Meeting of the Village of Buffalo Grove Village Board

Committee of the Whole
August 31, 2020 at 7:30 PM

Fifty Raupp Blvd
Buffalo Grove, IL 60089-2100
Phone: 847-459-2500

1. Call to Order

A. Open Meetings Act Compliance

Pursuant to Public Act 101-0640 as well as the Disaster Proclamation and Executive Orders issued by Governor Pritzker, this meeting will be held in person with capacity-limited physical attendance. Those not willing or able to physically attend can still fully participate electronically by utilizing the Zoom link below.

Zoom Link: www.vbg.org/august31boardmeeting

Phone Number: 312-626-6799

Meeting ID: 882 2610 1791

Instructions for how the public can see, listen and/or participate in meetings are listed immediately below this statement.

In accordance with the Open Meetings Act, any person shall be permitted an opportunity to address public officials under the rules established and recorded in the Buffalo Grove Municipal Code. The Village President reserves the right to alter the order of the appearance of speakers to maintain decorum during the meeting.

Due to the COVID-19 pandemic and CDC guidelines for social distancing, physical attendance is limited to 20 persons in addition to Elected Officials and Staff. All seats are on a first come, first served basis. All persons physically attending the meeting will be required to don an appropriate face covering during the duration of the meeting and shall be required to undergo a body temperature scan before entering the Jeffrey S. Braiman Council Chambers. The Village of Buffalo Grove reserves the right to deny entry to any person displaying COVID-19 symptoms or a body temperature exceeding 100.4 degrees Fahrenheit. All meeting participants shall observe CDC-published guidelines for social distancing while attending the meeting.

B. Pledge of Allegiance

2. Special Business

A. Audit Presentation (Trustee Weidenfeld) (Staff Contact: Chris Black)

B. Discussion of Preliminary 2021 Property Tax Levy (Trustee Weidenfeld) (Staff Contact: Chris Black)

C. General Fund Financial Forecast FY 2021 (Trustee Johnson) (Staff Contact: Chris Black)

D. COVID-19 Budget Impacts Report (President Sussman) (Staff Contact: Jenny Maltas)

E. 2021 Wage Pool Recommendation (Trustee Weidenfeld) (Staff Contact: Arthur Malinowski)

F. Review of 2021 Capital Improvement Plan Requests (Trustee Stein) (Staff Contact: Darren Monico)

G. Village News Update (Trustee Johnson) (Staff Contact: Jenny Maltas)

3. Questions From the Audience

Questions from the audience are limited to items that are not on the regular agenda. In accordance with Section 2.02.070 of the Municipal Code, discussion on questions from the audience will be limited to 10 minutes and should be limited to concerns or comments regarding issues that are relevant to Village business. All members of the public addressing the Village Board shall maintain proper decorum and refrain from making disrespectful remarks or comments relating to individuals. Speakers shall use every attempt to not be repetitive of points that have been made by others. The Village Board may refer any matter of public comment to the Village Manager, Village staff or an appropriate agency for review.

4. Executive Session

A. Executive Session - Section 2(C)(11) of the Illinois Open Meetings Act: Litigation, When an Action Against, Affecting or on Behalf of the Particular Public Body Has Been Filed and is Pending Before a Court or Administrative Tribunal, or When the Public Body Finds that an Action is Probable or Imminent, in Which Case the Basis for the Finding Shall be Recorded and Entered into the Minutes of the Closed Meeting. (President Sussman) (Staff Contact: Dane Bragg)

5. Adjournment

The Village Board will make every effort to accommodate all items on the agenda by 10:30 p.m. The Board, does, however, reserve the right to defer consideration of matters to another meeting should the discussion run past 10:30 p.m.

The Village of Buffalo Grove, in compliance with the Americans with Disabilities Act, requests that persons with disabilities, who require certain accommodations to allow them to observe and/or participate in this meeting or have questions about the accessibility of the meeting or facilities, contact the ADA Coordinator at 459-2525 to allow the Village to make reasonable accommodations for those persons.

Information Item : Presentation of the 2019 Audit

Recommendation of Action

Staff recommends presentation.

Staff recommends discussion of the findings of the 2019 Annual Audit of the Village of Buffalo Grove. The Village's Auditor, Lauterbach and Amen, will be on site to present to the board.

Trustee Liaison
Weidenfeld

Staff Contact
Chris Black, Finance

Monday, August 31, 2020	

Information Item : Discussion of Preliminary 2021 Property Tax Levy

Recommendation of Action

Staff recommends discussion.

In conjunction with the development of the FY 2021 Village Budget, staff is working on a recommendation for the FY 2020 Property Tax Levy to be extended and collected in 2021. The current year?s initial levy proposal (2019 Tax Levy) is $17,784,141, minus abatements of $668,600, resulting in a net levy of $17,115,541. The net levy increased 3.9 percent from 2018.

ATTACHMENTS:

- preliminary tax levy memo 2020_final (DOCX)

Trustee Liaison	**Staff Contact**
Weidenfeld	Chris Black, Finance

Monday, August 31, 2020	

VILLAGE OF
BUFFALO GROVE

MEMORANDUM

DATE: August 27, 2020

TO: Dane Bragg, Village Manager

FROM: Chris Black, Finance Director

SUBJECT: Proposed 2020 Tax Levy

In conjunction with the development of the FY 2021 Village Budget, staff is working on a recommendation for the FY 2020 Property Tax Levy to be extended and collected in 2021. The current year's initial levy proposal (2019 Tax Levy) is $17,784,141, minus abatements of $668,600, resulting in a net levy of $17,115,541. The net levy increased 3.9 percent from 2018. The components of the change were the following:

2019 Levy Purpose	Increase/(Decrease)
Corporate Levy	0.0%
Special Purpose/IMRF	19.8%
Public Safety Pensions	6.0%
Debt Service	2.6%

The initial levy request for 2020 as part of the budget process (prior to abatement consideration) is $20,461,952 or a 15.1 percent increase. The components of the change are as follows:

2020 Levy Purpose	Increase/(Decrease)	Amount
Corporate Levy	0.0%	$0.00
Special Purpose/IMRF	-5.0%	-$94,136
Public Safety Pensions	11.7%	$604,257
Debt Service	137.1%	$2,167,690

The purpose of this preliminary report is to present the levy including the full debt service amount (principal and interest) prior to discussion about tax abatement. The final levy will be adjusted contingent upon capacity within the budget for a supplemental transfer of recurring revenues to lower the gross tax extension amount.

Corporate Levy

The amount requested of $9,171,988 remains the same as the last two years for the Corporate Levy which is used to support public safety operations. The Village uses the Municipal Cost Index (MCI) to measure inflation. The MCI is a composite index that adjusts to the cost of materials and supplies, wages and contracted-for services. The composite index includes the Consumer Price Index, Producer Price Index, and a construction cost index. The MCI for the annual period ending May 2020 is – 0.44% percent.

Debt Service

Last year's debt service requirement was $1,581,369. Next year's debt service is $3,749,059. The components of the debt payments are as follows:

Purpose	Debt Payment	Percent to Total
Series 2012 - Street Improvements (Various)	$546,525	14.6%
Series 2016 - Street Improvements (Various)	$383,231	10.2%
Series 2019 - Refunding of Series 2010B Bonds	$255,402	6.8%
Series 2020 - Water & Sewer Improvements and Street Improvements	$2,563,900	68.4%

As part of the Series 2020 bond issue, the Village has committed a combination of water/sewer fund revenue and state/local motor fuel tax revenue to service the debt. When factoring in these abatements, the Series 2020 bonds will have no net impact on the tax levy. In 2019, the Village refunded the remaining bond coupons on the Series 2010B bonds, resulting in a net debt service decrease of $17,000 due to reduced interest costs. The Series 2010B bonds are shown in the table above as Series 2019.

The Village will make its final payment on the Series 2010A general obligation bonds in 2020, thus a bond payment for this debt instrument will no longer be included in the levy for 2020 (payable 2021), resulting in a reduction to the debt service levy of $410,000 annually.

Pensions

The Village's independent actuary calculated the levy amounts for both the Police and Fire Pension Funds. The Illinois Municipal Retirement Fund (IMRF) calculates the employer portion of the pension. The IMRF rate decreased from 13.63 percent to 13.26 percent for FY 2021 and reduces the IMRF levy by $64,232. The projected decrease for the employer portion of social security is $29,904.

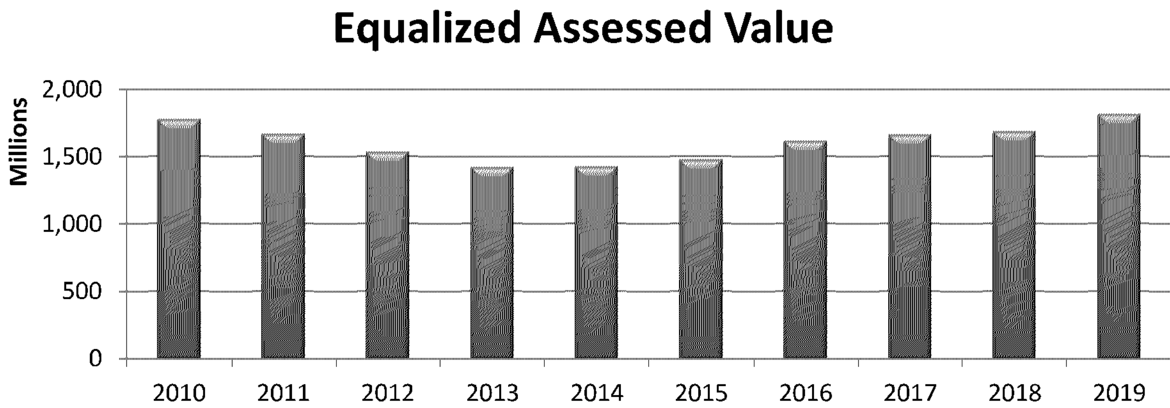
The General Assembly passed a public safety pension consolidation bill in 2019 that expanded the Tier II benefits for sworn police and fire personnel. The pension funds' actuaries have recalculated the required contribution due to the expanded benefits. The Firefighter Pension Levy is proposed for FY 2021 to be $2,390,386, an increase of 17.6 percent. The estimate for the Police Pension Levy will be 7.9 percent growth, resulting in a levy amount of $3,361,940. Both pension levies are equal to the actuarial determined annual levy amount.

The total additional required amount for all pension levies is estimated to be $604,257, an increase of 11.7 percent from 2019.

Equalized Assessed Values (EAV)

The last five years have posted positive growth including a 7.63 percent increase for the FY 2020 tax levy. The total EAV in Buffalo Grove is $1.82 billion. The growth between the two counties was disproportionate as Lake County grew by 5.8 percent and Cook County grew by 15.1 percent. Lake County properties are assigned 85 percent of the total property tax burden for the Village. EAV calculations reside with each county's assessor's office. The final percentage allocation is assigned by the Illinois Department of Revenue.

Below is a graph depicting the growth of EAV over the last ten years.



Impact

The result of the increases noted above would result in a tentative levy of $20,461,952 or 15.1 percent growth. At this point in the process the gross levy appears as follows:

Estimated Distribution of 2020 Property Tax - Before Abatement		Cook County Levy	Lake County Levy	Total 2019 Levy	Total 2020 Levy
County Tax Burden		15.00%	85.00%	100.00%	100.00%
Tax Levies:					
	Police Protection	3,118,476	550,319	3,668,795	3,668,795
	Fire Protection	4,677,714	825,479	5,503,193	5,503,193
Sub-Total: Corporate Levy		7,796,190	1,375,798	9,171,988	9,171,988
	IMRF/Social Security	1,520,292	268,287	1,882,715	1,788,579
	Corp. Purpose Bonds Facilities (2010A)	0	0	410,800	0
	Corp. Purpose Bonds Facilities (2010B)	0	0	272,413	0
	Corp. Purpose Bonds Roads (2012)	464,546	81,979	233,525	546,525
	Corp. Purpose Bonds Roads (2016)	325,747	57,485	664,631	383,231
	2019 Series GO Bonds	217,092	38,310	0	255,402
	2020 Series GO Bonds	2,179,315	384,585	0	2,563,900
	Police Pension	2,857,649	504,291	3,115,296	3,361,940
	Fire Pension	2,031,828	358,558	2,032,773	2,390,386
Total		17,392,659	3,069,293	17,784,141	20,461,952

Abatement Considerations

Staff is recommending an abatement of $3,004,100 made up of $56,969 on the series 2012 bonds, $383,231 on the Series 2016 Bonds and $2,563,900 on the Series 2020 bonds. With the proposed abatements, the net levy would increase to $17,457,852, an increase of 2.0 percent year-over-year. It should be noted that the percentage increase or decrease in the levy does not equal the change in a homeowner's tax bill, depending upon growth in EAV and redistribution of assessed values across different real estate types (residential, industrial, commercial, agricultural).

This proposed tax levy request will be formally made at the November 2nd board meeting as part of the truth-in-taxation resolution. The year-over-year truth-in-taxation levy growth (which excludes debt service) is estimated to be 3.15 percent. A public hearing will not be required.

Information Item : General Fund Financial Forecast FY 2021

Recommendation of Action

Staff recommends discussion.

Operating Forecast takes a forward look at the Village's General Fund's fund revenues and expenditures. The primary objective of the forecast is to provide the Village Board and related stakeholders with an early financial assessment and identify significant issues that should be addressed in the budget development process. For the purposes of constructing the forecast, operating revenues are measured against operating expenditures without including any prior period fund balance to subsidize revenue.

ATTACHMENTS:

- General Fund Forecast 2021_final (DOCX)

Trustee Liaison	**Staff Contact**
Johnson	Chris Black, Finance

Monday, August 31, 2020	

Village of Buffalo Grove - General Fund Financial Forecast

FY 2021

Village of Buffalo Grove

A Financial Assessment of General Fund Revenues and Expenditures

OVERVIEW AND SUMMARY

The purpose of the Operating Forecast is to help the Village of Buffalo Grove make informed, operational decisions by better anticipating future revenues and expenditures. Using the forecasted data, the Village can plan strategies for providing a consistent, appropriate level of service to the customers while ensuring the revenues and expenditures remain in a sustainable balance. The primary objective of the forecast is to provide the Village Board and related stakeholders with an early financial assessment and identify significant issues that should be addressed in the budget development process. For the purposes of constructing the forecast, operating revenues are measured against operating expenditures without including any prior period fund balance to subsidize revenue.

The goals of the forecast are to assess the Village's ability in the future to maintain current service levels based on projected revenue growth, evaluate future sustainability by aligning operating revenues and expenditures, and ensure proper funding of infrastructure reserves. The assessment analyzes the capacity to fund capital projects and also restore unassigned fund balance reserves to ultimately reach a balance that will cover four and a half months of expenditures (37.5%).

> The intent of the One Year Operating Forecast is to evaluate resource allocations to ensure the proper funding levels for services, capital, infrastructure and maintaining reserves.

It is important to stress that this forecast is not a budget. It does not dictate expenditure decisions; rather it identifies the need to prioritize allocations of Village resources. The forecast sets the stage for the budget process and aids both staff and the Village Board in establishing priorities and allocating resources appropriately.

As a governmental entity, changes in strategy that involve service delivery should be slow and methodical. The forecast provides a snapshot of the Village's fiscal health based on numerous assumptions over the next five years. The forecast is a planning tool and should be considered fluid in its construction. As new significant data or trends emerge the document will be revised, at minimum, on an annual basis.

FORECAST METHODOLOGIES AND ASSUMPTIONS

REVENUES

The General Fund is the main operating fund and accounts for the core public services provided by the Village including public safety (police & fire), public works, community development, as well as operations that support core services. All major discretionary revenues such as property tax, sales tax, income tax, telecommunication, and utility use tax are accounted for within the General Fund. The Finance Department works with departments responsible for administering the service and/or collecting the associated revenue to develop program revenues.

EXPENDITURES

Expenditures assumed in the forecast are based on the current service levels. No additional staffing has been included in the estimates. Audited 2019 expenditures set the baseline for analysis blended with estimates through the first half of FY 2020. The General Fund is the primary focus of the forecast as it represents over half of the total Village Budget. The second largest Village Fund is the Water and Sewer Fund accounting for 15.9 percent of the total budget. A twenty-year funding analysis is completed annually for that enterprise activity.

In the absence of any known service level modifications, the forecast assumes the continuation of current service levels and the costs projected over five years. Revenues are estimated based on anticipated growth and does not consider increases in revenues generated by new fees or increases in fees, new development, and/or charges beyond what is prescribed by current ordinance.

ECONOMIC OUTLOOK

In the development of a long-term financial forecast, the Village reviews external and internal factors that could impact the either the collection of revenue or the price of acquiring goods or providing services. Evaluating how the regional impact of the national economy (macro) influences the local economy (micro) is an important step in the process.

The national economy affects both state and local economies, although this impact varies by jurisdiction and may actually have an inverse effect on a community. Some of the economic indicators the Village uses in financial analysis include: inflation, stock market returns, employment, housing starts, vehicle sales, interest rates, and manufacturing activity.

ECONOMIC INDICATORS - NATIONAL

Inflation – The Consumer Price Index (CPI), commonly referred to as the inflation rate, measures the average price change for a market basket of consumer goods and services. The Bureau of Labor Statistics classifies each expenditure item in the basket into more than 200 categories catalogued into eight major groups. The Consumer Price Index is used as the inflationary factor for specific non-personnel services.

As inflation goes up, the cost of goods sold go up, increasing retail sales tax revenue. As prices rise, so will business income tax receipts. Conversely, the Village will have to pay more for goods and services. The most recent (July 2020) Consumer Price Index is at 0.6 percent.

Stock Market Returns – Stock market returns are a leading indicator and will change before the economy changes. Approximately 60 percent of all Village pension funds are invested in mutual funds and/or individual stocks. The performance of the stock market is a significant factor in determining the growth of the property tax levy for pensions. It is assumed the pension funds will earn seven percent annually through investment returns.

Employment – Retail and vehicle sales tend to have inverse relationships with the unemployment rate. Sales tend to move in the opposite direction of the unemployment rate. Chronic unemployment often spills over into the residential real estate market resulting in lost real estate transfer tax revenue.

Housing stats - This indicator provides a sense of the overall demand for housing, which can be indicative of local housing activity. Data maintained by local realtor groups is useful in projecting the future of market recoveries.

Vehicle sales – Sales and use tax revenues tend to fall with vehicle sales, which are heavily dependent upon both employment and interest rates. However, if increases in sales of new vehicles are expected to reduce the value of used vehicles, the sales and use tax base can actually decline if the depreciation of used vehicles is not equally offset by the value of new vehicles.

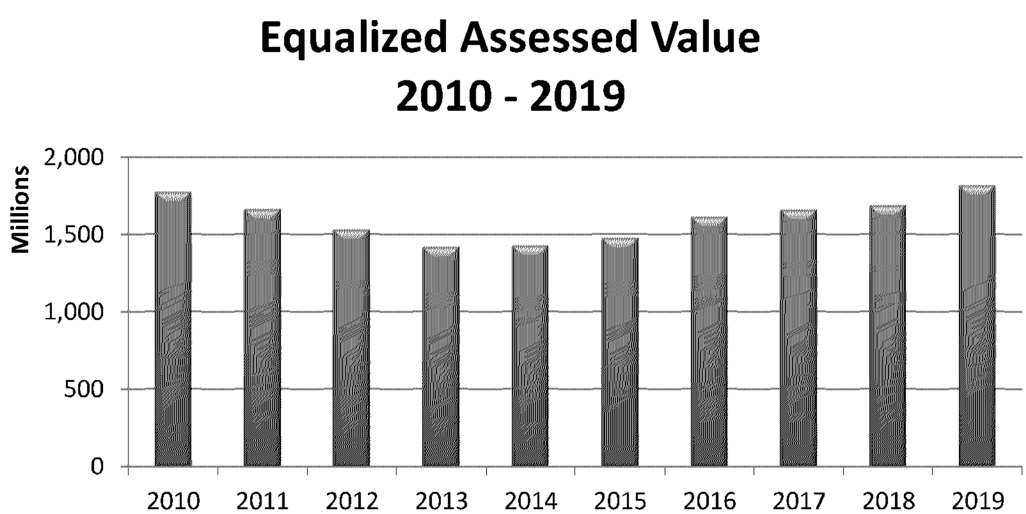
Interest rates – The interest rate impacts the Village's revenues in several ways. First, investment income will be affected by interest rates. Second, the availability and cost of capital directly affects business expansion and retail purchases. As credit is extended and/or rates are lowered, revolving purchases may increase, thereby increasing development plans and retail sales and, by extension, sales tax and business licenses revenues.

Manufacturing activity – If a Village has a large manufacturing sector, the ISM (Institute of Supply Management Index) becomes a significant factor in revenue analysis and forecasting. Manufacturers respond to the demand for their products by increasing production and building up inventories to meet the demand. The increased production often requires new workers which lowers unemployment figures and can stimulate the local economy.

ECONOMIC INDICATORS - LOCAL

Although national economic indicators do have some trickle-down impact on the Village Budget, there are regional and local economic factors that have a direct influence over revenues and expenditures. Some of those factors that have been considered moving into the next five year update include:

- *Impact of the Real Estate Market and Assessed Valuations*. Assessed values for taxable property continue with positive growth. Lake County property values grew by 5.81 percent in FY 2019, while Cook County property values increased 15.1 percent. See the chart below to see the ten-year, combined county, history of equalized assessed values.



- *State of Illinois Legislation*. As the State of Illinois continues to struggle with its own finances, staff continues to monitor legislative discussions that could have a direct financial impact on Village revenues.
- *Impact of Employer Pension Costs*. The tax levies for the three pension systems account for 41 percent of the property tax levy. Additional pressure on the tax levy to support growing pension costs will impact the ability to increase taxes for core services. Bond

rating agencies continue to cite pension obligations as a downward pressure on the Village's ability to maintain a Aaa rating with S&P.

- *Health Care Inflation.* After wages, health care costs are the single largest expenditure category in the fund and the Village continually reviews the structure of the plan to limit the amount of growth on an annual basis. The Village is a member of the Intergovernmental Personnel Benefits Cooperative (IPBC). This insurance pool helps to dilute risk and helps to leverage purchasing power.
- *Commercial/Retail Development.* The economy's impact on existing sales tax generators as well as development or redevelopment of Dundee, Milwaukee Road corridors and Lake Cook Corridors continues to be an important cog in economic development.
- *Infrastructure.* The ability to keep pace with the maintenance needs of Village owned assets continues to be a significant financial challenge. The Village owns and maintains $240 million in capital assets, excluding depreciation, across all activities.

Listed below is the 2021 General Fund Forecast. The remainder of the report will describe the methodologies used to develop both revenues and expenditures.

GENERAL FUND 2021 FORECAST -OPERATING

Revenue	2020	2021	% increase / (Decrease)
Property Taxes	16,202,772	16,202,772	0.00%
Income & Use Taxes	5,436,247	5,664,450	4.20%
State Sales Tax	6,590,000	6,178,000	-6.25%
Home Rule Sales Tax	4,190,000	4,154,931	-0.84%
Real Estate Transfer Tax	990,000	922,300	-6.84%
Telecommunications Tax	1,540,000	900,000	-41.56%
Food and Beverage Tax	750,000	600,000	-20.00%
Utility Tax-Electric/Natural Gas	2,715,000	2,700,000	-0.55%
Road & Bridge Tax	182,000	182,000	0.00%
Other Taxes	265,000	137,105	-48.26%
Licenses	309,600	306,600	-0.97%
Building Revenue & Fees	1,066,000	1,086,000	1.88%
Intergovernmental - Local	267,657	267,657	0.00%
Fines & Fees-Police & Fire	1,740,591	1,830,544	5.17%
Storm Water Management Fees	1,140,000	1,140,000	0.00%
Operating Transfers	780,000	795,600	2.00%
Cable Franchise Fees	815,000	735,000	-9.82%
Miscellaneous Revenue	427,340	342,840	-19.77%
Total Revenues	45,407,207	44,145,799	-2.78%

Expenditure	2020	2021	Growth
Personal Services	22,470,942	21,877,786	-2.64%
Personal Benefits	11,748,327	12,084,756	2.86%
Operating Expenses	3,389,176	3,303,808	-2.52%
Insurance & Legal Services	1,374,481	1,563,074	13.72%
Commodities	358,000	361,000	0.84%
Maintenance & Repairs	3,415,208	3,640,989	6.61%
Capital Outlay	808,569	807,524	-0.13%
Other Expenses	583,645	724,195	24.08%
Operating Transfers	1,228,394	1,109,794	-9.66%
Total Expenditures	45,376,742	45,472,926	0.21%
Operating Surplus/(Deficit)	30,465	-1,327,127	-4456.24%

RESERVES

The General Fund Reserve Policy sets forth a minimum unassigned reserve level of 25 percent of the subsequent year's budget (excluding capital funding and reserve transfers).

It is important to maintain a strong reserve level for several reasons, (1) it provides more time to react and respond to revenue threats created by economic conditions, (2) it helps to better withstand any unfunded legislative mandates that will create additional expenditure obligations without corresponding revenue, and (3) to fund unforeseen infrastructure/capital asset costs. Spending down of prior period reserve balances allows the Village time to reallocate resources within the budget and restructure service levels to react to the fiscal environment. After drawing down on the balance to respond to emergency conditions, it is important to rebuild those reserves in order to remain flexible to respond to the next threat. Fund balance should never be used to support day-to-day operations. Absent an unforeseen economic crisis, the use of reserves to support operating expenditures represents a budget that is structurally unbalanced.

The audited unassigned General Fund balance at the end of FY 2019 is $18.9 million or 43.1 percent of the FY 2019 actual expenditures. The reserve, which increased $1.9 million from the prior year, will be utilized to address an anticipated FY2020 deficit due to the economic effects of COVID-19. The Village anticipates unassigned general fund reserves exceeding 35 percent of budget by year-end 2020.

Approximately 85 percent of all General Fund revenue is generated from seven revenue sources including property tax, combined sales tax including prepared food and beverage, income and use tax, telecommunications tax, utility (natural gas & electricity) use tax and real estate transfer tax.

Almost half of the Village's major revenue sources are elastic. Elastic revenues are those sources that tend to fluctuate with the economy. A balance between elastic and inelastic revenue is desired as a hedge against market volatility. General Fund revenues considered to be elastic include: sales and use taxes, income taxes, telecommunications tax, real estate transfer tax, building revenue and fees, and investment income. The property tax is an example of a non-elastic source of revenue as collections are stable and predictable.

The Village continues to seek to be less reliant upon state-shared revenues (income, base sales, and telecommunication taxes) and align core services with taxes/fees under local home rule control.

PROPERTY TAX

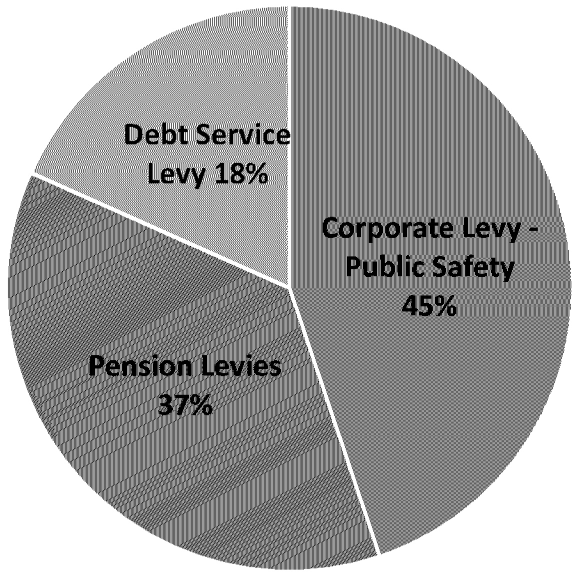
There are three components to the Village's property tax levy. The first component is the Corporate Levy. This levy helps to fund public safety (police and fire) operations. The growth in the corporate levy is tied to inflation. The second component is the Debt Service Levy. This levy covers the principal and interest payment on outstanding debt issuances. The last component is the special purpose/pension levies.

The tax levies for the three pension funds (police, Firefighters and IMRF) are calculated by independent actuaries. The levies are structured to cover the normal cost of the pension, an amortized annual amount of the unfunded actuarial liability, and the interest cost on that liability. Unfunded liability grows when actuarial assumptions are not met (interest rate) or when legislative changes (Springfield) are enacted that enhance benefits. Those legislative changes produce unfunded liabilities.

Each year the Village determines its levy amount. Since debt service payments are mandatory as are pension contributions, the amount of control the Village has over the tax levy is limited to the Corporate Levy.

Future ability to raise property tax revenue to support General Fund operations is challenging as the corporate levy must compete for tax dollars with pension and debt service levies.
See the chart below to see where property tax dollars are allocated.

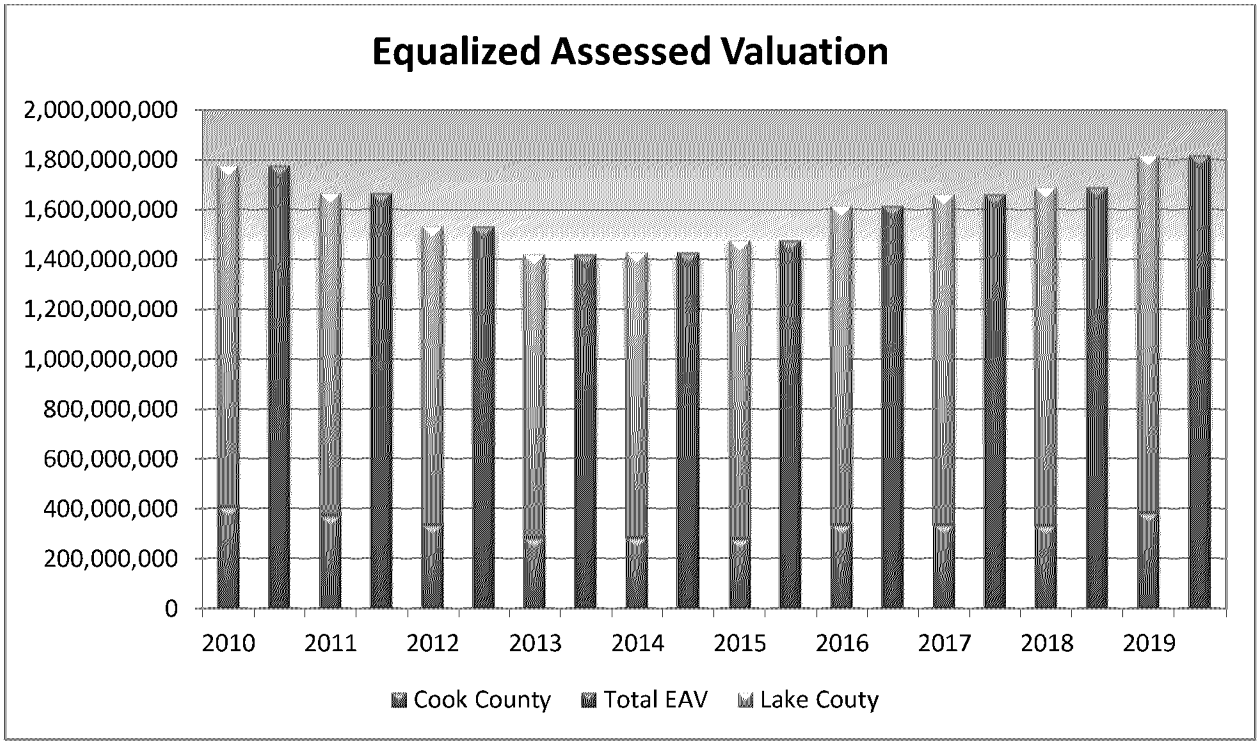
Property Tax Dollar Distribution



The levy request is then applied to the equalized assessed value of all property within the Village to determine a tax rate. Assuming the same tax levy amount, if the property values go up the rate goes down and conversely the rate goes up if the values decline.

The total equalized assessed value of property in Buffalo Grove is estimated to be $1,833,700,517 representing a 1.0 percent increase from the previous years but down 3.3 percent from valuation peak in FY 2009. The more new properties that are added to the tax base the lower the tax burden on all property owners.

Equalized Assessed Valuation

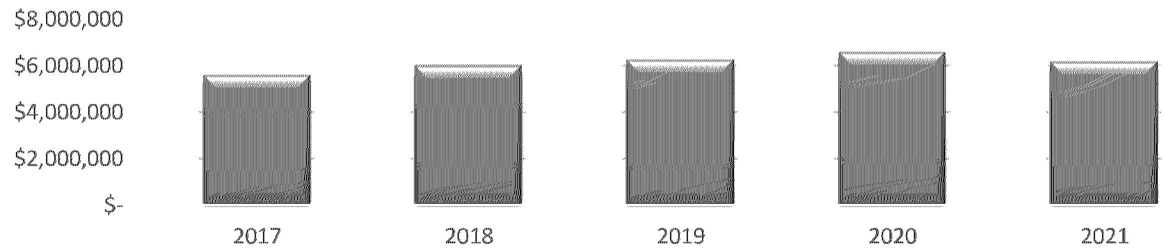


SALES TAX

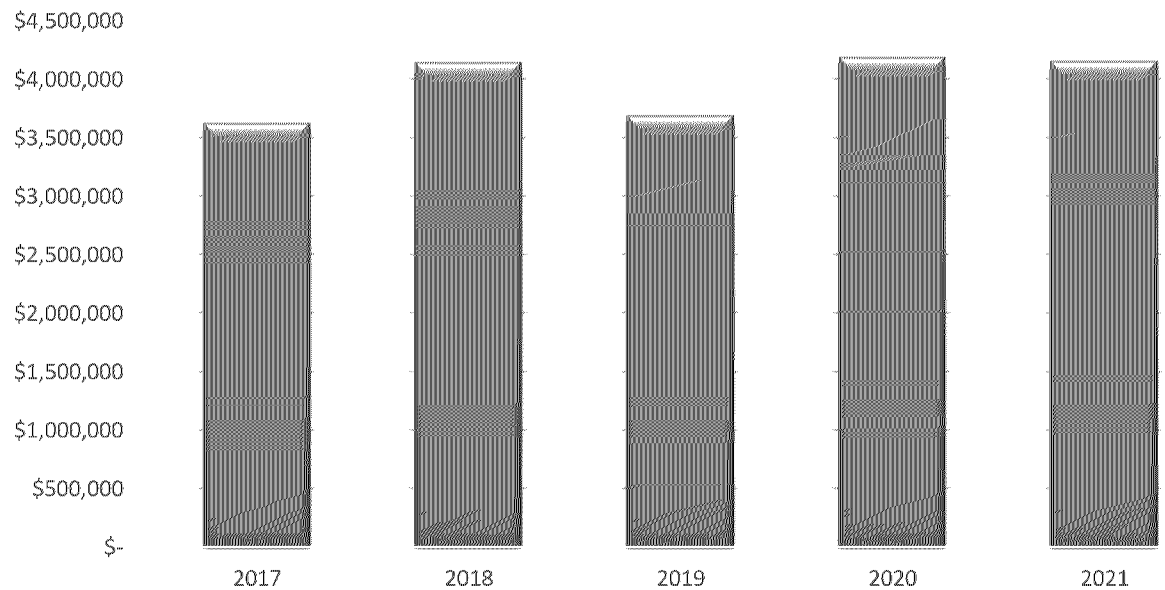
Inflation typically sets the growth baseline for both the base (2%) and home rule sales taxes (2%). Due to the economic impact of COVID-19, both sales tax and home rule sales tax decline from the prior year's budget. Combined, this is the second largest revenue source for the Village. The base sales tax revenue is directly related to the dollar value of sales made within the Village. Home rule sales tax applies to the same transactions as the base sales tax except in the following transactions, food for human consumption off the premises where sold (groceries), prescription and non-prescription medicines and tangible personal property that is titled with an agency of the State of Illinois.

The assumption for the one year analysis is that the retail mix will remain substantially similar to what is present today with the exception of new retailers where development plans are approved. The forecast applied to both base and home rule sales tax, which is net of tax rebates provided by agreement to certain businesses, produces the following:

Base Sales Tax

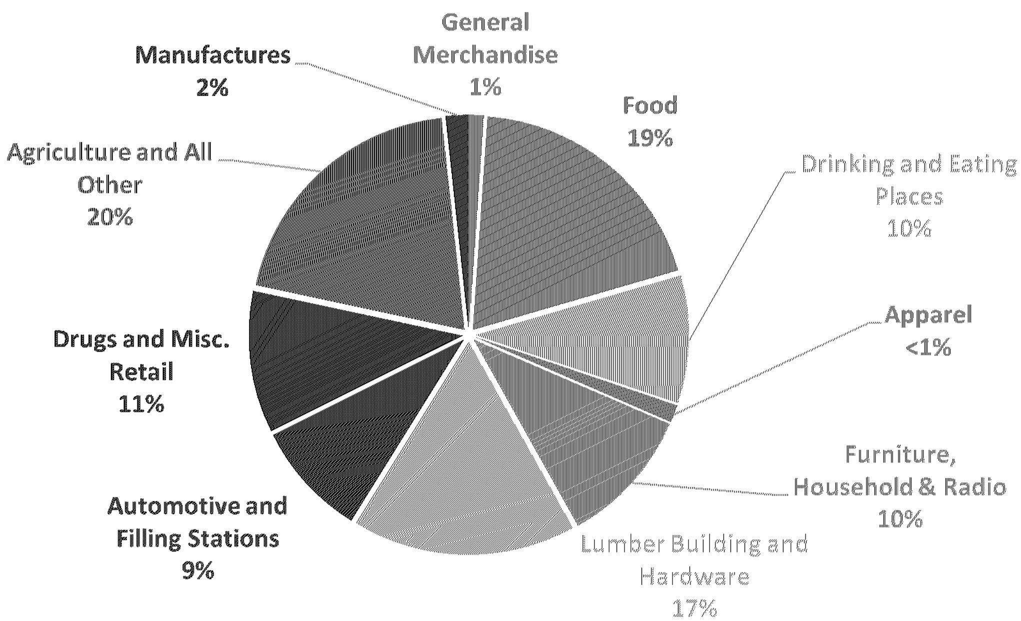


Home Rule Sales Tax



The Village's strives to diversify its retail tax base so that no one sector is overly exposed to economic and/or demand fluctuations. The following chart reflects the Illinois Department of Revenue Standard Industry Codes (SIC) for sales tax remitted to the Village.

RETAIL SALES TAX BY SECTOR

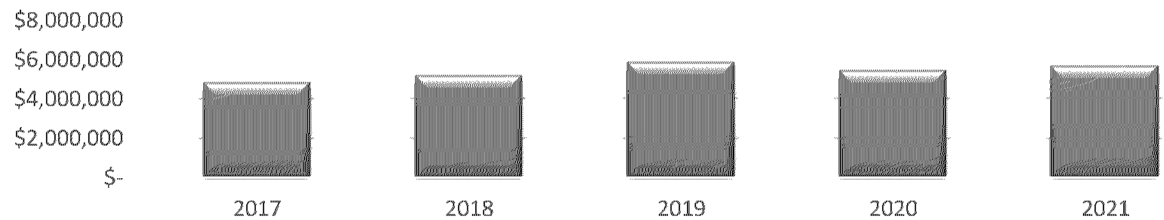


INCOME TAX

The Illinois Income Tax is imposed on every individual, corporation, trust, and estate earning or receiving income. The tax is calculated by multiplying net income by a flat rate. The current rate is 4.95 percent of net income. The formula for distribution for local governments was 10 percent of the revenue, allocated on a per capita basis, when the rate was 3 percent. When the state rate increased to 4.95 percent, the increase was not included in the distribution making the effective per capita distribution to municipalities six percent.

The U.S. and the state of Illinois have experienced high unemployment rates due to the economic effects of COVID-19. The Village's unemployment rate as of July 2020 is not available. Historically it is lower than the state of Illinois and the U.S., which were 11.3 and 10.2 percent respectively as of July 2020.

Income & Use Tax



Prepared Food and Beverage Tax

This tax (1%) was adopted in 2008 and is levied on the purchase of prepared food for immediate consumption and the sale of liquor. Similar to sales tax, inflationary growth is typically the central driver of revenue increases. There are approximately 106 establishments that charge and remit this tax to the Village.

Telecommunications Tax

This tax is typically levied at 7 percent on all types of telecommunications except for digital subscriber lines (DSL) purchased, used, or sold by a provider of internet service (effective July 1, 2008). The exemption of DSL service has made a significant impact on collections. Recent legislation has also mandated that data packages no longer be bundled with all other telecommunications billing for the sake of taxation. Those services have been exempted. This revenue is down 41.6 percent ($640,000) in FY 2021.

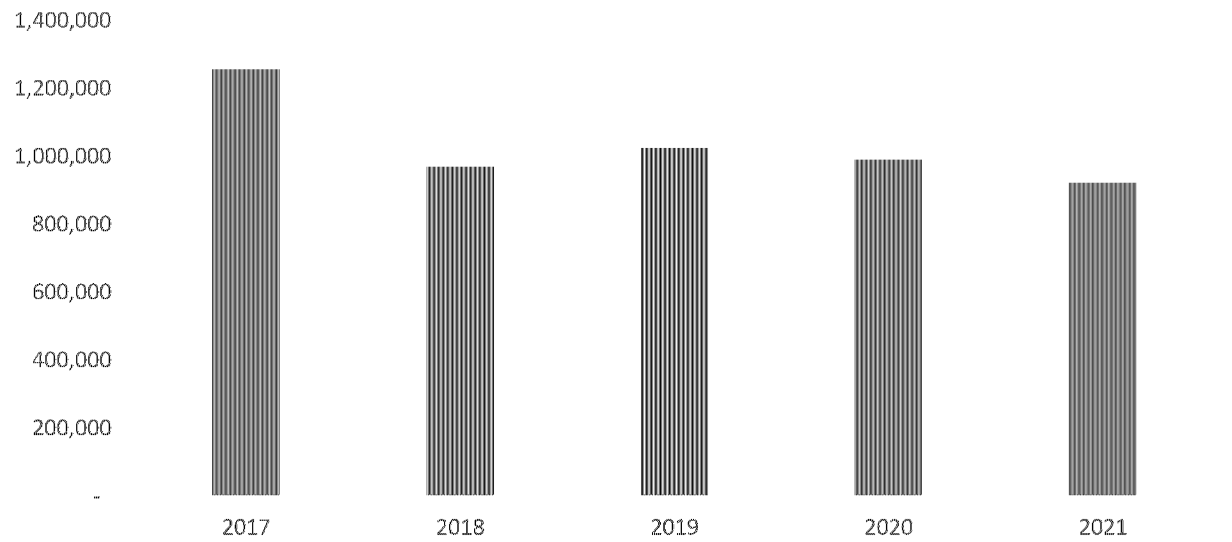
Utility Use Tax (Natural Gas & Electricity)

Natural gas and electricity charges are based on consumption and will fluctuate with seasonal demands. The Village is charging the highest statutory rate. There is no consumption growth projected in 2021. Any new growth will be predicated on adding square footage to houses or buildings and offset by more energy efficient construction and mechanical systems.

Real Estate Transfer Tax

Real estate transfer tax is collected at the rate of $3 per $1,000 of sales consideration. This revenue reached a peak in 2005 at $1.3 million. There has been a recovery in sales since the market reached a bottom in FY 2012. FY 2020 saw a decline in the revenue source due to limited real estate activity because of COVID-19. The projection for 2021 is 15% below the 2019 actual.

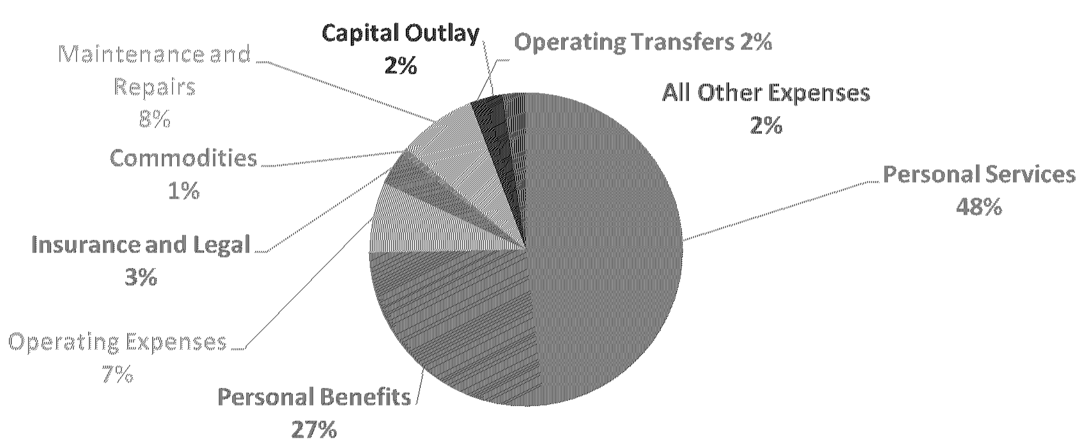
Real Estate Transfer Tax



EXPENDITURE REVIEW

The decrease in operating expenditures in 2021 is 0.2 percent. Wages and benefits account for about 74 percent of all operating expenditures. The next largest expenditure account group is for operating expenses (7 percent). For FY 2021 the distribution of General Fund expenditures is shown in the table below.

EXPENDITURE DISTRIBUTION



Personal Services

Wages are anticipated to increase by a factor of two percent each year. The wage forecast anticipates the general wage increases plus merit based pay range adjustments. The forecast does assume retirements with a replacements hired at a lower starting salary.

Over half of the workforce is covered by collective bargaining agreements and the Village has less flexibility when addressing wages within the police and fire departments.

A major initiative in FY 2015 was to establish a pay for performance system that will allow employees to move through their pay ranges. A merit wage pool will be included in the FY 2021 Budget and managed by the Human Resources Department. The ability to advance employees through their pay range based upon performance is critical in maintaining an effective and motivated work force.

Personal Benefits

The largest single expenditure within Personal Benefits is for health insurance. The Village is a member of the Intergovernmental Professional Benefits Cooperative (IPBC). As a member of IPBC, the Village is better able to stabilize medical costs through risk pooling and provide for a mechanism to help establish positive cash flow and rebuild reserves. The forecast calls for a seven percent growth in 2021.

The employees' contribution is set at 15 percent of the premium in FY 2021. Continued efforts will be made to maintain costs. A renewed emphasis on wellness programs and evaluating data will be critical in the next few years to help stabilize experience.

Employer pension costs have been assigned to each operating department budget. The intent of the accounting was to better represent the true cost of providing a specific service. Employer pension obligations are anticipated to be $7.5 million in 2021 or 16.6 percent of the General Fund Budget.

Insurance

Within the Insurance category is the premium paid for general liability and workers' compensation coverage. In FY 2016, the Village moved from the Intergovernmental Risk Management Pool (IRMA) for general liability and workers' compensation coverage to establish a risk premium structure that is more commensurate with the Village's service profile and asset values.

The Village is a founding member of the Suburban Liability Insurance Pool or SLIP for general liability coverages. The purpose of SLIP it to share risk with similarly sized, full-service communities and mitigate increases in premium costs and develop economies of scale for administrative services. The Village participates in the Illinois Public Risk Fund for workers' compensation coverage.

COMMODITIES

The single largest expenditure within the Commodity account group is for purchase of salt for the snow and ice control program. Staff continues to seek innovative ways to reduce commodity costs, such as bulk electric procurement, and utilizing centralized purchasing to leverage the Village's buying power.

MAINTENANCE & REPAIR

Included in these expenditures are costs related to the maintenance and repair of sidewalks and bike paths, street patching, street lights, building facilities, vehicles and parkway trees. Included in these costs are Internal Service Chargebacks for Central Garage and Building Maintenance expenditures.

GENERAL FUND TRANSFERS

Capital Reserves

Included in the transfers are for vehicles, technology, storm water and building reserves for the General Fund over the next five years. If the Village intends to continue with a pay-as-you-go approach to acquiring vehicles, supporting technology infrastructure and repairing facilities, then these transfers should be programmed.

It should be noted that the reserve amount for facilities is the minimum to address various maintenance needs and does not provide funding for major repairs including roof replacements, purchase of mechanical systems and/or functional remodeling.

FINANCIAL RESULTS

Operating Budget

Revenues are currently less than operating expenses in 2021 in what is the preliminary stages of the budget process. The final budget will be in balance.

Impact of Transfers and Capital Projects

After including amounts necessary for reserves and capital, there is a shortfall in the forecast. The shortfall is created by a desire to cash finance most capital projects. This is anticipated and adjustments can be made to address funding levels. It is important to note that reducing amounts spent on capital should not be viewed as budget cuts (or savings) rather is a conscious decision to defer spending to future years. The liability still exists. Reserve spending should be viewed in the same light.

While efforts will continue to focus on how to deliver the same high level of services at lower unit costs, staff recognizes that revenues will also need to be reviewed. Every opportunity to grow the sales tax base should continue to be considered. Staff must ensure that revenues are reviewed for adequacy (fees), efficiency (collections), and efficacy (diversified). New revenue sources should be researched, discussed, and if warranted, presented to the Village Board for consideration.

This report will be used as a guide for the development of the FY 2021 Budget and will help shape the discussion about how the Village adapts to the current and future financial landscape. Staff seeks further input from the Village Board on the operating forecast.

Information Item : COVID-19 Budget Impacts Report

Recommendation of Action

Staff recommends presentation.

The Village anticipates using no more than $1.75 million in General Fund operating reserves in fiscal year 2020 based on the current revenue and expense estimates. The revised revenue estimate anticipates a $3.3 million loss for the year, with $4.0 in expected revenues losses offset by $700,000 in CARES Act funding from Lake and Cook counties combined. Expenses are expected decline by approximately $1.7 million. One time-savings related to deferrals and cost reduction measures and personal and benefits savings related to maintain staff vacations and the VSI program total about $2.5 million. These savings are offset by additional expense of $815,000 for COVID-19 related expense and additional subsidies to the golf and parking operations due to revenue loss.

Staff will be bringing a series of budget amendments reflecting the contents of this memorandum on the September 21, 2020 Village Board meeting agenda.

ATTACHMENTS:

- COVID Budget Report revised (DOCX)
- VSI Report (DOCX)

Trustee Liaison
Sussman

Staff Contact
Jenny Maltas, Office of the Village Manager

Monday, August 31, 2020	

VILLAGE OF
BUFFALO GROVE

TO: Dane C. Bragg, Village Manager

FROM: Chris Black, Finance Director

DATE: July 27, 2020

SUBJECT: FY 2020 Revenue Report/Revised General Fund Revenue Estimate

The COVID-19 pandemic has resulted in a sudden economic downturn that will adversely affect many of the Village's revenue sources. During the first quarter of this year, the economy shrank at the fastest pace since the last recession in 2009. The economic downturn worsened during the second quarter due to extended stay-at-home measures. The following memorandum provides an overview of the Village's previously approved revenue enhancements as well as details of the anticipated changes in general fund revenue and expenses.

The 2020 revised General Fund revenue estimate is $4.0 million less than the approved 2020 budget of $45.5 million. The previous estimate developed in April was $6.5 million under the annual budget. To address this budget deficit staff has prepared a series of one-time deferrals, use of reserves, and departmental reorganizations.

REVENUE ENHANCEMENTS

Water Rate and Fixed Facility Fee

An 11-percent water and sewer rate increase was implemented January 1, 2020. This increase was reflected in the February 2020 bill cycle for Cook County residents, multi-family, commercial and industrial users, and the March 2020 bill cycle for Lake County residents. The combined water and sewer rate increased from $6.37 per 1,000 gallons to $7.07 per 1,000 gallons in 2020; a net increase of 70-cents per 1,000 gallons.

A fixed monthly facility fee of $17.39 will be billed to all single-family detached and attached homes. The fixed facility fee was also billed to all commercial and industrial water and sewer customers as a service charge and supports infrastructure replacements and repairs. The fixed facility fee for multi-family, commercial, and industrial users will be higher, based on water usage. More information pertaining to water and sanitary sewer rates, fees, revenues and projects can be found in the *20-Year Water Fund Proforma*.

BUDGET YEAR	2019	2020
Sale of Water (1)	6,183,100	8,532,678
Fixed-Rate Service Fee	-	2,504,160
Late Charges	100,000	100,000
Village Sewer Use Fees	1,524,600	2,073,456
Other Charges & Fees	20,000	20,000
Miscellaneous Revenue	-	-
Investment Revenue	60,000	60,000
Total Revenue	**7,887,700**	**13,290,294**

Local Motor Fuel Tax
On November 11, 2019, the Village of Buffalo Grove passed Ordinance 209-58 enacting a two-cent ($0.02) Municipal Motor Fuel Tax on all motor fuel sales in the Village of Buffalo Grove. For 2020, the Village faces approximately $9-11 million in roadwork costs ($6.8 million from previous years plus the annual estimated cost of $3.5-$4 million moving forward), and the MFT funds are estimated to generate approximately $400,000.

2020 Series Bonds
Over the next five years, Buffalo Grove will be involved with or managing over $175.0 million in Capital Projects. The Infrastructure Modernization Program moves the Village of Buffalo Grove from a debt strategy to a cash strategy over the long term. This will minimize the overall impact on the property tax levy. The first step in this process was the issuance of $24.0 million in general obligation bonds, authorized by the Village Board on May 4, 2020.

S&P Global Ratings assigned its 'AAA' long-term rating to Buffalo Grove Village, Ill.'s $24.0 million series 2020 general obligation (GO) bonds. At the same time, S&P Global Ratings affirmed its 'AAA' long-term rating on the Village's existing GO debt. Principal and interest payment on the Series 2020 Bonds will commence in 2021 with only interest payments in 2020. The bonded dollars will be evenly allocated between water and street projects with all of the funds expended in the next two years.

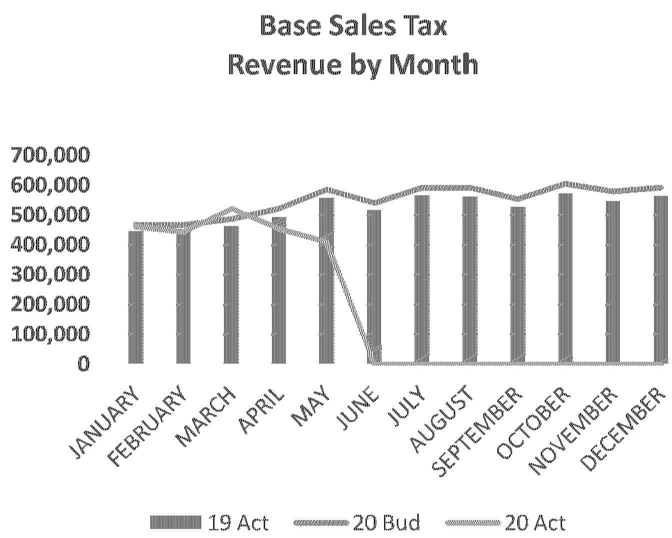
The village's executive team has gone to great lengths to ensure that the debt service associated with the Infrastructure Modernization Program will not affect the property tax levy. The debt service will be funded through the utilization of State and Local Motor Fuel Tax and the water/sewer Fixed Facility Fee.

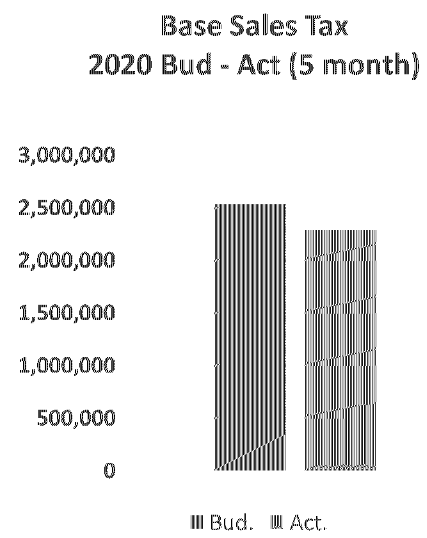
REVENUES
In May, revised revenue projections for major revenue sources were reported to the Board. This report includes the most recently available data as of 8/20/2020. The reported data is based on the month of economic activity by major revenue sources in the General Fund, as well as motor fuel taxes and golf course revenue receipted to other funds. The charts compare the monthly activity to the prior year and expected budget. The final section is a revised General Fund revenue estimate for 2020 based on economic activity for major revenue sources.

STATE SHARED REVENUES

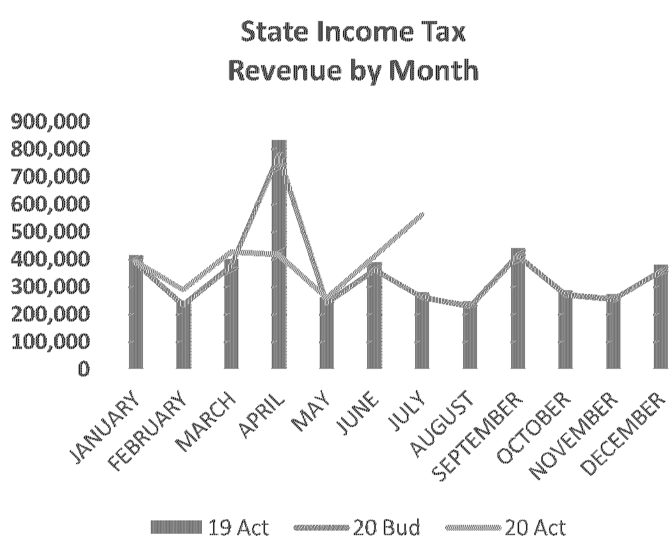
Revenue Source	2020 Budget	YTD Expected	YTD Actual	YTD Over/(Under)	YTD Percent
Base Sales Tax (5 month)	6,590,000	2,530,560	2,292,059	(238,501)	-9.4%
State Income Tax (7 month)	4,168,968	2,642,955	2,761,315	118,360	4.5%
Local Use Tax (6 month)	1,267,729	614,825	844,972	230,147	37.4%

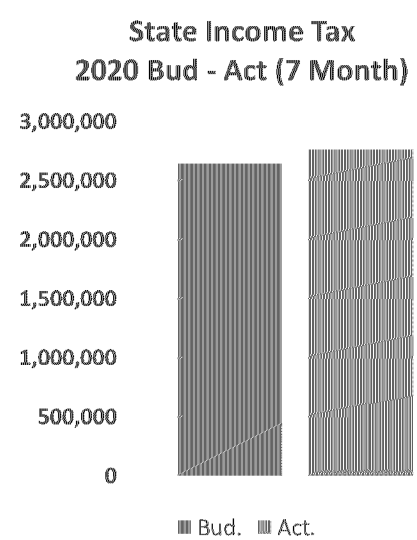
Base Sales Tax



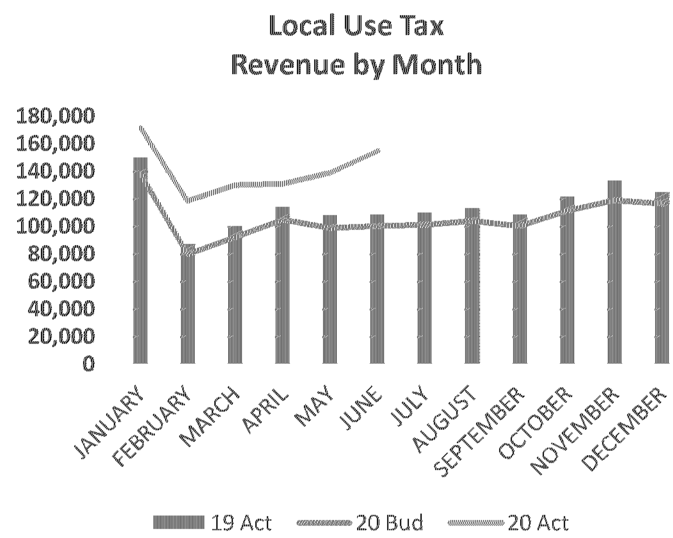


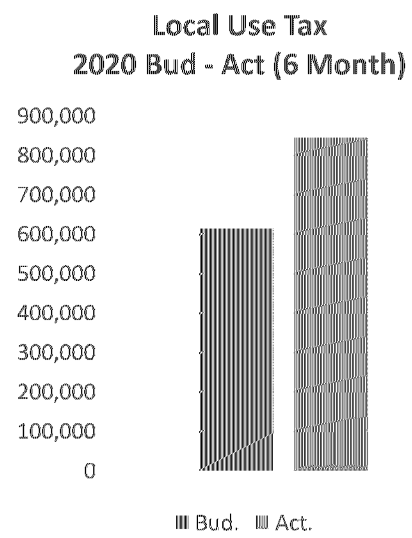
State Income Tax





Local Use Tax

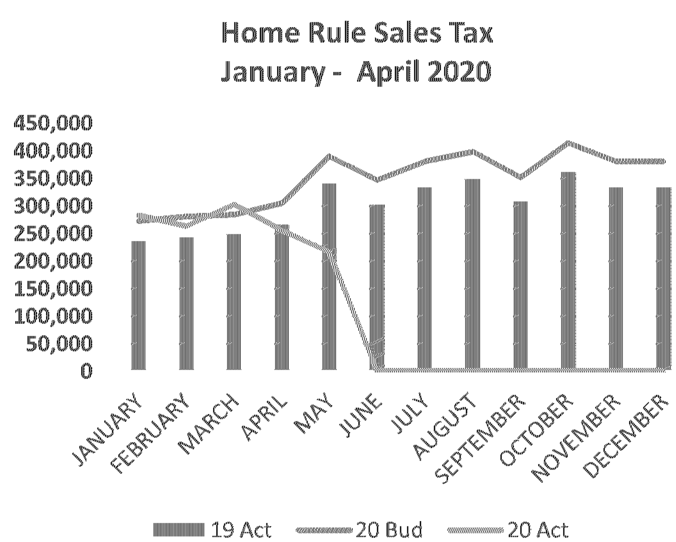


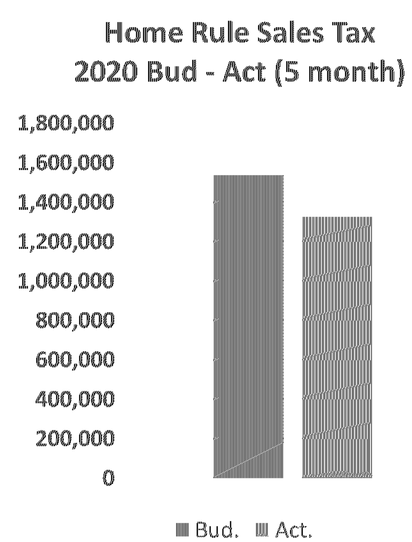


LOCAL REVENUES

Revenue Source	2020 Budget	YTD Expected	YTD Actual	YTD Over/(Under)	YTD Percent
Home Rule Sales Tax (5 month)	4,190,000	1,533,540	1,323,004	(210,536)	-13.7%
Use Taxes - Electricity (6 month)	1,665,000	775,890	754,646	(21,244)	-2.7%
Use Taxes Natural Gas (6 month)	1,050,000	738,740	776,075	37,335	5.1%
Telecomm. Excise Tax (5 month)	1,540,000	783,860	393,788	(390,072)	-49.8%
Real Estate Transfer Tax (6 month)	1,040,000	586,560	443,263	(143,297)	-24.4%

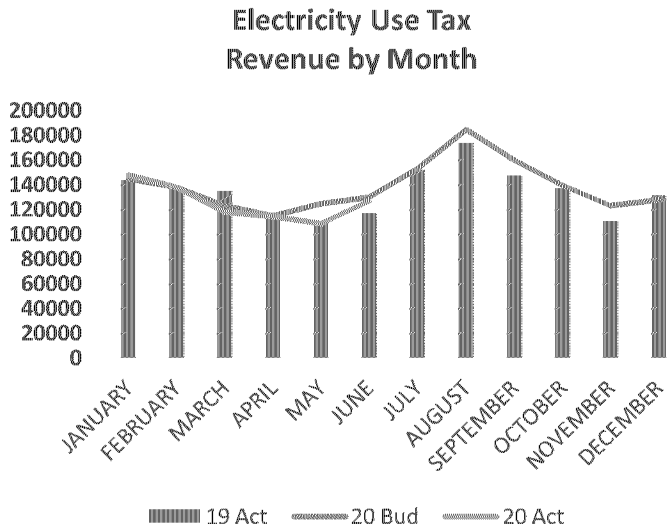
Home Rule Sales Tax

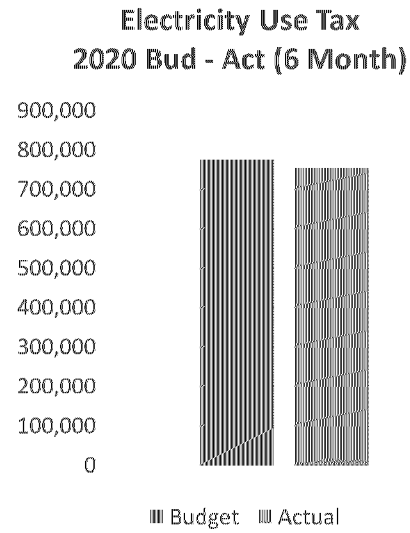




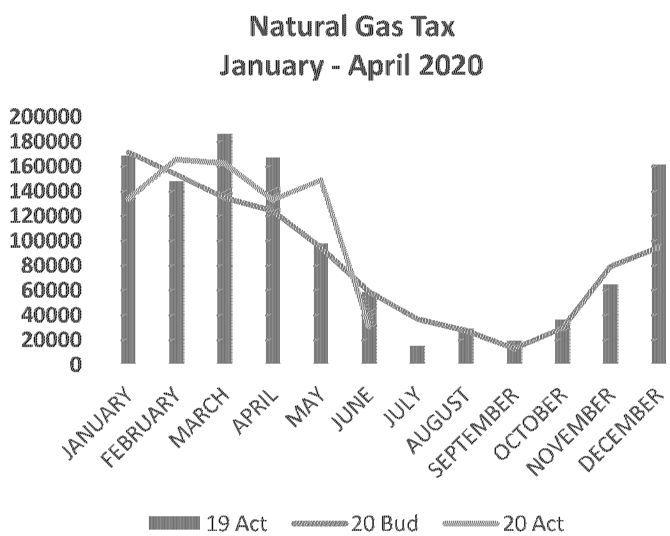
Attachment: COVID Budget Report revised (COVID-19 Budget Impacts)

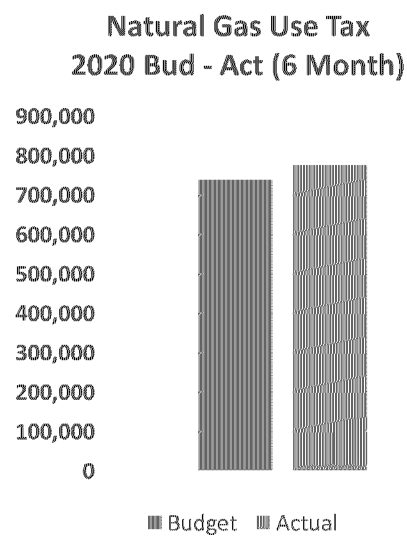
Electricity Use Tax



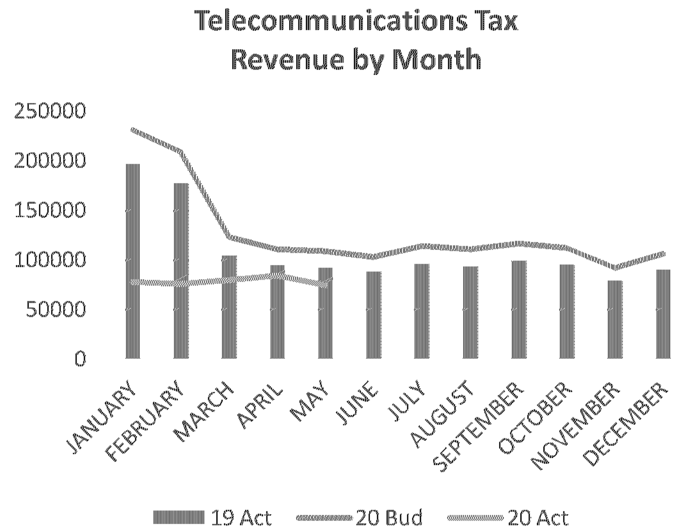


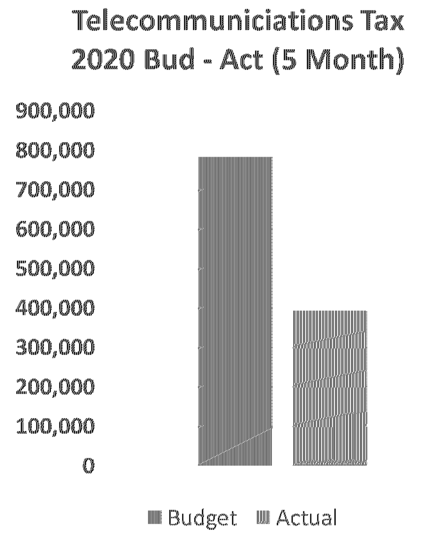
Natural Gas Tax



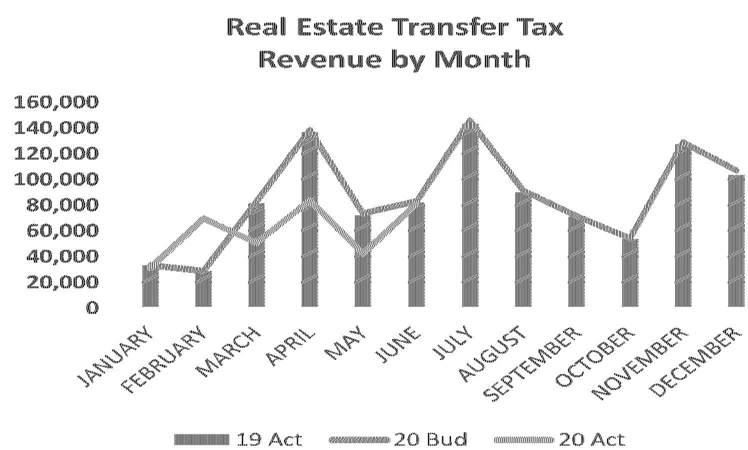


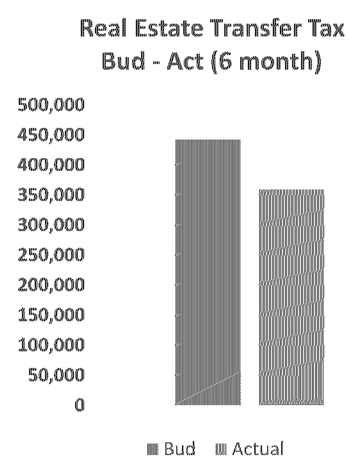
Telecommunications Excise





Real Estate Transfer Tax



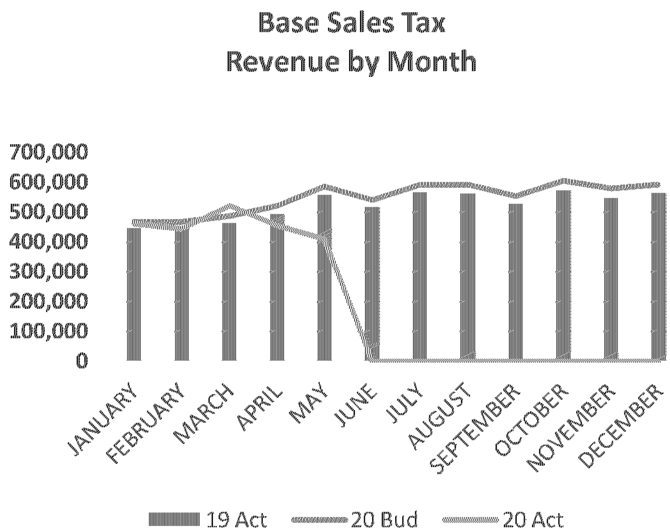


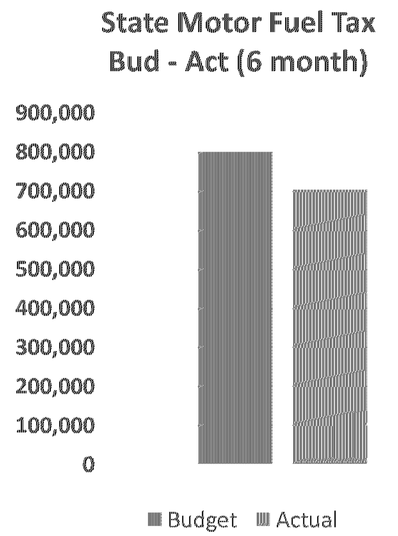
OTHER REVENUE SOURCES

Revenue Source	2020 Budget	YTD Expected	YTD Acutal	YTD Over/(Under)	YTD Percent
State Motor Fuel Tax (6 month)	1,600,000	800,000	703,337	(96,663)	-12.1%
Municipal Motor Fuel Tax (6 month)	400,000	250,000	207,970	(42,030)	-16.8%

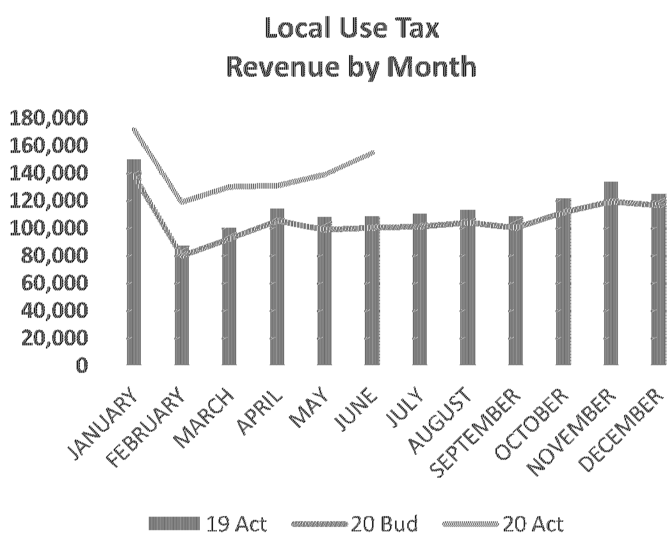
Attachment: COVID Budget Report revised (COVID-19 Budget Impacts)

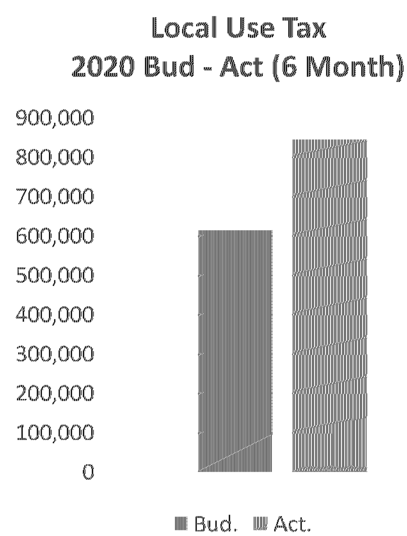
State Motor Fuel Tax



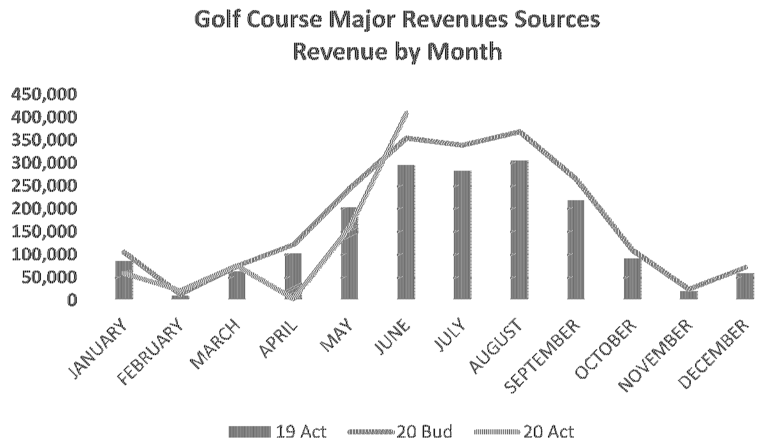


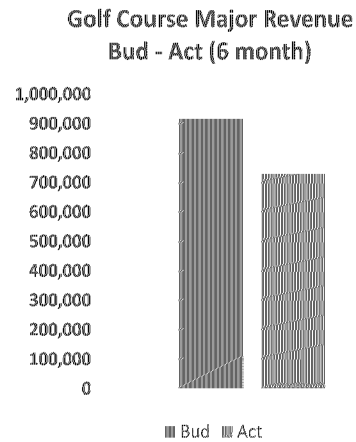
Local Motor Fuel Tax





Golf Course Revenues





GENERAL FUND REVENUE ESTIMATE

FY2020 (July Estimate)				
General Fund Revenues	Original Budget	Adjustments	% Change	Adjusted Budget
Property Taxes	16,202,772	(162,028)	-1.00%	16,040,744
Municipal Sales Tax	6,590,000	(967,000)	-14.67%	5,623,000
Home Rule Sales Tax	4,190,000	(632,700)	-15.10%	3,557,300
Income Tax	4,168,968	(68,000)	-1.63%	4,100,968
Use Tax - Local	1,267,279	120,700	9.52%	1,387,979
Use Taxes - Electricity	1,665,000	33,300	2.00%	1,698,300
Use Taxes - Natural Gas	1,050,000	15,750	1.50%	1,065,750
Telecommunications Excise Tax	1,540,000	(580,000)	-37.66%	960,000
Fines & Fees	1,740,591	(310,000)	-17.81%	1,430,591
Real Estate Transfer Tax	990,000	(495,000)	-50.00%	495,000
Food and Beverage Tax	750,000	(280,000)	-37.33%	470,000
Hotel/Motel Tax	125,000	(90,000)	-72.00%	35,000
Development Fees & Permits	1,066,000	(95,940)	-9.00%	970,060
Business & Liquor Licensing	309,600	(110,000)	-35.53%	199,600
Interest Income	290,000	(145,000)	-50.00%	145,000
Operating Transfers	780,000	0	0.00%	780,000
All Other Revenues	2,781,997	(242,000)	-8.70%	2,539,997
Total	**45,507,207**	**(4,007,918)**	**-8.81%**	**41,499,289**

Attachment: COVID Budget Report revised (COVID-19 Budget Impacts)

The 2020 revised General Fund revenue estimate is $4.0 million less than the approved 2020 budget of $45.5 million. The previous estimate developed in April was $6.5 million under the annual budget. Based on March and April receipts, sales tax and home rule sales tax revenue estimates increase a combined $1.2 million from the April estimate. Local use tax, which is based primarily on on-line sales, continues to perform well resulting in a $450,000 increase in the previous estimate. Finally, the IML estimate indicates income tax will be less than 2% under budget and the previous projection has been increased $765,800.

COVID Budget Impacts

The Village received two allocations of funding under the CARES Act, $108,000 from Cook County and $880,000 from Lake County, for a total of $988,000 in eligible expenses. All expenses must be incurred prior to December 31, 2020. The Village is also eligible to receive funding through the FEMA Public Assistance Grant program on a competitive basis. FEMA PA Grants must be submitted by 12/31/2020 and currently the village anticipates applying for approximately $10,000 in funding.

The Fire Department is tracking all unbudgeted expenses related to the COVID response to seek reimbursement for expenses long-term. The village has submitted for reimbursement through the following programs:

- Assistance for Firefighters COVID-19 Supplemental Grant – $1,852.26
    - Materials
- Lake County CARES Initial Application – $396,682.31
    - Materials
    - Contracted Labor
    - Staff time relating to Wieser and Wisniewski
    - FFCRA benefits
    - FD Quarantines
    - FD Quarantine Coverage

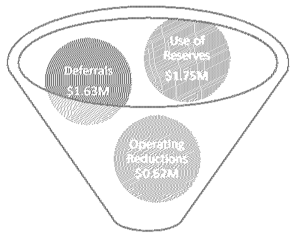
The General Fund will need to absorb these costs until such time that reimbursements are received from the appropriate agency. For budgeting purposes, it is assumed that the Village may not receive funding.

Golf operations were greatly impacted by the pandemic due to forced closure of the Buffalo Grove and Arboretum golf course in March and April, as well as limited operations during the month of May. The preliminary May revenue estimates are better than initially expected and June, July and August have trended above budget. It is unknown if there will be a second wave of COVID that would require closure again. Because of early-season limitations, the budgeted golf subsidy has been increased from the budgeted amount of $129,800 to $315,000.

The following table shows unbudgeted COVID expenses:

Unbudgeted COVID Expenses	Total All Funds	General Fund
COVID Response	$ (139,325.07)	$ (139,325.07)
Golf Course Closure	$ (310,000.00)	$ (310,000.00)
Subtotal	***$ (449,325.07)***	***$ (449,325.07)***

VILLAGE RESPONSE AND REORGANIZATION



Total Reduction $4 million

Due to the COVID-19 pandemic and the ensuing recession, which began in March, the Village is experiencing significant revenue losses that were not contemplated during the creation of the 2020 budget. To address this deficit staff is recommending the following one-time deferrals, use of reserves, and other service reorganization.

One-Time Deferrals and Savings

Deferrals allow for the delay of necessary expenditures until the village's financial condition improves. In some cases, deferrals such as vehicle purchases or street projects may result in additional maintenance costs. Staff reviewed the 2020 Budget for items that could be deferred until the impact of the recession is known. The following items are proposed to be deferred from the 2020 budget:

1-Time Deferrals	Total All Funds	General Fund	Vehicle Reserve	Building Reserve	Capital Fund
Defer Hiring/Promotions PD	$ 120,000.00	$ 120,000.00			
Defer Vehicle Purchases	$ 911,000.00		$ 911,000.00		
Defer Reserve Transfers	$ 730,000.00	$ 730,000.00			
Defer Capital Transfers	$ 375,000.00	$ 375,000.00			
Defer Equipment Replacement	$ 60,500.00	$ 60,500.00			
Defer Planting and Tree Removal	$ 230,000.00	$ 230,000.00			
Defer Landscaping	$ 52,000.00	$ 52,000.00			
Defer Vehicle Detailing	$ 12,000.00	$ 12,000.00			
Defer Building Improvements	$ 250,600.00			$ 250,600.00	
Defer Parking Lot Improvements	$ 14,000.00				$ 14,000.00
Subtotal	***$ 2,755,100.00***	***$ 1,579,500.00***	***$ 911,000.00***	***$ 250,600.00***	***$ 14,000.00***

The Village offered a voluntary separation incentive in 2020 to encourage employees to separate from service, thereby reducing operating expenses in the short- and long-term. Additional details concerning the VSI program can be found in the attached memorandum.

Capital and reserve transfers will be deferred and non-essential vehicle replacement will be deferred to 2021. Building improvements such as HVAC replacements have been deferred and will be fixed on an emergency basis. All tree plantings and removals have been deferred. Funds remain in the budget for tree removals that present a life-safety issue.

Staff continues to work on identifying one-time savings measures for FY2020. The unfortunate cancellation of special events, most notably the 4th of July fireworks and BG Days, offers potential savings that will likely exceed $100,000. Other cost reduction measures, such as reductions to training and travel and commodity purchases, will be provided when the dollar amount of savings is determined.

1-Time COVID Savings	Total All Funds	General Fund	Water/Sewer
Event Cancellations	$209,690.00	$209,690.00	
Training and Travel	$120,350.00	$108,850.00	$11,500.00
Membership and Dues	$10,000.00	$10,000.00	
Delay COLA and Merit	$89,000.00	$50,661.00	$38,339.00
Reductions in Salaries (Promotion/ CG)	$37,000.00	$37,000.00	
Recruitment	$1,000.00	$1,000.00	
Community Relations/ Crime Prevention	$3,000.00	$3,000.00	
GIS Consortium Contract Reduction	$5,000.00	$5,000.00	
NWCD 2 Month Assessment Reduction	$91,000.00	$91,000.00	
Community Receptions	$5,000.00	$5,000.00	
VB Meeting Recording	$6,400.00	$6,400.00	
Subtotal	**$585,240.00**	**$535,401.00**	**$49,839.00**

USE OF RESERVES

As of December 31, 2019, the Village's General Fund had an unassigned fund balance of $18.9 million. The adopted financial policies require the Village to maintain 25% of its subsequent year's expenditures (minus capital expenditures and reserve transfers) in its operating reserve. Factoring in minimum reserve requirements, a net of $7.95 million in General Fund reserves are available for operations. Of that total, approximately 1.9 million in surplus from operations was generated in fiscal year 2019. The Village plans on expending approximately $1.75 million of the surplus generated in 2019 for ongoing operations in 2020.

DEPARTMENTAL REORGANIZATION

Effective July 1, 2020, three part-time positions were subject to furlough. These positions are the part-time fire inspector, part-time public education coordinator in the fire department, and the part-time administrative assistant in OVM.

There are currently eight open positions that staff is recommending for elimination/deferral until a further review is complete. These positions include building commissioner, accountant, finance clerk, overhire firefighter, police officer (1), civil engineer, engineering intern, and permanent part-time maintenance worker.

Funds were allocated for a board retreat, project management training for staff, and an accreditation consultant in the fire department. These programs are recommended to be eliminated.

The following table represents permanent cuts to the 2020 budget that will carry over into 2021.

Permanent Cuts	Total All Funds	General Fund
Eliminate Open Positions (11)	$627,628.00	$627,628.00
Board Retreat	$10,000.00	$10,000.00
Accreditation Consultant	$10,000.00	$10,000.00
Project Management Training	$16,500.00	$16,500.00
Subtotal	**$664,128.00**	**$664,128.00**

Attachment: COVID Budget Report revised (COVID-19 Budget Impacts)

The Village has elected to offer the Voluntary Separation Incentive (VSI) program as a means to reduce overall expenses for the fiscal year 2020 and beyond. As part of this program, eligible employees could receive $25,000 placed in a retirement health savings (RHS) account, $25,000 placed in a 457 (deferred compensation account), or the $25,000 divided between both the RHS and 457 accounts. In exchange, the employee would separate from employment with the Village prior to October 1, 2020. Employees could leave as early as July 1, 2020 and could obtain extensions to the October 1, 2020 deadline as long as the extension was approved by the Village Manager and separation was prior to December 31, 2020.

The Village had seventeen (17) employees take advantage of the program. A breakdown by department is below:

Department	# of Employees
Community Development	4
Police Department	7
Fire Department	1
Public Works Department	5

At this time, staff anticipates the Village to save at a minimum $880,000 in FY 2020 and $1,000,000 in personnel costs in the 2021 budget through the offering of the VSI.

SUMMARY AND NEXT STEPS

The Village anticipates using no more than $1.75 million in General Fund operating reserves in fiscal year 2020 based on the current revenue and expense estimates. The revised revenue estimate anticipates a $3.3 million loss for the year, with $4.0 in expected revenues losses offset by $700,000 in CARES Act funding from Lake and Cook counties combined. Expenses are expected decline by approximately $1.7 million. One time-savings related to deferrals and cost reduction measures and personal and benefits savings related to maintain staff vacations and the VSI program total about $2.5 million. These savings are offset by additional expense of $815,000 for COVID-19 related expense and additional subsidies to the golf and parking operations due to revenue loss.

Staff will be bringing a series of budget amendments reflecting the contents of this memorandum on the September 21, 2020 Village Board meeting agenda.

VILLAGE OF
BUFFALO GROVE

MEMORANDUM

DATE: August 27, 2020

TO: Village President & Board of Trustees

FROM: Jennifer Maltas, Deputy Village Manager

SUBJECT: Voluntary Separation Incentive Report

Background:
Due to the economic conditions created by the COVID-19 pandemic, the Village structured a Voluntary Separation Incentive (VSI) designed to encourage employees considering retirement or other employment options to separate from service in an attempt to reduce personnel expenses and to avoid layoffs. Because approximately 70 percent of the Village's operating budget is committed to personnel-related expenditures, a VSI program creates the opportunity for both short- and long-term cost reductions. This report will review the plan design of the VSI, the number of employees and departments impacted, and the reorganization and cost savings associated with the program.

Voluntary Separation Incentive Program Design:
Under the terms of the program, eligible employees could receive $25,000 placed in a retirement health savings (RHS) account, $25,000 placed in a 457 (deferred compensation plan), or the $25,000 divided between both the RHS and 457 accounts. In exchange, the employee would separate from employment with the Village prior to October 1, 2020. Employees could leave as early as July 1, 2020 and could obtain extensions to the October 1, 2020 deadline as long as the extension was approved by the Village Manager and separation occurs before December 31, 2020.

The Village had seventeen (17) employees take advantage of the program. A breakdown by department is below:

Department	# of Employees
Community Development	4
Police Department	7
Fire Department	1
Public Works Department	5

The Village has 217 full-time positions. FY 2020 VSI participants constitute 7.8 percent of the total full-time workforce. There are two ways the Village can benefit from the offering of a VSI program:

1. For positions that will be filled, the Village reduces the total employee cost by hiring entry-level professionals at a lower cost than those leaving, creating a 7-year savings; and
2. For positions that will be eliminated/reorganized, the Village reduces total employment and benefits not only from a reduction in wages paid, but also from the reduction of defined-benefit (pension, healthcare) programs, social security, IMRF and other costs.

The Village has offered four VSI programs since 2010. In that same period, total employment has been reduced from a high of 236 to 217 (before the current VSI program). While some positions were eliminated, others have been replaced by contract services in the areas of information technology, golf course maintenance, grounds maintenance and communications. At this time, staff has identified seven positions from the current VSI program that will be eliminated, reorganized or filled by contract services, bringing the total projected full-time employment to 210. Additional positions may be reorganized as part of the 2021 budget process.

As it relates to the FY 2020 budget, after paying separation incentives to participants the Village will net a savings of $880,000. Not included in the net savings are one-time payments of long-term benefits to those participants of approximately $500,000, including accrued but unused vacation time and Retiree Health Savings benefits. These costs are accounted for in the annual audit process. It is important to note that these expenses are recorded as an accrued liability on the Village's financial statements as they are paid at the time of separation, independent of the VSI program itself. Benefit payment amounts are specified by the Village's personnel policy or collective bargaining agreements.

The next sections will review by Department how the vacancies will be handled due to anticipated budget deficits related to COVID-19.

Community Development:
Participants: 4
Percentage of Department: 32%

All employees that opted to take advantage of the VSI were or are members of the Building & Zoning Division of the department – specifically inspections. The Village has had a contract with a company to assist with handling supplemental inspections in the event the inspectors were out of the office for long-periods of time due to the Family and Medical Leave Act (FMLA) or if the Village experienced a higher than usual inspection load. The use of a contractor to provide inspections has proven successful. Staff is negotiating with several companies to expand contract services which will result in a hybrid of in-house and contracted services for inspections and building commissioner duties.

Due to the changes discussed above, **Staff estimates the Village to save approximately $225,000 in personnel costs in the 2021 budget; however, these savings are subject to ongoing contract negotiations.**

Police Department:
Participants: 7
Percentage of Department: 21%

The Police Department had the largest number of employees take advantage of the VSI program – with seven employees leaving. The employees leaving include two members of the Records Division (Records Supervisor and Full-Time (FT) Records Clerk), two Sergeants, and three Police Officers. After a review of department needs and the roles of various supervisors within the department, the following changes are proposed as a result of the VSI.

Staff proposes to replace the Records Supervisor and the (FT) Recorks Clerk with one FT Records Clerk and one Part-Time (PT) Records Clerk. The Supervisory duties for the division will be taken over by the Administrative Lieutenant.

One of the Sergeant positions will be replaced and the other Sergeant's duties will be taken over by one of the Lieutenants. The Police Officer vacancy created by the Sergeant promotion will be left open. Two of the three Police Officer positions will be replaced.

Outside of the VSI, there will be other internal changes to the Police Department to backfill at least one of the open Patrol Officer positions which will be discussed at another time. It is important to note that none of these changes will result in changes to the number of officers the community sees patrolling the streets on a daily basis.

Due to the changes discussed above, **Staff estimates the Village to save approximately $750,000 in personnel costs in the 2021 budget.**

Fire Department:
Participants: 1
Percentage of Department: 1.5%

The Fire Department had one FF/PM take advantage of the VSI. This position will be replaced. **The salary savings in the 2021 budget is estimated to be $45,000.**

Public Works Department:
Participants: 5
Percentage of Department: 8%

The Public Works Department had 5 employees take advantage of the VSI program. Due to the interconnection between the number of employees on staff and the snow and ice control plan, making changes in the Public Works Department requires more analysis.

Two members of the Fleet Division have chosen to take the VSI. This is a small division within Public Works that serves all of the light vehicles diesel equipment, generators and the heavy fleet (Fire apparatus) the Village operates. Due to the employees leaving it is a good time to evaluate the section for a hybrid contract services model. There are only a handful of companies in the area that can maintain heavy fleet, therefore, staff has released an RFI to these companies and the deadline for response was August 28, 2020 and staff has begun review of the responses. Staff is also in the process of developing an RFP for the light fleet. There are many service providers that can provide this service. It will be unknown if savings can be achieved until proposals are received and analyzed. It is unknown if there will be cost savings associated with contracting options until the responses are reviewed and analyzed. In the meantime, staff will be working with a provider that can assist the Village in the interim while these options are evaluated.

Two employees in the Forestry section will be separating from service due to the VSI program. At this times, staff is evaluating a hybrid contract service/in-house service model to determine if a more cost effective provision of service can be achieved. The minimum complement of maintenance workers for the snow and ice control plan is dependent on employees within the Forestry section.

Public Works Director Mike Reynolds has elected to take advantage of the VSI as well. This creates an opening to reorganize the Department in terms of leadership structure. Staff continues to have ongoing discussions as it relates to the structure of the department but do not have exact details to report at this time.

There will be personnel savings associated with the VSI in Public Works for the 2021 budget, the number is not yet known at this time.

Conclusion:
At this time, **staff anticipates the Village to save a minimum of $1,000,000 in personnel costs in the 2021 budget through the offering of the VSI.** Staff has identified other savings based on elimination of open positions and retirements prior to the VSI offering which is reflected in the budget report on the agenda this evening.

Information Item : 2021 Wage Pool Recommendation

Recommendation of Action

Staff recommends discussion.

Staff is seeking Village Board feedback on the recommendation of a 1.50 percent general wage increase to be awarded on January 1, 2021 to all non represented employees of the Village. Additionally, staff recommends continuation of merit increases to maintain the Village's pay for performance program. This program attempts to align non-represented employees with the merit benefits of those who are represented.

ATTACHMENTS:

- Wage Pool Memo 2021 (DOCX)

Trustee Liaison	**Staff Contact**
Weidenfeld	Arthur a Malinowski, Human Resources

Monday, August 31, 2020	

VILLAGE OF
BUFFALO GROVE
MEMORANDUM

DATE: August 25, 2020

TO: Dane Bragg, Village Manager

FROM: Arthur A. Malinowski, Jr., Director of Human Resources
Kathryn Golbach, Human Resources Management Analyst

SUBJECT: 2021 Employee General Wage Increase and Merit Pool Recommendation

Background

On an annual basis, staff evaluates general wage increase and merit pool data for non-represented employees to support the Village's compensation strategy. Staff's process includes but is not limited to a review of salary data by our comparable communities, an assessment of the Village's financial data as well as the external labor market. Based on these internal and external factors, staff has developed the following analysis and recommendations to aid in the development of the 2021 budget.

Analysis

General Wage Increase

Due to the uncertainty of total employees to be budgeted in 2021 as well as a lack of definitive comparable community data at this time, staff has developed several scenarios based on estimated employee totals and estimated general wage increase percentages. Currently, the Village has 132 non-represented employees (inclusive of full- and part-time) who will be eligible for a general wage increase in 2021.

Non-Represented Employees							
		Estimated Percent (%) Increase					
Number of Employees	Total Gross Salary	1%	Difference	1.50%	Difference	2%	Difference
125	$ 9,572,800	$ 9,668,528	$ 95,728	$ 9,716,392	$ 143,592	$ 9,764,256	$ 191,456
132	$ 10,108,877	$ 10,209,966	$ 101,089	$ 10,260,510	$ 151,633	$ 10,311,055	$ 202,178

The above matrix outlines estimated general wage totals based on those factors. When accounting for planned vacancies and reorganization due to the Voluntary Separation Incentive program, staff estimates approximately 125 non-represented employees will be eligible for a general wage increase in 2021. Using the mid-point estimate of a 1.50% increase yields a net cost increase of $143,592.

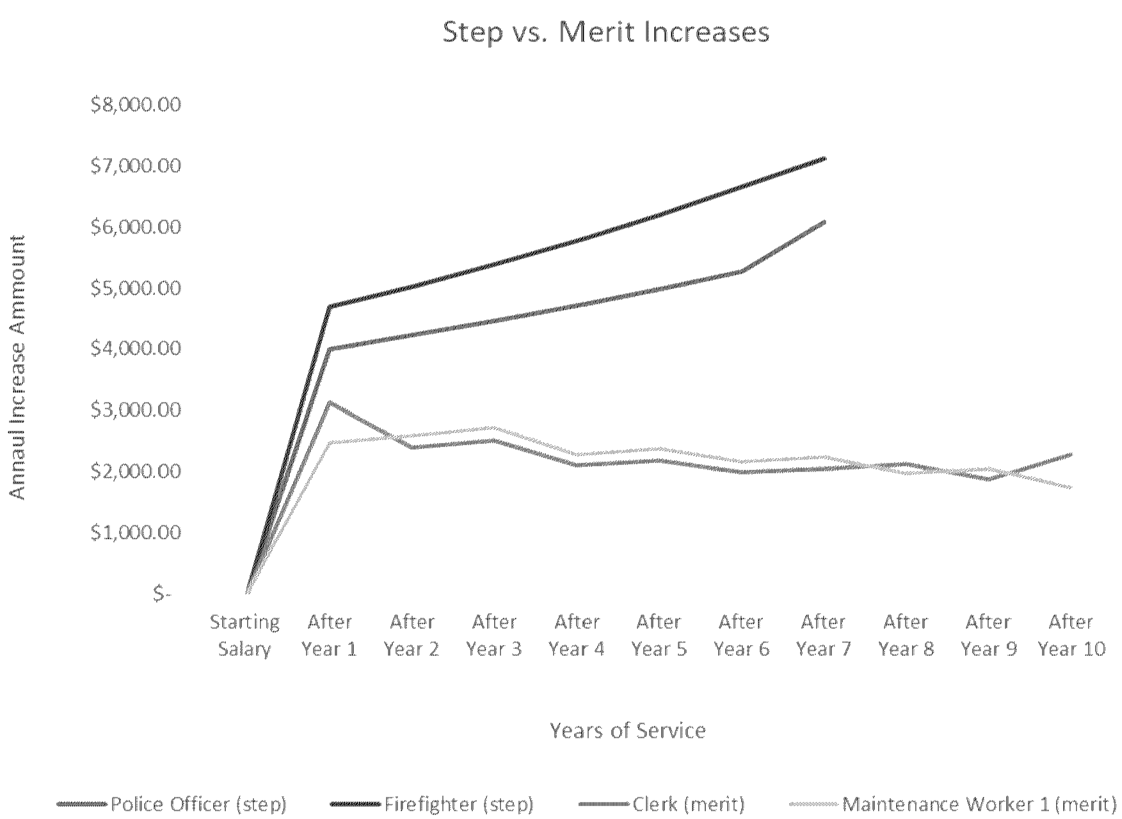
Please note that the 2021 pay increases for the Village's 89 represented employees will be determined via the collective bargaining process which will begin in late 2020 for police officers and early 2021 for firefighter/paramedics and fire lieutenants.

Represented Employees							
			Estimated Percent(%) Increase				
Position	Number of Employees	Total Gross Salary	2%	Difference	2.50%	Difference
Firefighter/Paramedic	38	$ 3,541,901	$ 3,612,739	$ 70,838	$ 3,630,448	$ 88,548
Firefighter Lieutenants	9	$ 1,107,265	$ 1,129,410	$ 22,145	$ 1,134,947	$ 27,682
Police Officer	42	$ 4,254,723	$ 4,339,818	$ 85,094	$ 4,361,091	$ 106,368

Although negotiations have not yet started, the above matrix outlines estimated general wage totals. These percentages are based on historical data from previous collective bargaining agreements. For 2020, Firefighter/Paramedics received a general wage increase of 2.50%, Fire Lieutenants received 2.0%, and Police Officers received 2.50%.

Merit Pool

The Villages compensation strategy is based on a pay for performance model in which a non-represented employee's merit increase is tied to their performance over the previous twelve months. The awarded merit increase should not be confused for a bonus as the merit pay awarded is what moves employees through their pay range. Conversely, our represented employees move through their range via a step plan which is negotiated through collective bargaining.



The above chart shows the difference between a represented employee and a non-represented employee as they progress through their pay range. It is important to note that it takes 3 years longer for a non-represented employee to reach maximum pay within their pay range.

In past evaluation cycles, an employee's evaluation score would determine the awarded merit percentage. For example an employee who scored a 2 ("Needs Improvement") would receive no merit pay, however, an employee who scored a 3 ("Meets Expectations") would receive on average a 3% increase. The table below outlines the merit pool totals over the last three years including estimated totals for 2020 and 2021.

FY Year	Merit Pool Total	Number of Employees Eligible for Merit	Average Wage Increase ($)
2018	$ 199,095.96	62	$ 3,211.23
2019	$ 147,230.72	47	$ 3,132.57
2020	$ 115,256.86 (estimated)	38	$ 3,033.08
2021	$ 112,522.43 (estimated)	36	$ 3,125.62

The 2021 recommended merit pool is based upon an average of the wage increases awarded in 2018, 2019, and 2020 (estimated) and the number of employees who were eligible for a performance based pay increase in the corresponding year. Eligible employees include non-represented employees who have been with the Village for at least six months and are not at the top of their pay range. As employees achieve longer tenure with the organization, fewer employees are eligible for merit increases. As shown in the above table, the number of employees eligible for merit increases has decreased 42% for the period from 2018-2021 (estimated), while the average increase has decreased 2.7% over the same period.

The 2020 Budget included a merit compensation pool of $142,000 for non-represented employees. Because merit pay was delayed to September 1, the actual cost is reduced to $117,000. Using the projected number of eligible employees for 2021 and the average increase, the merit pool would remain flat for 2021 at a total of $112,522.43.

Recommendation

Based on the internal and external factors and the uncertainty ahead, staff recommends that the Board budget a general wage increase of 1.5% for the Village's non-represented employees for 2021. While the actual percentage may be reduced based on comparable community data, the 1.5% figure represents what staff believes is a "worst case scenario" in terms of budget impact.

Furthermore, staff recommends the continuation of the pay for performance program for continued motivation of our outstanding workforce as well as to maintain equity between our represented and non-represented employees, including a 2021 merit pay pool of $112,522.43 for these eligible non represented employees.

Represented	2020 (Estimated Actual)	2021 (Proposed Budget)	% Change	% of Grand Total
Base Wage	$ 8,903,889	$ 9,081,967	2.00%	42.4%
OT	$ 1,200,000	$ 1,200,000	0.00%	5.6%
Step	$ 228,644	$ 210,185	-2.36%	1.0%
Total	**$ 10,332,533**	**$ 10,492,152**	**-0.36%**	**49%**

Non-Represented	2020 (Estimated Actual)	2021 (Proposed Budget)	% Change	% of Grand Total
Base Wage	$ 10,108,877	$ 10,260,510	1.50%	48.9%
OT	$ 443,141	$ 443,141	0.00%	2.1%
Range Movement	$ 69,153	$ 67,513	-2.43%	0.3%
PFP	$ 46,102	$ 45,008	-2.43%	0.2%
Total	**$ 10,667,273**	**$ 10,816,172**	**1.40%**	**51%**
Grand Total	**$ 20,999,806**	**$ 21,308,324**	**1.47%**	**100%**

The above 2021 proposed budget amounts are estimates based on current informational available including but not limited to historical evaluation data, past actual budget amounts, and current estimated actuals.

Information Item : Review of 2021 Capital Improvement Plan Requests

Recommendation of Action

Staff recommends discussion.

Attached is the 2021 Preliminary Requests for the 2021-2040 Capital Improvement Plan. Village Engineer, Darren Monico, will provide an overview of the requests received leading into the 2021 budget cycle.

ATTACHMENTS:

- 2021 Capital Improvement Request Summary Memo (DOCX)
- 2021 CIP Requests - August 31 2020 COW presentation final (PDF)

Trustee Liaison
Stein

Staff Contact
Darren Monico, Public Works

Monday, August 31, 2020	

VILLAGE OF
BUFFALO GROVE

MEMORANDUM

DATE: August 27, 2020

TO: Dane Bragg, Village Manager

FROM: Darren Monico, Village Engineer

SUBJECT: 2021 Capital Improvement Program Requests

Attached please find the initial presentation of the 2021 Capital Improvement Program (CIP) requests. Staff will present the requests to the Village Board for discussion purposes only.

2021-2040 Capital Improvement Plan

2021 Budget Cycle

Preliminary Requests

VILLAGE OF BUFFALO GROVE
Public Works Department

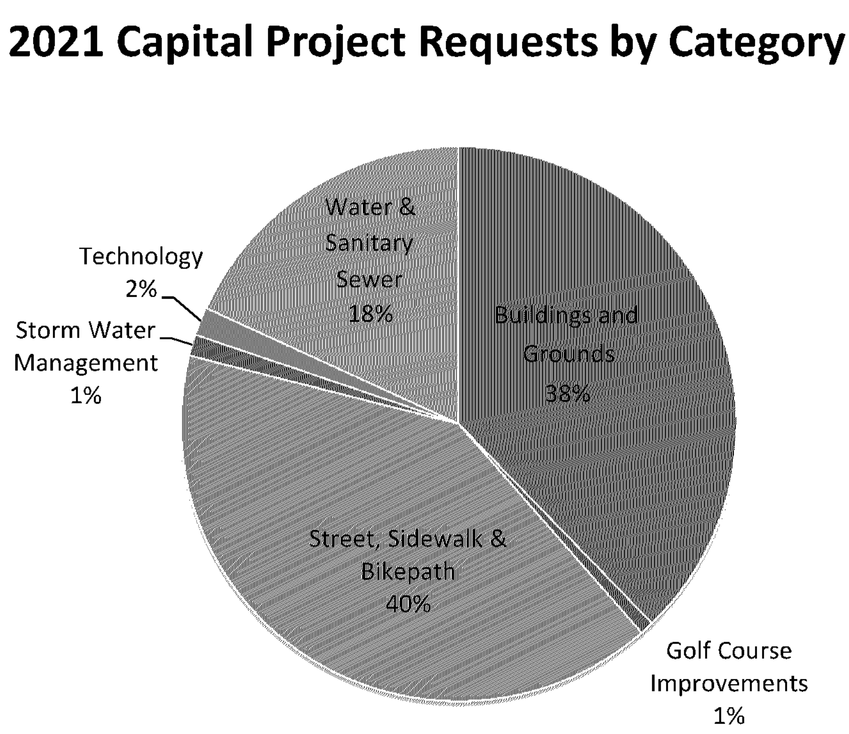
Capital Improvement Request Summary

The Capital Improvement Plan (CIP) is intended to be a decision-making tool for the Village Board and staff. The operational need for capital expenditures must be weighed against the ability of the Village to finance these projects. Capital improvement projects represent the equipment and infrastructure resources that all municipalities need to provide resident and business services and generally provide future benefits with long service life. A capital expenditure is incurred when the Village spends money to buy fixed assets or add value to an existing fixed asset.

The Village Board's ultimate approval of the CIP does not authorize spending on the included projects. Each project must still be accepted for the current year's budget. Projects must then go through the procurement process including Board authorization to bid and Board award of bid. This insures that the project remains consistent with the budget and that identified funding is available at the time of award.

Staff continues to review and evaluate each project as we lead into the 2021 budget cycle. Ongoing projects are revisited yearly and changes in priority are made as current conditions warrant. This document represents the formal requests that were received from all Village departments for inclusion in the 2021-2040 CIP, but this year, as in past years, not all projects presented here will ultimately receive funding within the proposed 2021 budget.

Projects identified for FY 2021 total $42,821,600 and fall under six categories. The following chart illustrates each category's percentage as it relates to the capital requests received for FY 2021.



Village of Buffalo Grove
CIP Project List By Priority

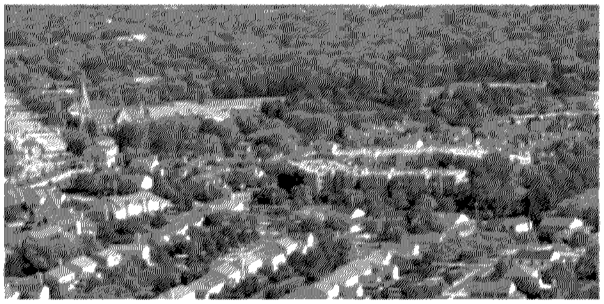
Project #	Priority	Title		Year 1 2021
	Priority 1 - Mandatory			
3001	1	Annual Sidewalk Maintenance	$	250,000
3002	1	Annual Bike Path Maintenance	$	150,000
3005	1	Lake Cook Road Improvement	$	266,000
3006	1	Weiland/Prairie Road Improvements	$	25,000
3008	1	Buffalo Grove Road Improvement	$	483,000
3010	1	Aptakisic Road Improvement	$	-
6001	1	Capacity Management Operations and Maintenance	$	19,000
		Priority 1 Subtotal	*$*	*1,193,000*
	Priority 2 - Essential			
1005	2	HVAC Unit Replacements	$	55,000
1012	2	Public Works Facility	$	14,000,000
3009	2	Route 83 Pedestrian Overpass	$	200,000
4001	2	Stormwater System Improvements	$	531,500
5006	2	Police Mobile Computers	$	-
5007	2	Server Replacements	$	12,500
5009	2	Telephone System	$	150,000
5012	2	Fire - Cardiac Monitors	$	-
5014	2	Fire - SCBA Equipment	$	-
5015	2	Network Improvements	$	250,000
6002	2	Lift Station Repair and Rehabilitation	$	1,880,000
		Priority 2 Subtotal	*$*	*17,079,000*
	Priority 3 - Sustaining			
1004	3	Fire Station #27 Remodel	$	62,000
1006	3	Roof Capital Replacement Projects	$	639,000
1011	3	Fire Station #26 Addition/Remodel	$	310,200
1017	3	Fuel Island	$	-
3003	3	Annual Street Maintenance	$	12,367,000
3004	3	Collector Route Maintenance & Rehabilitation Project	$	3,358,000
3007	3	Municipal Parking Facility Maintenance	$	200,000
5013	3	Fire - Radio Replacement	$	54,000
6003	3	Pump House Repairs and Upgrades	$	150,000
6004	3	Villagewide Sanitary Sewer Replacement	$	696,000
6005	3	Villagewide Water Main Replacement	$	5,025,000
		Priority 3 Subtotal	*$*	*22,861,200*
	Priority 4 - Contributory			
1001	4	Villagewide Comprehensive Planning and Design	$	75,000
1003	4	Flooring Capital Replacement Projects	$	138,200
1007	4	Fire Station Sign Replacement	$	35,000
1008	4	Village Campus Long Range Planning	$	30,000
1009	4	Village Gateway Feature (Milwaukee Ave/Deerfield Ave)	$	-
1010	4	Police Headquarters	$	200,000
1013	4	Village Hall - Office Remodel	$	-
1014	4	Fire Station #25 Replacement/Remodel	$	270,000
1015	4	Pace/Metra Facility	$	110,000
1016	4	Police Station Entrance Sign	$	15,000
1018	4	Fleet Apparatus Bay Entrance	$	145,200
2004	4	Buffalo Grove Golf Course Improvements	$	104,000
2005	4	Arboretum Golf Course Improvements	$	326,000
5005	4	Community Development ERP	$	240,000
		Priority 4 Subtotal	*$*	*1,688,400*
		2021 Total	$	42,821,600

Village of Buffalo Grove
CIP Project List By Fund

8/31/2020

Project #	Source	Title	Year 1 2021	Year 2 2022	Year 3 2023	Year 4 2024	Year 5 2025	*Year 1-5*	*Year 6-10*	*Year 11-15*	*Year 16-20*	*Total*
General Fund												
1001		Villagewide Comprehensive Planning and Design	$ 75,000	$ -	$ -	$ -	$ -	$ 75,000	$ 250,000	$ -	$ -	$ 325,000
3001		Annual Sidewalk Maintenance	$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ 1,250,000	$ 1,250,000	$ 1,250,000	$ 1,250,000	$ 5,000,000
3002		Annual Bike Path Maintenance	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 3,000,000
4001		Stormwater System Improvements	$ 531,500	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 2,131,500	$ 2,125,000	$ 2,250,000	$ 2,250,000	$ 8,756,500
5012		Fire - Cardiac Monitors	$ -	$ -	$ -	$ -	$ 80,000	$ 80,000	$ 240,000	$ 240,000	$ 160,000	$ 720,000
5013		Fire - Radio Replacement	$ 54,000	$ -	$ -	$ -	$ 100,000	$ 154,000	$ 254,000	$ 154,000	$ -	$ 562,000
5014		Fire - SCBA Equipment	$ -	$ -	$ 325,000	$ -	$ -	$ 325,000	$ -	$ 325,000	$ -	$ 650,000
		Subtotal	*$ 1,060,500*	*$ 800,000*	*$ 1,125,000*	*$ 800,000*	*$ 980,000*	*$ 4,765,500*	*$ 4,869,000*	*$ 4,969,000*	*$ 4,410,000*	*$ 19,013,500*
Capital Projects - Facilities												
1003		Flooring Capital Replacement Projects	$ 138,200	$ 20,000	$ 20,000	$ 20,000	$ 20,000	$ 218,200	$ 250,000	$ 250,000	$ 250,000	$ 968,200
1004		Fire Station #27 Remodel	$ 62,000	$ 105,600	$ 880,000	$ -	$ -	$ 1,047,600	$ -	$ -	$ -	$ 1,047,600
1005		HVAC Unit Replacements	$ 55,000	$ 100,000	$ 120,000	$ 120,000	$ 120,000	$ 515,000	$ 250,000	$ 250,000	$ 250,000	$ 1,265,000
1006		Roof Capital Replacement Projects	$ 639,000	$ 450,000	$ -	$ -	$ -	$ 1,089,000	$ 191,800	$ 250,000	$ 300,000	$ 1,830,800
1007		Fire Station Sign Replacement	$ 35,000	$ 35,000	$ 35,000	$ -	$ -	$ 105,000	$ -	$ -	$ -	$ 105,000
1008		Village Campus Long Range Planning	$ 30,000	$ -	$ -	$ -	$ -	$ 30,000	$ -	$ -	$ -	$ 30,000
1009		Village Gateway Feature (Milwaukee Ave/Deerfield Ave)	$ -	$ 50,000	$ -	$ -	$ -	$ 50,000	$ -	$ 10,000	$ -	$ 60,000
1010		Police Headquarters	$ 200,000	$ -	$ -	$ -	$ -	$ 200,000	$ 9,540,000	$ 850,000	$ -	$ 10,590,000
1011		Fire Station #26 Addition/Remodel	$ 310,200	$ 3,020,000	$ 40,000	$ -	$ -	$ 3,370,200	$ -	$ -	$ 250,000	$ 3,620,200
1012		Public Works Facility	$ 14,000,000	$ 14,000,000	$ -	$ -	$ -	$ 28,000,000	$ -	$ -	$ 250,000	$ 28,250,000
1013		Village Hall - Office Remodel	$ -	$ 68,500	$ -	$ -	$ -	$ 68,500	$ 4,300,000	$ -	$ -	$ 4,368,500
1014		Fire Station #25 Replacement/Remodel	$ 270,000	$ 2,687,000	$ -	$ -	$ -	$ 2,957,000	$ -	$ -	$ -	$ 2,957,000
1015		Pace/Metra Facility	$ 110,000	$ -	$ -	$ -	$ -	$ 110,000	$ -	$ -	$ -	$ 110,000
1016		Police Station Entrance Sign	$ 15,000	$ -	$ -	$ -	$ -	$ 15,000	$ -	$ -	$ -	$ 15,000
1017		Fuel Island	$ -	$ -	$ 800,000	$ -	$ -	$ 800,000	$ -	$ -	$ -	$ 800,000
1018		Fleet Apparatus Bay Entrance	$ 145,200	$ -	$ -	$ -	$ -	$ 145,200	$ -	$ -	$ -	$ 145,200
		Subtotal	*$ 16,009,600*	*$ 20,536,100*	*$ 1,895,000*	*$ 140,000*	*$ 140,000*	*$ 38,720,700*	*$ 14,531,800*	*$ 1,610,000*	*$ 1,300,000*	*$ 56,162,500*
Capital Projects - Streets												
3003		Annual Street Maintenance	$ 12,367,000	$ 12,124,000	$ 12,395,000	$ 12,431,000	$ 12,417,000	$ 61,734,000	$ 24,755,200	$ 20,000,000	$ 20,000,000	$ 126,489,200
3004		Collector Route Maintenance & Rehabilitation Project	$ 3,358,000	$ 3,325,000	$ 180,000	$ 1,560,000	$ 1,650,000	$ 10,073,000	$ 2,500,000	$ 1,200,000	$ 1,550,000	$ 15,323,000
3005		Lake Cook Road Improvement	$ 266,000	$ 282,000	$ -	$ -	$ -	$ 548,000	$ -	$ -	$ -	$ 548,000
3006		Weiland/Prairie Road Improvements	$ 25,000	$ -	$ 750,000	$ 750,000	$ -	$ 1,525,000	$ -	$ -	$ -	$ 1,525,000
3007		Municipal Parking Facility Maintenance	$ 200,000	$ 150,000	$ 300,000	$ 150,000	$ 150,000	$ 950,000	$ 625,000	$ 700,000	$ 750,000	$ 3,025,000
3008		Buffalo Grove Road Improvement	$ 483,000	$ 483,000	$ -	$ -	$ -	$ 966,000	$ -	$ -	$ -	$ 966,000
3009		Route 83 Pedestrian Overpass	$ 200,000	$ -	$ -	$ -	$ -	$ 200,000	$ -	$ -	$ -	$ 200,000
3010		Aptakisic Road Improvement	$ -	$ 225,000	$ 225,000	$ -	$ -	$ 450,000	$ -	$ -	$ -	$ 450,000
		Subtotal	*$ 16,899,000*	*$ 16,589,000*	*$ 13,850,000*	*$ 14,891,000*	*$ 14,217,000*	*$ 76,446,000*	*$ 27,880,200*	*$ 21,900,000*	*$ 22,300,000*	*$ 148,526,200*
Water & Sewer Fund												
6001		Capacity Management Operations and Maintenance	$ 19,000	$ 39,000	$ 50,000	$ 50,000	$ 50,000	$ 208,000	$ 250,000	$ 250,000	$ 250,000	$ 958,000
6002		Lift Station Repair and Rehabilitation	$ 1,880,000	$ 80,000	$ 1,250,000	$ 50,000	$ 1,250,000	$ 4,510,000	$ 2,680,000	$ 1,350,000	$ 1,500,000	$ 10,040,000
6003		Pump House Repairs and Upgrades	$ 150,000	$ 600,000	$ 600,000	$ 220,000	$ 220,000	$ 1,790,000	$ 1,500,000	$ 1,500,000	$ 2,000,000	$ 6,790,000
6004		Villagewide Sanitary Sewer Replacement	$ 696,000	$ 772,000	$ 772,000	$ 600,000	$ 600,000	$ 3,440,000	$ 3,000,000	$ 3,400,000	$ 3,000,000	$ 12,840,000
6005		Villagewide Water Main Replacement	$ 5,025,000	$ 7,395,000	$ 5,077,000	$ 7,068,000	$ 5,000,000	$ 29,565,000	$ 25,000,000	$ 25,000,000	$ 25,000,000	$ 104,565,000
		Subtotal	*$ 7,770,000*	*$ 8,886,000*	*$ 7,749,000*	*$ 7,988,000*	*$ 7,120,000*	*$ 39,513,000*	*$ 32,430,000*	*$ 31,500,000*	*$ 31,750,000*	*$ 135,193,000*
IT Fund												
5005		Community Development ERP	$ 240,000	$ -	$ -	$ -	$ -	$ 240,000	$ -	$ -	$ -	$ 240,000
5006		Police Mobile Computers	$ -	$ -	$ -	$ -	$ 120,000	$ 120,000	$ 120,000	$ 120,000	$ 120,000	$ 480,000
5007		Server Replacements	$ 12,500	$ -	$ 25,000	$ -	$ -	$ 37,500	$ 50,000	$ 50,000	$ 25,000	$ 162,500
5009		Telephone System	$ 150,000	$ -	$ -	$ -	$ -	$ 150,000	$ -	$ 150,000	$ -	$ 300,000
5015		Network Improvements	$ 250,000	$ 100,000	$ -	$ -	$ -	$ 350,000	$ -	$ -	$ -	$ 350,000
		Subtotal	*$ 652,500*	*$ 100,000*	*$ 25,000*	*$ -*	*$ 120,000*	*$ 897,500*	*$ 170,000*	*$ 320,000*	*$ 145,000*	*$ 1,532,500*
Golf Fund												
2004		Buffalo Grove Golf Course Improvements	$ 104,000	$ 40,000	$ 10,000	$ 10,000	$ 20,000	$ 184,000	$ -	$ 25,000	$ -	$ 209,000
2005		Arboretum Golf Course Improvements	$ 326,000	$ 127,000	$ 1,100,000	$ 40,000	$ 800,000	$ 2,393,000	$ 360,000	$ 225,000	$ -	$ 2,978,000
		Subtotal	*$ 430,000*	*$ 167,000*	*$ 1,110,000*	*$ 50,000*	*$ 820,000*	*$ 2,577,000*	*$ 360,000*	*$ 250,000*	*$ -*	*$ 3,187,000*
		TOTAL	**$ 42,821,600**	**$ 47,078,100**	**$ 25,754,000**	**$ 23,869,000**	**$ 23,397,000**	**$ 162,919,700**	**$ 80,241,000**	**$ 60,549,000**	**$ 59,905,000**	**$ 363,614,700**

Villagewide Comprehensive Planning and Design



Project # 1001
Category 1-Buildings and Grounds
Priority 4-Contributory

Useful Life 10 Years
Origination Planning Tool
User Department Community Development
Coordinator Community Development

Current Budget $ 150,000
Initial Proposal Date 2018
Design Work 2019-2021
Project Work N/A
Recurrence 2030

Asset Valuation N/A
Last Deferred N/A
Last Incurred 2019

Fund General Fund
Account Number 150.75.560.30

Location

Planning Document

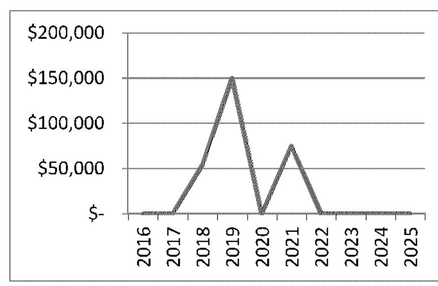
Issue

The Village Board and staff have set a goal to update the Village's Comprehensive Plan.

Solution

Completing this task would fulfill goals and recommendations in both the Economic Development Plan and the Village's Strategic Plan. This would be multi-year project kicking off in 2019 and would carry into 2021. The Comprehensive Plan project will include a village-wide analysis, vision, and plan; a deeper dive analysis and plan for the Milwaukee Avenue and Dundee Road corridors; and design guidelines for the Lake Cook Corridor.

10 Year Financial Trend



Financial Impact

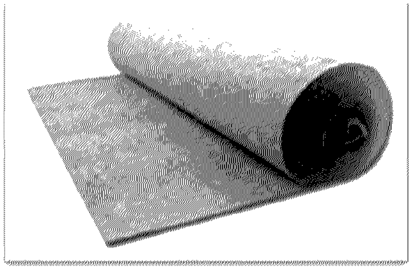
	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ -	$ -	$ 53,500	$ 150,000	$ -	$ 203,500

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 75,000	$ -	$ -	$ -	$ -	$ 75,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ 250,000	$ -	$ -	$ 250,000	$ 75,000	$ 325,000

CIP

Flooring Capital Replacement Projects



Project # 1003
Category 1-Buildings and Grounds
Priority 4-Contributory

Useful Life 10 Years
Origination Major Maintenance
User Department PW
Coordinator PW

Current Budget $ -
Initial Proposal Date 2015
Design Work 2018
Project Work 2021
Recurrence Yearly

Asset Valuation $ 1,200,000
Last Deferred 2019
Last Incurred 2018

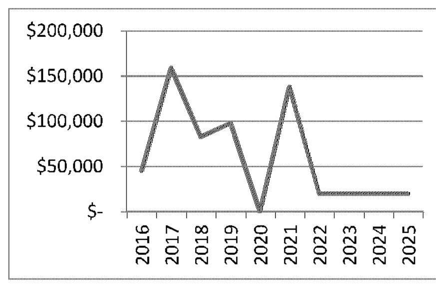
Fund Capital Projects - Facilities
Account Number 150.75.560.30

Location Village Buildings

Issue On average, carpet is 4-6 years past the date it was scheduled to be replaced.

Solution 2021 work includes recently deferred projects: Village Hall carpet and tile, PSC 2nd floor carpet, PD basement tile, and FS #26 tile.

10 Year Financial Trend



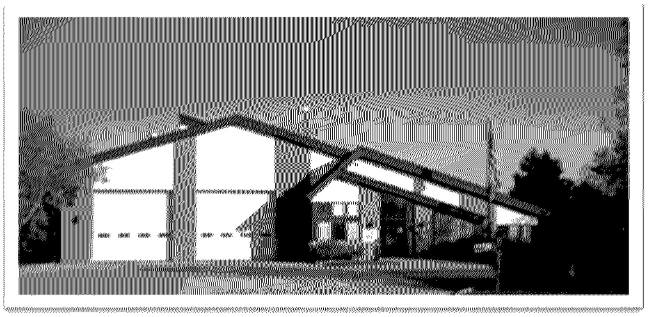
Financial Impact

	2016	2017	2018	2019	2020 (Estimated)	Historical
Historical	$ 44,932	$ 159,033	$ 82,768	$ 98,154	$ -	$ 384,887

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 138,200	$ 20,000	$ 20,000	$ 20,000	$ 20,000	$ 218,200

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ 250,000	$ 250,000	$ 250,000	$ 750,000	$ 218,200	$ 968,200

Fire Station #27 Remodel



Project #	1004
Category	1-Buildings and Grounds
Priority	3-Sustaining
Useful Life	20 Years
Origination	New
User Department	Fire
Coordinator	Fire
Current Budget	$ 48,000
Initial Proposal Date	2016
Design Work	2021
Project Work	2021
Recurrence	2041
Asset Valuation	$ 2,130,066
Last Deferred	N/A
Last Incurred	N/A
Fund	Capital Projects - Facilities
Account Number	150.75.560.30

Location Fire Station #27

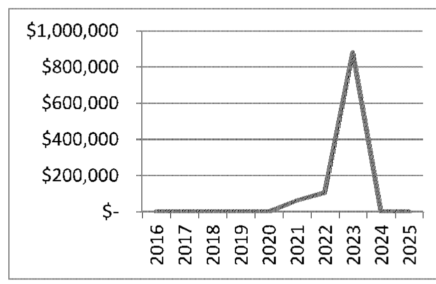
Issue

Fire Station 27 was built in 1993 as a full time fire station and is the newest of the three fire stations. The 2014 and 2017 space needs assessments, both defined the need for renovated space and a fire sprinkler installation on the first floor.

Solution

For 2021, the apparatus bay concrete floors need to be re-epoxied (48k) and a traffic signal loop for exiting onto Rt. 22 is proposed ($14k). A moderate renovation of the residential space is proposed with design in 2022 ($88k) and construction in 2023 ($880k).

10 Year Financial Trend



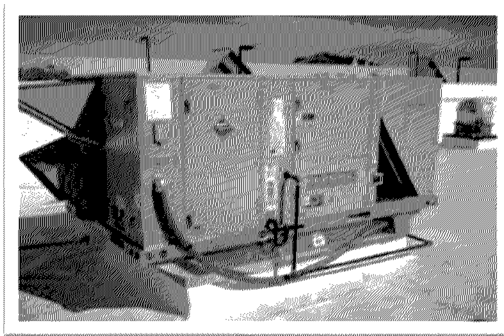
Financial Impact

	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ -	$ -	$ -	$ -	$ -	$ -

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 62,000	$ 105,600	$ 880,000	$ -	$ -	$ 1,047,600

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ -	$ -	$ -	$ -	$ 1,047,600	$ 1,047,600

HVAC Unit Replacements



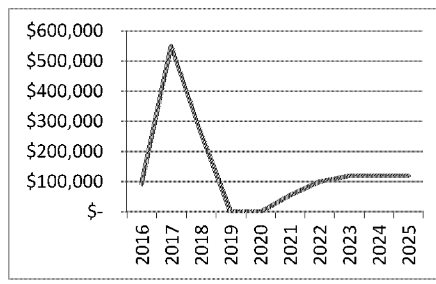
Project #	1005
Category	1-Buildings and Grounds
Priority	2-Essential
Useful Life	18 Years
Origination	Major Maintenance
User Department	PW
Coordinator	PW
Current Budget	$ 120,000
Initial Proposal Date	2015
Design Work	2021
Project Work	2021
Recurrence	2038
Asset Valuation	$ 1,580,038
Last Deferred	2018-2020
Last Incurred	2018
Fund	Capital Projects - Facilities
Account Number	150.75.560.30

Location Village Facilities

Issue The Village maintains 61 HVAC units in total and more than half are currently exceeding their 18 year life expectancy.

Solution 2021 Requests include HVAC for Well #7 RTU ($25k) and Police Department damper control system ($30k). 2022 includes Fire Station 26, and Well #2. 2023 includes Fire Stations 25, 27 and the BG Youth Center

10 Year Financial Trend



Financial Impact

	2016	2017	2018	2019	2020 (Estimated)	Historical
Historical	$ 92,237	$ 550,000	$ 263,541	$ -	$ -	$ 905,778

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 55,000	$ 100,000	$ 120,000	$ 120,000	$ 120,000	$ 515,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ 250,000	$ 250,000	$ 250,000	$ 750,000	$ 515,000	$ 1,265,000

Roof Capital Replacement Projects

Project #	1006
Category	1-Buildings and Grounds
Priority	3-Sustaining
Useful Life	30 Years
Origination	Major Maintenance
User Department	PW
Coordinator	PW
Current Budget	$ 10,000
Initial Proposal Date	2014
Design Work	2018
Project Work	2021
Recurrence	2050
Asset Valuation	$ 2,000,000
Last Deferred	2018-2020
Last Incurred	2017
Fund	Capital Projects - Facilities
Account Number	150.75.560.30

Location Village Facilities

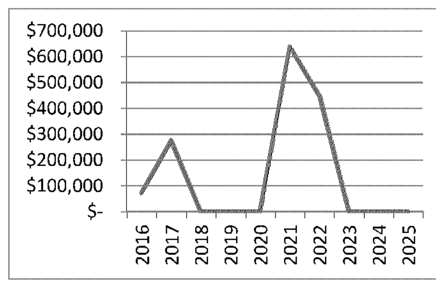
Issue

Roof replacement projects were identified during the 2018 roof inspection reports prepared by Industrial Roofing Services.

Solution

For 2021, work is planned to include deferred work from 2019 and 2020 at the Village Hall ($89k), Police Department ($240K), Public Service Center ($330k), and skylight repairs and replacement at the Police Department ($10k).

10 Year Financial Trend



Financial Impact

	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ 72,000	$ 276,850	$ -	$ -	$ -	$ 348,850

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 639,000	$ 450,000	$ -	$ -	$ -	$ 1,089,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ 191,800	$ 250,000	$ 300,000	$ 741,800	$ 1,089,000	$ 1,830,800

CIP

Fire Station Sign Replacement

Project #	1007
Category	1-Buildings and Grounds
Priority	4-Contributory
Useful Life	20 Years
Origination	Major Maintenance
User Department	Fire
Coordinator	Fire
Current Budget	$ -
Initial Proposal Date	2016
Design Work	2021
Project Work	2021
Recurrence	2041
Asset Valuation	$ 84,000
Last Deferred	2017-2020
Last Incurred	N/A
Fund	Capital Projects - Facilities
Account Number	150.75.560.30

Location Fire Stations 25, 26, & 27

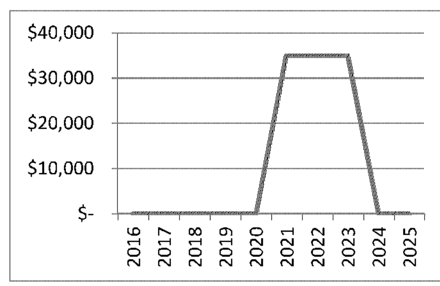
Issue

The current signs are deteriorated and poorly oriented for visibility.

Solution

Plan for replacement of one sign at each fire station over the next three years. The first sign replacement would be at Fire Station 26 in 2021, as this sign was already removed. The new signs need to be orientated parallel to the street for better visibility.

10 Year Financial Trend



Financial Impact

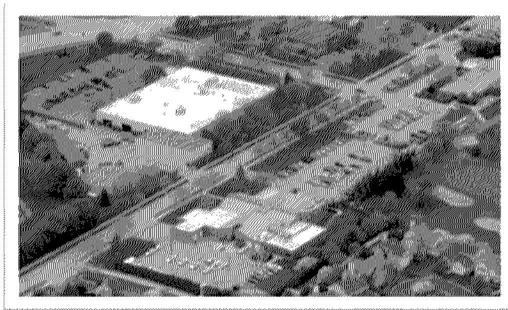
	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ -	$ -	$ -	$ -	$ -	$ -

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 35,000	$ 35,000	$ 35,000	$ -	$ -	$ 105,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ -	$ -	$ -	$ -	$ 105,000	$ 105,000

CIP

Village Campus Long Range Planning



Project #	1008
Category	1-Buildings and Grounds
Priority	4-Contributory
Useful Life	10 years
Origination	New
User Department	Community Development
Coordinator	Community Development
Current Budget	$ 30,000
Initial Proposal Date	2017
Design Work	2020
Project Work	N/A
Recurrence	As Needed
Asset Valuation	N/A
Last Deferred	N/A
Last Incurred	2020
Fund	Capital Projects - Facilities
Account Number	150.75.560.30

Location

Village Campus Planning

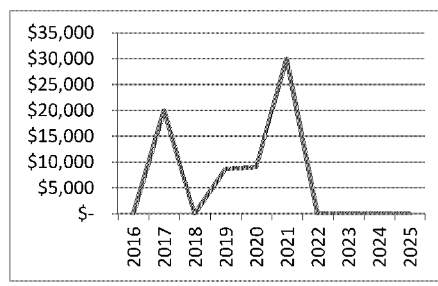
Issue

Several buildings on the Village Campus are nearing the end of their useful life and do not fit the space or configuration required for current Village operations.

Solution

In 2017, the Village used Wold Architects to begin a space needs assessment of the current buildings. In 2019 the Village began to evaluate solutions for facility options, with work planned to continue into 2021.

10 Year Financial Trend



Financial Impact

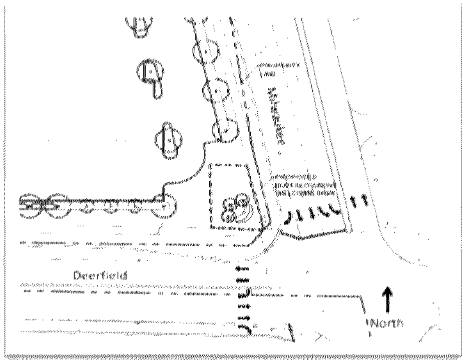
	2016	2017	2018	2019	2020 (Estimated)	Historical
Historical	$ -	$ 20,000	$ -	$ 8,641	$ 9,000	$ 37,641

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 30,000	$ -	$ -	$ -	$ -	$ 30,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ -	$ -	$ -	$ -	$ 30,000	$ 30,000

CIP

Village Gateway Feature (Milwaukee Ave/Deerfield Ave)



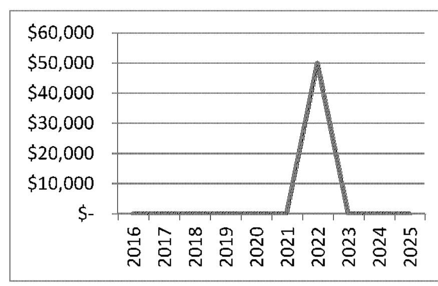
Project #	1009
Category	1-Buildings and Grounds
Priority	4-Contributory
Useful Life	20 Years
Origination	New
User Department	Community Development
Coordinator	Community Development
Current Budget	$ -
Initial Proposal Date	2017
Design Work	2022
Project Work	2022
Recurrence	2032 (First Maintenance)
Asset Valuation	$ 50,000
Last Deferred	N/A
Last Incurred	N/A
Fund	Capital Projects - Facilities
Account Number	150.75.560.30

Location Corner of Milwaukee Ave and Deerfield Ave

Issue As part of the Woodman's project, staff has proposed the replacement of the Village entrance sign with a new "gateway" feature.

Solution A new gateway feature, possibly including a new sign, landscaping, and pedestrian amenities would be designed and constructed in 2022.

10 Year Financial Trend



Financial Impact

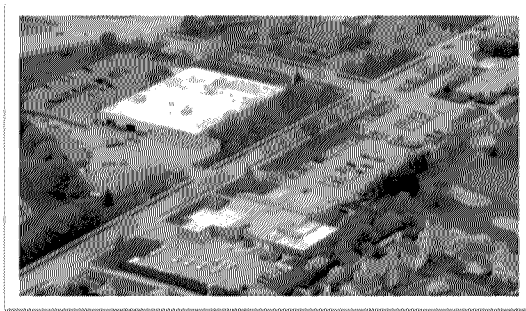
	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ -	$ -	$ -	$ -	$ -	$ -

	2021	2022	2023	2024	2025	Short Term
Short Term	$ -	$ 50,000	$ -	$ -	$ -	$ 50,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ -	$ 10,000	$ -	$ 10,000	$ 50,000	$ 60,000

CIP

Police Headquarters



Project # 1010
Category 1-Buildings and Grounds
Priority 4-Contributory

Useful Life 15 Years
Origination Major Maintenance
User Department Police
Coordinator PW

Current Budget $ -
Initial Proposal Date 2019
Design Work 2021
Project Work 2021
Recurrence 2036

Asset Valuation $ 8,542,704
Last Deferred 2019
Last Incurred N/A

Fund Capital Projects - Facilities
Account Number 150.75.560.30

Location Police Headquarters

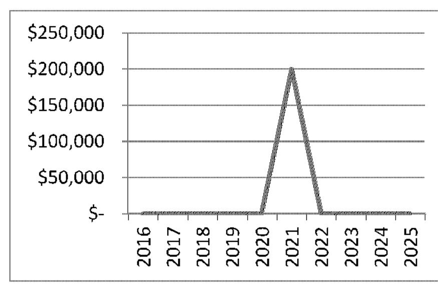
Issue

Police Headquarters was originally built in 1988, with the last major addition in 1997. Major maintenance and remodeling are required.

Solution

For 2021, two areas of deferred work are proposed. First, both locker room shower areas need a full remodel with work to reconfigure the space to add privacy. The tile and plumbing are original and are showing wear and tear beyond what regular maintenance can repair. Second, the patio area outside of the training room needs work to repair or replace heaved sections of concrete and eliminate trip hazards. A landscaping sitting wall is needed to keep dirt off the walkway and patio as well as landscaped terrace work

10 Year Financial Trend



Financial Impact

	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ -	$ -	$ -	$ -	$ -	$ -

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 200,000	$ -	$ -	$ -	$ -	$ 200,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ 9,540,000	$ 850,000	$ -	$ 10,390,000	$ 200,000	$ 10,590,000

CIP

Fire Station #26 Addition/Remodel

Project #	1011
Category	1-Buildings and Grounds
Priority	3-Sustaining
Useful Life	20 Years
Origination	Major Maintenance
User Department	Fire
Coordinator	Fire
Current Budget	$ -
Initial Proposal Date	2019
Design Work	2021
Project Work	2022
Recurrence	2037 (First Renovation)
Asset Valuation	$ 3,202,902
Last Deferred	2009-2020
Last Incurred	N/A
Fund	Capital Projects - Facilities
Account Number	150.75.560.30

Location Fire Station 26

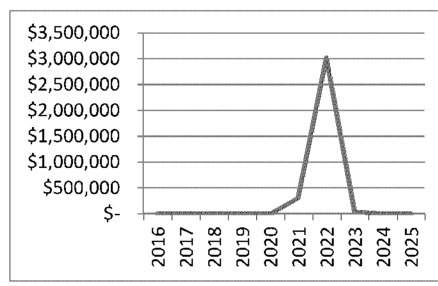
Issue

Fire Station 26 was built in 1980. The fire station has been remodeled a number of times including an administrative wing addition in 1993. The 2014 and 2017 space needs assessments, both defined the need for both renovated and additional space.

Solution

Wold Architects recommended a major renovation and addition in 2017. This is proposed at $310k for design in 2021 and $3.02 million for construction in 2022. $40k is proposed for epoxy floor replacement in 2023 if not renovated.

10 Year Financial Trend



Financial Impact

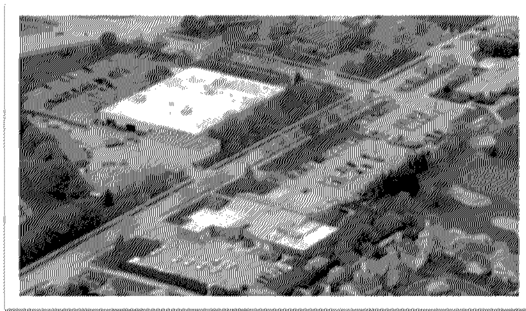
	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ -	$ -	$ -	$ -	$ -	$ -

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 310,200	$ 3,020,000	$ 40,000	$ -	$ -	$ 3,370,200

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ -	$ -	$ 250,000	$ 250,000	$ 3,370,200	$ 3,620,200

CIP

Public Works Facility



Project # 1012
Category 1-Buildings and Grounds
Priority 2-Essential

Useful Life 40 Years
Origination New
User Department PW
Coordinator PW

Current Budget $ -
Initial Proposal Date 2007
Design Work 2021
Project Work 2021-2022
Recurrence 2036 (First Renovation)

Asset Valuation $ 6,656,826
Last Deferred 2007-2020
Last Incurred N/A

Fund Capital Projects - Facilities
Account Number 150.75.560.30

Location

TBD

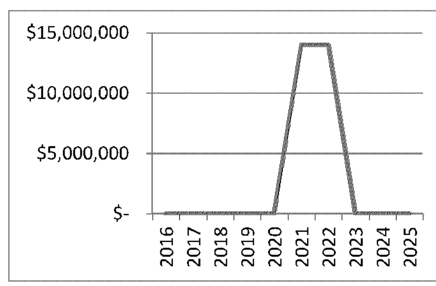
Issue

The Public Service Center was constructed in 1976, with major remodeling in 1988 and 1992. Major building additions have been deferred since 2007.

Solution

Public Works has outgrown both its facility and the yard space available on the current parcel as documented in the 2017 Facility Space Needs Assessment. This project would move Public Works to a new site, with all associated land acquisition, land development, and building expenses. Land Acquisition, planning and engineering are programmed for 2021, with major facility construction programmed for 2022.

10 Year Financial Trend



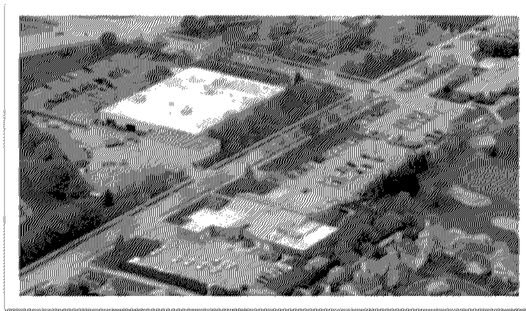
Financial Impact

	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ -	$ -	$ -	$ -	$ -	$ -

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 14,000,000	$ 14,000,000	$ -	$ -	$ -	$ 28,000,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ -	$ -	$ 250,000	$ 250,000	$ 28,000,000	$ 28,250,000

Village Hall - Office Remodel



Project # 1013
Category 1-Buildings and Grounds
Priority 4-Contributory

Useful Life 15 Years
Origination Major Maintenance
User Department OVM
Coordinator PW

Current Budget $ -
Initial Proposal Date 2019
Design Work 2022
Project Work 2022
Recurrence 2035

Asset Valuation $ 3,626,916
Last Deferred 2019
Last Incurred N/A

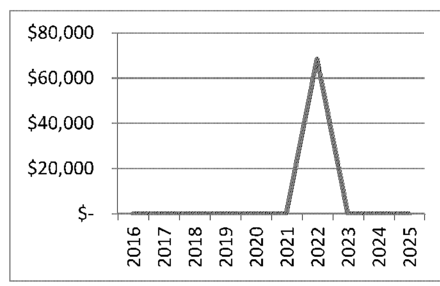
Fund Capital Projects - Facilities
Account Number 150.75.560.30

Location Village Hall

Issue Village Hall was built in 1970 and underwent major renovations in 1988 and 1993. With the OVM office area due for remodeling, rearrangement of workspaces and security improvements through keycard access control are requested.

Solution Project would include design work, construction, and key card access control for the space. Design and construction are being programmed for 2022.

10 Year Financial Trend



Financial Impact

	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ -	$ -	$ -	$ -	$ -	$ -

	2021	2022	2023	2024	2025	Short Term
Short Term	$ -	$ 68,500	$ -	$ -	$ -	$ 68,500

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ 4,300,000	$ -	$ -	$ 4,300,000	$ 68,500	$ 4,368,500

Fire Station #25 Replacement/Remodel

Project #	1014
Category	1-Buildings and Grounds
Priority	4-Contributory
Useful Life	40 Years
Origination	New
User Department	Fire
Coordinator	Fire
Current Budget	$ -
Initial Proposal Date	2019
Design Work	2021
Project Work	2022
Recurrence	2061
Asset Valuation	$ 1,813,050
Last Deferred	N/A
Last Incurred	N/A
Fund	Capital Projects - Facilities
Account Number	150.75.560.30

Location

Fire Station 25

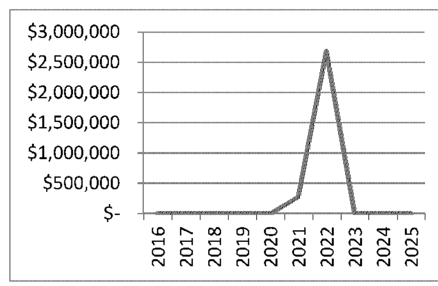
Issue

The station was built in 1972 and the surrounding infrastructure was built before that. It had major renovations in 1992, 1997, and 2004. As the Buffalo Grove community grew, the current location is not optimal for fire and EMS response times

Solution

There are three options for providing a building that would be more energy efficient, designed for its intended purpose as a full time fire station, would better serve the citizens by being better located for the current Buffalo Grove boundaries. These are a large remodel, replacement or relocation. A proposed remodel is shown for 2021 design ($270k) and construction in 2022 ($2.687 million).

10 Year Financial Trend



Financial Impact

	2016	2017	2018	2019	2020 (Estimated)	Historical
Historical	$ -	$ -	$ -	$ -	$ -	$ -

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 270,000	$ 2,687,000	$ -	$ -	$ -	$ 2,957,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ -	$ -	$ -	$ -	$ 2,957,000	$ 2,957,000

CIP

Pace/Metra Facility

Project # 1015
Category 1-Buildings and Grounds
Priority 4-Contributory

Useful Life 15 Years
Origination New
User Department PW
Coordinator PW

Current Budget $ -
Initial Proposal Date 2020
Design Work 2021
Project Work 2021
Recurrence 2036

Asset Valuation $ -
Last Deferred N/A
Last Incurred N/A

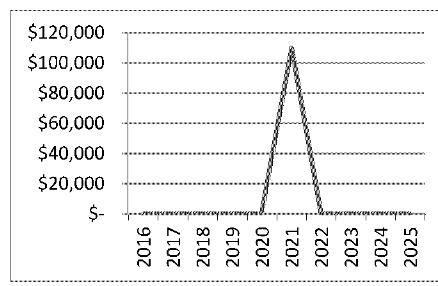
Fund Metra Parking Fund
Account Number 120.81.535.25

Location Metra Train Station Area

Issue Ongoing maintenance of the Pace/Metra facility is needed, including parking lots, grounds, and buildings.

Solution For 2020, funds are requested to address parking lot repairs ($50k), Sign replacement ($25k), Landscaping repair ($20k) and Fence repairs ($15k)

10 Year Financial Trend



Financial Impact

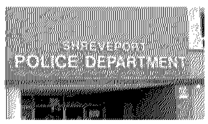
	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ -	$ -	$ -	$ -	$ -	$ -

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 110,000	$ -	$ -	$ -	$ -	$ 110,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ -	$ -	$ -	$ -	$ 110,000	$ 110,000

CIP

Police Station Entrance Sign



Project #	1016
Category	1-Buildings and Grounds
Priority	4-Contributory
Useful Life	20 Years
Origination	New
User Department	PD
Coordinator	PD
Current Budget	$ -
Initial Proposal Date	2020
Design Work	2021
Project Work	2021
Recurrence	2041
Asset Valuation	$ -
Last Deferred	N/A
Last Incurred	N/A
Fund	Capital Projects - Facilities
Account Number	150.75.560.30

Location

Police Station Main Entrance

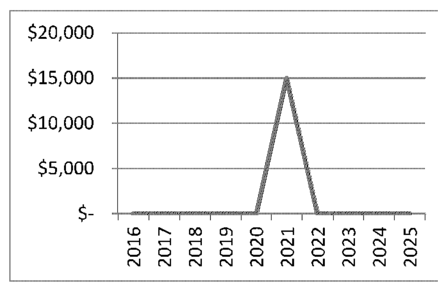
Issue

Due to the current design of the station/parking lot, the main entrance is difficult to locate without a sign. A lighted sign will also help citizens, who are sometimes in a frantic state, easily locate the police department at night or in poor weather conditions.

Solution

The solution will be the one time installation of a new sign at main entrance with the lighted design as shown in the Tulsa Police photo and the font shown in the Shreveport design.

10 Year Financial Trend



Financial Impact

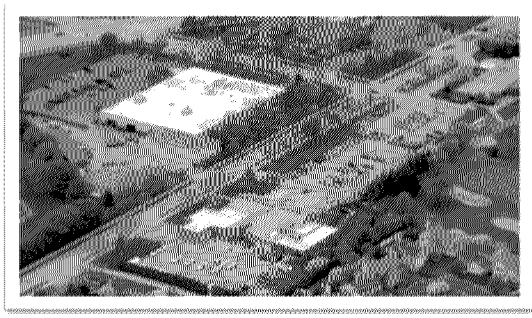
	2016	2017	2018	2019	2020 (Estimated)	Historical
Historical	$ -	$ -	$ -	$ -	$ -	$ -

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 15,000	$ -	$ -	$ -	$ -	$ 15,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ -	$ -	$ -	$ -	$ 15,000	$ 15,000

CIP

Fuel Island



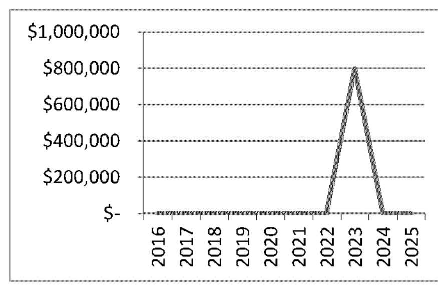
Project #	1017
Category	1-Buildings and Grounds
Priority	3-Sustaining
Useful Life	30 Years
Origination	New
User Department	PW
Coordinator	PW
Current Budget	$ -
Initial Proposal Date	2020
Design Work	2023
Project Work	2023
Recurrence	2053
Asset Valuation	$ 800,000
Last Deferred	N/A
Last Incurred	N/A
Fund	Capital Projects - Facilities
Account Number	150.75.560.30

Location Public Service Center

Issue The existing underground storage tanks were installed in 1994 and the manufacturer's certification will end in 2024.

Solution Work should begin to plan for the full replacement of the fuel island before 2024.

10 Year Financial Trend



Financial Impact

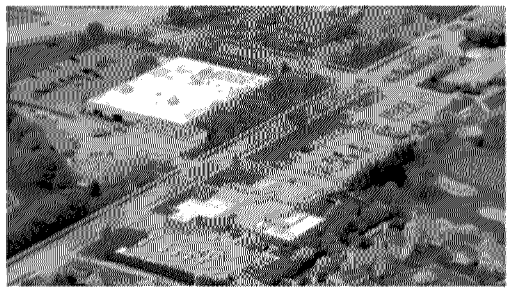
	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ -	$ -	$ -	$ -	$ -	$ -

	2021	2022	2023	2024	2025	Short Term
Short Term	$ -	$ -	$ 800,000	$ -	$ -	$ 800,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ -	$ -	$ -	$ -	$ 800,000	$ 800,000

CIP

Fleet Apparatus Bay Entrance



Project # 1018
Category 1-Buildings and Grounds
Priority 4-Contributory

Useful Life 40 Years
Origination New
User Department PW
Coordinator PW

Current Budget $ -
Initial Proposal Date 2020
Design Work 2021
Project Work 2021
Recurrence 0

Asset Valuation N/A
Last Deferred N/A
Last Incurred N/A

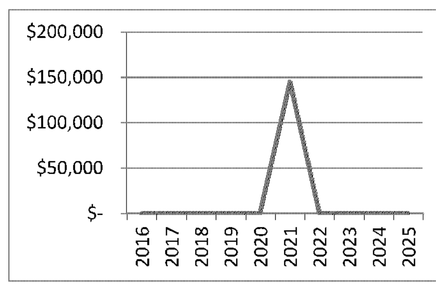
Fund Capital Projects - Facilities
Account Number 150.75.560.30

Location Public Service Center

Issue The current design of the garage does not allow large vehicles includeing fire appartus to be pulled into the maintenance area without maneuvering a tight corner.

Solution Installation of two north facing garage doors and associated driveway would allow vehicles to pull straight into the bay area designated for large vehicles.

10 Year Financial Trend



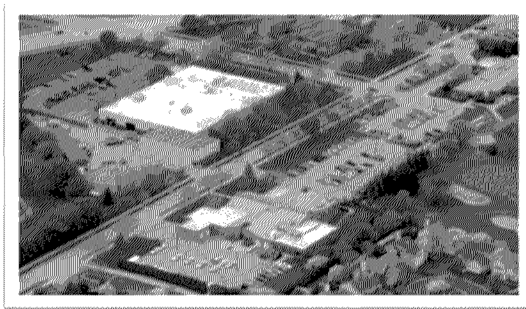
Financial Impact

	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ -	$ -	$ -	$ -	$ -	$ -

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 145,200	$ -	$ -	$ -	$ -	$ 145,200

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ -	$ -	$ -	$ -	$ 145,200	$ 145,200

Fleet Apparatus Bay Entrance



Project # 2003
Category 1-Buildings and Grounds
Priority 4-Contributory

Useful Life 40 Years
Origination New
User Department PW
Coordinator PW

Current Budget $ -
Initial Proposal Date 2020
Design Work 2021
Project Work 2021
Recurrence 0

Asset Valuation N/A
Last Deferred N/A
Last Incurred N/A

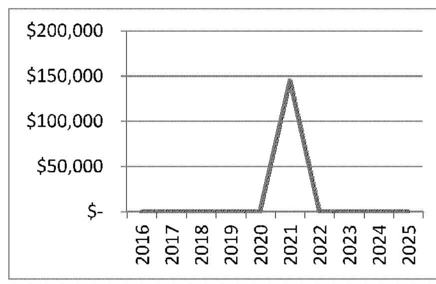
Fund Capital Projects - Facilities
Account Number 150.75.560.30

Location Public Service Center

Issue The current design of the garage does not allow large vehicles includeing fire appartus to be pulled into the maintenance area without maneuvering a tight corner.

Solution Installation of two north facing garage doors and associated driveway would allow vehicles to pull straight into the bay area designated for large vehicles.

10 Year Financial Trend



Financial Impact

	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ -	$ -	$ -	$ -	$ -	$ -

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 145,200	$ -	$ -	$ -	$ -	$ 145,200

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ -	$ -	$ -	$ -	$ 145,200	$ 145,200

Buffalo Grove Golf Course Improvements

Project # 2004
Category 3-Street, Sidewalk & Bikepath
Priority 4-Contributory

Useful Life 21 Years
Origination Major Maintenance
User Department Golf
Coordinator Golf

Current Budget $ 30,000
Initial Proposal Date 2018
Design Work 2021
Project Work 2021
Recurrence 2042

Asset Valuation $ 2,881,400
Last Deferred N/A
Last Incurred N/A

Fund Golf Fund
Account Number 0

Location

Buffalo Grove Golf Course

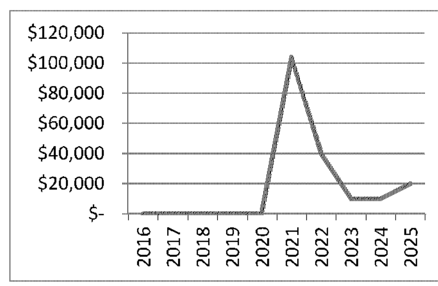
Issue

At Buffalo Grove Golf Course, the major infrastucture needing upgrades includes cart paths and irrigation systems.

Solution

In 2021 the poroposed improvements are cart path repairs ($10k), an irrigation pump replacement ($20k), patching at the BGGC maintenance lot ($14k) and the HVAC makeup air handler replacement ($60k). In 2022 patching at the BGGC main lot ($30k) is needed. In both 2022 and 2023 cart path repairs are needed ($10k).

10 Year Financial Trend



Financial Impact

	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ -	$ -	$ -	$ -	$ -	$ -

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 104,000	$ 40,000	$ 10,000	$ 10,000	$ 20,000	$ 184,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ -	$ 25,000	$ -	$ 25,000	$ 184,000	$ 209,000

CIP

Arboretum Golf Course Improvements

Project # 2005
Category 4-Storm Water Management
Priority 4-Contributory

Useful Life 22 Years
Origination Major Maintenance
User Department Golf
Coordinator Golf

Current Budget $ 13,000
Initial Proposal Date 2018
Design Work 2021
Project Work 2021
Recurrence 2040

Asset Valuation $ 7,614,000
Last Deferred N/A
Last Incurred N/A

Fund Golf Fund
Account Number 0

Location

Arboretum Golf Course

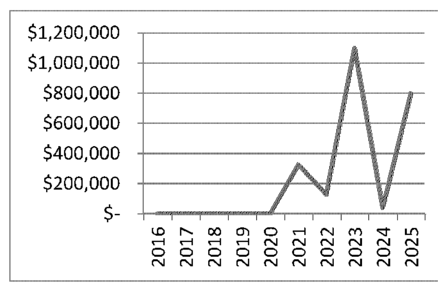
Issue

At Arboretum Golf Course, the major infrastructure needs include irrigation work, sand trap reconstruction, and dredging of waterways.

Solution

The work includes replacing two irrigation control boxes ($13k each) in 2021 and 2022 and to rebuild a third of the course's sand traps ($75k) in 2021, 2022 & 2023. $25k is proposed in both 2021 and 2022 for Roof Top Units. $174k in grants will be used for streambank stabilization work in 2021. $1.1 million is proposed for the clubhouse renovation in 2023. Parking lot patching is proposed in 2024 ($40k). Cart path replacement/repair is estimated at $800,000 in 2025.

10 Year Financial Trend



Financial Impact

	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ -	$ -	$ -	$ -	$ -	$ -

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 326,000	$ 127,000	$ 1,100,000	$ 40,000	$ 800,000	$ 2,393,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ 360,000	$ 225,000	$ -	$ 585,000	$ 2,393,000	$ 2,978,000

Annual Sidewalk Maintenance

Project #	3001
Category	3-Street, Sidewalk & Bikepath
Priority	1-Mandatory
Useful Life	30 Years
Origination	Major Maintenance
User Department	PW
Coordinator	Engineering
Current Budget	$ 250,000
Initial Proposal Date	Ongoing
Design Work	2021
Project Work	2021
Recurrence	Yearly
Asset Valuation	$ 18,000,000
Last Deferred	2019
Last Incurred	2019
Fund	General Fund
Account Number	100.55.10.535.05

Location

Village Right of Way

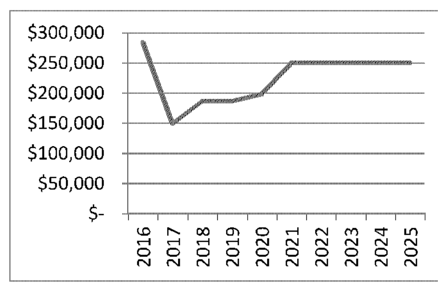
Issue

The Village seeks to meet all guidelines on sidewalk accesibility to provide safe and accesible sidewalk facilities throughout the Buffalo Grove.

Solution

An Annual Sidewalk Maintenance helps keep the Village's sidewalk in compliance with ADA accessible guidelines and provides a safe and passable sidewalk system for Village residents. Through inspection and citizen notification the sidewalk is continually repaired. The Village focuses on large areas of town in an effort to move around the Village in a timely cycle as much as funding, time and manpower permits.

10 Year Financial Trend



Financial Impact

	2016	2017	2018	2019	2020 (Estimated)	Historical
Historical	$ 284,223	$ 150,000	$ 187,015	$ 186,798	$ 198,030	$ 1,006,066

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ 1,250,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ 1,250,000	$ 1,250,000	$ 1,250,000	$ 3,750,000	$ 1,250,000	$ 5,000,000

Annual Bike Path Maintenance

Project #	3002
Category	3-Street, Sidewalk & Bikepath
Priority	1-Mandatory
Useful Life	31 Years
Origination	Major Maintenance
User Department	PW
Coordinator	Engineering
Current Budget	$ -
Initial Proposal Date	Ongoing
Design Work	2021
Project Work	2021
Recurrence	Yearly
Asset Valuation	$ 9,000,000
Last Deferred	N/A
Last Incurred	N/A
Fund	General Fund
Account Number	100.55.10.535.06

Location Village Right of Way

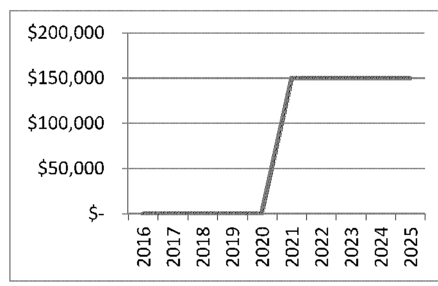
Issue

Similar to sidewalk maintenance, a bikepath repair program helps maintain the bicycle routes within Buffalo Grove.

Solution

An Annual Bikepath Maintenance helps keep the Village's bikepath in compliance with ADA accessible guidelines and provides a safe and passable bikepath system for Village residents. Through inspection and citizen notification the bikepath is continually repaired. The Village focuses on large areas of town in an effort to move around the Village in a timely cycle as much as funding, time and manpower permits.

10 Year Financial Trend



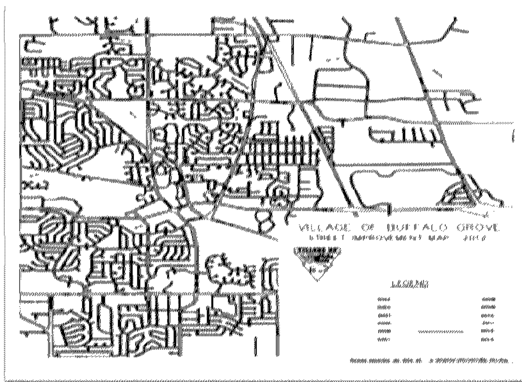
Financial Impact

	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ -	$ -	$ -	$ -	$ -	$ -

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 750,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ 750,000	$ 750,000	$ 750,000	$ 2,250,000	$ 750,000	$ 3,000,000

Annual Street Maintenance



Project #	3003
Category	3-Street, Sidewalk & Bikepath
Priority	3-Sustaining
Useful Life	20 Years
Origination	Major Maintenance
User Department	Engineering
Coordinator	Engineering
Current Budget	$ 74,819
Initial Proposal Date	Ongoing
Design Work	2020
Project Work	2021
Recurrence	Yearly
Asset Valuation	$ 190,080,000
Last Deferred	2020
Last Incurred	2019
Fund	Capital Projects - Streets
Account Number	160.75.560.20

Location

Village Right of Way

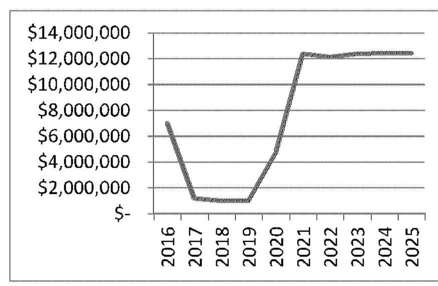
Issue

The Villages streets need to be maintained on a reoccuring basis.

Solution

The annual street maintenance and rehabilitation program is a cental piece of each year's CIP. Streets are reviewed annually and evaluated for several strategies of maintenance or improvement, with the 2021 request includes proposed Infrastructure Maintenance Program projects ($2.9 million) and backlogged road projects ($9.4 million). In addition, final invoices from the state are anticipated for Raupp Blvd Bridge ($47k) and Dundee and BG Road Intersection Improvements ($20k)

10 Year Financial Trend



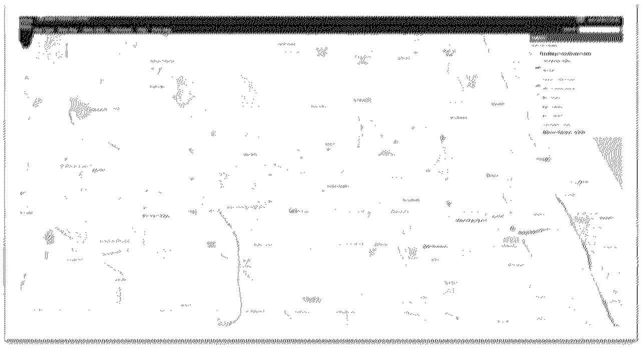
Financial Impact

	2016	2017	2018	2019	2020 (Estimated)	Historical
Historical	$ 7,011,616	$ 1,201,000	$ 1,000,000	$ 1,000,000	$ 4,753,000	$ 14,965,616

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 12,367,000	$ 12,124,000	$ 12,395,000	$ 12,431,000	$ 12,417,000	$ 61,734,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ 24,755,200	$ 20,000,000	$ 20,000,000	$ 64,755,200	$ 61,734,000	$ 126,489,200

Collector Route Maintenance & Rehabilitation Project



Project #	3004
Category	3-Street, Sidewalk & Bikepath
Priority	3-Sustaining
Useful Life	20 Years
Origination	Major Maintenance
User Department	Engineering
Coordinator	Engineering
Current Budget	$ 892,820
Initial Proposal Date	2017
Design Work	2017-2019
Project Work	2021
Recurrence	Yearly
Asset Valuation	N/A
Last Deferred	N/A
Last Incurred	2019
Fund	Capital Projects - Streets
Account Number	160.75.560.20

Location Village Right of Way

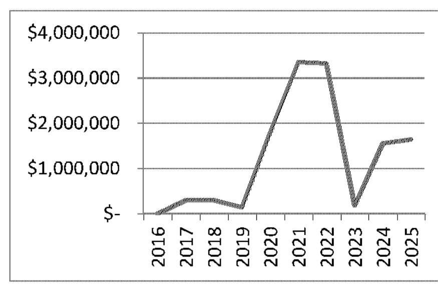
Issue

The Villages streets need to be maintained on a reoccuring basis. These collector routes have the possibility of receiving federal funding.

Solution

These Village has several streets that are classified as collector routes that may be eligible for Federal funding for up to 80% reimbursement for design and construction. Currently, Brandywyn Lane and Thompson Blvd are being constructed in 2020-2022 with a $10 million grant. Bernard Drive began the Phase I process in 2019. Checker Road and Old Checker Road are proposed to begin Phase I in 2021. The Village is receiving federal funding reimbursement of $471,850 (2021), $828,185 (2022) and $455,933 (2023).

10 Year Financial Trend



Financial Impact

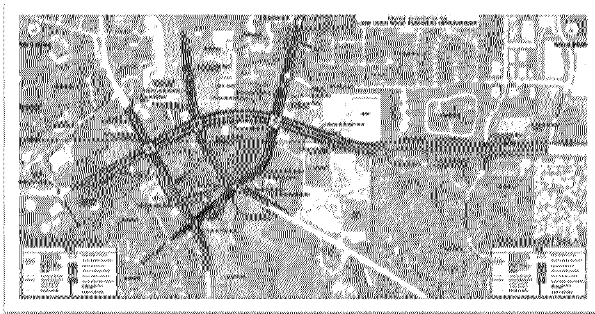
	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ -	$ 300,000	$ 300,000	$ 145,000	$ 1,800,000	$ 2,545,000

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 3,358,000	$ 3,325,000	$ 180,000	$ 1,560,000	$ 1,650,000	$ 10,073,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ 2,500,000	$ 1,200,000	$ 1,550,000	$ 5,250,000	$ 10,073,000	$ 15,323,000

CIP

Lake Cook Road Improvement



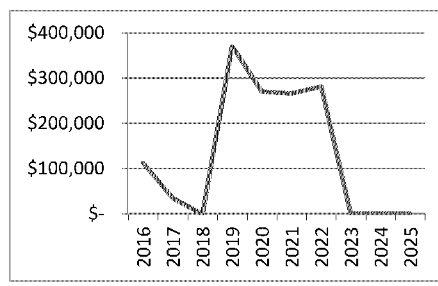
Project #	3005
Category	3-Street, Sidewalk & Bikepath
Priority	1-Mandatory
Useful Life	20 Years
Origination	Major Maintenance
User Department	Engineering
Coordinator	Engineering
Current Budget	$ 219,315
Initial Proposal Date	2008
Design Work	2008-2018
Project Work	2019-2022
Recurrence	N/A
Asset Valuation	N/A
Last Deferred	N/A
Last Incurred	2017
Fund	Capital Projects - Streets
Account Number	160.75.560.20

Location County Right of Way

Issue The Cook County Highway Department is currently improving Lake Cook Road from Lexington Drive to Raupp Blvd.

Solution The Village is responsible for a local share of the cost for such items as pedestrian facilities, street lights, and traffic signals. The costs will be spread out over three years to reduce the per year cost to the Village.

10 Year Financial Trend



Financial Impact

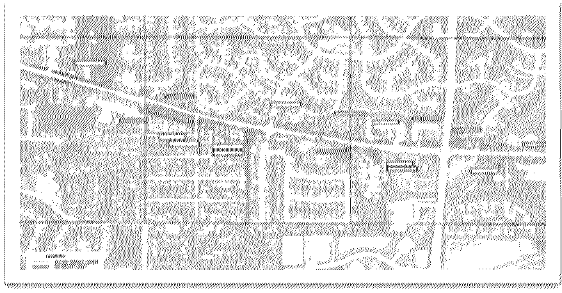
	2016	2017	2018	2019	2020 (Estimated)	Historical
Historical	$ 112,556	$ 35,000	$ -	$ 370,000	$ 270,000	$ 787,556

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 266,000	$ 282,000	$ -	$ -	$ -	$ 548,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ -	$ -	$ -	$ -	$ 548,000	$ 548,000

CIP

Weiland/Prairie Road Improvements



Project #	3006
Category	3-Street, Sidewalk & Bikepath
Priority	1-Mandatory
Useful Life	20 Years
Origination	Major Maintenance
User Department	Engineering
Coordinator	Engineering
Current Budget	$ 56,349
Initial Proposal Date	2008
Design Work	2008-2018
Project Work	2019-2021
Recurrence	N/A
Asset Valuation	N/A
Last Deferred	N/A
Last Incurred	2013
Fund	Capital Projects - Streets
Account Number	160.75.560.20

Location County Right of Way

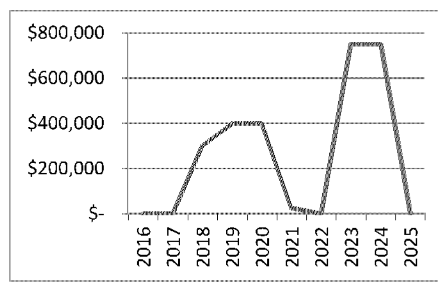
Issue

The Lake County Department of Transportation is currently improving Weiland Road from Lake Cook Road to Aptakisic Road in 2019 to 2021 and Prairie Road from Aptakisic Road to Route 22 in 2023/2024.

Solution

The Village is responsible for a local share of the cost for such items as pedestrian facilities, street lights, and traffic signals.

10 Year Financial Trend



Financial Impact

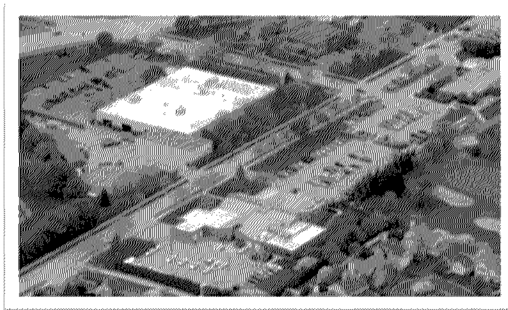
	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ -	$ -	$ 300,000	$ 400,000	$ 400,000	$ 1,100,000

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 25,000	$ -	$ 750,000	$ 750,000	$ -	$ 1,525,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ -	$ -	$ -	$ -	$ 1,525,000	$ 1,525,000

CIP

Municipal Parking Facility Maintenance



Project #	3007
Category	3-Street, Sidewalk & Bikepath
Priority	3-Sustaining
Useful Life	20 Years
Origination	Major Maintenance
User Department	Engineering
Coordinator	Engineering
Current Budget	$ -
Initial Proposal Date	Ongoing
Design Work	2021
Project Work	2021
Recurrence	Yearly
Asset Valuation	$ -
Last Deferred	N/A
Last Incurred	N/A
Fund	Capital Projects - Facilities
Account Number	150.75.560.30

Location

Village Parking Lots

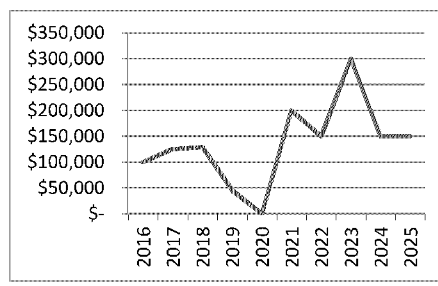
Issue

Routine maintenance of municipal parking facilities such as seal coating, patching, reconstruction and restriping is needed to maintain the Village's parking lots in a safe and economical way while extending their useful life cycle. Lots are inspected annually to determine each facilities needs.

Solution

The 2021 planned improvements include parking lots at the Police Station ($50k), the Public Service Center ($10k), Fire Station #25 ($50k), FS #26 ($3k), FS #27 ($20k),Village Hall ($60k), Village Reservoirs #1, #2, and #6 ($2k).

10 Year Financial Trend



Financial Impact

	2016	2017	2018	2019	2020 (Estimated)	Historical
Historical	$ 99,787	$ 125,000	$ 129,187	$ 45,150	$ -	$ 399,124

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 200,000	$ 150,000	$ 300,000	$ 150,000	$ 150,000	$ 950,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ 625,000	$ 700,000	$ 750,000	$ 2,075,000	$ 950,000	$ 3,025,000

CIP

Buffalo Grove Road Improvement

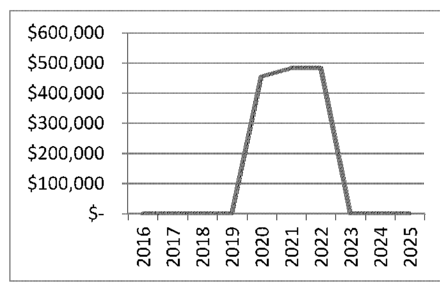
Project #	3008
Category	3-Street, Sidewalk & Bikepath
Priority	1-Mandatory
Useful Life	20 Years
Origination	Major Maintenance
User Department	Engineering
Coordinator	Engineering
Current Budget	$ 356,877
Initial Proposal Date	2020
Design Work	2019
Project Work	2020-2021
Recurrence	N/A
Asset Valuation	N/A
Last Deferred	N/A
Last Incurred	N/A
Fund	Capital Projects - Streets
Account Number	160.75.560.20

Location County Right of Way

Issue The Lake County Highway Department is currently improving Buffalo Grove Road from Deerfield Parkway to Route 22.

Solution The Village is responsible for a local share of the cost for such items as pedestrian facilities, street lights, and traffic signals. The local share is estimated to be $1.45 million.

10 Year Financial Trend



Financial Impact

	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ -	$ -	$ -	$ -	$ 455,000	$ 482,500

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 483,000	$ 483,000	$ -	$ -	$ -	$ 966,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ -	$ -	$ -	$ -	$ 966,000	$ 966,000

CIP

Route 83 Pedestrian Overpass

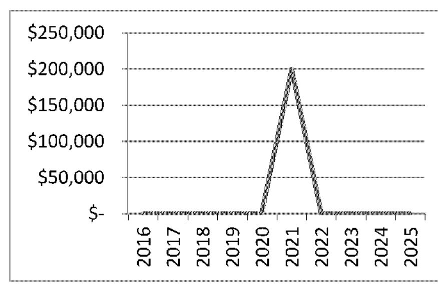
Project #	3009
Category	3-Street, Sidewalk & Bikepath
Priority	2-Essential
Useful Life	20 Years
Origination	Major Maintenance
User Department	Engineering
Coordinator	Engineering
Current Budget	$ -
Initial Proposal Date	2020
Design Work	2021
Project Work	2021
Recurrence	2041
Asset Valuation	$ 1,000,000
Last Deferred	0
Last Incurred	0
Fund	Capital Project - Facilities
Account Number	150.75.560.30

Location State Right of Way

Issue The pedestrian overpass at Route 83 is required to be inspected every 4 years and the inspection reveals that the bridge needs to be repainted.

Solution The project would be bid and awarded for completion in 2021.

10 Year Financial Trend



Financial Impact

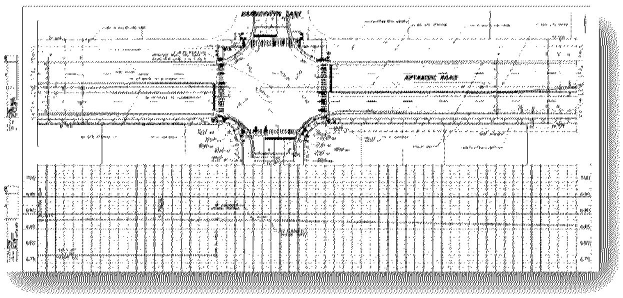
	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ -	$ -	$ -	$ -	$ -	$ -

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 200,000	$ -	$ -	$ -	$ -	$ 200,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ -	$ -	$ -	$ -	$ 200,000	$ 200,000

CIP

Aptakisic Road Improvement



Project # 3010
Category 3-Street, Sidewalk & Bikepath
Priority 1-Mandatory

Useful Life 20 Years
Origination Major Maintenance
User Department Engineering
Coordinator Engineering

Current Budget $ -
Initial Proposal Date 2019
Design Work 2021
Project Work 2022
Recurrence 0

Asset Valuation N/A
Last Deferred 0
Last Incurred 0

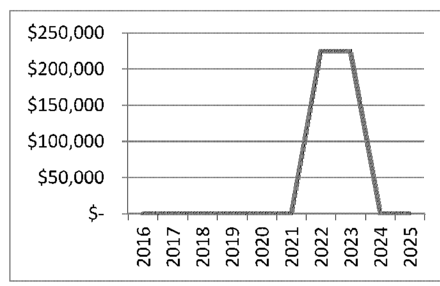
Fund Capital Project - Facilities
Account Number 150.75.560.30

Location County Right of Way

Issue The Lake County Highway Department is planning on improving Aptakisic Road from Buffalo Grove Road to the western corporate limit.

Solution The Village is responsible for a local share of the cost for such items as pedestrian facilities, street lights, and traffic signals. The local share is estimated to be $450k.

10 Year Financial Trend



Financial Impact

	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ -	$ -	$ -	$ -	$ -	$ -

	2021	2022	2023	2024	2025	Short Term
Short Term	$ -	$ 225,000	$ 225,000	$ -	$ -	$ 450,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ -	$ -	$ -	$ -	$ 450,000	$ 450,000

CIP

Stormwater System Improvements

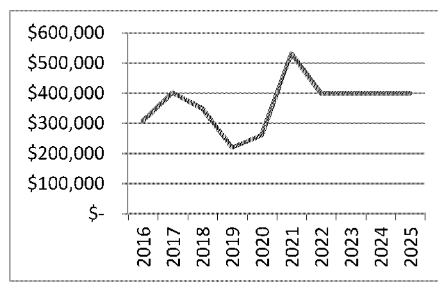
Project #	4001
Category	4-Storm Water Management
Priority	2-Essential
Useful Life	50 Years
Origination	Major Maintenance
User Department	PW
Coordinator	Engineering
Current Budget	$ 70,000
Initial Proposal Date	Ongoing
Design Work	2020
Project Work	2021
Recurrence	Yearly
Asset Valuation	$ 250,078,002
Last Deferred	N/A
Last Incurred	2019
Fund	General Fund
Account Number	100.55.25.560.40

Location Village Easements and ROW

Issue The storm sewer system requires annual maintenance.

Solution This program provides for the annual televising inspection program, storm sewer lining, point repairs, and replacements at priority locations within the Village's storm sewer network ($438,500). This includes rear yard storm sewer repairs, repairs associated with Village and other jurisdiction road improvement projects and streambank restoration projects. $93k remains on the Village's stormwater study contract for 2021.

10 Year Financial Trend



Financial Impact

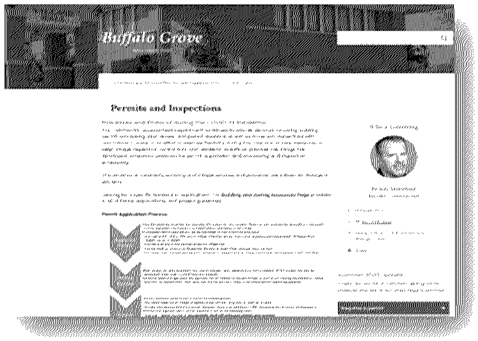
	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ 307,639	$ 402,239	$ 349,660	$ 220,407	$ 260,600	$ 1,540,545

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 531,500	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 2,131,500

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ 2,125,000	$ 2,250,000	$ 2,250,000	$ 6,625,000	$ 2,131,500	$ 8,756,500

CIP

Community Development ERP



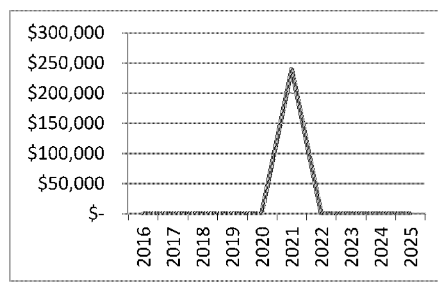
Project #	5005
Category	5-Technology
Priority	4-Contributory
Useful Life	20 Years
Origination	New
User Department	CD
Coordinator	IT
Current Budget	$ -
Initial Proposal Date	2019
Design Work	0
Project Work	2021
Recurrence	0
Asset Valuation	N/A
Last Deferred	N/A
Last Incurred	0
Fund	IT Fund
Account Number	211.92.555.40

Location Village Hall

Issue The current building permit software is outdated.

Solution A new building permit software, or Enterprise Resource Planning (ERP), is needed to improve processes and procedures to improve customer service.

10 Year Financial Trend



Financial Impact

	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ -	$ -	$ -	$ -	$ -	$ -

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 240,000	$ -	$ -	$ -	$ -	$ 240,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ -	$ -	$ -	$ -	$ 240,000	$ 240,000

CIP

Police Mobile Computers

Project #	5006
Category	5-Technology
Priority	2-Essential
Useful Life	5 Years
Origination	Major Maintenance
User Department	Police
Coordinator	IT
Current Budget	$ 30,000
Initial Proposal Date	2019
Design Work	0
Project Work	2020
Recurrence	2025
Asset Valuation	$ 120,000
Last Deferred	N/A
Last Incurred	2013
Fund	Supervision Fund
Account Number	0

Location Police Vehicles

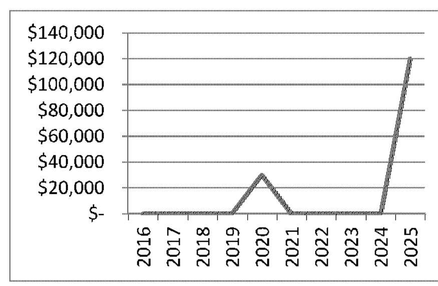
Issue

Ruggedized laptops in the Police vehicles are on a 5 year replacement schedule per the standards set by the GovIT Consortium.

Solution

All twenty-two mobile laptops in the Police vehicles were replaced in 2020 and are proposed to be replaced every 5 years. A grant from the Supervision Fund covered 75% of the 2020 cost.

10 Year Financial Trend

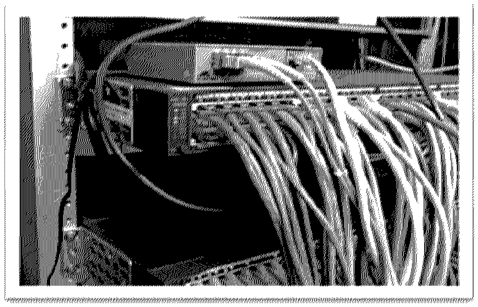


Financial Impact

	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ -	$ -	$ -	$ -	$ 30,000	$ 30,000
	2021	**2022**	**2023**	**2024**	**2025**	**Short Term**
Short Term	$ -	$ -	$ -	$ -	$ 120,000	$ 120,000
	Year 6-10	**Year 11-15**	**Year 16-20**	**Long Term**	**Short Term**	**Total 20 Year**
Long Term	$ 120,000	$ 120,000	$ 120,000	$ 360,000	$ 120,000	$ 480,000

CIP

Server Replacements



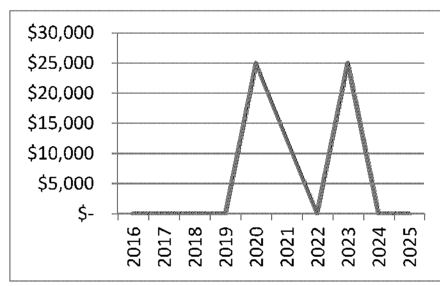
Project #	5007
Category	5-Technology
Priority	2-Essential
Useful Life	5 years
Origination	Scheduled Upgrades
User Department	IT
Coordinator	IT
Current Budget	$ -
Initial Proposal Date	2019
Design Work	2020
Project Work	2021
Recurrence	2026
Asset Valuation	$ 500,000
Last Deferred	N/A
Last Incurred	2019
Fund	IT Fund
Account Number	211.92.555.40

Location Village Network

Issue Computer Server Rack Equipment is scheduled for replacement on a 5 year cycle.

Solution For 2021, one server is up for replacement.

10 Year Financial Trend



Financial Impact

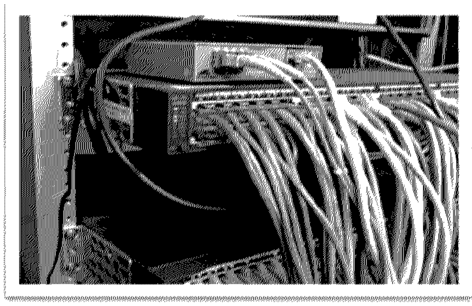
	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ -	$ -	$ -	$ -	$ 25,000	$ 25,000

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 12,500	$ -	$ 25,000	$ -	$ -	$ 37,500

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ 50,000	$ 50,000	$ 25,000	$ 125,000	$ 37,500	$ 162,500

CIP

Telephone System



Project #	5009
Category	5-Technology
Priority	2-Essential
Useful Life	10 Years
Origination	Scheduled Upgrades
User Department	IT
Coordinator	IT
Current Budget	$ -
Initial Proposal Date	0
Design Work	2020
Project Work	2021
Recurrence	2031
Asset Valuation	$ 150,000
Last Deferred	N/A
Last Incurred	2010
Fund	IT Fund
Account Number	211.92.555.40

Location Village Facilities

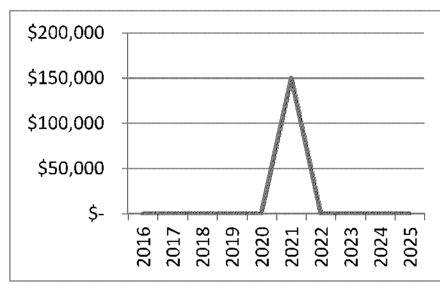
Issue

The telephone system was installed in 2011 and will need to be upgraded in 2021

Solution

The phone system is proposed to be replaced in 2021. Additional capability, to help during quicker transitions to remote work, including additional call forwarding capabilites for desk phones to cell phones, will be investigated due to future emergency planning.

10 Year Financial Trend



Financial Impact

	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ -	$ -	$ -	$ -	$ -	$ -

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 150,000	$ -	$ -	$ -	$ -	$ 150,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ -	$ 150,000	$ -	$ 150,000	$ 150,000	$ 300,000

CIP

Fire - Cardiac Monitors

Project # 5012
Category 5-Technology
Priority 2-Essential

Useful Life 10 Years
Origination Scheduled Upgrades
User Department Fire
Coordinator Fire

Current Budget $ 35,000
Initial Proposal Date 2019
Design Work N/A
Project Work 2021
Recurrence 2025

Asset Valuation $ 280,000
Last Deferred N/A
Last Incurred 2019

Fund General Fund
Account Number 0

Location

BGFD Fire Apparatus

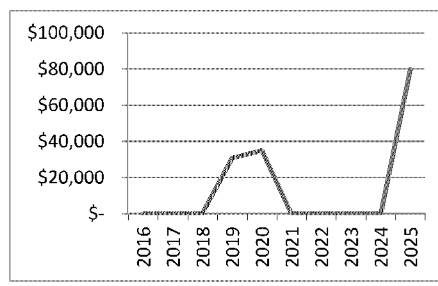
Issue

The cardiac monitors in use on the fire apparatus are at the end of their useful life. The fire apparatus cardiac monitors are not capable of providing real time recording of a cardiac event.

Solution

The Fire Department has 8 cardiac monitors for Advanced Life Support capabilities on the fire apparatus. They are anticipated to be replaced starting in 2025 with two each year. They have an approximately 8 year life cycle.

10 Year Financial Trend



Financial Impact

	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ -	$ -	$ -	$ 31,000	$ 35,000	$ 66,000

	2021	2022	2023	2024	2025	Short Term
Short Term	$ -	$ -	$ -	$ -	$ 80,000	$ 80,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ 240,000	$ 240,000	$ 160,000	$ 640,000	$ 80,000	$ 720,000

CIP

Fire - Radio Replacement

Project # 5013
Category 5-Technology
Priority 3-Sustaining

Useful Life 10 Years
Origination Scheduled Upgrade
User Department Fire
Coordinator Fire

Current Budget $ 54,000
Initial Proposal Date 2019
Design Work 0
Project Work 0
Recurrence 2025

Asset Valuation $ 232,886
Last Deferred N/A
Last Incurred 2012

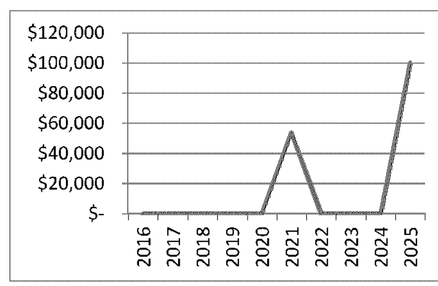
Fund General Fund
Account Number 0

Location BGFD Fire Apparatus

Issue Additional radios are required for operations.

Solution The BGFD portable radios were purchased in 2012 and only one was purchased as a spare. With the changes in technology and the need for additional radios, it has been determined that 6 additional portable radios will be needed for future operations and technology changes.

10 Year Financial Trend



Financial Impact

	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ -	$ -	$ -	$ -	$ -	$ -

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 54,000	$ -	$ -	$ -	$ 100,000	$ 154,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ 254,000	$ 154,000	$ -	$ 408,000	$ 154,000	$ 562,000

Fire - SCBA Equipment

Project #	5014
Category	5-Technology
Priority	2-Essential
Useful Life	9 Years
Origination	Scheduled Upgrade
User Department	Fire
Coordinator	Fire
Current Budget	$ -
Initial Proposal Date	2020
Design Work	0
Project Work	2023
Recurrence	2032
Asset Valuation	$ 253,364
Last Deferred	N/A
Last Incurred	2014
Fund	General Fund
Account Number	0

Location BGFD Fire Apparatus

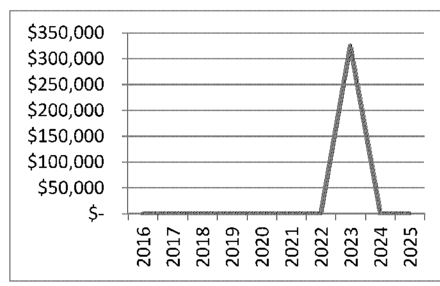
Issue

SCBA have an anticipated life span of three National Fire Protection Association (NFPA) standard cycles (approximately 9 years) to be considered for FEMA grant funding.

Solution

Self Contained Breathing Apparatus (SCBA) is one of the primary pieces of equipment used by the Fire Department. In 2014, FEMA grant funding was approved for 90% of the purchase cost. $325,000 is being programmed in 2023 and every 9 years to stay compliant.

10 Year Financial Trend



Financial Impact

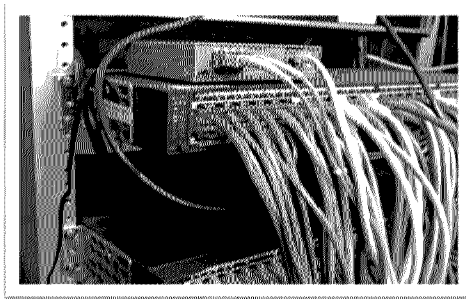
	2016	2017	2018	2019	2020 (Estimated)	Historical
Historical	$ -	$ -	$ -	$ -	$ -	$ -

	2021	2022	2023	2024	2025	Short Term
Short Term	$ -	$ -	$ 325,000	$ -	$ -	$ 325,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ -	$ 325,000	$ -	$ 325,000	$ 325,000	$ 650,000

CIP

Network Improvements



Project #	5015
Category	5-Technology
Priority	2-Essential
Useful Life	10 Years
Origination	Scheduled Upgrade
User Department	IT
Coordinator	IT
Current Budget	$ -
Initial Proposal Date	2021
Design Work	2021
Project Work	2021
Recurrence	2031
Asset Valuation	$ 350,000
Last Deferred	N/A
Last Incurred	-
Fund	IT Fund
Account Number	211.92.555.40

Location Village Buildings

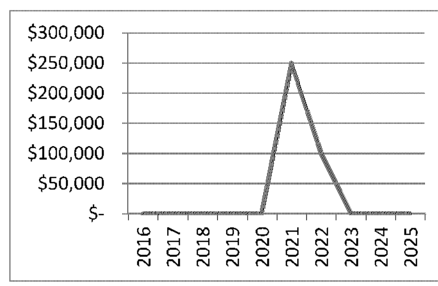
Issue

Network speed is currently 100 Mbps or less in many Village buildings.

Solution

The village network hardware needs to be upgraded to gigabit speed to keep up with software deployment, cloud based services, and to make use of the new wide area network antennas that were set up for gigabit speeds to remote sites. This project would incur expense in both 2021 and 2022, with a focus on hardware that is currently end of life and unsupported in year 1. Project management costs are included in the totals.

10 Year Financial Trend



Financial Impact

	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ -	$ -	$ -	$ -	$ -	$ -

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 250,000	$ 100,000	$ -	$ -	$ -	$ 350,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ -	$ -	$ -	$ -	$ 350,000	$ 350,000

CIP

Capacity Management Operations and Maintenance

Project #	6001
Category	6-Water & Sanitary Sewer
Priority	1-Mandatory
Useful Life	Ongoing
Origination	MWRD Requirement
User Department	PW
Coordinator	PW
Current Budget	$ 42,000
Initial Proposal Date	2017
Design Work	N/A
Project Work	2018-2022
Recurrence	Yearly
Asset Valuation	$ 300,000
Last Deferred	N/A
Last Incurred	2017
Fund	Water & Sewer Fund
Account Number	170.55.36.560.70

Location

Cook County Sewer System

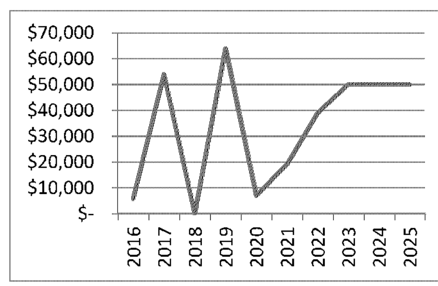
Issue

On July 10, 2014, MWRD adopted Article 8 of the Watershed Management Ordinance (WMO) that outlines the requirements of the new Inflow/Infiltration Control Program (IICP) that applies to all separate sanitary sewer systems tributary to MWRD.

Solution

Per the MWRD guidance document, the primary purpose of the IICP is to reduce sanitary sewer overflows (SSOs) and basement backups (BBs). There is a minimum level of requirements for all communities with additional requirements where SSOs and BBs occur. The IICP program began in 2019 and will continue each year until MWRD develops a program to replace it.

10 Year Financial Trend



Financial Impact

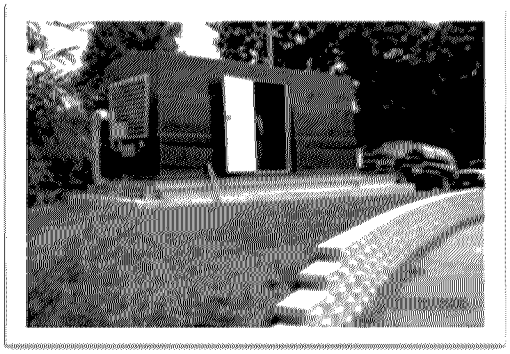
	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ 5,700	$ 54,000	$ -	$ 64,000	$ 7,000	$ 130,700

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 19,000	$ 39,000	$ 50,000	$ 50,000	$ 50,000	$ 208,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ 250,000	$ 250,000	$ 250,000	$ 750,000	$ 208,000	$ 958,000

CIP

Lift Station Repair and Rehabilitation



Project # 6002
Category 6-Water & Sanitary Sewer
Priority 2-Essential

Useful Life 30 Years
Origination Major Maintenance
User Department PW
Coordinator Engineering

Current Budget $ 1,330,000
Initial Proposal Date 2001
Design Work 2021
Project Work 2021
Recurrence Yearly

Asset Valuation $ 12,000,000
Last Deferred N/A
Last Incurred 2020

Fund Water & Sewer Fund
Account Number 170.55.35.560.70

Location Twelve Lift Station Sites

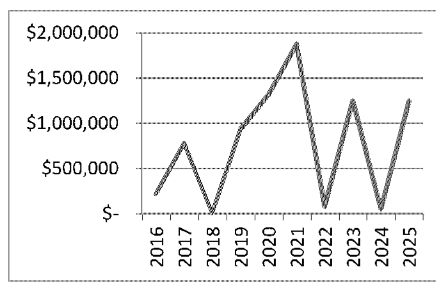
Issue

Lift Stations require rehabilitation or replacement every 15 to 25 years. Routine Maintenance helps reduce costly repairs, equipment failures, and extends the useful life of the facility.

Solution

This program continues the work identified at the Village's 12 lift station sites, such as condition evaluations, pump repairs, cathodic protection system renovations, maintenance lift repairs, and contractural painting. In 2021, Cambridge on the Lakes Lift Station will be replaced ($1,880k). In 2022 Cambridge Court Lift Station will be evaluated for rehabilitation. Over the next 20 years, 8 more lift stations are planned for review and rehabilitation.

10 Year Financial Trend



Financial Impact

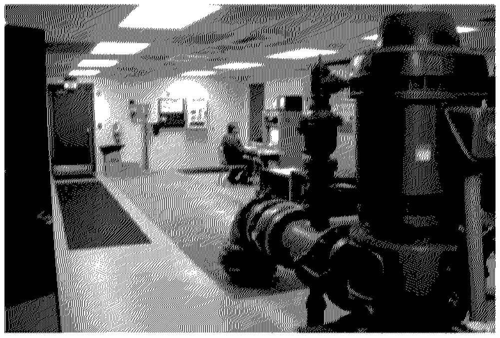
	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ 220,000	$ 780,000	$ 12,000	$ 935,000	$ 1,320,000	$ 3,267,000

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 1,880,000	$ 80,000	$ 1,250,000	$ 50,000	$ 1,250,000	$ 4,510,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ 2,680,000	$ 1,350,000	$ 1,500,000	$ 5,530,000	$ 4,510,000	$ 10,040,000

CIP

Pump House Repairs and Upgrades



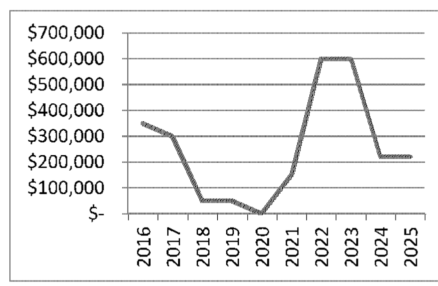
Project #	6003
Category	6-Water & Sanitary Sewer
Priority	3-Sustaining
Useful Life	50 Years
Origination	Major Maintenance
User Department	PW
Coordinator	PW
Current Budget	$ -
Initial Proposal Date	2010
Design Work	2019
Project Work	2021
Recurrence	Yearly
Asset Valuation	$ 30,000,000
Last Deferred	N/A
Last Incurred	2018
Fund	Water & Sewer Fund
Account Number	170.55.35.560.60

Location Four Water Pumping Stations

Issue Pump House repair projects were identified in the 2008 Comprehensive Water Study Update and improvements identified in the federally mandated vulnerability study. In addition, two back-up deep aquafer wells will require maintenance in the next five years as well as a review of the SCADA system.

Solution In 2021, brick fascia repairs, access hatch security improvements, and minor pump house meter improvements are needed ($105k). In 2021 an encloser over Pump Station #7 well head is needed ($30k). A SCADA system review is needed in 2021 ($15k). Well maintenance at Stations #1 and #2 are being programmed at this time for completion in 2022 and 2023 ($600k per year).

10 Year Financial Trend



Financial Impact

	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ 350,000	$ 300,000	$ 50,000	$ 50,000	$ -	$ 750,000

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 150,000	$ 600,000	$ 600,000	$ 220,000	$ 220,000	$ 1,790,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ 1,500,000	$ 1,500,000	$ 2,000,000	$ 5,000,000	$ 1,790,000	$ 6,790,000

Villagewide Sanitary Sewer Replacement

Project # 6004
Category 6-Water & Sanitary Sewer
Priority 3-Sustaining

Useful Life 75 Years
Origination Major Maintenance
User Department Engineering
Coordinator Engineering

Current Budget $ 404,150
Initial Proposal Date 2012
Design Work 2020
Project Work 2021
Recurrence Yearly

Asset Valuation $ 57,739,000
Last Deferred N/A
Last Incurred 2017

Fund Water & Sewer Fund
Account Number 170.55.35.560.70

Location

Village Right of Way and Easements

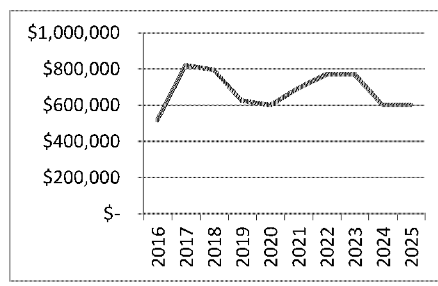
Issue

A program is needed to maintain sanitary sewer systems which have a projected life of 60 years.

Solution

This program provides for sanitary sewer lining, point repairs, or replacements as identified by the Village. Funding is being requested for annual sanitary sewer lining and manhole repair ($500k), sewer televising ($75k) and sanitary work for the Infrastructure Maintenance Program ($46k). For major road work by other jurisdictions, the Village is responsible for the cost of the Village's sanitary sewer relocation costs. These are $25k for Lake Cook Road in 2021 and 2022 and $172k for Aptakisic Road in 2022 and 2023. System flow meters are proposed in 2021 ($50k).

10 Year Financial Trend



Financial Impact

	2016	2017	2018	2019	(Estimated) 2020	Historical
Historical	$ 517,346	$ 822,000	$ 797,000	$ 625,000	$ 600,000	$ 3,361,346

	2021	2022	2023	2024	2025	Short Term
Short Term	$ 696,000	$ 772,000	$ 772,000	$ 600,000	$ 600,000	$ 3,440,000

	Year 6-10	Year 11-15	Year 16-20	Long Term	Short Term	Total 20 Year
Long Term	$ 3,000,000	$ 3,400,000	$ 3,000,000	$ 9,400,000	$ 3,440,000	$ 12,840,000

Information Item : Virtual Village News Discussion

Recommendation of Action

Discussion.

The attached memo recommends the Village continue with the digital edition of the Village News through 2020 and provides the Village Board data related to the various digital communication methods used to communicate with the community.

ATTACHMENTS:

- Newsletter Memo (DOCX)

Trustee Liaison
Johnson

Staff Contact
Jenny Maltas, Office of the Village Manager

Monday, August 31, 2020	

VILLAGE OF
BUFFALO GROVE

MEMORANDUM

DATE: August 27, 2020

TO: Village President & Board of Trustees

FROM: Jennifer Maltas, Deputy Village Manager

SUBJECT: Newsletter Memo

Background
Since the beginning of COVID, the Village has moved to a digital platform of the Village News given the ever-changing environment of COVID-19. This memo will provide some analysis regarding the Newsletter and other communication platforms the Village uses to communicate with residents for the Village Board to think about and consider in the future. At this time, staff recommends continuing to provide a digital Village News through the end of the year.

Village Newsletter Process
The Village Newsletter is produced 6 times a year. Due to the production time associated with finalizing the newsletter, getting it to print and in the mailboxes of residents, the newsletter would have been outdated by the time it reaches mailboxes in the COVID environment. Pre-COVID times, the newsletter was primarily a look back at events that had already happened or known events in the future.

Based on previous Committee of the Whole discussions, there has been a desire on the part of several elected officials to preview items within the Newsletter. This would include potential developments coming to the Village or other larger items the Village Board will be considering at upcoming meetings. Unfortunately, due to the lead time needed for a print publication, the deadline has often passed to preview that type of information in the newsletter.

The digital newsletter cuts in half the lead time needed for printing and proofing with the printer and the time it takes to get the newsletter to the post office and into mail boxes. Print newsletters need to go in pages of 4 in order for the print version to fold and print correctly, while an electronic version can be any number of pages based on the content that is needed which is much easier to manage as well.

Village Newsletter Costs
The cost associated with the Village Newsletter include printing, postage, and production of the document. Should the Village Board continue a digital version, the approximate savings per edition is to go all digital is about $6,000 or $36,000 annually.

The elimination of the newsletter completely and to continue social media, e-news, self-published articles and press releases would be $54,000.

Newsletter Reach
There is no reliable means to determine how many people read the Village News that was previously delivered to homes. Anecdotally, the Village has not received any complaints or requests from residents asking where the newsletter is since we have gone digital. The Village also placed the Woodman's

development on the front page of the newsletter at least three times in 2018 and still received many calls from residents asking what was being constructed on the former Berenesa Plaza property

Digital Village Newsletter Reach

Issuu, the program that the Village uses to publish documents such as the digital Village News, tracks the number of individuals who view the document. The numbers mean the following:

- **Impressions** are the number of times that your content was served or shown on the Issuu network, whether in someone's feed (as a thumbnail), search results or on a website where you have embedded the content
- **Reads** are counted when someone opens your content and either performs an action (by flipping the page, zooming, etc.) or stays for more than two seconds
- **Clicks** how many clicks on links your publication has had in total for the time period you've selected as well as clicks made each day for that period.

The following is the data for the last two editions:

May/June

- Impressions, 1,424
- Reads, 905
- Average Read Time, 3:38
- Clicks, 7

July/August

- Impressions, 854
- Reads, 449
- Average Read Time, 4:55
- Clicks, 11

The impressions, reads, read time and clicks do not show high-impact from the digital Village News. The link to the digital version of the Village News was sent out through the Enewsletter and social media on several occasions. While the numbers are not impressive given the effort put into the publication, staff suggests monitoring this throughout the year and promoting the publication to see if the metrics increase.

Social Media/Enewsletter

Based on the numbers tracked by each platform that the Village uses, it appears electronic media is where residents have been turning to get their information since COVID-19. Our current social media and Enewsletter subscribers are as follows:

- **Facebook,** 5,511
- **Nextdoor,** 8,818
- **Twitter,** 1,599
- **ENewsletter,** 3,876

Below is some analysis regarding the engagement and influence of the Village's electronic presence, however, it is important to note at the outset that each platform reports engagement differently so the data will not be consistent from platform to platform. Also of note, any information that is posted on social media is posted on Facebook, Nextdoor, and Twitter at the same time.

Facebook

Prior to COVID-19, the Village would average about 7-9 new follows per week. It is now not unusual to see 75 new follows a week, or more. Since COVID-19 began in earnest this March, the Village's Facebook page has gone from 4,628 followers to 5,511 followers as of August 26, 2020. This represents a 19% increase in followers in six months. The Village's page was created on December 9, 2014, and almost 1/5 of the followers have joined the page in the last six months.

The Village's organic reach, which is the number of people who view each post since March is 3,323. During the same time period in 2019 it was 2,070. More people are seeing the Village's posts than ever before. While not all of our posts are related to COVID anymore, the additional reach means that our general message from all departments and the Village Board is reaching more and more community members.

Facebook also tracks the types of post that creates the most reach and engagement. The breakdown is as follows:

- **Video,** 3,187 impressions
- **Status,** 2,611 impressions
- **Photo,** 2,367 impressions
- **Link,** 1,249 impressions

This data reflects that our video strategy is successful and we should continue down this path. Status generally means that it is a post that does not include a link, photo, or video. Most common status items are emergency or timely updates about events happening in town such as a crash, fire, or other event that includes road closures. Residents frequently share and comment on these posts and thank the Village for sharing the information.

NextDoor
NextDoor is a little different than Facebook, as residents who create an account automatically see our information. Residents have to actively remove Village updates from their account; unlike Facebook where residents have to actively follow our page.

As noted above, there are 8,818 members of Nextdoor which represents 35% of Village households. The engagement data provided by Nextdoor is not as robust as Facebook and I was unable to pull historical data from the platform. However, I can report that during the last six months Village posts have generated 418,416 impressions.

Interestingly, the post regarding the opening of state-led COVID-19 testing sites had the highest number of impressions. Followed by the announcement of cancelling the fireworks and Buffalo Grove Days. The weekly post that includes the link to the latest Village e-newsletter consistently performs high which is an indicator that those who may not subscribe to the e-news are reading it through the public link that is posted.

Twitter
Twitter has been growing more slowly than the other platforms that the Village uses; however, it has been growing in a similar fashion just on a smaller scale. Twitter provides a monthly summary of change over the previous period. The latest month shows the following increases over the previous month:

- 31 tweets, 29.2% increase
- 18,600 tweet impressions, 19.7% increase
- 328 profile visits, 91.8% increase
- 22 mentions, 37.5% increase
- 1,599 followers, 14 follower increase

Staff has been working with communications personnel from other governmental agencies throughout COVID-19 to ask them to share our information with their followers, which has had an impact on the increase in our Twitter feed interest.

Enewsletter
Prior to March 1 of this year, the Village had 3,168 subscribers. That number is 3,876 as of August 26, 2020 representing an increase of 22% more subscribers. This is a substantial increase given that the Enewsletter has been in existence for over 10 years.

The Village also has an average open rate of 52% - the industry average open rate is 21.33% - which is a clear indication that our subscribers are interested in and engaged in our content.

Conclusion

More and more individuals are bombarded with a lot of content from all kinds of organizations from political organizations to nonprofits to the local HVAC repair company. Individuals are more likely to read short snippets that are relevant to them and their community – which is why staff believes there is continued success in the area of digital communications and less interest in print publications.

As noted, staff suggests continuing with the electronic Village News through the end of the year due to the changing nature of COVID-19. However, given the costs associated with the publication of the Village News and the digital Village News, staff recommends to continue to monitor this publication and its overall value in the future.

Information Item : Executive Session - Section 2(C)(11) of the Illinois Open Meetings Act: Litigation, When an Action Against, Affecting or on Behalf of the Particular Public Body Has Been Filed and is Pending Before a Court or Administrative Tribunal, or When the Public Body Finds that an Action is Probable or Imminent, in Which Case the Basis for the Finding Shall be Recorded and Entered into the Minutes of the Closed Meeting.

Recommendation of Action

N/A

Executive Session - Section 2(C)(11) of the Illinois Open Meetings Act: Litigation, when an action against, affecting or on behalf of the particular public body has been filed and is pending before a court or administrative tribunal, or when the public body finds that an action is probable or imminent, in which case the basis for the finding shall be recorded and entered into the minutes of the closed meeting.

Trustee Liaison
Sussman

Staff Contact
Dane Bragg, Office of the Village Manager

Monday, August 31, 2020	