New Issue

Investment Ratings:
Standard & Poor's ... AA-/Stable
Fitch Ratings ... AA/Stable

Final Official Statement Dated July 15, 2015

Subject to compliance by the District with certain covenants, in the opinion of Hart, Southworth & Witsman, Springfield, Illinois, Bond Counsel, under present law, interest on the Series 2015A Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, but such interest is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. Interest on the Series 2015A Bonds is not exempt from present State of Illinois income taxes. See ***"TAX EXEMPTION – SERIES 2015A BONDS"*** *herein for a more complete discussion. Interest on the Series 2015C Bonds is includible in gross income of the owners thereof for federal income tax purposes. Interest on the Series 2015C Bonds is not exempt from present State of Illinois income taxes. See "**CERTAIN FEDERAL INCOME TAX CONSIDERATIONS – SERIES 2015C BONDS**" herein for a more complete discussion.*

SPRINGFIELD METRO SANITARY DISTRICT

Sangamon County, Illinois

$22,080,000 General Obligation Bonds (Alternate Revenue Source), Series 2015A

$2,915,000 Taxable General Obligation Bonds (Alternate Revenue Source), Series 2015C

Dated: Date of Delivery **Book-Entry** **Due: See Inside Cover**

The $22,080,000 General Obligation Bonds (Alternate Revenue Source), Series 2015A (the "Series 2015A Bonds") and the $2,915,000 Taxable General Obligation Bonds (Alternate Revenue Source), Series 2015C (the "Series 2015C Bonds", and together with the Series 2015A Bonds, the "Bonds") are being issued by the Springfield Metro Sanitary District, Sangamon County, Illinois (the "District"). Interest on the Bonds is payable semiannually on January 1 and July 1 of each year, commencing January 1, 2016. The Bonds will be issued using a book-entry system. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The ownership of one fully registered Bond for each maturity and series will be registered in the name of Cede & Co., as nominee for DTC and no physical delivery of Bonds will be made to purchasers. The Bonds will mature on January 1 in the years and amounts set forth in the inside cover page hereto.

OPTIONAL REDEMPTION

The Bonds are callable in whole or in part on any date on or after January 1, 2026, at a price of par and accrued interest. If less than all the Bonds are called, they shall be redeemed in such principal amounts and from such series and maturities as determined by the District and within any maturity by lot. See **"DESCRIPTION OF THE BONDS - Optional Redemption"** herein.

PURPOSE, LEGALITY AND SECURITY

The proceeds of the Series 2015A Bonds are expected to be used to: (i) finance certain capital improvements in the District, including a portion of the costs of the construction of a new Sugar Creek Wastewater Treatment Plant, (ii) fund approximately 17 months of capitalized interest on the Series 2015A Bonds, (iii) currently refund the District's outstanding Sewer Revenue Subordinate Lien Bonds, Series 2012, and (iv) pay the costs of issuance of the Series 2015A Bonds. The proceeds of the Series 2015C Bonds are expected to be used to: (i), together with funds of the District, fund debt service reserve funds for of the District's Illinois Environmental Protection Agency ("IEPA") loans (the "IEPA Loans"), (ii) fund approximately 17 months of capitalized interest on the Series 2015C Bonds, and (iii) pay the costs of issuance of the Series 2015C Bonds. See "**THE PLAN OF FINANCING**" herein.

In the opinion of Bond Counsel, Hart, Southworth & Witsman, Springfield, Illinois, the Bonds are valid and legally binding general obligations of the District payable from: (a) certain net revenues from the sanitary sewer system of the District (the "Pledged Revenues"), and (b) ad valorem taxes levied against all taxable property within the District without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion. The Pledged Revenues also secure certain outstanding Senior Lien Bonds, Junior Lien Bonds and Subordinate Bonds of the District and any additional bonds of such types that may be issued hereafter as provided in the Master Bond Ordinance. See "**DESCRIPTION OF THE BONDS – Security: Alternate Revenue Source and Tax Levy**" herein.

The Bonds are offered when as and if issued and received by the Underwriter subject to receipt of the approving legal opinion of Hart, Southworth & Witsman, Springfield, Illinois, Bond Counsel. Certain legal matters will be passed upon for the District by Stratton, Sronce, Reichert & Nardulli, Springfield, Illinois, and for the Underwriter by Katten Muchin Rosenman LLP, Chicago, Illinois and Zack Stamp, Ltd., Springfield, Illinois. An electronic copy of this Final Official Statement is available from the www.speerfinancial.com web site under "Final Official Statement Sales Calendar". It is expected that the Bonds in definitive form will be available for delivery, through the facilities of DTC, on or about August 4, 2015.

Citigroup

MATURITY SCHEDULES

$22,080,000 General Obligation Bonds (Alternate Revenue Source), Series 2015A(1)

$2,880,000........... 4.125%	Term Bond due January 1, 2040; Yield 4.280%		850592 CD6
$5,965,000........... 4.250%	Term Bond due January 1, 2045; Yield 4.380%		850592 CE4
$13,235,000 .... 5.750%	Term Bond due January 1, 2053; Yield 4.280%*		850592 CF1

$2,915,000 Taxable General Obligation Bonds (Alternate Revenue Source), Series 2015C(1)

$2,915,000........... 5.200%	Term Bond due January 1, 2037; Yield 5.200%		850592 CG9

**This maturity has been priced to call.*

Notes: (1) The Bonds are dated as of the Date of Delivery (expected to be on or about August 4, 2015).
(2) CUSIP numbers appearing in this Final Official Statement have been provided by the CUSIP Service Bureau, which is managed on behalf of the American Bankers Association by Standard & Poor's, a division of the McGraw-Hill Companies, Inc. The District is not responsible for the selection of CUSIP numbers and makes no representation as to their correctness on the Bonds or as set forth herein.

No dealer, salesperson or any other person has been authorized by the District or the Underwriter to give any information or to make any representations, other than the information and representations contained in this Final Official Statement, in connection with the offering of the Bonds, and, if given or made, such information or representations must not be relied upon as having been authorized by the District or the Underwriter. The information in this Final Official Statement has been furnished by the District and other sources which are considered to be reliable, but is not guaranteed as to accuracy or completeness. The Underwriter has provided the following sentence for inclusion in this Final Official Statement. The Underwriter has reviewed the information in this Final Official Statement in accordance with, and as part of, its responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. The information and expressions of opinion in this Final Official Statement are subject to change without notice and neither the delivery of this Final Official Statement nor any sale of the Bonds shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date of this Final Official Statement.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE BONDS HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF SUCH BONDS AT A LEVEL ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THIS FINAL OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY THE BONDS, NOR SHALL THERE BE ANY SALE OF ANY OF THE BONDS, BY ANY PERSON IN ANY JURISDICTION IN WHICH OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER, SOLICITATION OR SALE.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE BOND ORDINANCE BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE BONDS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF LAW OF THE STATE IN WHICH THE BONDS HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN OTHER STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF.

This Final Official Statement contains statements which, to the extent they are not recitations of historical fact, constitute "forward-looking statements". In this respect, the words "estimate", "project", "anticipate", "expect", "intend", "believe" and similar expressions are intended to identify forward-looking statements. A number of important factors affecting the District's business and financial results could cause actual results to differ materially from those stated in any forward looking statements.

SPRINGFIELD METRO SANITARY DISTRICT
Sangamon County, Illinois

3000 North 8th Street
Springfield, Illinois 62707
(217) 528-0491

EXECUTIVE DIRECTOR

Gregg Humphrey, PE PLS

DISTRICT ENGINEER

Jason Jacobs, PE

TREASURER

Paul Ed Vehovic

SECRETARY

Brian Schackmann

DISTRICT COUNSEL

Justin Reichert, Esq.
Stratton, Sronce, Reichert & Nardulli
Springfield, Illinois

BOND COUNSEL

Hart, Southworth & Witsman
Springfield, Illinois

MUNICIPAL ADVISOR

Speer Financial, Inc.
Chicago, Illinois

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BOND ISSUE SUMMARY

This Bond Issue Summary is expressly qualified by the entire Final Official Statement, which is provided for the convenience of potential investors and which should be reviewed in its entirety by potential investors.

Issuer:	Springfield Metro Sanitary District, Sangamon County, Illinois.
Dated Date:	Date of delivery, expected to be on or about August 4, 2015.
Optional Redemption:	The Bonds are callable in whole or in part on any date on or after January 1, 2026, at a price of par and accrued interest. If less than all the Bonds are called, they shall be redeemed in such principal amounts and from such series and maturities as determined by the District and within any maturity by lot. See **"DESCRIPTION OF THE BONDS - Optional Redemption"** herein.
Security:	In the opinion of Bond Counsel, Hart, Southworth & Witsman, Springfield, Illinois, the Bonds are valid and legally binding general obligations of the District payable from: (a) certain net revenues from the sanitary sewer system of the District (the "Pledged Revenues), and (b) ad valorem taxes levied against all taxable property within the District without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion. The Pledged Revenues also secure certain outstanding Senior Lien Bonds, Junior Lien Bonds and Subordinate Bonds of the District and any additional bonds of such types that may be issued hereafter in accordance with the Master Bond Ordinance. See "**DESCRIPTION OF THE BONDS – Security: Alternate Revenue Source and Tax Levy**" herein.
Investment Ratings:	Standard & Poor's Ratings Services, New York, New York, and Fitch Ratings, New York, New York have assigned the Bonds investment ratings of "AA-/Stable" and "AA/Stable", respectively. See "**INVESTMENT RATINGS**" herein.
Bond Registrar/Paying Agent:	U.S. Bank National Association, Chicago, Illinois.
Book-Entry Form:	The Bonds will be registered in the name of Cede & Co. as nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository of the Bonds. See **APPENDIX C** herein.
Denomination:	$5,000 or integral multiples thereof.
Delivery:	The Bonds are expected to be delivered on or about August 4, 2015.

Series 2015A Bonds

Issue: $22,080,000 General Obligation Bonds (Alternate Revenue Source), Series 2015A.

Interest Due: Each July 1 and January 1, commencing January 1, 2016.

Principal Due: Term Bond 1 is due January 1, 2040, Term Bond 2 is due January 1, 2045 and Term Bond 3 is due January 1, 2053, as detailed on the inside cover page of this Final Official Statement. See also "**DESCRIPTION OF THE BONDS - Mandatory Redemption**" herein.

Purpose: The proceeds of the Series 2015A Bonds are expected to be used to: (i) finance certain capital improvements in the District, including a portion of the costs of the construction of a new Sugar Creek Wastewater Treatment Plant, (ii) fund approximately 17 months of capitalized interest on the Series 2015A Bonds, (iii) currently refund the District's outstanding Sewer Revenue Subordinate Lien Bonds, Series 2012, and (iv) pay the costs of issuance of the Series 2015A Bonds. See "**THE PLAN OF FINANCING**" herein.

Tax Exemption: Hart, Southworth & Witsman, Springfield, Illinois, will provide an opinion as to the tax exemption of the interest on the Series 2015A Bonds as discussed under **"TAX EXEMPTION"** in this Final Official Statement. Interest on the Series 2015A Bonds is not exempt from present State of Illinois income taxes.

Series 2015C Bonds

Issue: $2,915,000 Taxable General Obligation Bonds (Alternate Revenue Source), Series 2015C.

Interest Due: Each July 1 and January 1, commencing January 1, 2016.

Principal Due: The Term Bond is due January 1, 2037 as detailed on the inside cover page of this Final Official Statement. See also "**DESCRIPTION OF THE BONDS - Mandatory Redemption**" herein.

Purpose: The proceeds of the Series 2015C Bonds are expected to be used to: (i), together with funds of the District, fund debt service reserve funds for the District's Illinois Environmental Protection Agency ("IEPA") loans (the "IEPA Loans"), (ii) fund approximately 17 months of capitalized interest on the Series 2015C Bonds, and (iii) pay the costs of issuance of the Series 2015C Bonds. See "**THE PLAN OF FINANCING**" herein.

No Tax Exemption: **None.** Interest on the 2015C Bonds is includible in gross income for federal income tax purposes. See **"CERTAIN FEDERAL INCOME TAX CONSIDERATIONS – THE 2015C BONDS"** herein. Interest on the 2015C Bonds is not exempt from present State of Illinois income taxes.

INTRODUCTION

The purpose of this Final Official Statement is to provide information concerning the Springfield Metro Sanitary District, Sangamon County, Illinois (the "District"), its $22,080,000 principal amount of General Obligation Bonds (Alternate Revenue Source), Series 2015A (the "Series 2015A Bonds"), and its $2,915,000 Taxable General Obligation Bonds (Alternate Revenue Source), Series 2015C (the "Series 2015C Bonds", and together with the Series 2015A Bonds, the "Bonds"). This Final Official Statement includes the cover page and Appendices.

The Bonds are authorized pursuant to and in all respects in compliance with the applicable provisions of the Sanitary District Act of 1917, 70 ILCS 2405 and the Sanitary District Revenue Bond Act, 70 ILCS 3010 (together, the "Sanitary District Acts"), the Local Government Debt Reform Act, 30 ILCS 350/1 et seq. (the "Debt Reform Act"), the Omnibus Bond Acts, 5 ILCS 70/8, and other applicable law. The Bonds are being issued pursuant to an authorizing ordinance adopted by the Board of Trustees of the District (the "Board") on February 24, 2015, a master bond ordinance adopted by the Board on June 30, 2009 (the "Master Bond Ordinance"), and the Bond Ordinances adopted on June 30, 2015 (collectively, the "Series 2015A and Series 2015C Bond Ordinance"). These ordinances are hereinafter referred to collectively as the "Bond Ordinance".

This Final Official Statement contains summaries and descriptions of the terms and provisions of, and security for, the Bonds, together with a summary and description of certain provisions of the Bond Ordinance and certain related documents. All references to the Bonds are qualified in their entirety by reference to the Bond Ordinance and such other documents, including the forms of the Bonds. For a description of the provisions of the Bond Ordinance and the conditions under which additional bonds may be issued, see "**APPENDIX B - SUMMARY OF CERTAIN PROVISIONS OF THE BOND ORDINANCE AND DEFINITIONS**" herein. Any statements or information indicated to involve matters of opinion or estimates are represented as opinions or estimates in good faith, but no assurance can be given that the facts will materialize as so opined or estimated.

DESCRIPTION OF THE BONDS

Security: Alternate Revenue Sources and Tax Levy

The Bonds are payable from: (a) the Net Revenues of the System (the "Pledged Revenues"), and (b) ad valorem taxes levied against all taxable property within the District without limitation as to rate or amount (the "Series 2015A Pledged Taxes" for the Series 2015A Bonds and the "Series 2015C Pledged Taxes" for the Series 2015C Bonds). The Series 2015A Pledged Taxes and the Series 2015C Pledged Taxes are collectively referred to herein as the "Pledged Taxes"). See "**APPENDIX B – SUMMARY OF CERTAIN PROVISIONS OF THE BOND ORDINANCE AND DEFINITIONS"** herein for the definitions of "Net Revenues" and "System". The Pledged Revenues also secure certain outstanding Senior Lien Bonds, Junior Lien Bonds and Subordinate Bonds of the District, and any additional bonds of such types that may be issued hereafter in accordance with the Master Bond Ordinance.

Pursuant to the Debt Reform Act, the District will pledge such monies to the payment of the Bonds and shall covenant to provide for and apply such Pledged Revenues to the payment of the Bonds and the provision of not less than an additional 0.25 times debt service, which pledge and covenant shall constitute a continuing obligation of the District and continuing appropriation of the amounts received. For the prompt payment of the Bonds, the full faith, credit and resources of the District are irrevocably pledged.

In the Bond Ordinance, the District covenants and agrees with the purchasers and the owners of the Bonds that so long as any of the Bonds remain outstanding, the District will take no action or fail to take any action which in any way would adversely affect the ability of the District to collect the Pledged Revenues or, except for abatement of tax levies as permitted in the Bond Ordinance, to levy and collect the Pledged Taxes. The District and its officers will comply with all present and future applicable laws in order to assure that the Pledged Revenues will be available and that the Pledged Taxes will be levied, extended and collected as provided in the Bond Ordinance and deposited in the junior lien bond and interest accounts created under the Bond Ordinance (the "Series 2015A and Series 2015C Junior Lien Bond and Interest Accounts").

The Bond Ordinance provides for the levy of the Pledged Taxes. The Series 2015A and Series 2015C Bond Ordinance will be filed with the County Clerk of the Sangamon County, Illinois (the "County Clerk"), and will serve as authorization to the County Clerk to extend and collect the Pledged Taxes as set forth in the Series 2015A and Series 2015C Bond Ordinance to pay the Bonds.

As provided in the Debt Reform Act, the District's determination of the sufficiency of the Pledged Revenues will be based on a report by Pehlman & Dold, P.C., certified public accountants.

Outstanding Debt of the District Payable from the Pledged Revenues (Net Revenues of the System)

Senior Lien Bonds. Pursuant to the Master Bond Ordinance, the District is authorized to issue Senior Lien Bonds secured by a lien on the Net Revenues of the System. Each series of Senior Lien Bonds are also secured by funds on deposit in such series' Senior Lien Bond and Interest Account and Senior Lien Reserve Account. Monthly deposits of Net Revenues are to be deposited into the Accounts maintained under the Bond Ordinance for the payment of Senior Lien Bonds, along with the District's Capital Improvement Fund, prior to being deposited to the Accounts maintained under the Bond Ordinance for the payment of Junior Lien Bonds and Subordinate Bonds; the Depreciation, Repair and Replacement Account; and the Surplus Account. See "**APPENDIX B - SUMMARY OF CERTAIN PROVISIONS OF THE BOND ORDINANCE AND DEFINITIONS – Flow of Funds**" herein.

Prior to the issuance of the Bonds, the District will convert its outstanding IEPA loans from Senior Lien Bonds to Subordinate Bonds (the "IEPA Conversion"). After the IEPA Conversion, the only outstanding Senior Lien Bonds of the District will be the Sewer Revenue Bonds, Taxable Senior Lien, Series 2010A (Build America Bonds – Direct Payment), and the Sewer Revenue Bonds, Senior Lien Series 2011A.

Junior Lien Bonds (Includes the Bonds). Pursuant to the Master Bond Ordinance, the District is authorized to issue Junior Lien Bonds, which must be general obligation alternate bonds, such as the Bonds. The Junior Lien Bonds are secured by a lien on the Net Revenues of the System. Each series of Junior Lien Bonds are also secured by funds on deposit in such series' Junior Lien Bond and Interest Account and by a backup ad valorem tax levy. Monthly deposits of Net Revenues are to be deposited into the Capital Improvement Fund and the Accounts maintained under the Bond Ordinance for the payment of Senior Lien Bonds, prior to being deposited to the Accounts maintained under the Bond Ordinance for the payment of Junior Lien Bonds; the Depreciation, Repair and Replacement Account; and the Surplus Account (from which debt service payments are made on Subordinate Bonds). The Junior Lien Bonds are not on a parity with the Senior Lien Bonds with respect to the Pledged Revenues. See "**APPENDIX B - SUMMARY OF CERTAIN PROVISIONS OF THE BOND ORDINANCE AND DEFINITIONS – Flow of Funds**" herein.

After issuance of the Bonds, the only outstanding Junior Lien Bonds of the District will be the General Obligation Bonds (Alternate Revenue Source), Series 2009A, the Taxable General Obligation Bonds (Alternate Revenue Source), Series 2009E (Build America Bonds – Direct Payment), and the Bonds.

Subordinate Bonds. Pursuant to the Master Bond Ordinance, the District is authorized to issue Subordinate Bonds. The Subordinate Bonds are secured by a lien on the Net Revenues of the System that are deposited to the Surplus Account. Monthly deposits of Net Revenues are to be deposited into the Capital Improvement Fund, the Accounts maintained under the Bond Ordinance for the payment of Senior Lien Bonds and the Junior Lien Bonds, and the Depreciation, Repair and Replacement Account, prior to being deposited to the Surplus Account for the payment of Subordinate Bonds. Subordinate Bonds are not on a parity with the Senior Lien Bonds or the Junior Lien Bonds with respect to the Pledged Revenues. See "**APPENDIX B - SUMMARY OF CERTAIN PROVISIONS OF THE BOND ORDINANCE AND DEFINITIONS – Flow of Funds**".

After the refunding of the Refunded Bonds (see "**THE PLAN OF FINANCING**" herein) and the IEPA Conversion, the only currently outstanding Subordinate Bonds of the District will be IEPA Loan L17-2910, IEPA Loan L17-4561, IEPA Loan L17-4566, and the IEPA Loan anticipated to be issued on or about the same date as the Bonds in the expected principal amount of $20,000,000 (the "2015 IEPA Loan", and together with all outstanding IEPA Loans of the District, the "IEPA Loans").

See "**DEBT INFORMATION**" for the principal and debt service retirement schedules for all outstanding bonds and IEPA loans of the District.

Highlights of Alternate Bonds

Section 15 of the Debt Reform Act provides that whenever revenue bonds have been duly authorized, a local government unit may issue its general obligation bonds in lieu of such revenue bonds as authorized, and such general obligation bonds may be referred to as "alternate bonds". The Debt Reform Act also provides that whenever there exists an alternate revenue source, a local government unit may issue alternate bonds. Such bonds are general obligation debt payable from the pledged alternate revenues with the general obligation of the issuer acting as back-up security. The Debt Reform Act prescribes several conditions that must be met before alternate bonds may be issued.

First, alternate bonds must be issued for a lawful corporate purpose. If issued in lieu of revenue bonds, the alternate bonds must be authorized under applicable law. Alternate bonds may be issued payable from either enterprise revenues or other revenue sources, or both.

Second, the question of issuance must be submitted to referendum if, within thirty (30) days after publication of an authorizing ordinance and notice of intent to issue alternate bonds, a petition signed by the greater of (i) 7.5% of the registered voters in the government unit; or (ii) 200 of those registered voters or 15%, whichever is less, is filed. No such legally sufficient petition has been filed in connection with the Bonds.

Third, the issuer must determine that the pledged revenue source or sources are sufficient in each year to final maturity to provide not less than 1.25 times debt service of the proposed alternate bonds and all other outstanding alternate bonds of the issuer payable from the same revenue source. To the extent payable from one or more revenue sources, such sources shall have been determined by the governing body to provide in each year an amount not less than 1.25 times debt service on all alternate bonds payable from such revenue sources previously issued and outstanding and the alternate bonds proposed to be issued.

Fourth, the pledged revenue source or sources must be pledged to the payment of the alternate bonds.

Last, the governmental unit must covenant to provide for, collect and apply the pledged revenues to the payment of the alternate bonds and to provide for an amount equal to not less than an additional 0.25 times debt service.

The District will comply with all of the aforementioned conditions prior to the issuance of the Bonds.

Abatement of Series 2015A Pledged Taxes

Prior to the deadline for the timely annual abatement of the Series 2015A Pledged Taxes for the Series 2015A Bonds, the District shall deposit Pledged Revenues (subject to the flow of funds described in **APPENDIX B**) into the Series 2015A Junior Lien Bond and Interest Account in an amount necessary to provide for the payment of interest and principal coming due on the Series 2015A Bonds otherwise payable from the proceeds of such tax levy. Upon (but in no event prior to) the deposit of the Pledged Revenues or other lawfully available funds, the District Board or the officers of the District acting with proper authority shall direct the abatement of such levy of the Series 2015A Pledged Taxes to the extent of the moneys so deposited.

Series 2015A Junior Lien Bond and Interest Account

The District will deposit the appropriate Pledged Revenues (subject to the flow of funds described in **APPENDIX B**) and the Series 2015A Pledged Taxes (if levied) into a separate Series 2015A Junior Lien Bond and Interest Account, which is a trust fund established for the purpose of carrying out the covenants, terms and conditions imposed upon the District by the Bond Ordinance. The Series 2015A Bonds are secured by a pledge of all of the monies on deposit in the Series 2015A Junior Lien Bond and Interest Account, and such pledge is irrevocable until the Series 2015A Bonds have been paid in full or until the obligations of the District are discharged under the Bond Ordinance.

Abatement of Series 2015C Pledged Taxes

Prior to the deadline for the timely annual abatement of the Series 2015C Pledged Taxes for the Series 2015C Bonds, the District shall deposit Pledged Revenues (subject to the flow of funds described in **APPENDIX B**) into the Series 2015C Junior Lien Bond and Interest Account in an amount necessary to provide for the payment of interest and principal coming due on the Series 2015C Bonds otherwise payable from the proceeds of such tax levy. Upon (but in no event prior to) the deposit of the Pledged Revenues or other lawfully available funds, the District Board or the officers of the District acting with proper authority shall direct the abatement of such levy of the Series 2015C Pledged Taxes to the extent of the moneys so deposited.

Series 2015C Junior Lien Bond and Interest Account

The District will deposit the appropriate Pledged Revenues (subject to the flow of funds described in **APPENDIX B**) and the Series 2015C Pledged Taxes (if levied) into a separate Series 2015C Junior Lien Bond and Interest Account, which is a trust fund established for the purpose of carrying out the covenants, terms and conditions imposed upon the District by the Bond Ordinance. The Series 2015C Bonds are secured by a pledge of all of the monies on deposit in the Series 2015C Junior Lien Bond and Interest Account, and such pledge is irrevocable until the Series 2015C Bonds have been paid in full or until the obligations of the District are discharged under the Bond Ordinance.

Additional Bonds

The District is authorized to issue from time to time additional bonds payable from the Pledged Revenues as permitted by the Bond Ordinance and law. Such additional bonds may share in the Pledged Revenues on a senior, equal or subordinate basis with the Bonds and all then Outstanding Bonds and Subordinate Bonds; provided, however, that no such additional bonds shall be issued except in accordance with the provisions of the Bond Ordinance and the Debt Reform Act. See "**APPENDIX B - SUMMARY OF CERTAIN PROVISIONS OF THE MASTER BOND ORDINANCE AND DEFINITIONS – Additional Senior Lien Bonds, - Additional Junior Lien Bonds, and – Additional Subordinate Bonds**".

Certain Risk Factors

The ability of the District to pay the Bonds from the Pledged Revenues may be limited by circumstances beyond the control of the District. There is no guarantee that the Pledged Revenues will continue to be available at current levels.

To the extent that Pledged Revenues may be insufficient to pay the Bonds, the Bonds are to be paid from the Pledged Taxes. If the Pledged Taxes are ever extended for the payment of a series of the Bonds, the amount of Bonds of such series then outstanding will be included in the computation of indebtedness of the District for purposes of all statutory provisions or limitations until such time as an audit of the District shows that the Bonds of such series have been paid from the Pledged Revenues for a complete fiscal year.

Optional Redemption

The Bonds are callable in whole or in part on any date on or after January 1, 2026, at a price of par and accrued interest. If less than all the Bonds are called, they shall be redeemed in such principal amounts and from such series and maturities as determined by the District and within any maturity by lot.

The Bond Registrar will give notice of redemption, identifying the Bonds (or portions thereof) to be redeemed, by mailing a copy of the redemption notice by first class mail not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of each Bond (or portion thereof) to be redeemed at the address shown on the registration books maintained by the Bond Registrar. Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed are received by the Bond Registrar prior to the giving of such notice of redemption, such notice may, at the option of the District, state that said redemption will be conditional upon the receipt of such moneys by the Bond Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice will be of no force and effect, the District will not redeem such Bonds, and the Bond Registrar will give notice, in the same manner in which the notice of redemption has been given, that such moneys were not so received and that such Bonds will not be redeemed. Otherwise, prior to any redemption date, the District will deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on the date.

Subject to the provisions for a conditional redemption described above, notice of redemption having been given as described above and in the Bond Ordinance, the Bonds or portions of Bonds so to be redeemed will, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the District shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds will be paid by the Bond Registrar at the redemption price.

Mandatory Redemption

The Series 2015A Bonds maturing on January 1, 2040, are subject to mandatory redemption, in part by lot, on January 1, 2038-2039, consisting of sinking fund payments at redemption prices equal to the principal amounts as set forth below:

Year	Principal Amount
2038	$ 815,000
2039	1,010,000

The final principal amount of the Series 2015A Bonds maturing on January 1, 2040, is $1,055,000.

The Series 2015A Bonds maturing on January 1, 2045, are subject to mandatory redemption, in part by lot, on January 1, 2041-2044, consisting of sinking fund payments at redemption prices equal to the principal amounts as set forth below:

Year	Principal Amount
2041	$1,095,000
2042	1,145,000
2043	1,190,000
2044	1,240,000

The final principal amount of the Series 2015A Bonds maturing on January 1, 2045, is $1,295,000.

The Series 2015A Bonds maturing on January 1, 2053, are subject to mandatory redemption, in part by lot, on January 1, 2046-2052, consisting of sinking fund payments at redemption prices equal to the principal amounts as set forth below:

Year	Principal Amount
2046	$1,350,000
2047	1,425,000
2048	1,510,000
2049	1,595,000
2050	1,690,000
2051	1,785,000
2052	1,885,000

The final principal amount of the Series 2015A Bonds maturing on January 1, 2053, is $1,995,000.

The Series 2015C Bonds maturing on January 1, 2037, are subject to mandatory redemption, in part by lot, on January 1, 2033-2036, consisting of sinking fund payments at redemption prices equal to the principal amounts as set forth below:

Year	Principal Amount
2033	$525,000
2034	555,000
2035	580,000
2036	610,000

The final principal amount of the Series 2015C Bonds maturing on January 1, 2037, is $645,000.

All of the Bonds subject to mandatory sinking fund redemption shall be redeemed at a redemption price equal to the principal amount thereof to be redeemed. The Bond Registrar is authorized and directed to mail notice of mandatory sinking fund redemption of the Bonds in the manner provided in the Bond Ordinance.

If the District redeems Bonds pursuant to optional redemption or purchases Bonds and cancels the same from funds in the respective Series 2015A and Series 2015C Junior Lien Bond and Interest Accounts, then an amount equal to the principal amount of the respective Bonds so redeemed or purchased shall be deducted from the mandatory redemption requirements provided for such Bonds, first, in the current year of such requirement, until the requirement for the current year has been fully met, and then in any order of Bonds as due at maturity or subject to mandatory redemption in any year, as the District shall determine. If the District redeems pursuant to optional redemption or purchases Bonds and cancels the same from moneys other than in the respective Series 2015A and Series 2015C Junior Lien Bond and Interest Accounts, then an amount equal to the principal amount of Bonds so redeemed or purchased shall be deducted from the amount of such Bonds as due at maturity or subject to mandatory redemption requirement in any year, as the District shall determine.

The District may purchase Bonds, either in the open market or pursuant to a tender offer, for settlement on or before the date of such mandatory redemption. To the extent that the District shall have purchased any Bonds, the District may reduce the principal amount of the Bonds to be redeemed at subsequent redemption dates by a like principal amount.

The Registrar will give notice of redemption, identifying the Bonds (or portions thereof) to be redeemed, by mailing a copy of the redemption notice by first class mail not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of each Bond (or portion thereof) to be redeemed at the address shown on the registration books maintained by the Registrar. Failure to give such notice by mail to any registered owner of the Bonds (or portion thereof) or any defect therein shall not affect the validity of any proceedings for the redemption of other Bonds (or portions thereof). All Bonds (or portions thereof) so called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at the place of payment at that time.

THE DISTRICT

General Information

The Springfield Metro Sanitary District was organized as a municipal corporation in 1924 under the State Sanitary District Act of 1917. The District is located in Sangamon County in central Illinois, approximately 190 miles southwest of Chicago. The District, headquartered in Springfield, Illinois, serves an area of approximately 165 square miles. The District's population, as estimated by the Springfield-Sangamon County Regional Planning Commission from the 2010 census is 150,135 out of a total population for Sangamon County of 197,465, as estimated by the Census Bureau for the 2010 Census.

About two-thirds of the District's service territory is within the City of Springfield. The District also serves the villages of Chatham, Grandview, Jerome, Leland Grove, Rochester, Sherman, and Southern View as well as some unincorporated areas near Springfield. The District has contracts with each of these communities for the treatment and disposal of their sewerage. See "**THE DISTRICT - Service Area and Service Contracts**" herein.

The District has 54 full-time and two part-time employees, 43 of whom are members of the International Union of Operating Engineers (IUOE). The District's Board ratified a five-year contract with the IUOE in April 2012 that extends through April 30, 2017.

Government and Administration of the District

The District is governed by a five member Board of Trustees who are appointed for three-year overlapping terms by the elected Sangamon County Board Chairman and confirmed by the 29 member County Board. No more than three of the Trustees may be from the Chairman of the Sangamon County Board's political party.

Day to day operations are administered by the Executive Director. The annual budget is prepared by the Executive Director and approved by the Board of Trustees.

Gregg Humphrey, PE PLS, has served as Executive Director of the District since June 1, 2007 after serving seven months as District Engineer. Mr. Humphrey was named the 2011 Engineer of the Year by the Illinois Society of Professional Engineers. Mr. Humphrey is a licensed professional engineer in seven states, including Illinois, and is also a licensed professional land surveyor. Mr. Humphrey graduated from Bradley University in Peoria, Illinois in 1986 with both a Bachelor's (Magna Cum Laude) and a Master's Degree in Civil Engineering. Prior to joining the District, Mr. Humphrey served as president of a Springfield-based civil engineering and land surveying firm that specialized in the planning, design and construction management of municipal projects including major sanitary and storm sewer systems, sanitary sewer lift stations, sanitary sewage treatment plants and water plants and distribution systems. Additional duties included project coordination and liaison with numerous government agencies along with grant applications and management. As Executive Director of the District, Mr. Humphrey is responsible for the operation, planning, construction, and financial management of the District, including coordination for regulatory and permitting issues. Mr. Humphrey holds an IEPA Class 1 Wastewater Operator Certificate.

Jason Jacobs, PE, has been with the District since September 2009 and has served as the District Engineer since April 1, 2015. Prior to working for the District, Mr. Jacobs was with the City of Springfield in its Public Works Department and has also been in private practice and has worked for the Illinois Department of Transportation. Mr. Jacob's experience includes many years of design and construction oversight of civil engineering projects. Mr. Jacobs has a Bachelor of Science in civil engineering from the University of Illinois.

Sewer System

The District operates a system composed of relief, interceptor, trunk and sanitary sewers that accept sewage from local lines of the municipalities within the District. The District owns and maintains a network of approximately 122 miles of wastewater collection sewers, 29 pumping stations for transporting the sewage in its collection system and treatment plants at Spring Creek (located on the north side of Springfield) and Sugar Creek (located northeast of Springfield).

The Spring Creek Plant, which was put into operation in 1929 and has been expanded over time, has a design average flow capacity of 32 million gallons per day ("MGD") and a design maximum flow of 80 MGD. In calendar 2014, the average daily flow at Spring Creek was 22.08 MGD and the maximum daily flow was 28.05 MGD. The Sugar Creek Plant was placed into service in 1973 and has a design average flow capacity of 10 MGD and a design maximum flow of 25 MGD. In calendar 2014, the average daily flow at Sugar Creek was 13.78 MGD and the maximum daily flow was 18.41 MGD.

Both facilities use an activated sludge treatment process, including screening, grit removal, primary clarification, aeration/nitrification, secondary clarification, scum removal, tertiary treatment, ultraviolet disinfection (at Spring Creek), chlorination of CSO flows at both plants, anaerobic sludge digestion (at Spring Creek), sludge stabilization (at Sugar Creek) and disposal.

Service Area and Service Contracts

The service territory of the District comprises approximately 19% of the land area and approximately 76% of the equalized assessed value of Sangamon County. Annexations of territory contiguous to the District within Sangamon County are on-going and added $33 million to the equalized assessed value of the District from 2013 to 2014.

The District has contracts with the cities and villages of Springfield, Chatham, Rochester and Sherman for the treatment and disposal of sewage of each municipality, the management and interconnection of sewer lines and the billing of District customers. These contracts are authorized by the Sanitary Act, which specifies that contracts of this type are irrevocable as long as any revenue bonds of a sanitary district are outstanding. The Sanitary Act allows a contiguous territory community to disconnect from its sanitary district upon petition of 10% of the voters and approval at referendum, but only if there is no bonded indebtedness of the sanitary district incurred while the territory was part of such district.

The District's contract with the City of Springfield (the "Springfield Contract") dates from 1956 and has been amended at various times. Within the Springfield Contract, the District has agreed to treat and dispose of the sewage of the City of Springfield (the "City") and furnish the City with the use and service of its intercepting sewers, trunk sewers, treatment plants and pumping stations.

The Springfield Contract requires that the District maintain sewer user charges based upon the quantity of water measured by water meters for any lot or building having a sewer connection. Any rates adopted by the District are set independently of the City and do not require approval of the City to become effective.

The Springfield Contract contains provisions for the billing of District customers by the City. As agent for the District, the City bills all District customers at the rates adopted by the District. The City is also responsible for the collection of the District's charges from these customers and is required to pay to the District each month all such amounts that it has collected. For these billing and collection services, the City is allowed to retain $0.25 per bill for each customer within the City and $0.50 per bill for any District customers that are outside of the City limits.

Either the City or District can request a review of these collection charges based on the actual expenses incurred by the City upon written request at least 90 days before the expiration of any collection year. If new rates cannot be agreed upon, the City is required to provide the District with water meter readings for all District customers outside of the City limits for whom no other municipality is collecting sewer user charges of the District. Upon agreement of compensation, the City may furnish any part of the billing or collecting service for the District, but is otherwise not obligated to serve the District as its billing and collection agent.

The District's contracts with other communities in Sangamon County contain similar terms and provisions.

Customer Base

The following table sets forth the average number of customers that the District has served in the past nine calendar years along with the amount of water (measured in units of 100 cubic feet) that has been billed to District customers.

Calendar Year	Average Number of Customers	Billable Water Flows (100 cubic feet)
2014	59,336	6,060,571
2013	58,790	6,188,929
2012	58,326	6,693,059
2011	57,965	6,759,226
2010	57,557	6,751,889
2009	57,830	6,589,139
2008	57,570	6,734,452
2007	57,390	7,400,034

The District currently has seven industrial customers for which it has issued permits that require the pretreatment and inspection of the user's wastewater stream. Pretreatment of the discharge for significant industrial users is one of the requirements of the District's National Pollution Discharge Elimination System (NPDES) permit. There have been no significant incidents of non-compliance among the District's industrial customers in recent years. Only one industrial customer is currently paying the District's surcharge for excess loading in its waste stream. City Water, Light & Power, the city-owned municipal electric and water utility of the City of Springfield became an industrial customer of the District as of November 2009 and discharges a waste stream from its Dallman Power Plant complex.

The Sugar Creek Project

In June 2005, the IEPA notified the District that it would be sending notices of Pending Restrictive Status for both the Spring Creek and Sugar Creek plants as both plants were operating in excess of their rated design capacity for levels of the biochemical oxygen demand (BOD) and the total suspended solids (TSS) that were specified in the NPDES permit for each facility. At Spring Creek, the average annual flow had exceeded the design average flow capacity of 20 MGD since 2004. While the average annual flow at the Sugar Creek plant had not exceeded the design flow of 10 MGD, monthly average flows have often exceeded that amount. Both plants were operating in excess of their organic and solids design capacity.

Under IEPA regulations, a facility on restricted status cannot increase loading. This would mean that the District would not be able to grant new sewer permits to any new commercial or residential development within its service territory, severely limiting the ability of the communities within its service area to experience economic growth.

In response to the Notices, the District submitted requests to the IEPA for a rerating of each plant based on the fact that the effluents that were being discharged were still within the BOD and TSS limits specified in the NPDES permits for each facility. In September 2005, the IEPA agreed to rerate both plants, based on a commitment by the District to prepare a facilities plan study for its system.

In May 2006, the District retained the consulting engineering firm, Crawford, Murphy & Tilly ("CM&T") to develop the Facilities Planning Report. The Facilities Plan Report (the "2007 FPR") would become the roadmap to guide the District in its future development needs and is required by the IEPA to justify any new construction or proposed facilities expansion. IEPA approval of the facilities planning report is required for sanitary districts and municipalities in order to obtain a construction permit and possible financial assistance from the IEPA.

The 2007 FPR was completed and submitted to the IEPA in less than one year in February 2007 and presented:

- an evaluation of existing facilities,
- a 25-year projection of future flows and loadings,
- an anti-degradation assessment and
- facility and treatment options.

The 2007 FPR recommended construction of a new treatment plant at Spring Creek. The Spring Creek Plant construction has been completed and the plant is operating in accordance with its expanded capacity and its new IEPA NPDES permit.

The 2007 FPR recommended upgrades and expansion at the Sugar Creek plant that would increase design average flow to 15 MGD and design maximum flow to 37.5 MGD, a 50% increase in the facility's capacity. An activated sludge process is to be employed at Sugar Creek. Construction costs are estimated at $57,000,000.

The District's current NPDES permit for Sugar Creek extends through March 21, 2020 and contains provisions for both the existing plant and the future plant and its discharges. Planning, design and bidding of the Sugar Creek Project have been completed. The 2015 IEPA Loan is currently being approved by the IEPA and will provide the initial construction funding to begin the Sugar Creek Project in 2015. The bid amount for the Sugar Creek Project is $54,400,000 and will be awarded upon execution of the 2015 IEPA Loan documents.

Other Projects

The District's fiscal 2016 budget identifies $250,000 for pump station and sewer improvements for the current fiscal year. Proceeds of the Series 2015A Bonds are expected to fund these improvements.

SOCIOECONOMIC INFORMATION

Demographic information is not available for the District. The following statistics principally pertain to the City. Additional comparisons are made with Sangamon County (the "County") and the State of Illinois (the "State").

General Economic Conditions

The City is the capital of the State of Illinois, seat of Sangamon County and the sixth most populous city in the State of Illinois (the "State"). The City covers an area of approximately 66 square miles and is located 185 miles southwest of Chicago and 100 miles northeast of St. Louis.

The City has a diversified economy with the principal sectors being health care and social services, State and local government, retail and wholesale trade, finance and rail and motor transportation. The City also is the headquarters for 165 national, regional and state trade associations, as well as 12 insurance companies. The historical significance of the Springfield area has been a major factor in promoting tourism in the local economy.

According to the Illinois Department of Employment Security, in March 2015, the unemployment rate in Springfield was 5.4% and 5.3% in Sangamon County. The City is the retail trade center for the surrounding agricultural area.

In its 15th annual "Best Small Places for Business and Careers" published in August 2013, Forbes magazine ranked the Springfield SMSA (Sangamon and Menard counties) 28th among SMSAs with a population less than 250,000. Rankings were based on 12 metrics relating to job growth (past and projected), costs (business and living), income growth over the past five years, educational attainment and projected growth through 2014. Within the "Cost of Doing Business" category, the Springfield MSA ranked 8th, while placing 34th in "Education" and 52nd in "Job Growth".

Springfield's basic retail industry is experiencing growth in income and all sectors of retail sales. The City's basic retail trade area encompasses a 40-mile radius from the City with a total population estimated to be in excess of 532,000. There are more than 1,100 retail stores and shops in Sangamon County, with two-thirds of them located in the City.

Employment

The following is work force employment data for Sangamon County.

Sangamon County
Annual Averages of Non-Farm Employment by Industry*(1)*

	2009	2010	2011	2012	2013
Natural Resources and Mining	565	602	643	658	657
Construction	3,091	3,187	3,094	2,942	3,189
Manufacturing	3,168	3,017	3,012	2,919	2,931
Trade, Transportation, and Utilities	15,602	15,843	16,147	15,977	15,921
Information	2,031	1,861	1,423	1,368	1,642
Financial Activities	6,997	6,894	7,020	7,229	7,057
Professional and Business Services	10,737	11,353	11,576	10,072	10,034
Educational and Health Services	18,176	19,117	19,408	19,570	19,557
Leisure and Hospitality	9,396	9,421	9,565	9,387	9,775
Other Services and Unclassified	4,964	4,920	5,076	4,979	4,918
Government	49,980	51,797	50,929	49,322	50,113
Total Non-Farm Employment	124,707	128,012	127,893	124,423	125,794

Note: (1) Source: Illinois Department of Employment Security, Economic Information & Analysis Division.

Based upon information supplied by the Greater Springfield Chamber of Commerce, the 10 largest employers in the Springfield area during fiscal year 2014 were as follows:

Largest Area Employers*(1)*

Name	Product/Service	Approximate Employment
State of Illinois	Government	17,500
Memorial Health System	General Hospital	4,433
St. John's Hospital	General Hospital	3,073
Springfield Public Schools	Public Schools	2,189
Springfield Clinic LLP	Health Care	1,953
City of Springfield	Municipal	1,510
SIU School of Medicine	Higher Educational Institution	1,485
University of Illinois - Springfield	Higher Educational Institution	1,435
Blue Cross Blue Shield	Health Insurance	1,256
Horace Mann Companies	Life Insurance	1,050

Note: (1) Source: Illinois Department of Employment Security and Springfield Chamber of Commerce.

The following tables show employment by industry and by occupation for the City, the County and the State of Illinois (the "State") as reported by the U.S. Census Bureau 2009-2013 American Community Survey 5-year estimated values.

Employment By Industry*(1)*

	The City		The County		The State	
Classification	Number	Percent	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing and Hunting and Mining	346	0.6%	1,213	1.3%	63,113	1.1%
Construction	1,859	3.4%	4,451	4.6%	310,368	5.2%
Manufacturing	2,137	3.9%	4,127	4.3%	756,029	12.6%
Wholesale Trade	1,070	1.9%	2,190	2.3%	184,209	3.1%
Retail Trade	6,123	11.1%	10,851	11.2%	655,654	10.9%
Transportation and Warehousing, and Utilities	2,042	3.7%	3,837	4.0%	348,569	5.8%
Information	1,052	1.9%	2,061	2.1%	126,311	2.1%
Finance and Insurance, and Real Estate and Rental and Leasing	4,256	7.7%	7,522	7.8%	447,732	7.5%
Professional, Scientific, and Management, and Administrative and Waste Management Services	4,920	8.9%	8,125	8.4%	666,163	11.1%
Educational Services and Health Care and Social Assistance	15,371	27.9%	25,507	26.3%	1,379,821	23.0%
Arts, Entertainment and Recreation and Accommodation and Food Services	4,764	8.7%	7,681	7.9%	538,646	9.0%
Other Services, Except Public Administration	2,733	5.0%	5,174	5.3%	286,928	4.8%
Public Administration	8,336	15.2%	14,296	14.7%	234,777	3.9%
Total	55,009	100.0%	97,035	100.0%	5,998,320	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2009 to 2013.

Employment By Occupation*(1)*

	The City		The County		The State	
Classification	Number	Percent	Number	Percent	Number	Percent
Management, Business, Science and Arts	22,291	40.5%	38,911	40.1%	2,183,077	36.4%
Service	10,194	18.5%	17,093	17.6%	1,036,503	17.3%
Sales and Office	15,353	27.9%	26,658	27.5%	1,509,578	25.2%
Natural Resources, Construction, and Maintenance	2,965	5.4%	6,936	7.1%	444,958	7.4%
Production, Transportation, and Material Moving	4,206	7.6%	7,437	7.7%	824,204	13.7%
Total	55,009	100.0%	97,035	100.0%	5,998,320	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2009 to 2013.

Annual Average Unemployment Rates*(1)*

Calendar Year	The City	The County	The State
2004	6.4%	5.5%	6.2%
2005	4.7%	4.6%	5.7%
2006	4.4%	4.2%	4.5%
2007	4.8%	4.6%	5.0%
2008	6.0%	5.9%	6.5%
2009	7.5%	7.4%	10.1%
2010	8.1%	8.0%	10.3%
2011	7.9%	7.6%	9.7%
2012	7.9%	7.6%	8.9%
2013	7.9%	7.4%	9.1%
2014	6.4%	6.0%	7.1%
2015(2)	5.4%	5.3%	6.3%

Notes: (1) Source: Illinois Department of Employment Security.
(2) Preliminary for the month of March 2015.

Housing

The U.S. Census Bureau 5-year estimated values reported that the median value of the City's owner-occupied homes was $116,900. This compares to $126,200 for the County and $182,300 for the State. The following table represents the five year average market value of specified owner-occupied units for the City, the County and the State at the time of the 2009-2013 American Community Survey.

Specified Owner-Occupied Units*(1)*

	The City		The County		The State	
Value	Number	Percent	Number	Percent	Number	Percent
Under $50,000	3,637	11.3%	5,758	9.9%	235,268	7.3%
$50,000 to $99,999	9,310	29.1%	15,512	26.8%	493,044	15.3%
$100,000 to $149,999	8,332	26.0%	14,253	24.6%	504,066	15.7%
$150,000 to $199,999	4,454	13.9%	9,605	16.6%	538,003	16.7%
$200,000 to $299,999	4,065	12.7%	8,556	14.8%	692,499	21.5%
$300,000 to $499,999	1,726	5.4%	3,278	5.7%	513,968	16.0%
$500,000 to $999,999	430	1.3%	871	1.5%	196,905	6.1%
$1,000,000 or more	94	0.3%	147	0.3%	46,285	1.4%
Total	32,048	100.0%	57,980	100.0%	3,220,038	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2009 to 2013.

Mortgage Status*(1)*

	The City		The County		The State	
Value	Number	Percent	Number	Percent	Number	Percent
Housing Units with a Mortgage	20,720	64.7%	38,329	66.1%	2,190,976	68.0%
Housing Units without a Mortgage	11,328	35.3%	19,651	33.9%	1,029,062	32.0%
Total	32,048	100.0%	57,980	100.0%	3,220,038	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2009 to 2013.

Income

The U.S. Census Bureau 5-year estimated values reported that the City had a median family income of $65,741. This compares to $85,520 for the County and $70,344 for the State. The following table represents the distribution of family incomes for the City, the County and the State at the time of the 2009-2013 American Community Survey.

Family Income*(1)*

	The City		The County		The State	
Income	Number	Percent	Number	Percent	Number	Percent
Under $10,000	1,948	6.8%	2,719	5.2%	137,093	4.4%
$10,000 to $14,999	1,107	3.8%	1,469	2.8%	84,866	2.7%
$15,000 to $24,999	2,239	7.8%	3,435	6.6%	225,548	7.2%
$25,000 to $34,999	2,529	8.8%	4,030	7.8%	257,251	8.2%
$35,000 to $49,999	3,128	10.8%	5,748	11.1%	381,248	12.2%
$50,000 to $74,999	5,597	19.4%	10,107	19.5%	583,037	18.6%
$75,000 to $99,999	3,922	13.6%	8,084	15.6%	470,717	15.0%
$100,000 to $149,999	4,956	17.2%	10,185	19.6%	553,739	17.7%
$150,000 to $199,999	1,837	6.4%	3,589	6.9%	222,115	7.1%
$200,000 or more	1,583	5.5%	2,598	5.0%	220,748	7.0%
Total	28,846	100.0%	51,964	100.0%	3,136,362	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2009 to 2013.

The U.S. Census Bureau 5-year estimated values reported that the City had a median household income of $65,978. This compares to $55,449 for the County and $56,797 for the State. The following table represents the distribution of household incomes for the City, the County and the State at the time of the 2009-2013 American Community Survey.

Household Income*(1)*

	The City		The County		The State	
Income	Number	Percent	Number	Percent	Number	Percent
Under $10,000	4,429	8.8%	5,752	6.9%	337,875	7.1%
$10,000 to $14,999	3,093	6.1%	4,165	5.0%	219,468	4.6%
$15,000 to $24,999	5,570	11.0%	8,154	9.8%	484,449	10.2%
$25,000 to $34,999	5,704	11.3%	8,470	10.2%	462,771	9.7%
$35,000 to $49,999	6,759	13.4%	11,118	13.4%	618,005	12.9%
$50,000 to $74,999	9,335	18.5%	15,528	18.8%	856,630	17.9%
$75,000 to $99,999	5,876	11.6%	10,991	13.3%	615,943	12.9%
$100,000 to $149,999	5,853	11.6%	11,632	14.0%	667,146	14.0%
$150,000 to $199,999	2,133	4.2%	4,131	5.0%	255,728	5.4%
$200,000 or more	1,744	3.5%	2,866	3.5%	254,708	5.3%
Total	50,496	100.0%	82,807	100.0%	4,772,723	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2009 to 2013.

THE PLAN OF FINANCING

The proceeds of the Series 2015A Bonds are expected to be used to: (i) finance certain capital improvements in the District, including a portion of the costs of the construction of a new Sugar Creek Wastewater Treatment Plant (approximately $16,422,503), (ii) fund approximately 17 months of capitalized interest on the Series 2015A Bonds, (iii) currently refund the District's outstanding Sewer Revenue Subordinate Lien Bonds, Series 2012 (the "Refunded Bonds") (approximately $5,207,388.33), and (iv) pay the costs of issuance of the Series 2015A Bonds. The proceeds of the Series 2015C Bonds are expected to be used to: (i), together with funds of the District, fund debt service reserve funds for the District's IEPA Loans (approximately $4,054,444), (ii) fund approximately 17 months of capitalized interest on the Series 2015C Bonds, and (iii) pay the costs of issuance of the Series 2015C Bonds. Debt service reserve funds funded from the Series 2015C Bonds and other District funds secure only the District's IEPA Loans and do not secure the Bonds or any other Senior Lien Bonds or Junior Lien Bonds. The Refunded Bonds mature on September 1, 2015 and are outstanding in the aggregate principal amount of $5,200,000. The Refunded Bonds are expected to be paid prior to maturity at a price of par plus accrued interest.

The Project is described under "**THE DISTRICT – The Sugar Creek Project**" herein. The total estimated costs of completion of the Project are between $70,000,000 and $80,000,000. Approximately concurrently with the issuance of the Bonds, the District is issuing its 2015 IEPA Loan. The proceeds of the Series 2015 IEPA Loan are also expected to be used to pay a portion of the costs of the Project. The District expects to issue not more than $35,000,000 of additional bonds to complete the Project in the next one to three years.

DEBT INFORMATION

After issuance of the Bonds, the District will have outstanding $80,360,000 principal amount of general obligation bonded debt. Except for the issuance of the Bonds and the 2015 IEPA Loan, the District does not intend to issue any additional debt in 2015 but expects to issue not more than $35,000,000 in additional general obligation debt to complete the Project in the next one to three years.

Under Illinois law, the District may issue general obligation bonds up to 5.75% of its equalized assessed valuation (EAV) at the time the debt is issued. After conducting a referendum, the District may issue general obligation bonds secured by an unlimited, ad valorem levy on taxable property within the District. The District may issue general obligation bonds without referendum in order to comply with an order of a court or administrative agency of the State for the treatment of the District's sewerage discharge. Based upon the District's 2014 EAV of $2,847,520,122, the District has a general obligation debt limitation of $163,732,407 and no debt is currently applicable to such limitation.

District General Obligation Bonded Indebtedness*(1)*

(Principal Only)

Calendar Year	Series 2007 Alternate Revenue Bonds(2)	Series 2009A Alternate Revenue Bonds(3)	Series 2009E Alternate Revenue Bonds(3)	The Bonds(3)	Total GO Bonded Indebtedness	Cumulative Principal Retired Amount	Cumulative Principal Retired Percent
2016	$260,000	$ 615,000	$ 0	$ 0	$ 875,000	$ 875,000	1.09%
2017	135,000	635,000	0	0	770,000	1,645,000	2.05%
2018	135,000	660,000	0	0	795,000	2,440,000	3.04%
2019	0	685,000	0	0	685,000	3,125,000	3.89%
2020	0	490,000	0	0	490,000	3,615,000	4.50%
2021	0	510,000	0	0	510,000	4,125,000	5.13%
2022	0	530,000	0	0	530,000	4,655,000	5.79%
2023	0	555,000	0	0	555,000	5,210,000	6.48%
2024	0	585,000	0	0	585,000	5,795,000	7.21%
2025	0	615,000	0	0	615,000	6,410,000	7.98%
2026	0	650,000	0	0	650,000	7,060,000	8.78%
2027	0	680,000	0	0	680,000	7,740,000	9.63%
2028	0	715,000	0	0	715,000	8,455,000	10.52%
2029	0	750,000	0	0	750,000	9,205,000	11.45%
2030	0	785,000	0	0	785,000	9,990,000	12.43%
2031	0	595,000	0	0	595,000	10,585,000	13.17%
2032	0	625,000	0	0	625,000	11,210,000	13.95%
2033	0	655,000	0	525,000	1,180,000	12,390,000	15.42%
2034	0	685,000	0	555,000	1,240,000	13,630,000	16.96%
2035	0	715,000	0	580,000	1,295,000	14,925,000	18.57%
2036	0	750,000	0	610,000	1,360,000	16,285,000	20.27%
2037	0	790,000	2,365,000	645,000	3,800,000	20,085,000	24.99%
2038	0	830,000	2,525,000	815,000	4,170,000	24,255,000	30.18%
2039	0	870,000	2,625,000	1,010,000	4,505,000	28,760,000	35.79%
2040	0	0	2,735,000	1,055,000	3,790,000	32,550,000	40.51%
2041	0	0	2,845,000	1,095,000	3,940,000	36,490,000	45.41%
2042	0	0	2,960,000	1,145,000	4,105,000	40,595,000	50.52%
2043	0	0	3,080,000	1,190,000	4,270,000	44,865,000	55.83%
2044	0	0	3,205,000	1,240,000	4,445,000	49,310,000	61.36%
2045	0	0	3,335,000	1,295,000	4,630,000	53,940,000	67.12%
2046	0	0	3,465,000	1,350,000	4,815,000	58,755,000	73.11%
2047	0	0	3,605,000	1,425,000	5,030,000	63,785,000	79.37%
2048	0	0	3,440,000	1,510,000	4,950,000	68,735,000	85.53%
2049	0	0	2,675,000	1,595,000	4,270,000	73,005,000	90.85%
2050	0	0	0	1,690,000	1,690,000	74,695,000	92.95%
2051	0	0	0	1,785,000	1,785,000	76,480,000	95.17%
2052	0	0	0	1,885,000	1,885,000	78,365,000	97.52%
2053	0	0	0	1,995,000	1,995,000	80,360,000	100.00%
Total......	$530,000	$15,975,000	$38,860,000	$24,995,000	$80,360,000		

Notes: (1) Source: the District.
(2) The alternate revenue source pledged to pay debt service on the Series 2007 Bonds is the District's IMRF property tax levy.
(3) Junior Lien Bonds payable from the Pledged Revenues.

District General Obligation Bonded Indebtedness Debt Service*(1)*

Calendar Year	Series 2007 Alternate Revenue Bonds(2)	Series 2009A Alternate Revenue Bonds(3)	Series 2009E Alternate Revenue Bonds(3)(4)	The Bonds(3)	Total Bonded Indebtedness	Cumulative Principal Retired Amount	Cumulative Principal Retired Percent
2016	$287,035	$ 1,365,150	$ 1,644,710	$ 524,669	$ 3,821,564	$ 3,821,564	2.17%
2017	148,905	1,366,700	1,644,710	1,284,905	4,445,220	8,266,784	4.70%
2018	142,020	1,366,300	1,644,710	1,284,905	4,437,935	12,704,719	7.22%
2019	0	1,364,900	1,644,710	1,284,905	4,294,515	16,999,234	9.66%
2020	0	1,142,500	1,644,710	1,284,905	4,072,115	21,071,349	11.97%
2021	0	1,142,900	1,644,710	1,284,905	4,072,515	25,143,864	14.28%
2022	0	1,142,500	1,644,710	1,284,905	4,072,115	29,215,979	16.60%
2023	0	1,139,675	1,644,710	1,284,905	4,069,290	33,285,269	18.91%
2024	0	1,140,538	1,644,710	1,284,905	4,070,153	37,355,422	21.22%
2025	0	1,139,825	1,644,710	1,284,905	4,069,440	41,424,862	23.53%
2026	0	1,142,538	1,644,710	1,284,905	4,072,153	45,497,015	25.84%
2027	0	1,138,413	1,644,710	1,284,905	4,068,028	49,565,043	28.15%
2028	0	1,139,413	1,644,710	1,284,905	4,069,028	53,634,071	30.47%
2029	0	1,138,663	1,644,710	1,284,905	4,068,278	57,702,349	32.78%
2030	0	1,139,913	1,644,710	1,284,905	4,069,528	61,771,877	35.09%
2031	0	913,606	1,644,710	1,284,905	3,843,221	65,615,098	37.27%
2032	0	916,088	1,644,710	1,284,905	3,845,703	69,460,801	39.45%
2033	0	916,400	1,644,710	1,809,905	4,371,015	73,831,816	41.94%
2034	0	915,288	1,644,710	1,812,605	4,372,603	78,204,419	44.42%
2035	0	912,750	1,644,710	1,808,745	4,366,205	82,570,624	46.90%
2036	0	912,000	1,644,710	1,808,585	4,365,295	86,935,919	49.38%
2037	0	914,500	4,009,710	1,811,865	6,736,075	93,671,994	53.21%
2038	0	915,000	4,069,614	1,948,325	6,932,939	100,604,933	57.15%
2039	0	913,500	4,062,746	2,109,706	7,085,952	107,690,885	61.17%
2040	0	0	4,061,645	2,113,044	6,174,689	113,865,574	64.68%
2041	0	0	4,055,889	2,109,525	6,165,414	120,030,989	68.18%
2042	0	0	4,050,448	2,112,988	6,163,435	126,194,424	71.68%
2043	0	0	4,045,199	2,109,325	6,154,524	132,348,947	75.18%
2044	0	0	4,039,841	2,108,750	6,148,591	138,497,538	78.67%
2045	0	0	4,034,192	2,111,050	6,145,242	144,642,780	82.16%
2046	0	0	4,023,042	2,111,013	6,134,054	150,776,835	85.64%
2047	0	0	4,016,389	2,108,388	6,124,777	156,901,611	89.12%
2048	0	0	3,698,811	2,111,450	5,810,261	162,711,873	92.42%
2049	0	0	2,788,217	2,109,625	4,897,842	167,609,714	95.21%
2050	0	0	0	2,112,913	2,112,913	169,722,627	96.41%
2051	0	0	0	2,110,738	2,110,738	171,833,364	97.60%
2052	0	0	0	2,108,100	2,108,100	173,941,464	98.80%
2053	0	0	0	2,109,713	2,109,713	176,051,177	100.00%
Total......	$577,960	$26,239,060	$85,494,653	$63,739,504	$176,051,177		

Notes: (1) Source: the District.
(2) The alternate revenue source pledged to pay debt service on the Series 2007 Bonds is the District's IMRF property tax levy.
(3) Junior Lien Bonds payable from the Pledged Revenues.
(4) Debt Service on the Series 2009E Bonds is net of the BAB subsidy which is subject to US Treasury adjustment. BAB subsidy levels are assumed to be funded at the current 92.3% of the 35% originally deemed eligible by the U.S. Treasury.

Detailed Overlapping Bonded Debt*(1)*

(As of May 5, 2015)

	Outstanding Debt(2)	Applicable to District Percent(3)	Applicable to District Amount
Sangamon County	$ 7,710,000	74.29%	$ 5,727,759
City of Springfield	52,770,000	96.96%	51,165,792
Springfield Park District	11,700,000	96.83%	11,329,110
Springfield Auditorium Authority	1,325,000	95.81%	1,269,483
Chatham Library District	2,780,000	71.21%	1,979,638
South Sangamon Water Commission	28,340,000	97.26%	27,563,484
Rochester School District Number 3A	30,445,000	58.53%	17,819,459
Chatham School District Number 5	58,415,000	80.57%	47,064,966
Pleasant Plains School District Number 8	5,025,000	34.30%	1,723,575
Riverton School District Number 14	6,502,809	28.34%	1,842,896
Williamsville School District Number 15	2,945,003	53.59%	1,578,227
New Berlin School District Number 16	13,765,000	45.92%	6,320,888
Springfield School District Number 186	69,855,000	98.68%	68,932,914
Lincoln Land Community College Number 526	30,395,000	74.92%	22,771,934
Legacy Pointe Special Service Area	15,000,000	100.00%	15,000,000
Total Overlapping Bonded Debt			$282,090,124

Notes: (1) Source: Sangamon County Clerk.
(2) As of May 5, 2015.
(3) Overlapping debt percentage based on 2014 EAV.

Statement of Bonded Indebtedness*(1)*

	Amount Applicable	Ratio To Equalized Assessed	Ratio To Estimated Actual	Per Capita (2000 Pop. Est. 150,135)
District EAV of Taxable Property, 2014	$2,847,520,122	100.00%	33.33%	$18,966.40
Estimated Actual Value, 2014	8,542,560,366	300.00%	100.00%	56,899.19
Direct Bonded Debt(2)	$ 80,360,000	2.82%	0.94%	$ 535.25
Less: Direct Bonded Debt Payable from Sources Other Than Property Taxes(2)	(80,360,000)	(2.82%)	(0.94%)	(535.25)
Total Net Direct Bonded Debt	$ 0	0.00%	0.00%	$ 0
Total Overlapping Bonded Debt(3)	$ 282,090,124	9.91%	3.30%	$ 1,878.91
Total Net Direct and Overlapping Bonded Debt	$ 282,090,124	9.91%	3.30%	$ 1,878.91

Notes: (1) Source: the District and Sangamon County Clerk.
(2) Includes the Bonds.
(3) As of May 5, 2015 for Overlapping Bonded Debt.

District Loan and Bonded Total Indebtedness*(1)*
(Principal Only)

Fiscal Year	Series 2007 Alternate Revenue Bonds(2)	Series 2009A Alternate Revenue Bonds(3)	Series 2009E Alternate Revenue Bonds(3)	Series 2010A Revenue Bonds(4)	Series 2011A Revenue Bonds(4)	IEPA Loan L17-2910(6)	IEPA Loan L17-4561(6)	IEPA Loan L17-4566(6)	Proposed 2015 IEPA Loan(6)(7)	The Bonds(3)	Total Indebtedness	Cumulative Principal Retired Amount	Cumulative Principal Retired Percent
2016	$260,000	$ 615,000	$ 0	$ 1,170,000	$ 580,000	$ 750,000	$ 815,676	$ 797,281	$ 0	$ 0	$ 4,987,957	$ 4,987,957	2.50%
2017	135,000	635,000	0	1,205,000	595,000	750,000	825,904	807,279	0	0	4,953,182	9,941,140	4.98%
2018	135,000	660,000	0	1,240,000	620,000	750,000	836,260	817,401	426,387	0	5,485,048	15,426,188	7.72%
2019	0	685,000	0	1,280,000	640,000	750,000	846,746	827,651	866,960	0	5,896,357	21,322,545	10.68%
2020	0	490,000	0	1,325,000	660,000	750,000	857,363	838,028	886,226	0	5,806,618	27,129,163	13.58%
2021	0	510,000	0	1,370,000	15,725,000(5)	750,000	868,114	848,537	905,920	0	20,977,570	48,106,733	24.09%
2022	0	530,000	0	1,425,000	0	750,000	878,999	859,176	926,051	0	5,369,227	53,475,960	26.78%
2023	0	555,000	0	1,480,000	0	750,000	890,021	869,950	946,630	0	5,491,601	58,967,561	29.53%
2024	0	585,000	0	1,540,000	0	750,000	901,181	880,858	967,666	0	5,624,705	64,592,266	32.34%
2025	0	615,000	0	1,600,000	0	750,000	912,481	891,903	989,170	0	5,758,554	70,350,820	35.23%
2026	0	650,000	0	1,665,000	0	750,000	923,923	903,087	1,011,151	0	5,903,161	76,253,981	38.18%
2027	0	680,000	0	1,735,000	0	750,000	935,508	914,411	1,033,621	0	6,048,540	82,302,521	41.21%
2028	0	715,000	0	1,810,000	0	750,000	947,238	925,877	1,056,590	0	6,204,705	88,507,226	44.32%
2029	0	750,000	0	1,880,000	0	750,000	959,116	937,486	1,080,070	0	6,356,672	94,863,898	47.50%
2030	0	785,000	0	1,960,000	0	750,000	971,142	949,241	1,104,072	0	6,519,455	101,383,352	50.77%
2031	0	595,000	0	2,040,000	0	750,000	983,319	961,144	1,128,606	0	6,458,070	107,841,422	54.00%
2032	0	625,000	0	2,130,000	0	375,000	496,274	973,196	1,153,686	0	5,753,156	113,594,578	56.88%
2033	0	655,000	0	2,215,000	0	0	0	985,399	1,179,324	525,000	5,559,722	119,154,300	59.67%
2034	0	685,000	0	2,315,000	0	0	0	997,755	1,205,531	555,000	5,758,286	124,912,586	62.55%
2035	0	715,000	0	2,410,000	0	0	0	0	1,232,320	580,000	4,937,320	129,849,906	65.02%
2036	0	750,000	0	2,510,000	0	0	0	0	1,259,705	610,000	5,129,705	134,979,611	67.59%
2037	0	790,000	2,365,000	0	0	0	0	0	640,311	645,000	4,440,311	139,419,922	69.82%
2038	0	830,000	2,525,000	0	0	0	0	0	0	815,000	4,170,000	143,589,922	71.90%
2039	0	870,000	2,625,000	0	0	0	0	0	0	1,010,000	4,505,000	148,094,922	74.16%
2040	0	0	2,735,000	0	0	0	0	0	0	1,055,000	3,790,000	151,884,922	76.06%
2041	0	0	2,845,000	0	0	0	0	0	0	1,095,000	3,940,000	155,824,922	78.03%
2042	0	0	2,960,000	0	0	0	0	0	0	1,145,000	4,105,000	159,929,922	80.09%
2043	0	0	3,080,000	0	0	0	0	0	0	1,190,000	4,270,000	164,199,922	82.23%
2044	0	0	3,205,000	0	0	0	0	0	0	1,240,000	4,445,000	168,644,922	84.45%
2045	0	0	3,335,000	0	0	0	0	0	0	1,295,000	4,630,000	173,274,922	86.77%
2046	0	0	3,465,000	0	0	0	0	0	0	1,350,000	4,815,000	178,089,922	89.18%
2047	0	0	3,605,000	0	0	0	0	0	0	1,425,000	5,030,000	183,119,922	91.70%
2048	0	0	3,440,000	0	0	0	0	0	0	1,510,000	4,950,000	188,069,922	94.18%
2049	0	0	2,675,000	0	0	0	0	0	0	1,595,000	4,270,000	192,339,922	96.32%
2050	0	0	0	0	0	0	0	0	0	1,690,000	1,690,000	194,029,922	97.16%
2051	0	0	0	0	0	0	0	0	0	1,785,000	1,785,000	195,814,922	98.06%
2052	0	0	0	0	0	0	0	0	0	1,885,000	1,885,000	197,699,922	99.00%
2053	0	0	0	0	0	0	0	0	0	1,995,000	1,995,000	199,694,922	100.00%
Total	$530,000	$15,975,000	$38,860,000	$36,305,000	$18,820,000	$12,375,000	$14,849,264	$16,985,659	$20,000,000	$24,995,000	$199,694,922		

Notes:
(1) Source: the District. Excludes the Refunded Bonds.
(2) The alternate revenue source pledged to pay debt service on the Series 2007 Bonds is the District's IMRF property tax levy.
(3) Junior Lien Bonds payable from the Pledged Revenues.
(4) Senior Lien Bonds payable from the Pledged Revenues.
(5) Expected to be paid from Net Revenues or refunded prior to maturity.
(6) Subordinate Bonds payable from the Pledged Revenues.
(7) Approximately concurrently with the issuance of the Bonds, the District is entering into a loan from the Illinois Environmental Protection Agency.

District Loan and Bonded Total Indebtedness Debt Service*(1)*

Fiscal Year	Series 2007 Alternate Revenue Bonds(2)	Series 2009A Alternate Revenue Bonds(3)	Series 2009E Alternate Revenue Bonds(3)	Series 2010A Revenue Bonds(4)	Series 2011A Revenue Bonds(4)	IEPA Loan L17-2910(7)	IEPA Loan L17-4561(7)	IEPA Loan L17-4566(7)	Proposed 2015 IEPA Loan(7)(8)	The Bonds(3)	Total Indebtedness	Cumulative Principal Retired Amount	Cumulative Principal Retired Percent
2016	$287,035	$ 1,371,300	$ 1,644,710	$ 2,688,916	$ 1,455,200	$ 750,000	$ 998,751	$ 1,007,118	$ 0	$ 524,669	$ 10,727,699	$ 10,727,699	3.27%
2017	148,905	1,366,700	1,644,710	2,688,823	1,452,800	750,000	998,751	1,007,118	0	1,284,905	11,342,712	22,070,411	6.72%
2018	142,020	1,366,300	1,644,710	2,683,580	1,454,000	750,000	998,751	1,007,118	649,288	1,284,905	11,980,672	34,051,083	10.37%
2019	0	1,364,900	1,644,710	2,680,034	1,455,400	750,000	998,751	1,007,118	1,298,575	1,284,905	12,484,393	46,535,476	14.17%
2020	0	1,142,500	1,644,710	2,679,212	1,454,600	750,000	998,751	1,007,118	1,298,575	1,284,905	12,260,371	58,795,847	17.91%
2021	0	1,142,900	1,644,710	2,675,877	16,496,500(6)	750,000	998,751	1,007,118	1,298,575	1,284,905	27,299,336	86,095,183	26.22%
2022	0	1,142,500	1,644,710	2,673,909	0	750,000	998,751	1,007,118	1,298,575	1,284,905	10,800,468	96,895,651	29.51%
2023	0	1,139,675	1,644,710	2,669,654	0	750,000	998,751	1,007,118	1,298,575	1,284,905	10,793,388	107,689,039	32.80%
2024	0	1,140,538	1,644,710	2,668,113	0	750,000	998,751	1,007,118	1,298,575	1,284,905	10,792,710	118,481,749	36.08%
2025	0	1,139,825	1,644,710	2,664,076	0	750,000	998,751	1,007,118	1,298,575	1,284,905	10,787,960	129,269,709	39.37%
2026	0	1,142,538	1,644,710	2,662,544	0	750,000	998,751	1,007,118	1,298,575	1,284,905	10,789,141	140,058,850	42.66%
2027	0	1,138,413	1,644,710	2,660,058	0	750,000	998,751	1,007,118	1,298,575	1,284,905	10,782,530	150,841,380	45.94%
2028	0	1,139,413	1,644,710	2,659,525	0	750,000	998,751	1,007,118	1,298,575	1,284,905	10,782,997	161,624,377	49.22%
2029	0	1,138,663	1,644,710	2,650,726	0	750,000	998,751	1,007,118	1,298,575	1,284,905	10,773,448	172,397,825	52.51%
2030	0	1,139,913	1,644,710	2,648,880	0	750,000	998,751	1,007,118	1,298,575	1,284,905	10,772,852	183,170,677	55.79%
2031	0	913,606	1,644,710	2,642,217	0	750,000	998,751	1,007,118	1,298,575	1,284,905	10,539,882	193,710,559	59.00%
2032	0	916,088	1,644,710	2,642,017	0	375,000	499,375	1,007,118	1,298,575	1,284,905	9,667,788	203,378,347	61.94%
2033	0	916,400	1,644,710	2,632,838	0	0	0	1,007,118	1,298,575	1,809,905	9,309,546	212,687,893	64.78%
2034	0	915,288	1,644,710	2,634,900	0	0	0	1,007,118	1,298,575	1,812,605	9,313,196	222,001,089	67.61%
2035	0	912,750	1,644,710	2,627,541	0	0	0	0	1,298,575	1,808,745	8,292,321	230,293,410	70.14%
2036	0	912,000	1,644,710	2,620,981	0	0	0	0	1,298,575	1,808,585	8,284,851	238,578,261	72.66%
2037	0	914,500	4,009,710	0	0	0	0	0	649,288	1,811,865	7,385,363	245,963,624	74.91%
2038	0	915,000	4,069,614	0	0	0	0	0	0	1,948,325	6,932,939	252,896,563	77.02%
2039	0	913,500	4,062,746	0	0	0	0	0	0	2,109,706	7,085,952	259,982,515	79.18%
2040	0	0	4,061,645	0	0	0	0	0	0	2,113,044	6,174,689	266,157,204	81.06%
2041	0	0	4,055,889	0	0	0	0	0	0	2,109,525	6,165,414	272,322,618	82.94%
2042	0	0	4,050,448	0	0	0	0	0	0	2,112,988	6,163,436	278,486,054	84.82%
2043	0	0	4,045,199	0	0	0	0	0	0	2,109,325	6,154,524	284,640,578	86.69%
2044	0	0	4,039,841	0	0	0	0	0	0	2,108,750	6,148,591	290,789,169	88.56%
2045	0	0	4,034,192	0	0	0	0	0	0	2,111,050	6,145,242	296,934,411	90.43%
2046	0	0	4,023,042	0	0	0	0	0	0	2,111,013	6,134,055	303,068,465	92.30%
2047	0	0	4,016,389	0	0	0	0	0	0	2,108,388	6,124,777	309,193,242	94.17%
2048	0	0	3,698,811	0	0	0	0	0	0	2,111,450	5,810,261	315,003,503	95.94%
2049	0	0	2,788,217	0	0	0	0	0	0	2,109,625	4,897,842	319,901,345	97.43%
2050	0	0	0	0	0	0	0	0	0	2,112,913	2,112,913	322,014,257	98.07%
2051	0	0	0	0	0	0	0	0	0	2,110,738	2,110,738	324,124,995	98.72%
2052	0	0	0	0	0	0	0	0	0	2,108,100	2,108,100	326,233,095	99.36%
2053	0	0	0	0	0	0	0	0	0	2,109,713	2,109,713	328,342,807	100.00%
Total	$577,960	$26,245,210	$85,494,653	$55,854,421	$23,768,500	$12,375,000	$16,479,391	$19,135,242	$24,672,926	$63,739,504	$328,342,807		

Notes:
(1) Source: the District. Excludes the Refunded Bonds.
(2) The alternate revenue source pledged to pay debt service on the Series 2007 Bonds is the District's IMRF property tax levy.
(3) Junior Lien Bonds payable from the Pledged Revenues.
(4) Debt Service on the Series 2009E and Series 2010A Bonds is net of the BAB subsidy which is subject to US Treasury adjustment.
(5) Senior Lien Bonds payable from the Pledged Revenues.
(6) Expected to be paid from Net Revenues or refunded prior to maturity.
(7) Subordinate Bonds payable from the Pledged Revenues.
(8) Approximately concurrently with the issuance of the Bonds, the District is entering into a loan from the Illinois Environmental Protection Agency.

PROPERTY ASSESSMENT AND TAX INFORMATION

For the 2014 levy year, the District's EAV was comprised of approximately 68% residential, 31% commercial and 1% industrial, farm and railroad property valuations.

District Equalized Assessed Valuation*(1)*

	Levy Years				
Property Class	2010	2011	2012	2013	2014
Residential	$1,858,363,124	$1,902,840,728	$1,924,779,437	$1,938,834,358	$1,960,926,318
Farm	4,411,816	4,608,721	5,043,741	5,529,744	5,823,634
Commercial	873,702,599	867,886,540	868,104,673	888,798,058	883,871,147
Industrial	6,106,390	6,184,953	6,186,278	6,333,502	6,154,099
Railroad	6,532,099	7,015,891	7,519,564	8,024,460	8,195,326
Total	$2,749,116,028	$2,788,536,833	$2,811,633,693	$2,847,520,122	$2,864,970,524
Percentage Change	2.00%(2)	1.43%	0.83%	1.28%	0.61%

Notes: (1) Source: Sangamon County Clerk.
(2) Percentage change based on 2009 EAV of $2,695,342,920.

District Representative Tax Rates*(1)*
(Per $100 EAV)

	Levy Years				
	2010	2011	2012	2013	2014
District Rates:					
General	$0.0460	$0.0460	$0.0488	$0.0517	$0.0542
Municipal Retirement	0.0235	0.0247	0.0248	0.0243	0.0239
Sewer Treatment	0.0096	0.0094	0.0094	0.0092	0.0091
Social Security	0.0080	0.0085	0.0085	0.0083	0.0083
Total District Rates	$0.0871	$0.0886	$0.0915	$0.0935	$0.0955
Sangamon County	$0.6940	$0.7035	$0.7204	$0.7360	$0.7507
Capital Township	0.0962	0.0908	0.0906	0.0926	0.0925
Springfield School District #186	4.6422	4.7369	4.8920	5.0184	5.1650
Lincoln Land Community College #526	0.4604	0.4619	0.4650	0.4690	0.4736
City of Springfield	0.9385	0.9385	0.9385	0.9385	0.9385
Springfield Park District	0.3961	0.4012	0.4131	0.4201	0.4297
Springfield Airport Authority	0.0832	0.0914	0.0916	0.0928	0.0931
Springfield Auditorium Authority	0.0648	0.0678	0.0694	0.0701	0.0711
Springfield Mass Transit	0.1075	0.1096	0.1135	0.1166	0.1201
Springfield Recreation District	0.0615	0.0615	0.0615	0.0545	0.0575
Total Rates	$7.6315	$7.7517	$7.9471	$8.1021	$8.2873

Note: (1) Source: Sangamon County Clerk.

District Tax Extensions and Collections*(1)*

Levy Year	Collection Year	Taxes Extended	Total Collections(2) Amount	Percent
2006	2007	$2,074,045	$2,075,987	100.09%
2007	2008	2,153,337	2,144,081	99.57%
2008	2009	2,262,661	2,263,503	100.04%
2009	2010	2,301,127	2,298,625	99.89%
2010	2011	2,394,480	2,384,634	99.59%
2011	2012	2,470,644	2,462,598	99.67%
2012	2013	2,572,645	2,561,107	99.55%
2013	2014	2,662,431	2,662,674	100.00%
2014	2015	2,736,047	In Collection	

Notes: (1) Source: Sangamon County Clerk.
(2) Total collections include back taxes, taxpayer refunds, interest, etc.

Principal Taxpayers*(1)*

Taxpayer Name	Business/Service	2014 EAV(2)
Memorial Health System	Medical Care	$14,672,216
White Oaks Mall Co.	Retail Sales	10,532,126
Wal-Mart	Retail Sales	10,393,040
Springfield Clinic LLP	Medical Services	8,570,438
ARCP MT Springfield IL LLC	Real Property	7,394,799
White Oaks Plaza LLC	Retail Sales	6,383,680
Menard Inc.	Retail Sales	5,284,780
Horace Mann Service Corp.	Insurance	5,167,320
Wells Fargo Home Mortgage Inc.	Finance	4,784,443
Lowe's	Retail Sales	4,216,467
Total		$77,399,309
Ten Largest Taxpayers as a Percent of 2014 EAV ($2,864,970,524)		2.70%

Notes: (1) Source: Sangamon County Clerk.
(2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels and it is possible that some parcels and their valuations have been overlooked. The 2014 EAV is the most current available.

REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES

Tax Levy and Collection Procedures

Local assessment officers determine the assessed valuation of taxable real property and railroad property not held or used for railroad operations. The Illinois Department of Revenue (the "Department") assesses certain other types of taxable property, including railroad property held or used for railroad operations. Local assessment officers' valuation determinations are subject to review at the county level and then, in general, to equalization by the Department. Such equalization is achieved by applying to each county's assessments a multiplier determined by the Department. The purpose of equalization is to provide a common basis of assessments among counties by adjusting assessments toward the statutory standard of 33-1/3% of fair cash value. Farmland is assessed according to a statutory formula which takes into account factors such as productivity and crop mix. Taxes are extended against the assessed values after equalization.

Property tax levies of each taxing body are filed in the office of the county clerk of each county in which territory of that taxing body is located. The county clerk computes the rates and amount of taxes applicable to taxable property subject to the tax levies of each taxing body and determines the dollar amount of taxes attributable to each respective parcel of taxable property. The county clerk then supplies to the appropriate collecting officials within the county the information needed to bill the taxes attributable to the various parcels therein. After the taxes have been collected, the collecting officials distribute to the various taxing bodies their respective shares of the taxes collected. Taxes levied in one calendar year are due and payable in two installments during the next calendar year. Taxes that are not paid when due, or that are not paid by mail and postmarked on or before the due date, are subject to a penalty of 1-1/2% per month until paid. Unpaid property taxes, together with penalties, interest and costs, constitute a lien against the property subject to the tax.

Exemptions

The Illinois Property Tax Code currently provides for eight different Homestead Exemptions. Homestead Exemptions reduce the property tax burden of the recipient while increasing the tax burden for all other taxpayers in the taxing district.

The General (Residential) Homestead Exemption reduces the taxable assessed value of an individual's primary residence. The maximum assessment deduction for counties with less than 3,000,000 inhabitants is $6,000 for tax years 2012 and thereafter. This exemption may be granted on a pro-rated basis for newly constructed homes based upon the number of days in the tax year the home was occupied by the taxpayer.

The Disabled Persons' Homestead Exemption is an additional exemption available to certain disabled individuals who meet State-mandated guidelines. The exemption reduces the taxable assessed value by an additional $2,000.

The Homestead Improvement Exemption applies to residential properties that have been improved or rebuilt in the 2 years following a catastrophic event. The exemption is limited to a maximum assessed value deduction of $75,000 to the extent the assessed value deduction is attributable solely to such improvements or rebuilding.

There are two additional exemptions for senior citizens. The Senior Citizens Homestead exemption operates annually to reduce the EAV on a senior citizen's home. For taxable years 2013 and thereafter, the maximum reduction is $5,000 in all counties. Furthermore property that is first occupied as a residence after January 1 of any assessment year by a person who is eligible for the Senior Citizens Homestead Exemption must be granted a pro-rata exemption for the assessment year based on the number of days during the assessment year that the property is occupied as a residence by a person eligible for the exemption.

A Senior Citizens Assessment Freeze Homestead Exemption freezes property tax assessments for homeowners who are 65 and older and have annual incomes of $55,000. In general, the Exemption limits the annual real property tax bill of such property by granting to qualifying senior citizens an exemption as to a portion of the valuation of their property. The exempt amount is the difference between (i) the current EAV of their residence and (ii) the base amount, which is the EAV of a senior citizen's residence for the year prior to the year in which he or she first qualifies and applies for the Exemption plus the EAV of improvements since such year.

There are two exemptions available to veterans who have at least a 50% service-related disability. The first program, the Disabled Veterans' Standard Exemption provides up to a maximum assessment deduction of $5,000 for certain veterans, dependent on their actual level of service-related disability. The second program, the Disabled Veterans' Exemption (Adaptive Housing), provides a maximum assessment deduction of $70,000 for veterans' who have a 100% service related disability and who have been certified by the Illinois Department of Veterans Affairs as being eligible to receive federal funding for the construction or modification of specially adapted housing to accommodate their disability.

Members of the U.S. Armed Forces, Illinois National Guard, or U.S. Reserve Forces that have returned from active duty in an armed conflict involving the armed forces of the U.S. are eligible for a one-time assessment deduction of $5,000 for two consecutive years.

Lastly, in addition to the eight Homestead Exemptions, certain property is exempt from taxation on the basis of ownership and/or use, such as public parks, not-for-profit schools and public schools, churches, and not-for-profit hospitals and public hospitals.

Property Tax Extension Limitation Law

The Property Tax Extension Limitation Law, as amended (the "Limitation Law"), limits the annual growth in the amount of property taxes to be extended for certain Illinois non-home-rule units, including the District. In general, the annual growth permitted under the Limitation Law is the lesser of 5% or the percentage increase in the Consumer Price Index during the calendar year preceding the levy year. Taxes can also be increased due to new construction, referendum approval of tax rate increases, mergers and consolidations.

The effect of the Limitation Law is to limit the amount of property taxes that can be extended for a taxing body. In addition, general obligation bonds, notes and installment contracts payable from ad valorem taxes unlimited as to rate and amount cannot be issued by the affected taxing bodies unless they are approved by referendum, are alternate bonds or are for certain refunding purposes. However, the District may issue general obligation bonds without referendum in order to comply with an order of a court or administrative agency of the State for the treatment of the District's sewerage discharge.

The District has the authority to levy taxes for many different purposes. See the table entitled **Representative Tax Rates** under **"REAL PROPERTY ASSESSMENT AND TAX INFORMATION"** herein. The ceiling at any particular time on the rate at which these taxes may be extended for the District is either (i) unlimited (as provided by statute), (ii) initially set by statute but permitted to be increased by referendum, (iii) capped by statute, or (iv) limited to the rate approved by referendum. The only ceiling on a particular tax rate is the ceiling set by statute, at which the rate is not permitted to be further increased by referendum or otherwise. Therefore, taxing districts (such as the District) have flexibility to levy taxes for the purposes for which they most need the money. The total aggregate tax rate for the various purposes subject to the Limitation Law, however, will not be allowed to exceed the District's limiting rate computed in accordance with the provisions of the Limitation Law.

After conducting a referendum, the District may issue general obligation bonds secured by an unlimited, ad valorem levy on taxable property within the District. Local governments, including the District, can issue limited tax bonds in lieu of general obligation bonds that have otherwise been authorized by applicable law.

Truth in Taxation Law

Legislation known as the Truth in Taxation Law (the "Law") limits the aggregate amount of certain taxes which can be levied by, and extended for, a taxing district to 105% of the amount of taxes extended in the preceding year unless specified notice, hearing and certification requirements are met by the taxing body. The express purpose of the Law is to require published disclosure of, and hearing upon, an intention to adopt a levy in excess of the specified levels.

DISTRICT FINANCIAL INFORMATION

District Revenues

District operations are supported by sewer service charges based on water consumption, by special user charges for users with specific sewage characteristics and by ad valorem taxes levied against all property within the District. In fiscal 2014, the District derived approximately 11% of its total revenues from property tax levies.

Sewer service charges are established by the District Board of Trustees. Almost 99% of the District's customers are billed by the municipal water departments that serve the customers. Customers make a single payment to their municipality for municipal water and sewer service for collection and treatment of sewage by the District. Once a month, the municipality will remit the portion of its collections for District charges to the District, while retaining a collection charge of $0.25 per customer per month ($0.50 for approximately 6,900 customers who are not residents of the communities that provide them water service). The District bills approximately 50 customers directly each month.

Approximately 88% of the District's sewer service revenues are received directly from the City of Springfield, with another 9% received directly from the Villages of Chatham, Grandview, Jerome, Rochester and Sherman.

District Sewer Charges and Rate Comparisons

The Sanitary Act authorizes the District to establish and charge rates sufficient to pay the cost of operation and maintenance of its system, to pay the principal and interest upon all revenue bonds that it has issued, and to provide for an adequate depreciation fund. The District is not subject to rate regulation by the Illinois Commerce Commission or other agencies of the State and the rates set by the District are not subject to approval of the communities for which it provides service.

On March 25, 2008, the District's Board adopted an ordinance raising usage rates approximately 31% annually beginning fiscal 2008 through fiscal 2013 and 6% annually beginning fiscal 2014 through the end of fiscal 2017. The Board later changed the effective date of the first rate increase to July 1, 2008. Subsequent rate increases are effective each May 1st from 2009 to 2016. The District had previously raised rates in July 2001.

The table below shows the District Base User Charge rate schedule, which is charged to almost 87% of the System's customers: users receiving water service who are residents of the City of Springfield and the Villages of Chatham, Sherman and Rochester. The rates charged to all other sewer users (approximately 12% of System customers) are double the rates in this table. A typical single family customer served under the District Base schedule will pay $25.67 at the end of the scheduled rate increases in 2016.

	Fiscal Year Beginning May 1,							
	2009	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**
User Charge per CCF	$0.87	$1.14	$1.49	$1.95	$2.07	$2.20	$2.33	$2.47
Service Charge-monthly	2.07	2.72	3.57	4.68	4.97	5.26	5.58	5.91

Ten Largest Sewer Customers
12 months ending December 31, 2014

Customer	Total Charges
State of Illinois	$ 297,357
Memorial Medical Center	221,896
St. Johns Hospital	278,454
Springfield Park District	108,586
School District No. 186	77,484
Aramark (Uniform service)	77,214
Hilton Hotel	75,676
Grand Valley Trailer Park	56,693
University of Illinois at Springfield	48,616
SIU School of Medicine	30,473
Total	$1,272,453
As a percent of fiscal 2014 sewer charges	7.02%

Intergovernmental Agreement with the City of Springfield

On March 10, 2008, the District and the City of Springfield entered into an intergovernmental agreement for disposing of the flue gas desulphurization ("FGD") waste water streams that are produced from the electric generating facilities of the City's municipal electric utility (the "FGD Agreement").

Under the terms of the FGD Agreement, the City had agreed to pay the District $100,000 each month for accepting the City's FGD waste stream through March 2013 at which time the District and City have agreed to review the payment. In December of 2014 the agreement was reviewed and the City has agreed to pay the District $125,000 each month. The City has also agreed to indemnify the District, to the extent allowable by law, for any claims arising out of the FGD Agreement except where such claims arise out of the District's gross negligence. In the event the District experiences operational problems from processing the FGD waste water stream, including violations of the District's NPDES permits, the District and City have agreed to work to resolve such problems for a period of 90 days after which, if a solution has not been found, the FGD Agreement will terminate one year after the start of the 90-day period.

Either the District or the City may terminate the FGD Agreement for convenience upon four years notice to the other party. The City may also terminate the FGD Agreement if it finds that it no longer needs to deliver its FGD waste stream to the District. Prior to termination, however, the City would first need to obtain from the IEPA a new NPDES permit for disposal of the waste stream or contract for disposal of the waste stream.

The FGD Agreement requires that the City become a Pre-Treatment customer for its FGD waste stream as is required by the District's NPDES permit for all industrial users whose waste stream is classified as requiring pre-treatment under federal regulations. The District granted a one year permit to the City that became effective on August 27, 2014, and expires on August 31, 2015, with subsequent renewals.

Cash Management and Investments

Statutes authorize the District to invest in obligations of the United States Government, direct obligations of any bank as defined by the Illinois Banking Act, short term obligations of United States corporations subject to certain qualifications, money market mutual funds with portfolios limited to U.S. Government obligations, credit union shares, repurchase agreements subject to certain conditions, and the Illinois Public Treasurer's Investment Pool.

As of April 30, 2014, substantially all of the District's investments were held in the Illinois Funds – a local government investment pool managed by the Illinois State Treasurer. Cash and investments held by the District are in the following accounts as of April 30, 2015 and April 30, 2014:

Account	**April 30, 2015**	**April 30, 2014**
Bond Ordinance Accounts System Fund/General Account	$ 867,532	$ 1,008,172
Construction Accounts:		
2010A&B Construction Fund	101	101
2011A&B Construction Fund	4	382,465
2012A Construction Fund	43,987	1,961,765
Bond and Interest Accounts:		
Bond and Interest – 2007 Alternate Bonds	550,287	208,586
Bond and Interest – 2009A Alternate Bonds	1,468,854	1,597,093
Bond and Interest – 2009E Alternate Bonds	2,994,759	2,706,124
Bond and Interest – 2010A Revenue Bonds	1,428,770	979,207
Bond and Interest – 2010B Revenue Bonds(1)	0	15,408
Bond and Interest – 2011A Revenue Bonds	486,710	365,931
Reserve Accounts:		
Reserve Account – 2010A Revenue Bonds	2,619,962	2,385,987
Reserve Account – 2010B Revenue Bonds(1)	0	315,248
Reserve Account – 2011A Revenue Bonds	1,457,150	1,457,150
Reserve Account – IEPA Loans(2)	4,054,444	2,763,051
Depreciation, Repair and Renewal Accounts:		
Capital Improvement	236,409	140,854
Sewer Rehabilitation	171,838	380,669
Replacement	(3,754)	34,737
Total Bond Ordinance Accounts	$16,377,053	$16,702,548
Restricted Accounts Not in the Bond Ordinance:		
Special Assessment	$ 1,173,673	$ 1,154,106
Public Benefit	604,496	634,119
Total Restricted Accounts	$ 1,778,169	$ 1,788,225

Notes: (1) Final Maturity on January 1, 2015.
(2) To be funded from the proceeds of the Series 2015C Bonds and District funds.

Upon adoption of the Master Bond Ordinance on June 30, 2009, the capital improvement, sewer rehabilitation and replacement funds maintained by the District were recognized as part of the System Fund of the Bond Ordinance. See "**APPENDIX B - SUMMARY OF CERTAIN PROVISIONS OF THE BOND ORDINANCE AND DEFINITIONS – Flow of Funds**".

When property owners want to receive sewer service from the District, the construction of the extension will generally be funded from the District's reserves in its Special Assessments and Public Benefit Accounts. Amounts in the Special Assessment and Public Benefit Accounts are restricted by statute to pay for the extension of sewer lines. Upon ordinance adopted by the Board, amounts in the Public Benefit Account may be used for any legal purposes deemed a public benefit.

Financial Reports

The District's financial statements are audited annually by certified public accountants. The District accounts for all of its various funds' activity and balances as a single business-type proprietary fund special purpose government entity. The accounting policies of the District conform to generally accepted account principles (GAAP) as applicable to governmental units. See **APPENDIX A** for more detail.

Summary Financial Information

The following tables are summaries and do not purport to be the complete audits, copies of which are available upon request. Revenues were slightly down for fiscal year (FY) 2015. A mild summer in 2014 did not produce the anticipated water sales normally seen. The General Fund balance at the end of FY 2015 was approximately $860,000. In its FY 2016 budget, the District has tightened up its budget and anticipates an excess of just over $3,000,000 in the General Fund. In addition, overall employee numbers for the District, and the related expenses, are down due to scheduled retirements. To date, revenues and expenditures are generally within budgeted amounts. See **APPENDIX A** for the District's audited financial statements for the fiscal year ended April 30, 2014 and preliminary unaudited information for the fiscal year ended April 30, 2015.

Statement of Net Position

	Audited as of April 30					Unaudited Preliminary
	2010	2011	2012	2013	2014	2015
Current Assets:						
Cash	$ 259,252	$ 1,203,745	$ 1,844,808	$ 1,358,186	$ 1,008,172	$ 867,932
Receivables:						
Sewer Service Charges	1,407,024	1,676,000	2,153,173	2,625,985	2,832,440	2,988,556
Property Taxes	2,301,823	2,394,480	2,470,644	2,572,645	2,662,431	2,736,047
Replacement Taxes	4,389	50,649	49,569	70,870	61,165	78,012
Illinois Environmental Protection Agency (IEPA)	787,522	2,233,155	0	1,284,966	518,432	0
U.S. Treasury	19,939	819,618	819,618	748,312	759,786	754,235
Prepaid Expenses	85,715	86,699	90,596	55,912	55,394	52,042
Restricted Assets:						
Restricted Cash	79,714,993	35,739,945	33,635,981	25,995,561	17,482,601	12,356,858
Special Assessment Receivables	73,645	44,125	38,474	40,642	17,868	15,101
Low pressure Receivables	0	0	1,600	1,600	7,500	9,000
Total Current Assets	$ 84,654,302	$ 44,248,416	$ 41,104,463	$ 34,754,679	$ 25,405,789	$ 19,857,783
Non-current Assets:						
Capital Assets:						
Land	$ 0	$ 583,956	$ 610,239	$ 610,239	$ 718,322	$ 718,322
Property, Plant and Equipment, net	34,666,273	35,647,714	41,654,408	166,375,715	165,802,232	205,019,507
Construction In Progress	25,145,868	97,160,715	134,636,889	35,267,758	43,736,120	7,614,616
Total Capital Assets	$ 59,812,141	$133,392,385	$176,901,536	$202,253,712	$210,256,674	$213,352,445
Debt Issuance Costs, Net	$ 812,946	$ 788,045	$ 616,525	$ 564,135	$ 0	$ 0
Special Assessment Receivable	242,596	146,196	96,319	52,334	31,403	16,548
Low Pressure Receivables	0	0	4,800	3,200	36,800	59,100
Total Non-current Assets	$ 60,867,683	$134,326,626	$177,619,180	$202,873,381	$210,324,877	$213,428,093
Total Assets	$145,521,985	$178,575,042	$218,723,643	$237,628,060	$235,730,666	$233,285,876
LIABILITIES:						
Current Liabilities:						
Accounts Payable	$ 281,587	$ 230,797	$ 194,382	$ 493,674	$ 331,423	$ 316,764
Accounts Payable Capital Outlay	2,617,872	4,467,879	3,710,332	906,035	706,591	716,022
Accrued Vacation and Payroll	878,765	905,775	989,520	1,110,282	1,155,129	1,173,412
Accrued Interest Payable	1,097,234	1,868,566	2,173,402	2,173,383	2,142,719	2,186,455
Deferred Property Taxes	2,301,823	2,394,480	2,470,644	0	0	0
Current Portion of IEPA	0	0	1,535,746	1,545,599	1,555,575	2,362,957
Current Portion of Bonds Payable	915,000	950,000	2,005,000	2,540,000	7,800,000	7,825,000
Total Current Liabilities	$ 8,092,281	$ 10,817,497	$ 13,079,026	$ 8,768,973	$ 13,691,437	$ 14,580,610
Non-current Liabilities:						
Bonds Payable	$ 98,465,000	$ 97,515,000	$121,530,986	$118,869,114	$110,490,000	$107,865,000
IEPA Wastewater Treatment Loans	5,798,647	31,605,172	30,325,438	46,279,838	44,724,264	41,846,965
Net Other Post employment Benefit Obligations	396,991	825,932	1,159,909	1,575,049	1,971,917	1,971,917
Total Non-current Liabilities	$104,660,638	$129,946,104	$153,016,333	$166,724,001	$157,186,181	$151,683,882
Total Liabilities	$112,752,919	$140,763,601	$166,095,359	$175,492,974	$170,877,618	$166,264,492
DEFERRED INFLOWS OF RESOURCES						
Deferred Property Taxes	$ 0	$ 0	$ 0	$ 2,572,645	$ 2,662,431	$ 2,736,047
NET POSITION						
Net Investment In Capital Assets	$ 41,303,945	$ 41,513,531	$ 43,409,048	$ 42,891,141	$ 46,552,651	$ 53,982,524
Restricted - Debt Service	8,172,084	12,039,859	12,419,972	16,599,495	15,815,206	10,206,073
Restricted - Capital Projects, net of Related Debt	(15,778,810)	(15,650,047)	0	0	0	96,740
Unrestricted	(889,153)	(91,902)	(3,200,736)	71,805	(177,240)	0
Total Net Position	$ 32,808,066	$ 37,811,441	$ 52,628,284	$ 59,562,441	$ 62,190,617	$ 64,285,337

Statement of Revenues, Expenses, And Changes in Net Position

	For the Year Ended April 30					Unaudited Preliminary
	2010	2011	2012	2013	2014	2015
Operating Revenues:						
Sewer Service Charge	$ 8,061,538	$11,507,738	$14,950,051	$18,725,936	$19,155,389	$19,812,504
Sewer Permits	204,640	201,930	284,295	227,550	258,385	206,175
Special Assessments	86,786	0	0	0	0	0
Special Waste Fees	338,425	117,389	104,355	100,094	152,527	150,598
Lab Fees	23,758	19,366	15,012	22,027	21,053	19,658
Low Pressure System Payments	0	0	8,000	4,000	117,000	126,000
Annexation Fees	0	0	0	2,488	405	64,545
Total Operating Revenues	$ 8,715,147	$11,846,423	$15,361,713	$19,082,095	$19,704,759	$20,379,480
Operating Expenses:						
Plant Operations	$ 6,441,673	$ 5,357,715	$ 5,403,968	$ 6,454,723	$ 7,513,645	$ 7,270,214
Pump Station	949,624	863,823	903,311	983,987	933,559	950,374
Sewer Operations	376,859	442,176	479,392	568,784	560,010	460,963
Management and Administration	2,321,441	3,056,478	3,132,345	3,499,569	3,655,279	4,106,908
Other Postemployment Benefits	396,991	428,941	333,977	415,140	396,868	0(1)
Depreciation	1,060,910	1,054,242	1,324,487	2,667,234	2,846,603	3,755,155
Total Operating Expenses	$11,547,498	$11,203,375	$11,577,480	$14,589,437	$15,905,964	$16,543,614
Operating Income	$ (2,832,351)	$ 643,048	$ 3,784,233	$ 4,492,658	$ 3,798,795	$ 3,835,866
Non-operating Revenues (Expenses):						
Property Taxes	$ 2,272,460	$ 2,306,582	$ 2,398,091	$ 2,476,224	$ 2,652,010	$ 2,662,674
State Sources - IEPA	0	0	7,500,000	2,500,000	0	0
Federal Sources - Build America Bonds	619,683	1,780,260	1,639,237	1,567,930	1,520,392	1,514,841
Illinois Replacement Taxes	307,119	378,863	334,147	353,658	370,645	387,948
Interest Income	48,649	97,955	38,005	33,194	8,569	4,562
Rental Income	18,447	18,317	9,355	12,954	17,405	16,414
Refunds and Reimbursements	0	0	0	19,852	6,856	251,677
Miscellaneous	466	(2,815)	7,276	2,025	0	240,781
Interest Expense	(840,975)	(903,296)	(990,700)	(4,588,771)	(5,755,576)	(6,815,193)
Bond Fees	(35,972)	(3,931)	(4,450)	(5,050)	(5,900)	(4,850)
Amortization/Accretion of Bond Issue Costs, - Premiums and Discounts	(6,212)	(24,901)	101,649	69,483	0	0
Loss on Disposal of Assets	(584)	0	0	0	0	0
Total Non-operating Revenues (Expenses)	$ 2,383,081	$ 3,647,034	$11,032,610	$ 2,441,499	$ (1,185,599)	$ (1,741,146)
Change in Net Position	$ (449,270)	$ 4,290,082	$14,816,843	$ 6,934,157	$ 2,613,196	$ 2,094,720
Net Position						
Beginning of Year (As Restated)	$33,257,336	$33,521,359	$37,811,441	$52,628,284	$59,577,421	$62,190,617
End of Year	$32,808,066	$37,811,441	$52,628,284	$59,562,441	$62,190,617	$64,285,337

Note: (1) The District has not yet received the amount of its OPEB expense from its consultants.

Historical Net Revenues and Debt Service Coverage
($s in 000s)

	For the Year Ended April 30					Unaudited Preliminary
	2010	2011	2012	2013	2014	2015
Operating Revenues:						
Sewer Service Charge	$8,061	$11,508	$14,950	$18,726	$19,155	$19,813
Sewer Permits	205	202	284	228	258	206
Special Waste and Other Fees	362	136	120	122	174	170
Total Operating Revenues	$8,628	$11,846	$15,354	$19,076	$19,587	$20,189
Operating Expenses:						
Plant Operations	$5,386	$ 4,897	$ 4,998	$ 6,013	$ 6,917	$ 6,647
Pump Station	937	852	892	973	921	922
Sewer Operations	358	413	450	543	529	430
Management and Administration	2,225	2,938	3,010	3,371	3,484	3,931
Total Operating Expenses	$8,906	$ 9,100	$ 9,350	$10,900	$11,851	$11,930
Net Operating Income	$ (278)	$ 2,746	$ 6,004	$ 8,176	$ 7,736	$ 8,259
Non-operating Revenues:						
Property Taxes	$1,556	$ 1,658	$ 1,755	$ 1,811	$ 1,958	$ 1,975
Illinois Replacement Taxes	307	379	334	354	371	388
Interest Income	33	84	25	26	4	2
Other Income	19	15	17	29	18	16
Total Non-operating Revenues	$1,915	$ 2,136	$ 2,131	$ 2,220	$ 2,351	$ 2,381
Balance Available for Debt Service	$1,637	$ 4,882	$ 8,135	$10,396	$10,087	$10,640
Current Year Debt Service:						
2010 & 2011 Senior Lien Revenue Bonds	$ 0	$ 241	$ 243	$ 3,054	$ 3,345	$ 4,205
2009A & E Junior Lien Bonds	0	1,089	1,369	2,769	3,003	3,013
Subordinate Bonds & IEPA Loans	229	0	874	1,749	1,749	2,726
Total Debt Service	$ 229	$ 1,330	$ 2,486	$ 7,572	$ 8,097	$ 9,944
Aggregate Debt Service Coverage	7.15x	3.67x	3.27x	1.37x	1.25x	1.07x

Estimated Debt Service Coverage

The table below presents certain estimated revenue, expenses and debt service coverage for the District's fiscal years 2016 through 2020. Such estimates are not fact and should not be relied on as being necessarily indicative of future results. Readers of this Final Official Statement are cautioned not to place undue reliance on the estimated operations of the System which are contained in such table.

None of the District's independent auditors, other independent accountants, or municipal advisors have examined or performed any procedures with respect to the estimated financial information contained in this Final Official Statement, nor have they examined, or performed any procedures, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and assume no responsibility for, and disclaim any association with the estimated financial information.

Estimated Net Revenues Available for Debt Service and Debt Service Coverage*(1)*
($s in 000s)

	For the Year Ended April 30				
	2016 (Budget)	2017	2018	2019	2020
Operating Revenues:					
Sewer Service Charge	$22,780	$24,191	$24,351	$24,513	$24,675
Sewer Permits	300	300	300	300	300
Special Waste and Other Fees	160	160	160	160	160
Total Operating Revenues	$23,240	$24,651	$24,811	$24,973	$25,135
Operating Expenses:					
Plant Operations	$ 6,779	$ 6,915	$ 7,053	$ 7,194	$ 7,338
Pump Station	978	998	1,018	1,038	1,059
Sewer Operations	429	438	446	455	464
Management and Administration	3,601	3,673	3,746	3,821	3,898
Total Operating Expenses	$11,787	$12,023	$12,263	$12,508	$12,759
Net Operating Income	$11,453	$12,628	$12,548	$12,464	$12,376
Non-operating Revenues:					
Property Taxes	$ 2,095	$ 2,116	$ 2,137	$ 2,158	$ 2,180
Illinois Replacement Taxes	320	323	326	330	333
Interest Income	6	6	6	6	6
Other Income	18	18	18	19	19
Total Non-operating Revenues	$ 2,439	$ 2,463	$ 2,488	$ 2,513	$ 2,538
Balance Available for Debt Service	$13,892	$15,092	$15,036	$14,977	$14,914
Senior and Junior Lien Debt Service:					
2010 & 2011 Senior Lien Revenue Bonds	$ 4,144	$ 4,142	$ 4,138	$ 4,135	$ 4,134
2009A & E Junior Lien Bonds	3,010	3,011	3,011	3,010	2,787
2015A & C Junior Lien Bonds	575	1,650	1,650	1,650	1,650
Total Senior and Junior Lien Debt Service	$ 7,729	$ 8,803	$ 8,799	$ 8,795	$ 8,571
Aggregate Senior and Junior Lien Debt Service Coverage	1.80x	1.71x	1.71x	1.70x	1.74X
Subordinate Lien Debt Service:					
Subordinate IEPA Loans	$ 2,726	$ 3,405	$ 4,054	$ 4,054	$ 4,054
Total Debt Service	$10,455	$12,208	$12,853	$12,849	$12,625
Aggregate Total Debt Service Coverage	1.33x	1.24x	1.17x	1.17x	1.18x

Note: (1) See the table assumptions below.

CERTAIN ASSUMPTIONS FOR THE ABOVE TABLE ENTITLED: ESTIMATED NET REVENUES AVAILABLE FOR DEBT SERVICE AND DEBT SERVICE COVERAGE

1. *General Assumptions:*

(1) The rates of inflation and population growth within the District are reasonably estimable based on past experience and professional expertise.
(2) The rate increases approved on March 27, 2008 which phase-in through May 1, 2016 will remain in force and unchanged.
(3) Excluded from operating expenses and non-operating revenue are the cost to the District of Illinois Municipal Retirement Fund (IMRF) contributions and the related property tax levy which funds those contributions through the fiscal year ended April 30, 2018.

2. *Revenue Assumptions:*

(1) Sewer user charges are projected based upon the scheduled rates, including increases through May 2016, approved by the District in March of 2008, applied to its estimate of the budgeted revenues for fiscal year 2016, including a 6% rate increase in fiscal year 2017. The number of customers and billable flows is estimated to grow in fiscal years 2017 through 2020 at an average rate of 0.65%.
(2) Sewer permits and special waste fees are projected to remain static.
(3) Other income consists primarily of revenue from an intergovernmental agreement with the City of Springfield entered into on March 10, 2008. Payments to the District from the City are expected to continue.
(4) The property taxes projected in the debt service calculation include the levies for general operations, sewer treatment and social security and exclude the levies for public benefit and IMRF. The District's total property tax levy as well as other non-operating revenues is projected to grow at 1% per year.
(5) The Build America Bond (BAB) interest subsidies for the Series 2009E Alternate Revenue Bonds and the 2010A Revenue Bonds will continue to qualify for a rebate from the United States Treasury for up to 35% of the interest paid to the Bond holders. The BAB subsidies have been excluded from revenue and netted against the projected debt service. The BAB subsidies are assumed to be timely received by the District.
(6) Estimated for replacement taxes are based on the fiscal year 2016 budget amount and estimated to grow at a 1% rate each year. Replacement tax revenue is also estimated to grow at a 1% annual increase.

3. *Expense Assumptions*:

(1) All fiscal year 2016 expenses are based on the fiscal year 2016 budget.
(2) Estimated payroll costs and the related payroll taxes are projected to increase at a rate of 2% per year. No cost for IMRF pension obligations have been included in neither the estimated nor the related property tax revenue.
(3) Non-payroll operating expenses are based on the fiscal 2016 budget and are projected to grow at an annual rate of 2%.

4. *Debt Service Assumption*:

(1) All of the debt service in existence prior to the issuance of the Bonds has been authorized by various ordinances for specific purposes. Each element of the debt service, principal and interest, is fixed.
(2) Debt service payments on bonds that the District expects to issue to complete the Sugar Creek project are not shown in the estimates. The District expects to issue not more than $35,000,000 in additional general obligation debt to complete the Sugar Creek project in the next one to three years. The District has not determined what, if any, additional revenue sources it may use to pay the debt service on such additional debt.

Additional Bonds Report

The Auditor has prepared an Adjusted Net Revenues Available for Debt Service, Additional Bonds Test report in connection with the issuance of the Bonds and as required by the Master Bond Ordinance. This report indicates that the Adjusted Net Revenues of the System will be at least equal to 1.52 times the Maximum Annual Debt Service of the Outstanding Bonds of the District and the Bonds. See **APPENDIX B – SUMMARY OF CERTAIN PROVISIONS OF THE BOND ORDINANCE AND DEFINITIONS** herein. Upon written request, the District will provide a copy of such report.

EMPLOYEE RETIREMENT AND OTHER POSTEMPLOYMENT BENEFITS OBLIGATIONS

IMRF Retirement Plan

The District's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The District plan is affiliated with the Illinois Municipal Retirement Fund ("IMRF"), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

As set by statute, participating members are required to contribute 4.5% of their annual covered salary and the District is required to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual required contribution rate for calendar year 2013 was 15.5%. The District also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute. The District's funding status and recent contributions are shown below.

Valuation Date	Value of Assets	Accrued Liability	Unfunded Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL to Covered Payroll
12/31/2013	$5,642,543	$9,239,411	$3,596,868	61.07%	$4,021,135	89%
12/31/2012	$4,216,001	$8,553,163	$4,337,162	49.29%	$3,650,520	119%
12/31/2011	$3,023,758	$7,435,784	$4,412,026	40.66%	$3,340,309	132%

The three year trend in the District's required contribution is presented below.

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2013	$623,276	100%	$0
12/31/2012	589,559	100%	$0
12/31/2011	578,207	100%	$0

The required contribution for calendar year 2013 was $623,276 which was determined as part of the December 31, 2011, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2011 included (a) 7.5% investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4% a year, attributable to inflation, (c) additional projected salary increases ranging from .4% to 10% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of your employer Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The District Regular plan's unfunded actuarial accrued liability at December 31, 2011 is being amortized as level percentage of projected payroll on an open 30 year basis.

The following table summarizes financial information for the IMRF:

	IMRF(1) 12/31/2013
Market Value of Assets	$213,291,495
Actuarial Value of Assets............	163,368,999
Actuarial Accrued Liability..........	253,823,738
Unfunded Liability	$90,454,739
Funded Ratio (2)	64.4%

Notes: (1) Source: the IMRF.
(2) Funded ratio based on the actuarial value of assets. Funded ratio for the IMRF is for active employees only. IMRF actuarial accrued liability for retirees is 100% funded. On a market value basis, the IRMF funded ratio would be 84%.

Multiemployer Retirement Plan

Beginning on May 1, 2012, the District has contributed to the Fund of the International Union of Operating Engineers and Participating Employers, a multiemployer defined benefit pension plan, under the terms of a collective-bargaining agreement that covers its union-represented employees (the "IUOE Agreement"). Under the IUOE Agreement, the District has agreed to contribute the following amounts for each hour worked by employees covered by the IUOE Agreement and all other participating employees of the District: $0.65 for the fiscal year beginning May 1, 2015 and $0.75 for the fiscal year beginning May 1, 2016. The IUOE Agreement expires on April 30, 2017.

The District's participation in the plan for the fiscal year ended April 30, 2014 is outlined in the following table. Information in the table was obtained from the plan's Form 5500 for the most current available filing. These dates may not correspond with the District's fiscal year contributions. The Plan Protection Act (PPA) zone status column ranks the funded status of multiemployer pension plans depending upon a plan's current and projected funding. The zone status is based on information that the District received from the plan. Among other factors, the plan is in the Green Zone (healthy) if it has a current funded percentage greater than 80% and does not have a projected credit balance deficit within seven years.

The following table lists information about the District's multiemployer pension plan.

DISTRICT'S MULTIEMPLOYER PENSION PLAN*(1)*

EIN/Pension Plan Number	PPA Status (2)	District Contributions	District Contributions >5% (2)	Expiration Date of CBA (3)
36-6052390 / 001	Green	$32,507 (2013)	No	4/30/2017
36-6052390 / 001	Green	$40,552 (2012)	No	4/30/2017

Notes: (1) Source: the District.
(2) The Zoning status represents the most recent available information for the respective multiemployer pension plan.
(3) IUOA Agreement (CBA).

The District has no intentions of withdrawing from any of the multiemployer pension plans in which it participates.

Postemployment Benefits Other than Pensions (OPEB)

Both members of the CBA of the District and non-union employees are eligible for post-retirement medical coverage through a single-employer defined benefit healthcare plan administered by the District. For retirement benefits, the employee must have worked at least 8 years and must be at least 55 years old although special arrangements may be made under an early retirement incentive program.

The District will pay 50% of the full blended premium cost for single coverage for employees who retire after age 55 with 8 or more years of service. If the employee has over 20 years of service, the District will pay 75 percent of the full blended premium cost for single coverage. If the employee has over 30 years of service, the District will pay the entire full blended premium cost for single coverage.

Retirees may elect to cover themselves and their spouses, as long as the spouse had been covered for at least one year before the employee retired. The retiree must pay the difference between the "Employee plus spouse" rate and the "Employee only" rate. Retirees are covered for their natural lives; spouses may be covered for as long as the retiree lives, plus 18 additional months COBRA coverage as long as the premiums are paid.

The District's current funding policy for its OPEB is to pay post retirement medical and insurance benefits for premiums as they occur. The funding policy of the District may be amended by the Board.

The following table shows the components of the District's annual OPEB cost for its fiscal year 2014, the amount actually contributed to the plan and changes in the net OPEB obligation:

Estimated annual required contribution	$ 744,064
Interest on net OPEB obligation	74,815
Adjustment to annual required contribution	(142,426)
Estimated annual OPEB cost	676,453
Contributions made	(279,585)
Estimated Increase in Net OPEB obligation	396,868
Net OPEB obligation – beginning of year	1,575,049
Estimated net OPEB obligation – end of year	$1,971,917

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation is as follows:

Fiscal Year Ended	Estimated Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
4/30/2011	$674,533	40.07%	$ 801,235
4/30/2012	624,290	42.50%	$1,159,909
4/30/2013	695,134	40.30%	$1,575,049
4/30/2014	676,453	41.30%	$1,971,917

The table below presents the funding status for the District's OPEB net obligation.

Valuation Date	Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL to Covered Payroll
4/30/2013	$0	$7,160,556	$7,160,556	0%	$3,633,162	197.09%
4/30/2012	$0	$7,229,842	$7,229,842	0%	$3,634,741	198.91%
4/30/2011	$0	$6,442,604	$6,442,604	0%	$3,507,737	183.67%
4/30/2011	$0	$6,586,088	$6,586,088	0%	$2,901,012	227.03%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presents multiyear trend information about whether the actuarial valuation of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

The schedule of District OPEB contributions is presented below.

Fiscal Year Ended	District Contribution	Annual Required Contribution	Percent Contributed
4/30/2010	$260,888	$657,879	39.70%
4/30/2011	272,267	674,533	40.07%
4/30/2012	265,615	624,290	42.50%
4/30/2013	279,994	695,134	40.30%
4/30/2014	279,585	676,453	41.30%

Additional information about the District's OPEB and pensions can be found in notes 6, 8 and 9 of the District's 2014 Financial Statements attached hereto as "**APPENDIX E**".

REGISTRATION, TRANSFER AND EXCHANGE

See also **APPENDIX C** for information on registration, transfer and exchange of book-entry bonds. The Bonds will be initially issued as book-entry bonds.

The District shall cause books for the registration and for the transfer of the Bonds to be kept at the principal corporate trust office of the Bond Registrar in Chicago, Illinois. The District will authorize to be prepared, and the Bond Registrar shall keep custody of, multiple bond blanks executed by the District for use in the transfer and exchange of Bonds.

Any Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in the Bond Ordinance. Upon surrender for transfer or exchange of any Bond at the principal corporate trust office maintained for the purpose by the Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by the registered owner or such owner's attorney duly authorized in writing, the District shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the registered owner, transferee or transferees (as the case may be) a new fully registered Bond or Bonds of the same series and maturity and interest rate of authorized denominations, for a like aggregate principal amount.

The execution by the District of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond, provided, however, the principal amount of outstanding Bonds of each series and maturity authenticated by the Bond Registrar shall not exceed the authorized principal amount of Bonds for such series and maturity less Bonds previously paid.

The Bond Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the 15th day of the month next preceding an interest payment date on such Bond (the "Record Date") and ending at the opening of business on such interest payment date. In addition, the Bond Registrar shall not be required to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen days next preceding mailing of a notice of redemption of any Bonds.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bonds shall be made only to or upon the order of the registered owner thereof or such owner's legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Bonds, but the District or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

TAX EXEMPTION – SERIES 2015A BONDS

Federal tax law contains a number of requirements and restrictions which apply to the Series 2015A Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed therewith, and certain other matters. The District has covenanted to comply with all requirements that must be satisfied in order for the interest on the Series 2015A Bonds to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Series 2015A Bonds to become includable in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2015A Bonds.

Subject to the District's compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, interest on the Series 2015A Bonds is excludable from the gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, but interest on the Series 2015A Bonds is taken into account, however, in computing an adjustment used in determining the federal alternative minimum tax for certain corporations.

In rendering its opinion, Bond Counsel will rely upon certifications of the District with respect to certain material facts within the District's knowledge. Bond Counsel's opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

The Internal Revenue Code of 1986, as amended (the "Code"), includes provisions for an alternative minimum tax ("AMT") for corporations in addition to the corporate regular tax in certain cases. The AMT, if any, depends upon the corporation's alternative minimum taxable income ("AMTI"), which is the corporation's taxable income with certain adjustments. One of the adjustment items used in computing the AMTI of a corporation (with certain exceptions) is an amount equal to 75% of the excess of such corporation's "adjusted current earnings" over an amount equal to its AMTI (before such adjustment item and the alternative tax net operating loss deduction). "Adjusted current earnings" would include certain tax-exempt interest, including interest on the Series 2015A Bonds.

Ownership of the Series 2015A Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Series 2015A Bonds should consult their tax advisors as to applicability of any such collateral consequences.

The issue price (the "Issue Price") for each maturity of the Series 2015A Bonds is the price at which a substantial amount of such maturity of the Series 2015A Bonds is first sold to the public. The Issue Price of a maturity of the Series 2015A Bonds may be different from the price set forth, or the price corresponding to the yield set forth, in the addendum to this Final Official Statement.

For an investor who purchases an OID Bond in the initial public offering at the Issue Price for such maturity and who holds such OID Bond to its stated maturity, subject to the condition that the District complies with the covenants discussed above, (a) the full amount of original issue discount with respect to such OID Bond constitutes interest which is excludable from the gross income of the owner thereof for federal income tax purposes; (b) such owner will not realize taxable capital gain or market discount upon payment of such OID Bond at its stated maturity; (c) such original issue discount is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Code, but is taken into account in computing an adjustment used in determining the alternative minimum tax for certain corporations under the Code, as described above; and (d) the accretion of original issue discount in each year may result in an alternative minimum tax liability for corporations or certain other collateral federal income tax consequences in each year even though a corresponding cash payment may not be received until a later year. Based upon the stated position of the Illinois Department of Revenue under Illinois income tax law, accreted original issue discount on such OID Bonds is subject to taxation as it accretes, even though there may not be a corresponding cash payment until a later year. Owners of OID Bonds should consult their own tax advisors with respect to the state and local tax consequences of original issue discount on such OID Bonds.

Owners of Series 2015A Bonds who dispose of Series 2015A Bonds prior to the stated maturity (whether by sale, redemption or otherwise), purchase Series 2015A Bonds in the initial public offering, but at a price different from the Issue Price or purchase Series 2015A Bonds subsequent to the initial public offering should consult their own tax advisors.

If a Bond is purchased at any time for a price that is less than the Bond's stated redemption price at maturity or, in the case of a OID Bond, its Issue Price plus accreted original issue discount reduced by payments of interest included in the computation of original issue discount and previously paid (the "Revised Issue Price"), the purchaser will be treated as having purchased a Bond with market discount subject to the market discount rules of the Code (unless a statutory de minimis rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a Bond is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser's election, as it accrues. Such treatment would apply to any purchaser who purchases an OID Bond for a price that is less than its Revised Issue Price even if the purchase price exceeds par. The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such Bond. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the Series 2015A Bonds.

There are or may be pending in the Congress of the United States legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or affect the market value of the Series 2015A Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Prospective purchasers of the Series 2015A Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The Internal Revenue Service (the "Service") has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the Series 2015A Bonds. If an audit is commenced, under current procedures the Service may treat the District as a taxpayer and the Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Series 2015A Bonds until the audit is concluded, regardless of the ultimate outcome.

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the Series 2015A Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Bond owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any Bond owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

Interest on the Series 2015A Bonds is not exempt from present State of Illinois income taxes. Ownership of the Series 2015A Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Series 2015A Bonds. Prospective purchasers of the Series 2015A Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

See **APPENDIX D** for the proposed form of Bond Counsel opinion for the Series 2015A Bonds.

CERTAIN FEDERAL INCOME TAX CONSIDERATIONS – THE SERIES 2015C BONDS

Interest on the Series 2015C Bonds is includible in gross income of the owners thereof for federal income purposes. Ownership of the Series 2015C Bonds may result in other federal income tax consequences to certain taxpayers. Holders of the Series 2015C Bonds should consult their tax advisors with respect to the inclusion of interest on the Series 2015C Bonds in gross income for federal income tax purposes and any collateral tax consequences.

Interest on the Series 2015C Bonds is not exempt from present State of Illinois income taxes. Ownership of the Series 2015C Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Series 2015C Bonds. Prospective purchasers of the Series 2015C Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

See **APPENDIX D** for the proposed form of Bond Counsel opinion for the Series 2015C Bonds.

CONTINUING DISCLOSURE

The District will enter into a Continuing Disclosure Undertaking (the "Undertaking") for the benefit of the beneficial owners of the Bonds to send certain information annually and to provide notice of certain events to the Municipal Securities Rulemaking Board (the "MSRB") pursuant to the requirements of Section (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission (the "Commission") under the Securities Exchange Act of 1934. No person, other than the District, has undertaken, or is otherwise expected, to provide continuing disclosure with respect to the Bonds. The information to be provided on an annual basis, the events which will be noticed on an occurrence basis and a summary of other terms of the Undertaking, including termination, amendment and remedies, are set forth below under **"THE UNDERTAKING."**

The District's audited financial statements for fiscal year 2010 were filed 24 days late and no event notice relating to the same was filed. Additionally, the District's 2010 operating data filing was incomplete or inconsistent when filed and was corrected with a corrective filing made with the MSRB on July 20, 2011. A failure by the District to comply with the Undertaking will not constitute a default under the Bond Ordinance and beneficial owners of the Bonds are limited to the remedies described in the Undertaking. The District must report any failure to comply with the Undertaking in accordance with the Rule. Any broker, dealer or municipal securities dealer must consider such report before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

THE UNDERTAKING

The following is a brief summary of certain provisions of the Undertaking of the District and does not purport to be complete. The statements made under this caption are subject to the detailed provisions of the Undertaking, a copy of which is available upon request from the District.

Annual Financial Information Disclosure

The District covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements, if any (as described below) to the MSRB in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information. At present, such dissemination is made through the MSRB's Electronic Municipal Market Access system, referred to as EMMA ("EMMA"). The District is required to deliver such information within 210 days after the last day of the District's fiscal year (currently on April 30). If Audited Financial Statements are not available when the Annual Financial Information is filed, the District will file unaudited financial statements. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports.

"Annual Financial Information" means information of the type contained in the following headings, subheadings and exhibits of the Final Official Statement:

- All of the tables under the heading **REAL PROPERTY ASSESSMENT AND TAX INFORMATION** within this Final Official Statement;
- All of the tables under the heading **DEBT INFORMATION** within this Final Official Statement; and
- All of the tables under the heading **DISTRICT FINANCIAL INFORMATION – Summary Financial Information** within this Final Official Statement.

"Audited Financial Statements" means financial statements of the District as audited annually by independent certified public accountants. Audited Financial Statements are expected to continue to be prepared according to Generally Accepted Accounting Principles as applicable to governmental units (i.e., as subject to the pronouncements of the Governmental Accounting Standards Board and subject to any express requirements of State law).

Reportable Events Disclosure

The District covenants that it will disseminate in a timely manner (not in excess of ten business days after the occurrence of the Reportable Event) Reportable Events Disclosure to the MSRB in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports. The "Reportable Events" are:

1. Principal and interest payment delinquencies
2. Non-payment related defaults, if material
3. Unscheduled draws on debt service reserves reflecting financial difficulties
4. Unscheduled draws on credit enhancements reflecting financial difficulties
5. Substitution of credit or liquidity providers, or their failure to perform
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security
7. Modifications to the rights of security holders, if material
8. Bond calls, if material, and tender offers
9. Defeasances
10. Release, substitution or sale of property securing repayment of the securities, if material
11. Rating changes
12. Bankruptcy, insolvency, receivership or similar event of the District*
13. The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

Consequences of Failure of the District to Provide Information

The District shall give notice in a timely manner to the MSRB of any failure to provide disclosure of Annual Financial Information and Audited Financial Statements when the same are due under the Undertaking.

In the event of a failure of the District to comply with any provision of the Undertaking, the beneficial owner of any Bond may seek mandamus or specific performance by court order, to cause the District to comply with its obligations under the Undertaking. A default under the Undertaking shall not be deemed a default under the Bond Ordinance, and the sole remedy under the Undertaking in the event of any failure of the District to comply with the Undertaking shall be an action to compel performance.

Amendment; Waiver

Notwithstanding any other provision of the Undertaking, the District by resolution or ordinance authorizing such amendment or waiver, may amend the Undertaking, and any provision of the Undertaking may be waived, if:

(a) (i) The amendment or the waiver is made in connection with a change in circumstances that arises from a change in legal requirements, including, without limitation, pursuant to a "no-action" letter issued by the Commission, a change in law, or a change in the identity, nature, or status of the District, or type of business conducted; or

(ii) The Undertaking, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

* *This event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.*

(b) The amendment or waiver does not materially impair the interests of the beneficial owners of the Series 2015A Bonds, as determined by parties unaffiliated with the District (such as Bond Counsel).

In the event that the Commission or the MSRB or other regulatory authority approves or requires Annual Financial Information or notices of a Reportable Event to be filed with a central post office, governmental agency or similar entity other than the MSRB or in lieu of the MSRB, the District shall, if required, make such dissemination to such central post office, governmental agency or similar entity without the necessity of amending the Undertaking.

Termination of Undertaking

The Undertaking shall be terminated if the District shall no longer have any legal liability for any obligation on or relating to repayment of the Bonds under the Bond Ordinance. The District shall give notice to the MSRB in a timely manner if this paragraph is applicable.

Additional Information

Nothing in the Undertaking shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in the Undertaking or any other means of communication, or including any other information in any Annual Financial Information or Audited Financial Statements or notice of occurrence of a Reportable Event, in addition to that which is required by the Undertaking. If the District chooses to include any information from any document or notice of occurrence of a Reportable Event in addition to that which is specifically required by the Undertaking, the District shall have no obligation under the Undertaking to update such information or include it in any future disclosure or notice of occurrence of a Reportable Event.

Dissemination of Information; Dissemination Agent

When filings are required to be made with the MSRB in accordance with the Undertaking, such filings are required to be made through EMMA for municipal securities disclosure or through any other electronic format or system prescribed by the MSRB for purposes of the Rule.

The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under the Undertaking, and may discharge any such Agent, with or without appointing a successor Dissemination Agent.

LITIGATION

There is no litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds or any proceedings of the District taken with respect to the issuance or sale thereof.

FINAL OFFICIAL STATEMENT AUTHORIZATION

This Final Official Statement has been authorized for distribution to prospective purchasers of the Bonds. All statements, information, and statistics herein are believed to be correct but are not guaranteed by the consultants or by the District, and all expressions of opinion, whether or not so stated, are intended only as such.

INVESTMENT RATINGS

The Bonds have been rated "AA-/Stable" by Standard and Poor's, a Division of the McGraw-Hill Companies, and "AA/Stable" by Fitch Ratings, New York, New York. No application was made to any other rating agency for the purpose of obtaining an additional rating on the Bonds. The District has furnished to each such rating agency certain information and materials relating to the Bonds and the District, including certain information and materials which may not have been included in this Final Official Statement. Generally, such rating services base their rating on such information and material, and also on such investigations, studies and assumptions that they may undertake independently. There is no assurance that such ratings will continue for any given period of time or that they may not be lowered or withdrawn entirely by such rating services if, in their judgment, circumstances so warrant. Any such downward change in or withdrawal of such ratings may have an adverse effect on the secondary market price of the Bonds. An explanation of the significance of the investment ratings may be obtained from the rating agencies: Standard & Poor's Corporation, 55 Water Street, New York, New York 10041, telephone 212-438-2000 and Fitch Ratings, One State Street Plaza, New York, New York 10004, telephone 800-753-4824.

CERTAIN LEGAL MATTERS

Certain legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approving legal opinion of Hart, Southworth & Witsman, Springfield, Illinois, as Bond Counsel (the "Bond Counsel"), who has been retained by, and acts as, Bond Counsel to the District. Bond Counsel has not been retained or consulted on disclosure matters and has not undertaken to review or verify the accuracy, completeness or sufficiency of this Final Official Statement or other offering material relating to the Bonds and assumes no responsibility for the statements or information contained in or incorporated by reference in this Final Official Statement, except that in its capacity as Bond Counsel, Hart, Southworth & Witsman has, at the request of the District, reviewed only those portions of this Final Official Statement involving the description of the Bonds, the security for the Bonds (excluding forecasts, projections, estimates or any other financial or economic information in connection therewith) and, the description of the federal tax exemption of interest on the Series 2015A Bonds. This review was undertaken solely at the request and for the benefit of the District and did not include any obligation to establish or confirm factual matters set forth herein.

UNDERWRITING

Citigroup Global Markets Inc., New York, New York (the "Underwriter"), has agreed to purchase all but not less than all of the Series 2015A Bonds at a price of $23,381,679.93 (including a premium of $1,424,623.40 and an underwriter's discount of $122,943.47) and all but not less than all of the Series 2015C Bonds at a price of $2,897,822.16 (including an underwriter's discount of $17,177.84). It is anticipated that delivery of the Bonds will occur on the date shown on the cover page hereof. The Bonds may be offered and sold to certain dealers (including the Underwriter or other dealers depositing Bonds into investment trusts) at prices or yields other than such public offering prices or yields shown on the Final Official Statement, and such public offering prices or yields may be changed, from time to time, by the Underwriter.

The Underwriter has entered into a retail distribution agreement with each of TMC Bonds L.L.C. ("TMC") and UBS Financial Services Inc. ("UBSFS"). Under these distribution agreements, the Underwriter may distribute municipal securities to retail investors through the financial advisor network of UBSFS and the electronic primary offering platform of TMC. As part of this arrangement, the Underwriter may compensate TMC (and TMC may compensate its electronic platform member firms) and UBSFS for their selling efforts with respect to the Bonds.

FINANCIAL STATEMENTS

The audited financial statements of the District for the fiscal year ended April 30, 2014 included in **APPENDIX A** to this Final Official Statement were audited by Pehlman & Dold, P.C., Springfield, Illinois (the "Auditor"), as stated in their report thereon, and approved by the Board of Trustees. Certain unaudited financial information of the District as of and for the fiscal year ended April 30, 2015 is included in **APPENDIX A** hereto but such financial information has not been audited by the Auditor and is not necessarily indicative of the financial results of the District during such period.

MUNICIPAL ADVISOR

The District has engaged Speer Financial, Inc. as municipal advisor (the "Municipal Advisor") in connection with the issuance and sale of the Bonds. The Municipal Advisor is a Registered Municipal Advisor in accordance with the rules of the Municipal Securities Rulemaking Board (the "MSRB"). The Municipal Advisor will not participate in the underwriting of the Bonds. The financial information included in the Final Official Statement has been compiled by the Municipal Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. The Municipal Advisor is not a firm of certified public accountants and does not serve in that capacity or provide accounting services in connection with the Bonds. The Municipal Advisor is not obligated to undertake any independent verification of or to assume any responsibility for the accuracy, completeness or fairness of the information contained in this Final Official Statement, nor is the Municipal Advisor obligated by the District's continuing disclosure undertaking.

CERTIFICATION

We have examined this Final Official Statement dated July 15, 2015, for the $22,080,000 General Obligation Bonds (Alternate Revenue Source), Series 2015A, and the $2,915,000 Taxable General Obligation Bonds (Alternate Revenue Source), Series 2015C, believe it to be true and correct and will provide to the purchaser of the Bonds at the time of delivery a certificate confirming to the purchaser that to the best of our knowledge and belief information in the Final Official Statement was at the time of acceptance of the bid for the Bonds and, including any addenda thereto, was at the time of delivery of the Bonds true and correct in all material respects and does not include any untrue statement of a material fact, nor does it omit the statement of any material fact required to be stated therein, or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

/s/ **RICHARED T. CIOTTI**
President, Board of Trustees
SPRINGFIELD METRO SANITARY DISTRICT
Sangamon County, Illinois

/s/ **GREGG HUMPHREY, PE PLS**
Executive Director
SPRINGFIELD METRO SANITARY DISTRICT
Sangamon County, Illinois

APPENDIX A

SPRINGFIELD METRO SANITARY DISTRICT
SANGAMON COUNTY, ILLINOIS

FISCAL YEAR 2014 AUDITED FINANCIAL STATEMENTS AND
2015 UNAUDITED FINANCIAL INFORMATION

SPRINGFIELD METRO SANITARY DISTRICT
Springfield, Illinois

FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION

For the Year Ended April 30, 2014

SPRINGFIELD METRO SANITARY DISTRICT
Springfield, Illinois

TABLE OF CONTENTS

J. Timothy Cravens, C.P.A.
Todd J. Anderson, C.P.A.
Dorinda L. Fitzgerald, C.P.A.

Joseph E. Pehlman, C.P.A. (1941 – 1984)
Joseph B. Dold, C.P.A., Retired
Robert E. Ritter, C.P.A., Retired

Pehlman & Dold, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

100 North Amos Avenue
Springfield, IL 62702
217-787-0563
FAX 217-787-9266

June 9, 2014

Board of Trustees
Springfield Metro Sanitary District
Springfield, Illinois

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Springfield Metro Sanitary District, Springfield, Illinois (the "District"), as of and for the year ended April 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Springfield Metro Sanitary District, Springfield, Illinois, as of April 30, 2014, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

The Summary of Funding Progress relative to the post employment benefits other than pension and the Illinois Municipal Retirement Fund defined benefit plan are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management regarding the methods of measurement and presentation of the supplementary information. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was made for the purpose of forming opinions on the financial statements that collectively comprise the Springfield Metro Sanitary District, Springfield, Illinois' basic financial statements. The accompanying financial information listed as *"Other Supplemental Data"* in the table of contents has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 9, 2014, on our consideration of the Springfield Metro Sanitary District, Springfield, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Springfield Metro Sanitary District, Springfield, Illinois' internal control over financial reporting and compliance.

Respectfully submitted,

Pehlman & Dold, P.C.

PEHLMAN & DOLD, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
SPRINGFIELD, ILLINOIS

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Board of Trustees
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Springfield, Illinois

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities, the Springfield Metro Sanitary District, Springfield, Illinois, as of and for the year ended April 30, 2014, and the related notes to the financial statements, which collectively comprise the Springfield Metro Sanitary District, Springfield, Illinois' basic financial statements, and have issued our report thereon dated June 9, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Springfield Metro Sanitary District, Springfield, Illinois' internal control over financial reporting internal control to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Springfield Metro Sanitary District, Springfield, Illinois' internal control. Accordingly, we do not express an opinion on the effectiveness of the Springfield Metro Sanitary District, Springfield, Illinois' internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Springfield Metro Sanitary District, Springfield, Illinois' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

Pehlman & Dold, P.C.

PEHLMAN & DOLD, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
SPRINGFIELD, ILLINOIS

SPRINGFIELD METRO SANITARY DISTRICT
Springfield, Illinois

STATEMENT OF NET POSITION
April 30, 2014

ASSETS	
Current assets:	
Cash	$ 1,008,172
Receivables:	
Sewer service charges	2,832,440
Property taxes	2,662,431
Replacement taxes	61,165
Illinois Environmental Protection Agency	518,432
U.S. Treasury	759,786
Prepaid expenses	55,394
Restricted assets:	
Restricted cash	17,482,601
Special assessment receivables	17,868
Low pressure receivables	7,500
Total current assets	25,405,789
Non-current assets:	
Capital assets:	
Land	718,322
Property, plant and equipment, net	165,802,232
Construction in progress	43,736,120
Total capital assets	210,256,674
Special assessment receivable	31,403
Low pressure receivables	36,800
Total noncurrent assets	210,324,877
Total assets	235,730,666
LIABILITIES	
Current liabilities:	
Accounts payable	331,423
Accounts payable capital outlay	706,591
Accrued vacation and payroll	1,155,129
Accrued interest payable	2,142,719
Current portion of Illinois Environmental Protection Agency	1,555,575
Current portion of bonds payable	7,800,000
Total current liabilities	13,691,437
Non-current liabilities:	
Bonds payable	110,490,000
Illinois Environmental Protection Agency wastewater treatment loans	44,724,264
Net other post employment benefit obligations	1,971,917
Total non-current liabilities	157,186,181
Total liabilities	170,877,618
DEFERRED INFLOWS OF RESOURCES	
Deferred property taxes	2,662,431
NET POSITION	
Net investment in capital assets	46,552,651
Restricted – debt service	15,815,206
Unrestricted	(177,240)
Total net position	$ 62,190,617

The Notes to the Financial Statements are an integral part of this statement.

SPRINGFIELD METRO SANITARY DISTRICT
Springfield, Illinois

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Year Ended April 30, 2014

Operating Revenues:	
Sewer service charge	$19,155,389
Sewer permits	258,385
Special waste fees	152,527
Lab fees	21,053
Low pressure system payments	117,000
Annexation fees	405
Total operating revenues	19,704,759
Operating Expenses	
Plant operations	7,513,645
Pump station	933,559
Sewer operations	560,010
Management and administration	3,655,279
Other postemployment benefits	396,868
Depreciation	2,846,603
Total operating expenses	15,905,964
Operating income	3,798,795
Non-operating Revenues (Expenses)	
Property taxes	2,652,010
Federal sources – Build America Bonds	1,520,392
Illinois replacement taxes	370,645
Interest income	8,569
Rental income	17,405
Refunds and reimbursements	6,856
Interest expense	(5,755,576)
Bond fees	(5,900)
Total non-operating revenues (expenses)	(1,185,599)
Change in Net Position	2,613,196
Net Position	
Beginning of year (as restated)	59,577,421
End of year	$62,190,617

The Notes to the Financial Statements are an integral part of this statement.

SPRINGFIELD METRO SANITARY DISTRICT
Springfield, Illinois

STATEMENT OF CASH FLOWS
For the Year Ended April 30, 2014

Net Cash Flows from Operating Activities:	
Cash received from customers and users	$ 19,502,509
Payments to suppliers	(8,503,598)
Payments to employees	(4,275,981)
Net cash provided by operating activities	6,722,930
Net Cash Flows from Non-Capital Financing Activities:	
Property tax receipts	2,652,010
Illinois replacement tax receipts	380,351
Federal and state receipts	2,275,451
Refunds and reimbursements	6,856
Net cash provided by non-capital financing activities	5,314,668
Net Cash Flows from Capital and Related Financing Activities:	
Principal payments on long-term debt	(4,085,599)
Bond expenses	(5,700)
Interest paid	(5,780,819)
Acquisition and construction of capital assets	(11,054,428)
Net cash used in capital and related financing activities	(20,926,546)
Net Cash Flows from Investing Activities:	
Interest income	8,569
Rental income	17,405
Net cash provided by investing activities	25,974
Net decrease in cash	(8,862,974)
Cash – May 1, 2013	27,353,747
Cash – April 30, 2014	$ 18,490,773
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	$ 3,798,795
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	2,846,603
Change in operating assets and liabilities:	
Increase in receivables	(202,250)
Decrease in accounts payable	(162,451)
Increase in accrued vacation and payroll	44,847
Decrease in prepaid expenses	518
Increase in other post employment benefit obligations	396,868
Net cash provided by operating activities	$ 6,722,930

The Notes to the Financial Statements are an integral part of this statement.

SPRINGFIELD METRO SANITARY DISTRICT
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS
April 30, 2014

Note 1. ***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***

The Springfield Metro Sanitary District, Springfield, Illinois (the "District") is a municipal corporation governed by a Board of Trustees consisting of five individuals who are appointed by the Chairman of the Sangamon County Board. Revenues consist primarily of property taxes and charges for services to customers living within an area of 165 square miles, of which the City of Springfield occupies about two-thirds. The District's revenues are therefore dependent on the economy within its territorial boundaries. Industry within the District's customer base is primarily state and local government, health care, and retail.

Adoption of New Accounting Standards:

Effective May 1, 2004, the District adopted Governmental Accounting Standards (GASB) Board Statement No. 34, *Financial statements – and Management's Discussion and Analysis – for State and Local Governments*, Statement No. 37, *Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*, and Statement No. 38, *Certain Financial Statement Note Disclosures*. The primary impact of adopting the statements included capitalization of infrastructure (sewer lines) fixed assets, changing the presentation of fund equity, and changing the presentation of the cash flow statement from the indirect method to the direct method. Also, as part of the adoption of the new standards, the District chose to account for all of its various fund's activity and balances as a single business-type proprietary fund special purpose government entity.

The accounting policies of the District conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant of such policies.

Reporting Entity:

For financial reporting purposes, in accordance with the *Codification of Governmental Accounting and Financial Reporting Standards*, Section 2100, the District is a primary government in that it is a district with the authority to set and amend its budget, levy for taxes, set rates for charges, and issue bonded debt without approval from another government.

The District has developed criteria to determine whether outside agencies, such as cities, districts, and townships, should be included within its financial reporting entity. The criteria include, but are not limited to, whether the District exercises oversight responsibility on the following:

Financial interdependency
Selection of governing authority
Designation of management
Ability to significantly influence operations
Accountability for fiscal matters
Scope of public service
Special financing relationship

The District has determined that no other outside agency meets the above criteria and, therefore, no other agency has been included as a component unit in the District's financial statements.

Government-Wide Financial Statement Presentation and Basis of Accounting:

The District uses a single business-type fund to account for all assets, liabilities, net position, revenues, and expenses. Business-type funds are used to account for operations that are financed and operated in a manner similar to private businesses where the intent is that all costs of providing certain goods and services to the general public be financed or recovered primarily through user charges. Accordingly, the District's financial statements are presented on the accrual basis of accounting. Revenues from operations, investments, and other sources are recorded when earned and expenses are recorded when liabilities are incurred.

Note 1. *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*

Government-Wide Financial Statement Presentation and Basis of Accounting: - continued

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues are charges to customers for sanitary services. Operating expenses for the proprietary fund include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The District recognizes user charge revenues when the service is provided. Monthly cycle billing is utilized for all users. Unbilled receivables have been estimated at April 30. User charge rates are intended to generate revenues equivalent to estimated operating and replacement costs.

Service charges, permits, annexation fees, lab fees, and other miscellaneous revenues (except interest earnings) are recorded as revenues when received because they are generally not measurable until actually received. Interest earnings are recorded as earned since they are measurable and available.

Restricted Assets:

Restricted assets are cash and cash equivalents whose use is limited by legal requirements or board designation. Restricted cash represents the cash balances reserved for capital improvements, public benefit, sewer rehabilitation and replacement, special assessment debt, and bond and interest payments.

Capital Assets:

Public domain property (sewers) and other capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Capital assets are defined by the District as assets with an initial cost of more than $1,000. The District capitalizes interest expense on funds used during construction of major projects. Bond costs discounts and premiums are amortized/accreted on a straight line basis over the useful life of the bond. Depreciation is provided using the straight-line method over the following estimated lives:

	Years
Land improvements	50-100
Buildings	100
Equipment, vehicles, and machinery	30-50
Sewer system	75

Depreciation is not provided on construction in progress until the project is completed and placed in service.

Compensated Absences:

It is the District's policy to permit employees to accumulate earned but unused sick, personal, holiday and compensatory pay benefits. One sick day is earned per month, and a maximum of 80 days may be carried over into the next year. Three personal leave days are credited to an employee at the first of the year and may be carried over into the next year with no maximum to the amount carried. Holiday leave time is earned when an employee works on a holiday as determined by the District. Holiday time may be accumulated and carried over to the next year. Employees may earn compensatory time in lieu of overtime pay for overtime worked. Employees are allowed to carry a maximum of 120 hours at any time. Upon termination of employment with the District, an employee's accumulated compensated absences balance, excluding sick time, is fully vested and payable at the employee's current pay rate. Sick leave is only paid to employees who have five or more years of service with the District and the termination is in good standing.

Note 1. *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*

Compensated Absences: - continued

Employees receive vacation time based on their prior year service. Vacation days are given to employees on January 1st and they have sixteen months to use it. Any unused time is lost. Upon termination employees are paid for current unused time as well as time earned in the current year for the following year.

Reservations of Net Position:

The District records reservations for portions of net position which are legally segregated for specific future use or which do not represent available expendable resources and therefore, are not available for appropriations or expenditure. Unrestricted net position indicates that portion of net position, which is available for appropriations, in future periods. Net position reserves have been established for encumbrances in capital projects and for future debt service.

Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, gains, losses, and other changes in net position during the reporting period. Actual results could differ from those estimates.

Sewer Service Charges Receivable:

A majority of the sewer service charges receivable is billed and collected by other governmental agencies and then remitted to the District. The governmental agencies each have a separate collection policy. All of sewer service charges receivable are deemed collectible.

Cash and Cash Equivalents:

For purposes of reporting cash flows, the District considers all cash accounts that are not subject to withdrawal restrictions or penalties, and certificates of deposit with original maturities of 90 days or less, to be cash or cash equivalents.

Note 2. *CASH AND INVESTMENTS*

Statutes permit the District to make deposits/invest in obligations of the United States Government, direct obligations of any bank as defined by the Illinois Banking Act, short-term obligations of United States corporations, subject to certain conditions, money market mutual funds with portfolios limited to U.S. Government obligations, credit union shares, the Illinois Public Treasurer's Investment Pool (IPTIP) and repurchase agreements, subject to certain conditions.

All funds of the District must be deposited and invested according to these statutes. Depository banks use the Dedicated Method of collateralization, placing approved pledged securities for safekeeping and trust with the District's agent bank in an amount sufficient to protect District funds. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) Insurance. External investment pools use the Pooling Method of collateralization. Due to the nature of external investment pools, participants maintain separate investment accounts representing a proportionate share of the pool assets and its respective collateral. Collateral is maintained in the name of the investment pool.

The District has deposits in the Illinois Funds Money Market Fund. The Illinois Funds are not subject to direct regulatory oversight of the Security and Exchange Commission, however, the funds are managed by the State of Illinois Treasurer's Office in accordance with state statues. The fair value of the position in the external investment pool is the same as the value of the pool shares.

Note 2. *CASH AND INVESTMENTS*

The following is disclosed regarding coverage as of April 30, 2014.

a) The total amount of FDIC coverage as of April 30, 2014 was $250,000.

b) Dedicated Method: The market value of securities pledged was $-0-.

c) Pooling Method: Deposits in external investment pools are fully collateralized.

(a) Deposits:

At April 30, 2014, the carrying amount of the District's deposits (cash and interest bearing demand accounts at financial institutions), which excludes petty cash of $400, was $18,490,373, and the bank balance was $18,966,656.

	Carrying Amount	Bank Balance
Cash	$ 143,873	$ 331,770
Illinois Funds Money Market Fund	18,346,500	18,634,886
	$18,490,373	$18,966,656

(b) Investments:

The District currently has no deposits they consider to be investments.

(c) Investment Policies:

Interest Rate Risk: The District has no formal policy on interest rate risk. This is the risk that changes in market interest rates will adversely affect the fair market value of an investment. In general, the longer the maturity, the greater the chance that interest rate changes will adversely affect the investment.

Custodial Credit Risk: The District has no formal policy on custodial credit risk. This is the risk that in the event of the failure of the counterparty (ie financial institution) to a transaction, a government will not be able to recover the value of its deposits or investments or collateral securities that are in the possession of another party. Of the District's total cash and cash equivalents, $-0- was subject to custodial credit risk.

Credit Risk: The District has no formal policy on credit risk. Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. Government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure.

Concentration Risk: The District's Board places no limit on the amount that can be invested with any single issuer. Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer.

Note 3. *PROPERTY TAXES*

The District's ad valorem property tax was levied by ordinance on October 29, 2013 on the assessed value listed and attached as an enforceable lien as of the prior January 1 for all real and business property located in the District. Taxes levied in one year become due and payable in two installments in June and September during the following year. Substantial collections of real estate taxes are typically received July through October.

Note 3. *PROPERTY TAXES*

The District accounts for property taxes using requirements that taxes relating to the current budget be recognized as revenue currently; and a property tax assessment made during the current year for the purpose of and relating to the following fiscal period budget be recorded as receivable and the related revenue deferred to the period for which it was levied.

The 2012 tax levy is reflected as revenue in the fiscal year ending April 30, 2014. Forfeited, objected, and delinquent tax distributions are recognized as revenues when collected.

Property taxes levied in 2013 to be collected in 2014 have been recognized as assets (property taxes receivable) and deferred inflow as these taxes have been matched to be used in the 2015 budget.

The tax rates and assessed valuation for the years are as follows:

	Levy Year 2012	Levy Year 2013
General	.0488	.0517
Illinois Municipal Retirement Fund	.0248	.0243
Sewer Treatment	.0094	.0092
Social Security	.0085	.0083
Total	.0915	.0935
Assessed valuation	$2,811,633,693	$2,847,520,122

Note 4. *SPECIAL ASSESSMENT RECEIVABLES*

The special assessment receivables are received in annual installments of principal and interest, at a rate not to exceed 6.50%, through 2019. The following summarizes the remaining principal installments receivable under the assessment:

Fiscal Year	Principal
April 30, 2015	$ 17,868
April 30, 2016	14,855
April 30, 2017	5,516
April 30, 2018	5,516
April 30, 2019	5,516
	$ 49,271

Note 5. *CAPITAL ASSETS*

Capital asset activity for the year ended April 30, 2014:

	Balances April 30, 2013	Additions	Deletions	Transfers	Balances April 30, 2014
Capital Assets not being Depreciated:					
Land	$ 610,239	$ 108,083	$	$	$ 718,322
Construction in progress	35,267,758	10,174,965		(1,706,603)	43,736,120
Total non-depreciable capital assets	$ 35,877,997	$10,283,048	$	$(1,706,603)	$ 44,454,442

Note 5. *CAPITAL ASSETS*

Capital asset activity for the year ended April 30, 2014: - continued

	Balances April 30, 2013	Additions	Deletions	Transfers	Balances April 30, 2014
Capital Assets being Depreciated:					
Land improvements	$ 1,611,598	$	$	$	$ 1,611,598
Buildings	40,777,092				40,777,092
Equipment, vehicles, and machinery	51,766,874	523,280			52,290,154
Sewer system	104,393,219	43,237		1,706,603	106,143,059
Total depreciable capital assets	$198,548,783	$ 566,517	$	$ 1,706,603	$200,821,903
Less Accumulated Depreciation:					
Land improvements	$ 285,745	$ 35,695	$	$	$ 321,440
Buildings	3,923,078	372,007			4,295,085
Equipment, vehicles, and machinery	6,478,633	1,062,236			7,540,869
Sewer system	21,485,612	1,376,665			22,862,277
Total accumulated depreciation	$ 32,173,068	$ 2,846,603	$	$	$ 35,019,671
Total capital assets	$202,253,712	$ 8,002,962	$	$	$210,256,674

Interest capitalized as construction period interest for the new sewer wastewater treatment plant is $973,280. Total interest on long-term debt associated with the acquisition or construction of capital assets expensed during the year ended April 30, 2014 was $5,705,791.

Note 6. *LONG-TERM DEBT*

Loans Payable:

Illinois Environmental Protection Agency Revolving Loans:

(a) On September 21, 2009, the District was granted a wastewater treatment works loan, under the provision of the Environmental Protection Act, in the amount of $20,000,000 at zero percent interest. In order to secure this loan, the District authorized the issuance of the Series 2009D Subordinate Lien Bonds. $10,000,000 of eligible costs were funded by the Water Pollution Control Loan Program and will be required to be repaid fully. The other $10,000,000 of eligible costs was funded under the American Recovery and Reinvestment Act of 2009, of which only $5,000,000 will be required to be repaid. Principal payments of $375,000 payments began April 2012 and are due each April and October thru 2031. The balance of the loan at April 30, 2014 was $13,125,000. The $5,000,000 of loan forgiveness was included in non-operating income for fiscal year 2012. Repayment of the loan is secured by a lien on the net revenue of the District subordinate to the pledge of revenues that has been granted to the 2009A and 2009E Bonds, and the 2011A Bonds the 2010A and 2010B Bonds.

The following is the future payment obligations on the Illinois Environmental Protection Agency loan:

Fiscal Year	Principal	Interest	Total
April 30, 2015	$ 750,000	$	$ 750,000
April 30, 2016	750,000		750,000
April 30, 2017	750,000		750,000
April 30, 2018	750,000		750,000
April 30, 2019 – 2032	10,125,000		10,125,000
Total	$13,125,000	$	$13,125,000

Note 6. *LONG-TERM DEBT*

Loans Payable:

Illinois Environmental Protection Agency R:-volving Loans: - continued

(b) On July 28, 2010, the District was granted a $20,000,000 loan from the Illinois Environmental Protection Agency, pursuant to the Environmental Protection Act, from the Water Revolving Fund. In order to secure this loan, the District authorized the issuance of the Series 2010C Subordinate Lien Bonds. The loan has a fixed interest rate of 1.25% and was used to construct Phase III of a four-phased new wastewater treatment plant. $20,000,000 of eligible costs were funded from the Water Pollution Control Loan Program, of which $2,500,000 was forgiven and was recognized as non-operating income for fiscal year 2012. Payments began May 1, 2012 and continue through November 1, 2031. The balance of the loan at April 30, 2014 was $15,654,839. Repayment of the loan is secured by a lien on the net revenue of the District subordinate to the pledge of revenues that has been granted to the 2009A and 2009E Bonds, and the 2011A Bonds the 2010A and 2010B Bonds.

The following is the future payment obligations on the Illinois Environmental Protection Agency loan:

Fiscal Year	Principal	Interest	Total
April 30, 2015	$ 805,575	$ 193,176	$ 998,751
April 30, 2016	815,676	183,075	998,751
April 30, 2017	836,260	162,491	998,751
April 30, 2018	846,746	152,005	998,751
April 30, 2019 – 2032	12,350,582	1,132,554	13,483,136
Total	$15,654,839	$1,823,301	$17,478,140

(c) As of June 30, 2011 the Springfield Metro Sanitary District, Springfield, Illinois was approved for a loan from the Water Pollution Control Loan Program in the amount of $20,000,000 at a 1.25% simple annual interest rate. In accordance with the procedures for issuing loans from the Water Pollution Control Loan Program Title 35 Illinois Administration Code 365.260 $2,500,000 of the loan amount will be forgiven by the State of Illinois.

In order to secure this loan, the District authorized the issuance of the Series 2011B Subordinate Lien Bonds. The proceeds of the loan will be used in the construction of Phase IV of the new Spring Creek Wastewater Treatment Plant. The $2,500,000 of loan forgiveness was included in nonoperating income for the fiscal year 2013. The balance of the loan at April 30, 2013 was $17,500,000, which included federal receipts of $13,853,408. Repayment of the loan is secured by a lien on the net revenue of the District subordinate to the pledge of revenues that has been granted to the 2009A, 2009E, 2010A, 2010B, and 2011A Bonds.

As of April 2014 a repayment schedule for this loan had not been received by the District.

Bond Issues:

(a) Springfield Metro Sanitary District, Springfield, Illinois issued General Obligation Bonds (Alternate Revenue Source) in the amount of $1,705,000 dated November 27, 2007 pursuant to Ordinance 2007-33. Fixed interest rates range from 5.00 to 5.20%, with interest paid semiannually each January 1st and July 1st. The proceeds of the bond were used to fund the District's Early Retirement Incentive liability to the Illinois Municipal Retirement Fund, and to pay interest on the bonds through July 2008 and issuance costs. The Bonds are payable from the District's IMRF property tax levy. The 2007A Bonds are additionally payable from a levy of ad valorem property taxes if the IMRF property tax levy is not sufficient to pay the bonds.

Note 6. ***LONG-TERM DEBT***

Bond Issues: - continued

The following is future payment obligations on the bonds, Series 2007:

Fiscal Year	Principal	Interest	Total
April 30, 2015	$ 240,000	$ 39,036	$ 279,036
April 30, 2016	260,000	27,035	287,035
April 30, 2017	135,000	13,905	148,905
April 30, 2018	135,000	7,020	142,020
Total	$ 770,000	$ 86,996	$ 856,996

(b) Springfield Metro Sanitary District, Springfield, Illinois issued General Obligation Bonds (Alternate Revenue Source), Series 2009-A, in the amount of $18,800,000 for the purpose of redeeming in full the District's Sewer Revenue Bonds, Series 2007, and also to pay for capital improvements including engineering studies on the District's combined sewer overflows, and to pay interest and other costs related to the issuance of these bonds. The bonds were issued pursuant to an authorizing ordinance adopted by the Board of Trustees on January 27, 2009, a master bond ordinance adopted by the board on June 30, 2009 and the Series 2009A Bond Ordinance adopted June 30, 2009. Principal payments ranging from $530,000 to $870,000 are due each January 1st from 2011 to 2039. The bonds carry interest rates ranging from 3.00% to 5.25% and shall pay interest semiannually on January 1st and July 1st. The 2009A Bonds are secured and payable from a lien on the net revenues of the District that is subordinate to the lien of any Senior Lien Bonds that may be issued under the master bond ordinance, including the 2010A, 2010B, and 2011A Bonds. The 2009A Bonds are additionally payable from a levy of ad valorem property taxes if net revenues are not sufficient to pay the bonds.

The following is future payment obligations on the bonds, Series 2009A:

Fiscal Year	Principal	Interest	Total
April 30, 2015	$ 600,000	$ 768,150	$ 1,368,150
April 30, 2016	615,000	750,150	1,365,150
April 30, 2017	635,000	731,700	1,366,700
April 30, 2018	660,000	706,300	1,366,300
April 30, 2019	685,000	679,900	1,364,900
April 30, 2020 – 2024	2,670,000	3,038,112	5,708,112
April 30, 2025 – 2029	3,410,000	2,288,851	5,698,851
April 30, 2030 – 2034	3,345,000	1,456,293	4,801,293
April 30, 2035 – 2039	3,955,000	612,750	4,567,750
Total	$16,575,000	$11,032,206	$27,607,206

(c) Springfield Metro Sanitary District, Springfield, Illinois issued $38,860,000 taxable General Obligation Bonds, Series 2009E, for the purposes of paying for the construction costs for a new treatment plant and facilities upgrade at the District's Spring Creek site, and to pay for the interest and costs related to the issuance of this bond. The bonds were issued pursuant to an authorizing ordinance adopted by the Board of Trustees on January 27, 2009, a master bond ordinance adopted by the Board on June 30, 2009 and the Series 2009E Bond ordinance adopted September 20, 2009. The bonds are dated October 28, 2009 carry an interest rate of 6.22% and mature January 1, 2049. Principal payments ranging from $2,365,000 to $2,675,000 are due each January 1st from 2037 to 2049. The bonds shall pay interest semiannually on January 1st and July 1st. The 2009E Bonds are issued on parity with the 2009A Bonds and are secured and payable from a lien on the net revenues of the District that is subordinate to the lien of any Senior Lien Bonds that may be issued under the Master Bond Ordinance, including the 2010A, 2010B, and 2011A Bonds. The 2009E Bonds are additionally payable from a levy of ad valorem property taxes if net revenues are not sufficient to pay the bonds. The District elected to issue the 2009E Bonds as taxable "Build America Bonds" under which, subject to compliance with applicable federal tax regulations, the District will be eligible to receive reimbursement from the United States Government for 35% of the interest expense of the issue. The Budget Control Act of 2011 allows the United States Government to sequester portions of the reimbursement through federal fiscal year 2021. The percentage reduction for federal fiscal year 2014 is 7.2%.

Note 6. ***LONG-TERM DEBT***

Bond Issues: - continued

The following is future payment obligations on the bonds, Series 2009E:

Fiscal Year	Principal	Interest	Total
April 30, 2015	$	$ 2,417,092	$ 2,417,092
April 30, 2016		2,417,092	2,417,092
April 30, 2017		2,417,092	2,417,092
April 30, 2018		2,417,092	2,417,092
April 30, 2019		2,417,092	2,417,092
April 30, 2020 – 2024		12,085,460	12,085,460
April 30, 2025 – 2029		12,085,460	12,085,460
April 30, 2030 – 2034		12,085,460	12,085,460
April 30, 2035 – 2039	7,515,000	11,634,199	19,149,199
April 30, 2040 – 2044	14,825,000	7,977,150	22,802,150
April 30, 2045 – 2049	16,520,000	2,998,973	19,518,973
Total	$38,860,000	$70,952,162	$109,812,162

(d) Springfield Metro Sanitary District, Springfield, Illinois issued $37,140,000 Sewer Revenue Taxable Senior Lien Bonds, Series 2010A (Build America Bonds), and $3,065,000 Sewer Revenue Bonds, Series 2010B dated April 27, 2010, for the purposes of paying for a portion of the costs for a new treatment plant and facilities upgrade at the District's Spring Creek site, for the redemption of the District's outstanding 2009B and 2009C bond series, to fund debt service reserve funds with respect to the 2010 bonds, and to pay interest and costs related to the issuance of these bonds. The bonds were issued pursuant to an authorizing ordinance duly adopted by the Board of Trustees on November 28, 2008 and January 26, 2010, a master bond ordinance duly adopted by the Board on June 30, 2009 and the Series 2010 Bond Ordinance adopted March 30, 2010. Principal payments ranging from $255,000 to $2,510,000 are due each January 1st from 2011 to 2036. The bonds carry varying interest rates from 4.098-6.498% for the 2010A Series and 2.50-4.00% for the 2010B Series. The bonds shall pay interest semiannually on January 1st and July 1st. The 2010A and 2010B bonds are secured and payable from a lien on the net revenues of the District as defined in the Master Bond Ordinance. The District elected to issue the 2010A Bonds as taxable "Build America Bonds" under which, subject to compliance with applicable federal tax regulations, the District will be eligible to receive reimbursement from the United States Government for 35% of the interest expense of the issue. The Budget Control Act of 2011 allows the United States Government to sequester portions of the reimbursement through federal fiscal year 2021. The percentage reduction for federal fiscal year 2014 is 7.2%.

The following is future payment obligations on the bonds, Series 2010A&B:

Fiscal Year	Principal	Interest	Total
April 30, 2015	$ 1,195,000	$ 2,277,241	$ 3,472,241
April 30, 2016	1,170,000	2,232,223	3,402,223
April 30, 2017	1,205,000	2,180,651	3,385,651
April 30, 2018	1,240,000	2,121,508	3,361,508
April 30, 2019	1,280,000	2,057,511	3,337,511
April 30, 2020 – 2024	7,140,000	9,150,952	16,290,952
April 30, 2025 – 2029	8,690,000	6,770,412	15,460,412
April 30, 2030 – 2034	10,660,000	3,734,075	14,394,075
April 30, 2035 – 2039	4,920,000	482,802	5,402,802
Total	$37,500,000	$31,007,375	$68,507,375

Note 6. ***LONG-TERM DEBT***

Bond Issues: *- continued*

(e) Springfield Metro Sanitary District, Springfield, Illinois issued Senior Lien Revenue Bonds, Series 2011-A, in the amount of $20,120,000 for the purpose of paying a portion of the costs of the Spring Creek Wastewater Treatment Plant (including but not limited to Phase IV), funding reserve accounts for the Series 2011A Bonds, and paying the costs of issuing the Series 2011A Bonds. The bonds were issued pursuant to an authorizing ordinance adopted by the Board of Trustees on January 27, 2009, a master bond ordinance adopted by the Board on June 30, 2009 a Revenue Bond Authorizing Ordinance adopted February 22, 2011, and the Series 2011A Bond Ordinance adopted July 26, 2011. The bonds carry varying interest rates ranging from 2.5-5% and shall pay interest semiannually on January 1st and July 1st.

The following is the future payment obligations on the bonds, Series 2011A:

Fiscal Year	Principal	Interest	Total
April 30, 2015	$ 565,000	$ 892,150	$ 1,457,150
April 30, 2016	580,000	875,200	1,455,200
April 30, 2017	595,000	857,800	1,452,800
April 30, 2018	620,000	834,000	1,454,000
April 30, 2019	640,000	815,400	1,455,400
April 30, 2020 – 2022	16,385,000	1,566,100	17,951,100
Total	$19,385,000	$6,840,650	$25,225,650

(f) Springfield Metro Sanitary District, Springfield, Illinois issued $5,200,000 Sewer Revenue Subordinate Lien Bonds, Series 2012. The proceeds will be used for planning, design and engineering of the renovation and upgrade of the District's Sugar Creek Plant to increase the design average flow and maximum design flow of the plan, as well as pay costs related to the issuance of the bond and fund a reserve account. The bonds were issued pursuant to a Master Bond Ordinance passed on June 30, 2009, as supplemented by the authorizing ordinance passed December 20, 2011, and the Series 2012 ordinance passed on March 27, 2012. The bonds carry an interest rate of 1.35% with semiannual interest payment due January 1st and July 1st. Repayment of the loan is secured by a lien on the net revenue of the District subordinate to the pledge of revenues that has been granted to the 2009A and 2009E Bonds, and the 2011A Bonds the 2010A and 2010B Bonds.

The following is the future payment obligations on the bonds, Series 2012:

Fiscal Year	Principal	Interest	Total
April 30, 2015	$5,200,000	$ 46,800	$5,246,800

Postemployment Benefits Other Than Pensions (OPEB):

Effective for 2009-2010 fiscal year, the District implemented Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions,* for certain postemployment health care benefits provided by the District. The requirements of this Statement are being implemented prospectively, with the actuarially accrued liability for the benefits of $6,093,534 at the May 1, 2009 date of transition being amortized over 30 years. Accordingly, for financial reporting purposes, no liability is reported for the postemployment health care benefits liability at the date of transition.

Plan Description. The District administers single-employer defined benefit healthcare plan. Both members of the collective Bargaining Agreement of the Springfield Metro Sanitary District, Springfield, Illinois and non-union employees are eligible for post-retirement medical coverage. For retirement benefits, the employee must have worked at least 8 years and must be at least 55 years old. Special arrangements may be made under an Early Retirement incentive program.

Note 6. ***LONG-TERM DEBT***

Postemployment Benefits Other Than Pensions (OPEB): *- continued*

The District will pay 50% of the full blended premium cost for single coverage for employees who retire after age 55 with 8 or more years of service. If the employee has over 20 years of service, the District will pay 75 percent of the full blended premium cost for single coverage. If the employee has over 30 years of service, the District will pay the entire full blended premium cost for single coverage.

Retirees may elect to cover themselves and their spouses, as long as the spouse had been covered for at least one year before the employee retired. The retiree must pay the difference between the "Employee plus spouse" rate and the "Employee only" rate. Retirees are covered for their natural lives; spouses may be covered for as long as the retiree lives, plus 18 additional months COBRA coverage as long as the premiums are paid.

Funding Policy. The current funding policy is to pay post retirement medical and insurance benefits for premiums as they occur. The funding policy of the District may be amended by the Board.

Annual OPEB Cost and Net OPEB Obligation. The District's other postemployment benefit (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan and changes in the net OPEB obligation:

Estimated annual required contribution	$ 744,064
Interest on net OPEB obligation	74,815
Adjustment to annual required contribution	(142,426)
Estimated annual OPEB cost	676,453
Contributions made	(279,585)
Estimated increase in net OPEB obligation	396,868
Net OPEB obligation – beginning of year	1,575,049
Estimated net OPEB obligation – end of year	$1,971,917

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation is as follows:

Fiscal Year End Date	Estimated Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
4/30/11	$674,533	40.07%	$ 801,235
4/30/12	624,290	42.50%	1,159,909
4/30/13	695,134	40.30%	1,575,049
4/30/14	676,453	41.30%	1,971,917

Funding Status and Funded Progress. As of April 30, 2014, the most recent actuarial valuation date, the actuarial accrued liability was $7,777,194 and the actuarial value of assets was $-0- resulting in an unfunded actuarial accrued liability (UAAL) of $7,777,194. The covered payroll (annual payroll of active employees covered by the plan) was $3,633,162, and the ratio of the UAAL to the covered payroll was 214.06 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presents multiyear trend information about whether the actuarial valuation of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Note 6. *LONG-TERM DEBT*

Postemployment Benefits Other Than Pensions (OPEB): - continued

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Year End Date	Employer Contribution	Annual Required Contribution (ARC)	Percent Contributed
4/30/10	$260,888	$657,879	39.70%
4/30/11	272,267	674,533	40.07%
4/30/12	265,615	624,290	42.50%
4/30/13	279,994	695,134	40.30%
4/30/14	279,585	676,453	41.30%

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and the plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the most recent actuarial valuation, the Projected Unit Credit method was used to make early distributions to the liability over the working life time of the employees. The actuarial assumptions include a discount rate of 4.75 percent and a 30 year amortization period. Other assumptions are as follows:

Health Care Trend Rate – The rate for the initial year is lowered gradually over a select period of time and ultimately settles at a permanent lower level. Medical inflation for all participants exceeded 10.5 percent in 2009, so the rates decrease from here down to 4 percent.

Mortality – Life expectancies were based off the 1995 George B. Buck Tables for public employees.

Turnover – The rate of turnover was based on the assumption that turnover is relatively low and thus based on 80 percent of the rates shown in the standard Vaughn Table after the first three years of employment.

Retirement Rates – Rates were determined from the database of retirees and calculated specifically for the District and range from 6 to 100 percent.

Note 7. *CHANGES IN LONG-TERM DEBT*

The following is a summary of the long-term debt transactions of the District for the year ended April 30, 2014:

	Balance April 30,2013	Additions	Retirements	Balance April 30,2014
IEPA Wastewater Treatment Loans	$ 47,825,437	$	$1,545,598	$ 46,279,839
IMRF Bonds	985,000		215,000	770,000
General Obligation Bonds	56,015,000		580,000	55,435,000
Revenue Bonds	63,830,000		1,745,000	62,085,000
Other Post Employment Benefits	1,575,049	396,868		1,971,917
Totals	$170,230,486	$ 396,868	$4,085,598	$166,541,756

Note 8. *DEFINED BENEFIT PENSION PLAN*

Plan Description. The District's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The District plan is affiliated with the Illinois Municipal Retirement Fund (*"IMRF"*), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

Funding Policy. As set by statute, the District Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District annual required contribution rate for calendar year 2013 was 15.50 percent. The District also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost. The required contribution for calendar year 2013 was $623,276.

THREE-YEAR TREND INFORMATION FOR THE REGULAR PLAN

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/13	$623,276	100%	$ 0
12/31/12	589,559	100%	0
12/31/11	578,207	100%	0

The required contribution for 2013 was determined as part of the December 31, 2011, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2011, included *(a)* 7.5 percent investment rate of return (net of administrative and direct investment expenses), *(b)* projected salary increases of 4.00 percent a year, attributable to inflation, *(c)* additional projected salary increases ranging from .4 to 10 percent per year depending on age and service, attributable to seniority/merit, and *(d)* post-retirement benefit increases of 3 percent annually. The actuarial value of your employer Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20 percent corridor between the actuarial and market value of assets. The District Regular plan's unfunded actuarial accrued liability at December 31, 2011 is being amortized as level percentage of projected payroll on an open 30 year basis.

Funded Status and Funding Progress. As of December 31, 2013, the most recent actuarial valuation date, the Regular plan was 61.07 percent funded. The actuarial accrued liability for benefits was $9,239,411 and the actuarial value of assets was $5,642,543, resulting in an underfunded actuarial accrued liability (UAAL) of $3,596,868. The covered payroll for calendar year 2013 (annual payroll of active employees covered by the plan) was $4,021,135 and the ratio of the UAAL to the covered payroll was 89 percent.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets in increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Note 9. *MULTIEMPLOYER PENSION PLANS*

The District contributes to a multiemployer defined benefit pension plan under the terms of a collective-bargaining agreement that covers its union-represented employees. The risk of participating in multiemployer plans is different from single-employer pension plans in the following aspects:

Note 9. *MULTIEMPLOYER PENSION PLANS*

(a) Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.

(b) If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.

(c) If the District stops participating in its multiemployer pension plan, it may be required to pay the plan an amount based on the underfunded status of the entire plan, referred to as a withdrawal liability.

The District's participation in the plan for the fiscal year ended April 30, 2014 is outlined in the following table. Information in the table was obtained from the plan's Form 5500 for the most current available filing. These dates may not correspond with the District's fiscal year contributions. The Plan Protection Act (PPA) zone status column ranks the funded status of multiemployer pension plans depending upon a plan's current and projected funding. The zone status is based on information that the District received from the plan. Among other factors, the plan is in the Red Zone (critical) if it has a current funded percentage less than 65%. A plan is in the Yellow Zone (endangered) or Orange Zone (seriously endangered) if it has a current funded percentage of less than 80%, or projects a credit balance deficit within seven years. A plan is in the Green Zone (healthy) if it has a current funded percentage greater than 80% and does not have a projected credit balance deficit within seven years. The Funding Improvement Plan (FIP)/Rehabilitation Plan (RP) status column indicates plans for which a FIP or RP is either pending or in place.

The following table lists information about the District's multiemployer pension plan for the year ended April 30, 2014:

Plan Name:

Fund of the International Union of Operating Engineers and Participating Employers

EIN/Pension Plan Number	(1) PPA Status	FIP/RP Status Pending/ Implemented	Company Contributions	Company Contributions > 5% (2)	Expiration Date of CBA (2)
36-6052390 / 001	Green	N/A	$32,507	No	4/30/2014

(1) The Zoning status represents the most recent available information for the respective multiemployer pension plan, which may be 2013 or earlier for 2014.

(2) Collective Bargaining Agreement (CBA).

The District has no intentions of withdrawing from any of the multiemployer pension plans in which they participate.

SPRINGFIELD METRO SANITARY DISTRICT
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS - continued
April 30, 2014

Note 10. *RESTRICTED CASH*

At April 30, 2014, the District has a restricted cash balance of $17,482,601 comprised of the following account balances:

Special Assessment	$ 1,154,106
Public Benefit	634,119
Sewer Rehabilitation	380,669
Capital Improvement	140,854
Bond and Interest:	
2007A	208,586
2009A	1,597,093
2009E	2,706,124
2010A Principal and Interest	979,207
2010A Reserve	2,385,987
2010B Principal and Interest	15,408
2010B Reserve	315,248
2011A Principal and Interest	365,931
2011 Reserve	1,457,150
IEPA Loans	2,763,051
Capital Improvement – 2011A&B	382,465
Capital Improvement – 2010A&B	101
Capital Improvement – 2012A	1,961,765
Replacement	34,737
	$17,482,601

Amounts in the Special Assessment and Public Benefit Accounts are restricted by statute to pay for the extension of sewer lines. Upon ordinance adopted by the Board, amounts in the Public Benefit Account may be used for other purposes deemed a public benefit.

The loan agreements and bond ordinances of the District establish certain accounts for the benefit of bond holders and for specific purposes designated in the ordinances. These accounts include:

Bond and Interest: Recently funded to pay principal and interest on the 2007 and 2009 General Obligation Alternate Bonds, the 2010A&B Revenue Bonds, the 2011A Revenue Bonds, and the IEPA loans. Includes amounts deposited from bond proceeds to pay a portion of interest and establish reserve accounts for the 2010A&B Bonds, 2011A&B Bonds, and the IEPA loans.

Construction - 2010A and 2010B: Established to pay for the costs of constructing the new Spring Creek wastewater treatment plant.

Capital Improvements: Established to pay for capital improvements, and through Ordinances passed by the Board in 2007 requires the deposit of connection fees received by the District. Portions of Capital Improvement have also been restricted per the 2009 Master Bond Ordinance requiring a minimum balance of $400,000 for depreciation, repair, and replacement, established for the payment of extraordinary maintenance, necessary repairs and replacements, and ordinary maintenance when no other funds are available.

Sewer Rehabilitation: Used to pay for sewer rehabilitation and lining projects. Balances may be used to meet the minimum balance of $400,000 for depreciation, repair, and replacement established in the 2009 Master Bond Ordinance.

Amounts in other accounts have been designated by ordinance of the Board.

Note 11. ***RESTRICTED ACCOUNTS – REQUIRED BY BOND ORDINANCE 2009-29***

(a) Bond and Interest – reserve accounts:

	2007A	2009A	2009E
Cash and cash equivalents - reserve accounts April 30, 2013	$ 264,785	$1,709,963	$2,811,473
Add (deduct)			
Transfer to Bond and Interest Accounts	209,344	1,253,175	1,533,312
Build America Bond Receipts			778,726
Interest Income	48	311	511
Counsel and Reporting fees	(456)	(456)	(456)
Paying Agent Fees	(350)	(350)	(350)
Bond Principal Repayment	(215,000)	(580,000)	
Bond Interest Expense	(49,785)	(785,550)	(2,417,092)
Cash and cash equivalents – - reserve accounts April 30, 2014	$ 208,586	$1,597,093	$2,706,124

	2010A Principal & Interest	2010A Reserve	2010B Principal & Interest	2010B Reserve
Cash and cash equivalents - reserve accounts April 30, 2013	$ 895,516	$2,307,174	$ 420,441	$ 315,248
Add (deduct)				
Transfer to Bond and Interest Accounts	1,620,415	78,813	854,440	
Build America Bond Receipts	730,191			
Interest Income	163		76	
Reserve Fund Earnings	419		57	
Counsel and Reporting fees	(456)		(456)	
Paying Agent Fees	(600)		(350)	
Bond Principal Repayment			(1,200,000)	
Bond Interest Expense	(2,266,441)		(58,800)	
Cash and cash equivalents - reserve accounts April 30, 2014	$ 979,207	$2,385,987	$ 15,408	$ 315,248

	2011A Principal & Interest	2011A Reserves	IEPA Loans
Cash and cash equivalents - reserve accounts April 30, 2013	$ 486,597	$1,457,150	$2,764,911
Add (deduct)			
Transfer to Bond and Interest Accounts	1,333,287		1,747,002
Interest Income	88		501
Reserve Fund Earnings	265		
Counsel and Reporting fees	(456)		(612)
Paying Agent Fees	(350)		
Bond Principal Repayment	(545,000)		(1,545,599)
Bond Interest Expense	(908,500)		(203,152)
Cash and cash equivalents - reserve accounts April 30, 2014	$ 365,931	$1,457,150	$2,763,051

Note 11. ***RESTRICTED ACCOUNTS – REQUIRED BY BOND ORDINANCE 2009-29***

(b) Capital improvements accounts:

	Capital Improvement 2011A&B	Capital Improvement 2010A&B	Capital Improvement 2009E/2012A
Cash and cash equivalents - April 30, 2013	$6,081,209	$ 101	$3,955,248
Interest Received	645		584
Federal Stimulus – IEPA Loan and Grants received	768,534		
Refunds and reimbursements	(206)		
Capital Assets	(6,465,717)		(1,994,047)
Cash and cash equivalents April 30, 2014	$ 382,465	$ 101	$1,961,765

As of April 30, 2014 the District was in compliance with the debt covenants of the bond ordinances.

Note 12. ***RISK MANAGEMENT***

The District is exposed to various risks of loss related to torts, theft of, damages to, and destruction of assets; injuries to employees; and natural disasters. The District carries a broad range of commercial insurance coverage, including business auto liability, general liability, workers' compensation, and an umbrella policy. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

Note 13. ***COMMITMENTS***

The District has entered into several capital construction contracts with Crawford, Murphy, & Tilly, Inc., for a total of $15,796,215. As of April 30, 2014, the District had made total payments on these contracts of $12,768,646 and had an outstanding contract balance of $3,027,569 for work to be completed.

The District has also entered into a capital construction contract with Williams Brothers Construction for a total contract amount of $33,007,369, of which $30,820,010 has been paid leaving an outstanding contract blance of $2,187,359.

The District also has two smaller capital construction contracts, with Prairie State Plumbing and Heating and AMCO Fence in the amounts of $349,640 and $39,120, respectively. As of April 30th, $111,412 had been paid to Priarie State Plumbing and Heating leaving an outstanding contract blanace of $238,228; and, no amount had been paid to AMCO Fence leaving the entire contract to be completed.

Note 14. ***RESTATEMENT OF BEGINNING EQUITY***

Certain amounts in the beginning net position have been restated in the fiscal year 2014 due to the implementation of GASB 65, *Items Previously Reported as Assets and Liabilities*, in which debt issuance costs should be recognized as expense in the period incurred. Beginning Net Position as been restated as follows:

Beginning Net Position as previously reported	$59,562,441
Adjustment for previously capitalized debt issuance costs	14,980
Beginning Net Position as restated	$59,577,421

SPRINGFIELD METRO SANITARY DISTRICT
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS - continued
April 30, 2014

Note 15. ***SUBSEQUENT EVENTS***

Management has evaluated subsequent events through July 21, 2014, which is the date the financial statements were available to be issued. As of July 21, 2014, management has identified no subsequent events requiring recognition or disclosure in the financial statements.

REQUIRED SUPPLEMENTAL INFORMATION

SPRINGFIELD METRO SANITARY DISTRICT
Springfield, Illinois

REQUIRED SUPPLEMENTAL INFORMATION
April 30, 2014

SCHEDULE OF FUNDING PROGRESS
FOR THE REGULAR PLAN

POST EMPLOYMENT BENEFITS OTHER THAN PENSION

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c)
4/30/13	$ –	$7,160,556	$7,160,556	0.00%	$3,633,162	197.09%
4/30/12	–	7,229,842	7,229,842	0.00%	3,634,741	198.91%
4/30/11	–	6,442,604	6,442,604	0.00%	3,507,737	183.67%
4/30/10	–	6,586,088	6,586,088	0.00%	2,901,012	227.03%

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS

DEFINED BENEFIT PENSION PLAN

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c)
12/31/12	$5,642,543	$9,239,411	$3,596,868	61.07%	$4,021,135	89.45%
12/31/12	4,216,001	8,553,163	4,337,162	49.29%	3,650,520	118.81%
12/31/11	3,023,758	7,435,784	4,412,026	40.66%	3,340,309	132.08%

On a market value basis, the actuarial value of assets as of December 31, 2013 is $7,907,329. On a market basis, the funded ratio would be 85.58%.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with Springfield Metro Sanitary District, Springfield, Illinois. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

OTHER SUPPLEMENTAL DATA (UNAUDITED)

SPRINGFIELD METRO SANITARY DISTRICT
Springfield, Illinois

SCHEDULE OF ASSESSED VALUATIONS, RATES EXTENSIONS AND COLLECTIONS
(Unaudited)
Tax Years 2013 and 2012

	2013 Taxes Payable in 2014	2012 Taxes Payable in 2013
Assessed Valuation	$2,847,520,122	$2,811,633,693
Estimated Actual Value	$8,542,560,366	$8,434,901,079
Tax Rates:		
General	.0517	.0488
Illinois municipal retirement	.0243	.0248
Sewer treatment	.0092	.0094
Social security	.0083	.0085
Total	.0935	.0915
Extensions:		
General	$1,472,168	$1,372,077
Illinois municipal retirement	691,947	697,285
Sewer treatment	261,972	264,294
Social security	236,344	238,989
Total	$2,662,431	$2,572,645
Collections:		$2,561,107

BILLABLE WATER FLOWS

Number of customers	58,790
Number of units	6,188,929
1 unit is equal to 748 gallons	
Gallons billed for calendar year 2012	4,629,318,892

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SPRINGFIELD METRO SANITARY DISTRICT
Springfield, Illinois

SCHEDULE OF REVENUES AND EXPENSES REQUIRED BY ORDINANCE 2009-29
For the Year Ended April 30, 2014

	Statement of Revenues and Expenses	Less: IMRF	Less: Public Benefits	Less: Special Assessments	Other Adjustments	Required by Ordinance 2009-29
Operating Revenues:						
Sewer service charges	$19,155,389	$	$	$	$	$19,155,389
Sewer permits	258,385					258,385
Special waste fees	152,527					152,527
Lab fees	21,053					21,053
Low pressure system payments	117,000		(117,000)			
Annexation fees	405		(405)			
Total operating revenues	19,704,759		(117,405)			19,587,354
Operating Expenses						
Plant operations	7,513,645	(512,525)	(83,815)			6,917,305
Pump station operations	933,559	(12,319)				921,240
Sewer operations	560,010	(31,170)				528,840
Management and administration	3,655,279	(171,244)				3,484,035
Other postemployment benefits	396,868				(396,868)	
Depreciation	2,846,603				(2,846,603)	
Total operating expenses	15,905,964	(727,258)	(83,815)		(3,243,471)	11,851,420
Operating gain	3,798,795	727,258	(33,590)		3,243,471	7,735,934
Non-operating Revenues (Expenses)						
Property taxes	2,652,010	(694,158)				1,957,852
Federal receipts	1,520,392				(1,520,392)	
Illinois replacement taxes	370,645					370,645
Interest income	8,569		(192)	(4,165)		4,212
Rental income	17,405					17,405
Refunds and reimbursements	6,856					6,856
Interest expense	(5,755,576)	46,221				(5,709,355)
Bond costs	(5,900)					(5,900)
Total non-operating revenues (expenses)	(1,185,599)	(647,937)	(192)	(4,165)	(1,520,392)	(3,358,285)
Change in Net Assets	$ 2,613,196	$ 79,321	$(33,782)	$(4,165)	$1,723,079	$ 4,377,649

SPRINGFIELD METRO SANITARY DISTRICT
Springfield, Illinois

RATE INCREASES AND RATE SCHEDULE
For the Year Ended April 30, 2014

		7/1/2008	Fiscal Years Ending April 30,							
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Rate 1a – Suburban Springfield Base User Charge										
User Charge (per CCF)	$ 1.00	$ 1.32	$ 1.73	$ 2.27	$ 2.98	$ 3.90	$ 4.14	$ 4.39	$ 4.65	$ 4.93
Service Charge (monthly	2.40	3.16	4.14	5.44	7.13	9.36	9.93	10.52	11.15	11.82
Collection Charge	.50	.50	.50	.50	.50	.50	.50	.50	.50	.50
Rate 1b – City of Springfield Baser User Charge										
User Charge (per CCF) net	.50	.66	.87	1.14	1.49	1.95	2.07	2.20	2.33	2.47
Service charge (monthly)	1.20	1.58	2.07	2.72	3.57	4.68	4.97	5.26	5.58	5.91
Collection Charge	.25	.25	.25	.25	.25	.25	.25	.25	.25	.25
Rate 1c – District Base User Charge										
User Charge (per CCF) net	.50	.66	.87	1.14	1.49	1.95	2.07	2.20	2.33	2.47
Service Charge (monthly)	1.20	1.58	2.07	2.72	3.57	4.68	4.97	5.26	5.58	5.91
Collection Charge	.25	.25	.25	.25	.25	.25	.25	.25	.25	.25
Rate 1d – District Unmetered User Charge										
Within Springfield	4.05	4.51	5.76	7.41	9.59	12.40	13.11	13.87	14.87	15.52
Outside of Springfield	11.50	14.29	18.60	24.26	31.70	41.45	43.91	46.52	49.28	52.20
Rate 1e – Surcharge										
BOD Surcharge	.05	.07	.09	.11	.15	.20	.21	.22	.23	.25
TSS Surcharge	.07	.09	.12	.16	.21	.27	.29	.31	.33	.34
Base User Charge	.10	.13	.17	.23	.30	.39	.41	.44	.46	.49
BOD Surcharge	.02	.03	.03	.05	.06	.08	.08	.09	.09	.10
TSS Surcharge	.02	.03	.03	.05	.06	.08	.08	.09	.09	.10

SPRINGFIELD METRO SANITARY DISTRICT
Springfield, Illinois

COMPILED FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION

For the Year Ended April 30, 2015

Pehlman & Dold, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

J. Timothy Cravens, C.P.A.
Todd J. Anderson, C.P.A.
Dorinda L. Fitzgerald, C.P.A.

Joseph E. Pehlman, C.P.A. (1941 - 1984)
Joseph B. Dold, C.P.A., Retired
Robert E. Ritter, C.P.A., Retired

100 North Amos Avenue
Springfield, IL 62702
217-787-0563
FAX 217-787-9266

June 19, 2015

Board of Trustees
Springfield Metro Sanitary District
Springfield, Illinois

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

We have compiled the accompanying statement of net position of the business-type activities of the Springfield Metro Sanitary District, Springfield, Illinois (the "District"), as of and for the year ended April 30, 2015, and the related statement of revenues, expenses, and changes in net position for the year then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express and opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

The management of the Springfield Metro Sanitary District, Springfield, Illinois, is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implements, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements. During our compilation, we did become aware of a departure from accounting principles generally accepted in the United States of America that is described in the following paragraph.

A statement of cash flows for the year ended April 30, 2015 has not been presented. Accounting principles generally accepted in the United States of America require that such a statement be presented when financial statements purport to present financial position and results of operation.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the City's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Respectfully submitted,

Pehlman & Dold, P.C.

PEHLMAN & DOLD, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
SPRINGFIELD, ILLINOIS

SPRINGFIELD METRO SANITARY DISTRICT
Springfield, Illinois

STATEMENT OF NET POSITION
April 30, 2015

ASSETS	
Current assets:	
Cash	$ 867,932
Receivables:	
Sewer service charges	2,988,556
Property taxes	2,736,047
Replacement taxes	78,012
U.S. Treasury	754,235
Prepaid expenses	52,042
Restricted assets:	
Restricted cash	12,356,858
Special assessment receivables	15,101
Low pressure receivables	9,000
Total current assets	19,857,783
Non-current assets:	
Capital assets:	
Land	718,322
Property, plant and equipment, net	205,019,507
Construction in progress	7,614,616
Total capital assets	213,352,445
Special assessment receivable	16,548
Low pressure receivables	59,100
Total noncurrent assets	213,428,093
Total assets	233,285,876
LIABILITIES	
Current liabilities:	
Accounts payable	316,764
Accounts payable capital outlay	716,022
Accrued vacation and payroll	1,173,412
Accrued interest payable	2,186,455
Current portion of Illinois Environmental Protection Agency Wastewater treatment loans	2,362,957
Current portion of long term debt	7,825,000
Total current liabilities	14,580,610
Non-current liabilities:	
Bonds payable	107,865,000
Illinois Environmental Protection Agency wastewater treatment loans	41,846,965
Net other post employment benefit obligations	1,971,917
Total non-current liabilities	151,683,882
Total liabilities	166,264,492
DEFERRED INFLOWS OF RESOURCES	
Deferred property taxes	2,736,047
NET POSITION	
Net investment in capital assets	53,982,524
Restricted- debt service	10,206,073
Unrestricted	96,740
Total net position	$ 64,285,337

SPRINGFIELD METRO SANITARY DISTRICT
Springfield, Illinois

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Year Ended April 30, 2015

Operating Revenues:	
Sewer service charge	$19,812,504
Sewer permits	206,175
Special waste fees	150,598
Lab fees	19,658
Low pressure system payments	126,000
Annexation fees	64,545
Total operating revenues	20,379,480
Operating Expenses	
Plant operations	7,270,214
Pump station	950,374
Sewer operations	460,963
Management and administration	4,106,908
Other postemployment benefits	-
Depreciation	3,755,155
Total operating expenses	16,543,614
Operating income	3,835,866
Non-operating Revenues (Expenses)	
Property taxes	2,662,674
Federal sources – Build America Bonds	1,514,841
Illinois replacement taxes	387,948
Interest income	4,562
Rental income	16,414
Refunds and reimbursements	251,677
Miscellaneous	240,781
Interest expense	(6,815,193)
Bond fees	(4,850)
Total non-operating revenues (expenses)	(1,741,146)
Change in Net Position	2,094,720
Net Position	
Beginning of year	62,190,617
End of year	$64,285,337

SPRINGFIELD METRO SANITARY DISTRICT
Springfield, Illinois

SCHEDULE OF REVENUES AND EXPENSES REQUIRED BY ORDINANCE 2009-29
For the Year Ended April 30, 2015

	Statement of Revenues and Expenses	Less			Other Adjustments	Required by Ordinance 2009-29
		IMRF	Public Benefits	Special Assessments		
Operating Revenues:						
Sewer service charges	$19,812,504	$	$	$	$	$19,812,504
Sewer permits	206,175					206,175
Special waste fees	150,598					150,598
Lab fees	19,658					19,658
Low pressure system payments	126,000		(126,000)			
Annexation fees	64,545		(64,545)			
Total operating revenues	20,379,480		(190,545)			20,188,935
Operating Expenses						
Plant operations	7,270,214	(532,857)	(90,199)			6,647,158
Pump station operations	950,374	(28,314)				922,060
Sewer operations	460,963	(31,273)				429,690
Management and administration	4,106,908	(175,872)				3,931,036
Other postemployment benefits	-					
Depreciation	3,755,155				(3,755,155)	
Total operating expenses	16,543,614	(768,316)	(90,199)		(3,755,155)	11,929,944
Operating gain	3,835,866	768,316	(100,346)		3,755,155	8,258,991
Non-operating Revenues (Expenses)						
Property taxes	2,662,674	(687,982)				1,974,692
Federal receipts	1,514,841				(1,514,841)	
Illinois replacement taxes	387,948					387,948
Interest income	4,562		(486)	(1,945)		2,131
Rental income	16,414					16,414
Refunds, reimbursements, & miscellaneous	492,458		(150,000)			342,458
Interest expense	(6,815,193)	35,057				(6,780,136)
Bond costs	(4,850)					(4,850)
Total non-operating revenues (expenses)	(1,741,146)	(652,925)	(150,486)	(1,945)	(1,514,841)	(4,061,343)
Change in Net Assets	$ 2,094,720	$ 115,391	$(250,832)	$(1,945)	$2,240,314	$ 4,197,648

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APPENDIX B
SUMMARY OF CERTAIN PROVISIONS OF THE BOND ORDINANCE AND DEFINITIONS

*This **APPENDIX B** is expressly qualified by the complete provisions of the Bond Ordinance which is available in full from the District upon request.*

Net Revenues

Net Revenues are equal to Revenues less Operation and Maintenance Costs of the System. Revenues include all income from whatever source derived from the System and all Additional Pledged Revenues, as described below, as determined and reported in accordance with generally accepted accounting principles for municipal enterprise funds, including (i) all user fees for use of the System, (ii) Investment Earnings and investment income on all accounts created under the Bond Ordinance; (iii) connection, permit and inspection fees and the like for the use of the System; (iv) penalties and delinquency charges; (v) capital development, reimbursement, or recovery charges and the like; but excluding expressly (a) non-recurring income from the sale of property of the System; (b) governmental or other grants; (c) advances or grants made from the District, (d) special assessment revenues; and (e) Build America Bond Subsidies.

Additional Pledged Revenues includes all tax revenues to be received by the District, including those levied for general, sewer treatment and social security purposes, but exclude (i) collections of special assessments and taxes levied upon all taxable property in the District for Public Benefit purposes, (ii) taxes levied upon all taxable property for Illinois Municipal Retirement Fund ("IMRF") purposes until such time as the District's General Obligation Bonds (Alternate Revenue Source), Series 2007 (the "2007 Alternate Bonds") are no longer outstanding, and (iii) Pledged Taxes. The District issued the 2007 Alternate Bonds in order to prepay its early retirement incentive liability to the IMRF. The 2007 Alternate Bonds have a final maturity date of January 1, 2018 and $577,980 in aggregate principal amount is currently outstanding. The District has pledged the taxes levied for IMRF purposes for payment of the 2007 Alternate Bonds.

Operations and Maintenance Costs means all costs of operating, maintaining, and routine repairing of the System as determined and reported under generally accepted accounting principles, including, without limitation, wages, salaries, costs of materials and supplies, fuel, insurance, Paying Agent and bond registrar fees, counsel fees, contract services for operation of the System or advice related thereto, audit or accounting expenses, expenses of billing and making collections, studies for rate determinations, provision for loss in collection, and such other reasonable current expenses as shall be determined in accordance with generally accepted accounting principles; but do not include any expenses or losses reported as extraordinary items, payments to the IMRF so long as the 2007 Alternate Bonds are outstanding or amounts required to be deposited to the credit of the Senior Lien Bond and Interest Account, the Junior Lien Bond and Interest Account, the Senior Lien Reserve Accounts, or the Depreciation, Repair and Replacement Account or otherwise required for debt service, amortization, depreciation or reserves.

Types of Debt Permitted Under the Bond Ordinance

Under the Bond Ordinance, the District is authorized to issue Senior Lien Bonds, Junior Lien Bonds and Subordinate Bonds. Senior Lien Bonds are payable from Net Revenues of the System. The District may not authorize or issue any additional bonds that have a lien on Net Revenues superior to the Senior Lien Bonds.

Junior Lien Bonds also are payable from Net Revenues of the System. Junior Lien Bonds are secured by a lien on the Net Revenues of the System that is junior and inferior to the lien on the Net Revenues of the System created by the Bond Ordinance in favor of the Senior Lien Bonds. The Bond Ordinance provides that each series of Junior Lien Bonds shall only be issued as Alternate Bonds under Section 15 of the Local Government Debt Reform Act. Alternate Bonds are additionally payable from a levy of ad valorem Pledged Taxes if Net Revenues are not sufficient to pay the Alternate Bonds. Senior Lien and Junior Lien Bonds are together referred to as "Outstanding Bonds." The District is permitted to issue Additional Junior Lien Bonds, such as the Bonds, pursuant to the provisions of the Bond Ordinance summarized in this appendix under "**Additional Junior Lien Bonds**" herein.

Subordinate Bonds can be authorized and payable from moneys credited to the Surplus Account. Subordinate Bonds are secured by a lien on the Net Revenues of the System that is junior and inferior to the lien on the Net Revenues of the System created by the Bond Ordinance in favor of the Senior Lien Bonds and the Junior Lien Bonds.

As shown in the table in this appendix under the title "**Flow of Funds in the Bond Ordinance**", monthly deposits of Net Revenues in respect of Junior Lien Bonds are made only after making deposits to the Accounts maintained under the Bond Ordinance for the payment of Senior Lien Bonds and deposits of Net Revenues in respect of Subordinate Bonds are made only after making deposits to the Accounts maintained under the Bond Ordinance for the payment of Senior Lien Bonds, Junior Lien Bonds and the Depreciation, Repair and Replacement Account.

Bond Ordinance Rate Covenant

Under the Bond Ordinance, the District is required to establish and maintain at all times fees, charges and rates for the use and service of the System and provide for their collection and the segregation and application of the Revenues of the System sufficient at all times to pay or provide for Operation and Maintenance Costs, to provide Net Revenues in each Fiscal Year in an amount not less than 125% of the Current Debt Service Requirement for all Outstanding Bonds. Net Revenues must also be sufficient to make such additional deposits as may be required into the Accounts created under the Bond Ordinance and to pay any other obligations payable from the Revenues of the System.

In the event that the foregoing covenant with respect to providing Net Revenues equal to at least 125% of the Current Debt Service Requirement has not been met or credits to the Senior Lien Bond and Interest Account and the Junior Lien Bond and Interest Account have been insufficient to meet the requirements for either of said Accounts, resulting in the transfer and use of funds from some other Account to pay principal of or interest on Outstanding Bonds, the District covenants promptly to have prepared a report by an Independent engineer or an Independent utility financial consultant of nationally recognized experience and standing employed for that purpose. Such report shall include a statement of causes of the insufficiency of Revenues to meet Account requirements and possible actions or alternatives available to increase Net Revenues.

As defined in the Bond Ordinance, "Current Debt Service Requirement" means, for any Fiscal Year, the sum of the amounts of the Principal Requirements, Mandatory Redemption Requirements, and Interest Requirements with respect to Senior Lien Bonds and Junior Lien Bonds, as applicable, during such Fiscal Year, but excluding (i) the amount of interest that will be paid from bond proceeds for the Fiscal Year from amounts on deposit in the Senior Lien or Junior Lien Bond and Interest Accounts, (ii) any Refundable Principal Installment, and (iii) Build America Bond Subsidies. Build America Bond Subsidies received by the District for any series of bonds shall be deposited to the Bond and Interest Account for such series. For purposes of this definition, the Interest Requirement on bonds having a variable interest rate are determined as if such interest rate were a fixed rate equal to the average of the maximum rate payable on such bonds and a rate not less than the initial rate at which such bonds are issued. A Refundable Principal Installment means any Principal Requirement for any series of bonds the District intends to pay with the proceeds of bonds or moneys which are not Revenues, if such intent was expressed in the ordinance authorizing such series of bonds.

Senior Lien Reserve Account

The Bond Ordinance authorizes the District to establish Senior Lien Reserve subaccounts in the Senior Lien Reserve Account for any series of Senior Lien Bonds that it may issue and with a required balance that would be established for each series (the "Senior Lien Reserve Requirement"). Moneys on deposit to the credit of a Senior Lien Reserve subaccount are required to be used by the District to pay principal and interest only for the series of Senior Lien Bonds for which it has been issued, but only after application of the moneys on deposit in the Surplus Account or the Depreciation, Repair and Replacement Account for such purpose in the order of priority listed.

In the event that amounts on deposit in any Senior Lien Reserve Subaccount are less than the required amount, the District shall make monthly credits of one-twelfth of such deficiency until such Subaccount has been restored to its required balance.

In lieu of the deposit of money in a Senior Lien Reserve Account, the District may provide a Qualified Reserve Account Instrument in satisfaction of the reserve fund requirement for a series. "Qualified Reserve Account Instrument" means a letter of credit, surety bond or non-cancelable insurance policy issued by a domestic or foreign bank, insurance company or other financial institution whose debt obligations are rated in one of the two highest rating categories by a rating agency that is recognized by the U.S. Securities and Exchange Commission. Any Qualified Reserve Account Instrument shall be issued in the name of a paying agent or other depository and shall contain no restrictions on the ability of the paying agent or other depository to receive payments thereunder other than a certification of the paying agent or other depository that the funds drawn thereunder are to be used for the purposes for which moneys in the Senior Lien Reserve Account may be used.

The District shall not accept a Qualified Reserve Account Instrument until it shall have been provided with an opinion of counsel of the provider that such Qualified Reserve Account Instrument is a valid and binding obligation of such provider, is enforceable in accordance with its terms, and is exempt from the registration requirements of applicable federal securities laws. The District shall value the Qualified Reserve Account Instrument based on the amount of the coverage that may be drawn upon by the District on such date of valuation. Any withdrawal from a Reserve Account shall be made from moneys or Permitted Investments held therein prior to the application of any amounts available from the use of a Qualified Reserve Account Instrument.

Enforcement and Remedies

The Bond Ordinance does not provide for the appointment of a trustee to act on behalf of the registered owners of the Bonds or any other series of bonds that may be issued under the Bond Ordinance. Any registered owner of a bond issued through the Bond Ordinance may proceed by civil action, mandamus or other proceeding to compel performance of all duties required by the Bond Ordinance, including the establishment and collection of sufficient fees, charges and rates for the service supplied by the System and the application of Revenues.

Additional Senior Lien Bonds

Upon compliance with the conditions set forth in the Bond Ordinance and summarized below, the District may issue Senior Lien Bonds to finance any lawful purpose of the District related to the System or to refund all or a portion of any outstanding Senior Lien Bonds.

Senior Lien Bonds for System Purposes. Senior Lien Bonds may be issued upon compliance with the conditions set forth in (1) and (2) as follows:

(1) The amounts required to be on deposit in the respective Accounts of the System Fund shall have been credited in full as determined immediately after the issuance of said Senior Lien Bonds.

(2) The conditions set forth in either subparagraph (A) or (B) as follows have been met.

(A) The Net Revenues as shown in the audit of an Independent certified accountant for the last completed Fiscal Year prior to the issuance of such Senior Lien Bonds shall have been at least equal to 1.25 times Maximum Annual Debt Service on all Outstanding Bonds computed immediately after the issuance of the proposed Senior Lien Bonds but only for those Fiscal Years in which the Outstanding Bonds immediately prior to such issuance will continue to be Outstanding as provided in the Bond Ordinance.

(B) The Adjusted Net Revenues of the System during any 12 consecutive months within the 18 months immediately preceding the issuance of such Senior Lien Bonds shall have been at least equal to 1.25 times Maximum Annual Debt Service on Outstanding Bonds as computed immediately after the issuance of the proposed Senior Lien Bonds, but only for those Fiscal Years in which the Outstanding Bonds immediately prior to such issuance will continue to be Outstanding. Adjusted Net Revenues shall be evidenced by the certificate or report of an Independent certified accountant or feasibility analyst, the latter having a national reputation for expertise in such matters. The reference to and acceptance of the certificate or report, and the determination of the Board as to sufficiency of the Adjusted Net Revenues shall be conclusive evidence that the conditions of this subparagraph (B) have been met and that the Senior Lien Bonds are valid.

"Adjusted Net Revenues" means Net Revenues for any period adjusted to reflect increases or decreases resulting from the adjustments as follows:

(a) Revenues anticipated to be generated by rates or contracts in effect at the time of issuance of proposed additional bonds;

(b) Revenues anticipated to be generated based upon rates established (but not yet in effect) in an ordinance duly adopted by the District;

(c) Revenues anticipated from new customers resulting from the improvements, enlargements, or additions to the System to be financed with proposed additional bonds.

Senior Lien Bonds for Refunding. The Bond Ordinance authorizes the issuance of Senior Lien Bonds to refund any other Outstanding Senior Lien Bonds, provided that the conditions set forth in either (1) or (2) below are satisfied:

(1) A District Officer provides a certificate (a) setting forth the Current Debt Service Requirement of all Outstanding Senior Lien Bonds during the then current Fiscal Year and for each Fiscal Year to and including the Fiscal Year of the last Maturity of any Outstanding Senior Lien Bonds (determined immediately prior to the proposed date of authentication and delivery of such refunding bonds) (i) with respect to all such Outstanding Senior Lien Bonds immediately prior to the proposed date of authentication and delivery of the Senior Lien Bonds and (ii) with respect to all Outstanding Senior Lien Bonds immediately thereafter and (b) demonstrating that the amount set forth for each Fiscal Year pursuant to clause (ii) above is no greater than the amount set forth for each Fiscal Year pursuant to clause (i) above except for the last Fiscal Year of such comparison, for which Fiscal Year it shall be demonstrated that the amount set forth in clause (ii) above is not greater than the average for all Fiscal Years (excluding the last) of the amounts set forth in clause (i) above.

(2) All Outstanding Senior Lien Bonds are being refunded under arrangements which immediately result in making provisions for the payment thereof so that they will no longer be deemed Outstanding.

Senior Lien Bonds may also be issued to refund Senior Lien Bonds in order to avoid or remedy default in the payment of principal of or interest on such Senior Lien Bonds; provided the refunding bonds are issued to avoid such default not earlier than three months prior to the due date of such principal or interest.

Additional Junior Lien Bonds

Junior Lien Bonds for System Purposes. Junior Lien Bonds may be issued upon compliance with the conditions set forth in (1) and (2) as follows:

(1) The amounts required to be on deposit in the respective Accounts of the System Fund shall have been credited in full as determined immediately after the issuance of said Junior Lien Bonds (as evidenced by an Officer's Certificate).

(2) The conditions set forth in either subparagraph (A) or (B) as follows have been met.

(A) The Net Revenues as shown in the audit of an Independent certified accountant for the last completed Fiscal Year prior to the issuance of such Junior Lien Bonds shall have been at least equal to 1.25 times Maximum Annual Debt Service on all Outstanding Bonds computed immediately after the issuance of the proposed Junior Lien Bonds but only for those Fiscal Years in which the Outstanding Bonds immediately prior to such issuance will continue to be Outstanding as provided in the Bond Ordinance.

(B) The Adjusted Net Revenues of the System during any 12 consecutive months within the 18 months immediately preceding the issuance of such Junior Lien Bonds shall have been at least equal to 1.25 times Maximum Annual Debt Service on Outstanding Bonds as computed immediately after the issuance of the proposed Junior Lien Bonds, but only for those Fiscal Years in which the Outstanding Bonds immediately prior to such issuance will continue to be Outstanding. Adjusted Net Revenues shall be evidenced by the certificate or report of an Independent certified accountant or feasibility analyst, the latter having a national reputation for expertise in such matters. The reference to and acceptance of the certificate or report, and the determination of the Board as to sufficiency of the Adjusted Net Revenues shall be conclusive evidence that the conditions of this subparagraph (B) have been met and that the Junior Lien Bonds are valid.

Junior Lien Bonds for Refunding Purposes. The Bond Ordinance authorizes the issuance of Junior Lien Bonds for the purpose of refunding all or a portion of Outstanding Junior Lien Bonds; provided that either of the conditions set forth in (1) or (2) as follows were met:

(1) A District Officer provides a certificate (a) setting forth the Current Debt Service Requirement of all Outstanding Junior Lien Bonds during the then-current Fiscal Year for each Fiscal Year to and including the Fiscal Year of the last Maturity of any Outstanding Junior Lien Bonds (determined immediately prior to the proposed date of authentication and delivery of such refunding bonds) (i) with respect to all Outstanding Junior Lien Bonds immediately prior to the proposed date of authentication and delivery of such refunding bonds and (ii) with respect to all Outstanding Junior Lien Bonds immediately thereafter, and (b) demonstrating that the amount set forth for each Fiscal Year pursuant to clause (ii) above is no greater than the amount set forth for each such Fiscal Year pursuant to clause (i) above except for the last Fiscal Year of such comparison, for which year it shall be demonstrated that the amount set forth in clause (ii) above is not greater than the average for all Fiscal Years (excluding the last) of the amounts set forth in clause (i) above; or

(2) All Outstanding Junior Lien Bonds are being refunded under arrangements which immediately result in making provisions for the payment thereof in such manner as they shall no longer be deemed Outstanding.

Junior Lien Bonds may also be issued to refund Junior Lien Bonds in order to avoid or remedy default in the payment of principal of or interest on such Junior Lien Bonds; provided the refunding bonds are issued to avoid such default not earlier than three months prior to the due date of such principal or interest.

Additional Subordinate Bonds

The District may issue Subordinate Bonds to be secured by a lien on moneys in the Surplus Account of the System Fund (the "Subordinate Lien Revenues") which is subordinate to liens which secure the Senior Lien Bonds and Junior Lien Bonds. Moneys held for payment of principal of or interest on Subordinate Bonds, or in an express reserve account therefore, are subject to a first and prior lien for the Subordinate Bonds for which credited. In the event such additional Subordinate Bonds are issued, Revenues of the System may be used to pay debt service on such obligations only from Subordinate Lien Revenues.

Flow of Funds

All Revenues of the System are required to be deposited as received by the District into a special fund of the District designated the "System Fund." Moneys on deposit in the System Fund shall be credited to the Operation and Maintenance Account in an amount to pay Operation and Maintenance Costs for the current month. Not later than the 25th day of each month, the District shall then credit from moneys on deposit in the System Fund to the Accounts established by the Bond Ordinance, in the order of priority set forth in the following table.

Flow of Funds in the Bond Ordinance

Accounts	Requirements	Monthly Amount and Purpose
Capital Improvement Fund	All connection fees received by the District	Construction of improvements to the District's plants, main, trunk and interceptor sewers and pumping stations. If no other funds are available in the Surplus Account, monies may be transferred for payment of debt service, first to the Senior Lien and next to the Junior Lien Bond and Interest Accounts
Senior Lien Bond and Interest Account	Interest Requirement; Principal Requirement; Mandatory Redemption Requirement	Amounts which when accumulated will be sufficient to pay interest on and principal of outstanding Senior Lien Bonds when due or called for Mandatory Redemption.
Senior Lien Reserve Account, as authorized for a particular series(1)	Senior Lien Debt Service Reserve Requirement	No less than 1/12th of the amount necessary to establish or restore a balance equal to the Reserve Requirement that has been established for a series of Senior Lien Bonds.
Junior Lien Bond and Interest Account	Interest Requirement; Principal Requirement; Mandatory Redemption Requirement	Amounts which when accumulated will be sufficient to pay interest on and principal of outstanding Junior Lien Bonds when due or called for Mandatory Redemption. Pledged Taxes, if any, shall be credited to the subaccount for such series of Junior Lien Bonds
Depreciation, Repair and Replacement Account	Depreciation, Repair and Replacement Requirement	No less than $40,000 monthly to establish or restore a balance equal to $400,000. For payment of extraordinary maintenance, necessary repairs and replacements, and ordinary maintenance when no other funds are available. If no other funds are available in the Surplus Account, monies may be transferred for payment of debt service, first to the Senior Lien and next to the Junior Lien Bond and Interest Accounts
Surplus Account	Moneys in the Surplus Account may be used for any lawful System purpose, including the payment of subordinate debt relating to the System. All moneys remaining in the System Fund after the monthly requirements described above have been satisfied are to be deposited into the Surplus Account.	

Note: (1) In lieu of cash payment, the Bond Ordinance permits the District to deposit a Qualified Reserve Account Instrument.

Additional Covenants of the District

Maintenance. The District will maintain the System in good repair and working order, will operate the same efficiently and faithfully, and will punctually perform all duties with respect thereto required by the Constitution and laws of the State of Illinois.

Reimbursement from Third Parties. Any moneys received from a third party for damages to the System shall be deposited in or credited to the Fund or Account out of which moneys have been or will be expended to repair such damages.

No Sale, Lease, or Encumbrance. The District will not sell, lease, loan, mortgage, or in any manner dispose of or encumber the System or the Revenues (subject to the reserved right of the District to issue additional obligations) or any improvements and extensions thereto, while any bonds remain Outstanding; provided, however, that the District may sell or dispose of property of the System subject to the conditions as follows:

(a) the District may sell or dispose of any property of the System which in the judgment of the District is no longer useful in the operation of the System.

(b) the District may sell or dispose of any property of the System when such sale or disposal is in the judgment of the District advisable for the best interests of the District and the System and which will not impair the ability of the System to produce Revenues sufficient to meet its rate covenants.

Books, Records, and Accounts. The District will keep an accurate record of the total cost of the System, of the Revenues and other funds collected and of the application of such Revenues. Such records shall be open at all reasonable times to the inspection of any Registered Owner or the agents and representatives thereof. No later than 120 days after the close of each Fiscal Year the District will cause an audit to be completed of its books and accounts relating to the System by an Independent certified public accountant.

Operations, Rules, and Regulations. The District will establish and enforce reasonable rules and regulations governing the use of the System and the operation thereof, will at all times maintain the same in good repair and sound operating condition, and will make or cause to be made all necessary repairs, renewals, and replacements, and will observe and perform all of the terms and conditions contained in law and in the Master Bond Ordinance.

Other Obligations. The District will not issue any notes, bonds, limited obligations, or other evidences of indebtedness secured by a pledge of or claim upon the income or any part of the Revenues except pursuant to the provisions of the Master Bond Ordinance. The District will not create or suffer to be created any lien or charge upon the System or any part thereof or upon the Revenues except the lien and charge of the bonds secured by the Master Bond Ordinance upon such Revenues, Subordinate Bonds, or such other bonds that may be issued pursuant to the provisions of the Master Bond Ordinance. The District, from the Revenues or other available funds, will pay or cause to be discharged, or will make adequate provisions to satisfy and discharge, within 60 days after the same shall become payable, all lawful claims and demands for labor, materials, supplies, or other objects which, if unpaid, might by law become a lien upon the System or any portion thereof or the Revenues. The District, however, is not required to pay or cause to be discharged, or make provision for, any such lien or charge if the validity thereof shall be contested in good faith and by appropriate legal proceedings which stay the enforcement thereof.

Existence of District. The District shall maintain its corporate identity and shall make no attempt to cause its corporate existence to be abolished.

No Loss of Pledge of or Lien on Revenues. The District shall not do, or omit to do, or suffer to be done or omitted to be done, any matter or thing whatsoever whereby the pledge of or lien of the Outstanding Bonds on the Net Revenues or any part thereof might or could be lost or impaired.

No Free Service. The District will not furnish service from the System free of charge and not to establish preferential rates for users of the same class.

Enforcement of Rates, Fees, Charges, and Connections. The District shall compel the prompt payment of rates, fees, charges, and penalties imposed for services rendered and, to that end, will enforce all of the provisions of any ordinance, resolution, or contract of the District having to do with provision of sewer, connections, rates, fees, charges, or penalties and all of the rights and remedies permitted the District under law.

Budget Covenant. For each Fiscal Year, the District shall adopt a budget prepared in accordance with the provisions of the Master Bond Ordinance and of applicable law.

Insurance. The District will carry insurance on the System of the kinds and in the amounts which are usually carried by private parties operating similar properties; provided, however, that the District may self insure all or part of such risks by establishing reasonable reserves or budgetary provisions.

Valuation of Investments. For the purpose of determining whether sufficient cash and Permitted Investments are on deposit in such accounts under the requirements of this Ordinance, investments shall be valued as of the close of each Fiscal Year in the manner as follows: if in a Reserve Account or Depreciation, Repair and Replacement Account, at the market value, and if in other accounts, at amortized cost.

Certain Definitions from the Bond Ordinance

"Accounts" means the accounts established by Section 7.02 of the Master Bond Ordinance.

"Act of Bondholder" means, with respect to a Bondholder, an act as defined in Section 1.02 of the Master Bond Ordinance.

"Act" means the Sanitary District Act of 1917, 70 ILCS §2405/0.1, *et seq.* and all laws amendatory thereof and supplementary thereto.

"Additional Pledged Revenues" means all revenues of the System including all user fees, tax revenues and other receipts to be received by the District, including those levied for general, sewer treatment and social security purposes, all pledged to payment of the bonds pursuant to Section 13 of the Local Government Debt Reform Act and Section 2.02 of the Master Bond Ordinance, but (i) excluding special assessment revenues and taxes levied upon all taxable property in the District for public benefit purposes, and (ii) further excluding taxes levied upon all taxable property for Illinois Municipal Retirement Fund purposes until such time as the District's General Obligation Alternate Revenue Bonds, Series 2007 are no longer outstanding.

"Adjusted Net Revenues" means Net Revenues for any period adjusted to reflect increases or decreases resulting from the adjustments as follows:

(a) Revenues anticipated to be generated by rates or contracts in effect at the time of issuance of proposed additional bonds;

(b) Revenues anticipated to be generated based upon rates established (but not yet in effect) in an ordinance duly adopted by the District;

(c) Revenues anticipated from new customers resulting from the improvements, enlargements, or additions to the System to be financed with proposed additional bonds.

"Alternate Bonds" means bonds of the District issued pursuant to Section 15 of the Local Government Debt Reform Act, 30 ILCS 350/15 payable from Revenues credited to the Junior Lien Bond and Interest Account as provided in the Master Bond Ordinance.

"Applicable Acts" means the Act, the Sanitary District Revenue Bond Act, 70 ILCS §3010/1, *et seq.*, the Local Government Debt Reform Act, 30 ILCS 350/1 *et seq.*, the Omnibus Bond Acts, 5 ILCS 70/8, and other applicable law, as amended from time to time.

"Board" means the Board of Trustees of the District or governing body thereof, from time to time, by whatever name known.

"Bond and Interest Accounts" means the Senior Lien Bond and Interest Account or the Junior Lien Bond and Interest Account, or both, as applicable, as established by the Master Bond Ordinance, and as may be supplemented by one or more Senior Lien Series Ordinances or other supplemental or amendatory ordinances.

"Bond Insurer" means, with respect to a series of bonds, an insurance company that has insured the payment of the principal of and interest on such bonds pursuant to a Municipal Bond Insurance Policy.

"Bond Order" means an Officer's Certificate setting forth the details of bonds to be issued under the Master Bond Ordinance, a Senior Lien Series Ordinance or a Junior Lien Series Ordinance.

"Bond Ordinance" means the Master Bond Ordinance and any other ordinances necessary for the issuance of a series of bonds.

"Bondholder" means a Registered Owner of a bond.

"Bonds" means the Series 2015A Bonds and the Series 2015C Bonds.

"Build America Bond Subsidies" means interest payments for which the District will receive an interest rate subsidy in connection with issuance of a "Build America Bond" pursuant to §54AA of the Code and The American Recovery and Reinvestment Act of 2009 or future program of a similar nature that may be authorized by the United States Government.

"Code" means the Internal Revenue Code of 1986, as amended, and includes related and applicable regulations promulgated by the Treasury Department.

"Current Debt Service Requirement" means, for any Fiscal Year, the sum of the amounts of the Principal Requirements, Mandatory Redemption Requirements, and Interest Requirements with respect to Senior Lien Bonds and Junior Lien Bonds, as applicable, during such Fiscal Year, but excluding (i) the amount of interest that will be paid from bond proceeds for the Fiscal Year from amounts on deposit in the Senior Lien or Junior Lien Bond and Interest Accounts, (ii) any Refundable Principal Installment, and (iii) Build America Bond Subsidies. For purposes of this definition, the Interest Requirement on bonds having a variable interest rate shall be determined as if such interest rate were a fixed rate equal to the average of the maximum rate payable on such bonds and a rate not less than the initial rate at which issued.

"Dated Date" means the date as of which bonds of a series are dated and from which they initially begin to bear interest as provided in the Master Bond Ordinance or the applicable Junior Lien Series Ordinance for additional series of Junior Lien Bonds or the applicable Senior Lien Series Ordinance for additional series of Senior Lien Bonds.

"Defeasance Obligations" means obligations which are non-callable or otherwise subject to prepayment or acceleration and which are lawful investments for the District when purchased and which are:

(a) obligations of, or obligations guaranteed as to principal and interest by, the U.S. or any agency or instrumentality thereof, when such obligations are backed by the full faith and credit of the U.S. including, without limitation, such obligations when issued by:

Farmers Home Administration

General Services Administration

Guaranteed Title XI financing

Government National Mortgage Association (GNMA)

(b) the interest component of the obligations of Resolution Funding Corp which have been stripped by request to the Federal Reserve Bank of New York and are in book entry form.

(c) pre-refunded municipal bonds rated in the highest rating category by a rating agency that is recognized by the U.S. Securities and Exchange Commission and which pre- refunded bonds have been pre-refunded with cash, direct U.S. or U.S. guaranteed obligations.

(d) other obligations accepted for defeasance purposes by a national rating agency that is recognized by the U.S. Securities and Exchange Commission.

"Depreciation, Repair and Replacement Monthly Requirement" means the sum of $40,000 from time to time required to be credited monthly to the Depreciation, Repair and Replacement Account as such requirement is established in the Master Bond Ordinance as supplemented by one or more Junior Lien Series Ordinances, Senior Lien Series Ordinances, or other supplemental or amendatory ordinances.

"Depreciation, Repair and Replacement Requirement" means the sum of $400,000 required to be deposited to the credit of the Depreciation, Repair and Replacement Account as such requirement is established in Master Bond Ordinance as supplemented by one or more Junior Lien Series Ordinances, Senior Lien Series Ordinances, or other supplemental or amendatory ordinances.

"District Ordinance" or "District Resolution" mean, respectively, an ordinance or resolution duly passed by the Board and effective as provided by law.

"District" means the Springfield Metro Sanitary District, Sangamon County, Illinois.

"DTC" means The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, as depository of any series of bonds, and any successor depository of such bonds.

"Fiscal Year" means that twelve calendar month period beginning May 1 of any calendar year and ending on the last day of April of the following calendar year or such other twelve month period as is established from time to time by the Board as the fiscal year for the System.

"IEPA" means the Illinois Environmental Protection Agency of the State of Illinois.

"IMRF" means the Illinois Municipal Retirement Fund.

"Independent" when used with respect to any specified Person means such a Person who is in fact independent and is not connected with the District as an officer, employee, underwriter, or person performing similar functions.

"Interest Payment Date" means a Stated Maturity of interest on bonds.

"Interest Requirement" means, for any Fiscal Year, the aggregate amount of interest on Outstanding Senior Lien Bonds or Outstanding Junior Lien Bonds, or both, as applicable having a Stated Maturity during such Fiscal Year, but excluding the amount of interest that will be paid from bond proceeds for the Fiscal Year from amounts on deposit in the Senior Lien or Junior Lien Bond and Interest Accounts.

"Investment Earnings" means all interest when earned, as determined in accordance with generally accepted accounting principles, from investments made from moneys on deposit hereunder or derived from Revenues and may include interest when earned on the proceeds of bonds issued for the purpose of paying costs of improving, replacing, enlarging, or extending the System and held in a construction fund, project fund, improvement fund, or like fund or account as provided herein or in the Ordinance providing for the issuance of such bonds.

"Junior Lien Bonds" means the Alternate Bonds payable from the Junior Lien Bond and Interest Account established by the Bond Ordinance.

"Junior Lien Series Ordinance" means an ordinance of the District creating a series of Junior Lien Bonds.

"Mandatory Redemption Requirement" means, for any Fiscal Year, and with respect to Outstanding Senior Lien Bonds or Outstanding Junior Lien Bonds, or both, as applicable, the aggregate principal amount of such bonds subject to Mandatory Redemption during such Fiscal Year.

"Mandatory Redemption" means redemption of bonds as required by operation of the Senior Lien Bond and Interest Account or the Junior Lien Bond and Interest Account as provided in the Master Bond Ordinance as supplemented by one or more Senior Lien Series Ordinances or Junior Lien Series Ordinances, as applicable.

"Master Bond Ordinance" means Ordinance No. 2009-29 adopted by the Board on June 30, 2009, as amended and supplemented.

"Maturity" when used with respect to any Bond means the date on which the principal of such Bond becomes due and payable as therein provided, whether at the Stated Maturity or call for redemption or otherwise.

"Maximum Annual Debt Service" means an amount equal to the highest Current Debt Service Requirement of all Outstanding Senior Lien Bonds or Outstanding Junior Lien Bonds, or both, as applicable, in any Fiscal Year, including and subsequent to the Fiscal Year in which the computation is made.

"Municipal Bond Insurance Policy" means a municipal bond insurance policy issued by a Bond Insurer guaranteeing to the registered owners of a series of bonds the payment of the principal of and interest on such bonds.

"Net Revenues" means for any period Revenues less Operation and Maintenance Costs of the System.

"Officer's Certificate" and any other District certificate means a certificate signed by one or more of the Officers. Wherever the Master Bond Ordinance requires that such be signed also by an engineer or other expert, such engineer or other expert may (except as otherwise expressly provided in the Bond Ordinance) be in the full-time employ of the District.

"Officer" means the President, Clerk or Treasurer of the District or the Executive Director.

"Final Official Statement" means the Final Official Statement used in connection with the sale of the Series 2015A Bonds and Series 2015C Bonds.

"Operation and Maintenance Costs" means all costs of operating, maintaining, and routine repairing of the System as determined and reported under generally accepted accounting principles, including, without limitation, wages, salaries, costs of materials and supplies, fuel, insurance, Paying Agent and bond registrar fees, counsel fees, contract services for operation of the System or advice related thereto, audit or accounting expenses, expenses of billing and making collections, studies for rate determinations, provision for loss in collection, and such other reasonable current expenses as shall be determined in accordance with generally accepted accounting principles; but does not include any expenses or losses reported as extraordinary items, payments to the IMRF so long as the District's General Obligation Alternate Revenue Bonds, Series 2007 are outstanding or amounts required to be deposited to the credit of the Senior Lien Bond and Interest Account, the Junior Lien Bond and Interest Account, the Senior Lien Reserve Account, or the Depreciation, Repair and Replacement Account hereunder, or otherwise required for debt service, amortization, depreciation or reserves.

"Opinion of Counsel" means a written opinion of counsel who may (except as otherwise expressly provided in the Bond Ordinance) be counsel for the District.

"Outstanding" when used with respect to bonds means, as of the date of determination, all bonds theretofore authenticated and delivered under the Master Bond Ordinance, except as follows:

(a) Bonds theretofore paid and cancelled;

(b) Bonds (i) which have matured and for which moneys are on deposit with proper Paying Agents, or are otherwise properly available, sufficient to pay all principal, premium, if any, and interest thereof, (ii) which have matured and with respect to which moneys have been paid to the District pursuant to Section 9.18 of the Master Bond Ordinance, or (iii) the provision for payment of which has been made by the District in accordance with the provisions of Section 10.01A (iii) of the Master Bond Ordinance;

(c) Bonds in exchange for or in lieu of which other bonds have been authenticated and delivered under the Master Bond Ordinance;

(d) Bonds alleged to have been destroyed, lost, or stolen which have been paid as provided in Section 4.08 of the Master Bond Ordinance;

provided, however, that in determining whether the Bondholders of the requisite principal amount of Outstanding Bonds have given any request, demand, authorization, direction, notice, consent, or waiver hereunder, bonds owned by the District, or any Person controlled (by voting share) by the District, shall be disregarded and deemed not to be Outstanding.

"Paying Agent" means any Person authorized by the District pursuant to the Master Bond Ordinance, a Senior Lien Series Ordinance, a Junior Lien Series Ordinance, or a supplemental or amendatory ordinance to pay the principal of (and premium, if any) or interest on any bonds.

"Permitted Investments" means such investments as are lawful for the District at the time of purchase and are further limited to those investments as follows: (1) all investments listed as Defeasance Obligations, (2) the Illinois Public Treasurers Investment Pool, (3) mutual funds continuously investing at least 90% of assets in obligations as described in clause (1), (4) money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating in one of the three highest rating categories assigned by a rating agency that is recognized by the U.S. Securities and Exchange Commission, (5) certificates of deposit secured at all times by collateral described in clause (1) above, which certificates must be issued by commercial banks, savings and loan associations or mutual savings banks, and which collateral must be held by a third party, (6) certificates of deposit, savings accounts, deposit accounts or money market deposits which are fully insured by FDIC, (7) commercial paper rated at the time of purchase in the highest short term ratings category by a rating agency that is recognized by the U.S. Securities and Exchange Commission, (8) bonds or notes issued by any state or municipality which are rated in one of the two highest rating categories assigned by a rating agency that is recognized by the U.S. Securities and Exchange Commission, and (9) federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating in the highest short term rating category of a rating agency that is recognized by the U.S. Securities and Exchange Commission.

"Person" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, or government, or any agency or political subdivision thereof.

"Pledged Taxes" means the ad valorem taxes levied against all of the taxable property in the District without limitation as to rate or amount pledged by the District as security for Alternate Bonds as described in the Ordinances authorizing the Alternate Bonds.

"Principal Requirement" means, for any Fiscal Year, and with respect to Outstanding Senior Lien Bonds, Outstanding Junior Lien Bonds, or both, as applicable, the aggregate principal amount of bonds having a Stated Maturity during such Fiscal Year.

"Prior Lien Obligation" means any indebtedness and the evidence thereof, if any, secured by a Prior Lien.

"Prior Lien" means any mortgage, lien, charge, or encumbrance on or pledge of or security interest in any of the property of the System or Revenues superior to the lien created by the Master Bond Ordinance.

"Project" means the improvements described and defined as such in the preambles to the Master Bond Ordinance.

"Qualified Reserve Account Instrument" means a letter of credit, surety bond or non-cancelable insurance policy issued by a domestic or foreign bank, insurance company or other financial institution whose debt obligations are rated in one of the two highest rating categories by a rating agency that is recognized the U.S. Securities and Exchange Commission. Any Qualified Reserve Account Instrument shall be issued in the name of a paying agent or other depository and shall contain no restrictions on the ability of the paying agent or other depository to receive payments there under other than a certification of the paying agent or other depository that the funds drawn there under are to be used for purposes for which moneys in the Senior Lien Reserve Account may be used.

“Redemption Date” when used with respect to any Bond to be redeemed means the date fixed for such redemption according to the terms of and pursuant to the requirements set forth in the Master Bond Ordinance.

“Redemption Price” when used with respect to any Bond to be redeemed means the price at which it is to be redeemed pursuant to the Master Bond Ordinance, including the applicable premium, if any, but excluding installments of interest having a Stated Maturity on or before the Redemption Date.

“Reform Act” or “Debt Reform Act” means the Local Government Debt Reform Act, 30 ILCS 350/15, as amended and supplemented.

“Refundable Principal Installment” means any Principal Requirement for any series of bonds which the District intends to pay with the proceeds of bonds or moneys which are not Revenues, if such intent was expressed in the ordinance authorizing such series of bonds.

“Registered Owner” when used with respect to any Bond means the Person in whose name such Bond is registered in the Bond Register.

“Reserve Monthly Requirement” means the amount from time to time required to be credited monthly to the Senior Lien Reserve Account for one or more series of bonds as applicable, as established in the Master Bond Ordinance as supplemented by one or more Senior Lien Series Ordinances, or other supplemental or amendatory ordinances.

“Reserve Requirement” means the amount required to be on deposit from time to time to the credit of the Senior Lien Reserve Account for one or more series of bonds as applicable, as established by the Master Bond Ordinance as supplemented by one or more Senior Lien Series Ordinances or other supplemental or amendatory ordinances.

“Revenues” means all income from whatever source derived from the System and all Additional Pledged Revenues, as determined and reported under generally accepted accounting principles, including
(i) all user fees for use of the System, (ii) Investment Earnings and investment income on all accounts created hereunder; (iii) connection, permit and inspection fees and the like for the use of the System; (iii) penalties and delinquency charges; (iv) capital development, reimbursement, or recovery charges and the like; but excluding expressly (a) non-recurring income from the sale of property of the System; (b) governmental or other grants; (c) advances or grants made from the District, (d) special assessment revenues and taxes levied upon taxable property in the District for Public Benefit purposes; (e) Build America Bond Subsidies.

“Senior Lien Bonds” means bonds payable from the Senior Lien Bond and Interest Account established by the Master Bond Ordinance.

“Senior Lien Series Ordinance” means an ordinance of the District creating a series of Senior Lien Bonds.

“Series 2015A Bonds” means the General Obligation Bonds (Alternate Revenue Source), Series 2015A.

“Series 2015C Bonds” means the Taxable General Obligation Bonds (Alternate Revenue Source), Series 2015C.

“Series 2015A Underwriter” means Citigroup Global Markets Inc., New York, New York, the initial purchaser of the Series 2015A Bonds.

“Series 2015C Underwriter” means Citigroup Global Markets Inc., New York, New York, the initial purchaser of the Series 2015C Bonds.

“Series Ordinances” means Senior Lien Series Ordinances and Junior Lien Series Ordinances.

“Stated Maturity” when used with respect to any Bond or any interest thereon means the date specified in such Bond as the fixed date on which the principal of such Bond or such interest is due and payable.

“Subordinate Bonds” means bonds or any other obligation made payable from the Revenues of the System from the Surplus Account pursuant to Section 7.08 of the Master Bond Ordinance and includes, without limitation, obligations having demand and put provisions or subject to frequent or periodic refunding.

“System Fund” means the fund created in Section 7.01 of the Master Bond Ordinance.

“System” means the real and personal property of the District, and interests therein, constituting the existing facilities for sanitary sewer system purposes and all other property and facilities of the District used or to be used for such purposes all as now existing or as they may hereafter be extended or improved; and also all extensions, additions, and improvements thereto or replacements thereof hereafter constructed or acquired by purchase, contract, or otherwise; all wherever located.

“Term Bonds” means bonds designated as such in the Master Bond Ordinance, in a Junior Lien Series Ordinance, or in a Senior Lien Series Ordinance and subject to Mandatory Redemption.

“Underwriter” means the Series 2015A Underwriter and the Series 2015C Underwriter.

APPENDIX C
DESCRIBING BOOK-ENTRY-ONLY ISSUANCE

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's rating: AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to any Tender/Remarketing Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to any Tender/Remarketing Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to any Tender/Remarketing Agent's DTC account.

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the District or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

APPENDIX D
PROPOSED FORMS OF OPINIONS OF BOND COUNSEL
August 4, 2015

Springfield Metro Sanitary District
3000 North Eighth Street
Sangamon County, Illinois 62707

Re: $22,080,000 General Obligation Bonds
(Alternate Revenue Source), Series 2015A

Ladies and Gentlemen:

We have acted as bond counsel for the Springfield Metro Sanitary District, Sangamon County, Illinois (the "District") in conjunction with the issue by the District of its fully registered General Obligation Bonds (Alternate Revenue Source), Series 2015A in the principal amount of $22,080,000 (the "Series 2015A Bonds") issued pursuant to Ordinance No. 2009-29 passed by the Board of Trustees of the District (the "Board") on June 30, 2009 (the "Master Bond Ordinance") and Ordinance No. 2015-5 passed by the Board on February 24, 2015, Ordinance No. 2015-22 passed by the Board on June 30, 2015, and the Bond Order dated July 15, 2015 (collectively, the "Series 2015A Bond Ordinance"). Capitalized terms used in this opinion and not otherwise defined in this opinion are intended to have the meanings ascribed to such terms in the Series 2015A Bond Ordinance.

The Series 2015A Bonds are dated the date of delivery, mature on January 1 in the years in the following table, in the respective principal amount set opposite each such year, and bear interest from their date payable on January 1 and July 1 of each year commencing January 1, 2016, at the respective rate of interest per annum set forth opposite such year:

Maturity Date	Principal Amount	Interest Rate
2040	$2,880,000	4.125%
2045	$5,965,000	4.250%
2053	$13,235,000	5.750%

The Series 2015A Bonds are "Junior Lien Bonds" secured by a junior lien pledge of Revenues of the District as defined in the Master Bond Ordinance and are issued on a parity with the District's outstanding General Obligation Bonds (Alternate Revenue Source), Series 2009A issued in the original aggregate principal amount of $18,800,000, the District's outstanding Taxable General Obligation Bonds (Alternate Revenue Source), Series 2009E (Build America Bonds - Direct Payment) issued in the original aggregate principal amount of $38,860,000, the District's outstanding Taxable General Obligation Bonds (Alternate Revenue Source), Series 2015C issued in the original aggregate principal amount of $2,915,000, and any additional Junior Lien Bonds that may hereafter be issued in accordance with the terms of the Master Bond Ordinance.

The Junior Lien Bonds have a subordinate and inferior lien on the Revenues to the District's Sewer Revenue Bonds, Taxable Senior Lien Series 2010A (Build America Bonds – Direct Payment) issued in the original aggregate principal amount of $37,140,000, the District's Sewer Revenue Bonds, Senior Lien Series 2011A issued in the original aggregate principal amount of $20,120,000, and any additional Senior Lien Bonds that may hereafter be issued in accordance with the terms of the Master Bond Ordinance.

The Series 2015A Bonds have been issued by the District for the purpose of paying (i) costs of certain improvements to the System, (ii) capitalized interest on the Series 2015A Bonds, (iii) costs of refunding the District's Sewer Revenue Subordinate Lien Bonds, Series 2012, and (iv) costs of issuance of the Series 2015A Bonds. The Series 2015A Bonds are issued pursuant to and in all respects in compliance with the provisions of the Sanitary District Act of 1917, 70 ILCS §2405/0.1 *et seq.*, the Local Government Debt Reform Act, 30 ILCS 350/1 *et seq.*, the Omnibus Bond Acts, 5 ILCS 70/8, and other applicable law, each as supplemented and amended, and in compliance with the Master Bond Ordinance and the Series 2015A Bond Ordinance.

We have examined certified copies of the proceedings of the Board passed preliminary to the issue of the Series 2015A Bonds, and we are of the opinion that (i) the form of the Series 2015A Bonds is in due form of law, (ii) such proceedings show lawful authority for said issue under the laws of the State of Illinois now in force as general obligation "alternate bonds", and (iii) the Series 2015A Bonds are valid and legally binding on the District payable on a junior lien basis from Revenues and also from ad valorem taxes levied against all taxable property in the District without limitation as to rate or amount. The enforceability of rights and remedies with respect to the Series 2015A Bonds, the Master Bond Ordinance and the Series 2015A Bond Ordinance may be limited by bankruptcy, insolvency or other laws affecting creditors' rights or remedies heretofore or hereafter enacted.

Subject to the condition that the District comply with certain covenants made to satisfy pertinent requirements of the Internal Revenue Code of 1986 as amended, under present law, interest on the Series 2015A Bonds is not includible in gross income of the owners thereof for federal income tax purposes, and will not be treated as an item of tax preference in computing the alternative minimum tax for individuals and corporations. Interest on the Series 2015A Bonds will be taken into account, however, in computing an adjustment used in determining the alternative minimum tax for certain corporations. Failure to comply with certain of such District covenants could cause interest on the Series 2015A Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2015A Bonds. Ownership of the Series 2015A Bonds may result in other federal tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the Series 2015A Bonds. Interest on the Series 2015A Bonds is not exempt from Illinois income taxes.

We express no opinion herein as to the accuracy, adequacy or completeness of any information furnished to any person in connection with any offer or sale of the Series 2015A Bonds. In rendering this opinion, we have relied upon representations, determinations and certifications of the District, the opinion of Stratton, Sronce, Reichert & Nardulli, counsel to the District, and the reports of Pehlman & Dold, P.C., certified public accountants. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Yours truly,

HART, SOUTHWORTH & WITSMAN

By: ______________________________

Mike Southworth

August 4, 2015

Springfield Metro Sanitary District
3000 North Eighth Street
Sangamon County, Illinois 62707

Re: $2,915,000 Taxable General Obligation Bonds
(Alternate Revenue Source), Series 2015C

Ladies and Gentlemen:

We have acted as bond counsel for the Springfield Metro Sanitary District, Sangamon County, Illinois (the "District") in conjunction with the issue by the District of its fully registered Taxable General Obligation Bonds (Alternate Revenue Source), Series 2015C in the principal amount of $2,915,000 (the "Series 2015C Bonds") issued pursuant to Ordinance No. 2009-29 passed by the Board of Trustees of the District (the "Board") on June 30, 2009 (the "Master Bond Ordinance") and Ordinance No. 2015-5 passed by the Board on February 24, 2015, Ordinance No. 2015-22 passed by the Board on June 30, 2015, and the Bond Order of the District dated July 15, 2015 (collectively, the "Series 2015C Bond Ordinance"). Capitalized terms used in this opinion and not otherwise defined in this opinion are intended to have the meanings ascribed to such terms in the Series 2015C Bond Ordinance.

The Series 2015C Bonds are dated the date of delivery, mature on January 1 in the years in the following table, in the respective principal amount set opposite each such year, and bear interest from their date payable on January 1 and July 1 of each year commencing January 1, 2016, at the respective rate of interest per annum set forth opposite such year:

Maturity Date	Principal Amount	Interest Rate
2037	$2,915,000	5.200%

The Series 2015C Bonds are "Junior Lien Bonds" secured by a junior lien pledge of Revenues of the District as defined in the Master Bond Ordinance and are issued on a parity with the District's outstanding General Obligation Bonds (Alternate Revenue Source), Series 2009A issued in the original aggregate principal amount of $18,800,000, the District's outstanding Taxable General Obligation Bonds (Alternate Revenue Source), Series 2009E (Build America Bonds - Direct Payment) issued in the original aggregate principal amount of $38,860,000, the District's outstanding General Obligation Bonds (Alternate Revenue Source), Series 2015A issued in the original aggregate principal amount of $22,080,000, and any additional Junior Lien Bonds that may hereafter be issued in accordance with the terms of the Master Bond Ordinance.

The Junior Lien Bonds have a subordinate and inferior lien on the Revenues to the District's Sewer Revenue Bonds, Taxable Senior Lien Series 2010A (Build America Bonds – Direct Payment) issued in the original aggregate principal amount of $37,140,000, the District's Sewer Revenue Bonds, Senior Lien Series 2011A issued in the original aggregate principal amount of $20,120,000, and any additional Senior Lien Bonds that may hereafter be issued in accordance with the terms of the Master Bond Ordinance.

The Series 2015C Bonds have been issued by the District for the purpose of paying (i) costs of funding debt service reserves for the District's Illinois Environmental Protection Agency loans, (ii) capitalized interest on the Series 2015C Bonds, and (iii) costs of issuance of the Series 2015C Bonds. The Series 2015C Bonds are issued pursuant to and in all respects in compliance with the provisions of the Sanitary District Act of 1917, 70 ILCS §2405/0.1 et seq., the Local Government Debt Reform Act, 30 ILCS 350/1 et seq., the Omnibus Bond Acts, 5 ILCS 70/8, and other applicable law, each as supplemented and amended, and in compliance with the Master Bond Ordinance and the Series 2015C Bond Ordinance.

We have examined certified copies of the proceedings of the Board passed preliminary to the issue of the Series 2015C Bonds, and we are of the opinion that (i) the form of the Series 2015C Bonds is in due form of law, (ii) such proceedings show lawful authority for said issue under the laws of the State of Illinois now in force as general obligation "alternate bonds", and (iii) the Series 2015C Bonds are valid and legally binding on the District payable on a junior lien basis from Revenues and also from ad valorem taxes levied against all taxable property in the District without limitation as to rate or amount. The enforceability of rights and remedies with respect to the Series 2015C Bonds, the Master Bond Ordinance and the Series 2015C Bond Ordinance may be limited by bankruptcy, insolvency or other laws affecting creditors' rights or remedies heretofore or hereafter enacted.

Interest on the Series 2015C Bonds is includible in gross income of the owners thereof for federal income tax purposes. Interest on the Series 2015C Bonds is not exempt from Illinois income taxes.

We express no opinion herein as to the accuracy, adequacy or completeness of any information furnished to any person in connection with any offer or sale of the Series 2015C Bonds. In rendering this opinion, we have relied upon representations, determinations and certifications of the District, the opinion of Stratton, Sronce, Reichert & Nardulli, counsel to the District, and the reports of Pehlman & Dold, P.C., certified public accountants. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Yours truly,

HART, SOUTHWORTH & WITSMAN

By: ________________________________

Mike Southworth

APPENDIX E

SPRINGFIELD METRO SANITARY DISTRICT
SANGAMON COUNTY, ILLINOIS

EXCERPTS OF FISCAL YEAR 2014 AUDITED FINANCIAL STATEMENTS RELATING TO THE DISTRICT'S PENSION PLANS AND OTHER POSTEMPLOYMENT BENEFITS

Note 6. *LONG-TERM DEBT*

Bond Issues: *- continued*

(e) Springfield Metro Sanitary District, Springfield, Illinois issued Senior Lien Revenue Bonds, Series 2011-A, in the amount of $20,120,000 for the purpose of paying a portion of the costs of the Spring Creek Wastewater Treatment Plant (including but not limited to Phase IV), funding reserve accounts for the Series 2011A Bonds, and paying the costs of issuing the Series 2011A Bonds. The bonds were issued pursuant to an authorizing ordinance adopted by the Board of Trustees on January 27, 2009, a master bond ordinance adopted by the Board on June 30, 2009 a Revenue Bond Authorizing Ordinance adopted February 22, 2011, and the Series 2011A Bond Ordinance adopted July 26, 2011. The bonds carry varying interest rates ranging from 2.5-5% and shall pay interest semiannually on January 1st and July 1st.

The following is the future payment obligations on the bonds, Series 2011A:

Fiscal Year	Principal	Interest	Total
April 30, 2015	$ 565,000	$ 892,150	$ 1,457,150
April 30, 2016	580,000	875,200	1,455,200
April 30, 2017	595,000	857,800	1,452,800
April 30, 2018	620,000	834,000	1,454,000
April 30, 2019	640,000	815,400	1,455,400
April 30, 2020 – 2022	16,385,000	1,566,100	17,951,100
Total	$19,385,000	$5,840,650	$25,225,650

(f) Springfield Metro Sanitary District, Springfield, Illinois issued $5,200,000 Sewer Revenue Subordinate Lien Bonds, Series 2012. The proceeds will be used for planning, design and engineering of the renovation and upgrade of the District's Sugar Creek Plant to increase the design average flow and maximum design flow of the plan, as well as pay costs related to the issuance of the bond and fund a reserve account. The bonds were issued pursuant to a Master Bond Ordinance passed on June 30, 2009, as supplemented by the authorizing ordinance passed December 20, 2011, and the Series 2012 ordinance passed on March 27, 2012. The bonds carry an interest rate of 1.36% with semiannual interest payment due January 1st and July 1st. Repayment of the loan is secured by a lien on the net revenue of the District subordinate to the pledge of revenues that has been granted to the 2009A and 2009E Bonds, and the 2011A Bonds the 2010A and 2010B Bonds.

The following is the future payment obligations on the bonds, Series 2012:

Fiscal Year	Principal	Interest	Total
April 30, 2015	$5,200,000	$ 46,800	$5,246,800

Postemployment Benefits Other Than Pensions (OPEB):

Effective for 2009-2010 fiscal year, the District implemented Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, for certain postemployment health care benefits provided by the District. The requirements of this Statement are being implemented prospectively, with the actuarially accrued liability for the benefits of $6,093,534 at the May 1, 2009 date of transition being amortized over 30 years. Accordingly, for financial reporting purposes, no liability is reported for the postemployment health care benefits liability at the date of transition.

Plan Description. The District administers single-employer defined benefit healthcare plan. Both members of the collective Bargaining Agreement of the Springfield Metro Sanitary District, Springfield, Illinois and non-union employees are eligible for post-retirement medical coverage. For retirement benefits, the employee must have worked at least 8 years and must be at least 55 years old. Special arrangements may be made under an Early Retirement incentive program.

SPRINGFIELD METRO SANITARY DISTRICT
Springfield, Illinois

NOTES TO FINANCIAL STATEMENTS - continued
April 30, 2014

Note 6. *LONG-TERM DEBT*

Postemployment Benefits Other Than Pensions (OPEB): *- continued*

The District will pay 50% of the full blended premium cost for single coverage for employees who retire after age 55 with 8 or more years of service. If the employee has over 20 years of service the District will pay 75 percent of the full blended premium cost for single coverage. If the employee has over 30 years of service, the District will pay the entire full blended premium cost for single coverage.

Retirees may elect to cover themselves and their spouses, as long as the spouse had been covered for at least one year before the employee retired. The retiree must pay the difference between the "Employee plus spouse" rate and the "Employee only" rate. Retirees are covered for their natural lives; spouses may be covered for as long as the retiree lives, plus 18 additional months COBRA coverage as long as the premiums are paid.

Funding Policy. The current funding policy is to pay post retirement medical and insurance benefits for premiums as they occur. The funding policy of the District may be amended by the Board.

Annual OPEB Cost and Net OPEB Obligation. The District's other postemployment benefit (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan and changes in the net OPEB obligation:

Estimated annual required contribution	$ 744,064
Interest on net OPEB obligation	74,815
Adjustment to annual required contribution	(142,426)
Estimated annual OPEB cost	676,453
Contributions made	(279,585)
Estimated increase in net OPEB obligation	396,868
Net OPEB obligation – beginning of year	1,575,049
Estimated net OPEB obligation – end of year	$1,971,917

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation is as follows:

Fiscal Year End Date	Estimated Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
4/30/11	$674,533	40.07%	$ 801,235
4/30/12	624,290	42.50%	1,159,909
4/30/13	695,134	40.30%	1,575,049
4/30/14	676,453	41.30%	1,971,917

Funding Status and Funded Progress. As of April 30, 2014, the most recent actuarial valuation date, the actuarial accrued liability was $7,777,194 and the actuarial value of assets was $-0- resulting in an unfunded actuarial accrued liability (UAAL) of $7,777,194. The covered payroll (annual payroll of active employees covered by the plan) was $3,633,162, and the ratio of the UAAL to the covered payroll was 214.06 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presents multiyear trend information about whether the actuarial valuation of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Note 6. *LONG-TERM DEBT*

Postemployment Benefits Other Than Pensions (OPEB): *- continued*

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Year End Date	Employer Contribution	Annual Required Contribution (ARC)	Percent Contributed
4/30/10	$260,888	$657,879	39.70%
4/30/11	272,267	674,533	40.07%
4/30/12	265,615	624,290	42.50%
4/30/13	279,994	695,134	40.30%
4/30/14	279,585	676,453	41.30%

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and the plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the most recent actuarial valuation, the Projected Unit Credit method was used to make early distributions to the liability over the working life time of the employees. The actuarial assumptions include a discount rate of 4.75 percent and a 30 year amortization period. Other assumptions are as follows:

Health Care Trend Rate – The rate for the initial year is lowered gradually over a select period of time and ultimately settles at a permanent lower level. Medical inflation for all participants exceeded 10.5 percent in 2009, so the rates decrease from here down to 4 percent.

Mortality – Life expectancies were based off the 1995 George B. Buck Tables for public employees.

Turnover – The rate of turnover was based on the assumption that turnover is relatively low and thus based on 80 percent of the rates shown in the standard Vaughn Table after the first three years of employment.

Retirement Rates – Rates were determined from the database of retirees and calculated specifically for the District and range from 6 to 100 percent.

Note 7. *CHANGES IN LONG-TERM DEBT*

The following is a summary of the long-term debt transactions of the District for the year ended April 30, 2014:

	Balance April 30,2013	Additions	Retirements	Balance April 30,2014
IEPA Wastewater				
Treatment Loans	$ 47,825 437	$	$1,545,598	$ 46,279,839
IMRF Bonds	985,000		215,000	770,000
General Obligation Bonds	56,015,000		580,000	55,435,000
Revenue Bonds	63,830,000		1,745,000	62,085,000
Other Post Employment				
Benefits	1,575,049	396,868		1,971,917
Totals	$170,230,486	$ 396,868	$4,085,598	$166,541,756

Note 8. *DEFINED BENEFIT PENSION PLAN*

Plan Description. The District's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The District plan is affiliated with the Illinois Municipal Retirement Fund *("IMRF")*, an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

Funding Policy. As set by statute, the District Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District annual required contribution rate for calendar year 2013 was 15.50 percent. The District also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost. The required contribution for calendar year 2013 was $623,276.

THREE-YEAR TREND INFORMATION FOR THE REGULAR PLAN

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/13	$623,276	100%	$ 0
12/31/12	589,559	100%	0
12/31/11	578,207	100%	0

The required contribution for 2013 was determined as part of the December 31, 2011, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2011, included *(a)* 7.5 percent investment rate of return (net of administrative and direct investment expenses), *(b)* projected salary increases of 4.00 percent a year, attributable to inflation, *(c)* additional projected salary increases ranging from .4 to 10 percent per year depending on age and service, attributable to seniority/merit, and *(d)* post-retirement benefit increases of 3 percent annually. The actuarial value of your employer Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20 percent corridor between the actuarial and market value of assets. The District Regular plan's unfunded actuarial accrued liability at December 31, 2011 is being amortized as level percentage of projected payroll on an open 30 year basis.

Funded Status and Funding Progress. As of December 31, 2013, the most recent actuarial valuation date, the Regular plan was 61.07 percent funded. The actuarial accrued liability for benefits was $9,239,411 and the actuarial value of assets was $5,642,543, resulting in an underfunded actuarial accrued liability (UAAL) of $3,596,868. The covered payroll for calendar year 2013 (annual payroll of active employees covered by the plan) was $4,021,135 and the ratio of the UAAL to the covered payroll was 89 percent.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets in increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Note 9. *MULTIEMPLOYER PENSION PLANS*

The District contributes to a multiemployer defined benefit pension plan under the terms of a collective-bargaining agreement that covers its union-represented employees. The risk of participating in multiemployer plans is different from single-employer pension plans in the following aspects:

Note 9. *MULTIEMPLOYER PENSION PLANS*

(a) Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.

(b) If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.

(c) If the District stops participating in its multiemployer pension plan, it may be required to pay the plan an amount based on the underfunded status of the entire plan, referred to as a withdrawal liability.

The District's participation in the plan for the fiscal year ended April 30, 2014 is outlined in the following table. Information in the table was obtained from the plan's Form 5500 for the most current available filing. These dates may not correspond with the District's fiscal year contributions. The Plan Protection Act (PPA) zone status column ranks the funded status of multiemployer pension plans depending upon a plan's current and projected funding. The zone status is based on information that the District received from the plan. Among other factors, the plan is in the Red Zone (critical) if it has a current funded percentage less than 65%. A plan is in the Yellow Zone (endangered) or Orange Zone (seriously endangered) if it has a current funded percentage of less than 80%, or projects a credit balance deficit within seven years. A plan is in the Green Zone (healthy) if it has a current funded percentage greater than 80% and does not have a projected credit balance deficit within seven years. The Funding Improvement Plan (FIP)/Rehabilitation Plan (RP) status column indicates plans for which a FIP or RP is either pending or in place.

The following table lists information about the District's multiemployer pension plan for the year ended April 30, 2014:

Plan Name:

Fund of the International Union of Operating Engineers and Participating Employers

EIN/Pension Plan Number	(1) PPA Status	FIP/RP Status Pending/ Implemented	Company Contributions	Company Contributions > 5% (2)	Expiration Date of CBA (2)
36-6052390 / 001	Green	N/A	$32,507	No	4/30/2014

(1) The Zoning status represents the most recent available information for the respective multiemployer pension plan, which may be 2013 or earlier for 2014.

(2) Collective Bargaining Agreement (CBA).

The District has no intentions of withdrawing from any of the multiemployer pension plans in which they participate.

SCHEDULE OF FUNDING PROGRESS
FOR THE REGULAR PLAN

POST EMPLOYMENT BENEFITS OTHER THAN PENSION

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c)
4/30/13	$ –	$7,160,556	$7,160,556	0.00%	$3,633,162	197.09%
4/30/12	–	7,229,842	7,229,842	0.00%	3,634,741	198.91%
4/30/11	–	6,442,604	6,442,604	0.00%	3,507,737	183.67%
4/30/10	–	6,586,088	6,586,088	0.00%	2,901,012	227.03%

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS

DEFINED BENEFIT PENSION PLAN

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c)
12/31/12	$5,642,543	$9,239,411	$3,596,868	61.07%	$4,021,135	89.45%
12/31/12	4,216,001	8,553,163	4,337,162	49.29%	3,650,520	118.81%
12/31/11	3,023,758	7,435,784	4,412,026	40.66%	3,340,309	132.08%

On a market value basis, the actuarial value of assets as of December 31, 2013 is $7,907,329. On a market basis, the funded ratio would be 85.58%.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with Springfield Metro Sanitary District, Springfield, Illinois. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.