285	1,405	-	-	-	-
Inventories	35,502	37,623	-	-	-	-
Capital assets not being depreciated (note 6)	-	-	-	-	-	-
Capital assets being depreciated, net (note 6)	-	-	-	-	-	-
Total Assets	\$ 507,891	\$ 511,521	\$ 334,712	\$ 325,302	\$ 420,519	\$ 353,343
Deferred outflows of resources:						
Loss on prior debt refunding	-	-	-	-	-	-
Deferred outflows for employer contributions	-	-	-	-	-	-
Deferred outflows for other pension amounts	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows of resources	\$ 507,891	\$ 511,521	\$ 334,712	\$ 325,302	\$ 420,519	\$ 353,343
Liabilities, Fund Balances / Net Assets						
Liabilities:						
Accounts payable and other liabilities (note 5)	\$ 28,126	\$ 28,815	\$ -	\$ -	\$ 45,543	\$ 48,760
Due to Pension Trust Fund (note 12)	-	-	-	-	-	-
Due to other funds (note 12)	-	-	-	-	-	-
Accrued interest payable	-	-	-	-	-	-
Unearned Revenue (note 5)	4,855	4,222	-	-	-	-
Long-term liabilities: (note 11)						
Due within one year	-	-	-	-	-	-
Due in more than one year	-	-	-	-	-	-
Total Liabilities	\$ 32,981	\$ 33,037	\$ -	\$ -	\$ 45,543	\$ 48,760
Deferred inflows of resources:						
Unavailable tax revenue (note 5)	174,919	191,372	171,204	184,496	-	-
Other unavailable/unearned revenue (note 5)	-	-	-	-	941	933
Total deferred inflows of resources	\$ 174,919	\$ 191,372	\$ 171,204	\$ 184,496	\$ 941	\$ 933
Fund Balances/Net Assets:						
Nonspendable for prepaid insurance	2,117	2,137	-	-	-	-
Nonspendable for inventories	35,502	37,623	-	-	-	-
Restricted for deposits	285	1,405	-	-	-	-
Restricted for working cash	279,390	278,852	-	-	-	-
Restricted for reserve claims	27,125	25,522	-	-	-	-
Restricted for debt service	-	-	163,508	140,806	-	-
Restricted for capital projects	-	-	-	-	228,694	175,730
Restricted for construction	-	-	-	-	-	-
Assigned	-	-	-	-	145,341	127,920
Unassigned (Deficit)	(44,428)	(58,427)	-	-	-	-
Total Fund Balances	\$ 299,991	\$ 287,112	\$ 163,508	\$ 140,806	\$ 374,035	\$ 303,650
Total Liabilities, Deferred Inflows and Fund Balances	\$ 507,891	\$ 511,521	\$ 334,712	\$ 325,302	\$ 420,519	\$ 353,343
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						

Notes reference the 2016 CAFR of the District - Available on the Internet at www.mwrd.org

Metropolitan Water Reclamation District of Greater Chicago

Retirement Fund		Other Governmental / Nonmajor Funds		Total Governmental Activities		Adjustments (Note 2a)		Statements of Net Assets	
2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
\$ -	\$ -	\$ 5,081	\$ 7,342	\$ 35,461	\$ 173,701	\$ -	\$ -	\$ 35,461	\$ 173,701
-	-	5,003	502	172,874	23,631	-	-	172,874	23,631
-	-	31,360	50,305	503,838	518,124	-	-	503,838	518,124
-	-	1	-	2,118	2,137	-	-	2,118	2,137
69,200	61,566	45,865	39,131	557,898	542,073	-	-	557,898	542,073
-	-	-	745	111,555	50,986	-	-	111,555	50,986
-	-	-	-	101	77	(101)	(77)	-	-
-	-	-	-	285	1,405	-	-	285	1,405
-	-	-	-	35,502	37,623	-	-	35,502	37,623
-	-	-	-	-	-	5,730,902	5,571,371	5,730,902	5,571,371
-	-	-	-	-	-	1,696,032	1,710,649	1,696,032	1,710,649
\$ 69,200	\$ 61,566	\$ 87,310	\$ 98,025	\$ 1,419,632	\$ 1,349,757	\$ 7,426,833	\$ 7,281,943	\$ 8,846,465	\$ 8,631,700
-	-	-	-	-	-	5,426	12,511	5,426	12,511
-	-	-	-	-	-	80,259	71,041	80,259	71,041
-	-	-	-	-	-	107,700	20,415	107,700	20,415
-	-	-	-	-	-	193,385	103,967	193,385	103,967
\$ 69,200	\$ 61,566	\$ 87,310	\$ 98,025	\$ 1,419,632	\$ 1,349,757	\$ 7,620,218	\$ 7,385,910	\$ 9,039,850	\$ 8,735,667
\$ -	\$ -	\$ 5,430	\$ 11,785	\$ 79,099	\$ 89,360	\$ -	\$ -	\$ 79,099	\$ 89,360
20,051	13,867	-	-	20,051	13,867	60,208	57,174	80,259	71,041
-	-	101	77	101	77	(101)	(77)	-	-
-	-	-	-	-	-	16,145	14,924	16,145	14,924
-	-	-	-	4,855	4,222	-	-	4,855	4,222
-	-	-	-	-	-	140,400	123,555	140,400	123,555
-	-	-	-	-	-	4,179,147	3,903,359	4,179,147	3,903,359
\$ 20,051	\$ 13,867	\$ 5,531	\$ 11,862	\$ 104,106	\$ 107,526	\$ 4,395,799	\$ 4,098,935	\$ 4,499,905	\$ 4,206,461
49,149	47,699	35,849	33,331	431,121	456,898	(431,121)	(456,898)	-	-
-	-	-	-	941	933	(941)	(933)	-	-
\$ 49,149	\$ 47,699	\$ 35,849	\$ 33,331	\$ 432,062	\$ 457,831	\$ (432,062)	\$ (457,831)	\$ -	\$ -
-	-	1	-	2,118	2,137	(2,118)	(2,137)	-	-
-	-	-	-	35,502	37,623	(35,502)	(37,623)	-	-
-	-	-	-	285	1,405	(285)	(1,405)	-	-
-	-	59,454	59,163	338,844	338,015	(338,844)	(338,015)	-	-
-	-	-	-	27,125	25,522	(27,125)	(25,522)	-	-
-	-	-	-	163,508	140,806	(163,508)	(140,806)	-	-
-	-	-	-	228,694	175,730	(228,694)	(175,730)	-	-
-	-	-	2,759	-	2,759	-	(2,759)	-	-
-	-	-	-	145,341	127,920	(145,341)	(127,920)	-	-
-	-	(13,525)	(9,090)	(57,953)	(67,517)	57,953	67,517	-	-
\$ -	\$ -	\$ 45,930	\$ 52,832	\$ 883,464	\$ 784,400	\$ (883,464)	\$ (784,400)	-	-
\$ 69,200	\$ 61,566	\$ 87,310	\$ 98,025	\$ 1,419,632	\$ 1,349,757	\$ 4,591,899	\$ 4,630,463	\$ 4,591,899	\$ 4,630,463
						279,390	278,852	279,390	278,852
						2,128	6,499	2,128	6,499
						318,575	310,383	318,575	310,383
						75,762	-	75,762	-
						22,070	21,947	22,070	21,947
						37,384	37,216	37,384	37,216
						(787,263)	(756,154)	(787,263)	(756,154)
						\$ 4,539,945	\$ 4,529,206	\$ 4,539,945	\$ 4,529,206

APPROPRIATION FOR LIABILITIES - BY FUND

JANUARY 1, 2018 AND 2017

CORPORATE FUND	2018	2017
Unpaid Bills:		
Accrued Salaries & Wages	\$ 3,850,000	\$ 2,827,328
Personal Services - Other	1,022,559	-
Payroll Withholding & Miscellaneous	2,000,000	2,500,000
Contractual Services	28,000,000	18,045,000
Due to Corporate Working Cash Fund	190,000,000	180,000,000
Designated for Future Claims Liabilities	-	-
Total Liabilities of Corporate Fund	\$ 224,872,559	\$ 203,372,328
CONSTRUCTION FUND		
Unpaid Bills:		
Contracts Payable	\$ 2,340,000	\$ 3,162,000
Contractual Services	1,300,000	-
Machinery & Equipment		297,100
Due to Construction Working Cash Fund	12,000,000	12,000,000
Total Liabilities of Construction Fund	\$ 15,640,000	\$ 15,459,100
CAPITAL IMPROVEMENTS BOND FUND		
Unpaid Bills:		
Contractual Services	\$ 73,937,199	\$ 73,761,112
Contracts Payable	1,040,318,906	833,423,020
Total Liabilities of Capital Improvements Bond Fund	\$ 1,114,256,105	\$ 907,184,132
RESERVE CLAIM FUND		
Accounts Payable & Other Liabilities	\$ 241,216	\$ 400,000
BOND REDEMPTION & INTEREST FUND		
Future Payment of Principal & Interest	\$ 256,304,186	\$ 110,582,352
STORMWATER MANAGEMENT FUND		
Accrued Salaries & Wages	\$ 104,000	\$ 632,368
Vouchers Payable	2,000,000	
Contracts Payable	1,461,208	\$ 6,406,300
Due to Stormwater Working Cash Fund	26,500,000	26,500,000
Total Liabilities of Stormwater Management Fund	\$ 30,065,208	\$ 33,538,668
TOTAL LIABILITIES JANUARY 1, 2018 AND 2017	\$ 1,641,379,274	\$ 1,270,536,580

**STATEMENT OF TAXES RECEIVABLE FOR 2017 AND PRIOR YEARS AT JANUARY 1, 2018
INCLUDING THE ESTIMATED COLLECTIONS FOR THE YEAR 2018**

YEAR FUND		TAX EXTENSION	COLLECTED THRU 12/31/17	%	UNCOLLECTED AT 12/31/17	RESERVE \$	%	ESTIMATED NET TAXES RECEIVABLE	CASH ESTIMATED IN 2018
2017	Corporate	\$ 223,946,065	\$ -	0%	\$ 223,946,065	\$ 7,838,112	3.5%	\$ 216,107,953	\$ 218,347,413
	Bond Redemption & Interest	233,887,123	-	0%	233,887,123	8,186,049	3.5%	225,701,074	228,039,945
	Retirement	73,438,135	-	0%	73,438,135	2,570,335	3.5%	70,867,800	70,867,800
	Construction	17,000,000	-	0%	17,000,000	595,000	3.5%	16,405,000	16,575,000
	Stormwater Management	40,856,008	-	0%	40,856,008	1,429,960	3.5%	39,426,048	39,834,608
	Reserve Claim	5,900,000	-	0%	5,900,000	206,500	3.5%	5,693,500	5,752,500
	Total	\$ 595,027,331	\$ -	0%	\$ 595,027,331	\$ 20,825,956	3.5%	\$ 574,201,375	\$ 579,417,266
2016	Corporate	\$ 226,742,879	\$ 221,074,307	97.5%	\$ 5,668,572	\$ 7,936,001	3.5%	\$ -	\$ 2,494,172
	Bond Redemption & Interest	225,714,902	220,072,029	97.5%	5,642,873	7,900,022	3.5%	-	2,482,864
	Retirement	65,161,200	63,532,170	97.5%	1,629,030	2,280,642	3.5%	-	-
	Construction	13,784,956	13,440,332	97.5%	344,624	482,473	3.5%	-	151,635
	Stormwater Management	34,250,000	33,393,750	97.5%	856,250	1,198,750	3.5%	-	376,750
	Reserve Claim	5,800,000	5,655,000	97.5%	145,000	203,000	3.5%	-	63,800
	Total	\$ 571,453,937	\$ 557,167,588	97.5%	\$ 14,286,349	\$ 20,000,888	3.5%	\$ -	\$ 5,569,221
2015	Corporate	\$ 227,659,785	\$ 224,472,548	98.6%	\$ 3,187,237	\$ 7,968,092	3.5%	\$ -	\$ (1,593,618)
	Bond Redemption & Interest	224,487,727	221,344,899	98.6%	3,142,828	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	14,984,195	98.6%	212,757	531,893	3.5%	-	(106,379)
	Stormwater Management	24,050,000	23,713,300	98.6%	336,700	841,750	3.5%	-	(168,350)
	Reserve Claim	5,700,000	5,620,200	98.6%	79,800	199,500	3.5%	-	(39,900)
	Total	\$ 555,098,464	\$ 546,109,002	98.4%	\$ 8,989,462	\$ 19,428,445	3.5%	\$ -	\$ (3,479,661)
2014	Corporate	\$ 230,415,559	\$ 227,420,157	98.7%	\$ 2,995,402	\$ 8,064,545	3.5%	\$ -	\$ (1,612,909)
	Bond Redemption & Interest	218,319,348	215,481,196	98.7%	2,838,152	7,641,177	3.5%	-	(1,528,235)
	Retirement	50,530,700	48,762,126	96.5%	1,768,574	1,768,575	3.5%	-	-
	Construction	17,400,000	17,173,800	98.7%	226,200	609,000	3.5%	-	(121,800)
	Stormwater Management	21,000,000	20,727,000	98.7%	273,000	735,000	3.5%	-	(147,000)
	Reserve Claim	3,000,000	2,961,000	98.7%	39,000	105,000	3.5%	-	(21,000)
	Total	\$ 540,665,607	\$ 532,525,279	98.5%	\$ 8,140,328	\$ 18,923,297	3.5%	\$ -	\$ (3,430,944)
2013	Corporate	\$ 224,399,734	\$ 219,687,340	97.9%	\$ 4,712,394	\$ 7,853,991	3.5%	\$ -	\$ (673,199)
	Bond Redemption & Interest	201,388,786	197,159,621	97.9%	4,229,165	7,048,608	3.5%	-	(604,166)
	Retirement	51,620,700	50,330,183	97.5%	1,290,517	1,806,725	3.5%	-	-
	Construction	11,079,300	10,846,635	97.9%	232,665	387,776	3.5%	-	(33,238)
	Stormwater Management	20,000,000	19,580,000	97.9%	420,000	700,000	3.5%	-	(60,000)
	Reserve Claim	6,170,977	6,041,386	97.9%	129,591	215,984	3.5%	-	(18,513)
	Total	\$ 514,659,497	\$ 503,645,165	97.9%	\$ 11,014,332	\$ 18,013,084	3.5%	\$ -	\$ (1,389,116)
Prior Years' Levies	Corporate								\$ (224,400)
	Bond Redemption & Interest								(201,389)
	Retirement								-
	Construction								(11,079)
	Stormwater Management								(20,000)
	Reserve Claim								(6,171)
Total									\$ (463,039)
RECAPITULATION BY FUND									
Corporate		\$ 1,133,164,022	\$ 892,654,352		\$ 240,509,670	\$ 39,660,741		\$ 216,107,953	\$ 216,737,459
Bond Redemption & Interest		1,103,797,886	854,057,745		249,740,141	38,632,926		225,701,074	226,617,605
Retirement		298,754,735	218,598,339		80,156,396	10,456,417		70,867,800	70,867,800
Construction		74,461,208	56,444,962		18,016,246	2,606,142		16,405,000	16,454,139
Stormwater Management		140,156,008	97,414,050		42,741,958	4,905,460		39,426,048	39,816,008
Reserve Claim		26,570,977	20,277,586		6,293,391	929,984		5,693,500	5,730,716
Total		\$ 2,776,904,836	\$ 2,139,447,034		\$ 637,457,802	\$ 97,191,670		\$ 574,201,375	\$ 576,223,727

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

YEAR	FUND	BUDGETED RECEIVABLE	ACTUAL/ESTIMATED COLLECTED THROUGH 2017	CASH ESTIMATED IN 2018
2018	Corporate	\$ 19,849,500	\$ -	\$ -
	Retirement	18,250,500	-	-
	Construction	-	-	-
	Reserve Claim	-	-	-
	Corporate Working Cash	-	-	-
	Construction Working Cash	-	-	-
	Stormwater Working Cash	-	-	-
	Total	\$ 38,100,000	\$ -	\$ -
2017	Corporate	\$ 18,164,000	\$ -	\$ 18,164,000
	Retirement	18,736,200	-	18,736,200
	Construction	-	-	-
	Reserve Claim	-	-	-
	Corporate Working Cash	-	-	-
	Construction Working Cash	-	-	-
	Stormwater Working Cash	-	-	-
	Total	\$ 36,900,200	\$ -	\$ 36,900,200
2016	Corporate	\$ 17,675,500	\$ 24,377,303	\$ -
	Retirement	16,624,500	16,624,500	-
	Construction	1,100,000	-	-
	Reserve Claim	-	-	-
	Corporate Working Cash	-	-	-
	Construction Working Cash	-	-	-
	Stormwater Working Cash	-	-	-
	Total	\$ 35,400,000	\$ 41,001,803	\$ -
2015	Corporate	\$ 23,101,600	\$ 23,435,980	\$ -
	Retirement	14,798,400	14,798,400	-
	Construction	-	-	-
	Reserve Claim	-	-	-
	Corporate Working Cash	-	-	-
	Construction Working Cash	-	-	-
	Stormwater Working Cash	-	-	-
	Total	\$ 37,900,000	\$ 38,234,380	\$ -
2014	Corporate	\$ 18,608,149	\$ 30,257,802	\$ -
	Retirement	12,891,851	12,891,900	-
	Construction	10,500,000	-	-
	Reserve Claim	-	-	-
	Corporate Working Cash	-	-	-
	Construction Working Cash	-	-	-
	Stormwater Working Cash	-	-	-
	Total	\$ 42,000,000	\$ 43,149,702	\$ -
2013	Corporate	\$ 28,830,000	\$ 27,308,644	\$ -
	Retirement	13,170,000	13,170,000	-
	Construction	-	-	-
	Reserve Claim	-	-	-
	Corporate Working Cash	-	-	-
	Construction Working Cash	-	-	-
	Stormwater Working Cash	-	-	-
	Total	\$ 42,000,000	\$ 40,478,644	\$ -

CORPORATE FUND FINANCIAL NARRATIVE

The Corporate Fund is the general fund of the District. It is used to account for the general operations and expenditures of the District. The 2018 budget recommendation is \$366.8 million, a decrease of \$2.3 million, or 0.6 percent, from the 2017 Adjusted Budget.

Property taxes are the major source of revenue for the Corporate Fund. In 2018, the net property tax levy will provide 65.3 percent of the fund's revenue. The property tax levy proposed for 2018 is \$248.0 million, an increase of 24.0 million, or 10.7 percent, from the 2017 Adjusted Levy. Since 2014, the Corporate Fund property tax levy has decreased annually as the District prioritized growth in the aggregate levy allowed under the Tax Cap laws to fund statutory increases in pension liability and pay-as-you-go construction projects funding through the Construction Fund. In 2018, while the Corporate Fund levy is increasing, decreases in the Construction Fund and Retirement Fund property tax levies keep the increase in aggregate to an estimated 3.2 percent.

The Corporate Fund also receives significant funding from user charge revenue, estimated at \$46.0 million in 2018, a \$1.0 million decrease from the 2017 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.

User charge rates and revenues parallel changes in operations and maintenance costs. User charge rates are based on United States Environmental Protection Agency-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 \$19.8 million for 2018, an increase of \$1.7 million compared to the 2017 Budget, but flat to the 2017 projected year-end of \$21.5 for the Corporate Fund. The PPRT is allocated first to the Retirement Fund to pay 20.9 percent of the Retirement Fund total levy.

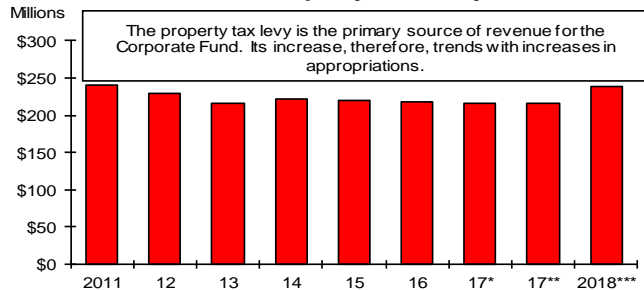
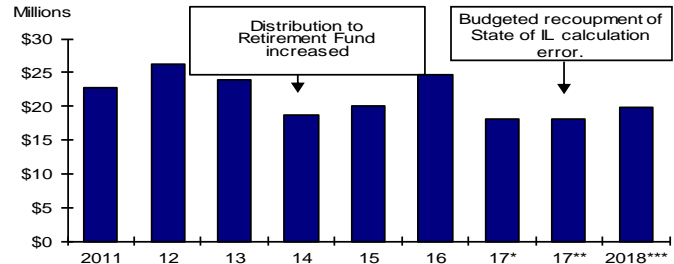
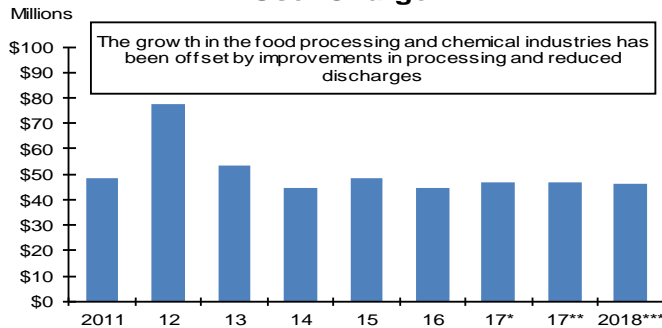
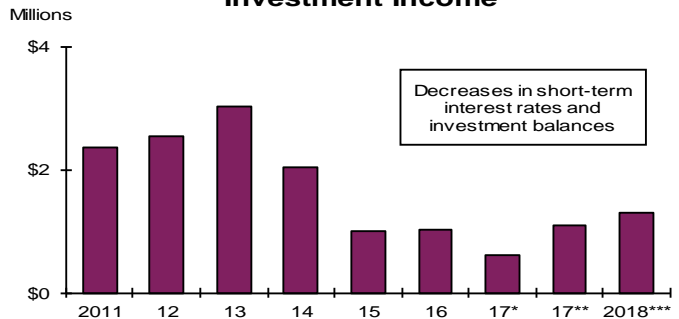
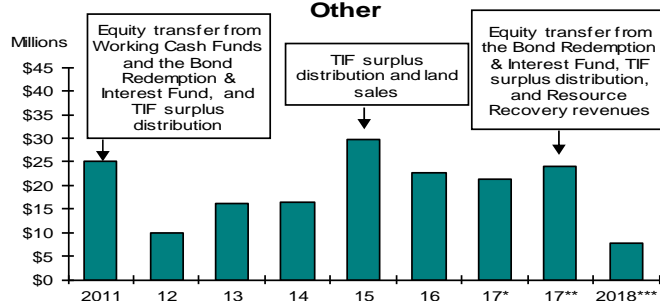
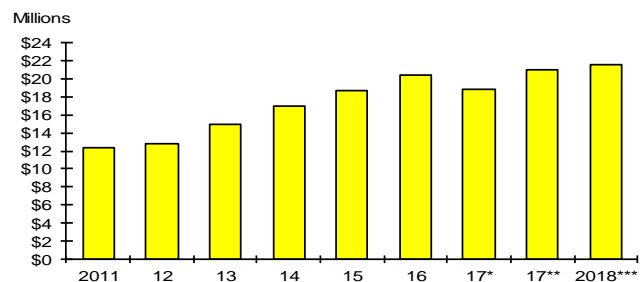
In 2018, land rental revenue is budgeted at \$21.5 million, an increase of \$1.5 million from the 2017 Original Budget. Real estate income for the District has trended upwards in recent years. Expiring leases are reviewed and necessary environmental or other types of property remediation are performed, when possible, well ahead of lease expiration to expedite re-leasing at current market rates.

For 2018, a \$4.2 million equity transfer from the Capital Improvements Bond Fund's accumulated interest income will be used to supplement the Corporate Fund, as these revenues can be used for any corporate purpose. Resource Recovery revenues of \$1.6 million are the result of the District's Strategic Business Plan goal to pursue the recovery of natural resources. Investment income is budgeted for 2018 at \$1.3 million, an increase of \$0.7 million from the 2017 Budget. This estimate assumes slight growth in short-term interest rates, after several years of relatively stable short-term interest rates.

The revenue estimate for sewer permit fees for 2017 is \$0.9 million. Actual 2017 revenues are projected to be \$1.1 million. The District is authorized to recover 100 percent of the sewer permit processing costs, and sewer permit fees are evaluated annually in light of this objective. Permits are required for new real estate development, and applications are expected to remain flat in 2018 due to the slow recovery in the local real estate market.

A fund balance within the \$44 to \$55 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 2018, a portion amounting to \$101.1 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 2017. State statute allows loans in the amount of 100 percent of the property tax levy plus personal property replacement tax receivables. The estimated amount the District will allocate as available for loan in 2018 is \$254.4 million, or 95 percent, of the maximum.

REVENUE - CORPORATE FUND (BUDGETARY BASIS)**Net Property Tax Levy****Personal Property Replacement Tax****User Charge****Investment Income****Other****Land Rentals**

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.

Note: 2011 - 2016 actual
 * 2017 as budgeted
 ** 2017 adjusted estimate
 *** 2018 estimate

CORPORATE FUND
ESTIMATED BALANCE SHEET
JANUARY 1, 2018 AND 2017

ASSETS				
2018			2017	
	AMOUNT	AVAILABLE FOR APPROPRIATION	AMOUNT	AVAILABLE FOR APPROPRIATION
CURRENT ASSETS				
Cash & Investments	\$ 122,000,000	\$ 122,000,000	\$ 102,800,000	\$ 102,800,000
Taxes Receivable	216,107,953	216,737,459	218,195,475	218,828,128
Replacement Tax	18,164,000	18,164,000	17,675,500	17,675,500
Total Current Assets	\$ 356,271,953	\$ 356,901,459	\$ 338,670,975	\$ 339,303,628
LIABILITIES & FUND EQUITY				
CURRENT LIABILITIES				
Unpaid Bills:				
Accrued Salaries & Wages	\$ 3,850,000	\$ 3,850,000	\$ 2,827,328	\$ 2,827,328
Personal Services - Other	1,022,559	1,022,559	-	-
Payroll Withholding & Miscellaneous	2,000,000	2,000,000	2,500,000	2,500,000
Contractual Services	28,000,000	28,000,000	18,045,000	18,045,000
Due to Corporate Working Cash Fund	190,000,000	190,000,000	180,000,000	180,000,000
Total Current Liabilities	\$ 224,872,559	\$ 224,872,559	\$ 203,372,328	\$ 203,372,328
Total Liabilities & Designations		\$ 224,872,559		\$ 203,372,328
ASSETS APPROPRIABLE FOR 2018 & 2017				
Net Assets Appropriable		\$ 132,028,900		\$ 135,931,300
Budget Reserve		\$ (101,143,100)		\$ (89,098,500)
Net Assets Appropriated		\$ 30,885,800		\$ 46,832,800
Estimated Revenue		\$ 335,694,000		\$ 322,093,000
Total Assets Appropriable		\$ 366,579,800		\$ 368,925,800
FUND EQUITY				
Undesignated	\$ 131,399,394		\$ 135,298,647	
Total Fund Equity	\$ 131,399,394		\$ 135,298,647	
Total Liabilities & Fund Equity	\$ 356,271,953		\$ 338,670,975	

CORPORATE FUND
APPROPRIABLE REVENUE
2018 - 2015

REVENUE DESCRIPTION	ESTIMATED			ACTUAL	
	2018 BUDGET	2017 ADJUSTED	2017 BUDGET	2016	2015
Revenue from Property Taxes					
Gross Tax Levy	\$ 247,965,800	\$ 223,946,065	\$ 223,946,065	\$ 226,109,300	\$ 227,196,000
Less Allowance for Uncollectible Taxes	(8,678,803)	(7,838,112)	(7,838,112)	(7,913,826)	(7,951,860)
Net Property Taxes	\$ 239,286,997	\$ 216,107,953	\$ 216,107,953	\$ 218,195,474	\$ 219,244,140
Revenue from Personal Property					
Replacement Tax	\$ 19,849,500	\$ 18,164,000	\$ 18,164,000	\$ 24,676,000	\$ 20,101,600
Net Tax Sources	\$ 259,136,497	\$ 234,271,953	\$ 234,271,953	\$ 242,871,474	\$ 239,345,740
Adjustment to match working cash borrowings	(4,736,497)	(4,271,953)	(4,271,953)	(4,671,474)	(4,445,740)
Working Cash Financing at 95% of Gross Tax Sources	\$ 254,400,000	\$ 230,000,000	\$ 230,000,000	\$ 238,200,000	\$ 234,900,000
Investment Income	\$ 1,300,000	\$ 1,093,000	\$ 600,000	\$ 1,020,669	\$ 1,003,361
Land Rentals	21,500,000	21,000,000	19,000,000	20,458,550	18,731,872
Sewer Permit Fees	900,000	1,000,000	900,000	1,007,195	1,078,886
Sewer Service Agreement Revenue	1,500,000	1,500,000	1,500,000	1,497,979	1,507,667
User Charge	46,000,000	47,000,000	47,000,000	44,487,370	48,176,512
Resource Recovery	1,600,000	150,000	4,000,000	-	-
Lockport Electricity Generation	1,000,000	1,200,000	1,000,000	1,176,146	1,236,698
Miscellaneous (details below)	3,294,000	13,102,200	12,093,000	12,438,302	12,624,456
Subtotal	\$ 77,094,000	\$ 86,045,200	\$ 86,093,000	\$ 82,086,211	\$ 84,359,452
Adjustment to Net Assets Available for Projected Receipts	-	5,391,307	-	11,314,834	17,607,678
Equity Transfer	4,200,000	6,000,000	6,000,000	-	-
GRAND TOTAL	\$ 335,694,000	\$ 327,436,507	\$ 322,093,000	\$ 331,601,045	\$ 336,867,130

Components of Miscellaneous					
TIF Surplus Distribution	\$ 2,000,000	\$ 11,500,000	\$ 10,800,000	\$ 8,431,979	\$ 5,943,460
TIF Differential Fee	225,000	225,000	225,000	225,000	225,000
Land Sales	-	50,200	-	1,233,562	3,164,016
Claims & Damage Settlements	-	200,500	-	186,573	55,090
Scrap Sales	50,000	85,000	50,000	67,015	137,817
Sales of Automobiles	16,000	35,000	15,000	23,707	72,855
Interest on Taxes - Cook County Treasurer	3,000	3,000	3,000	3,774	3,637
Other	1,000,000	1,003,500	1,000,000	2,266,692	3,022,581
Total	\$ 3,294,000	\$ 13,102,200	\$ 12,093,000	\$ 12,438,302	\$ 12,624,456

CORPORATE FUND
FINANCING
2018 - 2013

	ESTIMATED			ACTUAL			
	2018 (1)	2017 REVISED	2017 ORIGINAL	2016	2015	2014	2013
<u>BORROWINGS</u>							
Working Cash Loans Current Year	\$ 254,400,000	\$ 190,000,000	\$ 230,000,000	\$ 190,000,000	\$ 190,000,000	\$ 236,200,000	\$ 190,000,000
Working Cash Loans Prior Year	-	-	-	-	-	-	-
Total Borrowings	\$ 254,400,000	\$ 190,000,000	\$ 230,000,000	\$ 190,000,000	\$ 190,000,000	\$ 236,200,000	\$ 190,000,000
<u>REPAYMENTS</u>							
Working Cash Loans Repaid Current	\$ 190,000,000	\$ 190,000,000	\$ 190,000,000	\$ 190,000,000	\$ 190,000,000	\$ 190,000,000	\$ 257,600,000
Working Cash Loans Repaid Prior	-	-	-	-	-	-	-
Total Repayments	\$ 190,000,000	\$ 190,000,000	\$ 190,000,000	\$ 190,000,000	\$ 190,000,000	\$ 190,000,000	\$ 257,600,000

(1) FINANCING LIMITATION

	2018
	(In Millions)
Property Tax Levy	\$ 248.0
Personal Property Replacement Tax	19.8
Total	\$ 267.8
* Borrowing Limitation	95.0 %
Total Available for Financing	<u>\$ 254.4</u>

* Statutory limitation is 100%

CORPORATE WORKING CASH FUND
ESTIMATED BALANCE SHEET
JANUARY 1, 2018 AND 2017
AND ESTIMATED AMOUNTS AVAILABLE FOR 2018 AND 2017

	ASSETS		2017	
	AMOUNT	AVAILABLE FOR APPROPRIATION	AMOUNT	AVAILABLE FOR APPROPRIATION
CURRENT ASSETS				
Cash & Investments	\$ 89,986,148	\$ 89,986,148	\$ 88,790,821	\$ 88,790,821
Due from Corporate Fund	190,000,000	190,000,000	190,000,000	190,000,000
Total Current Assets	\$ 279,986,148	\$ 279,986,148	\$ 278,790,821	\$ 278,790,821

FUND EQUITY			
Estimated Revenue & Other Financing Sources	\$ 800,000	\$ 300,000	
ASSETS AVAILABLE FOR 2018 AND 2017	\$ 280,786,148	\$ 279,090,821	

FUND EQUITY	\$ 279,986,148	\$ 278,790,821
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CORPORATE WORKING CASH FUND
REVENUES
2018 - 2015

REVENUE DESCRIPTION	ESTIMATED			ACTUAL	
	2018 BUDGET	2017 ADJUSTED	2017 BUDGET	2016	2015
Revenue from Money & Property					
Investment Income	\$ 800,000	\$ 745,000	\$ 300,000	\$ 537,822	\$ 832,380
Revenue from Miscellaneous Sources	-	-	-	-	-
TOTAL	\$ 800,000	\$ 745,000	\$ 300,000	\$ 537,822	\$ 832,380

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. 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, grants, and other financial assistance available to the District.

The CIBF is used to provide resources from grants, bonds, and other sources to design and construct major capital facilities that are structures of permanent duration. The 2018 appropriation is \$278.4 million, a decrease of \$76.2 million from the 2017 Adjusted Budget, or 21.5 percent. The appropriation varies by the scheduled awards of major projects.

The CIBF balance sheet (page 90) estimates the net assets appropriable for 2018 at (\$626.1) million and (\$549.0) million for 2017. The CIBF balance sheet estimated negative net assets appropriable for 2018 and 2017 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.

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 57 - 68 presents detailed projections of the financial aspects of the capital program into the future.

Property tax limitation laws enacted in Illinois had significant impacts on the future funding of the District's capital program through bond sales. Under Public Act 89-1, the District's nonreferendum bonding authority was restricted to finance only projects initiated prior to October 1, 1991, which generally covers only Tunnel and Reservoir Plan (TARP) projects. However, Public Acts 89-385 and 90-485 provided additional nonreferendum authority to the District by authorizing the issuance of "limited tax bonds." 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 established by these Acts, which allow for an annual increase equal to the Consumer Price Index or five percent, whichever is less, and is currently estimated at \$162.7 million for the 2017 levy year and \$166.7 million for the 2018 levy year. These "limited tax bonds" allow the District to issue nonreferendum debt for projects initiated after October 1, 1991 and exclude debt associated with the TARP program and other projects initiated prior to that date from the extension base. There will be sufficient authorization to issue bonds to meet our capital program for the next few years.

The State of Illinois Revolving Loan Fund (SRF) 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 1.76 percent. Several projects are currently financed through SRF loans. The District expects to receive an allocation of \$150.0 million annually from SRF loans for the next several years. For 2018, approximately \$11.2 million of Build America Bonds (BABs) subsidy is available to be used for capital projects in the Capital Improvements Bond Fund.

The 2018 tax levy for the Construction Fund is \$4.2 million, a decrease of \$12.1 million, or 28.0 percent, from the 2017 Adjusted Budget. The fund will also be supported by \$5.8 million from the BABs subsidy transferred to the Construction Fund from the Capital Improvements Bond Fund as well as existing assets appropriable to fund capital projects. Other revenues in the Construction Fund are projected to decrease by \$0.6 million due primarily to the end of a payment agreement with the City of Chicago for sewer connection impact fees of \$745,000 annually.

The 2018 appropriation is \$24.8 million, a decrease of \$9.7 million, or 28 percent, from the 2017 Adjusted Budget. This decreased appropriation level reflects the anticipated expenditures for existing projects and the appropriations required to fund projects with 2018 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 for this 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 next year.

CAPITAL IMPROVEMENTS BOND FUND
ESTIMATED BALANCE SHEET
JANUARY 1, 2018 AND 2017

	ASSETS		2017	
	AMOUNT	AVAILABLE FOR APPROPRIATION	AMOUNT	AVAILABLE FOR APPROPRIATION
CURRENT ASSETS				
Cash & Investments	\$ 337,222,198	\$ 337,222,198	\$ 138,400,400	\$ 138,400,400
Grants Receivable	941,207	941,207	932,932	932,932
State Revolving Fund Loans Receivable	150,000,000	150,000,000	150,000,000	150,000,000
Total Current Assets	\$ 488,163,405	\$ 488,163,405	\$ 289,333,332	\$ 289,333,332
LIABILITIES & FUND EQUITY				
CURRENT LIABILITIES				
Unpaid Bills:				
Contractual Services	\$ 73,937,199	\$ 73,937,199	\$ 73,761,112	\$ 73,761,112
Contracts Payable	1,040,318,906	1,040,318,906	833,423,020	833,423,020
Total Current Liabilities	\$ 1,114,256,105	\$ 1,114,256,105	\$ 907,184,132	\$ 907,184,132
Designated for Future Claims Liabilities	-	-	-	-
Total Liabilities	\$ 1,114,256,105	\$ 1,114,256,105	\$ 907,184,132	\$ 907,184,132
ASSETS APPROPRIABLE				
Net Assets Appropriable		\$ (626,092,700)		\$ (617,850,800)
Net Assets Appropriated		(626,092,700)		(617,850,800)
Estimated Revenue		904,520,400		972,476,400
Total Assets Appropriable		\$ 278,427,700		\$ 354,625,600
FUND EQUITY	\$ (626,092,700)		\$ (617,850,800)	
Total Liabilities & Fund Equity	\$ 488,163,405		\$ 289,333,332	

CAPITAL IMPROVEMENTS BOND FUND
APPROPRIABLE REVENUE
2018 - 2015

REVENUE DESCRIPTION	ESTIMATED			ACTUAL	
	2018 BUDGET	2017 ADJUSTED	2017 BUDGET	2016	2015
Revenue from Money & Property					
Bond Sales (Present & Future)	\$ 747,525,900	\$ -	\$ 791,341,276	\$ 125,003,513	\$ -
Investment Income	3,700,000	3,475,000	3,000,000	2,395,116	2,278,586
Subtotal	\$ 751,225,900	\$ 3,475,000	\$ 794,341,276	\$ 127,398,629	\$ 2,278,586
Revenue from Miscellaneous Sources					
Federal & State Grants	\$ 11,294,500	\$ 11,294,482	\$ 11,135,124	\$ 11,233,702	\$ 11,165,154
State Revolving Fund Loans	150,000,000	150,000,000	180,000,000	173,739,000	180,840,600
Miscellaneous	2,000,000	2,000,000	-	2,468,262	2,481,873
Subtotal	\$ 163,294,500	\$ 163,294,482	\$ 191,135,124	\$ 187,440,964	\$ 194,487,627
Total Revenue	\$ 914,520,400	\$ 166,769,482	\$ 985,476,400	\$ 314,839,593	\$ 196,766,213
Other Financing Sources (Uses)					
Equity Transfer	\$ (10,000,000)	\$ (13,000,000)	\$ (13,000,000)	\$ -	\$ -
GRAND TOTAL	\$ 904,520,400	\$ 153,769,482	\$ 972,476,400	\$ 314,839,593	\$ 196,766,213

CONSTRUCTION FUND
ESTIMATED BALANCE SHEET
JANUARY 1, 2018 AND 2017

ASSETS				
2018			2017	
	AMOUNT	AVAILABLE FOR APPROPRIATION	AMOUNT	AVAILABLE FOR APPROPRIATION
CURRENT ASSETS				
Cash & Investments	\$ 13,939,961	\$ 13,939,961	\$ 8,693,360	\$ 8,693,360
Taxes Receivable	16,405,000	16,454,139	16,019,000	16,071,140
Replacement Tax	-	-	1,100,000	1,100,000
Total Current Assets	\$ 30,344,961	\$ 30,394,100	\$ 25,812,360	\$ 25,864,500
LIABILITIES & FUND EQUITY				
CURRENT LIABILITIES				
Unpaid Bills:				
Contracts Payable	\$ 2,340,000	\$ 2,340,000	\$ 3,162,000	\$ 3,162,000
Contractual Services	1,300,000	1,300,000	-	-
Machinery & Equipment	-	-	297,100	297,100
Due to:				
Construction Working Cash Fund	12,000,000	12,000,000	12,000,000	12,000,000
Total Current Liabilities	\$ 15,640,000	\$ 15,640,000	\$ 15,459,100	\$ 15,459,100
Total Current Liabilities and Designations		\$ 15,640,000		\$ 15,459,100
ASSETS APPROPRIABLE FOR 2018 AND 2017				
Net Assets Appropriable		\$ 14,754,100		\$ 10,405,400
Net Assets Appropriated		\$ 14,754,100		\$ 10,405,400
Estimated Revenue		10,040,000		24,045,000
Total Assets Appropriable		\$ 24,794,100		\$ 34,450,400
FUND EQUITY				
Designated for Future Claims Liabilities	\$ -		\$ -	
Undesignated	14,704,961		10,353,260	
Total Fund Equity	\$ 14,704,961		\$ 10,353,260	
Total Liabilities & Fund Equity	\$ 30,344,961		\$ 25,812,360	

CONSTRUCTION FUND FINANCING

2018 - 2013

	ESTIMATED			ACTUAL			
	2018 (1)	2017 REVISED	2017 ORIGINAL	2016	2015	2014	2013
BORROWINGS							
Working Cash Loans	\$ 4,000,000	\$ 12,000,000	\$ 16,200,000	\$ 12,000,000	\$ 12,000,000	\$ 10,000,000	\$ 7,000,000
Total Borrowings	\$ 4,000,000	\$ 12,000,000	\$ 16,200,000	\$ 12,000,000	\$ 12,000,000	\$ 10,000,000	\$ 7,000,000
REPAYMENTS							
Working Cash Loans Repaid							
- Current	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 10,000,000	\$ 7,000,000	\$ 13,200,000
- Prior Year	-	-	-	-	-	-	-
Total Repayments	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 10,000,000	\$ 7,000,000	\$ 13,200,000

(1) FINANCING LIMITATION

2018	
(In Millions)	
Property Tax Levy	\$ 4.2
Personal Property Replacement Tax	-
Total	\$ 4.2
Borrowing Limitation *	95% * Statutory limitation is 100%
Total Available for Financing	\$ 4.0

CONSTRUCTION FUND

APPROPRIABLE REVENUE

2018 - 2015

REVENUE DESCRIPTION	ESTIMATED			ACTUAL	
	2018 BUDGET	2017 ADJUSTED	2017 BUDGET	2016	2015
Revenue from Property Taxes					
Gross Tax Levy	\$ 4,200,000	\$ 17,000,000	\$ 17,000,000	\$ 16,600,000	\$ 16,500,000
Less: Allowance for Uncollectible Taxes	(147,000)	(595,000)	(595,000)	(581,000)	(577,500)
Net Property Taxes	\$ 4,053,000	\$ 16,405,000	\$ 16,405,000	\$ 16,019,000	\$ 15,922,500
Revenue from Personal Property Replacement Tax	-	-	-	1,100,000	-
Net Tax Sources	\$ 4,053,000	\$ 16,405,000	\$ 16,405,000	\$ 17,119,000	\$ 15,922,500
Adjustment to Match Working Cash Borrowings	(53,000)	(205,000)	(205,000)	(319,000)	(622,500)
Working Cash Financing (Maximum 95% of Gross Tax Sources)	4,000,000	16,200,000	16,200,000	16,800,000	15,300,000
Connection Impact Fees	40,000	745,000	745,000	1,491,000	745,500
Investment Income	200,000	125,000	100,000	178,062	388,074
Miscellaneous	-	-	-	43,039	821
User Charge	-	-	-	-	300,000
Equity Transfer from the Capital Improvement Bond Fund	5,800,000	7,000,000	7,000,000	-	-
Subtotal	\$ 6,040,000	\$ 7,870,000	\$ 7,845,000	\$ 1,712,101	\$ 1,434,395
Adjustment to Net Assets Available for Projected Receipts	-	455,991	-	(4,451,822)	(727,115)
Total	\$ 10,040,000	\$ 24,525,991	\$ 24,045,000	\$ 14,060,279	\$ 16,007,280

CONSTRUCTION WORKING CASH FUND
ESTIMATED BALANCE SHEET
JANUARY 1, 2018 AND 2017
AND ESTIMATED AMOUNTS AVAILABLE FOR 2018 AND 2017

	ASSETS		2017	
	AMOUNT	AVAILABLE FOR APPROPRIATION	AMOUNT	AVAILABLE FOR APPROPRIATION
CURRENT ASSETS				
Cash & Investments	\$ 10,212,039	\$ 10,212,039	\$ 10,126,091	\$ 10,126,091
Due from Construction Fund	12,000,000	12,000,000	10,000,000	10,000,000
Total Current Assets	\$ 22,212,039	\$ 22,212,039	\$ 20,126,091	\$ 20,126,091

FUND EQUITY			
Estimated Revenue & Other Financing Sources	\$	200,000	\$ 100,000
ASSETS AVAILABLE FOR 2018 AND 2017	\$	22,412,039	\$ 20,226,091
FUND EQUITY	\$	22,212,039	\$ 20,126,091

CONSTRUCTION WORKING CASH FUND
REVENUES
2018 - 2015

REVENUE DESCRIPTION	ESTIMATED			ACTUAL	
	2018 BUDGET	2017 ADJUSTED	2017 BUDGET	2016	2015
Revenue from Money & Property					
Investment Income	\$ 200,000	\$ 116,000	\$ 100,000	\$ 122,332	\$ 128,937
Revenue from Miscellaneous Sources	-	-	-	-	-
TOTAL	\$ 200,000	\$ 116,000	\$ 100,000	\$ 122,332	\$ 128,937

OTHER FUNDS FINANCIAL NARRATIVE

The Stormwater Management Fund was established in 2005 to fund stormwater management activities throughout all of Cook County. The 2018 property tax levy for the Stormwater Management Fund is \$47.8 million, an increase of \$7.0 million, or 17.1 percent from the 2017 Adjusted Budget. An equity transfer to the Bond Redemption & Interest Fund is planned in the amount of \$5.8 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 \$65.9 million appropriation for 2018 are presented on pages 497 - 544.

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. The property tax levies for outstanding bond issues are collected and paid through this fund. The 2018 property tax levy for the B&I Fund is \$243.2 million, an increase of \$4.9 million, or 2.1 percent, from the 2017 Adjusted Budget. Appropriations and tax levies are adjusted for new bond sales or state revolving fund loans. The 2018 appropriation for this fund is \$256.3 million, which includes a \$28.4 million pre-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 is \$1.0 million, which is an increase of \$0.6 million from the 2017 Budget. As mentioned above, an equity transfer from the Stormwater Management Fund of \$5.8 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 547 - 550.

The Reserve Claim Fund is the District's self-insurance fund, and is financed through an annual property tax levy of 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 2018, \$6.0 million 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 2018 appropriation for this fund is \$30.3 million, a decrease of \$0.3 million, or 1.1 percent, from the 2017 Adjusted Budget. The maximum fund balance that can be accumulated is 0.05 percent of the last known EAV. For the 2018 Budget, using the last known EAV of 2016, the maximum accumulation is estimated at \$70.4 million. The allowance for accounts payable and estimated liabilities is estimated at \$0.2 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 545.

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 2018 is \$71.5 million compared to the 2017 Adjusted Levy of \$73.4 million and is based on a statutory multiplier of 4.19 times employee contributions made in 2016 and 2015, respectively. Additionally, \$18.3 million from Personal Property Replacement Tax is allocated to the Retirement Fund. The appropriable resources and appropriation consist of the collection of the previous year's property tax levy plus personal property replacement tax receipts. The 2018 appropriation is \$89.6 million, an increase of \$10.1 million or 12.0 percent from the 2017 Adjusted Budget. An expanded presentation on the Retirement Fund is made on pages 551 and 552.

STORMWATER MANAGEMENT FUND
ESTIMATED BALANCE SHEET
JANUARY 1, 2018 AND 2017

	ASSETS			
	2018		2017	
	AMOUNT	AVAILABLE FOR APPROPRIATION	AMOUNT	AVAILABLE FOR APPROPRIATION
CURRENT ASSETS				
Cash & Investments	\$ 16,300,000	\$ 16,300,000	\$ 7,247,468	\$ 7,247,468
Taxes Receivable	39,426,048	39,816,008	33,051,250	33,291,300
Total Current Assets	\$ 55,726,048	\$ 56,116,008	\$ 40,298,718	\$ 40,538,768
LIABILITIES & FUND EQUITY				
CURRENT LIABILITIES				
Unpaid Bills:				
Accrued Salaries & Wages	\$ 104,000	\$ 104,000	\$ 632,368	\$ 632,368
Contracts Payable	1,461,208	1,461,208	6,406,300	6,406,300
Vouchers Payable	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	\$ 30,065,208	\$ 30,065,208	\$ 33,538,668	\$ 33,538,668
Designated for Future Claims Liabilities		\$ -		\$ -
Total Current Liabilities and Designations		\$ 30,065,208		\$ 33,538,668
ASSETS APPROPRIABLE FOR 2018 AND 2017				
Net Assets Appropriable		\$ 26,050,800		\$ 7,000,100
Net Assets Appropriated		\$ 26,050,800		\$ 1,230,850
Equity Transfer to Bond and Interest Fund				5,769,250
Estimated Revenue		39,829,400		38,800,000
Total Assets Appropriable		\$ 65,880,200		\$ 45,800,100
FUND EQUITY	\$ 25,660,840		\$ 6,760,050	
Total Liabilities & Fund Equity	\$ 55,726,048		\$ 40,298,718	

STORMWATER MANAGEMENT FUND FINANCING 2018 - 2013

	ESTIMATED			ACTUAL			
	2018 (1)	2017 Revised	2017 Original	2016	2015	2014	2013
BORROWINGS							
Working Cash Loans	\$ 45,400,000	\$ 26,500,000	\$ 38,800,000	\$ 26,500,000	\$ 12,400,000	\$ 10,000,000	\$ 19,000,000
Total Borrowings	\$ 45,400,000	\$ 26,500,000	\$ 38,800,000	\$ 26,500,000	\$ 12,400,000	\$ 10,000,000	\$ 19,000,000
REPAYMENTS							
Working Cash Loans Repaid							
- Current	\$ 26,500,000	\$ 26,500,000	\$ 26,500,000	\$ 12,400,000	\$ 10,000,000	\$ 19,000,000	\$ 19,000,000
- Prior Year	-	-	-	-	-	-	-
Total Repayments	\$ 26,500,000	\$ 26,500,000	\$ 26,500,000	\$ 12,400,000	\$ 10,000,000	\$ 19,000,000	\$ 19,000,000

(1) FINANCING LIMITATION

	2018
	(In Millions)
Property Tax Levy	\$ 47.8
Personal Property Replacement Tax	-
Total	\$ 47.8
Borrowing Limitation *	95% * Statutory limitation is 100%
Total Available for Financing	\$ 45.4

STORMWATER MANAGEMENT FUND APPROPRIABLE REVENUE 2018 - 2015

	ESTIMATED			ACTUAL	
	2018 BUDGET	2017 ADJUSTED	2017 BUDGET	2016	2015
REVENUE DESCRIPTION					
Revenue from Property Taxes					
Gross Tax Levy	\$ 47,826,000	\$ 40,856,008	\$ 40,856,008	\$ 34,250,000	\$ 24,050,000
Less: Allowance for Uncollectible Taxes	(1,673,910)	(1,429,960)	(1,429,960)	(1,198,750)	(841,750)
Net Property Taxes	\$ 46,152,090	\$ 39,426,048	\$ 39,426,048	\$ 33,051,250	\$ 23,208,250
Adjustment to Match Working Cash Borrowings	(752,090)	(626,048)	(626,048)	(551,250)	(408,250)
Working Cash Financing at 95% of Gross Tax Sources	\$ 45,400,000	\$ 38,800,000	\$ 38,800,000	\$ 32,500,000	\$ 22,800,000
Revenue from Money & Property					
Investment Income	\$ 200,000	\$ 122,000	\$ -	\$ 117,260	\$ 227,035
Miscellaneous	-	49,224	-	399	331
Grants	-	-	-	-	-
Subtotal	\$ 200,000	\$ 171,224	\$ -	\$ 117,659	\$ 227,366
Adjustment to Net Assets Available for Projected Receipts	\$ -	\$ (500,050)	\$ -	\$ 721,413	\$ (548,397)
Equity Transfer to Bond Redemption & Interest Fund	\$ (5,770,600)				
Total	\$ 39,829,400	\$ 38,471,174	\$ 38,800,000	\$ 33,339,072	\$ 22,478,969

STORMWATER WORKING CASH FUND
ESTIMATED BALANCE SHEET
JANUARY 1, 2018 AND 2017

	ASSETS			
	2018		2017	
	AMOUNT	AVAILABLE FOR APPROPRIATION	AMOUNT	AVAILABLE FOR APPROPRIATION
CURRENT ASSETS				
Cash & Investments	\$ 10,769,633	\$ 10,769,633	\$ 10,960,350	\$ 10,960,350
Due from Stormwater Management Fund	26,500,000	26,500,000	26,500,000	26,500,000
Total Current Assets	\$ 37,269,633	\$ 37,269,633	\$ 37,460,350	\$ 37,460,350
FUND EQUITY				
Estimated Revenue & Other Financing Sources		\$ 100,000		\$ 300,000
ASSETS AVAILABLE FOR 2018 AND 2017		\$ 37,369,633		\$ 37,760,350
FUND EQUITY				
	\$ 37,269,633		\$ 37,460,350	

STORMWATER WORKING CASH FUND
APPROPRIABLE REVENUE
2018 - 2015

REVENUE DESCRIPTION	ESTIMATED			ACTUAL	
	2018 BUDGET	2017 ADJUSTED	2017 BUDGET	2016	2015
Investment Income	\$ 100,000	\$ 94,000	\$ 300,000	\$ 168,037	\$ 218,331
GRAND TOTAL	\$ 100,000	\$ 94,000	\$ 300,000	\$ 168,037	\$ 218,331

BOND REDEMPTION & INTEREST FUND
ESTIMATED BALANCE SHEET
JANUARY 1, 2018 AND 2017

ASSETS

	2018		2017	
	AMOUNT	AVAILABLE FOR APPROPRIATION	AMOUNT	AVAILABLE FOR APPROPRIATION
CURRENT ASSETS				
Cash & Investments	\$ 112,917,005	\$ 112,917,005	\$ 110,265,700	\$ 110,265,700
Restricted Cash	-	-	-	-
Deposits with Escrow Agent	-	-	-	-
Taxes Receivable	225,701,074	226,617,605	221,865,622	222,973,165
Total Current Assets	\$ 338,618,079	\$ 339,534,610	\$ 332,131,322	\$ 333,238,865

LIABILITIES & FUND EQUITY

CURRENT LIABILITIES

Bonds Payable	\$ 141,435,815	\$ 111,221,894
Interest Payable	114,868,371	117,603,919
Program Expense Payable	-	-
Equity Transfer	-	-
Total Current Liabilities	\$ 256,304,186	\$ 228,825,813

ASSETS APPROPRIABLE FOR 2018 AND 2017

Net Assets Appropriable	\$ 339,534,610	\$ 333,238,865
Equity Transfer from Stormwater Management Fund	5,770,600	5,769,300
Estimated Revenue	1,000,000	400,000
Total Assets Available	\$ 346,305,210	\$ 339,408,165
Liabilities Payable from Restricted Assets	-	-
Less: Assets Available for Future Years (Principal & Interest Payments)	(90,001,024)	(110,582,352)
Total Assets Appropriable	\$ 256,304,186	\$ 228,825,813

FUND EQUITY

Undesignated	\$ 82,313,893	\$ 103,305,509
TOTAL FUND EQUITY	\$ 82,313,893	\$ 103,305,509
Total Liabilities & Fund Equity	\$ 338,618,079	\$ 332,131,322

BOND REDEMPTION & INTEREST FUND
APPROPRIABLE REVENUE
2018 - 2015

REVENUE DESCRIPTION	ESTIMATED			ACTUAL	
	2018 BUDGET	2017 ADJUSTED	2017 BUDGET	2016	2015
Revenue from Taxes					
Real Estate					
Current	\$ 228,039,945	\$ 224,164,748	\$ 224,164,748	\$ 223,010,587	\$ 211,268,060
Prior	(1,422,340)	(1,191,583)	(1,191,583)	(952,025)	517,194
Total	\$ 226,617,605	\$ 222,973,165	\$ 222,973,165	\$ 222,058,562	\$ 211,785,254
Revenue from Money & Property					
Investment Income	\$ 1,000,000	\$ 1,020,000	\$ 400,000	\$ 1,020,000	\$ 1,039,470
Revenue from Miscellaneous Sources					
Cash Available	112,917,005	110,265,700	110,265,700	10,853,283	108,525,217
Other	-	-	-	-	3,446
Other Financing Sources (Uses)					
Bond Premium	-	-	-	-	12,346,220
Sale of Capital Improvement Bonds (CIB)	-	-	-	-	70,805,000
Bond Redemption	-	-	-	-	(82,905,757)
Refunding Transaction Costs	-	-	-	-	(241,112)
Equity Transfer From Stormwater Management Fund	5,770,600	3,269,250	5,769,300	3,272,650	2,123,920
Less: Amount to Be Expended After Budget Year	(90,001,024)	(108,702,302)	(110,582,352)	(21,557,195)	(108,955,857)
GRAND TOTAL	\$ 256,304,186	\$ 228,825,813	\$ 228,825,813	\$ 215,647,300	\$ 214,525,801

RESERVE CLAIM FUND
ESTIMATED BALANCE SHEET
JANUARY 1, 2018 AND 2017

ASSETS					
CURRENT ASSETS	2018		2017		
	AMOUNT	AVAILABLE FOR APPROPRIATION	AMOUNT	AVAILABLE FOR APPROPRIATION	
Cash & Investments	\$ 24,500,000	\$ 24,500,000	\$ 25,190,277	\$ 25,190,277	
Taxes Receivable	5,693,500	5,730,716	5,597,000	5,626,823	
Total Current Assets	\$ 30,193,500	\$ 30,230,716	\$ 30,787,277	\$ 30,817,100	
LIABILITIES & FUND EQUITY					
ACCOUNTS PAYABLE & OTHER LIABILITIES	\$ 241,216	\$ 241,216	\$ 400,000	\$ 400,000	
ASSETS APPROPRIABLE FOR 2018 AND 2017					
Net Assets Appropriable		\$ 29,989,500		\$ 30,417,100	
Equity Transfer from Capital Improvements Bond Fund		-		-	
Estimated Revenue		300,000		200,000	
Total Assets Appropriable		\$ 30,289,500		\$ 30,617,100	
FUND EQUITY	\$ 29,952,284		\$ 30,387,277		
Total Liabilities & Fund Equity	\$ 30,193,500		\$ 30,787,277		

RESERVE CLAIM FUND
APPROPRIABLE REVENUE
2018 - 2015

REVENUE DESCRIPTION	ESTIMATED			ACTUAL	
	2018 BUDGET	2017 ADJUSTED	2017 BUDGET	2016	2015
Revenue from Taxes					
Real Estate - Current	\$ 5,752,500	\$ 5,655,000	\$ 5,655,000	\$ 5,555,316	\$ 2,903,106
Real Estate - Prior	(21,784)	(28,177)	(28,177)	11,690	15,848
Replacement Tax	-	-	-	-	-
SUBTOTAL	\$ 5,730,716	\$ 5,626,823	\$ 5,626,823	\$ 5,567,006	\$ 2,918,954
Investment Income & Miscellaneous	300,000	243,000	200,000	405,179	417,397
GRAND TOTAL	\$ 6,030,716	\$ 5,869,823	\$ 5,826,823	\$ 5,972,185	\$ 3,336,351

RETIREMENT FUND
ESTIMATED BALANCE SHEET
JANUARY 1, 2018 AND 2017

ASSETS				
	2018		2017	
	AMOUNT	AVAILABLE FOR APPROPRIATION	AMOUNT	AVAILABLE FOR APPROPRIATION
CURRENT ASSETS				
Taxes Receivable	\$ 70,867,800	\$ 70,867,800	\$ 62,880,500	\$ 62,880,500
Replacement Tax	18,736,200	18,736,200	16,624,500	16,624,500
Total Current Assets	\$ 89,604,000	\$ 89,604,000	\$ 79,505,000	\$ 79,505,000

LIABILITIES & FUND EQUITY

ASSETS APPROPRIABLE FOR 2018 AND 2017

Net Assets Appropriable	\$ 89,604,000	\$ 79,505,000
Total Assets Appropriable Due to Retirement Fund	\$ 89,604,000	\$ 79,505,000

FUND EQUITY

Total Fund Equity	\$ 89,604,000	\$ 79,505,000
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RETIREMENT FUND
APPROPRIABLE REVENUE
2018 - 2015

	ESTIMATED			ACTUAL	
	2018 BUDGET	2017 ADJUSTED	2017 BUDGET	2016	2015
REVENUE DESCRIPTION					
Revenue from Taxes					
Real Estate - Current	\$ 70,867,800	\$ 62,880,500	\$ 62,880,500	\$ 55,973,600	\$ 49,032,024
Replacement Tax	18,736,200	16,624,500	16,624,500	14,798,400	12,891,900
GRAND TOTAL	\$ 89,604,000	\$ 79,505,000	\$ 79,505,000	\$ 70,772,000	\$ 61,923,924

SECTION IV

CORPORATE FUND

The Corporate Fund provides for day-to-day staff services as well as the operations and maintenance of treatment 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 2009 through 2018. The structure of sub-units and sections, the number of actual 2016 full-time equivalent (FTE) positions, as well as FTE positions budgeted for 2017 and 2018 are shown in the organization chart. In this section, and throughout the Budget, actual expenditures are used for 2016 with estimated costs for 2017 and budgeted costs for 2018. Additional information for each department includes:

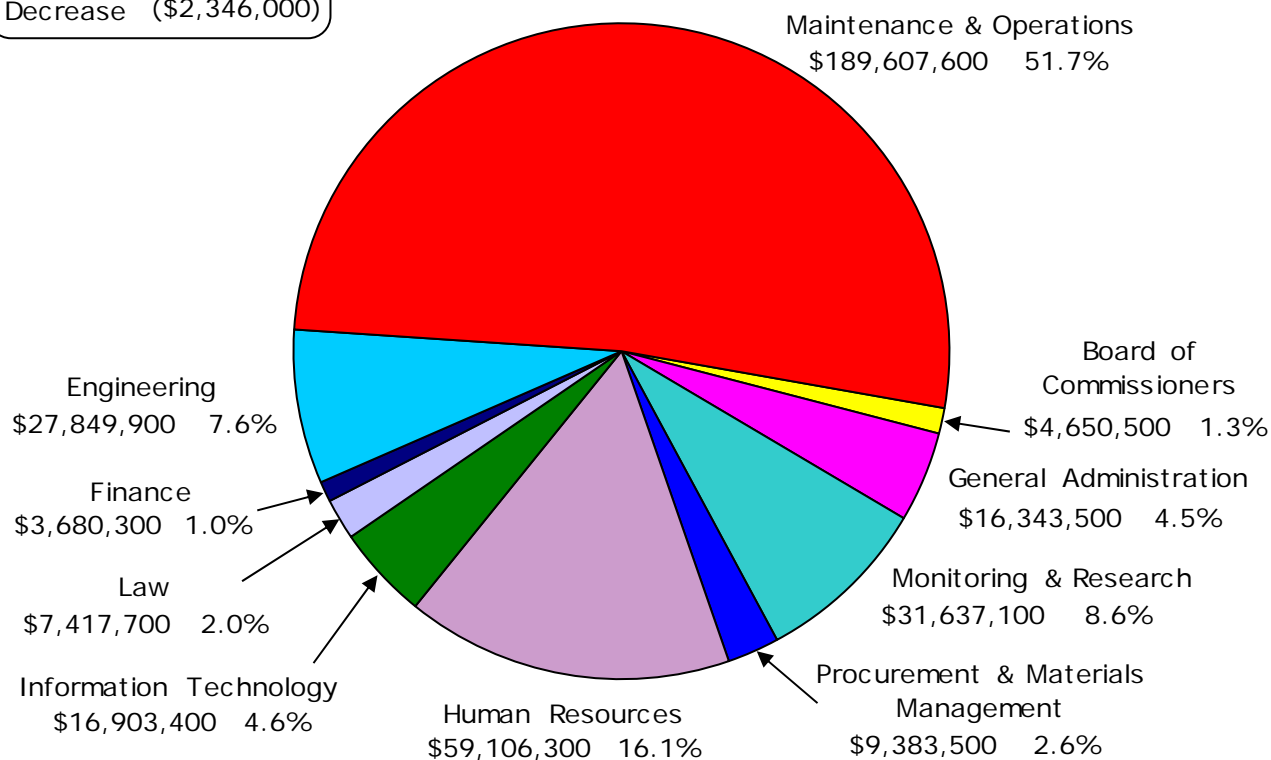
- A *Department Head Transmittal Letter* provides an outline of department plans for the 2018 budget year.
- A *Narrative* explanation of the responsibilities of the department, changes in appropriation from the 2017 Budget, accomplishments during 2017, and significant features for the 2018 Budget. The 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 2017. Actual costs are shown for 2016.
- *Performance Data* measures specific department activities by cost and, where possible, measurable units, and compares budgeted costs for 2018 and 2017 with actual costs for 2016.
- The *Line Item Analysis* provides detailed line item appropriations over a three-year period. Appropriations for 2018 are shown as proposed by the Executive Director, subsequently recommended by the Committee on Budget and Employment, and ultimately adopted and amended by the Board of Commissioners. Original and adjusted appropriations and estimated expenditures are shown for 2017. Actual 2016 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 2018 salary appropriation is adjusted for vacancies in the Line Item Analysis.

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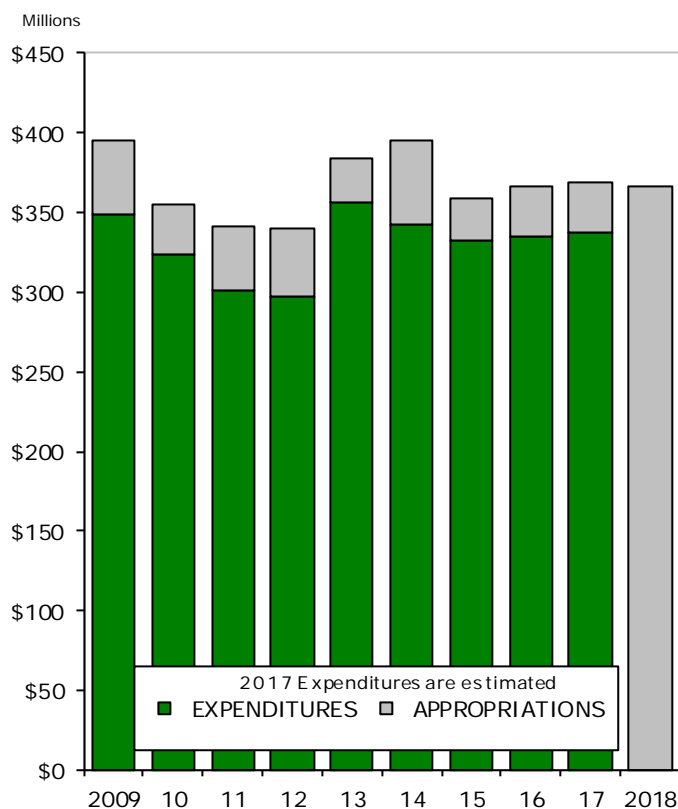
CORPORATE FUND

FUNCTIONS

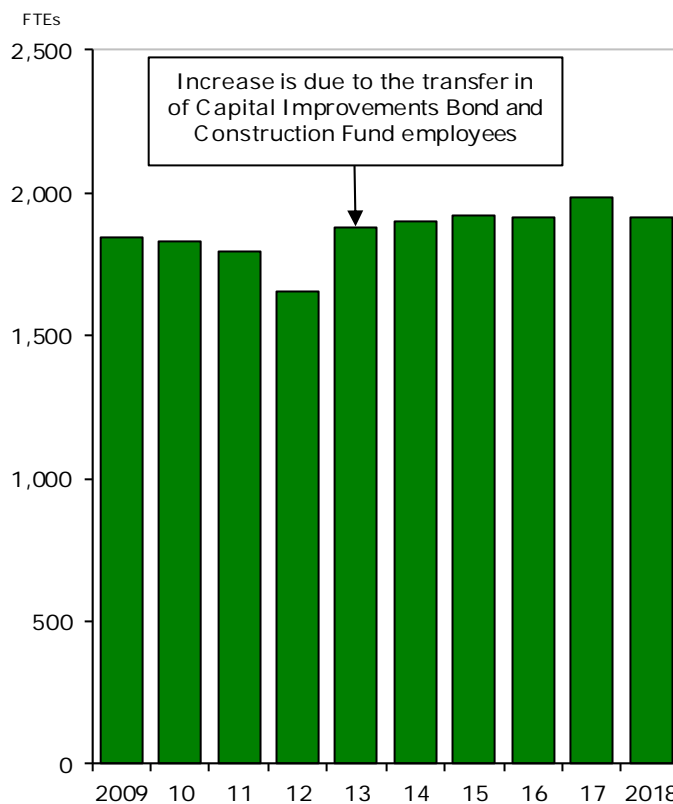
2018	\$366,579,800
2017	\$368,925,800
Decrease	(\$2,346,000)



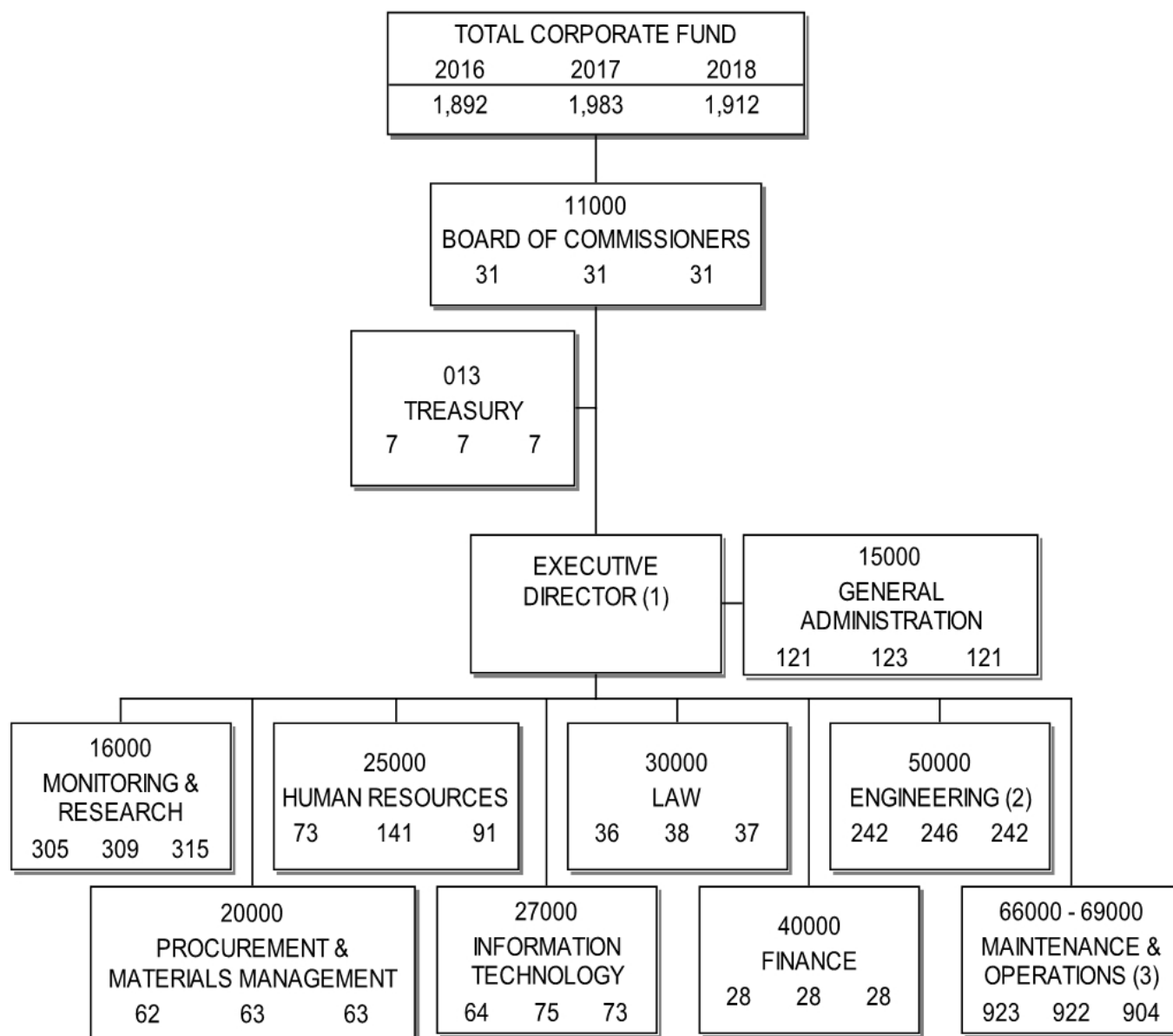
APPROPRIATIONS & EXPENDITURES



BUDGETED FTE POSITIONS



CORPORATE FUND



- (1) Personnel count for the Executive Director's Office is reflected in General Administration.
- (2) 30 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.

101 11000 - 69000	Fund: Corporate Department: All Division:	LINE ITEM ANALYSIS						
		2016	2017				2018	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/17	Expenditure (Committed Budget plus Disbursement) 09/30/17	Estimated Expenditure 12/31/17	Proposed by Executive Director	Recommended by Committee on Budget and Employment
601010	Salaries of Regular Employees	\$174,014,295	\$187,174,100	\$187,034,300	\$124,854,359	\$173,860,600	\$186,173,000	\$ -
601060	Compensation Plan Adjustments	6,882,781	7,744,700	7,744,700	5,623,641	7,244,300	6,540,100	-
601070	Social Security and Medicare Contributions	2,527,467	2,619,100	2,685,600	1,906,958	2,606,600	2,762,800	-
601080	Salaries of Nonbudgeted Employees	22,839	39,300	94,600	41,559	66,800	29,900	-
601090	Employee Claims	39,155	60,200	60,200	18,582	50,000	60,000	-
601100	Tuition and Training Payments	730,032	1,461,100	1,247,100	876,931	909,600	1,139,300	-
601250	Health and Life Insurance Premiums	43,224,069	46,705,100	46,681,100	31,033,134	42,484,100	46,455,800	-
601270	General Salary Adjustments	-	-	-	-	-	-	-
601300	Personal Services, N.O.C.	470,953	678,800	934,800	531,568	838,400	933,900	-
100	TOTAL PERSONAL SERVICES	227,911,590	246,482,400	246,482,400	164,886,731	228,060,400	244,094,800	-
612010	Travel	67,322	100,200	100,300	39,673	78,000	117,500	-
612030	Meals and Lodging	165,099	190,500	194,400	106,446	162,200	221,200	-
612040	Postage, Freight, and Delivery Charges	104,478	104,300	105,500	94,089	98,500	93,000	-
612050	Compensation for Personally-Owned Automobiles	212,283	207,300	212,300	108,114	151,300	203,600	-
612080	Motor Vehicle Operating Services	57,614	86,900	86,900	78,614	60,300	64,800	-
612090	Reprographic Services	56,304	153,500	153,500	144,085	119,800	140,900	-
612150	Electrical Energy	35,714,510	36,812,000	36,808,700	20,786,764	34,417,900	38,941,900	-
612160	Natural Gas	2,421,316	2,802,500	2,802,500	1,838,683	2,578,600	2,820,300	-
612170	Water and Water Services	1,904,037	1,749,800	1,749,800	1,229,381	1,726,000	1,803,900	-
612210	Communication Services	1,772,218	2,030,100	2,030,100	1,646,888	1,641,100	2,063,300	-
612240	Testing and Inspection Services	72,989	170,200	170,200	147,648	116,400	276,300	-
612250	Court Reporting Services	63,254	144,000	134,000	94,091	83,000	112,000	-
612260	Medical Services	121,997	123,700	123,700	116,750	89,700	97,300	-
612280	Subscriptions and Membership Dues	768,527	813,800	813,800	390,011	671,100	698,800	-
612290	Insurance Premiums	3,080,312	3,500,600	3,500,600	2,317,123	3,500,600	3,080,300	-
612330	Rental Charges	509,851	551,400	551,400	481,422	504,400	523,400	-
612340	Discount Loss	-	1,500	2,500	1,996	1,800	1,500	-
612360	Advertising	117,641	143,000	139,300	100,995	126,500	124,000	-

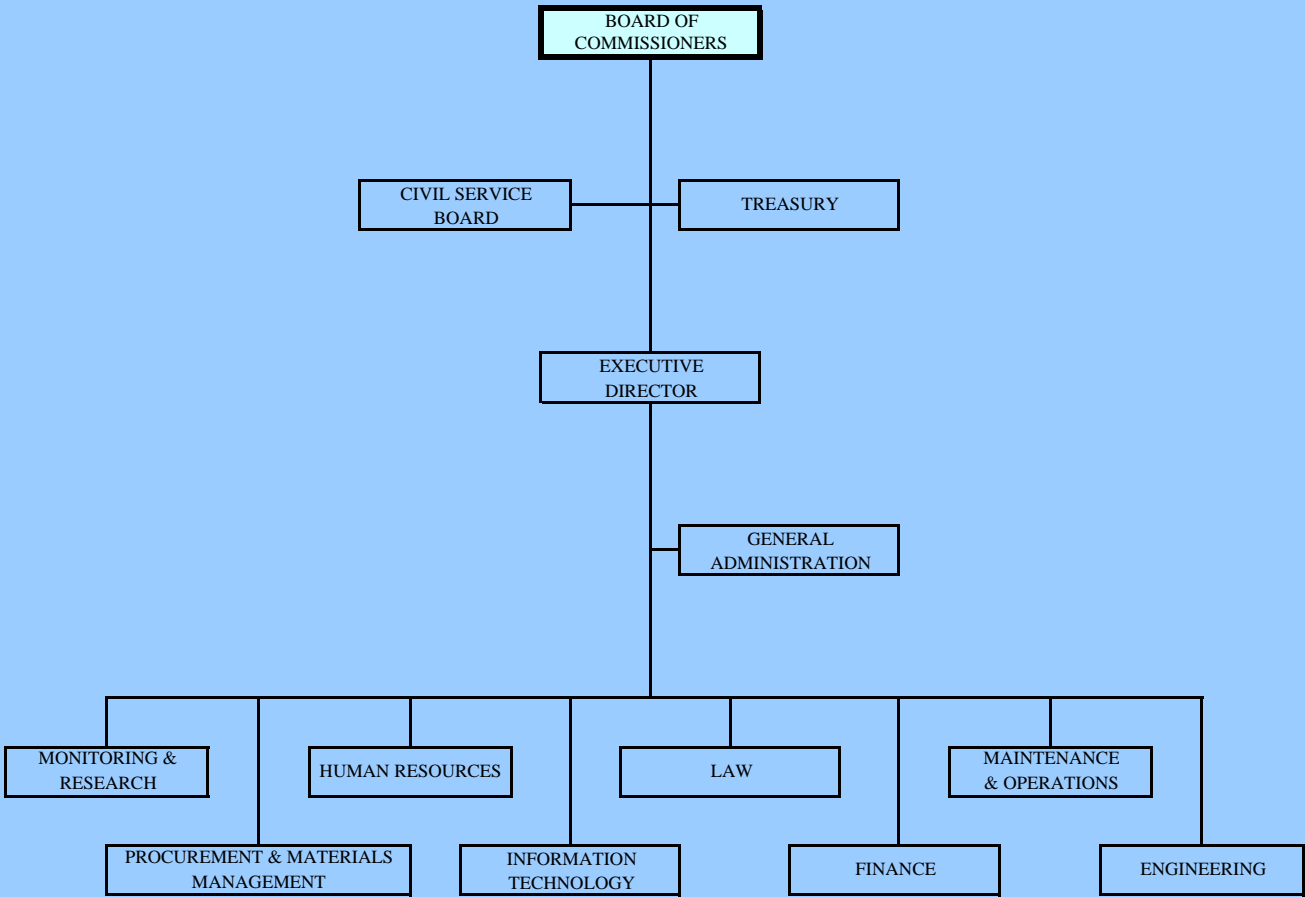
101 11000 - 69000	Fund: Corporate Department: All Division:	LINE ITEM ANALYSIS						
		2016	2017				2018	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/17	Expenditure (Committed Budget plus Disbursement) 09/30/17	Estimated Expenditure 12/31/17	Proposed by Executive Director	Recommended by Committee on Budget and Employment
612370	Administration Building Operation	1,027,802	1,118,900	1,120,500	1,120,406	1,100,000	1,015,800	-
612390	Administration Building McMillan Pavilion Operation	662,841	738,800	842,500	842,384	830,000	645,700	-
612410	Governmental Service Charges	3,240,500	3,317,200	3,317,200	2,506,311	3,312,700	3,494,800	-
612420	Maintenance of Grounds and Pavements	809,167	968,300	968,300	877,898	795,500	1,013,500	-
612430	Payments for Professional Services	4,022,132	5,910,900	5,808,900	4,890,149	4,675,500	4,768,000	-
612440	Preliminary Engineering Reports and Studies	50,623	27,000	27,000	14,377	-	-	-
612490	Contractual Services, N.O.C.	1,066,592	1,685,800	1,685,800	1,285,364	1,287,200	1,605,600	-
612520	Waste Material Disposal Charges	9,259,656	10,955,000	10,955,000	10,864,385	9,729,600	10,894,000	-
612530	Farming Services	29,600	233,200	210,100	24,700	24,700	24,700	-
612590	Sludge Disposal	3,748,196	3,204,300	3,204,300	3,204,300	3,150,400	3,700,000	-
612600	Repairs to Collection Facilities	3,028,249	3,332,900	3,332,900	3,153,472	2,971,800	3,189,300	-
612620	Repairs to Waterway Facilities	41,332	93,200	93,200	86,517	67,100	89,900	-
612650	Repairs to Process Facilities	5,255,155	4,975,800	4,975,800	4,713,458	4,543,400	5,549,900	-
612670	Repairs to Railroads	444,795	302,600	302,600	284,582	220,900	368,700	-
612680	Repairs to Buildings	931,711	1,119,000	1,119,000	915,445	747,500	1,092,100	-
612760	Repairs to Material Handling and Farming Equipment	246,867	304,000	304,000	301,521	251,300	313,600	-
612780	Safety Repairs and Services	205,985	540,000	540,000	489,754	399,000	449,100	-
612790	Repairs to Marine Equipment	84,628	110,800	110,800	105,442	69,200	94,600	-
612800	Repairs to Office Furniture and Equipment	79,384	117,600	117,600	105,631	100,200	124,300	-
612810	Computer Equipment Maintenance	486,509	376,100	376,100	245,090	358,700	364,200	-
612820	Computer Software Maintenance	3,493,117	4,083,000	4,083,000	3,556,185	4,018,600	4,224,400	-
612840	Communications Equipment Maintenance (Includes Software)	768,518	814,200	813,000	706,575	795,200	758,700	-
612860	Repairs to Vehicle Equipment	521,013	645,700	672,500	588,243	478,100	611,100	-
612970	Repairs to Testing and Laboratory Equipment	356,699	425,600	425,600	390,503	382,700	356,500	-
612990	Repairs, N.O.C.	18,092	29,800	29,800	26,562	25,000	33,800	-
200	TOTAL CONTRACTUAL SERVICES	87,088,914	95,115,000	95,115,000	71,022,024	86,461,500	96,166,300	-

101 11000 - 69000	Fund: Corporate Department: All Division:	LINE ITEM ANALYSIS						
		2016	2017				2018	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/17	Expenditure (Committed Budget plus Disbursement) 09/30/17	Estimated Expenditure 12/31/17	Proposed by Executive Director	Recommended by Committee on Budget and Employment
623030	Metals	124,721	185,000	164,000	112,918	147,600	139,300	-
623070	Electrical Parts and Supplies	1,810,919	2,167,000	2,296,800	2,120,289	2,122,600	2,327,800	-
623090	Plumbing Accessories and Supplies	1,000,706	1,064,400	1,054,400	835,669	959,700	1,135,700	-
623110	Hardware	105,478	122,000	122,000	93,919	111,500	102,200	-
623130	Buildings, Grounds, Paving Materials, and Supplies	298,098	542,500	542,500	424,058	470,600	629,300	-
623170	Fiber, Paper, and Insulation Materials	51,874	59,100	59,100	40,826	53,900	52,100	-
623190	Paints, Solvents, and Related Materials	58,206	62,000	62,000	50,201	61,200	57,900	-
623250	Vehicle Parts and Supplies	160,089	210,100	210,100	183,972	177,500	161,700	-
623270	Mechanical Repair Parts	1,665,570	2,448,000	2,628,000	2,560,604	2,258,000	2,691,600	-
623300	Manhole Materials	212	11,000	11,000	10,690	8,500	6,900	-
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	296,044	374,300	384,300	334,590	339,300	367,000	-
623530	Farming Supplies	31,073	39,000	39,000	36,144	31,600	41,700	-
623560	Processing Chemicals	9,760,627	13,724,400	13,441,400	13,347,598	10,616,400	12,938,200	-
623570	Laboratory Testing Supplies, Small Equipment, and Chemicals	948,191	1,020,600	1,020,600	946,837	951,500	988,200	-
623660	Cleaning Supplies	268,107	307,000	307,000	206,675	275,300	266,300	-
623680	Tools and Supplies	266,211	590,000	600,000	516,102	532,000	303,300	-
623700	Wearing Apparel	219,709	229,000	229,000	205,258	219,100	191,600	-
623720	Books, Maps, and Charts	23,777	25,100	26,100	14,430	15,600	20,900	-
623780	Safety and Medical Supplies	244,834	323,300	323,300	215,643	276,000	363,600	-
623800	Computer Software	206,613	339,400	339,400	89,339	255,300	143,100	-
623810	Computer Supplies	536,604	519,400	518,400	467,616	480,400	519,600	-
623820	Fuel	379,408	585,100	545,100	431,880	492,000	614,000	-
623840	Gases	55,799	70,000	91,000	85,302	67,400	71,200	-
623850	Communications Supplies	143,221	140,700	140,700	135,325	129,000	134,200	-
623860	Lubricants	218,467	265,000	268,200	151,718	236,300	247,500	-
623990	Materials and Supplies, N.O.C.	200,857	351,000	351,000	304,527	294,900	315,100	-
300	TOTAL MATERIALS AND SUPPLIES	19,075,415	25,774,400	25,774,400	23,922,132	21,583,200	24,830,000	-

101 11000 - 69000	Fund: Corporate Department: All Division:	LINE ITEM ANALYSIS						
		2016	2017				2018	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/17	Expenditure (Committed Budget plus Disbursement) 09/30/17	Estimated Expenditure 12/31/17	Proposed by Executive Director	Recommended by Committee on Budget and Employment
634600	Equipment for Collection Facilities	44,177	50,000	50,000	45,129	45,200	44,200	-
634650	Equipment for Process Facilities	136,681	100,000	100,000	94,805	87,400	214,400	-
634810	Computer Equipment	19,259	45,000	45,000	37,164	40,000	-	-
634820	Computer Software	-	30,000	30,000	30,000	26,000	25,000	-
634840	Communications Equipment (Includes Software)	44,774	-	-	-	-	-	-
634860	Vehicle Equipment	5,597	10,000	10,000	-	-	-	-
634970	Testing and Laboratory Equipment	312,397	429,000	429,000	423,588	365,400	315,100	-
400	TOTAL MACHINERY AND EQUIPMENT	562,885	664,000	664,000	630,686	564,000	598,700	-
667130	Taxes on Real Estate	789,941	890,000	890,000	768,155	800,000	890,000	-
700	TOTAL FIXED AND OTHER CHARGES	789,941	890,000	890,000	768,155	800,000	890,000	-
TOTAL CORPORATE FUND		\$335,428,746	\$368,925,800	\$368,925,800	\$261,229,728	\$337,469,100	\$366,579,800	\$ -

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.



Metropolitan Water Reclamation District of Greater Chicago

100 EAST ERIE STREET

CHICAGO, ILLINOIS 60611-3154

312.751.5600

September 12, 2017

Mr. David St. Pierre
Executive Director
OFFICE

Dear Sir:

Subject: 2018 Program for the Board of Commissioners

The Board of Commissioners' program for 2018, as prepared in detail, is transmitted herewith. The budget presentation supports the request for funding of the department's 2018 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, 2018 major initiatives and challenges, and 2017 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 2018.

Respectfully submitted,

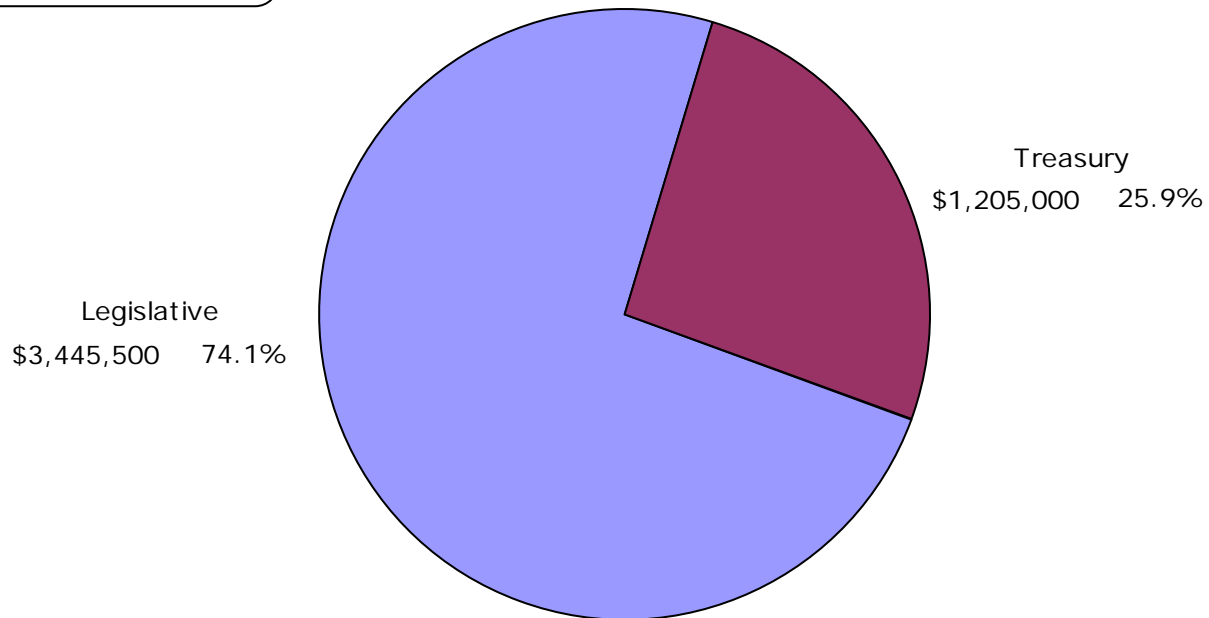


Mary Ann Boyle
Treasurer

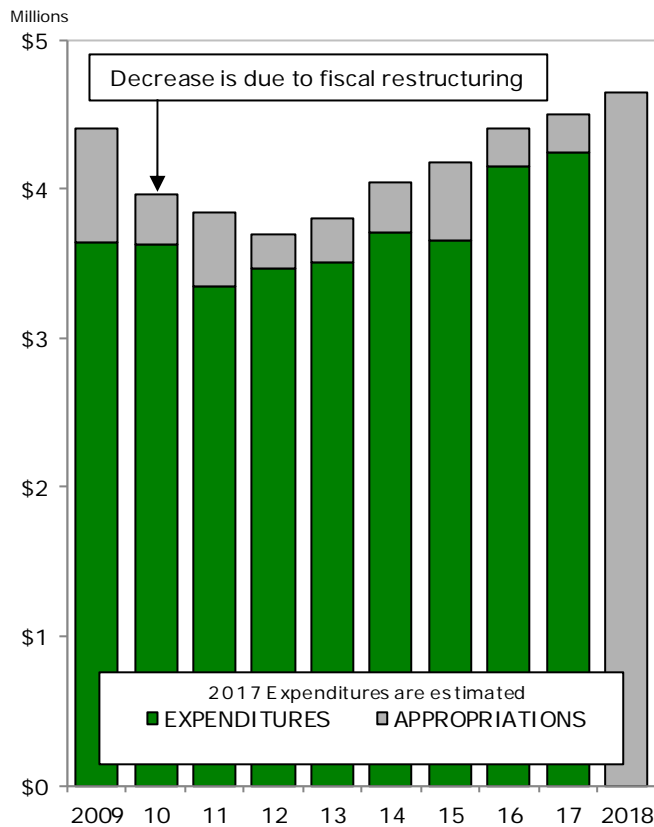
BOARD OF COMMISSIONERS

FUNCTIONS

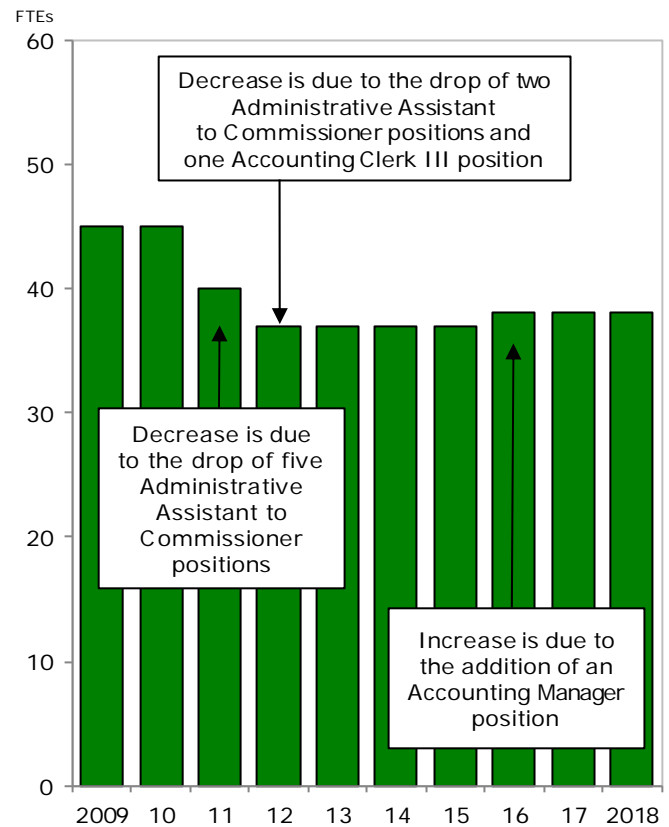
2018	\$4,650,500
2017	\$4,496,300
Increase	\$154,200



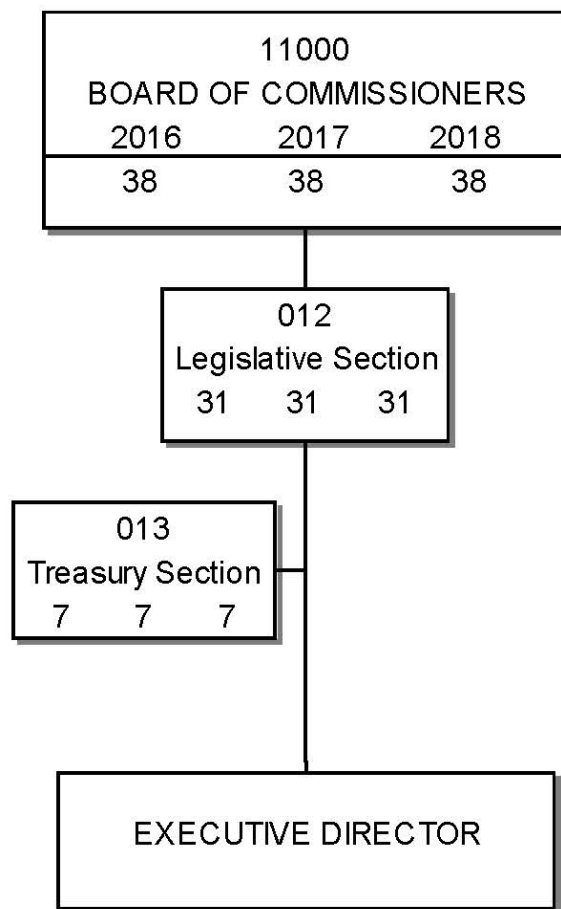
APPROPRIATIONS & EXPENDITURES



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 2017 Accomplishments

- Investment interest income earned for the year was approximately \$7.0 million. The severe economic downturn in the financial markets that began in 2008 continues to present significant challenges for earning higher yields on short-term interest-bearing investments. The District experienced no loss on investments;
- For the fifth 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 loan that will be used for wastewater and stormwater capital improvement projects. The Illinois Clean Water Initiative provides loans to fund construction projects and aid communities in complying 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. As of December 31, 2016, the Retirement Fund's funded ratio was 56.2 percent and the OPEB Trust's funded ratio was 52.1 percent (Based upon 2015 actuarial projections);
- An agreement was successfully entered into with a professional service provider to provide financial advisory services related to the District Financing Program for a three-year period. A second agreement was obtained with a professional service provider to provide investment advisory services for the District's OPEB Trust Plan for a five-year period;
- The District was presented with the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for the 2016 Retiree Health Care Trust Comprehensive Annual Financial Report. This marks the 10th consecutive year that the Retiree Health Care Trust has been presented with the award.

Budget Highlights

The 2018 appropriation request for the Board of Commissioners is \$4,650,500, an increase of \$154,200, or 3.4 percent, above the 2017 appropriation. The staffing level remains unchanged at 38 positions.

The significant feature of the Treasury Section 2018 budget is:

- Investment Interest Income Estimate: \$7.8 million or less – 2018 will be another difficult year for investing due to very low interest rates forecasted for the fixed income market.

2018 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 District will issue its first Request for Proposal for Commercial Banking and Investment Custody services in 2018.

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.

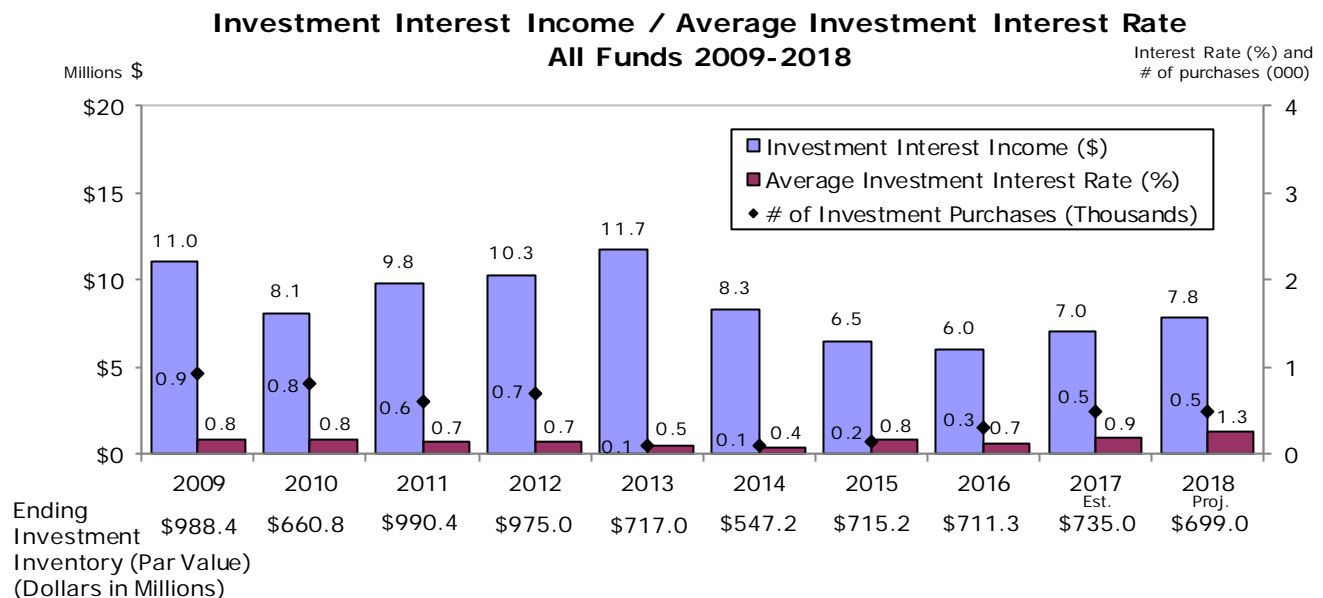
The Treasury Section will explore new and different ideas on investment and debt management to maximize returns and cost efficiency for the District's residents while adhering to District policies.

• Excellence

The Treasury Section will continue to provide excellent customer service to the District's residents 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.



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 2018 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.			\$	3,445,500	74.1%	
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.			\$	1,205,000	25.9%	
	Enhance the District's image in national financial markets through the prudent use of debt financing for capital needs and debt service savings.						
Total				\$	4,650,500	100.0%	
MEASURABLE GOALS:				2016 Actual	2017 Estimated	2018 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:							
Number	Name	2016 Actual	Budgeted			Change	
			FTEs	Dollars		Dollars	Percent
7110	Legislative	\$ 3,018,622	2018 31	\$ 3,360,000		\$ 108,800	3.3
			2017 31	\$ 3,251,200			
7210	Treasury Activities	\$ 643,305	2018 4	\$ 713,800		\$ 12,400	1.8
			2017 4	\$ 701,400			
7316	Other Postemployment Benefits Trust Management and Report Preparation	\$ 135,343	2018 1	\$ 144,500		\$ 3,500	2.5
			2017 1	\$ 141,000			
7601	Capital Financing Program and Other Related Costs	\$ 289,744	2018 2	\$ 346,700		\$ 29,000	9.1
			2017 2	\$ 317,700			
7604	Social Security and Medicare Contributions	\$ 70,575	2018 -	\$ 85,500		\$ 500	0.6
			2017 -	\$ 85,000			
Totals		\$ 4,157,589	2018 38	\$ 4,650,500		\$ 154,200	3.4%
			2017 38	\$ 4,496,300			

11000 BOARD OF COMMISSIONERS**PERFORMANCE DATA**

Program Number	Measurable Activity		2016 Actual	2017 Budgeted	2018 Estimated
7110	Legislative	Cost	\$ 3,018,622	\$ 3,251,200	\$ 3,360,000
7210	Treasury Activities	Cost	\$ 643,305	\$ 701,400	\$ 713,800
7316	Other Postemployment Benefits Trust Management and Report Preparation	Cost	\$ 135,343	\$ 141,000	\$ 144,500
7601	Capital Financing Program and Other Related Costs	Cost	\$ 289,744	\$ 317,700	\$ 346,700
7604	Social Security and Medicare Contributions	Cost	\$ 70,575	\$ 85,000	\$ 85,500
		Totals	\$ 4,157,589	\$ 4,496,300	\$ 4,650,500

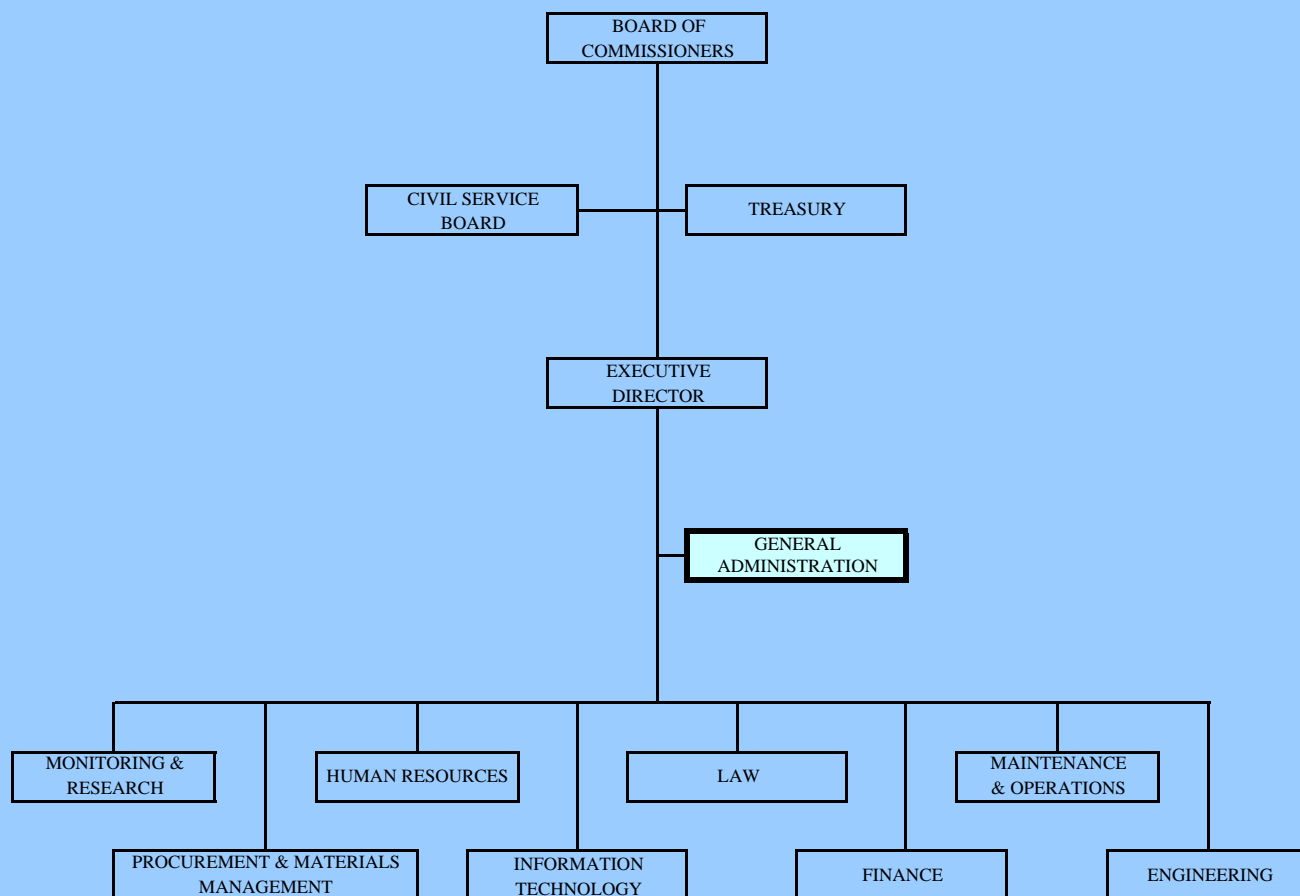
101 11000	Fund: Corporate Department: Board of Commissioners Division:	LINE ITEM ANALYSIS						
		2016	2017				2018	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/17	Expenditure (Committed Budget plus Disbursement) 09/30/17	Estimated Expenditure 12/31/17	Proposed by Executive Director	Recommended by Committee on Budget and Employment
601010	Salaries of Regular Employees	\$ 3,518,620	\$ 3,621,200	\$ 3,621,200	\$ 2,423,542	\$ 3,540,000	\$ 3,640,300	\$ -
601060	Compensation Plan Adjustments	45,801	34,500	34,500	8,222	12,100	37,700	-
601070	Social Security and Medicare Contributions	70,575	85,000	85,000	54,695	74,500	85,500	-
601100	Tuition and Training Payments	12,184	20,000	20,000	14,839	20,000	15,100	-
601300	Personal Services, N.O.C.	260,908	428,000	428,000	210,567	338,400	428,000	-
100	TOTAL PERSONAL SERVICES	3,908,088	4,188,700	4,188,700	2,711,864	3,985,000	4,206,600	-
612010	Travel	8,030	10,000	10,000	5,260	10,000	20,100	-
612030	Meals and Lodging	16,076	20,000	20,000	6,704	17,000	30,300	-
612280	Subscriptions and Membership Dues	32,015	36,100	36,100	36,100	36,100	38,600	-
612430	Payments for Professional Services	188,335	230,500	230,500	182,546	182,600	348,900	-
612490	Contractual Services, N.O.C.	435	1,000	1,000	435	500	500	-
200	TOTAL CONTRACTUAL SERVICES	244,891	297,600	297,600	231,045	246,200	438,400	-
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	4,610	10,000	10,000	8,766	10,000	5,500	-
300	TOTAL MATERIALS AND SUPPLIES	4,610	10,000	10,000	8,766	10,000	5,500	-
TOTAL BOARD OF COMMISSIONERS		\$ 4,157,589	\$ 4,496,300	\$ 4,496,300	\$ 2,951,676	\$ 4,241,200	\$ 4,650,500	\$ -

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.

Fund: Corporate Dept: Board of Commissioners Division:		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	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)	21	21		21	
TOTAL	Legislative Section	31	31	2,708,502.77	31	2,704,015.08
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	930,774.97	7	954,585.35
TOTAL	Board of Commissioners	38	38	3,639,277.74	38	3,658,600.43
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



Metropolitan Water Reclamation District of Greater Chicago

100 EAST ERIE STREET

CHICAGO, ILLINOIS 60611-3154

312.751.5600

September 12, 2017

Mr. David St. Pierre
Executive Director
OFFICE

Dear Sir:

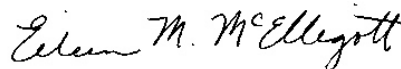
Subject: 2018 Program for General Administration

General Administration's program for 2018, as prepared in detail, is transmitted herewith. The budget presentation supports the request for funding of 2018 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, 2018 major initiatives and challenges, and 2017 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 2018.

Respectfully submitted,

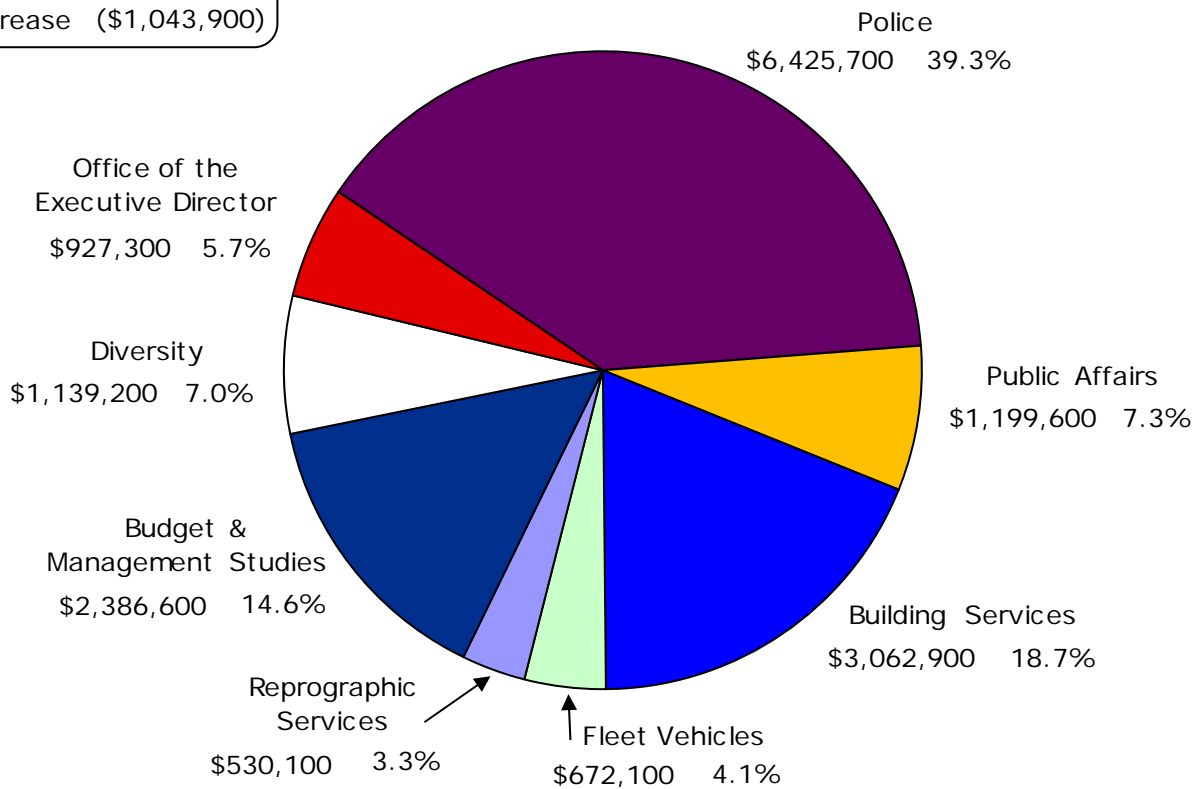


Eileen M. McElligott
Administrative Services Officer

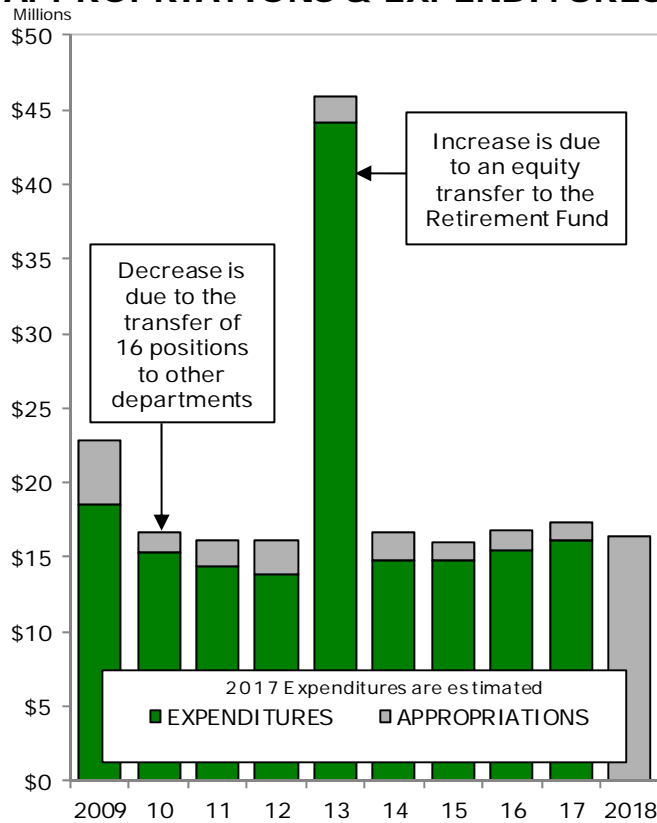
GENERAL ADMINISTRATION

2018	\$16,343,500
2017	\$17,387,400
Decrease	(\$1,043,900)

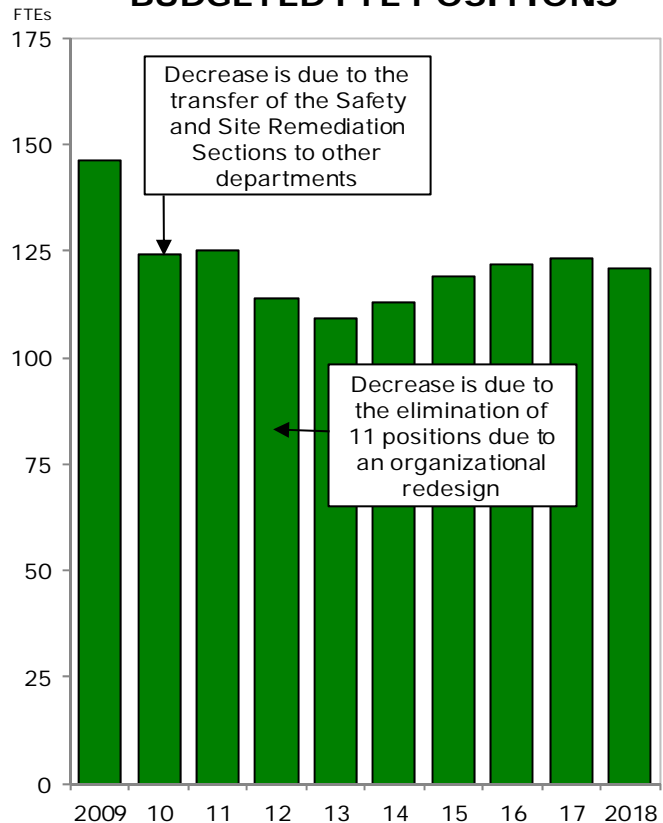
FUNCTIONS



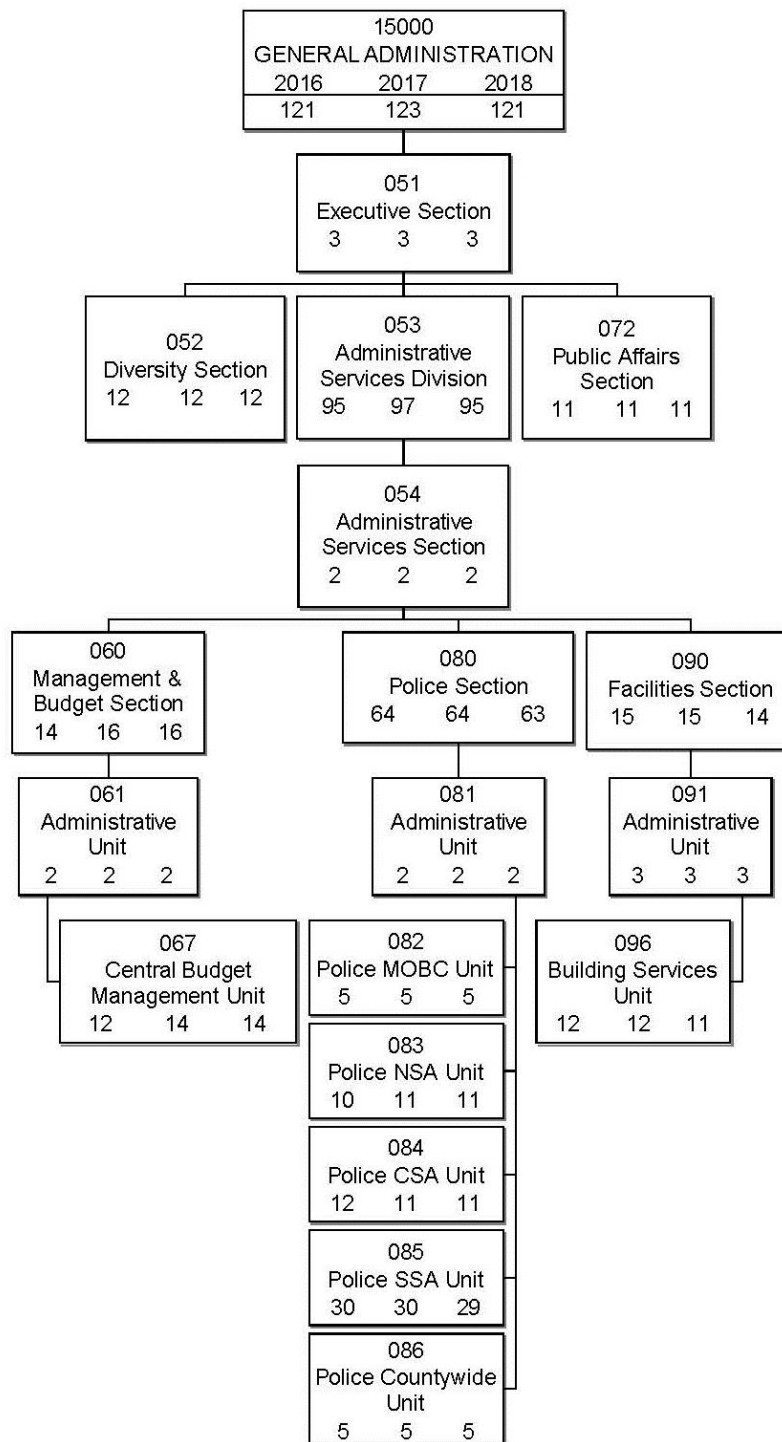
APPROPRIATIONS & EXPENDITURES



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 2017 Accomplishments

- The 2017 Budget received the 33rd consecutive Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA);
- Trained in-house staff on several topics intended to increase the efficiency of the budgeting process;
- Provided professional training for analysts District-wide by the Lake Forest Graduate School of Management, highlighting effective communications, collaboration, and building strategic business cases;
- Increased 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 the United States Drug Enforcement Administration's National Prescription Drug Take Back Day Initiative twice at three water reclamation plants and the MOBC;
- Continued to manage a District Prescription Drug Take Back Program at four District locations;
- Managed the second year of the "Restore the Canopy, Plant a Tree" program to replenish Cook County's urban tree canopy, distributing more than 40,000 tree saplings;
- Acquired drone Federal Aviation Administration certification and began generating footage of District properties and projects;
- Hosted the grand opening ceremony and tours of the McCook Reservoir;
- Hosted the District's African American History Celebration, highlighting the "City Council Wars" of the late Mayor Harold Washington's era. This event brought together most of the former aldermen of the Washington 21 (signifying the 21 original Chicago City Council supporters of the late mayor). Those who have passed on were honored posthumously;
- Hosted over 200 tours/open houses with over 8,000 visitors, attended over 170 outreach events impacting more than 55,000 people, and visited over 90 schools and other organizations to educate more than 6,000 people.

Budget Highlights

The 2018 appropriation for General Administration is \$16,343,500, a decrease of \$1,043,900, or 6.0 percent, from 2017. The staffing level has decreased from 123 to 121 positions, which includes the drop of an Administrative Clerk #1 and a Police Officer #1. In addition, an Administrative Clerk in the Public Affairs Section was reclassified to an Administrative Specialist.

Significant features of the 2018 budget are:

- Major projects include a roof life extension project, rehabilitation of two elevators at the Main Office Building (MOB), carpet replacement and painting project on the second floor of the MOB, replacement of bathroom stalls throughout the MOBC, and replacement of the air conditioning units at the Waterways Control Center in the MOB;
- Continue the reduction of fleet inventory and pursue replacement of vehicles 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.

2018 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 2018.

• Add Value

The Management & Budget Section will continue to develop time saving methods for developing the budget. One recent success is developing Microsoft Excel macros to shorten time spent developing budget reports. The Budget Office will also continue to train staff District-wide on ways to streamline and simplify the budget process.

• 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 Management & Budget Section will continue to plan and monitor revenues and expenditures to ensure compliance with tax cap limitations, facilitate sound financial management, and identify and implement efficiencies in the budget process. The section continually strives to improve points of communication and increase transparency for our constituents.

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 Police Section has optimized its use of overtime labor by creating a relief force to cover shifts at all locations. Overtime usage has been reduced and will be further reduced in 2018.

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 its own Prescription Drug Take Back Program at four District 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 2018, 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 will implement a new budget publishing system that is expected to be rolled out in 2018 for the preparation of the 2019 Budget. This system will communicate with the District's enterprise system (SAP) and streamline the budget book preparation process.

2018 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 2018.

• 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 2018.

Construction & Consulting Contracts	2013	2014 **	2015	2016	As of 3rd Qtr. 2017
Minority-owned Business Enterprises	\$42,692,505	\$75,053,441	\$23,292,180	\$39,402,363	\$7,917,643
Women-owned Business Enterprises	\$22,032,830	\$39,870,628	\$10,855,589	\$27,298,129	\$3,750,291
Small Business Enterprises *	\$2,549,686	\$857,220	\$375,118	\$307,759	\$962,423
Total Contracts Awarded	\$222,211,307	\$386,198,534	\$116,523,512	\$202,973,188	\$37,046,833

*For years 2016-2017, 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.

• 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.

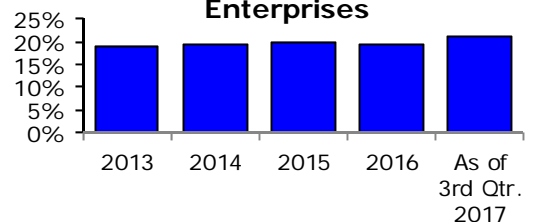
• Develop Employees

The Diversity Section will continue the development of performance management metrics to better measure the performance of staff. In 2017, the Diversity staff was trained in contract compliance through the American Contractor Compliance Association, which highlights new and pending rules and legislation regarding Affirmative Action. In 2018, Diversity staff will be trained in team building and interviewing techniques.

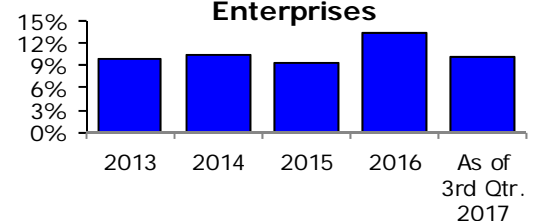
• Leading Partnerships

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.

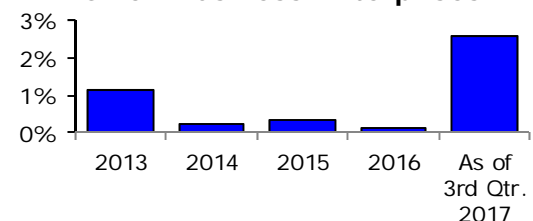
Minority-owned Business Enterprises



Women-owned Business Enterprises



Small Business Enterprises *



*2016 – 2017 SBE contract award percentage only includes non-MBEs and non-WBEs

2018 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 as we forge a new path in 2018.

- **Add Value**

The Public Affairs Section will work with using departments to develop materials that promote new green infrastructure projects to the public. 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 the waterways and the positive impact the new recovery facility will have on improving our water environment locally as well as nationally. The Public Affairs Section will support the opening of new phosphorus recovery facilities at the Calumet and Egan Water Reclamation Plants. 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 and immediacy 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. With our two new Federal Aviation Administration licensed drone pilots, the Public Affairs Section will videotape and photograph District facilities and processes. We 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 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 plants, and develop a user-friendly online photo archive 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.		\$ 6,425,700	39.3%
2. Carry out policies established by the elected Board of Commissioners for the protection of the water environment of the District.		\$ 927,300	5.7%
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.		\$ 1,139,200	7.0%
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.		\$ 2,056,300	12.6%
5. Operate and maintain the Main Office Building Complex to provide a functional and cost-effective office environment for staff, contractors, and visitors.		\$ 3,062,900	18.7%
6. Provide public understanding of District functions and activities through media, publications, and tours.		\$ 1,199,600	7.3%
7. Provide fleet management services by administering the operation, maintenance, repair, and procurement of the District's fleet.		\$ 672,100	4.1%
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.		\$ 530,100	3.3%
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.		\$ 330,300	2.0%
Total		\$ 16,343,500	100.0%

MEASURABLE GOALS:		2016 Actual	2017 Actual	2018 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, and LinkedIn.				

	Facebook		Twitter		LinkedIn	
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
2018 - Proposed	3,100	17%	3,000	42%	2,200	28%
2017 - Estimated	2,646	22%	2,112	35%	1,719	23%
2016 - Actual	2,170	17%	1,565	21%	1,397	17%

15000 GENERAL ADMINISTRATION**OBJECTIVES AND PROGRAM SUMMARY**

PROGRAMS BY PRIORITY:		2016 Actual	Budgeted		Change		
Number	Name		FTEs	Dollars	Dollars	Percent	
7100	Office of the Executive Director	\$ 407,032	2018 3	\$ 486,300	\$ (12,800)	(2.6)	
			2017 3	\$ 499,100			
7110	Legislative	\$ 528,281	2018 -	\$ 441,000	\$ (123,100)	(21.8)	a)
			2017 -	\$ 564,100			
7220	Reprographic Services	\$ 417,245	2018 2	\$ 530,100	\$ (13,700)	(2.5)	
			2017 2	\$ 543,800			
7240	Public Affairs	\$ 1,127,480	2018 11	\$ 1,199,600	\$ (4,700)	(0.4)	
			2017 11	\$ 1,204,300			
7251	Corporate Budget Preparation, Monitoring, and Administration	\$ 1,900,803	2018 9	\$ 1,695,600	\$ (639,700)	(27.4)	b)
			2017 14	\$ 2,335,300			
7252	Management and Organization Studies	\$ 235,593	2018 3	\$ 330,300	\$ 14,900	4.7	
			2017 3	\$ 315,400			
7253	Support Department Budget Preparation, Monitoring, and Administration	\$ -	2018 3	\$ 275,000	\$ 275,000	100.0	c)
			2017 -	\$ -			
7254	Enterprise System	\$ 96,895	2018 1	\$ 85,700	\$ (12,200)	(12.5)	
			2017 1	\$ 97,900			
7340	Security of Plants and Properties	\$ 5,970,077	2018 64	\$ 6,271,300	\$ (136,500)	(2.1)	
			2017 64	\$ 6,407,800			
7460	Main Office Building Complex Services	\$ 3,005,579	2018 11	\$ 3,062,900	\$ (272,300)	(8.2)	d)
			2017 11	\$ 3,335,200			
7470	Contract Diversity	\$ 1,066,275	2018 12	\$ 1,139,200	\$ (47,600)	(4.0)	
			2017 12	\$ 1,186,800			
7490	Automotive Fleet Operations	\$ 564,870	2018 2	\$ 672,100	\$ (75,800)	(10.1)	
			2017 2	\$ 747,900			
7604	Social Security and Medicare Contributions	\$ 149,233	2018 -	\$ 154,400	\$ 4,600	3.1	
			2017 -	\$ 149,800			
Totals		\$ 15,469,363	2018 121	\$ 16,343,500	\$ (1,043,900)	(6.0%)	
			2017 123	\$ 17,387,400			
<p>a) Decrease is due to the cancellation of the State of Illinois legislative liaison consulting services (\$102,000).</p> <p>b) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$410,000), the discontinued membership to the DuPage River Salt Creek Workgroup (\$131,200), and the completion of triennial District-wide analyst training in 2017 (\$60,000).</p> <p>c) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$275,000).</p> <p>d) Decrease is due to the anticipated reduction in overtime utilized by contracted building engineers (\$137,300), an anticipated reduced need for building repair projects at the Main Office Building (\$30,000), an anticipated reduction in electricity expenditures due to the decommissioning of the Information Technology Department's data center at the Main Office Building (\$25,000), an anticipated reduction in expenditures for shared common area maintenance at the Main Office Building Annex (\$25,000), an anticipated reduction in plumbing supplies due to the 2017 allocation of funds for water cooler replacements at the Main Office Building Complex (\$22,500), and an anticipated reduction in the purchase of cafeteria supplies due to 17-RFP-23, Provide Food Services, in which the cafeteria vendor will purchase needed supplies (\$18,000).</p>							

15000 GENERAL ADMINISTRATION**PERFORMANCE DATA**

Program Number	Measurable Activity		2016 Actual	2017 Budgeted	2018 Estimated	
7100	Office of the Executive Director	Cost	\$ 407,032	\$ 499,100	\$ 486,300	
7110	Legislative	Cost	\$ 528,281	\$ 564,100	\$ 441,000	a)
7220	Reprographic Services					
7221	Duplication Services	# of Impressions	2,780,750	3,500,000	3,000,000	
		Cost	\$ 400,948	\$ 529,000	\$ 517,100	
		Cost/Impression	\$ 0.14	\$ 0.15	\$ 0.17	
7224	Design Services	Cost	\$ 16,297	\$ 14,800	\$ 13,000	
7240	Public Affairs					
7247	Internal Public Affairs					
	Interdepartmental Support	Cost	\$ 300,900	\$ 306,800	\$ 357,400	b)
7248	External Public Affairs					
	Respond to Public Inquiries and Furnish Public Information Pamphlets	# of Responses	45,000	46,000	47,000	
		Cost	\$ 275,952	\$ 299,628	\$ 281,166	
		Cost/Response	\$ 6.13	\$ 6.51	\$ 5.98	
	Coordinate District Communications with Public, Civic, and Social Groups	# of Contacts	22,000	23,000	24,000	
		Cost	\$ 150,780	\$ 163,718	\$ 153,630	
		Cost/Contact	\$ 6.85	\$ 7.12	\$ 6.40	
	Monitor Public Hearings, Board Meetings, Internet, and Media and Issue Press Releases	Cost	\$ 194,689	\$ 211,393	\$ 198,368	
	Special Public Events	Cost	\$ 205,159	\$ 222,761	\$ 209,036	
7250	Budget Preparation and Management Studies					
7251	Corporate Budget Preparation, Monitoring, and Administration	Cost	\$ 1,900,803	\$ 2,335,300	\$ 1,695,600	c)
7252	Management and Organization Studies	Cost	\$ 235,593	\$ 315,400	\$ 330,300	
7253	Support Department Budget Preparation, Monitoring, and Administration	Cost	\$ -	\$ -	\$ 275,000	d)
7254	Enterprise Systems	Cost	\$ 96,895	\$ 97,900	\$ 85,700	

a) Decrease is due to the cancellation of the State of Illinois legislative liaison consulting services (\$102,000).

b) Increase is due to the addition of grant writing services (\$50,000).

c) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$410,000), the discontinued membership to the DuPage River Salt Creek Workgroup (\$131,200), and the completion of triennial District-wide analyst training in 2017 (\$60,000).

d) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$275,000).

15000 GENERAL ADMINISTRATION**PERFORMANCE DATA**

Program Number	Measurable Activity		2016 Actual	2017 Budgeted	2018 Estimated	
7340	Security of Plants and Properties					
	Patrol of District Facilities	# of Miles	115,803	113,694	115,803	
		Cost	\$ 1,155,729	\$ 1,240,466	\$ 1,214,041	
		Cost/Mile	\$ 9.98	\$ 10.91	\$ 10.48	
	Patrol of District Real Estate	# of Miles	224,794	220,698	230,000	
		Cost	\$ 3,268,201	\$ 3,507,824	\$ 3,433,100	
		Cost/Mile	\$ 14.54	\$ 15.89	\$ 14.93	
	Access Control to Facilities	# of Hours	44,796	48,611	46,000	
		Cost	\$ 1,546,147	\$ 1,659,510	\$ 1,624,159	
		Cost/Hour	\$ 34.52	\$ 34.14	\$ 35.31	
7460	Main Office Building Complex Services					
7461	Main Office Building Complex Operations	Area (Sq. Ft.)	198,901	198,901	198,901	e)
		Cost	\$ 2,629,899	\$ 2,942,900	\$ 2,693,800	
		Cost/Sq. Ft.	\$ 13.22	\$ 14.80	\$ 13.54	
7463	Collect and Distribute Mail	# of Pieces	834,213	1,013,009	756,730	f)
		Cost	\$ 289,004	\$ 295,500	\$ 285,500	
		Cost/Piece	\$ 0.35	\$ 0.29	\$ 0.38	
7464	Telephone Switchboard Operations at Main Office Building Complex	Cost	\$ 86,676	\$ 96,800	\$ 83,600	
7470	Contract Diversity					
7471	Contract Compliance	Cost	\$ 473,789	\$ 536,800	\$ 504,600	
7472	Community Activity	Cost	\$ 339,923	\$ 387,300	\$ 378,900	
7473	Contract Diversity Support	Cost	\$ 252,563	\$ 262,700	\$ 255,700	
7490	Automotive Fleet Operations					
7491	Automotive Fleet Procurement	Cost	\$ 8,054	\$ 8,400	\$ -	g)
7496	Automotive Fleet Disposal	Cost	\$ 4,103	\$ 7,000	\$ -	h)
7499	Automotive Fleet Operations	Cost	\$ 552,713	\$ 732,500	\$ 672,100	
7604	Social Security and Medicare Contributions	Cost	\$ 149,233	\$ 149,800	\$ 154,400	
	Totals		\$ 15,469,363	\$ 17,387,400	\$ 16,343,500	

e) Decrease is due to the anticipated reduction in overtime utilized by contracted building engineers (\$137,300), an anticipated reduced need for building repair projects at the Main Office Building (\$30,000), an anticipated reduction in electricity expenditures due to the decommissioning of the Information Technology Department's data center at the Main Office Building (\$25,000), an anticipated reduction in expenditures for shared common area maintenance at the Main Office Building Annex (\$25,000), an anticipated reduction in plumbing supplies due to the 2017 allocation of funds for water cooler replacements at the Main Office Building Complex (\$22,500), and an anticipated reduction in the purchase of cafeteria supplies due to 17-RFP-23, Provide Food Services, in which the cafeteria vendor will purchase needed supplies (\$18,000), offset by an increase due to the reallocation of salaries to more accurately reflect current activities (\$91,100).

f) Decrease is due to increased electronic delivery of contracts.

g) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$8,400).

h) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$7,000).

101 15000	Fund: Corporate Department: General Administration Division:	LINE ITEM ANALYSIS						
		2016	2017				2018	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/17	Expenditure (Committed Budget plus Disbursement) 09/30/17	Estimated Expenditure 12/31/17	Proposed by Executive Director	Recommended by Committee on Budget and Employment
601010	Salaries of Regular Employees	\$ 9,849,649	\$ 10,854,800	\$ 10,840,500	\$ 7,337,224	\$ 10,341,100	\$ 10,748,000	\$ -
601060	Compensation Plan Adjustments	819,495	950,700	950,700	563,697	785,000	791,500	-
601070	Social Security and Medicare Contributions	149,233	149,800	162,800	113,760	156,400	154,400	-
601080	Salaries of Nonbudgeted Employees	19,339	-	1,300	1,248	1,300	-	-
601100	Tuition and Training Payments	41,814	97,600	97,600	75,545	84,000	37,700	-
601270	General Salary Adjustments	-	-	-	-	-	-	-
100	TOTAL PERSONAL SERVICES	10,879,530	12,052,900	12,052,900	8,091,474	11,367,800	11,731,600	-
612010	Travel	6,997	10,000	10,000	4,979	8,700	7,200	-
612030	Meals and Lodging	10,597	17,000	17,000	10,425	14,800	11,000	-
612040	Postage, Freight, and Delivery Charges	94,758	95,500	95,500	84,984	90,000	84,800	-
612050	Compensation for Personally-Owned Automobiles	3,165	4,100	4,100	1,530	4,100	3,000	-
612080	Motor Vehicle Operating Services	55,519	83,500	83,500	77,992	58,300	62,700	-
612090	Reprographic Services	46,805	120,600	120,600	118,400	108,000	118,000	-
612150	Electrical Energy	357,394	365,000	361,700	173,252	340,000	340,000	-
612160	Natural Gas	26,776	35,000	35,000	13,548	24,000	24,000	-
612170	Water and Water Services	5,399	5,500	5,500	3,119	5,200	5,200	-
612210	Communication Services	3,000	3,000	3,000	3,000	3,000	3,000	-
612280	Subscriptions and Membership Dues	736,512	777,700	777,700	353,911	635,000	660,200	-
612330	Rental Charges	8,846	17,900	17,900	16,594	15,500	8,700	-
612360	Advertising	6,660	13,000	13,000	3,400	11,500	13,000	-
612370	Administration Building Operation	1,027,802	1,118,900	1,120,500	1,120,406	1,100,000	1,015,800	-
612390	Administration Building McMillan Pavilion Operation	662,841	738,800	842,500	842,384	830,000	645,700	-
612430	Payments for Professional Services	514,705	570,400	468,400	457,775	435,000	474,000	-
612490	Contractual Services, N.O.C.	198,040	340,000	340,000	224,340	297,500	328,300	-
612680	Repairs to Buildings	56,700	65,000	65,000	30,009	32,000	26,500	-
612800	Repairs to Office Furniture and Equipment	73,258	110,000	110,000	104,031	94,000	118,200	-
612840	Communications Equipment Maintenance (Includes Software)	17,784	17,800	17,800	17,784	17,800	17,800	-

101 15000	Fund: Corporate Department: General Administration Division:	LINE ITEM ANALYSIS						
		2016	2017				2018	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/17	Expenditure (Committed Budget plus Disbursement) 09/30/17	Estimated Expenditure 12/31/17	Proposed by Executive Director	Recommended by Committee on Budget and Employment
612860	Repairs to Vehicle Equipment	427,200	538,000	538,000	456,706	387,000	437,100	-
200	TOTAL CONTRACTUAL SERVICES	4,340,758	5,046,700	5,046,700	4,118,569	4,511,400	4,404,200	-
623070	Electrical Parts and Supplies	6,982	17,000	17,000	17,000	8,000	7,600	-
623090	Plumbing Accessories and Supplies	4,667	30,000	20,000	14,000	10,500	7,500	-
623110	Hardware	15,489	17,000	17,000	17,000	15,600	14,400	-
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	120,550	132,300	142,300	128,769	126,200	115,100	-
623660	Cleaning Supplies	1,063	2,000	2,000	1,100	1,200	1,300	-
623700	Wearing Apparel	35,416	30,000	30,000	29,900	27,000	28,400	-
623720	Books, Maps, and Charts	714	500	500	151	200	500	-
623800	Computer Software	8,614	-	-	-	-	-	-
623810	Computer Supplies	2,845	-	-	-	-	-	-
623990	Materials and Supplies, N.O.C.	52,736	59,000	59,000	50,867	43,000	32,900	-
300	TOTAL MATERIALS AND SUPPLIES	249,076	287,800	287,800	258,787	231,700	207,700	-
TOTAL GENERAL ADMINISTRATION		\$ 15,469,363	\$ 17,387,400	\$ 17,387,400	\$ 12,468,829	\$ 16,110,900	\$ 16,343,500	\$ -

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.

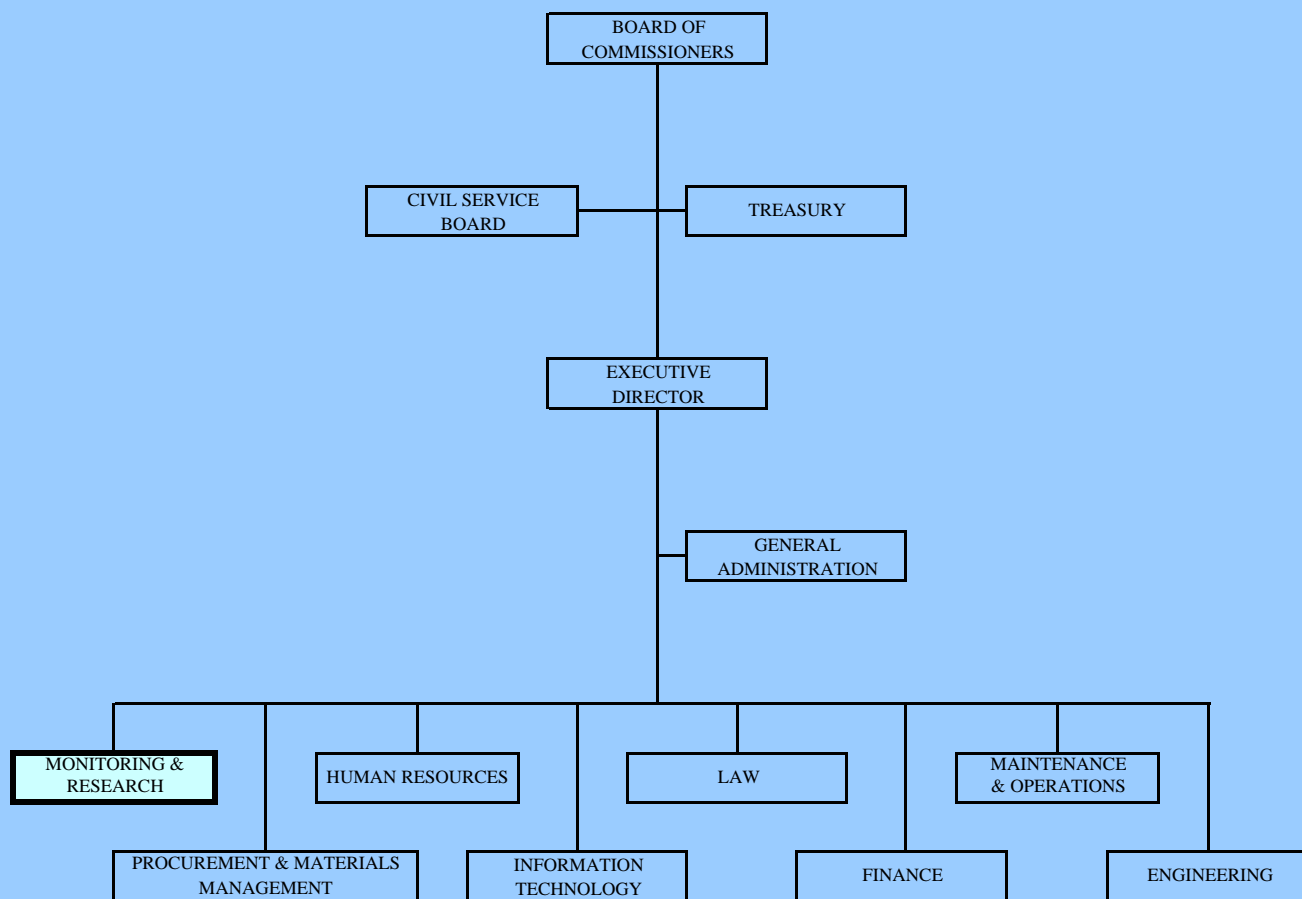
Fund: Corporate Dept: General Administration Division:		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
051	Executive Section					
EX07	Executive Director	1	1		1	
EX06	Secretary to Officer	2	2		2	
TOTAL	Executive Section	3	3	478,176.48	3	482,659.06
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)	4	3		2	
HP14	Diversity Officer	2	3		4	
HP11	Administrative Specialist	2	2		2	
HP09	Administrative Clerk	1	1		1	
TOTAL	Diversity Section	12	12	1,087,755.37	12	1,053,365.81
053	Administrative Services Division					
054	Administrative Services Section					
EX19	Administrative Services Officer	-	1		1	
HP22	Administrative Services Manager	1	-		-	
EX06	Secretary to Officer	-	1		1	
HP12	Administrative Assistant #2 (Administrative Specialist) (New Grade HP11)	1	-		-	
TOTAL	Administrative Services Section	2	2	297,268.70	2	333,125.25
060	Management & Budget Section					
061	Administrative Unit					
HP20	Budget Officer	1	1		1	
HP12	Administrative Assistant #2 (Administrative Specialist) (New Grade HP11)	1	-		-	
HP11	Administrative Specialist	-	1		1	
TOTAL	Administrative Unit	2	2	208,555.60	2	216,756.54
067	Central Budget Management Unit					
HP18	Supervising Budget & Management Analyst	1	1		1	

Fund: Corporate Dept: General Administration Division:		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP17	Management Analyst III #2 (Senior Budget & Management Analyst) (New Grade HP16)	-	1		-	
HP16	Senior Budget & Management Analyst	4	3		4	
HP14	Budget & Management Analyst	6	8		8	
HP11	Administrative Specialist	1	1		1	
TOTAL	Central Budget Management Unit	12	14	1,342,892.50	14	1,309,813.18
TOTAL	Management & Budget Section	14	16	1,551,448.10	16	1,526,569.72
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	236,825.81	2	236,825.68
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	405,496.00
083	Police North Service Area Unit					
HP14	Police Sergeant	1	1		1	
NR2483	Police Officer	9	10		10	
TOTAL	Police North Service Area Unit	10	11	908,858.29	11	908,858.34
084	Police Calumet Service Area Unit					
HP14	Police Sergeant	1	1		1	
NR2483	Police Officer	10	10		10	
NR2483	Police Officer #1	1	-		-	
TOTAL	Police Calumet Service Area Unit	12	11	913,624.48	11	918,388.12
085	Police Stickney Service Area Unit					
HP16	Police Lieutenant	2	2		2	
HP14	Police Sergeant	5	5		5	

Fund: Corporate Dept: General Administration Division:		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
NR2483	Police Officer	23	22		22	
NR2483	Police Officer #1	-	1		-	
TOTAL	Police Stickney Service Area Unit	30	30	2,597,580.57	29	2,535,539.24
086	Police Countywide Unit					
NR2483	Police Officer	5	5		5	
TOTAL	Police Countywide Unit	5	5	405,496.00	5	405,496.00
TOTAL	Police Section	64	64	5,467,881.15	63	5,410,603.38
090	Facilities Section					
091	Administrative Unit					
HP17	Facilities Administrator	1	-		-	
HP16	Senior Budget & Management Analyst	-	1		1	
HP11	Administrative Specialist	2	2		2	
TOTAL	Administrative Unit	3	3	233,573.77	3	235,504.35
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	Motor Vehicle Dispatcher Supervisor	1	-		-	
HP11	Administrative Specialist	2	2		2	
HP09	Motor Vehicle Dispatcher	2	-		-	
HP09	Administrative Clerk	4	3		3	
HP09	Administrative Clerk #1	-	1		-	
NR8661	Motor Vehicle Dispatcher Supervisor	-	1		1	
NR8660	Motor Vehicle Dispatcher	-	2		2	
TOTAL	Building Services Unit	12	12	754,499.51	11	724,605.43
TOTAL	Facilities Section	15	15	988,073.28	14	960,109.78
TOTAL	Administrative Services Division	95	97	8,304,671.23	95	8,230,408.13

Fund: Corporate Dept: General Administration Division:		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
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	1		-	
HP15	Public Affairs Specialist #2 (New Grade HP14)	3	3		3	
HP14	Public Affairs Specialist	-	-		1	
HP13	Graphic Artist	2	2		2	
HP13	Senior Administrative Specialist	1	1		1	
HP11	Administrative Specialist	-	-		1	
HP09	Administrative Clerk	1	1		-	
TOTAL	Public Affairs Section	11	11	1,036,098.28	11	1,035,899.02
TOTAL	General Administration	121	123	10,906,701.36	121	10,802,332.02
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



Metropolitan Water Reclamation District of Greater Chicago

100 EAST ERIE STREET

CHICAGO, ILLINOIS 60611-3154

312.751.5600

September 12, 2017

Mr. David St. Pierre
Executive Director
OFFICE

Dear Sir:

Subject: 2018 Program for the Monitoring & Research Department

The Monitoring & Research Department's program for 2018, as prepared in detail, is transmitted herewith. The budget presentation supports the request for funding of the department's 2018 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, 2018 major initiatives and challenges, and 2017 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 2018.

Respectfully submitted,

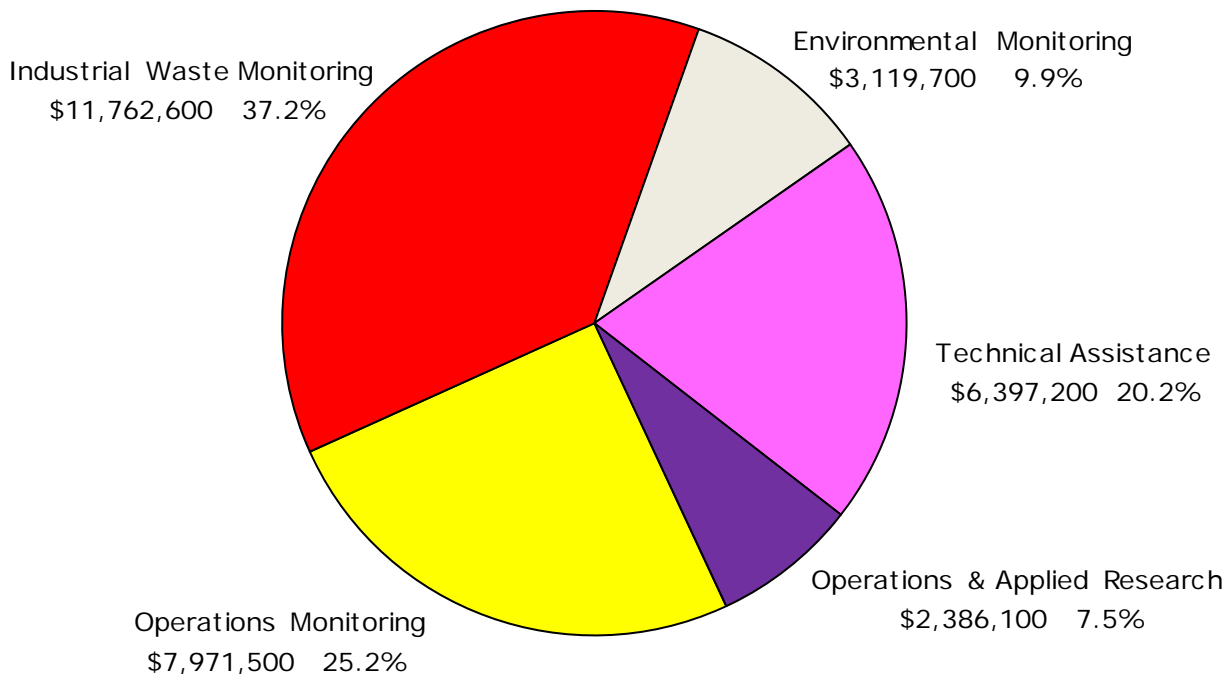


Edward W. Podczerwinski
Acting Director of Monitoring & Research

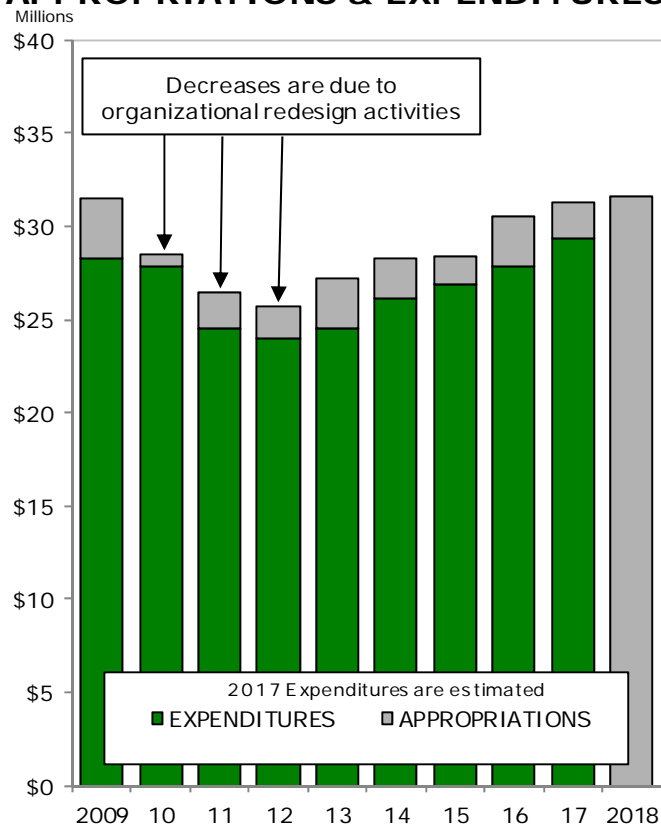
MONITORING & RESEARCH

2018	\$31,637,100
2017	\$31,270,400
Increase	\$366,700

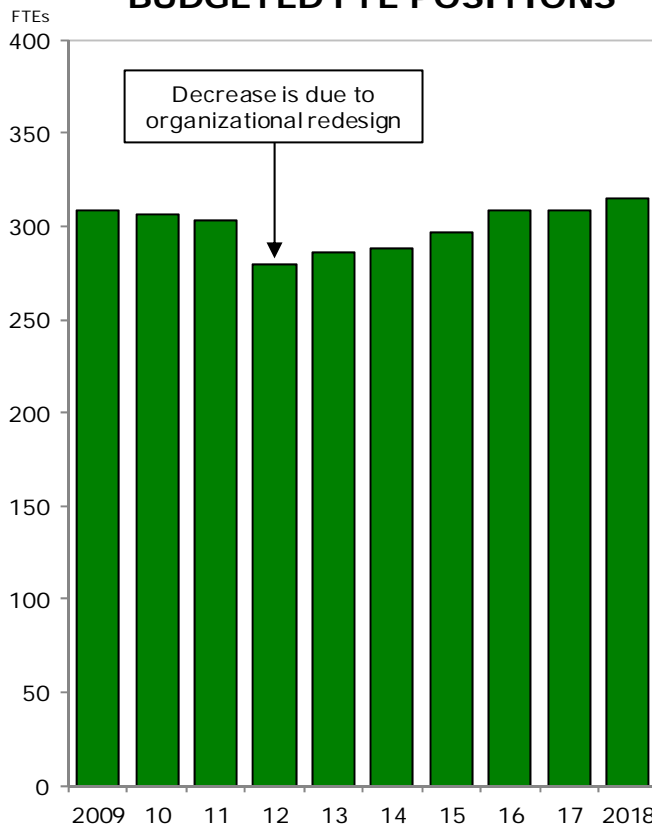
FUNCTIONS



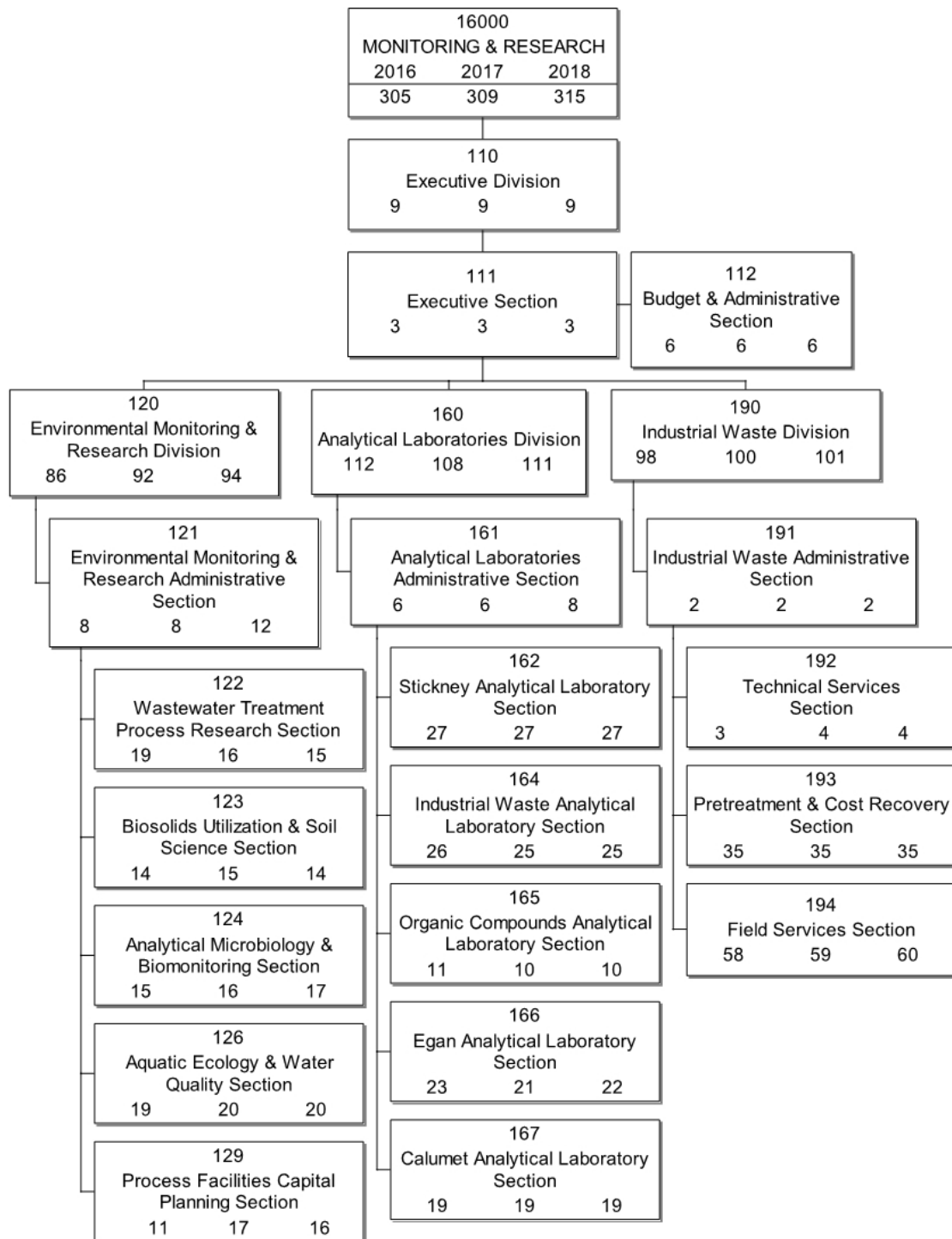
APPROPRIATIONS & EXPENDITURES



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 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 2017 Accomplishments

- Continued the redesign of the Chemist, Microbiologist, and Biologist series, to promote cross-training, interchangeability, and operational efficiency, and completed the redesign of the Laboratory Technician series that began in 2016;
- Completed the 2017 iteration of Long-Term Capital Planning for the District's process facilities;
- Partnered with the City of Chicago and dozens of suburban entities for local beneficial reuse of 30,000 dry tons of biosolids and composted biosolids;
- Continued phosphorus removal at five water reclamation plants (WRPs) for the purpose of meeting effluent phosphorus limits required by the Illinois Environmental Protection Agency (IEPA);
- Screened and tested 34 high strength organic materials (HSOM) to determine their suitability for acceptance under the Resource Recovery Program and began receiving materials at the Stickney WRP to enhance biological phosphorus removal. Samples of HSOM were taken from delivery trucks and the storage tanks to confirm the quality of the materials;
- Installed field monitoring equipment for watershed-scale assessment of effectiveness of best management practices for agricultural nutrient loss reduction at the Fulton County site as part of the collaboration with the agricultural sector to develop best management practices to reduce nutrient discharge from the state;
- Completed conceptual designs for odor control for the waste activated sludge stripping to remove internal phosphorus process, the Post-digestion Centrifuge Building at the Stickney WRP, and for the Kirie WRP Influent Pumping Station.

Budget Highlights

The 2018 appropriation for M&R is \$31,637,100, an increase of \$366,700, or 1.2 percent, from the 2017 request. The staffing level has increased from 309 to 315 positions, which includes the addition of one Assistant Director of M&R, one Pollution Control Technician II, five Senior Environmental Chemists, one Senior Laboratory Technician, and two Principal Environmental Scientists, offset by the transfer of one Associate Mechanical Engineer to the General Division of the Maintenance & Operations (M&O) Department and the drop of one Deputy Director of M&R, one Assistant Environmental Chemist #1, and one Laboratory Technician I #1. Nine Laboratory Technician IIs were reclassified to Environmental Research Technicians, and one Administrative Specialist was reclassified to a Senior Administrative Specialist. In addition, a Supervising Environmental Research Scientist, a Supervising Environmental Soil Scientist, a Supervising Environmental Microbiologist, and a Supervising Aquatic Biologist were reclassified to Principal Environmental Scientists.

Significant features of the 2018 budget include:

- Continue to lead the Phosphorus Task Force to study and implement biological phosphorus removal at five WRPs;
- Continue implementation of a District-wide Odor Reduction Strategy for the O'Brien and Egan WRPs;
- Continue to develop a District-wide Biosolids Strategy to increase production of Exceptional Quality biosolids and ensure continued sustainability of the District's biosolids management program;
- Conduct the sixth year of a seven-year microbial source tracking study to determine the sources and distribution of microbes in portions of the Chicago Area Waterway System (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 groundwater monitoring for four Tunnel and Reservoir Plan (TARP) systems, including four reservoirs, and six biosolids management sites, including Fischer Farm in Hanover Park, in accordance with permits issued by the IEPA;
- Continue the redesign of the Environmental and Instrumentation Chemist series, to promote cross-training and reconfigure a technical support group to respond to increasing requests for analytical support for innovation projects;
- Continue to lead and develop the Resource Recovery Programs for supporting the District's energy recovery, phosphorus removal, and biosolids composting initiatives.

2018 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 discharges from Commercial/Industrial 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 volume and the biochemical oxygen demand and suspended solids concentrations of wastewater discharged. Projected 2018 User Charge revenue, based on 2017 rates and a five-year (2012-2016) average of user clearing data, is \$46 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
2014	\$44,964,848
2015	\$48,476,512
2016	\$44,487,370
2017 Estimated	\$47,000,000
2018 Projected	\$46,000,000

In 2018, 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. Finally, M&R remains vigilant in identifying and classifying new users and, in 2018, 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 has a goal to identify 30 new user accounts, considered to be Small Commercial/Industrial Users, which are not required to be administered under the User Charge or Pretreatment Programs, but require higher scrutiny to safeguard the treatment plants and local waterways.

M&R will continue to implement some of the approved findings 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 2018, M&R will continue to address issues associated with competing interests, as well as reducing the gaps in knowledge necessary to move forward with the approved planning strategy. Knowledge gaps to be addressed include updating the plant process and hydraulic models, as well as incorporating findings from the ongoing development of the District's Biosolids Strategy and Odor Reduction Strategy.

M&R will continue a collaborative research project with Argonne National Laboratory to develop 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 \$300,000 in the Construction Fund in 2018.

During 2018, M&R will complete the Thornton Composite Reservoir Post-Construction Monitoring Plan in the Calumet River System. Analysis of surface water quality during wet and dry conditions will demonstrate the benefits of additional TARP storage capacity and reduced combined sewer overflows.

The Biosolids Strategy focuses on reviewing the current operations and practices for sustainable biosolids management that is within the best interest of the District and its constituents and continues to be developed. M&R will continue to provide technical support to the M&O Department in 2018 with the full-scale production of a value-added product by co-composting biosolids with wood chips and other vegetative wastes to produce exceptional quality biosolids compost for utilization in the Chicago metropolitan area. The production of compost will potentially reduce the cost of managing biosolids, increase public acceptance, and will have a greater economic value compared to air-dried, exceptional quality biosolids currently distributed under the Controlled Solids Distribution Program. M&R will conduct public outreach and marketing for local utilization of the composted biosolids product to reduce hauling cost. M&R will also evaluate options to reduce biosolids production and operating costs, while increasing digester gas production.

• 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 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 2018, 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 2018, M&R will conduct approximately 6,400 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 2018, 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 2018 are expected to meet the highest quality criteria for trace metals in the United States Environmental Protection Agency (USEPA) Biosolids Rule (40 CFR Part 503) and the WRP effluents are expected to meet all National Pollutant Discharge Elimination System (NPDES) permit limits for regulated industrial pollutants.

M&R provides first-response services for hazardous materials emergencies and complaints of pollution and will conduct approximately 162 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 2018.

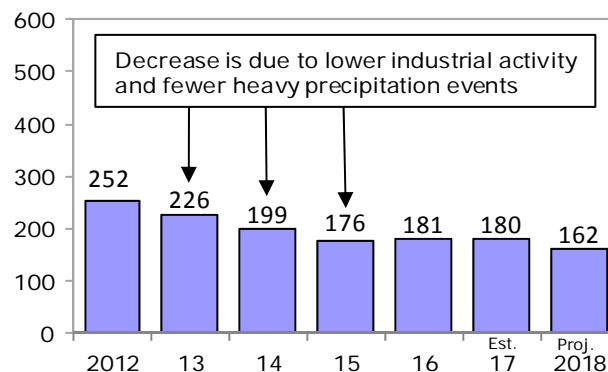
In 2018, M&R will collect and analyze approximately 1,300 samples from 120 TARP groundwater monitoring wells and two reservoirs and will compile 10 annual monitoring reports for the four TARP tunnel systems, including the Mainstream, Calumet, Des Plaines (below Weller Creek), and Upper Des Plaines (above Weller Creek – O'Hare) systems and three reservoirs, the Gloria Alitto Majewski Reservoir, the Thornton Composite Reservoir, and the McCook Reservoir (Phase I), which was completed in the fall of 2017, to meet the operating permit requirements of these facilities. M&R will also conduct groundwater monitoring at six biosolids management facilities, including Fischer Farm in Hanover Park, in accordance with permits issued by the IEPA. In 2018, a total of 36 monitoring reports will be submitted to the IEPA.

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 599,843 projected tests in 2018. This includes chemical, biological, and microbiological monitoring, such as characterization of changes in microbial communities associated with operations and performance metrics to assess process stability and provide early warning of process upset such as the appearance of excess filamentous bacteria in mixed liquor. Whole effluent toxicity tests

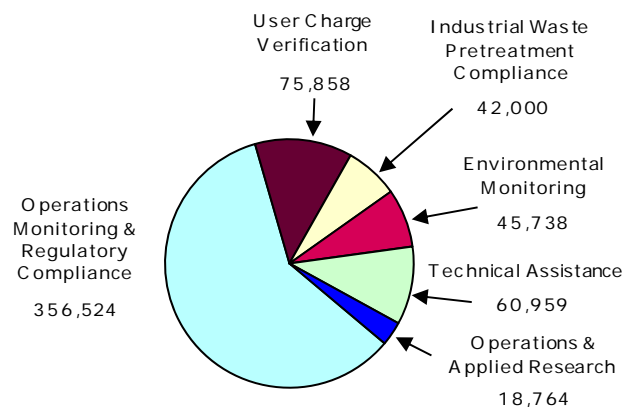
Five-Year Trend in Enforcement Activities

Year	Cease and Desist Orders
2014	75
2015	71
2016	56
2017 Estimated	80
2018 Projected	70

Number of Emergency Responses



2018 Projected Laboratory Analyses by Program



with fish (*Pimephales promelas*) and daphnids (*Ceriodaphnia dubia*) and fecal bacteria indicator analysis will be conducted as required by NPDES permits and federal regulations. 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.

The District conducts an Odor Monitoring Program to minimize or eliminate nuisance odors in the communities surrounding its facilities. In 2018, 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 that the District serves. Current efforts are focused on addressing known odorous processes and facilities and developing designs to address prioritized issues to responsibly improve operations.

• **Resource Recovery**

In 2018, M&R will continue to implement plant-specific monitoring plans to evaluate the aeration requirement and nitrification capacity of each plant's aeration batteries in an effort to identify areas where energy and cost savings could be achieved.

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 optimizing Enhanced Biological Phosphorus Removal at the Stickney, Calumet, O'Brien, Kirie, and Hanover Park 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. M&R will lead the effort to monitor the HSOM to screen out material that is harmful to 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, ammonia aeration control, co-digestion, and an anoxic zone in the aeration process. 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 long-term, process facility capital planning effort incorporates the District's long-term financial model to help ensure that the District is addressing its goals with a financially responsible approach. The development of a long-term plan allows the District to focus on synergies by reducing knowledge gaps and using data-driven solutions.

As part of its efforts to promote the use of biosolids as a sustainability solution within Cook County and by all the communities serviced by the District, M&R has been increasing its biosolids marketing activities by hosting an annual sustainability workshop.

• **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 2,081 attendees in 2017, it is anticipated that attendance for 2018 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 Environment & Reuse Foundation, USEPA, National Environmental Laboratory Accreditation Conference Institute, American Chemical Society, and others. In 2018, 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 working environment. M&R maintains a Chemical Hygiene Plan to ensure employee safety at its laboratories and conducts monthly safety training. Also, M&R plans to have staff attend Occupational Safety and Health Administration seminars.

• **Leading Partnerships**

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 in the Chicago metropolitan area. Compared to using other soil amendments, this program provides a cost-effective approach to local park and school districts for maintaining high-quality vegetation on fields and landscaping. M&R will continue the promotion of biosolids, sustainability practices, and biosolids beneficial reuse awards to improve public awareness of the benefits of utilizing biosolids as a soil amendment through a sustainability workshop and other public events.

M&R will 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 treatment 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 2018, 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 IEPA by participating in various working 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 2018 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 will include research and demonstration projects at the District's Fulton County site and collaborations with the agricultural sector and other publicly owned treatment works to implement practices for reducing nutrient loss from farmland fertilized with biosolids.

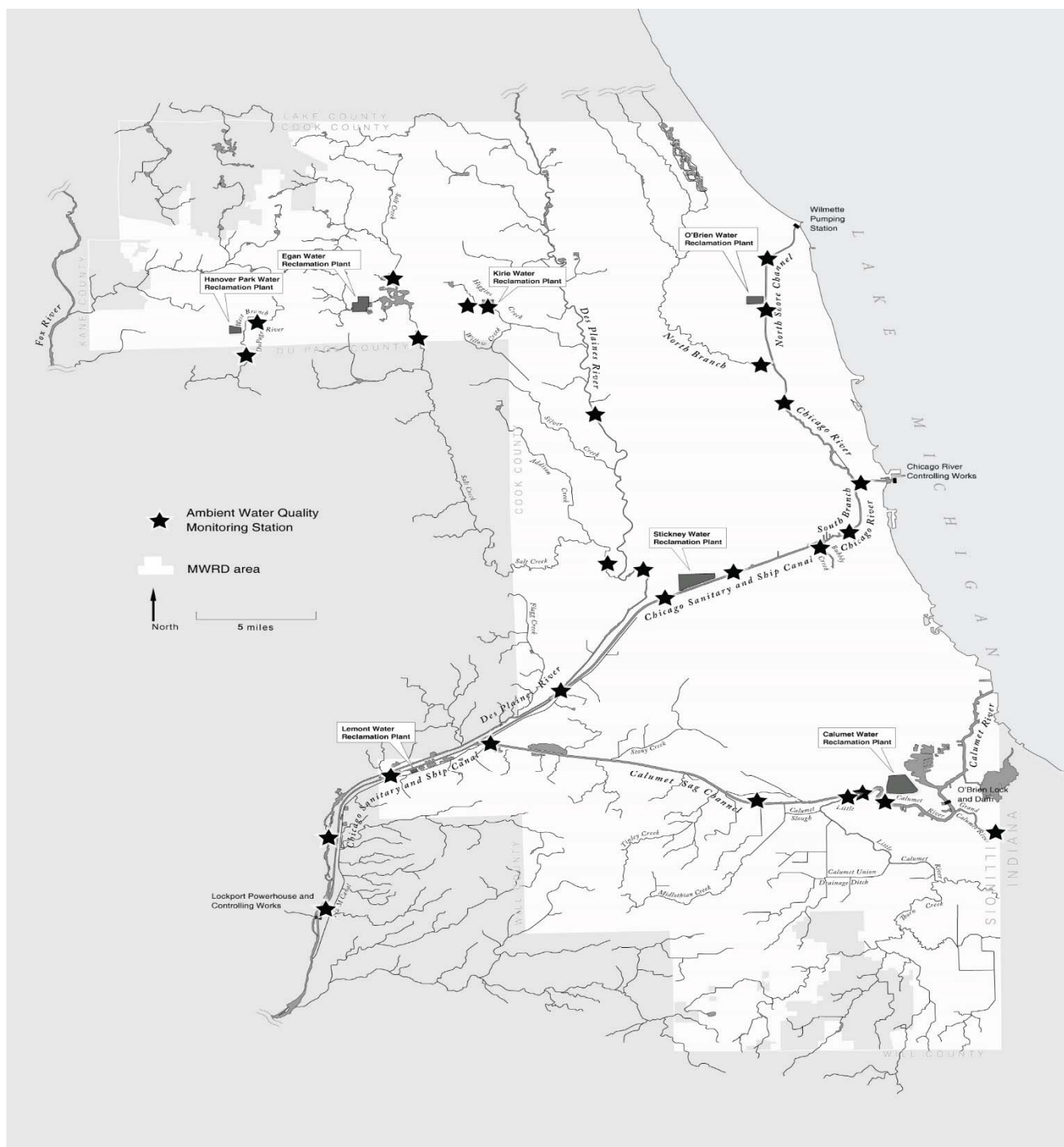
- **Technology**

The internet-based Publicly owned treatment works Administration and Compliance System (iPACS) is used to monitor Commercial/Industrial User compliance with USEPA regulations. A new version of iPACS, completed in 2014, has increased staff efficiency and maintains all Industrial Waste Pretreatment Program data in a single database. In 2018, more 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 2018, 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 V12 upgrade that will support the continued attainment of laboratory accreditation. M&R will evaluate the feasibility of applying 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 NPDES permits issued for each WRP. Processing and utilization of solids are regulated by IEPA 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 instream water quality. Fish sampling in the District service area is also conducted at select locations to characterize the ecological integrity of the waterways.

16000 MONITORING & RESEARCH**OBJECTIVES AND PROGRAM SUMMARY**

OBJECTIVES BY PRIORITY:		Cost	Percent
1. 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	\$ 5,139,500	16.3%
	Solids Process Analyses	\$ 2,667,300	8.4%
	Air Quality Monitoring	\$ 164,700	0.5%
		\$ 7,971,500	25.2%
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	\$ 155,200	0.5%
	Tax-Exempt Users	\$ 1,386,700	4.4%
	Large Commercial/Industrial Users	\$ 3,615,900	11.4%
	Environmental Remediation	\$ 95,500	0.3%
	Chemical Toilet Waste	\$ 86,600	0.3%
	SIUs* - Pretreatment Program	\$ 3,602,100	11.4%
	SIUs* - Extraordinary		
	Monitoring/Enforcement	\$ 1,785,500	5.6%
	Other Industrial Users	\$ 620,300	2.0%
	All Other - General	\$ 414,800	1.3%
		\$ 11,762,600	37.2%
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	\$ 62,600	0.2%
	Waterways Monitoring	\$ 2,283,700	7.3%
	Inspection Events	\$ 253,100	0.8%
	Groundwater Monitoring	\$ 520,300	1.6%
		\$ 3,119,700	9.9%
4. TECHNICAL ASSISTANCE: Conduct a program of independent review of 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	\$ 2,160,400	6.7%
	General Assistance	\$ 712,000	2.3%
	Regulatory Review and Response	\$ 857,300	2.7%
	Engineering Process Design Support	\$ 1,420,600	4.5%
	Regulatory Compliance Reporting	\$ 274,900	0.9%
	Facility Capital Planning	\$ 972,000	3.1%
		\$ 6,397,200	20.2%
5. OPERATIONS AND APPLIED RESEARCH: Conduct operations and applied research for process improvement and cost reduction in District operations.		\$ 2,386,100	7.5%
Total		\$ 31,637,100	100.0%
MEASURABLE GOALS:			
	2016 Actual	2017 Estimated	2018 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. 2018 is the 6th year of this study.	50%	70%	90%
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%

16000 MONITORING & RESEARCH**OBJECTIVES AND PROGRAM SUMMARY**

MEASURABLE GOALS:					2016 Actual	2017 Estimated	2018 Proposed		
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.					181	180	162		
PROGRAMS BY PRIORITY:				2016 Actual	Budgeted		Change		
Number	Name				FTEs	Dollars	Dollars	Percent	
4650	Operations Monitoring	\$	6,894,182	2018	83	\$ 7,971,500	\$ (17,200)	(0.2)	
				2017	80	\$ 7,988,700			
4660	Industrial Waste Monitoring	\$	10,693,383	2018	117	\$ 11,347,800	\$ 221,400	2.0	a)
				2017	115	\$ 11,126,400			
4670	Environmental Monitoring	\$	2,786,800	2018	31	\$ 3,119,700	\$ (268,200)	(7.9)	b)
				2017	31	\$ 3,387,900			
4680	Technical Assistance	\$	5,074,287	2018	61	\$ 6,397,200	\$ 229,900	3.7	c)
				2017	60	\$ 6,167,300			
4690	Operations and Applied Research	\$	2,065,706	2018	23	\$ 2,386,100	\$ 163,300	7.3	d)
				2017	23	\$ 2,222,800			
7604	Social Security and Medicare Contributions	\$	350,009	2018	-	\$ 414,800	\$ 37,500	9.9	
				2017	-	\$ 377,300			
Totals		\$	27,864,367	2018	315	\$ 31,637,100	\$ 366,700	1.2%	
				2017	309	\$ 31,270,400			
a) Increase is due to the addition of two FTE positions (\$232,900).									
b) Decrease is due to the reduced cost of the Tunnel and Reservoir Plan well sampling contract (\$155,300), the elimination of the laboratory technician outsourcing contract (\$27,500), the reduction in boat maintenance needs (\$23,700), and the reallocation of salaries to more accurately reflect current activities (\$34,100).									
c) Increase is due to the addition of two FTE positions (\$272,300) and the reallocation of salaries to more accurately reflect current activities (\$148,900), offset by the transfer of one Associate Mechanical Engineer position to the M&O Department (\$105,900) and reduced requests for equipment for the odor monitoring program (\$46,000) and for the microbial source tracking peer review (\$22,500).									
d) Increase is due to the addition of one FTE position (\$212,300), offset by the reduction of one FTE position (\$55,100).									

16000 MONITORING & RESEARCH**PERFORMANCE DATA**

Program Number	Measurable Activity		2016 Actual	2017 Budgeted	2018 Estimated	
4650	Operations Monitoring: Monitoring of treatment 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	249,316	254,716	250,666	
		Program Cost	\$ 4,435,319	\$ 5,192,200	\$ 5,139,500	
		Program Cost/Analysis	\$ 17.79	\$ 20.38	\$ 20.50	
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	113,415	122,716	102,262	a)
		Program Cost	\$ 2,293,381	\$ 2,612,000	\$ 2,667,300	
		Program Cost/Analysis	\$ 20.22	\$ 21.28	\$ 26.08	
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	4,212	400	3,500	b)
		Sampling Events	600	30	600	b)
		Program Cost	\$ 165,482	\$ 184,500	\$ 164,700	
		Program Cost/Analysis	\$ 39.29	\$ 461.25	\$ 47.06	
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	6,165	6,300	6,200	
		Program Cost	\$ 152,545	\$ 154,400	\$ 155,200	
		Program Cost/User	\$ 24.74	\$ 24.51	\$ 25.03	
4662	User Charge Ordinance - Tax-Exempt Users	Number of Users	3,001	3,120	2,970	
		Program Cost	\$ 1,264,198	\$ 1,384,900	\$ 1,386,700	
		Program Cost/User	\$ 421.26	\$ 443.88	\$ 466.90	
		Revenue	\$ 12,456,464	\$ 17,860,000	\$ 12,880,000	c)
		Revenue/User	\$ 4,150.77	\$ 5,724.36	\$ 4,336.70	
4663	User Charge Ordinance - Large Commercial/Industrial Users	Number of Users	644	680	630	
		Program Cost	\$ 3,420,515	\$ 3,551,400	\$ 3,615,900	
		Program Cost/User	\$ 5,311.36	\$ 5,222.65	\$ 5,739.52	
		Revenue	\$ 32,030,906	\$ 29,140,000	\$ 33,120,000	d)
		Revenue/User	\$ 49,737.43	\$ 42,852.94	\$ 52,571.43	
		Industrial Waste Monitoring Analyses	72,098	58,370	75,858	e)
		Program Cost/Analysis	\$ 47.44	\$ 60.84	\$ 47.67	
4664	Environmental Remediation Wastewater Ordinance	Permits Issued	11	15	15	
		Program Cost	\$ 97,738	\$ 129,700	\$ 95,500	f)
		Program Cost/Permit	\$ 8,885.27	\$ 8,646.67	\$ 6,366.67	
4665	Chemical Toilet Wastes Disposal Ordinance	Permits Issued	3	3	3	
		Program Cost	\$ 45,249	\$ 60,400	\$ 86,600	g)
		Program Cost/Permit	\$ 15,083.00	\$ 20,133.33	\$ 28,866.67	

a) Decrease in the number of analyses is due to a revised protocol for counting this measurable activity.

b) Increase is due to new monitoring projects.

c) Decrease in revenue is due to lower discharge of contaminants by tax-exempt users.

d) Increase in revenue is due to higher discharge of contaminants by large commercial and industrial users.

e) Increase is due to the resumption of a more frequent sampling schedule.

f) Decrease is due to the elimination of one Deputy Director of M&R position (\$34,700).

g) Increase is due to the addition of one Pollution Control Technician II position (\$25,400).

16000 MONITORING & RESEARCH**PERFORMANCE DATA**

Program Number	Measurable Activity		2016 Actual	2017 Budgeted	2018 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	347	355	340	
		Waste Monitoring Analyses	35,459	45,598	42,000	
		Program Cost	\$ 3,357,117	\$ 3,456,700	\$ 3,602,100	
		Program Cost/Analysis	\$ 94.68	\$ 75.81	\$ 85.76	
		Program Cost/SIU	\$ 9,674.69	\$ 9,737.18	\$ 10,594.41	
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	134	120	120	
		Program Cost	\$ 1,751,548	\$ 1,776,900	\$ 1,785,500	
		Program Cost/SIU	\$ 13,071.25	\$ 14,807.50	\$ 14,879.17	
4668	Sewage and Waste Control Ordinance - Other Industrial Users (IU): Inspection and/or sampling for surveillance	Number of IUs	239	326	300	
		Program Cost	\$ 604,473	\$ 612,000	\$ 620,300	
		Program Cost/IU	\$ 2,529.18	\$ 1,877.30	\$ 2,067.67	
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					
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	Sampling Events	1	-	-	
		Environmental Analyses	61	115	100	
		Number of Backflows	-	-	-	
		Program Cost	\$ 78,052	\$ 85,200	\$ 62,600	h)
		Program Cost/Analysis	\$ 1,279.54	\$ 740.87	\$ 626.00	
4672	Waterways Monitoring: Sampling and analysis of Chicago Area Waterways to assess the impact of treated effluent discharge and comply with regulations	Sampling Events	948	463	900	i)
		Environmental Analyses	32,722	29,388	33,354	
		Program Cost	\$ 2,114,580	\$ 2,372,100	\$ 2,283,700	
		Program Cost/Analysis	\$ 64.62	\$ 80.72	\$ 68.47	
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	181	140	156	
		Program Cost	\$ 219,346	\$ 246,900	\$ 253,100	
		Program Cost/Inspection	\$ 1,211.86	\$ 1,763.57	\$ 1,622.44	
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	13,370	15,466	12,284	j)
		Sampling Events	852	1,300	1,300	
		Number of Sites	150	196	160	k)
		Program Cost	\$ 374,822	\$ 683,700	\$ 520,300	l)
		Program Cost/Analysis	\$ 28.03	\$ 44.21	\$ 42.36	

h) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$20,600).

i) Increase in sampling events is due to a revised protocol for counting this measurable activity.

j) Decrease in the number of analyses is due to a revised protocol for counting this measurable activity.

k) Decrease is due to a revised and more accurate count of groundwater monitoring sites.

l) Decrease is due to the reduced cost of the Tunnel and Reservoir Plan well sampling contract (\$155,300).

16000 MONITORING & RESEARCH**PERFORMANCE DATA**

Program Number	Measurable Activity		2016 Actual	2017 Budgeted	2018 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	134	148	170	m)
		Number of Analyses	42,642	26,115	45,602	n)
		Sampling Events	1,049	790	792	
		Program Cost	\$ 1,605,889	\$ 2,079,900	\$ 2,160,400	
		Program Cost/Analysis	\$ 37.66	\$ 79.64	\$ 47.38	
		Program Cost/Sampling Event	\$ 1,530.88	\$ 2,632.78	\$ 2,727.78	
4682	General Assistance to All Other Departments: Technical assistance based on requests, primarily to the Law Department	Responses Completed	212	74	234	m)
		Number of Analyses	1,211	2,950	1,737	o)
		Sampling Events	4	2	40	p)
		Program Cost	\$ 594,618	\$ 668,400	\$ 712,000	
		Program Cost/Analysis	\$ 491.01	\$ 226.58	\$ 409.90	
		Program Cost/Sampling Event	\$ 148,654.50	\$ 334,200.00	\$ 17,800.00	
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	372	330	244	p)
		Program Cost	\$ 799,996	\$ 837,400	\$ 857,300	
4684	Engineering Process Design Support: Technical assistance to the Engineering Department to improve District facilities and optimize process design	Number of Analyses	18,850	22,576	13,615	q)
		Responses Completed	156	191	114	o)
		Sampling Events	232	270	118	o)
		Program Cost	\$ 1,193,970	\$ 1,307,600	\$ 1,420,600	
		Program Cost/Analysis	\$ 63.34	\$ 57.92	\$ 104.34	
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	65	56	
		Number of Analyses	13	12	12	
		Program Cost	\$ 263,157	\$ 292,900	\$ 274,900	
		Program Cost/Analysis	\$ 20,242.85	\$ 24,408.33	\$ 22,908.33	
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	\$ 616,657	\$ 981,100	\$ 972,000	
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	877	1,831	1,210	o)
		Research Projects	61	450	70	r)
		Laboratory Analyses	18,088	18,538	18,764	
		Program Cost	\$ 2,065,706	\$ 2,222,800	\$ 2,386,100	s)
		Program Cost/Analysis	\$ 114.20	\$ 119.91	\$ 127.16	
7604	Social Security and Medicare Contributions	Program Cost	\$ 350,009	\$ 377,300	\$ 414,800	
Totals			\$ 27,864,367	\$ 31,270,400	\$ 31,637,100	

m) Increase is due to estimates based on actual data collected for the first half of 2017.

n) Increase in the number of analyses is due to operational efficiencies and the reclassification of some analyses from Engineering Process Design Support to assistance to the Maintenance & Operations Department.

o) Decrease is due to estimates based on actual data collected for the first half of 2017.

p) Decrease is due to less responses expected to be required for litigation support and National Pollutant Discharge Elimination System permits.

q) Decrease in the number of analyses is due to decreased sampling and the reclassification of some analyses from Engineering Process Design Support to assistance to the Maintenance & Operations Department.

r) Decrease in the number of analyses is due to a revised protocol for counting this measurable activity.

s) Increase is due to the addition of one FTE position (\$212,300), offset by the reduction of one FTE position (\$55,100).

101 16000	Fund: Corporate Department: Monitoring & Research Division:	LINE ITEM ANALYSIS						
		2016	2017				2018	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/17	Expenditure (Committed Budget plus Disbursement) 09/30/17	Estimated Expenditure 12/31/17	Proposed by Executive Director	Recommended by Committee on Budget and Employment
601010	Salaries of Regular Employees	\$ 25,359,611	\$ 27,752,300	\$ 27,680,300	\$ 18,668,452	\$ 26,364,600	\$ 28,819,500	\$ -
601060	Compensation Plan Adjustments	635,144	687,700	687,700	653,747	687,700	606,900	-
601070	Social Security and Medicare Contributions	350,009	377,300	377,300	270,402	371,900	414,800	-
601080	Salaries of Nonbudgeted Employees	1,956	4,500	58,500	33,384	58,500	-	-
601100	Tuition and Training Payments	43,503	55,000	73,000	60,889	59,800	58,100	-
100	TOTAL PERSONAL SERVICES	26,390,223	28,876,800	28,876,800	19,686,875	27,542,500	29,899,300	-
612010	Travel	11,180	15,000	15,000	8,928	11,000	22,000	-
612030	Meals and Lodging	33,941	29,200	29,200	23,362	25,000	34,700	-
612040	Postage, Freight, and Delivery Charges	4,998	4,900	4,900	4,836	4,400	4,400	-
612050	Compensation for Personally-Owned Automobiles	27,389	25,000	25,000	19,264	22,500	27,300	-
612080	Motor Vehicle Operating Services	760	600	600	229	500	800	-
612090	Reprographic Services	148	600	600	-	500	100	-
612170	Water and Water Services	385	500	500	500	400	400	-
612330	Rental Charges	1,829	3,600	3,600	3,600	1,800	2,300	-
612410	Governmental Service Charges	17,000	17,000	17,000	13,600	17,000	67,000	-
612430	Payments for Professional Services	80,724	330,100	330,100	124,037	193,600	102,900	-
612490	Contractual Services, N.O.C.	176,806	515,400	515,400	298,515	300,000	319,900	-
612790	Repairs to Marine Equipment	24,258	50,800	50,800	49,175	20,400	29,600	-
612970	Repairs to Testing and Laboratory Equipment	354,957	421,100	421,100	387,703	380,000	353,500	-
200	TOTAL CONTRACTUAL SERVICES	734,376	1,413,800	1,413,800	933,748	977,100	964,900	-
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	30,069	25,600	25,600	25,127	21,000	30,100	-
623530	Farming Supplies	27,393	34,000	34,000	31,534	27,000	38,000	-
623570	Laboratory Testing Supplies, Small Equipment, and Chemicals	308,038	405,600	405,600	363,472	336,700	354,900	-
623700	Wearing Apparel	12,796	16,100	16,100	15,282	11,000	10,200	-
623720	Books, Maps, and Charts	1,734	900	1,900	1,884	1,900	600	-
623810	Computer Supplies	4,783	2,200	1,200	-	1,200	2,400	-
623820	Fuel	9,427	14,800	14,800	11,281	7,500	9,400	-
623990	Materials and Supplies, N.O.C.	33,132	57,600	57,600	47,276	43,200	37,200	-

101 16000	Fund: Corporate Department: Monitoring & Research Division:	LINE ITEM ANALYSIS						
		2016	2017				2018	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/17	Expenditure (Committed Budget plus Disbursement) 09/30/17	Estimated Expenditure 12/31/17	Proposed by Executive Director	Recommended by Committee on Budget and Employment
300	TOTAL MATERIALS AND SUPPLIES	427,371	556,800	556,800	495,856	449,500	482,800	-
634970	Testing and Laboratory Equipment	312,397	423,000	423,000	417,851	359,600	290,100	-
400	TOTAL MACHINERY AND EQUIPMENT	312,397	423,000	423,000	417,851	359,600	290,100	-
TOTAL MONITORING & RESEARCH		\$ 27,864,367	\$ 31,270,400	\$ 31,270,400	\$ 21,534,331	\$ 29,328,700	\$ 31,637,100	\$ -

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: Monitoring & Research Division:		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	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	
HP11	Administrative Specialist	1	1		1	
TOTAL	Executive Section	3	3	412,464.50	3	419,068.51
112	Budget & Administrative Section					
HP23	Deputy Director of Monitoring & Research	-	1		-	
HP22	Deputy Director of Monitoring & Research	1	-		-	
HP22	Assistant Director of Monitoring & Research	-	-		1	
HP18	Supervising Budget & Management Analyst	1	1		1	
HP17	Management Analyst III #2 (Senior Budget & Management Analyst) (New Grade HP16)	1	1		-	
HP16	Senior Budget & Management Analyst	-	-		1	
HP14	Budget & Management Analyst	2	2		2	
HP12	Administrative Assistant #2 (Administrative Specialist) (New Grade HP11)	1	-		-	
HP11	Administrative Specialist	-	1		1	
TOTAL	Budget & Administrative Section	6	6	769,109.75	6	729,495.00
TOTAL	Executive Division	9	9	1,181,574.25	9	1,148,563.51
120	Environmental Monitoring & Research Division					
121	Environmental Monitoring & Research Administrative Section					
HP22	Assistant Director of Monitoring & Research	-	1		1	
HP21	Assistant Director of Monitoring & Research	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	

Fund: Corporate Dept: Monitoring & Research Division:		POSITION ANALYSIS				
		2016	2017		2018	
					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 Research Scientist	1	-		-	
HP15	Associate Civil Engineer	-	1		1	
HP13	Senior Administrative Specialist	1	1		2	
HP12	Secretary #2 (Administrative Specialist) (New Grade HP11)	1	-		-	
HP11	Administrative Specialist	1	2		3	
TOTAL	Environmental Monitoring & Research Administrative Section	8	8	1,039,567.74	12	1,423,864.51
122	Wastewater Treatment Process Research Section					
HP18	Principal Environmental Scientist	-	-		1	
HP18	Supervising Environmental Research Scientist	1	1		-	
HP17	Senior Environmental Research Scientist	3	3		3	
HP15	Associate Environmental Research Scientist	4	-		-	
HP15	Environmental Research Scientist	-	3		3	
HP13	Senior Environmental Research Technician	-	1		1	
HP11	Administrative Specialist	1	1		-	
HP11	Environmental Research Technician	1	2		6	
HP11	Laboratory Technician II	1	3		-	
HP11	Laboratory Technician II #1	1	-		-	
HP11	Laboratory Technician II #2 (Environmental Research Technician)	1	1		-	
HP10	Laboratory Technician I	3	1		1	
HP10	Laboratory Technician I #1	2	-		-	
HP10	Laboratory Technician I #4	1	-		-	
TOTAL	Wastewater Treatment Process Research Section	19	16	1,376,256.12	15	1,351,314.16
123	Biosolids Utilization & Soil Science Section					
HP18	Principal Environmental Scientist	-	-		1	
HP18	Supervising Environmental Soil Scientist	1	1		-	
HP17	Senior Environmental Soil Scientist	2	2		2	
HP15	Associate Environmental Soil Scientist	3	-		-	

Fund: Corporate Dept: Monitoring & Research Division:		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP15	Environmental Soil Scientist	-	3		3	
HP15	Environmental Chemist	-	1		1	
HP14	Assistant Environmental Chemist	1	-		-	
HP14	Assistant Environmental Chemist #1	-	1		1	
HP11	Administrative Specialist	1	1		-	
HP11	Environmental Research Technician	2	3		5	
HP11	Laboratory Technician II	-	1		-	
HP11	Laboratory Technician II #2 (Environmental Research Technician)	2	1		-	
HP10	Laboratory Technician I	1	-		-	
HP09	Laboratory Assistant	1	1		1	
TOTAL	Biosolids Utilization & Soil Science Section	14	15	1,260,564.59	14	1,207,846.36
124	Analytical Microbiology & Biomonitoring Section					
HP18	Principal Environmental Scientist	-	-		1	
HP18	Supervising Environmental Microbiologist	1	1		-	
HP17	Senior Environmental Microbiologist	1	1		1	
HP16	Associate Environmental Microbiologist	1	-		-	
HP16	Associate Environmental Microbiologist #2 (Environmental Microbiologist) (New Grade HP15)	-	1		1	
HP15	Environmental Microbiologist	-	1		1	
HP14	Assistant Environmental Microbiologist	1	-		-	
HP14	Assistant Environmental Microbiologist #1	-	1		1	
HP13	Senior Laboratory Technician	1	1		1	
HP11	Administrative Specialist	1	1		1	
HP11	Laboratory Technician II	1	5		7	
HP11	Laboratory Technician II #4	2	2		1	
HP10	Laboratory Technician I	4	-		-	
HP09	Laboratory Assistant	2	2		2	
TOTAL	Analytical Microbiology & Biomonitoring Section	15	16	1,190,865.26	17	1,298,826.97

Fund: Corporate Dept: Monitoring & Research Division:		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
126	Aquatic Ecology & Water Quality Section					
HP18	Principal Environmental Scientist	-	-		1	
HP18	Supervising Aquatic Biologist	1	1		-	
HP17	Senior Aquatic Biologist	1	1		1	
HP16	Associate Aquatic Biologist	2	-		-	
HP16	Associate Aquatic Biologist #2 (Aquatic Biologist) (New Grade HP15)	-	2		2	
HP15	Aquatic Biologist	-	1		1	
HP14	Assistant Aquatic Biologist	1	-		-	
HP14	Assistant Aquatic Biologist #1	-	1		1	
HP13	Senior Environmental Research Technician	-	1		1	
HP11	Environmental Research Technician	1	1		5	
HP11	Laboratory Technician II	-	2		-	
HP11	Laboratory Technician II #1	1	-		-	
HP11	Laboratory Technician II #2 (Environmental Research Technician)	2	2		-	
HP10	Laboratory Technician I	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	1,627,950.23	20	1,634,168.06
129	Process Facilities Capital Planning Section					
HP18	Principal Civil Engineer	1	1		1	
HP17	Senior Civil Engineer	2	2		2	
HP17	Senior Electrical Engineer	1	1		1	
HP17	Senior Environmental Research Scientist	1	2		2	
HP17	Senior Mechanical Engineer	1	2		2	
HP15	Associate Civil Engineer	2	2		2	
HP15	Associate Electrical Engineer	1	2		2	

Fund: Corporate Dept: Monitoring & Research Division:		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP15	Associate Environmental Research Scientist	1	-		-	
HP15	Environmental Research Scientist	-	2		2	
HP15	Associate Mechanical Engineer	1	3		2	
TOTAL	Process Facilities Capital Planning Section	11	17	1,926,934.95	16	1,839,856.46
TOTAL	Environmental Monitoring & Research Division	86	92	8,422,138.89	94	8,755,876.52
160	Analytical Laboratories Division					
161	Analytical Laboratories Administrative Section					
HP22	Assistant Director of Monitoring & Research	-	1		1	
HP21	Assistant Director of Monitoring & Research	1	-		-	
HP18	Supervising Environmental Chemist	-	1		1	
HP17	Quality Assurance Coordinator	1	-		-	
HP17	Senior Environmental Chemist	1	1		2	
HP15	Associate Environmental Chemist	1	-		-	
HP15	Environmental Chemist	-	1		2	
HP13	Senior Administrative Specialist	1	1		1	
HP12	Administrative Assistant #2 (Administrative Specialist) (New Grade HP11)	1	1		-	
HP11	Administrative Specialist	-	-		1	
TOTAL	Analytical Laboratories Administrative Section	6	6	744,156.40	8	960,908.79
162	Stickney Analytical Laboratory Section					
HP18	Supervising Environmental Chemist	1	1		1	
HP17	Senior Environmental Chemist	1	1		2	
HP15	Associate Environmental Chemist	2	-		-	
HP15	Environmental Chemist	-	6		5	
HP14	Assistant Environmental Chemist	4	-		-	
HP14	Assistant Environmental Chemist #1	-	1		1	
HP13	Senior Laboratory Technician	3	3		3	
HP11	Administrative Specialist	1	1		1	

Fund: Corporate Dept: Monitoring & Research Division:		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP11	Laboratory Technician II	4	9		9	
HP10	Laboratory Technician I	8	2		2	
HP09	Laboratory Assistant	3	3		3	
TOTAL	Stickney Analytical Laboratory Section	27	27	2,007,477.77	27	2,069,003.54
164	Industrial Waste Analytical Laboratory Section					
HP18	Supervising Environmental Chemist	1	1		1	
HP17	Senior Environmental Chemist	1	1		2	
HP15	Associate Environmental Chemist	2	-		-	
HP15	Environmental Chemist	-	5		5	
HP14	Assistant Environmental Chemist	3	-		-	
HP14	Assistant Environmental Chemist #1	-	1		1	
HP13	Senior Laboratory Technician	3	3		3	
HP11	Administrative Specialist	1	-		-	
HP11	Laboratory Technician II	8	13		12	
HP10	Laboratory Technician I	4	-		-	
HP10	Laboratory Technician I #1	2	-		-	
HP09	Laboratory Assistant	1	1		1	
TOTAL	Industrial Waste Analytical Laboratory Section	26	25	1,919,364.92	25	2,074,547.16
165	Organic Compounds Analytical Laboratory Section					
HP18	Instrumentation Chemist IV	1	-		-	
HP18	Supervising Instrumentation Chemist	-	1		1	
HP17	Instrumentation Chemist III	2	-		-	
HP17	Senior Instrumentation Chemist	-	2		2	
HP16	Instrumentation Chemist II	2	-		-	
HP16	Instrumentation Chemist II #2 (Instrumentation Chemist) (New Grade HP15)	-	2		2	
HP15	Instrumentation Chemist I	2	-		-	
HP15	Instrumentation Chemist	-	2		2	

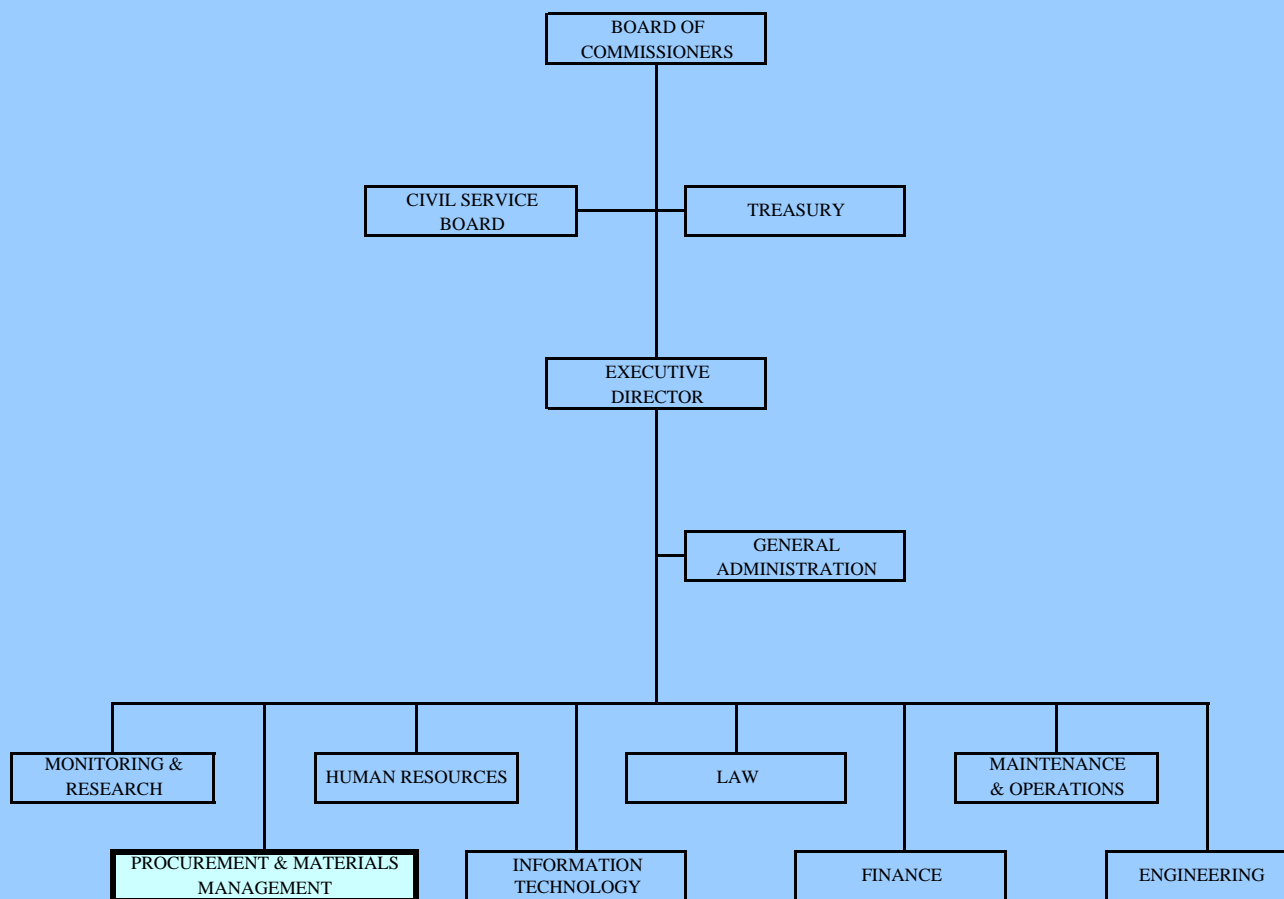
Fund: Corporate Dept: Monitoring & Research Division:		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP13	Senior Laboratory Technician	1	1		1	
HP11	Administrative Specialist	1	-		-	
HP11	Laboratory Technician II	2	2		2	
TOTAL	Organic Compounds Analytical Laboratory Section	11	10	1,102,382.21	10	1,109,933.27
166	Egan Analytical Laboratory Section					
HP18	Supervising Environmental Chemist	1	1		1	
HP17	Senior Environmental Chemist	1	1		2	
HP15	Associate Environmental Chemist	1	-		-	
HP15	Environmental Chemist	-	4		4	
HP14	Assistant Environmental Chemist	3	-		-	
HP14	Assistant Environmental Chemist #1	-	2		1	
HP13	Senior Laboratory Technician	2	2		2	
HP13	Senior Laboratory Technician #1	-	-		1	
HP12	Administrative Assistant #2 (Administrative Specialist) (New Grade HP11)	1	1		1	
HP11	Laboratory Technician II	4	6		6	
HP11	Laboratory Technician II #4	1	1		1	
HP10	Laboratory Technician I	3	1		1	
HP10	Laboratory Technician I #1	4	-		-	
HP09	Laboratory Assistant	2	2		2	
TOTAL	Egan Analytical Laboratory Section	23	21	1,682,562.54	22	1,837,093.41
167	Calumet Analytical Laboratory Section					
HP18	Supervising Environmental Chemist	1	1		1	
HP17	Senior Environmental Chemist	1	1		2	
HP15	Associate Environmental Chemist	1	-		-	
HP15	Environmental Chemist	-	4		4	
HP14	Assistant Environmental Chemist	3	-		-	
HP13	Senior Laboratory Technician	2	2		2	

Fund: Corporate Dept: Monitoring & Research Division:		POSITION ANALYSIS				
		2016	2017		2018	
					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	
HP11	Administrative Specialist	1	-		-	
HP11	Laboratory Technician II	3	7		7	
HP10	Laboratory Technician I	4	-		-	
HP10	Laboratory Technician I #1	1	1		-	
HP09	Laboratory Assistant	2	2		2	
TOTAL	Calumet Analytical Laboratory Section	19	19	1,434,357.98	19	1,593,739.70
TOTAL	Analytical Laboratories Division	112	108	8,890,301.82	111	9,645,225.87
190	Industrial Waste Division					
191	Industrial Waste Administrative Section					
HP22	Assistant Director of Monitoring & Research	-	1		1	
HP21	Assistant Director of Monitoring & Research	1	-		-	
HP11	Administrative Specialist	1	1		1	
TOTAL	Industrial Waste Administrative Section	2	2	295,237.51	2	295,237.53
192	Technical Services Section (formerly Enforcement Section)					
HP18	Supervising Environmental Specialist	-	1		1	
HP17	Senior Environmental Specialist	1	1		1	
HP15	Environmental Specialist	2	2		2	
TOTAL	Technical Services Section (formerly Enforcement Section)	3	4	456,118.08	4	466,629.79
193	Pretreatment & Cost Recovery Section (formerly User Charge & Technical Services 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	8	7		7	
HP15	Associate Mechanical Engineer #2 (Associate Civil Engineer)	-	1		1	
HP15	Environmental Specialist	16	16		16	

Fund: Corporate Dept: Monitoring & Research Division:		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP12	Secretary #2 (Administrative Specialist) (New Grade HP11)	1	1		1	
HP11	Administrative Specialist	2	2		2	
HP09	Administrative Clerk	2	2		2	
TOTAL	Pretreatment & Cost Recovery Section (formerly User Charge & Technical Services Section)	35	35	3,601,619.97	35	3,566,737.61
194	Field Services Section (formerly Field Services Central Area 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	
NR3642	Pollution Control Technician II	1	1		2	
NR3641	Pollution Control Technician I	21	21		21	
TOTAL	Field Services Section (formerly Field Services Central Area Section)	58	59	5,336,089.47	60	5,430,475.97
TOTAL	Industrial Waste Division	98	100	9,689,065.03	101	9,759,080.90
TOTAL	Monitoring & Research	305	309	28,183,079.99	315	29,308,746.80

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



Metropolitan Water Reclamation District of Greater Chicago

100 EAST ERIE STREET

CHICAGO, ILLINOIS 60611-3154

312.751.5600

September 12, 2017

Mr. David St. Pierre
Executive Director
OFFICE

Dear Sir:

Subject: 2018 Program for the Procurement & Materials Management Department

The Procurement & Materials Management Department's program for 2018, as prepared in detail, is transmitted herewith. The budget presentation supports the request for funding of the department's 2018 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, 2018 major initiatives and challenges, and 2017 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 2018.

Respectfully submitted,

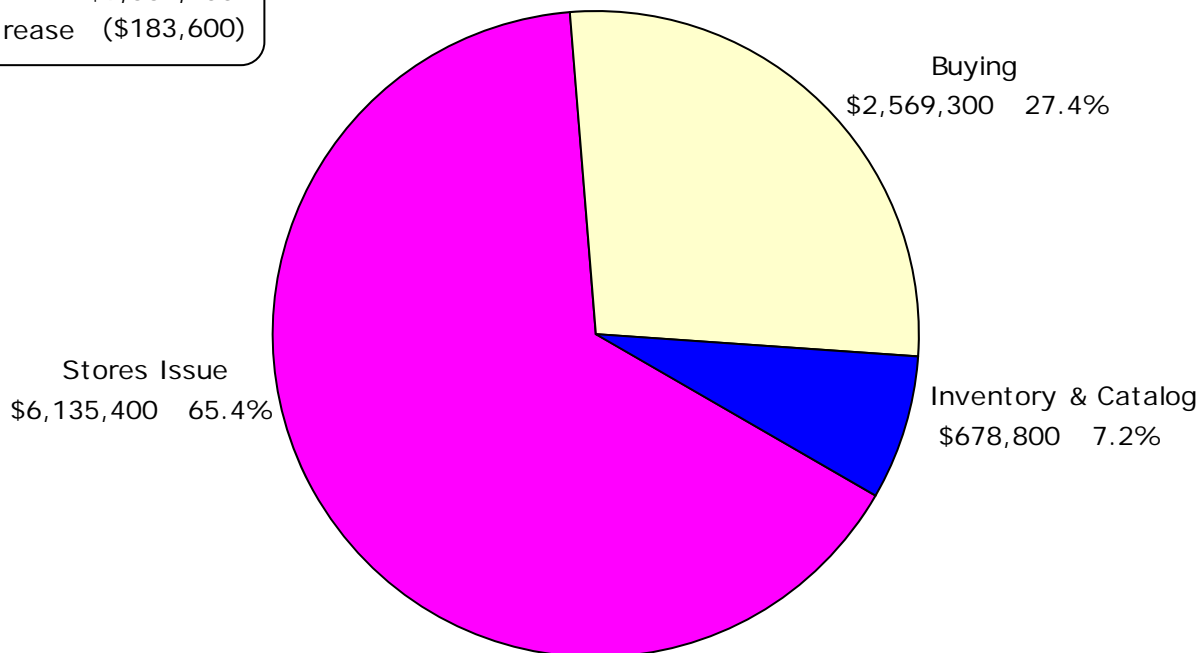


Darlene A. LoCascio
Director of Procurement & Materials Management

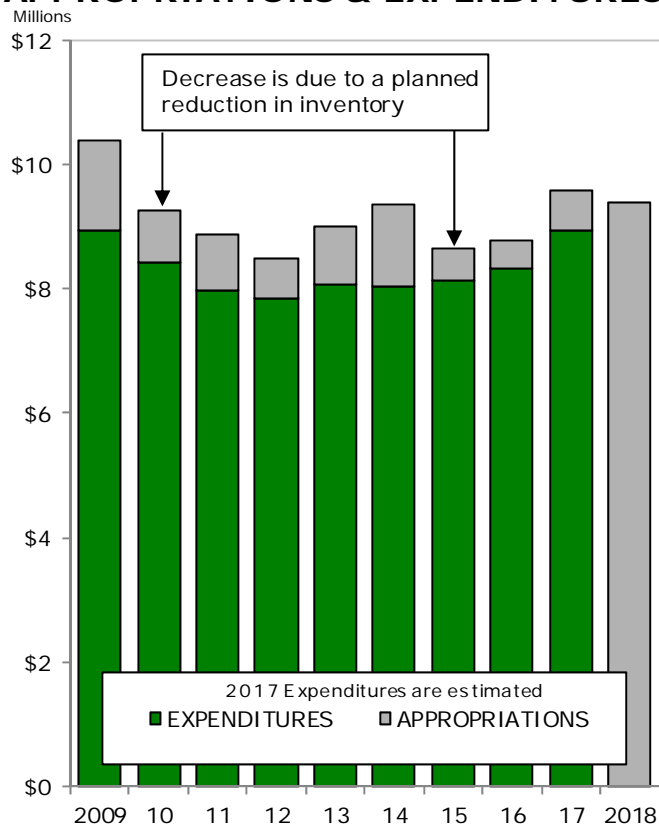
PROCUREMENT & MATERIALS MANAGEMENT

2018	\$9,383,500
2017	\$9,567,100
Decrease	(\$183,600)

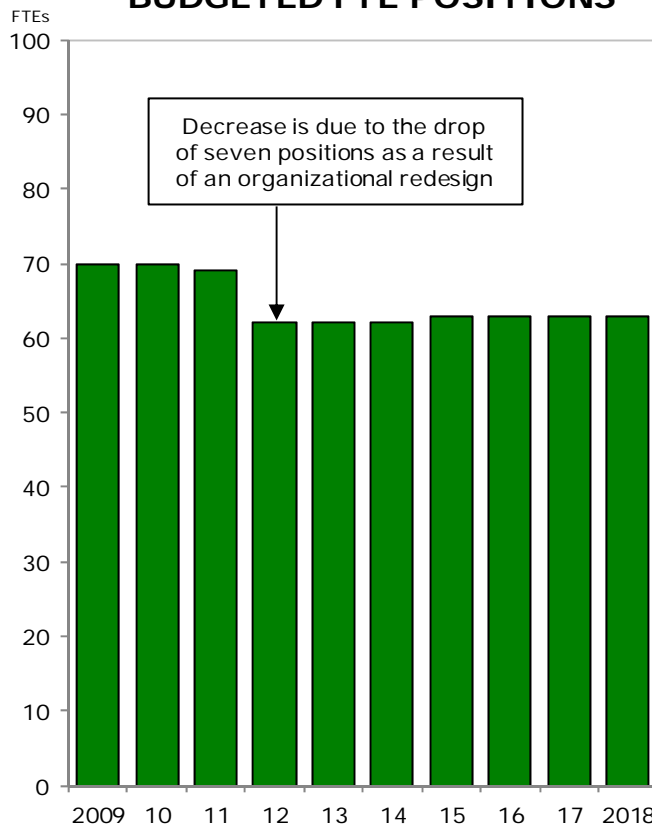
FUNCTIONS



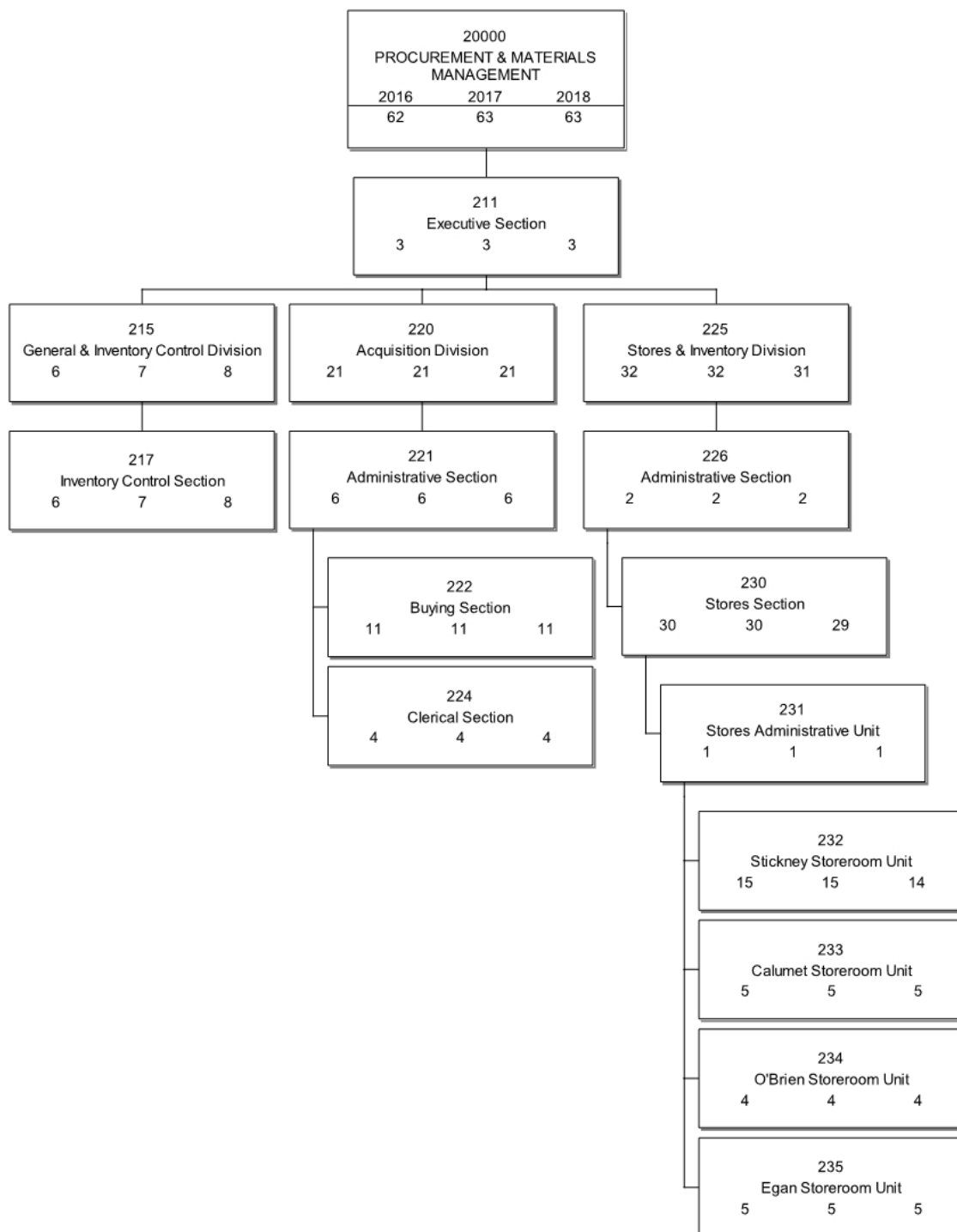
APPROPRIATIONS & EXPENDITURES



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 2017 Accomplishments

- Collaborated with the Maintenance & Operations Department (M&O) to award, in the fourth quarter of 2017, a contract to assist the District in becoming a Pennsylvania-New Jersey-Maryland Interconnection (PJM) service provider to market electricity generation capacity at the Lockport Powerhouse and to maximize return on investment to the District;
- Collaborated with M&O to ensure that 100 percent of materials and supplies required for preventive maintenance work orders are available in the storerooms. This is an ongoing process;
- Completed the replacement lighting project using high-efficiency light-emitting diode fixtures in the Stickney Water Reclamation Plant (WRP) storeroom;
- Secured the electricity supply price for 2019 of \$0.02924 per kilowatt-hour (kWh) for a total unit price of \$0.03150 per kWh, including a bandwidth of 100 percent;
- Continued to purchase recyclable plastic pallets made with recycled content for the storerooms. This was the second year of a three-year plan to replace the wooden pallets used for the racking systems at the storerooms. It is anticipated to be completed in 2018;
- Implemented a new Multi-Project Labor Agreement in collaboration with the Law Department;
- Developed a cost estimate range to be utilized for capital improvement projects;
- Developed and implemented a schedule for recurring contracts to ensure the replacement contract is in place before the end of the current contract. This effort eliminates the use of a change order during the interval period.

Budget Highlights

The 2018 appropriation for P&MM is \$9,383,500, a decrease of \$183,600, or 1.9 percent, from 2017. The staffing level remains unchanged at 63 positions.

Significant features of the 2018 Budget are:

- Continue collaboration with M&O to ensure that 100 percent of materials and supplies required for preventive maintenance work orders are available in the storerooms;
- P&MM will have an active role in the selection of engineering consultants and attorneys. This will include the development of a request for qualifications and the development of search criteria for the vendor database;
- Continue to purchase recyclable plastic pallets to replace wooden pallets in the storerooms. This is the third and final year of the planned replacement;
- The District will begin to buy and sell electrical energy and Renewable Energy Credits on the wholesale market, as per the newly awarded contract to become a PJM service provider;
- Continue with the plan to reduce engineering spare parts inventory;
- Redesign the oil room at the Stickney WRP storeroom with pallet flow racking to accommodate 55-gallon drums to ensure stock rotation and space utilization;
- Make improvements to the Fertilizer Building at the Stickney WRP to control storage of materials from outlying areas.

2018 Initiatives in Support of the Strategic Business Plan Include the Following:

• Add Value

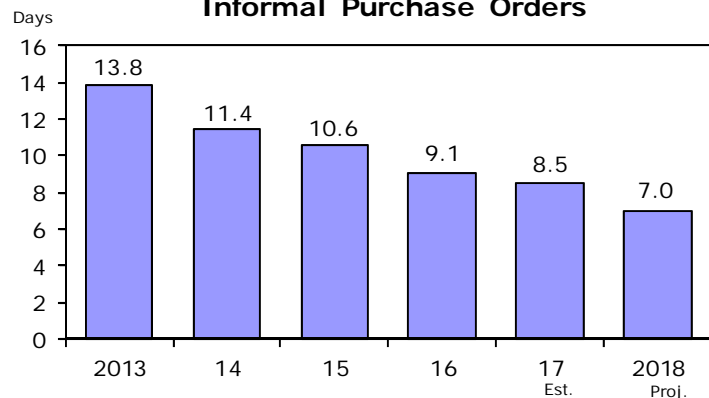
P&MM will have an active role in the selection of engineering consultants and attorneys. This will include the development of a request for qualifications and the development of search criteria for the vendor database.

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 2017, P&MM reviewed the data after seven months and found a decrease in turnaround time from 10.6 days in 2015 to 8.5 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 adherence to project timeframes.

Turnaround Time: Processing Requisitions to Purchase Orders for Informal Purchase Orders



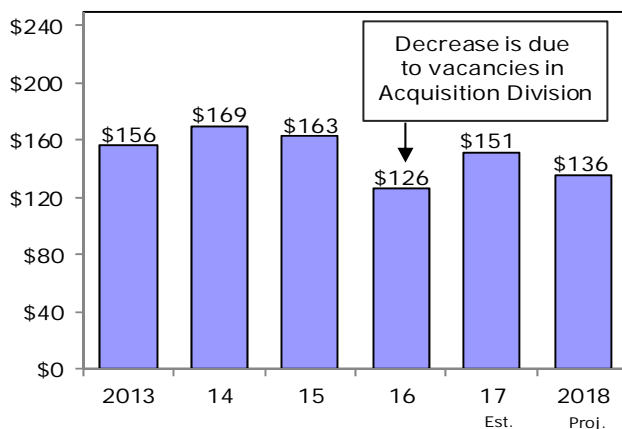
• Excellence

In 2017, the District secured the electricity supply price for 2019 of \$0.02924 per kWh for a total unit price of \$0.03150 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 \$2.9 million in 2019. In 2018, P&MM will also monitor the prices for electricity for the year 2020 in efforts to obtain a price for electricity that is equal to or less than the 2019 price.

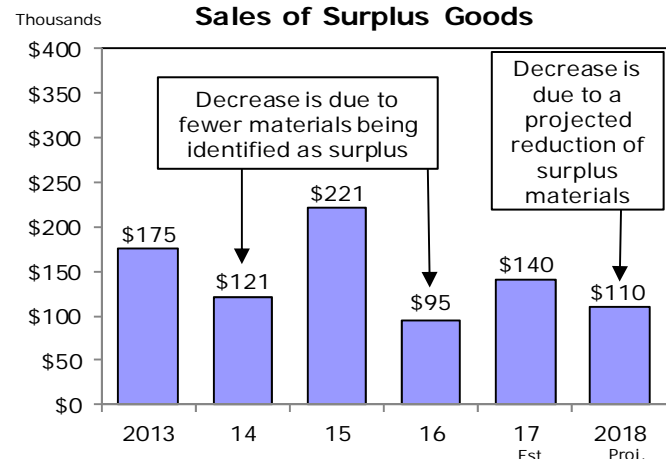
It is estimated that the value of materials inventory will decrease by approximately \$1 million in 2018. P&MM is continuing to monitor levels of engineering parts for obsolescence and optimum reorder points.

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

Cost to Prepare a Purchase Order



Sales of Surplus Goods



• Resource Recovery

P&MM will continue to replace wooden pallets used for the racking systems at the District's storerooms with recyclable plastic pallets made with recycled content. The wooden pallets have a useful life of five years, while the plastic pallets have a useful life of twenty years. This planned replacement is in its third and final year.

In collaboration with M&O, P&MM has awarded a contract to assist the District in becoming a PJM service provider to market electricity generation capacity at the Lockport Powerhouse, which will allow the District to buy and sell electrical energy and Renewable Energy Credits on the wholesale market. This will begin in 2018.

- **Develop Employees**

The development of employees is important to P&MM. Due to promotions and retirements, P&MM hired or promoted several key personnel in 2017. These individuals began extensive training in 2017 to develop and implement leadership initiatives that support succession planning.

- **Technology**

P&MM will be working with the Information Technology Department to combine databases in the Engineering and Law Departments with the vendor database in P&MM. P&MM will also establish criteria in order 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.

As always, P&MM is committed to supporting the 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 \$200,100,200. The estimated number of contracts and purchase orders is 129 and 5,000, 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.		\$ 2,569,300	27.4%
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 65,200 items.		\$ 6,135,400	65.4%
3. Support the material and supply requirements of the District by planning, monitoring, cataloging, and controlling \$33,400,000 of inventory consisting of 65,200 items.		\$ 678,800	7.2%
	Total	\$ 9,383,500	100.0%

MEASURABLE GOALS:	2016 Actual	2017 Estimated	2018 Proposed
1. Process all requisitions and issue the related purchase orders within 25 days.			
Percent of Purchase Orders Processed within 25 days	72%	92%	92%
Percent of Purchase Orders Processed within 10 days	45%	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 Inventory (Number of stock items at all storerooms)	65,050	65,100	65,200
Total Stock-outs (Storeroom stock items only)	738	650	580
Total Issue Slips	15,227	15,500	16,000
Total Number of Items Issued	1,372,404	1,212,834	1,255,000
Total Items Issued and Stock Transports	55,390	56,386	57,390
Percent of Stock-outs (Maintain a level below three percent)	1.3%	1.2%	1.0%
3. Achieve inventory accuracy of 98 percent of operating supplies.			
Total Cycle Counts (Periodic physical inventory)	62,739	65,225	53,000
Total Errors	733	595	450
Percent Accuracy	98.8%	99.1%	99.2%
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	3.1%	6.0%	6.0%
Women-owned Business Enterprises Solicited	4.6%	6.0%	6.0%
Small Business Enterprises Solicited	0.1%	1.0%	1.0%
Total Percent Solicited	7.8%	13.0%	13.0%

20000 PROCUREMENT & MATERIALS MANAGEMENT**OBJECTIVES AND PROGRAM SUMMARY**

PROGRAMS BY PRIORITY:			2016	Budgeted			Change		
Number	Name		Actual	FTEs	Dollars	Dollars	Percent		
7253	Support Department Budget Preparation, Monitoring, and Administration	\$	37,530	2018	1	\$ 118,700	\$ 78,900	198.2	a)
				2017	-	\$ 39,800			
7260	Buying Procedures	\$	2,085,681	2018	23	\$ 2,450,600	\$ (152,000)	(5.8)	b)
				2017	23	\$ 2,602,600			
7270	Inventory and Cataloging	\$	758,755	2018	8	\$ 678,800	\$ (219,200)	(24.4)	c)
				2017	9	\$ 898,000			
7280	Stores Operation and Issue	\$	5,374,442	2018	31	\$ 6,054,700	\$ 107,400	1.8	
				2017	31	\$ 5,947,300			
7604	Social Security and Medicare Contributions	\$	71,148	2018	-	\$ 80,700	\$ 1,300	1.6	
				2017	-	\$ 79,400			
Totals		\$	8,327,556	2018	63	\$ 9,383,500	\$ (183,600)	(1.9%)	
				2017	63	\$ 9,567,100			

a) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$78,900).

b) Decrease is due to the 2017 one-time purchases of wire decking for pallet racking at the Stickney Water Reclamation Plant (WRP) (\$30,000), an industrial sweeper at the Stickney WRP (\$24,900), an electric vacuum lifter for sheet stock at the Stickney WRP (\$11,800), a straddle truck at the Egan WRP (\$11,200), scales for the Egan WRP, O'Brien WRP, and Calumet WRP (\$9,200), cantilever racking for the lumber room at the Stickney WRP (\$8,600), and a crane interface at the Stickney WRP (\$4,500).

c) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$215,700).

20000 PROCUREMENT & MATERIALS MANAGEMENT**PERFORMANCE DATA**

Program Number	Measurable Activity		2016 Actual	2017 Budgeted	2018 Estimated	
7253	Support Department Budget Preparation, Monitoring, and Administration	Cost	\$ 37,530	\$ 39,800	\$ 118,700	a)
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	4,861	5,000	5,000	
		Cost	\$ 454,842	\$ 536,700	\$ 475,700	
		Cost/Purchase Order	\$ 93.57	\$ 107.34	\$ 95.14	
7262	Process Requisition Requirements into Inquiries for Competitive Purchases	Requisitions	7,712	7,500	7,500	
		Cost	\$ 187,994	\$ 251,800	\$ 248,900	
		Cost/Requisition	\$ 24.38	\$ 33.57	\$ 33.19	
7263	Purchase all Labor, Materials, Services, and Equipment through Formal Contracts	Contracts Advertised	152	150	150	
		Cost	\$ 867,715	\$ 929,300	\$ 972,200	
		Cost/Contract	\$ 5,708.65	\$ 6,195.33	\$ 6,481.33	
7264	Prepare, Receive, and Evaluate Quotations from Various Suppliers	Inquiries	31,848	34,000	34,000	
		Cost	\$ 261,489	\$ 341,300	\$ 258,600	b)
		Cost/Inquiry	\$ 8.21	\$ 10.04	\$ 7.61	
7265	Advertise, Evaluate Bids, and Award the Sale of Obsolete Inventory, Scrap, Surplus Materials, and Document Fees	Revenue	\$ 94,523	\$ 90,000	\$ 71,000	
		Cost	\$ 13,984	\$ 14,100	\$ 103,400	c)
		Cost/\$1,000 Revenue	\$ 147.94	\$ 156.67	\$ 1,456.34	
7269	Buying Procedures - All Other (General)	Cost	\$ 299,657	\$ 529,400	\$ 391,800	d)
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	\$ 35,592,261	\$ 34,400,000	\$ 33,400,000	e)
		Cost	\$ 166,756	\$ 195,800	\$ 173,300	
		Cost/Million	\$ 4,685.18	\$ 5,691.86	\$ 5,188.62	
7272	Cycle Counting and Transaction File Maintenance to Ensure Optimum Levels of Inventory and Accountability of District Stock	Inventory	\$ 35,592,261	\$ 34,400,000	\$ 33,400,000	e)
		Cost	\$ 299,347	\$ 401,300	\$ 345,000	
		Cost/Million	\$ 8,410.45	\$ 11,665.70	\$ 10,329.34	
7273	Requirement Planning, Controlling, Monitoring, and Analyzing Commodity Index Coded Items in an Optimum and Economic Manner	Cost	\$ 155,773	\$ 161,400	\$ 135,100	f)
7279	Inventory and Cataloging - All Other (General)	Cost	\$ 136,879	\$ 139,500	\$ 25,400	g)

a) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$78,900).

b) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$82,700).

c) Increase is due to the reallocation of salaries to more accurately reflect the department's current activities (\$89,300).

d) Decrease is due to the 2017 one-time purchases of wire decking for pallet racking at the Stickney WRP (\$30,000), an industrial sweeper at the Stickney WRP (\$24,900), an electric vacuum lifter for sheet stock at the Stickney WRP (\$11,800), a straddle truck at the Egan WRP (\$11,200), scales for the Egan WRP, O'Brien WRP, and Calumet WRP (\$9,200), cantilever racking for the lumber room at the Stickney WRP (\$8,600), and a crane interface at the Stickney WRP (\$4,500).

e) Decrease is due to the planned reduction in engineering spare parts inventory (\$1,000,000).

f) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$26,300).

g) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$111,100).

20000 PROCUREMENT & MATERIALS MANAGEMENT**PERFORMANCE DATA**

Program Number	Measurable Activity		2016 Actual	2017 Budgeted	2018 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, and Miscellaneous Purchases in Accordance with Established Policies and Rules	Requisitions	6,570	6,700	6,700	
		Cost	\$ 282,712	\$ 290,900	\$ 463,300	h)
		Cost/Requisition	\$ 43.03	\$ 43.42	\$ 69.15	
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	14,613	14,500	14,500	
		Cost	\$ 762,135	\$ 795,400	\$ 655,700	i)
		Cost/Receipt	\$ 52.15	\$ 54.86	\$ 45.22	
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	\$ 35,592,261	\$ 34,400,000	\$ 33,400,000	j)
		Cost	\$ 683,168	\$ 624,000	\$ 595,100	
		Cost/Million	\$ 19,194.28	\$ 18,139.53	\$ 17,817.37	
7285	Provide Controlled Disbursement of Stored Materials and Supplies to Requesting Departments	Issue Slips	15,227	14,800	16,000	
		Cost	\$ 633,200	\$ 644,700	\$ 605,100	
		Cost/Issue Slip	\$ 41.58	\$ 43.56	\$ 37.82	
7286	Stores Operation and Issue - All Other (General)	Cost	\$ 80,958	\$ 86,500	\$ 290,700	k)
7289	Inventory Purchases	Cost	\$ 2,932,269	\$ 3,505,800	\$ 3,444,800	
7604	Social Security and Medicare Contributions	Cost	\$ 71,148	\$ 79,400	\$ 80,700	
	Total		\$ 8,327,556	\$ 9,567,100	\$ 9,383,500	

h) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$183,600).

i) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$128,500).

j) Decrease is due to the planned reduction in engineering spare parts inventory (\$1,000,000).

k) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$120,800), the purchase of oil room pallet flow racking at the Stickney WRP (\$30,000), a new garage door for the Fertilizer Building at the Stickney WRP (\$30,000), and a pallet walker at the O'Brien WRP (\$12,000).

101 20000	Fund: Corporate Department: Procurement & Materials Management Division:	LINE ITEM ANALYSIS						
		2016	2017				2018	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/17	Expenditure (Committed Budget plus Disbursement) 09/30/17	Estimated Expenditure 12/31/17	Proposed by Executive Director	Recommended by Committee on Budget and Employment
601010	Salaries of Regular Employees	\$ 5,065,472	\$ 5,555,300	\$ 5,555,300	\$ 3,600,859	\$ 5,240,300	\$ 5,532,700	\$ -
601060	Compensation Plan Adjustments	45,780	141,000	141,000	57,529	112,000	98,700	-
601070	Social Security and Medicare Contributions	71,148	79,400	79,400	52,399	71,700	80,700	-
601100	Tuition and Training Payments	1,120	4,500	4,500	596	2,000	1,600	-
100	TOTAL PERSONAL SERVICES	5,183,520	5,780,200	5,780,200	3,711,383	5,426,000	5,713,700	-
612010	Travel	30	3,000	3,000	-	500	1,500	-
612030	Meals and Lodging	322	3,000	3,000	245	700	2,000	-
612050	Compensation for Personally-Owned Automobiles	1,874	2,300	2,300	810	1,400	1,900	-
612080	Motor Vehicle Operating Services	46	-	-	-	-	-	-
612360	Advertising	110,981	130,000	126,300	97,595	115,000	111,000	-
612680	Repairs to Buildings	1,484	3,800	3,800	3,300	3,800	6,500	-
612800	Repairs to Office Furniture and Equipment	1,204	2,200	2,200	1,600	1,200	1,200	-
612820	Computer Software Maintenance	1,580	-	-	-	-	-	-
612860	Repairs to Vehicle Equipment	4,794	7,700	11,400	10,820	7,700	7,700	-
200	TOTAL CONTRACTUAL SERVICES	122,314	152,000	152,000	114,369	130,300	131,800	-
623030	Metals	95,596	150,000	129,000	79,883	120,000	103,700	-
623070	Electrical Parts and Supplies	313,294	350,000	340,000	210,177	329,000	313,300	-
623090	Plumbing Accessories and Supplies	342,634	382,400	382,400	216,491	359,400	342,600	-
623110	Hardware	79,758	85,000	85,000	59,041	79,900	79,800	-
623130	Buildings, Grounds, Paving Materials, and Supplies	179,021	350,000	350,000	236,572	315,000	456,500	-
623170	Fiber, Paper, and Insulation Materials	42,200	45,000	45,000	34,726	41,400	42,200	-
623190	Paints, Solvents, and Related Materials	51,258	55,000	55,000	43,714	55,000	51,300	-
623250	Vehicle Parts and Supplies	12,108	10,000	10,000	7,357	10,000	10,500	-
623270	Mechanical Repair Parts	159,368	160,000	200,000	176,760	160,000	237,500	-
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	11,104	17,400	17,400	16,838	15,000	11,100	-
623570	Laboratory Testing Supplies, Small Equipment, and Chemicals	607,738	590,000	590,000	560,283	590,000	607,700	-

101 20000	Fund: Corporate Department: Procurement & Materials Management Division:	LINE ITEM ANALYSIS						
		2016	2017				2018	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/17	Expenditure (Committed Budget plus Disbursement) 09/30/17	Estimated Expenditure 12/31/17	Proposed by Executive Director	Recommended by Committee on Budget and Employment
623660	Cleaning Supplies	263,317	300,000	300,000	202,063	270,000	263,300	-
623680	Tools and Supplies	72,971	80,000	90,000	89,954	80,000	73,000	-
623700	Wearing Apparel	163,777	173,000	173,000	152,361	173,000	145,200	-
623780	Safety and Medical Supplies	66,016	90,000	90,000	74,290	86,400	100,000	-
623810	Computer Supplies	47,986	76,600	76,600	42,279	59,600	48,000	-
623820	Fuel	185,881	270,300	230,300	128,207	210,300	265,900	-
623840	Gases	55,067	65,000	86,000	81,512	65,000	70,100	-
623850	Communications Supplies	6,627	8,100	8,100	5,798	8,100	8,100	-
623860	Lubricants	213,911	260,000	260,000	144,112	231,400	226,100	-
623990	Materials and Supplies, N.O.C.	52,093	117,100	117,100	117,078	117,100	52,100	-
300	TOTAL MATERIALS AND SUPPLIES	3,021,722	3,634,900	3,634,900	2,679,497	3,375,600	3,508,000	-
634650	Equipment for Process Facilities	-	-	-	-	-	30,000	-
400	TOTAL MATERIALS AND SUPPLIES	-	-	-	-	-	30,000	-
TOTAL PROCUREMENT & MATERIALS MGMT		\$ 8,327,556	\$ 9,567,100	\$ 9,567,100	\$ 6,505,250	\$ 8,931,900	\$ 9,383,500	\$ -

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.

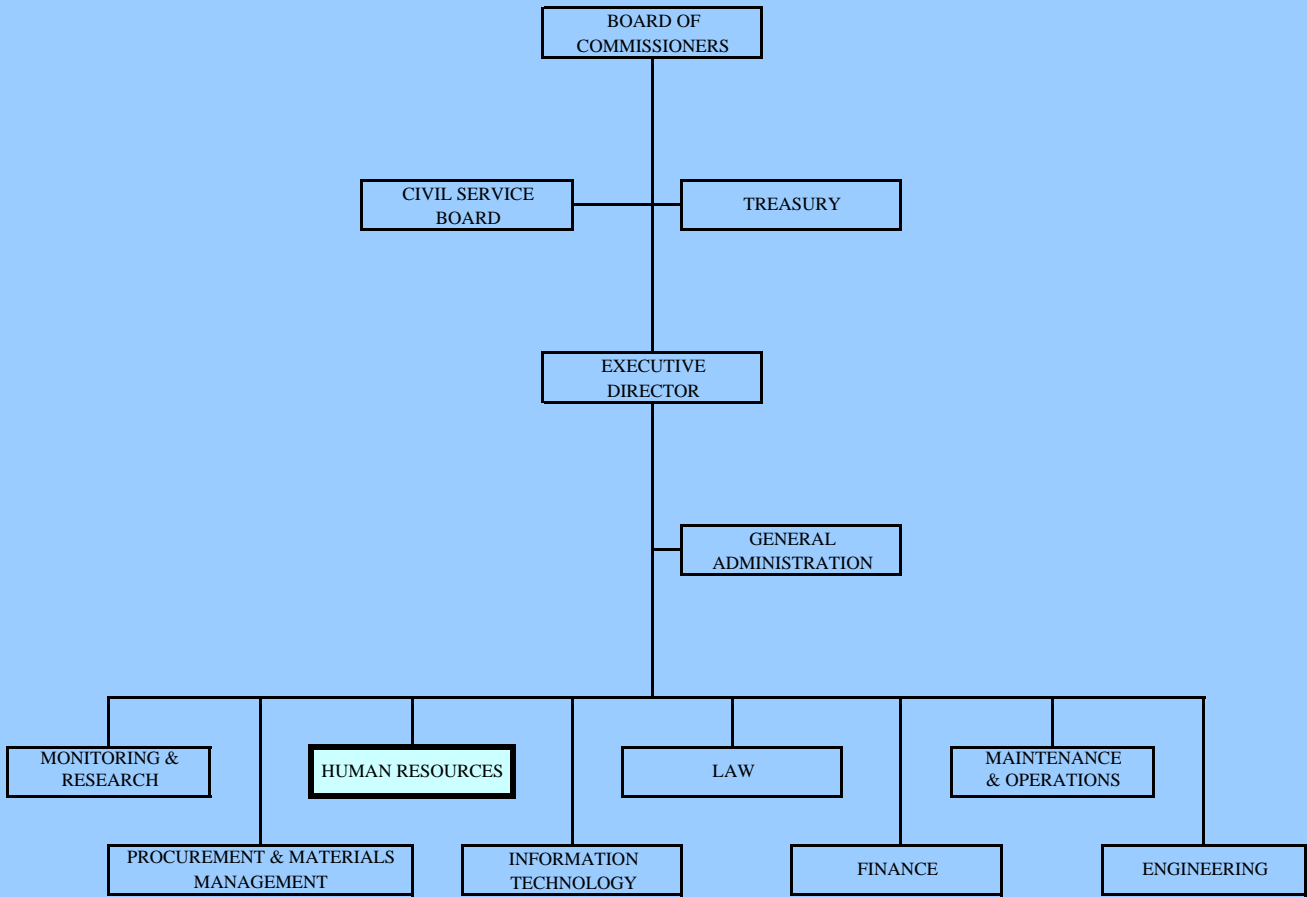
Fund: Corporate Dept: Procurement & Materials Management Division:		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
211	Executive Section					
EX08	Director of Procurement & Materials Management	1	1		1	
EX06	Secretary to Officer	2	2		2	
TOTAL	Executive Section	3	3	433,410.80	3	433,410.88
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 HP15)	1	1		1	
HP12	Stores Specialist	4	5		5	
HP09	Administrative Clerk	-	-		1	
TOTAL	Inventory Control Section	6	7	566,411.13	8	645,894.07
TOTAL	General & Inventory Control Division	6	7	566,411.13	8	645,894.07
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	558,677.56	6	574,532.13
222	Buying Section					
HP18	Head Buyer	2	2		2	
HP17	Buyer III #2 (Senior Buyer) (New Grade HP16)	1	1		-	
HP16	Senior Buyer	4	4		5	
HP14	Buyer	4	4		4	
TOTAL	Buying Section	11	11	1,218,037.25	11	1,167,789.13
224	Clerical Section					
HP11	Administrative Specialist	2	2		2	

Fund: Corporate Dept: Procurement & Materials Management Division:		POSITION ANALYSIS				
		2016	2017		2018	
					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	225,707.59	4	210,047.23
TOTAL	Acquisition Division	21	21	2,002,422.40	21	1,952,368.49
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	263,937.16	2	268,911.48
230	Stores Section					
231	Stores Administrative Unit					
HP17	Supervising Stores Specialist #2 (New Grade HP16)	1	1		1	
TOTAL	Stores Administrative Unit	1	1	127,410.36	1	127,410.40
232	Stickney Storeroom Unit					
HP11	Administrative Specialist	1	1		1	
HP09	Administrative Clerk	2	2		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	15	1,158,399.01	14	1,101,264.07
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	373,206.20	5	368,304.81
234	O'Brien Storeroom Unit					
HP09	Administrative Clerk	1	1		1	

Fund: Corporate Dept: Procurement & Materials Management Division:		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
NR1857	Principal Storekeeper	1	1		1	
NR1853	Storekeeper	1	1		1	
NR8651	Maintenance Laborer Class A	1	1		1	
TOTAL	O'Brien Storeroom Unit	4	4	287,205.57	4	289,656.64
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	370,755.88	5	373,206.08
TOTAL	Stores Section	30	30	2,316,977.02	29	2,259,842.00
TOTAL	Stores & Inventory Division	32	32	2,580,914.18	31	2,528,753.48
TOTAL	Procurement & Materials Management	62	63	5,583,158.51	63	5,560,426.92

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



HUMAN RESOURCES

Metropolitan Water Reclamation District of Greater Chicago

100 EAST ERIE STREET

CHICAGO, ILLINOIS 60611-3154

312.751.5600

September 12, 2017

Mr. David St. Pierre
Executive Director
OFFICE

Dear Sir:

Subject: 2018 Program for the Human Resources Department

The Human Resources Department's program for 2018, as prepared in detail, is transmitted herewith. The budget presentation supports the request for funding of the department's 2018 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, 2018 major initiatives and challenges, and 2017 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 budget for 2018.

Respectfully submitted,

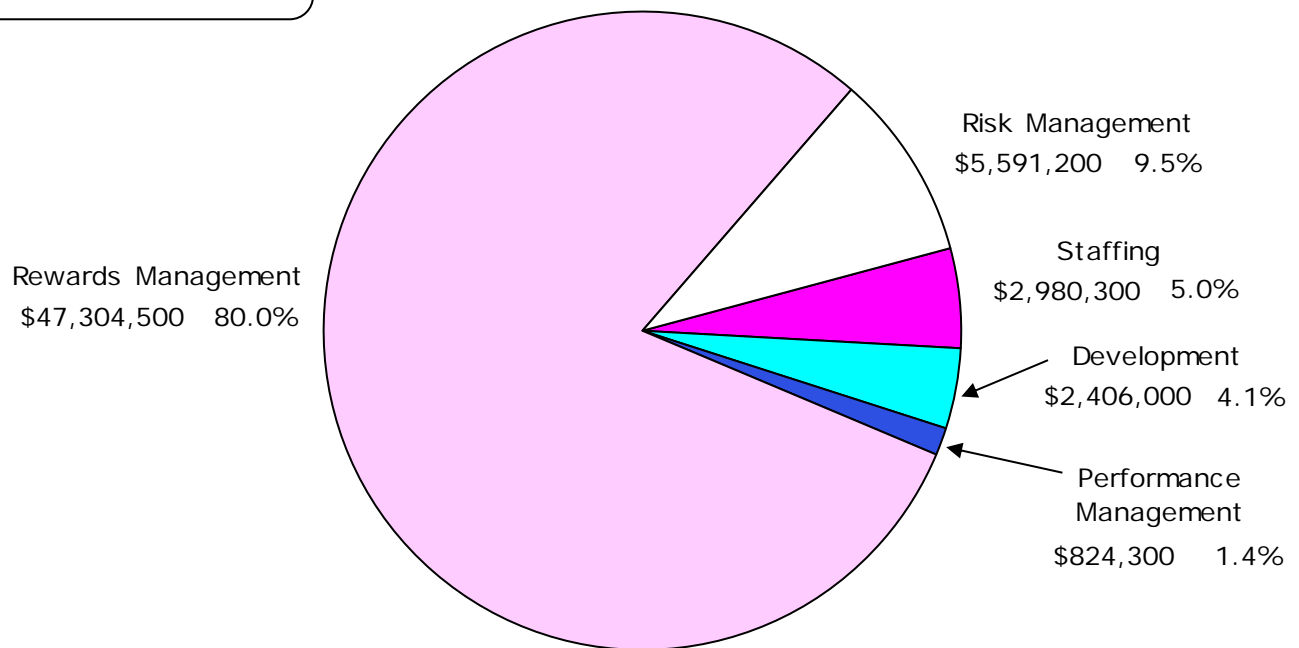


Beverly K. Sanders
Director of Human Resources

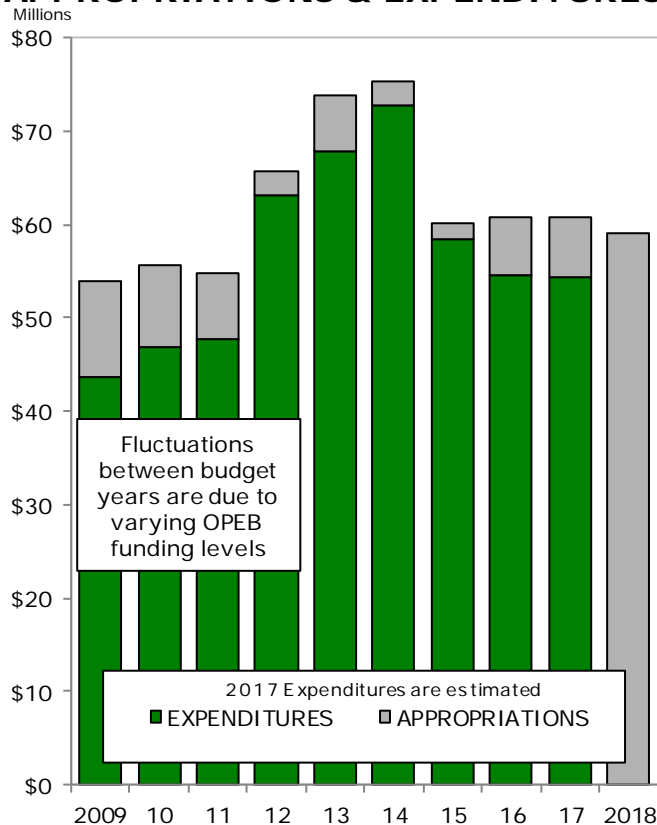
HUMAN RESOURCES

2018	\$59,106,300
2017	\$60,905,400
Decrease	(\$1,799,100)

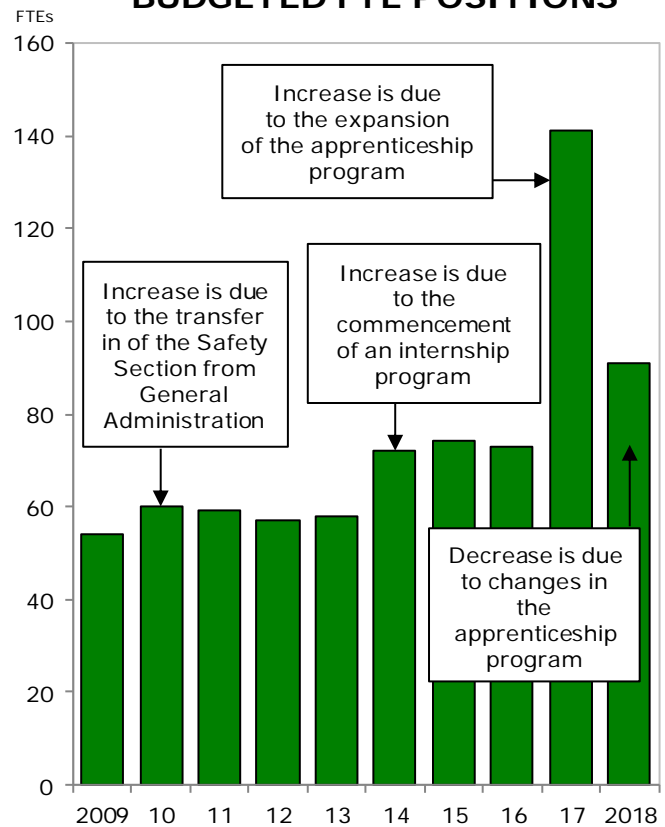
FUNCTIONS



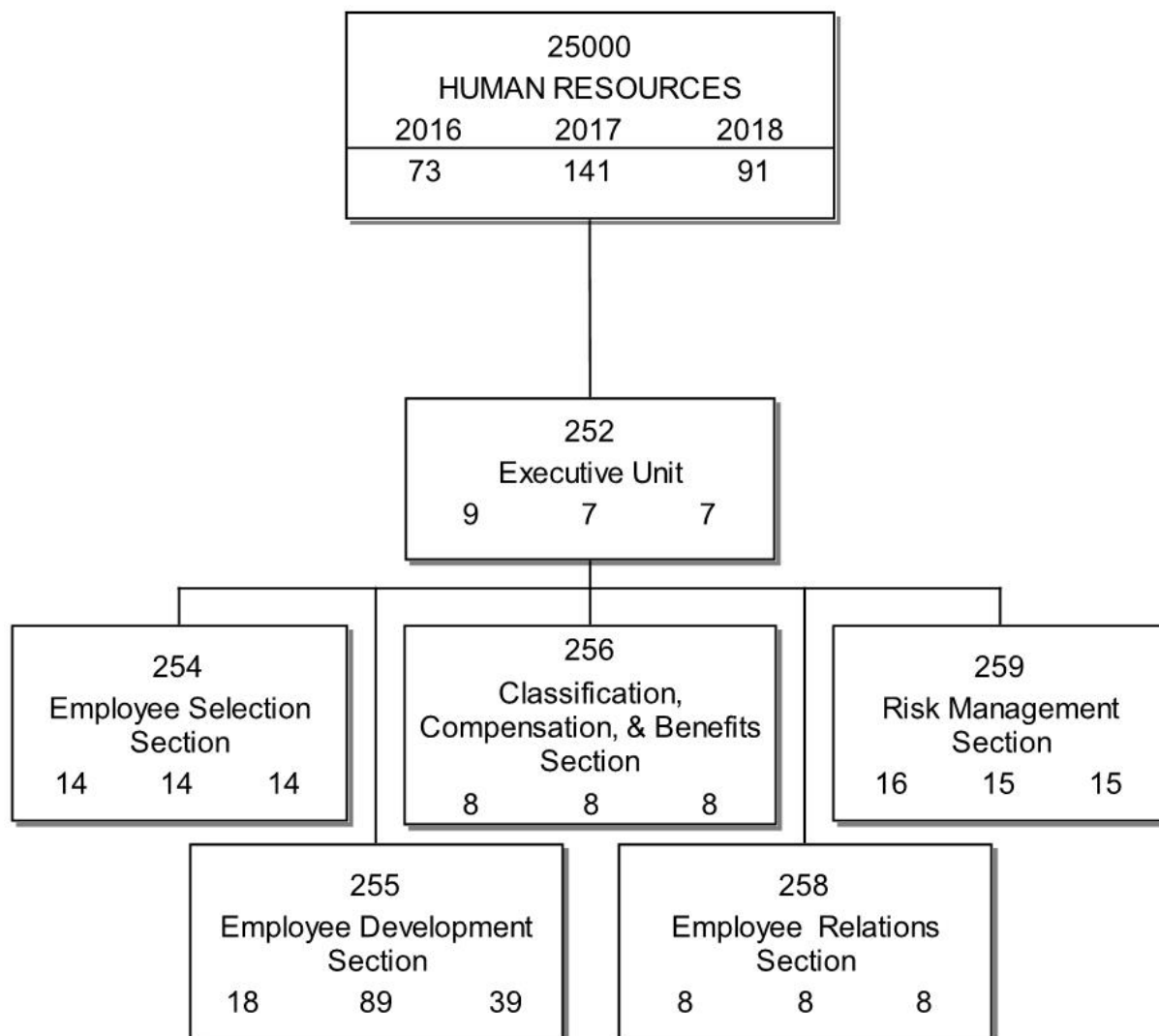
APPROPRIATIONS & EXPENDITURES



BUDGETED FTE POSITIONS



HUMAN RESOURCES



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 and the safety of employees.

Summary of 2017 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 second statewide exercise;
- The District's Business Continuity Plan was updated and critical operational guidance documents were developed for the Maintenance & Operations Department for mission-essential functions.

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. The program was further strengthened by the creation of a new workers' compensation claim reporting form, as well as area-specific online dashboards that provide access to key workers' compensation claims information at all times;
- Safety staff conducted approximately 1,250 Occupational Safety and Health Administration focused training sessions, with approximately 10,000 attendees, including forklift recertification training and plant-level hands-on Lockout/Tagout training to safeguard employees from the unexpected startup of machinery and equipment.

Developed and implemented leadership initiatives that support succession planning:

- A coaching program was developed and delivered to approximately 275 District supervisors;
- Specialized leadership training was provided to 17 employees;
- Twenty engineering employees participated in mentoring activities.

Developed a culture that recognized the value of every employee:

- All employees received mandatory compliance training for workplace violence awareness in the spring and diversity and harassment awareness in the fall;
- Over 8,000 individuals, including employees and the public, were served by Employee Selection staff through the recruitment and selection process.

Other major accomplishments include:

- The internship program continued to provide meaningful educational training experiences for students interested in wastewater management and District operations;
- An ongoing training program is provided to new hires in specific job classifications and provided job readiness skills and an introduction to District core values and ethics;
- Civil Service examinations were administered for 60 classifications;
- Interview refresher training was provided to District supervisors and interview skills training was provided for all employees;
- Seven collective bargaining agreements are in the process of negotiations for the District's represented employees.

Budget Highlights

The 2018 Human Resources Department appropriation is \$59,106,300, a decrease of \$1,799,100, or 3.0 percent, from 2017. The staffing level has decreased from 141 to 91 positions, which includes the drop of 58 Apprentices, offset by the addition of eight Interns. The number of employees budgeted in the Human Resources Department includes 13 Apprentices, 20 full-time equivalent Interns, and three Civil Service Board members.

2018 Initiatives in Support of the Strategic Business Plan Include the Following:

• Add Value

In 2018, 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.

Working within the Risk Management Section, Safety staff 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 slips and falls. Additionally, back safety classes will continue to take place in 2018 in an effort to reduce back injuries. Safety staff will work more 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 50 examinations in 2018. All employment applications are submitted and received online.

• Excellence

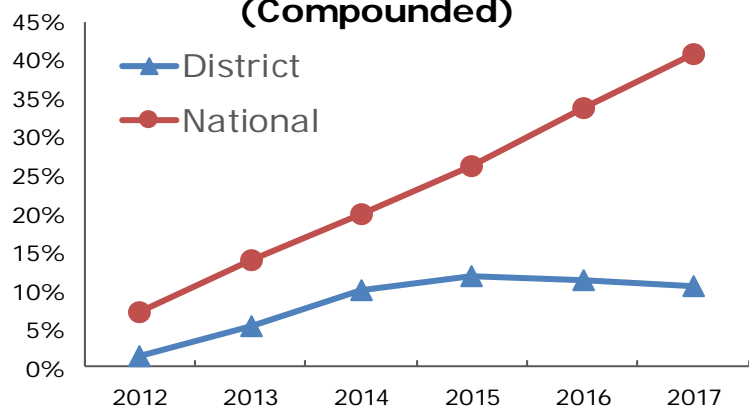
The District's benefits program plays an integral part in its ability to attract and retain a high quality work force. The District offers health care benefits to employees and eligible dependents, as well as approximately 1,963 retirees. The core components of the program are a Participating Provider 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 \$48 million. While these costs are partially offset by employee and retiree contributions, they must be actively managed. The District continues to implement programs 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 costs. Over the period from 2012 through 2017, the average increase in health care costs or health trend nationally has been 6.78 percent annually resulting in a total increase of 33.9 percent over the period. The District's health care trend over that same period has been 2.27 percent annually or a total of 11.37 percent.

In 2018, the District will explore various consumerism tools that would aid employees in making health care decisions. These tools assist employees in areas such as selecting the most appropriate health plan, navigating their insurance benefits, and finding high quality health care services at the most affordable cost. These consumer tools can play a key role in helping ensure employees are making informed decisions about their health care benefits and assist the District in controlling health care costs.

**Health Care Cost Trend
(Compounded)**



• 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
2015	58	3,854	3,912
2016	58	3,854	6,219
Estimated 2017	50	2,229	6,412
Projected 2018	50	2,300	6,400

*Number of participants who were reimbursed.

To ensure the ongoing professional development of all District employees in 2018, the Human Resources Department will continue to offer in-house training programs in areas such as business and financial management, 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 June 30, 2017, was 40 percent, which compares favorably with the Cook County minority labor force availability rate of 36 percent. The District's female workforce representation, as of June 30, 2017, 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
	2013	2014	2015	2016	2017 Proj.	2018 Proj.		
Minorities	40.0%	40.0%	40.0%	41.0%	40.0%	41.0%	33.0%	36.0%
Females	27.0%	26.0%	26.0%	26.0%	26.0%	26.0%	25.0%	41.0%

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 2018, 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 2018. 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.

25000 HUMAN RESOURCES**OBJECTIVES AND PROGRAM SUMMARY**

OBJECTIVES BY PRIORITY:		Cost	Percent
1. Review employment applications and develop and administer 50 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.		\$ 1,699,300	2.8%
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.		\$ 5,591,200	9.5%
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. Establish 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.		\$ 28,686,000	48.5%
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.		\$ 824,300	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.		\$ 18,618,500	31.5%
6. Implement the District's equal employment opportunity and affirmative action objectives through targeted recruitment, counseling, and complaint investigation.		\$ 346,600	0.6%
7. Provide the necessary administrative support to the District and Human Resources Department sections by maintaining centralized files on all employees; 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.		\$ 934,400	1.6%
8. Provide educational opportunities for employees through professional development, technical training, and tuition reimbursement.		\$ 2,406,000	4.1%
Total		\$ 59,106,300	100.0%
MEASURABLE GOALS:			
		2016 Actual	2017 Estimated
1. Minimize the number of days between an original entrance appointment and the start date for the new employee.		32	30
2. Reduce the number of workers' compensation claims per 100 employees.		4.76	4.54
3. Reduce the number of lost time claims per 100 employees.		1.11	1.36
			2018 Proposed
			29
			4.35
			1.23

25000 HUMAN RESOURCES**OBJECTIVES AND PROGRAM SUMMARY**

PROGRAMS BY PRIORITY:			OBJECTIVES AND PROGRAM SUMMARY					
Number	Name	2016 Actual		Budgeted		Change		
				FTEs	Dollars	Dollars	Percent	
7290	Examinations and Employment Activities	\$ 1,655,996	2018	13	\$ 1,699,300	\$ (6,700)	(0.4)	
			2017	13	\$ 1,706,000			
7295	Equal Employment Opportunity Activities	\$ 351,265	2018	3	\$ 346,600	\$ 7,300	2.2	
			2017	3	\$ 339,300			
7310	Training and Development Activities	\$ 1,258,682	2018	39	\$ 2,406,000	\$ (1,001,800)	(29.4)	a)
			2017	89	\$ 3,407,800			
7315	Retiree Benefits	\$ 14,971,236	2018	1	\$ 13,618,500	\$ 318,700	2.4	b)
			2017	1	\$ 13,299,800			
7316	Other Postemployment Benefits Trust Management and Report Preparation	\$ 5,000,000	2018	-	\$ 5,000,000	\$ -	-	
			2017	-	\$ 5,000,000			
7320	Employee Benefits	\$ 24,094,777	2018	4	\$ 28,552,400	\$ (697,600)	(2.4)	c)
			2017	4	\$ 29,250,000			
7325	Labor and Employee Relations	\$ 744,946	2018	7	\$ 824,300	\$ 45,400	5.8	
			2017	7	\$ 778,900			
7330	Human Resources Administration	\$ 934,505	2018	9	\$ 934,400	\$ 44,600	5.0	
			2017	9	\$ 889,800			
7480	Safety Program	\$ 1,324,605	2018	11	\$ 1,506,200	\$ (59,100)	(3.8)	
			2017	11	\$ 1,565,300			
7500	Risk Management Operations	\$ 4,104,626	2018	4	\$ 4,085,000	\$ (482,300)	(10.6)	d)
			2017	4	\$ 4,567,300			
7604	Social Security and Medicare Contributions	\$ 99,569	2018	-	\$ 133,600	\$ 32,400	32.0	e)
			2017	-	\$ 101,200			
Totals		\$ 54,540,207	2018	91	\$ 59,106,300	\$ (1,799,100)	(3.0%)	
			2017	141	\$ 60,905,400			

a) Decrease is due to changes in the Apprenticeship Program resulting in fewer positions (\$1,054,000).

b) Increase is due to an anticipated increase in the Affordable Care Act fee assessment.

c) Decrease is due to the projected health care trend for active employee health benefits (\$680,500).

d) Decrease is due to reduced insurance premiums for other than employee benefits (\$3,500,600), offset by the anticipated increased cost of insurance premiums for property (\$1,880,300), casualty (\$1,140,000), marine hull and liability (\$24,000), fiduciary (\$16,000), government crime (\$14,000), and business travel accident (\$6,000).

e) Increase is due to the calculation for Social Security and Medicare as a percentage of salaries (\$32,400).

25000 HUMAN RESOURCES**PERFORMANCE DATA**

Program Number	Measurable Activity		2016 Actual	2017 Budgeted	2018 Estimated	
7290	Examinations and Employment Activities					
	Candidates		3,537	3,000	2,900	
	Examinations		50	55	50	
	Applications		7,453	6,000	6,500	
	Requisitions		284	230	275	
	Cost	\$	1,534,827	\$ 1,588,400	\$ 1,581,100	
	Recruitment and Marketing Activities					
	Diversity/Outreach Recruitment	Cost	\$ 67,559	\$ 60,900	\$ 61,500	
	Campus Recruitment	Cost	\$ 53,610	\$ 56,700	\$ 56,700	
7295	Equal Employment Opportunity Activities					
	Provide Counseling and Investigate Complaints	Actions	1,000	1,000	1,000	
		Cost	\$ 351,265	\$ 339,300	\$ 346,600	
		Cost/Action	\$ 351.27	\$ 339.30	\$ 346.60	
7310	Training and Development Activities					
	In-House Training and Professional Development	Courses	3,854	2,300	2,300	
		Cost	\$ 634,757	\$ 1,044,200	\$ 774,900	a)
		Cost/Course	\$ 164.70	\$ 454.00	\$ 336.91	
	Seminars and Conferences	Cost	\$ 19,291	\$ 10,500	\$ 10,100	
	eLearning	Courses	6,219	2,200	6,400	
		Cost	\$ 14,200	\$ 20,000	\$ 25,000	b)
		Cost/Course	\$ 2.28	\$ 9.09	\$ 3.91	
	Apprenticeship Program	Cost	\$ 66,040	\$ 1,768,300	\$ 776,100	c)
	Administer and Finance the Tuition Reimbursement Program for the Entire District	Participants	58	50	50	
		Cost	\$ 314,350	\$ 314,000	\$ 314,000	
		Cost/Participant	\$ 5,419.83	\$ 6,280.00	\$ 6,280.00	
	Internship Program	Cost	\$ 210,044	\$ 250,800	\$ 505,900	d)
7315	Retiree Benefits					
	Health Insurance - Corporate Fund Retirees	Retirees	1,972	1,975	1,970	
		Cost	\$ 9,587,716	\$ 8,740,200	\$ 9,757,700	e)
		Cost/Retiree	\$ 4,861.92	\$ 4,425.42	\$ 4,953.15	
	Prescription Drug Retirees	Participants	1,972	1,975	1,970	
		Cost	\$ 5,383,520	\$ 4,559,600	\$ 3,860,800	f)
		Cost/Participant	\$ 2,729.98	\$ 2,308.66	\$ 1,959.80	

a) Decrease is due to requirements of the annual schedule for District-wide training (\$223,400).

b) Increase is due to higher anticipated cost for return-to-work eLearning courses (\$5,000).

c) Decrease is due to changes in the Apprenticeship Program resulting in fewer positions (\$1,054,000).

d) Increase is due to an expansion of the Internship Program (\$255,100).

e) Increase is due to an increase in Affordable Care Act fee assessment.

f) Decrease is due to an anticipated reduction in the cost of the medical and pharmacy benefits under the Medicare Advantage Plan (\$698,800).

25000 HUMAN RESOURCES**PERFORMANCE DATA**

2000 HUMAN RESOURCES			PERFORMANCE DATA		
Program Number	Measurable Activity		2016 Actual	2017 Budgeted	2018 Estimated
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	1,698	1,755	1,708
		Cost	\$ 17,660,233	\$ 21,596,400	\$ 20,964,600
		Cost/Participant	\$ 10,400.61	\$ 12,305.64	\$ 12,274.36
	Prescription Drugs - Corporate Fund Employees ¹	Participants	1,698	1,755	1,708
		Cost	\$ 4,915,578	\$ 5,924,100	\$ 5,806,900
		Cost/Participant	\$ 2,894.92	\$ 3,375.56	\$ 3,399.82
	Dental Insurance - Corporate Fund Employees ¹	Participants	1,692	1,750	1,702
		Cost	\$ 1,176,224	\$ 1,364,500	\$ 1,428,900
		Cost/Participant	\$ 695.17	\$ 779.71	\$ 839.54
	Life Insurance - Corporate Fund Employees ¹	Employees	1,793	1,835	1,798
		Cost	\$ 80,735	\$ 92,500	\$ 86,300
		Cost/Employee	\$ 45.03	\$ 50.41	\$ 48.00
	Deferred Compensation Administration	Cost	\$ 37,500	\$ 40,000	\$ 38,000
	Other Benefits				
	Employee Assistance Program	Cost	\$ 66,672	\$ 67,500	\$ 42,000
	Flexible Spending Accounts Program	Cost	\$ 36,035	\$ 37,400	\$ 42,000
	Compensation and Classification Activities	Cost	\$ 121,800	\$ 127,600	\$ 143,700
7325	Labor and Employee Relations				
	Labor and Employee Relations Activities	Employees	1,952	2,042	1,965
		Cost	\$ 596,885	\$ 618,400	\$ 664,400
	Compliance with Unemployment Compensation Requirements	Claims	14	15	15
		Cost	\$ 45,773	\$ 58,500	\$ 57,900
		Cost/Claim	\$ 3,269.50	\$ 3,900.00	\$ 3,860.00
	Employee Performance Management	Cost	\$ 102,288	\$ 102,000	\$ 102,000
7330	Human Resources Administration				
	Personnel Activity Administration	Employees Served	1,952	2,042	1,965
		Cost	\$ 771,630	\$ 729,800	\$ 779,400
		Cost/Employee	\$ 395.30	\$ 357.39	\$ 396.64
	Medical Services Payments and Record Maintenance	Examinations	500	500	500
		Cost	\$ 52,675	\$ 62,200	\$ 59,700
		Cost/Examination	\$ 105.35	\$ 124.40	\$ 119.40
	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	40
		Cost	\$ 110,200	\$ 97,800	\$ 95,300
		Cost/Action	\$ 4,791.30	\$ 2,445.00	\$ 2,382.50
g) Decrease is due to the projected health care trend for active employee health benefits (\$563,300).					
h) Decrease is due to a change in vendor for the employee assistance program (\$25,500).					
¹ Additional funds are budgeted in the Stormwater Management Fund.					

25000 HUMAN RESOURCES**PERFORMANCE DATA**

Program Number	Measurable Activity		2016 Actual	2017 Budgeted	2018 Estimated	
7480	Safety Program					
	Occupational Safety and Health Administration (OSHA) Compliance, OSHA Inspections, Reporting, and Accident Investigation	Cost	\$ 598,936	\$ 630,700	\$ 600,700	
	Contract Review for Compliance with Safety Standards	# of Reviews	18	30	30	
		Cost	\$ 6,720	\$ 7,200	\$ 7,200	
		Cost/Review	\$ 373.33	\$ 240.00	\$ 240.00	
	Safety Equipment					
	New/Rental	Cost	\$ 23,552	\$ 140,700	\$ 138,750	
	Replacement	Cost	\$ 66,706	\$ 22,500	\$ 23,750	
	Maintenance	Cost	\$ 49,594	\$ 38,000	\$ 85,100	i)
	Medical Health Surveillance					
	First Aid Assistance	Cost	\$ 35,000	\$ 35,000	\$ 35,000	
	Hearing Tests	People Tested	388	450	450	
		Cost	\$ 6,208	\$ 9,500	\$ 9,500	
		Cost/Test	\$ 16.00	\$ 21.11	\$ 21.11	
	Respiratory Evaluations	People Tested	23	60	60	
		Cost	\$ 9,100	\$ 5,000	\$ 5,000	
		Cost/Test	\$ 395.65	\$ 83.33	\$ 83.33	
	Safety Training					
	CPR and First Aid	People Trained	260	250	250	
		Cost	\$ 45,700	\$ 46,100	\$ 38,600	j)
		Cost/Trainee	\$ 175.77	\$ 184.40	\$ 154.40	
	Confined Spaces	People Trained	128	100	100	
		Cost	\$ 10,380	\$ 10,400	\$ 9,400	
		Cost/Trainee	\$ 81.09	\$ 104.00	\$ 94.00	
	Lockout/Tagout	People Trained	34	500	500	
		Cost	\$ 4,240	\$ 4,800	\$ 4,800	
		Cost/Trainee	\$ 124.71	\$ 9.60	\$ 9.60	
	General Safety	People Trained	7,333	7,500	7,500	
		Cost	\$ 313,436	\$ 432,200	\$ 423,800	
		Cost/Trainee	\$ 42.74	\$ 57.63	\$ 56.51	
	Professional Safety	Cost	\$ 3,174	\$ 19,800	\$ 16,500	k)
	Industrial Hygiene/Right to Know	People Trained	390	650	650	
		Cost	\$ 29,430	\$ 29,400	\$ 28,400	
		Cost/Trainee	\$ 75.46	\$ 45.23	\$ 43.69	
	Fire Prevention and Protection	Cost	\$ 86,952	\$ 20,000	\$ 19,000	
	Hazardous Materials Abatement	Cost	\$ 35,477	\$ 114,000	\$ 60,700	l)

i) Increase is due to the requirements of the annual schedule for the maintenance of safety equipment (\$39,300).

j) Decrease is due to a reduced need for additional portable hand washing stations (\$5,000).

k) Decrease is due to the reduced estimated cost for professional safety training (\$4,000).

l) Decrease is due to a decrease in hazardous material abatement based on the current project schedule (\$53,300).

25000 HUMAN RESOURCES**PERFORMANCE DATA**

Program Number	Measurable Activity		2016 Actual	2017 Budgeted	2018 Estimated	
7500	Risk Management Operations					
	Administration	Cost	\$ 511,824	\$ 443,800	\$ 439,500	
	Asset Appraisal and Other Services	Cost	\$ 279,890	\$ 386,700	\$ 315,200	m)
	Broker Services	Cost	\$ 232,600	\$ 236,200	\$ 250,000	
	Insurance Premiums (such as property insurance)	Cost	\$ 3,080,312	\$ 3,500,600	\$ 3,080,300	n)
7604	Social Security and Medicare Contributions	Cost	\$ 99,569	\$ 101,200	\$ 133,600	o)
	Total		\$ 54,540,207	\$ 60,905,400	\$ 59,106,300	

m) Decrease is due to the reduced need of special council for workers' compensation (\$50,000).

n) Decrease is due to reduced insurance premiums for other than employee benefits (\$3,500,600), offset by the anticipated increased cost of insurance premiums for property (\$1,880,300), casualty (\$1,140,000), marine hull and liability (\$24,000), fiduciary (\$16,000), government crime (\$14,000), and business travel accident (\$6,000).

o) Increase is due to the calculation for Social Security and Medicare as a percentage of salaries (\$32,400).

101 25000	Fund: Corporate Department: Human Resources Division:	LINE ITEM ANALYSIS						
		2016	2017				2018	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/17	Expenditure (Committed Budget plus Disbursement) 09/30/17	Estimated Expenditure 12/31/17	Proposed by Executive Director	Recommended by Committee on Budget and Employment
601010	Salaries of Regular Employees	\$ 5,769,835	\$ 7,491,500	\$ 7,471,500	\$ 3,981,848	\$ 5,435,700	\$ 6,382,300	\$ -
601060	Compensation Plan Adjustments	260,741	238,400	238,400	157,828	233,700	200,900	-
601070	Social Security and Medicare Contributions	99,569	101,200	121,200	90,026	115,600	133,600	-
601090	Employee Claims	39,155	60,200	60,200	18,582	50,000	60,000	-
601100	Tuition and Training Payments	357,755	741,800	509,800	424,454	345,100	553,600	-
601250	Health and Life Insurance Premiums	43,224,069	46,705,100	46,681,100	31,033,134	42,484,100	46,455,800	-
601300	Personal Services, N.O.C.	210,044	250,800	506,800	321,001	500,000	505,900	-
100	TOTAL PERSONAL SERVICES	49,961,169	55,589,000	55,589,000	36,026,873	49,164,200	54,292,100	-
612010	Travel	2,976	5,000	5,000	2,299	4,400	5,800	-
612030	Meals and Lodging	10,061	12,000	12,000	4,914	12,000	18,200	-
612040	Postage, Freight, and Delivery Charges	189	200	200	-	100	200	-
612050	Compensation for Personally-Owned Automobiles	2,230	4,400	4,400	360	3,900	2,200	-
612080	Motor Vehicle Operating Services	14	100	100	9	100	-	-
612250	Court Reporting Services	11,230	14,000	14,000	14,000	13,000	12,000	-
612260	Medical Services	121,997	123,700	123,700	116,750	89,700	97,300	-
612290	Insurance Premiums	3,080,312	3,500,600	3,500,600	2,317,123	3,500,600	3,080,300	-
612330	Rental Charges	23,759	23,500	23,500	6,575	16,500	26,700	-
612430	Payments for Professional Services	1,072,710	1,139,100	1,139,100	1,037,616	1,075,400	1,107,300	-
612490	Contractual Services, N.O.C.	43,617	62,900	62,900	54,211	54,000	46,400	-
612780	Safety Repairs and Services	85,071	172,000	172,000	149,603	150,000	135,100	-
612820	Computer Software Maintenance	14,200	20,000	20,000	-	-	-	-
200	TOTAL CONTRACTUAL SERVICES	4,468,367	5,077,500	5,077,500	3,703,460	4,919,700	4,531,500	-
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	14,581	58,500	58,500	45,295	58,000	58,300	-
623720	Books, Maps, and Charts	2,232	3,500	3,500	-	500	2,500	-
623780	Safety and Medical Supplies	90,562	173,000	173,000	100,188	148,100	193,500	-
623990	Materials and Supplies, N.O.C.	3,297	3,900	3,900	454	1,900	3,400	-
300	TOTAL MATERIALS AND SUPPLIES	110,671	238,900	238,900	145,937	208,500	257,700	-
634820	Computer Software	-	-	-	-	-	25,000	-
400	TOTAL MATERIALS AND SUPPLIES	-	-	-	-	-	25,000	-
TOTAL HUMAN RESOURCES		\$ 54,540,207	\$ 60,905,400	\$ 60,905,400	\$ 39,876,270	\$ 54,292,400	\$ 59,106,300	\$ -

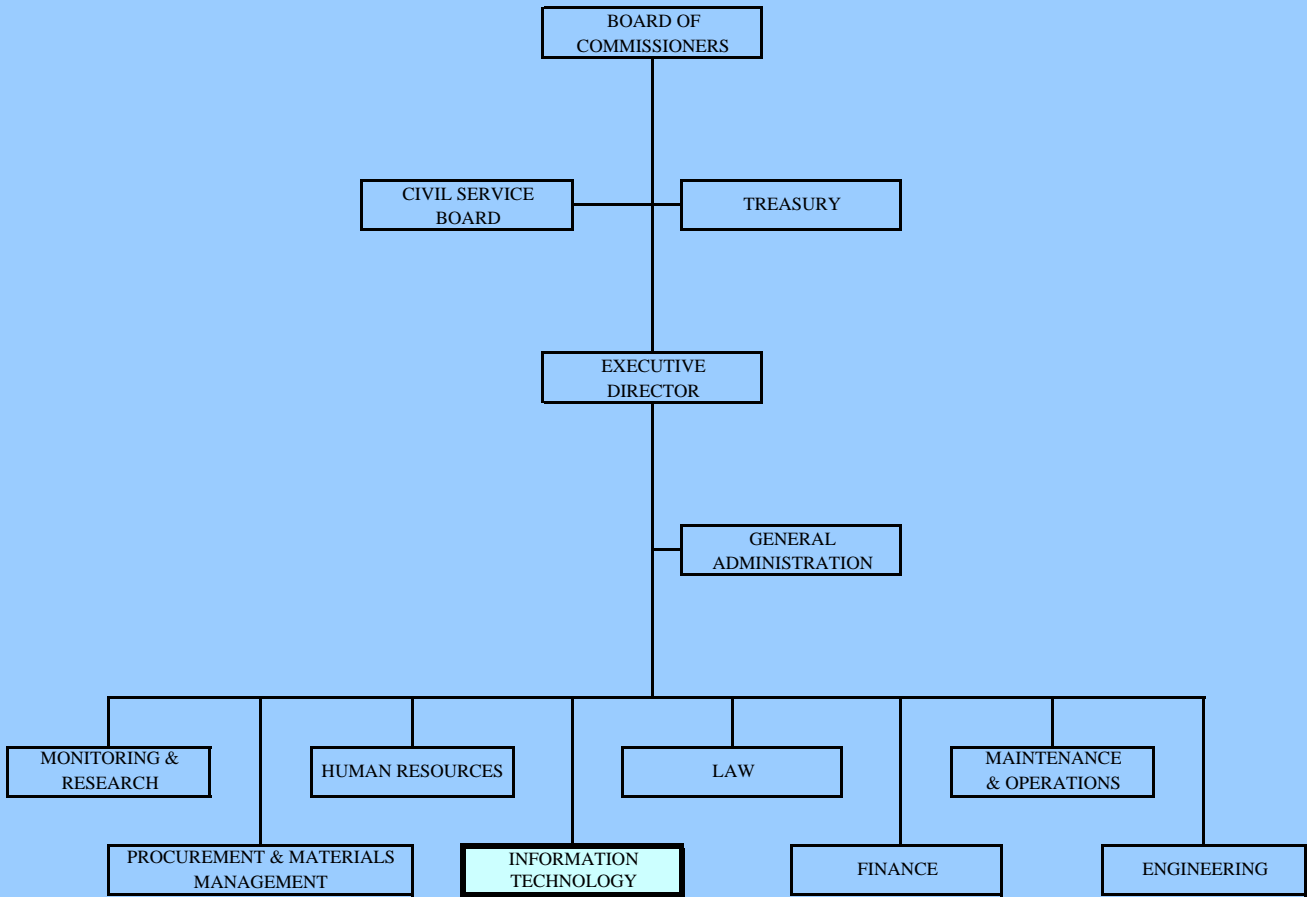
NOTES: 1. Amounts may not add up due to rounding.

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: Human Resources Division:		POSITION ANALYSIS				
		2016	2017		2018	
					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	2	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	
HP15	Management Analyst II #2 (Budget & Management Analyst) (New Grade HP14)	1	-		-	
HP11	Administrative Specialist	1	1		1	
TOTAL	Executive Unit	9	7	605,236.30	7	621,222.65
254	Employee Selection Section					
HP19	Human Resources Manager #2 (New Grade HP18)	1	1		1	
HP17	Senior Human Resources Analyst #2 (New Grade HP16)	2	1		-	
HP16	Senior Human Resources Analyst	-	1		2	
HP16	Senior Human Resources Analyst #2 (Human Resources Analyst) (New Grade HP14)	1	1		-	
HP15	Associate Human Resources Analyst #2 (Human Resources Analyst) (New Grade HP14)	1	1		1	
HP14	Human Resources Analyst	4	4		5	
HP13	Senior Administrative Specialist	2	2		2	
HP11	Administrative Specialist	3	3		3	
TOTAL	Employee Selection Section	14	14	1,337,882.65	14	1,311,929.06
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		1	
HP14	Human Resources Analyst	1	2		2	
HP12	Human Resources Assistant #2 (Administrative Specialist) (New Grade HP11)	1	1		1	
HP11	Administrative Specialist	1	1		1	
TM01	Intern	12	12		20	

Fund: Corporate Dept: Human Resources Division:		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
PR1025	Apprentice	1	71		13	
TOTAL	Employee Development Section	18	89	4,751,317.27	39	1,899,577.94
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	1		-	
HP14	Human Resources Analyst	2	2		3	
HP11	Administrative Specialist	2	1		1	
HP11	Administrative Specialist #4	-	1		1	
TOTAL	Classification, Compensation, & Benefits Section	8	8	855,151.13	8	818,335.96
258	Employee Relations Section					
HP19	Human Resources Manager #2 (New Grade HP18)	1	-		-	
HP18	Human Resources Manager	-	1		1	
HP17	Senior Human Resources Analyst #2 (New Grade HP16)	2	-		-	
HP16	Senior Human Resources Analyst	-	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	780,137.86	8	804,567.66
259	Risk Management Section					
HP19	Risk Manager #2 (New Grade HP18)	1	1		1	
HP17	Claims Administrator #2 (New Grade HP16)	1	1		1	
HP17	Senior Risk Analyst #2 (New Grade HP16)	1	1		1	
HP17	Senior Safety Specialist #2 (New Grade HP16)	1	1		1	
HP15	Safety Coordinator #2 (Safety Specialist) (New Grade HP14)	4	4		3	
HP14	Human Resources Analyst	1	-		-	

Fund: Corporate Dept: Human Resources Division:		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP14	Safety Specialist	5	5		6	
HP11	Administrative Specialist	2	2		2	
TOTAL	Risk Management Section	16	15	1,540,083.71	15	1,499,390.88
TOTAL	Human Resources	73	141	9,869,808.92	91	6,955,024.15
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.						



INFORMATION
TECHNOLOGY

Metropolitan Water Reclamation District of Greater Chicago

100 EAST ERIE STREET

CHICAGO, ILLINOIS 60611-3154

312.751.5600

September 12, 2017

Mr. David St. Pierre
Executive Director
OFFICE

Dear Sir:

Subject: 2018 Program for the Information Technology Department

The Information Technology Department's program for 2018, as prepared in detail, is transmitted herewith. The budget presentation supports the request for funding of the department's 2018 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, 2018 major initiatives and challenges, and 2017 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 2018.

Respectfully submitted,

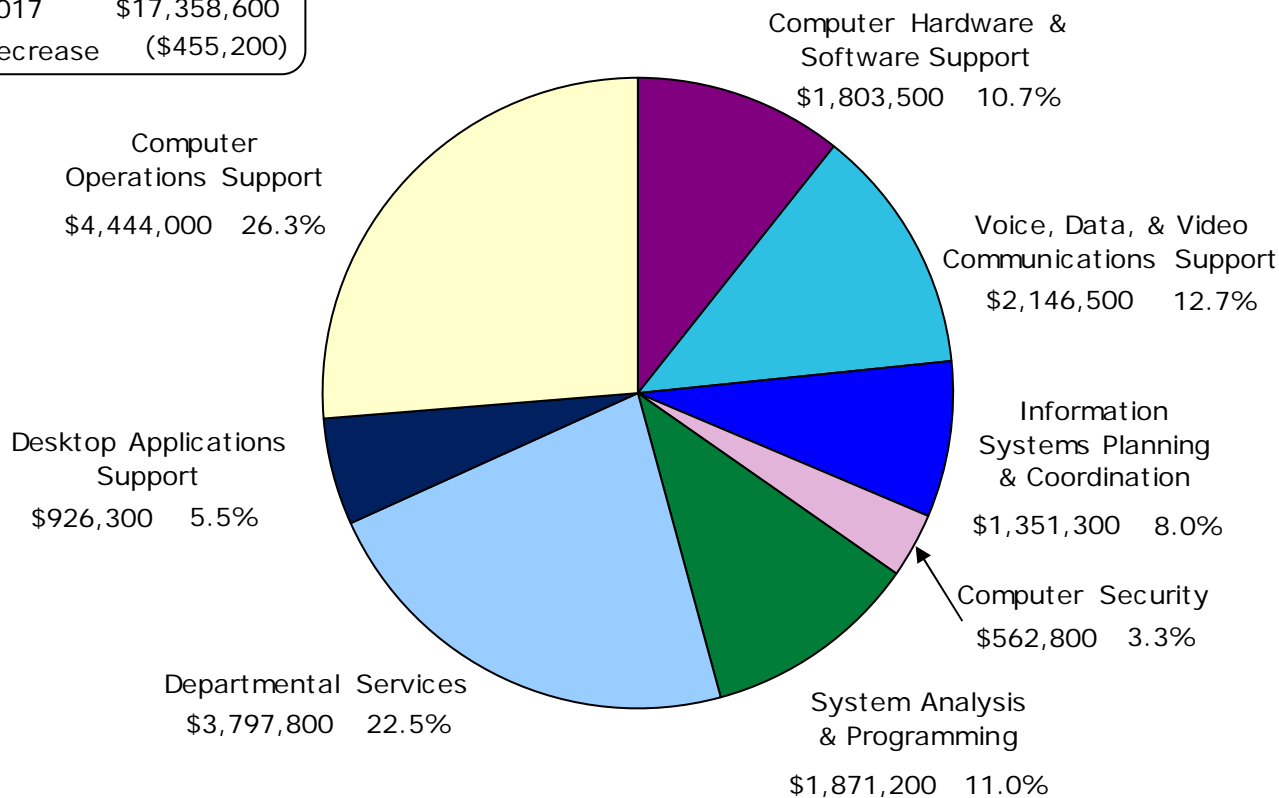


John H. Sudduth
Director of Information Technology

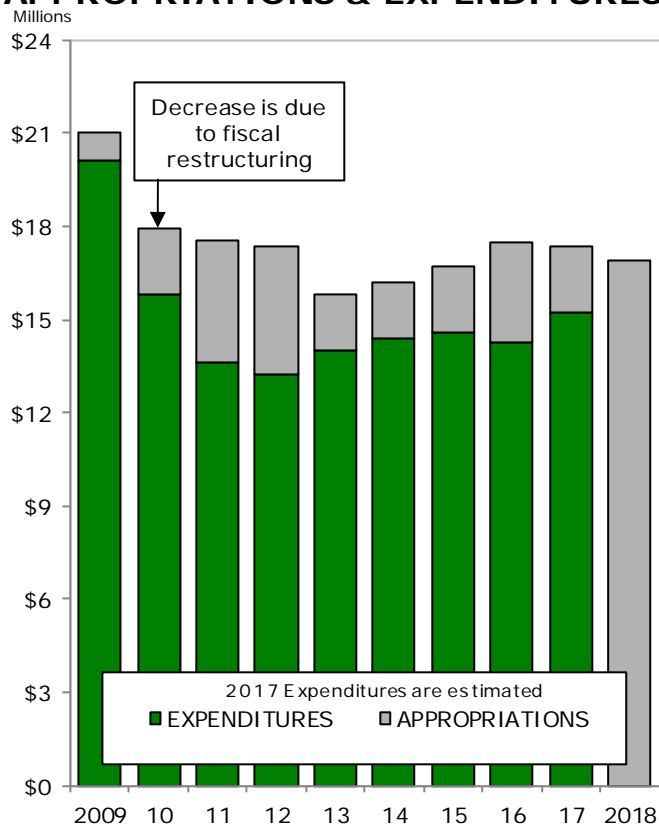
INFORMATION TECHNOLOGY

2018	\$16,903,400
2017	\$17,358,600
Decrease	(\$455,200)

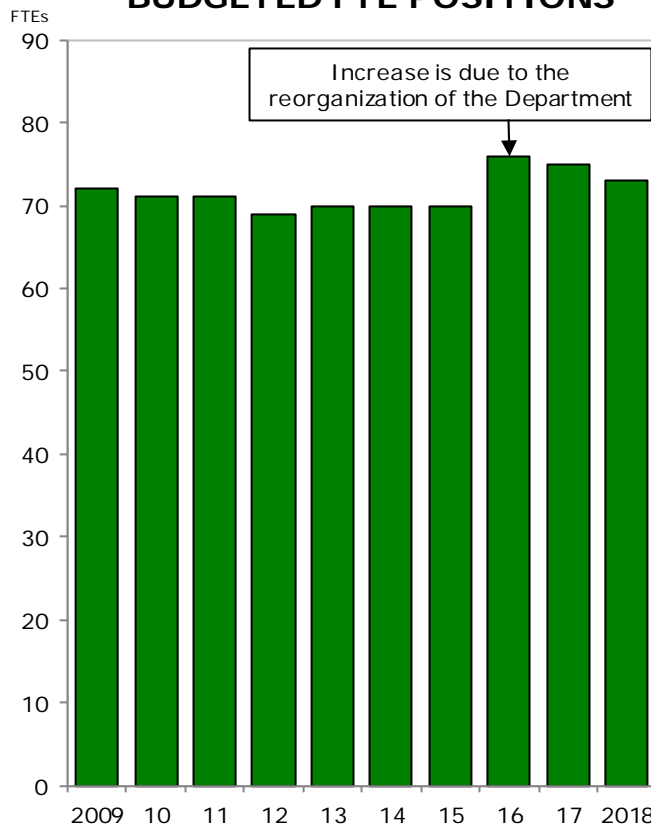
FUNCTIONS



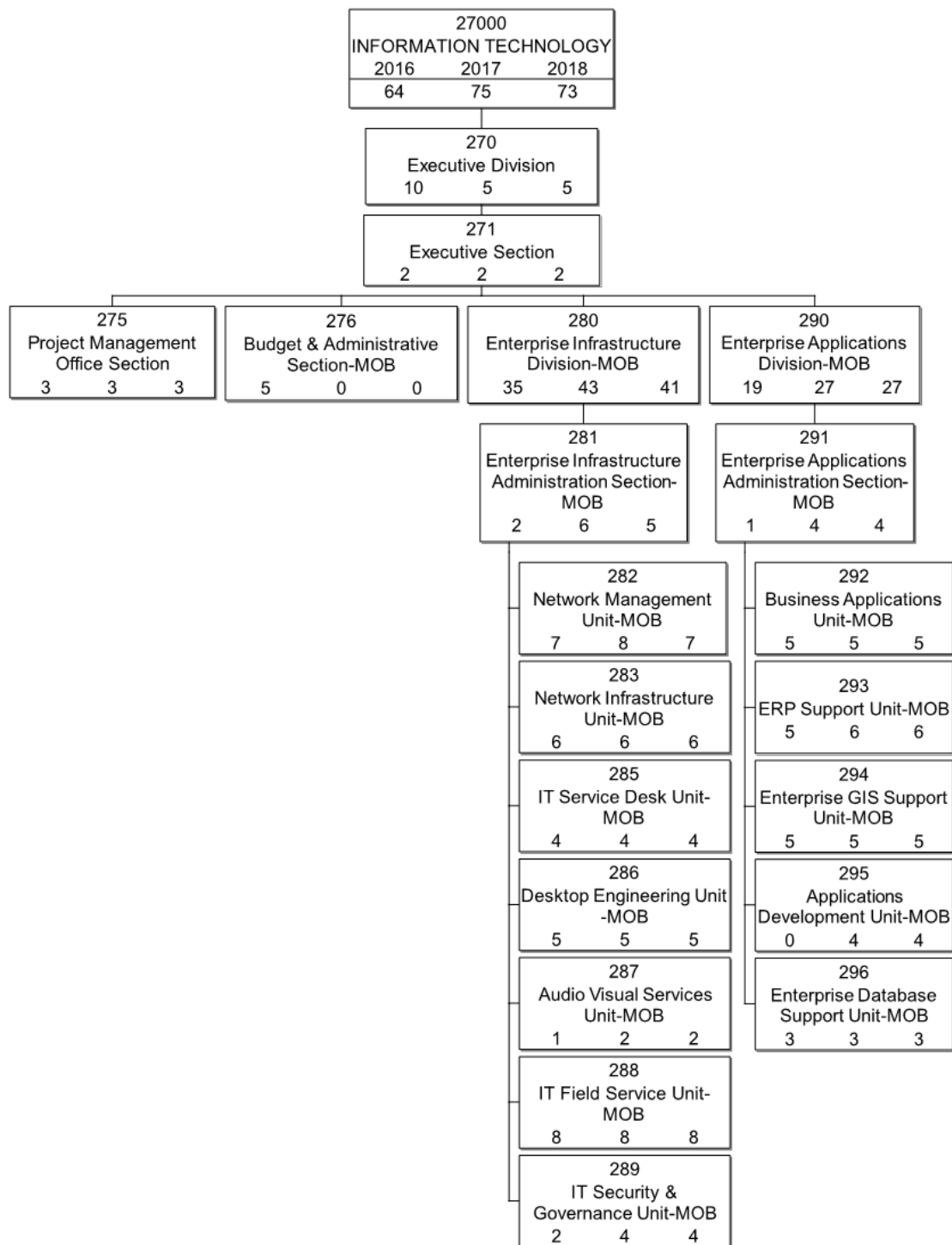
APPROPRIATIONS & EXPENDITURES



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 2017 Accomplishments

- Completed the decommissioning of the District's data centers at the Egan WRP and Main Office Building Complex (MOBC);
- Continued updating the District's MOBC networking hardware, increasing stability and efficiency;
- Continued the implementation of the IT Infrastructure Strategy, including upgraded firewalls and the implementation of continuous threat prevention and mobile device management platforms;
- 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;
- Completed the implementation of a new IT Service Management solution to enhance help desk services, improving customer response;
- Completed the migration of the District's Enterprise Resource Planning solution to a new database platform;
- Continued the deployment of personal computers to replace outdated thin client devices in the MOBC and North Service Area plants;
- Continued the implementation of a concise IT Service Catalog;
- Implemented single sign-on technology in the effort to streamline user passwords;
- Initiated the upgrade of the District's voicemail system;
- Completed the deployment of personal computers to replace outdated thin client devices at the Stickney WRP;
- Initiated the replacement of antiquated communication lines.

Budget Highlights

The 2018 appropriation for the ITD is \$16,903,400, a decrease of \$455,200 or 2.6 percent, from 2017. The staffing level has decreased from 75 to 73 positions, which include the drop of an Administrative Specialist and a Senior Network Engineer #1.

Significant features of the 2018 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;
- Develop agile applications, reducing the time to market for in-house developed applications;
- Continue the implementation of a standardized project management methodology for all ITD-related projects;
- Continue to develop a center of excellence to align the ITD's priorities with overall District priorities through continuous review of projects and implementations, enhancing customer response;
- Complete the implementation of the IT Service Catalog which will increase transparency by detailing the services offered by the ITD;
- Complete the upgrade of the District's voicemail system;
- Implement additional cyber security protection;
- Continue the redesign of the District's website in collaboration with the Public Affairs Section.

2018 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.

The ITD will continue to pursue green initiatives, both in its own support environment and by assisting with other departments' initiatives. The ITD will provide conference calls, online meetings, and integrated messaging using Microsoft Office 365. This supports the District's green initiative by allowing individuals to schedule online meetings utilizing screen sharing and conference call management, providing savings in travel time and expenses.

• Excellence

The ITD will continue to assist the Public Affairs Section in improving the delivery and maintenance of the District's website content located at mwrdd.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 also begin a project to redesign 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 mwrdd.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 as they are introduced.

• 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 system to increase utilization and maximize effectiveness by reducing the amount of customization and leveraging standard built-in functionality. The formalized SAP Evaluation Project includes an evaluation of the SAP enterprise system with the Total Cost of Operations initiative. This initiative will result in a roadmap to cost reduction, release of capacity, and budgets for innovation while maintaining business continuity and consolidation of the SAP enterprise system landscape for the future, leveraging on premise and/or cloud computing. The roadmap will be used to update the SAP enterprise system to provide a simplified, user-friendly system that maximizes the use of the capabilities offered in the core system.

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 2018, 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. Completion is scheduled for the end of 2018.

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 cyberthreats.

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.		\$ 1,803,500	10.7%
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.		\$ 2,146,500	12.7%
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.		\$ 1,351,300	8.0%
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.		\$ 1,871,200	11.0%
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.		\$ 4,444,000	26.3%
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.		\$ 3,797,800	22.5%
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.		\$ 562,800	3.3%
8. DESKTOP APPLICATIONS SUPPORT: The assigned staff will continue to provide applications and technical support to approximately 2,000 computer system users.		\$ 926,300	5.5%
Total		\$ 16,903,400	100.0%
MEASURABLE GOALS:	2016 Actual	2017 Estimated	2018 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	Below 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:			2016		Budgeted		Change		
Number	Name		Actual		FTEs	Dollars	Dollars	Percent	
7381	Systems Analysis and Programming	\$	1,355,270	2018	17	\$ 1,871,200	\$ 14,800	0.8	a)
				2017	17	\$ 1,856,400			
7382	Desktop Applications Support	\$	850,802	2018	6	\$ 926,300	\$ (28,800)	(3.0)	
				2017	6	\$ 955,100			
7383	Voice, Data, and Video Communications Support	\$	2,048,241	2018	9	\$ 2,146,500	\$ (527,100)	(19.7)	
				2017	9	\$ 2,673,600			
7384	Central Computer Hardware and Proprietary Software Support	\$	1,582,135	2018	9	\$ 1,803,500	\$ 127,300	7.6	
				2017	8	\$ 1,676,200			
7385	Computer Operations, Maintenance, and Support	\$	4,071,831	2018	7	\$ 4,444,000	\$ (30,000)	(0.7)	
				2017	8	\$ 4,474,000			
7387	Computer Security	\$	278,079	2018	4	\$ 562,800	\$ (70,400)	(11.1)	
				2017	4	\$ 633,200			
7388	Information Systems Planning	\$	499,864	2018	5	\$ 813,700	\$ 42,900	5.6	
				2017	6	\$ 770,800			
7389	Information Systems Coordination	\$	491,994	2018	3	\$ 537,600	\$ (69,300)	(11.4)	
				2017	3	\$ 606,900			
7800	Information Technology Services	\$	3,018,024	2018	13	\$ 3,677,900	\$ 72,200	2.0	
				2017	14	\$ 3,605,700			
7604	Social Security and Medicare Contributions	\$	96,288	2018	-	\$ 119,900	\$ 13,200	12.4	
				2017	-	\$ 106,700			
Totals		\$	14,292,528	2018	73	\$ 16,903,400	\$ (455,200)	(2.6%)	
				2017	75	\$ 17,358,600			

a) Decrease is due to a reduced estimate for AT&T switched ethernet services (\$204,000), the 2017 purchase of the Commvault data backup system (\$180,000), the elimination of datacenter services (\$100,000), and the 2017 purchase of the Polycom videoconferencing system (\$30,000).

27000 INFORMATION TECHNOLOGY**PERFORMANCE DATA**

Program Number	Measurable Activity		2016 Actual	2017 Budgeted	2018 Estimated	
7380	Information Technology and Telecommunications					
7381	Systems Analysis and Programming	Application Modules Supported	80	90	90	
		Cost	\$ 1,355,270	\$ 1,856,400	\$ 1,871,200	
		Cost/Module	\$ 16,940.88	\$ 20,626.67	\$ 20,791.11	
7382	Desktop Applications Support	# of Service Calls	12,126	13,002	13,002	
		Cost	\$ 850,802	\$ 955,100	\$ 926,300	
		Cost/Service Call	\$ 70.16	\$ 73.46	\$ 71.24	
7383	Voice, Data, and Video Communications Support	Cost	\$ 2,048,241	\$ 2,673,600	\$ 2,146,500	a)
7384	Central Computer Hardware and Proprietary Software Support	Cost	\$ 1,582,135	\$ 1,676,200	\$ 1,803,500	
7385	Computer Operations, Maintenance, and Support	Cost	\$ 4,071,831	\$ 4,474,000	\$ 4,444,000	
7387	Computer Security	Cost	\$ 278,079	\$ 633,200	\$ 562,800	
7388	Information Systems Planning	Cost	\$ 499,864	\$ 770,800	\$ 813,700	
7389	Information Systems Coordination	Cost	\$ 491,994	\$ 606,900	\$ 537,600	
7800	Information Technology Services	# of Users	1,976	2,000	2,000	
		Cost	\$ 3,018,024	\$ 3,605,700	\$ 3,677,900	
		Cost/User	\$ 1,527.34	\$ 1,802.85	\$ 1,838.95	
7604	Social Security and Medicare Contributions	Cost	\$ 96,288	\$ 106,700	\$ 119,900	
Total			\$ 14,292,528	\$ 17,358,600	\$ 16,903,400	

a) Decrease is due to a reduced estimate for AT&T switched ethernet services (\$204,000), the 2017 purchase of the Commvault data backup system (\$180,000), the elimination of datacenter services (\$100,000), and the 2017 purchase of the Polycom videoconferencing system (\$30,000).

101 27000	Fund: Corporate Department: Information Technology Division:	LINE ITEM ANALYSIS						
		2016	2017				2018	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/17	Expenditure (Committed Budget plus Disbursement) 09/30/17	Estimated Expenditure 12/31/17	Proposed by Executive Director	Recommended by Committee on Budget and Employment
601010	Salaries of Regular Employees	\$ 6,928,258	\$ 8,588,300	\$ 8,584,800	\$ 5,322,532	\$ 7,164,200	\$ 8,378,400	\$ -
601060	Compensation Plan Adjustments	87,198	235,800	235,800	156,945	200,000	171,900	-
601070	Social Security and Medicare Contributions	96,288	106,700	110,200	77,343	106,100	119,900	-
601100	Tuition and Training Payments	13,483	86,700	86,700	27,997	49,900	66,000	-
100	TOTAL PERSONAL SERVICES	7,125,226	9,017,500	9,017,500	5,584,817	7,520,200	8,736,200	-
612010	Travel	476	400	500	446	500	800	-
612030	Meals and Lodging	1,058	1,500	1,400	890	900	2,400	-
612040	Postage, Freight, and Delivery Charges	287	-	1,200	800	600	500	-
612050	Compensation for Personally-Owned Automobiles	2,058	4,700	4,700	531	2,200	2,100	-
612210	Communication Services	1,078,326	1,422,400	1,422,400	1,039,515	1,095,700	1,177,600	-
612330	Rental Charges	331,336	325,500	325,500	276,907	306,900	325,500	-
612430	Payments for Professional Services	181,840	357,400	357,400	299,020	246,700	602,500	-
612490	Contractual Services, N.O.C.	2,750	20,000	20,000	-	20,000	49,600	-
612810	Computer Equipment Maintenance	486,509	376,100	376,100	245,090	358,700	364,200	-
612820	Computer Software Maintenance	3,472,181	4,057,600	4,057,600	3,550,874	4,013,200	4,216,900	-
612840	Communications Equipment Maintenance (Includes Software)	744,527	796,400	795,200	688,791	777,400	735,900	-
200	TOTAL CONTRACTUAL SERVICES	6,301,348	7,362,000	7,362,000	6,102,863	6,822,800	7,478,000	-
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	5,676	17,000	17,000	14,758	16,000	18,700	-
623720	Books, Maps, and Charts	166	-	-	-	-	-	-
623800	Computer Software	194,345	331,900	331,900	84,739	249,800	118,400	-
623810	Computer Supplies	465,659	423,500	423,500	415,526	406,200	431,500	-
623850	Communications Supplies	136,073	131,700	131,700	129,527	120,400	120,600	-
300	TOTAL MATERIALS AND SUPPLIES	801,920	904,100	904,100	644,549	792,400	689,200	-
634810	Computer Equipment	19,259	45,000	45,000	37,164	40,000	-	-
634820	Computer Software	-	30,000	30,000	30,000	26,000	-	-
634840	Communications Equipment (Includes Software)	44,774	-	-	-	-	-	-
400	TOTAL MACHINERY AND EQUIPMENT	64,034	75,000	75,000	67,164	66,000	-	-
TOTAL INFORMATION TECHNOLOGY		\$ 14,292,528	\$ 17,358,600	\$ 17,358,600	\$ 12,399,393	\$ 15,201,400	\$ 16,903,400	\$ -

NOTES: 1. Amounts may not add up due to rounding.

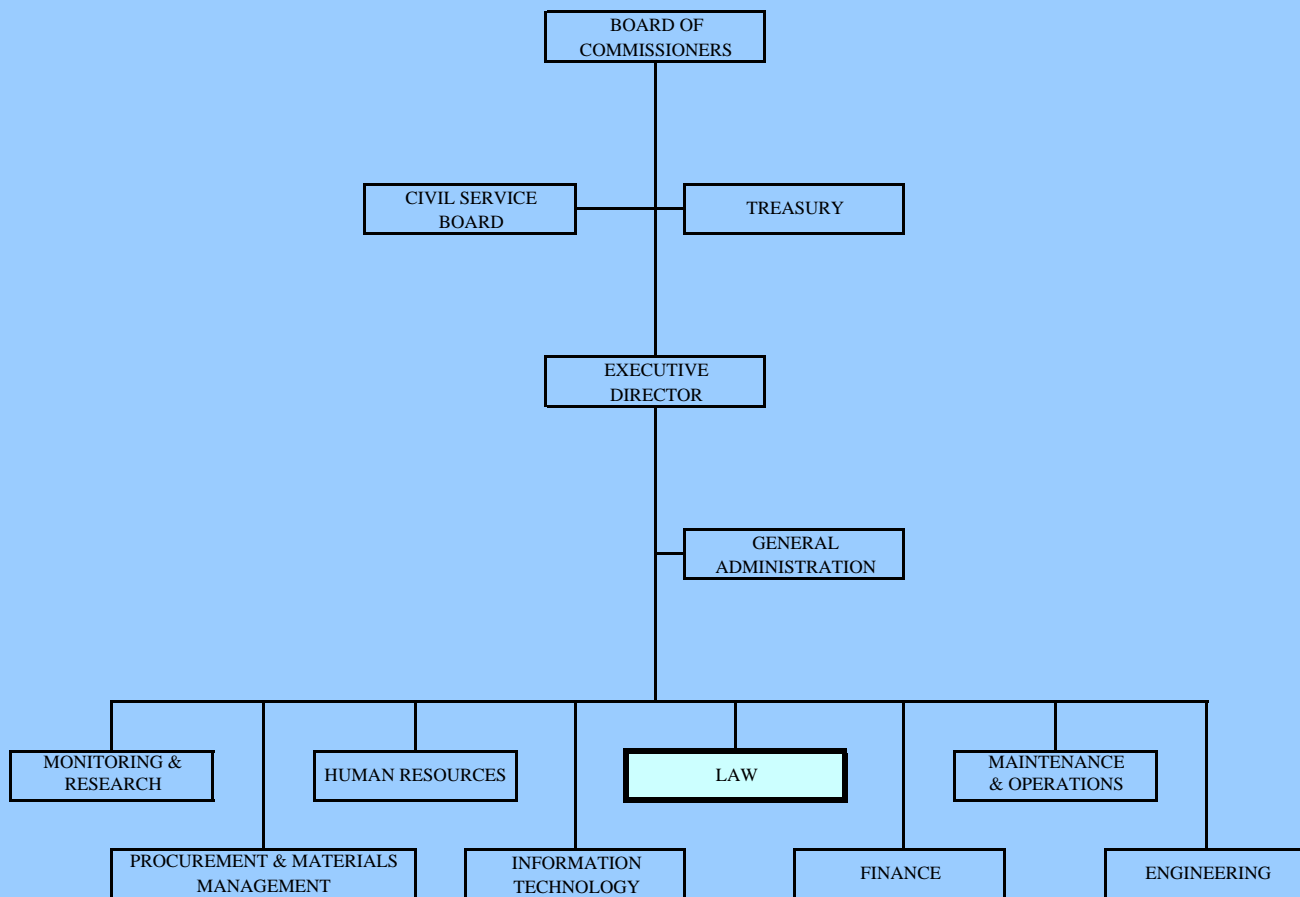
2. Departmental appropriation totals for salaries in the Line Item Analysis may differ from those contained in the Position Analysis by a factor identified to adjust for vacancies. Additionally, Estimated Expenditure may either exceed Adjusted Appropriation when transfers of funds are anticipated or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

Fund: Corporate Dept: Information Technology Division:		POSITION ANALYSIS				
		2016	2017		2018	
					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	333,125.16	2	333,125.26
275	Project Management Office Section					
HP19	Project Management Office Manager	1	1		1	
HP17	Senior Business Analyst #2 (New Grade HP16)	1	-		-	
HP16	Senior Business Analyst	-	1		1	
HP15	Business Analyst #2 (New Grade HP14)	1	-		-	
HP14	Business Analyst	-	1		1	
TOTAL	Project Management Office Section	3	3	273,692.48	3	290,026.10
276	Budget & Administrative Section - MOB					
HP17	Management Analyst III #2 (Senior Budget & Management Analyst) (New Grade HP16)	1	-		-	
HP11	Administrative Specialist	3	-		-	
HP11	Administrative Specialist #4	1	-		-	
TOTAL	Budget & Administrative Section - MOB	5	-	-	-	-
TOTAL	Executive Division	10	5	606,817.64	5	623,151.36
280	Enterprise Infrastructure Division - MOB					
281	Enterprise Infrastructure Administration Section - MOB					
HP20	Assistant Director of Information Technology	1	1		1	
HP19	Information Technology Manager	1	3		3	
HP11	Administrative Specialist	-	2		1	
TOTAL	Enterprise Infrastructure Administration Section - MOB	2	6	653,448.84	5	624,625.54
282	Network Management Unit - MOB					
HP18	Senior Network Engineer #1	1	1		-	

Fund: Corporate Dept: Information Technology Division:		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
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	
HP16	Systems Administrator	-	1		1	
TOTAL	Network Management Unit - MOB	7	8	1,062,391.64	7	920,953.02
283	Network Infrastructure Unit - MOB					
HP18	Senior Network Engineer	1	1		1	
HP16	Network Engineer	4	4		4	
NR1541	Telecommunications Specialist	1	1		1	
TOTAL	Network Infrastructure Unit - MOB	6	6	679,019.76	6	679,681.08
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	302,872.61	4	287,990.04
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	641,189.89	5	652,620.54
287	Audio Visual Services Unit - MOB					
HP16	A/V Administrator	1	1		1	
HP14	A/V Analyst	-	1		1	
TOTAL	Audio Visual Services Unit - MOB	1	2	194,587.38	2	194,587.38
288	IT Field Service Unit - MOB					
HP18	Senior Computer Systems Administrator #2 (IT Support Coordinator) (New Grade HP15)	1	1		1	

Fund: Corporate Dept: Information Technology Division:		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP17	Computer Systems Administrator #2 (IT Support Analyst II) (New Grade HP13)	3	3		2	
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)	2	1		1	
HP13	IT Support Analyst II	-	-		1	
HP11	IT Support Analyst I	1	2		2	
TOTAL	IT Field Service Unit - MOB	8	8	910,783.72	8	815,970.99
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	465,011.29	4	465,011.30
TOTAL	Enterprise Infrastructure Division - MOB	35	43	4,909,305.13	41	4,641,439.89
290	Enterprise Applications Division - MOB					
291	Enterprise Applications Administration Section - MOB					
HP20	Assistant Director of Information Technology	-	1		1	
HP19	Information Technology Manager	1	2		2	
HP11	Administrative Specialist	-	1		1	
TOTAL	Enterprise Applications Administration Section - MOB	1	4	503,790.22	4	516,463.73
292	Business Applications Unit - MOB					
HP18	Senior Applications Administrator	1	1		1	
HP17	Webmaster #1	1	1		1	
HP16	Applications Administrator	2	2		2	
HP14	Applications Analyst	1	1		1	
TOTAL	Business Applications Unit - MOB	5	5	591,481.56	5	602,912.17
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 Division:		POSITION ANALYSIS				
		2016	2017		2018	
					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	1	2		2	
TOTAL	ERP Support Unit - MOB	5	6	700,562.95	6	711,993.36
294	Enterprise GIS Support Unit - MOB					
HP18	Senior Applications Administrator	1	1		1	
HP16	Applications Administrator #2 (GIS Analyst) (New Grade HP14)	2	2		2	
HP14	GIS Analyst	2	2		2	
TOTAL	Enterprise GIS Support Unit - MOB	5	5	559,511.31	5	559,511.16
295	Applications Development Unit - MOB					
HP18	Senior Applications Developer	-	1		1	
HP16	Applications Administrator	-	1		1	
HP16	Applications Developer	-	1		1	
HP14	Applications Analyst	-	1		1	
TOTAL	Applications Development Unit - MOB	-	4	386,012.01	4	386,012.13
296	Enterprise Database Support Unit - MOB					
HP18	Senior Database Administrator	1	1		1	
HP16	Data Base Analyst II	2	-		-	
HP16	Database Administrator	-	2		2	
TOTAL	Enterprise Database Support Unit - MOB	3	3	373,967.88	3	379,201.16
TOTAL	Enterprise Applications Division - MOB	19	27	3,115,325.93	27	3,156,093.71
TOTAL	Information Technology	64	75	8,631,448.70	73	8,420,684.96
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.						



Metropolitan Water Reclamation District of Greater Chicago

100 EAST ERIE STREET

CHICAGO, ILLINOIS 60611-3154

312.751.5600

September 12, 2017

Mr. David St. Pierre
Executive Director
OFFICE

Dear Sir:

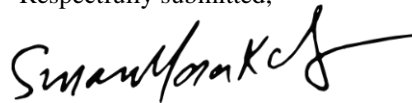
Subject: 2018 Program for the Law Department

The Law Department's program for 2018, as prepared in detail, is transmitted herewith. The budget presentation supports the request for funding of the department's 2018 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, 2018 major initiatives and challenges, and 2017 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 budget for 2018.

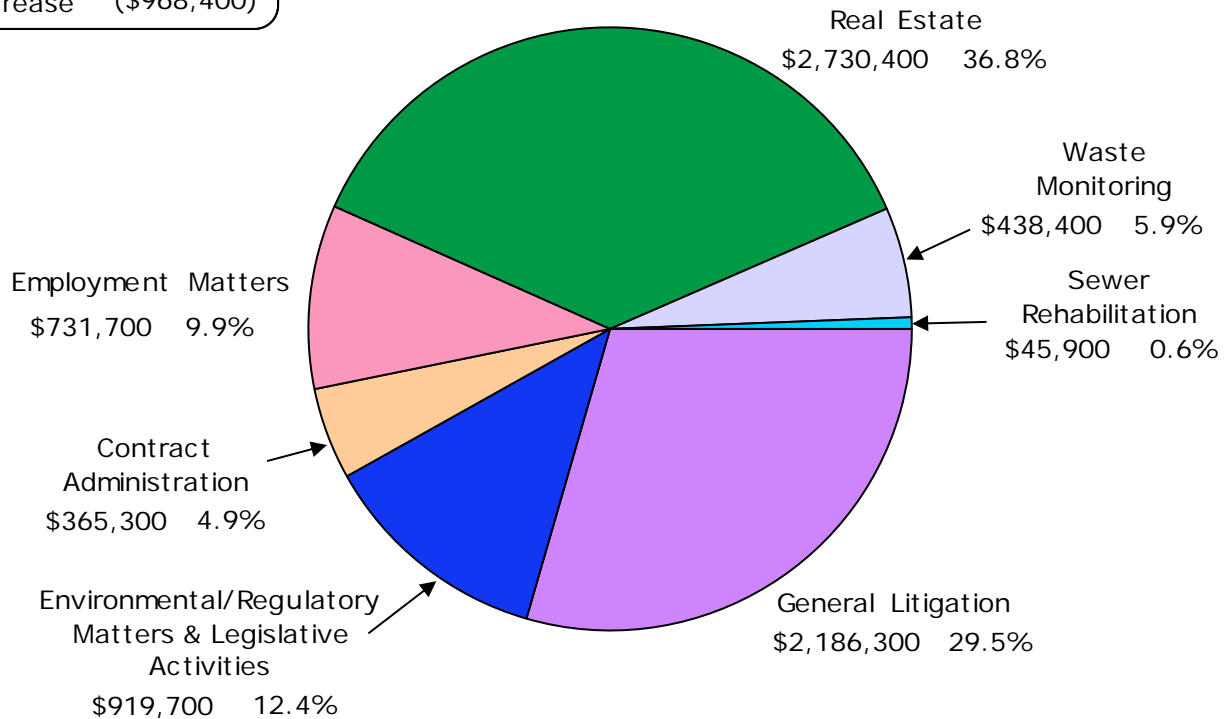
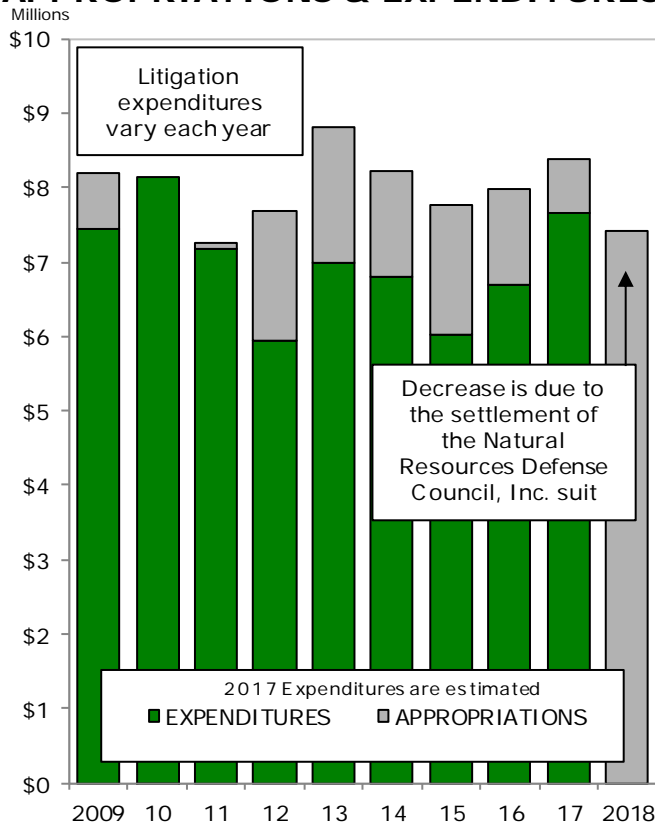
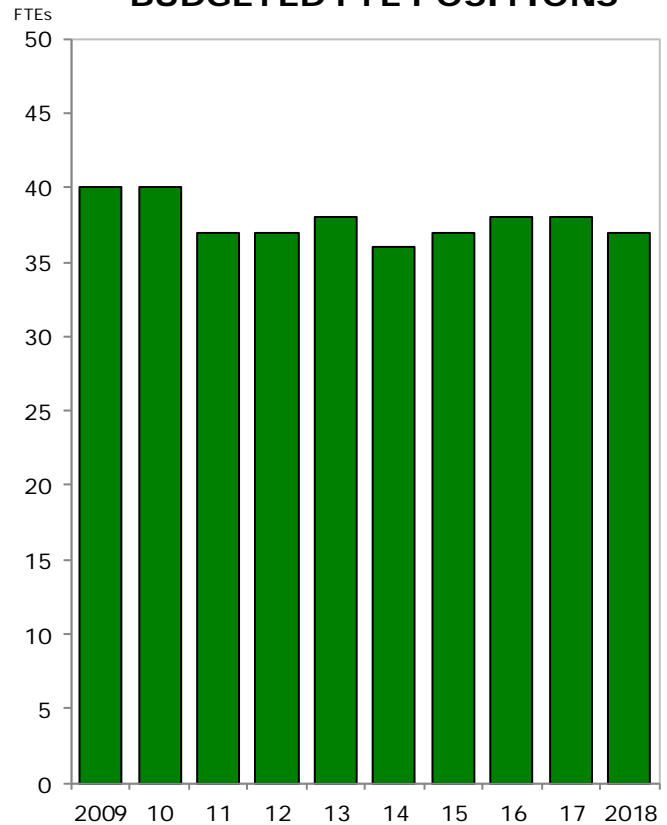
Respectfully submitted,



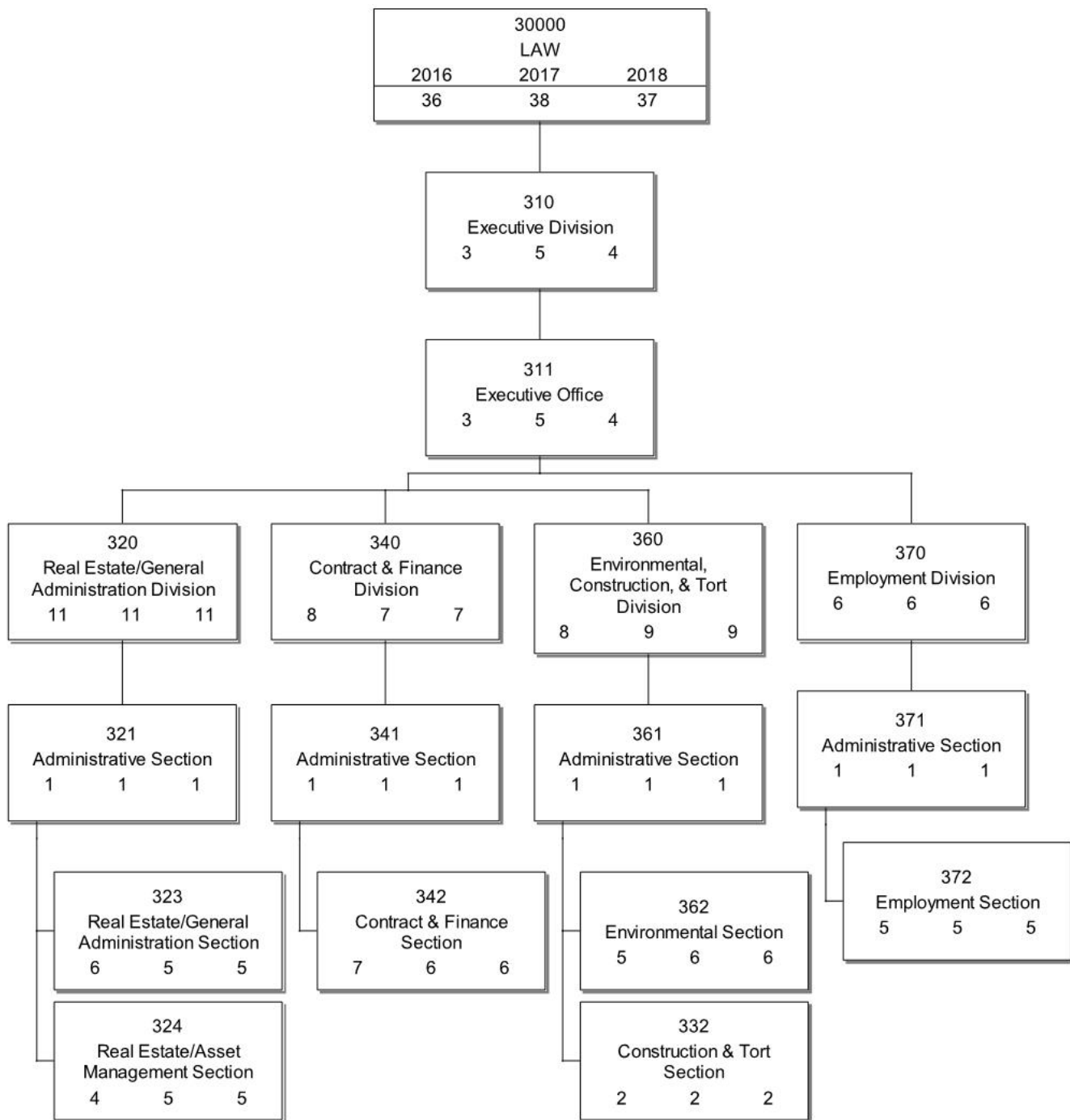
Susan T. Morakalis
Acting General Counsel

LAW**FUNCTIONS**

2018	\$7,417,700
2017	\$8,386,100
Decrease	(\$968,400)

**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.

Summary of 2017 Accomplishments

- Processed 336 Freedom of Information Act requests;
- In collaboration with the Information Technology Department, expanded the capability of the Freedom of Information Act link on District's website to allow for public to access many documents online thereby making the website more accessible to the public;
- Successfully negotiated a complex settlement of Natural Resources Defense Council, Inc. et al. v. Metropolitan Water Reclamation District of Greater Chicago, a federal lawsuit brought by three environmental groups against the District alleging that the District's treated effluent violated certain narrative water quality standards (the "Citizens' Suit"). A resolution of this Citizens' Suit also worked to resolve a National Pollutant Discharge Elimination System Permit appeal brought by these, and other, environmental groups before the Illinois Pollution Control Board. The resolution of both of these pieces of litigation operated to save significant financial resources. Both cases would have continued in the courts for years until the parties exhausted their appellate rights. The District engaged outside counsel to represent it in the Citizens Suit. By resolving this litigation, the District no longer incurs the expense of outside counsel. In addition, in each case, the plaintiffs requested the courts impose a numeric phosphorus limit that was much lower than the 1.0 mg/L proposed limit. If the plaintiffs had prevailed, the District would have been forced to expend millions of dollars in capital improvements above the amounts already contemplated to achieve the much lower limit;
- Managed all legal aspects of the implementation of various Resource Recovery Programs including issuance of Organic Materials Discharge Authorizations to allow delivery of high strength liquid waste for use in the biological phosphorus removal initiative;
- Successfully negotiated a project partnership agreement with the Army Corps of Engineers for the design and construction of the River Riparian Connectivity and Habitat Ecosystem Restoration Project, including the removal of an existing dam on the North Branch of the Chicago River. Drafted an Intergovernmental Agreement with the Chicago Park District to maintain the restored stream bed, river bank, and native vegetation;
- Assisted operating departments in negotiating and defending against appeals of the National Pollutant Discharge Elimination System permits for the Stickney, O'Brien, and Calumet Water Reclamation Plants culminating in the issuance of the final discharge permits 10 years after submittal of the renewal application;
- Assisted in the implementation of providing Global Positioning System units to municipalities located within the District's service area to collect sanitary, storm, and combined sewer data for improved sewer mapping by drafting and reviewing intergovernmental agreements that set forth the terms and conditions for use of the Global Positioning System units;
- Closed 12 Civil Service Board cases and presented three complete evidentiary hearings in the first half of 2017, maintaining virtually no net increase to the Board's agenda;
- Drafted and worked to obtain passage of anticipatory authority to participate in a nutrient trading program in Illinois to help meet water quality standards;
- Worked with the Diversity section to follow up on recommendations from the recent Disparity Study to enhance and further improve our current Affirmative Action Ordinance, Revised Appendix D, by exploring increased opportunities for small firms to participate and diversify our program.

Budget Highlights

The 2018 appropriation for the Law Department is \$7,417,700, a decrease of \$968,400, or 11.5 percent, from 2017. The staffing level has decreased from 38 to 37 positions, which includes the drop of a Deputy General Counsel.

The significant feature of the 2018 budget is:

- Increase in real estate lease and easement income to approximately \$21,500,000.

2018 Initiatives in Support of the Strategic Business Plan Include the Following:

• Add Value

The Law Department will 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 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.

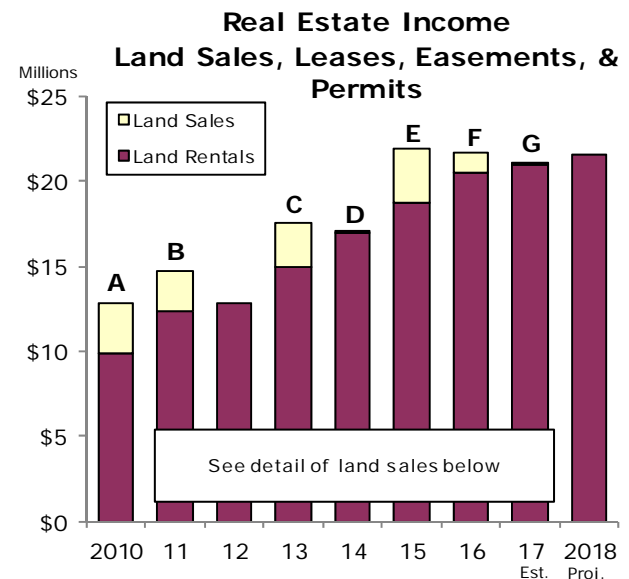
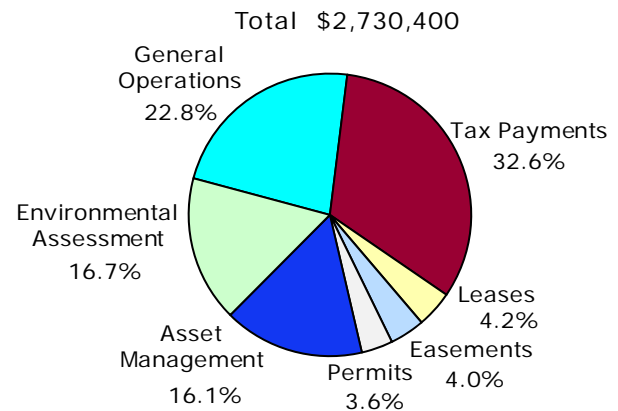
• Excellence

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 2018, 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 new 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.

2018 Real Estate Program Budget



Land Sale Details

- A – 60.0 acres sold in Will County
- B – 315.3 acres sold in Will County
- C – 326.4 acres sold in Will County
- D – 5.9 acres sold in Cook County
- E – 4.2 acres sold to the IL State Toll Highway Authority
- F – 4.4 acres sold to the City of Chicago
- G – .05 acres sold to the Wm. Wrigley Jr. Company

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 2018, 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 sixteen 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. The Law Department will continue its leadership role in the organization through active participation in planning meetings, giving presentations on various legal topics, and ongoing recruitment of new members.

- **Technology**

The Geographic Information System mapping component was completed in December 2016 and is now online 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 become mandatory on January 1, 2018.

Additionally, all 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.		\$ 2,186,300	29.5%
2. Handle all environmental matters and monitor all state legislation and legislative activities.		\$ 919,700	12.4%
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.		\$ 731,700	9.9%
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 2018.		\$ 2,730,400	36.8%
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.		\$ 438,400	5.9%
6. Review proposed contracts, execute awarded contracts, review bond surety and insurance matters, and process Freedom of Information Act requests.		\$ 365,300	4.9%
7. Sewer Rehabilitation. Upon referral from the Engineering Department, the Law Department conducts administrative hearings to enforce compliance with the Watershed Management Ordinance.		\$ 45,900	0.6%
	Total	\$ 7,417,700	100.0%

MEASURABLE GOALS:		2016	2017	2018
	Unit of Measure	Actual	Estimated	Proposed
1. Revise lease procedures and policies to enhance the marketability of District real estate while increasing the use of green infrastructure.	Millions	\$20.5	\$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	-	-	75%
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%	100%

30000 LAW**OBJECTIVES AND PROGRAM SUMMARY**

PROGRAMS BY PRIORITY:			2016		Budgeted		Change		
Number	Name		Actual		FTEs	Dollars	Dollars	Percent	
1571	Local Sewer Rehabilitation Ordinance Enforcement Activity	\$	45,895		2018	1	\$ 45,900	\$ -	-
					2017	1	\$ 45,900		
4660	Waste Monitoring	\$	543,075		2018	3	\$ 438,400	\$ (21,700)	(4.7)
					2017	3	\$ 460,100		
7350	General Legal Matters	\$	3,764,028		2018	21	\$ 4,130,000	\$ (931,400)	(18.4)
					2017	21	\$ 5,061,400		a)
7360	Real Estate Operations	\$	2,286,158		2018	12	\$ 2,730,400	\$ (21,900)	(0.8)
					2017	13	\$ 2,752,300		
7604	Social Security and Medicare Contributions	\$	65,357		2018	-	\$ 73,000	\$ 6,600	9.9
					2017	-	\$ 66,400		
Totals		\$	6,704,513		2018	37	\$ 7,417,700	\$ (968,400)	(11.5%)
					2017	38	\$ 8,386,100		

a) Decrease is due to the reduction in outside professional services for special counsel on environmental matters (\$909,700) and the reduction of court reporting services (\$26,000).

30000 LAW**PERFORMANCE DATA**

Program Number	Measurable Activity		2016 Actual	2017 Budgeted	2018 Estimated	
1571	Local Sewer Rehabilitation Ordinance Enforcement Activity	Cases	18	19	20	
		Cost	\$ 45,895	\$ 45,900	\$ 45,900	
		Cost/Case	\$ 2,549.72	\$ 2,415.79	\$ 2,295.00	
4660	Waste Monitoring					
	Provide Legal Representation and Administrative Support for:					
4662	User Charge Ordinance - Tax-Exempt Users	Cases	8	7	7	
		Cost	\$ 48,819	\$ 51,200	\$ 51,500	
		Cost/Case	\$ 6,102.38	\$ 7,314.29	\$ 7,357.14	
4663	User Charge - Large Commercial/Industrial Users	Cases	21	20	21	
		Cost	\$ 248,788	\$ 226,500	\$ 237,200	
		Cost/Case	\$ 11,847.05	\$ 11,325.00	\$ 11,295.24	
4667	Sewage and Waste Control Ordinance - Significant Industrial Users	Cases	14	8	13	
		Cost	\$ 245,468	\$ 182,400	\$ 149,700	a)
		Cost/Case	\$ 17,533.43	\$ 22,800.00	\$ 11,515.38	
7350	General Litigation					
	Provide Prosecution and Defense Services to Protect the Interests of the District:					
7351	Legislative	Cost	\$ 105,039	\$ 175,200	\$ 188,000	
7352	Financial Matters	Cost	\$ 102,540	\$ 154,100	\$ 164,700	
7353	Environmental and Regulatory Matters	Cost	\$ 550,293	\$ 683,500	\$ 731,700	
7354	Contract Administration	Cost	\$ 371,390	\$ 364,600	\$ 365,300	
7355	Litigation	Cost	\$ 1,306,897	\$ 2,138,500	\$ 1,189,500	b)
7356	Employment Matters	Cost	\$ 597,884	\$ 717,200	\$ 731,700	
7359	General Legal Services	Cost	\$ 729,985	\$ 828,300	\$ 759,100	

a) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$38,200).

b) Decrease is due to the reduction in outside professional services for special counsel on environmental matters (\$909,700) and the reduction of court reporting services (\$26,000).

30000 LAW**PERFORMANCE DATA**

Program Number	Measurable Activity		2016 Actual	2017 Budgeted	2018 Estimated
7360	Real Estate Operations				
	Provide Administration of All District Land:				
7361	Real Estate Leases - Administration of Leases and Granting of Leases	Leases	175	176	180
		Cost	\$ 124,456	\$ 120,200	\$ 114,300
		Cost/Lease	\$ 711.18	\$ 682.95	\$ 635.00
7362	Real Estate Easements - Administration of Easements and Granting of New Easements	Easements	376	371	382
		Cost	\$ 121,713	\$ 115,500	\$ 110,500
		Cost/Easement	\$ 323.70	\$ 311.32	\$ 289.27
7363	Real Estate Permits - Administration of Permits and Granting of New Permits	Permits	70	80	73
		Cost	\$ 113,096	\$ 104,500	\$ 99,500
		Cost/Permit	\$ 1,615.66	\$ 1,306.25	\$ 1,363.01
7367	Real Estate Asset Management - Administer Plan to Increase Revenue by Lease/Sale of Real Estate Holdings	Cost	\$ 432,745	\$ 450,200	\$ 438,700
7368	Real Estate Environmental Assessment - Administer Activities Related to Environmental Assessment and Remediation of Real Estate Holdings	Cost	\$ 195,615	\$ 419,800	\$ 455,900
7369	Other Real Estate Operations, Including Development of Agenda, Providing Information, Tax Litigation, and Support Services to the Board of Commissioners	Cost	\$ 508,592	\$ 652,100	\$ 621,500
	Payment of Real Estate Taxes	Cost	\$ 789,941	\$ 890,000	\$ 890,000
7604	Social Security and Medicare Contributions	Cost	\$ 65,357	\$ 66,400	\$ 73,000
	Total		\$ 6,704,513	\$ 8,386,100	\$ 7,417,700

101 30000	Fund: Corporate Department: Law Division:	LINE ITEM ANALYSIS						
		2016	2017				2018	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/17	Expenditure (Committed Budget plus Disbursement) 09/30/17	Estimated Expenditure 12/31/17	Proposed by Executive Director	Recommended by Committee on Budget and Employment
601010	Salaries of Regular Employees	\$ 4,710,188	\$ 5,044,700	\$ 5,040,700	\$ 3,327,848	\$ 4,995,000	\$ 5,006,700	\$ -
601060	Compensation Plan Adjustments	27,609	142,600	142,600	105,669	120,000	130,600	-
601070	Social Security and Medicare Contributions	65,357	66,400	70,400	49,408	68,000	73,000	-
601100	Tuition and Training Payments	11,382	14,000	14,000	6,206	13,000	14,000	-
100	TOTAL PERSONAL SERVICES	4,814,537	5,267,700	5,267,700	3,489,131	5,196,000	5,224,300	-
612010	Travel	2,390	6,000	6,000	2,054	5,000	5,000	-
612030	Meals and Lodging	3,085	7,500	12,500	5,553	11,500	13,000	-
612040	Postage, Freight, and Delivery Charges	943	1,000	1,000	949	900	1,000	-
612050	Compensation for Personally-Owned Automobiles	597	1,200	6,200	3,302	5,000	5,100	-
612090	Reprographic Services	3,358	25,000	25,000	19,386	5,000	17,000	-
612250	Court Reporting Services	4,763	80,000	70,000	30,091	20,000	50,000	-
612430	Payments for Professional Services	990,281	2,000,000	2,000,000	1,657,731	1,500,000	1,090,300	-
612490	Contractual Services, N.O.C.	78,210	90,000	90,000	79,333	89,000	103,800	-
200	TOTAL CONTRACTUAL SERVICES	1,083,627	2,210,700	2,210,700	1,798,399	1,636,400	1,285,200	-
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	5,489	5,000	5,000	3,025	3,500	5,500	-
623720	Books, Maps, and Charts	10,258	12,000	12,000	10,836	9,000	12,300	-
623990	Materials and Supplies, N.O.C.	661	700	700	-	400	400	-
300	TOTAL MATERIALS AND SUPPLIES	16,408	17,700	17,700	13,861	12,900	18,200	-
667130	Taxes on Real Estate	789,941	890,000	890,000	768,155	800,000	890,000	-
700	TOTAL FIXED AND OTHER CHARGES	789,941	890,000	890,000	768,155	800,000	890,000	-
TOTAL LAW		\$ 6,704,513	\$ 8,386,100	\$ 8,386,100	\$ 6,069,545	\$ 7,645,300	\$ 7,417,700	\$ -

NOTES: 1. Amounts may not add up due to rounding.

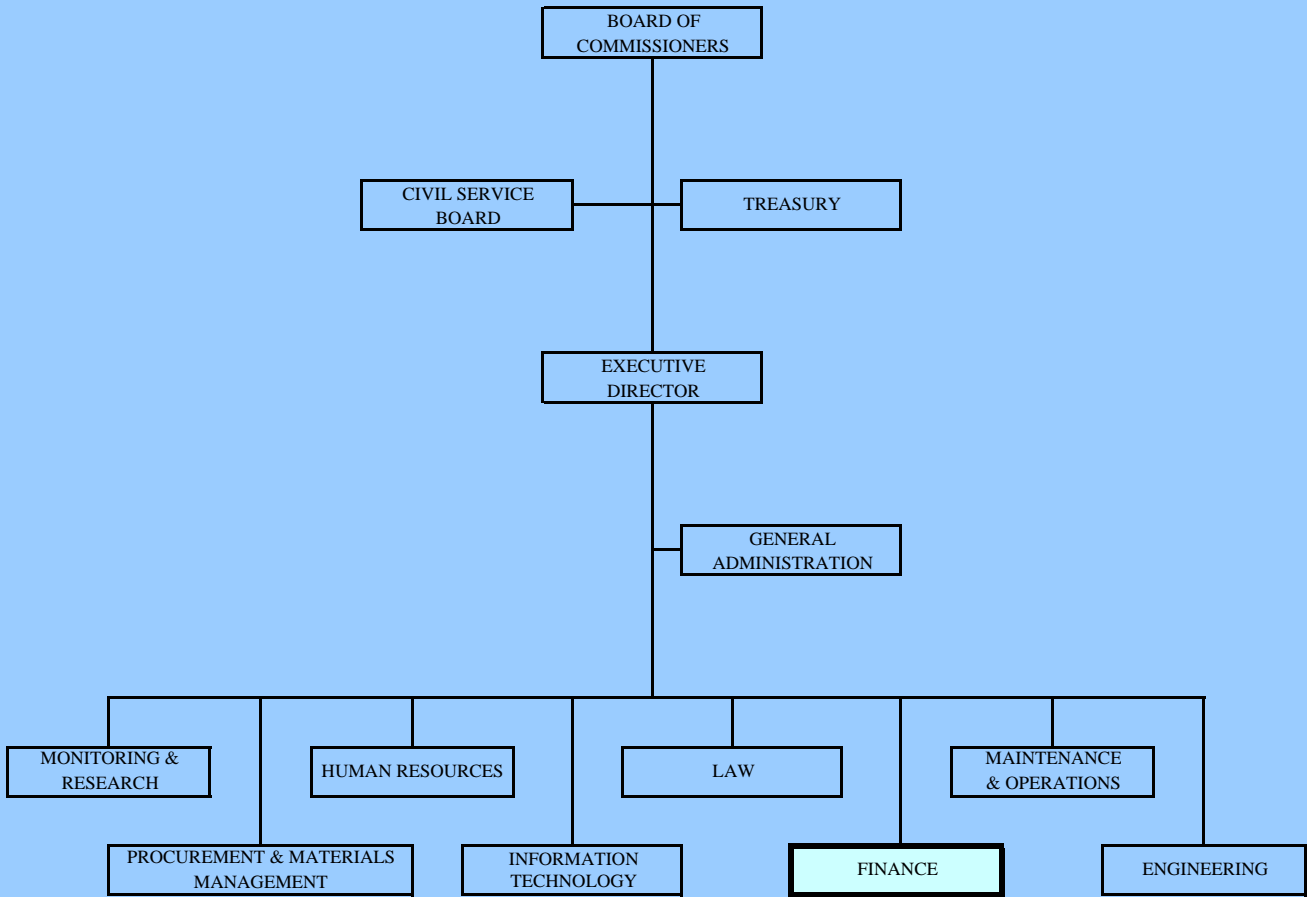
2. Departmental appropriation totals for salaries in the Line Item Analysis may differ from those contained in the Position Analysis by a factor identified to adjust for vacancies. Additionally, Estimated Expenditure may either exceed Adjusted Appropriation when transfers of funds are anticipated or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

Fund: Corporate Dept: Law Division:		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
310	Executive Division					
311	Executive Office					
EX12	General Counsel	1	1		1	
HP23	Deputy General Counsel	-	1		-	
HP22	Head Assistant Attorney	-	1		1	
EX06	Secretary to Officer	1	1		1	
HP13	Senior Administrative Specialist	1	1		1	
TOTAL	Executive Office	3	5	812,762.76	4	654,054.69
TOTAL	Executive Division	3	5	812,762.76	4	654,054.69
320	Real Estate / General Administration Division					
321	Administrative Section					
HP22	Head Assistant Attorney	1	1		1	
TOTAL	Administrative Section	1	1	219,160.71	1	163,180.68
323	Real Estate / General Administration Section					
HP18	Senior Attorney	1	1		1	
HP15	Senior Legal Assistant	2	2		2	
HP13	Legal Assistant	1	-		-	
HP13	Investigator #2 (Legal Assistant)	1	1		1	
HP11	Administrative Specialist	1	1		1	
TOTAL	Real Estate / General Administration Section	6	5	502,483.25	5	508,376.44
324	Real Estate / Asset Management Section					
HP20	Principal Attorney	1	1		1	
HP18	Senior Attorney	1	1		1	
HP16	Assistant Attorney	-	1		1	
HP13	Legal Assistant	1	1		1	
HP13	Senior Administrative Specialist	1	1		1	
TOTAL	Real Estate / Asset Management Section	4	5	583,757.17	5	578,757.40
TOTAL	Real Estate / General Administration Division	11	11	1,305,401.13	11	1,250,314.52

Fund: Corporate Dept: Law Division:		POSITION ANALYSIS				
		2016	2017		2018	
					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	228,491.15	1	228,491.12
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	
HP12	Secretary #2 (Administrative Specialist) (New Grade HP11)	1	-		-	
TOTAL	Contract & Finance Section	7	6	801,186.53	6	812,975.79
TOTAL	Contract & Finance Division	8	7	1,029,677.68	7	1,041,466.91
360	Environmental, Construction, & Tort Division					
361	Administrative Section					
HP22	Head Assistant Attorney	1	1		1	
TOTAL	Administrative Section	1	1	228,491.15	1	228,491.12
362	Environmental Section					
HP20	Principal Attorney	1	1		1	
HP18	Senior Attorney	2	2		2	
HP16	Assistant Attorney	-	1		1	
HP13	Legal Assistant	1	1		1	
HP12	Secretary #2 (Administrative Specialist) (New Grade HP11)	1	1		1	
TOTAL	Environmental Section	5	6	700,555.59	6	660,445.25
332	Construction & Tort Section					
HP20	Principal Attorney	2	2		2	
TOTAL	Construction & Tort Section	2	2	369,041.50	2	369,041.40
TOTAL	Environmental, Construction, & Tort Division	8	9	1,298,088.24	9	1,257,977.77

Fund: Corporate Dept: Law Division:		POSITION ANALYSIS				
		2016	2017		2018	
					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	228,491.15	1	228,491.12
372	Employment Section					
HP20	Principal Attorney	1	1		1	
HP18	Senior Attorney	2	2		2	
HP13	Legal Assistant	1	1		1	
HP12	Secretary #2 (Administrative Specialist) (New Grade HP11)	1	-		-	
HP11	Administrative Specialist	-	1		1	
TOTAL	Employment Section	5	5	583,489.05	5	599,475.50
TOTAL	Employment Division	6	6	811,980.20	6	827,966.62
TOTAL	Law	36	38	5,257,910.01	37	5,031,780.51

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.



Metropolitan Water Reclamation District of Greater Chicago

100 EAST ERIE STREET

CHICAGO, ILLINOIS 60611-3154

312.751.5600

September 12, 2017

Mr. David St. Pierre
Executive Director
OFFICE

Dear Sir:

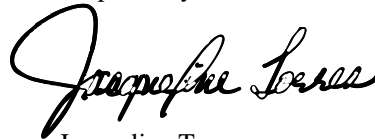
Subject: 2018 Program for the Finance Department

The Finance Department's program for 2018, as prepared in detail, is transmitted herewith. The budget presentation supports the request for funding of the department's 2018 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, 2018 major initiatives and challenges, and 2017 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 2018.

Respectfully submitted,

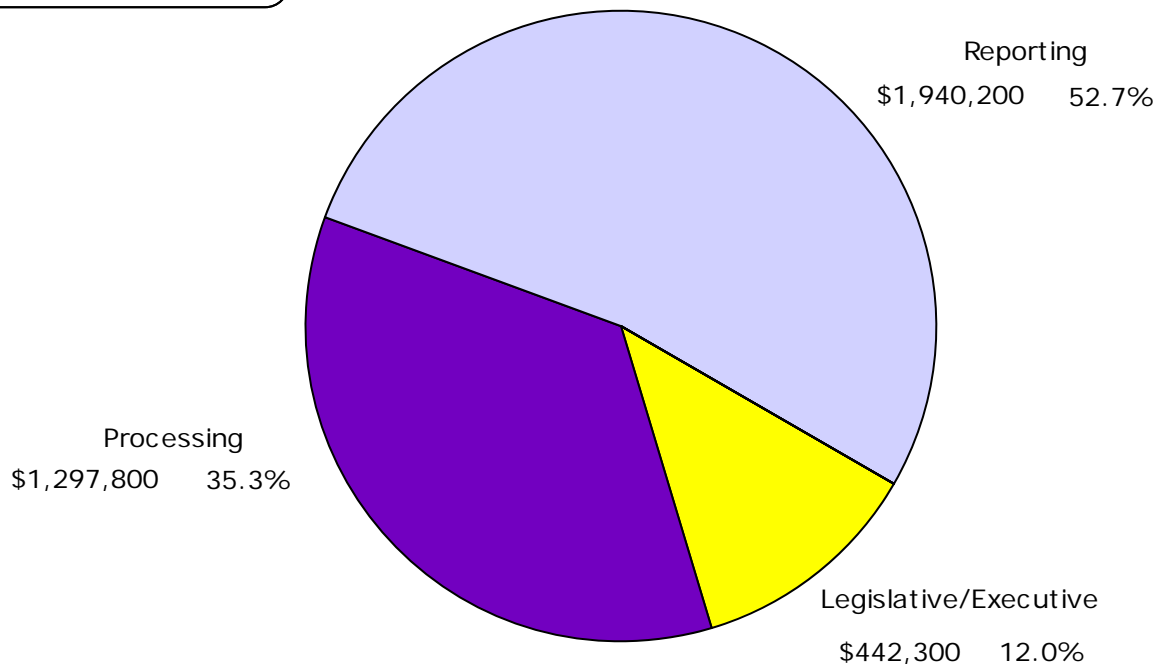


Jacqueline Torres
Clerk/Director of Finance

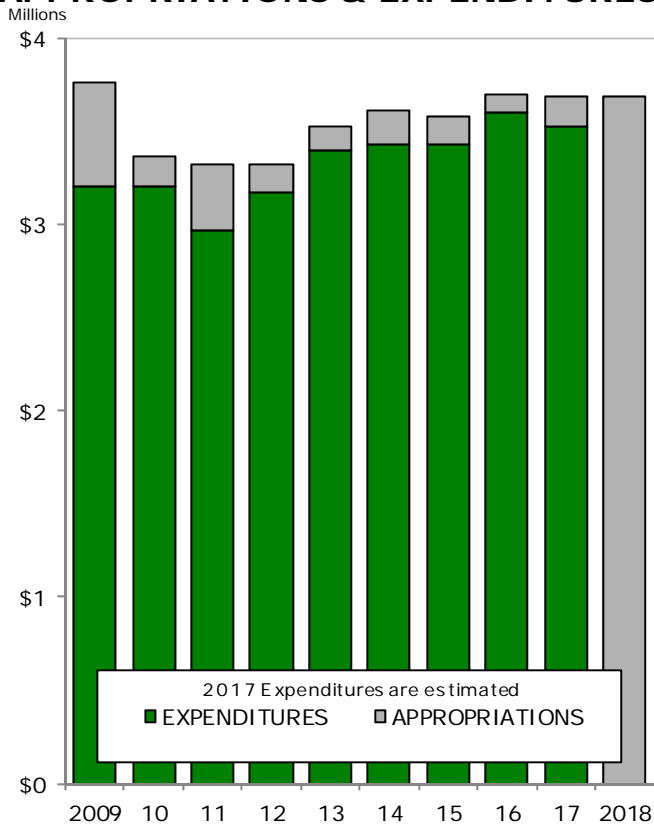
FINANCE

FUNCTIONS

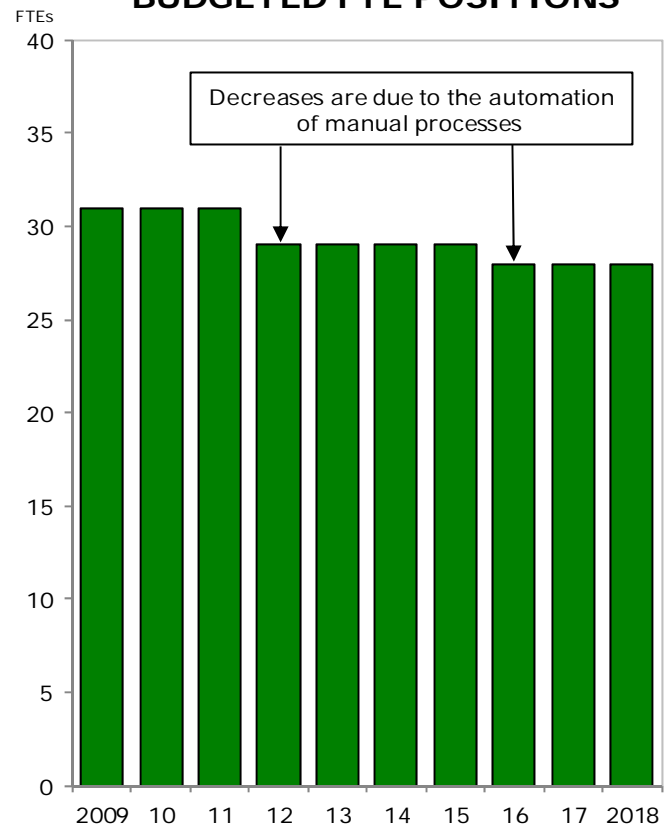
2018	\$3,680,300
2017	\$3,684,400
Decrease	(\$4,100)



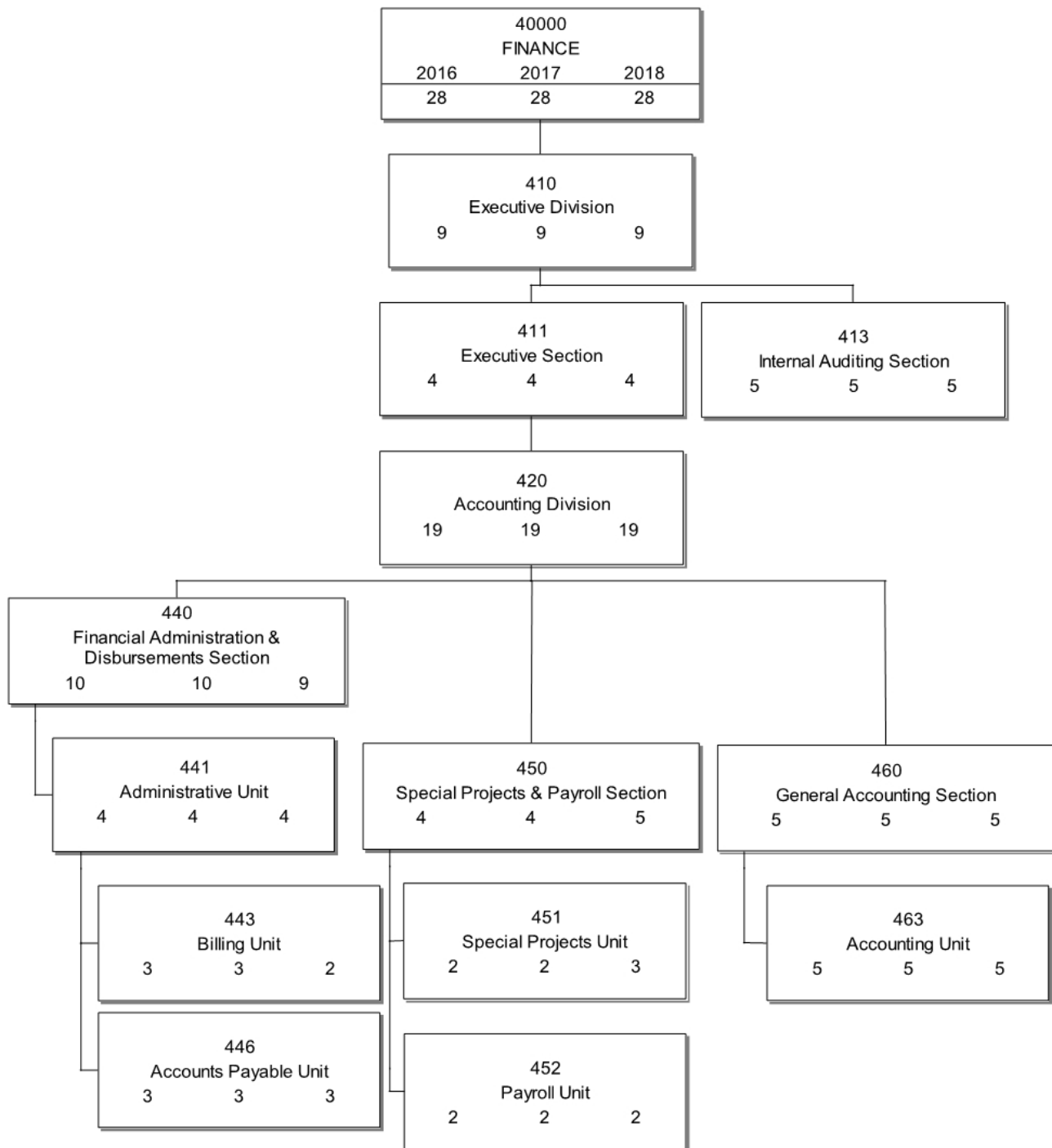
APPROPRIATIONS & EXPENDITURES



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:

- Audit and report District financial information and audit of operational performance, compliance and internal controls;
- Process District financial transactions including vendor payments, payroll, billing and collection activities;
- Create Board of Commissioner agenda and minutes and maintain 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 2017 Accomplishments

- The District was presented with the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the 2016 Comprehensive Annual Financial Report for the 42nd consecutive year;
- The District received an unmodified opinion on the fair presentation, in all material aspects, of the District's 2016 financial statements from external auditors. This achievement aids in maintaining the District's excellent bond credit rating;
- Implemented a new Comprehensive Annual Financial Report publishing solution to compile, reconcile, organize, and map financial data from source systems to improve the accuracy and efficiency of report preparation;
- Completed ten planned internal audit projects and provided financial review of 15 lease applications. Internal audits included a review of internal controls in the District's enterprise system (SAP), internet banking security authorizations, review of real estate application process, reconciliation of Flexible Spending Accounts transfer, Fox River Water Reclamation District cost allocation, clock overrides in the WorkForce automated time management system, the District's COBRA program, quarterly Procurement Card audits, professional legal engineering consultant contracts, job order contracts, medical claims, and portable gas meters. The audits provided assurance of continued compliance, operating efficiencies, and cost-saving solutions;
- Upgraded the WorkForce automated time management system with a new drop-down field that allows employees to distribute work time not only to the departmental projects, which had already been available, but also to District-wide projects;
- Assisted the Law Department in the implementation of the new real estate management system;
- 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 2018 appropriation for the Finance Department is \$3,680,300, a decrease of \$4,100, or 0.1 percent, from 2017. The staffing level remains unchanged at 28 positions. The net zero change includes the addition of a Budget & Management Analyst, offset by the drop of an Accounting Associate.

Significant features of the 2018 Budget are:

- The Finance Department will continue to reduce cost through re-engineering the accounts payable automated solution to use a straight-through processing feature and also increase the number of vendors paid via the Automated Clearing House. This will result in faster payments and improved internal controls;
- Develop a process to make District vendor payments on-line;
- Complete safeguarding of the District's legislative permanent records and continue a project to convert approximately 100,000 records to electronic images.

2018 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 and establish interdepartmental service-level agreements. The Finance Department plans to develop dashboard reports to provide key statistical data on transaction processing, monitor performance measures, 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 Governmental Accounting Standards Board 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 32 percent of staff in the last six 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 quarterly performance measures and dashboard reports;
- Implement the Accounts Payable straight-through processing feature;
- 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.		\$ 1,297,800	35.3%
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.		\$ 1,940,200	52.7%
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.		\$ 442,300	12.0%
Total		\$ 3,680,300	100.0%

MEASURABLE GOALS:	2016 Actual	2017 Estimated	2018 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%

40000 FINANCE**OBJECTIVES AND PROGRAM SUMMARY**

PROGRAMS BY PRIORITY:		2016 Actuals	Budgeted			Change	
Number	Name		FTEs	Dollars		Dollars	Percent
7391	Accounts Payable	\$ 352,580	2018	- \$	-	\$ -	-
			2017	- \$	-		
7392	Payroll and Employee Expense	\$ 421,127	2018	- \$	-	\$ -	-
			2017	- \$	-		
7393	Billing and Collections	\$ 361,037	2018	- \$	-	\$ -	-
			2017	- \$	-		
7394	Transaction Processing	\$ -	2018	13 \$	1,297,800	\$ (121,400)	(8.6)
			2017	14 \$	1,419,200		
7399	Accounting and Financial Reporting	\$ 1,002,137	2018	- \$	-	\$ -	-
			2017	- \$	-		
7405	Financial System Development	\$ 319,911	2018	- \$	-	\$ -	-
			2017	- \$	-		
7395	Internal Auditing	\$ 627,222	2018	- \$	-	\$ -	-
			2017	- \$	-		
7396	Reporting	\$ -	2018	12 \$	1,894,200	\$ 123,700	7.0
			2017	11 \$	1,770,500		
7398	Legislative/Executive	\$ 468,587	2018	3 \$	442,300	\$ (1,800)	(0.4)
			2017	3 \$	444,100		
7604	Social Security and Medicare Contributions	\$ 43,939	2018	- \$	46,000	\$ (4,600)	(9.1)
			2017	- \$	50,600		
Totals		\$ 3,596,540	2018	28 \$	3,680,300	\$ (4,100)	(0.1%)
			2017	28 \$	3,684,400		

40000 FINANCE**PERFORMANCE DATA**

Program Number	Measurable Activity		2016 Actual	2017 Budgeted	2018 Estimated
7390	Accounting and Auditing				
7391	Invoices Audited and Processed for Payment	Invoices	20,315	-	-
		Cost	\$ 352,580	\$ -	\$ -
		Cost/Invoice	\$ 17.36	\$ -	\$ -
7392	Payroll and Expense Accounting, Auditing, and Check Processing Operations	Checks	47,645	\$ -	-
		Cost	\$ 421,127	\$ -	\$ -
		Cost/Check	\$ 8.84	\$ -	\$ -
7393	Billing and Collections	Billings	6,840	\$ -	-
		Cost	\$ 361,037	\$ -	\$ -
		Cost/Billing	\$ 52.78	\$ -	\$ -
7394	Transaction Processing	Transactions	-	73,680	77,700
		Cost	\$ -	\$ 1,419,200	\$ 1,297,800
		Cost/Transaction	\$ -	\$ 19.26	\$ 16.70
7399	Accounting and Financial Reporting	Cost	\$ 1,002,137	\$ -	\$ -
7405	Financial System Development	Cost	\$ 319,911	\$ -	\$ -
7395	Internal Auditing	Cost	\$ 627,222	\$ -	\$ -
7396	Reporting	Cost	\$ -	\$ 1,770,500	\$ 1,894,200
7398	Legislative/Executive	Cost	\$ 468,587	\$ 444,100	\$ 442,300
7604	Social Security and Medicare Contributions	Cost	\$ 43,939	\$ 50,600	\$ 46,000
Total			\$ 3,596,540	\$ 3,684,400	\$ 3,680,300

101 40000	Fund: Corporate Department: Finance Division:	LINE ITEM ANALYSIS						
		2016	2017				2018	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/17	Expenditure (Committed Budget plus Disbursement) 09/30/17	Estimated Expenditure 12/31/17	Proposed by Executive Director	Recommended by Committee on Budget and Employment
601010	Salaries of Regular Employees	\$ 3,091,509	\$ 3,133,000	\$ 3,133,000	\$ 2,169,579	\$ 3,053,000	\$ 3,154,300	\$ -
601060	Compensation Plan Adjustments	82,149	60,600	60,600	14,208	20,000	41,200	-
601070	Social Security and Medicare Contributions	43,939	50,600	50,600	31,024	42,500	46,000	-
601100	Tuition and Training Payments	22,189	26,000	26,000	8,080	16,000	30,000	-
100	TOTAL PERSONAL SERVICES	3,239,785	3,270,200	3,270,200	2,222,890	3,131,500	3,271,500	-
612010	Travel	3,098	4,100	4,100	770	3,100	12,800	-
612030	Meals and Lodging	3,570	5,300	4,300	2,031	4,300	13,600	-
612040	Postage, Freight, and Delivery Charges	45	200	200	20	200	100	-
612050	Compensation for Personally-Owned Automobiles	151	600	600	295	300	-	-
612090	Reprographic Services	2,190	2,300	2,300	2,298	2,300	2,300	-
612250	Court Reporting Services	47,262	50,000	50,000	50,000	50,000	50,000	-
612340	Discount Loss	-	1,500	2,500	1,996	1,800	1,500	-
612430	Payments for Professional Services	280,228	324,100	324,100	304,426	324,100	306,700	-
612490	Contractual Services, N.O.C.	1,015	1,100	1,100	-	1,100	1,500	-
612800	Repairs to Office Furniture and Equipment	4,922	5,400	5,400	-	5,000	4,900	-
200	TOTAL CONTRACTUAL SERVICES	342,481	394,600	394,600	361,836	392,200	393,400	-
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	12,258	18,400	18,400	5,611	3,900	13,400	-
623720	Books, Maps, and Charts	96	1,000	1,000	-	500	1,500	-
623800	Computer Software	1,920	-	-	-	-	-	-
623990	Materials and Supplies, N.O.C.	-	200	200	-	200	500	-
300	TOTAL MATERIALS AND SUPPLIES	14,274	19,600	19,600	5,611	4,600	15,400	-
TOTAL FINANCE		\$ 3,596,540	\$ 3,684,400	\$ 3,684,400	\$ 2,590,338	\$ 3,528,300	\$ 3,680,300	\$ -

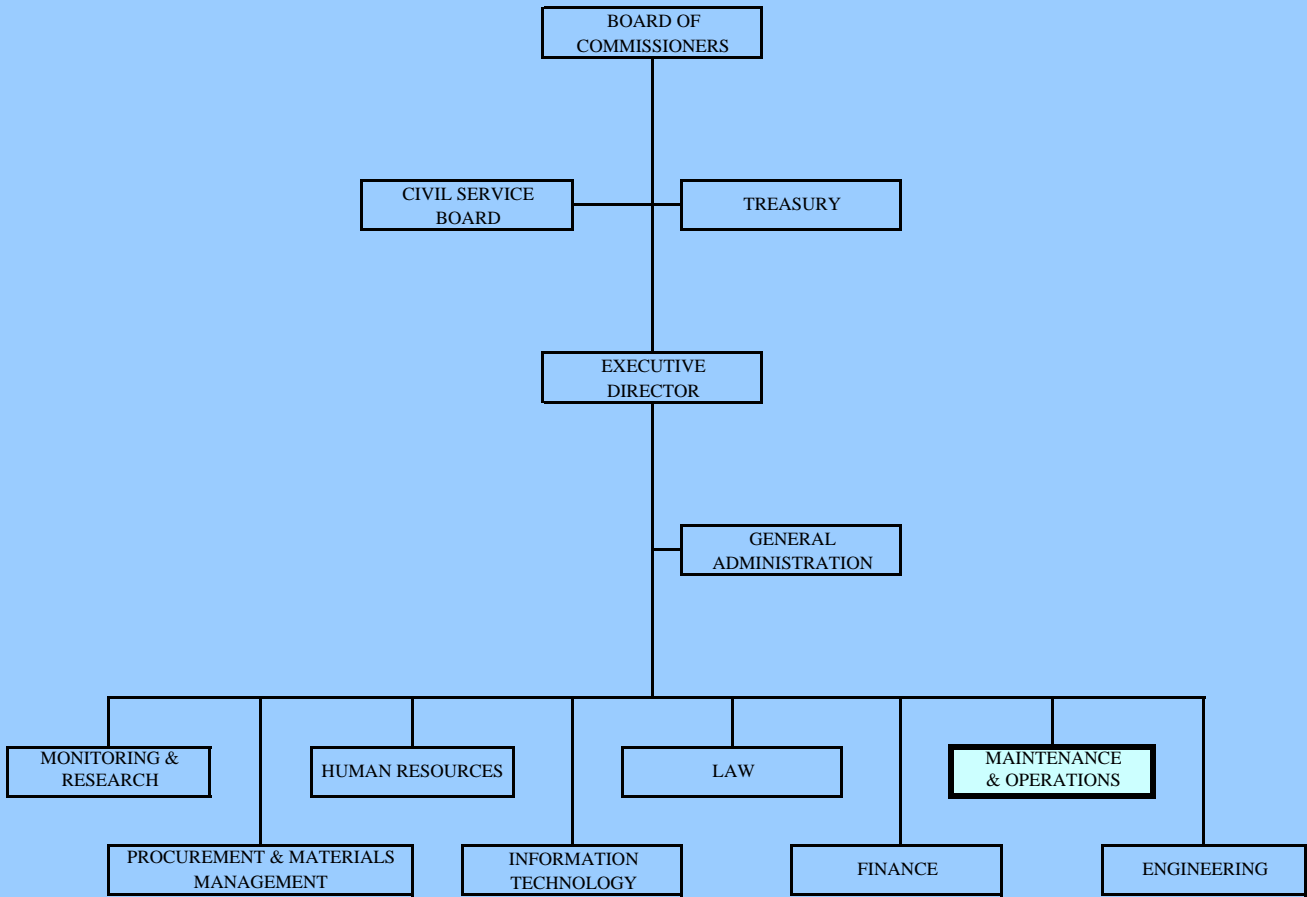
NOTES: 1. Amounts may not add up due to rounding.

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: Finance Division:		POSITION ANALYSIS				
		2016	2017		2018	
					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		2	
TOTAL	Executive Section	4	4	645,475.01	4	645,475.22
413	Internal Auditing Section					
HP19	Accounting Manager #2 (New Grade HP18)	1	1		1	
HP17	Supervising Accountant #2 (Financial Analyst) (New Grade HP16)	2	1		2	
HP16	Financial Analyst	1	2		1	
HP12	Accounting Associate	1	1		1	
TOTAL	Internal Auditing Section	5	5	581,120.93	5	587,213.64
TOTAL	Executive Division	9	9	1,226,595.94	9	1,232,688.86
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	2		1	
HP16	Financial Analyst	-	-		1	
HP13	Senior Administrative Specialist	1	1		1	
TOTAL	Administrative Unit	4	4	499,207.58	4	498,958.20
443	Billing Unit					
HP13	Accounting Clerk III #2 (Accounting Associate) (New Grade HP12)	1	-		-	
HP12	Accounting Associate	2	3		2	
TOTAL	Billing Unit	3	3	209,406.43	2	133,171.22
446	Accounts Payable Unit					
HP13	Accounting Clerk III #2 (Accounting Associate) (New Grade HP12)	1	1		1	

Fund: Corporate Dept: Finance Division:		POSITION ANALYSIS				
		2016	2017		2018	
					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	223,248.07	3	227,106.88
TOTAL	Financial Administration & Disbursements Section	10	10	931,862.08	9	859,236.30
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	
TOTAL	Special Projects Unit	2	2	263,370.20	3	327,581.28
452	Payroll Unit					
HP16	Financial Analyst	1	1		1	
HP12	Accounting Associate	1	1		1	
TOTAL	Payroll Unit	2	2	177,952.21	2	181,810.98
TOTAL	Special Projects & Payroll Section	4	4	441,322.41	5	509,392.26
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)	2	1		1	
HP12	Accounting Associate	-	1		1	
TOTAL	Accounting Unit	5	5	548,975.28	5	568,885.72
TOTAL	General Accounting Section	5	5	548,975.28	5	568,885.72
TOTAL	Accounting Division	19	19	1,922,159.77	19	1,937,514.28
TOTAL	Finance	28	28	3,148,755.71	28	3,170,203.14
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



Metropolitan Water Reclamation District of Greater Chicago

100 EAST ERIE STREET

CHICAGO, ILLINOIS 60611-3154

312.751.5600

September 12, 2017

Mr. David St. Pierre
Executive Director
OFFICE

Dear Sir:

Subject: 2018 Program for the Maintenance & Operations Department

The Maintenance & Operations Department's program for 2018, as prepared in detail, is transmitted herewith. The budget presentation supports the request for funding of the department's 2018 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, 2018 major initiatives and challenges, and 2017 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 & Operations Department budget for 2018.

Respectfully submitted,

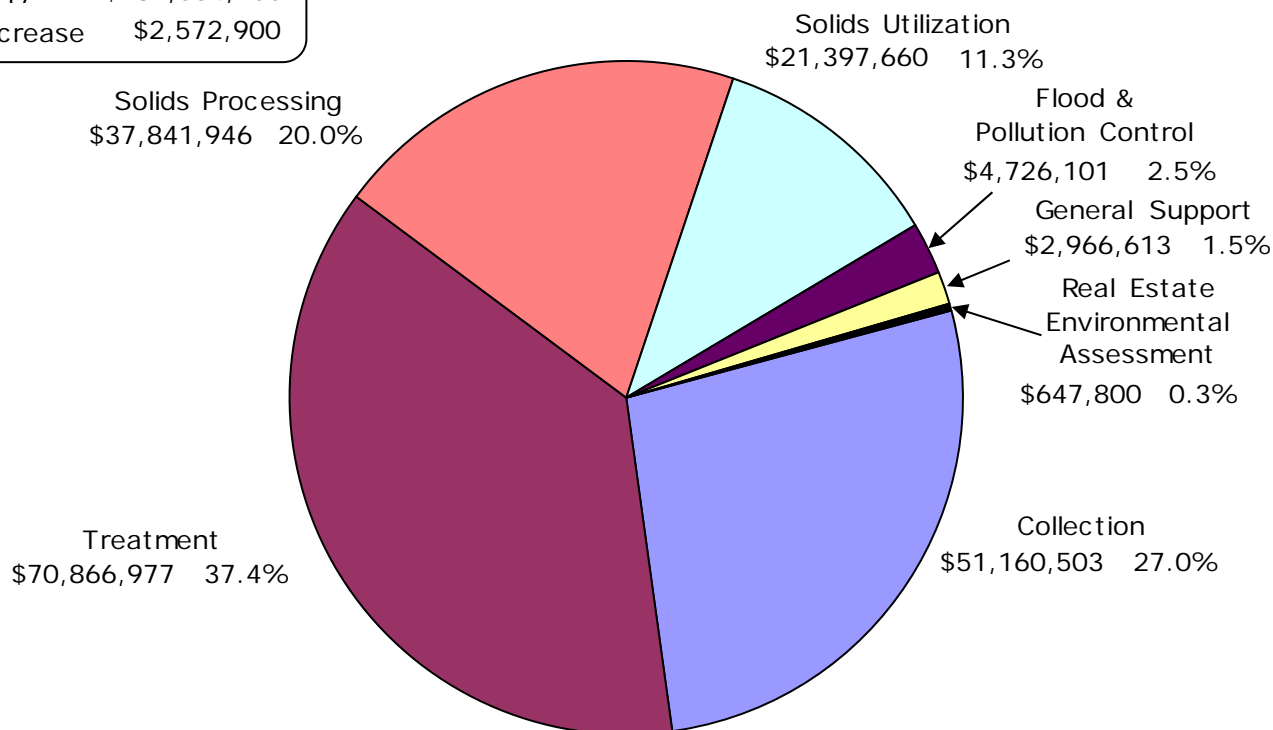


John P. Murray
Director of Maintenance & Operations

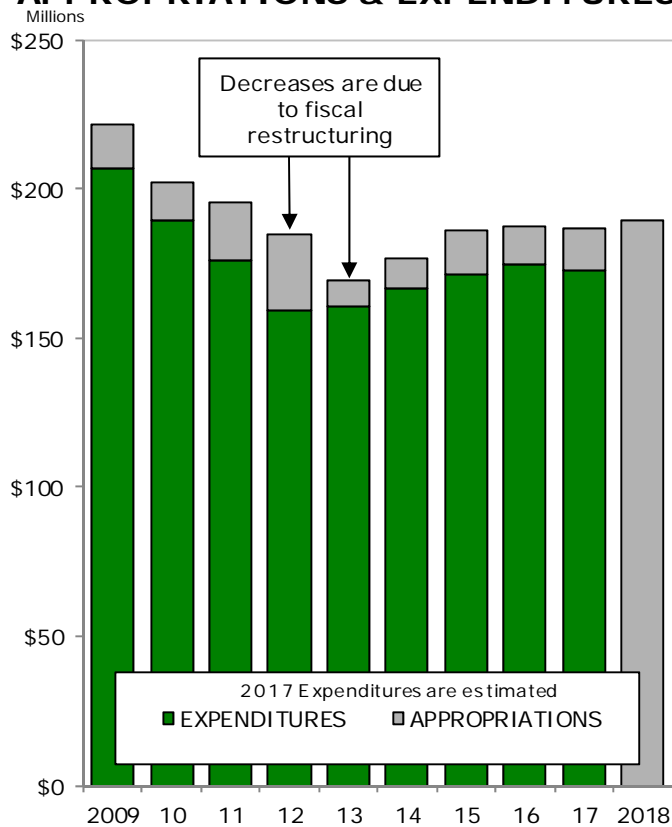
MAINTENANCE & OPERATIONS – ALL DIVISIONS

2018	\$189,607,600
2017	\$187,034,700
Increase	\$2,572,900

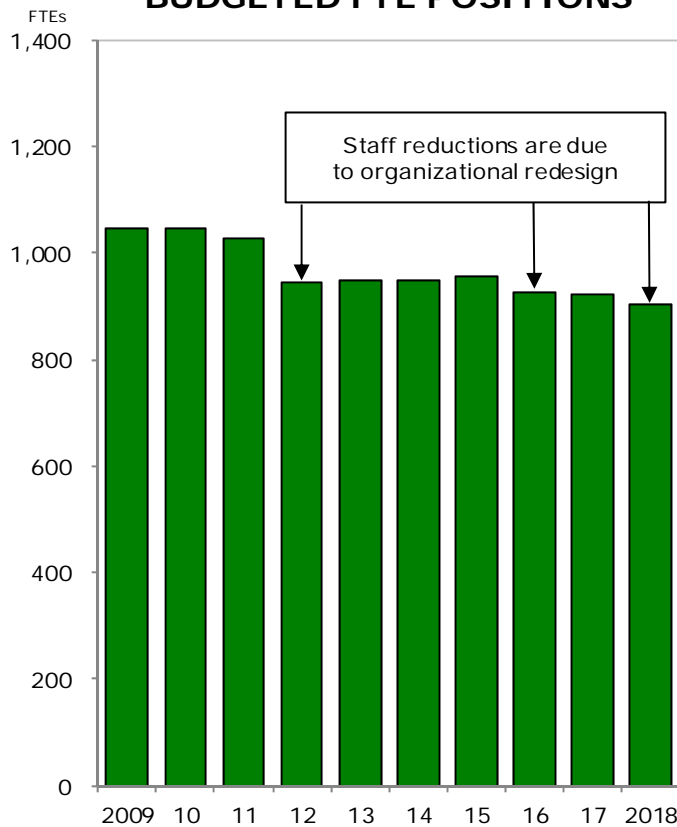
FUNCTIONS



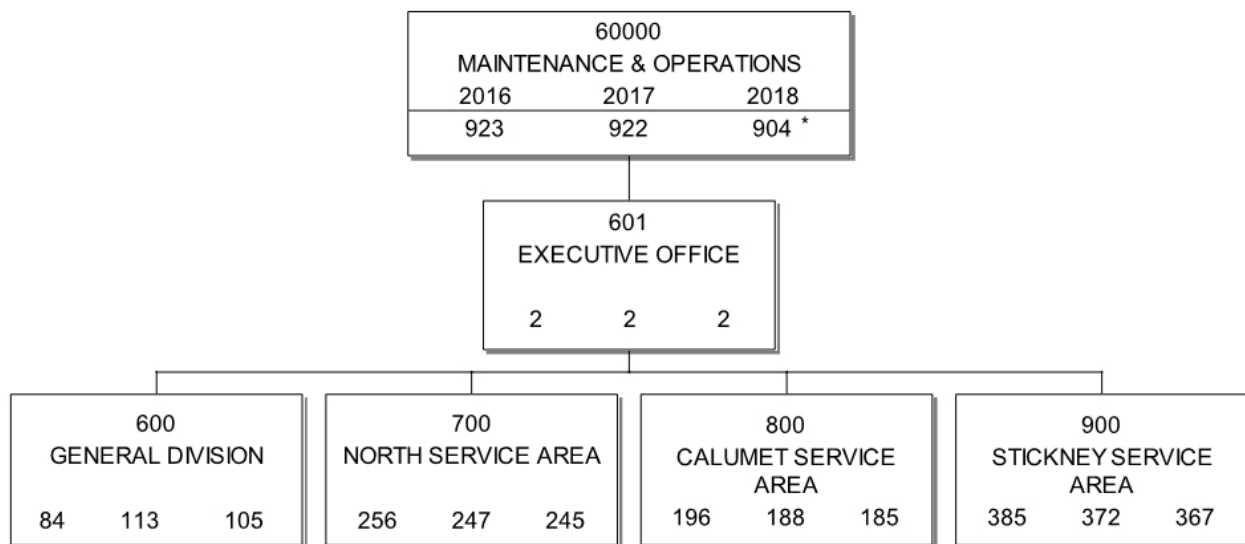
APPROPRIATIONS & EXPENDITURES



BUDGETED FTE POSITIONS



MAINTENANCE & OPERATIONS – ALL DIVISIONS



* The 2018 position total for the Maintenance & Operations Department is 931. 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 that maintain and operate the collection systems and treatment plants within the District's 882.1 square mile service area. Additionally, M&O maintains and operates the Lockport Powerhouse, the waterways, the collection systems, and three biosolids handling facilities. The department's primary responsibilities include:

- Collecting and treating approximately 503.7 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 36 detention reservoirs, of which 34 are dedicated solely to stormwater retention;
- Processing high quality biosolids for beneficial reuse, the byproduct of wastewater treatment, by operating three biosolids handling facilities.

Summary of 2017 Accomplishments

- Achieved a 99.97 percent overall compliance rate with the requirements of the National Pollutant Discharge Elimination System permits in 2016, resulting in five Platinum, one Gold, and one Silver Award from the National Association of Clean Water Agencies. M&O anticipates similarly strong results in 2017;
- Completed the renewal process for the Illinois Environmental Protection Agency Operating Permits for all locations and the National Pollutant Discharge Elimination System Permits for the Calumet, O'Brien, and Stickney Water Reclamation Plants (WRPs);
- Worked closely with the Public Affairs Section to provide logistical support for the "Restore the Canopy, Plant a Tree" sapling distribution program, the aim of which is to restore the urban canopy in Cook County;
- Installed solar-powered dissolved oxygen meters in the waterways to optimize sidestream elevated pool aeration station operations and diversion water usage;
- Introduced high-strength organic waste in the aeration battery and digesters at the Stickney WRP to enhance the biological phosphorus removal process and increase digester gas production, the energy from which is used to reduce the plant's expenditure on power;
- Acquired additional experience with chlorination/dechlorination disinfection at the Calumet WRP (the new disinfection facility was opened in July 2015) and determined that costs for sodium hypochlorite, the main chemical used in the process, were below the original estimate. The 2018 budget for sodium hypochlorite is \$1.2 million, down \$1.21 million, or 50.2 percent, from 2017;
- Completed the first full year of ultraviolet disinfection at the O'Brien WRP which serves more than 1.3 million people within 143 square miles. The disinfection system is now the largest wastewater treatment ultraviolet disinfection installation in the world. It was chosen by the American Council of Engineering Companies of Illinois as one of nine Honor Award winners and was also nominated for the Eminent Conceptor, the highest overall award bestowed by that organization;
- In 2016, the District generated 35,595,896 kilowatt-hours and received \$1.2 million in revenue from ComEd. Projected generation for 2017 and 2018 is 40,000,000 kilowatt-hours annually, with a projected annual value of approximately \$1.2 million and \$1.0 million, respectively.

Budget Highlights

The 2018 M&O Corporate Fund appropriation of \$189,607,600 reflects an increase of \$2,572,900, or 1.4 percent, from the 2017 appropriation. The Corporate Fund staffing level has decreased from 922 to 904 positions. An additional 27 positions are funded in the Stormwater Management Fund, a decrease of two positions from 2017. As a result of adding two positions, dropping 19 positions (salaries for only seven of the dropped positions were actually budgeted for in 2017; salaries for the other 12 positions were effectively eliminated through a vacancy adjustment), and transferring three positions, one from the M&O Corporate Fund to the M&O Stormwater Management Fund, one from M&O to a different department, and one to M&O from a different department, the total 2018 position count is 931, compared to the total 2017 position count of 951.

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 2018, M&O will continue to advance the SBP, its six goals, and accompanying strategies.

2018 Initiatives in Support of the Strategic Business Plan Include the Following:

• Add Value

To add value, the District must actively look for opportunities to leverage existing resources, including real estate, a strategy specified in the SBP. Case in point is the available real estate at the Hanover Park WRP, which is a key element in the District's campaign to "Restore the Canopy, Plant a Tree". The program aims to address Cook County's declining tree population, decimated in recent years by the emerald ash borer infestation and extreme weather. In 2018, construction of an 8.2 acre native plant and tree nursery at the Hanover Park WRP is expected to begin. Once complete, the native plant and tree nursery will provide value by using the land to its full potential, educating the nursery industry and the community about the benefits of using biosolids-based compost, and serving as a worldwide example of the value and viability of biosolids.

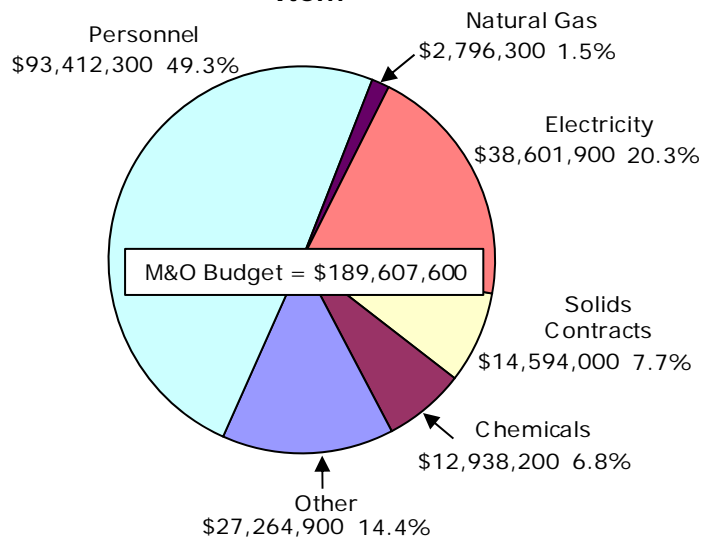
M&O is also partnering with the Monitoring & Research Department to use the District's Fulton County, Illinois property for research related to nutrient recovery and control, another strategy defined in the SBP. In 2018, two drainage water management systems and three denitrifying bioreactor systems 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.

• Excellence

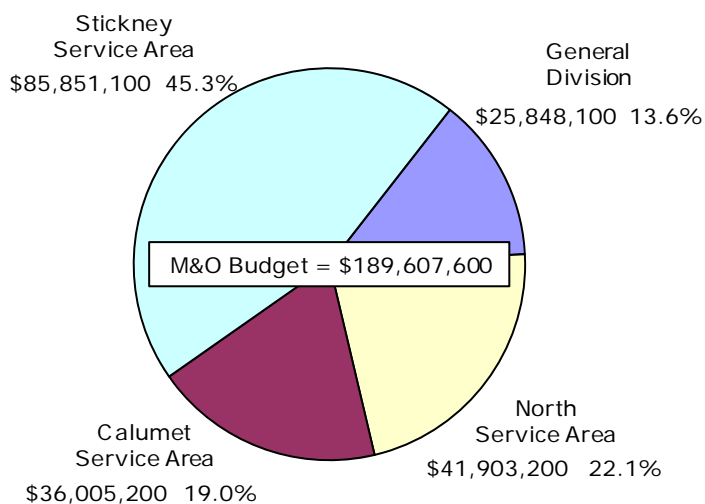
The SBP clearly establishes the strategies necessary to achieve excellence, with optimization as a recurring element. Using the plan as a guide to operations, M&O is working to optimize energy intensive processes, a strategy that is particularly important in the face of increasing external challenges. Going forward, disinfection, more stringent effluent requirements, and changing operations will only serve to amplify total 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 ammonia probes for aeration control at all of the large plants, 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. As an example of the department's commitment to energy conservation, the electrical energy budget for blowers and air mains has been reduced by \$772,700 or 5.7 percent from 2016 to 2018.

In contrast with the energy efficiency gains, the Stickney Service Area's 2018 electrical energy budget is up \$3.1 million or 17.0 percent from 2017, due to increased pumping for the soon-to-be opened McCook Reservoir. The additional costs must, however, be placed in the larger context of the McCook Reservoir, a physical representation of the District's commitment to excellence as a means of improving the quality of the environment. The reservoir will reduce combined sewer overflows that cause flooding and watercourse contamination in the Chicago area and benefit Chicago and 36 suburbs, including 1.5 million structures and 5 million people. It is also important to note that the calculation for the Stickney Service Area's 2018 electrical energy budget includes an anticipated \$1 million in savings associated with the operation of the three megawatt gas turbine, a significant resource recovery project that is expected to come online in early 2018.

2018 Appropriations by Major Line Item



2018 Appropriations by Service Area



Excellence must also be pursued in the area of finance. In 2015, the Board of Commissioners selected EnergyConnect, Inc., to provide a voluntary energy curtailment program for a three-year period. The District is expected to receive a \$1.6 million rebate for the 2017-2018 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. With its energy curtailment program, M&O is making effective use of the SBP strategy that calls for the responsible use of resources in the delivery of services.

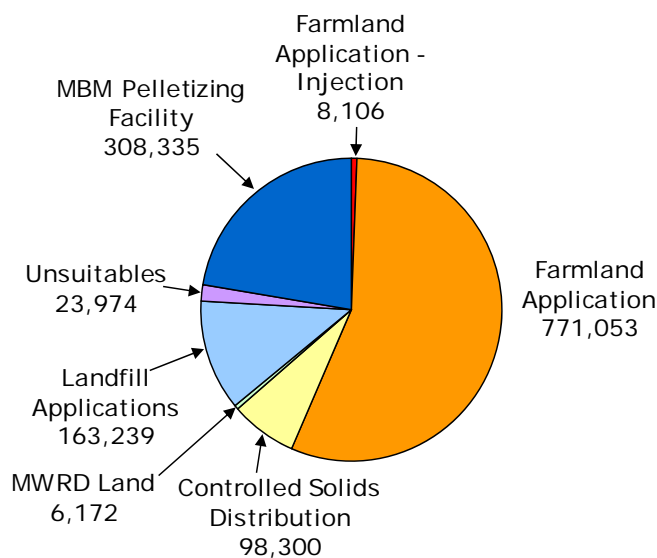
• Resource Recovery

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.

The District has produced biosolids as a product since the 1960s. The science surrounding biosolids management is due in large part to the work of the District. At the District, biosolids are not waste, rather they are considered a valuable 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 worked with the Illinois Environmental Protection Agency to adopt federal standards concerning exceptional quality (EQ) biosolids. In 2016, the State of Illinois recognized EQ biosolids as determined by the United States Environmental Protection Agency, with the result that EQ biosolids are recognized as a safe product for distribution and sale. A second major step was taken in 2017, when the Illinois Department of Agriculture approved the District's registration to sell and distribute compost and air-dried biosolids as soil amendments. The District can now take advantage of the unique attributes of biosolids by creating a commercial market within its service area. With that end in mind, the District is implementing several new programs and initiatives. In 2017, the District began marketing the receipt of "clean yard waste" and the bulk distribution of the composted biosolids product. Plans are also underway to request proposals to provide services to market 240,000 cubic yards per year of composted biosolids and to provide brokerage services to obtain 350,000 cubic yards per year of woodchips and yard waste, which are used in the composting process. Still another initiative is the pilot project to bag composted biosolids for individual use. All of these programs are designed to cultivate a local customer base, improve product performance, and advance the goal of Resource Recovery.

The below chart 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 evolve over time.

**Resource Recovery: Biosolids Reuse (in Dry Tons)
2007 - 2016**



Total: 1,379,179 Dry Tons

Regulations regarding the amount of phosphorus contained in treated effluent have become increasingly stringent. 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, the Ostara nutrient recovery process was launched at the Stickney WRP. 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 Pearl® System, it extracts phosphorus and

ammonia from the waste stream by adding magnesium to cause a precipitation reaction. The result is fertilizer pellets rich in phosphorus, nitrogen, and magnesium. This nutrient recovery facility 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 Chicago Area Waterway System. Moreover, it serves as an example of the District's commitment to evaluating projects along multiple dimensions: financial, societal, and environmental. One of the financial benefits to be derived from the process is the revenue stream that will be generated from the sale of the fertilizer-rich crystalline pellets back to Ostara. In order to optimize the process, the District will implement waste activated sludge stripping to remove internal phosphorus (WASSTRIP®) in late 2018. WASSTRIP® will accelerate the nutrient recovery process and increase the amount of phosphorus recovered (the phosphorus will be removed before it reaches the digesters). With the acceleration provided by WASSTRIP®, in ideal conditions, production may be tripled. The production estimate without WASSTRIP® is approximately four to seven tons of crystalline pellets per day, with WASSTRIP®, the estimate increases to approximately 13 to 21 tons of pellets per day. For 2018, revenue is projected at \$1.6 million, for 2019 and beyond, revenue is projected at \$1.9 million annually. As with any new process, the assumptions and estimates will be reevaluated as additional experience is acquired.

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 early 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. With the addition of the new primary tanks, there should be sufficient digester gas to operate the turbine regularly and realize annual savings in electrical costs of approximately \$1 million. The project, which is funded in the District's Construction Fund, exemplifies the organization's commitment to designing an operating budget and a capital improvement program that work together to fulfill the SBP.

Regarding resource recovery and energy, the SBP explicitly states that electrical capacity at the Lockport Powerhouse should be marketed to maximize the return on investment. To that end, the District has entered into an agreement for energy advisory services with the purpose of becoming a sub-member of the Pennsylvania-New Jersey-Maryland Interconnection energy market, a regional electrical transmission organization. Membership will, among other things, allow the District to obtain greater value for power generated by the Lockport Powerhouse, digesters, or other future assets by selling power directly into the Pennsylvania-New Jersey-Maryland Interconnection electricity grid and to maximize revenues by selling the associated renewable energy credits.

• **Develop Employees**

Understanding that a skilled workforce creates a strong organization, M&O is committed to providing training opportunities for its employees. The SBP measures value through personal contribution and growth. To acquire that value, for both the employee and the organization, M&O encourages staff to participate in meaningful exchanges with environmental organizations worldwide. In 2017, a contingent of M&O engineers traveled to India to share their knowledge in the pursuit of best management practices in wastewater treatment. They visited plants in Hyderabad, considered a "water-stressed" city due to insufficient wastewater treatment facilities, shared their experiences, and reviewed best practices for sustainable solutions, improved efficiency, committed governance, and reliable management concerning all aspects of protecting the water environment. International outreach activities go far in maintaining the District's leadership role by passing along competencies and developing future leaders.

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 2018, 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**

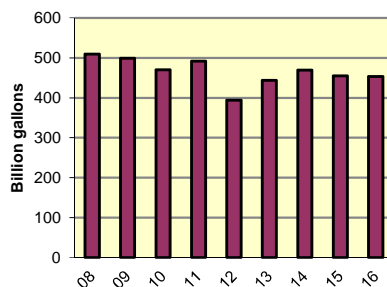
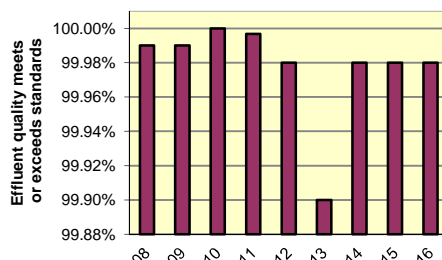
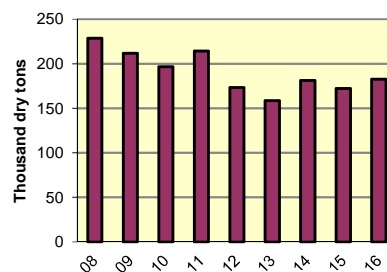
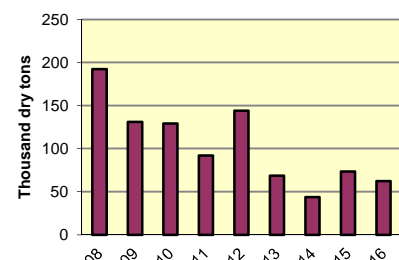
The SBP recommends that strategic relationships be cultivated as a means of achieving Leading Partnerships. Strategic relationships, as the plan points out, cannot exist without becoming actively involved in the world around us. Following that recommendation, M&O is partnering with the City of Chicago in an innovative program that uses tree debris provided by the city as a bulking agent for composting biosolids. Under the program, an estimated 50,000 tons of composted biosolids are expected to be produced in 2018. The composting process raises the temperature of the biosolids and wood chip mixture, which kills off pathogens to create a Class A product. Composting will reduce the footprint needed to process biosolids, create a value-added product with a variety of beneficial applications, and generate an additional revenue stream for the District. Clearly, this is an example of one initiative serving multiple goals and strategies.

- **Technology**

The SBP is based on several key values, one of which is innovation, described in the plan as the process of identifying challenges and opportunities and implementing new ideas to confront the challenges and exploit the opportunities. That innovation is evident in M&O as it seeks to use innovative, high-efficiency technologies to meet its regulatory and compliance needs and to optimize its treatment processes, particularly aeration. Aeration, the addition of oxygen to wastewater, is the biggest energy consumer in the treatment process. At the Egan WRP, the innovative ANITA™ Mox system, which treats effluents with a high ammonia concentration, became operational in 2016. The advantages of this system, as compared to conventional ammonia removal processes, are reduced oxygen and energy requirements and a smaller carbon footprint. Improvements such as this will help the department achieve new benchmarks in quality and performance.

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 503.7 billion gallons of wastewater through its seven treatment facilities and through a contract agreement with the Fox River Water Reclamation District.	\$ 122,027,480	64.4%
2. SOLIDS PROCESSING: The M&O Department will remove and process approximately 188,500 dry tons of concentrated sewage through various systems, including heated digestion, centrifuging, concentration, and aging low solids sludge and centrifuge cake in lagoons.	\$ 37,841,946	20.0%
3. SOLIDS UTILIZATION: The M&O Department will utilize approximately 100,000 dry tons of biosolids for application at final utilization sites, such as farm applications and daily and final cover at sanitary landfills.	\$ 21,397,660	11.3%
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 miles of canals and 532 miles of small streams and rivers, and through the operation of 36 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.	\$ 4,726,101	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.	\$ 2,966,613	1.5%
6. REAL ESTATE ENVIRONMENTAL ASSESSMENT: Inspect and evaluate District properties for compliance with the United States Environmental Protection Agency and the Illinois Environmental Protection Agency requirements.	\$ 647,800	0.3%
Total	\$ 189,607,600	100.0%

Collection & Treatment**NPDES Permit Compliance****Solids Processing****Solids Utilization**

60000 M&O - ALL DIVISIONS**OBJECTIVES AND PROGRAM SUMMARY**

PROGRAMS BY PRIORITY:		2016	Budgeted			Change	
Number	Name	Actuals	FTEs	Dollars	Dollars	Percent	
1000	Collection	\$ 44,890,366	2018 244	\$ 51,160,503	\$ 2,630,984	5.4	
			2017 237	\$ 48,529,519			
1100	Surface Interceptor Systems	\$ 4,096,827	2018 28	\$ 3,999,400	\$ 79,600	2.0	
			2017 29	\$ 3,919,800			
1200	Tunnel and Reservoir System	\$ 10,322,081	2018 42	\$ 13,462,900	\$ 2,806,600	26.3	
			2017 39	\$ 10,656,300			
1300	Pumping Station Facilities	\$ 13,788,972	2018 73	\$ 15,399,600	\$ (506,200)	(3.2)	
			2017 67	\$ 15,905,800			
1900	Collection - Indirect Costs	\$ 16,682,486	2018 101	\$ 18,298,603	\$ 250,984	1.4	
			2017 102	\$ 18,047,619			
2000	Treatment	\$ 65,296,435	2018 378	\$ 69,595,677	\$ 493,557	0.7	
			2017 382	\$ 69,102,120			
2000	Pre-Treatment	\$ 3,687,450	2018 29	\$ 3,356,100	\$ (379,800)	(10.2)	
			2017 32	\$ 3,735,900			
2100	Primary Treatment	\$ 3,532,421	2018 36	\$ 3,371,900	\$ (96,800)	(2.8)	
			2017 39	\$ 3,468,700			
2200	Secondary Treatment	\$ 22,837,294	2018 94	\$ 21,664,600	\$ 718,500	3.4	
			2017 97	\$ 20,946,100			
2300	Tertiary Treatment	\$ 2,781,740	2018 17	\$ 4,194,700	\$ (1,140,100)	(21.4)	
			2017 13	\$ 5,334,800			
2900	Treatment - Indirect Costs	\$ 32,457,530	2018 202	\$ 37,008,377	\$ 1,391,757	3.9	
			2017 201	\$ 35,616,620			
3000	Solids Processing	\$ 34,893,309	2018 199	\$ 37,841,946	\$ 53,537	0.1	
			2017 212	\$ 37,788,409			
3100	Thickening	\$ 5,921,118	2018 39	\$ 5,902,700	\$ (525,900)	(8.2)	
			2017 42	\$ 6,428,600			
3200	Stabilization	\$ 5,944,060	2018 43	\$ 6,015,700	\$ (68,600)	(1.1)	
			2017 44	\$ 6,084,300			
3300	Dewatering	\$ 11,161,207	2018 40	\$ 13,539,800	\$ 981,700	7.8	
			2017 42	\$ 12,558,100			
3900	Solids Processing - Indirect Costs	\$ 11,866,924	2018 77	\$ 12,383,746	\$ (333,663)	(2.6)	
			2017 84	\$ 12,717,409			

Note: Explanations of significant changes are provided by individual division.

60000 M&O - ALL DIVISIONS**OBJECTIVES AND PROGRAM SUMMARY**

PROGRAMS BY PRIORITY:		2016 Actuals	Budgeted			Change		
Number	Name		FTEs	Dollars		Dollars	Percent	
4000	Flood & Pollution Control	\$ 4,317,919	2018 23	\$ 4,726,101		\$ (55,430)	(1.2)	
			2017 24	\$ 4,781,531				
4200	Waterways Control and Stormwater Reservoirs	\$ 2,240,175	2018 17	\$ 2,486,300		\$ 184,000	8.0	
			2017 15	\$ 2,302,300				
4210	Maintenance of Waterways	\$ 170,672	2018 1	\$ 229,800		\$ 57,900	33.7	
			2017 1	\$ 171,900				
4300	Stormwater Management	\$ 142,948	2018 -	\$ 31,600		\$ (136,300)	(81.2)	
			2017 2	\$ 167,900				
4400	Aeration Facilities	\$ 1,034,227	2018 2	\$ 1,014,000		\$ (68,100)	(6.3)	
			2017 2	\$ 1,082,100				
4900	Flood & Pollution Control - Indirect Costs	\$ 729,897	2018 3	\$ 964,401		\$ (92,930)	(8.8)	
			2017 4	\$ 1,057,331				
5000	Solids Utilization	\$ 19,690,063	2018 38	\$ 21,397,660		\$ (79,041)	(0.4)	
			2017 42	\$ 21,476,701				
5100	Solids Drying	\$ 4,709,936	2018 9	\$ 6,100,700		\$ 206,400	3.5	
			2017 7	\$ 5,894,300				
5200	Solids Distribution	\$ 9,834,571	2018 7	\$ 10,591,900		\$ 442,500	4.4	
			2017 8	\$ 10,149,400				
5900	Solids Utilization - Indirect Costs	\$ 5,145,556	2018 22	\$ 4,705,060		\$ (727,941)	(13.4)	
			2017 27	\$ 5,433,001				
7000	General Support (excluding program numbers 7368 & 7604)	\$ 3,240,278	2018 20	\$ 2,966,613		\$ (158,907)	(5.1)	
			2017 22	\$ 3,125,520				
7368	Real Estate Environmental Assessment	\$ 874,261	2018 2	\$ 647,800		\$ (355,100)	(35.4)	
			2017 3	\$ 1,002,900				
7604	Social Security and Medicare Contributions	\$ 1,234,468	2018 -	\$ 1,271,300		\$ 43,300	3.5	
			2017 -	\$ 1,228,000				
Totals		\$ 174,437,099	2018 904	\$ 189,607,600		\$ 2,572,900	1.4%	*
			2017 922	\$ 187,034,700				

* The 2018 position total for the M&O Department is 931, 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		2016 Actual	2017 Budgeted	2018 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 Cost Cost/Mil. Gallons	453,496 \$ 110,186,801 \$ 242.97	480,100 \$ 117,631,639 \$ 245.01	503,700 \$ 120,756,180 \$ 239.74
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 Cost Cost/Dry Ton	182,580 \$ 34,893,309 \$ 191.11	183,500 \$ 37,788,409 \$ 205.93	188,500 \$ 37,841,946 \$ 200.75
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	\$ 342,088	\$ 821,500	\$ 972,000
	Minimize Diversion of Lake Michigan Water in Accordance with the U.S. Supreme Court Decree	Mil. Gal./Year Diversion Cost Cost/Mil. Gal./Year	37,629 \$ 447,409 \$ 11.89	61,500 \$ 300,300 \$ 4.88	60,152 \$ 308,400 \$ 5.13
	Operation of Detention Reservoirs	Reservoirs Cost Cost/Reservoir	35 \$ 895,382 \$ 25,582.34	36 \$ 859,100 \$ 23,863.89	36 \$ 1,066,600 \$ 29,627.78
	Generate Electricity at Lockport Powerhouse to Obtain Approximately \$1.0 million in Revenue	kWh Cost Cost/kWh * Revenue Generated	35,595,896 \$ 555,296 \$ 0.0156 \$ 1,176,146	41,500,000 \$ 321,400 \$ 0.0077 \$ 1,000,000	40,000,000 \$ 139,300 \$ 0.0035 \$ 1,000,000
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	\$ 170,672	\$ 171,900	\$ 229,800
4300	Stormwater Management	Cost	\$ 142,948	\$ 167,900	\$ 31,600
4400	Aeration Facilities	Cost	\$ 1,034,227	\$ 1,082,100	\$ 1,014,000
4900	Flood & Pollution Control - Indirect Costs	Cost	\$ 729,897	\$ 1,057,331	\$ 964,401
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 Cost Cost/Dry Ton	62,124 \$ 15,285,011 \$ 246.04	90,000 \$ 17,587,301 \$ 195.41	100,000 \$ 17,017,960 \$ 170.18
5271	Pelletizer Disposal Control Management and Disposal of Solids by Private Contracts	Dry Tons Cost Cost/Dry Ton	37,143 \$ 4,405,052 \$ 118.60	40,000 \$ 3,889,400 \$ 97.24	40,000 \$ 4,379,700 \$ 109.49
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	\$ 3,240,278	\$ 3,125,520	\$ 2,966,613
7368	Real Estate Environmental Assessment	Cost	\$ 874,261	\$ 1,002,900	\$ 647,800
7604	Social Security and Medicare Contributions	Cost	\$ 1,234,468	\$ 1,228,000	\$ 1,271,300
Departmental Total			\$ 174,437,099	\$ 187,034,700	\$ 189,607,600

Note: Explanations of significant changes are provided by individual division.

* Revenue generated not included in total costs.

101 60000	Fund: Corporate Department: Maintenance & Operations Division: All Divisions	LINE ITEM ANALYSIS						
		2016	2017				2018	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/17	Expenditure (Committed Budget plus Disbursement) 09/30/17	Estimated Expenditure 12/31/17	Proposed by Executive Director	Recommended by Committee on Budget and Employment
601010	Salaries of Regular Employees	\$ 84,916,024	\$ 87,956,500	\$ 87,930,500	\$ 60,264,568	\$ 83,810,200	\$ 87,974,400	\$ -
601060	Compensation Plan Adjustments	4,640,443	4,662,400	4,662,400	3,598,750	4,595,800	4,136,700	-
601070	Social Security and Medicare Contributions	1,234,467	1,228,000	1,254,000	910,631	1,247,500	1,271,300	-
601080	Salaries of Nonbudgeted Employees	1,544	34,800	34,800	6,927	7,000	29,900	-
601100	Tuition and Training Payments	126,273	265,500	265,500	164,937	199,800	239,200	-
100	TOTAL PERSONAL SERVICES	90,918,751	94,147,200	94,147,200	64,945,812	89,860,300	93,651,500	-
612010	Travel	19,247	34,700	34,700	10,028	22,800	30,300	-
612030	Meals and Lodging	53,986	70,000	70,000	39,201	51,000	71,000	-
612050	Compensation for Personally-Owned Automobiles	157,754	150,000	150,000	76,333	104,900	144,900	-
612080	Motor Vehicle Operating Services	862	1,700	1,700	324	1,300	900	-
612150	Electrical Energy	35,357,116	36,447,000	36,447,000	20,613,512	34,077,900	38,601,900	-
612160	Natural Gas	2,394,540	2,767,500	2,767,500	1,825,135	2,554,600	2,796,300	-
612170	Water and Water Services	1,894,889	1,740,600	1,740,600	1,222,562	1,717,200	1,795,000	-
612210	Communication Services	690,892	604,700	604,700	604,374	542,400	882,700	-
612240	Testing and Inspection Services	72,989	170,200	170,200	147,648	116,400	276,300	-
612330	Rental Charges	144,081	180,400	180,400	177,684	163,600	160,100	-
612410	Governmental Service Charges	3,223,500	3,300,200	3,300,200	2,492,711	3,295,700	3,427,800	-
612420	Maintenance of Grounds and Pavements	809,167	968,300	968,300	877,898	795,500	1,013,500	-
612430	Payments for Professional Services	457,012	720,000	720,000	713,500	595,800	534,400	-
612490	Contractual Services, N.O.C.	487,125	570,400	570,400	546,402	442,900	673,500	-
612520	Waste Material Disposal Charges	9,259,656	10,955,000	10,955,000	10,864,385	9,729,600	10,894,000	-
612530	Farming Services	29,600	233,200	210,100	24,700	24,700	24,700	-
612590	Sludge Disposal	3,748,196	3,204,300	3,204,300	3,204,300	3,150,400	3,700,000	-
612600	Repairs to Collection Facilities	3,028,249	3,332,900	3,332,900	3,153,472	2,971,800	3,189,300	-
612620	Repairs to Waterway Facilities	31,704	50,000	50,000	43,473	24,000	46,700	-
612650	Repairs to Process Facilities	5,255,155	4,975,800	4,975,800	4,713,458	4,543,400	5,549,900	-
612670	Repairs to Railroads	444,795	302,600	302,600	284,582	220,900	368,700	-
612680	Repairs to Buildings	873,528	1,050,200	1,050,200	882,136	711,700	1,059,100	-

101 60000	Fund: Corporate Department: Maintenance & Operations Division: All Divisions	LINE ITEM ANALYSIS						
		2016	2017				2018	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/17	Expenditure (Committed Budget plus Disbursement) 09/30/17	Estimated Expenditure 12/31/17	Proposed by Executive Director	Recommended by Committee on Budget and Employment
612760	Repairs to Material Handling and Farming Equipment	246,867	304,000	304,000	301,521	251,300	313,600	-
612780	Safety Repairs and Services	120,914	368,000	368,000	340,152	249,000	314,000	-
612790	Repairs to Marine Equipment	60,370	60,000	60,000	56,267	48,800	65,000	-
612820	Computer Software Maintenance	5,156	5,400	5,400	5,311	5,400	7,500	-
612840	Communications Equipment Maintenance (Includes Software)	6,206	-	-	-	-	5,000	-
612860	Repairs to Vehicle Equipment	89,019	100,000	123,100	120,717	83,400	166,300	-
612990	Repairs, N.O.C.	8,598	20,000	20,000	17,850	16,600	25,000	-
200	TOTAL CONTRACTUAL SERVICES	68,971,173	72,687,100	72,687,100	53,359,634	66,513,000	76,137,400	-
623030	Metals	29,125	35,000	35,000	33,035	27,600	35,600	-
623070	Electrical Parts and Supplies	1,490,644	1,800,000	1,939,800	1,893,113	1,785,600	2,006,900	-
623090	Plumbing Accessories and Supplies	653,405	652,000	652,000	605,178	589,800	785,600	-
623110	Hardware	10,231	20,000	20,000	17,878	16,000	8,000	-
623130	Buildings, Grounds, Paving Materials, and Supplies	119,077	192,500	192,500	187,486	155,600	172,800	-
623170	Fiber, Paper, and Insulation Materials	9,674	14,100	14,100	6,100	12,500	9,900	-
623190	Paints, Solvents, and Related Materials	6,948	7,000	7,000	6,487	6,200	6,600	-
623250	Vehicle Parts and Supplies	147,982	200,100	200,100	176,615	167,500	151,200	-
623270	Mechanical Repair Parts	1,506,202	2,288,000	2,428,000	2,383,844	2,098,000	2,454,100	-
623300	Manhole Materials	212	11,000	11,000	10,690	8,500	6,900	-
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	50,808	49,600	49,600	46,789	45,700	48,900	-
623530	Farming Supplies	3,680	5,000	5,000	4,610	4,600	3,700	-
623560	Processing Chemicals	9,760,627	13,724,400	13,441,400	13,347,598	10,616,400	12,938,200	-
623570	Laboratory Testing Supplies, Small Equipment, and Chemicals	32,416	25,000	25,000	23,081	24,800	25,600	-
623660	Cleaning Supplies	3,728	5,000	5,000	3,512	4,100	1,700	-
623680	Tools and Supplies	189,823	500,000	500,000	421,033	442,500	220,300	-
623700	Wearing Apparel	714	2,400	2,400	1,215	1,600	1,300	-
623720	Books, Maps, and Charts	40	-	-	-	-	-	-

101 60000	Fund: Corporate Department: Maintenance & Operations Division: All Divisions	LINE ITEM ANALYSIS						
		2016	2017				2018	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/17	Expenditure (Committed Budget plus Disbursement) 09/30/17	Estimated Expenditure 12/31/17	Proposed by Executive Director	Recommended by Committee on Budget and Employment
623780	Safety and Medical Supplies	88,256	60,300	60,300	41,165	41,500	70,100	-
623800	Computer Software	1,733	7,500	7,500	4,601	5,500	24,700	-
623810	Computer Supplies	15,331	17,100	17,100	9,810	13,400	37,700	-
623820	Fuel	184,100	300,000	300,000	292,392	274,200	338,700	-
623840	Gases	732	5,000	5,000	3,790	2,400	1,100	-
623850	Communications Supplies	520	900	900	-	500	5,500	-
623860	Lubricants	4,556	5,000	8,200	7,606	4,900	21,400	-
623990	Materials and Supplies, N.O.C.	50,155	107,500	107,500	83,852	84,100	188,600	-
300	TOTAL MATERIALS AND SUPPLIES	14,360,719	20,034,400	20,034,400	19,611,479	16,433,500	19,565,100	-
634600	Equipment for Collection Facilities	44,177	50,000	50,000	45,129	45,200	44,200	-
634650	Equipment for Process Facilities	136,681	100,000	100,000	94,805	87,400	184,400	-
634860	Vehicle Equipment	5,597	10,000	10,000	-	-	-	-
634970	Testing and Laboratory Equipment	-	6,000	6,000	5,737	5,800	25,000	-
400	TOTAL MACHINERY AND EQUIPMENT	186,455	166,000	166,000	145,672	138,400	253,600	-
TOTAL MAINTENANCE & OPERATIONS		\$174,437,098	\$187,034,700	\$187,034,700	\$138,062,597	\$172,945,200	\$189,607,600	\$ -

NOTES: 1. Amounts may not add up due to rounding.

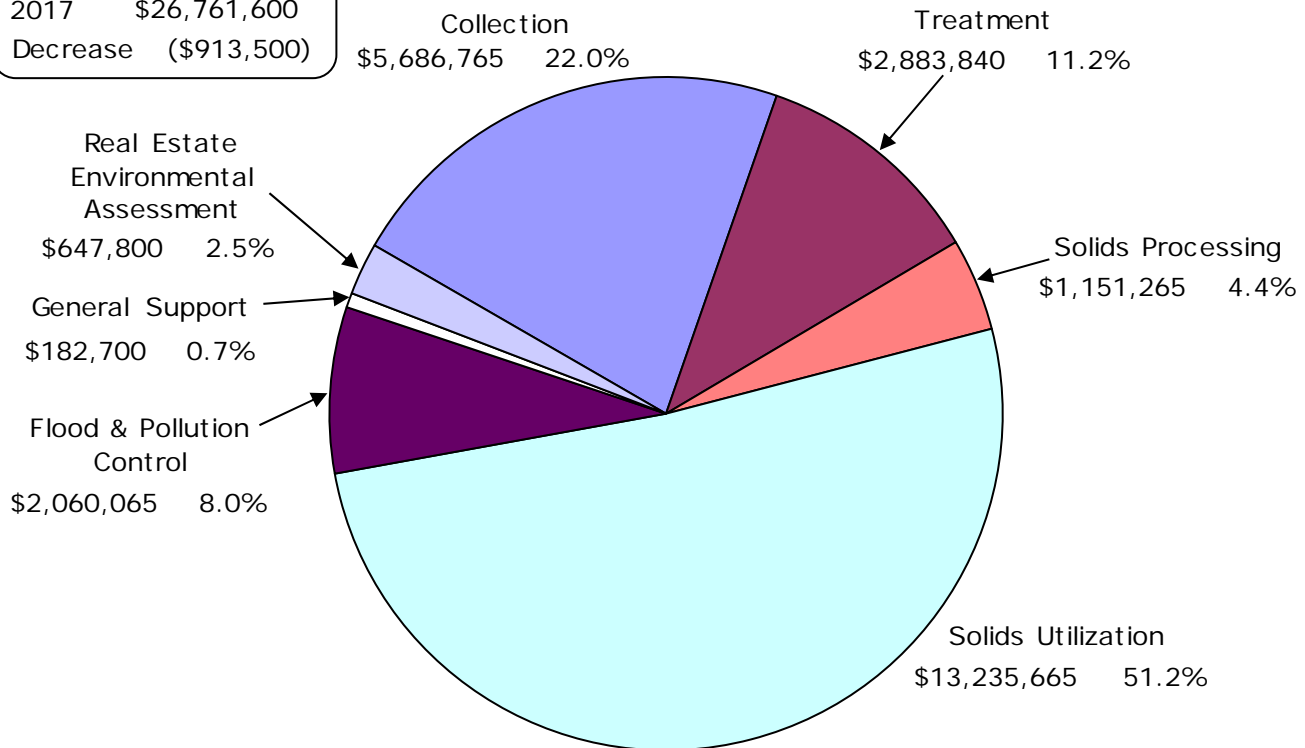
2. Departmental appropriation totals for salaries in the Line Item Analysis may differ from those contained in the Position Analysis by a factor identified to adjust for vacancies. Additionally, Estimated Expenditure may either exceed Adjusted Appropriation when transfers of funds are anticipated or 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.

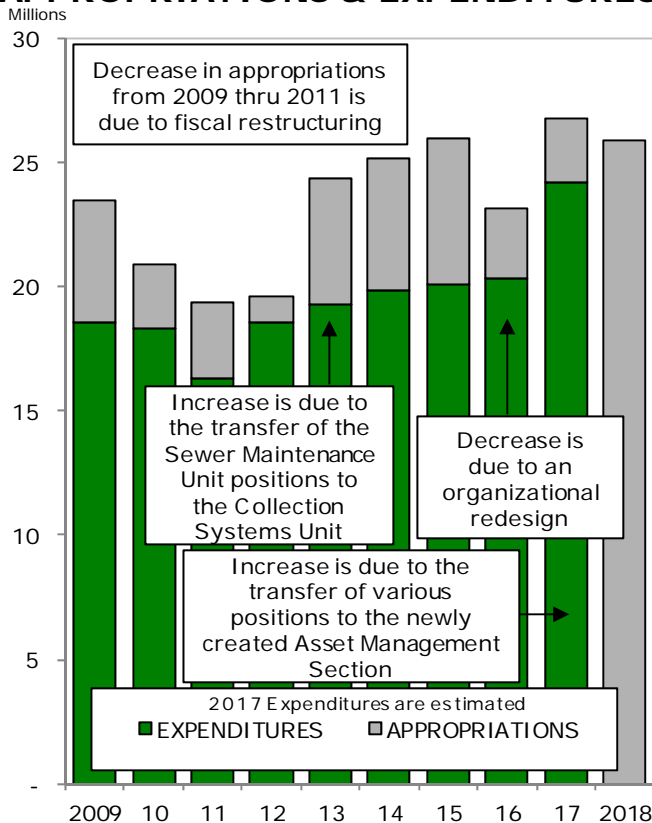
MAINTENANCE & OPERATIONS – GENERAL DIVISION

2018 \$25,848,100
 2017 \$26,761,600
 Decrease (\$913,500)

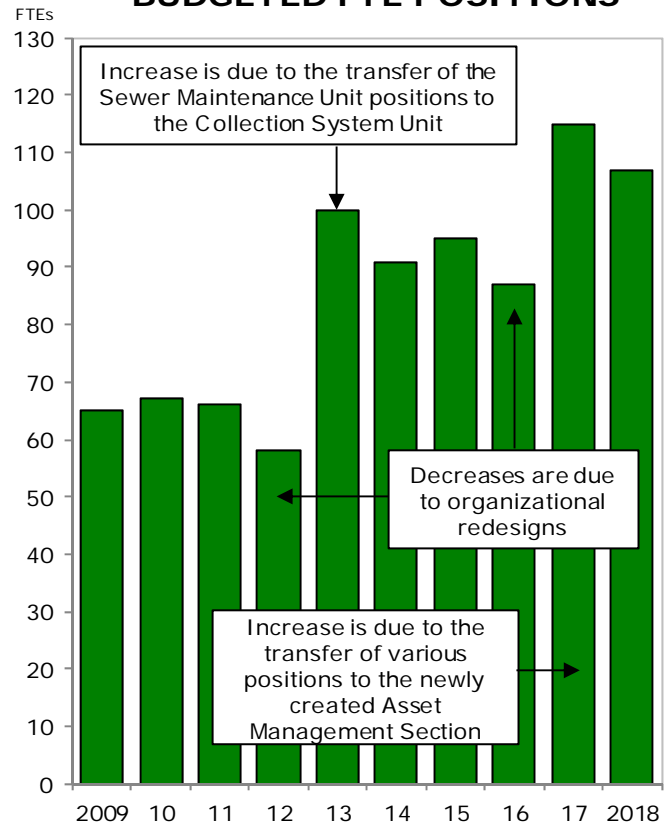
FUNCTIONS



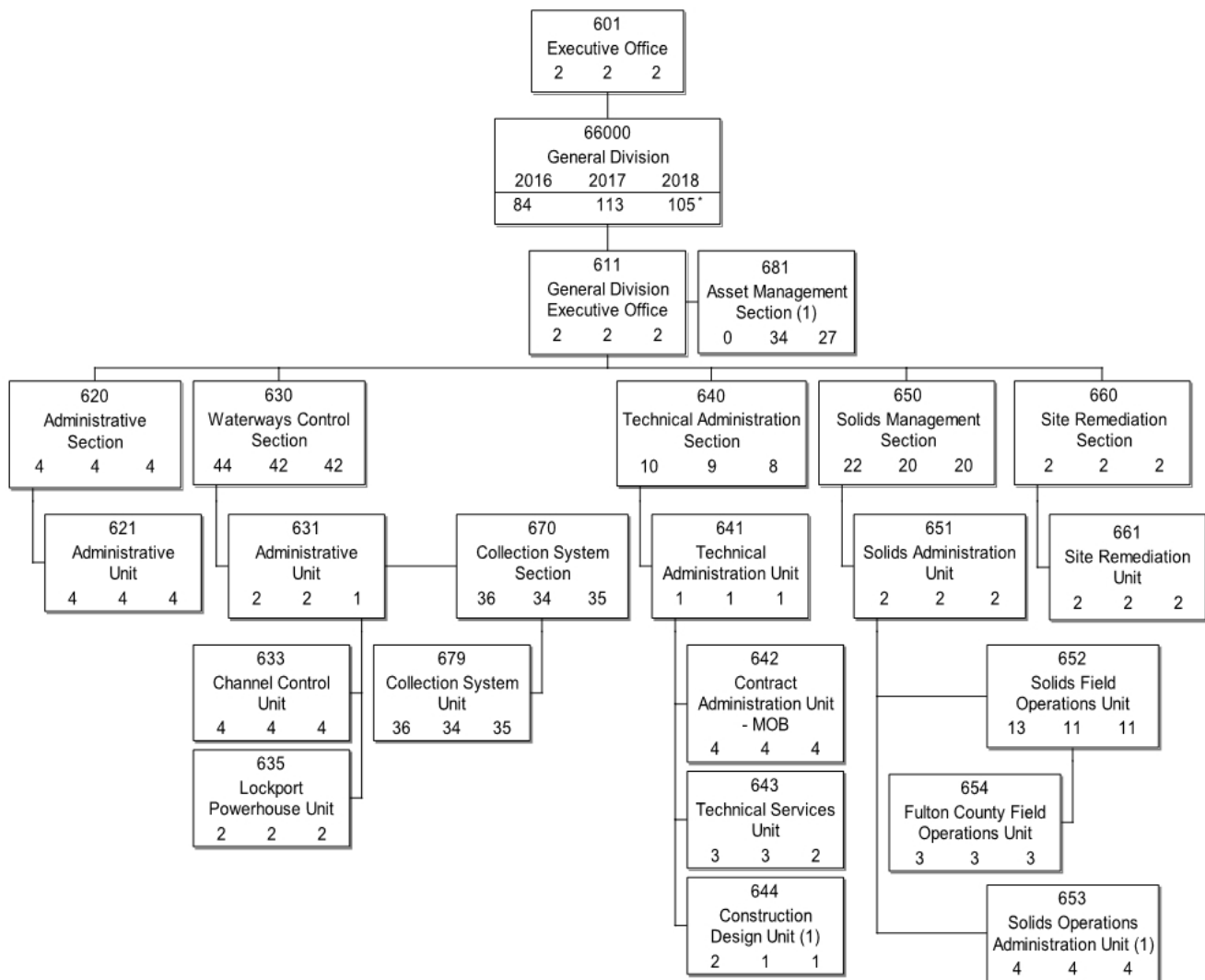
APPROPRIATIONS & EXPENDITURES



BUDGETED FTE POSITIONS



MAINTENANCE & OPERATIONS – GENERAL DIVISION



* In 2018, 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.

(1) Effective 01/01/2017, 33 positions were transferred into Section 681 from Units 644, 653, 721, 722, 723, 754, 794, 822, 823, 922, and 923 with one position added for a total of 34 positions.

MAINTENANCE & OPERATIONS – GENERAL DIVISION

The General Division supports the District’s mission to protect the quality of the water supply and the health and safety of the public, to improve the quality of water in canals, rivers, and streams, to protect businesses and homes from flood damage, and to manage water as a vital resource.

General Division Summary

The Waterways Control Section is responsible for the waterways, small streams, and rivers throughout the District. The Waterways Control Center continuously receives meteorological data, radar patterns, and other vital information from precipitation stations and water gauges. This information is used to provide control of the 76.1 miles of the District’s navigable inland waterways. The Lockport Powerhouse is integral to managing the Chicago Area Waterway System, reducing the risk of flooding throughout our service area, and provides energy credits from the hydroelectric power that it generates. The section also oversees programs and operations in the Stormwater Management Fund, including the Small Streams Maintenance Program and the Channel Maintenance Unit, which reduce flooding in urbanized areas by removing debris from 532 miles of small streams and rivers and 76.1 miles of navigable waterways in Cook County, respectively.

The Collection System Section inspects, cleans, and maintains the District’s collection facilities, including sewers and Tunnel and Reservoir Plan structures, and is also responsible for the Chicago River Controlling Works, the Lockport Controlling Works, the Centennial Fountain, and six bridges over the North Shore Channel.

The Solids Management Section manages the vegetative materials collection centers under the Resource Recovery Ordinance and the processing and utilization of biosolids. It also maintains and operates the Lawndale Avenue, Harlem Avenue, and Calumet Solids Management Areas and the District’s Prairie Plan Site in Fulton County.

The Site Remediation Section works with the Law Department to investigate, assess, and remediate environmental contamination found on leased District-owned property and to make vacant, District-owned property available for lease. The section also audits District tenant operations for lease compliance, and provides assistance in resolving site contamination, environmental compliance, hazardous waste handling, and disposal issues that arise at District-owned facilities.

The Technical Administration Section provides contract procurement services for the department, acts as the department’s liaison for technical, legal, and financial issues, handles regulatory communications with agencies such as the Illinois Environmental Protection Agency, and manages environmental permits including: National Pollutant Discharge Elimination System, Federally Enforceable State Operating Permit, Clean Air Act Permit Program (Title V), Biosolids, Operating, and Stormwater. The section coordinates reporting requirements for permits and Combined Sewer Overflow, supplies technical information for plant personnel and other departments and agencies, reviews and comments on reports and contracts from other departments and the effect of proposed regulatory requirements on District operations, and coordinates Government Accounting Standards Board Statement 34 evaluations of District facilities.

The Administrative Section provides financial and budgetary services, implements an annual budget, prepares studies, reports, and correspondence to support the department’s progress towards its goals and strategies, and reviews and processes requisitions and payments for goods and services in conformance with the Prompt Payment Act and other statutes.

The Asset Management Section manages the maintenance of critical plant assets and infrastructure on a District-wide basis. It is composed of Electrical and Mechanical Engineers, and serves to centralize the department’s maintenance function.

Summary of 2017 Accomplishments

- Initiated the “Compost Bagging Program” that will make composted biosolids available for residents and consumers;
- Managed the “Restore the Canopy, Plant a Tree” tree sapling distribution program, which aims to revive Cook County’s declining tree population and depleted green infrastructure;
- Installed solar powered dissolved oxygen meters in the waterways to optimize Sidestream Elevated Pool Aeration operations and diversion water usage.

Budget Highlights

The 2018 appropriation for the General Division is \$25,848,100, a decrease of \$913,500, or 3.4 percent, from 2017. The staffing level has decreased from 115 to 107 positions due to the following changes: the drop of one Principal Electrical Engineer and one Administrative Specialist, the transfer of two Senior Electrical Engineers, one Associate Process Control Engineer, one Assistant Electrical Engineer, and one Administrative Specialist to the North Service Area, one Associate Process Control Engineer to the Calumet Service Area, one Principal Electrical Engineer and one Associate Process Control Engineer to the Stickney Service Area, and one Administrative Specialist to the Engineering Department, offset by the transfer in of one Principal Engineer and one Engineering Technician V from the North Service Area, and one Associate Mechanical Engineer from the Monitoring & Research Department. In addition, four Senior Civil Engineers were reclassified to Senior Engineers, three Managing Civil Engineers were reclassified to Managing Engineers, and two Principal Civil Engineers were reclassified to Principal Engineers. Eighteen additional positions are funded by the Stormwater Management Fund.

The General Division budget achieves the District’s strategic goals as follows: Add Value by marketing the Lockport Powerhouse’s electrical capacity; Excellence by adopting odor control strategies; Resource Recovery by composting biosolids to create a Class A land applicable product; Develop Employees by emphasizing training; Leading Partnerships by developing relationships with municipalities, such as the City of Chicago, to utilize tree-based yard waste as bulking material in the creation of a biosolids compost blend; and Technology by developing nutrient control processes at Fulton County.

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.		\$ 8,570,605	33.2%
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.		\$ 1,151,265	4.4%
3. SOLIDS UTILIZATION: The General Division provides management and coordination of biosolids processing and utilization of District-wide activities.		\$ 13,235,665	51.2%
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 \$1.0 million in revenue.		\$ 2,060,065	8.0%
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.		\$ 182,700	0.7%
6. REAL ESTATE ENVIRONMENTAL ASSESSMENT: Inspect and evaluate District properties for compliance with the United States Environmental Protection Agency and the Illinois Environmental Protection Agency requirements.		\$ 647,800	2.5%
Total		\$ 25,848,100	100.0%

MEASURABLE GOALS:		2016	2017	2018
	Unit of Measure	Actual	Estimated	Proposed
1. Operation of the Lockport Powerhouse to generate the equivalent of \$1.0 million worth of electricity revenue in 2018.	kWh generated	35,595,896	40,000,000	40,000,000
	* Revenue generated	\$ 1,176,146	\$ 1,200,000	\$ 1,000,000
2. 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	37,629	60,152	60,152
3. The Solids Management Section will oversee the utilization of 99,000 dry tons of biosolids in 2018. (North Service Area's 1,000 dry tons of solids remain in that division.)	Dry Tons	61,474	99,000	99,000

* Revenue generated not included in total costs.

66000 M&O - GENERAL DIVISION**OBJECTIVES AND PROGRAM SUMMARY**

PROGRAMS BY PRIORITY:		2016 Actuals	Budgeted			Change		
Number	Name		FTEs	Dollars		Dollars	Percent	
1000	Collection	\$ 4,242,950	2018 44	\$ 5,686,765		\$ (91,720)	(1.6)	
			2017 43	\$ 5,778,485				
1100	Surface Interceptor Systems	\$ 2,683,398	2018 21	\$ 2,800,900		\$ 199,200	7.7	a)
			2017 20	\$ 2,601,700				
1200	Tunnel and Reservoir System	\$ 745,422	2018 7	\$ 637,400		\$ (421,500)	(39.8)	b)
			2017 9	\$ 1,058,900				
1300	Pumping Station Facilities	\$ 20,361	2018 6	\$ 622,600		\$ 153,900	32.8	c)
			2017 4	\$ 468,700				
1900	Collection - Indirect Costs	\$ 793,769	2018 10	\$ 1,625,865		\$ (23,320)	(1.4)	
			2017 10	\$ 1,649,185				
2000	Treatment	\$ 901,831	2018 19	\$ 2,716,540		\$ (52,820)	(1.9)	
			2017 21	\$ 2,769,360				
2000	Pre-Treatment	\$ -	2018 1	\$ 107,400		\$ 3,300	3.2	
			2017 1	\$ 104,100				
2100	Primary Treatment	\$ -	2018 1	\$ 128,200		\$ 3,200	2.6	
			2017 1	\$ 125,000				
2200	Secondary Treatment	\$ -	2018 2	\$ 318,000		\$ (21,700)	(6.4)	
			2017 3	\$ 339,700				
2300	Tertiary Treatment	\$ 6,347	2018 1	\$ 62,800		\$ (7,400)	(10.5)	
			2017 1	\$ 70,200				
2900	Treatment - Indirect Costs	\$ 895,484	2018 14	\$ 2,100,140		\$ (30,220)	(1.4)	
			2017 15	\$ 2,130,360				
3000	Solids Processing	\$ 675,865	2018 8	\$ 1,151,265		\$ (187,420)	(14.0)	
			2017 11	\$ 1,338,685				
3100	Thickening	\$ -	2018 2	\$ 221,600		\$ 400	0.2	
			2017 2	\$ 221,200				
3200	Stabilization	\$ -	2018 1	\$ 84,700		\$ 1,000	1.2	
			2017 1	\$ 83,700				
3300	Dewatering	\$ 75,814	2018 -	\$ 68,000		\$ (25,200)	(27.0)	d)
			2017 1	\$ 93,200				
3900	Solids Processing - Indirect Costs	\$ 600,051	2018 5	\$ 776,965		\$ (163,620)	(17.4)	e)
			2017 7	\$ 940,585				

a) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$128,500).

b) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$173,500), the reduction of two FTE positions (\$141,400), the reduced need for valve actuator parts (\$57,200), and the reduced need for repairs to sluice gate and valve operators (\$25,100).

c) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$201,600).

d) Decrease is due to the reduction of one FTE position (\$21,200).

e) Decrease is due to the reduction of two FTE positions (\$108,200) and the reallocation of salaries to more accurately reflect current activities (\$70,400).

66000 M&O - GENERAL DIVISION**OBJECTIVES AND PROGRAM SUMMARY**

PROGRAMS BY PRIORITY:				2016		Budgeted		Change		
Number	Name		Actuals		FTEs	Dollars	Dollars	Percent		
4000	Flood & Pollution Control		\$ 1,908,101	2018	12	\$ 2,060,065	\$ (126,320)	(5.8)		
				2017	14	\$ 2,186,385				
4200	Waterways Control and Stormwater Reservoirs		\$ 1,344,793	2018	9	\$ 1,528,600	\$ 85,400	5.9		
				2017	8	\$ 1,443,200				
4210	Maintenance of Waterways		\$ 170,672	2018	1	\$ 120,900	\$ (51,000)	(29.7)	f)	
				2017	1	\$ 171,900				
4300	Stormwater Management		\$ 142,948	2018	-	\$ 31,600	\$ (136,300)	(81.2)	g)	
				2017	2	\$ 167,900				
4400	Aeration Facilities		\$ 45,549	2018	1	\$ 102,700	\$ (21,700)	(17.4)	h)	
				2017	1	\$ 124,400				
4900	Flood & Pollution Control - Indirect Costs		\$ 204,139	2018	1	\$ 276,265	\$ (2,720)	(1.0)		
				2017	2	\$ 278,985				
5000	Solids Utilization		\$ 11,100,417	2018	21	\$ 13,235,665	\$ (201,020)	(1.5)		
				2017	22	\$ 13,436,685				
5100	Solids Drying		\$ 4,470,133	2018	4	\$ 5,577,100	\$ (63,200)	(1.1)		
				2017	4	\$ 5,640,300				
5200	Solids Distribution		\$ 5,047,849	2018	6	\$ 5,942,700	\$ 91,800	1.6		
				2017	6	\$ 5,850,900				
5900	Solids Utilization - Indirect Costs		\$ 1,582,435	2018	11	\$ 1,715,865	\$ (229,620)	(11.8)	i)	
				2017	12	\$ 1,945,485				
7000	General Support (excludes program numbers 7368 and 7604)		\$ 510,603	2018	1	\$ 182,700	\$ 55,100	43.2	j)	
				2017	1	\$ 127,600				
7368	Real Estate Environmental Assessment		\$ 874,261	2018	2	\$ 647,800	\$ (355,100)	(35.4)	k)	
				2017	3	\$ 1,002,900				
7604	Social Security and Medicare Contributions		\$ 123,382	2018	-	\$ 167,300	\$ 45,800	37.7	l)	
				2017	-	\$ 121,500				
Totals			\$ 20,337,410	2018	107	\$ 25,848,100	\$ (913,500)	(3.4%)	*	
				2017	115	\$ 26,761,600				

f) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$45,300).

g) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$136,300).

h) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$32,300).

i) Decrease is due to the reduced need for 17-697-11, Biosolids Odor Control (\$150,000).

j) Increase is due to the request for compost probes (\$75,000), offset by the reallocation of salaries to more accurately reflect current activities (\$21,400).

k) Decrease is due to the reduced need for Phase II Environmental Investigations (\$171,800) and the reallocation of salaries to more accurately reflect current activities (\$150,600).

l) Increase is due to the calculation for Social Security and Medicare as a percentage of salaries (\$45,800).

* The 2018 position total for the General Division is 107, with 18 positions budgeted in the Stormwater Management Fund.

66000 M&O - GENERAL DIVISION**PERFORMANCE DATA**

Program Number	Measurable Activity		2016 Actual	2017 Budgeted	2018 Estimated	
1000-2900	Collection & Treatment					
	Technical and Administrative Support for Collection and Treatment Activities	Cost	\$ 5,144,781	\$ 8,547,845	\$ 8,403,305	
3000	Solids Processing					
	Technical and Administrative Support for Solids Removal and Processing	Cost	\$ 675,865	\$ 1,338,685	\$ 1,151,265	a)
4000	Flood & Pollution Control					
4200	Operation and Maintenance of the Waterways to Minimize Area Flooding and Pollution	Cost	\$ 342,088	\$ 821,500	\$ 1,080,900	b)
	Minimize Diversion of Lake Michigan Water in Accordance with the U.S. Supreme Court Decree	Mil. Gal./Year Diversion	37,629	61,500	60,152	
		Cost	\$ 447,409	\$ 300,300	\$ 308,400	
		Cost/Mil. Gal./Year	\$ 11.89	\$ 4.88	\$ 5.13	
	Generate Electricity at Lockport Powerhouse to Obtain Approximately \$1 million in Revenue	kWh	35,595,896	41,500,000	40,000,000	
		Cost	\$ 555,296	\$ 321,400	\$ 139,300	c)
		Cost/kWh	\$ 0.0156	\$ 0.0077	\$ 0.0035	
		* Revenue Generated	\$ 1,176,146	\$ 1,000,000	\$ 1,000,000	
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	\$ 170,672	\$ 171,900	\$ 120,900	d)
4300	Stormwater Management	Cost	\$ 142,948	\$ 167,900	\$ 31,600	e)
4400	Aeration Facilities	Cost	\$ 45,549	\$ 124,400	\$ 102,700	f)
4900	Flood & Pollution Control - Indirect Costs	Cost	\$ 204,139	\$ 278,985	\$ 276,265	
5000	Solids Drying/Utilization					
	Management and Coordination of the Solids Utilization Program	Dry Tons	61,474	89,000	99,000	
		Cost	\$ 11,100,417	\$ 13,436,685	\$ 13,235,665	g)
		Cost/Dry Ton	\$ 180.57	\$ 150.97	\$ 133.69	

a) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$73,000).

b) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$233,900).

c) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$201,400).

d) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$45,300).

e) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$136,300).

f) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$32,300).

g) Decrease is due to the reduced need for 15-699-11, Heavy Equipment Rental (\$200,000).

* Revenue generated not included in total costs.

66000 M&O - GENERAL DIVISION**PERFORMANCE DATA**

Program Number	Measurable Activity		2016 Actual	2017 Budgeted	2018 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	\$ 510,603	\$ 127,600	\$ 182,700	h)
7368	Real Estate Environmental Assessment	Cost	\$ 874,261	\$ 1,002,900	\$ 647,800	i)
7604	Social Security and Medicare Contributions	Cost	\$ 123,382	\$ 121,500	\$ 167,300	j)
Division Total			\$ 20,337,410	\$ 26,761,600	\$ 25,848,100	

h) Increase is due to the request for compost probes (\$75,000), offset by the reallocation of salaries to more accurately reflect current activities (\$21,400).

i) Decrease is due to the reduced need for Phase II Environmental Investigations (\$171,800) and the reallocation of salaries to more accurately reflect current activities (\$150,600).

j) Increase is due to the calculation for Social Security and Medicare as a percentage of salaries (\$45,800).

101 66000	Fund: Corporate Department: Maintenance & Operations Division: General	LINE ITEM ANALYSIS						
		2016	2017				2018	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/17	Expenditure (Committed Budget plus Disbursement) 09/30/17	Estimated Expenditure 12/31/17	Proposed by Executive Director	Recommended by Committee on Budget and Employment
601010	Salaries of Regular Employees	\$ 8,369,715	\$ 12,422,700	\$ 12,396,700	\$ 8,299,053	\$ 11,487,700	\$ 11,566,000	\$ -
601060	Compensation Plan Adjustments	494,632	505,800	505,800	384,134	495,400	609,100	-
601070	Social Security and Medicare Contributions	123,382	121,500	170,800	124,327	170,800	167,300	-
601080	Salaries of Nonbudgeted Employees	-	19,700	12,700	-	-	19,700	-
601100	Tuition and Training Payments	16,845	15,700	15,700	12,394	14,800	16,800	-
100	TOTAL PERSONAL SERVICES	9,004,574	13,085,400	13,101,700	8,819,909	12,168,700	12,378,900	-
612010	Travel	2,024	2,100	2,100	1,533	1,900	3,400	-
612030	Meals and Lodging	10,552	5,500	9,000	7,026	8,600	9,700	-
612050	Compensation for Personally-Owned Automobiles	4,099	9,400	15,400	12,595	15,400	7,100	-
612080	Motor Vehicle Operating Services	370	400	400	141	300	300	-
612150	Electrical Energy	73,294	77,700	77,700	41,203	67,500	75,600	-
612160	Natural Gas	6,521	8,100	8,100	5,406	7,600	8,600	-
612170	Water and Water Services	57,794	33,600	54,600	36,261	33,600	53,200	-
612210	Communication Services	202,385	200,700	200,700	200,518	163,000	276,300	-
612240	Testing and Inspection Services	13,822	14,100	14,100	6,359	13,300	13,800	-
612330	Rental Charges	8,320	10,900	17,800	16,894	15,200	8,600	-
612410	Governmental Service Charges	15,900	21,000	21,000	17,038	19,200	18,600	-
612420	Maintenance of Grounds and Pavements	647,087	698,200	698,200	662,258	615,000	679,700	-
612430	Payments for Professional Services	438,926	702,000	702,000	695,500	577,800	516,400	-
612490	Contractual Services, N.O.C.	168,355	213,300	197,600	192,150	192,700	222,500	-
612520	Waste Material Disposal Charges	7,835,630	9,372,500	9,260,600	9,187,654	8,200,000	9,402,000	-
612600	Repairs to Collection Facilities	996,897	949,100	911,100	902,125	902,200	940,100	-
612620	Repairs to Waterway Facilities	31,704	40,000	50,000	43,473	24,000	46,700	-
612650	Repairs to Process Facilities	8,919	31,500	31,500	14,400	14,400	14,300	-
612680	Repairs to Buildings	11,754	39,400	39,400	13,900	13,900	40,400	-
612760	Repairs to Material Handling and Farming Equipment	199,269	226,000	226,000	226,000	199,300	239,900	-
612780	Safety Repairs and Services	11,628	12,900	20,500	20,458	18,000	14,000	-
612790	Repairs to Marine Equipment	60,370	60,000	60,000	56,267	48,800	65,000	-
612820	Computer Software Maintenance	5,156	5,400	5,400	5,311	5,400	7,500	-
612860	Repairs to Vehicle Equipment	27,151	30,500	35,800	34,283	29,000	49,500	-

101 66000	Fund: Corporate Department: Maintenance & Operations Division: General	LINE ITEM ANALYSIS						
		2016	2017				2018	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/17	Expenditure (Committed Budget plus Disbursement) 09/30/17	Estimated Expenditure 12/31/17	Proposed by Executive Director	Recommended by Committee on Budget and Employment
612990	Repairs, N.O.C.	1,075	3,400	3,400	1,700	2,200	3,500	-
200	TOTAL CONTRACTUAL SERVICES	10,839,000	12,767,700	12,662,400	12,400,452	11,188,300	12,716,700	-
623070	Electrical Parts and Supplies	9,265	15,000	15,000	11,800	11,800	10,600	-
623090	Plumbing Accessories and Supplies	11,242	10,000	10,000	6,773	9,300	11,000	-
623110	Hardware	1,967	4,100	4,100	3,000	3,100	2,000	-
623130	Buildings, Grounds, Paving Materials, and Supplies	32,294	56,000	56,000	52,627	53,400	47,000	-
623250	Vehicle Parts and Supplies	62,526	114,500	109,500	89,190	97,000	67,000	-
623270	Mechanical Repair Parts	50,606	117,300	96,300	92,196	90,300	91,600	-
623300	Manhole Materials	212	11,000	11,000	10,690	8,500	6,900	-
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	6,038	7,500	7,500	7,155	6,700	7,000	-
623530	Farming Supplies	3,680	5,000	5,000	4,610	4,600	3,700	-
623560	Processing Chemicals	118,507	359,000	359,000	358,801	336,000	197,000	-
623570	Laboratory Testing Supplies, Small Equipment, and Chemicals	20,116	-	-	-	-	-	-
623660	Cleaning Supplies	1,147	2,200	2,200	1,200	1,900	500	-
623680	Tools and Supplies	15,802	19,500	19,500	14,842	18,400	15,800	-
623700	Wearing Apparel	714	1,500	1,600	1,215	1,600	700	-
623780	Safety and Medical Supplies	34,426	6,500	6,500	5,029	1,500	8,000	-
623800	Computer Software	-	1,000	1,000	-	-	-	-
623810	Computer Supplies	448	2,000	2,000	30	100	400	-
623820	Fuel	101,748	157,000	157,000	151,830	146,400	184,400	-
623860	Lubricants	731	500	1,100	906	1,000	1,500	-
623990	Materials and Supplies, N.O.C.	22,367	18,900	18,900	12,051	17,800	97,400	-
300	TOTAL MATERIALS AND SUPPLIES	493,835	908,500	883,200	823,944	809,400	752,500	-
TOTAL GENERAL DIVISION		\$ 20,337,410	\$ 26,761,600	\$ 26,647,300	\$ 22,044,305	\$ 24,166,400	\$ 25,848,100	\$ -

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.

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				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	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	362,230.15	2	362,230.20
611	General Division Executive Office					
HP22	Assistant Director of Maintenance & Operations	1	1		1	
HP12	Secretary #2 (Administrative Specialist) (New Grade HP11)	1	-		-	
HP11	Administrative Specialist	-	1		1	
TOTAL	General Division Executive Office	2	2	272,696.98	2	285,329.46
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	439,898.87	4	444,664.19
TOTAL	Administrative Section	4	4	439,898.87	4	444,664.19
630	Waterways Control Section					
631	Administrative Unit					
HP20	Managing Civil Engineer	1	1		-	
HP20	Managing Engineer	-	-		1	
HP11	Administrative Specialist	1	1		-	
TOTAL	Administrative Unit	2	2	257,872.15	1	184,520.69
633	Channel Control Unit					
NR6271	Systems Dispatcher	4	4		4	
TOTAL	Channel Control Unit	4	4	459,596.80	4	459,596.80
634	Channel Maintenance Unit					
	(* Number of positions budgeted and funded by the Stormwater Management Fund appears below position count)					
HP18	Principal Engineer	-	-		-	
					(*1)	

Fund: Corporate Dept: Maintenance & Operations Division: General		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP17	Senior Civil Engineer	-	-		-	
		(*1)	(*1)			
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	238,097.60
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)		(*1)	
HP14	Engineering Technician V #4	-	-		-	
		(*1)	(*1)		(*1)	
HP12	Engineering Technician IV	-	-		-	
		(*1)	(*1)		(*1)	
HP12	Engineering Technician IV #4	-	-		-	
		(*1)	(*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					
	(* 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	-	-	-	-	-
TOTAL	Stormwater Management Fund Positions	(*4)	(*4)		(*4)	
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	1		-	
HP17	Senior Engineer	-	-		1	

Fund: Corporate Dept: Maintenance & Operations Division: General		POSITION ANALYSIS				
		2016	2017		2018	
					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	2	1		1	
HP14	Assistant Civil Engineer	1	-		-	
HP14	Engineering Technician V	4	4		5	
HP12	Engineering Technician IV	1	1		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	36	34	2,922,122.06	35	3,005,691.51
TOTAL	Stormwater Management Fund Positions	(*6)	(*6)		(*6)	
TOTAL	Collection System Section	36	34	2,922,122.06	35	3,005,691.51
TOTAL	Stormwater Management Fund Positions	(*6)	(*6)		(*6)	
TOTAL	Waterways Control Section	44	42	3,877,688.61	42	3,887,906.60
TOTAL	Stormwater Management Fund Positions	(*18)	(*18)		(*18)	
640	Technical Administration Section					
641	Technical Administration Unit					
HP20	Managing Civil Engineer	1	1		-	
HP20	Managing Engineer	-	-		1	
TOTAL	Technical Administration Unit	1	1	192,722.14	1	192,722.14
642	Contract Administration Unit - MOB					
HP18	Principal Civil Engineer	1	1		-	
HP18	Principal Engineer	-	-		1	
HP17	Senior Mechanical Engineer	1	1		1	
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	485,051.36	4	451,829.83
643	Technical Services Unit					
HP17	Senior Civil Engineer	1	1		-	

Fund: Corporate Dept: Maintenance & Operations Division: General		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP17	Senior Engineer	-	-		1	
HP15	Associate Civil Engineer	1	1		1	
HP11	Administrative Specialist	1	1		-	
TOTAL	Technical Services Unit	3	3	309,945.48	2	233,292.29
644	Construction Design Unit					
HP18	Principal Civil Engineer	1	1		-	
HP18	Principal Engineer	-	-		1	
HP18	Principal Electrical Engineer	1	-		-	
TOTAL	Construction Design Unit	2	1	146,977.48	1	152,871.17
TOTAL	Technical Administration Section	10	9	1,134,696.46	8	1,030,715.43
650	Solids Management Section					
651	Solids Administration Unit					
HP20	Managing Civil Engineer	1	1		-	
HP20	Managing Engineer	-	-		1	
HP12	Administrative Assistant #2 (Administrative Specialist) (New Grade HP11)	1	1		1	
TOTAL	Solids Administration Unit	2	2	272,816.19	2	252,074.42
652	Solids Field Operations Unit					
HP18	Principal Engineer	1	1		1	
HP17	Senior Civil Engineer	1	1		-	
HP17	Senior Engineer	-	-		1	
HP15	Associate Civil Engineer	3	-		-	
HP14	Engineering Technician V	3	3		3	
HP14	Engineering Technician V #4	2	2		2	
HP12	Engineering Technician IV	2	3		3	
HP11	Engineering Technician III	1	1		1	
TOTAL	Solids Field Operations Unit	13	11	1,111,098.15	11	1,066,034.82

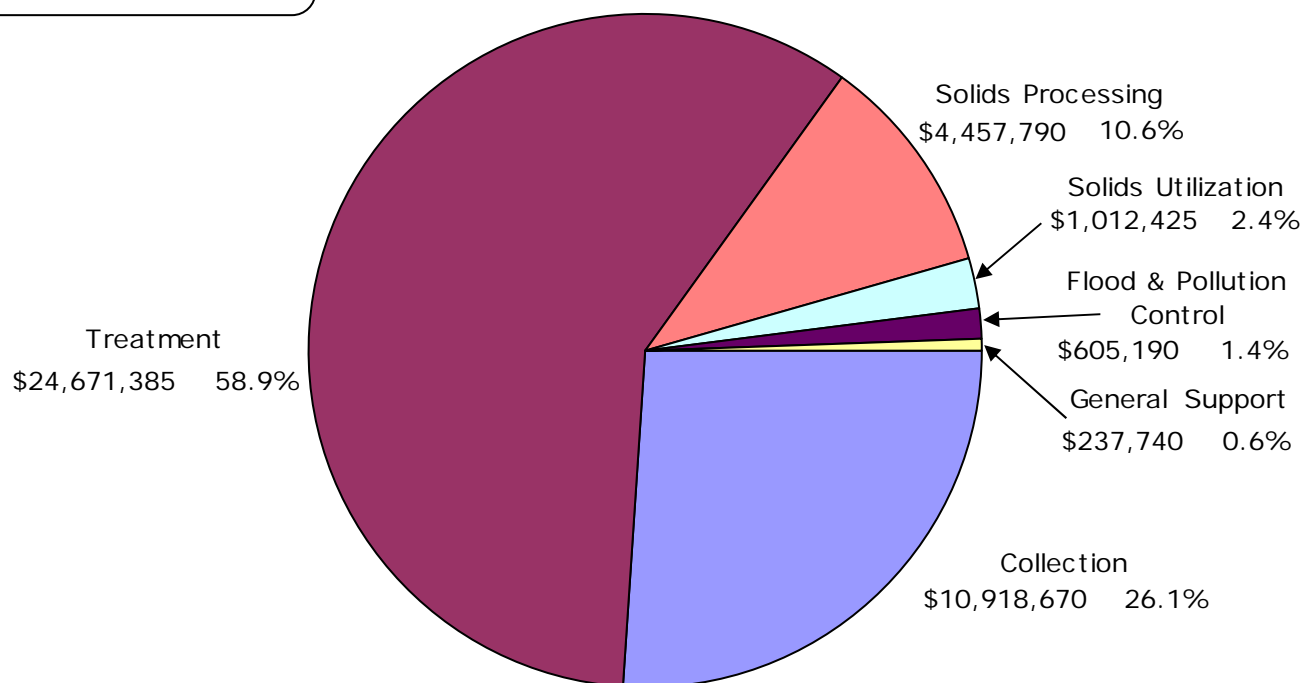
Fund: Corporate Dept: Maintenance & Operations Division: General		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
653	Solids Operations Administration Unit					
HP17	Senior Civil Engineer	1	1		-	
HP17	Senior Engineer	-	-		1	
HP15	Associate Civil Engineer	1	1		1	
HP12	Engineering Technician IV #4	1	1		1	
NR8652	Maintenance Laborer Class B	1	1		1	
TOTAL	Solids Operations Administration Unit	4	4	391,529.26	4	397,067.07
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	216,888.68	3	216,888.60
TOTAL	Solids Management Section	22	20	1,992,332.28	20	1,932,064.91
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	317,468.70	2	317,468.84
TOTAL	Site Remediation Section	2	2	317,468.70	2	317,468.84
681	Asset Management Section					
HP20	Managing Engineer	-	1		1	
HP18	Principal Electrical Engineer	-	3		1	
HP18	Principal Engineer	-	-		1	
HP18	Principal Mechanical Engineer	-	3		3	
HP17	Senior Electrical Engineer	-	6		4	
HP17	Senior Mechanical Engineer	-	4		4	

Fund: Corporate Dept: Maintenance & Operations Division: General		POSITION ANALYSIS				
		2016	2017		2018	
					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	-	6		6	
HP15	Associate Mechanical Engineer	-	3		4	
HP15	Associate Process Control Engineer	-	3		-	
HP14	Assistant Electrical Engineer	-	1		-	
HP14	Assistant Mechanical Engineer	-	2		2	
HP14	Assistant Mechanical Engineer #2 (Engineering Technician IV) (New Grade HP12)	-	1		1	
HP11	Administrative Specialist	-	1		-	
TOTAL	Asset Management Section	-	34	4,088,006.58	27	3,362,908.84
TOTAL	Maintenance & Operations General Division	86	115	12,485,018.63	107	11,623,288.47
TOTAL	Stormwater Management Fund Positions	(*18)	(*18)		(*18)	
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.						
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.						

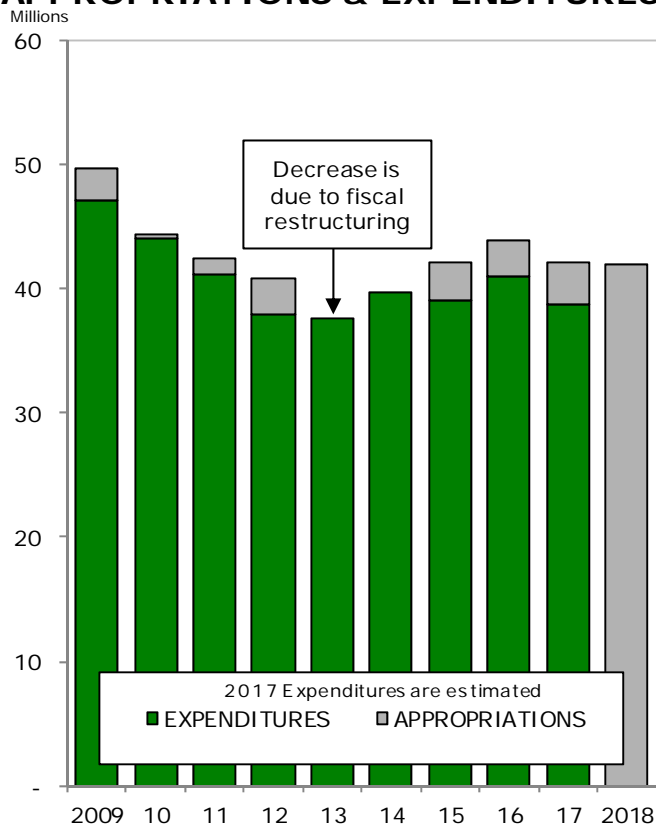
MAINTENANCE & OPERATIONS – NORTH SERVICE AREA

2018	\$41,903,200
2017	\$42,055,300
Decrease	(\$152,100)

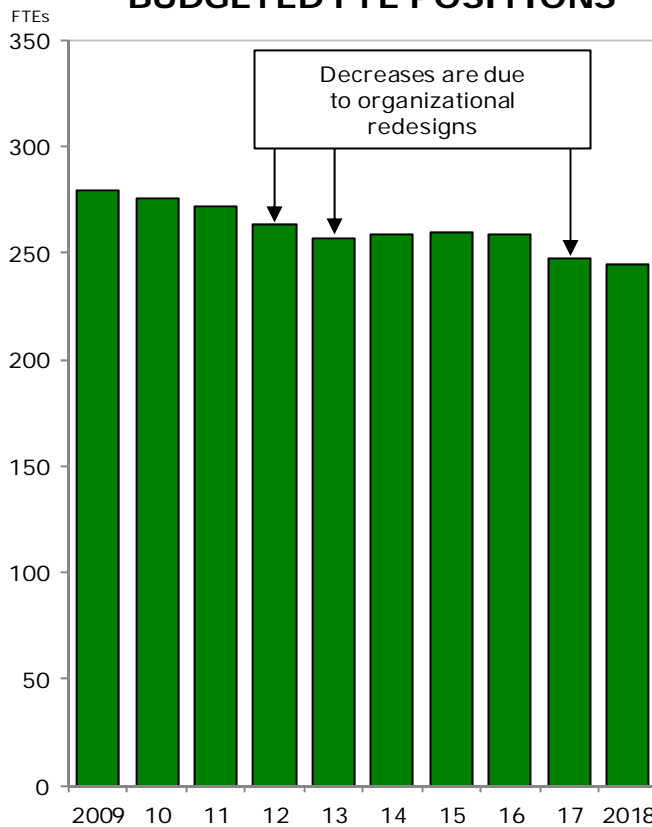
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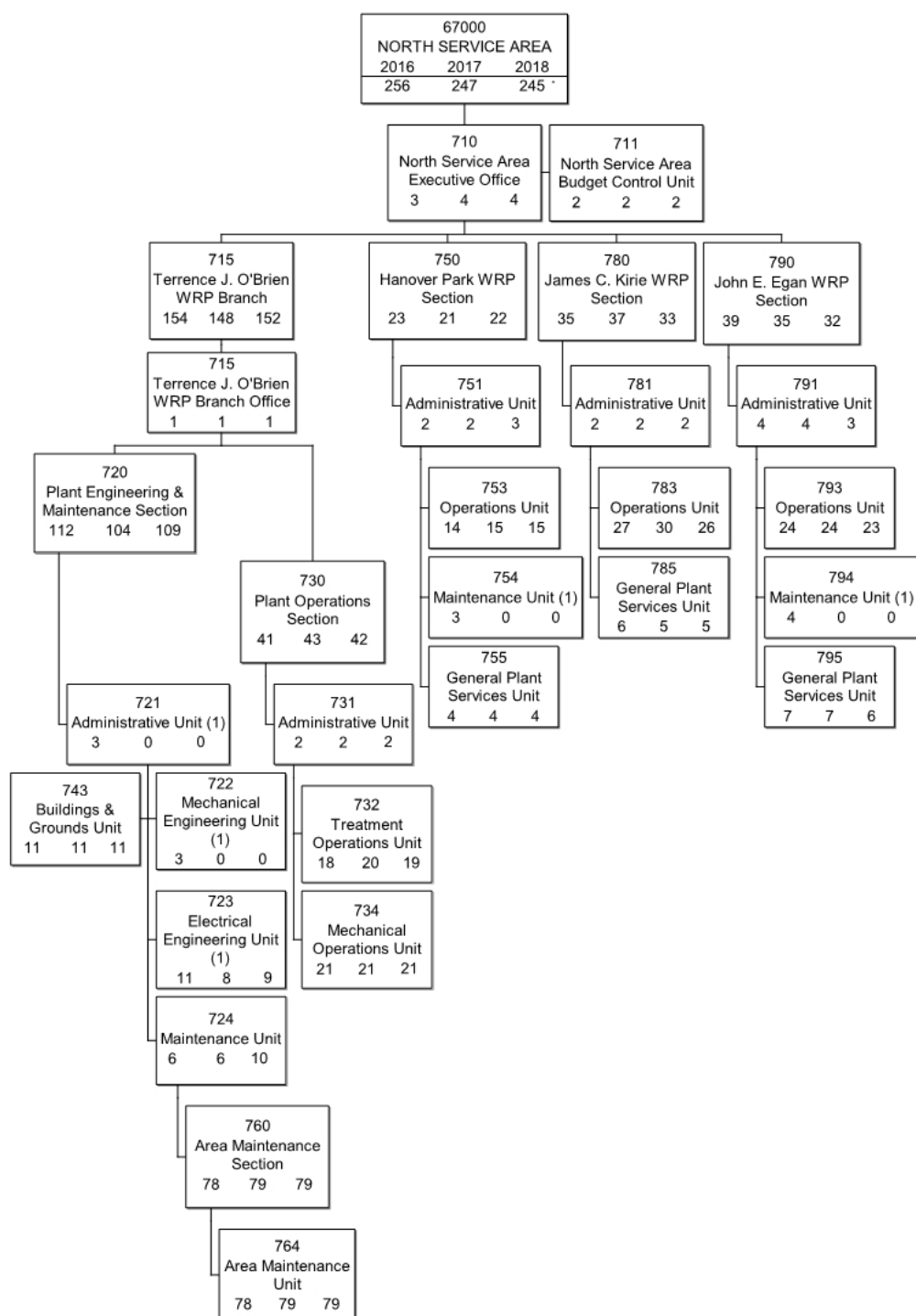
APPROPRIATIONS & EXPENDITURES



BUDGETED FTE POSITIONS



MAINTENANCE & OPERATIONS – NORTH SERVICE AREA



* In 2018, there are no positions funded by the Stormwater Management Fund.

(1) Effective 01/01/2017, a total of 14 positions were transferred from Units 721, 722, 723, 754, and 794 into Section 681.

MAINTENANCE & OPERATIONS – NORTH SERVICE AREA

The North Service Area (NSA) supports the District’s mission to protect the quality of the water supply and the health and safety of the public, to improve the quality of water in canals, rivers, and streams, to protect businesses and homes from flood damage, and to manage water as a vital resource.

Service Area Summary

The NSA collects wastewater discharges from a population equivalent of 1,885,874 people in an area of 297.5 square miles, treating approximately 118.7 billion gallons of wastewater annually at four water reclamation plants (WRPs): O’Brien, Hanover Park, Egan, and Kirie. In order to achieve its mission, the NSA is organized as follows:

The Area Offices for the Four WRPs provide leadership in developing long-term capital improvement, operation, and maintenance plans in compliance with National Pollutant Discharge Elimination System (NPDES) and other permit requirements, ensuring continuous improvements. Area offices also operate facilities in a cost-effective manner that ensures the integrity of all facilities, the safety and security of all employees, workers, and the public, and presents a positive and professional image of the District.

The Plant Engineering & Maintenance Sections maintain all equipment at the plants and their outlying facilities in compliance with NPDES and other permit requirements. These sections implement asset management based on Government Accounting Standards Board Statement 34 condition evaluations. They also coordinate and direct repairs, maintenance, and alterations for treatment plants, pumping stations, and outlying facilities in the NSA.

The Plant Operations Sections operate all equipment and processes at the plants and their outlying facilities in compliance with NPDES and other permit requirements. These sections ensure the operational integrity of all facilities at all times, as well as the safety of employees, contract workers, and the public.

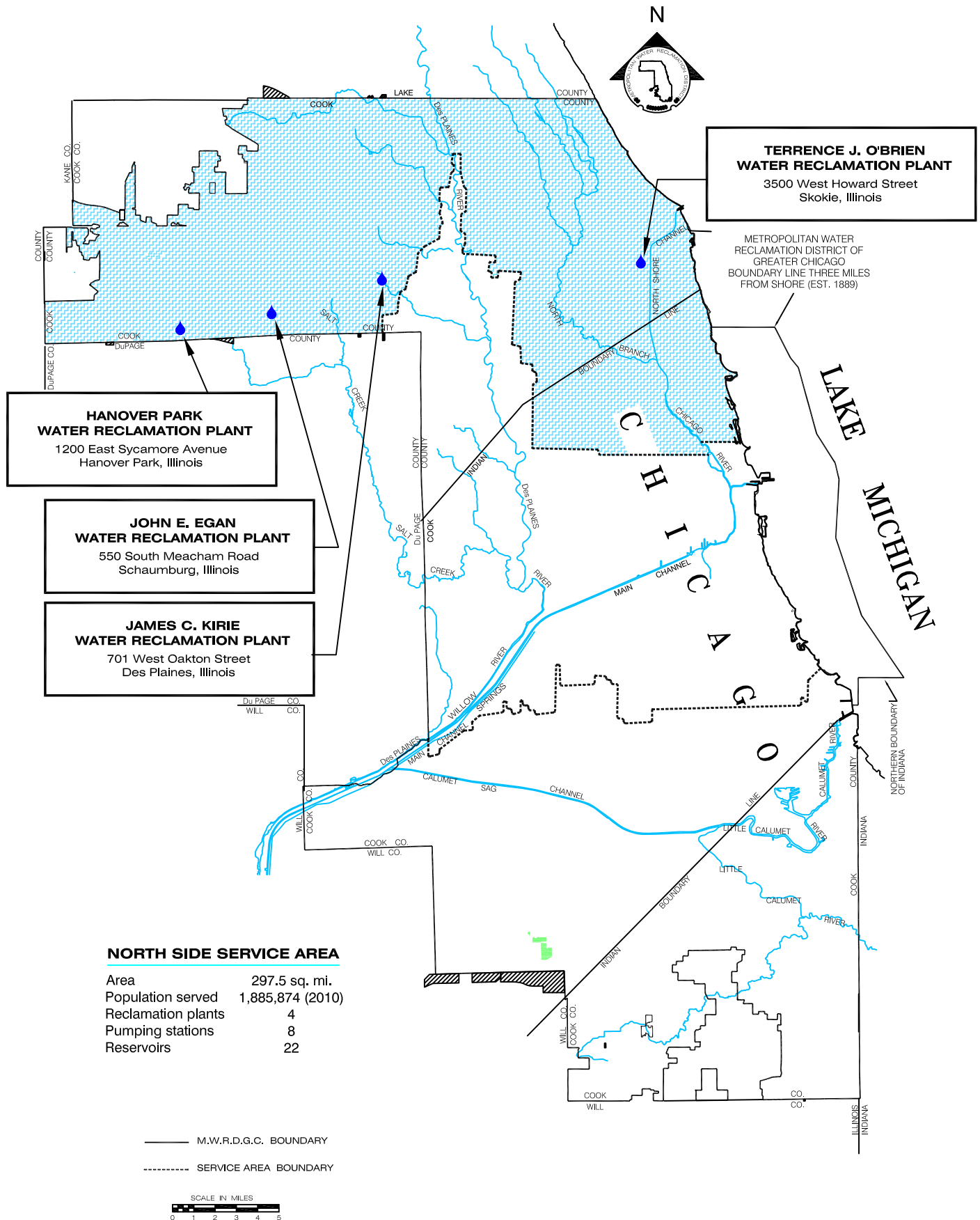
The Plant Services Sections maintain buildings and grounds at the plants and their outlying facilities in compliance with NPDES and other permit requirements and ensure their availability, cleanliness, and safety.

Summary of 2017 Accomplishments

- Achieved 100 percent NPDES compliance at all four WRPs in the NSA;
- Continued infrastructure improvement, rehabilitation, and replacement with a combination of Engineering and Maintenance & Operations Department contracts and use of the Construction Fund for capital projects, including the Raw Sewage Pump 1 replacement at the Kirie WRP;
- Collaborated with engineers, scientists, and trades to establish a significant pilot biological phosphorus removal facility in two aeration and final tanks at the Kirie WRP in order to assist in identifying future infrastructure needs to meet future phosphorus permit limits;
- Completed the cleaning of all four digesters and repair of their mixing systems to improve digester operations and gas production at the Egan WRP;
- Procured a blower dedicated to operating air lifts for two south aeration tanks to lower the operating air pressure of the plant blowers, which is expected to provide an estimated operating savings of \$44,000 per year;
- Completed the first full year of ultraviolet disinfection at the O’Brien WRP. Ultraviolet disinfection earned recognition as one of the nine Honor Award winners as well as being nominated for the Eminent Conceptor, the highest overall award announced at the American Council of Engineering Companies of Illinois Conference;
- Housed approximately 2,220 tree and 1,000 shrub saplings at the Hanover Park WRP. The saplings will eventually become the first inhabitants of the Horticultural Center, which is scheduled to break ground in 2018.

Budget Highlights

The 2018 appropriation for the NSA is \$41,903,200, a decrease of \$152,100, or 0.4 percent, from 2017. The staffing level has decreased from 247 to 245 positions. One Managing Engineer and one Engineering Technician IV were added, two Senior Electrical Engineers, one Administrative Specialist, one Associate Process Control Engineer, and one Assistant Electrical Engineer were transferred from the General Division, and one Senior Budget and Management Analyst was transferred from the Stickney Service Area, offset by the drop of four Maintenance Laborer Class A Shift #1 positions, one Administrative Clerk, and one Budget & Management Analyst, the transfer of one Principal Engineer, one Engineering Technician V, and one Fireman-Oiler to the Stickney Service Area, and the transfer of one Principal Engineer to the Stormwater Management Fund. In addition, two Senior Civil Engineers were reclassified to Senior Engineers. The NSA will continue to work with other departments to implement additional treatment processes like disinfection, ANITA™ Mox, enhanced biological phosphorus removal, and aeration control through ammonium control. Process automation, energy conservation, and implementation of new processes without a significant increase to the budget remain a high priority.



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 118.7 billion gallons of wastewater through its treatment facilities and a contract agreement with the Fox River Water Reclamation District.		\$ 35,590,055	85.0%
<p style="text-align: right;">Design: Flows ^ CBOD * SS *</p> <p>Terrence J. O'Brien Water Reclamation Plant (WRP) 333 MGD 10 mg/l 12 mg/l</p> <p>John E. Egan Water Reclamation Plant 30 MGD 10 mg/l 12 mg/l</p> <p>Hanover Park Water Reclamation Plant 12 MGD 10 mg/l 12 mg/l</p> <p>James C. Kirie Water Reclamation Plant 52 MGD 4 mg/l 5 mg/l</p> <p>Fox River Water Reclamation District 4 MGD - -</p>			
<p>^ In millions of gallons per day (MGD).</p> <p>* National Pollutant Discharge Elimination System monthly effluent quality standards:</p> <p style="padding-left: 40px;">CBOD - Carbonaceous Biochemical Oxygen Demand</p> <p style="padding-left: 40px;">SS - Suspended Solids</p>			
2. SOLIDS PROCESSING: The North Service Area will remove 53,500 dry tons and process 13,500 dry tons of concentrated sewage through various systems including heated digestion, centrifuging, concentration, and centrifuge cake in lagoons at CALSMA** and LASMA**.		\$ 4,457,790	10.6%
3. SOLIDS UTILIZATION: The North Service Area will provide support to utilize 1,000 dry tons of biosolids for the Fischer Farm in Hanover Park and other agricultural applications.		\$ 1,012,425	2.4%
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.		\$ 605,190	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.		\$ 237,740	0.6%
Total		\$ 41,903,200	100.0%
**CALSMA - Calumet Solids Management Area and LASMA - Lawndale Avenue Solids Management Area			

MEASURABLE GOALS:

	Unit of Measure	2016	2017	2018
		Actual	Estimated	Proposed
1. The North Service Area will collect and treat approximately 118.7 billion gallons of wastewater in 2018.	Billion Gallons	110.5	118.7	118.7
2. The North Service Area will remove 53,500 dry tons and process 13,500 dry tons of concentrated sewage.	Dry Tons Process Solids	13,387	13,500	13,500
3. The North Service Area will obtain 100 percent permit compliance in 2018 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 1,000 dry tons of biosolids in 2018.	Dry Tons	650	1,000	1,000

67000 M&O - NORTH SERVICE AREA**OBJECTIVES AND PROGRAM SUMMARY**

PROGRAMS BY PRIORITY:		2016 Actuals	Budgeted			Change		
Number	Name		FTEs	Dollars		Dollars	Percent	
1000	Collection	\$ 10,931,625	2018 67	\$ 10,918,670		\$ 107,400	1.0	
			2017 65	\$ 10,811,270				
1100	Surface Interceptor Systems	\$ 331,617	2018 3	\$ 312,700		\$ 2,300	0.7	
			2017 3	\$ 310,400				
1200	Tunnel and Reservoir System	\$ 1,541,580	2018 13	\$ 1,472,100		\$ 492,600	50.3	a)
			2017 9	\$ 979,500				
1300	Pumping Station Facilities	\$ 4,546,360	2018 25	\$ 4,686,600		\$ (347,200)	(6.9)	b)
			2017 25	\$ 5,033,800				
1900	Collection - Indirect Costs	\$ 4,512,068	2018 26	\$ 4,447,270		\$ (40,300)	(0.9)	
			2017 28	\$ 4,487,570				
2000	Treatment	\$ 23,428,352	2018 151	\$ 24,332,285		\$ 246,585	1.0	
			2017 154	\$ 24,085,700				
2000	Pre-Treatment	\$ 839,538	2018 7	\$ 802,900		\$ 8,300	1.0	
			2017 6	\$ 794,600				
2100	Primary Treatment	\$ 654,959	2018 6	\$ 615,800		\$ (9,800)	(1.6)	
			2017 7	\$ 625,600				
2200	Secondary Treatment	\$ 8,019,511	2018 44	\$ 8,176,600		\$ 353,500	4.5	c)
			2017 44	\$ 7,823,100				
2300	Tertiary Treatment	\$ 1,359,587	2018 11	\$ 1,758,600		\$ (65,800)	(3.6)	
			2017 12	\$ 1,824,400				
2900	Treatment - Indirect Costs	\$ 12,554,757	2018 83	\$ 12,978,385		\$ (39,615)	(0.3)	
			2017 85	\$ 13,018,000				

- a) Increase is due to the transfer in of two FTE positions from the Maintenance and Operations General Division (\$102,500) and the reallocation of salaries to more accurately reflect current activities (\$394,400).
- b) Decrease is due to the reduced need for electricity at the North Service Area outlying stations connected to the O'Brien WRP (\$370,900).
- c) Increase is due to the reallocation of electricity funds for the Kirie WRP blowers to more accurately reflect projected need (\$196,900) and the reallocation of salaries to more accurately reflect current activities (\$27,100).

67000 M&O - NORTH SERVICE AREA**OBJECTIVES AND PROGRAM SUMMARY**

PROGRAMS BY PRIORITY:		2016 Actuals	Budgeted			Change		
Number	Name		FTEs	Dollars		Dollars	Percent	
3000	Solids Processing	\$ 3,972,962	2018 23	\$ 4,457,790		\$ (101,245)	(2.2)	
			2017 22	\$ 4,559,035				
3100	Thickening	\$ 777,183	2018 5	\$ 774,400		\$ (92,300)	(10.7)	
			2017 5	\$ 866,700				
3200	Stabilization	\$ 810,070	2018 6	\$ 747,000		\$ 3,600	0.5	
			2017 5	\$ 743,400				
3300	Dewatering	\$ 939,655	2018 6	\$ 1,255,300		\$ (79,900)	(6.0)	
			2017 6	\$ 1,335,200				
3900	Solids Processing - Indirect Costs	\$ 1,446,054	2018 6	\$ 1,681,090		\$ 67,355	4.2	
			2017 6	\$ 1,613,735				
4000	Flood & Pollution Control	\$ 751,620	2018 2	\$ 605,190		\$ (202,295)	(25.1)	
			2017 4	\$ 807,485				
4200	Waterways Control and Stormwater Reservoirs	\$ 468,743	2018 2	\$ 315,800		\$ (151,000)	(32.3)	d)
			2017 4	\$ 466,800				
4400	Aeration Facilities	\$ 208,435	2018 -	\$ 178,200		\$ (49,200)	(21.6)	e)
			2017 -	\$ 227,400				
4900	Flood & Pollution Control - Indirect Costs	\$ 74,442	2018 -	\$ 111,190		\$ (2,095)	(1.8)	
			2017 -	\$ 113,285				
5000	Solids Utilization	\$ 1,280,748	2018 1	\$ 1,012,425		\$ (177,450)	(14.9)	
			2017 1	\$ 1,189,875				
5200	Solids Distribution	\$ 190,560	2018 -	\$ 181,400		\$ (24,500)	(11.9)	
			2017 -	\$ 205,900				
5900	Solids Utilization - Indirect Costs	\$ 1,090,188	2018 1	\$ 831,025		\$ (152,950)	(15.5)	f)
			2017 1	\$ 983,975				
7000	General Support (excluding program number 7604)	\$ 196,130	2018 1	\$ 237,740		\$ (25,395)	(9.7)	
			2017 1	\$ 263,135				
7604	Social Security and Medicare Contributions	\$ 340,523	2018 -	\$ 339,100		\$ 300	0.1	
			2017 -	\$ 338,800				
Totals		\$ 40,901,960	2018 245	\$ 41,903,200		\$ (152,100)	(0.4%)	*
			2017 247	\$ 42,055,300				

d) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$147,300).

e) Decrease is due to the reduction of electricity for Devon Avenue and Webster Street instream aeration stations to more accurately reflect actual usage (\$49,200).

f) Decrease is due to the delayed construction of the Fischer Farm Horticultural Center, for which, operational services will not be necessary until completion of the project (\$200,000).

* The 2018 position total for the North Service Area is 245, with no positions budgeted in the Stormwater Management Fund.

67000 M&O - NORTH SERVICE AREA**PERFORMANCE DATA**

Program Number	Measurable Activity		2016 Actual	2017 Budgeted	2018 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	82,304	89,000	89,000	
		Cost	\$ 19,057,594	\$ 19,202,620	\$ 19,374,355	a)
		Cost/Mil. Gallons	\$ 231.55	\$ 215.76	\$ 217.69	
	John E. Egan Water Reclamation Plant	Mil. Gallons	8,682	10,200	10,200	
		Cost	\$ 5,722,943	\$ 5,872,400	\$ 5,652,450	b)
		Cost/Mil. Gallons	\$ 659.17	\$ 575.73	\$ 554.16	
	Hanover Park Water Reclamation Plant	Mil. Gallons	3,514	3,500	3,500	
		Cost	\$ 2,739,114	\$ 2,599,100	\$ 2,669,600	
		Cost/Mil. Gallons	\$ 779.49	\$ 742.60	\$ 762.74	
	James C. Kirie Water Reclamation Plant	Mil. Gallons	13,837	14,400	14,000	
		Cost	\$ 5,669,379	\$ 5,807,850	\$ 6,074,550	c)
		Cost/Mil. Gallons	\$ 409.73	\$ 403.32	\$ 433.90	
	Fox River Water Reclamation District	Mil. Gallons	2,206	2,000	2,000	
		Cost	\$ 1,170,947	\$ 1,415,000	\$ 1,480,000	
		Cost/Mil. Gallons	\$ 530.80	\$ 707.50	\$ 740.00	
3000	Solids Processing					
	Remove 53,500 Dry Tons of Solids, Transfer 40,000 Dry Tons to the Stickney WRP and Process 13,500 Dry Tons from Concentrated Sewage Through Various Systems	Dry Tons	13,387	13,500	13,500	
		Cost	\$ 3,972,962	\$ 4,559,035	\$ 4,457,790	
		Cost/Dry Ton	\$ 296.78	\$ 337.71	\$ 330.21	
<p>a) Increase is due to the addition of one Engineering Technician IV position (\$64,700), the increased need for ultraviolet disinfection parts and supplies (\$85,000), and for telemetry services (\$18,900).</p> <p>b) Decrease is due to the transfer of two FTE positions to the Maintenance & Operations General Division and one FTE position to the Stickney Service Area (\$249,000).</p> <p>c) Increase is due to the reallocation of electricity funds for the Kirie WRP blowers to more accurately reflect projected need (\$196,900).</p>						

67000 M&O - NORTH SERVICE AREA**PERFORMANCE DATA**

Program Number	Measurable Activity Title		2016 Actual	2017 Budgeted	2018 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	\$ 468,743	\$ 466,800	\$ 315,800	d)
		Cost/Reservoir	\$ 21,306.50	\$ 21,218.18	\$ 14,354.55	
4400	Aeration Facilities	Cost	\$ 208,435	\$ 227,400	\$ 178,200	e)
4900	Flood & Pollution Control - Indirect Costs	Cost	\$ 74,442	\$ 113,285	\$ 111,190	
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	650	1,000	1,000	
		Cost	\$ 1,280,748	\$ 1,189,875	\$ 1,012,425	f)
		Cost/Dry Ton	\$ 1,970.38	\$ 1,189.88	\$ 1,012.43	
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	\$ 196,130	\$ 263,135	\$ 237,740	
7604	Social Security and Medicare Contributions	Cost	\$ 340,523	\$ 338,800	\$ 339,100	
	Division Total		\$ 40,901,960	\$ 42,055,300	\$ 41,903,200	

d) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$147,300).

e) Decrease is due to the reduction of electricity for Devon Avenue and Webster Street instream aeration facilities to more accurately reflect actual usage (\$49,200).

f) Decrease is due to the delayed construction of the Fischer Farm Horticultural Center; for which, operational services will not be necessary until completion of the project (\$200,000).

101 67000	Fund: Corporate Department: Maintenance & Operations Division: North Service Area	LINE ITEM ANALYSIS						
		2016	2017				2018	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/17	Expenditure (Committed Budget plus Disbursement) 09/30/17	Estimated Expenditure 12/31/17	Proposed by Executive Director	Recommended by Committee on Budget and Employment
601010	Salaries of Regular Employees	\$ 23,823,701	\$ 23,246,300	\$ 23,246,300	\$ 16,053,092	\$ 22,271,300	\$ 23,578,100	\$ -
601060	Compensation Plan Adjustments	1,304,392	1,205,800	1,205,800	1,095,318	1,205,800	1,201,300	-
601070	Social Security and Medicare Contributions	340,523	338,800	336,500	241,523	330,800	339,100	-
601080	Salaries of Nonbudgeted Employees	-	-	7,000	6,927	7,000	-	-
601100	Tuition and Training Payments	38,440	20,000	38,500	29,216	38,000	38,400	-
100	TOTAL PERSONAL SERVICES	25,507,055	24,810,900	24,834,100	17,426,076	23,852,900	25,156,900	-
612010	Travel	9,690	3,700	3,700	3,306	3,600	5,900	-
612030	Meals and Lodging	20,174	14,200	18,300	14,788	16,000	15,400	-
612050	Compensation for Personally-Owned Automobiles	30,265	30,800	30,800	13,438	20,700	30,300	-
612080	Motor Vehicle Operating Services	226	200	200	30	100	200	-
612150	Electrical Energy	7,579,634	8,278,600	8,278,600	4,367,492	6,684,700	7,709,800	-
612160	Natural Gas	430,769	567,500	567,500	298,501	433,400	460,900	-
612170	Water and Water Services	60,762	53,900	53,900	43,904	53,900	56,200	-
612210	Communication Services	150,413	135,000	135,000	134,856	134,900	174,500	-
612240	Testing and Inspection Services	20,250	31,700	38,500	35,165	34,000	39,300	-
612330	Rental Charges	5,079	12,900	10,900	9,525	4,000	10,400	-
612410	Governmental Service Charges	3,019,434	3,086,500	3,086,500	2,304,482	3,086,500	3,216,500	-
612420	Maintenance of Grounds and Pavements	18,336	35,000	35,000	34,920	35,000	35,000	-
612430	Payments for Professional Services	36	-	-	-	-	-	-
612490	Contractual Services, N.O.C.	3,469	4,200	4,200	3,899	4,100	9,400	-
612520	Waste Material Disposal Charges	506,448	537,400	588,200	586,148	525,100	506,400	-
612530	Farming Services	29,600	233,200	210,100	24,700	24,700	24,700	-
612600	Repairs to Collection Facilities	40,625	32,400	70,400	69,645	65,000	66,800	-
612650	Repairs to Process Facilities	1,021,471	1,099,200	1,099,200	1,083,366	1,037,300	1,199,200	-
612680	Repairs to Buildings	276,077	178,300	178,300	176,642	155,000	178,000	-
612760	Repairs to Material Handling and Farming Equipment	5,594	28,000	28,000	25,521	8,000	21,700	-
612780	Safety Repairs and Services	-	55,800	55,800	55,000	55,000	85,000	-
612860	Repairs to Vehicle Equipment	5,675	22,900	23,900	23,604	10,000	38,700	-
200	TOTAL CONTRACTUAL SERVICES	13,234,025	14,441,400	14,517,000	9,308,931	12,391,000	13,884,300	-
623030	Metals	10,047	7,000	8,800	7,794	7,800	15,100	-
623070	Electrical Parts and Supplies	548,594	457,200	682,000	672,028	556,000	679,800	-

101 67000	Fund: Corporate Department: Maintenance & Operations Division: North Service Area	LINE ITEM ANALYSIS						
		2016	2017				2018	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/17	Expenditure (Committed Budget plus Disbursement) 09/30/17	Estimated Expenditure 12/31/17	Proposed by Executive Director	Recommended by Committee on Budget and Employment
623090	Plumbing Accessories and Supplies	198,298	172,400	147,400	138,735	140,000	156,400	-
623110	Hardware	7,316	10,600	10,600	10,078	8,300	-	-
623130	Buildings, Grounds, Paving Materials, and Supplies	27,215	30,300	30,300	29,871	25,000	29,700	-
623190	Paints, Solvents, and Related Materials	2,534	2,600	1,700	1,370	1,700	2,500	-
623250	Vehicle Parts and Supplies	12,262	7,500	10,700	8,026	7,500	8,700	-
623270	Mechanical Repair Parts	371,933	380,800	508,800	494,311	365,300	501,800	-
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	20,790	18,500	15,000	13,515	14,500	20,900	-
623560	Processing Chemicals	717,330	1,393,800	1,180,500	1,174,837	1,018,800	1,143,500	-
623570	Laboratory Testing Supplies, Small Equipment, and Chemicals	12,233	25,000	24,700	22,860	24,500	25,600	-
623660	Cleaning Supplies	-	100	100	82	100	-	-
623680	Tools and Supplies	43,219	125,100	125,100	106,760	110,000	83,200	-
623720	Books, Maps, and Charts	40	-	-	-	-	-	-
623780	Safety and Medical Supplies	18,105	22,900	22,900	21,133	20,600	18,100	-
623800	Computer Software	1,623	700	700	124	300	1,600	-
623810	Computer Supplies	8,565	1,500	5,500	5,236	4,800	8,600	-
623820	Fuel	9,944	8,800	11,300	9,805	10,000	14,000	-
623840	Gases	99	500	500	-	300	-	-
623860	Lubricants	3,028	500	4,800	4,465	1,600	3,100	-
623990	Materials and Supplies, N.O.C.	1,498	9,200	9,200	9,113	9,100	6,500	-
300	TOTAL MATERIALS AND SUPPLIES	2,014,673	2,675,000	2,800,600	2,730,141	2,326,200	2,719,100	-
634600	Equipment for Collection Facilities	44,177	50,000	50,000	45,129	45,200	44,200	-
634650	Equipment for Process Facilities	102,030	72,000	64,300	59,197	59,400	98,700	-
634970	Testing and Laboratory Equipment	-	6,000	6,000	5,737	5,800	-	-
400	TOTAL MACHINERY AND EQUIPMENT	146,206	128,000	120,300	110,063	110,400	142,900	-
TOTAL NORTH SERVICE AREA		\$ 40,901,960	\$ 42,055,300	\$ 42,272,000	\$ 29,575,211	\$ 38,680,500	\$ 41,903,200	\$ -

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				
		2016	2017		2018	
					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	
HP12	Secretary #2 (Administrative Specialist) (New Grade HP11)	1	1		1	
TOTAL	North Service Area Executive Office	3	4	595,256.44	4	603,457.65
711	North Service Area Budget Control Unit					
HP16	Senior Budget & Management Analyst	-	-		1	
HP14	Budget & Management Analyst	2	2		1	
TOTAL	North Service Area Budget Control Unit	2	2	186,204.41	2	202,245.69
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	209,129.91	1	209,129.96
720	Plant Engineering & Maintenance Section					
721	Administrative Unit					
HP19	Assistant Engineer of Treatment Plant Operations II #2 (Principal Engineer) (New Grade HP18)	1	-		-	
HP17	Senior Electrical Engineer	1	-		-	
HP15	Associate Mechanical Engineer	1	-		-	
TOTAL	Administrative Unit	3	-	-	-	-
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	725,230.63	11	725,230.48

Fund: Corporate Dept: Maintenance & Operations Division: North Service Area		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
722	Mechanical Engineering Unit					
HP18	Principal Mechanical Engineer	1	-		-	
HP15	Associate Mechanical Engineer	1	-		-	
HP14	Assistant Mechanical Engineer	1	-		-	
TOTAL	Mechanical Engineering Unit	3	-	-	-	-
723	Electrical Engineering Unit					
HP17	Senior Electrical Engineer	1	-		-	
HP15	Associate Electrical Engineer	1	-		-	
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	11	8	793,312.00	9	894,218.00
724	Maintenance Unit					
HP19	Master Mechanic II	1	1		1	
HP17	Assistant Master Mechanic	4	4		4	
HP17	Senior Electrical Engineer	-	-		2	
HP14	Assistant Electrical Engineer	-	-		1	
HP12	Engineering Technician IV	-	-		1	
HP11	Administrative Specialist	-	-		1	
HP09	Administrative Clerk	1	1		-	
TOTAL	Maintenance Unit	6	6	762,107.23	10	1,200,314.98
760	Area Maintenance Section					
764	Area Maintenance Unit					
PR5933	Architectural Ironworker	2	2		2	
PR5353	Bricklayer	1	1		1	
PR5153	Carpenter	2	2		2	

Fund: Corporate Dept: Maintenance & Operations Division: North Service Area		POSITION ANALYSIS				
		2016	2017		2018	
					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	
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		13	
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	
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	4	5		5	
TOTAL	Area Maintenance Unit	78	79	7,687,742.40	79	7,847,008.00
TOTAL	Area Maintenance Section	78	79	7,687,742.40	79	7,847,008.00
TOTAL	Plant Engineering & Maintenance Section	112	104	9,968,392.26	109	10,666,771.46
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	240,627.72	2	240,627.65

Fund: Corporate Dept: Maintenance & Operations Division: North Service Area		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
732	Treatment Operations Unit					
HP16	Treatment Plant Operator III	1	1		1	
HP14	Treatment Plant Operator II	5	6		7	
HP14	Treatment Plant Operator II #4	2	2		1	
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	18	20	1,779,399.63	19	1,601,555.28
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	
NR6831	Operating Engineer I	5	5		5	
TOTAL	Mechanical Operations Unit	21	21	2,095,797.92	21	2,095,798.12
TOTAL	Plant Operations Section	41	43	4,115,825.27	42	3,937,981.05
TOTAL	Terrence J. O'Brien Water Reclamation Plant Branch	154	148	14,293,347.44	152	14,813,882.47
750	Hanover Park Water Reclamation Plant Section					
751	Administrative Unit					
HP20	Managing Engineer	-	-		1	
HP19	Assistant Engineer of Treatment Plant Operations II #2 (Principal Engineer) (New Grade HP18)	1	1		1	
HP11	Administrative Specialist	1	1		1	
TOTAL	Administrative Unit	2	2	240,777.93	3	384,293.02
753	Operations Unit					
HP17	Senior Civil Engineer	1	1		-	

Fund: Corporate Dept: Maintenance & Operations Division: North Service Area		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP17	Senior 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	
TOTAL	Operations Unit	14	15	1,387,746.60	15	1,391,287.24
754	Maintenance Unit					
HP17	Senior Mechanical Engineer	1	-		-	
HP15	Associate Electrical Engineer	1	-		-	
NR6810	Fireman-Oiler	1	-		-	
TOTAL	Maintenance Unit	3	-	-	-	-
755	General Plant Services Unit					
HP14	Engineering Technician V	1	1		1	
NR8651	Maintenance Laborer Class A	1	1		1	
NR8651	Maintenance Laborer Class A #2 (Maintenance Laborer Class B) (New Grade NR8652)	1	-		-	
NR8652	Maintenance Laborer Class B	1	2		2	
TOTAL	General Plant Services Unit	4	4	287,502.89	4	287,502.80
TOTAL	Hanover Park Water Reclamation Plant Section	23	21	1,916,027.42	22	2,063,083.06
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	233,157.82	2	238,057.05
783	Operations Unit					
HP18	Principal Engineer	1	1		-	

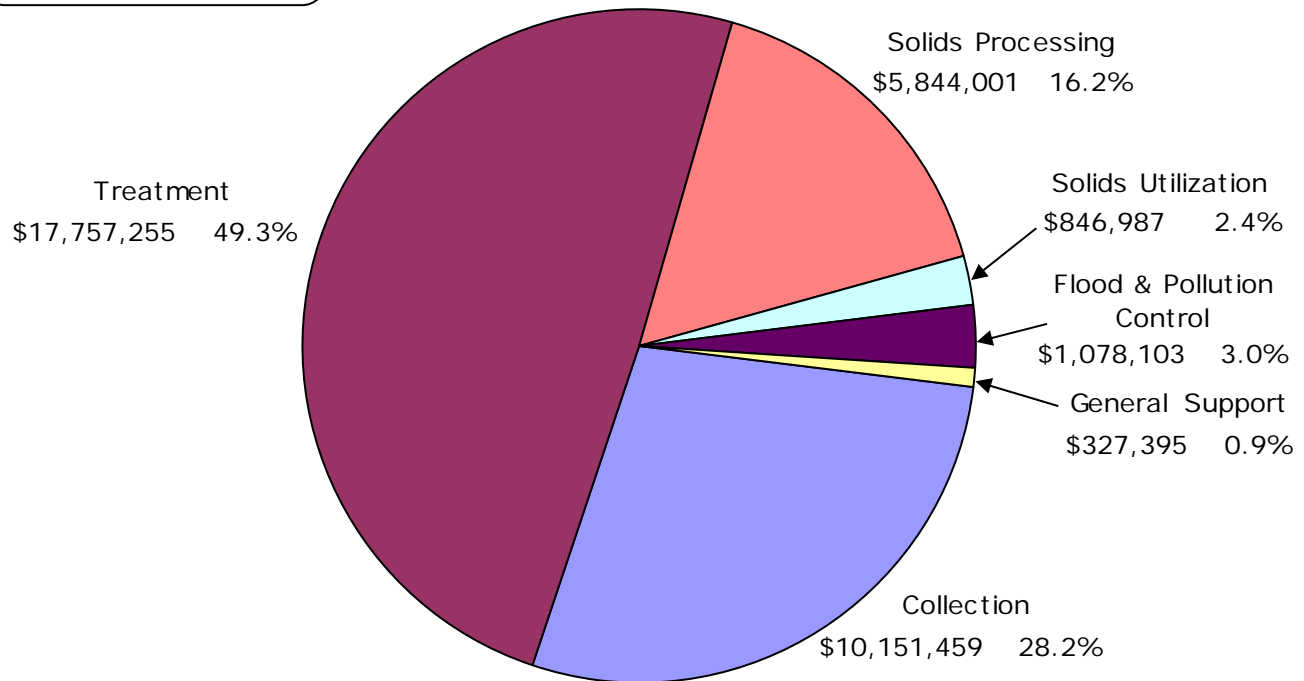
Fund: Corporate Dept: Maintenance & Operations Division: North Service Area		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP17	Senior Civil Engineer	-	1		-	
HP17	Senior Engineer	-	-		1	
HP16	Assistant Chief Operating Engineer	1	1		1	
HP16	Treatment Plant Operator III	1	1		1	
HP14	Assistant Civil Engineer	1	-		-	
HP14	Treatment Plant Operator II	5	5		6	
HP14	Treatment Plant Operator II #4	2	2		1	
HP12	Treatment Plant Operator I	4	4		4	
NR6810	Fireman-Oiler	2	2		2	
NR8650	Maintenance Laborer Class A Shift	4	4		4	
NR8650	Maintenance Laborer Class A Shift #1	-	3		-	
NR6831	Operating Engineer I	6	6		6	
TOTAL	Operations Unit	27	30	2,815,842.75	26	2,441,719.27
785	General Plant Services Unit					
HP14	Engineering Technician V	1	-		1	
HP14	Engineering Technician V #4	-	1		-	
NR8331	Laborer Foreman	1	-		-	
NR8651	Maintenance Laborer Class A	3	3		3	
NR8652	Maintenance Laborer Class B	1	1		1	
TOTAL	General Plant Services Unit	6	5	395,439.49	5	383,325.54
TOTAL	James C. Kirie Water Reclamation Plant Section	35	37	3,444,440.06	33	3,063,101.86
790	John E. Egan Water Reclamation Plant Section					
791	Administrative Unit					
HP20	Managing Engineer	1	1		1	
HP18	Principal Engineer	2	2		1	
HP11	Administrative Specialist	1	1		1	
TOTAL	Administrative Unit	4	4	559,317.26	3	412,339.71

Fund: Corporate Dept: Maintenance & Operations Division: North Service Area		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
793	Operations Unit					
HP16	Assistant Chief Operating Engineer	1	1		1	
HP16	Treatment Plant Operator III	-	-		1	
HP16	Treatment Plant Operator III #4	1	1		-	
HP14	Assistant Civil Engineer	1	-		-	
HP14	Treatment Plant Operator II	7	7		7	
HP12	Treatment Plant Operator I	4	4		4	
NR6810	Fireman-Oiler	2	3		2	
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	24	24	2,164,834.71	23	2,088,348.31
794	Maintenance Unit					
HP17	Senior Electrical Engineer	1	-		-	
HP17	Senior Mechanical Engineer	1	-		-	
HP15	Associate Process Control Engineer	1	-		-	
HP14	Assistant Electrical Engineer	1	-		-	
TOTAL	Maintenance Unit	4	-	-	-	-
795	General Plant Services Unit					
HP14	Engineering Technician V	-	1		-	
HP14	Engineering Technician V #4	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	7	527,940.13	6	449,134.40
TOTAL	John E. Egan Water Reclamation Plant Section	39	35	3,252,092.10	32	2,949,822.42
TOTAL	Maintenance & Operations North Service Area	256	247	23,687,367.87	245	23,695,593.15
Note: There are no positions budgeted for the Stormwater Management Fund for 2018.						
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.						

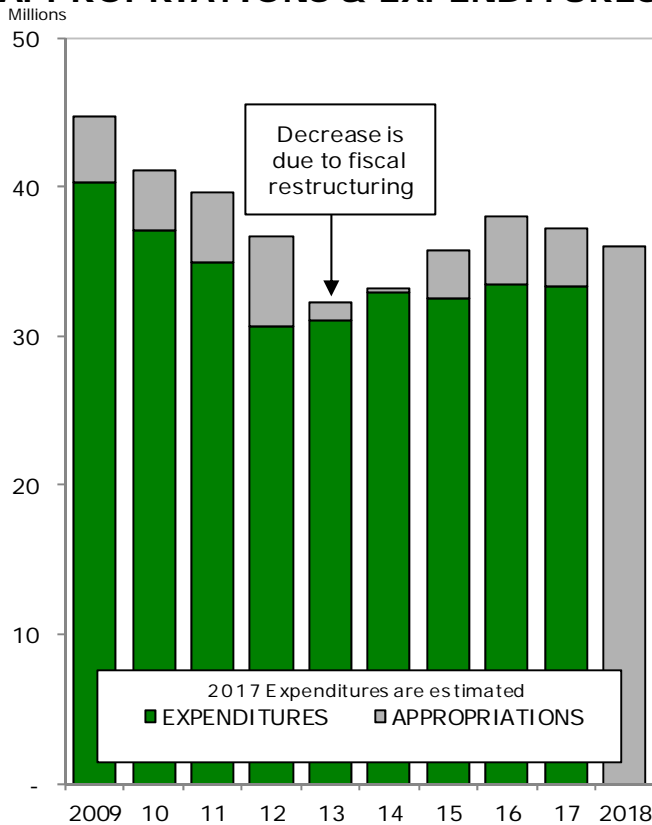
MAINTENANCE & OPERATIONS – CALUMET SERVICE AREA

2018 \$36,005,200
 2017 \$37,210,100
 Decrease (\$1,204,900)

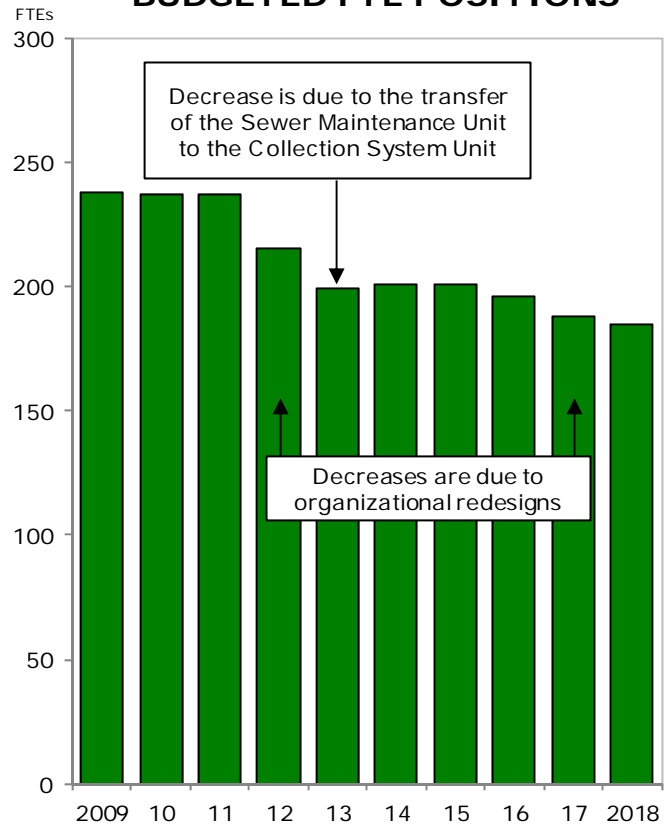
FUNCTIONS



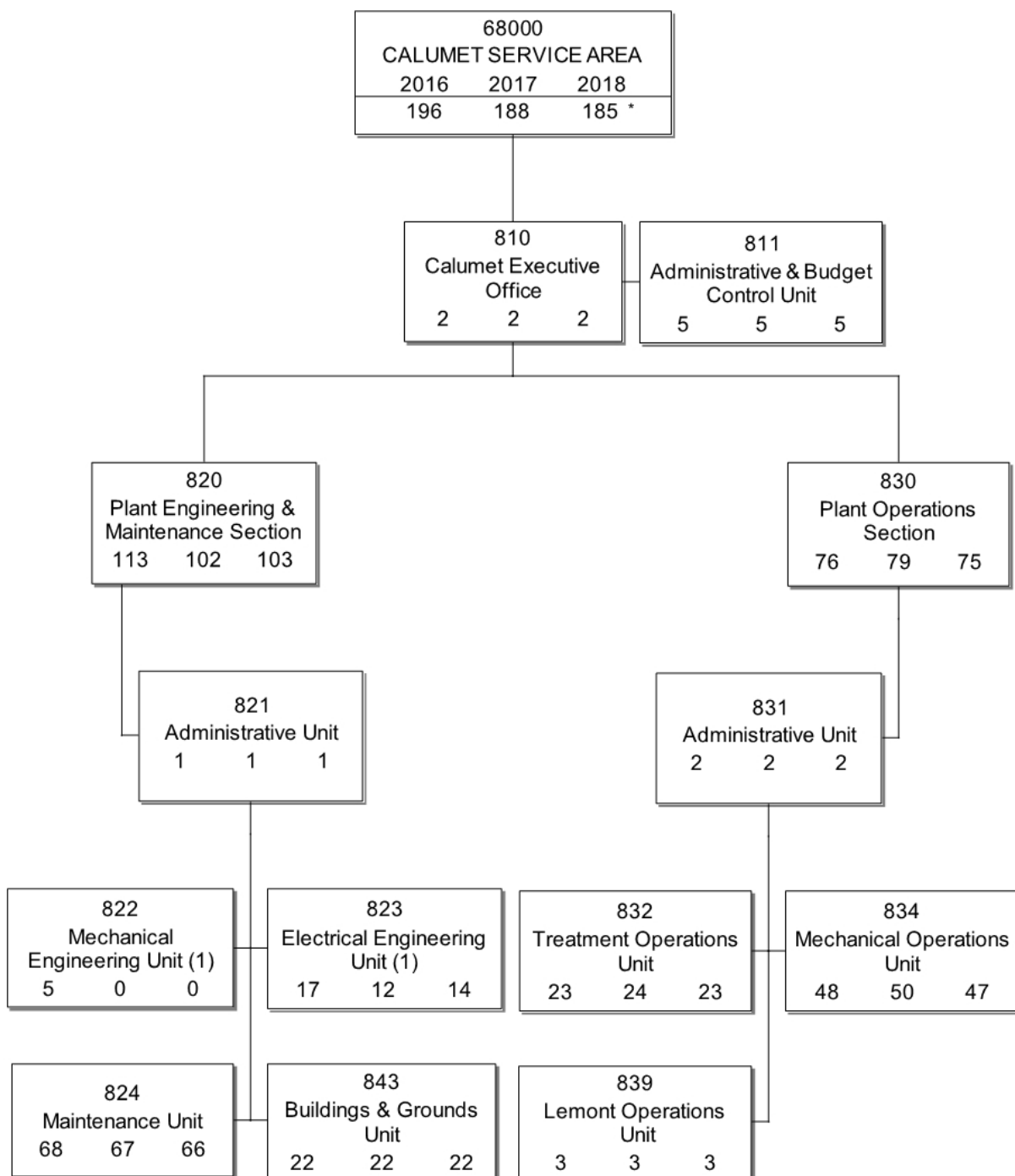
APPROPRIATIONS & EXPENDITURES



BUDGETED FTE POSITIONS



MAINTENANCE & OPERATIONS – CALUMET SERVICE AREA



* In 2018, there are no positions funded by the Stormwater Management Fund.

(1) Effective 01/01/2017, a total of eight positions were transferred from Units 822 and 823 into Section 681.

MAINTENANCE & OPERATIONS – CALUMET SERVICE AREA

The Calumet Service Area (CSA) supports the District’s mission to protect the quality of the water supply and the health and safety of the public, to improve the quality of water in canals, rivers, and streams, to protect businesses and homes from flood damage, and to manage water as a vital resource.

Service Area Summary

The CSA collects wastewater discharges from a population equivalent of 1,026,983 people in an area of 324.8 square miles, treating approximately 101 billion gallons of wastewater annually through the Calumet Water Reclamation Plant (WRP) and the Lemont WRP. In order to achieve its mission, the CSA is organized as follows:

The Calumet Executive Office provides direction for the entirety of maintenance and operations for the CSA.

The Plant Engineering & Maintenance Section is comprised of the Administrative, Electrical Engineering, Maintenance, and Buildings & Grounds Units. It is responsible for ensuring that the collection and process facilities that comprise the CSA perform in an efficient and cost-effective manner and for providing manpower and facility maintenance for solids utilization support. This is achieved by either using CSA trades personnel to perform maintenance and repairs or by using the services of outside contractors.

The Plant Operations Section is comprised of the Administrative, Treatment Operations, Mechanical Operations, and Lemont Operations Units. It is responsible for the operation of the collection and process facilities that comprise the CSA, ensuring that the facilities are manned and operated in the most efficient and cost-effective manner possible, and that all National Pollutant Discharge Elimination System permit requirements are met.

Summary of 2017 Accomplishments

- Achieved 100 percent National Pollutant Discharge Elimination System permit compliance. Both the Calumet and Lemont WRPs have met 100 percent of all permit requirements for the past 26 and 21 years, respectively;
- Completed installation of new boilers at the 125th Street Pumping Station, which will provide increased steam production and improve overall operational efficiency;
- Completed rehabilitation of the hydraulic operator at the Tunnel and Reservoir Plan Gate Structure No. 1, which is a critical roller gate that aids in protecting the service area from localized flooding and reduces the risk of combined sewer overflows into Lake Michigan;
- Completed installation of new tank drives at the Lemont WRP;
- Began work to furnish, deliver, and install an upgraded sludge concentration conveyor, which will aid in the removal of excess water from sludge screenings, ensure efficient debris removal, and decrease future maintenance costs;
- Began work to install a turbo blower at the Lemont WRP, which is expected to decrease the electrical costs associated with blower operation by approximately 25 percent;
- Began work to furnish, deliver, and install 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;
- Began work to replace and install a new gearbox for Sidestream Elevated Pool Aeration Station No. 4, which will aid in increasing dissolved oxygen levels to meet updated permit requirements;
- Began work to furnish, deliver, and install replacement heating, ventilation, and air conditioning systems for the Calumet WRP computer and control rooms, which will decrease future maintenance costs and protect critical electrical equipment from overheating and causing equipment failure.

Budget Highlights

The 2018 appropriation for the CSA is \$36,005,200, a decrease of \$1,204,900, or 3.2 percent, from 2017. The staffing level has decreased from 188 to 185 positions. One Hoisting Engineer #1, one Truck Driver #1, and three Maintenance Laborer Class A Shift #1 positions were dropped upon vacancy, offset by the transfer in of one Associate Process Control Engineer from the General Division and one Engineering Technician V from the Stickney Service Area.

During 2018, the Calumet WRP will install one new screw conveyor in a grit tank, replace 30 feeder protection relays in the high voltage switchgear, install replacement batteries in the main switchgear, replace obsolete and non-maintainable fire alarm panels and network components, and install one new submersible pump for Sidestream Elevated Pool Aeration Station No. 1.



68000 M&O - CALUMET SERVICE AREA**OBJECTIVES AND PROGRAM SUMMARY**

PROGRAMS BY PRIORITY:		2016 Actuals	Budgeted			Change		
Number	Name		FTEs	Dollars		Dollars	Percent	
1000	Collection	\$ 9,957,142	2018	54	\$ 10,151,459	\$ 40,124	0.4	
			2017	49	\$ 10,111,335			
1100	Surface Interceptor Systems	\$ 684,053	2018	4	\$ 665,600	\$ 61,400	10.2	
			2017	4	\$ 604,200			
1200	Tunnel and Reservoir System	\$ 3,288,412	2018	10	\$ 3,204,900	\$ 237,800	8.0	a)
			2017	9	\$ 2,967,100			
1300	Pumping Station Facilities	\$ 2,571,328	2018	14	\$ 2,628,200	\$ (627,000)	(19.3)	b)
			2017	13	\$ 3,255,200			
1900	Collection - Indirect Costs	\$ 3,413,349	2018	26	\$ 3,652,759	\$ 367,924	11.2	c)
			2017	23	\$ 3,284,835			
2000	Treatment	\$ 15,272,260	2018	83	\$ 17,503,355	\$ (430,447)	(2.4)	
			2017	81	\$ 17,933,802			
2000	Pre-Treatment	\$ 656,792	2018	4	\$ 479,100	\$ (209,900)	(30.5)	d)
			2017	6	\$ 689,000			
2100	Primary Treatment	\$ 887,203	2018	11	\$ 1,045,800	\$ 210,200	25.2	e)
			2017	10	\$ 835,600			
2200	Secondary Treatment	\$ 5,487,744	2018	22	\$ 5,594,000	\$ 147,800	2.7	
			2017	22	\$ 5,446,200			
2300	Tertiary Treatment	\$ 1,368,915	2018	5	\$ 2,358,600	\$ (1,037,800)	(30.6)	f)
			2017	-	\$ 3,396,400			
2900	Treatment - Indirect Costs	\$ 6,871,606	2018	41	\$ 8,025,855	\$ 459,253	6.1	g)
			2017	43	\$ 7,566,602			

- a) Increase is due to the higher demand for electrical energy at the Tunnel and Reservoir Plan Pumping Station (\$201,000) and the reallocation of salaries to more accurately reflect current activities (\$51,600), offset by the reduction to 17-656-11, Rockwell Remote Terminal Unit Maintenance (\$48,000).
- b) Decrease is due to the reallocation of electrical energy for dry weather pumps to better reflect operational needs (\$780,800), offset by the reallocation of salaries to more accurately reflect current activities (\$155,100).
- c) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$301,500) and the increased need for odor control chemicals at the Thornton Composite Reservoir (\$72,000).
- d) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$211,900).
- e) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$206,500).
- f) Decrease is due to the reductions to 15-632-11, Sodium Hypochlorite (\$1,207,400) and 17-640-11, Sodium Bisulfite (\$313,900), offset by the reallocation of salaries to more accurately reflect current activities (\$482,000).
- g) Increase is due to the higher demand for 18-611-11, Rehabilitation and Alterations to Plant Facilities (\$400,000), the increase to 18-629-11, Rack and Pinion Manlift Inspection and Repair (\$128,200), and the increased need for boiler equipment and repair parts (\$120,000), offset by the reallocation of salaries to more accurately reflect current activities (\$258,300).

68000 M&O - CALUMET SERVICE AREA**OBJECTIVES AND PROGRAM SUMMARY**

PROGRAMS BY PRIORITY:		2016 Actuals	Budgeted			Change		
Number	Name		FTEs	Dollars		Dollars	Percent	
3000	Solids Processing	\$ 5,902,566	2018 38	\$ 5,844,001		\$ (792,688)	(11.9)	
			2017 48	\$ 6,636,689				
3100	Thickening	\$ 801,207	2018 7	\$ 903,000		\$ (279,200)	(23.6)	h)
			2017 9	\$ 1,182,200				
3200	Stabilization	\$ 1,759,082	2018 9	\$ 1,630,200		\$ (158,500)	(8.9)	i)
			2017 11	\$ 1,788,700				
3300	Dewatering	\$ 337,802	2018 3	\$ 252,000		\$ (112,500)	(30.9)	j)
			2017 5	\$ 364,500				
3900	Solids Processing - Indirect Costs	\$ 3,004,475	2018 19	\$ 3,058,801		\$ (242,488)	(7.3)	k)
			2017 23	\$ 3,301,289				
4000	Flood & Pollution Control	\$ 1,082,341	2018 2	\$ 1,078,103		\$ 75,562	7.5	
			2017 2	\$ 1,002,541				
4200	Waterways Control and Stormwater Reservoirs	\$ 226,101	2018 1	\$ 205,600		\$ 36,700	21.7	l)
			2017 1	\$ 168,900				
4400	Aeration Facilities	\$ 780,243	2018 1	\$ 733,100		\$ 2,800	0.4	
			2017 1	\$ 730,300				
4900	Flood & Pollution Control - Indirect Costs	\$ 75,997	2018 -	\$ 139,403		\$ 36,062	34.9	m)
			2017 -	\$ 103,341				
5000	Solids Utilization	\$ 760,158	2018 5	\$ 846,987		\$ (95,200)	(10.1)	
			2017 6	\$ 942,187				
5100	Solids Drying	\$ 54,271	2018 -	\$ 51,800		\$ (49,800)	(49.0)	n)
			2017 1	\$ 101,600				
5200	Solids Distribution	\$ 54,466	2018 1	\$ 51,800		\$ (49,800)	(49.0)	o)
			2017 1	\$ 101,600				
5900	Solids Utilization - Indirect Costs	\$ 651,421	2018 4	\$ 743,387		\$ 4,400	0.6	
			2017 4	\$ 738,987				
7000	General Support (excluding program number 7604)	\$ 290,771	2018 3	\$ 327,395		\$ 2,849	0.9	
			2017 2	\$ 324,546				
7604	Social Security and Medicare Contributions	\$ 254,493	2018 -	\$ 253,900		\$ (5,100)	(2.0)	
			2017 -	\$ 259,000				
Totals		\$ 33,519,731	2018 185	\$ 36,005,200		\$ (1,204,900)	(3.2%)	*
			2017 188	\$ 37,210,100				

h) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$154,300) and the favorable award for 17-633-11, Polymer (\$124,900).

i) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$193,700).

j) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$112,500).

k) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$236,800).

l) Increase is due to the higher demand for electrical energy for stormwater detention reservoirs (\$40,400).

m) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$38,500).

n) Decrease is due to the reduction of one FTE position (\$51,100).

o) Decrease is due to the reduction of one FTE position (\$51,100).

* The 2018 position total for the Calumet Service Area is 185, with no positions budgeted in the Stormwater Management Fund.

68000 M&O - CALUMET SERVICE AREA**PERFORMANCE DATA**

Program Number	Measurable Activity		2016 Actual	2017 Budgeted	2018 Estimated	
1000-2900	Collection & Treatment					
	Collect and Treat Wastewater at the Calumet and Lemont Water Reclamation Plants					
	Calumet Water Reclamation Plant	Mil. Gallons	92,800	100,000	100,000	
		Cost	\$ 24,784,525	\$ 27,597,813	\$ 27,198,144	a)
		Cost/Mil. Gallons	\$ 267.07	\$ 275.98	\$ 271.98	
	Lemont Water Reclamation Plant	Mil. Gallons	1,000	1,000	1,000	
		Cost	\$ 444,877	\$ 447,324	\$ 456,670	
		Cost/Mil. Gallons	\$ 444.88	\$ 447.32	\$ 456.67	
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	34,024	40,000	40,000	
		Cost	\$ 5,902,566	\$ 6,636,689	\$ 5,844,001	b)
		Cost/Dry Ton	\$ 173.48	\$ 165.92	\$ 146.10	
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	9	10	10	
		Cost	\$ 226,101	\$ 168,900	\$ 205,600	c)
		Cost/Reservoir	\$ 25,122.33	\$ 16,890.00	\$ 20,560.00	
4400	Aeration Facilities	Cost	\$ 780,243	\$ 730,300	\$ 733,100	
4900	Flood & Pollution Control - Indirect Costs	Cost	\$ 75,997	\$ 103,341	\$ 139,403	d)
5000	Solids Utilization					
	Utilize Biosolids for Application at Final Utilization Sites, such as for Daily and Final Cover in Sanitary Landfills	Dry Tons	15,347	29,000	29,000	
		Cost	\$ 760,158	\$ 942,187	\$ 846,987	
		Cost/Dry Ton	\$ 49.53	\$ 32.49	\$ 29.21	
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	\$ 290,771	\$ 324,546	\$ 327,395	
7604	Social Security and Medicare Contributions	Cost	\$ 254,493	\$ 259,000	\$ 253,900	
	Division Total		\$ 33,519,731	\$ 37,210,100	\$ 36,005,200	

- a) Decrease is due to the reduction to 15-632-11, Sodium Hypochlorite (\$1,207,400), the reallocation of electrical energy for dry weather pumps to better reflect operational needs (\$780,800), and the reduction to 17-640-11, Sodium Bisulfite (\$313,900), offset by the reallocation of salaries to more accurately reflect current activities (\$812,600), the increase to 18-611-11, Rehabilitation and Alterations to Plant Facilities (\$400,000), the higher demand for electrical energy at the Tunnel and Reservoir Plan Pumping Station (\$201,000), the increase to 18-629-11, Rack and Pinion Manlift Inspection and Repair (\$128,200), the increased need for boiler equipment and repair parts (\$120,000), the higher demand for electrical energy for blowers and air mains (\$104,800), and the transfer in of one FTE position from the General Division (\$80,800) and one FTE position from the Stickney Service Area (\$51,400).
- b) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$697,300) and the favorable award for 17-633-11, Polymer (\$124,900).
- c) Increase is due to the higher demand for electrical energy for stormwater detention reservoirs (\$40,400).
- d) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$38,500).

101 68000	Fund: Corporate Department: Maintenance & Operations Division: Calumet Service Area	LINE ITEM ANALYSIS						
		2016	2017				2018	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/17	Expenditure (Committed Budget plus Disbursement) 09/30/17	Estimated Expenditure 12/31/17	Proposed by Executive Director	Recommended by Committee on Budget and Employment
601010	Salaries of Regular Employees	\$ 17,435,845	\$ 17,339,500	\$ 17,339,500	\$ 11,878,398	\$ 16,755,300	\$ 17,524,700	\$ -
601060	Compensation Plan Adjustments	762,125	829,600	829,600	651,674	829,600	641,000	-
601070	Social Security and Medicare Contributions	254,493	259,000	249,000	180,694	248,400	253,900	-
601080	Salaries of Nonbudgeted Employees	1,544	4,900	4,900	-	-	-	-
601100	Tuition and Training Payments	24,478	52,800	52,800	6,213	22,000	40,000	-
100	TOTAL PERSONAL SERVICES	18,478,484	18,485,800	18,475,800	12,716,979	17,855,300	18,459,600	-
612010	Travel	2,613	13,900	13,900	-	3,500	6,000	-
612030	Meals and Lodging	6,910	32,300	24,700	2,610	9,300	17,100	-
612050	Compensation for Personally-Owned Automobiles	60,862	45,700	45,700	18,561	28,800	45,000	-
612080	Motor Vehicle Operating Services	84	100	100	-	-	100	-
612150	Electrical Energy	8,922,676	9,724,500	9,724,500	5,122,314	9,047,600	9,330,700	-
612160	Natural Gas	546,886	626,200	626,200	521,018	626,200	597,000	-
612170	Water and Water Services	410,407	398,400	398,400	250,776	398,400	390,200	-
612210	Communication Services	232,185	152,000	152,000	152,000	152,000	196,500	-
612240	Testing and Inspection Services	27,482	62,900	62,900	57,090	36,000	66,600	-
612330	Rental Charges	600	10,100	17,500	17,450	17,500	400	-
612410	Governmental Service Charges	98,286	103,000	103,000	98,690	100,300	103,000	-
612420	Maintenance of Grounds and Pavements	-	20,000	20,000	6,062	14,000	20,000	-
612430	Payments for Professional Services	50	-	-	-	-	-	-
612490	Contractual Services, N.O.C.	9,592	12,300	12,300	11,150	9,500	16,200	-
612520	Waste Material Disposal Charges	379,145	438,600	438,600	425,651	404,000	379,100	-
612600	Repairs to Collection Facilities	212,769	145,100	145,100	75,850	66,700	99,900	-
612650	Repairs to Process Facilities	1,581,563	1,349,900	1,349,900	1,300,654	1,287,300	1,762,500	-
612680	Repairs to Buildings	213,258	285,000	309,000	304,728	217,400	471,400	-
612760	Repairs to Material Handling and Farming Equipment	37,239	50,000	50,000	50,000	44,000	52,000	-
612780	Safety Repairs and Services	19,400	16,300	20,900	20,850	20,800	20,000	-
612860	Repairs to Vehicle Equipment	38,237	30,900	46,700	46,675	30,900	53,500	-
612990	Repairs, N.O.C.	4,250	4,800	4,800	4,800	4,300	8,000	-
200	TOTAL CONTRACTUAL SERVICES	12,804,494	13,522,000	13,566,200	8,486,928	12,518,500	13,635,200	-

101 68000	Fund: Corporate Department: Maintenance & Operations Division: Calumet Service Area	LINE ITEM ANALYSIS						
		2016	2017				2018	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/17	Expenditure (Committed Budget plus Disbursement) 09/30/17	Estimated Expenditure 12/31/17	Proposed by Executive Director	Recommended by Committee on Budget and Employment
623030	Metals	8,663	10,100	9,300	8,600	9,300	10,100	-
623070	Electrical Parts and Supplies	299,520	254,500	349,500	326,532	324,500	347,800	-
623090	Plumbing Accessories and Supplies	126,730	198,000	223,000	221,893	175,500	294,600	-
623110	Hardware	420	2,800	2,800	2,800	2,300	2,800	-
623130	Buildings, Grounds, Paving Materials, and Supplies	28,688	42,000	42,000	40,999	35,200	42,000	-
623190	Paints, Solvents, and Related Materials	2,833	2,500	2,500	2,500	2,400	2,800	-
623250	Vehicle Parts and Supplies	25,515	29,800	31,600	31,550	28,400	36,000	-
623270	Mechanical Repair Parts	239,605	645,800	582,000	559,630	565,700	705,800	-
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	13,540	7,900	11,400	10,630	10,900	10,000	-
623560	Processing Chemicals	1,377,354	3,802,000	3,080,300	3,079,471	1,648,400	2,227,800	-
623660	Cleaning Supplies	2,190	1,400	1,400	1,046	1,300	700	-
623680	Tools and Supplies	31,088	111,400	111,400	81,513	96,500	38,300	-
623780	Safety and Medical Supplies	20,292	17,000	17,000	13,587	14,800	20,300	-
623810	Computer Supplies	285	300	300	70	300	300	-
623820	Fuel	26,323	27,200	27,200	26,525	26,500	38,500	-
623860	Lubricants	-	3,500	1,000	1,000	1,000	14,900	-
623990	Materials and Supplies, N.O.C.	15,590	13,100	13,100	12,936	11,900	32,000	-
300	TOTAL MATERIALS AND SUPPLIES	2,218,636	5,169,300	4,505,800	4,421,281	2,954,900	3,824,700	-
634650	Equipment for Process Facilities	12,520	28,000	35,700	35,608	28,000	85,700	-
634860	Vehicle Equipment	5,597	5,000	5,000	-	-	-	-
400	TOTAL MACHINERY AND EQUIPMENT	18,117	33,000	40,700	35,608	28,000	85,700	-
TOTAL CALUMET SERVICE AREA		\$ 33,519,731	\$ 37,210,100	\$ 36,588,500	\$ 25,660,796	\$ 33,356,700	\$ 36,005,200	\$ -

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				
		2016	2017		2018	
					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	
HP12	Secretary #2 (Administrative Specialist) (New Grade HP11)	1	-		-	
HP11	Administrative Specialist	-	1		1	
TOTAL	Calumet Executive Office	2	2	298,539.43	2	301,842.57
811	Administrative & Budget Control Unit					
HP14	Budget & Management Analyst	2	2		2	
HP12	Secretary #2 (Administrative Specialist) (New Grade HP11)	-	1		1	
HP11	Administrative Specialist	2	1		1	
HP09	Administrative Clerk	1	1		1	
TOTAL	Administrative & Budget Control Unit	5	5	376,355.96	5	388,334.44
820	Plant Engineering & Maintenance Section					
821	Administrative Unit					
HP20	Managing Engineer	1	1		1	
TOTAL	Administrative Unit	1	1	184,520.60	1	192,722.13
822	Mechanical Engineering Unit					
HP18	Principal Mechanical Engineer	1	-		-	
HP17	Senior Mechanical Engineer	1	-		-	
HP15	Associate Mechanical Engineer	2	-		-	
HP14	Assistant Mechanical Engineer #2 (Engineering Technician IV) (New Grade HP12)	1	-		-	
TOTAL	Mechanical Engineering Unit	5	-	-	-	-
823	Electrical Engineering Unit					
HP17	Senior Electrical Engineer	1	-		-	
HP15	Associate Electrical Engineer	2	-		-	
HP15	Associate Process Control Engineer	1	-		1	
HP14	Assistant Electrical Engineer	1	-		-	
HP14	Engineering Technician V	-	-		1	

Fund: Corporate Dept: Maintenance & Operations Division: Calumet Service Area		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
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	17	12	1,168,044.80	14	1,371,583.20
824	Maintenance Unit					
HP18	Master Mechanic I	1	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	
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		9	
PR6453	Hoisting Engineer	3	3		3	
PR6453	Hoisting Engineer #1	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	
PR7773	Pipefitter #1	1	-		-	
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	

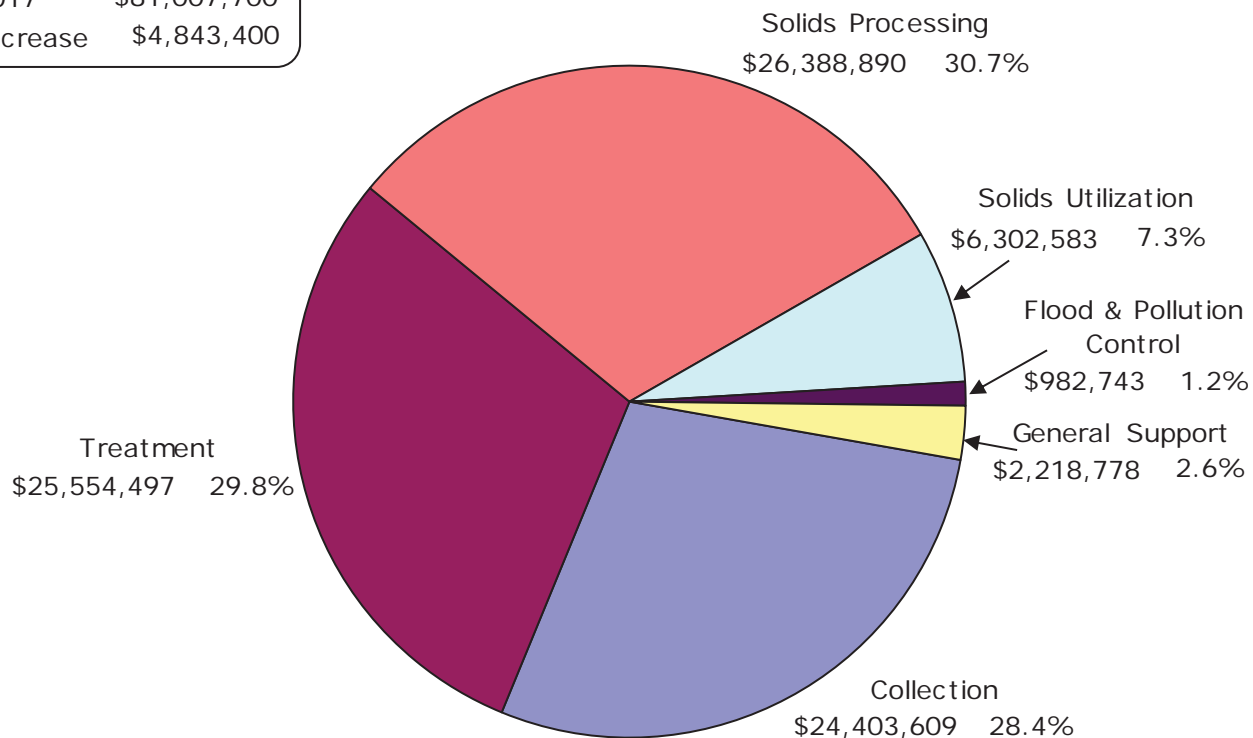
Fund: Corporate Dept: Maintenance & Operations Division: Calumet Service Area		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
PR6473	Truck Driver	4	4		4	
TOTAL	Maintenance Unit	68	67	6,646,368.96	66	6,675,668.45
843	Buildings & Grounds Unit					
HP12	Engineering Technician IV	2	2		2	
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	1,485,241.44	22	1,489,101.91
TOTAL	Plant Engineering & Maintenance Section	113	102	9,484,175.80	103	9,729,075.69
830	Plant Operations Section					
831	Administrative Unit					
HP21	Engineer of Treatment Plant Operations I #2 (Managing Engineer) (New Grade HP20)	-	1		1	
HP20	Managing Engineer	1	-		-	
HP18	Principal Engineer	1	1		1	
TOTAL	Administrative Unit	2	2	362,001.18	2	362,001.13
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	23	24	2,095,040.62	23	2,027,763.41
834	Mechanical Operations Unit					
HP17	Chief Operating Engineer I	1	1		1	

Fund: Corporate Dept: Maintenance & Operations Division: Calumet Service Area		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
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	3	2		2	
PR6473	Truck Driver #1	-	1		-	
TOTAL	Mechanical Operations Unit	48	50	4,794,140.66	47	4,540,843.04
839	Lemont Operations Unit					
HP14	Treatment Plant Operator II	1	1		1	
HP12	Treatment Plant Operator I	2	2		2	
TOTAL	Lemont Operations Unit	3	3	258,961.94	3	262,820.46
TOTAL	Plant Operations Section	76	79	7,510,144.40	75	7,193,428.04
TOTAL	Maintenance & Operations Calumet Service Area	196	188	17,669,215.59	185	17,612,680.74
Note: There are no positions budgeted for the Stormwater Management Fund for 2018.						
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.						

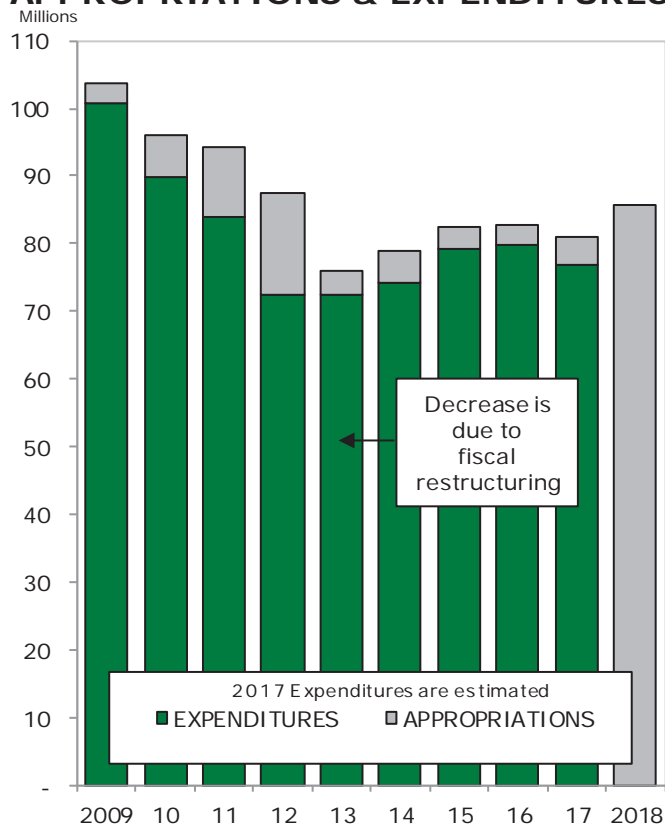
MAINTENANCE & OPERATIONS – STICKNEY SERVICE AREA

2018	\$85,851,100
2017	\$81,007,700
Increase	\$4,843,400

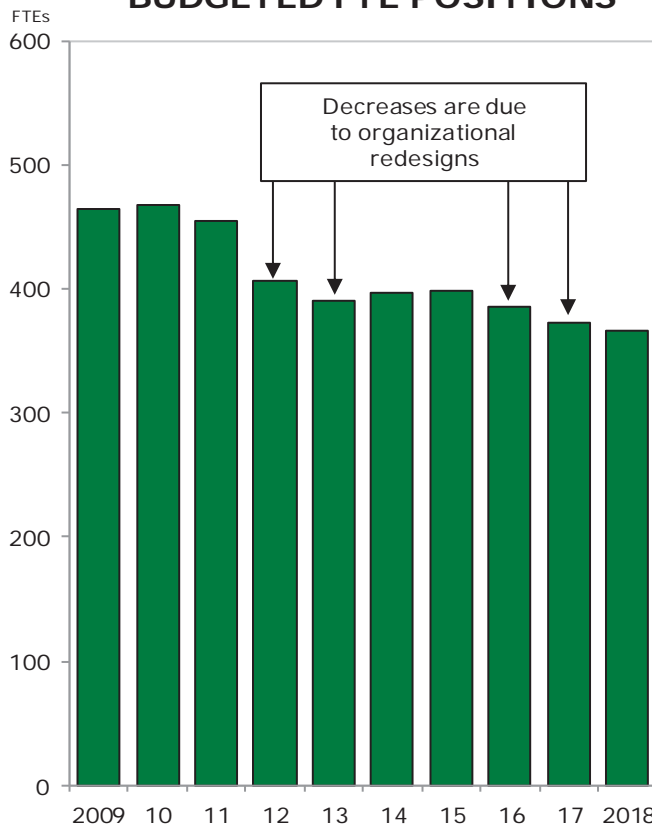
FUNCTIONS



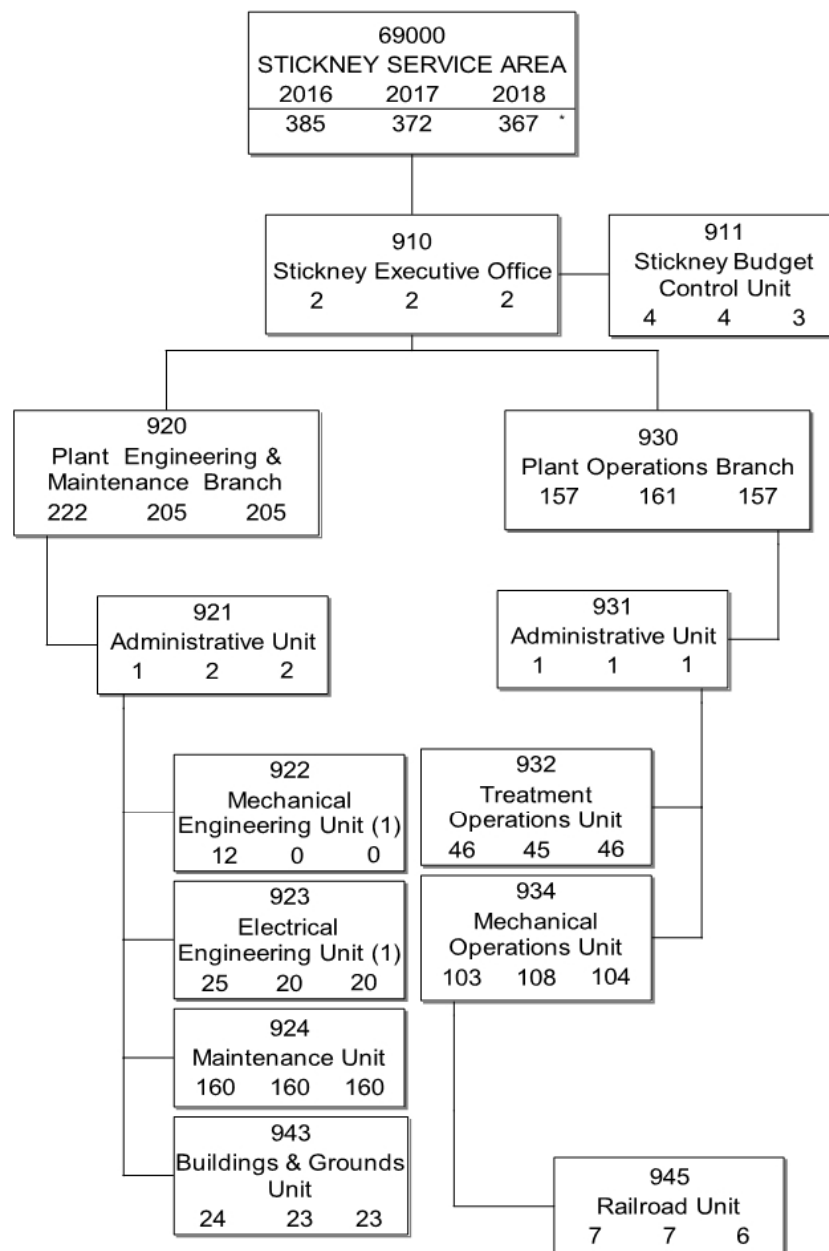
APPROPRIATIONS & EXPENDITURES



BUDGETED FTE POSITIONS



MAINTENANCE & OPERATIONS – STICKNEY SERVICE AREA



* In 2018, 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.

- (1) Effective 01/01/2017, a total of nine positions were transferred from Units 922 and 923 into Section 681.

MAINTENANCE & OPERATIONS – STICKNEY SERVICE AREA

The Stickney Service Area (SSA) supports the District's mission to protect the quality of the water supply and the health and safety of the public, to improve the quality of water in the canals, rivers and streams, to protect businesses and homes from flood damage, and to manage water as a vital resource.

Service Area Summary

The SSA's primary responsibilities include the operation of the largest water reclamation plant in the world, two major pumping stations, and four detention reservoirs. The SSA plans to collect and treat approximately 284 billion gallons of wastewater in 2018, servicing approximately 260 square miles and a population of 2,160,200. In order to accomplish its mission, the SSA is organized as follows:

The Stickney Executive Office provides leadership and direction for the operation, maintenance, and development of capital improvement needs in the SSA, ensures adequate funding for ongoing compliance with National Pollutant Discharge Elimination System guidelines and other permit requirements, assesses risk management at the SSA level, and assists the Director of Maintenance & Operations in long-term planning and decision making.

The Plant Engineering & Maintenance Branch is comprised of the Administrative, Electrical Engineering, Maintenance, and Buildings & Grounds Units. This branch is responsible for ensuring that the collection and process facilities perform in an efficient and cost-effective manner. Maintenance and repairs are performed by a combination of in-house trades personnel and outside contractor services to provide cost-effective operations. The engineering and maintenance units maintain, operate, and repair SSA infrastructure and architectural and structural elements. The District-wide Buildings & Grounds Unit maintains buildings, roadways, parking lots, and landscaping, secures District property, provides labor support to other sections and/or departments, and participates in capital improvement development and implementation.

The Plant Operations Branch is comprised of the Administrative, Treatment Operations, Mechanical Operations, and Railroad Units. This branch is responsible for the physical operation of the collection and process facilities in the SSA. Efficient and effective operations are measured through daily reporting and permit compliance. Operational integrity and efficiency, as well as worker and public safety, are paramount. The size of the Stickney Water Reclamation Plant and the scope of its operations generate frequent requests for plant tours, which are conducted by operations staff in conjunction with the Public Affairs Section in General Administration. The Railroad Unit provides for the transportation of centrifuged biosolids to the Lawndale Avenue Solids Management Area facility. All units utilize a combination of in-house staff and outside contractor services to provide for cost-effective operations.

Summary of 2017 Accomplishments

- Completed installation of the control panel for a three megawatt gas turbine, which will utilize excess biogas from the digesters to generate electricity for internal use and help realize a cost savings of \$1 million per year;
- Introduced high strength organic waste to the aeration battery and digesters to enhance the biological phosphorus removal process and increase digester gas production;
- Completed installation of a citric acid flushing system and a sulfuric acid system, to help remediate struvite buildup in the biological phosphorus removal process;
- Completed installation of the Waste Activated Sludge Stripping process, which is anticipated to increase the amount of phosphorus pellets by a factor of three.

Budget Highlights

The 2018 appropriation for the SSA is \$85,851,100, an increase of \$4,843,400, or 6.0 percent, from 2017. The staffing level has decreased from 372 to 367 positions due to the following changes: the drop of five Maintenance Laborer Class A #1 positions, one Architectural Ironworker #1, and the transfer of one Senior Budget and Management Analyst to the North Service Area and one Engineering Technician V to the Calumet Service Area, offset by the transfer in of one Principal Electrical Engineer and one Associate Process Control Engineer from the General Division and one Fireman-Oiler position from the North Service Area. In addition, one Senior Civil Engineer was reclassified to a Senior Engineer. Nine additional positions are funded by the Stormwater Management Fund.

The SSA budget achieves the District's strategic goals as follows: Add Value via employee training and the resultant insourcing of work previously contracted; Excellence through energy-saving projects such as ammonia monitoring enhancements and aeration controls to reduce blower operation costs; Resource Recovery via phosphorus capture and the generation of electricity via the use of digester gas in the gas turbine; Develop Employees as shown by Maintenance & Operations' redesigned engineering work groups, structured to optimize employee performance and work distribution systems; Leading Partnerships through our work with Ostara Nutrient Recovery Technologies; and Technology as demonstrated by the above mentioned projects and numerous smaller scale initiatives.



69000 M&O - STICKNEY SERVICE AREA**OBJECTIVES AND PROGRAM SUMMARY**

0.000 MGD STICKNEY SERVICE AREA

OBJECTIVES AND PROGRAM SUMMARY

OBJECTIVES BY PRIORITY:

	Cost	Percent
1. COLLECTION & TREATMENT: The Stickney Service Area will collect and treat approximately 284 billion gallons of wastewater through its treatment facilities.	\$ 49,958,106	58.2%
Stickney Water Reclamation Plant		
Design: Flows ^ CBOD * SS *		
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:		
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 135,000 dry tons of concentrated sewage (includes 40,000 dry tons from North Service Area) through various systems including heated digestion, centrifuging, concentration, and aging low solids sludge and centrifuge cake in lagoons.	\$ 26,388,890	30.7%
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.	\$ 6,302,583	7.3%
4. FLOOD & POLLUTION CONTROL: The Stickney Service Area will work to prevent local area flooding through the operation of four 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.	\$ 982,743	1.2%
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.	\$ 2,218,778	2.6%
Total	\$ 85,851,100	100.0%

MEASURABLE GOALS:

	Unit of Measure	2016 Actual	2017 Estimated	2018 Proposed
1. The Stickney Service Area will collect and treat approximately 284 billion gallons of wastewater in 2018.	Billion Gallons	249	260	284
2. The Stickney Service Area will remove and process solids from 135,000 dry tons of concentrated sewage, including 40,000 dry tons transferred from the North Service Area.	Dry Tons Process Solids	135,169	130,000	135,000
3. The Stickney Service Area will obtain 100 percent permit compliance in 2018 for National Pollutant Discharge Elimination System effluent limits.	Percent	99.77%	99.94%	100.00%
4. The Stickney Service Area will provide support to utilize 70,000 dry tons of biosolids in 2018 (does not include Pelletizer Facility Operations).	Dry Tons	46,127	70,000	70,000

69000 M&O - STICKNEY SERVICE AREA**OBJECTIVES AND PROGRAM SUMMARY**

PROGRAMS BY PRIORITY:		2016	Budgeted		Change		
Number	Name	Actuals	FTEs	Dollars	Dollars	Percent	
1000	Collection	\$ 19,758,649	2018 79	\$ 24,403,609	\$ 2,575,180	11.8	
			2017 80	\$ 21,828,429			
1100	Surface Interceptor Systems	\$ 397,759	2018 -	\$ 220,200	\$ (183,300)	(45.4)	a)
			2017 2	\$ 403,500			
1200	Tunnel and Reservoir System	\$ 4,746,667	2018 12	\$ 8,148,500	\$ 2,497,700	44.2	b)
			2017 12	\$ 5,650,800			
1300	Pumping Station Facilities	\$ 6,650,923	2018 28	\$ 7,462,200	\$ 314,100	4.4	c)
			2017 25	\$ 7,148,100			
1900	Collection - Indirect Costs	\$ 7,963,300	2018 39	\$ 8,572,709	\$ (53,320)	(0.6)	
			2017 41	\$ 8,626,029			
2000	Treatment	\$ 25,693,992	2018 125	\$ 25,043,497	\$ 730,239	3.0	
			2017 126	\$ 24,313,258			
2000	Pre-Treatment	\$ 2,191,120	2018 17	\$ 1,966,700	\$ (181,500)	(8.4)	d)
			2017 19	\$ 2,148,200			
2100	Primary Treatment	\$ 1,990,259	2018 18	\$ 1,582,100	\$ (300,400)	(16.0)	e)
			2017 21	\$ 1,882,500			
2200	Secondary Treatment	\$ 9,330,039	2018 26	\$ 7,576,000	\$ 238,900	3.3	f)
			2017 28	\$ 7,337,100			
2300	Tertiary Treatment	\$ 46,891	2018 -	\$ 14,700	\$ (29,100)	(66.4)	g)
			2017 -	\$ 43,800			
2900	Treatment - Indirect Costs	\$ 12,135,683	2018 64	\$ 13,903,997	\$ 1,002,339	7.8	h)
			2017 58	\$ 12,901,658			

a) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$193,400), offset by the higher demand for electricity for pumping stations and control gates at the Stickney Water Reclamation Plant (WRP) (\$13,100).

b) Increase is due to the higher demand for electricity for the Mainstream Pumping Station and Tunnel and Reservoir Projects facilities (\$2,515,600) and the reallocation of salaries to more accurately reflect current activities (\$97,100), offset by reduced demand for valve actuator parts and service (\$76,800), 17-656-11, Rockwell Repair Services (\$33,600), and discharge valve actuator repair services (\$15,000).

c) Increase is due to the higher demand for electricity for pumping stations at the Stickney WRP (\$357,500) and the reallocation of salaries to more accurately reflect current activities (\$287,000), offset by reduced demand for electricity at the Racine Avenue Pumping Station (\$290,400), reductions to immediate repair services (\$20,000), and parts for pumps and screens (\$10,500).

d) Decrease is due to the reallocation of salaries in order to more accurately reflect current activities (\$166,800) and reduced demand for replacement parts for WEMCO pumps (\$9,600).

e) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$251,100).

f) Increase is due to the higher demand for electricity for aeration blowers at the Stickney WRP (\$558,400), offset by the reallocation of salaries to more accurately reflect current activities (\$181,200) and the reduced demand for immediate repair services (\$81,300) and 15-632-11, Sodium Hypochlorite (\$37,000).

g) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$29,100).

h) Increase is due the reallocation of salaries to more accurately reflect current activities (\$632,900), 18-611-11, Repairs and Alterations to Plant facilities (\$300,000), natural gas for process and building heating at the Stickney WRP (\$162,300), roof inspections (\$100,000), and District-wide pavement repairs (\$100,000), offset by the reduced demand for water at the Stickney WRP and Racine Avenue Pumping Station (\$76,900), roof and building repairs (\$75,000), various tools (\$46,600), boiler repair parts (\$44,000), District-wide tree removal and miscellaneous landscaping (\$35,000), and HACH® replacement parts (\$12,200).

69000 M&O - STICKNEY SERVICE AREA**OBJECTIVES AND PROGRAM SUMMARY**

PROGRAMS BY PRIORITY:		2016	Budgeted		Change		
Number	Name	Actuals	FTEs	Dollars	Dollars	Percent	
3000	Solids Processing	\$ 24,341,916	2018 130	\$ 26,388,890	\$ 1,134,890	4.5	
			2017 131	\$ 25,254,000			
3100	Thickening	\$ 4,342,728	2018 25	\$ 4,003,700	\$ (154,800)	(3.7)	i)
			2017 26	\$ 4,158,500			
3200	Stabilization	\$ 3,374,908	2018 27	\$ 3,553,800	\$ 85,300	2.5	
			2017 27	\$ 3,468,500			
3300	Dewatering	\$ 9,807,936	2018 31	\$ 11,964,500	\$ 1,199,300	11.1	j)
			2017 30	\$ 10,765,200			
3900	Solids Processing - Indirect Costs	\$ 6,816,344	2018 47	\$ 6,866,890	\$ 5,090	0.1	
			2017 48	\$ 6,861,800			
4000	Flood & Pollution Control	\$ 575,857	2018 7	\$ 982,743	\$ 197,623	25.2	
			2017 4	\$ 785,120			
4200	Waterways Control and Stormwater Reservoirs	\$ 200,538	2018 5	\$ 545,200	\$ 321,800	144.0	k)
			2017 2	\$ 223,400			
4900	Flood & Pollution Control - Indirect Costs	\$ 375,319	2018 2	\$ 437,543	\$ (124,177)	(22.1)	l)
			2017 2	\$ 561,720			
5000	Solids Utilization	\$ 6,548,740	2018 11	\$ 6,302,583	\$ 394,629	6.7	
			2017 13	\$ 5,907,954			
5100	Solids Drying	\$ 185,532	2018 5	\$ 471,800	\$ 319,400	209.6	m)
			2017 2	\$ 152,400			
5200	Solids Distribution	\$ 4,541,696	2018 -	\$ 4,416,000	\$ 425,000	10.6	n)
			2017 1	\$ 3,991,000			
5900	Solids Utilization - Indirect Costs	\$ 1,821,512	2018 6	\$ 1,414,783	\$ (349,771)	(19.8)	o)
			2017 10	\$ 1,764,554			

- i) Decrease is due to the favorable award of 17-633-11, Polymer (\$115,100) and reduced demand for various centrifuge parts (\$22,500), repair parts for the sludge screen system (\$7,500), and electricity for pre-digestion centrifuges at the Stickney WRP (\$6,800).
- j) Increase is due to the higher demand for 15-935-11, Sodium Hydroxide (\$1,035,000), 15-934-11, Magnesium Chloride (\$796,400), the reallocation of salaries to more accurately reflect current activities (\$335,200), and 18-959-11, Sulfuric Acid (\$156,000), offset by the favorable award of 17-633-11, Polymer (\$826,900), and the reduced demand for various centrifuge parts (\$170,500).
- k) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$368,900), offset by the reduced demand for valve actuator parts and service (\$52,500).
- l) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$99,900) and a reduction in anticipated retirements (\$14,200).
- m) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$319,400).
- n) Increase is due to the higher demand for services under 98-RFP-10, Pelletizing Facility (\$495,700), offset by the reallocation of salaries to more accurately reflect current activities (\$65,300) and reduced demand for electricity for the pelletizing facility at the Stickney WRP (\$5,400).
- o) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$394,100) and a reduction in anticipated retirements (\$14,100), offset by increased water services for drying sites (\$99,000).

69000 M&O - STICKNEY SERVICE AREA**OBJECTIVES AND PROGRAM SUMMARY**

PROGRAMS BY PRIORITY:			2016		Budgeted		Change		
Number	Name		Actuals		FTEs	Dollars	Dollars	Percent	
7000	General Support (excluding program number 7604)	\$	2,242,774		2018 15	\$ 2,218,778	\$ (191,461)	(7.9)	p)
					2017 18	\$ 2,410,239			
7604	Social Security and Medicare Contributions	\$	516,070		2018 -	\$ 511,000	\$ 2,300	0.5	
					2017 -	\$ 508,700			
Totals		\$	79,677,998		2018 367	\$ 85,851,100	\$ 4,843,400	6.0%	*
					2017 372	\$ 81,007,700			

p) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$211,300), reduced demand for the sapling distribution program (\$27,000), reduced demand for various tools (\$7,900), and a reduction in anticipated retirements (\$7,100), offset by the increased demand for spare mechanical, electrical, and plumbing parts (\$78,800).

* The 2018 position total for the Stickney Service Area is 367, with an additional 9 positions budgeted in the Stormwater Management Fund.

69000 M&O - STICKNEY SERVICE AREA**PERFORMANCE DATA**

Program Number	Measurable Activity		2016 Actual	2017 Budgeted	2018 Estimated	
1000-2900	Collection & Treatment					
	Collect and Treat Wastewater at the Stickney Water Reclamation Plant	Mil. Gallons	249,153	260,000	284,000	
		Cost	\$ 45,452,641	\$ 46,141,687	\$ 49,447,106	a)
		Cost/Mil. Gallons	\$ 182.43	\$ 177.47	\$ 174.11	
3000	Solids Processing					
	Remove 95,000 Dry Tons of Solids and Process 135,000 Dry Tons of Solids (Includes 40,000 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	135,169	130,000	135,000	
		Cost	\$ 24,341,916	\$ 25,254,000	\$ 26,388,890	b)
		Cost/Dry Ton	\$ 180.09	\$ 194.26	\$ 195.47	
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	4	4	
		Cost	\$ 200,538	\$ 223,400	\$ 545,200	c)
		Cost/Reservoir	\$ 50,134.50	\$ 55,850.00	\$ 136,300.00	
4900	Flood & Pollution Control - Indirect Costs	Cost	\$ 375,319	\$ 561,720	\$ 437,543	d)
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	46,127	60,000	70,000	e)
		Cost	\$ 2,143,688	\$ 2,018,554	\$ 1,922,883	
		Cost/Dry Ton	\$ 46.47	\$ 33.64	\$ 27.47	
5271	Pelletizer Disposal	Dry Tons	37,143	40,000	40,000	
	Control Management and Disposal of Solids by Private Contracts	Cost	\$ 4,405,052	\$ 3,889,400	\$ 4,379,700	f)
		Cost/Dry Ton	\$ 118.60	\$ 97.24	\$ 109.49	

- a) Increase is due to the higher demand for electricity for the Stickney Service Area (\$3,147,800), the increased need for spare electrical, mechanical, and plumbing parts (\$370,000), and 18-611-11, Repairs and Alterations to Plant Facilities (\$300,000), offset by the reduced demand for distributed control system replacement parts (\$233,400), the drop of one FTE position (\$94,700), and a reduction in anticipated retirements (\$70,600).
- b) Increase is due to the higher demand for 15-935-11, Sodium Hydroxide (\$1,035,000), 15-934-11, Magnesium Chloride (\$796,400), the reallocation of salaries to more accurately reflect current activities (\$425,800), and higher demand for 18-959-11, Sulfuric Acid (\$156,000), offset by the favorable award of 17-633-11, Polymer (\$942,000), various centrifuge parts (\$193,000), 17-656-11, Rockwell parts and services (\$99,600), and mechanical seal repair parts and services (\$50,000).
- c) Increase is due to the reallocation of salaries to more accurately reflect current activities (\$368,900), offset by the reduced demand for valve actuator parts and service (\$52,500).
- d) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$99,900) and a reduction in anticipated retirements (\$14,200).
- e) Increase is due to the higher demand for solids utilization as a result of digester and centrifuge outages at the Egan WRP.
- f) Increase is due to the higher demand for services under 98-RFP-10, Pelletizing Facility (\$495,700).

69000 M&O - STICKNEY SERVICE AREA**PERFORMANCE DATA**

Program Number	Measurable Activity		2016 Actual	2017 Budgeted	2018 Estimated	
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	\$ 2,242,774	\$ 2,410,239	\$ 2,218,778	g)
7604	Social Security and Medicare Contributions		\$ 516,070	\$ 508,700	\$ 511,000	
Division Total			\$ 79,677,998	\$ 81,007,700	\$ 85,851,100	

g) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$211,300), reduced demand for the sapling distribution program (\$27,000), reduced demand for various tools (\$7,900), and a reduction in anticipated retirements (\$7,100), offset by the increased demand for spare mechanical, electrical, and plumbing parts (\$78,800).

101 69000	Fund: Corporate Department: Maintenance & Operations Division: Stickney Service Area	LINE ITEM ANALYSIS						
		2016	2017				2018	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/17	Expenditure (Committed Budget plus Disbursement) 09/30/17	Estimated Expenditure 12/31/17	Proposed by Executive Director	Recommended by Committee on Budget and Employment
601010	Salaries of Regular Employees	\$ 35,286,763	\$ 34,948,000	\$ 34,948,000	\$ 24,034,024	\$ 33,295,900	\$ 35,305,600	\$ -
601060	Compensation Plan Adjustments	2,079,295	2,121,200	2,121,200	1,467,625	2,065,000	1,685,300	-
601070	Social Security and Medicare Contributions	516,070	508,700	497,700	364,087	497,500	511,000	-
601080	Salaries of Nonbudgeted Employees	-	10,200	10,200	-	-	10,200	-
601100	Tuition and Training Payments	46,510	177,000	158,500	117,114	125,000	144,000	-
100	TOTAL PERSONAL SERVICES	37,928,638	37,765,100	37,735,600	25,982,849	35,983,400	37,656,100	-
612010	Travel	4,921	15,000	15,000	5,189	13,800	15,000	-
612030	Meals and Lodging	16,350	18,000	18,000	14,777	17,100	28,800	-
612050	Compensation for Personally-Owned Automobiles	62,527	64,100	58,100	31,739	40,000	62,500	-
612080	Motor Vehicle Operating Services	182	1,000	1,000	153	900	300	-
612150	Electrical Energy	18,781,512	18,366,200	18,366,200	11,082,504	18,278,100	21,485,800	-
612160	Natural Gas	1,410,364	1,565,700	1,565,700	1,000,211	1,487,400	1,729,800	-
612170	Water and Water Services	1,365,926	1,254,700	1,233,700	891,621	1,231,300	1,295,400	-
612210	Communication Services	105,909	117,000	117,000	117,000	92,500	235,400	-
612240	Testing and Inspection Services	11,435	61,500	54,700	49,034	33,100	156,600	-
612330	Rental Charges	130,082	146,500	134,200	133,815	126,900	140,700	-
612410	Governmental Service Charges	89,880	89,700	89,700	72,500	89,700	89,700	-
612420	Maintenance of Grounds and Pavements	143,743	215,100	215,100	174,658	131,500	278,800	-
612430	Payments for Professional Services	18,000	18,000	18,000	18,000	18,000	18,000	-
612490	Contractual Services, N.O.C.	305,710	340,600	356,300	339,203	236,600	425,400	-
612520	Waste Material Disposal Charges	538,434	606,500	667,600	664,932	600,500	606,500	-
612590	Sludge Disposal	3,748,196	3,204,300	3,204,300	3,204,300	3,150,400	3,700,000	-
612600	Repairs to Collection Facilities	1,777,958	2,206,300	2,206,300	2,105,852	1,937,900	2,082,500	-
612620	Repairs to Waterway Facilities	-	10,000	-	-	-	-	-
612650	Repairs to Process Facilities	2,643,203	2,495,200	2,495,200	2,315,038	2,204,400	2,573,900	-
612670	Repairs to Railroads	444,795	302,600	302,600	284,582	220,900	368,700	-
612680	Repairs to Buildings	372,439	547,500	523,500	386,866	325,400	369,300	-
612760	Repairs to Material Handling and Farming Equipment	4,764	-	-	-	-	-	-

101 69000	Fund: Corporate Department: Maintenance & Operations Division: Stickney Service Area	LINE ITEM ANALYSIS						
		2016	2017				2018	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/17	Expenditure (Committed Budget plus Disbursement) 09/30/17	Estimated Expenditure 12/31/17	Proposed by Executive Director	Recommended by Committee on Budget and Employment
612780	Safety Repairs and Services	89,886	283,000	270,800	243,844	155,200	195,000	-
612840	Communications Equipment Maintenance (Includes Software)	6,206	-	-	-	-	5,000	-
612860	Repairs to Vehicle Equipment	17,956	15,700	16,700	16,155	13,500	24,600	-
612990	Repairs, N.O.C.	3,273	11,800	11,800	11,350	10,100	13,500	-
200	TOTAL CONTRACTUAL SERVICES	32,093,653	31,956,000	31,941,500	23,163,323	30,415,200	35,901,200	-
623030	Metals	10,415	17,900	16,900	16,642	10,500	10,400	-
623070	Electrical Parts and Supplies	633,265	1,073,300	893,300	882,753	893,300	968,700	-
623090	Plumbing Accessories and Supplies	317,134	271,600	271,600	237,777	265,000	323,600	-
623110	Hardware	529	2,500	2,500	2,000	2,300	3,200	-
623130	Buildings, Grounds, Paving Materials, and Supplies	30,880	64,200	64,200	63,989	42,000	54,100	-
623170	Fiber, Paper, and Insulation Materials	9,674	14,100	14,100	6,100	12,500	9,900	-
623190	Paints, Solvents, and Related Materials	1,580	1,900	2,800	2,617	2,100	1,300	-
623250	Vehicle Parts and Supplies	47,679	48,300	48,300	47,849	34,600	39,500	-
623270	Mechanical Repair Parts	844,058	1,144,100	1,240,900	1,237,708	1,076,700	1,154,900	-
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	10,441	15,700	15,700	15,489	13,600	11,000	-
623560	Processing Chemicals	7,547,436	8,169,600	8,821,600	8,734,489	7,613,200	9,369,900	-
623570	Laboratory Testing Supplies, Small Equipment, and Chemicals	67	-	300	221	300	-	-
623660	Cleaning Supplies	391	1,300	1,300	1,184	800	500	-
623680	Tools and Supplies	99,713	244,000	244,000	217,918	217,600	83,000	-
623700	Wearing Apparel	-	900	800	-	-	600	-
623780	Safety and Medical Supplies	15,432	13,900	13,900	1,417	4,600	23,700	-
623800	Computer Software	110	5,800	5,800	4,477	5,200	23,100	-
623810	Computer Supplies	6,033	13,300	9,300	4,475	8,200	28,400	-
623820	Fuel	46,086	107,000	104,500	104,232	91,300	101,800	-
623840	Gases	633	4,500	4,500	3,790	2,100	1,100	-
623850	Communications Supplies	520	900	900	-	500	5,500	-
623860	Lubricants	797	500	1,300	1,235	1,300	1,900	-

101 69000	Fund: Corporate Department: Maintenance & Operations Division: Stickney Service Area	LINE ITEM ANALYSIS						
		2016	2017				2018	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/17	Expenditure (Committed Budget plus Disbursement) 09/30/17	Estimated Expenditure 12/31/17	Proposed by Executive Director	Recommended by Committee on Budget and Employment
623990	Materials and Supplies, N.O.C.	10,701	66,300	66,300	49,752	45,300	52,700	-
300	TOTAL MATERIALS AND SUPPLIES	9,633,575	11,281,600	11,844,800	11,636,113	10,343,000	12,268,800	-
634650	Equipment for Process Facilities	22,131	-	-	-	-	-	-
634860	Vehicle Equipment	-	5,000	5,000	-	-	-	-
634970	Testing and Laboratory Equipment	-	-	-	-	-	25,000	-
400	TOTAL MACHINERY AND EQUIPMENT	22,131	5,000	5,000	-	-	25,000	-
TOTAL STICKNEY SERVICE AREA		\$ 79,677,998	\$ 81,007,700	\$ 81,526,900	\$ 60,782,285	\$ 76,741,600	\$ 85,851,100	\$ -

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.

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				
		2016	2017		2018	
					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	332,801.64	2	332,801.56
911	Stickney Budget Control Unit					
HP17	Management Analyst III #2 (Senior Budget & Management Analyst) (New Grade HP16)	1	1		-	
HP14	Budget & Management Analyst	2	2		2	
HP11	Administrative Specialist	1	1		1	
TOTAL	Stickney Budget Control Unit	4	4	394,736.92	3	259,555.14
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	
TOTAL	Administrative Unit	1	2	275,876.26	2	275,876.37
922	Mechanical Engineering Unit					
HP20	Managing Mechanical Engineer	1	-		-	
HP18	Principal Mechanical Engineer	1	-		-	
HP17	Senior Mechanical Engineer	2	-		-	
HP15	Associate Mechanical Engineer	3	-		-	
HP14	Assistant Mechanical Engineer	2	-		-	
HP14	Engineering Technician V	1	-		-	
HP12	Engineering Technician IV	1	-		-	
HP11	Administrative Specialist	1	-		-	
TOTAL	Mechanical Engineering Unit	12	-	-	-	-
923	Electrical Engineering Unit					
HP18	Principal Electrical Engineer	1	-		1	

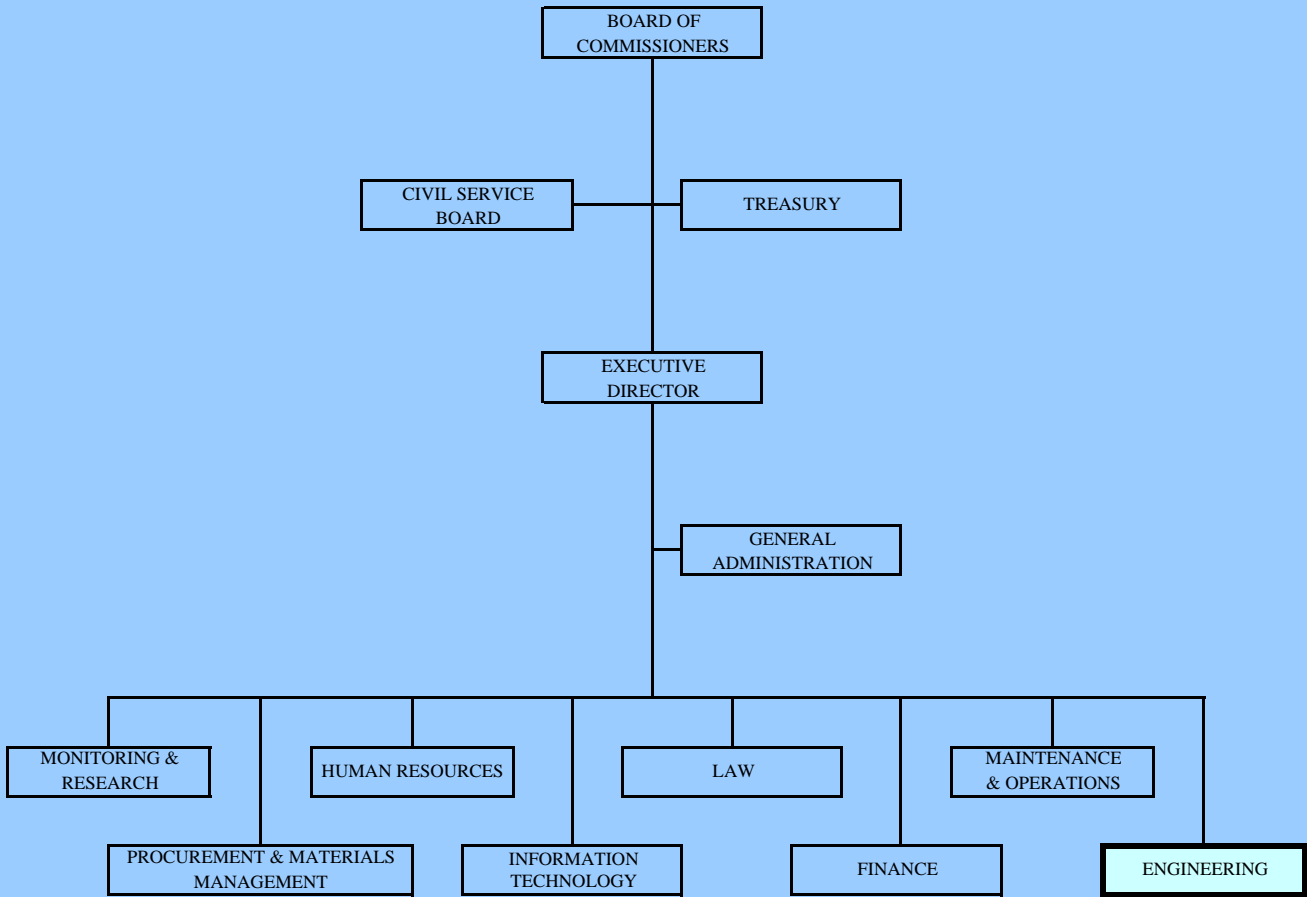
Fund: Corporate Dept: Maintenance & Operations Division: Stickney Service Area		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP17	Senior Electrical Engineer	2	-		-	
HP15	Associate Electrical Engineer	3	-		-	
HP15	Associate Process Control Engineer	-	-		1	
HP14	Engineering Technician V	2	3		1	
HP14	Engineering Technician V #4	1	-		-	
HP12	Engineering Technician IV	-	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	25	20	1,995,028.74	20	2,074,393.64
924	Maintenance Unit (* Number of positions budgeted and funded by the Stormwater Management Fund appear below position count)					
HP19	Master Mechanic II	1	1		1	
HP17	Assistant Master Mechanic	5	5		5	
HP14	Engineering Technician V	1	1		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	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	

Fund: Corporate Dept: Maintenance & Operations Division: Stickney Service Area		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
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		25	
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 (*1)	23 (*1)		23 (*1)	
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	15,690,765.32	160	16,007,108.16
TOTAL	Stormwater Management Fund Positions	(*1)	(*1)		(*1)	
943	Buildings & Grounds Unit					
HP18	Principal Mechanical Engineer	1	1		1	
HP15	Associate Civil Engineer	2	1		1	
HP14	Engineering Technician V	2	2		2	

Fund: Corporate Dept: Maintenance & Operations Division: Stickney Service Area		POSITION ANALYSIS				
		2016	2017		2018	
					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	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	24	23	1,711,808.06	23	1,709,703.31
TOTAL	Plant Engineering & Maintenance Branch	222	205	19,673,478.38	205	20,067,081.48
TOTAL	Stormwater Management Fund Positions	(*1)	(*1)		(*1)	
930	Plant Operations Branch					
931	Administrative Unit					
HP21	Engineer of Treatment Plant Operations I #2 (Managing Engineer) (New Grade HP20)	1	-		-	
HP20	Managing Engineer	-	1		1	
TOTAL	Administrative Unit	1	1	168,119.93	1	176,319.25
932	Treatment Operations Unit					
HP19	Assistant Engineer of Treatment Plant Operations II #2 (Principal Engineer) (New Grade HP18)	-	1		1	
HP18	Principal Engineer	1	-		-	
HP17	Senior Civil Engineer	-	1		-	
HP17	Senior Engineer	-	-		1	
HP16	Treatment Plant Operator III	5	6		6	
HP16	Treatment Plant Operator III #4	1	-		-	
HP15	Associate Civil Engineer	1	-		-	
HP14	Assistant Mechanical Engineer	1	-		-	
HP14	Treatment Plant Operator II	8	8		8	
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	

Fund: Corporate Dept: Maintenance & Operations Division: Stickney Service Area		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
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	46	45	4,010,880.32	46	4,105,405.26
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	10		11	
NR8650	Maintenance Laborer Class A Shift	20	20		20	
NR8650	Maintenance Laborer Class A Shift #1	(*4)	(*4)		(*4)	
NR8651	Maintenance Laborer Class A	-	5		-	
NR8651	Maintenance Laborer Class A		(*2)			
NR8651	Maintenance Laborer Class A	4	4		4	
NR6832	Operating Engineer II	34	34		34	
NR6831	Operating Engineer I	26	26		26	
TOTAL	Mechanical Operations Unit	(*4)	(*4)		(*4)	
TOTAL	Stormwater Management Fund Positions	103	108	10,401,130.50	104	10,050,284.92
		(*8)	(*10)		(*8)	
945	Railroad Unit					
HP11	Engineering Technician III	1	1		-	
NR8331	Laborer Foreman	1	1		1	
NR8650	Maintenance Laborer Class A Shift	5	5		5	
TOTAL	Railroad Unit	7	7	548,800.06	6	491,961.60
TOTAL	Plant Operations Branch	157	161	15,128,930.81	157	14,823,971.03
TOTAL	Stormwater Management Fund Positions	(*8)	(*10)		(*9)	
TOTAL	Maintenance & Operations Stickney Service Area	385	372	35,529,947.75	367	35,483,409.21
TOTAL	Stormwater Management Fund Positions	(*9)	(*11)		(*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.						

NOTE PAGE



Metropolitan Water Reclamation District of Greater Chicago

100 EAST ERIE STREET

CHICAGO, ILLINOIS 60611-3154

312.751.5600

September 12, 2017

Mr. David St. Pierre
Executive Director
OFFICE

Dear Sir:

Subject: 2018 Program for the Engineering Department – Corporate Fund

The Engineering Department – Corporate Fund’s program for 2018, as prepared in detail, is transmitted herewith. The budget presentation supports the request for funding of the department’s 2018 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, 2018 major initiatives and challenges, and 2017 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 2018.

Respectfully submitted,

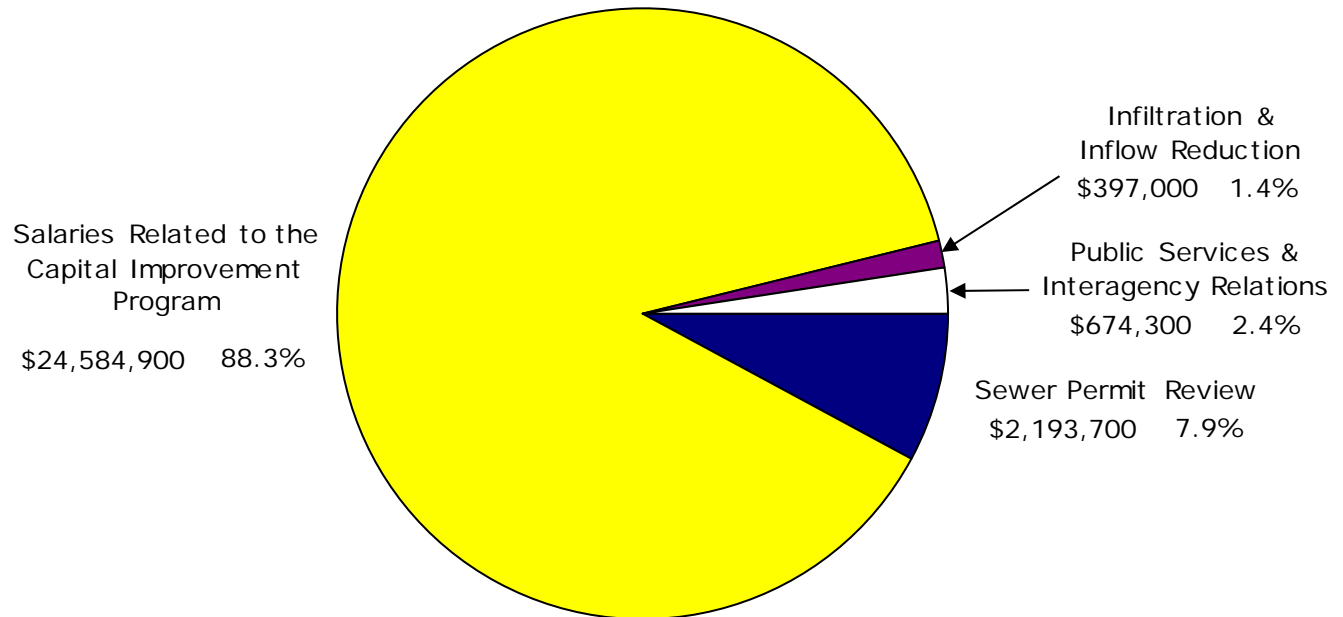
Catherine A. O'Connor /mvl

Catherine A. O’Connor
Director of Engineering

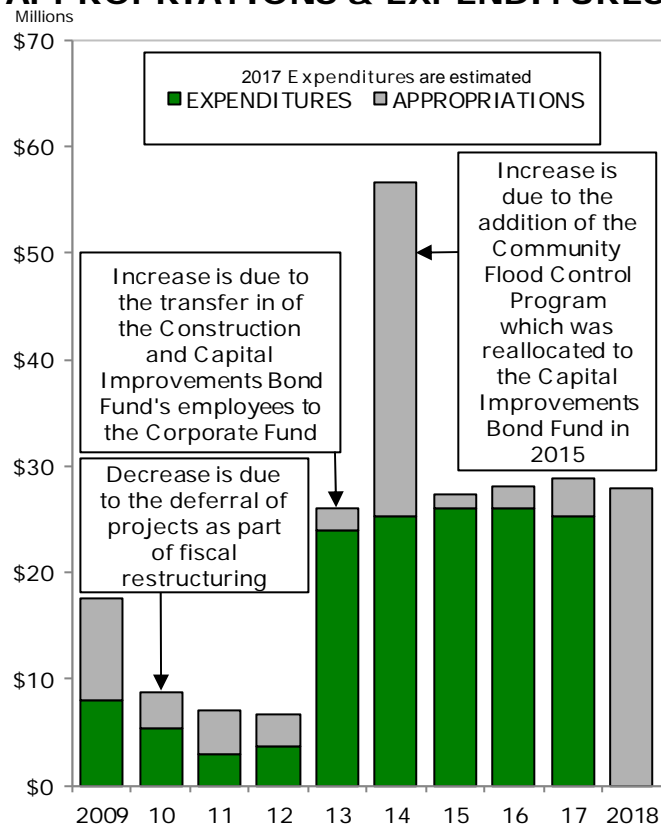
ENGINEERING – CORPORATE FUND

2018	\$27,849,900
2017	\$28,835,400
Decrease	(\$985,500)

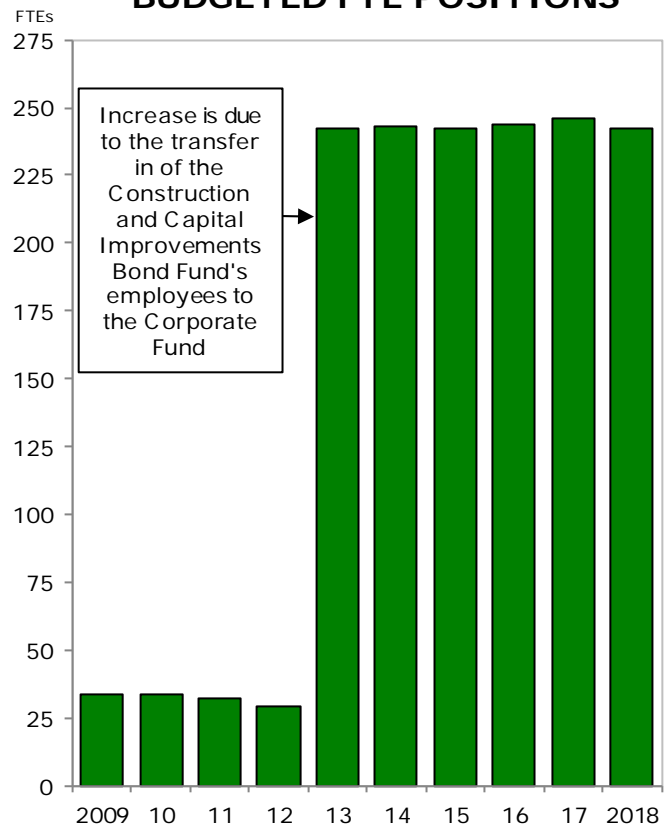
FUNCTIONS



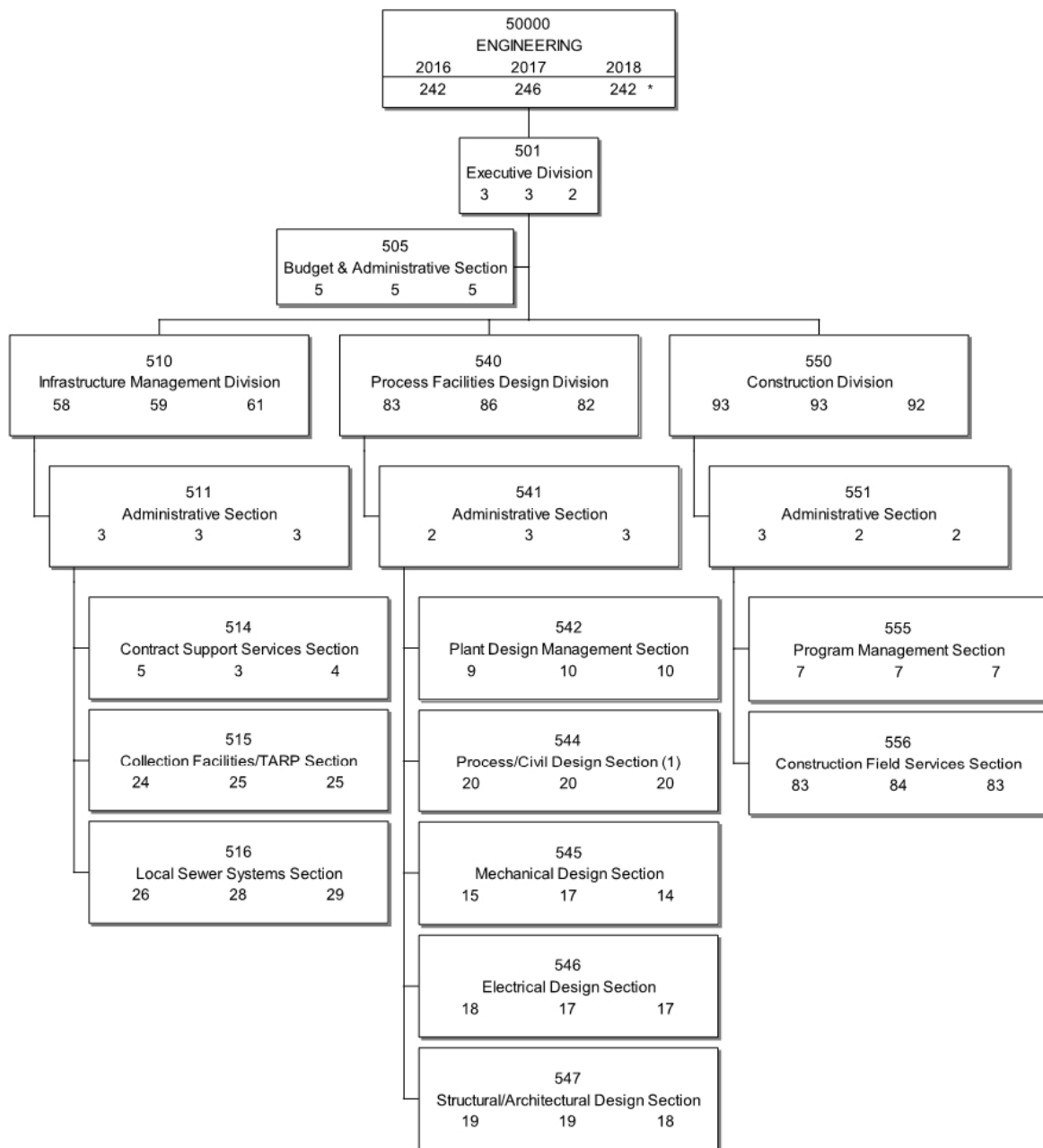
APPROPRIATIONS & EXPENDITURES



BUDGETED FTE POSITIONS



ENGINEERING



* The 2018 position total for Engineering – Corporate Fund is 242. There are an additional 30 positions funded by the Stormwater Management Fund while the operations remain in the Engineering Department.

(1) Effective 01/01/17, Section 544 Process Design Section was retitled Process/Civil Design Section.

ENGINEERING CORPORATE FUND

The mission of the Engineering Department is to plan, design, and construct projects prioritized in the Capital Improvement Program, 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. Most Engineering Department positions and many of the activities of the Local Sewer Systems Section (LSSS) are financed by the Corporate Fund, which is described below. The Capital Budget, which highlights the accomplishments of the Infrastructure Management Division, Process Facilities Design Division, and Construction Division, is described in Section V and the Stormwater Management budget is described in Section VI.

The department's primary responsibilities include:

- Plan, develop, and implement a Capital Improvement Program that meets the District's statutory responsibilities, is compliant with applicable state and federal regulations and requirements, and is responsive to the needs of the District's residents as directed through the policies put forth 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 our plant upgrade, rehabilitation, and resource recovery projects are state of the art.

The Corporate Fund supports the work of the LSSS, which is responsible for the implementation and enforcement of the Watershed Management Ordinance (WMO). The WMO regulates developments within suburban Cook County, sewer construction within the District's service area, and requires compliance with the Infiltration/Inflow (I/I) Control Program.

The Corporate Fund budget is also used for repair and maintenance projects not eligible for Capital Improvement Program funding.

Summary of 2017 Accomplishments

- As a result of WMO enforcement, the following has been accomplished in 2017:
 - Approximately 18 million gallons of volume control storage;
 - Approximately four million gallons of compensatory storage;
 - Approximately 95 million gallons of locally-provided stormwater detention;
- Received revenue of approximately \$1.5 million from sewer service agreements;
- Conducted an advisory committee meeting to present status of the Watershed Specific Release Rate Study and updates to the Technical Guidance Manual (TGM);
- Revised WMO permit application and I/I Control Program reporting forms for simplicity;
- Presented status of the Watershed Release Rate Study and I/I at conferences;
- Reviewed and issued permits in an adjusted average of 40 working days from the initial submittal to permit issuance;
- Conducted ongoing training events to enhance the permit review process.

Budget Highlights

The 2018 appropriation for the Engineering – Corporate Fund is \$27,849,900, a decrease of \$985,500, or 3.4 percent, from 2017. The staffing level has decreased from 246 to 242 positions, which includes the drop of an Assistant Director of Engineering, a Principal Electrical Engineer, a Managing Mechanical Engineer, a Senior Mechanical Engineer, and an Engineering Draftsman II, offset by the transfer in of an Administrative Specialist from the General Division of the Maintenance & Operations Department. In addition, three Engineering Technician V positions were reclassified to Engineering Technician III positions.

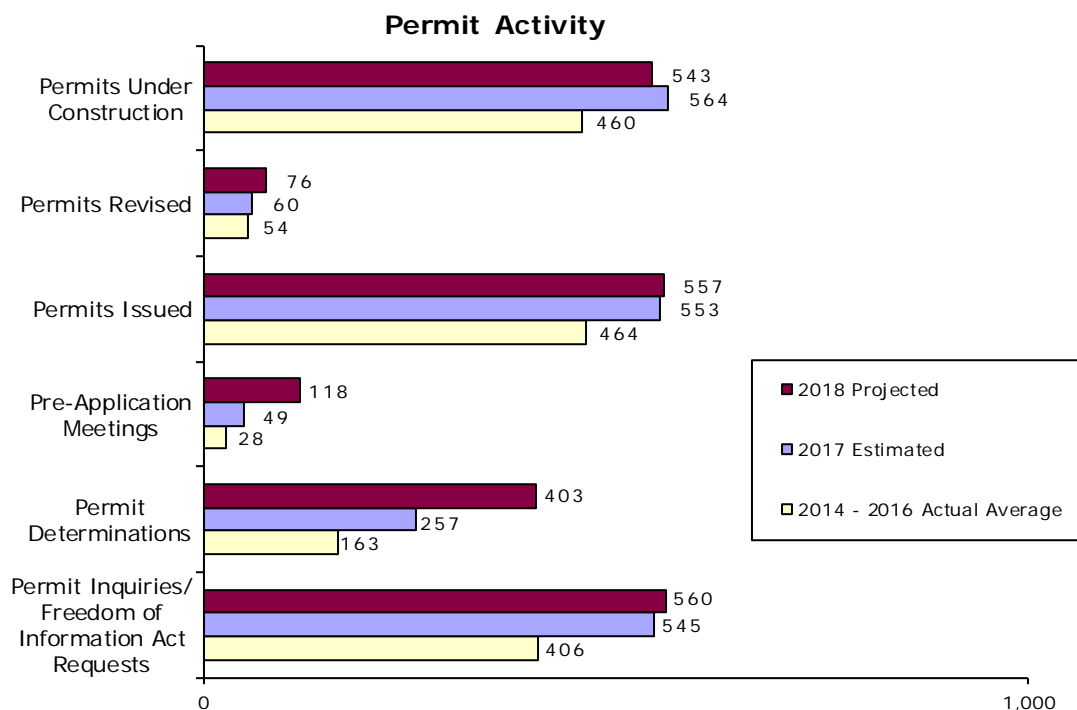
Significant features of the 2018 budget for the LSSS include the following:

- Amend the WMO to include clarifications that will best serve the District and its constituents for future enforcement;
- Develop and update the TGM to add guidance for compliance with the amended WMO;
- Create an Earthwork/Foundation only permit application to allow limited construction activities to commence prior to WMO permit issuance;
- Continue the implementation of the I/I Control Program to reduce sanitary sewer overflows and basement backups;
- Provide Global Positioning System (GPS) units to local municipalities as a resource to begin mapping their sewer systems in a Geographic Information System (GIS) or improve their existing sewer system map.

2018 Initiatives in Support of the Strategic Business Plan Include the Following:

• Add Value

LSSS staff seek opportunities to add value in all endeavors, and specifically strive to provide exemplary customer service. Staff are in continuous contact with consulting engineers, developers, and contractors throughout the permitting process. As shown on the Permit Activity exhibit below, Permit Inquiry and Freedom of Information Act requests are processed by the LSSS staff and provide historical permit information to consulting engineers for specific site locations. Permit determination letters are submitted for specific projects and LSSS staff respond if a permit is required. Prior to submitting a permit application, LSSS staff is available to meet with consulting engineers and developers to discuss WMO requirements and project compliance during pre-application meetings. The total number of permit determination letters and pre-application meetings are shown on the Permit Activity exhibit. During the permit application review process, LSSS staff frequently follow up with consulting engineers to provide a timely permit review. An average of three review letters per permit are sent to consulting engineers during permit review to ensure compliance with the WMO. The number of permits issued are shown on the Permit Activity exhibit.



After permit issuance and construction is in progress, LSSS staff conduct site inspections to verify the work is in compliance with the approved permit documents. The number of site inspections conducted for each permit during the construction phase varies between eight and 35 depending on the size of the project. The total number of permits under construction are shown on the Permit Activity exhibit. Additionally, LSSS staff meet with engineers and contractors on-site to address unknown field conditions with acceptable design revisions to minimize project delays. The total number of permit revisions are also shown on the Permit Activity exhibit. In 2017, the overall permit issuance time averaged 35 days, down from 40 days in 2016. LSSS staff also issue and process violations. A total of five permit violations are estimated to be processed in 2017 as well as in 2018.

The WMO fee schedule was established to be the least costly of all urbanized collar counties. As outlined in Appendix F of the WMO, the fee schedule is based on the type of permit required for a project, length of qualified sewer to be constructed, review of stormwater management, impacts to flood protection areas, and other items that require specific specialized review. There are no fees to review Single Family Home permits.

• Excellence

Planning, design, permit review, and permit approval are conducted with the goal of excellence in mind. Work is completed timely and accurately the first time, and with consideration given to the service to our regulated community. Through excellence, we plan to find opportunities for efficiency gains with a disciplined methodology, which is deeply rooted in a culture of innovation and continuous improvement.

• **Develop Employees**

LSSS staff includes engineers and technicians who must remain current with technological developments in sewer construction, stormwater management, site development, construction inspection, sewer rehabilitation, flow monitoring, and GIS. LSSS staff will attend various seminars and conferences for continuing education and professional development.

• **Leading Partnerships**

The District developed the WMO and TGM in partnership with all stakeholders and remains committed to them and their concerns. LSSS staff responds to thousands of telephone and written inquiries from consulting engineers, developers, citizens, and public officials regarding the WMO including:

- Permit requirements and fees;
- Preliminary engineering reviews;
- Sewer construction;
- Stormwater management;
- Floodplains and wetlands;
- Projects impacting District facilities;
- Unique construction issues;
- Engineering design standards.

LSSS staff also collaborate with local municipalities and other governmental agencies to:

- Implement the WMO with the Authorized Municipalities and Multi-County Municipalities;
- Amend the WMO as necessary to include clarifications to best service the District and its constituents for future enforcement;
- Further develop the TGM;
- Resolve multi-jurisdictional issues;
- Enter into sewer service agreements with municipalities that are within both Cook County and the District's corporate limits and also within adjoining counties such as Lake, DuPage, or Will;
- Exchange knowledge on new techniques to protect and mitigate floodplains and wetlands;
- Provide guidance on sewer system construction, inspection, and rehabilitation procedures and techniques.

LSSS staff will also undertake field investigations to resolve citizens' questions, concerns, and complaints related to:

- Sanitary sewer overflows and basement backups;
- Stormwater drainage and flooding;
- Other unsanitary or unsafe conditions detrimental to the health and welfare of the public.

• **Technology**

In 2017, the District began offering GPS units to provide sewer system owners resources to begin mapping their sewer systems in GIS or improve their existing sewer system map. In return, sewer system owners provide the District with their sanitary, storm, and combined sewer data. To obtain GPS equipment and related software at no cost, sewer system owners must enter into an Intergovernmental Agreement with the District. As of August 2017, seven municipalities have entered into an Intergovernmental Agreement with the District to utilize the GPS units.

LOCAL SEWER SYSTEMS SECTION PERMIT ADMINISTRATION

LSSS staff administers the WMO to protect public health and the environment by establishing uniform requirements for land development and sewer construction through the review and approval of WMO permit applications. To protect existing and new developments from increased stormwater runoff and flooding conditions, the WMO requires stormwater management facilities to be installed for new developments and redevelopments that exceed certain acreage limits. This places the responsibility for the cost and construction of the development's local flood control facility with the developer, rather than with the public for expanding or constructing new regional flood control facilities. The WMO regulates the design, construction, operation, and maintenance of all public and private sewers that discharge directly or indirectly into District collection and treatment facilities, or into waters within the boundaries of the District. Special protection and mitigation is also required for flood protection areas, including floodplains, wetlands, and riparian environment.

The TGM provides guidance on how to apply and meet the WMO regulations for both project design and project implementation. It is a valuable and useful resource for consulting engineers, developers, and municipalities, and is intended to promote efficient and consistent permit submittal and review procedures. The TGM provides the following information and is expected to evolve as WMO compliance lessons are learned:

- Identifies when a permit is required for development;
- Identifies the information required to support a permit application;
- Provides clarification on WMO requirements and their applicability;
- Provides examples to aid with designing a development that meets the requirements of the WMO.

The types of permits reviewed and approved under the WMO include:

- Standard WMO Permit: This is the most common permit used to approve development;
- Notification and Request for Inspection Sewer Construction Permit: This is a short form permit to approve in-kind replacement of existing sewers, sanitary sewer rehabilitation work, and minor sewer work involving less than 25 linear feet of new sewer;
- Facility Connection Authorization: This permit is used to approve work within the City of Chicago for construction on District property, sewer connections to District facilities, and connections to the waterways and Lake Michigan;
- Single-Family Home Permit: This is a short form permit used to approve the development and redevelopment of single-family homes that impact flood hazard areas such as floodplains, wetlands, and riparian environments;
- Authorized Municipality Permit: This permit is used for developments within municipalities that are authorized to administer the WMO and issue WMO permits. The authorized municipality reviews and approves the stormwater management requirements, and LSSS staff review and approve qualified sewer construction, modifications to existing stormwater detention facilities, connections to District facilities, and new stormwater outfalls.

The WMO requires the timely review of permit applications. Initial review and response is required within 15 working days for developments not involving flood protection areas, 30 working days for developments involving flood protection areas, and 10 working days for re-submittals. In 2017, the average review and response time for an initial submittal was 10 days and the average re-submittal response time was five days. As illustrated in the Permit Activity exhibit, LSSS staff will issue an estimated 557 total permits in 2018, with an estimated average time from initial submittal to permit issuance of 40 working days. The number of total permits issued has averaged 464 from 2014-2016.

INFILTRATION/INFLOW CONTROL PROGRAM ADMINISTRATION

The District's I/I Control Program is also administered by LSSS. The purpose of the program is to provide a framework for asset management of separate sewer systems to meet the following goals:

- Maintain infrastructure to prevent sanitary sewer overflows and basement backups due to sewer surcharging and other adverse sewer system conditions;
- Comply with the District's National Pollutant Discharge Elimination System permits and all other applicable federal, state, and local laws and regulations;
- Minimize extraneous flows transported to the District's facilities due to defective system components or illegal connections.

The I/I Control Program is implemented due to special conditions imposed within the National Pollutant Discharge Elimination System permits issued by the Illinois Environmental Protection Agency for the District's water reclamation plants. In addition to adopting a Capacity, Management, Operation and Maintenance Program for the conveyance and treatment facilities, the District is required to take action to reduce excessive I/I within the local sanitary sewer systems.

50000 ENGINEERING**OBJECTIVES AND PROGRAM SUMMARY**

00000 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.	\$ 2,193,700	7.9%
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.	\$ 674,300	2.4%
3. Reduce treatment costs by eliminating excessive infiltration/inflow of stormwater into sanitary sewers through a comprehensive rehabilitation program of the local sewer systems.	\$ 397,000	1.4%
4. Ongoing maintenance projects, salaries, and employee expenses related to the Capital Improvement Program.	\$ 24,584,900	88.3%
Total	\$ 27,849,900	100.0%

MEASURABLE GOALS:	2016 Actual	2017 Estimated	2018 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	112	114	114
Annual Summary Reports in Compliance ²	88	90	114

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 the majority of thesatellite entities will take until July 10, 2019 to complete the Short Term Requirements due to the multiple requirements and extensive work required.

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.

50000 ENGINEERING**OBJECTIVES AND PROGRAM SUMMARY**

50000 ENGINEERING

OBJECTIVES AND PROGRAM BENCHMARK

PROGRAMS BY PRIORITY:			2016	Budgeted			Change		
Number	Name		Actual	FTEs	Dollars	Dollars	Percent		
4000	Flood and Pollution Control	\$	3,236,407	2018 28	\$ 3,244,400	\$ (171,300)	(5.0)		
				2017 30	\$ 3,415,700				
4216	Bridge and Road Maintenance	\$	86,744	2018 -	\$ 105,000	\$ 29,700	39.4	d)	
				2017 -	\$ 75,300				
4322	Storm and Flood Ordinance Development	\$	16,687	2018 -	\$ 16,800	\$ 100	0.6		
				2017 -	\$ 16,700				
4341	Planning/Design	\$	62,919	2018 -	\$ 62,300	\$ 100	0.2		
				2017 -	\$ 62,200				
4342	Contract Administration	\$	101,359	2018 1	\$ 105,800	\$ 1,900	1.8		
				2017 1	\$ 103,900				
4343	Construction	\$	97,231	2018 1	\$ 98,900	\$ 1,900	2.0		
				2017 1	\$ 97,000				
4700	Flood and Pollution Control Design	\$	621,070	2018 6	\$ 659,400	\$ 1,500	0.2		
				2017 6	\$ 657,900				
4800	Flood and Pollution Control Construction	\$	2,250,397	2018 20	\$ 2,196,200	\$ (206,500)	(8.6)	e)	
				2017 22	\$ 2,402,700				
5000	Solids Disposal	\$	320,393	2018 3	\$ 356,000	\$ (14,200)	(3.8)		
				2017 3	\$ 370,200				
5700	Solids Disposal Design	\$	9,942	2018 -	\$ 10,000	\$ -	-		
				2017 -	\$ 10,000				
5800	Solids Disposal Construction	\$	310,451	2018 3	\$ 346,000	\$ (14,200)	(3.9)		
				2017 3	\$ 360,200				
7000	General Support (excluding program number 7604)	\$	1,705,681	2018 20	\$ 2,059,200	\$ 40,600	2.0		
				2017 19	\$ 2,018,600				
7604	Social Security and Medicare Contributions	\$	346,882	2018 -	\$ 383,600	\$ 8,900	2.4		
				2017 -	\$ 374,700				
Totals		\$	26,038,984	2018 242	\$ 27,849,900	\$ (985,500)	(3.4%)		
				2017 246	\$ 28,835,400				

d) Increase is due to a higher request for 13-059-1D, Biennial Bridge Inspection, based on scheduled contract payments (\$29,700).

e) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$146,900), and the reallocation of 04-203-AF, Thornton Composite Reservoir Surface Aeration, CSA to Program Number 1800 to better reflect operational activity (\$43,200).

50000 ENGINEERING**PERFORMANCE DATA**

Program Number	Measurable Activity		2016 Actual	2017 Budgeted	2018 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	550	557	
		Cost	\$ 878,395	\$ 1,095,800	\$ 1,154,100	
		Cost/Permit	\$ 1,611.73	\$ 1,992.36	\$ 2,071.99	
1533	Review of Other Permits	Cost	\$ 134,036	\$ 145,900	\$ 146,100	
1535	Local Sewer Construction Surveillance/Enforcement	Inspections	4,536	5,400	543	a)
		Cost	\$ 676,337	\$ 857,300	\$ 809,000	
		Cost/Inspection	\$ 149.10	\$ 158.76	\$ 1,489.87	a)
1537	Permit Revision	Revisions	-	-	76	b)
		Cost	\$ 61,165	\$ 84,200	\$ 84,500	
		Cost/Revision	\$ -	\$ -	\$ 1,111.84	b)
1560	Local Sewer - Public Service Coordination					
1561	Public Service	Requests	1,021	1,632	560	c)
		Cost	\$ 457,804	\$ 450,400	\$ 438,700	
		Cost/Request	\$ 448.39	\$ 275.98	\$ 783.39	c)
1563	Interagency Coordination	Cost	\$ 234,214	\$ 238,400	\$ 235,600	
1571	Local Sewer Rehabilitation Ordinance Enforcement Activity	Systems	250	250	114	d)
		Cost	\$ 484,800	\$ 458,000	\$ 397,000	
		Cost/System	\$ 1,939.20	\$ 1,832.00	\$ 3,482.46	d)
1700	Collection System Design	Cost	\$ 1,077,032	\$ 1,365,300	\$ 1,197,500	e)
1800	Collection Construction	Cost	\$ 2,605,346	\$ 2,758,600	\$ 2,749,700	
2700	Treatment Design	Cost	\$ 3,097,327	\$ 3,311,000	\$ 3,124,500	f)
2800	Treatment Construction	Cost	\$ 5,359,175	\$ 5,521,600	\$ 5,458,800	
3700	Solids Processing Design	Cost	\$ 2,706,764	\$ 3,162,300	\$ 2,816,600	g)
3800	Solids Processing Construction	Cost	\$ 2,657,226	\$ 3,207,400	\$ 3,194,600	

- a) The number of site inspections for each permit during the construction phase varies between eight and 35. Starting with Budget Year 2018, the method of accounting for inspections has been changed to track the number of permits under construction instead of estimated inspections, providing a more accurate measure of current activities.
- b) Starting with Budget Year 2018, activity tracking has been reallocated from Program Number 1531 to enhance clarity, resulting in an increase in Cost/Revision.
- c) Starting with Budget Year 2018, the method of accounting for the number of requests has been changed to track only permit inquiry and Freedom of Information Act correspondence instead of all written correspondence processed throughout the Local Sewer Systems Section, enhancing clarity and providing a more accurate measure of current activities.
- d) Starting with Budget Year 2018, the method of tracking ordinance enforcement activity has been changed to track annual summary reports received under the Infiltration/Inflow Control Program instead of estimated correspondence received under the Sewer Permit Ordinance, providing a more accurate measure of current activities.
- e) Decrease is due to reduced requests for sick leave incentive payments (\$54,800) and paid overtime (\$36,100) based on anticipated usage, the reallocation of salaries to more accurately reflect current activities (\$28,900), and the reduced request for 10-238-1M, TARP Pump Station Pump and Pipe Movement Monitoring, CWRP due to contract completion (\$27,000).
- f) Decrease is due to the drop of two FTE positions (\$182,500).
- g) Decrease is due to the drop of two FTE positions (\$229,900), and the reduced request for retirements, severance, and termination pay based on anticipated usage (\$131,100), offset by the reallocation of salaries to more accurately reflect current activities (\$15,300).

50000 ENGINEERING**PERFORMANCE DATA**

Program Number	Measurable Activity		2016 Actual	2017 Budgeted	2018 Estimated	
4200	Waterways Control and Stormwater Detention Reservoirs	Cost	\$ 86,744	\$ 75,300	\$ 105,000	h)
4300	Stormwater Management	Cost	\$ 278,196	\$ 279,800	\$ 283,800	
4700	Flood and Pollution Control Design	Cost	\$ 621,070	\$ 657,900	\$ 659,400	
4800	Flood and Pollution Control Construction	Cost	\$ 2,250,397	\$ 2,402,700	\$ 2,196,200	i)
5700	Solids Disposal Design	Cost	\$ 9,942	\$ 10,000	\$ 10,000	
5800	Solids Disposal Construction	Cost	\$ 310,451	\$ 360,200	\$ 346,000	
7000	General Support (excluding program number 7604)	Cost	\$ 1,705,681	\$ 2,018,600	\$ 2,059,200	
7604	Social Security and Medicare Contributions	Cost	\$ 346,882	\$ 374,700	\$ 383,600	
Total			\$ 26,038,984	\$ 28,835,400	\$ 27,849,900	

h) Increase is due to a higher request for 13-059-1D, Biennial Bridge Inspection, based on scheduled contract payments (\$29,700).

i) Decrease is due to the reallocation of salaries to more accurately reflect current activities (\$146,900) and the reallocation of 04-203-AF, Thornton Composite Reservoir Surface Aeration, CSA to Program Number 1800 to better reflect operational activity (\$43,200).

101 50000	Fund: Corporate Department: Engineering Division:	LINE ITEM ANALYSIS						
		2016	2017				2018	
Account Number	Account Name	Expenditure	Original Appropriation	Adjusted Appropriation 09/30/17	Expenditure (Committed Budget plus Disbursement) 09/30/17	Estimated Expenditure 12/31/17	Proposed by Executive Director	Recommended by Committee on Budget and Employment
601010	Salaries of Regular Employees	\$ 24,805,129	\$ 27,176,500	\$ 27,176,500	\$ 17,757,908	\$ 23,916,500	\$ 26,536,400	\$ -
601060	Compensation Plan Adjustments	238,421	591,000	591,000	307,046	478,000	324,000	-
601070	Social Security and Medicare Contributions	346,881	374,700	374,700	257,270	352,400	383,600	-
601100	Tuition and Training Payments	100,330	150,000	150,000	93,388	120,000	124,000	-
100	TOTAL PERSONAL SERVICES	25,490,761	28,292,200	28,292,200	18,415,612	24,866,900	27,368,000	-
612010	Travel	12,897	12,000	12,000	4,908	12,000	12,000	-
612030	Meals and Lodging	32,404	25,000	25,000	13,121	25,000	25,000	-
612040	Postage, Freight, and Delivery Charges	3,257	2,500	2,500	2,500	2,300	2,000	-
612050	Compensation for Personally-Owned Automobiles	17,065	15,000	15,000	5,689	7,000	17,100	-
612080	Motor Vehicle Operating Services	412	1,000	1,000	60	100	400	-
612090	Reprographic Services	3,803	5,000	5,000	4,000	4,000	3,500	-
612170	Water and Water Services	3,364	3,200	3,200	3,200	3,200	3,300	-
612330	Rental Charges	-	500	500	63	100	100	-
612430	Payments for Professional Services	256,297	239,300	239,300	113,498	122,300	201,000	-
612440	Preliminary Engineering Reports and Studies	50,623	27,000	27,000	14,377	-	-	-
612490	Contractual Services, N.O.C.	78,593	85,000	85,000	82,128	82,200	82,100	-
612620	Repairs to Waterway Facilities	9,628	43,200	43,200	43,044	43,100	43,200	-
612970	Repairs to Testing and Laboratory Equipment	1,742	4,500	4,500	2,800	2,700	3,000	-
612990	Repairs, N.O.C.	9,494	9,800	9,800	8,712	8,400	8,800	-
200	TOTAL CONTRACTUAL SERVICES	479,579	473,000	473,000	298,100	312,400	401,500	-
623520	Office, Printing, and Photo Supplies, Equipment, and Furniture	40,899	40,500	40,500	39,612	40,000	60,400	-
623680	Tools and Supplies	3,418	10,000	10,000	5,116	9,500	10,000	-
623700	Wearing Apparel	7,007	7,500	7,500	6,500	6,500	6,500	-
623720	Books, Maps, and Charts	8,537	7,200	7,200	1,560	3,500	3,500	-
623990	Materials and Supplies, N.O.C.	8,783	5,000	5,000	5,000	5,000	-	-
300	TOTAL MATERIALS AND SUPPLIES	68,644	70,200	70,200	57,788	64,500	80,400	-
TOTAL ENGINEERING		\$ 26,038,984	\$ 28,835,400	\$ 28,835,400	\$ 18,771,500	\$ 25,243,800	\$ 27,849,900	\$ -

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: Engineering Division:		POSITION ANALYSIS				
		2016	2017		2018	
					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	1		-	
EX06	Secretary to Officer	1	1		1	
TOTAL	Executive Division	3	3	590,721.34	2	362,230.17
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	595,037.16	5	599,444.56
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	489,664.97	3	497,866.44
514	Contract Support Services Section					
HP20	Managing Civil Engineer	1	-		-	
HP14	Engineering Technician V #4	1	1		1	
HP12	Engineering Technician IV	1	1		1	
HP11	Administrative Specialist	1	-		1	
HP09	Administrative Clerk	1	1		1	
TOTAL	Contract Support Services Section	5	3	237,406.95	4	300,556.60
515	Collection Facilities / TARP Section					
HP20	Managing Civil Engineer	1	1		1	

Fund: Corporate Dept: Engineering Division:		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
HP18	Principal Civil Engineer	3	3		3	
HP17	Senior Civil Engineer	6	6		6	
HP15	Associate Civil Engineer	4	3		3	
HP14	Assistant Civil Engineer	2	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	3	3		3	
TOTAL	Collection Facilities / TARP Section	24	25	2,645,903.23	25	2,693,554.22
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)		2 (*1)	
HP17	Senior Civil Engineer	7 (*2)	7 (*2)		7 (*2)	
HP15	Associate Civil Engineer	5 (*3)	6 (*3)		6 (*3)	
HP14	Assistant Civil Engineer	3 (*2)	2 (*2)		3 (*2)	
HP14	Assistant Mechanical Engineer	-	1		-	
HP14	Assistant Mechanical Engineer #2 (Assistant Civil Engineer)	-	-		1	
HP14	Engineering Technician V	2	3		3	
HP14	Engineering Technician V #4	1	-		-	
HP12	Engineering Technician IV	2 (*2)	2 (*1)		2 (*1)	
HP12	Engineering Technician IV #4	1	1		1	
HP11	Administrative Specialist	1	1		1	
HP11	Engineering Technician III	-	1		1	
HP09	Administrative Clerk	2	2		2	
TOTAL	Local Sewer Systems Section	26	28	2,835,504.13	29	2,863,312.71
TOTAL	Stormwater Management Fund Positions	(*10)	(*9)		(*9)	
TOTAL	Infrastructure Management Division	58	59	6,208,479.28	61	6,355,289.97
TOTAL	Stormwater Management Fund Positions	(*10)	(*9)		(*9)	

Fund: Corporate Dept: Engineering Division:		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
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	-	-		-	
		(*4)	(*3)		(*3)	
HP11	Administrative Specialist	-	-		-	
		(*1)	(*1)		(*1)	
TOTAL	Stormwater Management Section	-	-	-	-	-
TOTAL	Stormwater Management Fund Positions	(*22)	(*21)		(*21)	
540	Process Facilities Design Division					
541	Administrative Section					
HP22	Assistant Director of Engineering	-	1		1	
HP11	Administrative Specialist	2	2		2	
TOTAL	Administrative Section	2	3	296,095.70	3	349,350.56
542	Plant Design Management Section					
HP20	Managing Civil Engineer	1	1		1	
HP18	Principal Civil Engineer	2	2		2	
HP17	Senior Civil Engineer	2	3		4	
HP16	Computer Aided Drafting and Design Administrator	1	1		1	
HP15	Associate Civil Engineer	2	2		1	
HP12	Engineering Technician IV	1	1		1	
TOTAL	Plant Design Management Section	9	10	1,236,437.38	10	1,260,255.07
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	7		6	
HP17	Senior Process Control Engineer	1	1		1	

Fund: Corporate Dept: Engineering Division:		POSITION ANALYSIS				
		2016	2017		2018	
					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	2	2		3	
HP15	Associate Process Control Engineer	1	1		1	
HP14	Assistant Civil Engineer	2	2		2	
HP13	Engineering Draftsman III #4	1	1		1	
HP12	Engineering Draftsman II	1	1		2	
HP12	Engineering Draftsman II #4	1	1		-	
TOTAL	Process / Civil Design Section (formerly Process Design Section)	20	20	2,365,311.49	20	2,365,289.91
545	Mechanical Design Section					
HP20	Managing Mechanical Engineer	1	2		-	
HP18	Principal Mechanical Engineer	2	2		2	
HP17	Senior Mechanical Engineer	4	5		4	
HP15	Associate Mechanical Engineer	4	4		4	
HP14	Assistant Mechanical Engineer	1	1		1	
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	15	17	2,019,504.59	14	1,575,452.36
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	
HP15	Associate Electrical Engineer	5	5		5	
HP14	Assistant Electrical Engineer	2	1		1	
HP13	Engineering Draftsman III	-	1		1	
HP13	Engineering Draftsman III #4	1	-		-	
HP12	Engineering Draftsman II	2	2		2	
TOTAL	Electrical Design Section	18	17	2,002,549.50	17	2,023,362.66

Fund: Corporate Dept: Engineering Division:		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
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		3	
HP15	Associate Architect	3	3		3	
HP15	Associate Structural Engineer	2	2		2	
HP14	Assistant Structural Engineer	3	3		3	
HP13	Engineering Draftsman III	1	1		1	
HP12	Engineering Draftsman II #4	1	1		-	
TOTAL	Structural / Architectural Design Section	19	19	2,149,368.69	18	2,054,740.19
TOTAL	Process Facilities Design Division	83	86	10,069,267.35	82	9,628,450.75
550	Construction Division					
551	Administrative Section					
HP22	Assistant Director of Engineering	1	1		1	
HP11	Administrative Specialist	2	1		1	
TOTAL	Administrative Section	3	2	295,237.50	2	295,237.50
555	Program Management Section					
HP20	Managing Civil Engineer	1	1		1	
HP17	Senior Civil Engineer	1	-		-	
HP17	Senior Electrical Engineer	1	1		1	
HP15	Associate Civil Engineer	1	2		2	
HP14	Assistant Civil Engineer	1	1		1	
HP14	Assistant Mechanical Engineer	1	1		1	
HP13	Senior Administrative Specialist	1	1		1	
TOTAL	Program Management Section	7	7	815,304.96	7	810,257.94

Fund: Corporate Dept: Engineering Division:		POSITION ANALYSIS				
		2016	2017		2018	
					PROPOSED BY THE EXECUTIVE DIRECTOR	
PAY PLAN & GRADE	CLASS TITLE	ACTUAL FTEs	BUDGETED FTEs	APPROPRIATION IN DOLLARS	BUDGETED FTEs	APPROPRIATION IN DOLLARS
556	Construction Field Services Section					
HP20	Managing Civil Engineer	1	1		1	
HP20	Managing Mechanical Engineer	-	-		1	
HP18	Principal Civil Engineer	4	4		4	
HP18	Principal Electrical Engineer	3	3		2	
HP17	Senior Civil Engineer	10	10		10	
HP17	Senior Electrical Engineer	3	3		3	
HP17	Senior Mechanical Engineer	2	2		2	
HP15	Associate Civil Engineer	11	11		11	
HP15	Associate Civil Engineer #2 (Engineering Technician V) (New Grade HP14)	-	1		-	
HP15	Associate Electrical Engineer	3	3		3	
HP15	Associate Mechanical Engineer	2	4		4	
HP15	Associate Structural Engineer	1	1		1	
HP14	Assistant Civil Engineer	7	5		4	
HP14	Assistant Electrical Engineer	2	2		2	
HP14	Assistant Mechanical Engineer	1	1		1	
HP14	Engineering Technician V	12	12		11	
HP14	Engineering Technician V #4	3	3		2	
HP12	Administrative Assistant #2 (Administrative Specialist) (New Grade HP11)	1	1		1	
HP12	Engineering Technician IV	9	9		9	
HP12	Engineering Technician IV #4	1	1		1	
HP11	Administrative Specialist	1	-		-	
HP11	Engineering Technician III	6	7		10	
TOTAL	Construction Field Services Section	83	84	8,738,414.36	83	8,618,375.93
TOTAL	Construction Division	93	93	9,848,956.82	92	9,723,871.37
TOTAL	Engineering	242	246	27,312,461.95	242	26,669,286.82
TOTAL	Stormwater Management Fund Positions	(*32)	(*30)		(*30)	
Note: Thirty 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