



Meeting of the Village of Buffalo Grove
Village Board
Regular Meeting
August 16, 2021 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

All persons physically attending the meeting will be required to don an appropriate face covering during the duration of the meeting and 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. All meeting participants shall observe CDC-published guidelines for social distancing while attending the meeting.

B. Pledge of Allegiance

2. Approval of Minutes

A. Village Board - Regular Meeting - Jul 19, 2021 7:30 PM

B. Village Board - Special Meeting - Jul 26, 2021 7:30 PM

C. Village Board - Committee of the Whole - Aug 2, 2021 7:30 PM

3. Approval of Warrant

A. Approval of Warrant #1331 (Trustee Weidenfeld) (Staff Contact: Chris Black)

4. Village President's Report

A. Amended Board/Commission Appointments (President Sussman) (Staff Contact: Dane Bragg)

5. Village Manager's Report

A. Firefighter of the Year (Trustee Johnson) (Staff Contact: Mike Baker)

B. Acceptance of the 2020 Audit and Management Letter (Trustee Weidenfeld) (Staff Contact: Chris Black)

6. Special Business

7. Reports from Trustees

8. Consent Agenda

All items listed on the Consent Agenda, which are available in this room this evening, are considered to be routine by the Village Board and will be enacted by one motion. There will be no separate discussion of these items unless a Board member or citizen so requests, in which event, the item will be removed from the General Order of Business and considered after all other items of business on the Regular Agenda under New Business. (Attached).

A. Proclamation Celebrating the Thirty First Anniversary of the Passage of the Americans with Disabilities Act (President Sussman) (Staff Contact: Evan Michel)

SUMMARY: A proclamation to celebrate the 31-year anniversary of the Americans with Disability Act.

- B. Proclamation Recognizing Constitution Week (President Sussman) (Staff Contact: Evan Michel)
SUMMARY: Proclaims September 17-23 as Constitution Week.
- C. Proclaiming September 5-11, 2021 National Payroll Week (President Sussman) (Staff Contact: Evan Michel)
SUMMARY: Proclaiming September 5-11, 2021 National Payroll Week.
- D. National Preparedness Month Proclamation (Trustee Johnson) (Staff Contact: Mike Baker)
SUMMARY: Proclamation recognizes September as National Preparedness Month.
- E. Ivy Hall Park Sidewalk Improvements Award (Trustee Johnson) (Staff Contact: Darren Monico)
SUMMARY: The Ivy Hall Park Sidewalk Improvements project was bid on August 4th, 2021 and the lowest responsible and responsive bidder was Schroeder & Schroeder, Inc. of Skokie, IL. Staff recommends approval of the contract to Schroeder & Schroeder, Inc. in the amount of \$60,116.00, pending Village Attorney and Engineering review.
- F. O-2021-52 Conveyance of Property from the Village to the Park District (Trustee Johnson) (Staff Contact: Darren Monico)
SUMMARY: The Village currently holds Outlot C from the previously completed Prairie Grove Subdivision. This parcel is no longer required for right of way and shall be conveyed to the Park District for use with Prairie Grove Park.
- G. O-2021-53 Approve a Special Use Amendment to Allow the Existing Golf Dome in Mike Rylko Community Center at 1000 N Buffalo Grove Rd to Operate Year-Round and Expand the Park District Activities Offered There. (Trustee Pike) (Staff Contact: Chris Stilling)
SUMMARY: The petitioners are proposing a special use amendment to Ordinance 95-26. The proposed amendment will allow an existing Golf Dome at the Mike Rylko Community Center at 1000 N Buffalo Grove Rd to operate year-round and expand Park District activities offered there.
- H. O-2021-54 Conveyance of Property from the Village to the Park District (Link Crossing Outlot E) (Trustee Johnson) (Staff Contact: Darren Monico)
SUMMARY: The Village currently awaits the transfer of ownership of Outlot E in the Link Crossing Subdivision from K. Hovnanian Homes to the Village. Once the proper documents have been received by the Village from the Lake County Recorder's office, the property shall be conveyed to the Park District for use with Prairie Grove Park.
- I. O-2021-55 SCADA Support Services (Trustee Smith) (Staff Contact: Brett Robinson)
SUMMARY: Staff requests authorization to execute a 16 month agreement with Concentric Integration, for supervisory control and data acquisition maintenance services and software maintenance support in an amount not to exceed \$139,629.00, pending final review and approval of the agreement by the Village Attorney.

9. Ordinances and Resolutions

- A. O-2021-56 Ordinance Providing for Compensation of the Village Manager (President Sussman) (Staff Contact: Dane Bragg)
- B. O-2021-57 Ordinance Authorizing Execution of an Agreement with Telcom Innovation Group., for a Replacement Phone System (Trustee Smith) (Staff Contact: Brett Robinson)

- C. O-2021-58 Water Facility Planning (Trustee Stein) (Staff Contact: Kyle Johnson)
- D. O-2021-59 Sanitary Facility Planning (Trustee Stein) (Staff Contact: Kyle Johnson)
- E. O-2021-60 NPDES Compliance 5 Year Program (Trustee Stein) (Staff Contact: Kyle Johnson)
- F. R-2021-20 Authorization to Purchase Road Salt for the 2021-2022 Winter Season (State of Illinois and Lake County Joint Bid) (Trustee Stein) (Staff Contact: Tom Wisniewski)
- G. R-2021-21 Resolution Amending the Village of Buffalo Grove Fund Balance and Reserve Policy (Trustee Weidenfeld) (Staff Contact: Chris Black)

10. Unfinished Business

11. New Business

12. 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.

13. 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.

**MINUTES OF THE REGULAR MEETING OF THE VILLAGE BOARD OF THE VILLAGE OF
BUFFALO GROVE HELD IN THE JEFFREY S. BRAIMAN COUNCIL CHAMBERS AT
VILLAGE HALL, 50 RAUPP BOULEVARD, BUFFALO GROVE, ILLINOIS, MONDAY, JULY 19, 2021**

CALL TO ORDER

President Sussman called the meeting to order at 7:30 P.M. Those present stood and pledged allegiance to the Flag.

ROLL CALL

Roll call indicated the following present: President Sussman; Trustees Ottenheimer, Weidenfeld, Johnson, Smith and Pike. Trustee Stein was present by audio.

Also present were: Dane Bragg, Village Manager; Patrick Brankin, Village Attorney; Chris Stilling, Deputy Village Manager; Art Malinowski, Director of Human Resources; Katie Golbach, Human Resources Management Analyst; Chris Black, Director of Finance; Evan Michel, Management Analyst; Brett Robinson, Director of Purchasing; Tom Wisniewski, Buyer; Darren Monico, Village Engineer; Mike Skibbe, Director of Public Works; Kyle Johnson, Assistant Director of Public Works; Geoff Tollefson, Director of Golf Operations; Deputy Police Chief Eisenmenger; and Fire Chief Baker.

APPROVAL OF MINUTES

Moved by Weidenfeld, seconded by Ottenheimer, to approve the minutes of the June 21, 2021 Regular Meeting. Upon roll call, Trustees voted as follows:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike

NAYS: 0 – None

Motion declared carried.

WARRANT #1330

Mr. Black read Warrant #1330. Moved by Johnson, seconded by Weidenfeld, to approve Warrant #1330 in the amount of \$5,138,959.66 authorizing payment of bills listed. Upon roll call, Trustees voted as follows:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike

NAYS: 0 – None

Motion declared carried.

VILLAGE PRESIDENT'S REPORT

President Sussman read a Proclamation honoring **Fritzie Fritzshall** for her life, activism and legacy as a survivor of Auschwitz. Fritzie Fritzshall was President of the Illinois Holocaust Museum and a remarkable woman who embodied the spirit of Buffalo Grove. President Sussman then presented the Proclamation to Steven Fritzshall, Fritzie's son, and extended condolences to the family on behalf of the Village of Buffalo Grove.

President Sussman noted that tomorrow, July 20, 2021, marks the 52nd anniversary of **Apollo 11**, the first crew to land on the moon.

VILLAGE MANAGER'S REPORT

Mr. Bragg introduced Deputy Chief Eisenmenger to review Buffalo Grove's partnership with the **Lake County Major Crimes Task Force**.

Dan Thomas, Assistant Team Commander, gave a brief review and purpose of the Task Force which was founded in 1992. Buffalo Grove was an original member of the Task Force, and Buffalo Grove Police Department member, Gary Del Re, was the original Commander of the Task Force.

The award being given tonight is the “Above and Beyond” award, which is a new award, with Buffalo Grove being the first recipient as well the catalyst for the creation of the award. The Buffalo Grove Police Department is currently contributing five officers to the Lake County Major Crimes Task Force.

On behalf of Chief Casstevens, Deputy Chief Eisenmenger expressed thanks for the award and noted that the Buffalo Grove Police Department looks forward to many more years of working together with the Task Force.

REPORTS FROM TRUSTEES

Trustee Smith noted that the **Back to School** supply drive began yesterday at the Farmer’s Market and will continue for the next three Sundays to collect school supplies for children in the area.

Trustee Stein noted sources to find information about **Buffalo Grove Days** which will be held over Labor Day weekend.

CONSENT AGENDA

President Sussman explained the Consent Agenda, stating that any member of the audience or the Board could request that an item be removed for full discussion; there were no such requests. The Village Clerk read a brief synopsis of each of the items on the Consent Agenda.

Ordinance No. 2021-46 – Liquor Controls

Motion to pass Ordinance No. 2021-46 amending Chapter 5.20, Liquor Controls, of the Buffalo Grove Municipal Code – Class B. Liquor License d/b/a name change for Donato Restaurant Group. Donato Restaurant Group, Inc. at 1180 Lake Cook Road has filed with the Illinois Secretary of State’s Office to use the assumed name of Buffalo Restaurant.

Ordinance No. 2021-47 – 1362 Barclay Boulevard

Motion to pass Ordinance No. 2021-47 approving an ordinance granting a Special Use for a Recreational Use (Badminton Facility) in the Industrial District at 1362 Barclay Boulevard.

Ordinance No. 2021-48 - LCDOT

Motion to pass Ordinance No. 2021-48, Municipal Acceptance Forms LCDOT. Staff recommends approval of the Municipal Acceptance Forms for Village facilities to be built within the Lake County Rights-of Way as part of the Weiland Road widening project.

1305 Busch Parkway

Motion to approve the Development Improvement Agreement for 1305 Busch Parkway, subject to the receipt of the required fees and the Village Attorney review.

600 McHenry Road

Motion to approve Certificate of Initial Acceptance for 600 McHenry Road (Animal Care Center of Buffalo Grove) development located at the southwest corner of IL Route 83 and Buffalo Grove Road.

Ordinance No. 2021-45 – Ultra Strobe

Motion to pass Ordinance No. 2021-45, authorizing the Village Manager to expend an additional \$35,000.00 with Ultra Strobe Communications, Inc. for emergency lighting installation services for a total amount not to exceed \$110,000.00 for fiscal year 2021, pending final review and approval by the Village Attorney.

Moved by Ottenheimer, seconded by Stein, to approve the Consent Agenda as presented. Upon roll call, Trustees voted as follows on the Consent Agenda:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike
 NAYS: 0 – None
 Motion declared carried.

RESOLUTION NO. 2021-19 – 2021 PAY RANGES

Moved by Weidenfeld, seconded by Ottenheimer, to pass Resolution No. 2021-19, approval of the Revised 2021 Pay Ranges, in accordance with materials contained in Board packets.

Mr. Malinowski reviewed the proposed resolution, details of which are contained in the Village Board Meeting Agenda Item Overview that he prepared. Mr. Malinowski confirmed that the approval of changing the pay ranges does mean that anyone automatically gets a raise because this resolution is passed.

Upon roll call, Trustees voted as follows:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike
 NAYS: 0 – None
 Motion declared carried.

ORDINANCE NO. 2021-49 – PRINTER LEASE

Moved by Smith, seconded by Weidenfeld, to pass Ordinance No. 2021-49, authorizing the Village Manager to perform all actions necessary to execute a five-year equipment lease agreement and maintenance agreement with Canon Solutions America, Inc. at an estimated amount of \$182,650.00, pending final review and approval by the Village Attorney.

Mr. Wisniewski reviewed the proposed ordinance, details of which are contained in his memo to Mr. Bragg dated July 15, 2021.

Upon roll call, Trustees voted as follows:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike
 NAYS: 0 – None
 Motion declared carried.

ORDINANCE NO. 2021-50 – FY 2020 BUDGET AMENDMENT

Moved by Weidenfeld, seconded by Johnson, to pass Ordinance No. 2021-50, approving an Amendment to the Fiscal Year 2020 Budget, in accordance with materials in Board packets.

Mr. Black reviewed the proposed ordinance, details of which are contained in his memo of June 21, 2021 to Mr. Bragg.

Upon roll call, Trustees voted as follows:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike
 NAYS: 0 – None
 Motion declared carried.

ORDINANCE NO. 2021-51 – CONVEYANCE OF PROPERTY

Moved by Johnson, seconded by Pike, to pass Ordinance No. 2021-51, conveyance of property from the Village to the Park District as detailed in Board packets.

Mr. Monico reviewed the proposed ordinance, details of which are contained in his memo of July 15, 2021 to Mr. Bragg.

Upon roll call, Trustees voted as follows:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike

NAYS: 0 – None

Motion declared carried.

QUESTIONS FROM THE AUDIENCE

President Sussman reviewed the parameters to be followed by speakers and asked if there were any questions from the audience on items not on tonight's agenda; there were no such questions.

EXECUTIVE SESSION

Moved by Ottenheimer, seconded by Weidenfeld, to move to Executive Session to discuss **Section 2(C)(6) of the Illinois Open Meetings Act: the Setting of a Price for Sale or Lease of Property Owned by the Public Body and Section 2(C)(1) of the Illinois Open Meetings Act: the Appointment, Employment, Compensation, Discipline, Performance, or Dismissal of Specific Employees of the Public Body or Legal Counsel for the Public Body, Including Hearing Testimony on a Complaint Lodged Against an Employee of the Public Body or Against Legal Counsel for the Public Body to Determine Its Validity.** Upon roll call, Trustees voted as follows:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike

NAYS: 0 – None

Motion declared carried.

The Board moved to Executive Session from 8:00 P.M. until 9:56 P.M.

ADJOURNMENT

Moved by Ottenheimer, seconded by Smith, to adjourn the meeting. Upon roll call, Trustees voted as follows:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike

NAYS: 0 – None

Motion declared carried.

The meeting was adjourned at 9:58 P.M.

Janet M. Sirabian, Village Clerk

APPROVED BY ME THIS 16th DAY OF August 2021

Village President

Minutes Acceptance: Minutes of Jul 19, 2021 7:30 PM (Approval of Minutes)

**MINUTES OF THE COMMITTEE OF THE WHOLE MEETING OF THE VILLAGE BOARD OF
THE VILLAGE OF BUFFALO GROVE HELD IN THE JEFFREY S. BRAIMAN COUNCIL
CHAMBERS, VILLAGE HALL, 50 RAUPP BOULEVARD, BUFFALO GROVE, ILLINOIS,
MONDAY, JULY 26, 2021**

CALL TO ORDER

President Sussman called the meeting to order at 7:30 P.M. Those present stood and pledged allegiance to the Flag.

ROLL CALL

Roll call indicated the following present: President Sussman; Trustees Stein, Ottenheimer, Weidenfeld, Johnson, Smith and Pike.

Also present were: Dane Bragg, Village Manager; Art Malinowski, Director of Human Resources; Chris Stilling, Deputy Village Manager; Nicole Woods, Deputy Director of Community Development; Brett Robinson, Administrative Services Director; Evan Michel, Management Analyst; Kyle Johnson, Assistant Director of Public Works; Darren Monico, Village Engineer; Fire Chief Baker; and Deputy Police Chief Eisenmenger.

The Committee of the Whole Meeting consisted of staff reports and Board discussion on the listed topics, with staff answering questions from the Board on each topic.

COMMUNICATIONS STRATEGY

Communications continue to be a powerful and ever-changing tool for local governments to share information, increase transparency, and become a trusted voice. Over the past five years, the Village of Buffalo Grove has taken great leaps forward in the effectiveness of its communication and engagement activities.

Staff conducted a workshop regarding the Village's current and future communications strategy, with the purpose being to reflect on past success, create a cohesive voice and vision, and plant a new centralized approach. The results of this workshop will be used in the creation of the 2022 Budget.

Mr. Skibbe, Mr. Michel and Ms. Woods each reviewed a PowerPoint exhibit during their presentations.

QUESTIONS FROM THE AUDIENCE

President Sussman reviewed the parameters to be followed by speakers and asked if there were any questions from the audience on items not on tonight's agenda; there were no such questions.

EXECUTIVE SESSION

Moved by Ottenheimer, seconded by Stein, to move to Executive Session to discuss **Section 2(C)(1) of the Illinois Open Meetings Act: the Appointment, Employment, Compensation, Discipline, Performance, or Dismissal of Specific Employees of the Public Body or Legal Counsel for the Public Body, including Hearing Testimony on a Complaint Lodged Against an Employee of the Public Body or Against Legal Counsel for the Public Body to Determine Its Validity.** Upon roll call, Trustees voted as follows:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike

NAYS: 0 – None

Motion declared carried

The Board moved to Executive Session from 8:52 P.M. until 10:11 P.M.

Minutes Acceptance: Minutes of Jul 26, 2021 7:30 PM (Approval of Minutes)

ADJOURNMENT

Moved by Stein, seconded by Ottenheimer, to adjourn the meeting. Upon roll call, Trustees voted as follows:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike

NAYS: 0 – None

Motion declared carried.

The meeting was adjourned at 10:13 P.M.

Janet M. Sirabian, Village Clerk

APPROVED BY ME THIS 16th DAY OF August 2021

Village President

Minutes Acceptance: Minutes of Jul 26, 2021 7:30 PM (Approval of Minutes)

**MINUTES OF THE COMMITTEE OF THE WHOLE MEETING OF THE VILLAGE BOARD OF
THE VILLAGE OF BUFFALO GROVE HELD IN THE JEFFREY S. BRAIMAN COUNCIL
CHAMBERS, VILLAGE HALL, 50 RAUPP BOULEVARD, BUFFALO GROVE, ILLINOIS,
MONDAY, AUGUST 2, 2021**

CALL TO ORDER

President Sussman called the meeting to order at 7:30 P.M. Those present stood and pledged allegiance to the Flag.

ROLL CALL

Roll call indicated the following present: President Sussman; Trustees Stein, Ottenheimer, Weidenfeld, Johnson, Smith and Pike.

Also present were: Dane Bragg, Village Manager; Patrick Brankin, Village Attorney; Chris Stilling, Deputy Village Manager; Art Malinowski, Director of Human Resources; Evan Michel, Management Analyst; Chris Black, Director of Finance; Mike Skibbe, Director of Public Works; Kyle Johnson, Assistant Director of Public Works; Darren Monico, Village Engineer; Geoff Tollefson, Director of Golf Operations; Fire Chief Baker; and Deputy Police Chief Szos.

The Committee of the Whole Meeting consisted of staff reports and Board discussion on the listed topics, with staff answering questions from the Board on each topic.

FY 2021 SIX-MONTH BUDGET PERFORMANCE REPORT

Mr. Black reviewed the Fiscal Year 2021 six-month status update, details of which are contained in his memo to Mr. Bragg and Mr. Stilling of July 19, 2021. The six-month revenue and expenditure report provides an overview of current year performance measured against the 2021 Budget and the prior year's six-month totals, as well as providing information to make any necessary adjustments in spending and service delivery to respond to an unanticipated revenue decline or unforeseen expenditure.

2022 COMPENSATION POOL

Mr. Malinowski reviewed the 2022 Compensation Pool, details of which are contained in the memo that he and Kathryn Golbach sent to Mr. Bragg. Staff is seeking Board feedback regarding the recommendation to award a 2.5% general wage increase effective January 1, 2022 to non-represented employees. Staff also recommends continuation of the merit pay component of the existing pay-for-performance program for non-represented employees. This program is designed to align non-represented employees with the merit benefits of those who are represented.

SUNSET HOME RULE & UTILITY TAXES

Mr. Black reviewed the Sunset Home Rule and Utility Taxes, details of which are contained in his memo to Mr. Bragg of August 2, 2021. Staff recommends the continuation of the additional 0.5% Home Rule Sales Tax, Municipal Natural Gas Use Tax, and Municipal Electricity Use Tax for fiscal year 2022. The total of \$5.2 million or 11.1% of the General Fund revenue budget is subject to sunset provisions. Based on the current service levels, lack of sustainable surpluses in other revenue streams, and no new sources of revenue, staff recommends no changes to the Home Rule Sales Tax or the Electricity or Natural Gas Use Taxes.

2021 CAPITAL IMPROVEMENT PLAN

Mr. Monico reviewed the 2021 Capital Improvement Plan requests, details of which are contained in his memo to Mr. Bragg of July 26, 2021. Board packets included the 2022 Preliminary Requests for the 2022-2041 Capital Improvement Plan. Staff provided an overview of the requests received leading into the 2022 budget.

Minutes Acceptance: Minutes of Aug 2, 2021 7:30 PM (Approval of Minutes)

It was noted that this document is a planning tool and does not mean that all of these projects will be implemented.

2021 PROPERTY TAX LEVY

Mr. Black reviewed the 2021 Property Tax Levy, details of which are contained in his memo to Mr. Bragg of August 2, 2021. 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 result of the increases noted in the report contained in Board packets would result in a tentative levy of \$17,629,007 or 3% growth. A more detailed request will be made as a part of the truth-in-taxation process. The preliminary truth-in-taxation levy growth is estimated to be 4.14% as it does not include debt service. A public hearing will not be required.

QUESTIONS FROM THE AUDIENCE

President Sussman reviewed the parameters to be followed by speakers and asked if there were any questions from the audience on items not on tonight's agenda; there were no such questions.

EXECUTIVE SESSION

Although the Agenda indicated the need for an Executive Session, it was determined that an Executive Session would not be necessary tonight.

ADJOURNMENT

Moved by Smith, seconded by Stein, to adjourn the meeting. Upon roll call, Trustees voted as follows:

AYES: 6 – Stein, Ottenheimer, Weidenfeld, Johnson, Smith, Pike

NAYS: 0 – None

Motion declared carried.

The meeting was adjourned at 8:10 P.M.

Janet M. Sirabian, Village Clerk

APPROVED BY ME THIS 16th DAY OF August 2021

Village President

Minutes Acceptance: Minutes of Aug 2, 2021 7:30 PM (Approval of Minutes)

**Action Item : Approval of Warrant #1331****Recommendation of Action**

Staff recommends approval.

TOTAL WARRANT #1331 \$3,900,949.15.

ATTACHMENTS:

- W #1331 SUMMARY (PDF)

Trustee Liaison

Weidenfeld

Staff Contact

Chris Black, Finance

Monday, August 16, 2021

VILLAGE OF BUFFALO GROVE WARRANT #1331
16-Aug-21

General Fund:	1,189,660.17
Parking Lot Fund:	83.51
Motor Fuel Tax Fund:	0.00
Debt Service Fund:	0.00
School & Park Donations:	0.00
Lake Cook Rd TIF Fund:	0.00
Capital Projects-Facilities:	0.00
Capital Projects-Vehicles/Equipment:	14,833.63
Capital Projects-Streets:	271,276.61
Health Insurance Fund:	0.00
Facilities Development Debt Service Fund:	0.00
Retiree Health Savings (RHS):	0.00
Water Fund:	80,169.40
Buffalo Grove Golf Fund:	13,748.19
Arboretum Golf Fund:	15,632.26
Refuse Service Fund:	68,125.00
Information Technology Internal Service Fund:	135,517.38
Central Garage Internal Service Fund:	72,758.70
Building Maintenance Internal Service Fund:	29,180.41
	<u>1,890,985.26</u>
 PAYROLL PERIOD ENDING 07/22/2021	 983,071.15
PAYROLL PERIOD ENDING 08/05/2021	<u>1,026,892.74</u>
	<u>2,009,963.89</u>
 TOTAL WARRANT #1331	 <u><u>3,900,949.15</u></u>

APPROVED FOR PAYMENT BY THE PRESIDENT AND BOARD OF TRUSTEES OF
 THE VILLAGE OF BUFFALO GROVE, ILLINOIS

 Village Clerk

 Village President

Attachment: W #1331 SUMMARY (Approval of Warrant #1331)



Action Item : Amended Board/Commission Appointments

Recommendation of Action

Staff recommends approval of the amended 2021-22 Committees, Commissions and Boards appointments.

The proposed amendment appoints Stuart Berman to serve as chair of the Board of Fire and Police Commissioners and Jane Dibbern to serve as commissioner. Further, Marc Blumenthal has been removed from the Ethics Commission since his appointment to the Board of Fire and Police Commissioners.

ATTACHMENTS:

- Boards Committees Commissions Final 8.11.21. (DOCX)

Trustee Liaison
Sussman

Staff Contact
Dane Bragg, Office of the Village Manager

Monday, August 16, 2021	
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2021-2022 Committees, Commissions and Boards Appointments

Board of Fire and Police

Commissioners (5)

- Stuart Berman (Chair)
- Jane Dibbern
- Kevin Dryman
- Scott Fishman
- Marc Blumenthal*

- Ed Muldoon
- Sarah Lee
- Jackie Beegun
- Jane Primack*
- Beth Nudelman*
- David Bergman*
- Mindy Lazor*

Planning and Zoning Commission (9)

- Frank Cesario (Chair)
- Amy Au
- Steven Goldspiel
- Zill Khan
- Adam Moodhe
- Mitchell Weinstein
- Kevin Richards
- Neil Worlikar
- Marc Spunt

Rick Kahen Commission for Residents with Disabilities (9 min.)

- Judy Samuels (Chair)
- Martin Sussman (Vice
Chair)
- Donna Garfield
- Dean Klassman
- David Morton
- Beth Shapiro
- Jack Shapiro
- Larry Sweica
- Mark Weiner
- Debbie Verson
- Lexi Robinson
- Leo Njongmeta
- Matthew Dragon
- Allie Zalay*
- Avi Samuels*

Electrical Commission (6)

- Harold Kabb
- George Koriath
- Wayne Kowalski

Health Commission (7)

- Deb Moritz (Chair)
- Mike Garfield
- Karleen Pitchford
- Doug Pitchford
- Dr. Becky Bergman
- Stuart Kanowitz
- Nisha Patalay*

Police Pension Board (2)

- Jeffrey Feld
- Kenneth Fox

Firefighters Pension Board (2)

- Arthur Malinowski
- Larry Stanley

Farmers Market Committee (5 min.)

- Paulette Greenberg
(Chair)
- Larry King

Buffalo Grove Days (Unlimited)

Members

- Paulette Greenberg (Co-
Chair)
- JV Springman (Co-Chair)
- Cody Bartlett
- Dianne Bartlett
- Jackie Beegun
- Alan Danenberg
- Karen Danenberg
- Sarah Lee
- Adam Moodhe
- Rhonda Norman
- Rodney Odelson
- Doug Primack
- Jane Primack
- Marc Spunt
- Nancy Winter

*New appointee

(#) indicates number of positions by committee, commission or board

Volunteers¹

- Mari Antman
- Steven Antman
- Arnie Brown
- Howard Hoffman
- Carol Irvin
- Reed Irvin
- Betty Lou Manso
- Debi Moritz
- Alan Nudelman
- Beth Nudelman
- Matthew Rybarczyk

¹ Volunteers are not required to attend all meetings, complete OMA

*New appointee

(#) indicates number of positions by committee, commission or board

training or submit Cook County ethics/economic interest statements)

2021-2022 Committees, Commissions and Boards Appointments (Continued)

Buffalo Grove Days Volunteers, continued

- Debbie Rybarczyk
- Marian Rodriguez
- Don Geno
- Sheri Ginsberg
- Ron Greco
- Ken Lazar
- Nena Baker
- Gowri Magati*
- Ryan Bowers*

Ethics Commission (7)

- Debra Rybarczyk (Chair)
- Walter Jasinski
- Lenna Scott
- Pragnesh Patel*
- Leslie Abella*
- David Yang*

*New appointee

(#) indicates number of positions by committee, commission or board



Information Item : Firefighter of the Year

Recommendation of Action

Staff recommends presentation.

Buffalo Grove Rotary will present their Firefighter of the Year Award to Lt. Jeff Morris.

ATTACHMENTS:

- 2020 FFOY Nomination Memo-Morris (DOCX)

Trustee Liaison
Johnson

Staff Contact
Mike Baker, Fire

Monday, August 16, 2021

VILLAGE OF BUFFALO GROVE



MEMORANDUM

DATE: July 7, 2021
TO: Brett Robinson, President Buffalo Grove Rotary
FROM: Mike Baker, Fire Chief
SUBJECT: 2020 Firefighter of the Year Selection

The Buffalo Grove Fire Department nomination committee comprised of DC Wagner, BC Spiro, Lt. Navarro and Lt. Otto, met and reviewed the submissions for the Buffalo Grove Rotary 2020 Firefighter of the Year award. Lieutenant Jeff Morris has been selected as the Buffalo Grove Fire Department recipient for 2020.

When the Buffalo Grove Fire Department faced rapidly changing situations surrounding response to COVID-19, Lt. Morris was one of the first to step up to begin collaboration between fire department administration and response personnel. Lt. Morris attended weekly staff meetings, functioning as logistics coordinator to ensure that each station had the needed cleaning supplies, PPE, and general station supplies due to shortages. Lt. Morris worked tirelessly to gather information for policies and procedures so that department operations aligned with the ever-changing guidelines throughout the pandemic.

It is for these reasons that Lieutenant Jeff Morris has been selected for the Buffalo Grove Rotary 2020 Firefighter of the Year award. Lt. Morris will be presented the Buffalo Grove Rotary 2020 Firefighter of the Year at the August 16, 2021 Village Board meeting. Please join me in congratulating Lt. Morris!

Attachment: 2020 FFOY Nomination Memo-Morris (Firefighter of the Year)



Information Item : Acceptance of the 2020 Audit and Management Letter

Recommendation of Action

Staff recommends acceptance.

Attached for the Village of Buffalo Grove President and Board of Trustees review is the Financial Audit for Fiscal Year 2020. In accordance with state statute, this was completed and submitted to the State of Illinois Comptroller's Office. The financial audit is presented in the form of the Comprehensive Annual Financial Report. The purpose of the Comprehensive Annual Financial Report is to provide accurate and meaningful information concerning village's financial condition and performance. Independent auditors have verified that the village has fairly presented its financial position, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Jamie Wilkey, a partner from Lauterbach and Amen, will provide a brief presentation and answer questions at the Board Meeting.

ATTACHMENTS:

- Buffalo Grove Comprehensive Annual Financial Report 1220.1 (PDF)

Trustee Liaison

Weidenfeld

Staff Contact

Chris Black, Finance

Monday, August 16, 2021

VILLAGE OF BUFFALO GROVE, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2020

VILLAGE OF BUFFALO GROVE, ILLINOIS
COMPREHENSIVE
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2020

Prepared by:
Finance Department and General Services

Chris Black
Director of Finance Director and General Services

VILLAGE OF BUFFALO GROVE, ILLINOIS

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INTRODUCTORY SECTION

This section includes miscellaneous data regarding the Village of Buffalo Grove, including:

- List of Principal Officials
- Organizational Chart
- Letter of Transmittal
- GFOA Certificate of Achievement for Excellence in Financial Reporting

VILLAGE OF BUFFALO GROVE, ILLINOIS

List of Principal Officials

December 31, 2020

Beverly Sussman
Village President

Janet M. Sirabian
Village Clerk

Board of Trustees

Gregory S. Pike

Andrew Stein

Joanne Johnson

Lester Ottenheimer

Eric Smith

David Weidenfield

Appointed Officials

Dane Bragg, Village Manager

Jennifer Maltas
Deputy Village Manager

Chris Black
Finance Director/Village
Treasurer

Steven Casstevens
Chief of Police

William Baker
Fire Chief

Michael Skibbe
Public Works Director

Arthur Malinowski
Human Resource Director

Darren Monico
Village Engineer

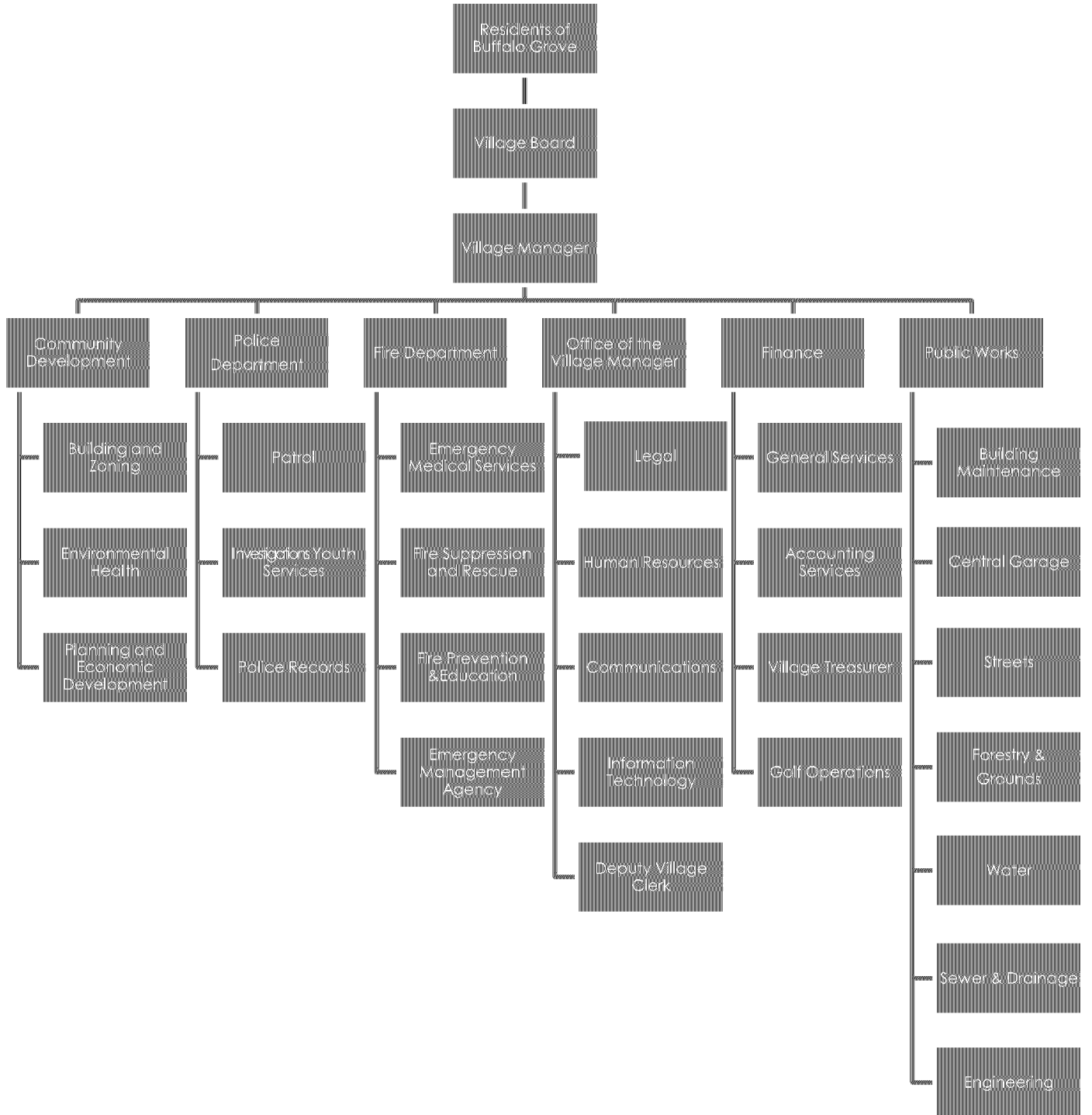
Christopher Stilling
Director of Community
Development

Geoff Tollefson
Golf Course Manager

Brian Sheehan
Building Commissioner

Brett Robinson
Administrative Services Director

ORGANIZATIONAL CHART



VILLAGE OF BUFFALO GROVE



Department of Finance & General Services

Fifty Raupp Blvd.
Buffalo Grove, IL 60089-2100
Phone 847-459-2500
Fax 847-459-0332

August 5, 2021

The Honorable Beverly Sussman
Members of the Village Board
Citizens of the Village of Buffalo Grove

The Comprehensive Annual Financial Report of the Village of Buffalo Grove for the year ended December 31, 2020 is submitted herewith. This report represents a comprehensive picture of the Village's financial activities during Fiscal Year 2020 and the financial condition of its various funds at December 31, 2020. State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audit in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

Management assumes full responsibility for the completeness and reliability of all of the information presented in the report based upon a comprehensive internal control framework. Because the cost of internal controls should not outweigh their benefits, the Village's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

Lauterbach & Amen, Independent Certified Public Accountants, have issued an unmodified (clean) opinion on the Village's financial statements for the fiscal year ended December 31, 2020. The independent auditors' report is presented at the front of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). The letter of transmittal is designated to complement the MD&A and should be read in conjunction with it. The Village of Buffalo Grove's MD&A can be found immediately following the report of the independent auditors.

Profile of the Village of Buffalo Grove

The Village of Buffalo Grove was incorporated March 7, 1958, and is located approximately 29 miles northwest of the downtown of the City of Chicago. The Village resides in both Cook and Lake Counties and spans 9.2 square miles and, based on the 2010 U.S. Census, serves a population of 41,496. The Village of Buffalo Grove is empowered to levy a property tax on real property located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, which it has done from time to time.

The Village became a home rule unit by referendum on July 1, 1980, giving it additional powers to tax and regulate in ways not specifically granted, or prohibited, by the Illinois Constitution. As a home rule entity, the Village has no tax rate or debt limits, nor is it required to conduct a referendum to authorize the issuance of debt or to increase property taxes.

The Village operates under a Council/Manager form of government. Policy making and legislative authority are vested with the Village Board, which consists of a President and a six member Board of Trustees. The Village Board is responsible for passing ordinances and resolutions, adopting the annual budget, appointing committees, and hiring the Village's Manager and Attorney. The Village Manager is responsible for carrying out the policies, ordinances and resolutions of the Village Board, developing and presenting an annual budget, overseeing the day-to-day operations of the Village, and appointing department directors.

The Village provides a full range of services including police and fire protection, construction and maintenance of streets and infrastructure, planning and zoning, water and sewer utilities, and general administrative services. The Village also operates two golf courses and a municipal commuter parking lot. To provide these services there were 217 full-time and 55 part-time/seasonal positions in the Fiscal Year 2020 annual budget.

Budgetary Control and Accounting Systems

The annual budget serves as the foundation for the Village's financial planning and as a management spending control document. All departments of the Village of Buffalo Grove are required to submit budget requests by a specified date each year. These requests serve as the starting point for budget development. The proposed budget is presented to the Village Board in November and adopted by ordinance in December concurrently with the property tax levy.

Legal spending thresholds are established through the annual budget under the budget officer method. The Village Board is required to hold a public hearing on the budget document and must adopt a final budget no later than December 31st of each year. The budget is prepared by fund, and department program. Department directors may make transfers of budget allocations within a department. Transfers of budget allocations between funds, however, require the approval of the Village Board. All budget adjustments must be approved by the Village Board to amend the legal spending thresholds.

The accounts of the Village are organized on the basis of funds, each of which is considered a separate and distinct accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Revenues are allocated to and accounted for in individual funds based upon the purpose for which they are to be expended and the means by which spending activities are controlled. The accounting records for general governmental operations are maintained on the modified accrual basis, with revenues being recorded when available and measurable and expenditures being recorded when the material or services are received and the liability is incurred. Accounting records for the Village's enterprise funds, internal service funds, agency funds and pension trust funds are maintained on the accrual basis of accounting.

Factors Affecting Financial Condition

Local Economy

The Village of Buffalo Grove, like many other communities, suffered a major economic decline following the onset of the COVID-19 pandemic in March 2020. The Village was approximately \$1 million under the FY 2020 budget amounts in state sales tax and home rule sales tax combined. However, a financial plan to reduce operating expenses to mitigate the use of financial reserves was implemented. The plan included a voluntary separation incentive program, maintaining staff vacancies, and reducing operating expenditures.

The Village is primarily residential, with supporting commercial activity and limited industrial and manufacturing activity. There are approximately 820 licensed businesses operating in the Village. The majority of residents are employed in management, professional, sales and office occupations. The Village's unemployment statistics have consistently been lower than the national and state averages, with an unemployment rate at the end of the year at 5.7 percent besting the state by 1.4 percent.

External economic factors at the national and state level continue to impact the Village's revenue profile and, subsequently its ability to manage operating and capital resources.

- Property tax collections totaled \$17,035,362 which is an increase from the previous year's total of \$16,321,876 an increase of 4.4 percent.
- Water and Sewer collections increased from \$10,938,035 in 2019 to \$14,625,649 in 2020. A total increase of 33.7 percent.
- Sales taxes [net of rebates], both state shared and home rule, generated \$9,829,765 in 2020 versus \$9,945,749 in 2019, a decrease of 1.1 percent.

The Village equalized assessed valuation increased by \$127.8 million or 7.6 percent to \$1.82 billion for the 2019 levy year. The increase is due primarily to the triennial and quadrennial assessments in Lake and Cook Counties respectively as well as new property and development experienced during the year.

The unassigned fund balance of the General Fund will again exceed the 25 percent threshold of the subsequent year's budgeted expenditures, less non-operating transfers, which is policy established by the Village Board.

<u>Fiscal Year Ended</u>	<u>Unassigned Fund Balance</u>	<u>Budgeted Expenditures</u>	<u>Percent</u>
December 31, 2011	\$ 9,872,594	\$29,271,054	33.73%
December 31, 2012	\$10,302,515	\$29,768,828	34.61%
December 31, 2013	\$12,395,113	\$35,511,109*	34.90%
December 31, 2014	\$13,225,644	\$37,083,251	35.67%
December 31, 2015	\$14,991,907	\$38,165,617	39.29%
December 31, 2016	\$16,143,726	\$39,177,439	41.21%
December 31, 2017	\$18,902,476	\$39,477,439	47.88%
December 31, 2018	\$17,039,974	\$39,717,331	42.90%
December 31, 2020	\$18,939,974	\$43,948,348	43.10%
December 31, 2020	\$20,304,913	\$44,657,330	45.47%

* Budget number includes employer pension costs beginning in FY 2013.

Long-Term Financial Planning

The Village compiles a General Fund Five-Year Financial Forecast annually which provides an analysis of future revenue and expenditures. This report is completed in tandem with the start of the annual budget process. Other long-range financial plans include the five-year Capital Improvement Plan, Twenty-Year Water Fund Pro-Forma, and a Twenty-Year Storm Sewer Pro Forma.

The Village assesses its capital needs through the Capital Improvement Plan (CIP) update. This document is a planning tool to identify short and medium term capital needs (facilities, infrastructure and roadways) and measure those demands against the Village's ability to pay. For a project to be incorporated into the CIP, it must involve the creation, improvement, or acquisition of a tangible asset with an original cost of at least \$25,000.

Within the next five years it is anticipated that the Village will be involved with or managing over \$175 million in capital projects. Transportation-related projects represent a large percentage of the improvements at \$76 million. Routine maintenance of existing streets accounts for \$63 million of those projects. Approximately \$32 million and \$7.5 million respectively, is allocated to improving and maintaining the water utility and sanitary sewer systems.

The Twenty-Year Water Fund Pro-Forma provides an overview of the Water Fund and adequacy of the current water rate to fund operating expenses and infrastructure improvements as well as generating a reserve to continue with a pay-as-you-go approach to capital budgeting. The Reserve for Capital Replacement Funding Report lists all Village owned vehicles, the service life, and its respective reserve balance.

Major Initiatives

In 2020, the Village of Buffalo Grove issued nearly 2,700 commercial and residential building permits. These permits represent a total project valuation of \$58 million invested into the Buffalo Grove community. In addition to building permit activity, the following major projects occurred in 2020:

Plans continued into 2020 regarding the Lake Cook Road Corridor implementation strategy to stimulate redevelopment of land within the corridor consistent with the adopted plan. Northwest Community Healthcare (NCH) and their development partner, MedProperties Group, continued to redevelop the 7.5 acre site at 15 S McHenry Road and 125 E Lake Cook Road into new four-story, 70,000 square foot medical office building to accommodate NCH. The project also includes a 4,900 square foot retail building.

The Combined Area Fire Training (CAFT) Facility redevelopment was completed at 851 Krause Drive. Other developments in 2020 include the Woodman's unattended gas station, which is owned and operated by Woodman's Food Market on 1.5 acres of land just south of its grocery store at 1550 Deerfield Parkway. The Link Crossing subdivision on 50 acres at 16802 W. Aptakisic Road continued its development in 2020.

The project by K. Hovnanian Homes will have a total of 187 units and include a mix of 68 clustered single-family detached homes and 119 two-story townhomes. Plans for future development include a Ricky Rockets gas station and retail space at 700 East Lake Cook and a new industrial and office headquarters at 1305 Busch Parkway. Other preliminary plans include a new townhome development and commercial redevelopment plans in the Village's commercial corridors.

In July 2020, the Village established a Tax Increment Financing (TIF) District in the Lake Cook Corridor to help spur private development and implement the Lake Cook Corridor Market Study and Plan. The Village also took major steps to complete a new Comprehensive Plan to establish a new long-term vision for the entire community.

In 2020, 62 businesses opened, expanded and/or relocated in the Village of Buffalo Grove.

Awards and Acknowledgments

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Buffalo Grove for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2019. This was the thirty-eighth consecutive year that the government has received this prestigious award. To be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized Comprehensive Annual Financial Report. This report satisfies both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the Village also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the fiscal year beginning January 1, 2020. In order to qualify for the Distinguished Budget Presentation Award, the Village's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report would not have been possible without the dedicated services of the entire staff of the Finance Department especially Deputy Finance Director Cheryl Mosqueda, CPA, CGFM. Credit also must be given to the Village President and Board of Trustees, and the Village Manager Dane Bragg for their assistance in planning and conducting the fiscal affairs of the Village in a responsible manner.

Respectfully submitted,



Chris Black
Director of Finance/Village Treasurer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Village of Buffalo Grove
Illinois**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morrell

Executive Director/CEO

FINANCIAL SECTION

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Combining and Individual Fund Statements and Schedules
- Supplemental Schedules

INDEPENDENT AUDITORS' REPORT

This section includes the opinion of the Village's independent auditing firm.



INDEPENDENT AUDITORS' REPORT

August 5, 2021

The Honorable Village President
 Members of the Board of Trustees
 Village of Buffalo Grove, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Buffalo Grove, Illinois, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Village of Buffalo Grove, Illinois
 August 5, 2021
 Page 2

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Buffalo Grove, Illinois, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents and budgetary information reported in the required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Buffalo Grove, Illinois' basic financial statements. The introductory section, other supplementary information, supplemental schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information and supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Village of Buffalo Grove, Illinois
August 5, 2021
Page 3

Other Matters – Continued

Other Information – Continued

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 5, 2021, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF BUFFALO GROVE, ILLINOIS

Management's Discussion and Analysis (Unaudited) December 31, 2020

The Village of Buffalo Grove's Management's Discussion and Analysis (MD&A) offers the readers of the Village of Buffalo Grove's financial statements this narrative overview and analysis of the financial activities of the Village of Buffalo Grove for the fiscal year ended December 31, 2020. This information presented here should be considered in conjunction with additional information provided in the letter of transmittal, which is found in the introductory section of this report.

Financial Highlights

- The assets and deferred outflows of the Village exceeded its liabilities and deferred inflows at December 31, 2020 by \$74.6 million (net position). The Net Position for governmental activities is \$19.2 million or 25.7 percent of the total, and business-type activities account for \$55.4 million. Of this amount, (\$18.9) million is unrestricted, the negative amount of unrestricted assets is directly related to the recognition of all retirement obligations in noncurrent liabilities, which is \$59.7 million for 2020 (a decrease of \$12.6 million or 17.4% from 2019).
- The Village's total debt increased by \$22.3 million (or 122.5 percent). Total general bonded debt outstanding is \$34.6 million as of December 31, 2020. The General Fund transferred \$2.9 million from fund balance to the Capital Projects Fund.
- The Village's net position increased by \$13.8 million (or 22.7 percent) during the fiscal year ending December 31, 2020. The governmental net position increased by \$6.9 million (56.1 percent) and the business-type activities net position increased by \$6.9 million (14.2 percent).
- As of December 31, 2020, the Village of Buffalo Grove's General Fund reported ending fund balance of \$30.5 million, an increase of \$2.6 million from the prior year. Of this amount, \$20.1 million was unassigned.

Overview of the Financial Statements

The MD&A is intended to serve as an introduction to the Village's basic financial statements. The Village of Buffalo Grove's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the Village's finances similar to the corporate sector in that all governmental and business-type activities are consolidated into one total for the Primary Government.

The statement of net position presents information on all assets and deferred outflows and liabilities and deferred inflows, with the difference between the two reported as net position. Changing of the net position total over time can be one useful indicator in assessing the financial position of the Village. This statement combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event causing the change occurs, regardless of the timing of related cash flows. Revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes).

VILLAGE OF BUFFALO GROVE, ILLINOIS

Management's Discussion and Analysis (Unaudited) December 31, 2020

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village include public safety (police and fire), public works, streets and sidewalks, community development, and general government. Property taxes, state and home rule sales tax, shared state income tax, real estate transfer tax, prepared food and beverage tax, and utility taxes finance most of these services. The Business-type Activities reflect private sector type operations and include Water and Sewer Funds, Refuse Fund, Buffalo Grove Golf Course and Arboretum Golf Course. The intent is for the fees to cover the costs of operations, infrastructure replacement, and debt services expenses.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village uses fund accounting to ensure and demonstrate fiscal accountability and legal compliance. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds are used to account for primarily the same functions reported as governmental activities in the government wide financial statements. The focus, unlike the government-wide financial statement, is on the sources and uses of available resources (cash and cash equivalents), in order to provide a near, or short-term view of the Village's operations. This information is useful in the evaluation of short-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village of Buffalo Grove maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Debt Service, Facilities Development, Street Maintenance, and Vehicle Equipment Replacement Funds, which are classified as major funds. Data on the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in the report.

Proprietary Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village uses enterprise funds to account for its water and sewer utility, refuse service, and activities at the Buffalo Grove and Arboretum Golf Courses. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Fund and the Arboretum Golf Fund as they are considered major funds.

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Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are reflected in the government-wide financial statement since the implementation of GASB 67 & 68. The implementation was completed in fiscal year 2015. The accounting used for fiduciary funds is much like that used for proprietary funds. Notes to the financial statement provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the budgetary comparison to actual for the general fund, as well as the Village's progress in funding its obligation to provide pension and retiree benefit plans to its employees.

Government-wide Financial Analysis

The assets and deferred outflows of the Village of Buffalo Grove exceeded liabilities and deferred inflows by \$74.6 million as of December 31, 2020. The largest portion of the Village's net position reflects its net investment in capital assets (\$89.5 million). Those capital assets include land, buildings, streets, utility infrastructure, and equipment, less any outstanding debt related to the original acquisition. The Village uses these capital assets to help facilitate service delivery to its residents; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay the debt must be provided from other sources, since the capital assets cannot be used to reduce these liabilities.

A portion of the Village's net position (\$4.0 million) represents resources that are subject to external restrictions on how they may be used, of that amount \$3.0 million is restricted for improvements to roadway, public infrastructure, and other municipal public improvements. The remaining balance of unrestricted net position ((\$18.9) million) reduces total net position significantly due to GASB 68 and 75, which requires the Village to show the outstanding retirement obligations in noncurrent liabilities. The total increase in unrestricted net position from the prior year is \$9.9 million (34.4 percent).

The Village's combined net position increased by \$13.8 million as a result of governmental activities increasing by \$6.9 million and business-type activities increasing by \$6.9 million. The net position of the Village's governmental fund was \$19.2 million. The Village's unrestricted net position for governmental activities that are available for day-to-day financial operations were (\$35.6) million compared to (\$40.2) million at December 31, 2019. The net position of business-type activities was \$55.4 million. The business type activities unrestricted net position increased by \$5.3 million from the previous year.

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Please refer to table below for condensed Statement of Net Position:

Village of Buffalo Grove's Net Position (in Millions)

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Assets						
Current / Other Assets	\$ 72.4	51.0	19.3	14.6	91.7	65.6
Capital Assets	71.6	62.5	44.6	43.4	116.2	105.9
Total Assets	144.0	113.5	63.9	58.0	207.9	171.5
Deferred Outflows	12.2	14.1	2.3	1.0	14.5	15.1
Total Assets/Deferred Outflows	156.2	127.6	66.2	59.0	222.4	186.6
Liabilities						
Current Liabilities	7.5	6.0	1.4	2.1	8.9	8.1
Non-Current Liabilities	93.9	80.7	8.9	8.2	102.8	88.9
Total Liabilities	101.4	86.7	10.3	10.3	111.7	97.0
Deferred Inflows	35.6	28.6	0.5	0.2	36.1	28.8
Total Liabilities/ Deferred Inflows	137.0	115.3	10.8	10.5	147.8	125.8
Net Position:						
Net Investment in Capital Assets	50.8	50.7	38.7	37.1	89.5	87.8
Restricted	4.0	1.8	-	-	4.0	1.8
Unrestricted	(35.6)	(40.2)	16.7	11.4	(18.9)	(28.8)
Total Net Position	19.2	12.3	55.4	48.5	74.6	60.8

VILLAGE OF BUFFALO GROVE, ILLINOIS

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Normal Impacts

There are five basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation.

Net Results of Activities – which will impact (increase/decrease) current assets and unrestricted net position.

Borrowing of Capital – which will increase current assets and long-term debt.

Spending Borrowed Proceeds on New Capital – which will reduce current assets and increase capital assets. There is a second impact, an increase in invested in capital assets and an increase in related net debt which will not change the net investment in capital assets.

Reduction of Capital Assets through Depreciation – which will reduce capital assets and net investment in capital assets.

Current Year Impacts

At the end of the current fiscal year, the Village reported positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

Within the governmental activities, the Village increase in "Current and Other Assets" of \$21.5 million is primarily related to \$20.9 million more in cash and investments, \$0.2 million more in receivables and \$0.4 million more in prepaid reserves related to terminal illness coverage at the end of 2020 compared to 2019. The Village experienced a slight decrease of \$0.2 million (-4.1 percent) in service charge revenues, \$0.4 million (-30.8 percent) in telecommunications taxes, \$0.2 million (-7.1 percent) in utility taxes and \$2.5 million (-51% percent) in other general revenues. Real estate (property) transfer taxes stayed consistent to the prior year. Interest Income decreased \$0.5 million (-66 percent) and miscellaneous income decreased \$1.5 million (-58 percent).

The Village maintained capital improvement and asset purchases in 2020. The Village has adopted a philosophy of funding capital improvements to a large extent on a pay-as-you-go basis, and retires debt obligations quickly, resulting in positive net position calculations. Declines in "Capital Assets" are primarily as a result of depreciation.

Changes in Net Position.

The Village's total revenues and expenses for governmental and business-type activities are reflected in the following chart:

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Village of Buffalo Grove's Changes in Net Position (in Millions)

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues						
Program Revenues						
Charges for Services	\$ 4.7	4.9	18.2	13.8	22.9	18.7
Grants / Contributions						
Operating	3.8	1.7	-	-	3.8	1.7
Capital	2.0	0.2	0.3	0.3	2.3	0.5
General Revenues						
Property Taxes	17.0	16.3	-	-	17.0	16.3
Sales and Use Taxes	11.6	11.3	-	-	11.6	11.3
Income Taxes	4.6	4.5	-	-	4.6	4.5
Telecommunications Taxes	0.9	1.3	-	-	0.9	1.3
Utility Taxes	2.6	2.8	-	-	2.6	2.8
Property Transfer Taxes	1.0	1.0	-	-	1.0	1.0
Other General Revenues	2.5	4.9	0.6	0.8	3.1	5.7
Total Revenues	50.7	48.9	19.1	14.9	69.8	63.8
Expenses						
General Government	7.2	7.0	-	-	7.2	7.0
Public Safety	26.1	30.2	-	-	26.1	30.2
Public Works	7.7	10.2	-	-	7.7	10.2
Interest	1.2	0.3	-	-	1.2	0.3
Water	-	-	10.4	9.7	10.4	9.7
Sewer	-	-	0.8	2.8	0.8	2.8
Golf	-	-	2.6	0.8	2.6	0.8
Total Expenses	42.2	47.7	13.8	13.3	56.0	61.0
Change in Net Position Before Transfers	8.5	1.2	5.3	1.6	13.8	2.8
Transfers	(1.6)	1.2	1.6	(1.2)	-	-
Change in Net Position	6.9	2.4	6.9	0.4	13.8	2.8
Net Position - Beginning	12.3	9.9	48.5	48.1	60.8	58.0
Net Position - Ending	19.2	12.3	55.4	48.5	74.6	60.8

VILLAGE OF BUFFALO GROVE, ILLINOIS

Management's Discussion and Analysis (Unaudited) December 31, 2020

Normal Impacts

Revenues

Economic Condition – which can reflect a declining, stable or growing economic environment and has a substantial impact on property, sales, income, utility tax revenues as well as public spending habits for building permits, elective user fees and volumes of consumption.

Increase/Decrease in the Village Approved Rates – while certain tax rates are set by statute, the Village has significant authority to impose and periodically increase/decrease rates (water, building and licensing fees, ambulance fee, etc.).

Changing patterns in Intergovernmental and Grant Revenue – (both recurring and non-recurring) – certain recurring revenue (state shared revenues) may experience significant changes periodically while non-recurring (one-time) grants are less predictable and often distorting in their impact on year-to-year comparisons.

Market Impact on Investment Income – the Village's investment portfolio is structured to meet certain liabilities as they become due and the income generated is subject to market conditions that may cause the investment income to fluctuate.

Expenses

Changes in Authorized Personnel – changes in service demand may cause the Village to increase/decrease authorized staffing.

Salary Increase (general wage adjustments and merit) – compensation adjustments to ensure the Village can attract and retain high level employees.

Inflation – while overall inflation appears to be reasonably modest, the Village is a major consumer of certain commodities such as supplies, fuels, and parts. Some functions may experience unusual commodity-specific increases (e.g. fuel, road salt).

Current Year Impacts

Government Activities:

Governmental activities increased the Village's net position by \$6.8 million to \$19.1 million. Significant elements contributing to this net change are as follows:

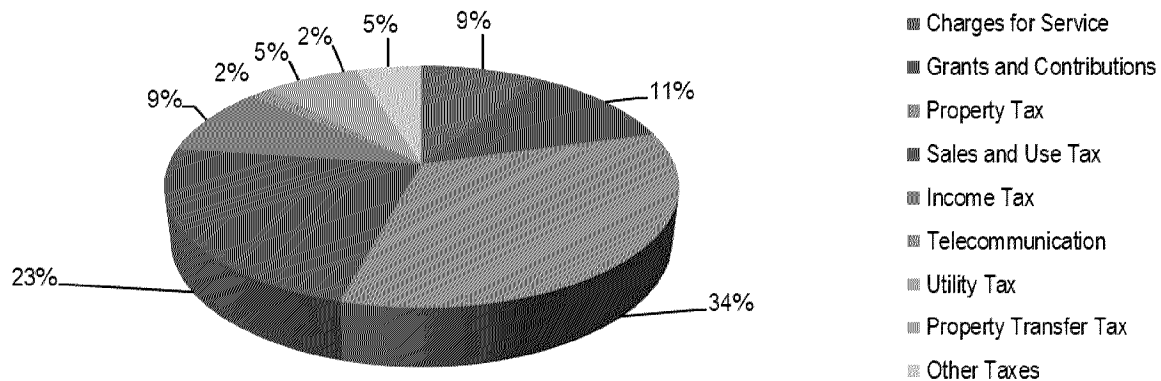
Revenues:

Revenues for the Village's governmental activities for the year ended December 31, 2020 were \$50.7 million an increase of \$1.8 million or 3.7 percent. Property taxes continue to be the Village's largest source of revenue (33.5 percent) at \$17.0 million. Included within the property tax revenues are the pension levies for the Police and Firefighter Pension Funds and IMRF/Social Security. The pension levies account for 39.5 percent of the property tax levy. Other taxes and intergovernmental revenue including sales tax, state income tax, utility tax, prepared food and beverage tax, hotel tax, and real estate transfer tax total \$20.7 million or 40.8 percent of total governmental activities revenue. Property taxes increased by \$0.7 million. There was a 0% increase in the corporate agency tax levy collected in 2020. The corporate levy for 2020, to be collected in 2021, is funding Police and Fire Protection.

VILLAGE OF BUFFALO GROVE, ILLINOIS

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December 31, 2020

Village of Buffalo Grove 2020 Revenue by Source Governmental Activities



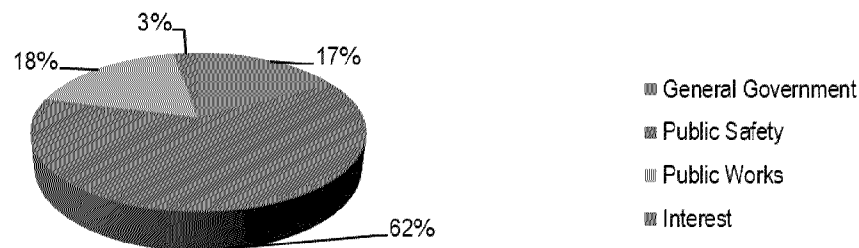
The Police Protection levy increased \$.2 million (4.8 percent) and the Fire Protection Levy decreased \$.2 million (3.0 percent). The total tax levy decreased .16 percent due to \$.6 million in abatements.

Sales and use tax increased by \$.3 million compared to the previous year primarily due to sales tax (net of rebates) declining 2.7%. Utility taxes decreased \$.2 million compared to prior year. Income taxes continue to rebound increasing \$.1 million from FY 2019, a 2.2 percent jump. Real estate transfer taxes stayed consistent with prior year. Income tax and sales and use tax are key indicators for the Village of Buffalo Grove's local economy and are improving year over year.

Expenses:

The cost of all governmental activities this year was \$42.2 million, a decrease of 11.5 percent from 2019 (\$47.7 million). The largest decrease was made in Public Safety expenses \$4.1 million in 2020. Public Works expenses decreased by \$2.5 million (24.5 percent).

Village of Buffalo Grove 2020 Expenses by Function Governmental Activities Expenses



VILLAGE OF BUFFALO GROVE, ILLINOIS

Management's Discussion and Analysis (Unaudited) December 31, 2020

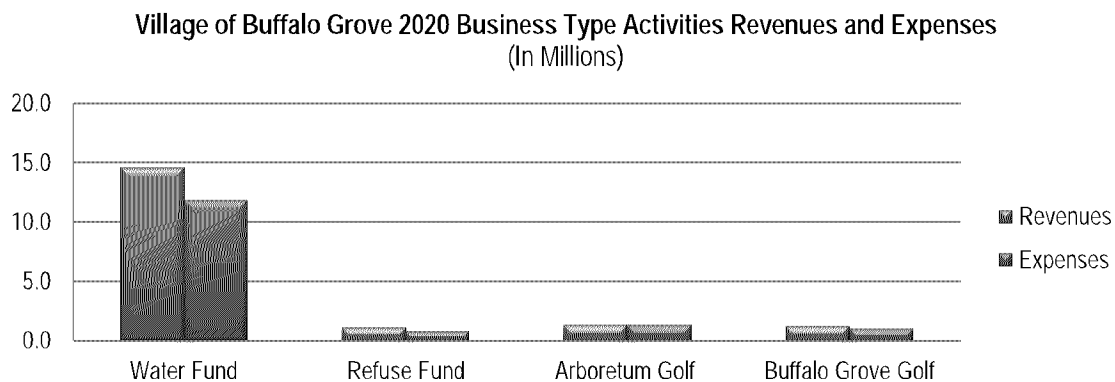
The Statement of Activities shows that \$4.7 million in revenue was generated to finance the services rendered by the user fees. Another \$5.8 million in revenue was generated by operating and capital grants and other contributions that was expended for capital improvement.

Business-Type Activities:

Business-type activities net position increased by \$6.9 million. Significant changes are noted below.

Revenue:

Water sales increased \$3.9 million from the previous year. The total amount pumped was 1.24 billion gallons in 2019 versus 1.26 billion in 2020. The utility increased revenue with a 11.0 percent water rate increase. There was a slight increase in water consumed .05 billion gallons (4.3 percent). The two golf courses generated \$2.5 million in 2020, \$0.5 million (25 percent) better than 2019 earnings. The following graph shows a comparison of revenues and expenses for each business type activity (excludes non-operating activity, transfers and GAAP adjustments).



Expenses:

Expenses from all business-type activities increased by \$0.5 million or 3.8 percent. The Water Fund expenses increased by \$0.7 million due to more expenses in 2020 related to capital projects that weren't capitalized at year end. Golf expenses were increased in 2020 to \$2.6 million in total or increase of 225.0 percent.

Financial Analysis of the Village's Funds

As noted earlier the Village utilizes fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds

The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources.

VILLAGE OF BUFFALO GROVE, ILLINOIS

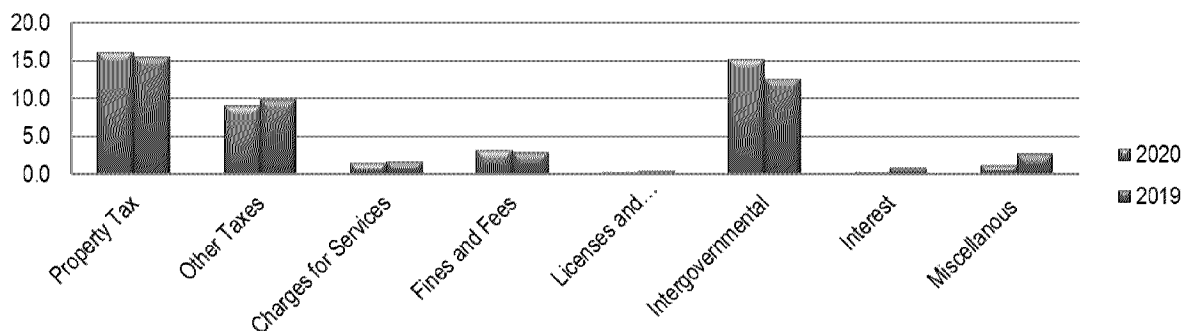
Management's Discussion and Analysis (Unaudited) December 31, 2020

The Village's governmental funds for the year ended December 31, 2020 reflect a combined fund balance of \$50.7 million on its balance sheet. This represents a \$21.1 million dollar increase over the balance posted last year. While most revenue streams for the Village decreased from 2019, the Village issued \$24 million in General Obligation Bonds in 2020 and experienced an overall increase in revenues of \$1.9 million. New revenue streams due to Illinois Rebuild funds of \$.9 million, \$.5 million in Motor Fuel Tax Transportation Renewal Distribution funds, and \$.4 million in Local Motor Fuel Tax funds were received in 2020. While the Village curbed expenditures due to Covid-19, the overall increase over prior year of \$8.3 million is due to inflationary costs along with an increase in capital project expenditure activity of \$5.9 million. Of the total fund balance of \$50.7 million, \$20.2 million is unassigned indicating availability for future obligations.

The 2020 unassigned fund balance increased by \$1.2 million. Nonspendable fund balance (\$0.57 million) represents amounts set aside for inventory and deposits. Restricted fund balance (\$20.6 million) relates to the remaining proceeds available on the 2020 General Obligation Bond, federal and state seizure funds, and non-major special revenue fund balances including the Motor Fuel Tax and Local Motor Fuel Tax funds. Committed fund balance (\$9.3 million) is to be used for future capital replacement.

The General Fund is the Village's main operating fund and accounts for core municipal services including, public safety (police and fire), public works, community development, and general administration. As such, it is useful to review the liquidity of the fund by comparing the unassigned fund balance against the operating General Fund operating budget. As of December 31, 2020, the unassigned fund balance represents 47.2 percent of the FY 2020 operating budget. The Fund Balance of the General Fund increased by \$2.6 million for the fiscal year ended December 31, 2020.

Village of Buffalo Grove 2020 General Fund Revenue (in millions)



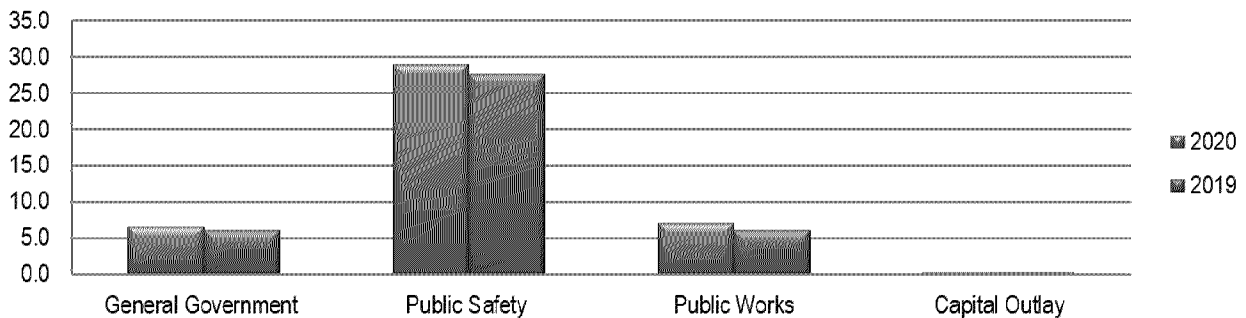
General Fund revenues decreased by \$0.2 million in 2020. Fines and Fees increased slightly reporting \$3.1 million, while Miscellaneous Income is down \$1.6 million (59.3 percent) from 2019. State Sales tax (net of rebates) reported for 2020 was down 2 percent (\$0.1 million). Income tax increased \$0.1 million (2.6 percent) and use tax increased \$0.45 million (32.3 percent). Real estate transfer taxes decreased by \$35,000 (-3.5 percent). Other State of Illinois shared revenues decreased \$18,000 (-6.24%). It should be noted that these revenues tend to be threatened to be reduced annually by the state legislature. The Village of Buffalo Grove is focused on developing self-sustaining revenue sources.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Management's Discussion and Analysis (Unaudited) December 31, 2020

The overall decrease in the General Fund revenue was 0.4 percent, while expenditures increased 6.7 percent (\$2.7 million) in 2020.

Village of Buffalo Grove 2020 General Fund Expenditures



The surplus of revenues over expenditures (before other financing sources/uses) was \$3.8 million. Adding in the Other Financing Sources (Uses), the net change to fund balance resulted in an increase of \$2.6 million. Public Safety Expenditures increased \$1.3 million, 3.4 percent, in FY 2020. Public Works increased 14.8 percent (\$0.9 million) and General Government spent \$0.5 million more in 2020 versus 2019.

Special Revenue Funds have a combined fund balance of \$3.0 million as of December 31, 2020. In 2020 the Village continued its initiative to improve local roadways by resurfacing streets, repairing bridges, and maintaining street, curb and gutter as needed. These projects were funded through Motor Fuel Tax (MFT) funds, Local Motor Fuel Tax (LMFT) funds, the Capital Projects Street Maintenance fund, and grant revenues in 2020. Revenues received from the state share of the motor fuel tax were \$2.4 million and local share of motor fuel tax of \$0.4 million. The scope of each year's identified maintenance, as determined through pavement analysis studies, surpasses the revenues typically received; however, in 2020, new revenue streams brought in additional funding: Motor Fuel Transportation Renewal Fund revenues, Local Motor Fuel Tax revenues and Illinois Rebuild grant revenues to help with the relatively inelastic funding source provided by Motor Fuel Tax allotments. The intention of the 2020 debt issuance was to help fund the Village's streets and water and sewer infrastructure modernization program. The Street Maintenance Fund expended \$7.5 million which was mostly transferred from the General Fund. Some street projects tied to grant funding are not complete as of December 31, 2020, the remainder will be expended in FY 2021. The Village continues to make streets a priority spending over the annual allotment for MFT by transferring general fund revenues to funds that build and improve roadway infrastructure.

The Debt Service Fund has a fund balance of \$16.8 million at the end of FY 2020, The Village debt totals \$34.6 million, all general obligation bonds, and retired \$1.3 million in principal in the current year and issued \$24.0 million in general obligation bonds. The interest paid associated with the debt retired was \$1.2 million. Debt per capita is \$916.91 as of December 31, 2020.

The Village's Capital Improvement plan continued in 2020. The Village expended over \$0.5 million to the Facilities Development fund infrastructure in FY 2020.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Management's Discussion and Analysis (Unaudited) December 31, 2020

Proprietary Funds

The Village of Buffalo Grove's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Village reports that both the Water and Sewer Fund and the Arboretum Golf Course as major proprietary funds. The Water and Sewer Fund accounts for all operating expenses of the municipal water system. Water is purchased wholesale from the City of Evanston through the Northwest Water Commission of which the Village is one of four members. Sanitary sewer service is provided by the Lake County Public Works Department for those property owners in Lake County. The Village acts as a billing partner to reduce administrative costs. The Metropolitan Water Reclamation District of Greater Chicago handles all the sanitary sewer treatment for Cook County residents and recovers its expenses through a property tax levy.

The water and sewer utility experienced net operating income before interest and transfers of \$4.4 million for FY 2020, an increase of \$3.0 million (26.1 percent) from the prior fiscal year. A rate increase of 11% percent was applied to all water and sewer usage as well as a new fixed facility fee assessed for single family homes and town homes effective January 1, 2020. Sewer operations accounted for 35.7 percent, or \$4.2 million of the total Water and Sewer operational expenditures. Water operations accounted for \$1.8 million (15.5 percent) and capital outlay for both systems totaling \$3.9 million (33.8 percent). The purchase of water accounted for 14.9 percent, or \$1.7 million. Sanitary sewer fees collected on behalf of Lake County Public Works was \$3.3 million for FY 2020. These two pass-through expenses account for 41.7 percent of the total operating expense of the fund.

Non-operating revenue (expense) decreased \$5,782 due to investment income.

The unrestricted net position of the Water and Sewer Fund at the end of the current fiscal year was \$15.6 million and of that amount \$8.4 million is the Village's equity interest in the Northwest Water Commission. The installment note to pay down the water meter replacement project is \$5.6 million, or 65.2 percent, of total liabilities in the water and sewer enterprise. The note is paid off by the increased margin of water metering accuracy.

The Village of Buffalo Grove owns and operates two municipal golf courses. The Village also reported the Arboretum Golf Course Fund as a major proprietary fund. This fund accounts for all operations of the Arboretum Golf Course. The course reported a year end unrestricted net position balance of \$0.9 million. Total revenues were up \$268,000 from 2019. The Buffalo Grove Golf Course generated \$1.2 million in operating revenue while incurring \$1.0 million in operating expenses. A total of 58,297 paid rounds were played between the two courses in 2020.

General Fund Budgetary Highlights

The budget is formally presented to the Village Board in November and approved in December in conjunction with the tax levy request. As the Village operates under the Budget Officer Act, a public hearing, for public comment is conducted, before the budget is adopted. The budget document sets the legal spending ceiling for each fund and serves as the day-to-day management tool to ensure fiscal accountability.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Management's Discussion and Analysis (Unaudited)
December 31, 2020General Fund Budgetary Highlights
For the Fiscal Year Ended December 31, 2020
(in thousands)

	Final Budget	Actual
Revenues and Transfers:		
Taxes	\$ 36,217	40,221
Fines and Fees	2,570	3,084
Licenses and permits	240	301
Other Revenues	2,005	2,885
Transfers in	2,008	2,008
Total Revenues and Transfers	43,040	48,499
Expenditures and Transfers		
Expenditures	44,727	42,670
Transfers Out	3,340	3,209
Total expenditures and Transfers	48,067	45,879
Change in fund balance	(5,027)	2,620

Revenue (taxes) performed better than expected due to stronger than anticipated sales and income tax revenue. Actual expenditures performed better than budget due to the reduction in spending efforts as a result of the Covid-19 environment.

Capital Assets

At the end of December 31, 2020, the Village had a combined total capital assets of \$116.1 million invested in a broad range of capital assets including, buildings, streets, storm sewers, and equipment. This amount represents a net increase (including additions and deductions) of \$10.1 million.

VILLAGE OF BUFFALO GROVE, ILLINOIS

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Village of Buffalo Grove Capital Assets at Year End (in millions)

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 39.5	38.1	6.2	6.2	45.7	44.3
Construction in Progress	2.3	1.6	1.0	-	3.3	1.6
Buildings	4.4	3.5	0.7	1.0	5.1	4.5
Equipment and Vehicles	7.6	5.4	-	0.2	7.6	5.6
Land Improvements	2.6	2.6	-	-	2.6	2.6
Streets and Storm Sewers	15.1	11.4	-	-	15.1	11.4
Water and Sewer Infrastructure	-	-	36.7	36.0	36.7	36.0
	71.5	62.6	44.6	43.4	116.1	106.0

The Governmental Activities net capital assets increased from last year by \$8.9 million (14.2 percent). For the Business-type activities, the net capital assets increased by \$1.2 million or (2.8 percent).

The capital activity for the Village of Buffalo Grove is mostly in streets, water and sewers and vehicles including the construction in progress in these areas. The amounts added to the asset classes was offset by accumulated depreciation and not shown in the table above.

Detailed information on the Village's capital assets is included in Note 3.

Long-Term Debt

At year end, the Village had total debt outstanding of \$40.5 million as shown in the next table:

Village of Buffalo Grove Long-Term Debt (in millions)

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
General Obligation Bonds	\$ 34.6	11.9	-	-	34.6	11.9
IEPA Loans	-	-	0.3	0.3	0.3	0.3
Installment Contracts Payable	-	-	5.6	6.0	5.6	6.0
	34.6	11.9	5.9	6.3	40.5	18.2

VILLAGE OF BUFFALO GROVE, ILLINOIS

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The Village maintains assigned "AAA" ratings on its general obligation bonds from Standard and Poor's Corporation. Moody's Investor Services rates the Village of Buffalo Grove as "AA1".

The total per capita general obligation (GO) debt for the community stands at \$916.91 and represents 0.69 percent of the percentage of equalized assessed valuation of the Village.

The Village, under its home rule authority, does not have a legal debt limit.

Detailed information on the Village's long-term debt can be found in Note 3.

Economic Factors and Next Year's Budgets and Rates

The Village entered 2021 with a balanced operating budget. The budget for the fiscal year beginning January 1, 2021, is \$113,221,559 a 40.1 percent increase from the previous year. The operating budget totals \$49,176,622 resulting in an 8.4 percent increase over the previous year.

Total capital spending during the year is estimated to be \$17.4 million. Continued emphasis will remain on developing innovative ways to deliver services and reduce costs while actively working to improve sales tax collections through economic development. In 2021, the Village begins a five-year capital program to address the community's water and sanitary sewer system infrastructure replacement and street resurfacing and reconstructions projects. The additional funding that increases in water and sewer utility rates as well as the new fixed facility fees bring in are allocated entirely to capital projects and used to offset debt service exposure in the property tax levy.

Property taxes remain the Village's most stable revenue although the total assessed value of all taxable property decreased 1.7 percent for the 2020 tax levy (extended and collected in 2021). A tax levy was adopted for the 2021 budget at the same level as the prior year for an increase of 0.0 percent. The Village mitigated an additional \$3.34 million in levied taxes through full abatements of the 2016 and 2020 bonds, as well as a partial abatement of the 2012 bonds. If these amounts were not abated the levy increase would have been 19.6 percent. The Village will use operating funds to pay the bond payable amount not covered by the tax levy.

A Storm Water Management User Fee introduced in the FY 2016 budget offsets the costs related to maintaining, repairing and developing an infrastructure reserve for future system needs. This revenue stream has resulted in an additional \$1.1 million to the General Fund that is funding new and replacement storm sewer infrastructure.

Budgeted expenditures include general wage adjustments for non-represented employees and contractual salary adjustments which are part of labor agreements. The Village currently has two represented employee groups (police and fire).

Health insurance increases are minimized by the economies of scale provided by the Village's membership in the Intergovernmental Personnel Benefits Cooperative (IPBC). In 2021, plans remain on hold for backfilling vacancies as a result of the uncertainty in the economic environment due to Covid-19 and its impact.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Management's Discussion and Analysis (Unaudited)
December 31, 2020

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Chris Black, Director of Finance or Cheryl Mosqueda, Deputy Director of Finance, Village of Buffalo Grove, 50 Raupp Boulevard, Buffalo Grove, IL 60089.

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

Proprietary Funds

Fiduciary Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

VILLAGE OF BUFFALO GROVE, ILLINOIS

**Statement of Net Position
December 31, 2020**

See Following Page

VILLAGE OF BUFFALO GROVE, ILLINOIS

Statement of Net Position
December 31, 2020

	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 47,603,189	8,171,720	55,774,909
Receivables - Net of Allowances	24,351,380	2,648,957	27,000,337
Prepays/Inventories	571,654	56,245	627,899
Total Current Assets	72,526,223	10,876,922	83,403,145
Noncurrent Assets			
Capital Assets			
Nondepreciable	41,812,405	7,208,451	49,020,856
Depreciable	113,190,423	92,166,077	205,356,500
Accumulated Depreciation	(83,403,082)	(54,789,340)	(138,192,422)
	71,599,746	44,585,188	116,184,934
Other Assets			
Investment in Joint Venture	-	8,374,590	8,374,590
Total Noncurrent Assets	71,599,746	52,959,778	124,559,524
Total Assets	144,125,969	63,836,700	207,962,669
DEFERRED OUTFLOWS OF RESOURCES			
Derferred Items - ARO	-	1,725,500	1,725,500
Deferred Items - IMRF	2,464,270	394,664	2,858,934
Deferred Items - Police Pension	2,986,027	-	2,986,027
Deferred Items - Firefighters' Pension	2,418,583	-	2,418,583
Deferred Items - RBP	4,289,126	252,590	4,541,716
Total Deferred Outflows of Resources	12,158,006	2,372,754	14,530,760
Total Assets and Deferred Outflows of Resources	156,283,975	66,209,454	222,493,429

The notes to the financial statements are an integral part of this statement.

	Governmental Activities	Business-Type Activities	Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 3,329,063	899,356	4,228,419
Accrued Payroll	959,295	61,630	1,020,925
Deposits Payable	443,377	31,820	475,197
Other Payables	3,762	-	3,762
Compensated Absences Payable	256,354	23,302	279,656
Current Portion of Long-Term Debt	2,550,445	456,502	3,006,947
Total Current Liabilities	7,542,296	1,472,610	9,014,906
Noncurrent Liabilities			
Compensated Absences Payable	1,025,415	93,207	1,118,622
Net Pension Liability - IMRF	5,160,476	826,472	5,986,948
Net Pension Liability - Police Pension	26,620,107	-	26,620,107
Net Pension Liability - Firefighters' Pension	12,274,978	-	12,274,978
Total OPEB Liability - RBP	13,996,788	824,282	14,821,070
General Obligation Bonds Payable - Net	34,800,320	-	34,800,320
IEPA Loan Payable	-	272,708	272,708
Installment Note Payable	-	5,178,045	5,178,045
Asset Retirement Obligation	-	1,725,500	1,725,500
Total Noncurrent Liabilities	93,878,084	8,920,214	102,798,298
Total Liabilities	101,420,380	10,392,824	111,813,204
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	17,115,541	-	17,115,541
Deferred Items - IMRF	2,785,602	446,126	3,231,728
Deferred Items - Police Pension	7,406,191	-	7,406,191
Deferred Items - Firefighters' Pension	7,769,688	-	7,769,688
Deferred Items - RBP	505,884	29,791	535,675
Total Deferred Inflows of Resources	35,582,906	475,917	36,058,823
Total Liabilities and Deferred Inflows of Resources	137,003,286	10,868,741	147,872,027
NET POSITION			
Net Investment in Capital Assets	50,847,075	38,677,933	89,525,008
Restricted - Public Safety	760,160	-	760,160
Restricted - Motor Fuel Tax	2,971,226	-	2,971,226
Restricted - Metra Parking Lot	42,070	-	42,070
Restricted - Debt Service	231,373	-	231,373
Unrestricted (Deficit)	(35,571,215)	16,662,780	(18,908,435)
Total Net Position	19,280,689	55,340,713	74,621,402

The notes to the financial statements are an integral part of this statement.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Statement of Activities

For the Fiscal Year Ended December 31, 2020

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Governmental Activities				
General Government	\$ 7,164,852	1,658,024	-	-
Public Safety	26,110,362	1,675,331	2,474,586	-
Public Works	7,760,350	1,409,408	1,307,198	2,002,648
Interest on Long-Term Debt	1,206,369	-	-	-
Total Governmental Activities	42,241,933	4,742,763	3,781,784	2,002,648
Business-Type Activities				
Water and Sewerage	10,375,028	14,589,445	-	341,254
Arboretum Golf	1,585,158	1,293,423	-	-
Buffalo Grove Golf	1,079,557	1,176,219	-	-
Refuse Service	803,999	1,148,303	-	-
Total Business-Type Activities	13,843,742	18,207,390	-	341,254
Total Primary Government	56,085,675	22,950,153	3,781,784	2,343,902

General Revenues

Taxes

Property

Home Rule Sales Tax

Telecommunications Tax

Utility Tax

Property Transfer Tax

Other Taxes

Intergovernmental - Unrestricted

State Income Tax

Sales Tax

Local Use Tax

Replacement Tax

Other Taxes

Interest

Miscellaneous

Transfers - Internal Activity

Change in Net Position

Net Position - Beginning

Net Position - Ending

The notes to the financial statements are an integral part of this statement.

Net (Expenses)/Revenues		
Primary Government		
Governmental Activities	Business-Type Activities	Totals
(5,506,828)	-	(5,506,828)
(21,960,445)	-	(21,960,445)
(3,041,096)	-	(3,041,096)
(1,206,369)	-	(1,206,369)
(31,714,738)	-	(31,714,738)
-	4,555,671	4,555,671
-	(291,735)	(291,735)
-	96,662	96,662
-	344,304	344,304
-	4,704,902	4,704,902
(31,714,738)	4,704,902	(27,009,836)
17,035,362	-	17,035,362
3,690,631	-	3,690,631
906,071	-	906,071
2,643,697	-	2,643,697
989,118	-	989,118
740,646	-	740,646
4,569,557	-	4,569,557
6,139,134	-	6,139,134
1,852,931	-	1,852,931
24,812	-	24,812
221,639	-	221,639
305,366	472,703	778,069
1,176,737	36,204	1,212,941
(1,629,358)	1,629,358	-
38,666,343	2,138,265	40,804,608
6,951,605	6,843,167	13,794,772
12,329,084	48,497,546	60,826,630
19,280,689	55,340,713	74,621,402

The notes to the financial statements are an integral part of this statement.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Balance Sheet - Governmental Funds

December 31, 2020

	General
ASSETS	
Cash and Investments	\$ 26,910,646
Receivables - Net of Allowances	
Taxes	21,608,148
Other	1,719,155
Due from Other Funds	151,403
Inventories	113,850
Prepays	457,804
	<u>50,961,006</u>
LIABILITIES	
Accounts Payable	2,273,835
Accrued Payroll	917,409
Deposits Payable	443,377
Due to Other Governments	3,762
Due to Other Funds	91,251
Total Liabilities	<u>3,729,634</u>
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	<u>16,712,894</u>
Total Liabilities and Deferred Inflows of Resources	<u>20,442,528</u>
FUND BALANCES	
Nonspendable	571,654
Restricted	760,160
Committed	9,052,502
Unassigned	20,134,162
Total Fund Balances	<u>30,518,478</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>50,961,006</u>

The notes to the financial statements are an integral part of this statement.

Debt Service	Capital Projects			Nonmajor	Totals
	Facilities Development	Street Maintenance	Vehicle Equipment Replacement		
16,812,407	74,501	280,021	50,495	2,950,079	47,078,149
402,647	-	-	-	-	22,010,795
17,060	-	466,618	-	137,752	2,340,585
-	-	-	-	-	151,403
-	-	-	-	-	113,850
-	-	-	-	-	457,804
17,232,114	74,501	746,639	50,495	3,087,831	72,152,586
-	33,194	504,888	32,750	7,761	2,852,428
-	-	-	-	-	917,409
-	-	-	-	-	443,377
-	-	-	-	-	3,762
-	-	-	-	66,774	158,025
-	33,194	504,888	32,750	74,535	4,375,001
402,647	-	-	-	-	17,115,541
402,647	33,194	504,888	32,750	74,535	21,490,542
-	-	-	-	-	571,654
16,829,467	-	-	-	3,013,296	20,602,923
-	41,307	241,751	17,745	-	9,353,305
-	-	-	-	-	20,134,162
16,829,467	41,307	241,751	17,745	3,013,296	50,662,044
17,232,114	74,501	746,639	50,495	3,087,831	72,152,586

The notes to the financial statements are an integral part of this statement.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Reconciliation of Total Governmental Fund Balance to
Net Position - Governmental Activities

December 31, 2020

Total Governmental Fund Balances	\$ 50,662,044
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	71,599,746
Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Deferred Items - IMRF	(321,332)
Deferred Items - Police Pension	(4,420,164)
Deferred Items - Firefighters' Pension	(5,351,105)
Deferred Items - RBP	3,783,242
Internal service funds are used by the Village to charge the costs of vehicle and equipment management and employee compensated absences to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position	13,141
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(1,281,769)
Net Pension Liability - IMRF	(5,160,476)
Net Pension Liability - Police Pension	(26,620,107)
Net Pension Liability - Firefighters' Pension	(12,274,978)
Total OPEB Liability - RBP	(13,996,788)
General Obligation Bonds Payable - Net	(37,350,765)
Net Position of Governmental Activities	<u>19,280,689</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF BUFFALO GROVE, ILLINOIS**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended December 31, 2020**

See Following Page

VILLAGE OF BUFFALO GROVE, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended December 31, 2020

	<u>General</u>
Revenues	
Taxes	\$ 25,114,736
Intergovernmental	15,107,505
Charges for Services	1,478,955
Licenses and Permits	301,321
Fines and Forfeitures	3,084,739
Interest	278,176
Miscellaneous	1,126,929
Total Revenues	<u>46,492,361</u>
Expenditures	
Current	
General Government	6,582,800
Public Safety	28,891,545
Public Works	6,973,359
Capital Outlay	222,871
Debt Service	
Principal Retirement	-
Interest and Fiscal Charges	-
Total Expenditures	<u>42,670,575</u>
Excess (Deficiency) of Revenues	
Over (Under) Expenditures	<u>3,821,786</u>
Other Financing Sources (Uses)	
Debt Issuance	-
Premium on Debt Issuance	-
Transfers In	2,008,315
Transfers Out	<u>(3,209,874)</u>
	<u>(1,201,559)</u>
Net Change in Fund Balances	2,620,227
Fund Balances - Beginning	<u>27,898,251</u>
Fund Balances - Ending	<u><u>30,518,478</u></u>

The notes to the financial statements are an integral part of this statement.

Debt Service	Capital Projects			Nonmajor	Totals
	Facilities Development	Street Maintenance	Vehicle Equipment Replacement		
890,789	-	-	-	-	26,005,525
-	-	466,618	-	2,843,228	18,417,351
-	-	-	-	302	1,479,257
-	-	-	-	-	301,321
-	-	-	-	52,600	3,137,339
27,190	-	-	-	-	305,366
-	-	49,808	-	-	1,176,737
917,979	-	516,426	-	2,896,130	50,822,896
-	-	-	-	251,243	6,834,043
-	-	-	-	-	28,891,545
-	-	-	-	-	6,973,359
-	511,270	7,505,067	1,332,255	-	9,571,463
1,299,030	-	-	-	-	1,299,030
1,196,044	-	-	-	-	1,196,044
2,495,074	511,270	7,505,067	1,332,255	251,243	54,765,484
(1,577,095)	(511,270)	(6,988,641)	(1,332,255)	2,644,887	(3,942,588)
24,000,000	-	-	-	-	24,000,000
2,720,164	-	-	-	-	2,720,164
1,262,650	550,000	6,971,962	1,350,000	202,959	12,345,886
(9,577,055)	-	-	-	(1,188,315)	(13,975,244)
18,405,759	550,000	6,971,962	1,350,000	(985,356)	25,090,806
16,828,664	38,730	(16,679)	17,745	1,659,531	21,148,218
803	2,577	258,430	-	1,353,765	29,513,826
16,829,467	41,307	241,751	17,745	3,013,296	50,662,044

The notes to the financial statements are an integral part of this statement.

VILLAGE OF BUFFALO GROVE, ILLINOIS

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities - Governmental Activities**
For the Fiscal Year Ended December 31, 2020

Net Change in Fund Balances - Total Governmental Funds **\$ 21,148,218**

Amounts reported for governmental activities in the Statement of Activities
are different because:

Governmental funds report capital outlays as expenditures. However, in the
Statement of Activities the cost of those assets is allocated over their estimated
useful lives and reported as depreciation expense.

Capital Outlays	11,016,201
Depreciation Expense	(1,999,753)
Disposals - Cost	(164,403)
Disposals - Accumulated Depreciation	164,403

The net effect of deferred outflows (inflows) of resources related
to the pensions not reported in the funds.

Change in Deferred Items - IMRF	(4,795,287)
Change in Deferred Items - Police Pension	(1,987,284)
Change in Deferred Items - Firefighters' Pension	(4,644,852)
Change in Deferred Items - RBP	2,533,429

The issuance of long-term debt provides current financial resources to
governmental funds, while the repayment of the principal on long-term
debt consumes the current financial resources of the governmental funds.

Change in Compensated Absences Payable	600,147
Change in Net Pension Liability - IMRF	4,740,251
Change in Net Pension Liability - Police Pension	2,965,123
Change in Net Pension Liability - Firefighters' Pension	6,045,715
Change in Total OPEB Liability - RBP	(3,238,844)
Retirement of Debt	1,299,030
Issuance of Debt	(24,000,000)
Premium on Issuance of Debt	(2,720,164)
Amortization of Bond Premium	6,396
Amortization of Loss on Refunding	(16,721)

Internal service funds are used by the Village to charge the costs of vehicle and equipment
management and employee compensated absences to individual funds.

The net revenue of certain activities of internal service funds is
reported with governmental activities.

Changes in Net Position of Governmental Activities	6,951,605
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The notes to the financial statements are an integral part of this statement.

VILLAGE OF BUFFALO GROVE, ILLINOIS**Statement of Net Position - Proprietary Funds
December 31, 2020**

See Following Page

VILLAGE OF BUFFALO GROVE, ILLINOIS

Statement of Net Position - Proprietary Funds

December 31, 2020

	Business-Type Activities - Enterprise				Governmental
	Water and Sewerage	Arboretum Golf	Nonmajor	Totals	Internal Service
ASSETS					
Current Assets					
Cash and Investments	\$ 6,755,186	1,035,868	380,666	8,171,720	525,040
Receivables - Net of Allowances					
Accounts	2,158,538	-	-	2,158,538	-
Other	490,419	-	-	490,419	-
Inventories	-	29,837	26,408	56,245	-
Total Current Assets	9,404,143	1,065,705	407,074	10,876,922	525,040
Noncurrent Assets					
Capital Assets					
Nondepreciable	1,009,937	5,219,738	978,776	7,208,451	-
Depreciable	78,939,022	9,990,847	3,236,208	92,166,077	-
Accumulated Depreciation	(42,240,188)	(9,980,222)	(2,568,930)	(54,789,340)	-
	37,708,771	5,230,363	1,646,054	44,585,188	-
Other Assets					
Investment in Joint Venture	8,374,590	-	-	8,374,590	-
Total Noncurrent Assets	46,083,361	5,230,363	1,646,054	52,959,778	-
Total Assets	55,487,504	6,296,068	2,053,128	63,836,700	525,040
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Items - ARO	1,725,500	-	-	1,725,500	-
Deferred Items - IMRF	306,282	62,781	25,601	394,664	-
Deferred Items - RBP	223,997	-	28,593	252,590	-
Total Deferred Outflows of Resources	2,255,779	62,781	54,194	2,372,754	-
Total Assets and Deferred Outflows of Resources	57,743,283	6,358,849	2,107,322	66,209,454	525,040

The notes to the financial statements are an integral part of this statement.

	Business-Type Activities - Enterprise				Governmental Activities
	Water and Sewerage	Arboretum Golf	Nonmajor	Totals	Internal Service
LIABILITIES					
Current Liabilities					
Accounts Payable	\$ 846,988	21,125	31,243	899,356	470,013
Accrued Payroll	52,284	3,035	6,311	61,630	41,886
Deposits Payable	25,075	-	6,745	31,820	-
Compensated Absences Payable	14,450	-	8,852	23,302	-
IEPA Loan Payable	19,532	-	-	19,532	-
Installment Note Payable	436,970	-	-	436,970	-
Total Current Liabilities	1,395,299	24,160	53,151	1,472,610	511,899
Noncurrent Liabilities					
Compensated Absences Payable	57,798	-	35,409	93,207	-
Net Pension Liability - IMRF	641,390	131,471	53,611	826,472	-
Total OPEB Liability - RBP	730,975	-	93,307	824,282	-
IEPA Loan Payable	272,708	-	-	272,708	-
Installment Note Payable	5,178,045	-	-	5,178,045	-
Asset Retirement Obligation	1,725,500	-	-	1,725,500	-
Total Noncurrent Liabilities	8,606,416	131,471	182,327	8,920,214	-
Total Liabilities	10,001,715	155,631	235,478	10,392,824	511,899
DEFERRED INFLOWS OF RESOURCES					
Deferred Items - IMRF	346,220	70,967	28,939	446,126	-
Deferred Items - RBP	26,419	-	3,372	29,791	-
Total Deferred Inflows of Resources	372,639	70,967	32,311	475,917	-
Total Liabilities and Deferred Inflows of Resources	10,374,354	226,598	267,789	10,868,741	511,899
NET POSITION					
Net Investment in Capital Assets	31,801,516	5,230,363	1,646,054	38,677,933	-
Unrestricted	15,567,413	901,888	193,479	16,662,780	13,141
Total Net Position	47,368,929	6,132,251	1,839,533	55,340,713	13,141
Total Liabilities, Deferred Inflows of Resources, and Net Position	57,743,283	6,358,849	2,107,322	66,209,454	525,040

The notes to the financial statements are an integral part of this statement.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds
For the Fiscal Year Ended December 31, 2020

	Water and Sewerage
Operating Revenues	
Charges for Services	\$ 14,589,445
Interfund Services	-
Miscellaneous	36,204
Total Operating Revenues	<u>14,625,649</u>
Operating Expenses	
Operations	7,796,963
Capital Outlay	858,468
Depreciation	1,574,640
Total Operating Expenses	<u>10,230,071</u>
Operating Income (Loss)	<u>4,395,578</u>
Nonoperating Revenues (Expenses)	
Interest Income	472,703
Interest Expense	(144,957)
	<u>327,746</u>
Income (Loss) Before Contributions and Transfers	<u>4,723,324</u>
Capital Contributions	341,254
Transfers In	3,553,408
Transfers Out	(1,549,050)
	<u>2,345,612</u>
Change in Net Position	7,068,936
Net Position - Beginning	<u>40,299,993</u>
Net Position - Ending	<u><u>47,368,929</u></u>

The notes to the financial statements are an integral part of this statement.

Business-Type Activities - Enterprise			Governmental Activities
Arboretum Golf	Nonmajor	Totals	Internal Service
1,293,423	2,324,522	18,207,390	-
-	-	-	5,750,319
-	-	36,204	-
1,293,423	2,324,522	18,243,594	5,750,319
1,303,957	1,810,840	10,911,760	5,750,319
-	-	858,468	-
281,201	72,716	1,928,557	-
1,585,158	1,883,556	13,698,785	5,750,319
(291,735)	440,966	4,544,809	-
-	-	472,703	-
-	-	(144,957)	-
-	-	327,746	-
(291,735)	440,966	4,872,555	-
-	-	341,254	-
-	-	3,553,408	-
-	(375,000)	(1,924,050)	-
-	(375,000)	1,970,612	-
(291,735)	65,966	6,843,167	-
6,423,986	1,773,567	48,497,546	13,141
6,132,251	1,839,533	55,340,713	13,141

The notes to the financial statements are an integral part of this statement.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Statement of Cash Flows - Proprietary Funds
For the Fiscal Year Ended December 31, 2020

	Water and Sewerage
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 13,894,832
Interfund Services Provided	-
Payments to Suppliers	(8,329,991)
Payments to Employees	(962,349)
	<u>4,602,492</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(2,779,154)
Principal Retirement	(405,894)
Interest Expense	(144,957)
	<u>(3,330,005)</u>
Cash Flows from Noncapital Financing Activities	
Transfers In	3,553,408
Transfers Out	(1,549,050)
	<u>2,004,358</u>
Cash Flows from Investing Activities	
Interest Income	472,703
Net Change in Cash and Cash Equivalents	3,749,548
Cash and Cash Equivalents - Beginning	3,005,638
Cash and Cash Equivalents - Ending	<u>6,755,186</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities	
Operating Income	4,395,578
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities:	
Depreciation and Amortization Expense	1,574,640
Other Income (Expense)	67,418
(Increase) Decrease in Current Assets	(798,235)
Increase (Decrease) in Current Liabilities	(636,909)
Net Cash Provided by Operating Activities	<u>4,602,492</u>
Noncash Activity	
Capital Contributions	<u>341,254</u>

The notes to the financial statements are an integral part of this statement.

Business-Type Activities - Enterprise			Governmental Activities
Arboretum Golf	Nonmajor	Totals	Internal Service
1,383,482	2,317,076	17,595,390	-
-	-	-	5,750,319
(1,126,797)	(282,270)	(9,739,058)	(4,636,631)
(155,531)	(1,629,861)	(2,747,741)	(1,003,613)
101,154	404,945	5,108,591	110,075
-	-	(2,779,154)	-
-	-	(405,894)	-
-	-	(144,957)	-
-	-	(3,330,005)	-
-	-	3,553,408	-
-	(375,000)	(1,924,050)	-
-	(375,000)	1,629,358	-
-	-	472,703	-
101,154	29,945	3,880,647	110,075
934,714	350,721	4,291,073	414,965
1,035,868	380,666	8,171,720	525,040
(291,735)	440,966	4,544,809	-
281,201	72,716	1,928,557	-
83,933	99,265	250,616	-
6,126	(7,446)	(799,555)	-
21,629	(200,556)	(815,836)	110,075
101,154	404,945	5,108,591	110,075
-	-	341,254	-

The notes to the financial statements are an integral part of this statement.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Statement of Fiduciary Net Position

December 31, 2020

	Pension Trust
ASSETS	
Cash and Cash Equivalents	\$ 6,772,978
Investments	
U.S. Treasury Obligations	7,556,203
U.S. Agency Obligations	21,659,500
Corporate Bonds	17,629,079
State and Local Obligations	2,728,349
Mutual Funds	59,402,083
Equity Securities	45,689,083
Receivables - Net of Allowance	
Accrued Interest	246,279
Due from Other Funds	91,251
Total Assets	161,774,805
LIABILITIES	
Accounts Payable	73,006
Due to Other Funds	84,629
Total Liabilities	157,635
NET POSITION	
Net Position Restricted for Pensions	161,617,170

The notes to the financial statements are an integral part of this statement.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended December 31, 2020

	Pension Trust
Additions	
Contributions - Employer	\$ 5,114,898
Contributions - Plan Members	1,356,057
Total Contributions	<u>6,470,955</u>
Investment Earnings	
Interest Earned	3,191,911
Net Change in Fair Value	<u>16,016,643</u>
	19,208,554
Less Investment Expenses	<u>(281,177)</u>
Net Investment Income	<u>18,927,377</u>
Total Additions	<u>25,398,332</u>
Deductions	
Administration	130,762
Benefits and Refunds	<u>8,501,229</u>
Total Deductions	<u>8,631,991</u>
Change in Fiduciary Net Position	16,766,341
Net Position Restricted for Pensions	
Beginning	<u>144,850,829</u>
Ending	<u><u>161,617,170</u></u>

Attachment: Buffalo Grove Comprehensive Annual Financial Report 1220.1 (2020 Audit and Management Letter)

The notes to the financial statements are an integral part of this statement.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Buffalo Grove, Illinois (the Village) incorporated in 1958, is a home-rule municipality, under the 1970 Illinois Constitution, located in both Lake County, Illinois and Cook County, Illinois. The Village operates under a Council-Manager form of government and provides public safety (police and fire protection), sanitation (water and sewer), building and zoning, engineering, recreation, civil defense and overall administration.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Village's accounting policies established in GAAP and used by the Village are described below.

REPORTING ENTITY

The Village's financial reporting entity comprises the following:

Primary Government:	Village of Buffalo Grove
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In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus – an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the Village. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

Police Pension Employees Retirement System

The Village's sworn police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's President, one elected pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the Village, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's police employees. The PPERS is reported as a fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the PPERS.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

REPORTING ENTITY – Continued

Firefighters' Pension Employees Retirement System

The Village's sworn firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of those employees and is governed by a five-member pension board, with two members appointed by the Village President, two elected from active participants of the Fund, and one elected from the retired members of the Fund. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the Village, the FPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's sworn firefighters. The FPERS is reported as a fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the FPERS.

BASIS OF PRESENTATION

Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Village's police and fire safety, public works, and general administrative services are classified as governmental activities. The Village's water and sewerage, Arboretum golf, Buffalo Grove golf, and refuse services are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The Village's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Village first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, police and fire safety, public works, etc.). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use, or directly benefit from foods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Government-Wide Statements – Continued

The net costs (by function or business-type activity) are normally covered by general revenue (property tax, sales tax, intergovernmental revenues, interest income, etc.).

The Village does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds that is eliminated like a reimbursement (reducing the revenue and expense in the General Fund) to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, etc.).

This government-wide focus is more on the sustainability of the Village as an entity and the change in the Village's net position resulting from the current year's activities.

Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Village electively added funds, as major funds, which either have debt outstanding or a specific or community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

The various funds are reported by generic classification within the financial statements. The following fund types are used by the Village:

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Village:

General Fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains four nonmajor special revenue funds.

Debt Service Funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Debt Service Fund is treated as a major fund.

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Facilities Development Fund, a major fund, is used to account for and reports financial resources that are restricted, committed or assigned to expenditures for acquisition, construction, improvement, repair, and replacement of the Village's capital facilities. The Street Maintenance Fund, also a major fund, is used to account for and reports financial resources that are restricted, committed or assigned to expenditures for acquisition, construction, improvement, repair, and replacement of the Village's roadways. The Vehicle Equipment Replacement Fund, also a major fund, is used to account for and reports financial resources that are restricted, committed or assigned to expenditures for the acquisition, construction, improvement, repair, and replacement of the Village's vehicles and equipment.

Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the Village:

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Proprietary Funds – Continued

Enterprise Funds are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains four enterprise funds. The Water and Sewerage Fund, a major fund, is used to account for the revenue and expenses related to the operation of the water and sewerage system. The Arboretum Golf Fund, also a major fund, is used to account for the revenues and expenses related to the operation of the golf course.

Internal Service Funds are used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the Village on a cost-reimbursement basis. The Village maintains three internal services funds. The Information Technology Fund is used to account for all costs associated with providing technology services to all departments for the operation of the Village. The Central Garage Fund is used to account for the activity necessary to operate and maintain the Village's automotive fleet. User departments are charged a proportionate share determined by the number and types of vehicles in each department. The Building Maintenance Fund is used to account for providing a clean, healthy, and safe working environment in Village facilities, meeting areas and public areas.

The Village's internal service funds are presented in the proprietary fund financial statements. Because the principal users of the internal services are the Village's governmental activities, the financial statements of the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity (general government, police and fire safety, public works, etc.).

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or custodial capacity for others and therefore are not available to support Village programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

Pension Trust Funds are used to account for assets held in a trustee capacity for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the Village's police force. The Firefighters' Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the Village's Fire Department.

The Village's pension trust funds are presented in the fiduciary fund financial statements. Since by definition these assets are being held for the benefit of a third party (pension participants) and cannot be used to address activities or obligations of the Village, these funds are not incorporated into the government-wide statements.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Measurement Focus – Continued

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

All proprietary and pension trust funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary and pension trust fund equity is classified as net position.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The Village recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales and use taxes, franchise taxes, licenses, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

All proprietary and pension trust funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Village's enterprise funds and of the Village's internal service funds are charges to customers for sales and services. The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

For the purpose of the Statement of Net Position, cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with fiscal agent. For the purpose of the proprietary funds "Statement of Cash Flows," cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes, sales and use taxes, franchise taxes, and grants. Business-type activities report charges for services as their major receivables.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Internal service fund services provided and used are not eliminated in the process of consolidation. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

Prepays/Inventories

Prepays/inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. The costs of governmental fund-type prepaids/inventories are recorded as expenditures when consumed rather than when purchased.

Capital Assets

Capital assets purchased or acquired with an original cost of \$10,000 or more (depending on asset class) are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are recorded at acquisition value on the date donated.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements
December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Capital Assets – Continued

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Buildings	20 Years
Equipment and Vehicles	2 – 10 Years
Land Improvements	5 – 50 Years
Streets	5 – 50 Years
Storm Sewers	5 – 50 Years
Infrastructure	5 – 50 Years

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents an acquisition/reduction of net position that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net Investment in Capital Assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted – All other net position balances that do not meet the definition of “restricted” or “net investment in capital assets.”

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

The budget data included in the financial statements represent the Village's program budget and the appropriations represent the Village's legal expenditure limit. Budgets are adopted for the General, Special Revenue, Debt Service, Capital Projects, Proprietary, Pension Trust Funds and Internal Service Funds. All governmental fund-type budgets, pension trust fund-type budgets and internal service fund-type budgets are adopted on a basis consistent with GAAP. Proprietary Funds are adopted on a basis other than GAAP in that depreciation expense, income from the joint venture, and contributions from developers are not budgeted, and principal payments on long-term debt (if any) are budgeted.

The Village Board of Trustees follows these procedures in establishing the budgetary and appropriations data reflected in the financial statements:

1. The Village Manager submits to the Board a proposed program budget for the fiscal year commencing January 1. The program budget includes proposed expenditures and the means of financing them.
2. Appropriation ordinance public hearings are conducted by the Village to obtain taxpayer comments, and the ordinance is subsequently adopted by the Board.
3. The program budget is legally enacted through a resolution adopted by the Board.
4. Any expenditures that exceed the total appropriations at the fund level must be approved by the Board of Trustees.

The Village Manager is authorized to transfer budgeted amounts between departments within any fund. However, any modifications to the legally adopted appropriation ordinance may not exceed expenditure limits, at the fund level, mandated by the appropriation ordinance without approval by the Board.

Appropriations, which are not expended by year-end, lapse and must be re-appropriated in the following year for the expenditure to be made. The Village does not employ the encumbrance method of accounting to reserve net position for subsequent year expenditures.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

EXCESS OF ACTUAL EXPENDITURES/EXPENSES OVER BUDGET IN INDIVIDUAL FUND

The following funds had an excess of actual expenditures/expenses, exclusive of depreciation, over budget as of the date of this report:

Fund	Excess
Arboretum Golf	\$ 24,127
Police Pension	292,047
Firefighters' Pension	637,086

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The Village maintains a cash and investment pool that is available for use by all funds except the pension trust funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments." In addition, investments are separately held by several of the Village's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

Permitted Deposits and Investments – Statutes authorize the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds, the Illinois Metropolitan Investment Fund and the Illinois Public Reserves Investment Management Trust.

The Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

The Illinois Metropolitan Investment Fund (IMET) is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an Investment Company. Investments in IMET are valued at the share price, the price for which the investment could be sold.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

The Illinois Public Reserves Investment Management Trust (IPRIME) is an investment opportunity and cash management service for Illinois Municipal Treasurers acting on behalf of counties, townships, cities, towns, villages, special road districts, public water supply districts, fire protection districts, drainage districts, levee districts, sewer districts, housing authorities, and all other political corporations or subdivisions of the State of Illinois. Participation in IPRIME is voluntary. IPRIME is not registered with the SEC as an Investment Company. Investments in IPRIME are valued at the share price, the price for which the investment could be sold.

The deposits and investments of the Pension Funds are held separately from those of other Village funds. Statutes authorize the Pension Fund to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; credit unions, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois bonds; pooled accounts managed by the Illinois Funds Market Fund (formerly known as IPTIP, Illinois Public Treasurer's Investment Pool), or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the Federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies; and separate accounts of life insurance companies and mutual funds, the mutual funds must meet specific restrictions, provided the investment in separate accounts and mutual funds does not exceed ten percent of the Pension Fund's plan net position; and corporate bonds managed through an investment advisor, rated as investment grade by one of the two largest rating services at the time of purchase. Pension Funds with plan net position of \$2.5 million or more may invest up to forty-five percent of plan net position in separate accounts of life insurance companies and mutual funds. Pension Funds with plan net position of at least \$5 million that have appointed an investment advisor, may through that investment advisor invest up to forty-five percent of the plan net position in common and preferred stocks that meet specific restrictions. In addition, Pension Funds with plan net position of at least \$10 million that have appointed an investment advisor, may invest up to fifty percent of its net position in common and preferred stocks and mutual funds that meet specific restrictions effective July 1, 2011 and up to fifty-five percent effective July 1, 2012.

Village – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled \$18,802,003 and the bank balances totaled \$16,286,768.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements
December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Village – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Investments. The Village has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
State and Local Obligations	\$ 918,586	657,196	261,390	-	-
Illinois Funds	8,698,318	8,698,318	-	-	-
IMET	7,835,919	7,835,919	-	-	-
IPRIME	19,520,083	19,520,083	-	-	-
	36,972,906	36,711,516	261,390	-	-

The Village has the following recurring fair value measurements as of December 31, 2020:

Investments by Fair Value Level	Totals	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
State and Local Obligations	\$ 918,586	-	918,586	-
Investments Measured at the Net Asset Value (NAV)				
Illinois Funds	8,698,318			
IMET	7,835,919			
IPRIME	19,520,083			
Total Investments at the (NAV)	36,054,320			
Total Investments Measured at Fair Value	36,972,906			

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Village – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Investments - Continued. Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village's investment policy protects against fair value losses resulting from rising interest rates by diversifying its investment portfolio to prevent over-concentration of assets in a specific maturity, a specific issuer, or a specific class of securities. The Village does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village's investment policy applies the "prudent person" standard in managing its investment portfolio. As such, all investments are made with such judgement and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The Village's investment policy also limits investments in commercial paper to the highest rating classifications, as established by at least two of the four major rating services, and which mature not later than 180 days from the purchase date. Such purchases may not exceed 10% of the issuer corporation's outstanding obligations. At year-end, the Village's investment in the Illinois Funds was rated AAAm by Standard & Poor's, the Illinois Metropolitan Investment Trust Convenience Fund was not rated and the Illinois Public Reserves Investment Management Trust was rated AAAm by Standard & Poor's. The ratings on the Village's investments in the state and local obligations are rated AA to AA+ by Standard & Poor's.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires securing deposit collateral from depository institutions when deposits are in excess of FDIC limits. The amount of deposits not collateralized or insured by an agency of the federal government shall not exceed 75% of the capital stock and surplus of a banking institution. These values shall be reviewed on a quarterly basis comparing actual deposits not insured or collateralized against the capital stock and surplus measure. Values shall be taken from published regulatory agency reports required by either the Comptroller of the Currency or the Commissioner of Banks and Trust Companies.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Village – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Custodial Credit Risk – Continued. If deposits are maintained with a savings and loan association, the amount of deposits not collateralized or insured shall not exceed 75% of the net worth of the institution as defined and reported to the regulatory agencies. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. It is the policy of the Village to require all investments and investment collateral to be held in safekeeping by a third-party custodial institution as designated by the Treasurer in the Village's name. Direct investments guaranteed by the United States or an agency of the United States do not require collateral. The Village's investments in the Illinois Funds, IMET, and IPRIME are not subject to custodial credit risk.

Concentration Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village limits the amount that can be invested in commercial paper to one-third of the Village's total investments. At year-end, the Village does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

Police Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Fund's deposits totaled \$4,291,646 and the bank balances totaled \$4,300,806.

Investments. The Fund has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Treasury Obligations	\$ 4,804,948	275,911	597,992	3,931,045	-
U.S. Agency Obligations	7,803,370	2,434,957	4,119,348	501,183	747,882
Corporate Bonds	12,515,277	602,212	3,539,175	7,475,478	898,412
	25,123,595	3,313,080	8,256,515	11,907,706	1,646,294

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements
December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

The Fund has the following recurring fair value measurements as of December 31, 2020:

		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level	Totals			
Debt Securities				
U.S. Treasury Obligations	\$ 4,804,948	4,804,948	-	-
U.S. Agency Obligations	7,803,370	-	7,803,370	-
Corporate Bonds	12,515,277	-	12,515,277	-
Equity Securities				
Mutual Funds	9,356,385	9,356,385	-	-
Equity Securities	45,689,083	45,689,083	-	-
Total Investments Measured at Fair Value	80,169,063	59,850,416	20,318,647	-

Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Interest Rate Risk. The Fund's investment policy protects against fair value losses resulting from rising interest rates by diversifying its investment portfolio to prevent over-concentration of assets in a specific maturity, a specific issuer, or a specific class of securities. The Fund does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Credit Risk. The Fund's investment policy applies the "prudent person" standard in managing its investment portfolio. As such, all investments are made with such judgement and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The Fund's investment policy also limits investments in commercial paper to the highest rating classifications, as established by at least two of the four major rating services, and which mature not later than 180 days from the purchase date. Such purchases may not exceed 10% of the issuer corporation's outstanding obligations. At year-end, the Fund's investments in U.S. agency obligations ratings were not available and investments in corporate bonds were rated Baa1 to A1 by Moody's.

Custodial Credit Risk. The Fund's investment policy requires securing deposit collateral from depository institutions when deposits are in excess of FDIC limits. The amount of deposits not collateralized or insured by an agency of the federal government shall not exceed 75% of the capital stock and surplus of a banking institution. These values shall be reviewed on a quarterly basis comparing actual deposits not insured or collateralized against the capital stock and surplus measure. Values shall be taken from published regulatory agency reports required by either the Comptroller of the Currency or the Commissioner of Banks and Trust Companies. If deposits are maintained with a savings and loan association, the amount of deposits not collateralized or insured shall not exceed 75% of the net worth of the institution as defined and reported to the regulatory agencies. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. It is the policy of the Fund to require all investments and investment collateral to be held in safekeeping by a third-party custodial institution as designated by the Treasurer in the Fund's name. Direct investments guaranteed by the United States or an agency of the United States do not require collateral.

Concentration Risk. The Fund limits the amount that can be invested in commercial paper to one-third of the Fund's total investments. In addition to the securities and fair values listed above, the Fund also has \$9,356,385 invested in mutual funds and \$45,689,083 invested in equity securities. At year-end, the Fund does not have any investments over 5 percent of net plan assets available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Concentration Risk – Continued. The Fund's investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	33.00%	0.70% - 3.20%
Large Cap Domestic Equities	52.00%	3.60%
Small Cap Domestic Equities	5.00%	4.50%
International Equities	5.00%	5.20%
Real Estate	3.00%	4.00%
Cash and Cash Equivalents	2.00%	0.00%

Illinois Compiled Statutes (ILCS) limit the Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in January of 2021 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding the expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2020, are listed in the table above.

Rate of Return

For the year ended December 31, 2020, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 11.06%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements
December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Firefighters' Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Fund's deposits totaled \$2,481,332 and the bank balances totaled \$2,481,339.

Investments. The Fund has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Treasury Obligations	\$ 2,751,255	354,399	772,762	1,624,094	-
U.S. Agency Obligations	13,856,130	-	4,492,477	9,363,653	-
Corporate Bonds	5,113,802	201,214	1,076,157	3,836,431	-
State and Local Obligations	2,728,349	357,340	884,513	1,358,583	127,913
	<u>24,449,536</u>	<u>912,953</u>	<u>7,225,909</u>	<u>16,182,761</u>	<u>127,913</u>

The Fund has the following recurring fair value measurements as of December 31, 2020:

Investments by Fair Value Level	Totals	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
U.S. Treasury Obligations	\$ 2,751,255	2,751,255	-	-
U.S. Agency Obligations	13,856,130	-	13,856,130	-
Corporate Bonds	5,113,802	-	5,113,802	-
State and Local Obligations	2,728,349	-	2,728,349	-
Equity Securities				
Mutual Funds	50,045,698	50,045,698	-	-
Total Investments Measured at Fair Value	<u>74,495,234</u>	<u>52,796,953</u>	<u>21,698,281</u>	<u>-</u>

Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Firefighters' Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Interest Rate Risk. The Fund's investment policy protects against fair value losses resulting from rising interest rates by diversifying its investment portfolio to prevent over-concentration of assets in a specific maturity, a specific issuer, or a specific class of securities. The Fund does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. The Fund's investment policy applies the "prudent person" standard in managing its investment portfolio. As such, all investments are made with such judgement and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The Fund's investment policy also limits investments in commercial paper to the highest rating classifications, as established by at least two of the four major rating services, and which mature not later than 180 days from the purchase date. Such purchases may not exceed 10% of the issuer corporation's outstanding obligations. At year-end, the Fund's investments in U.S. agency obligations and corporate bonds ratings were not available and investments in state and local obligations were not rated or rated Aaa to Aa1 by Moody's.

Custodial Credit Risk. The Fund's investment policy requires securing deposit collateral from depository institutions when deposits are in excess of FDIC limits. The amount of deposits not collateralized or insured by an agency of the federal government shall not exceed 75% of the capital stock and surplus of a banking institution. These values shall be reviewed on a quarterly basis comparing actual deposits not insured or collateralized against the capital stock and surplus measure. Values shall be taken from published regulatory agency reports required by either the Comptroller of the Currency or the Commissioner of Banks and Trust Companies. If deposits are maintained with a savings and loan association, the amount of deposits not collateralized or insured shall not exceed 75% of the net worth of the institution as defined and reported to the regulatory agencies. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. It is the policy of the Fund to require all investments and investment collateral to be held in safekeeping by a third-party custodial institution as designated by the Treasurer in the Fund's name. Direct investments guaranteed by the United States or an agency of the United States do not require collateral.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Firefighters' Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Concentration Risk. The Fund limits the amount that can be invested in commercial paper to one-third of the Fund's total investments. In addition to the securities and fair values listed above, the Fund also has \$50,045,698 invested in mutual funds. At year-end, the Fund does not have any investments over 5 percent of net plan assets available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

The Fund's investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	35.00%	1.50%
Large Cap Domestic Equities	45.50%	5.90%
Small Cap Domestic Equities	13.00%	7.70%
International Equities	6.50%	7.20%
Cash and Cash Equivalents	0.00%	0.00%

Illinois Compiled Statutes (ILCS) limit the Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in January of 2021 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding the expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2020, are listed in the table above.

Rate of Return

For the year ended December 31, 2020, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 15.46%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements
December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND BALANCES

Interfund balances are advances in anticipation of receipts to cover temporary cash shortages. The composition of interfund balances as of the date of this report, is as follows:

Receivable Fund	Payable Fund	Amount
General	Nonmajor Governmental	\$ 66,774
General	Police Pension	84,629
Police Pension	General	55,236
Fire Pension	General	36,015
		<u>242,654</u>

INTERFUND TRANSFERS

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
General	Debt Service	\$ 240,000 (1)
General	Nonmajor Governmental	988,315 (1)
General	Water and Sewerage	780,000 (1)
Debt Service	General	118,600 (2)
Debt Service	Water and Sewerage	769,050 (2)
Debt Service	Nonmajor Business-Type	375,000 (2)
Facilities Development	General	550,000 (2)
Street Maintenance	General	988,315 (2)
Street Maintenance	Debt Service	5,783,647 (1)
Street Maintenance	Nonmajor Governmental	200,000 (1)
Vehicle Replacement	General	1,350,000 (2)
Nonmajor Governmental	General	202,959 (3)
Water and Sewerage	Debt Service	3,553,408 (1)
		<u>15,899,294</u>

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements
December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 38,160,179	1,342,757	-	39,502,936
Construction in Progress	1,581,460	2,309,469	1,581,460	2,309,469
	<u>39,741,639</u>	<u>3,652,226</u>	<u>1,581,460</u>	<u>41,812,405</u>
Depreciable Capital Assets				
Buildings	25,509,852	1,253,352	-	26,763,204
Equipment and Vehicles	13,342,453	3,080,365	164,403	16,258,415
Land Improvements	3,242,060	-	-	3,242,060
Streets	23,844,548	4,611,718	-	28,456,266
Storm Sewers	38,470,478	-	-	38,470,478
	<u>104,409,391</u>	<u>8,945,435</u>	<u>164,403</u>	<u>113,190,423</u>
Less Accumulated Depreciation				
Buildings	21,956,843	404,352	-	22,361,195
Equipment and Vehicles	7,854,880	877,993	164,403	8,568,470
Land Improvements	601,382	64,845	-	666,227
Streets	14,247,025	433,737	-	14,680,762
Storm Sewers	36,907,602	218,826	-	37,126,428
	<u>81,567,732</u>	<u>1,999,753</u>	<u>164,403</u>	<u>83,403,082</u>
Net Depreciable Capital Assets	<u>22,841,659</u>	<u>6,945,682</u>	<u>-</u>	<u>29,787,341</u>
Net Capital Assets	<u>62,583,298</u>	<u>10,597,908</u>	<u>1,581,460</u>	<u>71,599,746</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 170,505
Public Safety	518,125
Public Works	<u>1,311,123</u>
	<u>1,999,753</u>

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements
December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Business-Type Activities

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 6,198,514	-	-	6,198,514
Construction in Progress	-	1,009,937	-	1,009,937
	<u>6,198,514</u>	<u>1,009,937</u>	<u>-</u>	<u>7,208,451</u>
Depreciable Capital Assets				
Buildings	11,170,610	-	-	11,170,610
Equipment and Vehicles	89,960	-	-	89,960
Land Improvements	1,966,485	-	-	1,966,485
Infrastructure	76,828,552	2,110,470	-	78,939,022
	<u>90,055,607</u>	<u>2,110,470</u>	<u>-</u>	<u>92,166,077</u>
Less Accumulated Depreciation				
Buildings	10,156,289	351,936	-	10,508,225
Equipment and Vehicles	72,461	1,981	-	74,442
Land Improvements	1,966,485	-	-	1,966,485
Infrastructure	40,665,548	1,574,640	-	42,240,188
	<u>52,860,783</u>	<u>1,928,557</u>	<u>-</u>	<u>54,789,340</u>
Net Depreciable Capital Assets	<u>37,194,824</u>	<u>181,913</u>	<u>-</u>	<u>37,376,737</u>
Net Capital Assets	<u>43,393,338</u>	<u>1,191,850</u>	<u>-</u>	<u>44,585,188</u>

Depreciation expense was charged to business-type activities as follows:

Water and Sewerage	\$ 1,574,640
Arboretum Golf	281,201
Buffalo Grove Golf	<u>72,716</u>
	<u>1,928,557</u>

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements
December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental activities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$5,160,000 General Obligation Refunding Bonds of 2010A - Due in annual installments of \$325,000 to \$620,000 plus interest at 2.00% to 4.00% through December 30, 2020.	Debt Service	\$ 395,000	-	395,000	-
\$6,000,000 General Obligation Bonds of 2012 - Due in annual installments of \$100,000 to \$750,000 plus interest at 2.00% to 2.75% through June 30, 2030.	Debt Service	5,800,000	-	100,000	5,700,000
\$6,125,000 General Obligation Bonds of 2016 - Due in annual installments of \$300,000 to \$730,000 plus interest at 2.00% to 3.00% through December 30, 2031.	Debt Service	4,215,000	-	570,000	3,645,000
\$1,449,275 General Obligation Refunding Bonds of 2019 - Due in annual installments of \$234,030 to \$251,180 plus interest at 1.40% to 1.80% through December 30, 2025.	Debt Service	1,449,275	-	234,030	1,215,245
\$24,000,000 General Obligation Bonds of 2020 - Due in annual installments of \$1,330,000 to \$1,840,000 plus interest at 3.00% to 5.00% through December 30, 2035.	Debt Service	-	24,000,000	-	24,000,000
		11,859,275	24,000,000	1,299,030	34,560,245

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements
December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

IEPA Loans Payable

The Village has entered into loan agreements with the IEPA to provide low interest financing for pump station improvements. IEPA loans currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$6,638,399 IEPA Loan Payable of 2013 - Pump Stations Improvements - Due in semi-annual installments of \$6,788 to \$12,916, plus interest at 2.295%, through December 1, 2033.	Water and Sewerage	\$ 311,332	-	19,092	292,240

Installment Contract Payable

The Village also issues installment contracts payable to provide funds for the purchase of capital assets. Installment contracts currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
Installment Note Payable dated March 27, 2015, due in quarterly installments of \$21,449 to \$227,680, plus interest at 2.35% through June 1, 2029.	Water and Sewerage	\$ 6,001,817	-	386,802	5,615,015

Asset Retirement Obligation

The Village has recognized an asset retirement obligation (ARO) and related deferred outflow of resources in connection with its obligation to seal and abandon various water wells, to seal underground tanks, and lift station at the end of their estimated useful lives in accordance with federal, state, and/or local requirements. The ARO was measured using actual historical costs for similar abandonments, adjusted for inflation through the end of the year. The estimated remaining useful lives of the water wells are 25 years, underground tanks are 1-50 years, and lift stations are 5 years.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements
December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS

LONG-TERM DEBT – Continued

Long-Term Liability Activity

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 1,881,916	600,147	1,200,294	1,281,769	256,354
Net Pension Liability - IMRF					
Governmental Activities	9,900,727	-	4,740,251	5,160,476	-
Net Pension Liability - Police	29,585,230	-	2,965,123	26,620,107	-
Net Pension Liability - Firefighters'	18,320,693	-	6,045,715	12,274,978	-
Total OPEB Liability - RBP	10,757,944	3,238,844	-	13,996,788	-
General Obligation Bonds	11,859,275	24,000,000	1,299,030	34,560,245	2,550,445
Plus: Unamortized Premium	76,752	2,720,164	6,396	2,790,520	-
	<u>82,382,537</u>	<u>30,559,155</u>	<u>16,256,809</u>	<u>96,684,883</u>	<u>2,806,799</u>
Business-Type Activities					
Compensated Absences	101,971	29,076	14,538	116,509	23,302
Net Pension Liability - IMRF	1,566,929	-	740,457	826,472	-
Total OPEB Liability - RBP	621,870	202,412	-	824,282	-
IEPA Loans Payable	311,332	-	19,092	292,240	19,532
Installment Note Payable	6,001,817	-	386,802	5,615,015	436,970
Asset Retirement Obligation	-	1,725,500	-	1,725,500	-
	<u>8,603,919</u>	<u>1,956,988</u>	<u>1,160,889</u>	<u>9,400,018</u>	<u>479,804</u>

For the governmental activities, payments on the compensated absences, the net pension liabilities and the total OPEB liability are made by the General Fund. Payments on general obligation bonds are being liquidated by the Debt Service Fund.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements
December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Long-Term Liability Activity – Continued

Additionally, for the business-type activities, the compensated absences are being liquidated by the Water and Sewerage Fund and the Buffalo Grove Golf Fund. The net pension liability is being liquidated by the Water and Sewerage Fund, the Arboretum Golf Fund and the Buffalo Grove Golf Fund. The total OPEB liability is being liquidated by the Water and Sewerage Fund and Buffalo Grove Golf Fund. The IEPA loans payable, installment note payable and asset retirement obligation are being liquidated by the Water and Sewerage Fund.

Debt Service Requirements to Maturity

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year	Governmental Activities		Business-Type Activities			
	General Obligation		IEPA		Installment	
	Bonds		Loan Payable		Note Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 2,550,445	1,198,614	19,532	6,596	436,970	128,372
2022	2,570,990	1,100,782	19,983	6,145	490,763	117,611
2023	2,591,265	1,002,446	20,444	5,684	548,394	105,549
2024	2,611,365	903,466	20,916	5,212	610,091	92,095
2025	2,646,180	803,976	21,399	4,729	676,096	77,149
2026	2,310,000	702,969	21,893	4,235	746,659	60,610
2027	2,385,000	615,244	22,398	3,730	822,046	42,367
2028	2,510,000	522,688	22,915	3,213	902,537	22,304
2029	2,640,000	424,175	23,444	2,684	381,459	3,371
2030	2,695,000	350,475	23,985	2,143	-	-
2031	2,005,000	271,500	24,539	1,589	-	-
2032	1,685,000	211,350	25,105	1,023	-	-
2033	1,735,000	160,800	25,687	441	-	-
2034	1,785,000	108,750	-	-	-	-
2035	1,840,000	55,200	-	-	-	-
Totals	34,560,245	8,432,435	292,240	47,424	5,615,015	649,428

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Legal Debt Margin

Article VII, Section 6(k) of the 1970 Illinois Constitution governs the computation of legal debt margin. "The General Assembly may limit by law the amount and require referendum approval of debt to the incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts." To date the Illinois General Assembly has set no limits for home rule municipalities. The Village is a home rule municipality.

OPERATING LEASES

The Village has commitments with non-Village entities to lease certain property. Future minimum rental commitments are as follows:

Fiscal Year	Total Lease Payments
2021	\$ 136,193
2022	138,917
2023	141,695
2024	144,529
	<u>561,334</u>

PROPERTY TAXES

Property taxes for 2019 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by Lake County and are payable in two installments, on or about July 1 and September 1 during the following year. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy to reflect actual collection experience.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

TAX ABATEMENTS

The Village has entered into a tax abatement agreement with Woodman's Food Market, Inc. as an incentive to stimulate economic development. The abatement is authorized through a Development Agreement passed by the Village Board in Ordinance 2016-067 on December 19, 2018. Woodman's will be financially responsible for constructing all necessary offsite roadway and intersection improvements as required by the Village, County, or State along the public roadways along the perimeter of the property. The offsite improvements are estimated to be \$4,000,000. The Village will reimburse Woodman's an amount not to exceed \$4,000,000 for the roadway improvements and an additional payment of \$3,000,000 for a combined total of \$7,000,000. In order to promote and assist Woodman's with the project, the Village agrees to share certain sales tax received that corresponds to the new sales tax revenue generated from the retail sales of the project. The sales tax allowable is limited to the sales tax associated with grocery, general merchandise, and products only. Woodman's must acquire or otherwise be authorized to use the premise in Buffalo Grove, construct and operate the business, and construct the offsite roadway improvements to be eligible for the incentives. As of December 31, 2020, the Village owes Woodman's Food Market, Inc. \$865,504.

The Village has entered into a tax abatement agreement with Edward Hines Lumber Co. as an incentive to stimulate economic development. The abatement is authorized through Village Ordinance 2000-67 on November 20, 2000 and has since been amended with Village Ordinance 2003-18 on March 3, 2003, Ordinance 2009-47 on August 3 2009 and Ordinance 2020-060 on August 17, 2020. Edward Hines Lumber Co. shall maintain a single order-acceptance point policy for all credit sales and shall not relocate the single order-acceptance point outside of the Village unless it violates or contravenes any state or federal law or court decision/determination. The Village will remit 60 percent of the municipal sales tax resulting from the credit sales received by the Village to Edward Hines Lumber Co. The Village will keep the remaining 40 percent. The Village's incentive payments for the year ended December 31, 2020 were \$1,323,149.

The Village has entered into a tax abatement agreement with LAB Development, LLC as an incentive to stimulate economic development. The abatement is authorized through Village Ordinance 2011-14 on March 21, 2011 and has since been amended with Village Ordinance 2016-032 on May 10, 2016. LAB Development, LLC shall conduct its business in Buffalo Grove, maintain a single order-acceptance point on premise. The amendment to the original agreement in 2016 requires LAB Development, LLC to extend their current lease at the premise in Buffalo Grove and expand the operation from 61,416 square feet to 124,605 square feet. The lease extension must be no less than 8.5 years, commencing January 1, 2016. The original agreement provided LAB Development, LLC with a tax abatement of 100 percent of the municipal sales tax in year one of the agreement, this percentage decreases 10 percent per year until year seven of the agreement. The amount of municipal sales tax abated to LAB Development, LLC could not exceed \$500,000 over the seven-year term. The amended agreement extended the abatements to LAB Development, LLC under new terms. LAB Development,

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

TAX ABATEMENTS – Continued

LLC is entitled to 80 percent of the base municipal sales tax above \$162,207 in year one. The percentage per year decreases 10 percent until year five, from year five to year eight and a half the percentage is fixed at 50 percent. The base municipal sales tax amount of \$162,207 is fixed for the term of the contract and prorated for the half year in 2024. The amount of municipal sales tax to be abated is not to exceed \$2,600,000 over the life of the amended agreement. If LAB Development, LLC relocates or ceases business operations on the premise within five years of the commencement date of the amended contract they shall reimburse the Village 100 percent of the municipal sales tax payments to the Village within ninety days. If LAB Development, LLC relocates or ceases business operations on the premise after the fifth year they will remit \$750,000 to the Village within ninety days. If LAB Development, LLC relocates or ceases business operations on the premise after the sixth year they will remit \$375,000 to the Village within ninety days. If LAB Development, LLC relocates or ceases business operations on the premise after the seventh year they will remit \$187,500 to the Village within ninety days. If LAB Development, LLC conducts less than \$30,000,000 of taxable sales at the premise in any given year of the contract they shall not receive more than 50 percent of the municipal sales tax increment for that year. The Village's incentive payments for the year ended December 31, 2020 were \$186,364.

The Village has entered into a tax abatement agreement with Zonatherm. In order to encourage Zonatherm to maintain its business operation in the Village, and to assist with their project in the Village, the Village agrees to share home rule sales tax received by the Village using a formula which corresponds to new sales tax generated by Zonatherm over a finite period of time. For the first sales tax year, 100 percent of that year's incremental municipal sales tax above the base of \$100,000 will be paid to Zonatherm. For the second sales tax year 90 percent of that year's municipal sales tax above the base of \$100,000 will be paid to Zonatherm. For the third sales tax year 80 percent of that year's municipal sales tax above the base of \$100,000 will be paid to Zonatherm. For the fourth sales tax year 70 percent of that year's municipal sales tax above the base of \$100,000 will be paid to Zonatherm. For the fifth sales tax year 60 percent of that year's municipal sales tax above the base of \$100,000 will be paid to Zonatherm. For the sixth sales tax year 50 percent of that year's municipal sales tax above the base of \$100,000 will be paid to Zonatherm. For the seventh sales tax year 50 percent of that year's municipal sales tax above the base of \$100,000 will be paid to Zonatherm. The entire distribution cannot exceed \$500,000 in aggregate. This agreement will end upon the completion of the seventh year or the \$500,000 cap. In the event that Zonatherm ceases the business with seven years or generate less than \$1,000 in sales tax in any sales tax year, Zonatherm shall reimburse the Village 100 percent of the municipal sales tax payments received. The Village's incentive payments for the year ended December 31, 2020 were \$0.

In order to encourage BITS to relocate its business operation to the Village of Buffalo Grove, and to assist with their project in the Village, the Village agrees to share a portion of its home rule sales tax received by the Village using a formula which corresponds to new sales tax revenue generated by the business over a finite period of time. For the first sales tax year, 75 percent of that year's home rule sales tax received by the Village for the first \$40,000,000 in annual taxable sales and 100 percent of

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

TAX ABATEMENTS – Continued

that year's home rule sales tax for annual taxable sales greater than \$40,000,000. For the second sales tax year, 75 percent of that year's home rule sales tax received by the Village for the first \$40,000,000 in annual taxable sales and 100 percent of that year's home rule sales tax for the annual taxable sales greater than \$40,000,000. For the third sales tax year, 75 percent of that year's home rule sales tax received by the Village for the first \$40,000,000 in annual taxable sales and 100 percent of that year's home rule sales tax for the annual taxable sales greater than \$40,000,000. For the fourth sales tax year, 75 percent of that year's home rule sales tax received by the Village for the first \$40,000,000 in annual taxable sales and 100 percent of that year's home rule sales tax for the annual taxable sales greater than \$40,000,000. For the fifth sales tax year, 75 percent of that year's home rule sales tax received by the Village for the first \$40,000,000 in annual taxable sales and 100 percent of that year's home rule sales tax for the annual taxable sales greater than \$40,000,000. For the sixth sales tax year, 75 percent of that year's home rule sales tax received by the Village for the first \$40,000,000 in annual taxable sales and 100 percent of that year's home rule sales tax for the annual taxable sales greater than \$40,000,000. Should BITS relocate or cease its business within the first two years of the agreement BITS shall reimburse the Village 85 percent of the total home rule sales tax distributed. Should BITS relocate or cease business after two years of this agreement than BITS agrees to reimburse the Village 75 percent of the total home rules sales tax payments received. Should BITS relocate or cease business after three years of this agreement than BITS agrees to reimburse the Village 55 percent of the total home rules sales tax payments received. Should BITS relocate or cease business after four years of this agreement than BITS agrees to reimburse the Village 40 percent of the total home rules sales tax payments received. Should BITS relocate or cease business after five years of this agreement than BITS agrees to reimburse the Village 35 percent of the total home rules sales tax payments received. The Village's incentive payments for the year ended December 31, 2020 were \$441,261.

FUND BALANCE/NET POSITION

Fund Balance Classifications

In the governmental fund financial statements, the Village considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The Village first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

Nonspendable Fund Balance. Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

Restricted Fund Balance. Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements
December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE/NET POSITION – Continued

Fund Balance Classifications – Continued

Committed Fund Balance. Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Village Board; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

Assigned Fund Balance. Consists of amounts that are constrained by the Village Board intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by the Village Board itself or by a body or official to which the Village Board has delegated the authority to assign amounts to be used for specific purposes. The Village's highest level of decision-making authority is the Village Board, who is authorized to assign amounts to a specific purpose.

Unassigned Fund Balance. Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

Minimum Fund Balance Policy. The Village's fund balance policy for the General Fund requires committed fund balance to be maintained at a minimum of 25% of budgeted operating expenditures.

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General	Debt Service	Capital Projects			Nonmajor	Totals
			Facilities Development	Street Maintenance	Vehicle Equipment Replacement		
Fund Balances							
Nonspendable							
Inventories	\$ 113,850	-	-	-	-	-	113,850
Prepays	457,804	-	-	-	-	-	457,804
	571,654	-	-	-	-	-	571,654
Restricted							
Seizure Funds	497,577	-	-	-	-	-	497,577
IMRF	262,583	-	-	-	-	-	262,583
Motor Fuel Tax	-	-	-	-	-	2,971,226	2,971,226
Metra Parking Lot	-	-	-	-	-	42,070	42,070
Debt Service	-	231,373	-	-	-	-	231,373
Capital Projects	-	16,598,094	-	-	-	-	16,598,094
	760,160	16,829,467	-	-	-	3,013,296	20,602,923
Committed							
Capital Projects	9,052,502	-	41,307	241,751	17,745	-	9,353,305
Unassigned	20,134,162	-	-	-	-	-	20,134,162
Total Fund Balances	30,518,478	16,829,467	41,307	241,751	17,745	3,013,296	50,662,044

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION/FUND BALANCE – Continued

Net Position Classifications

Net investment in capital assets was comprised of the following as of December 31, 2020:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 71,599,746
Plus: Unspent Bond Proceeds	16,598,094
Less Capital Related Debt:	
General Obligation Bonds	(34,560,245)
Unamortized Premium	<u>(2,790,520)</u>
Net Investment in Capital Assets	<u>50,847,075</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	44,585,188
Less Capital Related Debt:	
IEPA Loans Payable	(292,240)
Installment Note Payable	<u>(5,615,015)</u>
Net Investment in Capital Assets	<u>38,677,933</u>

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Village's employees. The Village has purchased insurance from private insurance companies. Risks covered included certain types of liabilities and bonds. Premiums have been displayed as expenditures/expenses in appropriate funds. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

CONTINGENT LIABILITIES

Litigation

The Village is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Village's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

Financial Impact of COVID-19

In March of 2020, the World Health Organization declared the COVID-19 virus a public health emergency. As of the date of this report, the extent of the impact of COVID-19 on the Village's operations and financial position cannot be determined.

JOINT VENTURES

Northwest Water Commission (NWWC)

The Village is a member of the Northwest Water Commission (NWWC) which consists of four municipalities. NWWC is a municipal corporation and public body politic and corporate established pursuant to the Constitution of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended (the Act). NWWC is empowered under the Act to plan, construct, improve, extend, acquire, finance, operate and maintain a water supply system to serve its members and other potential water purchasers. The four members of NWWC and their percentage shares as of April 30, 2020 are as follows:

	Percent Share
Village of Arlington Heights	36.43 %
Village of Buffalo Grove	17.06
Village of Palatine	29.10
Village of Wheeling	17.41
	<u>100.00 %</u>

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES – Continued

Northwest Water Commission (NWWC) – Continued

These percentage shares are based upon formula contained in the water supply agreement and are subject to change in future years based on consumption by the municipalities.

The members form a contiguous geographic service area which is located northwest of downtown Chicago. Under the NWWC Agreement, additional members may join NWWC upon the approval of each member.

NWWC is governed by a Board of Commissioners which consists of one Village Manager from each member municipality. Each Commissioner has an equal vote. The officers of NWWC are appointed by the Board of Commissioners. The Board of Commissioners determines the general policy of NWWC, makes all appropriations, approves contracts for sale or purchase of water, adopts by-laws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the NWWC Agreement or the by-laws.

Summary of financial positions as of April 30, 2020:

Current Assets	\$ 16,034,979	Current Liabilities	\$ 748,620
Noncurrent Assets		Noncurrent Liabilities	-
Capital Assets	<u>33,802,677</u>	Total Liabilities	<u>748,620</u>
Total Assets	<u>49,837,656</u>	Net Position	<u>49,089,036</u>

Summary of revenues, expenses and changes in net position for the year ended April 30, 2020:

Operating Revenues	\$ 12,606,012
Operating Expenses	<u>10,898,057</u>
Operating Income	1,707,955
Nonoperating Revenue (Expenses)	<u>517,692</u>
Change in Net Position	2,225,647
Net Position - Beginning	<u>46,863,389</u>
Net Position - Ending	<u>49,089,036</u>

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES – Continued

Northwest Water Commission (NWWC) – Continued

Complete financial statements can be obtained from the Northwest Water Commission, 1525 North Wolf Road, Des Plaines, Illinois 60015.

NWWC's bonds are revenue obligations. They are limited obligations of NWWC with a claim for payment solely from and secured by a pledge of the revenues of the system and amounts in various funds and accounts established by NWWC resolutions. The bonds are not a debt of any member. NWWC has no power to levy taxes.

Revenues of the system consist of: (a) all receipts derived from Water Supply Contracts or any other contract for the supply of water; (b) all income derived from the investment of monies; and (c) all income, fees, water service charges, and all rates, rents and receipts derived by NWWC from the ownership and operation of the system and the sale of water. JAWA covenants to establish fees and charges sufficient to provide revenues to meet all its requirements.

N/WWC has entered into Water Supply Contracts with the four-member municipalities for a term of 40 years, extending to 2030. The Water Supply Contracts are irrevocable and may not be terminated or amended except as provided in the Water Supply Contract. Each member is obligated, on a "take or pay" basis, to purchase or in any event to pay for a minimum annual quantity of water.

NWWC has entered into an agreement with the City of Evanston under which the City has agreed to sell quantities of lake water sufficient to supply the projected water needs of NWWC through the year 2030.

The obligation of the Village to make all payments as required by this Contract is unconditional and irrevocable, without regard to performance or nonperformance by NWWC of its obligations under this Contract.

The payments required to be made by the Village under this Contract are required to be made solely from revenues to be derived by the Village from the operation of the Village's system. Members are not prohibited by the Contract from using other available funds to make payments required under the Contract. This Contract shall not constitute an indebtedness of the Village within the meaning of any statutory or constitutional limitation.

The obligation of the Village to make payments required by this Agreement from revenues of the Waterworks and Sewerage System shall be payable from the operation and maintenance account of the Water and Sewerage Fund.

In accordance with the joint venture agreement, the Village remitted \$1,756,594 to NWWC for the year ended April 30, 2020. All payments were paid from the Water and Sewerage Fund. The Village's share of net position of NWWC was \$8,374,590 at April 30, 2020.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES – Continued

Solid Waste Agency of Northern Cook County (SWANCC)

The Village is a member of the Solid Waste Agency of Northern Cook County (SWANCC) which consists of twenty-three municipalities. SWANCC is a municipal corporation and public body politic established pursuant to the Constitution Act of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended.

SWANCC is empowered to plan, construct, finance, operate, and maintain a solid waste disposal system to serve its members. SWANCC is governed by a Board of Directors which consists of one appointed representative from each member municipality. Each Director has an equal vote. The officers of SWANCC are appointed by the Board of Directors.

The Board of Directors determines the general policy of SWANCC, makes all appropriations, approves contracts, adopts resolutions providing for the issuance of bonds or notes by SWANCC, adopts by-laws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the SWANCC agreement or the by-laws. Separate audited financial statements are available at 77 W Hintz Road, Suite 200, Wheeling, Illinois 60090.

SWANCC's bonds are revenue obligations. They are limited obligations of SWANCC, with a claim for payment solely from and secured by a pledge of the revenues of the system, and amounts in various funds and accounts established by SWANCC resolutions. SWANCC has no power to levy taxes.

Revenues of the system consist of: (a) all receipts derived from Solid Waste Disposal Contracts or any other contracts for the disposal of waste; (b) all income derived from the investment of monies; and (c) all income, fees, service charges, and all grants, rents, and receipts derived by SWANCC from the ownership and operation of the system.

SWANCC covenants to establish fees and charges sufficient to provide revenues to meet all its requirements.

SWANCC has entered into Solid Waste Disposal Contracts with the member municipalities. The Contracts are irrevocable, and may not be terminated or amended, except as provided in the Contract. Each member is obligated, on a "take or pay" basis, to purchase or in any event to pay for a minimum annual cost of the system.

The obligation of the Village to make all payments as required by this Contract is unconditional and irrevocable, without regard to performance or nonperformance by SWANCC of its obligations under this Contract.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES – Continued

Solid Waste Agency of Northern Cook County (SWANCC) – Continued

The payments required to be made by the Village under this Contract are required to be made solely from revenues to be derived by the Village from the operation of the Municipal Waste System Fund. The Village is not prohibited by the Contract from using any other funds to make the payments required by the Contract. The Contract shall not constitute an indebtedness of the Village within the meaning of any statutory or constitutional limitation.

In accordance with the joint venture agreement, the Village remitted \$803,999 to SWANCC for the year ended December 31, 2020, which is recorded in the Village's Refuse Service Fund.

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system and the Police Pension Plan which is a single-employer pension plan, and the Firefighters' Pension Plan which is a single-employer pension plan. A separate report is issued for the Police Pension Plan and Firefighters' Pension Plan and may be obtained by writing to the Village at 50 Raupp Boulevard, Buffalo Grove, Illinois 60089. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

The aggregate amount recognized for the three pension plans is:

	Pension Expense	Net Pension Liability	Deferred Outflows	Deferred Inflows
IMRF	\$ 1,292,481	5,986,948	2,858,934	3,231,728
Police Pension	2,117,754	26,620,107	2,986,027	7,406,191
Firefighters' Pension	618,442	12,274,978	2,418,583	7,769,688
	<u>4,028,677</u>	<u>44,882,033</u>	<u>8,263,544</u>	<u>18,407,607</u>

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

Plan Administration. All employees (other than those covered by the Police Pension Plan and the Firefighters' Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Benefits Provided. IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

IMRF provides two tiers of pension benefits. Employees hired **before** January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired **on or after** January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Plan Membership. As of December 31, 2019, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	112
Inactive Plan Members Entitled to but not yet Receiving Benefits	58
Active Plan Members	<u>100</u>
Total	<u><u>270</u></u>

Contributions. As set by statute, the Village's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended December 31, 2020, the Village's contribution was 13.63% of covered payroll.

Net Pension Liability. The Village's net pension liability was measured as of December 31, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2019, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	3.35% to 14.25%
Cost of Living Adjustments	3.25%
Inflation	2.50%

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Actuarial Assumptions – Continued. For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	28.00%	3.25%
Domestic Equities	37.00%	5.75%
International Equities	18.00%	6.50%
Real Estate	9.00%	5.20%
Blended	7.00%	3.60% - 7.60%
Cash and Cash Equivalents	1.00%	1.85%

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	\$ 14,663,672	5,986,948	(1,164,549)

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements
December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2018	\$ 65,716,729	54,249,073	11,467,656
Changes for the Year:			
Service Cost	908,935	-	908,935
Interest on the Total Pension Liability	4,689,245	-	4,689,245
Changes of Benefit Terms	-	-	-
Difference Between Expected and Actual Experience of the Total Pension Liability	492,814	-	492,814
Changes of Assumptions	-	-	-
Contributions - Employer	-	1,053,229	(1,053,229)
Contributions - Employees	-	421,491	(421,491)
Net Investment Income	-	10,038,062	(10,038,062)
Benefit Payments, including Refunds of Employee Contributions	(2,983,908)	(2,983,908)	-
Other (Net Transfer)	-	58,920	(58,920)
Net Changes	3,107,086	8,587,794	(5,480,708)
Balances at December 31, 2019	68,823,815	62,836,867	5,986,948

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements
December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2020, the Village recognized pension expense of \$1,292,481. At December 31, 2020, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 682,363	(55,664)	626,699
Change in Assumptions	958,198	(586,806)	371,392
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(2,589,258)	(2,589,258)
Total Pension Expense to be Recognized in Future Periods	1,640,561	(3,231,728)	(1,591,167)
Pension Contributions Made Subsequent to the Measurement Date	1,218,373	-	1,218,373
Total Deferred Amounts Related to IMRF	2,858,934	(3,231,728)	(372,794)

\$1,218,373 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended December 31, 2021. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2021	\$ (581,083)
2022	(215,188)
2023	436,620
2024	(1,231,516)
2025	-
Thereafter	-
Total	(1,591,167)

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan

Plan Descriptions

Plan Administration. The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active police employees.

Plan Membership. At December 31, 2020, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	54
Inactive Plan Members Entitled to but not yet Receiving Benefits	8
Active Plan Members	<u>64</u>
Total	<u><u>126</u></u>

Benefits Provided. The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of $\frac{1}{2}$ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter. Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 48 consecutive months of service within the last 60 months of service in which the total salary was the highest by the number of months of service in that period. Police officer salary for the pension purposes is capped at \$106,800, plus the lesser of $\frac{1}{2}$ of the annual change in the Consumer Price Index or 3 percent compounded.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Plan Descriptions – Continued

Benefits Provided – Continued. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions. Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended December 31, 2020, the Village's contribution was 42.31% of covered payroll.

Concentrations. At year end, the Pension Plan does not have any investments (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments) in any one organization that represent 5 percent or more of net position available for benefits.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of December 31, 2020, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.00%
Salary Increases	Graded by Years of Service
Cost of Living Adjustments	3.25%
Inflation	2.25%

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Actuarial Assumptions – Continued

Mortality rates were based on the PubS-2010(A) adjusted for plan status, collar, and Illinois Public Pension data, as appropriate.

Discount Rate

The discount rate used to measure the total pension liability was 7.00%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability	\$ 44,362,120	26,620,107	12,297,499

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements
December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2019	\$ 106,403,950	76,818,720	29,585,230
Changes for the Year:			
Service Cost	1,978,338	-	1,978,338
Interest on the Total Pension Liability	7,214,313	-	7,214,313
Changes of Benefit Terms	-	-	-
Difference Between Expected and Actual Experience of the Total Pension Liability	832,348	-	832,348
Changes of Assumptions	(639,813)	-	(639,813)
Contributions - Employer	-	3,095,593	(3,095,593)
Contributions - Employees	-	820,098	(820,098)
Contributions - Other	-	-	-
Net Investment Income	-	8,491,232	(8,491,232)
Benefit Payments, including Refunds of Employee Contributions	(4,677,746)	(4,677,746)	-
Administrative Expense	-	(56,614)	56,614
Net Changes	4,707,440	7,672,563	(2,965,123)
Balances at December 31, 2020	111,111,390	84,491,283	26,620,107

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements
December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2020, the Village recognized pension expense of \$2,117,754. At December 31, 2020, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 1,849,559	(63,619)	1,785,940
Change in Assumptions	1,136,468	(1,758,538)	(622,070)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(5,584,034)	(5,584,034)
Total Deferred Amounts Related to Police Pension	2,986,027	(7,406,191)	(4,420,164)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2021	\$ (1,615,759)
2022	(939,239)
2023	(1,944,003)
2024	(154,089)
2025	232,926
Thereafter	-
Total	(4,420,164)

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan

Plan Descriptions

Plan Administration. The Firefighters' Pension Plan is a single-employer defined benefit pension plan that covers all sworn firefighter personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The Village accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active fire employees.

Plan Membership. At December 31, 2020, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	47
Inactive Plan Members Entitled to but not yet Receiving Benefits	1
Active Plan Members	<u>56</u>
Total	<u><u>104</u></u>

Benefits Provided. The following is a summary of the Firefighters' Pension Plan as provided for in Illinois State Statutes.

The Firefighters' Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of $\frac{1}{2}$ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3percent compounded annually thereafter.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan – Continued

Plan Descriptions – Continued

Benefits Provided – Continued. Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 48 consecutive months of service within the last 60 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for the pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions. Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended December 31, 2020, the Village's contribution was 34.28% of covered payroll.

Concentrations. At year end, the Pension Plan does not have any investments (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments) in any one organization that represent 5 percent or more of net position available for benefits.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan – Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of December 31, 2020, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.00%
Salary Increases	Graded by Years of Service
Cost of Living Adjustments	3.25%

Mortality rates were based on the PubS-2010(A) adjusted for plan status, collar, and Illinois Public Pension data, as appropriate.

Discount Rate

The discount rate used to measure the total pension liability was 7.00%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements
December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan – Continued

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability	\$ 25,529,577	12,274,978	1,522,854

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2019	\$ 86,352,802	68,032,109	18,320,693
Changes for the Year:			
Service Cost	1,621,266	-	1,621,266
Interest on the Total Pension Liability	5,825,574	-	5,825,574
Changes of Benefit Terms	-	-	-
Difference Between Expected and Actual Experience of the Total Pension Liability	(121,525)	-	(121,525)
Changes of Assumptions	(453,769)	-	(453,769)
Contributions - Employer	-	2,019,305	(2,019,305)
Contributions - Employees	-	535,959	(535,959)
Net Investment Income	-	10,436,145	(10,436,145)
Benefit Payments, including Refunds of Employee Contributions	(3,823,483)	(3,823,483)	-
Administrative Expense	-	(74,148)	74,148
Net Changes	3,048,063	9,093,778	(6,045,715)
Balances at December 31, 2020	89,400,865	77,125,887	12,274,978

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements
December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan – Continued

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2020, the Village recognized pension expense of \$618,442. At December 31, 2020, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 1,200,307	(456,967)	743,340
Change in Assumptions	1,218,276	(631,966)	586,310
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(6,680,755)	(6,680,755)
Total Deferred Amounts Related to Firefighters' Pension	2,418,583	(7,769,688)	(5,351,105)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2021	\$ (1,676,708)
2022	(913,453)
2023	(2,359,942)
2024	(897,176)
2025	260,345
Thereafter	235,829
Total	(5,351,105)

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

Plan Description. The Village's defined benefit OPEB plan, Village of Buffalo Grove Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general and public safety employees of the Village. RBP is a single-employer defined benefit OPEB plan administered by the Village. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Village Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided. RBP offers medical, prescription, vision, dental, life insurance coverage to retirees. Retirees pay full cost of coverage. Coverage ends at age 65 or once retirees are eligible for Medicare.

Plan Membership. As of December 31, 2020, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	60
Inactive Plan Members Entitled to but not yet Receiving Benefits	-
Active Plan Members	<u>195</u>
Total	<u><u>255</u></u>

Total OPEB Liability

The Village's total OPEB liability was measured as of December 31, 2020, and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements
December 31, 2020**NOTE 4 – OTHER INFORMATION – Continued****OTHER POST-EMPLOYMENT BENEFITS – Continued****Total OPEB Liability – Continued**

Actuarial assumptions and other inputs - Continued.

Inflation	2.25%
Salary Increases	3.00%
Discount Rate	2.00%
Healthcare Cost Trend Rates	6.00% for 2020, decreasing to an ultimate rate of 4.50% for 2024 and later years
Retirees' Share of Benefit-Related Costs	100% of Benefit-Related Costs

The discount rate was based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate.

Mortality rates were based on the sex distinct raw rates as developed in the RP-2014 study, with blue collar adjustment. These rates are improved generationally using MP-2020 improvement rates.

Change in the Total OPEB Liability

	Total OPEB Liability
Balance at December 31, 2019	\$ 11,379,814
Changes for the Year:	
Service Cost	525,258
Interest on the Total Pension Liability	304,253
Changes of Benefit Terms	-
Difference Between Expected and Actual Experience	1,668,331
Changes of Assumptions or Other Inputs	1,494,795
Benefit Payments	(551,381)
Net Changes	3,441,256
Balance at December 31, 2020	14,821,070

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements
December 31, 2020**NOTE 4 – OTHER INFORMATION – Continued****OTHER POST-EMPLOYMENT BENEFITS – Continued****Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

The discount rate used to measure the total pension liability was 2.00%, while the prior valuation used 2.74%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

	1% Decrease (1.00%)	Current Discount Rate (2.00%)	1% Increase (3.00%)
Total OPEB Liability	\$ 17,314,562	14,821,070	12,858,816

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following is a sensitivity analysis of the total OPEB liability to changes in the healthcare cost trend rates. The table below presents the OPEB liability of the Village calculated using the discount rate as well as what the Village's total OPEB liability would be if it were calculated using healthcare trend rates that are one percentage point lower or one percentage point higher than the current rates:

	(5.00% decreasing to 3.50%)	Healthcare Cost Trend Rates (6.00% decreasing to 4.50%)	(7.00% decreasing to 5.50%)
Total OPEB Liability	\$ 12,589,522	14,821,070	17,732,162

VILLAGE OF BUFFALO GROVE, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2020, the Village recognized OPEB expense of \$1,308,656. At December 31, 2020, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 1,490,601	-	1,490,601
Change in Assumptions	3,051,115	(535,675)	2,515,440
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	-	-
Total Deferred Amounts Related to OPEB	4,541,716	(535,675)	4,006,041

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year	Net Deferred Outflows of Resources
2021	\$ 479,145
2022	479,145
2023	479,145
2024	479,145
2025	479,145
Thereafter	1,610,316
Total	4,006,041

SUBSEQUENT EVENT

On March 11, 2021, the American Rescue Plan Act of 2021 was signed into law. This act provides \$350 billion in funding for local governments. The Village has been allocated \$5,002,946 to be received in two installments. As of the date of these financial statements, the Village has not received their first installment.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Employer Contributions
 - Illinois Municipal Retirement Fund
 - Police Pension Fund
 - Firefighters' Pension Fund
- Schedule of Changes in the Employer's Net Pension Liability
 - Illinois Municipal Retirement Fund
 - Police Pension Fund
 - Firefighters' Pension Fund
- Schedule of Investment Returns
 - Police Pension Fund
 - Firefighters' Pension Fund
- Schedule of Changes in the Employer's Total OPEB Liability
 - Retiree Benefit Plan
- Budgetary Comparison Schedule
 - General Fund

Notes to the Required Supplementary Information

Budgetary Information – Budgets are adopted on a basis consistent with generally accepted accounting principles.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information
Schedule of Employer Contributions
December 31, 2020

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2014	\$ 1,020,544	\$ 1,071,994	\$ 51,450	\$ 7,802,324	13.74%
2015	1,093,142	1,093,142	-	8,157,772	13.40%
2016	1,112,901	1,112,901	-	8,023,803	13.87%
2017	1,164,635	1,164,635	-	8,384,700	13.89%
2018	1,225,584	1,225,584	-	8,810,810	13.91%
2019	1,045,988	1,053,229	7,241	9,272,947	11.36%
2020	1,218,373	1,218,373	-	8,938,907	13.63%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	24 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.50%
Salary Increases	3.35% - 14.25%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	An IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015).

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Police Pension Fund

Required Supplementary Information
Schedule of Employer Contributions
December 31, 2020

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2014	\$ 2,359,777	\$ 2,083,758	\$ (276,019)	\$ 5,984,178	34.82%
2015	2,256,676	2,284,315	27,639	6,056,962	37.71%
2016	2,407,865	2,430,017	22,152	6,406,672	37.93%
2017	2,538,183	2,641,453	103,270	6,565,793	40.23%
2018	2,673,256	2,668,632	(4,624)	6,738,022	39.61%
2019	2,795,672	2,899,820	104,148	6,957,008	41.68%
2020	3,034,524	3,095,593	61,069	7,316,636	42.31%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	20 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.25%
Salary Increases	Graded by Years of Service
Investment Rate of Return	7.00%
Retirement Age	Graded by Age (11% at 50 to 100% at age 62)
Mortality	PubS-2010(A) Adjusted for Plan Status, Collar, and Illinois Public Pension Data, as Appropriate

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information
Schedule of Employer Contributions
December 31, 2020

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2014	\$ 1,884,815	\$ 2,168,844	\$ 284,029	\$ 5,224,950	41.51%
2015	1,848,990	2,202,138	353,148	5,308,713	41.48%
2016	1,728,496	2,166,040	437,544	5,390,509	40.18%
2017	1,862,674	1,864,498	1,824	5,585,881	33.38%
2018	1,897,942	1,897,968	26	5,836,466	32.52%
2019	1,859,212	1,915,164	55,952	6,026,152	31.78%
2020	1,984,773	2,019,305	34,532	5,890,818	34.28%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	20 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.20%
Salary Increases	Graded by Years of Service
Investment Rate of Return	7.00%
Retirement Age	Graded by Age (11% at 50 to 100% at age 62)
Mortality	PubS-2010(A) Adjusted for Plan Status, Collar, and Illinois Public Pension Data, as Appropriate

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information
 Schedule of Changes in the Employer's Net Pension Liability
 December 31, 2020

	12/31/14
Total Pension Liability	
Service Cost	\$ 964,574
Interest	3,808,085
Differences Between Expected and Actual Experience	(1,126,970)
Change of Assumptions	1,736,515
Benefit Payments, Including Refunds of Member Contributions	(2,148,231)
Net Change in Total Pension Liability	3,233,973
Total Pension Liability - Beginning	51,366,296
Total Pension Liability - Ending	54,600,269
Plan Fiduciary Net Position	
Contributions - Employer	\$ 1,071,994
Contributions - Members	369,278
Net Investment Income	2,892,087
Benefit Payments, Including Refunds of Member Contributions	(2,148,231)
Other (Net Transfer)	(1,146,370)
Net Change in Plan Fiduciary Net Position	1,038,758
Plan Net Position - Beginning	47,764,745
Plan Net Position - Ending	48,803,503
Employer's Net Pension Liability	\$ 5,796,766
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	89.38%
Covered Payroll	\$ 8,195,678
Employer's Net Pension Liability as a Percentage of Covered Payroll	70.73%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

12/31/15	12/31/16	12/31/17	12/31/18	12/31/19
860,654	871,953	858,070	843,915	908,935
4,031,299	4,310,485	4,434,597	4,483,157	4,689,245
1,338,146	(921,372)	40,460	582,645	492,814
145,117	(220,386)	(1,963,662)	1,849,878	-
(2,416,367)	(2,582,301)	(2,637,150)	(2,792,678)	(2,983,908)
3,958,849	1,458,379	732,315	4,966,917	3,107,086
54,600,269	58,559,118	60,017,497	60,749,812	65,716,729
58,559,118	60,017,497	60,749,812	65,716,729	68,823,815
1,093,142	1,112,901	1,164,635	1,218,342	1,053,229
402,168	428,936	377,312	394,144	421,491
241,715	3,350,903	8,949,122	(2,997,666)	10,038,062
(2,416,367)	(2,582,301)	(2,637,150)	(2,792,678)	(2,983,908)
520,582	(346,357)	(974,388)	938,575	58,920
(158,760)	1,964,082	6,879,531	(3,239,283)	8,587,794
48,803,503	48,644,743	50,608,825	57,488,356	54,249,073
48,644,743	50,608,825	57,488,356	54,249,073	62,836,867
9,914,375	9,408,672	3,261,456	11,467,656	5,986,948
83.07%	84.32%	94.63%	82.55%	91.30%
8,157,772	8,023,803	8,384,700	8,758,756	9,272,947
121.53%	117.26%	38.90%	130.93%	64.56%

VILLAGE OF BUFFALO GROVE, ILLINOIS

Police Pension Fund

Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
December 31, 2020

	2014
Total Pension Liability	
Service Cost	\$ 1,415,171
Interest	5,318,732
Differences Between Expected and Actual Experience	-
Change of Assumptions	-
Change of Benefit Terms	-
Benefit Payments, Including Refunds of Member Contributions	<u>(2,747,592)</u>
Net Change in Total Pension Liability	3,986,311
Total Pension Liability - Beginning	<u>77,355,682</u>
Total Pension Liability - Ending	<u><u>81,341,993</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 2,083,758
Contributions - Members	654,693
Contributions - Other	-
Net Investment Income	3,756,487
Benefit Payments, Including Refunds of Member Contributions	(2,747,592)
Administrative Expense	<u>(33,343)</u>
Net Change in Plan Fiduciary Net Position	3,714,003
Plan Net Position - Beginning	<u>52,540,449</u>
Plan Net Position - Ending	<u><u>56,254,452</u></u>
Employer's Net Pension Liability	<u><u>25,087,541</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.16%
Covered Payroll	\$ 5,984,178
Employer's Net Pension Liability as a Percentage of Covered Payroll	419.23%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

2015	2016	2017	2018	2019	2020
1,386,660	1,534,051	1,637,139	1,628,794	1,649,198	1,978,338
5,438,273	5,861,687	6,171,179	6,489,093	6,772,474	7,214,313
(1,015,708)	358,140	353,405	(92,557)	1,380,756	832,348
4,811,344	170,816	(3,590,403)	-	1,501,809	(639,813)
-	-	-	-	425,172	-
(2,969,657)	(3,283,543)	(3,602,086)	(3,803,918)	(4,150,161)	(4,677,746)
7,650,912	4,641,151	969,234	4,221,412	7,579,248	4,707,440
81,341,993	88,992,905	93,634,056	94,603,290	98,824,702	106,403,950
88,992,905	93,634,056	94,603,290	98,824,702	106,403,950	111,111,390
2,284,315	2,430,017	2,524,306	2,668,632	2,899,820	3,095,593
669,077	622,198	627,548	674,488	660,350	820,098
-	-	117,147	28,742	83,945	-
186,635	3,418,114	8,300,527	(2,726,611)	13,161,796	8,491,232
(2,969,657)	(3,283,543)	(3,602,086)	(3,803,919)	(4,150,161)	(4,677,746)
(39,870)	(43,969)	(62,733)	(51,073)	(59,767)	(56,614)
130,500	3,142,817	7,904,709	(3,209,741)	12,595,983	7,672,563
56,254,452	56,384,952	59,527,769	67,432,478	64,222,737	76,818,720
56,384,952	59,527,769	67,432,478	64,222,737	76,818,720	84,491,283
32,607,953	34,106,287	27,170,812	34,601,965	29,585,230	26,620,107
63.36%	63.57%	71.28%	64.99%	72.20%	76.04%
6,056,962	6,406,672	6,565,793	6,738,022	6,957,008	7,316,636
538.35%	532.36%	413.82%	513.53%	425.26%	363.83%

VILLAGE OF BUFFALO GROVE, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
December 31, 2020

	2014
Total Pension Liability	
Service Cost	\$ 1,378,069
Interest	4,304,137
Differences Between Expected and Actual Experience	218,159
Change of Assumptions	(938,734)
Change in Benefit Terms	-
Benefit Payments, Including Refunds of Member Contributions	<u>(1,943,411)</u>
Net Change in Total Pension Liability	3,018,220
Total Pension Liability - Beginning	<u>62,459,374</u>
Total Pension Liability - Ending	<u><u>65,477,594</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 2,168,844
Contributions - Members	502,014
Contributions - Other	-
Net Investment Income	3,195,916
Benefit Payments, Including Refunds of Member Contributions	(1,943,409)
Administrative Expense	<u>(42,368)</u>
Net Change in Plan Fiduciary Net Position	3,880,997
Plan Net Position - Beginning	<u>45,275,721</u>
Plan Net Position - Ending	<u><u>49,156,718</u></u>
Employer's Net Pension Liability	<u><u>16,320,876</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.07%
Covered Payroll	\$ 5,224,950
Employer's Net Pension Liability as a Percentage of Covered Payroll	312.36%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

2015	2016	2017	2018	2019	2020
1,179,270	1,260,242	1,348,459	1,325,255	1,264,639	1,621,266
4,508,473	4,757,917	4,961,836	5,226,040	5,477,561	5,825,574
(1,080,688)	(133,067)	204,895	234,796	1,246,145	(121,525)
1,139,953	(588,791)	-	-	1,195,177	(453,769)
-	-	-	-	640,951	-
(2,141,668)	(2,225,410)	(2,540,912)	(2,940,773)	(3,445,092)	(3,823,483)
3,605,340	3,070,891	3,974,278	3,845,318	6,379,381	3,048,063
65,477,594	69,082,934	72,153,825	76,128,103	79,973,421	86,352,802
69,082,934	72,153,825	76,128,103	79,973,421	86,352,802	89,400,865
2,202,138	2,166,040	1,863,911	1,897,968	1,915,164	2,019,305
524,714	516,422	520,184	533,534	542,215	535,959
-	-	588	-	-	-
654,625	3,415,513	7,601,179	(2,917,744)	11,064,141	10,436,145
(2,141,668)	(2,225,410)	(2,540,912)	(2,940,773)	(3,445,092)	(3,823,483)
(48,363)	(42,284)	(60,925)	(75,110)	(104,664)	(74,148)
1,191,446	3,830,281	7,384,025	(3,502,125)	9,971,764	9,093,778
49,156,718	50,348,164	54,178,445	61,562,470	58,060,345	68,032,109
50,348,164	54,178,445	61,562,470	58,060,345	68,032,109	77,125,887
18,734,770	17,975,380	14,565,633	21,913,076	18,320,693	12,274,978
72.88%	75.09%	80.87%	72.60%	78.78%	86.27%
5,308,713	5,390,509	5,585,881	5,836,466	6,026,152	5,890,818
352.91%	333.46%	260.76%	375.45%	304.02%	208.37%

VILLAGE OF BUFFALO GROVE, ILLINOIS

Police Pension Fund

**Required Supplementary Information
Schedule of Investment Returns
December 31, 2020**

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2014	7.00%
2015	0.67%
2016	5.71%
2017	14.38%
2018	(4.09%)
2019	20.58%
2020	11.06%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Firefighters' Pension Fund

**Required Supplementary Information
Schedule of Investment Returns
December 31, 2020**

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2014	7.08%
2015	1.32%
2016	6.78%
2017	14.05%
2018	(4.77%)
2019	19.23%
2020	15.46%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Retiree Benefit Plan

Required Supplementary Information
Schedule of Changes in the Employer's Total OPEB Liability
December 31, 2020

	2018	2019	2020
Total OPEB Liability			
Service Cost	\$ 298,851	263,570	525,258
Interest	321,987	360,862	304,253
Changes in Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	-	-	1,668,331
Change of Assumptions or Other Inputs	(774,109)	2,158,863	1,494,795
Benefit Payments	(389,489)	(409,592)	(551,381)
Net Change in Total OPEB Liability	(542,760)	2,373,703	3,441,256
Total OPEB Liability - Beginning	9,548,871	9,006,111	11,379,814
Total OPEB Liability - Ending	9,006,111	11,379,814	14,821,070
Covered Payroll	\$ 21,900,270	22,925,736	19,323,659
Total OPEB Liability as a Percentage of Covered Payroll	41.12%	49.64%	76.70%

Notes:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2018, 2019 and 2020.

VILLAGE OF BUFFALO GROVE, ILLINOIS

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2020

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 16,202,772	16,040,744	16,144,573
Other Taxes	10,310,000	8,283,100	8,970,163
Intergovernmental	12,348,247	11,894,557	15,107,505
Charges for Services	1,293,657	1,116,717	1,478,955
Licenses and Permits	349,600	239,600	301,321
Fines and Forfeitures	2,880,591	2,570,591	3,084,739
Interest	290,000	145,000	278,176
Miscellaneous	952,340	741,340	1,126,929
Total Revenues	44,627,207	41,031,649	46,492,361
Expenditures			
Current			
General Government	6,717,432	7,243,961	6,582,800
Public Safety	29,107,950	29,882,678	28,891,545
Public Works	8,253,126	7,530,691	6,973,359
Capital Outlay	70,000	70,000	222,871
Total Expenditures	44,148,508	44,727,330	42,670,575
Excess (Deficiency) of Revenues Over (Under) Expenditures	478,699	(3,695,681)	3,821,786
Other Financing Sources (Uses)			
Transfers In	780,000	2,008,315	2,008,315
Transfers Out	(1,228,394)	(3,339,668)	(3,209,874)
	(448,394)	(1,331,353)	(1,201,559)
Net Change in Fund Balance	30,305	(5,027,034)	2,620,227
Fund Balance - Beginning			27,898,251
Fund Balance - Ending			30,518,478

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
- Combining Statements – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Major Enterprise Funds
- Combining Statements – Nonmajor Enterprise Funds
- Budgetary Comparison Schedules – Nonmajor Enterprise Funds
- Combining Statements – Internal Service Funds
- Budgetary Comparison Schedules – Internal Service Funds
- Combining Statements – Pension Trust Funds
- Budgetary Comparison Schedules – Pension Trust Funds
- Consolidated Year-End Financial Report

INDIVIDUAL FUND SCHEDULES

GENERAL FUND

The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital projects funds) that are legally restricted to expenditure for specified purposes.

Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account for expenditures related to approved motor fuel tax projects and revenue from the state gasoline tax as collected and distributed by the State of Illinois.

Local Motor Fuel Tax Fund

The Local Motor Fuel Tax Fund is used to finance local road and street improvements from local gasoline tax revenues collected and distributed by the State of Illinois.

Lake Cook Road TIF Fund

The Lake Cook Road TIF Fund is used to account for incremental revenues generated within the TIF boundaries and costs incurred from the formation and redevelopment of the Village's Lake Cook Road Corridor.

Metra Parking Lot Fund

The Metra Parking Lot fund is used to account for revenue generated and costs incurred from the operation of the Metra parking lot operated by the Village.

DEBT SERVICE FUND

The Debt Service Fund is used to account for monies restricted, committed or assigned to pay for principal and interest payments on the Village's debt obligations.

INDIVIDUAL FUND SCHEDULES

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for all resources used for the acquisition of capital assets except those financed by Proprietary Funds.

Facilities Development Fund

The Facilities Development Fund is used to account for and reports financial resources that are restricted, committed or assigned to expenditures for acquisition, construction, improvement, repair, and replacement of the Village's capital facilities.

Street Maintenance Fund

The Street Maintenance Fund is used to account for and reports financial resources that are restricted, committed or assigned to expenditures for acquisition, construction, improvement, repair, and replacement of the Village's roadways.

Vehicle Equipment Replacement Fund

The Vehicle Equipment Replacement Fund is used to account for the purchase of vehicles and capital equipment for the General Fund operating departments. Financing is typically provided by the General Fund committed fund balance.

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose.

Water and Sewerage Fund

The Water and Sewerage Fund is used to account for the revenue and expenses related to the operation of the water and sewerage system.

Arboretum Golf Fund

The Arboretum Fund is used to account for the revenues and expenses related to the operation of the Arboretum golf course.

INDIVIDUAL FUND SCHEDULES

ENTERPRISE FUNDS - Continued

Buffalo Grove Golf Fund

The Buffalo Grove Golf Fund is used to account for revenue and expenses associated with operating the Villages golf course.

Refuse Service Fund

The Refuse Fund is used to account for refuse services contracted by the Village for the benefit of its citizens by a private entity. The fund is financed by the fees charged to residents by the private entity and remitted back to the Village of Buffalo Grove.

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies other governmental unit, or to other governmental units, on a cost-reimbursement basis.

Information Technology Fund

The Technology Fund is used to account for all costs associated with providing technology services to all departments in the Village. This fund accounts for global technology costs, shared, and/or exclusive department specific hardware, software, and other technology needs. Costs are assessed to each department by combining the cost of all direct and indirect/shared services as incurred. The indirect/shared costs are charged back per the user base of service(s).

Central Garage Fund

The Central Garage Fund is used to account for the activities required to operate and maintain the Village's automotive fleet. Department charges are derived from the work order process; which documents the type of work performed and cost(s) associated with the work.

Building Maintenance Fund

The Building Maintenance Fund is used to account for providing a clean, healthy, and safe working environment in Village facilities, meeting area's and public area's.

INDIVIDUAL FUND SCHEDULES

TRUST AND CUSTODIAL FUNDS

PENSION TRUST FUNDS

Police Pension Fund

The Police Pension Fund is used to account for the resources necessary to provide retirement and disability pension benefits to full-time sworn police personnel. Although this is a single-employer pension plan, the defined benefits and employer and employee contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. Financing is provided by the Village contributions, employee payroll withholdings, and investment income.

Firefighter's Pension Fund

The Firefighters' Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the fire department at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the Village at amounts determined by an annual actuarial study.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2020

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Taxes	\$ 912,769	898,460	890,789
Interest	-	-	27,190
Total Revenues	912,769	898,460	917,979
Expenditures			
Debt Service			
Principal Retirement	1,285,000	1,300,000	1,299,030
Interest and Fiscal Charges	301,369	1,205,000	1,196,044
Total Expenditures	1,586,369	2,505,000	2,495,074
Excess (Deficiency) of Revenues Over (Under) Expenditures	(673,600)	(1,606,540)	(1,577,095)
Other Financing Sources (Uses)			
Debt Issuance	-	26,382,646	24,000,000
Premium on Debt Issuance	-	-	2,720,164
Transfers In	673,600	1,262,650	1,262,650
Transfers Out	-	(9,577,055)	(9,577,055)
	673,600	18,068,241	18,405,759
Net Change in Fund Balance	-	16,461,701	16,828,664
Fund Balance - Beginning			803
Fund Balance - Ending			16,829,467

VILLAGE OF BUFFALO GROVE, ILLINOIS

Facilities Development - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2020

	Original Budget	Final Budget	Actual
Revenues			
None	\$ -	-	-
Expenditures			
Capital Outlay	375,000	520,000	511,270
Excess (Deficiency) of Revenues Over (Under) Expenditures	(375,000)	(520,000)	(511,270)
Other Financing Sources			
Transfers In	375,000	550,000	550,000
Net Change in Fund Balance	-	30,000	38,730
Fund Balance - Beginning			2,577
Fund Balance - Ending			41,307

VILLAGE OF BUFFALO GROVE, ILLINOIS

Street Maintenance - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2020

	Original Budget	Final Budget	Actual
Revenues			
Intergovernmental	\$ -	650,000	466,618
Miscellaneous	-	-	49,808
Total Revenues	-	650,000	516,426
Expenditures			
Capital Outlay	1,600,000	7,514,000	7,505,067
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,600,000)	(6,864,000)	(6,988,641)
Other Financing Sources			
Transfers In	1,600,000	6,971,962	6,971,962
Net Change in Fund Balance	-	107,962	(16,679)
Fund Balance - Beginning			258,430
Fund Balance - Ending			241,751

VILLAGE OF BUFFALO GROVE, ILLINOIS

Vehicle Equipment Replacement - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2020

	Original Budget	Final Budget	Actual
Revenues			
None	\$ -	-	-
Expenditures			
Capital Outlay	-	1,339,000	1,332,255
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(1,339,000)	(1,332,255)
Other Financing Sources			
Transfers In	-	1,350,000	1,350,000
Net Change in Fund Balance	-	11,000	17,745
Fund Balance - Beginning			-
Fund Balance - Ending			17,745

VILLAGE OF BUFFALO GROVE, ILLINOIS

Nonmajor Governmental Funds

Combining Balance Sheet

December 31, 2020

	Special Revenue				Totals
	Motor Fuel Tax	Local Motor Fuel Tax	Lake Cook Road TIF	Metra Parking Lot	
ASSETS					
Cash and Investments	\$ 2,611,924	221,550	72,959	43,646	2,950,079
Receivables - Net of Allowances					
Other	137,752	-	-	-	137,752
Total Assets	2,749,676	221,550	72,959	43,646	3,087,831
LIABILITIES					
Accounts Payable	-	-	6,185	1,576	7,761
Due to Other Funds	-	-	66,774	-	66,774
Total Liabilities	-	-	72,959	1,576	74,535
FUND BALANCES					
Restricted	2,749,676	221,550	-	42,070	3,013,296
Total Liabilities and Fund Balances	2,749,676	221,550	72,959	43,646	3,087,831

VILLAGE OF BUFFALO GROVE, ILLINOIS

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended December 31, 2020

	Special Revenue				
	Motor Fuel Tax	Local Motor Fuel Tax	Lake Cook Road TIF	Metra Parking Lot	Totals
Revenues					
Intergovernmental	\$ 2,421,678	421,550	-	-	2,843,228
Charges for Services	-	-	-	302	302
Fines and Forfeitures	-	-	-	52,600	52,600
Total Revenues	2,421,678	421,550	-	52,902	2,896,130
Expenditures					
Current					
General Government	-	-	72,959	178,284	251,243
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,421,678	421,550	(72,959)	(125,382)	2,644,887
Other Financing Sources (Uses)					
Transfers In	-	-	72,959	130,000	202,959
Transfers Out	(988,315)	(200,000)	-	-	(1,188,315)
	(988,315)	(200,000)	72,959	130,000	(985,356)
Net Change in Fund Balances	1,433,363	221,550	-	4,618	1,659,531
Fund Balances - Beginning	1,316,313	-	-	37,452	1,353,765
Fund Balances - Ending	2,749,676	221,550	-	42,070	3,013,296

VILLAGE OF BUFFALO GROVE, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2020

	Original Budget	Final Budget	Actual
Revenues			
Intergovernmental			
Motor Fuel Tax	\$ 1,600,000	1,600,000	885,648
Grants	-	-	1,536,030
Total Revenue	1,600,000	1,600,000	2,421,678
Expenditures			
Current			
Public Works	1,600,000	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	1,600,000	2,421,678
Other Financing (Uses)			
Transfers Out	-	(988,315)	(988,315)
Net Change in Fund Balance	-	611,685	1,433,363
Fund Balance - Beginning			1,316,313
Fund Balance - Ending			2,749,676

VILLAGE OF BUFFALO GROVE, ILLINOIS

Local Motor Fuel Tax - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2020

	Original Budget	Final Budget	Actual
Revenues			
Intergovernmental			
Local Motor Fuel Tax	\$ -	400,000	421,550
Expenditures			
None	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	400,000	421,550
Other Financing (Uses)			
Transfers Out	-	(200,000)	(200,000)
Net Change in Fund Balance	-	200,000	221,550
Fund Balance - Beginning			-
Fund Balance - Ending			221,550

VILLAGE OF BUFFALO GROVE, ILLINOIS

Lake Cook Road TIF - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2020

	Original Budget	Final Budget	Actual
Revenues			
None	\$ -	-	-
Expenditures			
Current			
General Government	-	72,959	72,959
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(72,959)	(72,959)
Other Financing Sources			
Transfers In	-	72,959	72,959
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning			-
Fund Balance - Ending			-

VILLAGE OF BUFFALO GROVE, ILLINOIS

Metra Parking Lot - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended December 31, 2020

	Original Budget	Final Budget	Actual
Revenues			
Charges for Services	\$ 950	950	302
Fines and Forfeitures	215,000	215,000	52,600
Total Revenues	215,950	215,950	52,902
Expenditures			
Current			
General Government	202,654	202,654	178,284
Excess (Deficiency) of Revenues Over (Under) Expenditures	13,296	13,296	(125,382)
Other Financing Sources (Uses)			
Transfers In	-	130,000	130,000
Transfers Out	(12,000)	(12,000)	-
	(12,000)	118,000	130,000
Net Change in Fund Balance	1,296	131,296	4,618
Fund Balance - Beginning			37,452
Fund Balance - Ending			42,070

VILLAGE OF BUFFALO GROVE, ILLINOIS

Water and Sewerage - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2020

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services			
Water and Sewer Charges	\$ 12,219,500	14,715,942	14,293,950
Connection and Recapture Fees	106,000	106,000	295,495
Miscellaneous	-	-	36,204
Total Operating Revenues	12,325,500	14,821,942	14,625,649
Operating Expenses			
Operations			
Water	2,519,165	2,519,165	1,830,642
Sewer	4,450,127	4,450,127	4,209,727
Water Purchases	1,725,000	1,725,000	1,756,594
Capital Outlay	3,085,544	8,881,934	3,978,875
Total Operating Expenses	11,779,836	17,576,226	11,775,838
Operating Income (Loss)	545,664	(2,754,284)	2,849,811
Nonoperating Revenue (Expenses)			
Interest Income	60,500	60,500	472,703
Interest Expense	(137,921)	(137,921)	(144,957)
	(77,421)	(77,421)	327,746
Income (Loss) Before Contributions and Transfers	468,243	(2,831,705)	3,177,557
Capital Contributions	-	-	341,254
Transfers In	-	3,553,408	3,553,408
Transfers Out	(960,000)	(1,549,050)	(1,549,050)
	(960,000)	2,004,358	2,345,612
Income (Loss) Before GAAP Adjustments	(491,757)	(827,347)	5,523,169
Beginning Net Position - Budgetary Basis			(437,356)
Ending Net Position - Budgetary Basis			5,085,813

VILLAGE OF BUFFALO GROVE, ILLINOIS

Water and Sewerage - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2020

	Original Budget	Final Budget	Actual
Income (Loss) Before GAAP Adjustments	\$ (491,757)	(827,347)	5,523,169
GAAP Adjustments			
Capitalized Assets	-	-	3,120,407
Depreciation	-	-	(1,574,640)
	-	-	1,545,767
Change in Net Position	468,243	(2,831,705)	7,068,936
Net Position - Beginning			40,299,993
Net Position - Ending			47,368,929

VILLAGE OF BUFFALO GROVE, ILLINOIS

Arboretum Golf - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual

For the Fiscal Year Ended December 31, 2020

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services			
Daily Greens Fee and Membership	\$ 816,000	816,000	967,257
Merchandise Sales	56,160	56,160	56,819
Cart, Club and Other Rentals	224,400	224,400	237,986
Miscellaneous	53,500	53,500	31,361
Total Operating Revenues	1,150,060	1,150,060	1,293,423
Operating Expenses			
Operations			
Golf Operations	1,234,830	1,234,830	1,263,535
Cost of Sales - Pro Shop	45,000	45,000	40,422
Total Operating Expenses	1,279,830	1,279,830	1,303,957
(Loss) Before Transfers	(129,770)	(129,770)	(10,534)
Transfers In	129,794	129,794	-
Income Before GAAP Adjustments	24	24	(10,534)
Beginning Net Position - Budgetary Basis			896,252
Ending Net Position - Budgetary Basis			885,718

VILLAGE OF BUFFALO GROVE, ILLINOIS

Arboretum Golf - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2020

	Original Budget	Final Budget	Actual
Income Before GAAP Adjustments	\$ 24	24	(10,534)
GAAP Adjustments			
Depreciation	-	-	(281,201)
Change in Net Position	<u>24</u>	<u>24</u>	(291,735)
Net Position - Beginning			<u>6,423,986</u>
Net Position - Ending			<u><u>6,132,251</u></u>

VILLAGE OF BUFFALO GROVE, ILLINOIS

Nonmajor Enterprise Funds

Combining Statement of Net Position

December 31, 2020

	Buffalo Grove Golf	Refuse Service	Totals
ASSETS			
Current Assets			
Cash and Investments	\$ 200,151	180,515	380,666
Inventories	26,408	-	26,408
Total Current Assets	226,559	180,515	407,074
Noncurrent Assets			
Capital Assets			
Nondepreciable	978,776	-	978,776
Depreciable	3,236,208	-	3,236,208
Accumulated Depreciation	(2,568,930)	-	(2,568,930)
Total Noncurrent Assets	1,646,054	-	1,646,054
Total Assets	1,872,613	180,515	2,053,128
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Items - IMRF	25,601	-	25,601
Deferred Items - RBP	28,593	-	28,593
Total Deferred Outflows of Resources	54,194	-	54,194
Total Assets and Deferred Outflows of Resources	1,926,807	180,515	2,107,322

	Buffalo Grove Golf	Refuse Service	Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 16,313	14,930	31,243
Accrued Payroll	6,311	-	6,311
Deposit Payable	6,745	-	6,745
Compensated Absences Payable	8,852	-	8,852
Total Current Liabilities	38,221	14,930	53,151
Noncurrent Liabilities			
Compensated Absences Payable	35,409	-	35,409
Net Pension Liability - IMRF	53,611	-	53,611
Total OPEB Liability - RBP	93,307	-	93,307
Total Noncurrent Liabilities	182,327	-	182,327
Total Liabilities	220,548	14,930	235,478
DEFERRED INFLOWS OF RESOURCES			
Deferred Items - IMRF	28,939	-	28,939
Deferred Items - RBP	3,372	-	3,372
Total Deferred Inflows of Resources	32,311	-	32,311
Total Liabilities and Deferred Inflow of Resources	252,859	14,930	267,789
NET POSITION			
Investment in Capital Assets	1,646,054	-	1,646,054
Unrestricted (Deficit)	27,894	165,585	193,479
Total Net Position	1,673,948	165,585	1,839,533
Total Liabilities, Deferred Inflows of Resources, and Net Position	1,926,807	180,515	2,107,322

VILLAGE OF BUFFALO GROVE, ILLINOIS

Nonmajor Enterprise Funds

Combining Statement of Revenues, Expenses and Changes in Net Position

For the Fiscal Year Ended December 31, 2020

	Buffalo Grove Golf	Refuse Service	Totals
Operating Revenues			
Charges for Services	\$ 1,176,219	1,148,303	2,324,522
Operating Expenses			
Operations			
Golf Operations	973,939	-	973,939
Cost of Sales - Pro Shop	32,902	-	32,902
Refuse	-	803,999	803,999
Depreciation	72,716	-	72,716
Total Operating Expenses	1,079,557	803,999	1,883,556
Income Before Transfers	96,662	344,304	440,966
Transfers Out	-	(375,000)	(375,000)
Change in Net Position	96,662	(30,696)	65,966
Net Position - Beginning	1,577,286	196,281	1,773,567
Net Position - Ending	1,673,948	165,585	1,839,533

VILLAGE OF BUFFALO GROVE, ILLINOIS

Nonmajor Enterprise Funds

Combining Statement of Cash Flows
For the Fiscal Year Ended December 31, 2020

	Buffalo Grove Golf	Refuse Service	Totals
Cash Flows from Operating Activities			
Receipts from Customers and Users	\$ 1,168,773	1,148,303	2,317,076
Payments to Employees	(282,270)	-	(282,270)
Payments to Suppliers	(772,037)	(857,824)	(1,629,861)
	114,466	290,479	404,945
Cash Flows from Noncapital Financing Activities			
Transfers Out	-	(375,000)	(375,000)
Net Change in Cash and Cash Equivalents	114,466	(84,521)	29,945
Cash and Cash Equivalents - Beginning	85,685	265,036	350,721
Cash and Cash Equivalents - Ending	200,151	180,515	380,666
Reconciliation of Operating Income to Net Cash			
Provided (Used) by Operating Activities			
Operating Income (Loss)	96,662	344,304	440,966
Adjustments to Reconcile Operating Income to Net Income			
to Net Cash Provided by (Used in) Operating Activities			
Depreciation and Amortization Expense	72,716	-	72,716
Other Income (Expense)	99,265	-	99,265
(Increase) Decrease in Current Assets	(7,446)	-	(7,446)
Increase (Decrease) in Current Liabilities	(146,731)	(53,825)	(200,556)
Net Cash Provided by Operating Activities	114,466	290,479	404,945

VILLAGE OF BUFFALO GROVE, ILLINOIS

Buffalo Grove Golf - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual

For the Fiscal Year Ended December 31, 2020

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services			
Daily Greens Fee and Membership	\$ 733,000	733,000	768,655
Merchandise Sales	73,700	73,700	63,951
Cart, Club and Other Rentals	271,050	271,050	231,517
Driving Range Fees	70,000	70,000	96,420
Miscellaneous	32,200	32,200	15,676
Total Operating Revenues	1,179,950	1,179,950	1,176,219
Operating Expenses			
Operations			
Golf Operations	1,039,775	1,039,775	973,939
Cost of Sales - Pro Shop	50,000	50,000	32,902
Capital Outlay	75,600	75,600	-
Total Operating Expenses	1,165,375	1,165,375	1,006,841
Income Before GAAP Adjustments	14,575	14,575	169,378
Beginning Net Position - Budgetary Basis			944,557
Ending Net Position - Budgetary Basis			1,113,935

VILLAGE OF BUFFALO GROVE, ILLINOIS

Buffalo Grove Golf - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual - Continued
For the Fiscal Year Ended December 31, 2020

	Original Budget	Final Budget	Actual
Income Before GAAP Adjustments	\$ 14,575	14,575	169,378
GAAP Adjustments			
Depreciation	-	-	(72,716)
Change in Net Position	<u>14,575</u>	<u>14,575</u>	96,662
Net Position - Beginning			<u>1,577,286</u>
Net Position - Ending			<u>1,673,948</u>

VILLAGE OF BUFFALO GROVE, ILLINOIS

Refuse Service - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2020

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services			
SWANCC User Fees	\$ 1,060,000	1,060,000	1,148,303
Operating Expenses			
Operations			
Refuse	870,000	870,000	803,999
Income Before Transfers	190,000	190,000	344,304
Transfers Out	(375,000)	(375,000)	(375,000)
Change in Net Position	<u>(185,000)</u>	<u>(185,000)</u>	(30,696)
Net Position - Beginning			<u>196,281</u>
Net Position - Ending			<u><u>165,585</u></u>

VILLAGE OF BUFFALO GROVE, ILLINOIS

Internal Service Funds

Combining Statement of Net Position

December 31, 2020

	Information Technology	Central Garage	Building Maintenance	Totals
ASSETS				
Current Assets				
Cash and Investments	\$ 177,617	113,502	233,921	525,040
LIABILITIES				
Current Liabilities				
Accounts Payable	176,827	89,382	203,804	470,013
Accrued Payroll	-	19,027	22,859	41,886
Total Liabilities	176,827	108,409	226,663	511,899
NET POSITION				
Unrestricted	790	5,093	7,258	13,141
Total Liabilities and Net Position	177,617	113,502	233,921	525,040

VILLAGE OF BUFFALO GROVE, ILLINOIS

Internal Service Funds

Combining Statement of Revenues, Expenses and Changes in Net Position
For the Fiscal Year Ended December 31, 2020

	Information Technology	Central Garage	Building Maintenance	Totals
Operating Revenues				
Interfund Services	\$ 1,871,458	2,139,433	1,739,428	5,750,319
Operating Expenses				
Operations				
Information Technology	1,871,458	-	-	1,871,458
Central Garage	-	2,139,433	-	2,139,433
Building Maintenance	-	-	1,739,428	1,739,428
Total Operating Expenses	1,871,458	2,139,433	1,739,428	5,750,319
Change in Net Position	-	-	-	-
Net Position - Beginning	790	5,093	7,258	13,141
Net Position - Ending	790	5,093	7,258	13,141

VILLAGE OF BUFFALO GROVE, ILLINOIS

Internal Service Funds

Combining Statement of Cash Flows
For the Fiscal Year Ended December 31, 2020

	Information Technology	Central Garage	Building Maintenance	Totals
Cash Flows from Operating Activities				
Interfund Services Provided	\$ 1,871,458	2,139,433	1,739,428	5,750,319
Payments to Suppliers	(1,820,843)	(1,670,893)	(1,144,895)	(4,636,631)
Payments to Employees	-	(551,350)	(452,263)	(1,003,613)
	50,615	(82,810)	142,270	110,075
Cash and Cash Equivalents - Beginning	127,002	196,312	91,651	414,965
Cash and Cash Equivalents - Ending	177,617	113,502	233,921	525,040
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities				
Operating Income	-	-	-	-
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities				
Increase (Decrease) in Current Liabilities	50,615	(82,810)	142,270	110,075
Net Cash Provided by Operating Activities	50,615	(82,810)	142,270	110,075

VILLAGE OF BUFFALO GROVE, ILLINOIS

Information Technology - Internal Service Fund

**Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2020**

	Original Budget	Final Budget	Actual
Operating Revenues			
Interfund Services	\$ 1,819,152	1,949,152	1,871,458
Operating Expenses			
Operations			
Information Technology	1,819,152	1,949,152	1,871,458
Change in Net Position	-	-	-
Net Position - Beginning			790
Net Position - Ending			790

VILLAGE OF BUFFALO GROVE, ILLINOIS

Central Garage - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2020

	Original Budget	Final Budget	Actual
Operating Revenues			
Interfund Services	\$ 1,788,935	2,470,192	2,139,433
Operating Expenses			
Operations			
Central Garage	1,788,935	2,470,192	2,139,433
Change in Net Position	-	-	-
Net Position - Beginning			5,093
Net Position - Ending			5,093

VILLAGE OF BUFFALO GROVE, ILLINOIS

Building Maintenance - Internal Service Fund

**Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2020**

	Original Budget	Final Budget	Actual
Operating Revenues			
Interfund Services	\$ 1,755,455	1,755,455	1,739,428
Operating Expenses			
Operations			
Building Maintenance	1,755,455	1,755,455	1,739,428
Change in Net Position	-	-	-
Net Position - Beginning			7,258
Net Position - Ending			7,258

VILLAGE OF BUFFALO GROVE, ILLINOIS

Pension Trust Funds

Combining Statement of Fiduciary Net Position

December 31, 2020

	Police Pension	Firefighters' Pension	Totals
ASSETS			
Cash and Cash Equivalents	\$ 4,291,646	2,481,332	6,772,978
Investments			
U.S. Treasury Obligations	4,804,948	2,751,255	7,556,203
U.S. Agency Obligations	7,803,370	13,856,130	21,659,500
Corporate Bonds	12,515,277	5,113,802	17,629,079
State and Local Obligations	-	2,728,349	2,728,349
Mutual Funds	9,356,385	50,045,698	59,402,083
Equity Securities	45,689,083	-	45,689,083
Receivables - Net of Allowance			
Accrued Interest	107,946	138,333	246,279
Due from Other Funds	55,236	36,015	91,251
Total Assets	84,623,891	77,150,914	161,774,805
LIABILITIES			
Accounts Payable	47,979	25,027	73,006
Due to Other Funds	84,629	-	84,629
Total Liabilities	132,608	25,027	157,635
NET POSITION			
Net Position Restricted for Pensions	84,491,283	77,125,887	161,617,170

VILLAGE OF BUFFALO GROVE, ILLINOIS

Pension Trust Funds

Combining Statement of Changes in Fiduciary Net Position

For the Fiscal Year Ended December 31, 2020

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions - Employer	\$ 3,095,593	2,019,305	5,114,898
Contributions - Plan Members	820,098	535,959	1,356,057
Total Contributions	3,915,691	2,555,264	6,470,955
Investment Income			
Interest Earned	1,384,182	1,807,729	3,191,911
Net Change in Fair Value	7,286,235	8,730,408	16,016,643
	8,670,417	10,538,137	19,208,554
Less Investment Expenses	(179,185)	(101,992)	(281,177)
Net Investment Income	8,491,232	10,436,145	18,927,377
Total Additions	12,406,923	12,991,409	25,398,332
Deductions			
Administration	56,614	74,148	130,762
Benefits and Refunds	4,677,746	3,823,483	8,501,229
Total Deductions	4,734,360	3,897,631	8,631,991
Change in Fiduciary Net Position	7,672,563	9,093,778	16,766,341
Net Position Restricted for Pensions			
Beginning	76,818,720	68,032,109	144,850,829
Ending	84,491,283	77,125,887	161,617,170

VILLAGE OF BUFFALO GROVE, ILLINOIS

Police Pension - Pension Trust Fund

Schedule of Changes in Fiduciary Net Position - Budget and Actual

For the Fiscal Year Ended December 31, 2020

	Original Budget	Final Budget	Actual
Additions			
Contributions - Employer	\$ 3,125,296	3,125,296	3,095,593
Contributions - Plan Members	730,557	730,557	820,098
Total Contributions	3,855,853	3,855,853	3,915,691
Investment Income			
Interest Earned	535,000	535,000	1,384,182
Net Change in Fair Value	3,059,500	3,059,500	7,286,235
	3,594,500	3,594,500	8,670,417
Less Investment Expenses	(250,000)	(250,000)	(179,185)
Net Investment Income	3,344,500	3,344,500	8,491,232
Total Additions	7,200,353	7,200,353	12,406,923
Deductions			
Administration	65,000	65,000	56,614
Benefits and Refunds	4,377,313	4,377,313	4,677,746
Total Deductions	4,442,313	4,442,313	4,734,360
Change in Fiduciary Net Position	2,758,040	2,758,040	7,672,563
Net Position Restricted for Pensions			
Beginning			76,818,720
Ending			84,491,283

VILLAGE OF BUFFALO GROVE, ILLINOIS

Firefighters' Pension - Pension Trust Fund

Schedule of Changes in Fiduciary Net Position - Budget and Actual

For the Fiscal Year Ended December 31, 2020

	Original Budget	Final Budget	Actual
Additions			
Contributions - Employer	\$ 2,042,773	2,042,773	2,019,305
Contributions - Plan Members	545,365	545,365	535,959
Total Contributions	2,588,138	2,588,138	2,555,264
Investment Income			
Interest Earned	374,500	374,500	1,807,729
Net Change in Fair Value	3,288,500	3,288,500	8,730,408
	3,663,000	3,663,000	10,538,137
Less Investment Expenses	(200,000)	(200,000)	(101,992)
Net Investment Income	3,463,000	3,463,000	10,436,145
Total Additions	6,051,138	6,051,138	12,991,409
Deductions			
Administration	100,000	100,000	74,148
Benefits and Refunds	3,160,545	3,160,545	3,823,483
Total Deductions	3,260,545	3,260,545	3,897,631
Change in Fiduciary Net Position	2,790,593	2,790,593	9,093,778
Net Position Restricted for Pensions			
Beginning			68,032,109
Ending			77,125,887

VILLAGE OF BUFFALO GROVE, ILLINOIS

Consolidated Year-End Financial Report
December 31, 2020

CSFA #	Program Name	State	Federal	Other	Totals
494-00-2554	Local - Federal COVID Relief Funding	\$ -	1,369,327	-	1,369,327
494-00-1488	Motor Fuel Tax Program	1,188,315	-	-	1,188,315
494-42-0495	Local Surface Transportation Program	-	574,547	-	574,547
494-10-0343	State and Community Highway				
	Safety/National Priority Safety Program	7,595	14,223	-	21,818
	Other Grant Programs and Activities	-	923,288	9,500	932,788
	All Other Costs Not Allocated	-	-	51,998,880	51,998,880
	Totals	1,195,910	2,881,385	52,008,380	56,085,675

SUPPLEMENTAL SCHEDULES

VILLAGE OF BUFFALO GROVE, ILLINOIS**Long-Term Debt Requirements****General Obligation Bonds of 2012
December 31, 2020**

Date of Issue	August 27, 2012
Date of Maturity	June 30, 2030
Authorized Issue	\$6,000,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% - 2.75%
Interest Dates	June 30 and December 30
Principal Maturity Date	December 30
Payable at	Amalgamated Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun. 30	Amount	Dec. 30	Amount
2021	\$ 415,000	131,525	546,525	2021	65,762	2021	65,763
2022	425,000	123,225	548,225	2022	61,612	2022	61,613
2023	440,000	114,725	554,725	2023	57,362	2023	57,363
2024	450,000	105,925	555,925	2024	52,962	2024	52,963
2025	470,000	96,925	566,925	2025	48,462	2025	48,463
2026	650,000	86,938	736,938	2026	43,469	2026	43,469
2027	650,000	72,313	722,313	2027	36,156	2027	36,157
2028	700,000	56,875	756,875	2028	28,437	2028	28,438
2029	750,000	39,375	789,375	2029	19,687	2029	19,688
2030	750,000	20,625	770,625	2030	10,312	2030	10,313
	<u>5,700,000</u>	<u>848,451</u>	<u>6,548,451</u>		<u>424,221</u>		<u>424,230</u>

VILLAGE OF BUFFALO GROVE, ILLINOIS

Long-Term Debt Requirements

General Obligation Bonds of 2016 December 31, 2020

Date of Issue	May 3, 2016
Date of Maturity	December 30, 2031
Authorized Issue	\$6,125,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% - 3.00%
Interest Dates	June 30 and December 30
Principal Maturity Date	December 30
Payable at	Amalgamated Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun. 30	Amount	Dec. 30	Amount
2021	\$ 300,000	83,231	383,231	2021	41,615	2021	41,616
2022	305,000	77,231	382,231	2022	38,615	2022	38,616
2023	310,000	71,131	381,131	2023	35,565	2023	35,566
2024	315,000	64,931	379,931	2024	32,465	2024	32,466
2025	325,000	58,631	383,631	2025	29,315	2025	29,316
2026	330,000	52,131	382,131	2026	26,065	2026	26,066
2027	335,000	45,531	380,531	2027	22,765	2027	22,766
2028	345,000	38,413	383,413	2028	19,206	2028	19,207
2029	350,000	30,650	380,650	2029	15,325	2029	15,325
2030	360,000	21,900	381,900	2030	10,950	2030	10,950
2031	370,000	11,100	381,100	2031	5,550	2031	5,550
	<u>3,645,000</u>	<u>554,880</u>	<u>4,199,880</u>		<u>277,436</u>		<u>277,444</u>

VILLAGE OF BUFFALO GROVE, ILLINOIS

Long-Term Debt Requirements

General Obligation Refunding Bonds of 2019 December 31, 2020

Date of Issue	December 17, 2019
Date of Maturity	December 30, 2025
Authorized Issue	\$1,449,275
Denomination of Bonds	\$5,000
Interest Rates	1.40% - 1.80%
Interest Dates	June 30 and December 30
Principal Maturity Date	December 30
Payable at	Amalgamated Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun. 30	Amount	Dec. 30	Amount
2021	\$ 235,445	19,958	255,403	2021	9,979	2021	9,979
2022	240,990	16,426	257,416	2022	8,213	2022	8,213
2023	241,265	12,690	253,955	2023	6,345	2023	6,345
2024	246,365	8,710	255,075	2024	4,355	2024	4,355
2025	251,180	4,520	255,700	2025	2,260	2025	2,260
	<u>1,215,245</u>	<u>62,304</u>	<u>1,277,549</u>		<u>31,152</u>		<u>31,152</u>

VILLAGE OF BUFFALO GROVE, ILLINOIS

Long-Term Debt Requirements

General Obligation Bonds of 2020

December 31, 2020

Date of Issue	May 20, 2020
Date of Maturity	December 30, 2035
Authorized Issue	\$24,000,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% - 5.00%
Interest Dates	June 30 and December 30
Principal Maturity Date	December 30
Payable at	Amalgamated Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun. 30	Amount	Dec. 30	Amount
2021	\$ 1,600,000	963,900	2,563,900	2021	481,950	2021	481,950
2022	1,600,000	883,900	2,483,900	2022	441,950	2022	441,950
2023	1,600,000	803,900	2,403,900	2023	401,950	2023	401,950
2024	1,600,000	723,900	2,323,900	2024	361,950	2024	361,950
2025	1,600,000	643,900	2,243,900	2025	321,950	2025	321,950
2026	1,330,000	563,900	1,893,900	2026	281,950	2026	281,950
2027	1,400,000	497,400	1,897,400	2027	248,700	2027	248,700
2028	1,465,000	427,400	1,892,400	2028	213,700	2028	213,700
2029	1,540,000	354,150	1,894,150	2029	177,075	2029	177,075
2030	1,585,000	307,950	1,892,950	2030	153,975	2030	153,975
2031	1,635,000	260,400	1,895,400	2031	130,200	2031	130,200
2032	1,685,000	211,350	1,896,350	2032	105,675	2032	105,675
2033	1,735,000	160,800	1,895,800	2033	80,400	2033	80,400
2034	1,785,000	108,750	1,893,750	2034	54,375	2034	54,375
2035	1,840,000	55,200	1,895,200	2035	27,600	2035	27,600
	<u>24,000,000</u>	<u>6,966,800</u>	<u>30,966,800</u>		<u>3,483,400</u>		<u>3,483,400</u>

VILLAGE OF BUFFALO GROVE, ILLINOIS

Long-Term Debt Requirements

IEPA Loan Payable of 2013 - Pump Stations Improvements December 31, 2020

Date of Issue	November 20, 2013
Date of Maturity	December 1, 2033
Authorized Issue	\$407,307
Interest Rate	2.295%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2021	\$ 19,532	6,596	26,128
2022	19,983	6,145	26,128
2023	20,444	5,684	26,128
2024	20,916	5,212	26,128
2025	21,399	4,729	26,128
2026	21,893	4,235	26,128
2027	22,398	3,730	26,128
2028	22,915	3,213	26,128
2029	23,444	2,684	26,128
2030	23,985	2,143	26,128
2031	24,539	1,589	26,128
2032	25,105	1,023	26,128
2033	25,687	441	26,128
	<u>292,240</u>	<u>47,424</u>	<u>339,664</u>

VILLAGE OF BUFFALO GROVE, ILLINOIS

Long-Term Debt Requirements

Installment Note Payable of 2015

December 31, 2020

Date of Issue	March 27, 2015
Date of Maturity	June 1, 2029
Original Contract	\$6,970,999
Interest Rate	2.35%
Interest Dates	Quarterly
Principal Maturity Date	Quarterly
Payable at	U.S. Bank National Association

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2021	\$ 436,970	128,372	565,342
2022	490,763	117,611	608,374
2023	548,394	105,549	653,943
2024	610,091	92,095	702,186
2025	676,096	77,149	753,245
2026	746,659	60,610	807,269
2027	822,046	42,367	864,413
2028	902,537	22,304	924,841
2029	381,459	3,371	384,830
	<u>5,615,015</u>	<u>649,428</u>	<u>6,264,443</u>

STATISTICAL SECTION (Unaudited)

This part of the comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Village's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the Village's most significant local revenue

Debt Capacity

These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Net Position by Component - Last Ten Fiscal Years*
December 31, 2020 (Unaudited)

	2011	2012**	2013	2014
Governmental Activities				
Net Investment in Capital Assets	\$ 53,362,147	52,096,183	51,011,919	50,712,982
Restricted	1,918,263	6,268,039	2,412,222	2,664,110
Unrestricted (Deficit)	13,429,876	11,550,011	12,387,400	11,048,700
Total Governmental Activities Net Position	68,710,286	69,914,233	65,811,541	64,425,792
Business-Type Activities				
Net Investment in Capital Assets	37,807,146	36,706,161	35,553,648	35,871,503
Unrestricted	12,989,124	11,242,301	11,515,793	11,067,173
Total Business-Type Activities Net Position	50,796,270	47,948,462	47,069,441	46,938,676
Primary Government				
Net Investment in Capital Assets	91,169,293	88,802,344	86,565,567	86,584,485
Restricted	1,918,263	6,268,039	2,412,222	2,664,110
Unrestricted (Deficit)	26,419,000	22,792,312	23,903,193	22,115,873
Total Primary Government Net Position	119,506,556	117,862,695	112,880,982	111,364,468

* Accrual Basis of Accounting

** Auditors restated 2012, from 2011 and earlier have not been adjusted.

*** Beginning in 2015, the Village implemented GASB 68 which resulted in the inclusion of net pension liabilities.

Data Source: Audited Financial Statements

2015***	2016	2017	2018	2019	2020
50,609,420	51,756,933	53,318,041	49,126,833	50,663,992	50,847,075
1,974,115	1,632,934	1,629,079	1,909,851	1,839,449	4,004,829
(34,637,401)	(36,592,629)	(36,022,097)	(41,165,382)	(40,174,356)	(35,571,215)
17,946,134	16,797,238	18,925,023	9,871,302	12,329,085	19,280,689
38,372,943	35,494,070	36,802,425	36,831,535	37,080,189	38,677,933
7,770,059	11,034,826	10,837,462	11,296,427	11,417,357	16,662,780
46,143,002	46,528,896	47,639,887	48,127,962	48,497,546	55,340,713
88,982,363	87,251,003	90,120,466	85,958,368	87,744,181	89,525,008
1,974,115	1,632,934	1,629,079	1,909,851	1,839,449	4,004,829
(26,867,342)	(25,557,803)	(25,184,635)	(29,868,955)	(28,756,999)	(18,908,435)
64,089,136	63,326,134	66,564,910	57,999,264	60,826,631	74,621,402

VILLAGE OF BUFFALO GROVE, ILLINOIS

Changes in Net Position - Last Ten Fiscal Years*
December 31, 2018 (Unaudited)

	2011	2012**	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Governmental Activities										
General Government	\$ 5,010,274	6,101,008	6,567,545	5,843,623	5,885,811	6,441,707	6,642,798	7,576,163	7,040,728	7,164,852
Public Safety	22,657,643	22,344,117	21,964,989	22,920,180	27,256,737	30,528,127	27,384,964	30,266,207	30,187,967	26,110,362
Public Works	11,106,433	12,026,911	15,091,414	13,553,093	11,551,606	8,078,874	9,764,874	9,173,584	10,161,059	7,760,350
Interest on Long-Term Debt	248,539	384,180	374,511	302,781	285,863	356,799	384,073	363,925	252,590	1,206,369
Total Governmental	39,022,889	40,856,216	43,998,459	42,619,677	44,980,017	45,405,507	44,176,709	47,379,879	47,642,344	42,241,933
Activities Expenses										
Business-Type Activities										
Water & Sewer	8,753,149	8,931,336	8,079,364	8,435,463	8,561,248	9,001,632	9,454,554	10,078,594	9,671,845	10,375,028
Refuse Service	935,365	874,366	902,811	803,039	702,106	703,565	705,393	868,794	816,849	803,999
Golf Courses	3,057,912	2,991,170	2,942,747	2,739,077	3,288,882	2,886,404	2,888,873	2,748,035	2,828,168	2,664,715
Total Business-Type	12,746,426	12,796,872	11,924,922	11,977,579	12,552,236	12,591,601	13,048,820	13,695,423	13,316,862	13,843,742
Activities Expenses										
Total Primary	51,769,315	53,653,088	55,923,381	54,597,256	57,532,253	57,997,108	57,225,529	61,075,302	60,959,206	56,085,675
Government Expenses										
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	1,240,547	1,226,552	1,207,504	1,901,996	1,624,134	1,855,506	2,148,760	1,748,555	2,001,018	1,658,024
Public Safety	1,404,308	1,283,956	1,498,819	1,623,171	1,745,580	1,718,647	1,687,759	1,686,390	1,796,065	1,675,331
Public Works	86,421	118,547	82,393	88,665	61,194	1,151,594	1,209,784	1,134,383	1,141,998	1,409,408
Operating Grants/Contributions	1,230,387	1,178,442	1,161,509	1,285,396	1,229,028	1,281,732	1,271,602	1,309,324	1,664,537	3,781,784
Capital Grants/Contributions	-	-	-	-	-	-	1,478,015	-	254,814	2,002,648
Total Governmental Activities	3,961,663	3,807,497	3,950,225	4,899,228	4,659,936	6,007,479	7,795,920	5,878,652	6,858,432	10,527,195
Business-Type Activities										
Charges for Services										
Water & Sewer	7,782,000	7,464,870	8,692,812	9,076,261	9,495,691	10,304,638	11,060,938	10,832,782	10,663,766	14,589,445
Refuse Service	1,036,872	1,050,386	1,040,878	1,044,442	1,039,876	1,135,748	970,268	1,053,759	1,058,282	1,148,303
Golf Courses	2,175,418	2,221,714	1,178,368	2,257,494	2,335,928	2,240,868	2,201,460	2,042,747	2,039,584	2,469,642
Operating Grants/Contributions	-	-	1,072,499	-	-	-	-	-	-	-
Capital Grants/Contributions	-	-	-	-	-	94,326	-	250,622	350,000	341,254
Total Business-Type Activities	10,994,290	10,736,970	11,984,557	12,378,197	12,871,495	13,775,580	14,232,666	14,179,910	14,111,632	18,548,644
Program Revenues										
Total Primary Government	14,955,953	14,544,467	15,934,782	17,277,425	17,531,431	19,783,059	22,028,586	20,058,562	20,970,064	29,075,839
Program Revenues										

	2011	2012**	2013	2014	2015	2016	2017	2018	2019	2020
Net (Expense) Revenue										
Governmental Activities	\$ (35,061,226)	(37,048,719)	(40,048,234)	(37,720,449)	(40,320,081)	(39,398,028)	(36,380,789)	(41,501,227)	(40,783,912)	(31,714,738)
Business-Type Activities	(1,752,136)	(2,059,902)	59,635	400,618	319,259	1,183,979	1,183,846	484,487	794,770	4,704,902
Total Primary Government										
Net (Expense) Revenue	(36,813,362)	(39,108,621)	(39,988,599)	(37,319,831)	(40,000,822)	(38,214,049)	(35,196,943)	(41,016,740)	(39,989,142)	(27,009,836)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property	14,458,248	14,330,407	14,504,750	14,554,564	14,742,622	15,034,583	15,510,127	15,980,771	16,321,876	17,035,362
Sales and Home Rule	6,984,134	7,570,915	7,803,749	8,455,972	9,274,777	9,095,471	9,229,254	10,159,866	9,945,744	9,829,765
Income and Use	3,714,864	5,462,111	4,737,656	4,104,736	5,409,875	4,994,426	4,843,251	5,221,827	5,852,397	6,422,488
Telecommunications	2,134,462	2,200,809	1,943,811	1,679,653	1,644,309	1,513,254	1,586,128	1,761,326	1,304,425	906,071
Utility	2,567,091	2,510,242	2,629,997	2,819,427	2,643,642	2,659,554	2,532,662	2,805,912	2,763,471	2,643,697
Property Transfer	629,376	459,036	760,164	790,819	904,311	1,115,360	1,256,919	969,039	1,024,769	989,118
Other	1,044,164	1,070,409	1,052,788	1,113,831	1,092,554	1,110,503	1,019,807	1,087,497	1,340,564	987,097
Investment Earnings	133,059	132,436	54,522	107,765	25,061	65,600	153,816	292,340	807,330	305,366
Miscellaneous	1,495,155	1,239,906	1,506,994	1,636,721	1,458,118	1,596,806	1,409,537	1,884,579	2,694,331	1,176,737
Transfers	553,000	635,500	951,111	1,070,724	749,027	1,062,190	958,315	53,715	1,186,788	(1,629,358)
Gain on sales of assets	-	-	-	488	1,601	1,385	8,758	-	-	-
Total Governmental Activities	33,713,553	35,611,771	35,945,542	36,334,700	37,945,897	38,249,132	38,508,574	40,216,872	43,241,695	38,666,343
Business-Type Activities										
Investment Earnings	41,100	27,087	12,455	18,820	10,112	14,159	492,132	359,371	487,333	472,703
Miscellaneous	4,999	1,259	-	520,521	5,737	249,946	393,328	242,058	274,269	36,204
Transfers	(553,000)	(635,500)	(951,111)	(1,070,724)	(749,027)	(1,062,190)	(958,315)	(53,715)	(1,186,788)	1,629,358
Total Business-Type Activities	(506,901)	(607,154)	(938,656)	(531,383)	(733,178)	(798,085)	(72,855)	547,714	(425,186)	2,138,265
Total Primary Government	33,206,652	35,004,617	35,006,886	35,803,317	37,212,719	37,451,047	38,435,719	40,764,586	42,816,509	40,804,608
Changes in Net Position										
Governmental Activities	(1,347,673)	(1,436,948)	(4,102,692)	(1,385,749)	(2,374,184)	(1,148,896)	2,127,785	(1,284,355)	2,457,783	6,951,605
Business-Type Activities	(2,259,037)	(2,667,056)	(879,021)	(130,765)	(413,919)	385,894	1,110,991	1,032,201	369,584	6,843,167
Total Primary Government	(3,606,710)	(4,104,004)	(4,981,713)	(1,516,514)	(2,788,103)	(763,002)	3,238,776	(252,154)	2,827,367	13,794,772

* Accrual Basis of Accounting

** Auditors restated 2012, from 2011 and earlier have not been adjusted.

Data Source: Audited Financial Statements

VILLAGE OF BUFFALO GROVE, ILLINOIS

Fund Balances of Governmental Funds - Last Ten Fiscal Years*
December 31, 2020 (Unaudited)

	2011	2012**	2013	2014
General Fund				
Nonspendable	\$ 1,031,936	518,437	562,399	573,812
Restricted	-	-	162,274	130,435
Committed	7,948,344	7,335,685	7,345,420	7,438,256
Unassigned	9,871,895	10,759,935	12,395,113	13,225,644
Total General Fund	18,852,175	18,614,057	20,465,206	21,368,147
All Other Governmental Funds				
Restricted	1,918,263	6,112,703	1,796,997	1,965,328
Assigned	146,116	144,075	101,213	-
Committed	-	-	-	-
Unassigned	(234,206)	(253,826)	(927,395)	(2,324,296)
Total All Other				
Governmental Funds	1,830,173	6,002,952	970,815	(358,968)
Total Governmental Funds	20,682,348	24,617,009	21,436,021	21,009,179

* Modified Accrual Basis of Accounting

**Auditors restated 2012, from 2011 and earlier have not been adjusted.

Data Source: Audited Financial Statements

2015	2016	2017	2018	2019	2020
551,242	167,957	132,843	132,134	159,494	571,654
223,622	229,953	252,729	607,411	484,881	760,160
7,532,123	8,511,306	7,758,348	6,827,236	8,313,902	9,052,502
14,991,907	16,143,726	18,902,476	17,039,974	18,939,974	20,134,162
23,298,894	25,052,942	27,046,396	24,606,755	27,898,251	30,518,478
1,974,115	1,632,934	1,629,079	1,302,440	1,354,568	19,842,763
-	-	-	-	-	-
-	-	-	-	261,007	300,803
(3,707,560)	(3,859,964)	(3,714,759)	(268,260)	-	-
(1,733,445)	(2,227,030)	(2,085,680)	1,034,180	1,615,575	20,143,566
21,565,449	22,825,912	24,960,716	25,640,935	29,513,826	50,662,044

VILLAGE OF BUFFALO GROVE, ILLINOIS

Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years*
December 31, 2020 (Unaudited)

	2011	2012**	2013	2014***
Revenues				
Property Taxes	\$ 14,458,248	14,330,407	14,504,750	14,554,564
Other Taxes	17,074,091	18,325,614	19,240,365	9,564,978
Licenses and Permits	280,139	275,434	294,622	207,312
Intergovernmental	1,060,719	1,011,949	997,371	11,081,081
Fines and Forfeitures	1,404,308	1,283,956	1,647,364	1,803,317
Charges for Services	1,216,497	1,236,158	1,010,868	1,371,779
Investment Income	133,196	132,457	54,522	107,765
Miscellaneous	1,442,617	1,239,861	1,506,994	2,107,628
Total Revenues	37,069,815	37,835,836	39,256,856	40,798,424
Expenditures				
Current				
General Government	5,509,433	5,556,101	6,465,636	5,522,549
Public Safety	22,008,351	21,791,218	21,805,910	22,773,535
Public Works	8,256,079	9,865,723	12,178,705	10,878,278
Capital Outlay	1,510,924	1,561,904	1,347,276	2,018,451
Debt Service				
Principal	1,055,000	920,000	940,000	790,000
Interest	248,539	285,420	385,395	313,665
Total Expenditures	38,588,326	39,980,366	43,122,922	42,296,478
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,518,511)	(2,144,530)	(3,866,066)	(1,498,054)
Other Financing Sources (Uses)				
Transfers In	1,891,354	2,621,132	2,119,313	2,552,288
Transfers Out	(1,338,354)	(1,985,632)	(1,434,235)	(1,481,564)
Sales of Capital Assets	-	-	-	488
Auction Proceeds	52,538	45	-	-
Bond Issued	-	6,000,000	-	-
Premium of Issuance of Debt	-	91,669	-	-
Transfer to Escrow Agent	-	-	-	-
Total Other Financing Sources (Uses)	605,538	6,727,214	685,078	1,071,212
Net Change in Fund Balances	(912,973)	4,582,684	(3,180,988)	(426,842)
Debt Service as a Percentage of Noncapital Expenditures	3.52%	3.14%	3.17%	2.68%

* Modified Accrual Basis of Accounting

** Auditors restated 2012, from 2011 and earlier have not been adjusted.

*** Beginning in 2014, state shared revenues have been recorded as intergovernmental revenues.

Data Source: Village Records

2015	2016	2017	2018	2019	2020
14,742,622	15,034,583	15,510,127	15,980,771	16,321,876	17,035,362
9,712,718	9,701,271	9,816,523	10,494,959	9,835,616	8,970,163
1,330,769	326,177	1,763,982	344,389	362,747	301,321
1,931,512	11,843,812	3,043,453	12,623,735	14,074,544	18,417,351
350,042	3,025,628	330,475	2,820,773	3,121,111	3,137,339
12,271,219	1,504,400	11,709,919	1,600,263	1,695,784	1,479,257
25,061	65,600	153,816	292,340	807,330	305,366
1,404,841	1,610,746	1,456,876	1,884,579	2,694,331	1,176,737
41,768,784	43,112,217	43,785,171	46,041,809	48,913,339	50,822,896
5,084,772	5,693,142	5,774,748	6,804,142	6,293,156	6,834,043
25,237,115	27,407,019	25,776,184	26,732,460	27,561,835	28,891,545
8,092,735	6,978,307	8,101,888	8,710,363	7,341,611	6,973,359
2,828,194	8,252,604	1,362,213	1,502,272	3,689,375	9,571,463
510,000	525,000	1,275,000	1,315,000	1,210,000	1,299,030
296,747	371,456	401,609	370,202	325,743	1,196,044
42,049,563	49,227,528	42,691,642	45,434,439	46,421,720	54,765,484
(280,779)	(6,115,311)	1,093,529	607,370	2,491,619	(3,942,588)
3,521,760	3,402,595	4,204,943	9,068,487	5,397,700	12,345,886
(2,686,312)	(2,253,984)	(3,192,426)	(8,995,638)	(4,171,708)	(13,975,244)
1,601	1,385	28,758	-	163,085	-
-	-	-	-	-	-
-	6,125,000	-	-	1,449,275	24,000,000
-	100,778	-	-	-	2,720,164
-	-	-	-	(1,457,080)	-
837,049	7,375,774	1,041,275	72,849	1,381,272	25,090,806
556,270	1,260,463	2,134,804	680,219	3,872,891	21,148,218
2.06%	2.19%	4.24%	3.89%	3.48%	5.70%

VILLAGE OF BUFFALO GROVE, ILLINOIS

Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years December 31, 2020 (Unaudited)

Tax Levy Year	Residential Property	Commercial Property	Industrial Property	Other Property
2011	\$ 1,338,206,375	\$ 315,118,343	\$ 10,706,904	\$ 832,216
2012	1,223,424,081	296,910,564	10,221,534	617,198
2013	1,115,221,955	292,225,583	9,050,042	618,433
2014	1,120,788,463	294,457,084	9,119,150	696,091
2015	1,181,620,776	290,063,933	3,377,285	631,771
2016	1,299,550,777	310,452,203	3,611,330	636,718
2017	1,336,606,286	318,894,119	3,900,196	628,731
2018	1,347,695,708	334,731,537	4,684,958	653,520
2019	1,445,252,883	365,037,719	5,211,860	42,604
2020	1,426,077,134 *	354,930,152 *	5,900,081 *	691,021 *

* Cook County property class and assessed valuation is an estimate. Cook County information not yet available.

Note: Total Direct Tax Rate is weighted for both Cook and Lake Counties.

Data Source: Office of the Cook County Clerk/Office of the Lake County Clerk

Total Assessed Value	Estimated Actual Taxable Value	Tax Rate for Lake County	Estimated Actual Taxable Value %
\$ 1,664,863,838	\$ 4,994,591,514	0.8520	33.333%
1,531,173,377	4,593,520,131	0.9290	33.333%
1,417,116,013	4,251,348,039	0.9830	33.333%
1,425,060,788	4,275,182,364	0.9930	33.333%
1,475,693,765	4,427,081,295	0.9550	33.333%
1,614,251,028	4,842,753,084	0.9210	33.333%
1,660,029,332	4,980,087,996	0.9080	33.333%
1,687,765,723	5,063,297,169	0.9070	33.333%
1,815,545,066	5,446,635,198	0.8905	33.333%
1,787,598,388 *	5,362,795,164	0.9032	33.333%

VILLAGE OF BUFFALO GROVE, ILLINOIS

Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years December 31, 2020 (Unaudited)

	2011	2012	2013
Direct Rate			
Lake County			
Village of Buffalo Grove	0.852	0.929	0.983
Cook County			
Village of Buffalo Grove	0.886	1.030	1.211
Total	1.738	1.959	2.194
Overlapping Rate			
Lake County			
County, including Forest Preserve	0.755	0.820	0.881
Combined School Districts (102, 125, 532)	6.158	6.779	7.068
Buffalo Grove Park District	0.452	0.511	0.537
Vernon Area Public Library	0.385	0.441	0.311
All Other (1)	0.092	0.106	0.105
Cook County			
County, including Forest Preserve	0.520	0.594	0.125
Metropolitan Water Reclamation District of Greater Chicago	0.320	0.370	0.417
Combined School Districts (21, 214, 512)	6.565	6.917	8.053
Buffalo Grove Park District	0.479	0.557	0.658
Indian Trails Public Library District	0.393	0.463	0.504
All other (2)	0.107	0.187	0.129
Total (3)	16.226	17.745	18.788

Notes:

Taxes Levied on a calendar year basis for collection in the subsequent year.

The Village is home rule unit under the 1970 Illinois State Constitution and, as such, has no statutory tax rate limitations.

(1) Includes Road and Bridge and General Assistance for the Township herein.

(2) Includes Northwest Mosquito Abatement, Consolidated Elections, Road and Bridge, and General Assistance for the Township herein.

(3) Representative tax rates for other government units are from Vernon Township Tax Code 16-92, which the largest portion of the Village's 2019 EAV. Representative tax rates for other government units are from Cook County Tax Code 38077, which represents the largest portion of the Village's 2018 EAV within Cook County.

N/A - Not Available

Data Source: Cook County Tax Extension/Lake County Tax Extension

2014	2015	2016	2017	2018	2019	2020
0.993	0.955	0.921	0.908	0.907	0.890	0.903
1.235	1.316	1.138	0.969	1.210	1.136	N/A
2.228	2.271	2.059	1.877	2.117	2.026	0.903
0.893	0.871	0.825	0.809	0.794	0.776	0.780
7.164	7.034	6.680	6.634	6.665	6.459	6.754
0.553	0.517	0.492	0.482	0.480	0.465	0.478
0.317	0.308	0.293	0.291	0.294	0.293	0.304
0.113	0.110	0.104	0.099	0.096	0.091	0.093
0.126	0.621	0.596	0.558	N/A	0.513	N/A
0.430	0.426	0.406	0.402	N/A	0.389	N/A
8.657	8.989	7.909	8.010	N/A	7.450	N/A
0.677	0.714	0.606	0.641	N/A	0.584	N/A
0.529	0.534	0.476	0.481	N/A	0.446	N/A
0.094	0.130	0.073	0.108	N/A	0.100	N/A
19.553	20.254	18.460	18.515	8.328	17.565	N/A

VILLAGE OF BUFFALO GROVE, ILLINOIS

Principal Property Tax Payers - Current Year and Nine Years Ago December 31, 2020 (Unaudited)

Taxpayer	2020			2011		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
Chevy Chase Busniess Park Ltd	\$ 36,245,336	1	2.00%	\$ 32,419,958	1	1.95%
The Wheatlands, LLC	12,585,977	2	0.69%			
BRI 1862 Riverwalk LLC (5)	9,547,124	3	0.53%			
Millbrook	9,504,994	4	0.52%	10,526,585	4	0.63%
Resource Real Estate Inc	8,788,755	5	0.48%			
Leider Lane Investors LLC	8,736,753	6	0.48%			
Arthur J. Rogers and Co (4)	8,470,984	7	0.47%	8,994,528	6	0.54%
Riverwalk South LLC (2)	6,747,740	8	0.37%	8,388,778	7	0.50%
Woodman's Food Market Inc	6,442,584	9	0.35%			
Inland Woodlands LLC	6,423,126	10	0.35%	6,078,177	10	0.37%
Hamilton Partners (1)				18,164,709	2	1.09%
Remax Consumer Plastics Inc				13,732,947	3	0.83%
Penobscot Management LLC (3)				9,204,717	5	0.55%
Amli at Chevy Chase LP				6,427,630	8	0.39%
Aptakisic Creek Corporate Park				6,394,414	9	0.38%
	<u>113,493,373</u>		<u>6.25%</u>	<u>120,332,443</u>		<u>7.23%</u>

Note: Every effort was made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked.

Data Source: Office of the County Clerk of Cook/Office of the County Clerk of Lake

VILLAGE OF BUFFALO GROVE, ILLINOIS

Property Tax Levies and Collections - Last Ten Fiscal Years December 31, 2020 (Unaudited)

Tax Levy Year	Lake County			Cook County			Village Total	
	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Percentage of Levy	Amount
		Amount	Percentage of Levy		Amount	Percentage of Levy		
2010	\$ 10,911,629	\$ 10,902,757	99.92%	\$ 3,280,083	\$ 3,203,676	97.67%	\$ 14,106,433	99.40%
2011	11,026,478	11,019,638	99.94%	3,279,285	3,225,824	98.37%	14,245,462	99.58%
2012	11,183,780	11,105,274	99.30%	3,449,572	3,399,477	98.55%	14,504,751	99.12%
2013	11,413,067	11,172,745	97.89%	3,424,515	3,381,819	98.75%	14,554,564	98.09%
2014	11,339,326	11,322,087	99.85%	3,500,800	3,409,458	97.39%	14,731,545	99.27%
2015	11,678,742	11,426,115	97.84%	3,514,106	3,608,468	102.69%	15,034,583	98.96%
2016	11,783,047	11,761,365	99.82%	3,811,228	3,748,763	98.36%	15,510,128	99.46%
2017	12,055,130	12,055,130	100.00%	4,022,627	3,916,453	97.36%	15,971,583	99.34%
2018	12,296,750	12,273,540	99.81%	4,177,992	4,048,337	96.90%	16,321,877	99.07%
2019	12,767,830	12,528,898	98.13%	4,333,453	4,245,195	97.96%	16,774,093	98.09%

Data Source: Office of the County Clerk of Cook/Office of the County Clerk of Lake

VILLAGE OF BUFFALO GROVE, ILLINOIS

Taxable Sales by Category - Last Ten Calendar Years December 31, 2020 (Unaudited)

	2011	2012	2013
General Merchandise	\$ 18,514	17,526	10,105
Food	1,244,667	1,193,312	1,133,605
Drinking and Eating Places	921,617	997,738	1,025,547
Apparel	129,402	130,163	120,210
Furniture, Households and radio	378,836	437,774	463,678
Lumber, Building and Hardware	534,413	812,434	1,236,689
Automobile and Filling Stations	853,864	954,996	857,713
Drugs and Misc. Retail	1,982,824	1,847,550	1,915,937
Agriculture and All Others	1,193,620	1,347,303	1,572,248
Manufacturers	378,326	334,442	285,848
Totals	7,636,083	8,073,238	8,621,580
Total Number of Taxpayers	1,286	966	972
Village Direct Sales Tax rate	1.00%	1.00%	1.00%
Village Home Rule Tax rate	1.00%	1.00%	1.00%

Note: Blank Categories have less than four taxpayers; therefore, no data is shown to protect the confidentiality of the individual taxpayers.

*Excludes values for taxpayers in Cook County.

Data Source:
Office of the County Clerk of Cook
Office of the County Clerk of Lake
Illinois Department of Revenue

2014	2015	2016	2017	2018	2019	2020
9,098	66,228	86,125	-	-	-	66,754
1,080,556	1,552,983	1,481,195	1,557,474	1,836,131	2,419,704	2,485,816
1,023,545	1,062,206	1,118,330	1,107,878	1,133,048	1,203,642	987,063
104,229	94,538	92,409	68,075	66,797	167,211	57,933
356,095	521,007	369,583	380,907	1,250,788	1,294,886	1,482,689
1,666,708	1,879,818	2,074,008	2,357,551	2,202,029	2,119,185	2,267,449
947,278	918,216	867,250	1,007,356	1,068,115	1,089,620	848,373
2,349,469	1,790,381	1,986,578	1,568,024	1,536,061	1,481,357	1,515,668
1,693,506	2,313,502	2,231,299	2,573,323	2,470,229	2,484,560	2,303,808
270,063	351,808	220,927	200,727	180,646	213,851	170,291
9,500,547	10,550,687	10,527,704	10,821,315	11,743,844	12,474,017	12,185,844
974	1,043	1,022	1,036	1,036	987	902
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

VILLAGE OF BUFFALO GROVE, ILLINOIS

Direct and Overlapping Sales Tax Rates - Last Ten Fiscal Years December 31, 2020 (Unaudited)

Fiscal Year	Village Direct Rate	Village Home Rule Rate	State of Illinois Sales Tax Rate
2011	1.00%	1.00%	6.50%
2012	1.00%	1.00%	6.50%
2013	1.00%	1.00%	6.50%
2014	1.00%	1.00%	6.50%
2015	1.00%	1.00%	6.50%
2016	1.00%	1.00%	6.50%
2017	1.00%	1.00%	6.50%
2018	1.00%	1.00%	6.50%
2019	1.00%	1.00%	6.50%
2020	1.00%	1.00%	6.50%

Data Source: Illinois Department of Revenue

VILLAGE OF BUFFALO GROVE, ILLINOIS

Ratios of Outstanding Debt By Type - Last Ten Fiscal Years December 31, 2020 (Unaudited)

Fiscal Year	Governmental Activities	Business-Type Activities		
	General Obligation Bonds	General Obligation Bonds	IEPA Loan	Installment Note
2011	\$ 7,200,000	\$ -	\$ -	\$ -
2012	12,280,000	-	-	-
2013	11,340,000	-	173,618	-
2014	10,730,503	-	400,519	-
2015	10,202,453	-	383,487	1,193,599
2016	15,881,408	-	366,060	6,894,447
2017	14,581,706	-	348,233	6,638,399
2018	13,243,707	-	329,993	6,341,869
2019	11,936,027	-	311,332	6,001,817
2020	37,350,765	-	292,240	5,615,015

Notes: Details of the Village's outstanding debt can be found in the Notes to Financial Statements.

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

(2) See the Schedule of Assessed Value and Actual Value of Taxable Property for equalized assessed valuation data.

Total Primary Government	Ratio of Total Outstanding Debt to Equalized Assessed Valuation (2)	Total Outstanding Debt Per Capita (1)	Debt Outstanding as a Percentage of Personal Income (1)
\$ 7,200,000	0.14%	171.79	0.39%
12,280,000	0.27%	290.10	0.65%
11,513,618	0.27%	275.59	0.61%
11,131,022	0.26%	265.11	0.57%
11,779,539	0.27%	283.82	0.61%
23,141,915	0.48%	557.64	1.19%
21,568,338	0.43%	523.17	1.11%
19,915,569	0.39%	487.49	0.98%
18,249,176	0.34%	450.66	0.84%
43,258,020	0.81%	1068.26	2.00%

VILLAGE OF BUFFALO GROVE, ILLINOIS

Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years December 31, 2020 (Unaudit

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service	Total	Percentage of Total Taxable Assessed Value of Property (1)	Per Capita (2)
2011	\$ 7,200,000	\$ -	\$ 7,200,000	0.14%	\$ 171.79
2012	12,280,000	-	12,280,000	0.27%	290.10
2013	11,340,000	-	11,340,000	0.27%	271.43
2014	10,730,503	-	10,730,503	0.25%	255.57
2015	10,202,453	-	10,202,453	0.23%	245.82
2016	15,881,408	-	15,881,408	0.33%	382.68
2017	14,581,706	-	14,581,706	0.29%	353.70
2018	13,243,707	-	13,243,707	0.26%	324.18
2019	11,936,027	803	11,935,224	0.22%	294.74
2020	37,350,765	231,373	37,119,392	0.69%	916.66

(1) See the Schedule of Assessed Value and Actual Value of Taxable Property for property value data.

(2) See the Schedule of Demographic and Economic Statistics for population data.

Note: Details of the Village's outstanding debt can be found in the Notes to the Financial Statements.

Data Source: Village Records

VILLAGE OF BUFFALO GROVE, ILLINOIS

Schedule of Direct and Overlapping Governmental Activities Debt
December 31, 2020 (Unaudited)

Governmental Unit	Gross Debt	Percentage of Debt Applicable to Village (1)	Village's Share of Debt
Village	\$ 37,350,765	100.00%	\$ 37,350,765
Overlapping Debt			
School Districts			
Cook County School District #21	88,265,000	18.25%	16,111,191
Kildeer Countryside Community Consolidated #96	-	38.78%	-
Aptakisic-Tripp Community Consolidated #102	16,700,000	75.06%	12,535,540
Lincolnshire-Half Day District #103	6,785,000	12.21%	828,667
Adlai E. Stevenson H.S. District #125	37,245,000	38.21%	14,232,027
Wheeling Township H.S. District #214	27,650,000	3.81%	1,054,335
Harper Community College #512	254,770,000	1.78%	4,534,925
College of Lake County #532	43,070,000	5.42%	2,332,414
Total of School Districts	474,485,000		51,629,099
Other than School Districts			
Lake County	147,785,000	5.16%	7,620,547
Lake County Forest Preserve	206,810,000	5.16%	10,664,176
Cook County	2,596,351,750	0.23%	5,937,478
Cook County Forest Preserve	122,255,000	0.23%	279,579
Metropolitan Water Reclamation District	2,181,154,590	0.23%	5,075,027
Buffalo Grove Park District	11,663,000	95.69%	11,160,113
Wheeling Park District	9,725,000	7.15%	695,135
Total Other than School Districts	5,275,744,340		41,432,055
Total Direct and Overlapping Debt	5,313,095,105		93,061,154

Data Source: Cook County Tax Extension Department

(1) Determined by ratio of assessed valuation of property subject to taxation in the Village to valuation of property subject to taxation in overlapping unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Village. This schedule estimates the portion of outstanding debt of those overlapping governments that is borne by the residents and businesses of the Village of Buffalo Grove. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying a debt, of each overlapping government.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Schedule of Legal Debt Margin December 31, 2020 (Unaudited)

The Village is a home rule municipality.

Article VII, Section 6(k) of the 1970 Illinois constitution governs computation of legal debt margin.

The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by some home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts.

To date the General Assembly has set no limits for home rule municipalities.

VILLAGE OF BUFFALO GROVE, ILLINOIS

Demographic and Economic Statistics - Last Ten Fiscal Years December 31, 2020 (Unaudited)

Fiscal Year	Population		Equalized Assessed Valuation	Per Capita Personal EAV	Personal Income	Per Capita Income	Unemployment Rate
2011	41,911	E \$	1,664,431,364	\$ 39,713	1,854,311,029	44,244 E	7.6%
2012	42,330	E	1,531,173,377	36,172	1,891,582,681	44,687 E	7.1%
2013	41,778	E	1,456,040,510	34,852	1,882,391,346	45,057 (1)	6.8%
2014	41,987	E	1,425,060,788	33,941	1,939,085,621	46,183 E	5.7%
2015	41,503	E	1,475,693,765	35,556	1,930,595,051	46,517 (1)	4.2%
2016	41,500	E	1,614,251,028	38,898	1,949,794,500	46,983 (2)	4.3%
2017	41,226	E	1,662,450,463	40,325	1,938,570,198	47,023 (2)	5.7%
2018	40,853	E	1,687,765,723	41,313	2,041,301,851	49,967 (2)	3.3%
2019	40,494	E	1,815,545,066	44,835	2,161,569,720	53,380 (2)	3.0%
2020	40,494	E	1,787,598,388	44,145	2,159,342,550	53,325 (2)	13.7%

E - Estimate

(1) - US Census Website

(2) - Illinois Department of Employment Security

Data Source: U.S. Department of Labor, Bureau of Labor Statistics, U.S. Census Bureau

VILLAGE OF BUFFALO GROVE, ILLINOIS

Principal Employers - Current Year and Nine Years Ago December 31, 2020 (Unaudited)

Employer	2020			2011		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
Siemens Building Technologies	1,800	1	4.45%	1,030	1	2.48%
I.S.I.	1,200	2	2.96%			
ESS	550	3	1.36%			
Plexus Corp	370	4	0.91%	370	5	0.89%
Veritas Document Solutions	300	5	0.74%			
US LBM Holdings, LLC	250	6	0.62%			
Village of Buffalo Grove	217	7	0.54%			
ARxIUM	200	8	0.49%			
Vapor Bus International	200	9	0.49%	483	3	1.16%
Leica Microsystems Inc.	200	9	0.49%			
Rexam				573	2	1.38%
Dominick's Finer Foods (three locations)				483	4	1.16%
Harris Trust & Savings Bank				371	6	0.89%
SMS-NA USA				354	7	0.85%
Baxter Global Technical Services				250	8	0.60%
Caremark				230	9	0.55%
ASAP Software				230	10	0.55%
	<u>5,287</u>		<u>13.06%</u>	<u>4,374</u>		<u>10.51%</u>

Data Source:

Sources: 2020 Illinois Manufacturing Directory

2020 Illinois Services Directory and a selective telephone survey

VILLAGE OF BUFFALO GROVE, ILLINOIS

Full-Time Equivalent Village Government Employees by Function - Last Ten Fiscal Years December 31, 2020 (Unaudited)

	2011	2012	2013
General Government			
Administration			
Village Managers Office	4.0	4.5	5.5
Information Technology	3.5	3.5	3.5
Human Resources	2.0	2.0	2.0
Finance	8.5	8.5	9.5
Community Development	10.0	10.0	10.0
Planning	1.5	1.5	1.5
Public Safety			
Police			
Full-Time Police Officers	69.0	69.0	64.0
Community Service Officers	3.0	3.0	3.0
Civilians	17.5	16.5	17.0
Fire			
Full-time Firefighters/Paramedics	62.0	62.0	58.0
Civilians	6.0	3.5	3.5
Public Works			
Public Works Administration	11.0	11.0	5.0
Streets/Forestry	20.0	20.0	18.5
Water/Sewer	13.0	13.0	8.0
Central garage	5.5	5.5	5.5
Building Maintenance	4.0	4.0	4.0
Recreation			
Administration	13.5	13.5	18.0
Grounds Maintenance	15.0	15.0	16.0
Total	269.0	266.0	252.5
Recreation			
Seasonal	34.0	34.0	30.0

Data Source: Village Finance Department

Attachment: Buffalo Grove Comprehensive Annual Financial Report 1220.1 (2020 Audit and Management Letter)

2014	2015	2016	2017	2018	2019	2020
7.5	6.0	5.0	5.5	5.5	5.5	4.5
3.0	-	-	-	-	-	-
2.0	2.0	2.0	2.0	2.0	2.0	2.0
10.0	8.0	9.0	9.0	9.0	8.0	9.0
9.5	12.0	12.0	14.0	15.0	13.0	13.0
1.5	-	-	-	-	-	-
63.0	63.0	63.0	61.0	61.0	63.0	60.0
3.0	3.0	3.0	2.0	2.0	2.0	2.0
15.0	15.0	15.5	16.0	16.0	20.0	16.0
58.0	59.0	59.0	58.0	59.0	56.0	56.0
1.5	1.0	1.0	4.5	5.0	7.0	9.0
6.0	6.0	6.0	12.0	11.5	10.0	11.0
18.5	20.0	20.0	20.0	20.0	17.0	17.0
9.0	10.0	9.0	12.0	12.0	13.0	12.0
5.5	5.5	5.5	5.5	5.5	5.5	5.5
6.0	6.0	6.0	4.5	4.5	4.5	4.5
19.5	19.5	4.0	4.0	4.0	2.0	2.0
11.5	11.5	-	-	-	-	-
250.0	247.5	220.0	230.0	232.0	228.5	223.5
30.0	30.0	30.0	30.0	30.0	29.0	38.0

VILLAGE OF BUFFALO GROVE, ILLINOIS

**Operating Indicators by Function/Program - Last Ten Fiscal Years
December 31, 2020 (Unaudited)**

	2011	2012	2013
General Government			
Building and Zoning			
Building Permits Issued	1,930	2,206	2,651
Building Inspections Conducted	9,661	15,858	7,456
Property Maintenance Inspections Conducted	3,462	5,828	3,288
Public Safety			
Police			
Physical Arrests	820	671	759
Parking Violations	2,031	3,341	2,984
Traffic Violations	11,867	10,826	13,171
DUI Arrests	164	107	124
Vehicle Crashes	1,396	1,260	1,507
Fire			
Ambulance Calls/EMS	2,568	2,789	2,613
Service Calls	1,053	487	483
Fire Calls	737	698	865
Auto Aid/Mutual Aid	676	680	654
Public Works			
Streets			
Street Resurfacing (Miles)	2.90	5.51	10.84
Parks and Recreation			
Park Sites	46	46	46
Golf Course - Combined			
Golf Rounds Played - Paid	56,918	59,937	53,639
Water			
New Connections (Tap ons)	12	15	27
Average Daily Consumption (1)	4.09	3.92	3.70
Peak Daily Consumption (1)	7.84	7.93	6.20

(1) - Millions of Gallons

Data Source: Various Village Departments

2014	2015	2016	2017	2018	2019	2020
2,833	2,582	2,957	2,567	2,502	3,443	2,697
7,074	11,625	9,053	6,692	6,817	7,361	5,540
3,172	1,894	2,160	1,954	1,902	2,254	1,856
886	809	521	441	452	406	283
3,634	3,766	5,754	6,781	5,748	3,404	2,185
8,349	7,969	6,054	5,310	6,054	4,844	3,439
154	97	74	87	85	74	54
1,429	363	1,473	1,294	1,353	1,459	829
3,385	3,123	3,160	3,201	3,145	3,145	3,276
1,245	340	309	293	309	409	249
821	1,585	1,279	1,082	1,257	1,253	1,096
1,063	1,055	987	1,045	967	1,193	1,198
3.28	2.45	11.40	2.76	0.97	2.64	4.97
46	46	46	46	46	46	46
54,689	68,602	53,599	51,138	48,770	44,000	58,297
9	23	19	3	23	11	23
3.58	3.39	3.60	3.23	3.49	3.13	3.33
5.40	5.14	5.54	5.98	5.69	4.83	4.97

VILLAGE OF BUFFALO GROVE, ILLINOIS

Capital Asset Statistics by Function/Program - Last Ten Fiscal Years December 31, 2020 (Unaudited)

	2011	2012	2013
Public Safety			
Police			
Stations	1	1	1
Vehicles	36	34	28
Fire			
Stations	3	3	3
Vehicles*	21	21	21
Public Works			
Streets	117.70	117.70	117.70
Street (Miles)	2,778	2,778	2,778
Streetlights			
Water			
Water Mains	180.25	180.25	180.30
Fire Hydrants	2,474	2,475	2,477
Wastewater			
Sanitary Sewers	139.27	139.27	139.30

Data Source: Various Village Departments

* Includes fire engines/towers, ambulances, and staff cars

2014	2015	2016	2017	2018	2019	2020
1 29	1 30	1 29	1 31	1 30	1 29	1 30
3 20	3 20	3 20	3 20	3 20	3 20	3 20
118.20 2,786	118.20 2,789	118.22 2,789	114.02 2,790	114.02 2,755	113.90 2,437	110.83 3,115
180.90 2,487	181.14 2,493	181.31 2,501	181.97 2,514	185.99 2,507	186.19 2,507	188.60 2,584
139.80	139.92	139.92	139.96	141.60	135.94	137.38



Information Item : Proclamation Celebrating the Thirty First Anniversary of the Passage of the Americans with Disabilities Act

Recommendation of Action

Staff recommends approval.

SUMMARY: A proclamation to celebrate the 31-year anniversary of the Americans with Disability Act.

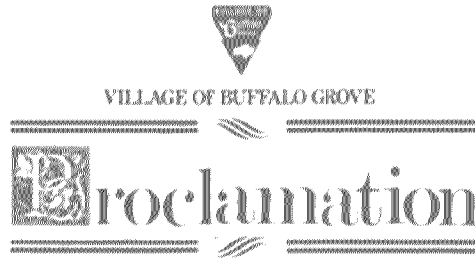
ATTACHMENTS:

- ADA Proc.doc 2020 (DOC)

Trustee Liaison
Sussman

Staff Contact
Evan C Michel, Office of the Village Manager

Monday, August 16, 2021



Village of Buffalo Grove

CELEBRATING THE 31ST ANNIVERSARY OF THE PASSAGE OF THE AMERICANS WITH DISABILITIES ACT

WHEREAS, nearly 1 in 5 residents of the United States have a disability; and

WHEREAS, the Americans with Disabilities Act was signed into law on July 26, 1990 by President George H. W. Bush; and

WHEREAS, it is appropriate to pause and celebrate/recognize the Americans with Disabilities Act as a wide ranging and landmark piece of civil rights legislation that prohibits discrimination based on disability; and

WHEREAS, in enacting the Americans with Disabilities Act (ADA), Congress recognized that persons with disabilities have a history of being subjected to unequal treatment, and that the nation's goals regarding individuals with disabilities are to assure equality of opportunity, full participation, independent living, and economic self-sufficiency; and

WHEREAS, the ADA has expanded opportunities for Americans with disabilities by reducing barriers and changing perceptions, and increasing full inclusion in community life; and

NOW, THEREFORE, BE IT RESOLVED, BY Village President Beverly Sussman, that the most effective way in which to celebrate this milestone 31-year anniversary of the Americans with Disability Act is to reaffirm our opposition to discrimination based on disability and to strive to promote full implementation of the Americans with Disabilities Act; and

BE IT FURTHER RESOLVED THAT we encourage the reduction of stigma and discrimination against people with disabilities through education and training; and

BE IT FURTHER RESOLVED THAT we support the pursuit of programs to ensure that the spirit and founding provisions of the Americans with Disabilities Act are maintained, implemented, and enforced;

Proclaimed this 16th day of August 2021.

Beverly Sussman, Village President



Information Item : Proclamation Recognizing Constitution Week

Recommendation of Action

Staff recommends proclamation.

SUMMARY: Proclaims September 17-23 as Constitution Week.

ATTACHMENTS:

- Constitution Week Proclamation2018 (DOC)

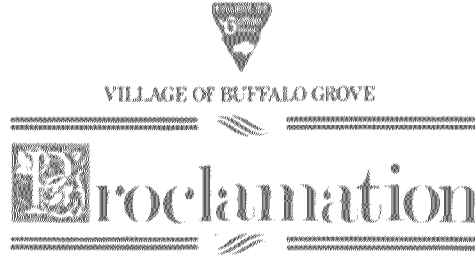
Trustee Liaison

Sussman

Staff Contact

Evan C Michel, Office of the Village Manager

Monday, August 16, 2021	
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Village of Buffalo Grove

PROCLAMATION RECOGNIZING CONSTITUTION WEEK

WHEREAS, The Constitution of the United States of America, the guardian of our liberties, embodies the principles of limited government in a Republic dedicated to rule by law; and

WHEREAS, September 17, 2021 marks the 235th anniversary of the framing of the Constitution of the United States of America by the Constitutional Convention; and

WHEREAS, It is fitting and proper to accord official recognition to this magnificent document and its memorial anniversary, and to commemorate the occasion; and

WHEREAS, Public Law 915 guarantees the issuing of a proclamation each year by the President of the United States of America designating September 17-23 as Constitution week; and

NOW THEREFORE, BE IT RESOLVED that I, Beverly Sussman, President of the Village of Buffalo Grove do hereby proclaim the week of September 17-23 as **Constitution Week** and ask our citizens to reflect on the privilege of being an American, with all of the rights and responsibilities which that privilege involves.

Proclaimed this 16th day of August 2021,

Beverly Sussman,
Village President



Information Item : Proclaiming September 5-11, 2021 National Payroll Week

Recommendation of Action

Staff recommends proclamation.

SUMMARY: Proclaiming September 5-11, 2021 National Payroll Week.

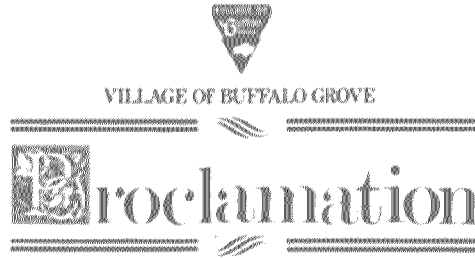
ATTACHMENTS:

- Payroll Week Proc (DOC)

Trustee Liaison
Sussman

Staff Contact
Evan C Michel, Office of the Village Manager

Monday, August 16, 2021



Village of Buffalo Grove

Declares September 6-11, 2021 National Payroll Week

WHEREAS, The American Payroll Association and its more than 20,000 members have launched a nationwide public awareness campaign that pays tribute to the nearly 150 million people who work in the United States and the payroll professionals who support the American system by paying wages, reporting worker earnings and withholding federal employment taxes; and

WHEREAS, Payroll professionals in the Village of Buffalo Grove play a key role in maintaining the economic health of Buffalo Grove, carrying out such diverse tasks as paying into the unemployment insurance system, providing information for child support enforcement, and carrying out tax withholding, reporting and depositing; and

WHEREAS, Payroll departments collectively spend more than \$2.4 trillion annually complying with myriad federal and state wage and tax laws; and

WHEREAS, Payroll professionals play an increasingly important role ensuring the economic security of American families by helping to identify noncustodial parents and making sure they comply with their child support mandates; and

WHEREAS, Payroll professionals have become increasingly proactive in educating both the business community and the public at large about the payroll tax withholding systems; and

WHEREAS, Payroll professionals meet regularly with federal and state tax officials to discuss both improving compliance with government procedures and how compliance can be achieved at less cost to both government and businesses; and

NOW, THEREFORE, I, Beverly Sussman, President of the Village of Buffalo Grove, for the Board of Trustees, and on behalf of all of the residents of the Village of Buffalo Grove, do hereby proclaim the first full week of September as ***National Payroll Week***.

Proclaimed this 16th day of August, 2021.

Beverly Sussman, Village President

Attachment: Payroll Week Proc (Payroll Week Proclamation)



Information Item : National Preparedness Month Proclamation

Recommendation of Action

Staff recommends approval of the proclamation.

SUMMARY: Proclamation recognizes September as National Preparedness Month.

ATTACHMENTS:

- National Preparedness Month September 2021 (DOCX)

Trustee Liaison
Johnson

Staff Contact
Mike Baker, Fire

Monday, August 16, 2021	
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Village of Buffalo Grove

National Preparedness Month September 2021

WHEREAS, “National Preparedness Month” creates a significant opportunity for every American to learn more about ways to prepare for all types of emergencies from potential terrorist attacks, to natural disasters; and

WHEREAS, emergency preparedness is the responsibility of every American; and

WHEREAS, all Americans can take a few simple steps - getting a go-kit, making a plan, and being informed - in order to make citizen preparedness a priority in every community; and

WHEREAS, the U.S. Department of Homeland Security and other federal, state and local officials and the private sector are working to deter, prevent and respond to all types of emergencies; and

WHEREAS, these activities, along with an active American community, contribute to a level of national preparedness that is critical to securing our homeland; and

WHEREAS, as we observe “National Preparedness Month,” I urge adults and children to participate in citizen preparedness activities, and to review the Department of Homeland Security’s Ready campaign websites at www.ready.gov for more information.

NOW, THEREFORE, I, Beverly Sussman, President of the Board of Trustees for the Village of Buffalo Grove, Cook and Lake Counties, Illinois do hereby proclaim September, 2021 to be NATIONAL PREPAREDNESS MONTH in the Village of Buffalo Grove and I call upon the people of Buffalo Grove to recognize the importance of preparing for all potential emergencies, and to celebrate this month with appropriate events, activities, and preparedness programs.

Proclaimed this 16th day of August 2021.

Beverly Sussman, Village President



Action Item : Ivy Hall Park Sidewalk Improvements Award

Recommendation of Action

Staff recommends approval.

SUMMARY: The Ivy Hall Park Sidewalk Improvements project was bid on August 4th, 2021 and the lowest responsible and responsive bidder was Schroeder & Schroeder, Inc. of Skokie, IL. Staff recommends approval of the contract to Schroeder & Schroeder, Inc. in the amount of \$60,116.00, pending Village Attorney and Engineering review.

ATTACHMENTS:

- Schroeder Award Memo (DOCX)
- Bid Summary VoBG-2021-26 (PDF)
- Schroeder Award Ivy Hall Ordinance (DOCX)
- Ivy Hall Park Sidewalk Bid Docs

Trustee Liaison
Johnson

Staff Contact
Darren Monico, Public Works

Monday, August 16, 2021

VILLAGE OF BUFFALO GROVE



MEMORANDUM

DATE: August 12, 2021
TO: Dane Bragg, Village Manager
FROM: Darren Monico, Village Engineer
SUBJECT: Ivy Hall Park Sidewalk Improvements Award of Bid

Staff Recommendation

The Ivy Hall Park Sidewalk Improvement Project was advertised for bids and opened on August 4th, 2021. The lowest, qualified bid was in the amount of \$60,116.00 from Schroeder & Schroeder, Inc. The project includes sidewalk installation within the right-of-way along Ivy Hall Park.

Project Overview

Attached is a copy of the Summary of Bids for the project indicating the lowest, qualified bid of \$60,116.00 by Schroeder & Schroeder, Inc. Staff recommends that the Village Board award the contract to Schroeder & Schroeder, Inc. as the firm is qualified to perform the work and is the lowest bidder. A grant from the Illinois Department of Commerce and Economic Opportunity has already been approved for this work up to \$60,000.00 in reimbursement.

Attachment: Schroeder Award Memo (Ivy Hall Park Sidewalk Improvements Award)

Village of Buffalo Grove
Finance Department

Ivy Hall Sidewalk Improvement Project

Tabulation

Bid Opening: 9:00 AM August 4, 2021

	A Lamp Concrete Contractors Inc. 1900 Wright Blvd Schmensburg, IL 60193 jinyan@alampconcrete.com	Alliance Contractors Inc. 1168 Lake Ave Woodstock, IL 60096 estimating@alliancecontractors.com	Copenhaver Construction Inc. 75 Kopple Dr Gibbs, IL 60136 lvlar@copenhaverconstruction.com	Landmark Contractors 11919 W. Main St. Huntley, IL 60142 estimating@landmark.com	Mafitis Construction 333 S. Wabash Ave Suite 2700 Chicago, IL 60604 johndhomas@mafitconstruction.com	Schroeder & Schroeder Inc. 7306 Central Park Skokie, IL 60076 mary@schroederconcrete.net	Triggi Construction 1975 Fowls Rd POB 235 West Chicago, IL 60186 mdeamke@triggiconstruction.com
Bid Bond:	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Signed Bid Form:	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Signed Public Contract Statements:	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Contract Modifications Requested							
Total Cost	\$74,398.00	\$72,016.90	\$77,202.00	\$84,933.85	\$111,560.00	\$60,116.00	\$76,397.50
TOTAL COST	\$74,398.00	\$72,016.90	\$77,202.00	\$84,933.85	\$111,560.00	\$60,116.00	\$76,397.50

ORDINANCE 2021-_____**AN ORDINANCE AUTHORIZING A CONSTRUCTION CONTRACT WITH SCHROEDER & SCHROEDER, INC.**

WHEREAS, the Village of Buffalo is a home rule unit pursuant to the Illinois Constitution of 1970;
and

WHEREAS, the Village seeks to enter into a Construction Contract with Schroeder & Schroeder, Inc. for sidewalk installation in the right-of-way along Ivy Hall Park,

NOW THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF BUFFALO GROVE, COOK AND LAKE COUNTIES, ILLINOIS, as follows:

SECTION 1. The foregoing recitals are hereby adopted and incorporated and made a part of this Ordinance as if fully set forth herein.

SECTION 2. The Village Manager is authorized to enter into a Construction Contract with Schroeder & Schroeder, Inc. for sidewalk installation along right-of-way at Ivy Hall Park at a price not to exceed \$60,116.00, pending attorney review.

SECTION 3. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity thereof shall not affect any other provision of this Ordinance.

SECTION 4. This Ordinance shall be in full force and effect from and after its passage and approval and shall not be codified.

AYES: _____

NAYES: _____

ABSENT: _____

PASSED: _____, 2021

APPROVED: _____, 2021

APPROVED:

Beverly Sussman, Village President

ATTEST:

Janet Sirabian, Village Clerk

Attachment: Schroeder Award Ivy Hall Ordinance (Ivy Hall Park Sidewalk Improvements Award)



Ordinance No. O-2021-52 : Conveyance of Property from the Village to the Park District

Recommendation of Action

Staff recommends approval.

SUMMARY: The Village currently holds Outlot C from the previously completed Prairie Grove Subdivision. This parcel is no longer required for right of way and shall be conveyed to the Park District for use with Prairie Grove Park.

ATTACHMENTS:

- Memo T Bragg_Property Conveyance Park Dist_8-5-21 (PDF)
- QUIT CLAIM DEED - VILLAGE BUFF GROVE TO PARK DISTRICT - OUTLOT C IN PRAIRIE GROVE 7-23-2021 (DOC)
- Ordinance_Property Conveyance Outlot C_21-0816 (DOCX)
- Prairie Grove Subdivision Plat (PDF)

Trustee Liaison
Johnson

Staff Contact
Darren Monico, Public Works

Monday, August 16, 2021

VILLAGE OF
BUFFALO GROVE



MEMORANDUM

DATE: August 5, 2021

TO: Dane Bragg, Village Manager

FROM: Darren Monico, Village Engineer

SUBJECT: Conveyance of Village Property to the Buffalo Grove Park District

Outlot C of the Prairie Grove Subdivision is currently owned by the Village. Similar to the Easthaven Subdivision, this outlot was to become right of way for the extension of Meridian Way. With the construction of the Link Crossing subdivision, K Hovnanian Homes is donating land adjacent to Outlot C and the current Prairie Grove Park. For this reason, Outlot C is no longer required to become right of way and shall be transferred to the Park District for use at Prairie Grove Park.

The Engineering Department recommends approval of the enclosed quit claim deed conveying Outlot C of the Prairie Grove Subdivision to the Buffalo Grove Park District.

**QUIT CLAIM DEED
Statutory (ILLINOIS)
(Corporation to Corporation)**

THE GRANTOR, THE VILLAGE OF BUFFALO GROVE, ILLINOIS, an Illinois home rule municipal corporation ("Grantor"), for and in consideration of TEN AND NO/100 (\$10.00) DOLLARS, and other good and valuable consideration, in hand paid, and pursuant to authority given by the Village Board of said corporation, CONVEYS and QUIT CLAIMS to

BUFFALO GROVE PARK DISTRICT, a body politic organized and existing under the Park District Code of the State of Illinois ("Grantee")
530 Bernard Drive
Buffalo Grove, Illinois 60089

all interest in the following described Real Estate situated in the County of Lake in the State of Illinois, to wit:

See Exhibit "A", attached hereto and incorporated herein.

Permanent Real Estate Index Number: 15-21-304-001-0000

Address(es) of Real Estate: Outlot C – Prairie Grove Subdivision , Buffalo Grove, Illinois 60089

Exempt under provisions of Paragraph (e) of Section 31-45, of the Illinois Real Estate Transfer Tax Statute.

Grantor or Representative

Date: _____

(SIGNATURES APPEAR ON THE FOLLOWING PAGE)

Attachment: QUIT CLAIM DEED - VILLAGE BUFF GROVE TO PARK DISTRICT - OUTLOT C IN PRAIRIE GROVE 7-23-2021 (O-2021-52 :

In Witness Whereof, said Grantor has caused its name to be signed to these presents by its Village Manager, and attested by its Village Clerk, this ____ day of _____, 2021.

THE VILLAGE OF BUFFALO GROVE, ILLINOIS, an Illinois municipal corporation

BY: _____

NAME: Dane Bragg

ITS: Village Manager

ATTEST: _____

NAME: Janet Sirabian

ITS: Village Clerk

Attachment: QUIT CLAIM DEED - VILLAGE BUFF GROVE TO PARK DISTRICT - OUTLOT C IN PRAIRIE GROVE 7-23-2021 (O-2021-52 :

State of Illinois, County of _____ ss:

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that **DANE BRAGG**, personally known to me to be the Village Manager of **THE VILLAGE OF BUFFALO GROVE, ILLINOIS**, an Illinois municipal corporation and **JANET SIRABIAN**, personally known to me to be the Village Clerk of said corporation, and personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared, before me this day in person and severally acknowledged that as such Village Manager and Village Clerk, they signed and delivered the said instrument and caused the corporate seal of said corporation to be affixed thereto, pursuant to authority given by the Village Board of said corporation, as their free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

Given under my hand and official seal, this _____ day of _____ 2021.

NOTARY PUBLIC

Commission expires _____ 20____.

This instrument was prepared by: Richard Golab, Schain, Banks, Kenny & Schwartz, Ltd., Three First National Plaza, 70 West Madison Street, Suite 2300, Chicago, Illinois 60602

After recording, please mail to: **BUFFALO GROVE PARK DISTRICT**, c/o Ryan Risinger, Executive Director, 530 Bernard Drive, Buffalo Grove, Illinois 60089

AFTER RECORDING SEND SUBSEQUENT TAX BILLS TO:

BUFFALO GROVE PARK DISTRICT, a body politic organized and existing under the Park District Code of the State of Illinois
c/o Ryan Risinger
Executive Director
530 Bernard Drive
Buffalo Grove, Illinois 60089

Attachment: QUIT CLAIM DEED - VILLAGE BUFF GROVE TO PARK DISTRICT - OUTLOT C IN PRAIRIE GROVE 7-23-2021 (O-2021-52 :

EXHIBIT "A"**LEGAL DESCRIPTION**

OUTLOT C IN PRAIRIE GROVE SUBDIVISION, BEING A RESUBDIVISION OF MACKEY'S SUBDIVISION AND PART OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 21, TOWNSHIP 43 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF OF SAID PRAIRIE GROVE RECORDED JANUARY 9, 1995, AS DOCUMENT NUMBER 3633248, IN THE VILLAGE OF BUFFALO GROVE, LAKE COUNTY ILLINOIS.

COMMON ADDRESS: OUTLOT C – PRAIRIE GROVE SUBDIVISION, BUFFALO GROVE, ILLINOIS 60089

PIN: 15-21-304-001-0000

Attachment: QUIT CLAIM DEED - VILLAGE BUFF GROVE TO PARK DISTRICT - OUTLOT C IN PRAIRIE GROVE 7-23-2021 (O-2021-52 :

ORDINANCE NO. 2021 - _____

AN ORDINANCE APPROVING CONVEYANCE OF OUTLOT C IN THE PRAIRIE GROVE SUBDIVISION

WHEREAS, the Village of Buffalo Grove is a Home Rule Unit pursuant to the Illinois Constitution of 1970; and,

WHEREAS, the Village of Buffalo Grove is agreeable to convey Outlot C in the Prairie Grove Subdivision, being a subdivision of Part of the East ½ of the Southwest ¼ of Section 21, Township 43 North, Range 11, East of Third Principal Meridian, according to the Plat of said Prairie Grove thereof recorded January 9, 1995 as Document 3633248, in Lake County, Illinois, to the Buffalo Grove Park District;

NOW, THEREFORE, BE IT ORDAINED by the Village President and Board of Trustees of the Village of Buffalo Grove, Cook and Lake Counties, Illinois, as follows:

Section 1: That it is necessary to convey the property to the Buffalo Grove Park District for use at Prairie Grove Park.

Section 2: The Village Manager is authorized and directed to execute the Quit Claim Deed. A copy of said Deed is attached hereto and made a part hereof.

Section 3: If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity thereof shall not affect any other provision of this Ordinance.

Section 4: This Ordinance shall be in full force and effect from and after its passage and approval and shall not be codified.

AYES: _____

NAYES: _____

ABSENT: _____

PASSED: _____, 2021

APPROVED: _____, 2021

APPROVED:

Village President

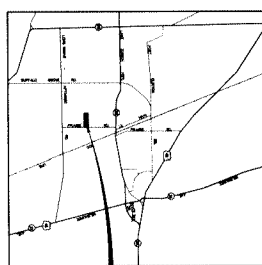
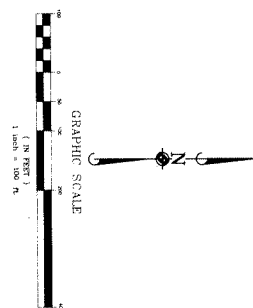
ATTEST:

Village Clerk

PRAIRIE GROVE SUBDIVISION

PRAIRIE GROVE SUBDIVISION

Attachment: Prairie Grove Subdivision Plat (O-2021-62 : Conveyance of Property to the Park District)

SUBDIVISION
LOCATION

LOCATION MAP

OUTLOT A = 156,940 SQ. FT. OR 3.144 AC.
 OUTLOT B = 59,824 SQ. FT. OR 1.373 AC.
 OUTLOT C = 19,988 SQ. FT. OR 0.344 AC.
 TOTAL LOT AREA = 208,312 SQ. FT. OR 16.284 AC.
 TOTAL DEDICATED RIGHT-OF-WAY = 302,041 SQ. FT. OR 6.934 AC.

SHEET INDEX:
SHEET 1 OF 3 = BOUNDARY INFORMATION
SHEET 2 OF 3 = LOT DETAIL
SHEET 3 OF 3 = LEGAL DESCRIPTION, EASEMENT
PROVISIONS AND CERTIFICATES

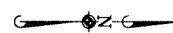
[illegible]

MANHARD
CONSULTING
P.C.

ENGINEERS, SURVEYORS, PLANNERS
900 WOODLANDS PARKWAY
VERNON HILLS, IL 60061
708/634-5550

PLAT OF SUBDIVISION VILLAGE OF BUFFALO GROVE PRINCE GROVE SUBDIVISION	1 OF 3 SR80 475
DATE 11/1/07 BY 812564 SCALE 1"=100'	SHEET NO. 56 DATE 8/1/17
DATE 11/1/07 BY 812564 SCALE 1"=100'	SHEET NO. 56 DATE 8/1/17

EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 21, TOWNSHIP 43 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN THE VILLAGE OF BUFFALO GROVE, LAKE COUNTY, ILLINOIS.



SURVEYORS NOTE:
DIRECT ACCESS TO PRAIRIE ROAD
(COUNTY HIGHWAY 59) FROM
OUTLOT A IS PROHIBITED.

SHEET
2 OF 3
SB8G 47

BEING A RESUBDIVISION OF MACKEY'S SUBDIVISION AND PART OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 21, TOWNSHIP 43 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN THE VILLAGE OF BUFFALO GROVE, LAKE COUNTY, ILLINOIS.

SHEET
3 OF 3
SR8G 476



Ordinance No. O-2021-53 : Approve a Special Use Amendment to Allow the Existing Golf Dome in Mike Rylko Community Center at 1000 N Buffalo Grove Rd to Operate Year-Round and Expand the Park District Activities Offered There.

Recommendation of Action

The Planning & Zoning Commission unanimously recommended approval, subject to the conditions in the attached Ordinance. Staff concurs with this recommendation.

SUMMARY: The petitioners are proposing a special use amendment to Ordinance 95-26. The proposed amendment will allow an existing Golf Dome at the Mike Rylko Community Center at 1000 N Buffalo Grove Rd to operate year-round and expand Park District activities offered there.

ATTACHMENTS:

- Memo (DOCX)
- Ordinance (DOCX)
- Plan Set (PDF)
- Minutes (PDF)

Trustee Liaison
Pike

Staff Contact
Chris Stilling, Community Development

Monday, August 16, 2021

VILLAGE OF BUFFALO GROVE



DATE: August 16, 2021

TO: Dane Bragg, Village Manager

FROM: Nicole Woods, Deputy Community Development Director

SUBJECT: Ordinance approving a special use for a to allow for an existing golf dome in Mike Rylko Community Center to operate year-round and expand the Park District activities offered there.

BACKGROUND

The petitioners, Ryan Risinger and Tim Howe on behalf of the Buffalo Grove Park District are proposing to operate an existing Golf Dome year-round and the expansion of Park District, activities in the Residential District, which requires an amendment to Ordinance 95-26, as amended by Ordinance Nos. 98-14, 2002-35, 2007-14, 2009-4; and 2014 – 48.

In the previous Ordinances, the Golf Dome was adopted to operate only during a certain time of the year with specific activities.

Pursuant to the Zoning Ordinance, a public / private space with recreation activities is a special use in the Residential District.



PLANNING & ZONING COMMISSION (PZC) RECOMMENDATION

The PZC unanimously recommended approval of the special use, subject to the following conditions:

1. The special use allows year-round Park District activities at the existing Golf Dome in Mike Rylko Community Center.
2. The special use is granted to Buffalo Grove Park District and the said special use does not run with the land.
3. The special use granted may be assignable to subsequent petitioners seeking assignment of this special use as follows:
 - i. Upon application of a petition seeking assignment of this special use, the Village of Buffalo Grove, in their sole discretion, may approve the assignment administratively, or may refer it to the Planning & Zoning Commission and/or the Village Board for a public hearing.
 - ii. Such assignment shall be valid only upon the written approval of the Village of Buffalo Grove granting said assignment, which may be granted or denied for any reason.

Staff concurs with this recommendation.

PUBLIC HEARING COMMENTS

There were no comments from the public.

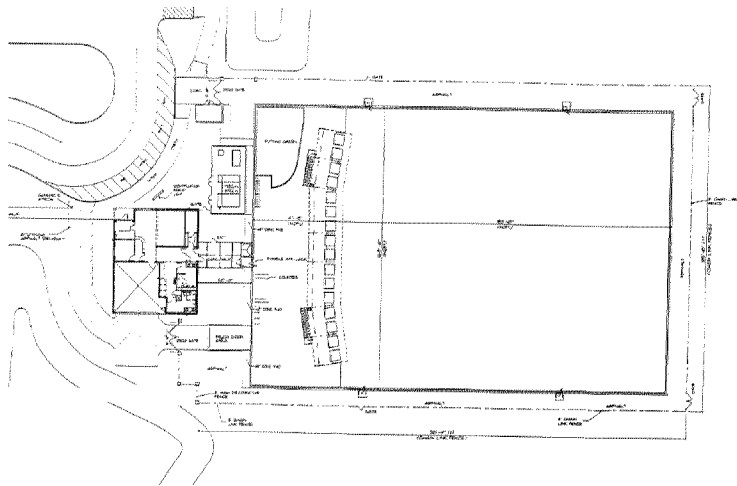
PLANNING, ZONING, AND ENGINEERING ANALYSIS

History

The Gold Dome has evolved and expanded over the past few decades. In 2007, the Buffalo Grove Park District at the Mike Rylko Community Center approved an Ordinance No. 2007 – 14 allowing for a Golf Dome to be operation for a certain timeframe in the summer months. This was further amended in 2009 by Ordinance 2009-4 for further expansion of park district activities in the Golf Dome, and further amended in 2014 by Ordinance No. 2014-48 to allow for the Golf Dome to be in operation 242 days per year with a certain set of Park District activities that can be conducted.

Operations and Use

- The amendment to the special use allows the existing Golf Dome to operate year-round and expands the Park District activities offered there.
- General hours of operation for Golf Dome will remain between 6:00 am to midnight.
- The Golf Dome will continue to be used for fitness and various Park District activities.
- The Golf Dome measures approximately 160' by 140' comprising of turf area, office counter space and a putting zone.
- The occupancy load is detailed in the Special Use Ordinance 2014-48; and will remain the same.
- The parking requirements for the Golf Dome will remain the same as there is no additional space added to the Golf Dome.



RECOMMENDATION

Staff recommends that the Village Board approve an Ordinance granting the special use, subject to the conditions in the attached Ordinance.

ORDINANCE NO. 2021 - ____

**AN ORDINANCE APPROVING AN AMENDMENT TO THE SPECIAL USE ORDINANCE FOR AN EXISTING
GOLF DOME IN MIKE RYLKO COMMUNITY CENTER TO OPERATE YEAR-ROUND AND EXPAND THE PARK
DISTRICT ACTIVITIES OFFERED THERE.
VILLAGE OF BUFFALO GROVE,
COOK AND LAKE COUNTIES, ILLINOIS**

**Golf and Sports Center Dome, 801 McHenry Road
Mike Rylko Community Park**

WHEREAS, the Village of Buffalo Grove is a Home Rule Unit by virtue of the Illinois Constitution of 1970; and,

WHEREAS, the real property legally described in Exhibit A ("Property") attached hereto is zoned in the Residential Estate District with a Special Use for public park facilities pursuant to an Annexation Agreement dated March 20, 1995 approved by Village Ordinance No. 95-26, with specific plans for development and operation of the Learning Center being approved by Village Ordinance No. 98-14; and,

WHEREAS, the Special Use on the Property was amended by Village Ordinance No. 2002-35, which allowed the dome to remain in place year-round, extended the use of the facility pursuant to the Exhibits attached to said Ordinance, and further allowed the dome structure to remain in place until May 31, 2006; and,

WHEREAS, the Buffalo Grove Park District requested that the Village amend Ordinance No. 2002-35 concerning removal of the dome by the May 31, 2006 to allow the dome to remain in place in order to continue golf activities and other recreational uses permitted by said Ordinance, approval of which was granted by adoption of Ordinance No. 2007-14, including the stipulation that the dome would be removed by June 1, 2015; and,

WHEREAS, the Buffalo Grove Park District requested that the Village amend Ordinance No. 2007-14 to allow additional activities and recreational uses, approval of which was granted by adoption of Ordinance No. 2009-4, including the stipulation that the dome would be removed by June 1, 2015; and,

WHEREAS, the Buffalo Grove Park District requested an amendment of Ordinance No. 2009-4 to expand the activities allowed in the facility and to allow the dome to remain in place beyond the date of June 1, 2015 due to the scope and cost of the planned improvements to the facility, approval of which was granted by adoption of Ordinance 2014-48 including the stipulation that the dome would be removed by June 1, 2030; and,

WHEREAS, Buffalo Grove Park District has requested amendment of Ordinance 2014-48 to allow for the existing golf dome in Mike Rylko Community Center to operate year-round and expand the Park District activities offered there; and,

WHEREAS, the Village Planning & Zoning Commission conducted a public hearing on July 21, 2021 the petition for the special use; and,

WHEREAS, the Planning & Zoning Commission made a finding and determined that the petition meets the criteria of a special use as set forth in the Buffalo Grove Zoning Ordinance, as described in the minutes attached as Exhibit B; and,

WHEREAS, the Planning & Zoning Commission voted 9 to 0 to recommend approval of the special use; and,

WHEREAS, the President and Village Board of Trustees after due and careful consideration have concluded that the proposed special use is a reasonable use of the Property and will serve the best interests of the Village.

WHEREAS, the proposed special use shall be operated in accordance with and pursuant to the following exhibits:

EXHIBIT A Plans

EXHIBIT B Minutes from the July 21, 2021 Planning & Zoning Commission

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF BUFFALO GROVE, COOK AND LAKE COUNTIES, ILLINOIS:

Section 1. This Ordinance is made pursuant to and in accordance with the Village's Zoning Ordinance and the Village's Home Rule powers. The preceding whereas clauses are hereby made a part of this Ordinance.

Section 2. The Corporate Authorities hereby amend Village Ordinance No. 2014-48 by amending Section 3.A. and Section 3.B. thereof to read as follows:

- 3.A. The air-inflated dome structure (Golf and Sports Center Dome) may remain inflated year-round but shall be removed on or before June 1, 2030. Appropriate repairs and maintenance shall be performed as necessary, including maintenance of the appearance of the structure.
- 3.B. The facility may be used for Park District programming year-round for expanded Park District activities with daily operating hours of 6:00 a.m. to midnight. The maximum facility occupancy is limited to 300 persons with the maximum occupancy of the Turf Area limited to no more than 90 persons. All activities shall be supervised and managed by employees of the Park District.

Section 3. The Corporate Authorities hereby grant a special use amendment in the residential district subject to the following conditions:

- 1. The special use is granted to Buffalo Grove Park District and the said special use does not run with the land.

2. The special use granted may be assignable to subsequent petitioners seeking assignment of this special use as follows:
- i. Upon application of a petition seeking assignment of this special use, the Village of Buffalo Grove, in their sole discretion, may approve the assignment administratively, or may refer it to the Planning & Zoning Commission and/or the Village Board for a public hearing.
 - ii. Such assignment shall be valid only upon the written approval of the Village of Buffalo Grove granting said assignment, which may be granted or denied for any reason.

Section 4. All references, conditions, and obligations to the Property in Ordinance 2014-48, not otherwise amended by this amendment, shall remain in full force and effect.

Section 5. This Ordinance shall be in full force and effect upon passage.

This Ordinance shall not be codified.

AYES: _____

NAYS: _____

ABSENT: _____

PASSED: _____

APPROVED: _____

ATTEST:

APPROVED:

Village Clerk

Beverly Sussman, Village President

EXHIBIT A
Plans

**Golf and Sports Center Dome, 801 McHenry Road
Mike Rylko Community Park**

EXHIBIT B
Minutes from the July 21, 2021 Planning & Zoning Commission

**Golf and Sports Center Dome, 801 McHenry Road
Mike Rylko Community Park**



BUFFALO
GROVE
PARK
DISTRICT

MEMO

To: Dane Bragg, Village

Manager From: Ryan Risinger,

Executive Director

Erika Strojinc, Director of Recreation and Facilities

Re: Golf Dome Village

OrdinanceDate: July 1, 2021

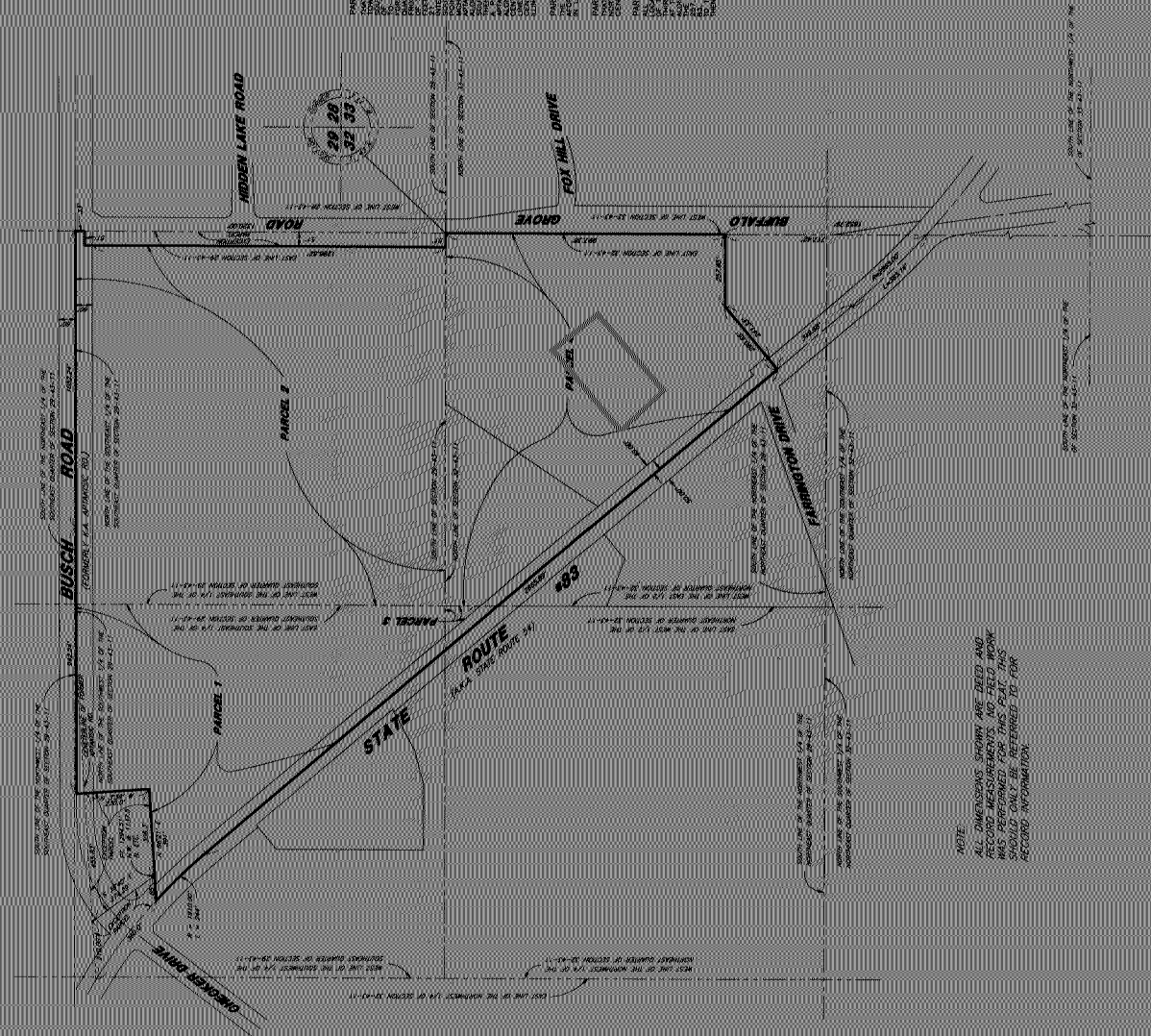
The Buffalo Grove Park District would like to request an amendment to the Golf Dome Ordinance No.2014-48 from the Village of Buffalo Grove. The last ordinance was from July 2014 when the life expectancy of the original Dome was extended. The District has since replaced the original dome structure in July 2017, and that structure has a life expectancy of 20 years.

The Park District is seeking to amend Village Ordinance No. 2014-48 in the following manner:

1. The District is seeking to expand the use to year round for programming. These adjustments will allow us to better serve the community by expanding program offerings and rental opportunities. All activities will be supervised and managed by employees of the Park District.

In addition, the Buffalo Grove Park District is requesting a waiver of any fees for the change to this ordinance. If you should need anything further to process this request, please contact us.

SITE 



NOTE:
ALL DIMENSIONS SHOWN ARE DEED AND
RECORD MEASUREMENTS. NO FIELD WORK
WAS PERFORMED FOR THIS PLAT. THIS
SHOULD ONLY BE REFERRED TO FOR
RECORD INFORMATION.

WREA = 88.94 ACRES MORE ON LIES

© 2005 The Authors
Journal compilation © 2005 Blackwell Publishing Ltd

C. SUMMERS AND J. L. JONES

STATE OF ILLINOIS)
COUNTY OF LAKE) ss
I, JAMES D. HANCOCK, Clerk of the County of Lake, State of Illinois, do hereby state that the plat hereon shown was compiled from listing sheets and instruments of public record for the purpose indicated hereon.

Witness my hand and seal of office this 14th day of October, 1938.

JAMES D. HANCOCK
CLERK OF LAKE COUNTY, ILLINOIS

WITNESSED AND VERIFIED before me this 14th day of October, 1938.

ALFRED D. DICKER
Notary Public for Illinois

MIL MANHARD CONSULTING LTD.
ENGINEERS • SURVEYORS • PLANNERS
800 WOODLANDS PARKWAY KENNETH (M.L.S.) COURT
SCARBOROUGH, ONTARIO M1B 1Y5 CANADA

NE OF BUFFALO GROVE
D GROVE PARK DISTRICT

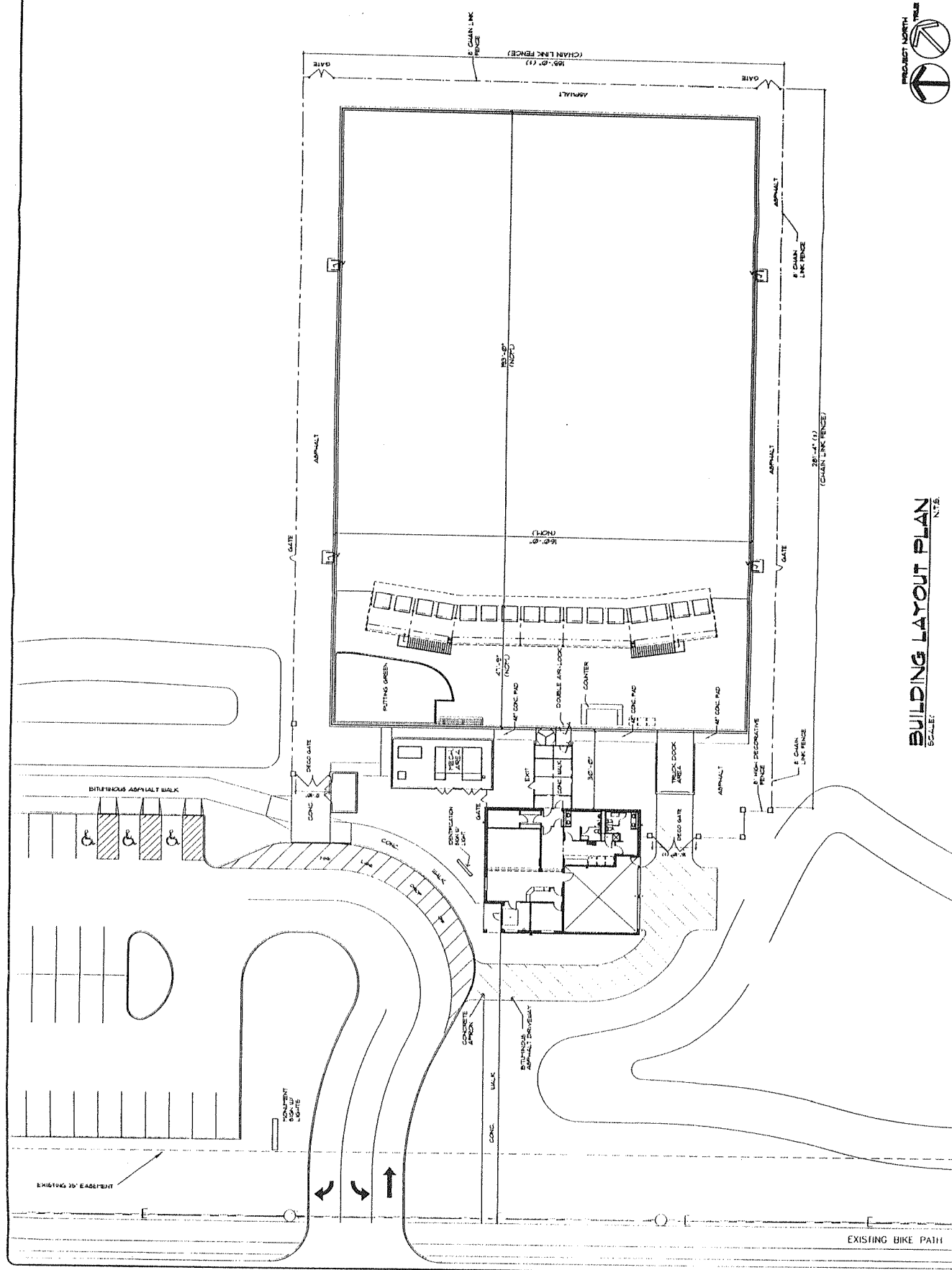
NAME	SS
ROOM NO.	
DATE	9-10-97
TIME	
BY	



PROJECT NORTH
TRUE NORTH

BUILDING LAYOUT PLAN SCALE: 1"=10'

Packet Pg. 262



8 G.C.

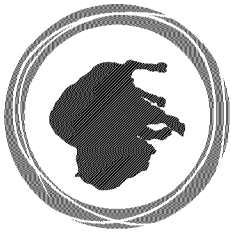
GROUNDWORK, LTD.
ARCHITECTS
PLANNERS
ENGINEERS
1001 FARMERS DRIVE, SUITE 100
BUFFALO, NY 14203
TEL: 418-633-1111
FAX: 418-633-1111

NO.	DATE	BY	REVISION / ISSUE
1	03/05/20	AS	AS NOTED

THESE PLANS ARE FOR THE FOLLOWING PURPOSES ONLY:
☐ CONSTRUCTION
☐ EXISTING
☐ REVIEW ONLY
☐ AS NOTED

BUFFALO GROVE PARK DISTRICT
200 BERNARD DRIVE
BUFFALO GROVE, ILLINOIS 60089
BUCH GROVE COMMUNITY PARK
LEARNING CENTER

BUILDING LAYOUT PLAN	
AS NOTED	DATE
03/05/20	03/05/20
03/05/20	03/05/20



GOLF DOME

at the Buffalo Grove Park District

847.353.7575

801 McHenry Road
Buffalo Grove, Illinois 60089

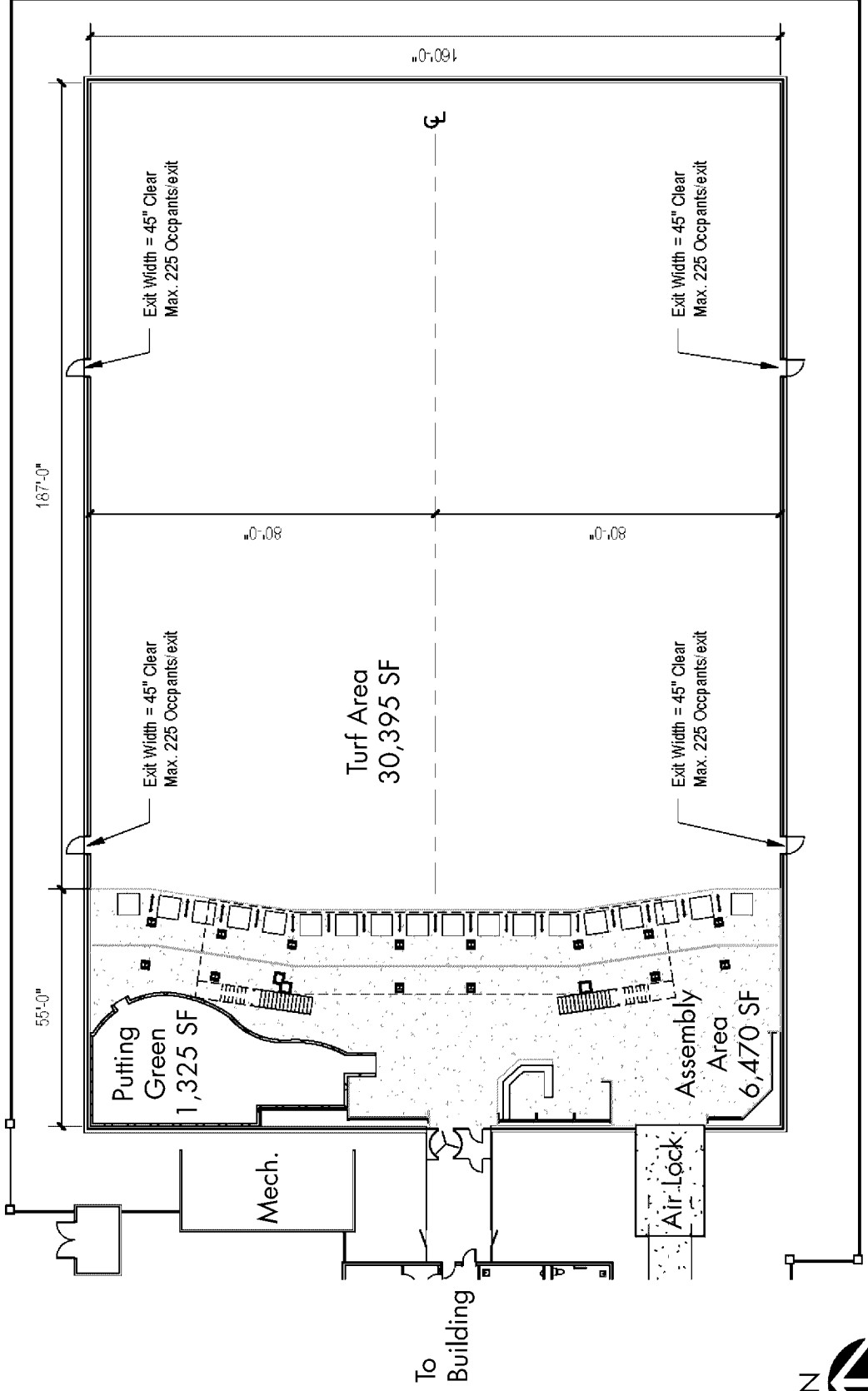
First Floor

EXHIBIT A

Total Area = 38,720 SF

8.G.c

Attachment: Plan Set (O-2021-53 : Approve a Special Use Amendment to Allow the Existing Golf Dome in





BUFFALO
GROVE
PARK
DISTRICT



1. *The special use will serve the public convenience at the location of the subject property; or the establishment, maintenance or operation of the special use will not be detrimental to or endanger the public health, safety, morals, comfort, or general welfare;*
 - *The existing building has been built to Federal, State, and local codes. Routine inspections from the Fire Marshal occur regularly.*
2. *The location and size of the special use, the nature and intensity of the operation involved in or conducted in connection with said special use, the size of the subject property in relation to such special use, and the location of the site with respect to streets giving access to it shall be such that it will be in harmony with the appropriate, orderly development of the district in which it is located;*
 - *The existing building is located in Mike Rylko Park located off of McHenry Rd. You are able to access the building either north or south bound.*
3. *The special use will not be injurious to the use and enjoyment of other property in the immediate vicinity of the subject property for the purposes already permitted in such zoning district, nor substantially diminish and impair other property valuations with the neighborhood;*
 - *The existing building has been at the location for over a decade. Many people use the dome during the winter months to enjoy golf. There is a natural area at Rylko Park that surrounds three of the four sides of the building.*
4. *The nature, location and size of the buildings or structures involved with the establishment of the special use will not impede, substantially hinder or discourage the development and use of adjacent land and buildings in accord with the zoning district within which they lie;*
 - *The existing structure will not hinder or discourage future development at Rylko Park.*
5. *Adequate utilities, access roads, drainage, and/or other necessary facilities have been or will be provided;*
 - *When Rylko Park and the Golf Dome were built, everything was built to specification and in accordance with the Lake County Storm Water Management requirements, as well as, State and local requirements.*
6. *Parking areas shall be of adequate size for the particular special use, which areas shall be properly located and suitably screened from adjoining residential uses, and the entrance and exit driveways to and from these parking areas shall be designed so as to prevent traffic hazards, eliminate nuisance and minimize traffic congestion in the public streets.*

- *The existing building has all the proper signage required for traffic. Parking spots are properly labeled for accessible parking.*

Please let me know if you need anymore assistance!

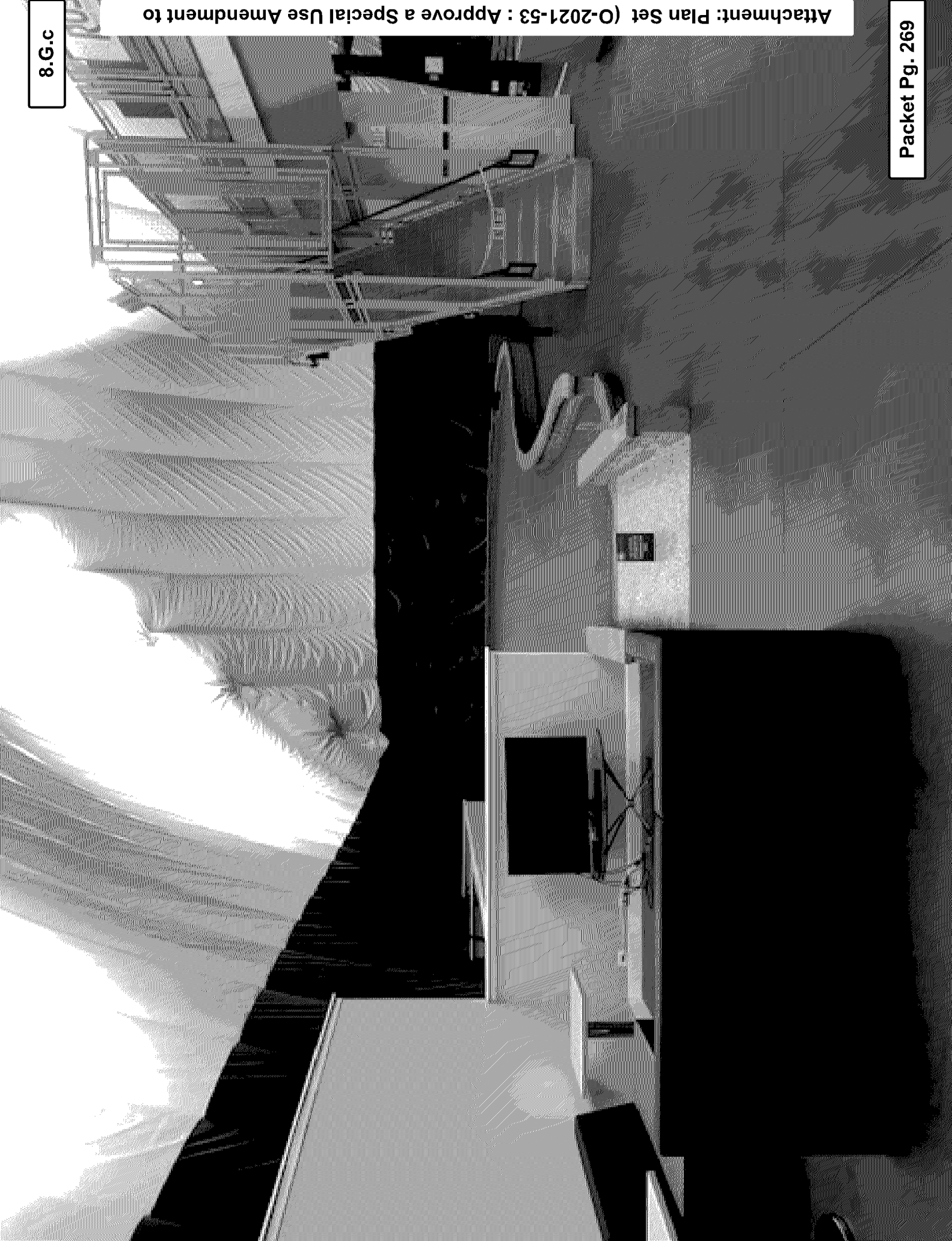
Thank you,

*Tim Howe
Director of Parks and Planning
Buffalo Grove Park District
847.850.2163*





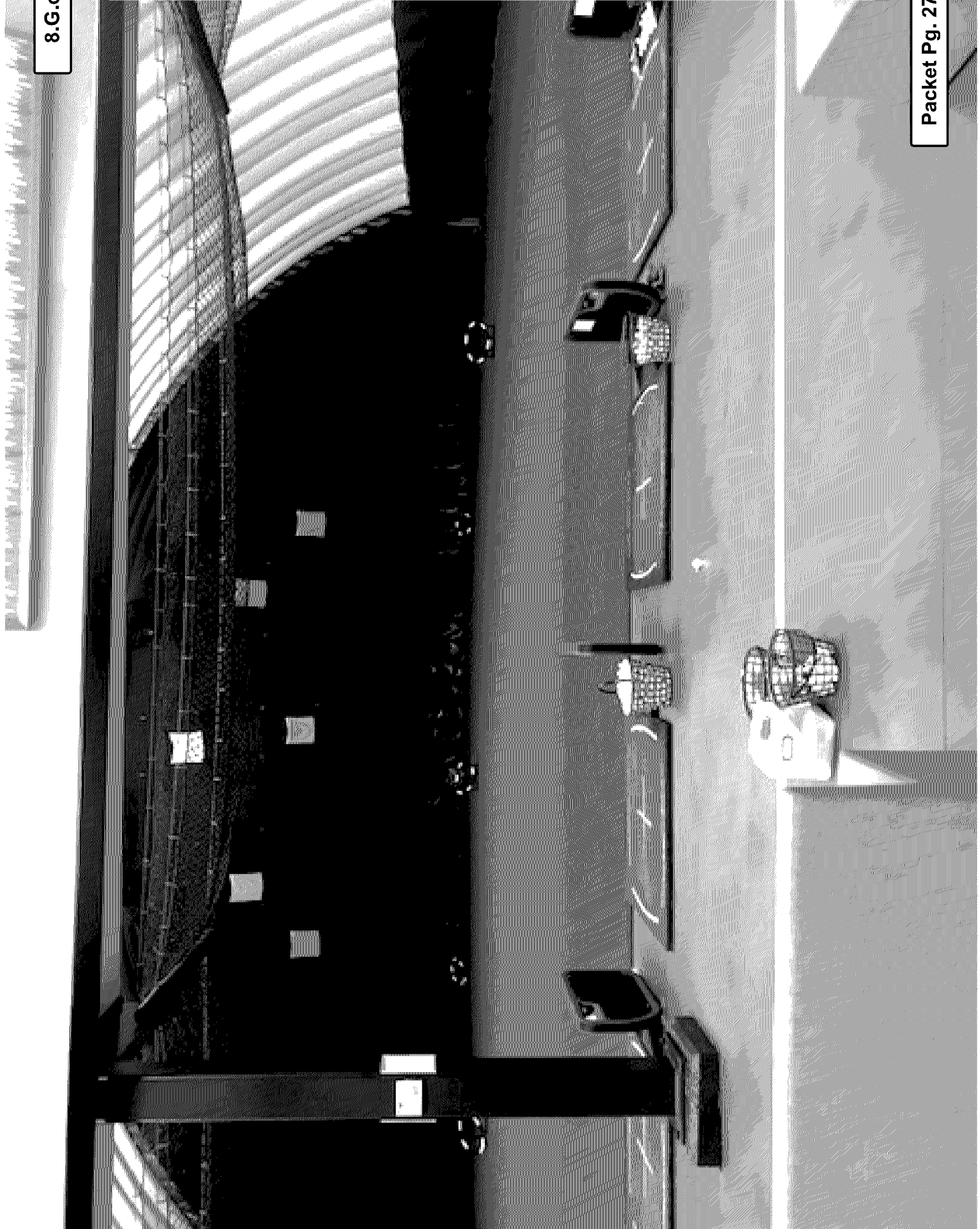


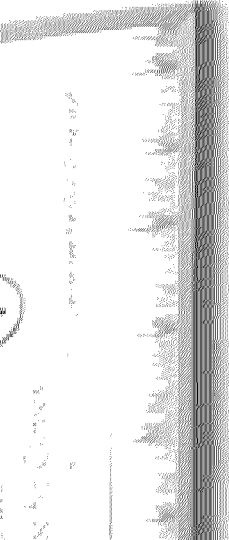




Attachment: Plan Set (O-2021-53 : Approve a Special Use Amendment to

8.G.c





07/21/2021

**MINUTES OF THE REGULAR MEETING OF THE PLANNING AND ZONING COMMISSION OF THE
VILLAGE OF BUFFALO GROVE HELD IN THE COUNCIL CHAMBERS, 50 RAUPP BOULEVARD,
BUFFALO GROVE, ILLINOIS ON WEDNESDAY, JULY 21, 2021**

Call to Order

The meeting was called to order at 7:30 PM by Chairman Frank Cesario

Public Hearings/Items For Consideration

1. Consider a Variation for a Proposed Sunroom Addition Which Encroaches into Rear Yard Setback of the Subject Property 1237 Sandhurst Drive. (Trustee Pike) (Staff Contact: Nicole Woods)

Village Planner Akash provided background on the proposed addition. She included a definition of a sunroom and explained the R4 zoning district in which the subject property sits.

Village Planner Akash noted that the petitioner did speak to all his neighbors and got signatures from them.

Mr. Block explained his variation for a proposed sunroom addition. He noted that the architect said the location that is proposed was recommended as the best location.

Chairperson Cesario referenced Packet page 14.

Chairperson Cesario asked if anyone objected to his proposal while collecting signatures.

Mr. Block said no.

Com. Weinstein asked if the immediate neighbors to the south had signed his request.

Mr. Block said yes.

Com. Weinstein asked about the unique circumstance regarding the sunroom?

Mr. Block explained his circumstances.

Com. Moodhe asked about a neighbor on the corner and if they had signed his request for a sunroom.

Mr. Block said yes

Com. Goldspiel asked if there were any concrete slabs in the backyard.

Mr. Block said said no.

Village Planner Akash explained the plat of survey.

Chairperson Cesario entered the staff report as exhibit 1.

Chairperson Cesario entered the petitioners collected signatures as exhibit 2.

The Public Hearing was closed at 7:45 PM.

Com. Weinstein made a motion to grant a variation to Section 17.40 of the Buffalo Grove Zoning Code to allow for a proposed sunroom addition in the rear yard which encroaches 12'-6" into the required rear yard setback on the subject property. The sunroom shall be constructed in accordance with the documents and plans submitted as part of this petition.

07/21/2021

Com Moodhe seconded the motion.

Com. Moodhe commented on the beautiful landscaping at the subject property. He noted the sunroom goes with the setting.

Com Au asked if there were any other variances on the property.

Village Planner Akash said the addition was in code.

Com. Au noticed the two plats look different.

Mr. Block and Village Planner Akash provided clarification.

Chairperson Cesario spoke in favor of the motion.

RESULT:	APPROVED [UNANIMOUS]
AYES:	Moodhe, Spunt, Cesario, Goldspiel, Khan, Weinstein, Au, Richards
ABSENT:	Neil Worlikar

2. Consider a Special Use Amendment to Allow the Existing Golf Dome in Mike Rylko Community Center to Operate Year-Round and Expand the Park District Activities Offered There. (Trustee Johnson) (Staff Contact: Nicole Woods)

Village Planner Akash provided a brief background on the Special Use amendment for the park district to have services year-round and expand park district services. She noted everything else will remain the same.

Mr. Risinger added that they replaced the dome in 2017 and the new tech that came with the new dome really allows them to be year-round. He added they have been asked by many organizations to use the dome for other occasions and have noticed they have a hard time meeting demand for those services. Mr. Risinger explained having the dome year-round would increase revenue and provided additional revenue sources.

Com. Richard asked why it was limited to just winter in 2009.

Mr. Risinger said when it was built it would be deflated and inflated at an incredible cost of \$30,000. He explained the history of the dome and the various amendment they have made in the past since 2009.

Com. Richards asked if there were any negative reasons to keeping it up year-round.

Mr. Risinger said no.

Com. Goldspiel asked if it was air supported.

Mr. Risinger said yes.

Com. Goldspiel asked how it handles snow and ice.

Mr. Risinger said it has held up well over the past twenty years. He explained the mechanics of the blower system noting that the blower recognizes the snow and ice on the dome and will increase air.

Com. Goldspiel asked about much weight the dome can hold.

Mr. Risinger said he does not know the weight it can hold.

Com. Goldspiel asked how long it has been up year-round.

Mr. Risinger said at least 12 years.

Com. Goldspiel asked if there had ever been any problems during that time.

07/21/2021

Mr. Risinger said no and that was with the original fabric.

Com. Goldspiel asked if the dome was heated.

Mr. Risinger said no but some heat does come into the dome from the structure it is attached to.

Com. Goldspiel asked if engineers looked at it.

Mr. Risinger said yes and noted it has been through 20 winters with no issues.

Com. Goldspiel said he is comfortable that the engineers looked at it.

Mr. Risinger said it is safe.

Com. Goldspiel asked if there was a standby system to keep it inflated.

Mr. Risinger said yes.

Com. Goldspiel asked about outside temp limits.

Mr. Risinger said no, he was unaware of temperature limits.

Com. Moodhe asked when the dome is in normal operation.

Mr. Risinger said during the winter.

Com. Moodhe asked about the new dome and clarified what the Buffalo Grove Park District was asking for.

Mr. Risinger confirmed they want to be able to offer full year programs and expand the programs they offer.

Com. Moodhe asked if he could expand upon the services/programs they would like to provide.

Mr. R provided additional detail on the services they would like to provide.

Com. Moodhe asked if presently they can use the office space for camps.

Mr. Risinger said yes but the space is limited.

Com. Moodhe asked if the structure it is attached to is safe for activities.

Mr. Risinger said yes and noted it is one of the safest places.

Com. Moodhe asked if it was okay with the Fire department.

Mr. Risinger said yes before they got to PZC.

Com. Moodhe clarified the special use is just on number of days.

Village Planner Akash said yes.

Chairperson Cesario asked about parking.

Mr. Risinger said they are good.

Chairperson Cesario spoke in favor of the petition

Com. Goldspiel provided some history on why the original special use was given the restrictions it was.

Chairperson Cesario entered the staff report was exhibit 1.

07/21/2021

The Public Hearing was closed at 8:07 PM.

Com. Weinstein made a motion to grant a positive recommendation to the Village Board for a Special Use amendment to Ordinance No. 2007-35, as amended by Ordinance No. 2009-4, and as amended by Ordinance No. 2014-48; to allow for an existing Golf Dome in Mike Rylko Community Center to operate year-round and to expand Park District activities offered there, subject to the following conditions:

- 1. The special use allows year-round Park District activities at the existing Golf Dome in Mike Rylk Community Center*
- 2. The special use is granted to the Buffalo Grove Park District and the said special use does not run with the land.*
- 3. The special use granted may be assignable to subsequent petitioners seeking assignment of the special use as follows: Upon application of petition seeking assignment of this special use, the Village of Buffalo Grove, in their sole discretion, may approve the assignment administratively, or may refer it to the Planning and Zoning Commission and/or the Village Board for public hearing; and such assignment shall be valid only upon the written approval of the Village of Buffalo Grove granting said assignment, which may be granted or denied for any reason.*

Com. Moodhe spoke in favor of the motion

Com. Weinstein spoke in favor of the motion

RESULT:	RECOMMENDATION TO APPROVE [UNANIMOUS]
	Next: 8/16/2021 7:30 PM
AYES:	Moodhe, Spunt, Cesario, Goldspiel, Khan, Weinstein, Au, Richards
ABSENT:	Neil Worlikar

Regular Meeting

Other Matters for Discussion

1. Workshop - Proposed Speedway Expansion at 201 N Milwaukee (Trustee Pike)
(Staff Contact: Brett Robinson)

Village Planner Akash provided a brief background on the parcel. She noted they were before the Village Board on June 21, and the Village Board was in support of it.

Mr. Kalischefski, the Architect with Speedway provided detail on the site plan and referenced to packet page 37 and 42. He discussed traffic flow, fueling stations, material used for the facility, and landscape.

Com. Spunt asked about truck parking for people who want to go in and play video gaming.

Mr. Kalischefski pointed to the black line on packet page 37, noting they can pull forward to allow other trucks to move and fuel.

Mr. Hallick added that truckers are not the ones gaming and don't typically use the slots. Video gaming is typically popular with residents.

07/21/2021

Com. Spunt asked if there was a curb-cut at Riverwalk.

Mr. Kalischefski said yes. Left in and out, right in and out.

Com. Spunt asked how they will advertise for trucks to let them know they can stop there.

Mr. Kalischefski said through signage, and signage that says truck entrance and exit.

Com. Richards thanked them for the presentation. He went over the variations they will be coming to them for and asked if there would be additional variations they will need.

Mr. Kalischefski said they will be looking for a variation on the number of signs. He spoke to size of signs and how they would be broken up.

Com. Richards referenced packet page 42.

Mr. Kalischefski talked about the breakdown they will have for the public hearing for the sign.

Village Planner Akash said staff will review the signs and lights prior to their next public hearing.

Com. Au asked about the building they will be taking down and if it would be displacing any residents.

Mr. Hallick said they are working on termination of tenants.

Com. Au asked if the tenants are being incentivized to stay in BG.

Staff noted they were looking into it.

Com Au asked if they are meeting all other standards for a truck stop.

Mr. Hallick said yes.

Com. Au asked about the landscape plan, and if that is how it is going to look.

Mr. Kalischefski said yes and the landscape was picked to withhold salt and other conditions experienced in Illinois.

Com. Au asked if speedway was going to be maintaining the landscape.

Mr. Hallick said they will take care of it via a contract.

Com Au commented on the style of the building and noted the building style in that area was more modern then their planned development. She asked why they were going with standard brown.

Mr. Kalischefski said they went with the brown to sensitive to the community across the street.

Mr. Hallick commented on the standards they keep store to store. He noted by keeping the same style passerby's know it as a speedway facility.

Com. Khan asked if they will have a full traffic impact report.

Mr. Kalischefski said yes they will include the final report.

Com. Khan asked if they know that IDOT maintains that road.

07/21/2021

Mr. Kalischefski said yes.

Com. Khan asked if there is written approval and if IDOT liked their plan.

Mr. Kalischefski said they have an email with no concerns.

Com. Khan asked about increased traffic.

Mr. Kalischefski said with the initial studies, traffic would increase by 1%.

Com. Khan asked if they were foot access points.

Mr. Kalischefski said no, and continued to talk about the access points on packet page 37.

Com. Moodhe asked about the distance from the sidewalk to the pump.

Mr. Kalischefski said typically it is 40 feet. He explained the center of the dispenser is between 65 feet and 62 feet which allows cars to go around two-way traffic.

Com. Moodhe asked about the two gray pavements on packet page 37.

Mr. Kalischefski said they have different support for vehicles.

Com. Moodhe asked where the tanks are now and where they will be.

Mr. Kalischefski provided detail on the tanks new position. He referenced packet page 37.

Com. Moodhe asked if they will be putting more landscape than shown.

Mr. Kalischefski said will be placing it more strategically and have a more enhanced landscape plan for the final hearing.

Com. Moodhe asked how long the building would be shut down.

Mr. Hallick said they will try to keep it operating as long as possible.

Mr. Kalischefski provided additional detail on the closure of the store.

Com. Moodhe asked how many dispensers there were going to be.

Mr. Hallick said 6 dispensers to 10

Com. Moodhe asked about diesel dispensers.

Mr. Hallick said 4 to 2

Com. Moodhe asked if there will be any communication to keep the rumors at bay regarding the development.

Mr. Hallick said they feel the pain as calling it a truck stop.

Com. Goldspiel asked if they will have any charging stations.

Mr. Hallick said no, but they have investigated it.

Com. Goldspiel asked about the number of gaming stations.

Mr. Hallick spoke briefly about the setup of the gaming stations.

07/21/2021

Com. Weinstein commented on the existing building and believes this will be an upgrade in facility. He commented on the proposal stating that it looks like a pretty good proposal and hopes the landscape looks like the proposal does.

Com. Spunt spoke more about car charging stations and told them it is something to think about it.

Mr. Hallick thanked them for your recommendation.

Chairperson Cesario made a clarification on video gaming at the new Speedway.

Village Attorney Brankin said the topic fair game for workshop but not really for the public hearing.

Com. Moodhe commented on the landscape plan. He recommended they coordinate with village arborists for landscape.

Mr. Kalischefski and Mr. Hallick thanked him for his recommendation.

Chairperson Cesario said it is a nicer fueling center and spoke in favor of the petition.

RESULT:	RECOMMENDATION TO APPROVE [UNANIMOUS]
AYES:	Moodhe, Spunt, Cesario, Goldspiel, Khan, Weinstein, Au, Richards
ABSENT:	Neil Worlikar

Approval of Minutes

1. Planning and Zoning Commission - Regular Meeting - Jun 16, 2021 7:30 PM

RESULT:	ACCEPTED AS AMENDED [UNANIMOUS]
AYES:	Moodhe, Spunt, Cesario, Goldspiel, Khan, Weinstein, Au, Richards
ABSENT:	Neil Worlikar

Chairman's Report

Committee and Liaison Reports

Commissioner's provided reports from the past Village Board meetings as it pertained to the Planning and Zoning Commission.

Staff Report/Future Agenda Schedule

Village Planner Akash provided the commissioners with items they will begin to see in the near future.

Public Comments and Questions

Adjournment

The meeting was adjourned at 9:11 PM

Chris Stilling

07/21/2021

APPROVED BY ME THIS 21st DAY OF July, 2021



Ordinance No. O-2021-54 : Conveyance of Property from the Village to the Park District (Link Crossing Outlot E)

Recommendation of Action

Staff recommends approval of the enclosed ordinance conveying Outlot E in the Link Crossing Subdivision to the Buffalo Grove Park District and providing the Village Manager the Authority to sign the Deed when received.

SUMMARY: The Village currently awaits the transfer of ownership of Outlot E in the Link Crossing Subdivision from K. Hovnanian Homes to the Village. Once the proper documents have been received by the Village from the Lake County Recorder's office, the property shall be conveyed to the Park District for use with Prairie Grove Park.

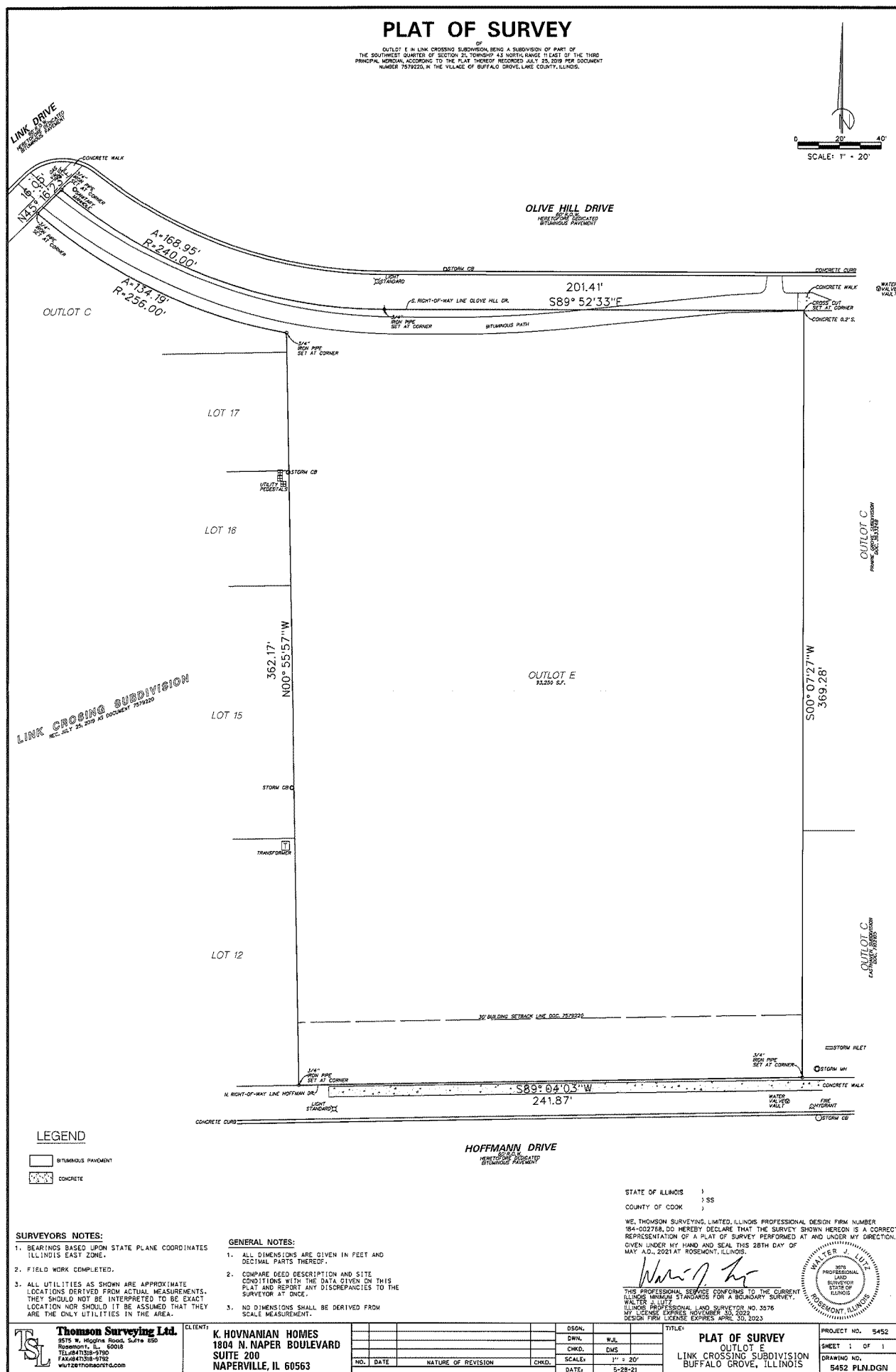
ATTACHMENTS:

- Outlot E Plat (PDF)
- Ordinance_Property Conveyance Outlot E_21-0816 (DOCX)
- Memo T Bragg_Property Conveyance Park Dist (Outlot E)_8-16-21 (DOCX)
- Buffalo Exemption.CDCG to KHOV (PDF)
- Buffalo Exemption.KHOV to Village of BG (PDF)
- Quit Claim Deed.CDCG to KHOV (PDF)
- Special Warranty Deed.KHOV to Buffalo Grove (PDF)
- Outlot E Title Commitment (PDF)

Trustee Liaison
Johnson

Staff Contact
Darren Monico, Public Works

Monday, August 16, 2021



Attachment: Outlot E Plat (O-2021-54 : Conveyance of Property to the Park District (Link Crossing Outlot E))

ORDINANCE NO. 2021 - _____

AN ORDINANCE APPROVING CONVEYANCE OF OUTLOT E IN THE LINK
CROSSING SUBDIVISION

WHEREAS, the Village of Buffalo Grove is a Home Rule Unit pursuant to the Illinois Constitution of 1970; and,

WHEREAS, the Village of Buffalo Grove is agreeable to convey Outlot E in the Link Crossing Subdivision, being a subdivision of Part of the Southwest ¼ of Section 21, Township 43 North, Range 11, East of Third Principal Meridian, according to the Plat of said Link Crossing thereof recorded July 25, 2019 as Document 7579220, in Lake County, Illinois (“the Property”), to the Buffalo Grove Park District;

NOW, THEREFORE, BE IT ORDAINED by the Village President and Board of Trustees of the Village of Buffalo Grove, Cook and Lake Counties, Illinois, as follows:

Section 1: That it is necessary and appropriate to convey the Property to the Buffalo Grove Park District and said conveyance is hereby approved.

Section 2: The Village Manager is authorized and directed to execute all necessary documents to effectuate the conveyance.

Section 3: If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity thereof shall not affect any other provision of this Ordinance.

Section 4: This Ordinance shall be in full force and effect from and after its passage and approval and shall not be codified.

AYES: _____

NAYES: _____

ABSENT: _____

PASSED: _____, 2021

APPROVED: _____, 2021

APPROVED:

Village President

ATTEST:

Village Clerk

VILLAGE OF
BUFFALO GROVE



MEMORANDUM

DATE: August 12, 2021

TO: Dane Bragg, Village Manager

FROM: Darren Monico, Village Engineer

SUBJECT: Conveyance of Village Property to the Buffalo Grove Park District

Outlot E in the Link Crossing Subdivision is in the process of being transferred to the Village from K. Hovnanian Homes (KHOV). Deeds have been sent to the Lake County Recorder and will be owned by the Village soon. As part of the Annexation Agreement with KHOV, this outlot is to be transferred to the Village from KHOV and then transferred from the Village to the Park District.

As we await receipt of the deed for Outlot E, the Engineering Department recommends approval of the enclosed ordinance conveying Outlot E in the Link Crossing Subdivision to the Buffalo Grove Park District and providing the Village Manager the authority to sign the deed when received.



VILLAGE OF BUFFALO GROVE

Fifty Raupp Blvd., Buffalo Grove, IL 60089-2100

REAL ESTATE TRANSFER TAX

Check One:

☐ DECLARATION

☒ EXEMPTION

Check One:

☐ ASSIGNMENT OF BENEFICIAL INTEREST OF LAND TRUST

☐ DEED

INSTRUCTIONS:

- 1) This form must be filled out completely, signed by at least one of the grantees (buyers), signed by at least one of the grantors (sellers), or their designated agent, and presented to the Finance Department of the Village of Buffalo Grove, 50 Raupp Boulevard, Buffalo Grove, Illinois, at the time of purchase of real estate transfer stamps as required by the Buffalo Grove Real Estate Transfer Tax Ordinance. The stamps must be affixed to the deed when recorded or affixed to the facsimile of the assignment of beneficial interest when recorded.
- 2) The full actual amount of consideration of the transaction is the amount upon which the tax is to be computed. Both the full actual consideration of the transaction and the amount of the tax stamps required must be stated on the declaration.
- 3) In cases involving an intermediary buyer, nominee or "straw man", one declaration form must be prepared for each deed that is to be recorded. (One of these transactions is usually exempt under Section 3.44.060.A.4 of the Ordinance.)
- 4) The Illinois Transfer Declaration should be provided at time of purchase; or if not, it must be provided within 10 days of closing.
- 5) For additional information, please call the Finance Department at (847) 459-2500, Monday, 8:00 A.M. to 7:30 P.M., Tuesday thru Friday, 8:00 A.M. to 4:30 P.M.. (The Village requests you arrive 30 minutes prior to the office closing, for Transfer Tax Transaction.)

Address of Property: 0 Hoffmann Dr., Vacant Outlot E#

Permanent Property Index No. 15-21-304-006-0000

Date of Deed: June 9

Type of Deed: Quit Claim Deed

Full Actual Consideration (Include Amount of mortgage and value of liabilities assumed) \$ 0

Amount of Tax (\$3.00 per \$1,000 or fraction thereof greater than \$500.00 of full actual consideration) \$ 0

NOTE: The Village of Buffalo Grove's Real Estate Transfer Tax Ordinance specifically exempts certain transactions from taxation. These exemptions are enumerated in Sections 3.44.060 and 3.44.070 of the Ordinance which is printed on the reverse side of this form. To claim one of these exemptions, complete the appropriate blanks below:

I hereby declare that this transaction is exempt from taxation under the Buffalo Grove Real Estate Transfer Tax Ordinance by paragraph(s) A. 1 of Section 3.44.060 of said Ordinance.

Details for exemptions claimed: (explain) property is being donated/transferred to Buffalo Grove Park District.

We hereby declare the full actual consideration and above facts contained in this declaration to be true and correct.
Grantor: (Seller) (Please Print)

CDCG 4 HOV 2 LP, DELAWARE LIMITED PARTNERSHIP

c/o 8585 E Hartford, Suite 118, Scottsdale, AZ

85255

Name: Steven S. Benson, Manager of CDCG Asset Management, LLC, the Authorized Agent of CDCG 4 HOV 2 LP

Zip Code

Signature: Steven S. Benson Date Signed: June 11, 2021

Grantee: (Buyer) (Please Print)

K HOVNANIAN AT LINK CROSSING, LLC

1804 N NAPER BLVD, SUITE 200, NAPERVILLE, IL

60563

Name: [Signature] Address

Zip Code

Signature: [Signature] Date Signed: 6/11/21

For Office Use Only

Approved By

Village of Buffalo Grove: _____

Date Signed: _____



VILLAGE OF BUFFALO GROVE

Fifty Raupp Blvd., Buffalo Grove, IL 60089-2100

REAL ESTATE TRANSFER TAX

Check One:

☐ DECLARATION

☒ EXEMPTION

Check One:

☐ ASSIGNMENT OF BENEFICIAL INTEREST OF LAND TRUST

☐ DEED

INSTRUCTIONS:

- 1) This form must be filled out completely, signed by at least one of the grantees (buyers), signed by at least one of the grantors (sellers), or their designated agent, and presented to the Finance Department of the Village of Buffalo Grove, 50 Raupp Boulevard, Buffalo Grove, Illinois, at the time of purchase of real estate transfer stamps as required by the Buffalo Grove Real Estate Transfer Tax Ordinance. The stamps must be affixed to the deed when recorded or affixed to the facsimile of the assignment of beneficial interest when recorded.
- 2) The full actual amount of consideration of the transaction is the amount upon which the tax is to be computed. Both the full actual consideration of the transaction and the amount of the tax stamps required must be stated on the declaration.
- 3) In cases involving an intermediary buyer, nominee or "straw man", one declaration form must be prepared for each deed that is to be recorded. (One of these transactions is usually exempt under Section 3.44.060.A.4 of the Ordinance.)
- 4) The Illinois Transfer Declaration should be provided at time of purchase; or if not, it must be provided within 10 days of closing.
- 5) For additional information, please call the Finance Department at (847) 459-2500, Monday, 8:00 A.M. to 7:30 P.M., Tuesday thru Friday, 8:00 A.M. to 4:30 P.M.. (The Village requests you arrive 30 minutes prior to the office closing, for Transfer Tax Transaction.)

Address of Property: 0 Hoffmann Dr., Vacant Outlot #

Permanent Property Index No. 15-21-304-006-0000

Date of Deed: July 1, 2021

Type of Deed: Special Warranty Deed

Full Actual Consideration (Include Amount of mortgage and value of liabilities assumed) \$ 0

Amount of Tax (\$3.00 per \$1,000 or fraction thereof greater than \$500.00 of full actual consideration) \$ 0

NOTE: The Village of Buffalo Grove's Real Estate Transfer Tax Ordinance specifically exempts certain transactions from taxation. These exemptions are enumerated in Sections 3.44.060 and 3.44.070 of the Ordinance which is printed on the reverse side of this form. To claim one of these exemptions, complete the appropriate blanks below:

I hereby declare that this transaction is exempt from taxation under the Buffalo Grove Real Estate Transfer Tax Ordinance by paragraph(s) A.1. of Section 3.44.060 of said Ordinance.

Details for exemptions claimed: (explain) property is being donated/transferred to Buffalo Grove Park District

We hereby declare the full actual consideration and above facts contained in this declaration to be true and correct.
Grantor: (Seller) (Please Print)

K HOVNANIAN AT LINK CROSSING, LLC

1804 N NAPER BLVD, SUITE 200, NAPERVILLE, IL

60563

Name
Signature: [Signature]

Address

Date Signed: 7/1/21 Zip Code

Grantee: (Buyer) (Please Print)

Village of Buffalo Grove

51 Raupp Blvd, Buffalo Grove, IL

60089

Name

Address

Zip Code

Signature: _____ Date Signed: _____

For Office Use Only

Approved By

Village of Buffalo Grove: _____

Date Signed: _____

PREPARED BY AND AFTER
RECORDING RETURN TO::

Rebecca J. Gardner
K. Hovnanian Homes
1804 N. Naper Blvd.
Suite 200
Naperville, IL 60563

RECORDER'S STAMP

QUIT CLAIM DEED

THE GRANTOR, CDCG 4 HOV 2 LP, a Delaware limited partnership, of 8585 E Hartford Drive, Suite 118, Scottsdale, AZ 85255, for and in consideration of TEN AND NO/100THS DOLLARS (\$10.00), in hand paid, quit claims to GRANTEE, K. HOVNANIAN AT LINK CROSSING, LLC, an Illinois limited liability company, of 1804 N. Naper Blvd., Suite 200, Naperville, IL 60563, all of Grantor's interest in the following described Real Estate situated in Lake County, in the Sale of Illinois, to wit:

OUTLOT E IN THE FINAL PLAT OF SUBDIVISION OF LINK CROSSING, BEING A SUBDIVISION OF PART OF THE SOUTHWEST $\frac{1}{4}$ OF SECTION 21, TOWNSHIP 43 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED JULY 25, 2019 PER DOCUMENT NUMBER 7579220 IN THE VILLAGE OF BUFFALO GROVE, LAKE COUNTY, ILLINOIS.

PERMANENT INDEX NUMBER: 15-21-304-006-0000

COMMONLY KNOWN AS: LINK CROSSING, OUTLOT #E, BUFFALO GROVE, IL 60089

SUBJECT TO: General real estate taxes not yet due or payable, building lines or other use or occupancy restrictions of record; easements for public utilities, drainage ditches, feeders and laterals.

Attachment: Quit Claim Deed.CDCG to KHOV (O-2021-54 : Conveyance of Property to the Park District (Link Crossing Outlot E))

EXECUTED this 11th day of June, 2021.

CDCG 4 HOV 2 LP,
A Delaware limited partnership

By: CDCG Asset Management, LLC
An Arizona limited liability company
Its Authorized Agent

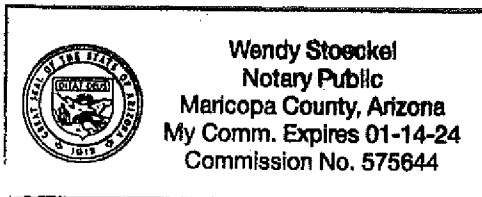
By: Steven S. Benson
Steven S. Benson, its Manager

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

The foregoing instrument was acknowledged before me this 11th day of June, 2021, by Steven S. Benson, the manager of CDCG Asset Management, LLC, an Arizona limited liability company, the Authorized Agent of CDCG 4 HOV 2 LP, a Delaware limited partnership, for and on behalf thereof.

Wendy Stoessel
Notary Public

(Seal)



Exempt under provisions of Paragraph b,
35 ILCS 200/31-45, Property Tax Code

6/11/21
Date

[Signature]
Buyer, Seller or Representative

SEND TAX BILLS TO:
K HOVNANIAN AT LINK CROSSING, LLC
1804 N NAPER BLVD, SUITE 200
NAPERVILLE, IL 60563

Attachment: Quit Claim Deed.CDCG to KHOV (O-2021-54 : Conveyance of Property to the Park District (Link Crossing Outlot E))

PREPARED BY:

Rebecca J. Gardner
 K. Hovnanian at Link
 Crossing, LLC
 1804 N. Naper Blvd, Suite 200
 Naperville, IL 60563

After recording return to:

Village of Buffalo Grove
 51 Raupp Blvd.
 Buffalo Grove, IL 60089

(space above for recording information)

SPECIAL WARRANTY DEED

K HOVNANIAN AT LINK CROSSING, LLC, an Illinois Limited Liability Company, created and existing under and by virtue of the laws of the State of Illinois ("**Grantor**"), for and in consideration of Ten and 00/100 DOLLARS (\$10.00), and other good and valuable consideration in hand paid, by these presents does GRANT, REMISE, RELEASE, ALIEN and CONVEY in fee simple to **Village of Buffalo Grove** ("**Grantee**") FOREVER that certain real estate situated in the County of Lake, State of Illinois and legally described on Exhibit "A" attached hereto and made a part hereof (the "**Property**");

TOGETHER WITH all improvements, easements, rights, liberties, privileges, hereditaments, remainders, rents, issues, profits and royalties therefrom in anywise belonging to Grantor;

SUBJECT TO: All general and special real property taxes and other assessments (including, without limitation, all subsequent assessments for prior years whether due to changes in the use or ownership, or both or otherwise), reservations in patents, water rights, claims or titles to water, any matters relating to any threatened or pending condemnation or eminent domain proceedings, any matter shown on any recorded plat of the Property, any matter arising in connection with any action of Grantee or its employees, contractors, agents, or representatives, any other matter whether or not of record not caused by the act or authorization of Grantor in violation of the Option Agreement pursuant to which this instrument is delivered, any matter that would be disclosed by a current inspection or a current accurate ALTA/NSPS survey of the Property, and all other easements, rights of way, encumbrances, liens, covenants, conditions, restrictions, obligations, liabilities and other matters as may appear of record.

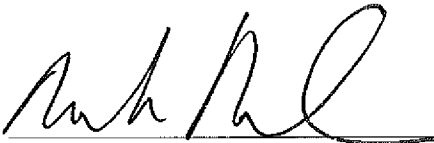
Grantor covenants to and with Grantee and its successors in title that it WILL WARRANT AND DEFEND the Property against all persons lawfully claiming by, through or under it, against all of the acts of Grantor and no others, and subject to the matters set forth herein.

[Signatures on Next Page]

IN WITNESS WHEREOF, said Grantor has caused its name to be signed to these presents on the day and year first above written.

GRANTOR:

K. HOVNANIAN AT LINK CROSSING, LLC
An Illinois Limited Liability Company

BY: 
 Mark Rubino, Division President

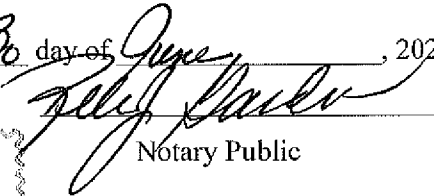
STATE OF ILLINOIS) SS.
 COUNTY OF DUPAGE)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Mark Rubino, Division President of said limited liability company who is personally known to me to be the same person whose name subscribed to the foregoing instrument appeared before me this day in person, and acknowledged that he signed, sealed and delivered the said instrument as his own free and voluntary act and as the free and voluntary act of said limited liability company, for the uses and purposes herein set forth.

Given under my hand and notarial seal, this 30 day of June, 2021.

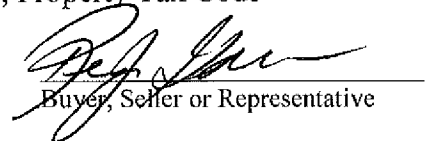


Commission expires


 Notary Public

Exempt under provisions of Paragraph b,
 35 ILCS 200/31-45, Property Tax Code

6-30-21
 Date


 Buyer, Seller or Representative

SEND TAX BILLS TO:
 Village of Buffalo Grove
 51 Raupp Blvd.
 Buffalo Grove, IL 60089

Attachment: Special Warranty Deed.KHOV to Buffalo Grove (O-2021-54 : Conveyance of Property to the Park District (Link Crossing Outlot E))

EXHIBIT A

OUTLOT E IN THE FINAL PLAT OF SUBDIVISION LINK CROSSING, BEING A
SUBDIVISION OF PART OF THE SOUTHWEST ¼ OF SECTION 21, TOWNSHIP 43
NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDIGN TO
THE PLAT THEREOF RECORDED JULY 25, 2019 PER DOCUMENT NUMBER 7579220
IN THE VILLAGE OF BUFFALO GROVE, LAKE COUNTY ILLINOIS

LINK CROSSING, OULOT #E
BUFFALO GROVE, IL 60089

PIN: 15-21-304-006-0000



CHICAGO TITLE
INSURANCE COMPANY

A Policy Issuing Agent of Chicago Title Insurance Company

ALTA Commitment - Schedule A

Issued by: Eastern National Title Agency Illinois, LLC
2 Industrial Way West
Eatontown, NJ 07724
Phone: 800-364-0668
Fax: 732-389-9023

SCHEDULE A

1. Commitment Date: **March 25, 2021**
2. Policy to be issued:
 - (a) 2006 ALTA® Owner's Policy
Proposed Insured:
Proposed Policy Amount:
3. The estate or interest in the Land described or referred to in this Commitment is
Fee Simple
4. The Title is, at the Commitment Date, vested in: **CDCG 4 Hov 2 LP, a Delaware limited partnership by deed filed for record July 24, 2019 and recorded in Document Number 7578676 of the Lake County Records.**
5. The Land is described as follows:

SEE ATTACHED EXHIBIT "A"

Eastern National Title Agency Illinois, LLC

By:

Authorized Signatory

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72C276B

ALTA Commitment for Title Insurance 8-1-16

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Attachment: Outlot E Title Commitment (O-2021-54 : Conveyance of Property to the Park District (Link Crossing Outlot E))

Exhibit A

Situated in the County of Lake, State of Illinois, to wit:

Outlot E in the Final Plat of Subdivision Link Crossing, being a subdivision of part of the Southwest ¼ of Section 21, Township 43 North, Range 11 East of the Third Principal Meridian, according to the plat thereof recorded July 25, 2019 per Document Number 7579220 in the Village of Buffalo Grove, Lake County Illinois.

The following is for informational purposes only:

Property Address:

**51 Raupp Blvd.
Buffalo Grove, IL, 60089**

Link Crossing, Lot # E Lake County, IL

Tax ID / Parcel No. 15-21-304-006

Attachment: Outlot E Title Commitment (O-2021-54 : Conveyance of Property to the Park District (Link Crossing Outlot E))



File No.: ILS1018

SCHEDULE B, PART I Requirements

All of the following Requirements must be met:

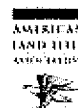
1. The Proposed Insured must notify the Company in writing of the name of any party not referred to in this Commitment who will obtain an interest in the Land or who will make a loan on the Land. The Company may then make additional Requirements or Exceptions.
2. Pay the agreed amount for the estate or interest to be insured.
3. Pay the premiums, fees, and charges for the Policy to the Company.
4. Documents satisfactory to the Company that convey the Title or create the Mortgage to be insured, or both, must be properly authorized, executed, delivered, and recorded in the Public Records.
5. Notice: Please be aware that due to the conflict between federal and state laws concerning the cultivation, distribution, manufacture or sale of marijuana, the Company is not able to close or insure any transaction involving Land that is associated with these activities.
6. The "Good Funds" section of the Title Insurance Act (215 ILCS 155/26) is effective January 1, 2010. This Act places limitations upon our ability to accept certain types of deposits into escrow. Please contact your local Title office regarding the application of this new law to your transaction.
7. Effective June 1, 2009, pursuant to Public Act 95-988, satisfactory evidence of identification must be presented for the notarization of any and all documents notarized by an Illinois notary public. Satisfactory identification documents are documents that are valid at the time of the notarial act; are issued by a state or federal government agency; bear the photographic image of the individual's face; and bear the individual's signature.
8. The Proposed Policy Amount(s) must be increased to the full value of the estate or interest being insured, and any additional premium must be paid at that time. An Owner's policy should reflect the purchase price or full value of the Land. A Loan Policy should reflect the loan amount or value of the property as collateral. Proposed Policy Amount(s) will be revised and premiums charged consistent therewith when the final amounts are approved.
9. Pay the agreed amount for the estate or interest to be insured.
10. Pay the premiums, fees, and charges for the Policy to the Company.

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72C276B

ALTA Commitment for Title Insurance 8-1-16

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File No.: ILS1018

11. Documents satisfactory to the Company that convey the Title or create the Mortgage to be insured, or both, must be properly authorized, executed, delivered, and recorded in the Public Records.
12. Notice: Please be aware that due to the conflict between federal and state laws concerning the cultivation, distribution, manufacture or sale of marijuana, the Company is not able to close or insure any transaction involving Land that is associated with these activities.
13. The "Good Funds" section of the Title Insurance Act (215 ILCS 155/26) is effective January 1, 2010. This Act places limitations upon our ability to accept certain types of deposits into escrow. Please contact your local Title office regarding the application of this new law to your transaction.
14. Effective June 1, 2009, pursuant to Public Act 95-988, satisfactory evidence of identification must be presented for the notarization of any and all documents notarized by an Illinois notary public. Satisfactory identification documents are documents that are valid at the time of the notarial act; are issued by a state or federal government agency; bear the photographic image of the individual's face; and bear the individual's signature.
15. The Proposed Policy Amount(s) must be increased to the full value of the estate or interest being insured, and any additional premium must be paid at that time. An Owner's policy should reflect the purchase price or full value of the Land. A Loan Policy should reflect the loan amount or value of the property as collateral. Proposed Policy Amount(s) will be revised and premiums charged consistent therewith when the final amounts are approved.
16. The search did not disclose any open mortgages or deeds of trust of record, therefore the Company reserves the right to require further evidence to confirm that the property is unencumbered, and further reserves the right to make additional requirements or add additional items or exceptions upon receipt of the requested evidence.
17. We should be furnished (a) certification from the Illinois Secretary of State that K. Hovnanian at Link Crossing LLC has properly filed its Articles of Organization, (b) a copy of the Articles of Organization, together with any amendments thereto, (c) a copy of the Operating Agreement, if any, together with any amendments thereto, (d) a list of incumbent managers or of incumbent members if managers have not been appointed, and (e) certification that no event of dissolution has occurred.

Note: In the event of a sale of all or substantially all of the assets of the LLC or of a sale of LLC assets to a member or manager, we should be furnished a copy of a resolution authorizing the transaction adopted by the members of said LLC

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ALTA Commitment for Title Insurance 8-1-16

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Attachment: Outlot E Title Commitment (O-2021-54 : Conveyance of Property to the Park District (Link Crossing Outlot E))



File No.: ILS1018

18. The partnership agreement establishing the partnership of CDCG 4 Hov 2 LP , together with all amendments thereto properly identified in writing by all partners as being the terms and provisions of the agreement under which the partnership acquired and holds title, should be produced for our examination, and this Commitment is subject to such additional exceptions as may be deemed necessary when this is completed.
19. Terms, powers, provisions and limitations of the partnership agreement under which title to the property is held.
20. Satisfactory evidence must be furnished from the secretary or other duly qualified officer of the Association showing that all assessments and fees, including special assessments or payments due to others, such as master associations, are paid in full through the date of closing.
21. Furnish evidence that all assessments which are due the owners' association and/or master association, if any, have been paid in full and are current.
22. For any special service areas and/or sanitary districts referenced below as a Schedule B Exception, a full payment letter must be presented in conjunction with any deed to be recorded.
23. Municipal Real Estate Transfer Tax Stamps (or proof of exemption) must accompany any conveyance and certain other transfers or property located in Buffalo Grove. Please contact said municipality prior to closing for its specific requirements, which may include the payment of fees, an inspection or other approvals.
24. 24 MONTH CHAIN OF TITLE:

TYPE OF INSTRUMENT: Warranty Deed

DATED: July 23, 2019

RECORDED: July 24, 2019

DOCUMENT NO.: 7578676

GRANTOR: K. Hovnanian at Link Crossing, LLC, an Illinois limited liability company

GRANTEE: CDCG 4 HOV 2 LP, a Delaware limited partnership

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72C276B

ALTA Commitment for Title Insurance 8-1-16

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Attachment: Outlot E Title Commitment (O-2021-54 : Conveyance of Property to the Park District (Link Crossing Outlot E))



CHICAGO TITLE
INSURANCE COMPANY

File No.: ILS1018

TYPE OF INSTRUMENT: Warranty Deed

DATED: March 26, 2019

RECORDED: April 1, 2019

DOCUMENT NO.: 7551944

GRANTOR: Herbert R. Didier, Jr., Bernadette M. Didier, Herbert R. Didier, III, Raymond J. Didier, LaRae D. Bane, Mary Lee Handel, Robert J. Handel, Melissa A. Bollinger, Julie M. Kelly, Megan E. Paddock, Robert M. Handel, M. Melode Steffenhagen, David A. Steffenhagen, Sr., David A. Steffenhagen, II, Emily A. Morrison, Kaitlin M. Steffenhagen, Amanda C. Steffenhagen, Kathleen M. Nielsen, Eric J. Nielsen, Amy R. Bellock, Scott A. Nielsen, Thomas V. Nielsen, Susan M. Brosio, David W. Brosio, Joseph D. Brosio, Valerie L. Brosio, Joan M. Krueger, Lindsay C. Krueger, Daniel P. Krueger, Jr., Alexander P. Krueger, Joan M. Krueger, as custodian for Austin R. Krueger under the Illinois Uniform Transfer to Minors Act, Joan M. Krueger, as custodian for Rachel L. Krueger under the Illinois Uniform Transfer to Minors Act, and Joan M. Krueger, as custodian for Andrew R. Krueger under the Illinois Uniform Transfer to Minors Act, as tenants in common
GRANTEE: K. Hovnanian at Link Crossing, LLC, an Illinois limited liability

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ALTA Commitment for Title Insurance 8-1-16

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Attachment: Outlot E Title Commitment (O-2021-54 : Conveyance of Property to the Park District (Link Crossing Outlot E))



CHICAGO TITLE
INSURANCE COMPANY

File No.: ILS1018

SCHEDULE B, PART II Exceptions

THIS COMMITMENT DOES NOT REPUBLISH ANY COVENANT, CONDITION, RESTRICTION, OR LIMITATION CONTAINED IN ANY DOCUMENT REFERRED TO IN THIS COMMITMENT TO THE EXTENT THAT THE SPECIFIC COVENANT, CONDITION, RESTRICTION, OR LIMITATION VIOLATES STATE OR FEDERAL LAW BASED ON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, GENDER IDENTITY, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN.

The Policy will not insure against loss or damage resulting from the terms and provisions of any lease or easement identified in Schedule A, and will include the following Exceptions unless cleared to the satisfaction of the Company:

1. ARights or claims of parties in possession not shown by the public records.
2. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the Land.
3. Easements, or claims of easements, not shown by the Public Records.
4. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the Public Records.
5. Taxes or special assessments which are not shown as existing liens by the Public Records.
6. We should be furnished a properly executed ALTA statement and, unless the land insured is a condominium unit, a survey if available. Matters disclosed by the above documentation will be shown specifically.
7. Any defect, lien, encumbrance, adverse claim, or other matter that appears for the first time in the Public Records or is created, attaches, or is disclosed between the Commitment Date and the date on which all of the Schedule B, Part I -Requirements are met.
8. **General taxes for the year(s) 2020 and subsequent years.**

Permanent Tax / Assessor Parcel Number(s) 15-21-304-006
1st installment of the 2020 taxes are not billed.
2nd installment of the 2020 taxes are not billed.
(Assessed value less than \$150.00)

NOTE: Taxes for the year(s) 2020, 2021 are not yet due and payable.

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72C276B

ALTA Commitment for Title Insurance 8-1-16

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Attachment: Outlot E Title Commitment (O-2021-54 : Conveyance of Property to the Park District (Link Crossing Outlot E))



File No.: ILS1018

9. Rights of Way for drainage tiles, ditches, feeders, laterals and underground pipes, if any.
10. Rights of adjoining and contiguous owners to have maintained the uninterrupted flow of the waters of any stream which may flow on or through the Land.
11. Terms, conditions and provisions contained in an Annexation Agreement attached to Ordinance 2018-004 recorded May 16, 2018 as Document Number 7483977 relating to the development of the land and fees and charges in connection therewith.

Assignment and Assumption of Annexation Agreement recorded July 24, 2019 as document 7578678 made by and between K. Hovnanian at Link Crossing, LLC and CDCG 5 HOV 2 LP.
12. Rights of Vernon Drainage District Number 2 in and to that part of the land taken or used for drainage purposes by proceedings had in the County Court of Lake County, Illinois as general number 5982 and shown on plat of said district recorded November 16, 1912 as document 144251 in book "I" of plats pages 52 to 55.
13. Permanent Easement recorded January 9, 2019 as document 7536400 in favor of Lake County Division of Transportation for the purpose of roadway construction and for other highway purposes on, over and through approximately the south 34.75 feet of the west 20 feet of the land.
14. Temporary Easement recorded January 9, 2019 as document 7536401 in favor of Lake County Division of Transportation for the purpose of roadway construction and other highway purposes, on, over and through that part of the land described as commencing at the northwest corner of the southwest corner of Section 21, township 43 North, Range 11 East of the Third Principal Meridian; thence south 00 degrees 00 minutes 04 seconds east along the west line of said southwest quarter 647.10 feet to the point of beginning; thence continuing south 00 degrees 00 minutes 04 seconds east along said last described line 475.91 feet; thence north 89 degrees 59 minutes 56 seconds east 7.00 feet; thence north 00 degrees 00 minutes 04 seconds west parallel with the west line of said southwest quarter 372.92 feet to a point of curve; thence northerly along a curve concave westerly having a radius of 761.00 feet and a chord bearing of north 03 degrees 53 minutes 24 seconds west 103.30 feet (103.22 feet chord measure) to the point of beginning.
15. Terms and Conditions of the Memorandum of Agreement relating to a Memorial Plaque recorded April 1, 2019 as Document No. 7551976.
16. Terms and provisions of an Option to Purchase the Land in favor of K. Hovnanian at Link Crossing, LLC, as contained in the Memorandum of Option Agreement recorded on July 24, 2019 as Document No. 7578677.

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72C276B

ALTA Commitment for Title Insurance 8-1-16

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Attachment: Outlot E Title Commitment (O-2021-54 : Conveyance of Property to the Park District (Link Crossing Outlot E))



File No.: ILS1018

17. Terms, conditions and provisions contained in a Development Improvement Agreement made by and between K. Hovnanian at Link Crossing, LLC and the Village of Buffalo Grove.

Assignment and Assumption of Development Improvement Agreement recorded July 24, 2019 as document 7578679.
18. Typical Setback Details as noted on the Final Plat of Subdivision Link Crossing, recorded July 25, 2019 as Document Number 7579220:
 1. All covered front porches shall be allowed to encroach up to 6' into required front yard setbacks.
 2. All ranch and ranch plus loft homes on single family home lots are permitted to have a 25 foot rear yard setback.
 3. The Cape Cod home as depicted in the Annexation Agreement approved by Ordinance Number 201B-00-4 and recorded as Document Number 7483977 is permitted to have a 25 foot rear yard setback except on Lots 23, 24, 59 and 60 where the standard 30 foot rear yard setback will apply.
19. Note: As contained on the Final Plat of Subdivision Link Crossing, recorded July 25, 2019 as Document Number 7579220:
 1. The legal description shown hereon is from commitment for title insurance issued by Chicago Title Insurance Company Commitment Number 15T773822NS with an effective date of January 11, 2016.
 2. Bearings based on NAD83 (2011) Illinois State Plane, East Zone.
 3. All dimensions are given in feet and decimal parts thereof.
 4. No dimensions shall be derived from scale measurement.
 5. Upon completion of construction, 5/8" rebar shall be placed at lot corner and critical points along the rights-of-way, unless noted otherwise.
 6. For additional information pertaining to definitions/uses of easements, setbacks and other matters, see Annexation Agreement recorded as Document 201800025771.
 7. A blanket easement is hereby granted over the entire subdivision except where buildings are to be built.

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Fidelity National Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; and Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

72C276B

ALTA Commitment for Title Insurance 8-1-16

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File No.: ILS1018

8. All lots and outlots are progressively numbered in accordance with the anticipation of the overall site development.
9. A public access easement is hereby granted over Outlots M, R, S, T and U.
10. A storm water management easement is hereby granted over Outlots J, K, L, V and W.
20. Utility easement provisions contained on the plat of subdivision recorded as Document Number 7579220 reserving and granting all easements within the areas shown by dashed lines and marked "easement" on said plat to the Village of Buffalo Grove and those public utility companies operating under franchise from said municipality including but not limited to the SBC Telephone Company, North Shore Gas Company, and Commonwealth Edison Company, and their successors and assigns.
21. Public Access Easement Provisions over Outlots M, R, S, T and U as indicated on the Plat of Subdivision recorded as Document Number 7579220.
22. Storm Water Management Easement Provisions to the Village of Buffalo Grove, its successors and assigns, as indicated on the Plat of Subdivision recorded as Document Number 7579220.
23. Emergency Access Easement Provisions to the Village of Buffalo Grove, and its successors and assigns, as indicated on the Plat of Subdivision recorded as Document Number 7579220.
24. Easement Provisions for Electrical and Communication Service to Commonwealth Edison Company and SBC Telephone Company, as indicated on the Plat of Subdivision recorded as Document Number 7579220.
18. North Shore Gas Company Easement Provisions to North Shore Gas Company, as indicated on the Plat of Subdivision recorded as Document Number 7579220.
25. Sidewalk Easement Provisions granted to Village of Buffalo Grove, its successors and assigns, as indicated on the Plat of Subdivision recorded as Document Number 7579220.
26. Easement Provisions for Electric Sounds and Signals and Communications Service granted to the Village of Buffalo Grove, as indicated on the Plat of Subdivision recorded as Document Number 7579220.
27. Easement Provisions for Water Supply and Distribution, Sewerage Storm Sewer and Drainage and Street Lighting to Village of Buffalo Grove, its successors and assigns, as indicated on Plat of Subdivision recorded as Document Number 7579220.

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ALTA Commitment for Title Insurance 8-1-16

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Attachment: Outlot E Title Commitment (O-2021-54 : Conveyance of Property to the Park District (Link Crossing Outlot E))



CHICAGO TITLE
INSURANCE COMPANY

File No.: ILS1018

28. Storm Sewer Easement Provisions to Lake County and Village of Buffalo Grove, its successors and assigns, as indicated on Plat of Subdivision recorded as Document Number 7579220.
29. Building line as shown on the plat of subdivision recorded as Document Number 7579220.
(Affects the South 30 feet of the land)
30. Any map/plat furnished is being done so as an aid in locating the herein described Land in relation to adjoining streets, natural boundaries and other land, and is not a survey of the land depicted. Except to the extent a policy of title insurance is expressly modified by endorsement, if any, the Company does not insure dimensions, distances, location of easements, acreage or other matters shown thereon.
31. NOTE: The policy to be issued contains an arbitration clause. Any matter in dispute between you and the Company may be subject to arbitration as an alternative to court action. Upon request, the company will provide a copy of this clause and the accompanying arbitration rules prior to the closing of the transaction. Any decision reached by arbitration shall be binding upon both you and the Company. The arbitration award may include attorney's fees, if allowed by state law, and may be entered as a judgment in any court of proper jurisdiction.
32. NOTE FOR INFORMATION: The coverage afforded by this form and any Policy issued pursuant hereto shall not commence prior to the date on which all charges properly billed by the Company have been fully paid.

Consequences arising from the inability to record the instruments vesting title in the insured, including but not limited to any requirements of the municipality for the issuance of municipal transfer tax stamps.

Defects, liens, encumbrances, adverse claims or other matters created, first appearing in the public records or attaching subsequent to the Effective Date of the above-referenced Title Insurance Commitment but prior to recording the deed, mortgage or other instruments under which the Proposed Insured acquires the estate or interest covered by the Title Insurance Commitment.

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72C276B

ALTA Commitment for Title Insurance 8-1-16

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CHICAGO TITLE
INSURANCE COMPANY

File No.: ILS1018

Note: Due to office closures related to Covid-19 we may be temporarily unable to record documents in the normal course of business. Accordingly, we require our standard form GAP Indemnity to be signed by all parties for defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the Public Records or attaching subsequent to the Commitment Date but prior to the date of recording of the instruments under which the Proposed Insured acquires the estate or interest or mortgage covered by this commitment.

End of Schedule B

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ALTA Commitment for Title Insurance 8-1-16

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Attachment: Outlot E Title Commitment (O-2021-54 : Conveyance of Property to the Park District (Link Crossing Outlot E))



Ordinance No. O-2021-55 : SCADA Support Services

Recommendation of Action

Staff recommends approval.

SUMMARY: Staff requests authorization to execute a 16 month agreement with Concentric Integration, for supervisory control and data acquisition maintenance services and software maintenance support in an amount not to exceed \$139,629.00, pending final review and approval of the agreement by the Village Attorney.

ATTACHMENTS:

- Memo - Support Serv 2021-2022 (DOCX)
- Concentric Ordinance 2021 (DOCX)
- Concentric Support Services Agreement (PDF)

Trustee Liaison
Smith

Staff Contact
Brett Robinson, Finance

Monday, August 16, 2021

VILLAGE OF
BUFFALO GROVE



DATE: August 2, 2021

TO: Dane Bragg, Village Manager

FROM: Brett Robinson, Administrative Services Director

RE: Concentric Integration

Recommendation

Staff requests authorization to execute an agreement with Concentric Integration, for supervisory control and data acquisition maintenance services and software maintenance support in an amount not to exceed \$139,629, pending final review and approval of the agreement by the Village Attorney.

Background

The Public Works Department is seeking to engage the services of Concentric Integration (Baxter & Woodman Control Systems Integrations) for the purposes of supporting and enhancing the supervisory control and data acquisition (SCADA) systems in use at the various lift stations and pump stations. The SCADA systems are used to automate, control and monitor the water pumping facilities as well as the sewerage lift stations. Concentric Integration have provided this service for the past several years and staff is satisfied with their performance. Staff will continue to monitor the performance of this consultant closely.

It should be noted that \$24,029 of the \$139,629 will be directed to software maintenance costs. These costs would need to be paid by the Village regardless of whether or not the Village engages the services of Baxter Woodman. While the over costs for this service are higher for this agreement than in previous years it is due to the term of this agreement being 16 months so as to align the next agreement for SCADA support services with the fiscal and calendar years.

As a reminder, both Engineering and Information Technology services are listed professional services in Section 2.08.40 of the Buffalo Grove Municipal Code.

Attachment: Memo - Support Serv 2021-2022 (O-2021-55 : Concentric Support Services)

ORDINANCE 2021- _____**A ORDINANCE AUTHORIZING EXECUTION OF AN AGREEMENT WITH CONCENTRIC INTEGRATION LLC., FOR
SUPPORT SERVICES**

WHEREAS, the Village of Buffalo is a home rule unit pursuant to the Illinois Constitution of 1970;
and

WHEREAS, Engineering and Information Technology services are listed professional services in
Section 2.08.40 of the Buffalo Grove Municipal Code.; and

WHEREAS, the Village Manager is authorized to execute agreements for professional services.

**NOW THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE
VILLAGE OF BUFFALO GROVE, COOK AND LAKE COUNTIES, ILLINOIS**, as follows:

SECTION 1. The foregoing recitals are hereby adopted and incorporated and made a part of this Ordinance
as if fully set forth herein.

SECTION 2. The Village Manager is authorized to execute a contract with Concentric Integration LLC,
pending review and approval by the Village Attorney at a price not to exceed \$139,629

SECTION 3. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the
invalidity thereof shall not affect any other provision of this Ordinance.

SECTION 4. This Ordinance shall be in full force and effect from and after its passage and approval and
not be codified.

AYES: _____

NAYES: _____

ABSENT: _____

PASSED: _____, 2021

APPROVED: _____, 2021

APPROVED:

Beverly Sussman, Village President

ATTEST:

Janet Sirabian, Village Clerk

Attachment: Concentric Ordinance 2021 (O-2021-55 : Concentric Support Services)



Support Services Agreement 2021-2022

Customer: Village of Buffalo Grove, IL

Concentric Job Number: 211101.00

Concentric Integration, LLC (Concentric) agrees to enter into a support agreement with the Customer to provide support services based on the "Services" indicated below and in agreement with the Terms & Conditions and Service Definitions.

Services & Fees

- Fixed Fee Services indicates a fixed scope as described in the attached Service Definitions. Since the scope is negotiated upfront, we are able to establish this price at the beginning of the contract.
- Time and Material (T&M) Services denotes a variable scope determined by the Customer. T&M Services are requested on a case-by-case basis and are approved by a responsible representative of the Customer. Monthly invoices will be sent for T&M Services as they are used. Labor will be billed on the basis of our standard hourly billing rates for actual work time performed plus reimbursement of out-of-pocket expenses including travel costs. Labor rates differ for Concentric staff members.
 - The hourly rate charged is the same for regular hours, after hours, emergency service, weekend, holiday, and overtime.
 - There is no minimum call-out charge during normal business hours. There is a 1.0 hour minimum charge for after-hours emergency support.
 - Mileage for travel is billed at the IRS approved amount as calculated from the employee's office location to site visited during normal business hours, or from deployment location to the site visited for urgent service.
 - Travel time is charged at the same hourly billing rate indicated on the rate sheet.
- Please see the attached Rate Sheet for our current hourly billing rates. Under this agreement, there is a fixed discount on labor of 5% off those standard billing rates. Please note that the rates listed on the attached rate sheet are our current rates and may increase during the term of the project.

Description	Included	Fee
Fixed Fee Services		\$48,059
Project Management	☒	
Proactive Maintenance	☒	
Technology & SCADA Budget Planning	☒	
Third-Party Support Renewals	☒	
Time and Material Services	☒	\$91,570
Total Fee		\$139,629

2021 Rate Sheet¹

Role	Rate	Description & Typical Duties
Principal	\$210	Provides oversight & direction. Responsible for contracts, scope, overall satisfaction.
Automation Engineer IV	\$180	Advanced controls, automation startups and project involvement. High level troubleshooting of technical issues.
Automation Engineer III	\$145	Performs and coordinates advanced design, programming, and field activities, including controls, automation startup assistance, project involvement, and high level troubleshooting of technical issues. Can be involved with client assessments and writing technical reports to set direction related to process automation and technology.
Automation Engineer II	\$130	Works as a team member to perform more advanced design, programming, and field activities (PLCs, OITs, controls, & related repairs) with direction from senior staff, typically on larger WTPs, WWTPs, and integrated systems.
Automation Engineer I	\$120	Provides panel/CAD design and programming tasks for small processes (lift stations, pump control, etc.). Provides panel/CAD design, as well as Instrumentation & Control design. Works as a team member to perform design, programming, and field activities with direction from senior staff.
IT Consultant IV	\$180	Lead industrial/automation information technology designer and responsible for commissioning, quality control, and project management. Works as a leader to coordinate work with consultants/analysts. Performs and coordinates advanced design of client networks/systems.
IT Consultant III	\$145	Performs server, network, and desktop architecture, design, management, and oversight. High level troubleshooting of network, security, and server technical issues. Works as a team leader to coordinate work with consultants/analysts. Performs and coordinates advanced design of client networks/systems.
IT Consultant II	\$125	Performs server, network, and desktop management and oversight and typical higher-level network administration duties. Can also be a project coordinator or manager.
IT Consultant I	\$110	Provides basic systems and network administration/support services. Performs PC Workstation/Server Administration services and tasks. Works as a team member for support of client systems and network administration.
Administrative Support	\$85	Coordinates purchasing and logistics/shipping for automation, controls, instrumentation, and related IT and security equipment. Prepares equipment specifications.

¹ Rates are subject to change on January 1 of each year.

Time Period and Payment

Start Date: August 1, 2021

End Date: December 31, 2022

Fixed Fee Services: Payment to be made in seventeen (17) equal payments of \$2,827 upon being invoiced on a monthly basis.

Time & Material Services: The fees for services that are not included in the Fixed Fee Services portion of this contract will be invoiced separately on a monthly basis, as they are incurred.

Standard Terms and Conditions References

Effective Date: The Effective Date of this Proposal and the associated Standard Terms and Conditions shall be the date this Proposal is accepted as shown by Customer's dated signature.

Third Party Materials (See Standard Terms and Conditions Paragraphs 3.2 & 8.3):

- ☒ DOES apply
☐ DOES NOT apply

Notices: Notices required to be provided to Customer in accordance with Paragraph 16.3 of the Standard Terms and Conditions shall be delivered to the individual and address given above, unless Customer provides updated notification information to Concentric in writing

Standard Terms and Conditions

Concentric Integration, LLC's Standard Terms and Conditions, Version 10 (V10), located at <http://goconcentric.com/standard-terms/> are hereby incorporated into this Project Proposal as though fully attached hereto. By signing below, each of the undersigned represents and warrants that Concentric Integration, LLC's Standard Terms & Conditions are legal, valid and binding obligations upon the parties for which they are the authorized representative.

Acceptance

If this agreement is acceptable, please sign one copy and return to us. Feel free to contact me if you have any questions.

Sincerely,

CONCENTRIC INTEGRATION, LLC



Michael D. Klein, PE
President
MDK

CUSTOMER:
VILLAGE OF BUFFALO GROVE, IL

ACCEPTED BY: _____

TITLE: _____

DATE: _____

Attachment: Concentric Support Services Agreement (O-2021-55 : Concentric Support Services)

Service Definitions

Fixed Fee Services

Project Management

Plan, schedule, and coordinate the activities that must be performed to complete the project and provide support services.

Proactive Maintenance

If included, all services described within this section will be provided by Concentric for the specified fee regardless of actual hours of work performed. Proactive Maintenance is provided for hardware that appears in the Hardware List included in this Agreement.

If included, Concentric will monitor certain aspects of the IT infrastructure, as well as perform periodic routine scheduled maintenance (detailed in the following table) in order to minimize unexpected system shutdowns by resolving issues before they reach a critical nature. Upon completion of the scheduled service, Concentric will provide written confirmation the service was completed.

Scheduled services will be provided during Standard Hours if service does not significantly impact network performance. Scheduled services that may significantly impact network performance, and are not urgently needed to maintain network security, will be scheduled during other hours as agreed upon by Concentric and the Customer. Standard Hours are considered Monday – Friday 7:30 am to 5:00 pm, excluding major holidays.

The following table details the Proactive services included under this Support Agreement, and at what frequency:

Proactive Maintenance	Minimum Service Frequency:					
	N/A	Twice Monthly	Monthly	Quarterly	Twice Annually	Annually
Firewall Maintenance: - Upgrade Firmware - Review Security Logs & Backup Configuration	☒	☐	☐	☐	☐	☐
Backup Review (Remote): - Upgrade Firmware & Check Free Space - Check and Back Up Configuration	☐	☐	☒	☐	☐	☐
Server Maintenance (Remote): - Review Windows System Logs - Review Windows Services - Apply Windows Updates - Check Drive Free Space - Verify & Update Anti-Virus Software - Verify Backups Functioning Properly - Back Up SCADA Applications, if Applicable - Check UPS Operation (remotely, if possible)	☐	☐	☒	☐	☐	☐
Server Infrastructure (Onsite): - Perform Updates for BIOS, Drivers, Firmware, etc. - Review Server Hardware Operation	☐	☐	☐	☐	☐	☒
Server Software (Onsite): Perform Backup and Anti-Virus Software Version Upgrades.	☐	☐	☐	☐	☐	☒
Workstation Maintenance: - Apply Windows Updates - Verify & Update Anti-Virus Software	☒	☐	☐	☐	☐	☐
PLC, OIT, & Control Panel Maintenance (Onsite): - Check functionality of Control Panel UPS - Back Up Programs - Check Status of Fuses, Circuit Breakers, & Surge Protectors - Check Control Panel Thermal Management - Check for Environmental Issues with Water, Moisture, Dirt, Dust, etc. - Check for published PLC vulnerabilities and recommend upgrade (to be implemented using T&M Services)	☐	☐	☐	☐	☒	☐
Radio Maintenance (Onsite): Check signal strength and back up configuration	☐	☐	☐	☐	☒	☐
SCADA Alarm Testing (Onsite): Manually test critical alarms (up to 50) from SCADA to ensure they continue to work properly	☐	☐	☐	☐	☐	☒
SCADA Patching: Apply security related updates and patches to SCADA software (excludes full version upgrades, which are handled under T&M Services)	☒	☐	☐	☐	☐	☐
Documentation (Remote): Verify & Update Network Diagram	☐	☐	☐	☐	☐	☒

Backup Review, Server Maintenance, Server Infrastructure, Server Software, Documentation –
IT Consultant I / James Narofsky

PLC, OIT, & Control Panel Maintenance, Radio Maintenance, SCADA Alarm Testing –
Automation Engineer II / Jacob Deitz

Attachment: Concentric Support Services Agreement (O-2021-55 : Concentric Support Services)

Technology & SCADA Budget Planning

Budgeting for SCADA and related technology items can be used to help prioritize and guide decisions and overall budget planning for capital improvements. Concentric believes that providing advanced notice (where possible) of recommended equipment, software, security, and communications improvements will provide a much more effective planning and implementation cycle. When this service is selected, our senior level design staff intentionally review the system architecture to determine the risk and benefit of both inaction or selected improvements. Our staff discusses the recommended improvements, phasing, and costs with you and then provides a letter and prioritized table of recommended improvements that summarize the costs of the recommended initiatives.

Budget Planning & Cost Preparation - Annual	Deliverable	Included?
Budget Planning & Cost Preparation (for following fiscal year)	Budgetary Memorandum	☒
Client: What month would you like to receive the budget letter?		

Third-Party Support Renewals

The supported system includes hardware and software that may have applicable support and extended warranty agreements that are provided by a third party, such as the manufacturer or vendor/supplier. Once the initial installation's support/warranty period has expired, it is recommended that these agreements are maintained and renewed on a regular basis. If listed in the Included Services & Fees section of this agreement, Concentric will provide the renewals listed in the Third-Party Support Renewal list on Page 10.

Third-Party Support Renewals - Annual	Deliverable	Included?
Renew Third-Party Support Contracts	Contracts from OEM/Supplier	☒

Time & Materials (T&M) Services

Break – Fix (Repairs)

Provide as-needed services. This service will be provided 24 hours a day, 7 days per week for the length of this agreement regardless of standard working hours. Concentric's daytime and after-hours phone number is 815-788-3600. Concentric staff typically answers the phone during standard business hours. A call center answers the phone after hours or when staff is not available to answer. Concentric will return any phone calls for urgent service within 30 minutes from when the phone call is placed, and dispatch a staff member within 60 minutes if a site visit is required.

Improvements

Occasionally, staff identify small changes to the system that can have large impacts on operational efficiency, safety, and quality. These improvements can be easily designed and built without use of Consulting & Design services.

Consulting & Design

Through consulting and design, a system can be effectively maintained, improved, and upgraded. This service will provide for retained smaller project design services as it relates to IT infrastructure, instrumentation & controls, and Supervisory Control and Data Acquisition (SCADA).

Hardware List

If Proactive Maintenance is included as part of this Support Services Agreement, Concentric will proactively support the following hardware:

Hardware Description	Location	Quantity
Server (including physical and virtual)	Public Works & Pump Stations	8
Programmable Logic Controllers (PLCs)	Public Works & Pump Stations	22
Operator Interface Terminals (OITs)	Public Works & Pump Stations	10

Third-Party Support Renewals

If Third-Party Support Renewals are included as part of this Support Services Agreement, renewals will be processed as listed in the table below:

Warranty	Included?	Coverage Period	Qty	Total
Carbonite 100GB Backup Support	☒	1/1/2022 – 12/31/2022	1	\$227
WonderWare Customer First Agreement	☒	1/16/2022 – 12/31/2022	1	\$16,857
TOP Server	☒	3/29/2021 – 12/31/2022	1	\$612
Specter WIN-911 Maintenance Support Program (S/N: W07161539001C0D)	☒	4/9/2021 – 12/31/2022	1	\$715
Rockwell TechConnect for Factory Talk Historian	☒	4/29/2021 – 12/31/2022	1	\$2,809
Windows 7 Extended Security Updates	☒	7/1/2021 – 7/1/2023	1	\$2,809
			TOTAL	\$24,029

Attachment: Concentric Support Services Agreement (O-2021-55 : Concentric Support Services)



STANDARD TERMS AND CONDITIONS v10

THESE STANDARD TERMS AND CONDITIONS APPLY TO ALL PRODUCTS AND SERVICES WHICH MAY BE PROVIDED BY CONCENTRIC INTEGRATION, LLC ("CONSULTANT"). A WRITTEN PROPOSAL, SUPPORT SERVICES AGREEMENT, WORK ORDER, OR OTHER DOCUMENT THAT REFERENCES THESE STANDARD TERMS AND CONDITIONS IS REFERRED TO AS A "SIGNED ACCEPTANCE DOCUMENT." BY EXECUTING ANY SIGNED ACCEPTANCE DOCUMENT, YOU AGREE TO BE BOUND BY THESE STANDARD TERMS AND CONDITIONS. THE SIGNED ACCEPTANCE DOCUMENT AND THESE STANDARD TERMS AND CONDITIONS COLLECTIVELY CONSTITUTE THE "AGREEMENT".

1. Definitions.

"**Affiliate**" of a Person means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. The term "control" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person through the ownership of voting securities, by contract or otherwise/ownership of more than fifty percent (50%) of the voting securities of a Person.

"**Business Day**" means a day other than a Saturday, Sunday, or other day on which federal banks are authorized or required by Law to be closed for business.

"**Core System**" means the information technology, system, and infrastructure, including computers, software, hardware, databases, electronic systems, and networks on or with which the System is intended to be built and operate, as set forth in the Signed Acceptance Document.

"**Customer**" means the customer as identified on the Signed Acceptance Document.

"**Customer Materials**" means the specific documents and materials, including specifications, software, hardware, systems, and technologies, that are provided or made available to Consultant or any of its Subcontractors by or on behalf of Customer in connection with this Agreement.

"**Deliverables**" means the System, including any and all Consultant Software, Consultant Hardware, Specifications, Documentation, Third-Party Materials, and other subject matter that Consultant (a) actually provides to Customer in connection with this Agreement or (b) is required to provide to Customer under this Agreement as identified in the Signed Acceptance Document.

"**Designated Site(s)**" means the Customer facility or facilities identified in the Signed Acceptance Document.

"**Documentation**" means any and all user manuals, operating manuals, and instructions, specifications, together with other documents and materials that may be specifically identified in the Signed Acceptance Document that Consultant provides or makes available to Customer in any medium and which describe the operation, use, support, or maintenance of the System.

"**Effective Date**" means the date on which Customer executes the Signed Acceptance Document.

"**Consultant Hardware**" means any computer or other equipment or device that is proprietary to Consultant and provided to Customer hereunder.

"**Consultant Materials**" means the Signed Acceptance Document, the Consultant Hardware, and all other Deliverables other than Third-Party Materials, and any and all information, code, custom developed applications, data, documents, drawings, materials, inventions, technologies, ideas, concepts, processes, methodologies, know-how, works, and other subject matter, including all software, hardware, systems, methods, processes, and devices, and all specifications, descriptions, requirements, plans, and reports, that Consultant or any of its Subcontractors conceives, discovers, designs, develops, reduces to practice, prepares, makes, modifies, improves or, other than Customer Materials and Third-Party Materials, uses, exclusively or nonexclusively in connection with the Services or this Agreement.

"**Consultant Personnel**" means all individuals involved in the performance of Services as employees or independent contractors of Consultant or any Subcontractor.



"Consultant Software" means any and all software (including any software interface or code) that is proprietary to Consultant and provided to Customer hereunder, whether (a) without modification, (b) modified by Consultant under this Agreement, or (c) developed by Consultant specifically for Customer.

"Intellectual Property Rights" means all or any of the following: (a) patents, patent disclosures, and inventions (whether patentable or not); (b) trademarks, service marks, trade dress, trade names, logos, corporate names, and domain names, together with all of the goodwill associated therewith; (c) copyrights and copyrightable works (including computer programs), mask works, and rights in data and databases; (d) trade secrets, know-how, and other confidential information; and (e) all other intellectual property rights, in each case whether registered or unregistered and including all applications for, and renewals or extensions of, such rights, and all similar or equivalent rights or forms of protection.

"Law" means any statute, law, ordinance, regulation, rule, code, order, constitution, treaty, common law, judgment, decree, or other requirement of any federal, state, local, or foreign government or political subdivision thereof, or any arbitrator, court, or tribunal of competent jurisdiction.

"Losses" means any and all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind, including reasonable attorneys' fees and other costs and fees incurred in enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers.

"Permitted Use" means use only by and for the benefit of Customer and solely for or in the ordinary course of Customer's internal business operations.

"Person" means an individual, corporation, partnership, joint venture, limited liability entity, governmental authority, unincorporated organization, trust, association, or other entity.

"Representatives" means, with respect to a party, that party's and its Affiliates' employees, officers, directors, consultants, agents, independent contractors, service providers, sublicensees, subcontractors, and legal advisors.

"Specifications" means the Scope of Services for the System as described in the Signed Acceptance Document.

"System" means the integrated information technology system to be designed, developed, and provided by Consultant to Customer pursuant to this Agreement.

"Third-Party Materials" means materials and information, in any form or medium, including any software (including open source software), applications, documents, data, content, specifications, products, hardware or equipment, technology, or components of or relating to the System, in any form or media in which any person or entity other than Consultant owns an interest.

2. Engagement of Consultant; General Service Obligations.

2.1 Engagement of Consultant. Customer hereby engages Consultant, and Consultant hereby accepts such engagement, to provide the Deliverables and perform the system integration and other professional services related thereto as further described in the Signed Acceptance Document (collectively, the **"Services"**) in accordance with the Agreement.

2.2 Project Management. Each party shall, throughout the Term of the Agreement, maintain within its organization a project manager to serve as such party's primary point of contact for day-to-day communications, consultation, and decision-making regarding the Services. Each such project manager shall be responsible for providing all day-to-day consents and approvals on behalf of such party under this Agreement. Each party shall ensure its project manager has the requisite organizational authority, skill, experience, and other qualifications to perform in such capacity. If either party's project manager ceases to be employed by such party or such party otherwise wishes to replace its project manager, such party shall promptly name a new project manager by written notice to the other party.

2.3 Changes. Either party may, at any time during the Term of the Agreement, request in writing changes to the Services. The parties shall evaluate and, if agreed, implement all such changes in accordance with a written change order ("Change Order"). In the event that such changes cause an increase in Consultant's fee or time required for performance of any Services, whether or not reflected in any Change Order, an equitable adjustment shall be made and this Agreement shall be modified in writing accordingly. Consultant, in its sole and absolute discretion, may withhold the provision or delivery of any Service or Deliverable for which additional compensation will be charged until its receipt of a Change Order and



written authorization from Customer. No changes will be effective unless and until memorialized in a written Change Order signed by both parties.

2.4 Subcontractors. Consultant may from time to time in its discretion engage third parties to perform the Services (each, a "**Subcontractor**").

3. Services.

3.1 Services Provided. Consultant will provide to Customer the Services described in the Signed Acceptance Document in accordance with the Agreement. Consultant will use commercially reasonable efforts to meet any performance dates specified in the Signed Acceptance Document, and any such dates are estimates only.

3.2 Third-Party Materials. The System may include or operate in conjunction with Third-Party Materials. If Third-Party Materials are included in or required for use with any of the Deliverables, Consultant will indicate this in the Signed Acceptance Document, or in a subsequent written notice given in accordance with Section 16.3 below, and provide a list of such Third-Party Materials upon request. All Third-Party Materials are provided pursuant to the terms and conditions of the applicable third-party license agreement. Customer shall comply with all such third-party license agreements for which Consultant provides a copy or link, as well as any applicable third-party license agreements which are posted in the "3rd Party Terms" document at www.goconcentric.com/standard-terms.

4. Customer Obligations.

4.1 Customer Resources and Cooperation. Customer shall timely provide such cooperation and assistance as Consultant reasonably requests to enable Consultant to perform the Services in accordance with the Signed Acceptance Document, including any applicable performance dates set forth therein. Without limitation of the foregoing, Customer shall timely:

- (a) perform all obligations identified as customer responsibilities in the Signed Acceptance Document;
- (b) provide the Customer Materials and all such other resources as may be specified in the Signed Acceptance Document;
- (c) provide Consultant Personnel with safe access to Customer's premises, the Core System and suitably qualified personnel;
- (d) ensure the Core System is set up and in working order to allow Consultant to perform the Services and deliver and, where applicable, install each Deliverable in accordance with the Signed Acceptance Document;
- (e) participate through suitably qualified and authorized Customer personnel in such meetings as may be scheduled by either party on at least ten (10) days' prior notice; and
- (f) provide all consents, approvals, notices and other communications as required under this Agreement and, where applicable, as specified in the Signed Acceptance Document.

4.2 Effect of Customer Failure or Delay. Consultant is not responsible or liable for any late delivery or delay or failure of performance caused in whole or in part by Customer's delay in performing, or failure to perform, any of its obligations under this Agreement. In the event of any such delay or failure, Consultant may, in its sole discretion and by written notice to Customer, extend all such performance dates as Consultant deems reasonably necessary and, where applicable, amend the Signed Acceptance Document to reflect such extensions. The foregoing is in addition to, and not in lieu of, all other remedies Consultant may have for any such failure or delay by Customer.

4.3 Non-Solicitation. During the Term of the Agreement and for one (1) year after, Customer shall not, and shall not assist any other Person to, directly or indirectly, recruit or solicit for employment (or engagement as an independent contractor) any Person then or within the prior twelve (12) months employed by Consultant. In the event of a violation of this Section 4.3, Consultant will be entitled to liquidated damages equal to the compensation paid by Consultant to the applicable employee during the prior twelve (12) months.

5. Delivery; Testing and Acceptance.



5.1 Delivery. Consultant will deliver or cause to be delivered or made available to Customer each Deliverable in accordance with the Signed Acceptance Document. Except as otherwise expressly set forth in the Signed Acceptance Document, Consultant will deliver Consultant Software in binary code (object code) only. Customer acknowledges and agrees that Customer has no right or license under this Agreement to receive the source code for any Consultant Software.

5.2 Review and Acceptance. Acceptance of the Deliverables or System will be conducted as follows:

(a) Following delivery of any Deliverables provided for in a Signed Acceptance Document (including where applicable installation of the System), Customer will have fourteen (14) calendar days (the "**Review Period**") to thoroughly inspect and review the Deliverables and/or System and confirm that the Services have been completed in accordance with the Signed Acceptance Document (the "**Project Acceptance Review**"). Consultant has the right to observe or participate in all or any part of the Project Acceptance Review.

(b) Promptly upon the completion of the Project Acceptance Review, Customer shall notify Consultant in writing of its acceptance or, solely if the Project Acceptance Review identifies any material failure of the Deliverables or System to conform to the Specifications or perform in accordance with the Documentation (each, a "**Nonconformity**"), rejection of the Deliverables or System. Customer shall not unreasonably withhold its acceptance and shall include in any rejection notice a reasonably detailed description of the Project Acceptance Review conducted, the results thereof and each identified Nonconformity. The Deliverables or System will be deemed accepted by Customer upon the expiration of the Review Period if Customer has not delivered a notice accepting or rejecting the Deliverables or System prior to such expiration.

(c) Subject to Section 5.2(d), following receipt of a rejection notice, Consultant shall use commercially reasonable efforts to remedy the Nonconformities reported by Customer. Customer shall, at no charge to Consultant, provide all such cooperation and assistance as Consultant may reasonably request to assist Consultant's efforts to remedy Nonconformities. Upon Consultant's notice of its correction of the reported Nonconformities, Customer shall have an additional Review Period to conduct Project Acceptance Reviews to determine whether such Nonconformities have been remedied.

(d) The parties shall repeat the process set forth in Section 5.2(a) through Section 5.2(b) until Customer has accepted the Deliverables or System as set forth in Section 5.2(b), provided, however, if Customer issues more than three (3) rejection notices: (i) Customer may accept the Deliverables or System as nonconforming, in which case the parties agree to mutually negotiate any appropriate reduction in Fees to reflect the impact of the Nonconformities; or (ii) if Customer does not accept the System as nonconforming, either party may terminate this Agreement in accordance with Section 11.2(c) below.

(e) Consultant has the right to dispute, in good faith, Customer's rejection or qualified acceptance of the Deliverables or System by providing written notice to Customer of such dispute within fourteen (14) calendar days after Consultant's receipt of Customer's written notice of such rejection or qualified acceptance, as applicable. Consultant shall specify in the notice of dispute the basis of the dispute in sufficient detail to facilitate investigation by Customer and resolution by the parties. The parties shall first attempt in good faith to promptly resolve the dispute by negotiation and consultation between themselves. If the dispute is not resolved on an informal basis within ten (10) calendar days after Consultant's notice thereof, the parties shall seek to resolve the dispute pursuant to Section 11.5. Pending the resolution of such dispute, Consultant will have no obligation to correct any alleged Nonconformity or repair or replace any Deliverables.

This Section 5.2 sets forth Consultant's sole obligations and Customer's exclusive remedies for any failure of the Deliverables or System to conform to the Specifications or perform in accordance with the Documentation.

6. Maintenance and Support. During the Warranty Period, Consultant will provide to Customer System maintenance and support services as part of the Services and without additional charge.

7. Fees; Payment Terms.

7.1 Fees. Customer shall pay to Consultant the fees set forth in the Specification and Signed Acceptance Document ("**Fees**").

7.2 Time and Materials. Where the Services are provided on a time and materials basis:

(a) the Fees payable for the Services shall be calculated in accordance with Consultant's hourly fee rates for the Consultant Personnel set forth in the Specification and Signed Acceptance Document; and

(b) Consultant will issue invoices to Customer monthly in arrears for its Fees for time for the immediately preceding month, calculated as provided in this Section 7.2, together with a breakdown of any Reimbursable Expenses incurred during that period.

7.3 Fixed Price. Where Services are provided for a fixed price, the total Fees for the Services shall be the amount set out in the Specification and Signed Acceptance Document. The total Fees shall be paid to Consultant in installments as set out in the Specification and Signed Acceptance Document together with Customer's payment of any Reimbursable Expenses incurred by Consultant during the installment period. At the end of a period for which an installment is due under the Specification and Signed Acceptance Document, Consultant will issue invoices to Customer for the Fees and Reimbursable Expenses that are then payable for that period.

7.4 Reimbursable Expenses. Customer shall reimburse Consultant for all travel and out-of-pocket expenses incurred by Consultant in connection with performing the Services ("**Reimbursable Expenses**").

7.5 Fee Increases. The parties agree that for Services provided on a time and materials basis, Consultant may increase its standard fee rates specified in the Specification and Signed Acceptance Document upon ninety (90) days prior written notice to Customer.

7.6 Payment Terms. Customer shall pay all Fees and Reimbursable Expenses on or prior to the due date therefor set forth in the Specification and Signed Acceptance Document or, where the Specification and Signed Acceptance Document does not specify such date, within thirty (30) days after the date of Consultant's invoice therefor. Customer shall make payments to the address or account specified in the Specification and Signed Acceptance Document or such other address or account as is specified by Consultant in writing from time to time.

7.7 Late Payment. If Customer fails to make any payment when due then, in addition to all other remedies that may be available:

(a) Consultant may charge interest on the past due amount at the rate of 1.5% per month calculated daily and compounded monthly or, if lower, the highest rate permitted under applicable Law;

(b) Customer shall reimburse Consultant for all costs incurred by Consultant in collecting any late payments or interest, including attorneys' fees, court costs and collection agency fees; and

(c) if such failure continues for ten (10) calendar days following written notice thereof, Consultant may suspend performance of the Services until all past due amounts and interest thereon have been paid, without incurring any obligation or liability to Customer or any other Person by reason of such suspension. When such default is cured by Customer, the amount to be paid for the scope of work will be equitably increased to account for Consultant's damages arising from such suspension (including without limitation demobilization and remobilization expenses and increased costs of performance) and the time for Consultant to complete the scope of work will be equitably extended to account for such suspension.

7.8 Taxes. All Fees and other amounts payable by Customer under this Agreement are exclusive of taxes and similar assessments. Customer is responsible for all sales, use and excise taxes, and any other similar taxes, duties and charges of any kind imposed by any federal, state or local governmental or regulatory authority on any amounts payable by Customer hereunder, other than any taxes imposed on Consultant's income.

7.9 No Deduction or Setoff. Customer shall pay all amounts due under this Agreement without setoff, deduction, recoupment or withholding of any kind for amounts owed or payable by Consultant whether under this Agreement, applicable Law or otherwise and whether relating to Consultant's breach, bankruptcy or otherwise.

7.10 Prompt Payment Laws. In the event of a conflict between the provisions of this Section 7 and any applicable "prompt payment" laws or regulations within the State of Illinois, including without limitation the Local Government Prompt Payment Act, 50 ILCA 505/1 and the Contractor Prompt Payment Act, 815 ILCS 603/1 (collectively the "Illinois Prompt

Payment Laws”), the provisions of the Prompt Payment Laws shall control. Consultant shall have all remedies that may be available at law, in equity, or otherwise with respect to Customer’s payment obligations hereunder and pursuant to the Illinois Prompt Payment Laws.

8. Intellectual Property Rights. The following provisions shall govern all Intellectual Property Rights which may arise in the course of performing this Agreement.

8.1 Consultant Materials. All right, title, and interest in and to (a) the Consultant Materials and (b) all works, inventions and other subject matter incorporating, based on or derived from any Consultant Materials, including all customizations, enhancements, improvements and other modifications thereof (collectively, “**Derivatives**”), in each case (subclause (a) and subclause (b)) by whomsoever made and including all Intellectual Property Rights therein, are and will remain, as appropriate, with Consultant. Customer has no right or license with respect to any Consultant Materials or Derivatives except as expressly licensed under Section 9.1, in each case subject to Section 9.2. Consultant expressly reserves all other rights in and to the Consultant Materials and Derivatives. If Customer permits any third party to access or modify the Consultant Materials, Customer must do so pursuant to a written agreement that: (i) prohibits such third party from using, disclosing or distributing the Consultant Materials for any purpose other than as reasonably necessary to facilitate Customer’s internal use of the Deliverables provided hereunder; and (ii) prohibits such third party from removing, obscuring or altering any legal notices or copyright management information included in or upon the Consultant Materials; and (iii) states that such third party shall not disassemble, decompile or “unlock”, decode or otherwise reverse translate or engineer, or attempt in any manner to reconstruct or discover any source code or underlying algorithms of the Consultant Materials. Customer acknowledges that permitting a third party to modify the Consultant Materials shall void the warranty set forth in Section 12 below.

8.2 Customer Materials. As between the parties, Customer is and will remain the sole and exclusive owner of all right, title, and interest in and to the Customer Materials, including all Intellectual Property Rights therein, subject only to the license granted under Section 9.3. Customer expressly reserve all other rights in and to the Customer Materials.

8.3 Third-Party Materials. All right, title, and interest in and to the Third-Party Materials, including all Intellectual Property Rights therein, are and will remain with their respective third-party rights holders subject to the terms and conditions of the applicable third-party license agreements. Customer has no right or license with respect to any Third-Party Materials except as expressly licensed under such third-party license agreements.

(a) Reseller Products. In some cases, Consultant or its affiliated entities will act as a reseller of Third-Party Materials, which are referred to as “Reseller Products” for convenience. Customer acknowledges that Consultant may receive compensation in the form of a commission or profit share in connection with Reseller Products. All Reseller Products are warranted solely by the original manufacturer’s warranty. Customer will be deemed to contract directly with the licensor or seller of any Reseller Products, and will be directly responsible for complying with any license, end user license agreement, or other terms and conditions associated with Reseller Products.

(b) Licensed Embedded Products. “Licensed Embedded Products” means any software component that is provided by Consultant from a licensed development platform utilized by Consultant. Regarding all Licensed Embedded Products, Customer will be deemed an authorized end user, and Consultant grants Customer a royalty-free, fully paid-up, non-exclusive right and license to use and execute the Licensed Embedded Products as part of the Consultant Materials and Deliverables provided hereunder or in the future. With respect to all Licensed Embedded Products, Customer agrees: (i) Customer is prohibited from distribution of the Licensed Embedded Products; (ii) all Licensed Embedded Products are warranted solely by the original manufacturer’s warranty; (iii) any and all liability of Licensed Embedded Product licensors and suppliers shall be limited to the maximum extent permitted by applicable law; and (iv) Customer may not attempt to disassemble, decompile or “unlock”, decode or otherwise reverse translate or engineer, or attempt in any manner to reconstruct or discover any source code or underlying algorithms of the Licensed Embedded Products. Customer agrees to review and comply with any other terms and conditions associated with Licensed Embedded Products which are posted from time to time in the “3rd Party Terms” document at www.goconcentric.com/standard-terms.

(c) Open Source Products. “Open Source Products” means any software component that is subject to any open-source copyright license agreement, including any GNU General Public License or GNU Library or Lesser Public License,

or other license agreement that substantially conforms to the Open Source Definition as prescribed by the Open Source Initiative or otherwise may require disclosure or licensing to any third party of any source code with which such software component is used or compiled. Consultant will identify any Open Source Products which are incorporated into the Consultant Materials and post or link to the applicable license agreement associated with any such Open Source Products on its website. Customer acknowledges that it has access to such information and a duty to read and comply with the applicable license agreements.

(d) **No Third-Party Materials Representations or Warranties.** Customer's remedies with respect to all Third-Party Materials will be limited to whatever recourse may be available against the applicable licensor thereof. Without limiting the generality of the foregoing, wherever Consultant may agree to provide configuration, installation, or deployment services relating to any Third-Party Materials, any warranties of Consultant relate to and are applicable to Consultant's Services only, not to Third-Party Materials. CONSULTANT MAKES NO REPRESENTATIONS, EXPRESS, IMPLIED OR OTHERWISE, REGARDING ANY THIRD-PARTY MATERIALS. CUSTOMER EXPRESSLY ACKNOWLEDGES AND AGREES THAT ITS USE OF THIRD-PARTY MATERIALS IS AT CUSTOMER'S SOLE RISK AND THAT THIRD-PARTY MATERIALS ARE RECOMMENDED BY CONSULTANT "AS IS" AND WITHOUT WARRANTY OF ANY KIND FROM CONSULTANT INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT.

9. Licenses.

9.1 Consultant License. Subject to and conditioned upon Customer's payment of the Fees and compliance with Section 9.2 and all other applicable provisions of this Agreement, Consultant hereby grants to Customer a fully paid-up and royalty-free, non-transferable, non-sublicensable license exercisable in perpetuity, solely: (a) to install, operate, and use the System (including Consultant Software in object code only) for the Permitted Use in the Core System at the Designated Site(s) in accordance with the Documentation; and (b) to use the Documentation and other Deliverables in connection therewith.

9.2 Consultant License Restrictions. Customer shall not, and shall not permit any other Person to, access or use any Consultant Materials except as expressly permitted by this Agreement. For purposes of clarity and without limiting the generality of the foregoing, with respect to all Consultant Materials, Customer shall not, except as this Agreement expressly permits:

- (a) copy, modify or create derivative works or improvements of the Consultant Materials;
- (b) rent, lease, lend, sell, sublicense, assign, distribute, publish, transfer or otherwise make available the Consultant Materials to any other Person, including through or in connection with any time-sharing, service bureau, software as a service, cloud or other technology or service;
- (c) reverse engineer, disassemble, decompile, decode or otherwise attempt to derive or gain access to the source code of the Consultant Materials or any part thereof;
- (d) remove, delete, alter or obscure any trademarks or any copyright, trademark, patent or other intellectual property or proprietary rights notices from any Consultant Materials, including any copy thereof;
- (e) use any Consultant Materials in a manner or for any purpose that infringes, misappropriates, or otherwise violates any Law or Intellectual Property Right;
- (f) use the Consultant Materials for purposes of competitive analysis of the System, the development of a competing system, product or service, or any other purpose that is to Consultant's commercial disadvantage;
- (g) use any Consultant Materials in, or in association with, the design, construction, maintenance or operation of any hazardous environments, systems, or applications; or,
- (h) otherwise use the Consultant Materials beyond the scope of the license granted under Section 9.1.

9.3 Customer Materials License. Customer hereby grants to Consultant a fully paid-up and royalty-free, non-exclusive right and license to use, reproduce, perform, display, distribute, modify, and create derivative works and improvements of the Customer Materials to perform the Services or to further develop and improve the Consultant Materials



as necessary or desirable to perform the Services. This license commences upon Customer's first delivery of Customer Materials to Consultant and is irrevocable and perpetual.

10. Confidentiality.

10.1 Confidential Information. In connection with this Agreement, each party (as the "**Disclosing Party**") may disclose or make available Confidential Information to the other party (as the "**Receiving Party**"). Subject to Section 10.2, "**Confidential Information**" means information in any form or medium (whether oral, written, electronic, or other) that the Disclosing Party considers confidential or proprietary, including information consisting of or relating to the Disclosing Party's technology, trade secrets, know-how, business operations, plans, strategies, customers, and pricing, and information with respect to which the Disclosing Party has contractual or other confidentiality obligations, whether or not marked, designated or otherwise identified as "confidential". Without limiting the foregoing, the Consultant Materials are the Confidential Information of Consultant.

10.2 Exclusions. Confidential Information does not include information that: (a) was rightfully known to the Receiving Party without restriction on use or disclosure prior to such information's being disclosed or made available to the Receiving Party in connection with this Agreement; (b) was or becomes generally known by the public other than by the Receiving Party's or any of its Representatives' noncompliance with this Agreement; (c) was or is received by the Receiving Party on a non-confidential basis from a third party that was not or is not, at the time of such receipt, under any obligation to maintain its confidentiality; or (d) the Receiving Party can demonstrate by written or other documentary records was or is independently developed by the Receiving Party without reference to or use of any Confidential Information.

10.3 Protection of Confidential Information. As a condition to being provided with any disclosure of or access to Confidential Information, the Receiving Party shall:

(a) not access or use Confidential Information other than as necessary to exercise its rights or perform its obligations under and in accordance with this Agreement;

(b) except as may be permitted by and subject to its compliance with Section 10.4, not disclose or permit access to Confidential Information other than to its Representatives who: (i) need to know such Confidential Information for purposes of the Receiving Party's exercise of its rights or performance of its obligations under and in accordance with this Agreement; (ii) have been informed of the confidential nature of the Confidential Information and the Receiving Party's obligations under this Section 10.3; and (iii) are bound by written confidentiality and restricted use obligations at least as protective of the Confidential Information as set forth in this Section 10.3.

(c) safeguard the Confidential Information from unauthorized use, access or disclosure using at least the degree of care it uses to protect its most sensitive information and in no event less than a reasonable degree of care; and

(d) ensure its Representatives' compliance, and be responsible and liable for any of its Representatives' noncompliance, with this Section 10.

10.4 Compelled Disclosures. If the Receiving Party or any of its Representatives is compelled by applicable Law to disclose any Confidential Information then, to the extent permitted by applicable Law, the Receiving Party shall: (a) promptly, and prior to such disclosure, notify the Disclosing Party in writing of such requirement so that the Disclosing Party can seek a protective order or other remedy, or waive its rights under Section 10.3; and (b) provide reasonable assistance to the Disclosing Party in opposing such disclosure or seeking a protective order or other limitations on disclosure. If the Disclosing Party waives compliance or, after providing the notice and assistance required under this Section 10.4, the Receiving Party remains required by Law to disclose any Confidential Information, the Receiving Party shall disclose only that portion of the Confidential Information that the Receiving Party is legally required to disclose.

11. Term and Termination.

11.1 Term. The term of this Agreement commences as of the Effective Date and, unless terminated earlier pursuant to any of the Agreement's express provisions, will continue in effect until the parties have performed their obligations under the Signed Acceptance Document ("**Term**").

11.2 Termination. In addition to any other express termination right set forth elsewhere in this Agreement:

(a) Consultant may terminate this Agreement, effective on written notice to Customer, if: (i) Customer fails to pay any amount when due hereunder, and such failure continues more than ten (10) calendar days after Consultant's delivery of written notice thereof; (ii) there have been three (3) or more such payment failures in the preceding twelve (12) month period, regardless of whether any such failures were timely cured; or (iii) Customer breaches any of its obligations under Section 9.2 (License Restrictions) or Section 10 (Confidentiality).

(b) Either party may terminate this Agreement effective on written notice to the other party if the other party materially breaches this Agreement through no fault of the terminating party, and such breach: (i) is incapable of cure; or (ii) being capable of cure, remains uncured thirty (30) calendar days after the non-breaching party provides the breaching party with written notice of such breach.

(c) If the System cannot be installed and made fully operational, and either party reasonably determines that the System cannot be made to function properly, such party may terminate this Agreement upon written notice to the other party. In the event of such termination, all Fees accrued through the date of termination shall be due upon such termination.

(d) Either party may terminate this Agreement, effective immediately, if the other party: (i) is dissolved or liquidated or takes any corporate action for such purpose; (ii) becomes insolvent or is generally unable to pay, or fails to pay, its debts as they become due; (iii) files or has filed against it a petition for voluntary or involuntary bankruptcy or otherwise becomes subject, voluntarily or involuntarily, to any proceeding under any domestic or foreign bankruptcy or insolvency Law; (iv) makes or seeks to make a general assignment for the benefit of its creditors; or (v) applies for or has appointed a receiver, trustee, custodian, or similar agent appointed by order of any court of competent jurisdiction to take charge of or sell any material portion of its property or business.

11.3 Effect of Termination Pursuant to Section 11.2. Upon any expiration or termination of this Agreement:

(a) Consultant shall immediately cease all use of and within five (5) days deliver to Customer, or, if return is impractical, shall destroy, all documents and tangible materials containing, reflecting, incorporating or based on the Customer Materials or Customer's Confidential Information; provided, however, that Consultant may retain one archival copy of the Customer Materials and Customer's Confidential Information to the extent Consultant requires or will require such Customer Materials or Confidential Information to meet its internal recordkeeping requirements or perform any of its obligations or exercise any of its rights or licenses under any surviving provisions of this Agreement.

(b) Customer shall (i) immediately cease all use of and within five (5) days deliver to Consultant, or at Consultant's written request destroy, all documents and tangible materials containing, reflecting, incorporating, or based on the Consultant Materials or Consultant's other Confidential Information; and (ii) permanently erase the Consultant Materials and Consultant's other Confidential Information from its computer systems, except, in each case, to the extent that Customer requires or will require such Consultant Materials or Consultant's Confidential Information to perform any of its obligations or exercise any of its rights or licenses under any surviving provisions of this Agreement.

(c) If Customer terminates this Agreement pursuant to Sections 11.2(b) or (c), Customer will be relieved of any obligation to pay any Fees hereunder for Services and Deliverables that Consultant has not provided as of the effective date of termination and Consultant will refund to Customer Fees paid in advance for such Services and Deliverables.

(d) If Consultant terminates this Agreement pursuant to Sections 11.2(a), (b), or (c), Customer shall pay all previously-accrued but not yet paid Fees and Reimbursable Expenses through the effective date of termination, on receipt of Consultant's invoice therefor.

(e) If Consultant terminates this Agreement, all licenses granted to Customer under this Agreement will also automatically and immediately terminate on the effective date of such termination.

(f) Customer shall certify to Consultant in a notarized written instrument signed by Customer's duly authorized executive officer that it has complied with the requirements of this Section 11.3.

11.4 Surviving Provisions. The provisions set forth in the following Sections, and any other right or obligation of the parties in this Agreement that, by its nature, should survive termination or expiration of this Agreement, will survive any



expiration or termination of this Agreement: Section 8, Section 9.1, Section 9.2, Section 9.3, Section 10, Section 11.3, this Section 11.4, Section 12, Section 13, Section 14, Section 15, and Section 16.

11.5 Dispute Resolution. Any dispute arising out of or relating to this Agreement, including the alleged breach, termination, validity, interpretation and performance thereof ("Dispute") shall be resolved with the following procedures:

(a) Negotiation. Upon written notice of any Dispute, the parties shall attempt to resolve it promptly by negotiation between executives who have authority to settle the Dispute and this process should be completed within thirty (30) calendar days (the "Negotiation").

(b) Mediation. If the dispute has not been resolved by negotiation in accordance with Section 11.5(a), then the parties shall proceed to mediation unless the parties at the time of the dispute agree to a different timeframe. A "Notice of Mediation" shall be served, signifying that the Negotiation was not successful and to commence the mediation process. The parties shall agree on a mediator; however, if they cannot agree within fourteen (14) calendar days then Customer and Consultant shall each select a mediator and such mediators shall together unanimously select a neutral mediator who shall conduct the mediation. The mediation session shall be held within forty-five (45) days of the retention of the mediator, and last for at least one (1) full mediation day, before any party has the option to withdraw from the process. The parties may agree to continue the mediation process beyond one (1) day, until there is a settlement agreement, or the mediator states that there is no reason to continue because of an impasse that cannot be overcome and sends a "notice of termination of mediation." All reasonable efforts will be made to complete the mediation within thirty (30) days of the first mediation session.

During the course of the mediation, no party can assert the failure to fully comply with Section 11.5(a) as a reason not to proceed or to delay the mediation. The service of the Notice of Mediation shall stay the running of any applicable statute of limitations regarding the Dispute until thirty (30) days after the parties agree that the mediation is concluded or the mediator issues a Notice of Impasse. Each side shall bear an equal share of the mediation costs unless the parties agree otherwise.

All communications, both written and oral, during the parties' efforts under Sections 11.5(a) and 11.5(b) are confidential and shall be treated as settlement negotiations for purposes of applicable rules of evidence; however, documents generated in the ordinary course of business prior to the Dispute, that would otherwise be discoverable, do not become confidential simply because they are used in the Negotiation and/or Mediation process. The process shall be confidential based on terms acceptable to the mediator and/or mediation service provider.

12. Representations and Warranties.

12.1 Mutual Representations and Warranties. Each party represents and warrants to the other party that:

(a) it is a duly organized, validly existing, and in good standing as a corporation or other entity under the Laws of the jurisdiction of its incorporation or other organization;

(b) it has the full right, power, and authority to enter into, and to perform its obligations and grant the rights and licenses it grants or is required to grant under, this Agreement;

(c) the execution of this Agreement by its representative whose signature is set forth at the end of this Agreement has been duly authorized by all necessary corporate or organizational action of such party; and

(d) when executed and delivered by both parties, this Agreement will constitute the legal, valid, and binding obligation of such party, enforceable against such party in accordance with its provisions.

12.2 Additional Consultant Representations and Warranties; Limited Remedy.

(a) Consultant represents and warrants to Customer that Consultant will perform the Services using personnel of required skill, experience, and qualifications and in a professional and workmanlike manner in accordance with generally recognized industry standards for similar services and will devote adequate resources to meet its obligations under this Agreement.



(b) Consultant warrants that for twelve (12) months following Customer's acceptance of the System pursuant to Section 5.2, as installed in the Core System and used in accordance with the Documentation, the System will in all material respects function and otherwise be in conformity with the Specifications. In the event of Consultant's breach of the foregoing warranty, Consultant's sole and exclusive obligation and liability and Customer's sole and exclusive remedy shall be as follows:

(i) Consultant shall use commercially reasonable efforts to cure such breach by either the repair or replacement of the defective Consultant Material without cost to the Customer, provided that Customer had not altered the System in any way and has maintained the System in accordance with Consultant's recommendations; further provided that, if Consultant cannot cure such breach within a reasonable time (but no more than sixty (60) days) after Customer's written notice of such breach, either party may, at its option, terminate the Agreement effective immediately upon written notice to the other party.

(ii) Consultant shall not be in breach of its warranty under this Section 12.2(b), and the foregoing remedy shall not be available, unless Customer provides written notice of such breach within twenty (20) calendar days of its discovery of such defect or failure and in no event later than twelve (12) months after Customer's acceptance or deemed acceptance of the System.

(iii) In no event will Consultant be responsible for (a) any modifications to any Consultant Materials or Deliverables made by anyone other than Consultant; (b) damages caused by misuse, improper operation, or improper or insufficient maintenance of any Consultant Materials or Deliverables; (c) normal wear and tear; (d) any data loss or corruption or personal information data breach; or (e) any alleged defects in any Consultant Materials or Deliverables that arise from Consultant's compliance with designs or other criteria or requirements provided by or through Customer.

(c) Any claim arising out of or in connection with this Agreement or its subject matter must be filed within twelve (12) months after the Customer's acceptance or deemed acceptance of the System or be permanently barred.

12.3 Additional Customer Representations and Warranties. Customer represents, warrants, and covenants to Consultant that Customer owns or otherwise has and will have the necessary rights and consents in and relating to the Customer Materials so that, as received by Consultant and used in accordance with this Agreement, they do not and will not infringe, misappropriate or otherwise violate any Intellectual Property Rights of any third party or violate any applicable Law.

12.4 DISCLAIMER OF WARRANTIES. EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH IN SECTION 12.1 AND SECTION 12.2, THE SYSTEM AND ALL SERVICES AND WORK PRODUCT ARE PROVIDED "AS IS" AND CONSULTANT HEREBY DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHER, AND CONSULTANT SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT, AND ALL WARRANTIES ARISING FROM COURSE OF DEALING, USAGE OR TRADE PRACTICE. WITHOUT LIMITING THE FOREGOING, CONSULTANT MAKES NO WARRANTY OF ANY KIND THAT THE SYSTEM OR ANY OTHER WORK PRODUCT, OR ANY PRODUCTS OR RESULTS OF THE USE THEREOF, WILL MEET CUSTOMER'S OR ANY OTHER PERSON'S REQUIREMENTS, OPERATE WITHOUT INTERRUPTION, ACHIEVE ANY INTENDED RESULT, BE COMPATIBLE OR WORK WITH ANY SOFTWARE, SYSTEM OR OTHER SERVICES (EXCEPT IF AND TO THE EXTENT EXPRESSLY SET FORTH IN THE SPECIFICATIONS), OR BE SECURE, ACCURATE, COMPLETE, FREE OF HARMFUL CODE OR ERROR FREE. ALL THIRD-PARTY MATERIALS ARE PROVIDED "AS IS" AND ANY REPRESENTATION OR WARRANTY OF OR CONCERNING ANY THIRD-PARTY MATERIALS IS STRICTLY BETWEEN CUSTOMER AND THE THIRD-PARTY OWNER OR DISTRIBUTOR OF THE THIRD-PARTY MATERIALS.

13. Insurance. At all times during the Term of the Agreement, Consultant shall procure and maintain insurance of the following policy limits:

Workers Compensation: Statutory Limits

Excess Umbrella Liability: \$5,000,000 per claim and aggregate

General Liability: \$1,000,000 per claim
\$2,000,000 aggregate

Professional Liability: \$5,000,000 per claim
\$5,000,000 aggregate



Automobile Liability: \$1,000,000 combined single limit

14. Limitations of Liability.

14.1 EXCLUSION OF DAMAGES. IN NO EVENT WILL CONSULTANT OR ANY OF ITS LICENSORS, SERVICE PROVIDERS OR SUPPLIERS BE LIABLE UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ITS SUBJECT MATTER UNDER ANY LEGAL OR EQUITABLE THEORY, INCLUDING BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, AND OTHERWISE, FOR ANY: (a) LOSS OF PRODUCTION, USE, BUSINESS, REVENUE, OR PROFIT OR LOSS OF DATA OR DIMINUTION IN VALUE; (b) USE, QUALITY, OR PERFORMANCE OF THE SYSTEM, SYSTEM COMPONENTS, OR OTHER DELIVERABLES OTHER THAN AS EXPRESSLY SPECIFIED IN THE SPECIFICATIONS, DOCUMENTATION, OR THIS AGREEMENT, INCLUDING ANY INABILITY TO USE OR NON-PERFORMANCE OF THE SYSTEM, IN WHOLE OR IN PART; OR (c) CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL, ENHANCED, OR PUNITIVE DAMAGES, IN EACH CASE REGARDLESS OF WHETHER SUCH PERSONS WERE ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES OR SUCH LOSSES OR DAMAGES WERE OTHERWISE FORESEEABLE, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

14.2 CAP ON MONETARY LIABILITY. IN NO EVENT WILL THE COLLECTIVE AGGREGATE LIABILITY OF CONSULTANT AND ITS LICENSORS, SUBCONTRACTORS, SERVICE PROVIDERS AND SUPPLIERS UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ITS SUBJECT MATTER, UNDER ANY LEGAL OR EQUITABLE THEORY, INCLUDING BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY AND OTHERWISE, EXCEED THE FOLLOWING (WHICHEVER IS GREATER): (A) THE AMOUNT PAID BY CUSTOMER TO CONSULTANT PURSUANT TO THIS AGREEMENT IN THE TWELVE (12) MONTH PERIOD PRECEDING THE EVENT GIVING RISE TO THE CLAIM; OR, (B) IF THE COLLECTIVE AGGREGATE LIABILITY IS INSURED IN WHOLE OR IN PART, THE AGGREGATE AMOUNT RECOVERED BY CONSULTANT FROM ANY INSURERS OF THE LIABILITY. THE FOREGOING LIMITATION APPLIES NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

14.3 Customer acknowledges and agrees that the parties entered into the Agreement in reliance upon the limitations of liability set forth in Section 14, that the same reflect an allocation of risk between the parties (including the risk that a contract remedy may fail of its essential purpose and cause consequential loss), and that the same form an essential basis of the bargain between the parties.

15. Force Majeure. In no event will either party be liable or responsible to the other party, or be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any portion of this Agreement, (except for any confidentiality or payment obligations), when and to the extent such failure or delay is caused by any circumstances beyond such party's reasonable control (a "**Force Majeure Event**"), including acts of God, flood, fire, lightning, earthquake or explosion, war, terrorism, invasion, riot or other civil unrest, embargoes or blockades in effect on or after the date of this Agreement, national or regional emergency, strikes, labor stoppages or slowdowns or other industrial disturbances, passage of Law or any action taken by a governmental or public authority, including imposing an embargo, export or import restriction, quota, or other restriction or prohibition or any complete or partial government shutdown, or national or regional shortage of adequate power or telecommunications or transportation. Either party may terminate this Agreement if a Force Majeure Event continues substantially uninterrupted for a period of thirty (30) calendar days or more. In the event of any failure or delay caused by a Force Majeure Event, the affected party shall give prompt notice to the other party, stating the period of time the occurrence is expected to continue and use diligent efforts to end the failure or delay and minimize the effects of such Force Majeure Event.

16. Miscellaneous.

16.1 Further Assurances. Upon a party's reasonable request, the other party shall, at the requesting party's sole cost and expense, execute and deliver all such documents and instruments, and take all such further actions, necessary to give full effect to this Agreement.

16.2 Relationship of the Parties. The relationship between the parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture, or other form of joint enterprise, employment, or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.



16.3 **Notices.** All notices, requests, consents, claims, demands, waivers, and other communications under this Agreement have binding legal effect only if in writing and addressed to a party as follows (or to such other address or such other person that such party may designate from time to time in accordance with this Section 16.3):

If to Consultant:	Concentric Integration, LLC 8678 Ridgefield Rd. Crystal Lake, IL 60012 Attn: Mike Klein Facsimile: (815) 455-0450 E-mail: mklein@goconcentric.com
If to Customer:	At the addresses and to the attention as specified in the Signed Acceptance Document.

Notices sent in accordance with this Section 16.3 will be deemed effectively given: (a) when received, if delivered by hand, with signed confirmation of receipt; (b) when received, if sent by a nationally recognized overnight courier, signature required; (c) when sent, if by facsimile or e-mail, (in each case, with confirmation of transmission), if sent during the addressee's normal business hours, and on the next business day, if sent after the addressee's normal business hours; and (d) on the third (3rd) day after the date mailed by certified or registered mail, return receipt requested, postage prepaid.

16.4 **Interpretation.** For purposes of this Agreement, (a) the words "include," "includes" and "including" are deemed to be followed by the words "without limitation;" (b) the word "or" is not exclusive; (c) the words "herein," "hereof," "hereby," "hereto" and "hereunder" refer to this Agreement as a whole; (d) words denoting the singular have a comparable meaning when used in the plural, and vice-versa; and (e) words denoting any gender include all genders. The parties intend this Agreement to be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. Any exhibits, attachments, and riders referred to herein are an integral part of this Agreement to the same extent as if they were set forth verbatim herein. The headings in this Agreement are for reference only and do not affect the interpretation of this Agreement.

16.5 **Entire Agreement; Amendment and Modification; Waiver.** This Agreement, together with any other documents incorporated herein by reference, constitutes the sole and entire agreement of the parties with respect to the subject matter of this Agreement and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to such subject matter. No amendment to or modification of this Agreement is effective unless it is in writing and signed by each party. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. Except as otherwise set forth in this Agreement, no failure to exercise, or delay in exercising, any rights, remedy, power, or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege

16.6 **Assignment.** Customer shall not assign or otherwise transfer any of its rights, or delegate or otherwise transfer any of its obligations or performance, under this Agreement, in each case whether voluntarily, involuntarily, by operation of law, or otherwise, without Consultant's prior written consent. No delegation or other transfer will relieve Customer of any of its obligations or performance under this Agreement. Any purported assignment, delegation, or transfer in violation of this Section 16.6 is void. This Agreement is binding upon and inures to the benefit of the parties hereto and their respective permitted successors and assigns.

16.7 **No Third-Party Beneficiaries.** This Agreement is for the sole benefit of the parties hereto and their respective permitted successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit, or remedy of any nature whatsoever, under or by reason of this Agreement.

16.8 **Severability.** If any provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or invalidate or render unenforceable such provision in any other jurisdiction. Upon such determination that any provision is invalid, illegal, or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of



the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

16.9 Governing Law; Submission to Jurisdiction. This Agreement is governed by and construed in accordance with the internal laws of the State of Illinois without giving effect to any choice or conflict of law provision or rule that would require or permit the application of the laws of any jurisdiction other than those of the State of Illinois. Any legal suit, action or proceeding arising out of or related to this Agreement or its subject matter shall be instituted exclusively in the federal courts of the United States or the courts of the State of Illinois in each case located in or having jurisdiction over McHenry County, Illinois, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, or proceeding. Service of process, summons, notice, or other document by mail to such party's address set forth herein shall be effective service of process for any suit, action, or other proceeding brought in any such court.

16.10 Waiver of Jury Trial. EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY THAT MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH SUCH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

16.11 Equitable Relief. Each party acknowledges and agrees that a breach or threatened breach by such party of any of its obligations under Sections 8, 9, or 10, would cause the other party irreparable harm for which monetary damages would not be an adequate remedy and agrees that, in the event of such breach or threatened breach, the other party shall not be required to submit itself to the Dispute Resolution process set forth in Section 11.5 and will be entitled to equitable relief, including a restraining order, an injunction, specific performance, and any other relief that may be available from any court, without any requirement to post a bond or other security, or to prove actual damages or that monetary damages are not an adequate remedy. Such remedies are not exclusive and are in addition to all other remedies that may be available at law, in equity, or otherwise.

16.12 Counterparts. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of the Agreement delivered by facsimile, e-mail, or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.



Ordinance No. O-2021-56 : Ordinance Providing for Compensation of the Village Manager

Recommendation of Action

N/A

Consistent with Village Board direction, the attached ordinance establishes additional compensation for the Village Manager. Proper notice has been given in accordance with 5 ILCS 120/7.3, having been published and available on the Village's web site on August 6, 2021.

The Village Board approved the Village Manager's 2017 Employment Agreement on March 20, 2017, providing for terms and conditions of his employment including compensation. The agreement was subsequently amended on April 15, 2019. The attached ordinance provides for additional performance compensation based on satisfactory achievement of goals in his 2020 performance evaluation.

ATTACHMENTS:

- Ordinance Establishing Additional Compensation 2020 (DOC)

Trustee Liaison
Sussman

Staff Contact
Dane Bragg, Office of the Village Manager

Monday, August 16, 2021

8/12/2021

ORDINANCE NO. 2021-_____**AN ORDINANCE ESTABLISHING VILLAGE MANAGER
PERFORMANCE BENEFIT**

WHEREAS, the Village of Buffalo Grove is a Home Rule Unit pursuant to the Illinois Constitution of 1970; and

WHEREAS, the Corporate Authorities of the Village of Buffalo Grove by Ordinance No. 2017-011 approved an Employment Agreement dated March 20, 2017 between the Village of Buffalo Grove and Dane C. Bragg; and

WHEREAS, said 2017 Employment Agreement was subsequently amended by Ordinance 2019-023, approved by the Corporate Authorities on April 15, 2019; and

WHEREAS, said amended Employment Agreement further establishes the terms of additional compensation and benefits. The Village Board wishes to provide compensation or benefits in addition to those enumerated in Section 4.D of the Agreement.

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT and BOARD OF TRUSTEES OF THE VILLAGE OF BUFFALO GROVE, LAKE and COOK COUNTIES, ILLINOIS, as follows:

Section 1. The foregoing recitals are hereby adopted and incorporated into and made a part of this Ordinance as if fully set forth herein.

Section 2. In support of his admirable performance for the year 2020, Dane C. Bragg, as Village Manager of the Village of Buffalo Grove, shall be awarded additional performance compensation in the amount of \$10,000.00, payable upon passage of this ordinance.

Section 4. The remaining terms and conditions of the Village Manager Employment Agreement shall remain in full force and effect.

Section 5. This ordinance shall be effective upon its passage and approval. This ordinance shall not be codified.

AYES: _____

NAYES: _____

ABSENT: _____

PASSED: _____, 2021.

APPROVED: _____, 2021.

APPROVED:

Village President

ATTEST:

Village Clerk

Attachment: Ordinance Establishing Additional Compensation 2020 (O-2021-56 : Ordinance Compensation Village Manager)



Ordinance No. O-2021-57 : Ordinance Authorizing Execution of an Agreement with Telcom Innovation Group., for a Replacement Phone System

Recommendation of Action

Staff recommends approval.

Staff recommends authorizing the Village Manager to execute an agreement with Telcom Innovations Group for a new phone system, related software and implementation services in an amount not to exceed \$158,500.53 pending final review and approval of the agreement by the Village Attorney.

ATTACHMENTS:

- Phone System Memo (DOCX)
- Telcom Innovations Group VoBG-2021-15 Pricing for Village of Buffalo Grove VOIP (PDF)
- PS Ordinance (DOCX)

Trustee Liaison
Smith

Staff Contact
Brett Robinson, Finance

Monday, August 16, 2021

VILLAGE OF BUFFALO GROVE



MEMORANDUM

DATE: August 12, 2021

TO: Dane Bragg, Village Manager

FROM: Brett Robinson, Administrative Services Director

SUBJECT: New Phone System

Recommendation

Staff recommends authorizing the Village Manager to execute an agreement with Telcom Innovations Group (TIG) for a new phone system, related software and implementation services in an amount not to exceed \$158,500.53 pending review and approval of the agreement by the Village Attorney.

Background

The current Phone system was installed in 2011 and is in need of replacement as much of the back-end server control equipment is difficult to manage due to its age. Staff released a RFP for a replacement phone system and received 8 responses. After reviewing proposal responses based up on qualifications and experience, technical response, proposed support, proposed equipment, and hardware/software user interfaces project cost was then considered, and the companies were ranked out of a possible 100 points as follows.

1	InterDev	76.00
2	Telcom Innovations Group	69.50
3	MNJ Technologies	67.50
4	Verizon Wireless	67.00
5	Communication Square	60.00
6	Integration Partners	54.00
7	Call One	48.50
8	BKTB Group INC DBA MC Austin	40.50

The top four firms were invited to provide presentations and an evaluation team consisting of members of each department were unanimous in selecting two finalists to provide a demonstration of hardware and software. Telecom Innovations Group(TIG) and InterDev were invited to refine their proposals and provide a best and final offer.

It should be noted that both TIG and InterDev provided comparable systems and the Village would be well served by either solution. The proposed hardware and software is user friendly and the menu systems/call groups are highly configurable. Of the eight received responses, TIG was the least expensive overall and InterDev provided the least expensive cloud based solution.

While the end user experience and supplied services are very similar and both providers met the requirements of the RFP, there are some differences between the providers.

- InterDev proposed a cloud hosted service that does not require the Village to maintain physical servers or associated licenses.
- The solution proposed by TIG is on-premise and requires physical servers and licenses, however, due to the recent move to Office 365 the Village recently decommissioned servers and has extra space and licenses to support the software at no additional cost in the short term.
- InterDev provides a 1 year warranty on equipment. Software has a 99.99% uptime and they provide a 30 minute response to customer concerns at a 365/24/7 support center.
- TIG provides an extended warranty on all equipment through Mitel for as long as the Village continues to pay for support services. TIG provides for a 30-60 response time goal with a guarantee of 4 hours for major outages and 8 hours for minor issues.

As the existing phone system has lasted 10 years, staff projected short term costs and estimated long term costs based upon a 10-year cycle in an effort to project the total lifecycle cost for the new phone system. As the TIG system is an on-premise solution staff estimated additional costs for purchasing replacement servers and software server licensing over the next 10 years

	Telcom Innovations Group	InterDev
Implementation costs	\$158,500.53	\$86,951.00
2022 Ongoing Costs	\$11,424.95	\$55,371.00
2022 Service Costs	\$8,500.00	\$8,400.00
2023 Ongoing Costs	\$11,424.95	\$55,371.00
2023 Service Costs	\$8,500.00	\$8,400.00
2024 Ongoing Costs	\$11,424.95	\$55,371.00
2024 Service Costs	\$8,500.00	\$8,400.00
	\$218,275.38	\$278,264.00
Implementaion Costs	\$158,500.53	\$86,951.00
Ongoing Costs	\$199,249.50	\$637,710.00
Estimated Hosting Costs	\$128,000.00	\$0.00
10 year projected costs	\$485,750.03	\$724,661.00

TIG was able to provide a substantial discount (40%) on much of their proposed Mitel equipment due to a joint procurement through Sourcewell, of which the Village is a member. The first year of service and support is included in the implementation costs for both providers.

The ongoing costs for service and support will be brought back before the board in FY 2022

The new Mitel system consists of soft phones (for use on desktops and laptops), app phones for use on iPhones, and desktop phones. The softphone options will make a switch to offsite work straightforward and transparent to anyone communicating with staff.

The new Mitel system has custom call groups and menus, as well as, call queuing and voice mail options. This will help direct residents to the correct department and then allow them to either wait in the queue for the next available staff member to assist them with their concern or leave a message for a callback.

SCHEDULE OF PRICES

VoIP Phone and Voicemail Systems and Services

TO: THE VILLAGE OF BUFFALO GROVE, ILLINOIS

FULL NAME OF SUPPLIER: Telcom Innovations Group, LLC

BUSINESS ADDRESS: 125 N. Prospect Ave

: Itasca, IL 60143

The undersigned, declares that it has carefully examined the proposed Work, the Contract Documents, and all other documents referred to or mentioned in the Contract Documents and it proposes and agrees, if this Proposal is accepted, that it will contract with the Village, in the form of the Contract attached, to complete the Work titled "VoIP Phone and Voicemail Systems and Services", and that it will take in full payment therefore the sums set forth in the following Schedule of Prices. **Please refer to TIG's Detailed Equipment Itemization which contains line item pricing with discounts shown for complete details. Many licenses do not line up perfectly with the schedule of prices below, due to bundled packages which may contain one or more features below. As an existing customer, an additional discount is offered as a bottom line based on the current configuration.**

Description	Details/model/part	Est. Qty.	Unit cost	Extended Cost
Mounting hardware (Q126)	N/A			
Phones				
Standard/staff (Q168)	Mitel 6920	175	\$177.00	\$30,975.00
Manager/reception (Q169)	Mitel 6940	65	\$330.00	\$21,450.00
Soft (Q170)	Included as part of UCC Standard	226		
Video (Q171)	Included as part of UCC Standard with 33 Ports	5		
Conference (Q172)	Mitel 6970 Conference Phone + Mitel S720 BT Wireless	12	\$495.00	\$5,940.00
Public access (Q173)	TBD	9	\$1,000.00	\$9,000.00
Software				
Voice messaging	Included as part of UCC Standard	240		
Unified messaging	Included as part of UCC Standard	240		
Voicemail transcription (Q62)	Annual Service per user	240	\$54.00	\$12,960.00
Phone Line Recording (Q64)	Station side based recording for PD phones	7	\$0.00	\$0.00
Professional services				
QoS configuration and implementation (Q131)				
Project management				
Installation/implementation				\$30,000.00
Training (Q133-134)				

VoBG-2021-15

Administrators (5)		5		Included
Advanced users (25)		25		Included
Basic users (196)		196		Included
API (Q164)				Requires further discussion for specific API requirements
Maintenance and support through 12-31-2021	Current Maintenance goes through 10/18/21. This has been shown for 10/18/21 through 9/22/22	1		\$7,917.81
Licensing through 12-31-2021	Current Mitel SWA goes through 9/21/21. This has been shown for 9/21/21 through 9/22/22	1		\$4,521.95
Other implementation costs				Please see Detailed Equipment Itemization (attached)
TOTAL for implementation	Total base proposal for all systems			\$159,121.16

Attachment: Telcom Innovations Group VoBG-2021-15 Pricing for Village of Buffalo Grove VOIP (O-2021-57 : Replacement Phone System)

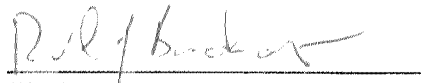
VoBG-2021-15

VoBG-2021-15 Schedule of Prices for Village of Buffalo Grove, Illinois

Description	Details/model/part	Est. Qty.	Unit cost	Extended Cost
Monthly recurring: trunk ports	Please refer to COEO Services Quote for SIP trunk options	12		
Monthly recurring: long distance		12		
Other monthly costs		12		
Total monthly recurring costs				
Annual software maintenance calendar year 2022		1		
Annual hardware maintenance calendar year 2022		1		
Annual licensing calendar year 2022		1		
Other annual costs				
Total annual recurring costs 2022				
Annual software maintenance calendar year 2023	This reflects 9/17/23 – 9/18/24	1		\$8,500.00
Annual hardware maintenance calendar year 2023	This reflects 9/17/23 – 9/18/24	1		Included in the \$8,500
Annual licensing calendar year 2023	This reflects 9/17/23 – 9/18/24	1		\$7,918.95
Other annual costs	Voicemail Transcription based on 240 users	240	\$30.00	\$7,200.00
Other annual costs	MS Call2Teams based on 240 users	240	\$54.00	\$12,960.00
Total annual recurring costs 2023				
Annual software maintenance calendar year 2024	This reflects 9/17/24 – 9/18/25	1		\$8,500.00
Annual hardware maintenance calendar year 2024	This reflects 9/17/24 – 9/18/25	1		Included in the \$8,500
Annual licensing calendar year 2024	This reflects 9/17/24 – 9/18/25	1		\$7,918.95
Other annual costs	Voicemail Transcription based on 240 users	240	\$30.00	\$7,200.00
Other annual costs	MS Call2Teams based on 240 users	240	\$54.00	\$12,960.00
Total annual recurring costs 2024				
Hourly rate for additional services and for post-warranty support	Please see hourly rates schedule attached	1	\$130.00	
Hourly rate for termination services and support		1	\$130.00	

6/2/2021

Date



(Sign here)

Randal J. Borchardt

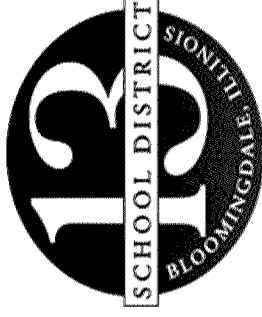
(Print Name)

630.616.4225

Phone

rborchardt@ask-tig.com

E-mail



Telcom Innovations Group

TIG Detailed Equipment Itemization 6.3.21

IP Phones & Devices						
Part No.	Description	Qty	Unit	Total	Disc	Total
Standard/Staff Phones - 6900 Series Next-Gen						
50006767	6920 IP Phone	175	295.00	51,625.00	40.00	30,975.00
Manager/Reception Phones - 6900 Series Next-Gen						
50006770	6940 IP Phone	65	550.00	35,750.00	40.00	21,450.00
Conference Phones with Wireless Speaker - 6900 Series Next-Gen						
50008271	6970 IP Conference Phone	12	825.00	9,900.00	40.00	5,940.00
51306580	BT Speakerphone	12	375.00	4,500.00	0.00	4,500.00
Public Access Phones						
	TBD - Placeholder	9	1,000.00	9,000.00		9,000.00
Overhead Paging Integration						
	Algo 8301	5	349.00	1,745.00		1,745.00
Total				112,520.00		73,610.00

Police Department - New virtual MiVoice Business with 20 SIP Call Paths

Part No.	Description	Qty	Unit	Total	Disc	Total
Virtual MiVoice Business - VMware						
54005748	MiVoice Business Virtual for Enterprise	1	1,495.00	1,495.00	40.00	897.00
54005400	MiVoice Business SIP Trunks x10	2	900.00	1,800.00	40.00	1,080.00
Virtual MiVoice Border Gateway - SIP Session Border Controller - VMware						
54005339	MiVoice Border Gateway Virtual	1	250.00	250.00	40.00	150.00
54004491	SIP TRUNKING CHANNEL PROXY	20	50.00	1,000.00	40.00	600.00

Village of Buffalo Grove:

TIG Detailed Equipment Itemization

Software Assurance

54009220	SWA Std 1y MiVBus System	1	125.00	125.00	40.00	75.00	75.00
54009229	SWA Std 1y MiV BG System	1	25.00	25.00	40.00	15.00	15.00
54009230	SWA Std 1y MiV BG SIP Connect	20	6.00	120.00	40.00	3.60	72.00
Total				4,815.00			2,889.00

Village Hall - Add MiVoice Border Gateway, SIP and System Licenses

Part No.	Description	Qty	Unit	Total	Disc	Unit	Total
Virtual MiVoice Business - VMware							
54005400	MiVoice Business SIP Trunks x10	2	900.00	1,800.00	40.00	540.00	1,080.00
Virtual MiVoice Border Gateway - SIP Session Border Controller - VMware							
54005339	MiVoice Border Gateway Virtual	1	250.00	250.00	40.00	150.00	150.00
54004491	SIP TRUNKING CHANNEL PROXY	20	50.00	1,000.00	40.00	30.00	600.00
System Licenses - Designated License Manager & Active Directory Integration							
54005064	MiVoice Business License -IDS Connection	1	1,500.00	1,500.00	40.00	900.00	900.00
54005330	Enterprise License Group	1	1,000.00	1,000.00	40.00	600.00	600.00
Software Assurance							
54009229	SWA Std 1y MiV BG System	1	25.00	25.00	40.00	15.00	15.00
54009230	SWA Std 1y MiV BG SIP Connect	20	6.00	120.00	40.00	3.60	72.00
Total				5,695.00			3,417.00

Upgrade user licenses from basic to UCC Standard

Part No.	Description	Qty	Unit	Total	Disc	Unit	Total
Basic Phone license to UCC Standard migration							
52002959	UCCv4.0 Basic to STND for Enterprise	240	165.00	39,600.00	40.00	99.00	23,760.00
Mitel Software Assurance							
54009212	SWA Std 1y UCC Bsc-Std MiVB	240	13.00	3,120.00	40.00	7.80	1,872.00
Total				42,720.00			25,632.00

Village of Buffalo Grove:

TIG Detailed Equipment Itemization

Migration of Oaisys Call Recording to Mitel Interaction Recording (ASC)

Part No.	Description	Qty	Unit	Total	Disc	Unit	Total
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Migration requires further discussion. Radio channels are currently recorded at the Police Department; however, this was not defined in the RFP Scope of Work. Most of the base software licenses can be migrated from Oaisys Call Recording (existing) to the new Mitel Interaction Recording at no charge.

No Charge License Migration to new Call Recording Platform

51308737	WFO ASC EVOIP Recording License MiVB migrate	7	0.00	0.00	0.00	0.00	0.00
51308738	WFO ASC QM (inspiration) base license migrate	1	0.00	0.00	0.00	0.00	0.00
51308739	WFO ASC EVOIP Base Call Rec MiVB and MiVC Migrate	1	0.00	0.00	0.00	0.00	0.00
Virtual Server License							
51308962	WFO ASC Trusted Virtualization	1	2,200.00	2,200.00	40.00	1,320.00	1,320.00
Mitel Software Assurance							
51308850	WFO ASC CSCplus for Recording	320	1.20	384.00	40.00	0.72	230.40
Total				2,584.00			1,550.40

Nexiwave Voicemail Transcription Service - Annual Subscription

Part No.	Description	Qty	Unit	Total	Disc	Unit	Total
Annual Subscription							
	Nexiwave - 1 user voicemail transcription	240	30.00	7,200.00	0.00	30.00	7,200.00
One-Time Setup							
	Labor	4	130.00	520.00	0.00	130.00	520.00
				7,720.00			7,720.00

Village of Buffalo Grove:

TIG Detailed Equipment Itemization

Microsoft Teams Integration - Annual Subscription

Part No. **Description** **Qty** **Unit** **Total** **Disc** **Unit** **Total**

Provides Microsoft Teams Softphone/Telephony integration with the Mitel Phone System. Users will be able to make and receive calls directly from the MS Teams client. This is proposed as an annual subscription and is based on total number of standard/staff phones and manager/reception phones. This assumes Village of Buffalo Grove is already licensed with Microsoft E3/E5/A3/A5 tier licenses.

Call 2 Teams

User License - PBX Call 2 Teams Mitel int.	240	54.00	12,960.00	54.00	12,960.00
Total			12,960.00		12,960.00

Cost Summary of Hardware & Software

Total List Price	\$189,014.00
Line Item Discounts	-\$61,235.60
Total Hardware & Software	\$127,778.40
One Time Additional Discount	-\$11,097.00
Total Discounted Hardware & Software	\$116,681.40

Public Sector Discount is a one time discount based on the above configuration
This quote is based on the Mitel Sourcewell (formerly NJPA) contract #022719-MBS

TIG Implementation

- New Virtual MiVB Programming & Installation
- Migration from PRI to SIP with new Session border controllers
 - License migration from basic to UCC Standard
 - Existing Mitel 3300 CX decommission
- Upgrade all software releases to current at time of install
- Upgrade to new Phones & Desktop placement

Total Implementation	\$30,000.00
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Renewal of TIG Maintenance & Mitel Software Assurance

Effective Date: 9/21/21 (assumes upgrades to new system have been completed)

Current Mitel Software Assurance term is through 9/21/2021

Current TIG Maintenance Term is through 10/18/21

Part No.	Description	Qty	Unit	Total	Disc	Unit	Total
Mitel Software Assurance							
1 Year renewal 9/21/21 through 9/22/22							
	Mitel Standard Software Assurance - 1Y	1	7,536.59	7,536.59	40.00	4,521.95	4,521.95
TIG Standard Maintenance							
Pro-Rated Term 10/18/21 through 9/22/22 (TIG will extend No Charge and make Co-Terminous with Mitel SWA)							
	TIG Industry Standard Maintenance	1					7,917.81
				Renewal through 9/22/22		<u>\$12,439.76</u>	

Grand Total - Base Proposal

Total Discounted Hardware & Software	\$116,681.40
Total Implementation	\$30,000.00
Renewal Maint & SWA	\$12,439.76
Base Proposal Grand Total	<u>\$159,121.16</u>

Optional Payment & Performance Bond calculated at 3% of final contracted equipment itemization

TIG Industry Standard Support & Mitel Standard Software Assurance Years 2 through 5

Important Note: This is based on above Grand Total and 1st year renewal term through 9/17/22

Year 2

TIG Maintenance & Support	\$8,500.00
Mitel Standard Software Assurance	\$7,918.95
Nexiwave - Voicemail Transcription Service Annual (240 users)	\$7,200.00
Microsoft Call2Teams Service Annual (240 users)	\$12,960.00
	<u>\$36,578.95</u>

Year 3

TIG Maintenance & Support	\$8,500.00
Mitel Standard Software Assurance	\$7,918.95
Nexiwave - Voicemail Transcription Service Annual (240 users)	\$7,200.00
Microsoft Call2Teams Service Annual (240 users)	\$12,960.00
	<u>\$36,578.95</u>

Year 4

TIG Maintenance & Support	\$8,500.00
Mitel Standard Software Assurance	\$7,918.95
Nexiwave - Voicemail Transcription Service Annual (240 users)	\$7,200.00
Microsoft Call2Teams Service Annual (240 users)	\$12,960.00
	<u>\$36,578.95</u>

Year 5

TIG Maintenance & Support	\$8,500.00
Mitel Standard Software Assurance	\$7,918.95
Nexiwave - Voicemail Transcription Service Annual (240 users)	\$7,200.00
Microsoft Call2Teams Service Annual (240 users)	\$12,960.00
	<u>\$36,578.95</u>

Village of Buffalo Grove:

TIG Detailed Equipment Itemization

Optional: Mitel Premium Software Assurance							
Part No.	Description	Qty	Unit	Total	Disc	Unit	Total
Upgrade from Mitel Standard Software Assurance to Premium - includes unlimited Administrator training & Mitel Performance Analytics							

Annual Increase to Mitel Software Assurance							
	Increase for Mitel Premium SWA	1	3,696.85	3,696.85	40.00	2,218.11	2,218.11
Total				3,696.85			2,218.11

Optional: Mitel Revolution - Life Safety						
Part No.	Description	Qty	Unit	Total	Disc	Total
SLED Bundle Licenses include: 1 Desktop Client, 1 Mobile Client, 1 Endpoint (for each license bundle). P/N 51308575 is an annual subscription service and will fluctuate by the total number of bundles required. Customer VMware deployment on Windows Server						

Annual Mitel Revolution Subscription							
51308575	Mitel Revolution SLED BNDL - upto 1000	50	28.20	1,410.00	40.00	16.92	846.00
Professional Services							
53004330	Mitel Revolution Service Solution	4,400	1.00	4,400.00	0.00	1.00	4,400.00
	TIG Labor	6	130.00	780.00	0.00	130.00	780.00
Total				6,590.00			6,026.00

Annual Standard Software Assurance Impact							
				\$846.00			

Optional: Additional Phones & Accessories

Part No.	Description	Qty	Unit	Total	Disc	Unit	Total
6900 Series Phones							
50006767	6920 IP Phone	1	295.00	295.00	40.00	177.00	177.00
50006769	6930 IP Phone	1	410.00	410.00	40.00	246.00	246.00
50006770	6940 IP Phone	1	550.00	550.00	40.00	330.00	330.00
50008271	6970 IP Conference Phone	1	825.00	825.00	40.00	495.00	495.00
6900 Series Accessories							
Mitel Bluetooth Handset (included with Mitel							
50006763	6940)	1	150.00	150.00	40.00	90.00	90.00
50006874	M695 PKM for 6900 series	1	200.00	200.00	40.00	120.00	120.00
50006921	6900 series Wall Mount Kit (10 Pack)	1	250.00	250.00	40.00	150.00	150.00
51304977	WLAN Adapter (NA)	1	225.00	225.00	0.00	225.00	225.00
51306580	BT Speakerphone - S720	1	375.00	375.00	0.00	375.00	375.00
6930/6940 DECT Integrated Headset							
51305332	Integrated DECT Headset (NA)	1	325.00	325.00	40.00	195.00	195.00
6920 Wireless Headset 3rd party option with EHS/DHSG							
(These are compatible headsets for the Mitel 6920 phones and come in bluetooth or DECT)							
	Jabra Pro 920/925 and Jabra LINK for 6920	1	270.00	270.00	0.00	270.00	270.00
Wireless Headset Compatible with 69xx series phones & PC Softphones							
9556-583-125	Jabra Engage 75 Mono	1	441.00	441.00	0.00	441.00	441.00
Mitel 5624 WiFi 802.11 phone (required further discussion)							
51302081	Mitel 5624 v2 WiFi handset w/bttry & clip	1	445.00	445.00	0.00	445.00	445.00
51015423	MITEL 5613/14/24/03/04 CHARGER GLOBAL	1	46.00	46.00	0.00	46.00	46.00



Telcom Innovations Group

Technology of Today, Empowering Business of Tomorrow

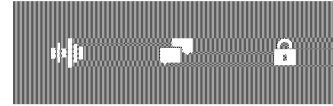
9.B.b

Service Rate Schedule

Labor Rates Effective February 1, 2018

<i>Telcom Innovations Group provides a complete package of installation, service, and engineering to insure the productivity of the equipment you've invested in. Listed below are just some of the services we offer. We can also custom design a support package to meet any special needs.</i>		Maintenance Customers	Time & Material Service
VoIP Installation and Requested MAC Services - TIG has direct in-house installation personnel to support your needs. Commitment: Most MAC's 3 Working Days		\$130.00/hour	\$140.00/Hour
VoIP Service Technicians - TIG employs one of the largest factory trained service forces in the area. Commitment: Normal Service Calls 24 Hours Emergency Service Calls 4 Hours		Per contract	\$140.00/hour
VoIP Overtime Rates - Any labor requested beyond normal business hours not covered under a maintenance agreement will be billed at a rate of 1 ½ times the published rate.		\$195.00/hour	\$210.00/hour
VoIP Double Time Rates - Sunday and holiday not covered under a maintenance agreement will be billed at a rate of two-times the published rate.		\$260.00/hour	\$280.00/hour
VoIP System Training & Product Support - TIG trainers will come to your location to conduct extensive user training. These trainers are available for individual as well as group sessions. <i>(8 hours per year is included in a standard maintenance agreement)</i>		Per contract	\$125.00/hour
VoIP System Management Training - TIG offers condensed classes that teach your System Administrator how to program and administrate your system network. These classes are held at TIG's office in Itasca.		\$145.00/Hour	\$155.00/Hour
Manufacturer System Management Training - All TIG manufacturers offer factory training classes to end-users. These classes vary in content, location and cost. End-users are responsible for class costs and all related expenses.		Depends on the class & location	Depends on the class & location
Remote Programming Changes - TIG will provide the first 30 minutes of Remote Programming at no charge when you are under a maintenance agreement. <i>Remote Maintenance Commitments:</i> Call in before 3:00 p.m. Same Day <i>(except major design changes)</i> Call in after 3:00 p.m. No later than noon the business next day		\$130.00/hour First ½ hr. No Charge w/TIG Enhanced	\$140.00/hour billed in ½ hr. increments
System Application/Design Engineering - TIG will work with you to re-design your VoIP/PBX system applications after the original installation including all aspects of your ACD, voice networking, trunking, unified messaging etc.		\$135.00/Hour	\$145.00/Hour
Data Engineering - TIG will work with you on the design, implementation & programming of LAN/ WAN applications operating in your network environment. (includes Unified Messaging and all Microsoft Apps.) Time and a half and double time upcharges apply.		\$185.00/Hour (Straight time)	\$195.00/Hour (Straight time)
Trip Charge- TIG charges a flat trip charge when the service is not covered under a maintenance agreement depending on your distance from our facilities.		\$65.00 < 25 miles \$85.00 > 25 miles \$90.00 – Downtown & Out of State \$214.50 – After Hours	\$70.00 < 25 miles \$90.00 > 25 miles \$95.00 – Downtown & Out of State \$214.50 – After Hours
<i>An expedited service charge of 1 ¼ of the published rate can provide installation services to you within 24 hours if needed. All other requests are treated under Telcom Innovations Group's normal response time.</i>			

Attachment: Telcom Innovations Group VoBG-2021-15 Pricing for Village of Buffalo Grove VOIP (O-2021-57 : Replacement Phone System)



06/02/2021

Village of Buffalo Grove

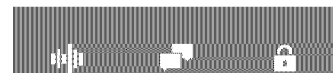
SIP Trunks

RFQ: 4867431009

Submitted to:
Village of Buffalo Grove
Matt Schwartz

mschwartz@ask-tig.com
630-616-4236

Submitted by:
Josh Rochel
Coeo Solutions
1901 Butterfield
Downers Grove, IL 60515
josh@coeosolutions.com
312-940-2206





COEO OVERVIEW

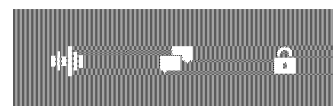
Proudly headquartered in the United States, Coeo Solutions is a privately-held, profitable company that is owned and operated by individuals with a combined 60+ years of Telecommunications experience. While the world of voice and data has evolved dramatically since opening our doors, our mission to provide the number one customer experience in the industry has remained intact. Not surprisingly, Coeo's 2019 Net Promoter Score was 85 while the average score for telecom companies is under 30. For more information, please visit our website at www.coeosolutions.com.

Known for both our unparalleled customer service and cutting-edge network, we provide growing businesses with a complete end-to-end communication solution for traditional and multimedia applications. From cutting edge Managed Voice services, to our nationwide Fiber & MPLS network, we offer a complete portfolio of customizable, feature-rich products to meet specific business needs.

The business needs of Village of Buffalo Grove are unique and require the attention that only a company like Coeo Solutions can provide.

Our broad array of high-quality product and service offerings allows us to custom tailor a solution specific to your needs. Our extensive service portfolio allows us to continue to grow with your organization and make suggestions to better support your company. We view our customers as long-term relationship business partners, which stems from a successful install and transition to a consistent follow up on the needs and goals of your office.

SOME OF OUR CLIENTS:



BETTER CONNECTIONS BY DESIGN

Custom cloud connectivity solutions built from the ground up.

Coeo is an established cloud communications service provider. Our engineering-first approach and relentless support sets us apart in a transforming IT world. Through our customized methods and leveraging our best-in-class geographically redundant infrastructure, we build communication solutions that are scalable, flexible, custom and creative.

Cloud Communication

SIP Trunking

- Full Disaster Recovery
- Geographic Redundancy
- PRI and Analog Capability
- T38 Compression for Faxing

UCaaS

- Contact Center
- Mobile and Desktop Clients
- Full Collaboration and Conference Calling Suite

Connection

SD-WAN

- Disaster Recovery & Automatic Failover
- Bandwidth Aggregation
- Distributed Retail & Enterprise Offerings
- Private, Public & Wireless Connectivity
- Routing, Security & Analytics

MPLS

- Fully Meshed & Managed Network
- Network Monitoring & Optimization
- Network Prioritization

DIA

- Fiber, Broadband and Wireless
- 3Mbps to 10Gbps
- Network Monitoring

#TheCOEOWay

Relentless Support, Engineering-First Approach, Highly Customized Solutions

1. LISTEN

We take time to understand your technology needs today and for the future.

2. ARCHITECT

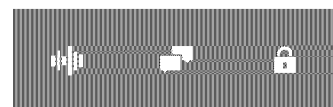
We create a technology roadmap for your business.

3. IMPLEMENT

We strategically implement best in breed technology solutions to optimize your IT infrastructure.



BETTER CONNECTIONS BY DESIGN



Term: 36 mo

Village Hall 50 RAUPP BLVD, BUFFALO GROVE, IL 60089

Recurring

Quantity	Description	Unit Price (\$)	Price (\$)
135	911 Service	\$1.50	\$202.50
1	DR Redirect Failover	\$100.00	\$100.00
1	Caller ID (CNAM) per DID	\$1.25	\$1.25
283	Domestic DID to Port	\$0.20	\$56.60
20	Call Path - Metered	\$6.00	\$120.00
1	SIP Trunk Interface	\$35.00	\$35.00

Non-Recurring

Quantity	Description	Unit Price (\$)	Price (\$)
135	911 Setup per DID	\$0.00	\$0.00
1	Caller ID (CNAM) per DID	\$0.00	\$0.00
283	Domestic DID to Port	\$2.00	\$566.00

Calling Rates

Quantity	Description	Unit Price (\$)	Price (\$)
1	Domestic LD Minutes (\$0.015 per min)	\$0.015	\$0.01
1	Local Minutes (\$0.010 per min)	\$0.010	\$0.01
1	Toll Free (\$0.015 per min)	\$0.015	\$0.01

Site Total**MRC (\$)****NRC (\$)****\$515.35****\$566.00**

Police Department 46 RAUPP BLVD, BUFFALO GROVE, IL 60089

Recurring

Quantity	Description	Unit Price (\$)	Price (\$)
135	911 Service	\$1.50	\$202.50
1	DR Redirect Failover	\$100.00	\$100.00
1	Caller ID (CNAM) per DID	\$1.25	\$1.25
282	Domestic DID to Port	\$0.20	\$56.40
20	Call Path - Metered	\$6.00	\$120.00

1	SIP Trunk Interface	\$35.00	\$35.00
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Non-Recurring

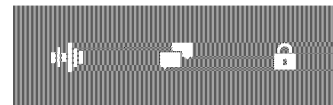
Quantity	Description	Unit Price (\$)	Price (\$)
135	911 Setup per DID	\$0.00	\$0.00
1	Caller ID (CNAM) per DID	\$0.00	\$0.00
282	Domestic DID to Port	\$2.00	\$564.00

Calling Rates

Quantity	Description	Unit Price (\$)	Price (\$)
1	Domestic LD Minutes (\$0.015 per min)	\$0.015	\$0.01
1	Local Minutes (\$0.010 per min)	\$0.010	\$0.01
1	Toll Free (\$0.015 per min)	\$0.015	\$0.01

Site Total	MRC (\$)	NRC (\$)
	\$515.15	\$564.00

Term: 36 mo Order Total	MRC (\$)	NRC (\$)
	\$1,030.50	\$1,130.00



BETTER CONNECTIONS BY DESIGN

THANK YOU FOR CHOOSING COEO TO CONNECT YOUR BUSINESS TO THE WORLD.



Village of Buffalo Grove
Matt Schwartz

mschwartz@ask-tig.com
630-616-4236

Submitted by:
Josh Rochel
Coeo Solutions
1901 Butterfield
Downers Grove, IL 60515
josh@coeosolutions.com
312-940-2206

ORDINANCE 2021-_____

**AN ORDINANCE AUTHORIZING EXECUTION OF AN AGREEMENT WITH TELCOM INNOVATION GROUP., FOR
A REPLACEMENT PHONE SYSTEM**

WHEREAS, the Village of Buffalo is a home rule unit pursuant to the Illinois Constitution of 1970;
and

WHEREAS, the Village released notifications and sought out companies qualified to provide the requested services and materials; and

WHEREAS, the Village engaged in a competitive procurement process to obtain the best value for money.

NOW THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF BUFFALO GROVE, COOK AND LAKE COUNTIES, ILLINOIS, as follows:

SECTION 1. The foregoing recitals are hereby adopted and incorporated and made a part of this Ordinance as if fully set forth herein.

SECTION 2. The Village Manager is authorized to execute a contract with Telcom Innovation Group, pending review and approval by the Village Attorney at a price not to exceed \$158,500.53.

SECTION 3. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity thereof shall not affect any other provision of this Ordinance.

SECTION 4. This Ordinance shall be in full force and effect from and after its passage and approval and not be codified.

AYES: _____
NAYES: _____
ABSENT: _____
PASSED: _____, 2021
APPROVED: _____, 2021

APPROVED:

Beverly Sussman, Village President

ATTEST:

Janet Sirabian, Village Clerk

Attachment: PS Ordinance (O-2021-57 : Replacement Phone System)

**Ordinance No. O-2021-58 : Water Facility Planning****Recommendation of Action**

Staff recommends approval.

Staff recommends approval of the AECOM engineering contract for water facility long-term planning, subject to review and approval by Village Attorney. Based upon the scope of work the total value of this contract is a not to exceed amount of \$289,450.00.

ATTACHMENTS:

- AECOM Memo (DOCX)
- AECOM Ordinance (DOCX)
- 080321_VBG_Facilities Plan (PDF)

Trustee Liaison
Stein

Staff Contact
Kyle Johnson, Engineering

Monday, August 16, 2021

VILLAGE OF BUFFALO GROVE



MEMORANDUM

DATE: August 12, 2021
TO: Dane Bragg, Village Manager
FROM: Kyle Johnson, Assistant Public Works Director
SUBJECT: AECOM Long-Term Water Facility Plan

Staff Recommendation

Staff recommends approval of the AECOM Technical Services, Inc. contract, based upon the scope of work the total value of this contract is a not to exceed amount of \$289,450.00. These funds will be allocated from the available water/sewer funds over a period of approximately two years.

Project Overview

A substantial aspect of the Infrastructure Modernization Program (IMP) is to develop a plan for infrastructure improvements which consider the Village as a whole, instead of individual developments that occurred separately over time. Both the storm sewer and water distribution systems have been compressively studied. The attached plan focuses on the water facilities (pump and well houses), with elements of consideration toward the water system. Parts of the study and report include, but are not limited to:

- Comprehensive condition assessments of facilities
- Inventory all assets within the facilities
- Emergency facility operations plan creation
- Capital improvement prioritization and planning through Cartegraph asset management software
- Examine long-term facility capacity, along with location considerations

AECOM is heavily involved in the design and operation of the Village's water system already, completing several studies and designs over the last few decades. Their skill set and understanding of our system align with the long-term considerations of this plan.

ORDINANCE 2021-_____**AN ORDINANCE AUTHORIZING AN ENGINEERING SERVICES AGREEMENT WITH AECOM TECHNICAL SERVICES, INC. (AECOM)**

WHEREAS, the Village of Buffalo Grove is a home rule unit pursuant to the Illinois Constitution of 1970; and

WHEREAS, the Village seeks to enter into an Engineering Services Agreement with AECOM Technical Services, Inc. (AECOM) for long-term water facility planning and engineering study,

NOW THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF BUFFALO GROVE, COOK AND LAKE COUNTIES, ILLINOIS, as follows:

SECTION 1. The foregoing recitals are hereby adopted and incorporated and made a part of this Ordinance as if fully set forth herein.

SECTION 2. The Village Manager is authorized to enter into an Engineering Services Agreement with AECOM Technical Services, Inc. (AECOM) for long-term water facility planning and engineering study at a price not to exceed \$289,450.00, subject to review by the Village Attorney.

SECTION 3. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity thereof shall not affect any other provision of this Ordinance.

SECTION 4. This Ordinance shall be in full force and effect from and after its passage and approval and shall not be codified.

AYES: _____

NAYES: _____

ABSENT: _____

PASSED: _____, 2021

APPROVED: _____, 2021

APPROVED:

Beverly Sussman, Village President

ATTEST:

Janet Sirabian, Village Clerk

Attachment: AECOM Ordinance (O-2021-58 : Water Facility Planning)

August 3, 2021

Mr. Kyle E. Johnson, P.E.
Assistant Public Works Director
Village of Buffalo Grove
51 Raupp Boulevard
Buffalo Grove, IL 60089-2198

Reference: Village of Buffalo Grove, Illinois
Proposal to Provide Engineering Services
for Development of a Facilities Plan

Dear Mr. Johnson:

Per your request of June 2, 2021 and our subsequent scoping meeting on June 28, 2021, AECOM Technical Services, Inc. (AECOM) is pleased to submit this proposal to prepare a Facilities Plan for the Village of Buffalo Grove water system. Our proposal has been organized to outline our project understanding, detailed approach, listing of critical assumptions, and a breakdown of the fee estimate.

Project Understanding

Finished water is delivered to the Village of Buffalo Grove by the Northwest Water Commission, which is surface water pumped from Lake Michigan and treated by the City of Evanston. The Village of Buffalo Grove receives water from the Commission at four (4) separate receiving stations that each consist of a pumping station and ground storage reservoirs (7.5 MG combined capacity). In addition, the Village maintains four (4) deep aquifer wells (Nos. 1, 2, 6 and 7) for emergency and standby use. The chlorine level of the finished water is monitored at each of the four receiving stations and, if necessary, chlorine is added to ensure adequate residual disinfection within the distribution system. The Village has a population of approximately 41,000 and an average day water demand of approximately 4.5 mgd.

To assure uninterrupted water delivery, the Village is requesting a facilities plan be conducted for its four (4) receiving station sites, which will include an assessment of the various buildings, equipment, structures, and other components based on development of evaluation criteria. AECOM will prepare a report that identifies the existing condition of the facilities, equipment and support systems and develop a recommended capital improvement projects list and estimated construction costs to address any deficiencies identified during the project that the Village can use as a roadmap for the upcoming 20-year planning period.

It is also our understanding that the Village seeks to have an evaluation of the existing distribution system performed by assessing the advantages/disadvantages of eliminating, merging, or adding new receiving stations in the future, and also analyzing the potential benefits of utilizing elevated storage in the future. Lastly, it is requested that standard operating

Mr. Kyle E. Johnson, P.E.
 August 3, 2021
 Page 2



procedures (SOP's) be developed for various emergency response scenarios to capture expertise of existing operations staff and support effective knowledge transfer for future use.

Approach Overview

The AECOM team has worked with the Village of Buffalo Grove over the past 20 years and has familiarity with all aspects of the Village's water system. In addition, we have performed similar condition assessment and facility plans for many water utilities, including the DuPage Water Commission, and the Chicago DWM Sawyer Water Purification Plant and Pumping Stations. AECOM's proven approach starts by assembling a multi-disciplined team of experienced, local staff with knowledge of the Village's facilities. Our team's experience will result in efficient communication with Village staff and will save time and cost by effectively identifying and prioritizing the capital projects necessary to allow the Village to continue to provide the highest quality water service to its customers over the upcoming 20-year planning period.

AECOM believes that completing a successful project requires early communication with the client to establish their expectations for the project and the final deliverables. At the project kickoff meeting, AECOM will review the issues, needs and goals of the project with Village staff. By establishing and documenting the project expectations up front, and reviewing the work performed against them at key milestones, AECOM's approach will provide the Village staff with a quality project.

It is our understanding that the Village is requesting that a condition assessment and asset management analysis be performed for the receiving station facilities, primarily consisting of pumping stations, reservoirs, and backup wells. Based on our experience with these types of assessments, recommended improvements are typically classified into problem classes, functional categories and overall condition indices (OCI's) to provide organization to the list of proposed improvement projects over the 20-year planning period. Establishing standardized assessment protocols and templates that are tailored to the Village's system are key to providing useful and uniform assessment information. Unless these are developed early in the project and the staff trained in the evaluation process, there could be a high degree of variability in the condition assessment reports received from the various disciplines. The same reasoning applies to establishing the estimating guidelines for the proposed capital improvement projects.

AECOM's familiarity with the Village's facilities will help orchestrate efficient site visits by coordinating the logistics for accessing the facilities to the assessment team prior to the site work, as well as identifying the specific areas of focus. This will allow us to maximize use of time in the field and minimize the need for return visits and Village staff time. Further, AECOM's Chicago-based staff includes more than 400 multi-disciplined professionals who can bring their specialized expertise to any facility at a moment's notice to quickly and efficiently address any condition that may arise, expected or unexpected.

Detailed Approach

Our detailed technical approach for performing the facility plan work is provided in the paragraphs that follow.

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Task 1: Kick-Off Meeting

AECOM will organize and conduct a project kickoff meeting between the Village and our team's key staff. The kick-off meeting will be used to:

- Establish client expectations and goals for the project
- Reconfirm the project work scope and AECOM's project team
- Establish the project schedule
- Confirm data provided to AECOM by Village staff and discuss any additional data AECOM may need to perform the project. Information gathering is expected to include the following, at a minimum:
 - Recent studies and reports
 - Record drawings
 - Drawings for recent facility improvements
 - Maintenance records
 - O&M manuals
 - Safety and security procedures and limitations
- Kick-off work tasks of the overall project, describing the planned approach for executing each task
- Identify communication protocols

Additionally, the AECOM team will coordinate and manage the individual task workshops described elsewhere in the scope of services.

Task 2: Condition Assessment Procedures

The AECOM team will develop condition assessment procedures for consistent use by the project team. AECOM's project manager will regulate the activities to limit Village obligations and minimize individual team member follow up with Village staff. Our team will facilitate the identification of interfaces and coordination between disciplines.

The AECOM team will prepare a concise condition assessment guidance manual for the assessment team and Village review and comment. We will further explain evaluation problem classes and functional categories and how they should be interpreted for each assessment area/discipline. The team should understand that each discipline does not stand alone. For example, for plumbing, are there any limitations with potable water and service water systems that adversely impact the process systems. There may be consideration for expanding problem classes to include the possible impacts of extreme weather-related events such as snow, ice, extreme cold, and extended hot weather.

Our team will develop detailed safety guidelines based on AECOM's comprehensive safety program and any specific limitations. Our safety program is described in greater detail later in this section.

We will also develop guidelines for estimated construction and project cost opinions for condition assessment findings, including preparation of appropriate templates and unit costs to be used, mark-ups, contingencies, ENR indices and escalation factors.

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Task 3: Site Tours and Detailed Assessments

The AECOM team will develop an efficient schedule for the project teams to visit the various sites and conduct their evaluations. The team members will consist of personnel with expertise in process, civil, electrical, structural, architectural and mechanical (HVAC/plumbing) disciplines, and the detailed assessments will include:

- Limiting the timeframe for on-site efforts for continuity and documentation
- Compiling all assessment results
- Screening comments and rankings for clarity and consistency between team members
- Arranging a workshop with Village staff to present and discuss initial results

Condition assessments of the following four (4) Village facilities will be performed subject to the exclusion and assumptions contained in the attachment to this proposal. The focus will be to assess the pump houses, chlorination equipment, ground storage reservoirs, emergency generators, backup wells and meter vaults.

- Receiving Station No. 1 Site
- Receiving Station No. 2 Site
- Receiving Station No. 6 Site
- Receiving Station No. 7 Site

AECOM's focused review of the facilities will include the following:

- Fire Protection and Life Safety
- General Site: access driveways, site drainage, parking areas, exterior walkways and driveways, exterior lighting, landscaping, fencing
- Architectural: building features including roofs, windows, doors, floors, brick work, etc. (assessment will not include a detailed roof or building envelope inspection)
- Structural: building structures including walls and supporting columns, process structures, auxiliary structures, etc.
- Process Equipment: items including but not limited to pumps, valves and operators, meters, chemical systems, discharge piping, etc.
- HVAC: air handling equipment, duct system, controls, support equipment
- Plumbing: hot and cold-water systems, station water systems, sewage systems
- Electrical: power systems, switchgear, motor starters, and lighting systems
- Instrumentation and Controls Systems: sensors, monitoring equipment, control panels
- Regulatory and safety: chemical safety, spill control, waste control
- Reservoir: Inspection of the reservoirs will be performed to determine, based on visual observations, the condition of the reservoir and its appurtenances

The results of the on-site assessments will be compiled into matrix tables that will be sorted by priority classes, areas of work, and disciplines with budgetary cost opinions.

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Task 4: Asset Inventory

An initial asset list will be developed by AECOM based on review of available engineering studies and record drawings, for Village staff review. It is assumed that there will be an average of 50 assets identified at each of the four (4) receiving station sites, or 200 total assets for this project. Each asset will be assigned a name, ID number and location, and up to twelve (12) additional attributes will be compiled for each asset. The AECOM team can evaluate additional assets and/or capture additional attributes per the Village request for an additional fee. It is our understanding that the Village has an existing list of attributes that are used in their asset management software (Cartegraph) for other systems, which the AECOM team will utilize, and additional attributes can be recommended based on our experience with asset inventory projects. Asset attributes and the associated hierarchy will be dictated by available fields in Cartegraph.

Once the Village and AECOM project team have agreed to the list of assets and attributes, the team will work with the Village to finalize the asset inventory process within the Cartegraph software platform. Customization of Cartegraph, by AECOM, is not expected or required during project execution. This asset and attribute setup task will be conducted in a workshop setting (approx. 4-6 hour duration) with key staff from both the Village and AECOM in attendance. This workshop will also include orientation training for AECOM staff to become familiar with the utilization of the Village's Cartegraph platform and mobile application, and to work through any potential technical issues in advance of the ensuing field work. The Village will provide a requisite number of user ID's to AECOM for accessing Cartegraph that will allow staff to login from a desktop computer or mobile device for the duration of the project.

The asset inventory field work will be conducted in conjunction with the condition assessment work (approximately 1-week duration) to optimize efficiencies of staff time while on-site and quality assurance of post-observation processing of data. The Village will provide AECOM with a sufficient number of mobile devices (e.g. tablets) that will allow the AECOM assessment team staff to efficiently collect the attribute data while on-site, and will then be uploaded directly into the Village's Cartegraph database.

Our team will proactively prepare the data collection approach in advance for each assessment area/discipline, which will be used by project staff in conjunction with our condition assessment guidance manual. AECOM will use the compiled data from the field to create an overall condition index (OCI) for each asset, for which we typically use a standard 5-point grading system, as presented on the next page.

Our project team will assign an estimated service life (ESL) for each asset and utilize performance curves based on asset categories to estimate their respective points of functional failure. AECOM will identify interdependences between assets that affect future operational and maintenance planning as well as the sequencing of capital improvement projects. Collected asset data will be entered into Cartegraph One, which will be automatically uploaded into the Cartegraph software for analysis to support the development of proposed improvement projects over the 20-year planning period.

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Condition Rating	Standard
1 - Excellent	Sound modern structure/equipment, operable and well maintained.
2 - Good	Showing some minor signs of deterioration. Routine refurbishment and maintenance required.
3 - Fair	Functionally sound, but appearance significantly affected by deterioration, structure is marginal in its capacity to prevent leakage, mechanical and electrical plant and components function adequately but with some efficiency and minor failures.
4 - Poor	Deterioration has a significant effect on performance of asset due to leakage or other structural problems. Mechanical and electrical plant and components function but require significant maintenance to remain operational. Equipment functional but obsolete.
5 - Fail	Serious structural problems having a detrimental effect on the performance of the asset. Will require major overhaul/replacement of the asset in the short term.

We will work with Village operators and maintenance staff to confirm past maintenance efforts for facility assets and confirm general compliance with suggested service goals and industry standard recommendations, and note any significant gaps and improvements for service improvements. This will help identify activities that impact the OCI and the performance curves.

Task 5: Future Considerations for Distribution System

This task will include an evaluation of the Village's existing distribution system by assessing the advantages/disadvantages for eliminating, merging, or adding new receiving stations in the future, and also evaluate the potential benefits of utilizing elevated storage in the future. This will include a review of previous engineering reports, interviews with Village staff, and a summary of future considerations that identify opportunities for the Village to improve on distribution system performance. In addition, AECOM will utilize the Village's existing WaterGEMS model to analyze the distribution system to support the findings, which is expected to include the following:

- Review of existing hydraulic model files to assess the operability/performance and identify the scenarios that are best suited for the analysis
- It is assumed that the existing model is sufficiently calibrated; costs for model calibration are not included in this proposal
- The following simulations are planned to be performed:
 - Base simulation run at both current (2021) conditions and future (2041) conditions to establish baseline criteria
 - Up to eight (8) simulation runs to analyze the potential addition or elimination of receiving station(s) under future conditions
 - Up to four (4) simulation runs to analyze the potential addition of elevated storage under future conditions with current receiving station arrangement
 - Up to four (4) simulation runs to analyze the potential addition of elevated storage under future conditions with modified (added/eliminated) receiving station arrangement(s)

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AECOM's analysis will be based on our knowledge of the Village's distribution system and our experience performing planning studies for similar systems. The findings will be presented in tabular and graphic formats in the Facilities Plan report with recommendations presented for the 20-year planning period. In addition, our team will identify any further hydraulic modeling studies that can be performed in the future that will provide a more detailed analysis required to advance the findings of this initial evaluation.

Task 6: Draft 70% Facilities Plan Report

- Include summary tables with problem class ranking and functional categories
- Correlate with items identified in any previous assessments or O&M records
- Prepare draft asset management summary spreadsheet with assigned attributes, ESL's and OCI's for each selected asset
- Prepare draft CIP project list with preliminary cost opinions (AECOM team will reach consensus with Village staff on the scope of project work before finalizing cost opinions)
- Prepare figures and reference photographs as an aid to understand the conditions identified
- Complete internal AECOM QA/QC review using independent, experienced reviewers who have not been directly involved
- Document and address resolution of QA/QC review comments
- Submit 70% Report to the Village and prepare format for documenting Village comments
- Arrange workshop to present and discuss the 70% Report
- Document resolution of all Village comments

Task 7: Final Facilities Plan Report

- Incorporate all comments
- Prepare an Executive Summary that highlights the approach and recommendations for the 20-year capital improvements plan
- Finalize cost opinions
- Prepare CIP project list based on problem class and functional categories
- Determine asset interdependencies and commonalities between facilities and disciplines to combine elements within the capital projects to optimize construction contract packaging, minimize disruption and yield lower bid prices
- Utilize AECOM's construction experience to identify any construction issues associated with proposed CIP projects
- Identify any temporary provisions that would be needed, such as standby generators, temporary pumping equipment, time limitations or other provisions
- Identify any recommendations for further engineering studies, detailed inspections or testing that could impact the cost and work within the capital projects
- Overview of Village asset compliance with suggested service goals and industry standard recommendations
- Arrange workshop to discuss Final Report
- Document resolution of all final Village comments
- Submit Final Report

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Task 8: Development of Standard Operating Procedures

This task will include the development of standard operating procedures (SOP's) for various emergency response scenarios to capture expertise of existing operations staff and support effective knowledge transfer for future use. This work is expected to be prepared into a separate stand-alone document that includes a detailed step-by-step plan for Village maintenance workers to follow to ensure that best practices are maintained. Our scope is based on up to eight (8) SOP's being developed, which will largely be derived from interviews with senior Village operations and maintenance staff in information capture sessions. The following scenarios are for consideration:

1. NWC feed unavailable, requires activation of backup wells and blending of water
2. Loss of power within the Village service area (electrical blackout)
3. Loss of reservoir(s) due to structural damage or contamination event
4. Loss of telemetry/SCADA
5. Unavailable disinfection supply or system down
6. TBD
7. TBD
8. TBD

Based on our experience performing information capture documents for water system operation and maintenance staff, the staff interview sessions are expected to be approximately 1-hour in duration for each scenario, and each SOP is expected to be approximately 2-pages in length, organized in an easily referenced manner for staff. Reference documents (e.g. facility site plan) for the SOP's will be compiled based on discussions with Village staff and will be tailored to focus on the specific scenario, as appropriate, to streamline the end product.

Approach to Safety

AECOM's Health and Safety program is designed to protect our most important asset — our employees. The goal of this program is to minimize injuries and occupational illnesses. This goal is accomplished through AECOM's policies and procedures, which are consistent with Federal, State and local regulations including OSHA 29 CFR Part 1910. Our excellent health and safety record reflects our stringent company training and medical surveillance policies.

AECOM policy dictates that every operation be performed in a safe manner to prevent injuries to our employees, clients and the public and prevent property damage. The AECOM Health and Safety policy provides the framework for establishing safe procedures and practices for AECOM staff. The implementation of these procedures and practices establish the AECOM Health and Safety Program. The objectives of the AECOM Health and Safety Program are:

- Provide safe and healthful working conditions for all AECOM staff
- Prevent injury or damage to persons or property
- Comply with applicable Federal and State Health and Safety Regulations, including OSHA 29 CFR Part 1910
- Minimize company losses by eliminating the cost of occupational accidents and illnesses

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All members of the project team will observe the following Health and Safety policies:

- Review and monitor compliance with the site safety plan
- Know the hazards of his/her job and employ safe practices to avoid injury or illness
- Use appropriate safe practices and equipment at all times
- Report unsafe/unhealthful conditions or practices to our Safety Officer for corrective action
- Assist our Safety Officer with accident investigation in which the staff person was involved or which he/she witnessed
- Hold safety meetings with staff, sub-consultants and contractors
- Document safety performance and maintain records

Cost Proposal

We are proposing to provide the aforementioned services for a total not-to-exceed fee as provided in the table below.

No.	Description	Hours	Cost
1	Project Initiation and Kick-Off Meeting	40	\$7,200
2	Develop Condition Assessment Procedures	72	\$12,000
3	Site Tours, Detailed Assessments and Workshop #1	400	\$66,000
4	Asset Inventory	270	\$44,550
5	Future Considerations for Distribution System	200	\$34,000
6	Draft 70% Condition Assessment Report	420	\$69,300
7	Final Condition Assessment Report	160	\$26,400
8	Development of Standard Operating Procedures	180	\$29,700
Other Direct Costs (printing, shipping):			\$300
Totals:		1,742	\$289,450

Project Schedule

Our proposed schedule is shown on the next page. We propose to complete the work within nine (9) months of the notice to proceed, which reflects our intimate knowledge and experience performing work at your facilities. We have included one (1) additional month in the schedule to mitigate against any potential schedule risks, and assuming a Notice-to-Proceed (NTP) of September 1, 2021, AECOM proposes to complete the work by June 30, 2022. The AECOM Team is available to commence immediately upon the NTP and have the necessary resources to execute delivery of the Facility Plan prior to June 30, 2022.

A key element to the success of the overall project and ultimate implementation, will be staff engagement. Our AECOM Team will conduct monthly team progress meetings in collaboration with the Village to continuously track and update the development of the Facility Plan project.

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No.	Task Description	2021				2022					
		Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
1	Project Initiation and Kickoff Meeting										
2	Develop Condition Assessment Procedures										
3	Site Tours, Detailed Assessments and Workshop #1										
4	Asset Inventory										
5	Future Considerations for Distribution System										
6	Draft 70% Condition Assessment Report										
7	Final Condition Assessment Report										
8	Development of Standard Operating Procedures										
-	Float for Risk Mitigation										

Thank you for the opportunity to prepare this Proposal to you for this important project. We would be happy to meet with you to discuss our scope of work further and provide any modifications to the scope, as needed, to better suit the Village of Buffalo Grove.

Very truly yours,

AECOM TECHNICAL SERVICES, INC.

Chad R. Laucamp, P.E.
Associate

Michael H. Winegard, P.E.
Vice President

Attachment

Attachment: 080321_VBG_Facilities Plan (O-2021-58 : Water Facility Planning)

Scope of Work Attachment

Village of Buffalo Grove Facilities Plan Project – Exclusions and Assumptions

In accordance with the Scope of Work, the following items will not be included in the facilities planning and condition assessment work:

1. Evaluation of population, flows or loadings – the basis of the assessment will be that the existing facilities and equipment sizing is adequate for water supply in the planning period.
2. Evaluation of regulatory requirements or regulatory reporting – evaluation of existing treatment systems to meet future regulatory requirements is not included.
3. Evaluation of Village organization or personnel, including management, operations, maintenance, engineering, safety, security, facility staffing and organization, and all other staff functions.
4. Evaluation of SCADA system, telephone system, and LAN system.
5. Update of Risk and Resilience Assessment (RRA).
6. Update of Emergency Response Plans.
7. Special evaluations including energy use, chemical use, carbon footprint, process optimization, and green technologies, and sustainability.
8. Evaluation of security systems including adequacy of gates, fences, etc.
9. Lead paint and asbestos inspection, testing, and studies.

The Scope of Work also includes the following assumptions:

1. Report format would use exception style reporting: i.e., only complete assessment report on items that has deficiency/condition issue. Lengthy text will not be included in the report. Instead, the conditions will be documented in tables with supporting photographs for reference.
2. No report or write up on items that are in good or acceptable condition.
3. No detailed mapping or listing of deficiencies (e.g., multiple areas of minor cracking and/or spalls along interior wall; or many expansion joints leaking on conduits in pipe gallery). Where previous studies and evaluations have been completed, these studies should be referenced.
4. Not performing review of applicable codes and determining compliance.
5. Overhead cranes will be inspected for age, deterioration, adequacy and wall damage at stops, adequacy of rated capacity based on prior certifications
6. Buried piping and utilities will not be inspected or televised.
7. Roofs will be accessed by existing ladders or stairs and will be based on visual observations and review of as-built documents and warranties; no destructive investigation or cutting, coring or infrared testing will be performed as part of this scope of work; no special lifts will be provided nor more extensive testing unless approved as a separate cost by the Village.
8. Exterior masonry, concrete walls or panels, windows, louvers, etc. that are at higher elevations will not be inspected with special ladders or lifts; no special lifts or ladders will

be provided unless approved as a separate cost by the Village; inspection will be based on binocular visual; material testing and sounding is beyond the scope of this assessment

9. Tunnels, shafts and void areas / crawl spaces below structures will not be inspected.
10. Photographs will be compiled and annotated to document conditions; no video recording will be completed.
11. It is assumed that Village staff knowledgeable and familiar with the facilities will be available for interviews.
12. AECOM will make recommendations for any follow-on detailed testing of materials or equipment that is needed.
13. Destructive testing/investigation is not part of the scope of work.
14. Foundation analysis is not part of the scope of work
15. We have not included any costs for specialized equipment/services for confined space entry in this proposal; if needed for assessment work it is assumed this will be provided by the Village.
16. It is not anticipated that the procurement and delivery of ladders and/or mechanical lifts will be required; if needed for assessment work it is assumed this will be an additional cost by the Village.
17. This assessment will not inventory every equipment item, valve, pipe etc., but will identify those major items that will require a capital investment during the planning period. Village staff will assist with confirming equipment age and maintenance history, as needed.
18. The Village will dewater the reservoirs and provide all equipment necessary for the internal inspection including but not limited to ventilation, lighting, ladders, scaffolding and confined space equipment.



Ordinance No. O-2021-59 : Sanitary Facility Planning

Recommendation of Action

Staff recommends approval.

Staff recommends approval of the Ciorba Group engineering contract for sanitary facility long-term planning, subject to review and approval by Village Attorney. Based upon the scope of work the total value of this contract is a not to exceed amount of \$226,202.34.

ATTACHMENTS:

- Ciorba Memo (DOCX)
- Ciorba Ordinance (DOCX)
- 2021-08-04 Sanitary Sewer Master Plan COMPLETE (PDF)

Trustee Liaison
Stein

Staff Contact
Kyle Johnson, Engineering

Monday, August 16, 2021

VILLAGE OF BUFFALO GROVE



MEMORANDUM

DATE: August 12, 2021

TO: Dane Bragg, Village Manager

FROM: Kyle Johnson, Assistant Public Works Director

SUBJECT: Ciorba Group, Inc. Long-Term Sanitary Facility Study (Master Plan)

Staff Recommendation

Staff recommends approval of the Ciorba Group, Inc. contract, based upon the scope of work the total value of this contract is a not to exceed amount of \$226,202.34. These funds will be allocated from the available water/sewer funds over a period of approximately two years.

Project Overview

A substantial aspect of the Infrastructure Modernization Program (IMP) is to develop a plan for infrastructure improvements which consider the Village as a whole, instead of individual developments that occurred separately over time. Both the storm sewer and water distribution systems have been compressively studied. The attached plan focuses on the water facilities (pump and well houses), with elements of consideration toward the water system. Parts of the study and report include, but are not limited to:

- Lift station inspections
- Critical facility inspection and survey
- Flow monitoring
- Sewer modeling and calculations
- Emergency operations plan creation
- Capital improvement prioritization and planning through Cartegraph asset management software

Ciorba Group, Inc. is heavily involved in the design and operation of the Village's sanitary sewer system already, completing several studies and designs over the last few years. Their skill set and understanding of our system align well with the long-term planning and considerations of this study.

ORDINANCE 2021-_____**AN ORDINANCE AUTHORIZING AN ENGINEERING SERVICES AGREEMENT WITH CIORBA GROUP, INC.**

WHEREAS, the Village of Buffalo Grove is a home rule unit pursuant to the Illinois Constitution of 1970; and

WHEREAS, the Village seeks to enter into an Engineering Services Agreement with Ciorba Group, Inc. for long-term sanitary facility planning and engineering study,

NOW THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF BUFFALO GROVE, COOK AND LAKE COUNTIES, ILLINOIS, as follows:

SECTION 1. The foregoing recitals are hereby adopted and incorporated and made a part of this Ordinance as if fully set forth herein.

SECTION 2. The Village Manager is authorized to enter into an Engineering Services Agreement with Ciorba Group, Inc. for long-term sanitary facility planning and engineering study at a price not to exceed \$226,202.34, subject to review by the Village Attorney.

SECTION 3. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity thereof shall not affect any other provision of this Ordinance.

SECTION 4. This Ordinance shall be in full force and effect from and after its passage and approval and shall not be codified.

AYES: _____

NAYES: _____

ABSENT: _____

PASSED: _____, 2021

APPROVED: _____, 2021

APPROVED:

Beverly Sussman, Village President

ATTEST:

Janet Sirabian, Village Clerk

Attachment: Ciorba Ordinance (O-2021-59 : Sanitary Facility Planning)

August 4, 2021

Mr. Kyle E. Johnson, PE, CFM
Assistant Public Works Director
Village of Buffalo Grove
51 Raupp Boulevard
Buffalo Grove, Illinois 60089

**Subject: Sanitary System Master Plan
Proposal for Engineering Services**

Dear Mr. Johnson:

Per your request, Ciorba Group, Inc. has prepared a proposal for **Engineering Services for development of a Sanitary Sewer Master Plan**. Please find attached our proposal including a summary of our project understanding, proposed scope, and breakdown of costs per project component.

Should you have any questions or require any additional information, please contact us at your convenience. We look forward to the opportunity to assist the Village of Buffalo Grove on this important public works project.

Sincerely,
Ciorba Group, Inc.



Luke A. Mattson, P.E.
Water Resources Project Manager

EXHIBIT A – SCOPE OF SERVICES

PROJECT UNDERSTANDING

The Village of Buffalo Grove has identified the need to create a long-term Sanitary System Master Plan. This plan will provide a summary of goals and objectives of the planning document; summarize previous studies and policies related to the sanitary system planning; conduct an existing system evaluation of the sanitary sewer components (sewers, lift stations, SCADA) from a capacity, operations, and emergency management standpoint; conduct a future system evaluation based upon Village population projections and other planning documents; summarize identified deficiencies for future capital and operational improvements; summarize recommended improvements for near term and long term planning periods; provide planning level cost estimates for proposed improvements; and present a 20-year capital improvement plan (CIP).

The Sanitary System Master Plan will provide the Village with a baseline to make short term and long-term capital planning decisions, engage in operational changes if needed, and identify the need for funding sources for future projects.

PROJECT SCOPE

The following tasks will be performed as part of this project:

Start-Up Meeting with the Village

The Project Team will meet with the Village at an initial kick-off meeting with the Village Assistant Public Works Director, and other Village staff. During this meeting, the scope of the study will be reviewed along with milestone deliverables and the overall timeline of the study. During this meeting, Ciorba anticipates input from Public Works and Engineering staff regarding perceived and confirmed system deficiencies, wish-lists for operational changes, and other system input related to the study.

Ciorba's Project Team will present an information wish list that may include atlases, current GIS data, lift station SCADA output, previous master plans and rate studies, location specific studies, MWRD permits, Lake County permits, historical flow monitoring data, Village planning documents for residential and business growth, boundary agreements, and any other relevant documents.

Desk Study

Following the collection of all relevant and available information, Ciorba will commence the extraction of relevant data for the existing and proposed conditions analysis. This will include, but not be limited to reviewing:

- Planning reports and zoning documents for current and future land use, and population estimates.
- GIS data for sanitary system completeness (condition, pipe size, pipe age, elevations).
- Lift station data tables, inspection reports, record drawings, and service logs.
- Previous I&I studies and flow monitoring reports and / or raw data.
- Large water user metering data for non-typical waste loading.
- Village CMOM, LTOMP, and PSP documents.
- Historic Village maintenance program (lining, repairs, replacements)
- Lift Station SCADA output for dry weather and wet weather periods.
- Other relevant data, reports, and documents.

Lift Station Field Inspection

Complete visual inspection of lift stations for a review of mechanical, electrical, controls, and civil arrangement and condition. This would include 6 lift stations in Lake County (Camelot, Johnson Drive, Linden, Port Clinton, Route 22, River Oaks) and 4 lift stations in Cook County (OTP, Raupp, Golfview, Chatham). The Cambridge on the Lake and Cambridge Court will not be inspected due to the active nature of their reconstruction / abandonment.

Pick-Up Structure Survey

The hydraulic model will rely on GIS data for elevations to the extent available. An initial review of the sanitary sewer data shows approximately 500 individual pipe segments in Lake County and 2,000 pipe segments in Cook County to be modelled. 70% of the GIS data showed elevation data. The pick-up structure survey will include gps survey of rim elevations of 750 structures and associated invert dips for importing into the model.

Flow Monitoring

Conduct 2021 October / November flow monitoring at key locations in Cook and Lake Counties to calibrate sewer modelling. Two flow monitors should be installed in the Cook County basin on the Village's Arlington Heights Road 24" collector and Buffalo Grove 21" collector. Two additional locations should be selected on Village sewers upstream of connections to the Lake County interceptor that runs along McHenry Road for the largest available basins.

Sewer Modelling and Calculations

A hydraulic model will be developed with the goal of providing the Village a detailed overview of performance under current and projected future conditions in Cook County and a mid-level overview in Lake County. This model output will be used to inform the planning process of potential needs for major interceptor improvements, provide a tool to review basin relationships due to overflows and lift stations in series, and provide an initial foundation for micro scale investigations of specific basins in the future. In Lake County, this model will skeletonize all sewers 10" or greater. In Cook County, this model will skeletonize all sewers 8" or greater. The total of these sewer represents approximately 65% of the 145 miles of sewer currently contained in the Village's GIS. Additional relevant sewers will also be added, such as sewers smaller than 10" that feed into Village Lift Stations in Lake County. All 12-lift stations will also be modelled.

The proposed model will be developed using XPSWMM and rely on GIS data input. Synchronizing the model with GIS will allow the Village to export data to the Village's asset management software, Cartegraph, which synchronizes with ArcGIS.

Capital Improvements Scoring

In order to provide an accessible development tool that can be easily manipulated for annual planning, a decision matrix will be created that assigns a score to each alternative based upon a list of criteria. Recommendations will be provided for all facilities including sanitary sewers (local and collector), manholes, lift stations, and SCADA. Criteria ranking and priority scoring will be summarized. Results will be provided in a tabular format and projected as useable GIS data for Village planning.

Project Reporting

A Sanitary Sewer Master Plan report will be completed in Draft and Final formats, generally based on the following outline (*Italicised colored text items are planned for inclusion in the Final Submittal*).

SECTION	TITLE	DESCRIPTION
1	EXECUTIVE SUMMARY	<i>Key point summary of Study Goals and Objectives, Existing and Future System Evaluation, Identified Deficiencies, Recommended Improvements, and 20-Year CIP.</i>
2	GOALS AND OBJECTIVES	Bullet point summary of plan goals and objectives.
3	PREVIOUS STUDIES AND REPORTS	Summary of previous reporting on the sanitary sewer system including dates, purpose, and conclusions. Previous reporting findings will provide a baseline to the new analysis and major historic considerations will be summarized.
4	EXISTING SYSTEM EVALUATION	
4.1	Existing Conditions	Detailing of County basins, individual basins upstream of lift stations or major trunk lines, land use, population equivalents, and infiltration and inflow.
4.2	Sanitary Sewers	
4.2.1	Methodology	Summary of field, desk study, data analysis, and modelling approaches to assess sanitary sewer capacity, condition, and operations.
4.2.2	Capacity	Detailing of XPSWMM steady state modelling analysis of sewer lines 10" and larger for dry weather and wet weather flows. Graphical and tabular presentation of available sewer capacities and peak factors.
4.2.3	Condition	Summary of sanitary sewer condition based upon scoring GIS data for age, material, NASSCO documentation, or other populated fields as well as manual entry of defect scoring for available video inspections.
4.2.4	Operations	Presentation of non-lift station operations including use of basin overflows.
4.3	Lift Stations	
4.3.1	Methodology	Summary of data analysis approach using exported SCADA data to review dry weather and wet weather performance of the stations. Summary of field investigation approach to review station conditions including draw-down timing)
4.3.2	Capacity	Summary of pump rating from various sources. These include desk study sources (permits, Village data tables), inspection sources (pump nameplates), and calculated sources (drawdown timing, SCADA analysis).
4.3.3	Condition	Summary of civil, structural, mechanical, electrical, and SCADA condition, operations, and layout of each station.
4.3.4	Operations	Summary of automatic control approach, setpoints, pump alternation, metering, and other operational approaches at each station.
4.4	SCADA	Review of the Village's existing field devices and data collection for SCADA use in the collection system and at lift stations. Summary of the data transmission method. Review of how the data is used by operations staff.
4.5	Emergency Simulation	Definition of emergency event based on wet weather or other emergency condition. Analysis of sanitary sewer infrastructure (sewers, lift stations, SCADA) performance during defined events to assess vulnerabilities.

SECTION	TITLE	DESCRIPTION
5	FUTURE SYSTEM EVALUATION	
5.1	Future Conditions	Definition of future condition based on a 20-year planning horizon from a population, development, service area, and zoning standpoint.
5.2	Sanitary Sewers	Repeat of section 4 analysis under future conditions.
5.3	Lift Stations	
5.4	SCADA	
5.5	Emergency Simulation	
6	IDENTIFIED DEFICIENCIES	
6.1	Sanitary Sewers	Narrative, tabular, and graphic representation of condition and capacity deficiencies based on a scoring approach from Section 4 and 5 results.
6.2	Lift Stations	Narrative and tabular summary of identified issues from Section 4 and 5 analyses.
6.3	Operations	Narrative and graphic summary of operational issues related to lift stations settings, SCADA interface, and system activities.
7	RECOMMENDED IMPROVEMENTS	
7.1	Near Term Improvements	Summary of improvements with vulnerabilities identified by the emergency simulation and / or low capacity and condition scoring.
7.1.1	Capital Improvements	Individual project summaries for sewers, lift stations, and SCADA.
7.1.2	Operational Improvements	Individual summaries of recommended operational changes including permanent flow monitoring.
7.2	Long Term Improvements	Summary of improvements with medium capacity and condition scoring as well as preventative maintenance programs.
7.2.1	Capital Improvements	Individual project summaries for sewers, lift stations, and SCADA.
7.2.2	Operational Improvements	Individual summaries of recommended broader scope operational changes.
8	CAPITAL IMPROVEMENT PROGRAM	
8.1	<i>Planning Estimates</i>	<i>Engineering opinion of probable costs for individual projects.</i>
8.2	<i>20-Year CIP</i>	<i>Annual planning of scored projects per year over the 20-year long term planning horizon.</i>

Village Review and Comment / Review Meeting

During the review period, Ciorba will present the draft findings to the Public Works Department in a single scheduled review meeting. This will be an opportunity for the Village and Ciorba to discuss differences of opinion, clarify questions, and develop an approach for the Final Report.

Investigate Additional Considerations

Additional considerations arising from the draft report review process will be analyzed.

Prepare Final Report

Ciorba will incorporate any additional narrative and analysis resulting from the draft review stage to the original Sections of the draft report (Sections 2-7) and will prepare additional Sections 1 and 8 for the compiling of a final report to be provided in formats requested.

Final Report Presentation

Ciorba Group will present the findings of the report to Public Works and Engineering Staff, Village Board, or any appropriate audience determined by the Village, in a single meeting shortly after submission and acceptance of the final report.

Cartegraph Condition Indexing

Ciorba Group will work with the Village of Buffalo Grove in creating an Overall Condition Index (OCI) of all of the Village's 12 lift stations.

Deliverables

Ciorba will submit the final report in digital .PDF format and four (4) bound hard copies. Additionally, project ranking spreadsheets will be submitted in excel format. XPSWMM and ArcGIS output will be submitted as database files, shape files, or other formats compatible with the Village's asset management tool, Cartegraph.

EXHIBIT B - PROJECT SCHEDULE

The following schedule represents a general snapshot of anticipated activities in 2021 and 2022.

TASK NAME	Duration	START	FINISH
Notice to Proceed	1 d	8/16/2021	
Kickoff Meeting with the Village	1 d	8/23/2021	
Field Work / Desk Study / Hydraulic Modelling	20 w	8/23/2021	1/7/2022
Flow Monitoring	8 w	10/1/2021	11/26/2021
Draft Report Development	20 w	1/10/2022	5/27/2022
Draft Report Submittal	1 d	5/27/2022	
Village Draft Report Review Period	4 w	5/30/2022	6/24/2022
Draft Report Review Meeting	1 d	6/24/2022	
Final Report Development	8 w	6/27/2022	8/19/2022
Final Report Submittal	1 d	8/19/2022	
Final Report Presentation	1 d	9/5/2022	



Firm Ciorba Group, Inc
Client Village of Buffalo Grove
County Cook
Job No.

Cost Estimate of
Consultant Services
(Direct Labor Multiple)

Date 08/04/21
Overhead Rate 0.00%
Complexity Factor 0

DBE DROP BOX	ITEM	MANHOURS (A)	PAYROLL (B)	(2.9+R) TIMES PAYROLL (C)	DIRECT COSTS (D)	SERVICES BY OTHERS (E)	TOTAL (C+D+E)	% OF GRAND TOTAL
	Meetings, Data Collection & Coordination	55	\$ 3,144.50	\$ 9,119.05	\$ 57.50		\$ 9,176.55	4.06%
	Topographic Survey	390	\$ 15,972.53	\$ 46,320.34	\$ 2,368.75		\$ 48,689.09	21.52%
	Water Resources	878	\$ 41,830.25	\$ 121,307.73			\$ 121,307.73	53.63%
	Public Involvement	6	\$ 359.52	\$ 1,042.60			\$ 1,042.60	0.46%
	QC/QA	16	\$ 1,376.96	\$ 3,993.18			\$ 3,993.18	1.77%
	Project Management & Administration	16	\$ 1,376.96	\$ 3,993.18			\$ 3,993.18	1.77%
	RJN Group					\$ 38,000.00	\$ 38,000.00	16.80%
	TOTALS	1361	\$ 64,060.72	\$ 185,776.09	\$ 2,426.25	\$ 38,000.00	\$ 226,202.34	100.00%

WORK BREAKDOWN STRUCTURE

9.D.c

Village of Buffalo Grove

BG Sanitary System Master Plan

Task Sub-Task	Activity	Grand Total	Water Resources Manager	Project Manager	Project Engineer	Senior Engineer	Engineer II	Engineer I	Party Chief	
1. Meetings, Data Collection & Coordination	Task Total:	55	2	27	4	4	14	4		1
010 Meetings	Subtotal:	27	2	15			10			
	Meetings with Owner (3 mtg x 2 hrs/mtg)	12	2	6			4			
	Meeting Minutes (3 mtg x 2 hr/mtg)	6		6						
	Prepare Agenda/Exhibits for Meetings (3 mtgs x 3 hrs/mtg)	9		3			6			
011 Coordination	Subtotal:	28		12	4	4	4	4		
	Coordination with Owner	28		12	4	4	4	4		
2. Topographic Survey	Task Total:	390		24			12		169	1
020 Field Survey	Subtotal:	326		24			12		165	1
	Pick-Up Structure Survey	290							165	1
	Lift Station Inspection	36		24			12			
021 Process Survey Information	Subtotal:	64							4	
	Process Survey	64							4	
3. Water Resources	Task Total:	878	4	212	65	150	254	193		
033 Sanitary Sewer	Subtotal:	782		152	61	146	234	189		
	Sanitary System Desk Study	76		20	8	8	20	20		
	Hydraulic Modelling	600		100	45	130	180	145		
	Capital Improvement Plan Development	76		20	8	8	20	20		
	Cartograph Database Development	30		12			14	4		
034 Reports / Location Drainage Studies	Subtotal:	96	4	60	4	4	20	4		
	Sanitary Sewer System Report	96	4	60	4	4	20	4		
7. Public Involvement	Task Total:	6		4			2			
071 Public Activities	Subtotal:	6		4			2			
	Final Presentation	6		4			2			

Attachment: 2021-08-04 Sanitary Sewer Master Plan COMPLETE (O-2021-59 : Sanitary Facility Planning)

WORK BREAKDOWN STRUCTURE
Village of Buffalo Grove
BG Sanitary System Master Plan

Task	Sub-Task	Activity	Grand Total	Water Resources Manager	Project Manager	Project Engineer	Senior Engineer	Engineer II	Engineer I	Party Chief
9. QC/QA			Task Total:	16	16					
	090 QC/QA		Subtotal:	16	16					
		Water Resources		16	16					
10. Project Management & Administration			Task Total:	16	16					
	100 Project Management & Administration		Subtotal:	16	16					
		Project Administration		8	8					
		Project Management		8	8					

Attachment: 2021-08-04 Sanitary Sewer Master Plan COMPLETE (O-2021-59 : Sanitary Facility Planning)



FIRM NAME Ciorba Group, Inc. **DATE** 07/23/21
PRIME/SUPPLEMENT _____
Client Village of Buffalo Grove

ESCALATION FACTOR **1.85%**

CLASSIFICATION	CURRENT RATE	ESCALATED RATE
Water Resources Manger	\$84.50	\$86.06
Project Manager	\$68.50	\$69.76
Project Engineer	\$54.00	\$55.00
Senior Engineer	\$42.00	\$42.78
Engineer II	\$39.50	\$40.23
Engineer I	\$33.00	\$33.61
Party Chief	\$42.50	\$43.28
Survey Crew Member	\$34.50	\$35.14

IN-HOUSE DIRECT COSTS
Village of Buffalo Grove
BG Sanitary System Master Plan
PHASE I

Meetings, Data Collection & Coordination

Description	Unit	Unit Cost	Quantity	Extended Cost
Vehicle (mileage)	mile	\$ 0.58	100	\$ 57.50
Total: \$				<u>57.50</u>

Topographic Survey

Description	Unit	Unit Cost	Quantity	Extended Cost
Vehicle (mileage)	mile	\$ 0.58	50	\$ 28.75
Vehicle (day)	day	\$ 65.00	36	\$ 2,340.00
Total: \$				<u>2,368.75</u>



Ordinance No. O-2021-60 : NPDES Compliance 5 Year Program

Recommendation of Action

Staff recommends approval.

Staff recommends approval of the Christopher B. Burke Engineering NPDES Compliance contract for 2022 through 2027, subject to review and approval by Village Attorney. Based upon the scope of work the total value of this contract is a not to exceed amount of \$111,852.00.

ATTACHMENTS:

- CBBEL Memo (DOCX)
- CBBEL Ordinance (DOCX)
- Buffalo Grove NPDES Compliance Proposal 080921 (PDF)

Trustee Liaison
Stein

Staff Contact
Kyle Johnson, Engineering

Monday, August 16, 2021

VILLAGE OF BUFFALO GROVE



MEMORANDUM

DATE: August 12, 2021

TO: Dane Bragg, Village Manager

FROM: Kyle Johnson, Assistant Public Works Director

SUBJECT: Christopher B. Burke Engineering, Ltd. NPDES Annual Compliance and Documentation

Staff Recommendation

Staff recommends approval of the Christopher B. Burke Engineering, Ltd. Contract, based upon the scope of work the total value of this contract is a not to exceed amount of \$111,852.00 over the next five years. This contract averages approximately \$22,370 per year, which is in general alignment with our Capital Improvement Planning for that same period.

Project Overview

All storm sewer systems in Illinois require compliance with the National Pollutant Discharge Elimination System (NPDES) Phase II permit requirements. Every five years a Notice of Intent (NOI) is filed with the Illinois Environmental Protection Agency (IEPA), which establishes expected compliance components. Then each year annual reporting mechanisms are required to meet those expectations. Parts of that documentation and reporting include, but are not limited to:

- Public meeting
- Sampling and monitoring of receiving streams
- Annual NPDES employee training
- Annual facility inspections
- Annual site monitoring and grab samples
- Testing for Buffalo Creek
- Water quality reporting

CBBEL has been completing these efforts for the last decade but have done so on an annual contract basis. This five-year contract allows the Village to capture the full NOI cycle while ensuring a comprehensive approach to the NPDES program, while also achieving economies of scale and without annual inflation.

ORDINANCE 2021-_____

AN ORDINANCE AUTHORIZING AN ENGINEERING SERVICES AGREEMENT WITH CHRISTOPHER B. BURKE ENGINEERING, LTD. (CBBEL)

WHEREAS, the Village of Buffalo is a home rule unit pursuant to the Illinois Constitution of 1970;
and

WHEREAS, the Village seeks to enter into an Engineering Services Agreement with Christopher B. Burke Engineering, Ltd. (CBBEL) for National Pollutant Discharge Elimination System (NPDES) Phase II Annual Compliance and Documentation,

NOW THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF BUFFALO GROVE, COOK AND LAKE COUNTIES, ILLINOIS, as follows:

SECTION 1. The foregoing recitals are hereby adopted and incorporated and made a part of this Ordinance as if fully set forth herein.

SECTION 2. The Village Manager is authorized to enter into an Engineering Services Agreement with Christopher B. Burke Engineering, Ltd. (CBBEL) for National Pollutant Discharge Elimination System (NPDES) Phase II Annual Compliance and Documentation at a price not to exceed \$111,852.00 over the next five years.

SECTION 3. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity thereof shall not affect any other provision of this Ordinance.

SECTION 4. This Ordinance shall be in full force and effect from and after its passage and approval and shall not be codified.

AYES: _____

NAYES: _____

ABSENT: _____

PASSED: _____, 2021

APPROVED: _____, 2021

APPROVED:

Beverly Sussman, Village President

ATTEST:

Janet Sirabian, Village Clerk

Attachment: CBBEL Ordinance (O-2021-60 : NPDES Compliance 5 Year Program)

**CHRISTOPHER B. BURKE ENGINEERING, LTD.**

9575 W Higgins Road, Suite 600 Rosemont, Illinois 60018-4920 Tel (847) 823-0500 Fax (847) 823-0520

August 9, 2021

Village of Buffalo Grove
Public Works Facility
51 Raupp Boulevard
Buffalo Grove, IL 60089

Attention: Kyle Johnson, PE, CFM – Assistant Public Works Director

Subject: Proposal for Professional Engineering Services
NPDES MS4 Phase II Compliance Activities

Dear Mr. Johnson:

Christopher B. Burke Engineering, Ltd. (CBBEL) is pleased to submit this proposal to the Village of Buffalo Grove (Village) for professional engineering services related to maintaining compliance with the National Pollutant Discharge Elimination System (NPDES) Phase II permit requirements. This proposal includes our Understanding of the Assignment, Scope of Services, and Estimate of Fee.

UNDERSTANDING OF THE ASSIGNMENT

The Village's NPDES permit issued by the Illinois Environmental Protection Agency (IEPA) expired on February 28, 2021, and CBBEL prepared and submitted a new Notice of Intent (NOI) that extended the permit for another 5-year cycle. It is our understanding that the Village would like CBBEL to assist with all documentation and annual reporting requirements associated with the Village's NPDES permit for this permit cycle. These requirements will include the annual Public Meeting, sampling and monitoring of receiving streams, annual NPDES employee training, annual Facility Inspection Report and annual site monitoring and grab samples. This proposal also includes other compliance related tasks that CBBEL will complete a single time to verify that these components of the Village's NPDES provide appropriate coverage and meet or exceed the requirements of the NPDES permit.

Based on our experience with similar projects and our discussions with Village staff, provided below is our Scope of Services.

SCOPE OF SERVICES

Annual Compliance Tasks

Task 1 – NPDES Phase II Permit Compliance Assessment: CBBEL will review the Village's current NPDES program and last year's activities and documentation to evaluate the Village's compliance with the General NPDES Permit for Discharges from Small Municipal Separate Storm Sewer Systems. The compliance assessment will compare the permit requirements with the Village's existing and proposed NPDES program BMP's and other activities. CBBEL will also evaluate if activities from the NOI have been implemented and/or are effective in meeting the minimum control measures of the permit. CBBEL will also meet with the appropriate Village staff to discuss the Village's NPDES program and determine the status of NPDES permit compliance. CBBEL will determine what practices and procedures are applicable toward the required minimum control measures and whether any of them require modification to maintain compliance. From this meeting, CBBEL staff will determine if any modifications or updates are needed to the Village's NPDES Phase II program to bring the Village into compliance.

Task 2 – Annual Facility Inspection Report: Upon completion of Task 1, CBBEL will compile information on the Village's NPDES program goals and activities and summarize this information in a report to the IEPA. The Annual Report is due to the IEPA by June 1st of each permit year.

The yearly report must include the following:

- The status of compliance with the permit conditions, including an assessment of the BMP's and progress made toward the measurable goals.
- Results of any information collected and analyzed, including monitoring data.
- A summary of the stormwater activities planned for the next reporting cycle.
- A change in any identified best management practices or measurable goals.
- If applicable, notice of relying on another governmental entity to satisfy some of the permit requirements.

Task 3 – Annual Municipal Facility Inspections: The Village's NPDES permit requires policies, procedures and/or activities that reduce, limit or eliminate the potential for stormwater pollution from municipal activities through the Pollution Prevention and Good Housekeeping minimum control measure. CBBEL will assist the Village with the implementation of these measures by performing an annual inspection of the municipal facilities to identify potential areas of concern and if needed make recommendations for modifying existing BMP's or implementing new ones.

Task 4 – Annual NPDES Employee Training: CBBEL will prepare and present a training program specifically for the Village to meet the requirements of their ILR40 permit relating to training of Village employees on stormwater and NPDES related issues. The training will be approximately 0.5-1 hour in length and held at the Public Works facility or other location selected by the Village.

Task 5 – Annual Public Meeting: The Village's NPDES permit requires at least one public meeting per year to provide the general public with an opportunity comment on the

adequacy of the Village's NPDES program. CBBEL will assist the Village with the development of materials related to NPDES or similar water quality topic for the public meeting and attend at staff's request.

Task 6 – Site Monitoring Visit and Grab Sample Collection: The Village's NPDES permit requires annual monitoring to be performed as part of the Illicit Discharge Detection and Elimination minimum control measure. CBBEL will assist by visiting specified receiving streams and performing grab samples from the waterways. Water sampling will be completed near Village limits at 4 upstream and downstream locations at the same sample points as the previous 11 years. Test results will build on previous year's data and be useful for identifying water quality trends and for comparison with Metropolitan Water Reclamation District sampling results, which are included in the Buffalo Creek Clean Water Partnership watershed group.

Sampling locations include the Village's upstream and downstream limits of Buffalo Creek, Indian Creek, Aptakisic Creek, and the Kildeer Creek Tributary. Field visits will be completed within 48 hours of 0.25 inches of rain over a 24-hour period. We will coordinate with Public Works staff so that they can attend the field visits, if desired.

Task 7 – Analytical Services: Water sampling parameters are proposed to provide a basic description of water quality within Village streams. Water quality will include the same parameters as in the previous sampling years. The 2021 results will build on results obtained in 2009-2020 for comparison to state water quality standards and to identify trends.

Water quality samples for the following parameters will be completed by an accredited water testing laboratory:

- Fecal coliform
- Total suspended solids (TSS)
- Total Phosphorus
- Chloride
- Fluoride

Each monitoring location will also be field tested by CBBEL for the following:

- dissolved oxygen (DO)
- pH
- conductivity
- water temperature

Task 8 – Testing & Analytical Services for Current TMDL Parameters (Buffalo Creek, only): We propose water sample collection and laboratory testing for carbonaceous biological oxygen demand (CBOD) and ammonia to address the re-listing of DO as a pollutant on the TMDL list for Buffalo Creek. Therefore, sampling for CBOD and ammonia is proposed for two locations - the upstream and downstream limits of Buffalo Creek (Sites BC-1 & BC-2). Results will be incorporated in each years' Report.

Task 9 – Water Quality Report: Each year, CBBEL will prepare a report summarizing the results of the field sampling and laboratory analytical data. Historical IEPA water quality data from the MWRD sample point located on Buffalo Creek at Lake-Cook Road will be included for comparison. Recommendations to improve water quality will be included as appropriate. A photo exhibit showing representative conditions at each monitoring location will be included in each report. A draft will be provided for your review prior to submittal of digital and hard copies of the finalized report.

Additional Compliance Tasks

Task 10 – Revised Notice of Intent: The Village's Municipal Separate Storm Sewer System (MS4) permit expired on February 28, 2021 and last fall the IEPA issued a new Notice of Intent (NOI) form that was required to be utilized to apply for a permit. If the new form was not used, the NOI would not have been accepted, the permit would not have been granted and the Village would not be compliant with State and Federal NPDES requirements. The new NOI extended coverage under the current General NPDES Permit for Discharges from Small Municipal Separate Storm Sewer Systems (General NPDES Permit) until the IEPA releases a new permit. All applicable conditions, restrictions and requirements of the current General NPDES Permit remain in effect. No timetable has been provided for the release of the new permit. To maintain compliance, CBBEL assisted the Village with the preparation and submission of the new Notice of Intent form to the IEPA. The NOI notified the IEPA of the activities the Village is currently and/or will perform to meet the requirements of the General NPDES Permit. CBBEL's preparation of the new NOI will also included a review of the Best Management Practices (BMP) and activities listed in the NOI for potential updates based on the Village's NPDES program or current IEPA guidance. This task has been completed.

Task 11 – Code of Ordinances Review: Several of the NPDES permit conditions require regulatory control mechanisms such as codes or ordinances, as well as codified enforcement actions to meet and maintain compliance. CBBEL will review the Village's Code of Ordinances to verify compliance with the permit requirements for regulatory control mechanisms and, if needed, provide comments or recommendations regarding updates or changes to the website.

Task 12 – Website Review: The NPDES MS4 permit has specific requirements for maintaining and posting of compliance and program related information. Specifically, the Notice of Intent, Annual Reports and SMPP are all required to be posted on the Village's website for public access. CBBEL will perform a comprehensive review of the Village's website to verify compliance with the permit requirements for posting and recordkeeping and, if needed, provide comments or recommendations regarding updates or changes to the website.

Task 13 – Sustainability Plan Review: CBBEL will perform a review of the Village's existing Environmental Sustainability Plan for consistency with the ILR40 NPDES permit requirements and goals. If needed upon completion of the review, CBBEL will provide comments or make recommendations regarding updates or changes to the plan.

Task 14 – Mapping and GIS Assistance: Several NPDES permit requirements, specifically those related to identifying, locating and eliminating illicit discharges, center around

mapping and/or location requirements. As requested by Village staff, CBBEL will assist with GIS and other related mapping requirements.

Task 15 – Meetings, Coordination and Additional Services: As requested by Village staff, CBBEL will be available to provide additional NPDES services such as discussing water quality sampling issues or results, IEPA requirements, best management practices or recommendations, etc. or meet with Village staff regarding these or other matters deemed appropriate by the Village.

ESTIMATED FEE

TASK	DESCRIPTION	FEE
1	NPDES Phase II Permit Compliance Assessment	\$ 9,050
2	Annual Facility Inspection Report	\$ 15,400
3	Annual Municipal Facility Inspections	\$ 7,300
3	Annual NPDES Training	\$ 8,000
4	Annual Public Meeting	\$ 4,500
5	Site Monitoring Visit and Grab Sample Collection	\$ 6,400
6	Analytical Services	\$ 10,700
7	Testing & Analytical Services for Current TMDL Parameters	\$ 2,700
8	Water Quality Report	\$ 14,000
9	Revised Notice of Intent	\$ 4,500
10	Annual Meetings and Coordination	\$ 2,750
11	Code of Ordinances Review	\$ 7,500
12	Village Website Review	\$ 3,200
13	Sustainability Plan Review	\$ 2,400
14	Mapping and GIS Assistance	\$ 2,750
15	Additional Services	\$ 6,400
	Subtotal	\$107,550
	Direct Costs (2%)	\$ 4,302
	TOTAL	\$111,852

We will bill you at the hourly rates specified on the attached Schedule of Charges and establish our contract in accordance with the attached General Terms and Conditions. Direct costs for blueprints, photocopying, mailing, mileage, permit fees, overnight delivery, messenger services, and report binding are included in the Fee Estimate. These general terms and conditions are expressly incorporated into and are an integral part of this contract for professional services. It should be emphasized that any requested meetings or additional services are not included in the preceding fee estimate and will be billed at the hourly rates specified in the Schedule of Charges.

Please sign and return one copy of this agreement as an indication of acceptance and notice to proceed. Please feel free to contact us anytime.

Very truly yours,



Thomas T. Burke, Jr., PhD, PE
Executive Vice President
Head, Water Resources Department

Enclosures: Standard Charges
General Terms and Conditions

THIS PROPOSAL, SCHEDULE OF CHARGES AND GENERAL TERMS AND
CONDITIONS ACCEPTED FOR THE VILLAGE OF BUFFALO GROVE:

BY: _____
TITLE: _____
DATE: _____

Attachment: Buffalo Grove NPDES Compliance Proposal 080921 (O-2021-60 : NPDES Compliance 5 Year Program)

CHRISTOPHER B. BURKE ENGINEERING, LTD.
STANDARD CHARGES FOR PROFESSIONAL SERVICES
APRIL, 2020

<u>Personnel</u>	<u>Charges*</u> <u>(\$/Hr)</u>
Principal	275
Engineer VI	251
Engineer V	208
Engineer IV	170
Engineer III	152
Engineer I/II	121
Survey V	229
Survey IV	196
Survey III	172
Survey II	126
Survey I	100
Engineering Technician V	198
Engineering Technician IV	161
Engineering Technician III	146
Engineering Technician I/II	68
CAD Manager	177
Assistant CAD Manager	153
CAD II	135
GIS Specialist III	148
GIS Specialist I/II	94
Landscape Architect	170
Landscape Designer I/II	94
Environmental Resource Specialist V	216
Environmental Resource Specialist IV	170
Environmental Resource Specialist III	139
Environmental Resource Specialist I/II	94
Environmental Resource Technician	114
Administrative	104
Engineering Intern	63
Information Technician III	130
Information Technician I/II	116

Direct Costs

Outside Copies, Blueprints, Messenger, Delivery Services, Mileage Cost + 12%

*Charges include overhead and profit

Christopher B. Burke Engineering, Ltd. reserves the right to increase these rates and costs by 5% after December 31, 2020.

CHRISTOPHER B. BURKE ENGINEERING, LTD.
GENERAL TERMS AND CONDITIONS

1. Relationship Between Engineer and Client: Christopher B. Burke Engineering, Ltd. (Engineer) shall serve as Client's professional engineer consultant in those phases of the Project to which this Agreement applies. This relationship is that of a buyer and seller of professional services and as such the Engineer is an independent contractor in the performance of this Agreement and it is understood that the parties have not entered into any joint venture or partnership with the other. The Engineer shall not be considered to be the agent of the Client. Nothing contained in this Agreement shall create a contractual relationship with a cause of action in favor of a third party against either the Client or Engineer.

Furthermore, causes of action between the parties to this Agreement pertaining to acts of failures to act shall be deemed to have accrued and the applicable statute of limitations shall commence to run not later than the date of substantial completion.

2. Responsibility of the Engineer: Engineer will strive to perform services under this Agreement in accordance with generally accepted and currently recognized engineering practices and principles, and in a manner consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions. No other representation, express or implied, and no warranty or guarantee is included or intended in this Agreement, or in any report, opinion, document, or otherwise.

Notwithstanding anything to the contrary which may be contained in this Agreement or any other material incorporated herein by reference, or in any Agreement between the Client and any other party concerning the Project, the Engineer shall not have control or be in charge of and shall not be responsible for the means, methods, techniques, sequences or procedures of construction, or the safety, safety precautions or programs of the Client, the construction contractor, other contractors or subcontractors performing any of the work or providing any of the services on the Project. Nor shall the Engineer be responsible for the acts or omissions of the Client, or for the failure of the Client, any architect, engineer, consultant, contractor or subcontractor to carry out their respective responsibilities in accordance with the Project documents, this Agreement or any other agreement concerning the Project. Any provision which purports to amend this provision shall be without effect unless it contains a reference that the content of this condition is expressly amended for the purposes described in such amendment and is signed by the Engineer.

3. Changes: Client reserves the right by written change order or amendment to make changes in requirements, amount of work, or engineering time schedule adjustments, and Engineer and Client shall negotiate appropriate adjustments acceptable to both parties to accommodate any changes, if commercially possible.
4. Suspension of Services: Client may, at any time, by written order to Engineer (Suspension of Services Order) require Engineer to stop all, or any part, of the services required by this Agreement. Upon receipt of such an order, Engineer shall immediately comply with its terms and take all reasonable steps to minimize the costs associated with the services affected by such order. Client, however, shall pay all costs incurred by the suspension, including all costs necessary to maintain continuity and for the

resumptions of the services upon expiration of the Suspension of Services Order. Engineer will not be obligated to provide the same personnel employed prior to suspension, when the services are resumed, in the event that the period of suspension is greater than thirty (30) days.

5. Termination: This Agreement may be terminated by either party upon thirty (30) days written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof through no fault of the terminating party. This Agreement may be terminated by Client, under the same terms, whenever Client shall determine that termination is in its best interests. Cost of termination, including salaries, overhead and fee, incurred by Engineer either before or after the termination date shall be reimbursed by Client.
6. Documents Delivered to Client: Drawings, specifications, reports, and any other Project Documents prepared by Engineer in connection with any or all of the services furnished hereunder shall be delivered to the Client for the use of the Client. Engineer shall have the right to retain originals of all Project Documents and drawings for its files. Furthermore, it is understood and agreed that the Project Documents such as, but not limited to reports, calculations, drawings, and specifications prepared for the Project, whether in hard copy or machine readable form, are instruments of professional service intended for one-time use in the construction of this Project. These Project Documents are and shall remain the property of the Engineer. The Client may retain copies, including copies stored on magnetic tape or disk, for information and reference in connection with the occupancy and use of the Project.

When and if record drawings are to be provided by the Engineer, Client understands that information used in the preparation of record drawings is provided by others and Engineer is not responsible for accuracy, completeness, nor sufficiency of such information. Client also understands that the level of detail illustrated by record drawings will generally be the same as the level of detail illustrated by the design drawing used for project construction. If additional detail is requested by the Client to be included on the record drawings, then the Client understands and agrees that the Engineer will be due additional compensation for additional services.

It is also understood and agreed that because of the possibility that information and data delivered in machine readable form may be altered, whether inadvertently or otherwise, the Engineer reserves the right to retain the original tapes/disks and to remove from copies provided to the Client all identification reflecting the involvement of the Engineer in their preparation. The Engineer also reserves the right to retain hard copy originals of all Project Documentation delivered to the Client in machine readable form, which originals shall be referred to and shall govern in the event of any inconsistency between the two.

The Client understands that the automated conversion of information and data from the system and format used by the Engineer to an alternate system or format cannot be accomplished without the introduction of inexactitudes, anomalies, and errors. In the event Project Documentation provided to the Client in machine readable form is so converted, the Client agrees to assume all risks associated therewith and, to the fullest

extent permitted by law, to hold harmless and indemnify the Engineer from and against all claims, liabilities, losses, damages, and costs, including but not limited to attorney's fees, arising therefrom or in connection therewith.

The Client recognizes that changes or modifications to the Engineer's instruments of professional service introduced by anyone other than the Engineer may result in adverse consequences which the Engineer can neither predict nor control. Therefore, and in consideration of the Engineer's agreement to deliver its instruments of professional service in machine readable form, the Client agrees, to the fullest extent permitted by law, to hold harmless and indemnify the Engineer from and against all claims, liabilities, losses, damages, and costs, including but not limited to attorney's fees, arising out of or in any way connected with the modification, misinterpretation, misuse, or reuse by others of the machine readable information and data provided by the Engineer under this Agreement. The foregoing indemnification applies, without limitation, to any use of the Project Documentation on other projects, for additions to this Project, or for completion of this Project by others, excepting only such use as may be authorized, in writing, by the Engineer.

7. Reuse of Documents: All Project Documents including but not limited to reports, opinions of probable costs, drawings and specifications furnished by Engineer pursuant to this Agreement are intended for use on the Project only. They cannot be used by Client or others on extensions of the Project or any other project. Any reuse, without specific written verification or adaptation by Engineer, shall be at Client's sole risk, and Client shall indemnify and hold harmless Engineer from all claims, damages, losses, and expenses including attorney's fees arising out of or resulting therefrom.

The Engineer shall have the right to include representations of the design of the Project, including photographs of the exterior and interior, among the Engineer's promotional and professional materials. The Engineer's materials shall not include the Client's confidential and proprietary information if the Client has previously advised the Engineer in writing of the specific information considered by the Client to be confidential and proprietary.

8. Standard of Practice: The Engineer will strive to conduct services under this agreement in a manner consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions as of the date of this Agreement.
9. Compliance With Laws: The Engineer will strive to exercise usual and customary professional care in his/her efforts to comply with those laws, codes, ordinance and regulations which are in effect as of the date of this Agreement.

With specific respect to prescribed requirements of the Americans with Disabilities Act of 1990 or certified state or local accessibility regulations (ADA), Client understands ADA is a civil rights legislation and that interpretation of ADA is a legal issue and not a design issue and, accordingly, retention of legal counsel (by Client) for purposes of interpretation is advisable. As such and with respect to ADA, Client agrees to waive any action against Engineer, and to indemnify and defend Engineer against any claim arising from Engineer's alleged failure to meet ADA requirements prescribed.

Further to the law and code compliance, the Client understands that the Engineer will strive to provide designs in accordance with the prevailing Standards of Practice as previously set forth, but that the Engineer does not warrant that any reviewing agency having jurisdiction will not for its own purposes comment, request changes and/or additions to such designs. In the event such design requests are made by a reviewing agency, but which do not exist in the form of a written regulation, ordinance or other similar document as published by the reviewing agency, then such design changes (at substantial variance from the intended design developed by the Engineer), if effected and incorporated into the project documents by the Engineer, shall be considered as Supplementary Task(s) to the Engineer's Scope of Service and compensated for accordingly.

10. Indemnification: Engineer shall indemnify and hold harmless Client up to the amount of this contract fee (for services) from loss or expense, including reasonable attorney's fees for claims for personal injury (including death) or property damage to the extent caused by the sole negligent act, error or omission of Engineer.

Client shall indemnify and hold harmless Engineer under this Agreement, from loss or expense, including reasonable attorney's fees, for claims for personal injuries (including death) or property damage arising out of the sole negligent act, error omission of Client.

In the event of joint or concurrent negligence of Engineer and Client, each shall bear that portion of the loss or expense that its share of the joint or concurrent negligence bears to the total negligence (including that of third parties), which caused the personal injury or property damage.

Engineer shall not be liable for special, incidental or consequential damages, including, but not limited to loss of profits, revenue, use of capital, claims of customers, cost of purchased or replacement power, or for any other loss of any nature, whether based on contract, tort, negligence, strict liability or otherwise, by reasons of the services rendered under this Agreement.

11. Opinions of Probable Cost: Since Engineer has no control over the cost of labor, materials or equipment, or over the Contractor(s) method of determining process, or over competitive bidding or market conditions, his/her opinions of probable Project Construction Cost provided for herein are to be made on the basis of his/her experience and qualifications and represent his/her judgement as a design professional familiar with the construction industry, but Engineer cannot and does not guarantee that proposal, bids or the Construction Cost will not vary from opinions of probable construction cost prepared by him/her. If prior to the Bidding or Negotiating Phase, Client wishes greater accuracy as to the Construction Cost, the Client shall employ an independent cost estimator Consultant for the purpose of obtaining a second construction cost opinion independent from Engineer.
12. Governing Law & Dispute Resolutions: This Agreement shall be governed by and construed in accordance with Articles previously set forth by (Item 9 of) this Agreement, together with the laws of the **State of Illinois**.

Any claim, dispute or other matter in question arising out of or related to this Agreement, which can not be mutually resolved by the parties of this Agreement, shall be subject to mediation as a condition precedent to arbitration (if arbitration is agreed upon by the parties of this Agreement) or the institution of legal or equitable proceedings by either party. If such matter relates to or is the subject of a lien arising out of the Engineer's services, the Engineer may proceed in accordance with applicable law to comply with the lien notice or filing deadlines prior to resolution of the matter by mediation or by arbitration.

The Client and Engineer shall endeavor to resolve claims, disputes and other matters in question between them by mediation which, unless the parties mutually agree otherwise, shall be in accordance with the Construction Industry Mediation Rules of the American Arbitration Association currently in effect. Requests for mediation shall be filed in writing with the other party to this Agreement and with the American Arbitration Association. The request may be made concurrently with the filing of a demand for arbitration but, in such event, mediation shall proceed in advance of arbitration or legal or equitable proceedings, which shall be stayed pending mediation for a period of 60 days from the date of filing, unless stayed for a longer period by agreement of the parties or court order.

The parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in the place where the Project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

13. Successors and Assigns: The terms of this Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns: provided, however, that neither party shall assign this Agreement in whole or in part without the prior written approval of the other.
14. Waiver of Contract Breach: The waiver of one party of any breach of this Agreement or the failure of one party to enforce at any time, or for any period of time, any of the provisions hereof, shall be limited to the particular instance, shall not operate or be deemed to waive any future breaches of this Agreement and shall not be construed to be a waiver of any provision, except for the particular instance.
15. Entire Understanding of Agreement: This Agreement represents and incorporates the entire understanding of the parties hereto, and each party acknowledges that there are no warranties, representations, covenants or understandings of any kind, matter or description whatsoever, made by either party to the other except as expressly set forth herein. Client and the Engineer hereby agree that any purchase orders, invoices, confirmations, acknowledgments or other similar documents executed or delivered with respect to the subject matter hereof that conflict with the terms of the Agreement shall be null, void & without effect to the extent they conflict with the terms of this Agreement.
16. Amendment: This Agreement shall not be subject to amendment unless another instrument is duly executed by duly authorized representatives of each of the parties and entitled "Amendment of Agreement".

17. Severability of Invalid Provisions: If any provision of the Agreement shall be held to contravene or to be invalid under the laws of any particular state, county or jurisdiction where used, such contravention shall not invalidate the entire Agreement, but it shall be construed as if not containing the particular provisions held to be invalid in the particular state, country or jurisdiction and the rights or obligations of the parties hereto shall be construed and enforced accordingly.
18. Force Majeure: Neither Client nor Engineer shall be liable for any fault or delay caused by any contingency beyond their control including but not limited to acts of God, wars, strikes, walkouts, fires, natural calamities, or demands or requirements of governmental agencies.
19. Subcontracts: Engineer may subcontract portions of the work, but each subcontractor must be approved by Client in writing.
20. Access and Permits: Client shall arrange for Engineer to enter upon public and private property and obtain all necessary approvals and permits required from all governmental authorities having jurisdiction over the Project. Client shall pay costs (including Engineer's employee salaries, overhead and fee) incident to any effort by Engineer toward assisting Client in such access, permits or approvals, if Engineer perform such services.
21. Designation of Authorized Representative: Each party (to this Agreement) shall designate one or more persons to act with authority in its behalf in respect to appropriate aspects of the Project. The persons designated shall review and respond promptly to all communications received from the other party.
22. Notices: Any notice or designation required to be given to either party hereto shall be in writing, and unless receipt of such notice is expressly required by the terms hereof shall be deemed to be effectively served when deposited in the mail with sufficient first class postage affixed, and addressed to the party to whom such notice is directed at such party's place of business or such other address as either party shall hereafter furnish to the other party by written notice as herein provided.
23. Limit of Liability: The Client and the Engineer have discussed the risks, rewards, and benefits of the project and the Engineer's total fee for services. In recognition of the relative risks and benefits of the Project to both the Client and the Engineer, the risks have been allocated such that the Client agrees that to the fullest extent permitted by law, the Engineer's total aggregate liability to the Client for any and all injuries, claims, costs, losses, expenses, damages of any nature whatsoever or claim expenses arising out of this Agreement from any cause or causes, including attorney's fees and costs, and expert witness fees and costs, shall not exceed the total Engineer's fee for professional engineering services rendered on this project as made part of this Agreement. Such causes included but are not limited to the Engineer's negligence, errors, omissions, strict liability or breach of contract. It is intended that this limitation apply to any and all liability or cause of action however alleged or arising, unless otherwise prohibited by law.

24. Client's Responsibilities: The Client agrees to provide full information regarding requirements for and about the Project, including a program which shall set forth the Client's objectives, schedule, constraints, criteria, special equipment, systems and site requirements.

The Client agrees to furnish and pay for all legal, accounting and insurance counseling services as may be necessary at any time for the Project, including auditing services which the Client may require to verify the Contractor's Application for Payment or to ascertain how or for what purpose the Contractor has used the money paid by or on behalf of the Client.

The Client agrees to require the Contractor, to the fullest extent permitted by law, to indemnify, hold harmless, and defend the Engineer, its consultants, and the employees and agents of any of them from and against any and all claims, suits, demands, liabilities, losses, damages, and costs ("Losses"), including but not limited to costs of defense, arising in whole or in part out of the negligence of the Contractor, its subcontractors, the officers, employees, agents, and subcontractors of any of them, or anyone for whose acts any of them may be liable, regardless of whether or not such Losses are caused in part by a party indemnified hereunder. Specifically excluded from the foregoing are Losses arising out of the preparation or approval of maps, drawings, opinions, reports, surveys, change orders, designs, or specifications, and the giving of or failure to give directions by the Engineer, its consultants, and the agents and employees of any of them, provided such giving or failure to give is the primary cause of Loss. The Client also agrees to require the Contractor to provide to the Engineer the required certificate of insurance.

The Client further agrees to require the Contractor to name the Engineer, its agents and consultants as additional insureds on the Contractor's policy or policies of comprehensive or commercial general liability insurance. Such insurance shall include products and completed operations and contractual liability coverages, shall be primary and noncontributing with any insurance maintained by the Engineer or its agents and consultants, and shall provide that the Engineer be given thirty days, unqualified written notice prior to any cancellation thereof.

In the event the foregoing requirements, or any of them, are not established by the Client and met by the Contractor, the Client agrees to indemnify and hold harmless the Engineer, its employees, agents, and consultants from and against any and all Losses which would have been indemnified and insured against by the Contractor, but were not.

When Contract Documents prepared under the Scope of Services of this contract require insurance(s) to be provided, obtained and/or otherwise maintained by the Contractor, the Client agrees to be wholly responsible for setting forth any and all such insurance requirements. Furthermore, any document provided for Client review by the Engineer under this Contract related to such insurance(s) shall be considered as sample insurance requirements and not the recommendation of the Engineer. Client agrees to have their own risk management department review any and all insurance requirements for adequacy and to determine specific types of insurance(s) required for the project. Client further agrees that decisions concerning types and amounts of insurance are

specific to the project and shall be the product of the Client. As such, any and all insurance requirements made part of Contract Documents prepared by the Engineer are not to be considered the Engineer's recommendation, and the Client shall make the final decision regarding insurance requirements.

25. Information Provided by Others: The Engineer shall indicate to the Client the information needed for rendering of the services of this Agreement. The Client shall provide to the Engineer such information as is available to the Client and the Client's consultants and contractors, and the Engineer shall be entitled to rely upon the accuracy and completeness thereof. The Client recognizes that it is impossible for the Engineer to assure the accuracy, completeness and sufficiency of such information, either because it is impossible to verify, or because of errors or omissions which may have occurred in assembling the information the Client is providing. Accordingly, the Client agrees, to the fullest extent permitted by law, to indemnify and hold the Engineer and the Engineer's subconsultants harmless from any claim, liability or cost (including reasonable attorneys' fees and cost of defense) for injury or loss arising or allegedly arising from errors, omissions or inaccuracies in documents or other information provided by the Client to the Engineer.
26. Payment: Client shall be invoiced once each month for work performed during the preceding period. Client agrees to pay each invoice within thirty (30) days of its receipt. The client further agrees to pay interest on all amounts invoiced and not paid or objected to for valid cause within said thirty (30) day period at the rate of eighteen (18) percent per annum (or the maximum interest rate permitted under applicable law, whichever is the lesser) until paid. Client further agrees to pay Engineer's cost of collection of all amounts due and unpaid after sixty (60) days, including court costs and reasonable attorney's fees, as well as costs attributed to suspension of services accordingly and as follows:

Collection Costs. In the event legal action is necessary to enforce the payment provisions of this Agreement, the Engineer shall be entitled to collect from the Client any judgement or settlement sums due, reasonable attorneys' fees, court costs and expenses incurred by the Engineer in connection therewith and, in addition, the reasonable value of the Engineer's time and expenses spent in connection with such collection action, computed at the Engineer's prevailing fee schedule and expense policies.

Suspension of Services. If the Client fails to make payments when due or otherwise is in breach of this Agreement, the Engineer may suspend performance of services upon five (5) calendar days' notice to the Client. The Engineer shall have no liability whatsoever to the Client for any costs or damages as a result of such suspension caused by any breach of this Agreement by the Client. Client will reimburse Engineer for all associated costs as previously set forth in (Item 4 of) this Agreement.

27. When construction observation tasks are part of the service to be performed by the Engineer under this Agreement, the Client will include the following clause in the construction contract documents and Client agrees not to modify or delete it:

Kotecki Waiver. Contractor (and any subcontractor into whose subcontract this clause is incorporated) agrees to assume the entire liability for all personal injury claims suffered by its own employees, including without limitation claims under the **Illinois** Structural Work Act, asserted by persons allegedly injured on the Project; waives any limitation of liability defense based upon the Worker's Compensation Act, court interpretations of said Act or otherwise; and to the fullest extent permitted by law, agrees to indemnify and hold harmless and defend Owner and Engineer and their agents, employees and consultants (the "Indemnitees") from and against all such loss, expense, damage or injury, including reasonable attorneys' fees, that the Indemnitees may sustain as a result of such claims, except to the extent that **Illinois** law prohibits indemnity for the Indemnitees' own negligence. The Owner and Engineer are designated and recognized as explicit third party beneficiaries of the Kotecki Waiver within the general contract and all subcontracts entered into in furtherance of the general contract.

28. Job Site Safety/Supervision & Construction Observation: The Engineer shall neither have control over or charge of, nor be responsible for, the construction means, methods, techniques, sequences of procedures, or for safety precautions and programs in connection with the Work since they are solely the Contractor's rights and responsibilities. The Client agrees that the Contractor shall supervise and direct the work efficiently with his/her best skill and attention; and that the Contractor shall be solely responsible for the means, methods, techniques, sequences and procedures of construction and safety at the job site. The Client agrees and warrants that this intent shall be carried out in the Client's contract with the Contractor. The Client further agrees that the Contractor shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the work; and that the Contractor shall take all necessary precautions for the safety of, and shall provide the necessary protection to prevent damage, injury or loss to all employees on the subject site and all other persons who may be affected thereby. The Engineer shall have no authority to stop the work of the Contractor or the work of any subcontractor on the project.

When construction observation services are included in the Scope of Services, the Engineer shall visit the site at intervals appropriate to the stage of the Contractor's operation, or as otherwise agreed to by the Client and the Engineer to: 1) become generally familiar with and to keep the Client informed about the progress and quality of the Work; 2) to strive to bring to the Client's attention defects and deficiencies in the Work and; 3) to determine in general if the Work is being performed in a manner indicating that the Work, when fully completed, will be in accordance with the Contract Documents. However, the Engineer shall not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work. If the Client desires more extensive project observation, the Client shall request that such services be provided by the Engineer as Additional and Supplemental Construction Observation Services in accordance with the terms of this Agreement.

The Engineer shall not be responsible for any acts or omissions of the Contractor, subcontractor, any entity performing any portions of the Work, or any agents or employees of any of them. The Engineer does not guarantee the performance of the

Contractor and shall not be responsible for the Contractor's failure to perform its Work in accordance with the Contract Documents or any applicable laws, codes, rules or regulations.

When municipal review services are included in the Scope of Services, the Engineer (acting on behalf of the municipality), when acting in good faith in the discharge of its duties, shall not thereby render itself liable personally and is, to the maximum extent permitted by law, relieved from all liability for any damage that may accrue to persons or property by reason of any act or omission in the discharge of its duties. Any suit brought against the Engineer which involve the acts or omissions performed by it in the enforcement of any provisions of the Client's rules, regulation and/or ordinance shall be defended by the Client until final termination of the proceedings. The Engineer shall be entitled to all defenses and municipal immunities that are, or would be, available to the Client.

29. Insurance and Indemnification: The Engineer and the Client understand and agree that the Client will contractually require the Contractor to defend and indemnify the Engineer and/or any subconsultants from any claims arising from the Work. The Engineer and the Client further understand and agree that the Client will contractually require the Contractor to procure commercial general liability insurance naming the Engineer as an additional named insured with respect to the work. The Contractor shall provide to the Client certificates of insurance evidencing that the contractually required insurance coverage has been procured. However, the Contractor's failure to provide the Client with the requisite certificates of insurance shall not constitute a waiver of this provision by the Engineer.

The Client and Engineer waive all rights against each other and against the Contractor and consultants, agents and employees of each of them for damages to the extent covered by property insurance during construction. The Client and Engineer each shall require similar waivers from the Contractor, consultants, agents and persons or entities awarded separate contracts administered under the Client's own forces.

30. Hazardous Materials/Pollutants: Unless otherwise provided by this Agreement, the Engineer and Engineer's consultants shall have no responsibility for the discovery, presence, handling, removal or disposal of or exposure of persons to hazardous materials/pollutants in any form at the Project site, including but not limited to mold/mildew, asbestos, asbestos products, polychlorinated biphenyl (PCB) or other toxic/hazardous/pollutant type substances.

Furthermore, Client understands that the presence of mold/mildew and the like are results of prolonged or repeated exposure to moisture and the lack of corrective action. Client also understands that corrective action is a operation, maintenance and repair activity for which the Engineer is not responsible.

June 13, 2005
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Resolution No. R-2021-20 : Authorization to Purchase Road Salt for the 2021-2022 Winter Season (State of Illinois and Lake County Joint Bid)

Recommendation of Action

Staff recommends approval.

Staff requests authorization for the Village Manager to purchase no less than 2,800 tons and no more than 4,200 tons of bulk rock salt from Morton Salt and Cargill Inc at a combined total price not to exceed \$258,510.00 in accordance with the Illinois Governmental Joint Purchasing Act (30 ILCS 525/0.01 et seq.) pending review and approval by the Village Attorney.

ATTACHMENTS:

- Road Salt 2021-2022 Memo (DOCX)
- Road Salt Ordinance (DOCX)

Trustee Liaison
Stein

Staff Contact
Tom C. Wisniewski, Village Board

Monday, August 16, 2021

VILLAGE OF BUFFALO GROVE



MEMORANDUM

DATE: August 12, 2021
TO: Dane Bragg, Village Manager
FROM: Tom Wisniewski, Buyer
SUBJECT: Road Salt 2021-2022

Recommendation

Staff requests authorization for the Village Manager to purchase no less than 2,800 tons and no more than 4,200 tons of bulk rock salt from Morton Salt and Cargill Inc. at a combined total price not to exceed \$258,510.00 in accordance with the Illinois Governmental Joint Purchasing Act (30 ILCS 525/0.01 et seq.) pending review and approval by the Village Attorney.

Background

During the 2020-2021 winter season staff purchased 3,200 tons of salt to meet snow and ice removal requirements of the Village. Staff has continued to monitor salt usage and has been able to maintain some inventory. The salt barn currently contains an estimated 3,440 tons of salt and is close to full capacity. In an effort to mitigate cost increases caused by uncertain demand throughout the region and provide supply chain security, staff has continued to attempt to multi-source suppliers in a bid environment.

The State of Illinois led a joint bid for road salt for the 2020-2021 snow season. Staff opted to extend the agreement on April 23, 2021 that was awarded to Cargill for a minimum of 1,400 and maximum of 2,100 tons for the 2021-2022 snow season. An escalation of 10% is expected to raise the cost to \$53.56 per ton. This contract will be re-bid in summer 2022.

Lake County led a joint bid for road salt for the 2020-2021 snow season. Staff opted to extend the agreement on March 22, 2021 that was awarded to Morton Salt for a minimum of 1400 and maximum of 2,100 tons for the 2021-2022 snow season. The Contract with Morton Salt is expected to incur a 2.5% increase in price to \$69.54 per ton. This contract will be re-bid in early 2022.

Both contracts allow for a minimum order of 80% and a maximum of 120% of the base tonnage (1,750 tons), as such, the Village can achieve savings by blending the orders to take advantage of the lower priced contract.

Company	Tonnage	Unit Price	Total Cost
Morton (Min)	1400	\$ 69.54	\$ 97,356.00
Cargill (Min)	1400	\$ 53.56	\$ 74,984.00
Morton (Max)	2100	\$ 69.54	\$ 146,034.00
Cargill (Max)	2100	\$ 53.56	\$ 112,476.00
Minimum Order	2800	\$ 61.55	\$ 172,340.00
Optimum Order	3500	\$ 59.95	\$ 209,832.00
Maximum Order	4200	\$ 61.55	\$ 258,510.00

ORDINANCE 2021-_____**AN ORDINANCE AUTHORIZING EXECUTION OF A CONTRACT WITH MOTON SALT AND CARGILL INC
FOR ROAD SALT**

WHEREAS, the Village of Buffalo Grove is a home rule unit pursuant to the Illinois Constitution of 1970; and

WHEREAS, the Village sought out companies qualified to provide the requested services and materials; and

WHEREAS, the Village engaged in a competitive procurement process to obtain the best value for money.

NOW THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF BUFFALO GROVE, COOK AND LAKE COUNTIES, ILLINOIS, as follows:

SECTION 1. The foregoing recitals are hereby adopted and incorporated and made a part of this Ordinance as if fully set forth herein.

SECTION 2. The Village Manager is authorized to execute a one-year contract renewal with Morton Salt and Cargill Inc. for bulk rock salt at a combined total price not to exceed \$258,510.00 pending review and approval by the Village Attorney.

SECTION 3. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity thereof shall not affect any other provision of this Ordinance.

SECTION 4. This Ordinance shall be in full force and effect from and after its passage and approval and not be codified.

AYES: _____

NAYES: _____

ABSENT: _____

PASSED: _____, 2021

APPROVED: _____, 2021

APPROVED:

Beverly Sussman, Village President

ATTEST:

Janet Sirabian, Village Clerk

Attachment: Road Salt Ordinance (R-2021-20 : Authorization to Purchase Road Salt 2021-2022)



Resolution No. R-2021-21 : Resolution Amending the Village of Buffalo Grove Fund Balance and Reserve Policy

Recommendation of Action

Staff recommends approval.

Staff recommends approval of the resolution revising the current Fund Balance and Reserve Policy. The final revised policy and a markup version that shows the proposed revisions is attached for your review.

ATTACHMENTS:

- BOT Memo_081621_fund balance policy (DOCX)
- Fund Balance Policy Resolution 2021 (DOCX)
- Fund Balance Policy 2021_markup (DOCX)
- Fund Balance Policy 2021 (DOCX)

Trustee Liaison

Weidenfeld

Staff Contact

Chris Black, Finance

Monday, August 16, 2021

VILLAGE OF
BUFFALO GROVE



TO: Dane C. Bragg, Village Manager

FROM: Chris Black, Director of Finance

DATE: August 11, 2021

RE: Fund Balance Policy

The Village established a Fund Balance and Reserve Policy in April 1997. The purpose of the policy is to develop formal guidelines regarding the use of fund balance that is to be held for contingencies and other approved purposes. The Village has amended the policy several times, most recently in 2012 to comply with pronouncement No. 54 set by the Government Accounting Standards Board. Consistent with other policies of the corporate authorities, staff periodically reviews the policy to ensure conformity with industry best practices. As a result, amendments to the policy are recommended for approval.

The primary reason for the proposed policy revisions is to provide the Village the flexibility to allocate a portion the unassigned fund balance to reserves for debt service retirement and revenue stabilization. The reserve for debt retirement will allow the Village to retire existing bond issues prior to their maturity to lower interest costs and to reduce the portion of the property tax levy for debt service. A revenue stabilization reserve is designed as funding to offset a significant decline of sales tax revenue.

The existing policy requires the Village to maintain a General Fund operating reserve of three months or 25 percent of General Fund operating expenditures. As part of the current strategic plan, the targeted goal for reserves is 35 percent of General Fund expenses. As the end of FY 2020, the Village can maintain a 35 percent operating reserve and allocate \$3.8 million to debt service retirement and \$770,000 to revenue stabilization.

The proposed revisions also include administrative clean up to the existing policy. The changes ensure the Unassigned Fund Balance is the source of the Village's operating reserve. In addition, the Committed Fund Balance is defined as the source of funding for capital equipment and vehicles purchases, as well as improvements to facilities and infrastructure. These changes are consistent with the Village's current financial practices.

Staff recommends approval of the resolution revising the current Fund Balance and Reserve Policy. The final revised policy and a markup version that shows the proposed revisions is attached for your review. Please contact me if you have any questions.

RESOLUTION NO. 2021-_____
A RESOLUTION AMENDING THE VILLAGE OF BUFFALO GROVE
FUND BALANCE AND RESERVE POLICY

WHEREAS, the Village of Buffalo Grove is a home rule unit, pursuant to the Constitution of the State of Illinois; and

WHEREAS, the corporate authorities, as part of overall policy development, should establish a formal policy regarding the use fund balance that is to be held for both contingencies and for any other approved purpose, and

WHEREAS, the Village of Buffalo Grove fund balance policy recommends maintaining a Fund Balance in the General Fund to fund operations for a period of three months or 25 percent of General Fund expenditures, and

WHEREAS, the Village of Buffalo Grove wants to establish a funding reserve to retire bonds prior to their maturity to lower debt service costs and to reduce the need to use property tax revenue to make annual debt service payments; and

WHEREAS, the Village of Buffalo Grove determines the need to create a funding reserve to provide revenue stabilization in the event the Village sees a significant decline in sales tax revenue.

NOW, THEREFORE, BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF BUFFALO GROVE, COOK AND LAKE COUNTIES, ILLINOIS as follows:

1. The Village of Buffalo Grove does hereby amend the Fund Balance and Reserve Policy, dated August 10, 2021, and attached hereto.
2. This policy shall be in full force and effect as of the date of passage.

AYES: _____

NAYES: _____

ABSENT: _____

PASSED: _____ . APPROVED: _____

ATTEST:

APPROVED:

Village Clerk

Village President

**Village Of Buffalo Grove
Fund Balance and Reserve Policy**

Definitions

Fund Balance – the difference between assets and liabilities in a Governmental Fund.

Nonspendable Fund Balance – the portion of a Governmental Fund’s net assets that are not available to be spent, either short term or long term, in either form or through legal restrictions.

Restricted Fund Balance – the portion of a Government Fund’s net assets that are subject to external enforceable legal restrictions.

Committed Fund Balance – the portion of a Governmental Fund’s net assets with self-imposed constraints or limitations that have been placed by formal action at the highest level of decision making.

Assigned Fund Balance – the portion of a Governmental Fund’s net assets to denote an intended use of resources.

Unassigned Fund Balance – available expendable financial resources in a Governmental Fund that are not the object of tentative management plan (i.e. designations). (only in the General Fund, unless negative)

Note: In Non-Governmental Funds, management may decide to “assign” funds for a specific purpose. This will be done as an internal budgeting procedure rather than as a formal accounting entry, creating a fund automatically assigns fund balance.

Policy

A. It is the policy of the Village of Buffalo Grove to maintain an Unassigned Committed Fund Balance in the General Fund to fund operations for a period of at least three months. The unassigned committed amount in the General Fund is adjusted annually with the adoption of the annual budget and is calculated as three months (25 percent) of General Fund expenditures (excluding transfers to fund capital projects and pensions). During the development of the subsequent year’s annual budget, should the Unassigned Committed Fund Balance be expected to fall below the 25 percent target notification will be given to the Village’s Board Finance Committee. While identified uses of Fund Balance may be proposed that could continue the trend below 25% such uses will be disclosed and approved by the Board Committee.

B. The portion of the Unassigned Fund Balance in excess of three months (25 percent) of General Fund expenditures (excluding transfers to fund capital projects) may be allocated to a reserve for debt service retirement and revenue stabilization.

A.C. The Village will maintain a Committed Fund Balance in the General Fund to serve as a reserve for capital replacement of Village vehicles, equipment, facilities, and infrastructure.

B.D. The annual budget (appropriation) will include a contribution to (or drawdown from) the Committed Fund Balance to assure compliance with this policy. The levels of other required restrictions, commitments and assignments will fluctuate depending on activity.

C.E. Unassigned Fund Balance shall be reviewed annually and, where appropriate, a determination will be made as to how much of the unassigned fund balance will be allocated to the reserve for debt service retirement and revenue stabilization, be transferred to the Reserves for Capital Replacement. Although the policy minimum is 25 percent for Unassigned Committed Fund Balance, 30 percent is considered the preferred balance and any unassigned balances exceeding 30 percent will be considered for transfer.

D.F. This policy may be amended from time to time according to the requests of the Village of Buffalo Grove President and Board of Trustees.

E.G. The Village will spend the most restricted dollars before less restricted, in the following order;

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- a. Nonspendable Fund Balance (if funds become spendable)
- b. Restricted Fund Balance
- c. Committed Fund Balance
- d. Assigned Fund Balance
- e. Unassigned Fund Balance

F.H. The Finance Director will determine if a portion of fund balance should be assigned.

April, 1997
Revised-December, 1997
Revised-September, 1999
Revised-August, 2003
Revised-July, 2009
Revised – May 7, 2012
Revised August 16, 2021

Village Of Buffalo Grove Fund Balance and Reserve Policy

Definitions

Fund Balance – the difference between assets and liabilities in a Governmental Fund.

Nonspendable Fund Balance – the portion of a Governmental Fund’s net assets that are not available to be spent , either short term or long term, in either form or through legal restrictions.

Restricted Fund Balance – the portion of a Government Fund’s net assets that are subject to external enforceable legal restrictions.

Committed Fund Balance – the portion of a Governmental Fund’s net assets with self-imposed constraints or limitations that have been placed by formal action at the highest level of decision making.

Assigned Fund Balance – the portion of a Governmental Fund’s net assets to denote an intended use of resources.

Unassigned Fund Balance – available expendable financial resources in a Governmental Fund that are not the object of tentative management plan (i.e. designations). (only in the General Fund, unless negative)

Note: In Non-Governmental Funds, management may decide to “assign” funds for a specific purpose. This will be done as an internal budgeting procedure rather than as a formal accounting entry, creating a fund automatically assigns fund balance.

Policy

- A. It is the policy of the Village of Buffalo Grove to maintain an Unassigned Fund Balance in the General Fund to fund operations for a period of at least three months. The unassigned amount in the General Fund is adjusted annually with the adoption of the annual budget and is calculated as three months (25 percent) of General Fund expenditures (excluding transfers to fund capital projects). During the development of the subsequent year’s annual budget, should the Unassigned Fund Balance be expected to fall below the 25 percent target notification will be given to the Village Board . While identified uses of Fund Balance may be proposed that could continue the trend below 25% such uses will be disclosed and approved by the Board .
- B. The portion of the Unassigned Fund Balance in excess of three months (25 percent) of General Fund expenditures (excluding transfers to fund capital projects) may be allocated to a reserve for debt service retirement and revenue stabilization.
- C. The Village will maintain a Committed Fund Balance in the General Fund to serve as a reserve for capital replacement of Village vehicles, equipment, facilities, and infrastructure.
- D. The annual budget (appropriation) will include a contribution to (or drawdown from) the Committed Fund Balance. The levels of other required restrictions, commitments and assignments will fluctuate depending on activity.
- E. Unassigned Fund Balance shall be reviewed annually and, where appropriate, a determination will be made as to how much of the unassigned fund balance will be allocated to the reserve for debt service retirement and revenue stabilization.. Although the policy minimum is 25 percent for Unassigned Fund Balance, 30 percent is considered the preferred balance and any unassigned balances exceeding 30 percent will be considered for transfer.
- F. This policy may be amended from time to time according to the requests of the Village of Buffalo Grove President and Board of Trustees.
- G. The Village will spend the most restricted dollars before less restricted, in the following order;
 - a. Nonspendable Fund Balance (if funds become spendable)
 - b. Restricted Fund Balance

- c. Committed Fund Balance
- d. Assigned Fund Balance
- e. Unassigned Fund Balance

H. The Finance Director will determine if a portion of fund balance should be assigned.

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