

Adopted Budget

January 1, 2015 - December 31, 2015



2015
Village of
Buffalo Grove

Village of Buffalo Grove

Draft Budget: January 1, 2015 to December 31, 2015

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For the Fiscal Year Beginning

January 1, 2014

Executive Director

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Section 1

Transmittal Letter

Dane C. Bragg, Village Manager

Service
Optimization

Organizational
Culture

Revenue
Growth

Economic
Development

Infrastructure
Sustainability



**MANAGEMENT'S LETTER TO THE
CORPORATE AUTHORITIES OF
THE VILLAGE OF BUFFALO GROVE, ILLINOIS**

November 3, 2014

Honorable President Jeffrey S. Braiman and Board of Trustees:

It is my pleasure to submit to the Village Board the proposed budget for the Village of Buffalo Grove for the Fiscal Year ending December 31, 2015. The Village Board and staff's commitment to responsible fiscal stewardship culminates in the development of the annual operating plan and funding allocations. For 2015, the Village of Buffalo Grove will enter the year with a positive operating position and is forecast to continue that position with a balanced budget. In addition, the Village will continue its efforts to allocate additional dollars to long-term capital improvements to aging infrastructure and facilities.

The leadership team recognized a significant financial hurdle in 2013 and planned appropriately by rebalancing operating costs and capital reserve growth. Several efforts related to the Village's efficiency efforts continued through 2014 and will be further enhanced by projects planned for 2015. The Village's now refocused financial position permits the Village to maintain predictable levels of service. The proposed budget reinforces the organizational philosophy of aggressively managing long-term liabilities and proactively planning for the future by controlling expenditures, growing revenue where possible, decreasing reliance on state shared revenues and property taxes, and increasing capital reserve ratios for facilities and equipment.

Village staff members have worked diligently to provide for a balanced tax structure with no new taxes proposed, a nominal-growth ad valorem tax rate for the forthcoming year and appropriate resources allocated for public safety, infrastructure and general services.

STRATEGIC PLANNING AND MANAGEMENT

Many of the Village's efforts leading up to the preparation of the 2015 budget center on the strategic management goals adopted by the Village Board in 2012. As the organization enters its third full year of the adopted *Strategic Plan*, the Village Board will have an opportunity to review the plan's progress to date and consider amendments to the plan to better reflect actual conditions in achieving the desired outcomes.

Within the 2015 budget, financial resource allocations are directly tied to desired strategic outcomes, as outlined in *Section 4: Executive Summary*. For 2015, staff has added a summary of the major strategic goals for the year, tied to resource allocations required to implement the recommended goals. The work completed to date lays the foundation for program-based budgeting to be implemented by target year 2018.

The following strategic themes, as defined by the Village Board, have guided the development of the budget, as a function of the Village's vision and mission: **Service Optimization, Organizational Culture, Revenue Growth, Economic Development and Infrastructure Sustainability**. A more detailed analysis of the strategic initiatives can be found in *Section 4: Executive Summary* and *Section 5: Corporate Fund Summary and Detail* sections. The strategic themes and key performance indicators included in this budget establish the framework for the Village's 2015 work plan.

2018 Outcomes

- ✓ 311/CRM Platform
- ✓ Customer Service Ratings at 85% or greater
- ✓ General Fund Reserves >35%
- ✓ Capital Equipment Funding = 50%
- ✓ Program Based Budget
- ✓ Sales Tax Increases 15%

The Village will continue many of its now longstanding initiatives in 2015. As the strategic plan goals have evolved, the initiatives are more focused and refined than originally conceived. The major themes for 2015 include expanding access to electronic services for residents and customers, developing an acceptable economic development strategy, researching the viability of a 311/CRM platform at the individual and regional level, evaluating programs and services to maximize efficiency, benchmarking service level expectations and quality, as well as developing employees through training and collaborative leadership efforts.

As it pertains to financial goals, the Village will be implementing processes to maximize revenue capture through audits of revenue sources, controlling expenditures through newly implemented cost allocations for internal services, recommending funding and acquisition strategies for vehicle and equipment replacements and assessing the financial expectations of the proposed performance contracting initiative.

In addition, the Village continued its commitment to long-term operational and capital planning by updating and presenting its five-year *Operating Financial Forecast 2015-2019* and the *20-Year Water and Sewer Pro-Forma*. The 2015 projections were previously presented to the Village Board on July 28, 2014, a copy of each is included in *Appendix B*.

The Village's overall strategic efforts since 2012 have resulted in a significant restructuring of the expense ledger and reduction in the cost of providing services. As discussed throughout the budget, the Village will have to remain vigilant in capturing new and incremental revenue growth to meet the demands of aging infrastructure replacement in years ahead.

GENERAL OPERATIONS

The Village's 2015 financial plan focuses on continued service efficiency initiatives, cost reduction strategies and capital investment targeted to highest priorities, such as Emerald Ash Borer response, facility repair and maintenance, street and sidewalk/path maintenance and development of information technology architecture. Within the area of general operations, staffing levels are projected to remain nearly constant. Projected total personnel will decrease from 297 to 294 for the year (as a result of the IT Consortium initiative), with full-time personnel expected to decrease from 218 to 216 and part-time staff reduced from 79 to 78, year over year. Over the past four years, total staffing Village-wide has decreased more than 11 percent through attrition, from a peak of 327 in 2010.

2015 Service Changes

- ✓ Administrative Adjudication Program
- ✓ Online Licensing
- ✓ GIS & Transparency Portal Development
- ✓ Consolidation of Police & Records Customer Service Areas (Recommendation)

For 2015, no significant service reductions are anticipated. The Village will continue its transformation of many services, providing licensing and permitting access, minor police reporting, enhanced GIS and improved transparency data through the redesigned website.

In 2014, the Village completed a successful consolidation of the Finance and Building & Zoning customer service areas to improve customer experience and maximize staff resources available. In addition, the Metra/PACE *Passport Parking* and kiosk pay system was implemented at the Buffalo Grove Metra Station. The Village's GIS portal was launched, providing unique and useful information to resident, visitor and business customers via the redesigned website.

Internally, staff will continue conversion of records and processes to electronic format, including the implementation of electronic work orders for Public Works to enhance efficiency and improve access to data in the field, the launch of the Village's new electronic performance evaluation system, and further development of the LaserFiche WebLink platform. The work completed to date establishes the platform for mobile field services (inspections, infrastructure and maintenance operations) to be used by Village personnel.

The golf operation continues to struggle in the wake of sagging demand and excess supply in the local market. While both golf courses have made progress in reducing expenses, each will require a substantial transfer to continue operations in 2015. The Buffalo Grove Golf Club is scheduled to receive an operating transfer in the amount of \$159,166, while the Arboretum Club is scheduled to receive an operating transfer of \$187,150. For 2015, operating transfers totaling \$346,316 are projected for the two courses. Village leadership will be focusing on aggressive cost containment strategies, coupled with performance based service and revenue enhancements, as a means to improve the competitiveness of both courses.

For 2015, the Village will take another significant step toward building a program based budget model by introducing Internal Service Funds for certain village-wide, internal cost

centers. Within *Section 8: Internal Service Funds*, the information technology, building maintenance and central garage activities are budgeted. Within each of the department or division budgets in *Section 5: Corporate Fund Summary & Detail* can be found the chargeback for each service to the department's operating expenses. Each service is charged back based on a rate correlated to the unit of service consumed.

General Fund Revenues

Projected Revenue Changes

- ✓ \$658,902 – Sales Tax (Combined)
- ✓ \$337,955 – Property Tax
- ✓ \$87,500 – Real Estate Transfer Tax
- ✓ \$124,000 – Task Force Recovery
- ✓ \$73,610 – Income Tax

FY 2015 General Fund revenue is expected to increase \$1,543,472 over 2014 budget and to increase \$954,552 or 2.51 percent from 2014 estimated actual. Total General Fund revenues for 2014 are estimated at \$38,083,917. The Village Board has approved one new revenue source for 2015, the administrative adjudication program.

For existing revenue sources, state and home rule sales tax returns are projected to increase 3.3 percent from 2014 estimated actual, income tax is projected to increase by 3.0 percent from 2014 estimated actual. Utility use taxes for natural gas and electric service,

building fees and rental registration fees are expected to remain constant. It is anticipated that Pulte Homes will proceed with the construction of 10 new single family homes in the East Haven of Buffalo Grove subdivision.

The ad valorem (property tax) levy is discussed in further detail within this correspondence and within *Section 4: Executive Overview*.

The General Fund revenue projections included in the 2015 budget are consistent with the five-year projections presented to the Village Board on July 28, 2014. The projections have been further refined based on budget balancing strategies and are included in *Appendix B: Financial Policies and Projections*. Additional information concerning revenue projections and trends may be reviewed in *Section 4: Executive Overview*.

General Fund Expenditures

The Village has aggressively managed expenditures in recent years with a strong focus on lean and efficient operations and competitive third-party contracts. General Fund actual expenditures as a percentage of budget are expected to be 98.8 percent for 2014. The 2015 General Fund budget will increase \$1,547,011 year-over-year. The proposed expenditure plan includes all necessary personnel wages and benefits, commodity costs and general operations to operate the organization in accordance with the Village Board's expectations. As a result of operational restructuring in recent years, key strategies to control expenditures in 2015 include the following assumptions:

1. Replacement reserve ratios are reviewed and modified annually, contributions are known and planned in advance. For 2015, a \$948,679 reserve contribution is budgeted;

2. Village staff will continue to seek ways to reduce aggregate personnel expenses, carefully assessing all vacant positions, evaluating organizational efficiencies and recommending policies that maintain a competitive wage and benefit program;
3. An across-the-board 2.5 percent general wage increase is programmed in salaries for the 2015 fiscal year;
4. Golf operating deficits are projected to increase significantly due to the internal service fund cost allocation model for information technology, vehicle maintenance and building maintenance. For 2014, a total transfer of \$346,316 is projected for both courses; and
5. Certain capital projects will utilize reserve funds as planned in order to expedite project completion.

Fund Balance

The Village of Buffalo Grove utilizes an adopted fund balance policy to provide for an unassigned fund balance. As a home rule municipality, the Village is not subject to state-mandated fund reserve policies. The corporate fund reserve policy was decreased in 2010 from 35 percent to 25 percent of the subsequent year's budget (less pension transfers), or approximately three months of operating expenditures.

Projected Fund Balance

- ✓ 25% Reserve - \$8,420,000
- ✓ 35% Reserve - \$11,787,000
- ✓ Projected Reserve - \$10,695,000 (31.8%)

The Village's fund balance policy is structured to provide sufficient cash-flow as necessary and sound fiscal management has permitted the continuation of essential services without significant financial impact during the economic downturn. The Village's proactive fund management has been cited by Standard & Poor's and Moody's Investor Services as a key factor in maintaining a AAA and Aaa bond rating, respectively, and was again affirmed in 2014 for existing as well as new debt issued in 2012.

For 2015, an unassigned fund balance of \$8.42 million is required to maintain sufficient operating cash within the General Fund. Unassigned fund balance is projected to be \$10.7 million, or 31.8 percent of the 2015 budget, less pension and capital reserve transfers as of December 31, 2015. The proposed budget does not anticipate the use of unassigned fund balance for general operations. Use of fund balance is proposed for non-operating funds and for capital expenditures in the Water and Sanitary Sewer Fund.

ECONOMIC AND POLITICAL CLIMATE

The Village and the Chicago metropolitan area are experiencing a slow rebound from the 2008 recession. At the national level, the unemployment rate has dropped from 7.2 percent to 5.9 percent year-over-year¹. While the unemployment rate has declined significantly, the year-over-year labor force participation rates have actually declined slightly, indicating weakened interest in sustained job searches for the unemployed or underemployed. Other national factors affecting the Village include the implementation of the Affordable Care Act, specifically the Cadillac Tax provision, and the yet

¹ Source: U.S. Department of Labor, Bureau of Labor Statistics, September 2014, Seasonally Adjusted

unapproved Marketplace Fairness Act, which would create a national basis upon which to tax internet sales.

Key Stats

- ✓ \$273,000 – Median Home Value
- ✓ 6.2% - YoY Decrease – Home Sale Price
- ✓ 5.4% - Unemployment Rate
- ✓ 0.25% - Assumed Investment Yield

In terms of regional employment, the Chicago metropolitan area is projected to fare slightly worse than the national average, with an 11 percent increase projected from 2012 through 2022². The Village of Buffalo Grove's unemployment statistics have consistently beat the national and state averages, with a September 2014 rate of 5.4 percent, 0.6 percent better than the metro area rate for the same period and 1.8 percent lower year-over-year³. The Village's unemployment peaked at 8.4 percent in 2010 and has steadily declined since. The projected growth segments for Chicago metro employment are highest in educational services – private (16 percent), finance-insurance services

(12 percent) and health care and social assistance (10 percent) over the five year period⁴. These growth segments are of particular importance to the northwest suburban market, with a workforce concentrated in these skilled occupations and located in the I-294 biomedical and life sciences industry cluster.

The local housing market has begun to show a significant rebound, with median home value rising 7.6 percent year-over-year while median sale price decreased slightly by 6.2 percent for the same period. The year-over-year reduction in median sale price decline was expected as the prior year median sale price had increased more than 25 percent in response to a short-term market rebound. The median sale price hit its lowest point over a ten-year period at \$166,000 in April 2013 and topped out at its highest level since 2009 at \$295,800 in September 2013. Buffalo Grove has outperformed most of its neighboring communities in year-over-year median home value growth, but for Wheeling with a high of 13.8 percent and Vernon Hills closely trailing at 8.8 percent.⁵

At the state level, a financial and political meltdown began more than five years ago with the dawn of the great recession and greater transparency in accounting for unfunded pension liabilities. As a result, the state legislature passed an income tax hike in 2011 increasing the personal tax rate from 3.0 to 5.0 percent, which includes a partial sunset provision to reduce the rate to 3.75 percent on January 1, 2015. The state has been unable to effectively reduce its current and future liabilities in spite of the additional revenue raised (estimated to be around \$30 billion) from the increase.

In 2013, the legislature also passed a pension reform bill affecting state workers and teachers. The bill reduced certain benefits and contribution amounts with a singular goal of reducing long term liabilities. The bill was fiercely opposed by both represented and non-represented public employees, and awaits Illinois Supreme Court deliberation of the constitutionality of the benefit modifications. The court recently rejected a change to the

² Source: Workforce Boards of Metropolitan Chicago

³ Source: Illinois Department of Employment Security, Local Area Unemployment Statistics, Not Seasonally Adjusted

⁴ Source: Workforce Boards of Metropolitan Chicago

⁵ Source: Zillow Home Value Index, Buffalo Grove Home Prices and Home Values, 10/27/14

state's subsidy of retiree health care premiums under the auspices of the state constitution's benefit protection clause, casting serious doubt on the viability of the pension reform law. The Village does not anticipate any significant change in public safety pension liabilities unless and until state-level reforms are realized.

The state has made some minor progress on its GAAP General Fund Balance deficit, reducing from \$9.079 billion in FY 2012 to \$7.334 billion in FY 2013⁶. Illinois retains the distinction of having the worst credit rating in the nation. Further, all three ratings agencies have assigned a negative outlook to the state's general obligation debts.

Despite the bleak economic forecasts for the state, many municipalities (including the Village) have been able to maintain strong balance sheets. Those municipalities proven to be the most adaptive to changing economic conditions and less reliant on long-term debt and state revenue sources will ultimately fare better in the new economy. Ultimately, the management of long-term pension liabilities, collective bargaining rights and employee benefit structures, which comprise 70 percent or more of most municipal budgets, lies with the Illinois General Assembly. The legislature, up to this point, has been unable to come to consensus on, or enact meaningful reform to, any of these issues.

The Village's economic development strategy has evolved since last year in light of the departure of Dominick's grocery from the Chicagoland market. The Village was able to quickly fill two of the three former Dominick's sites with a Mariano's Fresh Market at Woodland Commons and a Garden Fresh Market at The Plaza shopping center. Additionally, Marshall's clothing store has leased space at Woodland Commons with a planned opening date in April 2015. The Village Board approved an economic incentive agreement for the reuse of the former Rohrman auto dealer properties in 2014.

The downtown project originally proposed by CRM Properties Group in 2012 has also evolved with the completion of the golf course floodplain evaluation in September 2014. The study revealed 58.5 acres of developable land on the municipally-owned property. Based on the study findings, the developer has submitted a revised preliminary concept and requested Planning & Zoning Commission review of the project.

The Village Board has also approved the development of the 20-acre Hoffmann Farm property for single family residences at East Haven of Buffalo Grove, the first new residential subdivision to occur in the Village since the great recession. Finally, the Village Board and executive teams have begun the data collection phase for an economic development strategy. This plan is scheduled for completion in 2015.

Market forces continue to plague the Village's investment returns as well. The 2015 budget anticipates corporate investment returns of 0.25 percent, exclusive of pensions. The Village has maintained an aggressive portfolio with regard to liquidity, holding as much as 60 percent of investments in short-term funds and in anticipation of a future investment rate increase. Given the volatility of state shared revenues, it is imperative that sufficient cash be held in short-term investments, which ultimately reduces the Village's investment yields. Pension performance has rebounded to a degree better than

⁶ Source: <http://www.ioc.state.il.us/index.cfm/fiscal-condition/gaap-fund-balance/>

expected, with the Police and Fire pensions earning 11.50 and 15.34 percent returns, respectively, for the period ending December 31, 2013.

COMPREHENSIVE BUDGET

All Fund Revenue, Expense and Fund Balance

Eighty-seven percent of General Fund expenditures are financed with a variety of tax revenues including property, replacement, state income and sales, local use and other miscellaneous taxes. The total budget will increase 24.8 percent, or \$15,658,336, from 2014. The budget increase is largely driven by internal service chargebacks (which effectively double count \$5.5 million in expenses), the water meter automation project (\$6 million funded through performance contracting) and capital reserve transfers in the amount of \$854,166 and a Motor Fuel Tax transfer of \$680,000. Capital projects total \$14.2 million for operating and enterprise projects, or 16.8 percent of the total budget. The following table provides a summary of all funds.

Fund	12/31/15 Revenue & Other Sources
General Fund	\$39,038,469
Special Revenue Funds	1,860,305
Debt Service Funds	804,813
Capital Project Funds	3,640,611
Enterprise Funds	20,124,899
Internal Service Funds	5,509,307
Permanent/Pension Funds	13,143,125
Total	\$84,121,529

Balance Sheet Considerations

The Village issued no new debt in 2014 and continues to take an aggressive approach to managing debt, having retired \$790,000 in debt obligations in FY 2014. For 2015, the Village will retire an additional \$510,000 on the Series 2010-A, Series 2010-B and Series 2012 issues. By year-end 2015, the Village will have outstanding bonded debt totaling \$10,040,000 with all current debt maturing no later than 2030.

Capital Program
✓ \$948,679 – Capital Reserve Transfer
✓ \$14,157,362 – Capital Projects
✓ 16.8% of Total Budget

There are two line of credit draws projected for 2015, the first in the amount of \$1,500,000 to support ongoing Emerald Ash Borer response efforts and the second in the amount of \$1,000,000 to support Water & Sewer Fund projects. The Village's five year financial plan anticipates a takeout financing of the line of credit in 2016, coupled with refunding of existing bonds to maintain level debt service for the planning horizon. The \$1,000,000 draw for Water & Sewer Fund activities will be repaid from increased revenues associated with rate increases and in accordance with the 20-

Year Water & Sewer Pro-Forma. By year-end 2015, it is projected that the Village will have drawn \$3.5 million of the available credit line. Line of credit financing is considered short term and will be converted to bonded indebtedness within five years of incurrence.

The Village Board will also consider a financing vehicle for the proposed performance contracting initiative in 2015. This project includes water meter upgrades and automations, SCADA system improvements and high-efficiency street lighting retrofitting.

The Village's strategy to fund long term depreciation for capital facilities and equipment was restructured in 2014 with the rebalanced budget process. A total of \$948,679 in reserve transfers for vehicles, building and infrastructure asset replacement is included in the budget, an increase of \$76,962 over 2014.

CAPITAL INVESTMENTS

The 2015 capital plan will continue the Village's ongoing efforts to maintain high-quality, reliable and modern infrastructure. Specific capital projects for 2015 include:

1. **Street, Sidewalk and Bike Path Maintenance.** A total of \$2.1 million is allocated for resurfacing, sidewalk repair and maintenance and bike path maintenance projects for the year.
2. **Dundee Road Streetscape Improvements.** In accordance with the Dundee Road Streetscape Plan, continued pedestrian accessibility and sidewalk/bike path infill projects will be completed. In addition, the first phase of a multi-phase median planting program is budgeted at \$40,000. This project was not completed in 2014.
3. **Raupp Boulevard Bridge Reconstruction.** Funds are designated in the amount of \$392,000 for completing the Raupp Bridge replacement. Total project cost is estimated at \$1,000,000, with up to \$800,000 eligible for reimbursement under the Highway Bridge Replacement and Rehabilitation Program.
4. **Emerald Ash Borer Tree Removal and Reforestation.** A total of \$1,500,000 is allocated for FY 2015 ash tree removals and replacement. The Village Board approved multiple tree growing and removal contracts in 2012. This project is on target to meet budget estimates with completion in 2017.
5. **Buildings & Grounds Improvements.** \$219,452 is allocated for miscellaneous building improvements, including the Public Works front office remodeling, carpeting projects and municipal parking lot maintenance.
6. **Geographic Information System (GIS) Development.** The GIS development project will continue with \$202,940 budgeted for contract services and ongoing resource development (now included in the Information Technology internal service fund.)
7. **Process/Work Order Software.** \$126,970 is budgeted for implementation of a Public Works management, work order and service request application. These ongoing initiatives will provide enhanced services for residents, field technicians and management.

8. **Sanitary Sewer Improvements.** \$861,000 is budgeted for ongoing rehabilitation of aging sewer lift stations and \$850,000 is budgeted for sanitary sewer replacement, for a total of \$1,711,000. These projects are financed by user fees.
9. **Storm Sewer Improvements.** \$200,000 is allocated for general maintenance improvements to storm sewer facilities. Future consideration of a storm sewer utility fee is warranted as the Village's storm sewer assets age and require additional maintenance.
10. **Water System Improvements.** For 2015, the Village will consider the performance contracting initiative to convert the existing water meter inventory to an automated read system, for a total of \$6,000,000. Various projects totaling \$750,000 are planned at the Village's pump houses to improve security of the potable water supply as identified in the 2008 system study, financed by the Public Water Supply Loan Program. SCADA system improvements are also contemplated as part of the performance contracting initiative. Additionally, \$1,000,000 in water main replacement projects are planned, subject to available funds generated by user fees. Total water system improvements for 2015 are budgeted at \$7,750,000.
11. **Weiland Road / Lake Cook Road Improvements.** The Phase One study of the Weiland/Lake Cook Road project was approved by the Village Board in 2014. For 2015, \$50,000 is earmarked for the Village's share of Phase Two design costs.

In total, the capital projects budget is \$14,157,362 for FY 2015, inclusive of Capital Projects, Motor Fuel Tax, Water & Sewer, Line of Credit and General Fund sources. Total capital project funding has increased 67 percent from 2014, mainly due to the water meter improvement project. Water & Sewer Fund projects comprise 67 percent of the total capital expenditures budgeted for the year. The Public Service Center expansion project has been removed from the CIP.

ENTERPRISE ACTIVITIES

Water and Sewer Utility

The Village Board approved a rate increase for water and sanitary sewer services on July 9, 2012. The combined rate will increase from \$5.26 per 1,000 gallons consumed to \$5.48, effective January 1, 2015.

It should be noted that the Lake County Department of Public Works continues to prepare a rate analysis for the Southeast Wastewater Treatment Plant, with a revised agreement for sanitary sewer services for Lake County residents expected in 2015. The agreement for wastewater treatment services provided by Lake County expired in March 2012.

The Northwest Water Commission extended its long-term agreement with the City of Evanston by five years in 2013, to provide for an expiration date of 2033. The Village Board, along with the other member communities of Wheeling, Arlington Heights and Palatine, approved a customer agreement with the City of Des Plaines in 2014 to provide a supplemental water supply. This arrangement is expected to provide long term rate stabilization and capital project funding for Commission system improvements.

FEES, SALES & USE TAXES AND THE PROPERTY TAX LEVY

The following rate/tax amendments are proposed in the FY 2015 budget:

Property Tax Levy

The 2014 tax levy includes fully funded Fire, Police and IMRF pension allocations as well as funding for general operations and debt service, for a total Village levy of \$14.74 million. Of the total levy request, \$624,813 will be used to service debt on the Series 2010-A, Series 2010-B and Series 2012 bonds. The net property tax levy after abatements is scheduled to increase less than 1.0 percent.

No additional fee, rate or tax amendments are proposed for the year except as previously approved by the Village Board.

PERSONNEL FACTORS

Staffing

Personnel levels have decreased significantly since 2010 as a result of the Village's Voluntary Separation Incentive (VSI) program and reorganization efforts, with 216 full-time positions and 78 seasonal/part-time positions included in the 2015 budget. It is anticipated that personnel levels will vary throughout the year and may average less than the budgeted amount due to planned retirements and reorganization efforts.

Wages

It is desirable that the Village provide for a wage enhancement in 2015 in order to maintain a competitive environment for talented individuals. As noted in the General Fund Expenditure strategy, a 2.5 percent general wage increase has been included in the salaries of full-time and part-time personnel.

In 2014, the Village Board approved a pay for performance compensation program for non-represented employees. Under the plan, two allocations are provided for performance incentives in 2015, \$172,250 for satisfactory performance range movement and \$37,050 for performance that exceeds expectations, for a total of \$209,300.

In total, the wage pool for 2015 is \$21,905,350, representing a 3.6 percent net overall increase against 2014 estimated actual. The wage pool includes base wages, compensatory time payouts, overtime, step increases, and pay for performance incentives for all employees.

The Village completed contract negotiations for a four year collective bargaining agreement with IAFF Local 3177 in 2014. Negotiations will begin in 2015 for a new collective bargaining agreement with the Metropolitan Alliance of Police. As the outcome of these negotiations is unknown, no additional funds beyond the previously approved general wage increases and currently budgeted amounts have been included.

Training

It remains a high priority to provide necessary training and professional development for Village personnel, both in terms of providing for a well-rounded workforce and to develop the next generation of leaders within the organization. To that end, the budget includes training and professional development for employees totaling \$242,177 and inclusive of in-house training, tuition reimbursement and travel expenses. Out-of-state travel has been budgeted to provide such travel where no other options exist to obtain sufficient training. The Village's 2015 cost-per-employee for training activities is \$824, some 33 percent or \$268 less per full time employee than the national average.⁷ While the Village has been able to hold costs in this area, it can be expected that additional investment in human resources will increase in the future to accommodate a lean and nimble workforce.

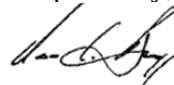
Employee Health & Wellness

For 2015, the Village will continue its membership with the Intergovernmental Personnel Benefits Cooperative (IPBC) with network access provided through Blue Cross Blue Shield of Illinois. The Village's association with IPBC provides balance and predictability to the its self-funded health plan, with the incorporation of a nine percent fund reserve mandated by the cooperative. For 2015, various premium changes will take effect, including the fourth phased increase in employee percentage of premium contribution from 13 to 14 percent of total premium. For additional information on the health plan rate structure, please review *Appendix C: Human Resources*.

Acknowledgements:

The development of an annual budget is both a monumental and rewarding task, reflecting the contributions of the entire organization. This year's financial planning process has been both challenging and rewarding. I cannot overemphasize my gratitude to the entire Village staff for their diligence and perseverance in developing this important financial tool. Many thanks to Director of Finance Scott Anderson and Management Analysts Lauren Stott and Evan Michel for their contribution to creating the budget document. Grateful appreciation is extended to Andrew Brown, Deputy Finance Director, Jennifer Maltas, Deputy Village Manager, Mike Reynolds, Director of Public Works, Fire Chief Terrence Vavra, Police Chief Steve Casstevens, Arthur Malinowski, Director of Human Resources, Darren Monico, Village Engineer, Brett Robinson, Purchasing Manager, Geoff Tollefson and Joe Bridges of Golf, Bob Pfeil, Village Planner, Brian Sheehan, Building Commissioner, Mike Skibbe, Deputy Public Works Director and Peter Cahill, Management Analyst for their cooperation, responsiveness and ability to get the job done. Finally, the Village Board deserves sincere appreciation for their stewardship over Village finances and planning for the Village's future.

Respectfully,



Dane Bragg,
Village Manager

⁷ Source: 2013 *Industry Training Report*, training expenditures per learner, small companies, trainingmag.com.

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Section 2

Organization and Services

List of Principal Officials

Organizational Chart

Village Commissions, Committees and Boards

Village Overview

Service
Optimization

Organizational
Culture

Revenue
Growth

Economic
Development

Infrastructure
Sustainability

Principal Officials

Elected Officials



Jeffrey Braiman
Village President



Jeffrey Berman
Village Trustee



Steve Trilling
Village Trustee



Beverly Sussman
Village Trustee



Mike Terson
Village Trustee



Andrew Stein
Village Trustee



Lester Ottenheimer
Village Trustee



Janet Sirabian
Village Clerk

Principal Officials

Appointed Officials/Department Directors



Dane Bragg
Village Manager



Jennifer I. Maltas
Deputy Village Manager



Scott Anderson
Finance Director



Steven R. Casstevens
Police Chief



Terry Vavra
Fire Chief

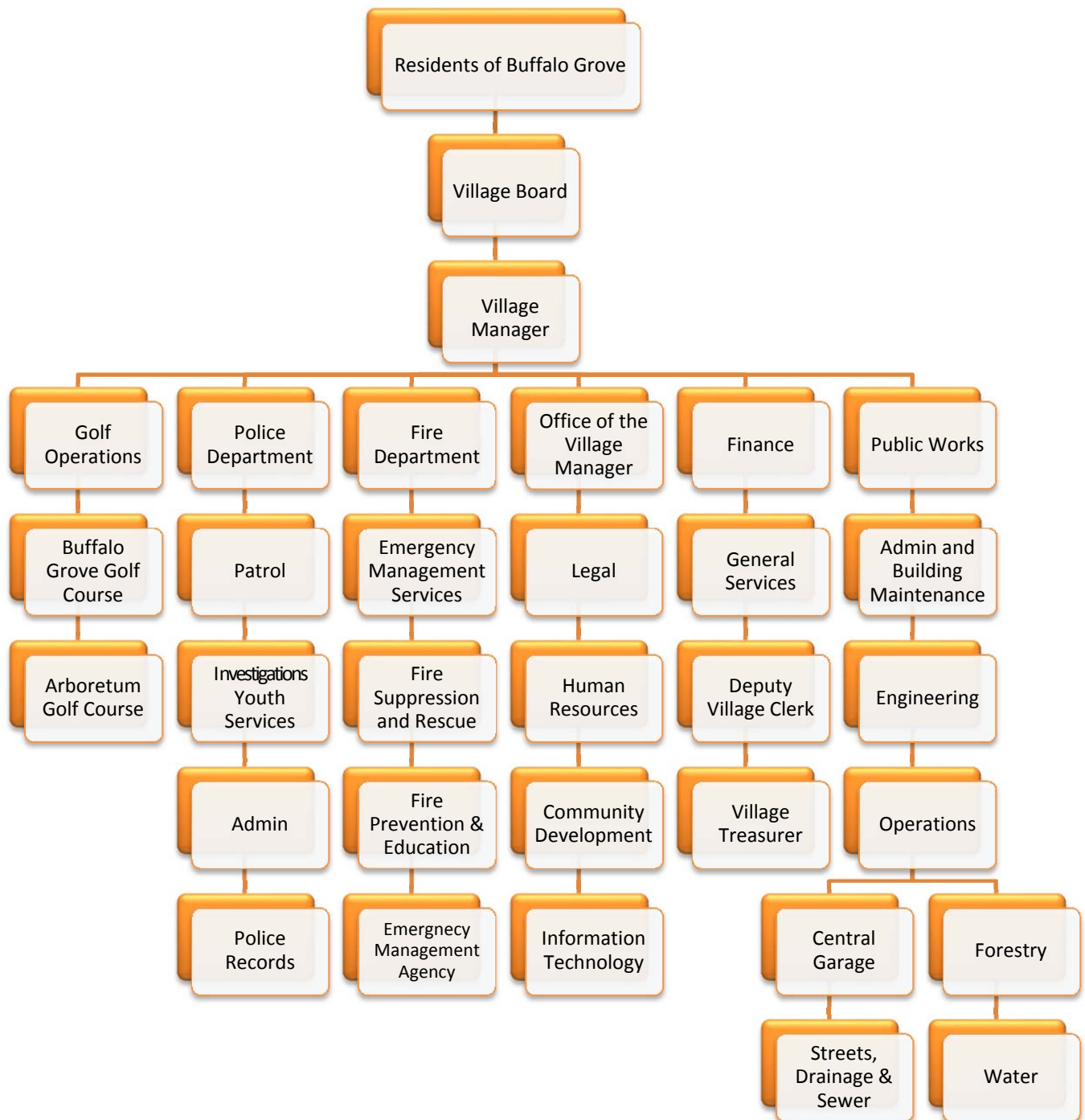


Michael Reynolds
Public Works Director



Art Malinowski
Human Resources Director

Organizational Chart



Village Commissions, Committees & Boards

Village Commissions, Committees, and Boards are approved by the Village's Corporate Authorities. The list of Commissions can be found in Title 2, Administration, and Personnel, within the Village's Municipal Code. The Municipal Code can be found on the Village's web site at www.vbg.org. Each Commission is established and provides parameters for its operation including but not limited to duties of the Commission, members, meeting schedule and purpose.

If individuals are interested in volunteering for a Village Commission, Committee, or Board, they are encouraged to complete a Talent Bank Application, which is available on the Village's web site or by calling Village Hall. Appointments are made by the Village President with the concurrence of the Board of Trustees. Following is the list of approved Commissions, Committees, and Boards as set forth in the Municipal Code.

- Chapter 2.14 Police Pension Fund
- Chapter 2.24 Board of Health and Blood Commission
- Chapter 2.26 Board of Local Improvements*
- Chapter 2.28 Board of Police and Fire Commissioners
- Chapter 2.32 Electrical Commission
- Chapter 2.34 Emergency Management Agency
- Chapter 2.40 Arts Commission
- Chapter 2.42 Youth Commission
- Chapter 2.46 Planning and Zoning Commission
- Chapter 2.48 Ethics Commission
- Chapter 2.50 Firefighters Pension Fund
- Chapter 2.52 Transportation Commission
- Chapter 2.58 Commission for Residents with Disabilities
- Chapter 2.60 Buffalo Grove Days Committee
- Bicycle Path System Ad-Hoc Committee, approved by Resolution No. 2010-37 on October 18, 2010.

* The Board of Local Improvements consists of the Village Engineer and Members of the Village Board.

Village Overview

The Village of Buffalo Grove is located approximately 33 miles northwest of downtown Chicago and 20 miles north of O'Hare International Airport. The Village's land area is 9.3 square miles, with 21.7 percent of the area in Cook County and 78.3 percent in Lake County. Neighboring communities include Arlington Heights, Lincolnshire, Long Grove, Riverwoods, Vernon Hills, and Wheeling. The Village's current population is 41,778 (2013 U.S. Census Bureau estimate).



Buffalo Grove was incorporated in 1958 and experienced strong growth in population and land area for several decades. The Village's Comprehensive Plan projects the Village's land area could reach approximately 11.2 square miles with a total population of 48,000.

The Village has excellent transportation access for residents, businesses, employees, and visitors. The Village is served by the Metra North Central rail line connecting to downtown Chicago and O'Hare airport. Pace bus, service provides access to adjacent communities, the Metra Milwaukee District North rail line, and the Skokie Swift CTA Yellow Line. The regional road system serving the Village includes Aptakisic Road, Buffalo Grove Road, Lake Cook Road, and state routes 21, 22, 45 and 68, with direct links to Route 53 and Interstate 94.

The Village's commercial base includes several corporate business parks, a diverse retail sector, and a wide range of professional services, including medical facilities. The Village's residential areas include single-family neighborhoods, townhomes, condominiums, and apartments. The housing stock is very diverse, with units of different sizes and designs available at various price points to serve the community's population.

The Village is served by four elementary school districts and two high school districts, all of which consistently receive acknowledgement for providing high quality education for children and young adults in the community. Buffalo Grove is served by two library districts and two park districts. The Village has over 800 acres of parks and open space, including two municipal golf courses and a substantial bike path and sidewalk network. Numerous opportunities for cultural and entertainment activities are available for residents and visitors.

Community Characteristics

The following statistical data and graphics provide a demographic profile of the community. The information is 2010 Census data unless otherwise noted.

Notable trends in the Village's population include the increasing number of middle age and senior adults, decreasing household size and increasing household and per capita income.

- Median age: 42.9 (2010-2012 American Community Survey 3-Year estimates)
- Median household income: \$92,666 (2010-2012 American Community Survey 3-Year estimates)
- Per capita income: \$45,077 (2010-2012 American Community Survey 3-Year estimates)
- Total housing units: 16,997 (2014 Village estimate)
- Persons per household: 2.55
- Owner occupied units, persons per household: 2.63
- Renter occupied units, persons per household: 2.18

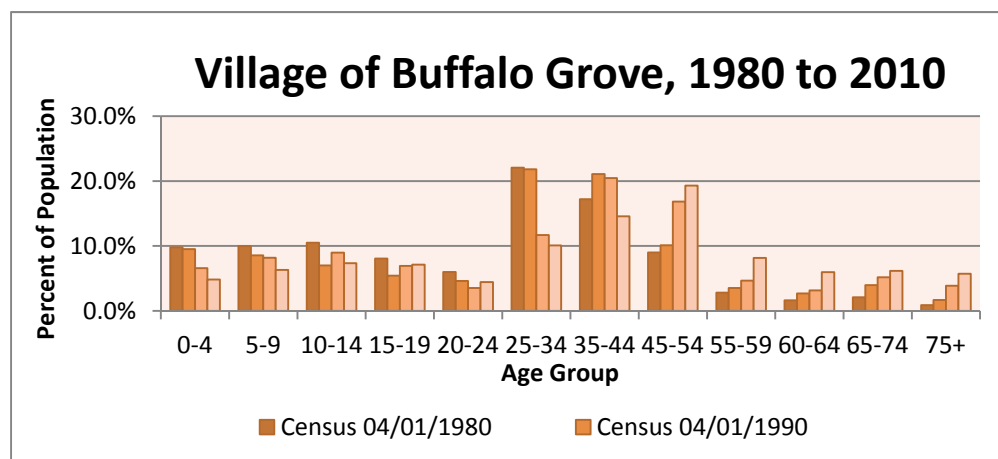
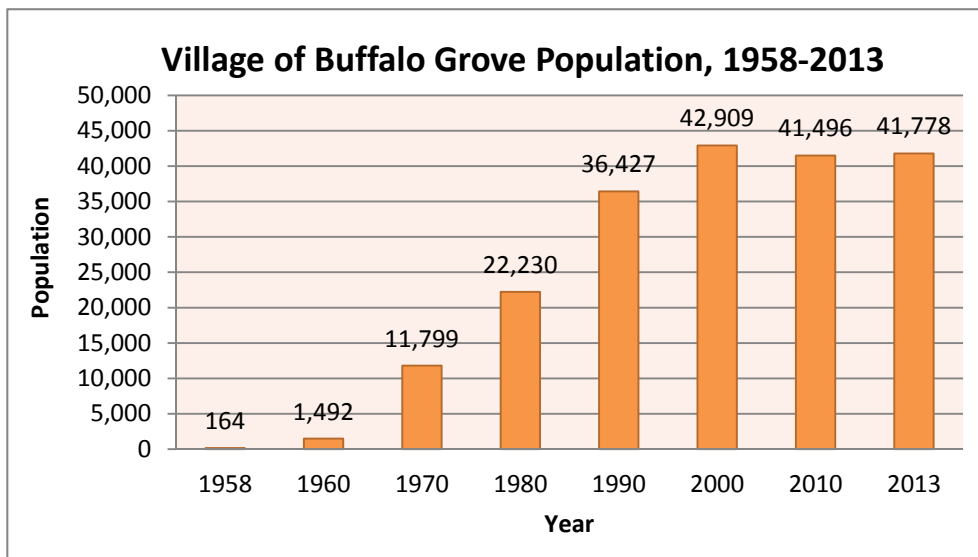
Housing Value

The following information provides the average and median residential sale price from Village Real Estate Transfer Tax Records, January 2013 - December 2013:

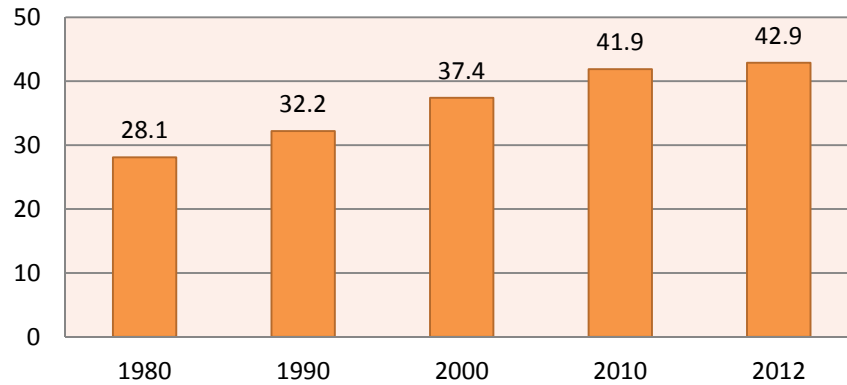
	Number Sold	Average Value	Median Value
SFD	336	\$352,244	\$325,500
SFA	214	\$210,441	\$185,550
MF	157	\$ 89,838	\$ 79,500
All Residential	707	\$252,663	\$237,500

Village of Buffalo Grove Statistical Breakdown

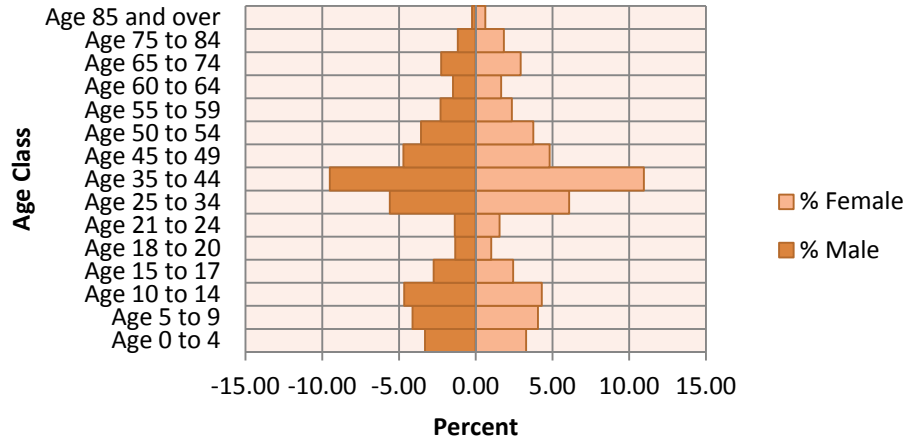
(Source: U.S. Bureau of Census – Decennial Census, Annual Population Estimate and 2010-2012 American Community Survey 3-Year estimates)



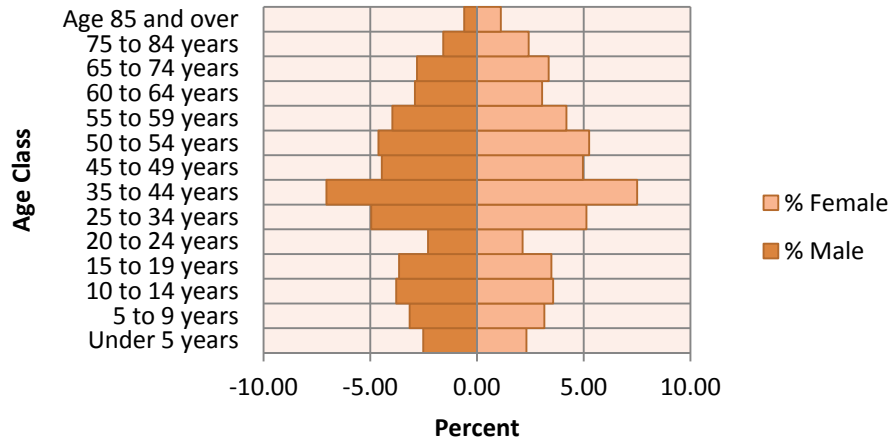
Village of Buffalo Grove Median Age, 1980-2012

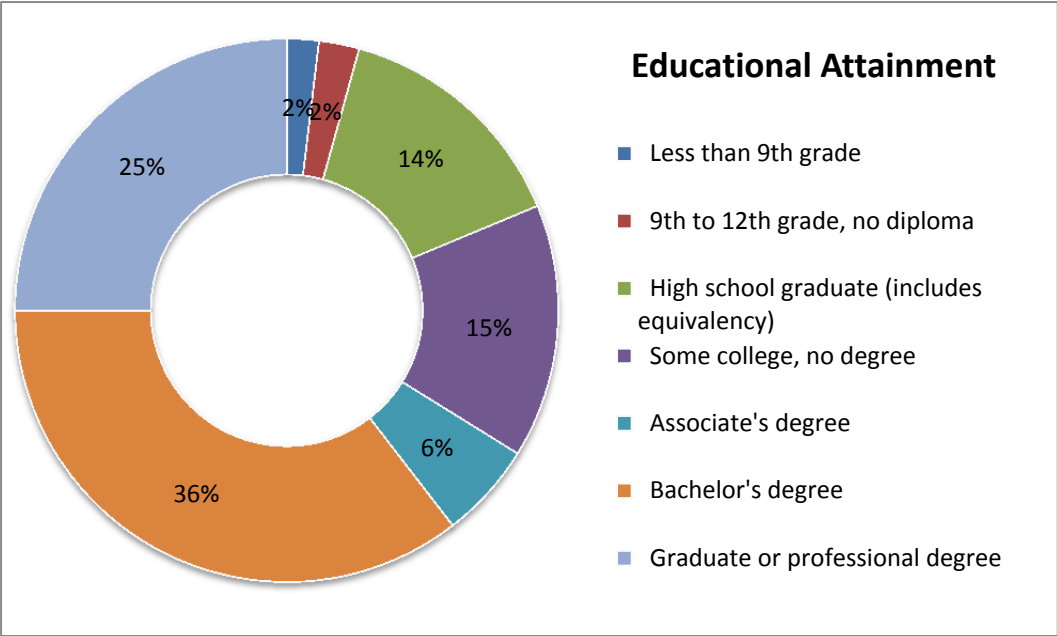
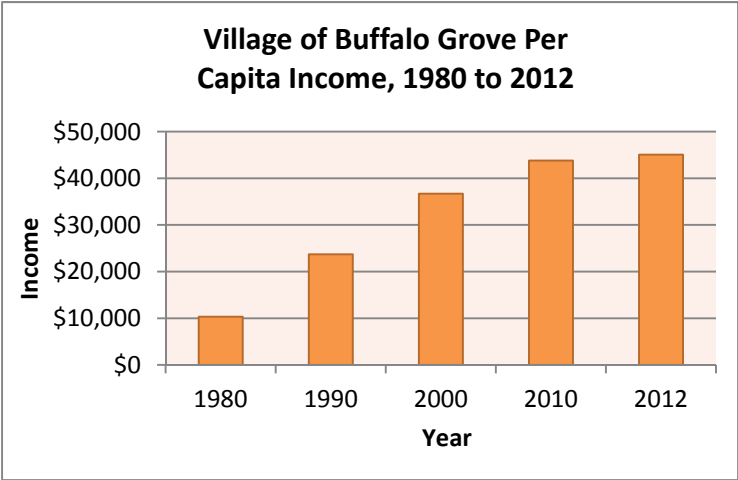
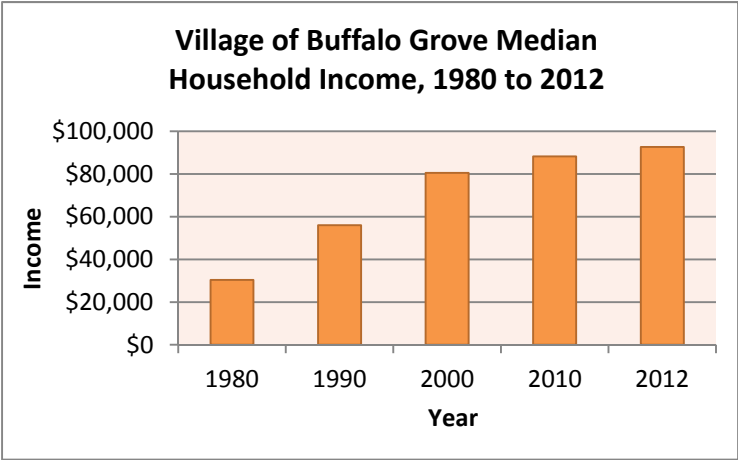


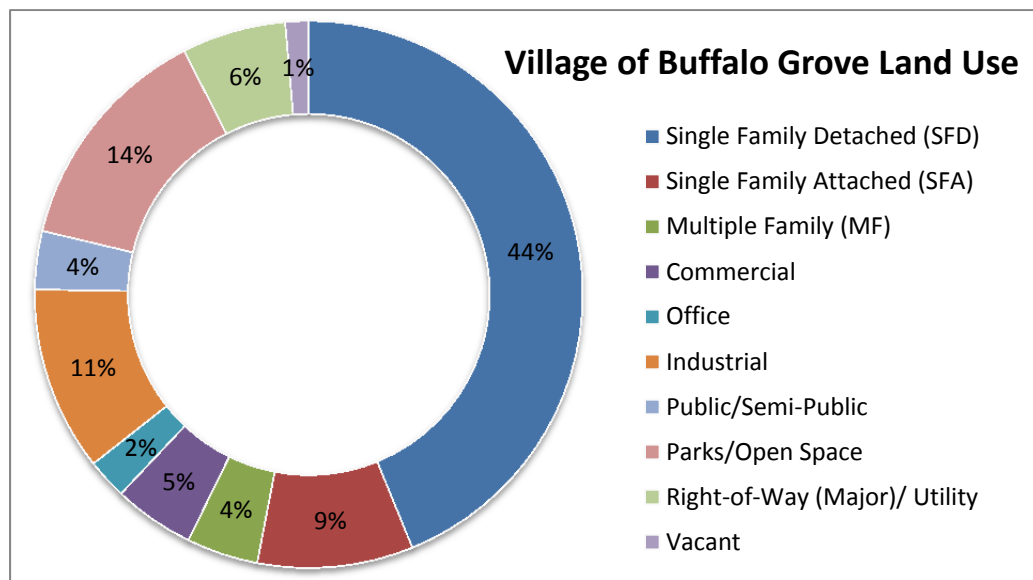
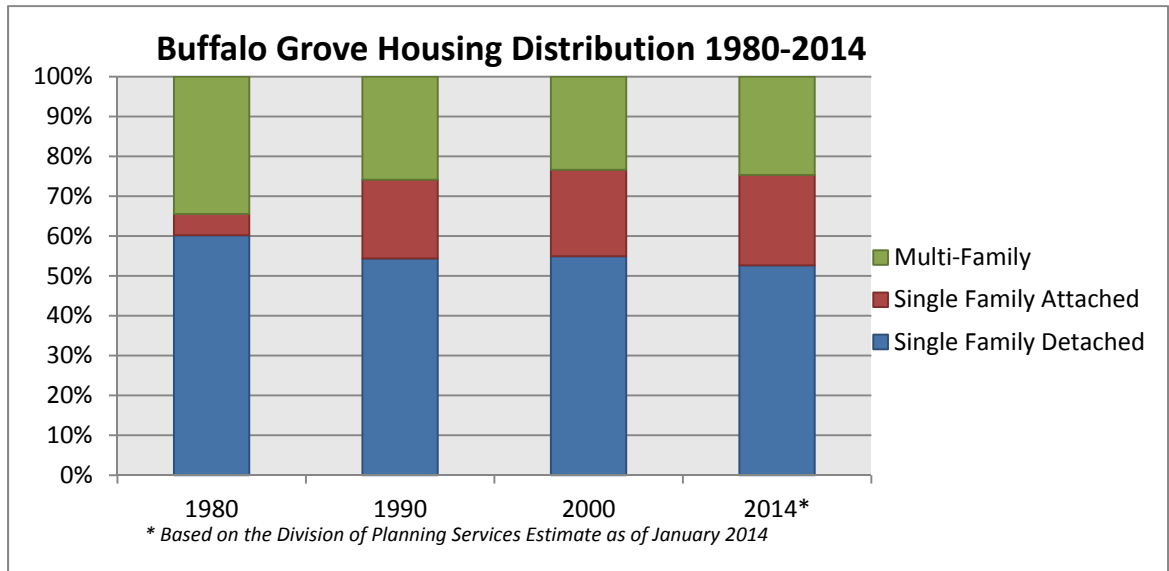
Population Pyramid for Buffalo Grove, 2000



Population Pyramid for Buffalo Grove, 2010







Village Government

Home Rule Authority

The Village of Buffalo Grove is a Home Rule Unit by virtue of the provisions of the Constitution of the State of Illinois of 1970. Home Rule allows a community to take actions not specifically prohibited by the state statutes. Conversely, a non-home rule community can only undertake those actions specifically allowed for in the state statutes. Home rule enables a municipality or county to establish its own system of self-governance without receiving a charter from the state. Home rule shifts much of the responsibility for local government from the state legislature to the local community. The most significant powers granted to a home rule community include the ability to enact its own police powers (health, safety, morals and general welfare), to issue bonds without referendum and exemption from property tax caps under the Property Tax Extension Law Limit (PTELL.)

Council-Manager Form of Government

The Village established the council-manager form of government by referendum on July 1, 1980. The council-manager form is the system of local government that combines the strong political leadership of elected officials in the form of a council or board, with the strong managerial experience of an appointed local government manager. The form establishes a representative system where all policy is concentrated in the elected board and the board hires a professionally trained manager to oversee the delivery of public services. Under council-manager form, those duties not specifically reserved by the elected body pass to the Village Manager and his/her professional staff.

Equalized Assessed Value

The equalized assessed value, or EAV, is the result of applying the state equalization factor to the assessed value of a parcel of property. Tax bills are calculated by multiplying the EAV (after any deductions for homesteads) by the tax rate.

Below are the Cook County, Lake County, and total EAV of property within the Village. For Cook County, the assumption is that properties values will not change in 2014.

TAX YEAR	COOK COUNTY	% INC	LAKE COUNTY	% INC	TOTAL VALUE	% INC
2005QL	343,381,864	---	1,264,882,929	---	1,608,264,793	---
2006	351,925,896	2.49%	1,325,296,511	4.78%	1,677,222,407	4.29%
2007TC	402,913,368	14.49%	1,407,908,107	6.23%	1,810,821,475	7.97%
2008	430,222,803	6.78%	1,450,871,616	3.05%	1,881,094,419	3.88%
2009QL	453,182,604	5.34%	1,443,599,910	-0.50%	1,896,782,514	0.83%
2010TC	405,013,042	-10.63%	1,369,087,745	-5.16%	1,774,100,787	-6.47%
2011	370,343,748	-8.56%	1,294,187,616	-5.47%	1,664,531,364	-6.18%
2012	370,718,893	0.13%	1,196,068,204	-7.58%	1,566,707,097	-5.87%
2013	370,718,893	0.00%	1,137,719,248	-4.88%	1,508,438,141	-3.72

TC= Triennial property assessment cycle (Cook County)

QL= Quadrennial property assessment cycle (Lake County)

Economic Development

Similar to neighboring communities and the nation as a whole, the Village of Buffalo Grove continues to be challenged economically. The Village continues to struggle with economic development to provide meaningful revenue growth. In 2015, as part of the Strategic Plan staff will develop a comprehensive economic development program for the Village and present the final plan to the Village Board by January 1, 2016. Among other components, the plan will include the development of an inventory of new, under-utilized and redevelopment properties, broken down into retail, office, and industrial categories. The inventory will be prioritized for redevelopment opportunities. The plan will also contemplate options for the establishment of a more formal economic development incentive for new developments and redevelopments and develop a recruitment strategy for the highest priority retailers and sites. The plan will identify the highest priority retail leakage categories and contemplate a program to capture retail leakage by prioritizing retailers and sites that would best fit leakage categories based upon demographics, rent capacity, and market capacity. Additionally, the plan will review the potential implications of limiting non-sales tax generating development in business corridors. Additionally, the 2015 Strategic Plan contemplates the engagement of a firm to assist with economic development as well as funding for a comprehensive study of the Dundee Road Corridor.

Following are three target areas where the Village staff is currently working with property owners, brokers, developers and others in the real estate industry to promote development.

Downtown Buffalo Grove

In 2014, the Village completed two engineering studies in order to determine the feasibility of turning the Village Campus into a mixed-use downtown development. The development seeks to create a Downtown Buffalo Grove by including a mix of retail stores, restaurants, offices, theaters, rental and owner-occupied residential housing, municipal buildings and a community park. The proposed development contemplates four themes to provide for a true-to-form central business district inclusive of an entertainment district, retail and dining district, a residential district and a public services district. The studies revealed that there is 53 to 58 acres of buildable area on the golf

course. The engineering studies were provided to the developer interested in the downtown concept. Subsequently, the developer has presented a revised concept to the Village. The next step is for the Village Board to consider the new concept and assignment of the concept plan to the Planning & Zoning Commission for review.



Milwaukee Avenue Corridor

The Milwaukee Avenue Corridor consists of three designated development sites and various potential redevelopment sites, including:

- **Berenesa Plaza I**, 17.94 acres, located at the northwest corner of Deerfield Road and Milwaukee Avenue;
- **Berenesa Plaza II**, 6.2 acres, located at the southwest corner of Deerfield Road and Milwaukee Avenue;
- **Land & Lakes Property**, 17 acres along the west frontage and 41 acres along the west rear of the property, located north of Busch Parkway and south of the City Park Development;
- **Waste Management Site**, 6.36 acres, located along the west east side of Milwaukee Avenue north of Deerfield Road, across from the Land & Lakes Property.



Pictured above is the approved preliminary plan for Berenesa Plaza at the north and southwest corners of Milwaukee Avenue & Deerfield Parkway.

In 2014, the Village was approached by a developer who has both Berenesa Plaza II and I under contract. The developer continues to work through site concerns. The largest hurdle at this time is the road improvements for the Milwaukee Avenue/Deerfield Parkway intersection that are required by the Illinois Department of Transportation and the Lake County Department of Transportation, which total over \$3 million. Staff will continue to work with the developer to bring the project to fruition. Staff also had several meetings with the owners of the Land & Lakes Property in 2014. The owner has completed post-closure care and the property is available for sale. The Village will continue to work with the owners to ensure that any development at the site is the highest and best use for the property. Waste Management acquired the 6.36-acre property across Milwaukee Avenue from the Land & Lakes owners with the intention of using it for their operations. Since acquiring the property, Waste Management has decided it is needed and the site is currently available for purchase.

- **Various Annexation, Potential Development, and Redevelopment** sites located between Deerfield Parkway and Lake Cook Road, along the Milwaukee Avenue Corridor.

It is in the Village's long-term interest to annex as many unincorporated properties on the east side of Milwaukee as possible in order to assemble redevelopment tracts in the Milwaukee Avenue Corridor.

Dundee Road Corridor

The Dundee Road corridor has two designated redevelopment sites. The first is 15.94 acres and was occupied by three automotive dealerships. The developable parcels are broken down by the following acreages: 3.99 acres; 4.13 acres; and 5.28 acres. This redevelopment site also includes 2.54 acres of storm water management. In 2014, the owner of the property approached the Village and opened a used car dealership on the western most property. As a part of the project, the Village negotiated an economic incentive agreement with the owner that incentivizes the owner to open two additional dealerships on the remaining two properties.

The second designated redevelopment site is the Cambridge Commons shopping center (4.71 acres). In 2014, the Village renegotiated an existing economic incentive agreement for the site to incentivize the owners to open a

grocery store and other sales tax generating uses on the site. Unfortunately, the redevelopment project did not proceed after Dominick's has announced its exit from the Chicagoland market.

Chase Plaza Shopping Center

Chase Plaza, located at the northeast intersection of Lake Cook and Arlington Heights Roads, was formerly home to one of the Village's three Dominick's locations. Safeway owns the former Dominick's location and the balance of the center is separately owned. Chase Plaza has a total of 87,391 square feet of leasable space. Currently there is 68,099 square feet of non-leased space available in this center. The Dominick's Store comprises 61,979 feet of the non-leased space. Staff continues to work with the owners of the property to assist with filling the space.

Pulte Homes



Concept Plan – Hoffman Property

Pulte Home Corporation successfully petitioned for approval of a single-family development on the Hoffmann property at 22140 N. Prairie Road. The recently annexed property is a 20-acre tract previously used for agriculture. An existing single-family home on the property will be maintained as a "farmstead" on a parcel of 1.3 acres. The Village's Comprehensive Plan designates the site for single-family development.

The approved plan proposed 38 lots with zoning in the R-3A District. The proposed houses will be 2-story, ranging in size from approximately 3,200 to 4,000 square feet. The "Sub-Regional Plan" in the project includes the future alignment of Prairie Road in relation to the planned Weiland-Prairie improvement.

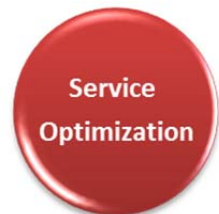
The plan extends the existing street grid in the Prairie Grove subdivision adjoining to the north. Olive Hill Drive, which is currently a half street with one-way access from Prairie Road, will be completed as a full street. Two streets terminate at the west side of the development, creating dead-end segments of approximately 300 feet. These streets would ultimately be extended if the Didier Farm property is developed.

The plan provides an addition to the existing Prairie Grove public park. This park would be further expanded if the agricultural land to the west is developed. In 2014, Pulte began construction on the site. Pulte has completed the model home and is working on pre-sales.

Section 3

Budget Process and Structure

Budget Process
Budget Timeline
Budget Sections
Basis of Budgeting
Annual Budget vs. Financial Statements
Fund Structure
Financial Policy and Goals
Account Numbers
Current Village Funds
Budget Responsibility



Budget Process

This budget document is the result of the Village's financial and operational planning process and serves as the guide for implementing those plans. The process brings together input from elected officials, department directors, departmental staff, and the public in order to shape the Village's goals and objectives.

Staff begins preparing the next year's budget nearly a year prior to adoption. The Finance Director projects fund balances remaining at the end of the current fiscal year and develops a revenue projection for the following year. Individual departments are responsible for assessing current conditions, programs, and needs. Each Department Director is provided a target figure as a parameter to work within while developing their respective departmental budgets.

Committee of the Whole meetings are held throughout the year to discuss long-range financial planning and provide updates on the Village's current financial condition. Mid-year, the Finance Director presents an update of the five year operating forecast and the Water Fund's twenty year pro forma. Additionally, staff does a yearly review of all rate schedules.

Once Department Directors have reviewed their programs and services, initial budget requests are submitted to the Finance Director. The Finance Department then consolidates all requests to analyze the budget as a whole. After an initial analysis, meetings are set up between the Department Directors, Finance Director, and Village Manager. They review major operational changes, discuss objectives and review capital project requests. An effort is made to combine requests across departments and to discuss how to more efficiently accomplish departmental goals. Any unjustified items are eliminated from the budget at this time.

Over the next month, the Finance Department works to compile the budget document. In addition to developing budget summaries for each department which outline requests, the Finance Department reviews and updates other sections of the document. Before the first public hearing, the proposed budget is made available to the public, both in hardcopy format at Village Hall and electronic format on the Village's website, www.vbg.org. While the proposed budget must be available for public inspection at least ten days prior to passage, the Village routinely has it available in advance of this deadline.

In November, a series of meetings are conducted covering the proposed budget and tax levy. The Village Manager, Finance Director, and Department Directors are present to address any issues or concerns presented by the Village President, trustees and residents. After the public meetings, the budget may be further revised and passed without further public inspection, notice or hearing. The final budget and appropriation ordinance is typically approved in December.

Once the budget has been approved, the Village Manager and Finance Director continue to monitor the Village's rate of revenue collections and expenditures to assure a healthy financial condition. If revenue projections drop below staff's original estimates, the Village Manager will direct staff to reduce expenditures. Any transfers necessary to adjust the budget can be made by the Village, as long as the changes do not exceed the approved appropriation. If this circumstance arises, the budget changes must be considered and approved by the Village Board as an Appropriation Transfer Ordinance. If there is a significant change to the total budget, a Supplemental Appropriation must be approved by the Village Board.

Budget Timeline

Date	Event	Requirement/Action
Tuesday, June 17, 2014	Budget/CIP Instructions Distributed	Finance staff distribution
Friday, June 20, 2014	FY 2015 Initialized in New World Systems	Staff creates FY 2015 in NWS
Monday, July 07, 2014	Village Board Meeting	Staff provide six month financial update on FY 2014 Budget
Monday, July 14, 2014	Meeting on Capital Reserve Funding	Staff reviews funding requirement for vehicles, buildings and technology
Tuesday, July 15, 2014	Salary and Health Insurance Budgets Added to Department Budgets	Staff adds wage and insurance line-items. Census reports distributed for review.
Monday, July 21, 2014	Capital Reserve Amounts Distributed	Reserve amounts calculated for vehicles, technology and buildings.
Monday, July 21, 2014	Capital Improvement Plan Project & Building Maintenance Requests Due. IT Project Requests Due	Department submits five year capital requests and FY 2015 building remodeling and technology requests
Monday, July 21, 2014	Village Fee & Fines Recommendation	Department fee & fine recommendations due to the Office of Village Manager
Monday, July 28, 2014	Committee of the Whole Meeting	Presentation of five year General and Water Fund Operating Proforma discussion. Wage recommendations
Thursday, July 31, 2014	Preliminary Budgets added to New World Systems.	All department budgets entered into New World Systems.
Thursday, July 31, 2014	RFP/RFQ/Bidding Calendar	Department Directors report FY 2015 activity to Brett Robinson.
Thursday, July 31, 2014	General Fund Revenue Estimate	Staff compiles estimated actual for FY 2014 and budget for FY 2015
August 4 - August 8, 2014	Capital Budget Meetings	Review capital requests.
August 11 - August 15, 2014	Department Meetings	Department Directors discuss budget requests to Village Manager/Deputy Manager
Friday, August 29, 2014	Final Budget Requests Due	Final department budget due.
Monday, September 22, 2014	Committee of the Whole Meeting	FY 2015-2019 CIP Presentation. Property Tax discussion. FY 2014 CIP Project Status Update.
October 1 - October 17, 2014	Budget Preparation	FY 2015 Budget production
Monday, October 20, 2014	Preliminary Budget to Village Board	Preliminary budget emailed to Village Board
Monday, November 03, 2014	Village Board Meeting	Truth-in-Taxation determination. FY 2015 Budget Presentation
Monday, November 17, 2014	Village Board Meeting	FY 2015 Budget Presentation Continued (if necessary)
Monday, December 01, 2014	Village Board Meeting	FY 2014 tax levy (public hearing). Budget adopted by resolution.
Thursday, December 04, 2014	Public Hearing Notification	Publish for Appropriation Ordinance
Monday, December 15, 2014	Village Board Meeting	FY 2015 Appropriation Ordinance

Budget Sections

The Budget is divided into nine sections and four appendices:

1. **Transmittal Letter:** The Transmittal Letter provides the Village Board and the public with a general summary of the most important aspects of the budget, including current and previous fiscal years, and the views and recommendations of the Village Manager.
2. **Organization and Services:** This section includes a map of the Village, a list of principal officials, an organizational chart, and general background information. The Organization and Services section provides the reader with an overview of Buffalo Grove, as well as its mission statement and Village-wide goals.
3. **Budget Process and Structure:** This section provides the reader with general information on how the budget was developed, including a timeline and its general format.
4. **Executive Overview:** In the Executive Overview section, the overall revenues and expenditures are presented by fund, as are fund balance projections, debt levels, staffing levels, and budget assumptions. Trend analysis allows the Village to monitor changes and anticipate future issues. This section identifies the factors that affect financial condition and logically arranges them to facilitate analysis and measurement. This information serves as a management tool by combining information from Village documents with relevant economic data. Strategic goals are presented in this section as function of the overall revenue and expense profile, targeted priorities and performance measures.
5. **General Fund Summary and Detail:** This section provides more in-depth financial, organizational and staffing information at the department level including strategic goals, accomplishments, staffing, budget variances and changes.
6. **Capital Improvement Budget Summary:** This section presents the planned investments in the long-term assets of the Village. The Capital Improvement Plan provides a listing of capital projects over a 5-year horizon.
7. **Enterprise Fund Summary and Detail:** This section provides more in-depth financial, organizational and staffing information at the enterprise fund level including strategic goals, accomplishments, staffing, budget variances and changes.
8. **Internal Service Funds:** This section includes funds that finance and account for services and commodities that are designated to other departments within the Village. The funds generate revenue through the annually budgeted expenditures within the departments that utilize those services.
9. **Fiduciary Funds:** This section presents both of the Village's fiduciary funds – Police and Firefighters Pension Funds.
10. **Other Funds:** This section provides the budgets for the Illinois Municipal Retirement Fund, the Parking Lot Fund and the Facilities Development Debt Service Fund.
11. **Appendix A Comprehensive Fee and Tax Schedule:** All fees and taxes for the Village of Buffalo Grove.
12. **Appendix B Financial Policies and Projections:** All codified financial management policies.
13. **Appendix C Human Resources:** A summary of health insurance plan benefits and an aggregate of Village staffing levels.
14. **Appendix D Document Definitions:** Includes definitions of key terms and acronyms that are found throughout the budget book.

Basis of Budgeting

The Village of Buffalo Grove accounts for all funds and adopts a budget based on generally accepted accounting principals (GAAP). A fund is a separate accounting entity with a set of self-balancing accounts that records assets, liabilities, fund equity, revenues, and expenses or expenditures. Funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with regulations, restrictions, or limitations.

The Village uses the three following fund types:

Governmental Funds: use the modified accrual basis of accounting whereby revenues are recognized when they are “measurable and available” and expenditures are recorded when the related fund liability is incurred. Governmental funds usually account for tax-supported activities.

Proprietary Funds: use the full accrual basis of accounting. Under the full accrual basis, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Proprietary funds are used to account for business-type activities.

Fiduciary Funds: are accounted for on a full accrual basis. Fiduciary funds are used to account for resources that are held by the government as an agent for parties outside the government and that cannot be used to support the Village’s own programs.

All funds presented in the 2015 Budget are appropriated.

Annual Budget vs. Financial Statements

With the exception of the treatment of depreciation, the budget basis is consistent with GAAP. Depreciation is not shown in the budget, the full purchase price of capital expenditures is included. A reconciliation of the difference is provided in the Village’s Comprehensive Annual Financial Report (CAFR). Funds that are not budgeted, but are part of the Comprehensive Annual Financial Report are Retiree Health Savings Fund and the School and Park District Donations Fund.

Fund Structure

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 of Buffalo Grove, like other governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village may be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. All funds are included in this budget document and are appropriated by the Village Board. All funds are prepared on a cash-basis for budgeting purposes. During the Village’s annual audit, final adjustments may be made to properly account for modified or full accrual accounting based upon the fund type.

Governmental funds focus on the near-term inflows and outflows of spendable resources. The majority of the Village’s business is accounted for in Governmental Funds including the General Fund and the Special Revenue Funds: Parking Lot Fund and Motor Fuel Tax Fund. Other governmental funds include the Debt Service Fund which is established to pay the principal and interest due on long-term debt. Additionally there are two Capital Project Funds: Capital Projects – Facilities Fund and Capital Projects – Streets Fund. These funds provide resources for the design and construction of capital projects, as well as the procurement of long-term assets.

The Village maintains two types of proprietary funds – an enterprise fund and three internal service funds. Enterprise funds are used to report the business-type activities the Village engages in and charge fees designed to recover the cost of the provided services. The Buffalo Grove Golf Fund, Arboretum Golf Fund, Water & Sewer Funds, and Refuse Fund are included in this grouping. Internal service funds finance and account for services and commodities that are provided to all village departments, in turn all the revenue generated in these funds are derived from the departments which they serve through their budget, and are then transferred to the internal service funds. The internal service funds that the Village of Buffalo Grove will utilize in 2015 are Information Technology, Central Garage, and Building and Facility Maintenance. The Finance department works closely with the Office of the Village Manager and Public works to develop these budgets and allocate charges for service to each department.

Lastly, the Village acts as the fiduciary for the Police and Fire Pension Funds. The funds are supported by employee and Village contributions and are established as single-employer funds. The funds are managed by pension boards and are not available to support the Village's programs. Civilian personnel are covered by the Illinois Municipal Retirement Fund (IMRF), a multi-employer, defined benefit plan. The Village sends the employer and employee contributions directly to IMRF.

Financial Policies and Goals

The Village of Buffalo Grove has adopted various revenue, debt and reserve policies. These policies provide and help maintain a favorable financial picture for the Village. The policies are located in their entirety in Appendix B.

Investment Policy: This policy provides guidelines for investing Village funds in financial instruments that provide for the safety of principal, remain sufficiently liquid to meet anticipated operating requirements, and provide a market rate of return.

Purchasing Policy: This policy delineates the procedure for purchasing goods and services in the Village. Competitive bidding is required for purchases over \$20,000, except for professional services. This policy was increased in 2013 from \$15,000.

Debt Policy: The Debt Policy governs how, when, and why debt is used. It is the policy of the Village to never use debt to finance current operations.

Fund Balance Policy: This policy establishes the appropriate level of unassigned fund balance in the General Fund. Fund balance reserves should only be used for capital improvements or as a temporary stop-gap to bridge a deficit. Balancing the budget is never an appropriate use of reserves.

Capitalization Policy: Capital assets are assets with an initial, individual cost of more than \$10,000 and an estimated useful life of greater than one year. Additions or improvements that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset, are capitalized.

Budgetary Goals:

1. Prepare a budget, providing meaningful and readily understandable information to interested residents as well as the Village Board and staff.
2. Prepare a budget that allows for the implementation of Village Board's goals and objectives.
3. Pay for capital assets using pay-as-you-go financing.
4. Encourage intergovernmental cooperation.
5. Present a balanced budget as defined as a budget where revenues meet or exceed expenses.

Account Numbers

Account numbers identify the fund, type of account, department, division, general revenue and expenditure category, and type of purchase. Account numbers look like this:

100	15	510	16
Fund	Department	Account	Line Item

The first three digits (100) indicate the fund (see following chart for fund numbers).

The fourth and fifth digits (15) indicate the department.

XXX.10 – Legislative
XXX.15 – Office of the Village Manager
XXX.20 – Legal
XXX.30 – Finance
XXX.35 – Human Resources
XXX.40 – Fire
XXX.45 – Police
XXX.50 – Building & Zoning
XXX.55 – Public Works
XXX.60 – Engineering
XXX.65 – Emergency Management Agency
XXX.70 – Transfer Non-Operating
XXX.75 – Capital Improvement
XXX.80 – IMRF/Social Security
XXX.81 – Metra Parking
XXX.84 – Golf
XXX.85 – Debt
XXX.86 – Refuse
XXX.88 – Police Pension
XXX.89 – Fire Pension

The Public Works Department is further delineated into divisions.

XXX.55.10 – Streets
XXX.55.15 – Administration
XXX.55.20 – Forestry
XXX.55.25 – Drainage
XXX.55.35 – Water
XXX.55.36 – Sewer

The first digit in the third grouping of numbers (XXX.XX.5XX.XX) indicates whether this is an income or expenditure account.

- 1XX – Asset
- 2XX – Liability
- 3XX – Fund Equity
- 4XX – Income
- 5XX – Expenditure/Expense
- 6XX – Capital Outlay
- 7XX – Debt Service

The next two digits in the third grouping of numbers (XXX.XX.X10.XX) indicates the general category to be charged.

- 500 - Personal Services
- 505 - Personal Benefits
- 510 - Operating Expenses
- 515 – Insurance
- 520 - Legal Services
- 525 - Commission & Committees
- 530 – Commodities
- 535 - Maintenance & Repairs – Facilities
- 540 - Maintenance & Repairs - Water & Sewer
- 545 - Maintenance & Repairs – Vehicles
- 550 - Maintenance & Repairs – Other
- 555 - Capital Equipment
- 560 - Capital Projects
- 565 - Debt Service
- 570 - Operating Transfers
- 580 - All Other Expense

The last two numbers in the string indicate the object within the Category. In this case, 510.16 is Operating Expenses – Printing,

Revenue accounts are not associated with a department or division and look like this:

100.465.90

The revenue account categories are as follows:

- 400 - Taxes – Property
- 410 - Taxes - State Shared
- 415 - Taxes – Local
- 420 - Business Licenses
- 425 - Liquor Licenses
- 430 - Animal Licenses
- 435 - Building Revenue & Fees
- 440 - Intergovernmental Revenue – Local
- 441 - Sales of Water
- 442 - Village Sewer
- 443 - Lake County Sewer
- 444 - Insurance Contributions
- 445 - Golf Course Fees
- 450 - Investment Revenue
- 455 - Fines & Fees
- 460 - Operating Transfers
- 465 - All Other Revenue
- 470 - Bond Proceeds
- 471 - Income From Joint Venture
- 472 - Capital Contributions

Current Village Funds

Type	Fund Name	Fund No.	Description
General	General	100	The Village's chief operating fund. Accounts for all financial resources except those required to be accounted for in another fund.
Special Revenue	Parking Lot	120	Accounts for fees collected at the Village's mass transit parking station site and expenditures required to maintain the parking lot.
	Motor Fuel Tax	130	Accounts for the use of the Village's share of state gasoline taxes and 20% of the Home Rule Sales Tax. State law requires the MFT to be used for the Village street program.
Debt Service	Facilities Development	140	Accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest.
Capital Projects	Facilities	150	Accounts for the acquisition or construction of major capital facilities (other than those in Enterprise Funds).
	Street Maintenance	160	Accounts for the costs of design, construction, and construction engineering for various street maintenance and construction projects.
Enterprise	Waterworks & Sewerage	170	Accounts for the provision of water and sewer services to customers of the Village.
	Arboretum Golf Course	190	Accounts for the operations of a municipal golf course.
	Buffalo Grove Golf Course	180	Accounts for the operations of a municipal golf course.
	Refuse Service	200	Accounts for the provision of refuse disposal services to customers of the Village.
Internal Service	Information Technology	211	Accounts for all hardware, software, and other information technology resources for the Village departments.
	Central Garage	212	Accounts for all services and commodities to maintain the Village department vehicles.
	Building & Facility Maintenance	213	Accounts for all services and commodities to maintain the Village building and facilities utilized by all departments.
Fiduciary	Police Pension	220	Accounts for the accumulation of resources to be used for the retirement annuity payments to sworn police officers.
	Fire Pension	230	Accounts for the accumulation of resources to be used for the retirement annuity payments to firefighters.

Budget Responsibility

The following departments are responsible for budgeting revenues and/or expenses in the listed funds.

Fund Name	Fund No.	Department / Budget Responsibility
General	100	Legislative
		Office of Village Manager
		Legal
		Finance
		Human Resources
		Fire
		Police
		Building and Zoning
		Engineering
		Public Works - Streets
		Public Works - Administration
		Public Works - Forestry
		Public Works - Drainage
		Operating Transfers - Finance
Parking Lot	120	Finance
Motor Fuel Tax	130	Engineering
Debt Service	140	Finance
Capital Projects - Facilities	150	Public Works - Administration
Capital Projects - Streets	160	Engineering
Water and Sewer	170	Public Works - Water & Sewer
Arboretum Golf Course	190	Arboretum Golf Course
Buffalo Grove Golf Club	180	Buffalo Grove Golf Course
Refuse	200	Finance
Information Technology	211	Office of the Village Manager
		Finance
Central Garage	212	Public Works - Central Garage
		Finance
Building and Facility Maintenance	213	Public Works - Building Maintenance
		Finance
Police Pension	220	Finance
Fire Pension	230	Finance

Section 4

Executive Overview

Budget in Brief

Strategic Planning

Revenue Trends and Projections Summary

Expenditure Trends and Projections Summary

Debt Position

Fund Balance Projections by Fund

Service
Optimization

Organizational
Culture

Revenue
Growth

Economic
Development

Infrastructure
Sustainability

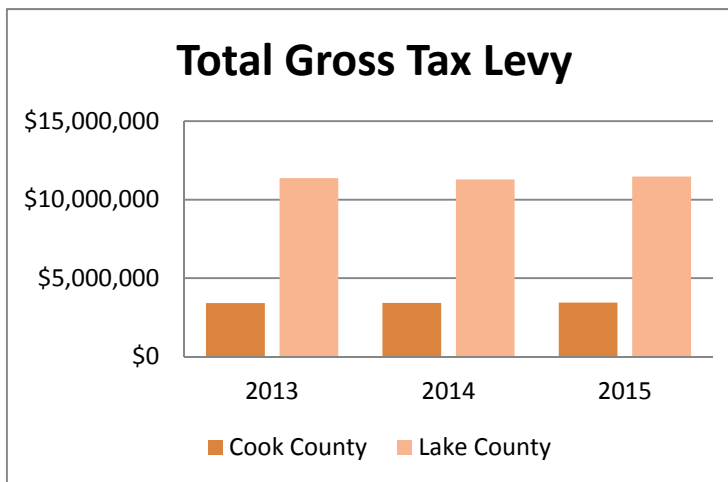
Budget in Brief

The Village of Buffalo Grove embraces a fiscally-conservative and forward-looking approach to budgeting for the operations of municipal government. This approach is coupled with the service-delivery expectations of the Village's core customers – residents and businesses – and its extended customers – visitors, regional entities and other units of government. Each year, the Village determines its level of service, strategic goals and expectations and staffing levels based upon the demand for services, anticipated revenues, and progress toward long-term operational and capital development goals. The Village provides the following core services: administration, finance, public works, police protection, fire prevention and suppression, civil engineering, building inspections, urban planning-zoning, golf operations and community event support. Additional non-core services are provided by others through regional partnerships or commissions, including the supply of potable water and dispatch services, information technology and contract services including sanitary sewer treatment and refuse collection. Various direct and indirect fees are collected for non-core services via the 911-surcharge, ad valorem tax levy and user fees.

The budget document serves the following purposes:

1. To *define the strategic goals* and operating plan in accordance with Board direction and staff recommendations for the orderly delivery of core and non-core services;
2. To *designate financial resources* necessary to achieve the strategic goals and to provide for adequate operational and capital resources;
3. To *communicate the Village's financial plan* for the fiscal year in a comprehensive and comprehensible format; and
4. To *articulate the methodology* used by the Village to develop revenue and expense projections, provide for long-term financial planning and maintain a stable and efficient municipal government.

For fiscal year 2015, the Village's proposed budget is balanced and does not contemplate the implementation of new taxes. The property tax levy will increase by approximately 1.0 percent for the 2014 levy, payable 2015. The proposed tax levy includes fully funded requests for pension contributions, the appropriation of funds to service existing debt obligations and sufficient funds for the general operation of the Village. The following table illustrates the history of total property tax levies for the years 2013, 2014 and 2015 (proposed) for the Cook and Lake County portions of the Village.



The basis for developing the overall budget relies upon the initial forecast of anticipated revenues derived from taxes, fees, licenses, intergovernmental revenue, fines, investment proceeds and interfund transfers. The following table depicts total revenues by category for all funds for the years 2013, 2014 and 2015 (proposed).

Revenues by Category

The total revenue budget for 2015 is \$84,121,529. This budget is a 12.7 percent increase over the 2014 estimated actual and 18.4 percent more than the 2013 actual. A significant increase (\$5.5 million) in 2015 as compared to both the 2014 estimated actual and 2013 actual is due to the addition of three Internal Service Funds for Central Garage, Building Services and Information Technology.

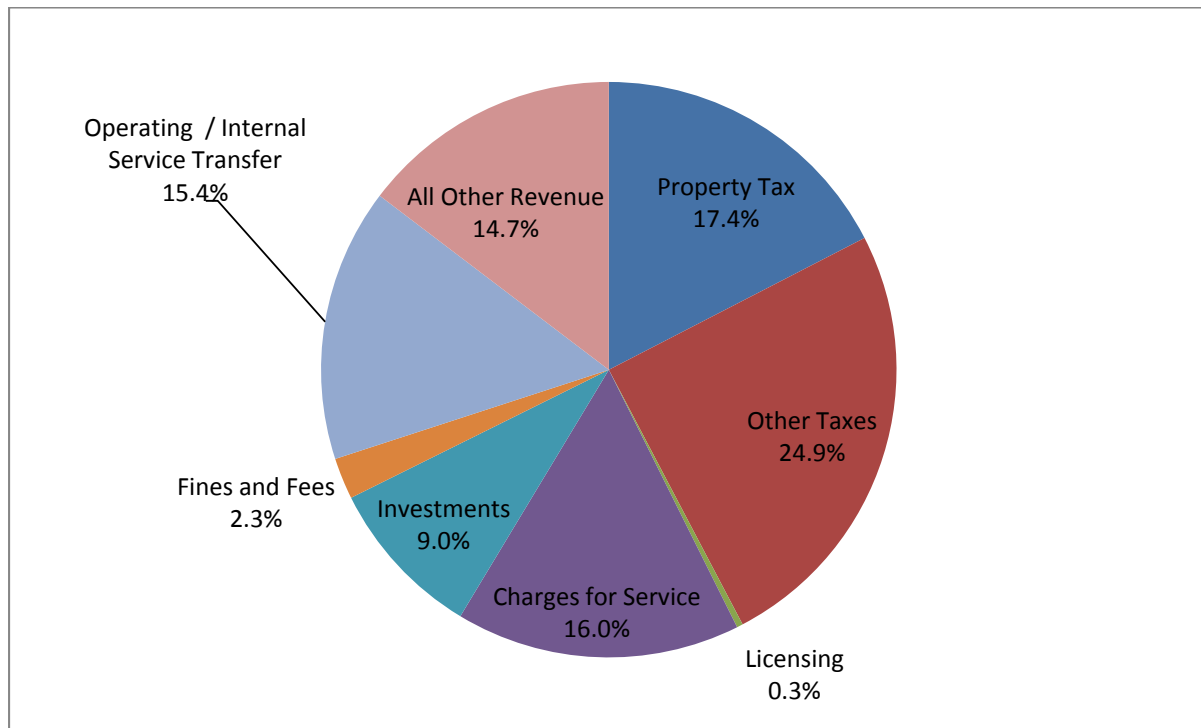
Account Category	FY 2013 Actual	FY 2014 Est. Actuals	FY 2015 Budget
Property Taxes	\$14,504,751	\$14,598,501	\$14,659,756
Other Taxes-State	\$10,347,761	\$10,932,309	\$11,302,182
Other Taxes-Local	\$9,670,263	\$9,466,207	\$9,619,268
Business Licenses	\$147,112	\$147,655	\$147,550
Liquor Licenses	\$139,370	\$132,315	\$135,400
Animal Licenses	\$8,140	\$7,350	\$8,650
Building Revenue & Fees	\$807,606	\$886,550	\$706,000
Intergovernmental Revenue-Local	\$246,531	\$440,175	\$435,138
Sales of Water/Sewer Fees	\$8,648,553	\$9,695,401	\$10,464,003
Golf Course Fees	\$2,248,630	\$2,267,373	\$2,278,830
Investment Revenue	\$11,733,214	\$8,048,200	\$7,595,170
Fines & Fees	\$1,647,365	\$1,784,400	\$1,953,738
Operating/Internal Service Transfers	\$6,761,310	\$7,872,039	\$12,917,058
All Other Revenue	\$4,132,077	\$8,354,937	\$11,898,786
Grand Total - All Fund Revenue	\$71,042,683	\$74,633,412	\$84,121,529

The chart below summarizes total revenue by source including transfers. The other taxes classification incorporates state shared taxes including; income, sales and motor fuel taxes, and local taxes including; home rule sales tax, real estate transfer tax, telecom tax, food and beverage tax, and utility use taxes. Charges for service include revenue collected for construction permitting and inspection, water and sewer billing, and golf course fees. The All Other Revenue category includes refuse fees collected on behalf of the Solid Waste Agency of Northern Cook County, cable television franchise fees and pension contributions made by sworn police officers and firefighters.

Summary of Revenues by Source - All Funds

Description	General	Parking Lot	Motor Fuel Tax	Debt Service	Capital Projects Facilities	Capital Projects Streets	Water & Sewer	Arboretum Golf Course
Property Tax	\$14,034,943			\$624,813				
Other Taxes	\$19,921,450		\$1,000,000					
Licensing	\$291,600							
Charges for Service	\$706,000						\$10,464,003	\$1,173,900
Investments	\$60,050						\$10,250	
Fines and Fees	\$1,773,738	\$180,000						
Operating/Int. Service Trans.	\$852,500		\$679,205	\$180,000	\$868,422	\$50,000		\$187,150
All Other Revenue	\$1,398,188	\$1,100			\$2,722,189		\$6,000,000	
FY 2015 Budget	\$39,038,469	\$181,100	\$1,679,205	\$804,813	\$3,590,611	\$50,000	\$16,474,253	\$1,361,050
FY 2014 Budget	\$37,494,997	\$176,100	\$1,817,282	\$1,081,513	\$2,163,404	\$113,000	\$11,494,412	\$1,158,400

Revenues by Source – All Funds



Summary of Revenues by Source - All Funds *continued*

Description	Buffalo Grove Golf Course	Inform. Tech.	Central Garage	Building Services	Refuse	Police Pension	Firefighters Pension	All Funds
Property Tax								\$14,659,756
Other Taxes								\$20,921,450
Licensing								\$291,600
Charges for Service	\$1,104,930							\$13,448,833
Investment						\$3,712,163	\$3,812,707	\$7,595,170
Fines and Fees								\$1,953,738
Operating/Int. Service Trans.	\$159,166	\$1,101,570	\$2,365,390	\$2,042,347		\$2,256,676	\$2,174,632	\$12,917,058
All Other Revenue	\$500				\$1,025,000	\$641,947	\$545,000	\$12,333,924
FY 2015 Budget	\$1,264,596	\$1,101,570	\$2,365,390	\$2,042,347	\$1,025,000	\$6,610,786	\$6,532,339	\$84,121,529
FY 2014 Budget	\$1,202,100	\$0	\$0	\$0	\$1,020,000	\$4,439,846	\$4,404,677	\$66,565,701

Revenues by Source Summarized - All Funds

Summary by Funds	General	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Trust & Agency	Total
Property Tax	\$14,034,943			\$624,813				\$14,659,756
Other Taxes	\$19,921,450	\$1,000,000						\$20,921,450
Licensing	\$291,600							\$291,600
Charges for Service	\$706,000				\$12,742,833			\$13,448,833
Investment Revenue	\$60,050				\$10,250		\$7,524,870	\$7,595,170
Fines and Fees	\$1,773,738	\$180,000						\$1,953,738
Operating Transfers	\$852,500	\$679,205	\$918,422	\$180,000	\$346,316	\$5,509,307	\$4,431,308	\$12,971,058
All Other Revenue	\$1,398,188	\$1,100	\$2,722,189		\$7,025,500		\$1,186,947	\$12,333,924
FY 2015 Budget	\$39,038,469	\$1,860,305	\$3,640,611	\$804,813	\$19,099,899	\$5,509,307	\$13,143,125	\$84,121,529
FY 2014 Budget	\$37,494,997	\$1,993,352	\$2,276,404	\$1,081,513	\$13,854,912	\$0	\$8,844,523	\$66,565,701

Total Revenue by Fund

Fund	Fund #	FY 2012 Actual	FY 2013 Actual	FY 2014 Budget	FY 2015 Budget	% of Prior Year Budget
General	100	\$34,615,842	\$35,546,713	\$37,494,997	\$39,038,469	104.12%
Illinois Municipal Retirement	110	\$1,586,987	\$1,619,585	\$0	\$0	0.00%
Parking Lot	120	\$151,276	\$149,536	\$176,100	\$181,100	102.84%
Motor Fuel Tax	130	\$7,752,810	\$1,185,095	\$1,817,252	\$1,679,205	93.62%
Debt Service	140	\$1,147,869	\$1,294,050	\$1,081,513	\$804,813	74.39%
Capital Projects - Facilities	150	\$638,830	\$320,538	\$2,163,404	\$3,590,611	165.97%
Capital Projects - Streets	160	\$590,000	\$708,980	\$113,000	\$50,000	44.25%
Debt Service	140	\$1,147,869	\$1,294,050	\$1,081,513	\$804,813	74.39%
Water & Sewer	170	\$7,577,017	\$8,885,865	\$11,494,412	\$16,474,253	143.32%
Buffalo Grove Golf Course	180	\$1,174,607	\$1,087,726	\$1,202,100	\$1,264,596	105.20%
Arboretum Golf Course	190	\$1,315,115	\$1,237,339	\$1,158,400	\$1,361,050	117.50%
Refuse Service	200	\$1,050,386	\$1,040,878	\$1,020,000	\$1,025,000	100.49%
Information Technology	211	\$0	\$0	\$0	\$1,101,570	-
Central Garage	212	\$0	\$0	\$0	\$2,365,390	-
Building Maintenance	213	\$0	\$0	\$0	\$2,042,347	-
Police Pension	220	\$6,330,590	\$8,490,951	\$4,439,846	\$6,610,786	148.90%
Fire Pension	230	\$5,955,791	\$8,513,213	\$4,404,677	\$6,532,339	148.31%
Total		\$69,887,120	\$71,042,682	\$66,565,701	\$84,121,529	126.38%

Expenditures by Category

The development of projected expenses relies upon the forecasting of categorical expenditures in the areas of personnel salaries and benefits, professional and contractual services, commodities, health insurance and general liability expenses, maintenance, capital construction and spending, chargebacks for technology, building and garage services, and interfund transfers. As a service provider, almost half of the Village's total budget (48.1 percent) is apportioned to Personnel Services and Benefits. Included within those categories are wages, health insurance, training/education, and pension contributions. Thus, a great deal of effort is expended in managing collective bargaining activities, wage and compensation programs and employee benefits as a core cost containment strategy. The following table depicts total expenses by category for all funds for the years 2013, 2014 and 2015 (proposed).

Account Category	FY 2013 Actual	FY 2014 Est. Actuals	FY 2015 Budget
Personal Services	\$21,259,176	\$20,552,969	\$21,905,350
Personal Benefits	\$10,325,414	\$15,520,397	\$15,958,748
Operating Expenses	\$3,730,643	\$4,297,956	\$6,292,022
Insurance	\$658,848	\$1,045,412	\$1,035,956
Legal Services	\$368,161	\$377,200	\$379,650
Commission & Committees	\$61,817	\$73,568	\$106,300
Commodities	\$3,964,005	\$4,303,102	\$4,659,320
Maintenance & Repairs - Facilities	\$715,915	\$1,287,799	\$3,133,086
Maintenance & Repairs - Water & Sewer	\$82,721	\$89,000	\$96,200
Maintenance & Repairs - Other	\$78,658	\$166,204	\$128,294
Maintenance & Repairs - Vehicles	\$817,507	\$221,934	\$3,542,464
Capital Equipment	\$816,605	\$1,072,928	\$948,679
Capital Projects	\$7,601,106	\$7,869,486	\$15,237,316
Debt Service	\$1,678,218	\$1,110,523	\$813,823
Operating Transfer	\$6,757,989	\$3,596,907	\$2,963,943
All Other Expense	\$3,344,345	\$1,541,947	\$1,536,197
Grand Total All Fund Expense	\$62,261,128	\$63,127,332	\$78,737,348

The Village further analyzes and presents budgeted revenues and expenses by fund, including the general (main operating), enterprise, fiduciary, internal service and capital funds. The net increase in spending from the 2014 estimated actual versus the 2015 budget is due to a variety of reasons including capital projects, general wage adjustments, and internal service chargebacks for technology, buildings and central garage functions. The internal service chargebacks result in significant increases in Operating Expenses (technology), Maintenance and Repairs-Facilities (building services) and Maintenance & Repairs-Vehicles (central garage).

Summary of Expenditures by Source - All Funds

The following chart provides a summary of expenditures by source. Approximately 48 percent of all expenditures are allocated to personal services and benefits. Capital Projects and Equipment represent the next largest percentage of the total Village budget at 20.6 percent. It is anticipated that \$16.2 million in capital projects and equipment acquisitions are scheduled. Significant projects include the annual street maintenance program, the third year's efforts to remove and replace Emerald Ash Borer infested trees, system improvements for water, sewer, and drainage utilities. The improvements include repairing sections of water main and storm sewer main and replacing all water meters that will allow for wireless meter reads.

Facility costs include roof replacements and parking lot maintenance. Technology enhancements are budgeted that will improve Public Works systems integration and the continuing development of geographic information systems (GIS).

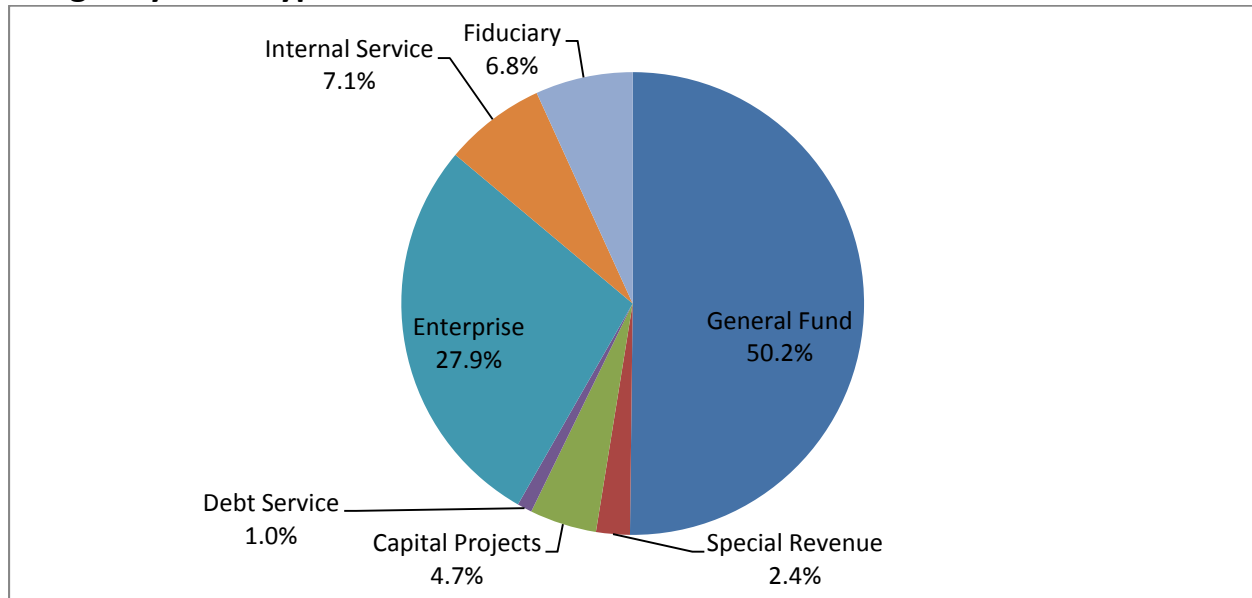
Within Operating Transfers there is a transfer to the General Fund of \$765,000 paid by the Water and Sewer Fund to reimburse for administrative, maintenance and operation expenditures accounted for outside of the Water and Sewer Fund. A transfer of approximately \$1 million from the General Fund to the Capital Project Fund will support non-enterprise capital spending. The Internal Service Funds will be charging back \$5.5 million to cover the costs associated with providing technology, building maintenance and central garage functions.

The debt service obligations paid through the Debt Service Fund for principal and interest owed on General Obligation Bonds series 2010A, 2010B, and 2012, total \$804,813 in 2015.

Summary of Expenditures by Source - All Funds

Description	Personal Services & Benefits	Operating Expenses	Legal/Ins Services	Commodities	Maintenance & Repairs
General Fund	\$28,585,297	\$2,443,318	\$1,200,353	\$432,490	\$3,121,948
Parking Lot		\$137,935		\$12,250	\$2,500
Motor Fuel Tax					
Total Special Revenue Funds		\$137,935		\$12,250	\$2,500
Debt Service Fund					
Capital Projects - Facilities					
Capital Projects - Streets					
Total Capital Projects Funds					
Water & Sewer	\$1,591,813	\$2,704,325	\$107,147	\$3,806,080	\$111,100
Buffalo Grove Golf Course	\$714,381	\$284,354	\$25,361	\$130,000	\$47,000
Arboretum Golf Course	\$661,745	\$427,845	\$25,360	\$160,500	\$34,000
Refuse Service					
Total Enterprise Funds	\$2,967,939	\$3,416,524	\$157,868	\$4,096,580	\$192,100
Information Technology		\$1,064,351			\$5,000
Central Garage	\$764,477	\$57,086	\$32,320	\$3,000	\$1,453,289
Building Maintenance	\$579,267	\$206,650	\$25,065	\$115,000	\$1,091,365
Total Internal Service	\$1,343,744	\$263,736	\$57,385	\$118,000	\$2,549,654
Police Pension	\$2,885,627				
Fire Pension	\$2,081,491				
Total Fiduciary Funds	\$4,967,118				
All Funds	\$37,864,098	\$7,325,864	\$1,415,606	\$4,659,320	\$5,866,202

Budget by Fund Type



Summary of Expenditures by Source - All Funds *continued*

Description	Capital Equipment & Projects	Debt Service	Operating Transfers	All Other Expenses	Grand Total
General Fund	\$875,098		\$1,943,943	\$424,747	\$39,027,194
Parking Lot				\$250	\$152,935
Motor Fuel Tax	\$1,679,205				\$1,679,205
Total Special Revenue Funds	\$1,679,205			\$250	\$1,832,140
Debt Service Fund		\$807,813			\$807,813
Capital Projects - Facilities	\$3,590,611				\$3,590,611
Capital Projects - Streets	\$50,000				\$50,000
Total Capital Projects Funds	\$3,640,611				\$3,640,611
Water & Sewer	\$9,764,044	\$6,010	\$945,000		\$19,035,519
Buffalo Grove Golf Course	\$63,500				\$1,264,596
Arboretum Golf Course	\$51,100			\$500	\$1,361,050
Refuse Service			\$75,000	\$890,000	\$965,000
Total Enterprise Funds	\$9,878,644	\$6,010	\$1,020,000	\$890,500	\$22,626,165
Information Technology	\$32,219				\$1,101,570
Central Garage	\$55,218				\$2,365,390
Building Maintenance	\$25,000				\$2,042,347
Total Internal Service	\$112,437				\$5,509,307
Police Pension				\$205,000	\$3,090,627
Fire Pension				\$122,000	\$2,203,491
Total Fiduciary Funds				\$327,000	\$5,294,118
All Funds	\$16,185,995	\$813,823	\$2,963,943	\$1,642,497	\$78,737,348

Total Expenditures by Fund and by Category

The chart below provides expenditure summary for all fifteen Village funds and further divides those fund totals into expenditures by category. Three Internal Service Funds were added for 2015 to account for expenditures related to Technology, Central Garage and Building Maintenance. The total budget for all Village expenditures in 2015 is \$78,737,348. That total is 24.8 percent more than the 2014 budget and 26.5 percent more than actual expenditure in 2013. Fifty percent of all expenditures support the General Fund. The General Fund is the main operating fund of the Village and accounts for critical core services such as police, fire, administration and public works.

	Fund	Fund #	FY 2012 Actual	FY 2013 Actual	FY 2014 Budget	FY 2015 Budget	% of Prior Year Budget
By Fund	General	100	\$33,514,650	\$34,463,242	\$37,480,183	\$39,027,194	104.13%
	Illinois Municipal Retirement	110	\$1,592,512	\$1,598,101	\$0.00	\$0.00	0.00%
	Parking Lot	120	\$153,318	\$192,398	\$233,418	\$152,935	65.52%
	Motor Fuel Tax	130	\$3,246,373	\$5,684,477	\$2,250,000	\$1,679,205	74.63%
	Debt Service	140	\$1,140,885	\$1,325,396	\$1,106,013	\$807,813	73.03%
	Capital Projects - Facilities	150	\$796,948	\$1,276,075	\$2,163,404	\$3,590,611	165.97%
	Capital Projects- Streets	160	\$764,955	\$388,451	\$113,000	\$50,000	44.24%
	Water & Sewer	170	\$9,440,183	\$9,098,579	\$11,784,833	\$19,035,519	161.53%
	Buffalo Grove Golf Course	180	\$1,157,199	\$1,119,627	\$1,201,349	\$1,264,596	105.27%
	Arboretum Golf Course	190	\$1,312,526	\$1,686,923	\$1,155,100	\$1,361,050	117.83%
	Refuse Service	200	\$874,366	\$902,810	\$986,000	\$965,000	97.83%
	Information Technology	211	\$0	\$0	\$0	\$1,101,570	-
	Central Garage	212	\$0	\$0	\$0	\$2,365,390	-
	Building Maintenance	213	\$0	\$0	\$0	\$2,042,347	-
	Police Pension	220	\$2,270,739	\$2,684,741	\$2,741,881	\$3,090,627	112.72%
	Firefighter Pension	230	\$1,414,910	\$1,832,311	\$1,863,831	\$2,203,491	118.23%
	Grand Total		\$56,861,940	\$62,261,128	\$63,079,012	\$78,737,348	124.83%
By Category	Personal Services		\$30,943,585	\$31,584,591	\$35,960,705	\$37,864,098	105.30%
	Operating Expenses		\$3,421,894	\$3,730,643	\$4,352,777	\$6,292,022	144.56%
	Commodities		\$4,269,842	\$3,964,005	\$4,172,984	\$4,659,320	111.66%
	Maintenance & Repairs		\$2,272,593	\$1,689,282	\$2,266,382	\$6,900,044	204.46%
	Capital Equipment & Projects		\$5,359,133	\$8,417,711	\$9,203,037	\$16,185,995	184.41%
	Debt Service		\$1,581,048	\$1,678,218	\$1,112,023	\$813,823	73.18%
	Operating Transfers		\$7,104,252	\$6,757,989	\$2,976,074	\$2,963,943	99.59%
	All Other Expenses		\$1,909,593	\$4,438,689	\$3,035,030	\$3,058,103	100.76%
	Grand Total		\$56,861,940	\$62,261,128	\$63,079,012	\$78,737,348	124.83%

Summary of Revenue and Expenditures by Category

Account Category	FY 2013 Actual	FY 2014 Est. Actuals	FY 2015 Budget
Property Taxes	\$14,504,751	\$14,598,501	\$14,659,756
Other Taxes-State	\$10,347,761	\$10,932,309	\$11,302,182
Other Taxes-Local	\$9,670,263	\$9,466,207	\$9,619,268
Business Licenses	\$147,112	\$147,655	\$147,550
Liquor Licenses	\$139,370	\$132,315	\$135,400
Animal Licenses	\$8,140	\$7,350	\$8,650
Building Revenue & Fees	\$807,606	\$886,550	\$706,000
Intergovernmental Revenue-Local	\$246,531	\$440,175	\$435,138
Sales of Water/Sewer Fees	\$8,648,553	\$9,695,401	\$10,464,003
Golf Course Fees	\$2,248,630	\$2,267,373	\$2,278,830
Investment Revenue	\$11,733,214	\$8,048,200	\$7,595,170
Fines & Fees	\$1,647,365	\$1,784,400	\$1,953,738
Operating/Internal Service Transfers	\$6,761,310	\$7,872,039	\$12,917,058
All Other Revenue	\$4,132,077	\$8,354,937	\$11,898,786
Grand Total - All Fund Revenue	\$71,042,683	\$74,633,412	\$84,121,529

Account Category	FY 2013 Actual	FY 2014 Est. Actuals	FY 2015 Budget
Personal Services	\$21,259,176	\$20,552,969	\$21,905,350
Personal Benefits	\$10,325,414	\$15,520,397	\$15,958,748
Operating Expenses	\$3,730,643	\$4,297,956	\$6,292,022
Insurance	\$658,848	\$1,045,412	\$1,035,956
Legal Services	\$368,161	\$377,200	\$379,650
Commission & Committees	\$61,817	\$73,568	\$106,300
Commodities	\$3,964,005	\$4,303,102	\$4,659,320
Maintenance & Repairs - Facilities	\$715,915	\$1,287,799	\$3,133,086
Maintenance & Repairs - Water & Sewer	\$82,721	\$89,000	\$96,200
Maintenance & Repairs - Other	\$78,658	\$166,204	\$128,294
Maintenance & Repairs - Vehicles	\$817,507	\$221,934	\$3,542,464
Capital Equipment	\$816,605	\$1,072,928	\$948,679
Capital Projects	\$7,601,106	\$7,869,486	\$15,237,316
Debt Service	\$1,678,218	\$1,110,523	\$813,823
Operating Transfer	\$6,757,989	\$3,596,907	\$2,963,943
All Other Expense	\$3,344,345	\$1,541,947	\$1,536,197
Grand Total All Fund Expense	\$62,261,128	\$63,127,332	\$78,737,348

Personnel and Benefits

The Village of Buffalo Grove relies upon a lean and efficient professional staff to accomplish the mission, vision and strategic goals of the operation. The Village has historically maintained a highly-competitive total workforce compared to other municipalities in the region. The Village's ratio of employees per 1,000 residents has declined substantially in recent years as a result of the economic downturn and rightsizing of staff.

Over the past few years, the Village has implemented several programs to contain the costs of personnel and benefits:

1. Reducing and restructuring staff through retirement incentives.
2. Reevaluating employee salary ranges and placing limits on compensation increases for employees at the top of their salary ranges.
3. Implementing a wellness program to contain healthcare costs.
4. Gradually increasing the employee contribution to health insurance from 10 percent to 15 percent over a five-year period. (14% for 2015).

The net effect of the Village's personnel cost containment strategy has significantly reduced the pressure on overall operating costs by:

1. Implementing a wellness program that **decreased** our monthly health premiums by approximately 10% in 2015.
2. Contained the cost of wages to a 3.4% increase from 2014 to 2015.

For 2015, the Village proposes a full-time staff complement of 216 full-time personnel and 78 part-time personnel.

	FY 2013		FY 2014		FY 2015	
	FT	PT	FT	PT	FT	PT
Office of the Village	6	3	5	1	6	0
Building & Zoning	9	2	9	1	10	1
Finance & General Service	9	1	10	0	8	0
Fire Services	61	1	58	3	59	2
Golf Operations	8	52	7	51	7	51
Human Resources	1	1	2	0	2	0
Information Technology	3	1	3	0	0	0
Police Services	77	14	74	14	74	14
Public Works/Engineering	49	9	50	9	50	10
Total	223	84	218	79	216	78
Full & Part-Time Grand Total	307		297		294	

2015 Strategic Planning & Initiatives

Introduction

In 2012, the Village of Buffalo Grove embarked on the development of a new Strategic Plan. As part of the project, the Village contracted with the NIU Center for Governmental Studies to assist in the facilitation of the process. The majority of the plan coordination and development was done internally by Village staff.



The Village selected a cross section of employees to serve on an Integrated Management Team to participate in the strategic planning process. Two elected officials also participated in this initiative and were involved with strategy development.

The Village of Buffalo Grove's strategic planning process resulted in the development of a Strategic Plan that involved the following:

1. Assessment of organizational strengths, weaknesses, opportunities and threats;
2. Development of strategic planning priorities and key performance indicators;
3. Identification of strategic initiatives and actions to achieve the strategic priorities;
4. A framework for a performance measurement system for use both internally and as a balanced scorecard for public outreach; and
5. Establishment of a framework of financial strategies that support the Strategic Plan.

The planning process allowed the management team to clarify the Village's Vision, Core Values, and Mission. Likewise, five strategic planning priorities were identified through the work of the Village Board. These priorities include:

- Service Optimization
- Organizational Culture
- Revenue Growth
- Economic Development
- Infrastructure Sustainability

Strategic Initiatives are new activities or programs that directly address the organization's Strategic Priorities and achievement of the outcomes. While the Village may have current programs or activities that support the achievement of the Strategic Priorities, Strategic Initiatives are critical activities that will be required to realize fully the organization's vision. Specific departmental actions will be identified for each Strategic Initiative through the formulation of annual action steps and will be communicated to representative employee groups through the designated department project manager on a regular basis.

Vision and Mission Statements

Vision

The Village's Management Theme is "**Achieving Excellence**"

Mission

Excellence in Service Delivery: Continuously evaluate programs and service to ensure they are carried out efficiently and effectively.

Excellent Community Focus: Promote programs and services which focus upon enhancements to family values, social amenities and enhanced opportunities that contribute to business expansion and success.

Excellent Organizational Dynamics: Ensure that the organization remains accountable as it addresses change and transition. We shall remain committed to competent, dependable and efficient service delivery by all of our staff.

Excellent Fiscal Responsibility: Deliver value with the public services in a responsive manner within the parameters of adopted tax and fiscal responsibilities. Furthermore, we remain committed to managing and maintaining the public infrastructure and assets with proactive services.

Core Values

The core values of the Village of Buffalo Grove are centered on a matrix of one-word descriptors. These words represent the values we hold; and which form the foundation on which we perform work and conduct ourselves.

Strategy: Ongoing operations and future services are defined in terms of short, intermediate, and long-term strategies that reflect the high-level service requirements, expectations, and demographics of the community. Our core strategy focuses on fiscally-prudent, high-quality and differentiated services to residents.

Efficiency: The Village strives to deliver products and services in the most cost effective manner, seeking to minimize time and resources obligated to core services and to lower the cost of service delivery through competition, collaboration, and innovation.

Culture: The Village maintains a culture of service, loyalty, and dedication to our competencies through adherence to a series of performance metrics and accountability.

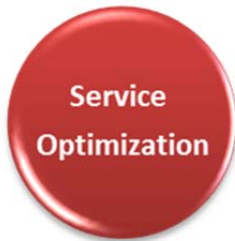
Technology: The Villages' priority is to launch technology as a means to provide better and more efficient services to our internal and external customers. We evaluate and implement the newest technology as an ongoing effort to improve efficiency and enhance communications

Strategic Priorities

Five strategic priorities drive how resources are expended within the Village of Buffalo Grove. These priorities provide a framework for decision making. While the Vision and Mission statements are the “how” of what we do – the strategic priorities are the “what.”

	Definition: Based on needs and expectations of the community and prioritization of core services, provide optimal service by supporting an adaptive and efficient work force. Categories: Core Services, Organizational Needs, Marketing and Communication.
	Definition: Create and maintain an environment that engages and empowers all employees in the mission of the Village and encourages the development of human capital and resources. Categories: Leadership and Support, Technology and Collaboration, Personal Growth and Balance.
	Definition: Maintain a positive financial position with a long term perspective by diversifying revenue sources, aligning fee structures to adequately reflect service demands, reducing the Village’s reliance on property and state shared taxes, and ensuring revenues adequately fund services and infrastructure needs. Categories: Diversification, Reserves and Cost Control.
	Definition: Maintain and enhance the quality of life in the community through on-going assessment, public and private partnerships, and by leveraging resources to meet community objectives. Create an inviting environment for doing business in the community through targeted communication and marketing methods, consistent with the needs and values of the village. Categories: Active Development and Redevelopment, Opportunity Management, Events and Quality of Life Initiatives
	Definition: Assess and maintain reliable high quality infrastructure which includes Village buildings, streets, utilities (including water, sanitary sewer and drainage systems), information assets, vehicle fleet, and other assets necessary for maintaining service levels. Plan for the financial resources necessary to maintain current infrastructure, upgrade for efficiency or enhanced capabilities, and plan for the future infrastructure needs of the community. Categories: Planning and Programming, Financial, Green Infrastructure

Strategic Planning Priority: Service Optimization



Based on needs and expectations of the community and prioritization of core services, provide optimal service by supporting an adaptive and efficient work force.

Strategic Initiative: External Service Tier

The Village's service areas are evaluated and resource needs are identified and/or priorities realigned based on Service Level Expectations (SLEs). Service delivery expectations are aligned with available resources, resulting in a balanced operating budget. A 311/CRM (Customer Relationship Management) platform is established to provide on-call services Village-wide by January 1, 2018.

Action Steps	Budgetary Considerations	Performance Metric	Project Manager
A plan to share assets with other governmental entities is developed	50 Staff Hours	Plan developed and presented to Village Manager by 6/1/15	Public Works Director
A catalog of services for each department will be developed and presented to the Village Board that identifies the Village's current service levels	200 Staff Hours	Plan presented to Village Board by 12/31/15	Deputy Village Manager
Go live with licensing, building permits, ticket collections, parking permits, and Police and Fire test sign up	\$7,000 80 Staff Hours	Licensing and building permits live by 5/1/15. All others live by 12/31/15	Deputy Village Manager
Review and update the Development Ordinance to streamline processes	150 Staff Hours	Ordinance to Village Board by 10/31/15	Public Works Director
Evaluate the opportunity for a regional 311/CRM system	100 Staff Hours	Report provided to the Village Manager by 9/30/15	Deputy Village Manager
Implement online police reporting for minor incidents	\$10,840 10 Staff Hours	Online reporting live by 7/31/15	Police Chief
Review calls for service and evaluate possible changes to the police beat system	80 Staff Hours	Potential Changes in Beat System presented to Village Manager by 7/31/15	Police Chief
Implement work order and asset management program for public works	\$126,970 3000 Staff Hours	Implementation Complete 12/31/15	Public Works Director

Strategic Initiative: Marketing and Communication

The Village will be rated 85 percent or higher customer service satisfaction rating for Village provided services as determined by data collected.

Action Steps	Budgetary Considerations	Performance Metric	Project Manager
Develop a plan to effectively evaluate customer service satisfaction for key Village services	40 Staff Hours	Plan ready for implementation 1/1/16	Deputy Village Manager

Strategic Initiative: Organizational Needs

An internal asset-sharing program is operational and an intergovernmental asset-sharing program is operational.

Action Steps	Budgetary Considerations	Performance Metric	Project Manager
Evaluate the opportunity to merge the records and front desk windows and cross train the records clerks and desk officers	40 Staff Hours	Present evaluation results to Village Manager by 5/31/15	Police Chief
Analyze the opportunity to civilianize the EMS Coordinator function	20 Staff Hours	Present evaluation results to Village Manager by 2/28/15	Fire Chief
Update mutual aid agreements with all communities surrounding the Village	30 Staff Hours	All mutual aid agreements updated by 9/1/15	Fire Chief
Catalog existing assets in a database format and review for possible use by other departments.	40 Staff Hours	An intergovernmental asset sharing program is operational by 1/1/2016	Public Works Director, All Directors

Strategic Planning Priority: Organizational Culture



Create and maintain an environment that engages and empowers all employees in the mission of the Village and encourages the development of human capital and resources.

Strategic Initiative: Technology Collaboration

The Village's technology platform is capable of providing best-fit services that are reliable, consistent and integrated across departments and service areas by January 1, 2016. Personnel have the capability to easily request and receive services, develop reporting metrics and enhance technology services consistent with the Village's technology plan and available resources.

Action Steps	Budgetary Considerations	Performance Metric	Project Manager
Develop a plan to convert personnel files to electronic format Village-wide	200 Staff Hours, \$14,000 Software Costs	Plan by 3/1/15 File conversion begins 4/1/15	HR Director
Retire Lotus Notes	250 Staff Hours \$179,770 Software Costs	Lotus Notes Databases converted to other platforms by 12/31/15	Deputy Village Manager
Implement Online Applicant Tracking	30 Staff Hours \$12,600 Software Costs	Program Implemented 7/1/15	HR Director
Complete a fiscally constrained Technology Plan including customer service metrics, training and application platforms for the next five years.	40 Staff Hours, Consultant time included in IT Contract	The Village's technology platform is capable of providing best-fit services that are reliable, consistent and integrated across departments and service areas by 7/1/2015.	IT Director, All Directors

Strategic Initiative: Personal Growth & Balance

Create a Village-wide Comprehensive Training Program with training curricula that meets the needs of employees as well as leadership development.

Action Steps	Budgetary Considerations	Performance Metric	Project Manager
Launch the BG Training Academy that includes a supervisory track	200 Staff Hours	Academy Launch 4/1/15	HR Director
Work with Wellness Committee to develop health insurance plan design changes	40 Staff Hours	Recommendations to senior staff by 12/31/2015	HR Director

Strategic Initiative: Leadership and Support

Foster an innovative culture of collaboration through the creation of a Village-wide Compensation Plan Develop a formal performance improvement plan prior to May 1, 2015 evaluation cycle.

Action Steps	Budgetary Considerations	Performance Metric	Project Manager
Launch and Evaluate Pay for Performance Plan	\$10,700 Annual Maintenance for Software, 100 Staff Hours	Performance Increases awarded 7/1/15. Evaluation of program to Village Manager by 11/1/15	HR Director
Develop a mid-year performance review program between employees and their immediate supervisors	500 Staff Hours including development and implementation	Guidelines developed and sent to Employees by 9/1/15	HR Director

Strategic Planning Priority: Revenue Growth



Maintain a positive financial position with a long-term perspective by diversifying revenue sources, aligning fee structures to adequately reflect service demands, reducing the Village's reliance on property and state shared taxes, and ensuring revenues adequately fund services and infrastructure needs.

Strategic Initiative: Cost Control

Develop a program-based budget and put in place by January 1, 2018.

Action Steps	Budgetary Considerations	Performance Metric	Project Manager
Establish program/service cost centers	40 Staff Hours	Revised chart of accounts and service catalog to Village Manager by 5/31/2015	Finance Director
Train Village supervisors and employees on program based budgeting	90 Staff Hours	Number of employees trained by 12/31/2015	Finance Director
Evaluate the success and use of performance contracting	20 Staff Hours	Dollars saved through a performance contract through 12/31/2015	Finance Director
Develop a plan to audit Food & Beverage taxpayers and implement the plan	60 Staff Hours	Percent of taxpayers audited per plan by 12/31/2015	Finance Director

Strategic Initiative: Reserves

Corporate fund reserves will increase to 30% by January 1, 2014 and to 35% by January 1, 2016.

Action Steps	Budgetary Considerations	Performance Metric	Project Manager
Create a fee schedule within the Village code	30 Staff Hours	Fee schedule presented to the Village Board for adoption by 9/1/15	Finance Director
Evaluate the current EMA structure and assets and make appropriate recommendation	40 Staff Hours	Recommendation to Village Manager by 7/1/15	Fire Chief

Strategic Planning Priority: Economic Development



Maintain and enhance the quality of life in the community through ongoing assessment, public and private partnerships, and by leveraging resources to meet community objectives. Create an inviting environment for doing business in the community through targeted communication and marketing methods, consistent with the needs of the community.

Strategic Initiative: Active Development and Redevelopment

Create an overall retail expansion and redevelopment plan by January 1, 2017.

Action Steps	Budgetary Considerations	Performance Metric	Project Manager
Create Economic Development Plan categorized by corridor	100 Staff Hours \$50,000 for retail trade area and site analysis	Final Plan adopted by Village Board 8/1/15	Deputy Village Manager
Conduct a corridor planning study of the Dundee Road Corridor	30 Staff Hours \$15,000 in consulting fees	Planning study delivered by 12/31/15	Deputy Village Manager

Strategic Planning Priority: Infrastructure Sustainability



Assess and maintain reliable and high quality infrastructure which includes Village buildings, streets, utilities (including water, sanitary sewer and drainage systems), information assets, vehicle fleet, and other assets necessary for maintaining service levels. Plan the financial resources necessary to maintain current infrastructure, upgrade for efficiency or enhanced capabilities, and plan for the future infrastructure needs of the community.

Strategic Initiative: Financial

Develop and follow an amortization schedule for capital equipment to achieve a target 50% replacement value in order for infrastructure sustainability by January 1, 2016.

Action Steps	Budgetary Considerations	Performance Metric	Project Manager
Audit equipment usage and lifecycles to ensure proper reserve payments are made	40 Staff Hours	Audit completed by 5/31/15	Finance Director
Evaluate a capital leasing strategy for large assets	40 Staff Hours	Results of Evaluation presented to Village Manager by 5/31/15	Finance Director

Strategic Initiative: Green Infrastructure

Identify a funding source for Storm Water Management System repairs and replacements.

Action Steps	Budgetary Considerations	Performance Metric	Project Manager
Implement a Stormwater Utility Program in order to create a capital funding source for stormwater utility improvements.	100 Staff Hours \$745,000 identified need for 2016	Village Board adopts utility rate for 2016 implementation	Public Works Director
Establish draft guidelines for new and existing Village buildings and sites. Present Proposal to the Environmental Committee and Village Board.	20 Staff Hours, Consultant time included in Performance Contract	Guidelines for new and existing buildings adopted by Village Board by 12/31/15	Public Works Director

Revenue Trends and Projections

As a part of the development of both long-term financial forecasting and the corresponding annual budget, the Village continually reviews external and internal functions that impact, or may impact, the collection of revenue. Evaluating the impact of the national economy (macro) on the local economy (micro) is an important step in the process.

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

Inflation – As inflation goes up, the cost of goods sold go up, increasing retail sales tax revenue. As prices rise, so will business income tax receipts. Conversely, the Village will have to pay more for goods and services.

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

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

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

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

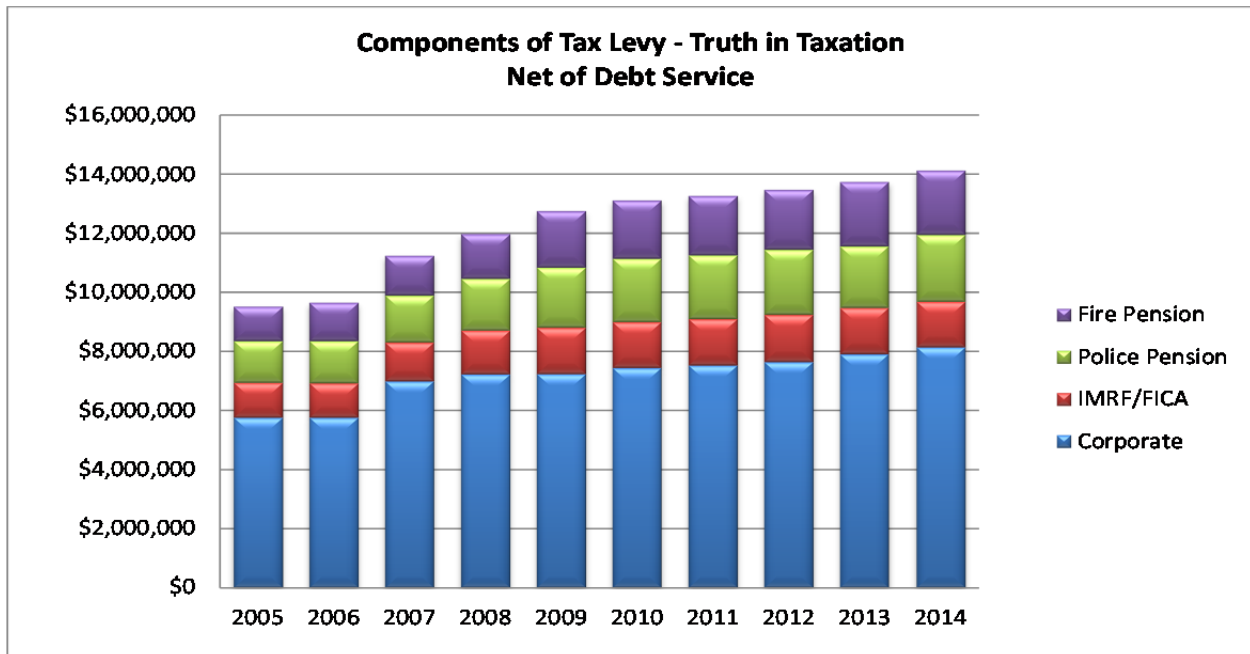
Manufacturing activity – If a Village has a large manufacturing sector, the ISM (Institute of Supply Management Index) becomes a significant factor in revenue analysis and forecasting. Manufacturers respond to the demand for their products by increasing production, building up inventories to meet the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

Property Tax

Property taxes (net of Road and Bridge taxes) are anticipated to be approximately \$14.7 million and will be levied in 2014. This is referred to as the 2014 property tax levy, payable in 2015. Property taxes account for about 17 percent of all budgeted revenues. The total levy is anticipated to increase by .5 percent over the property taxes extended in 2014.

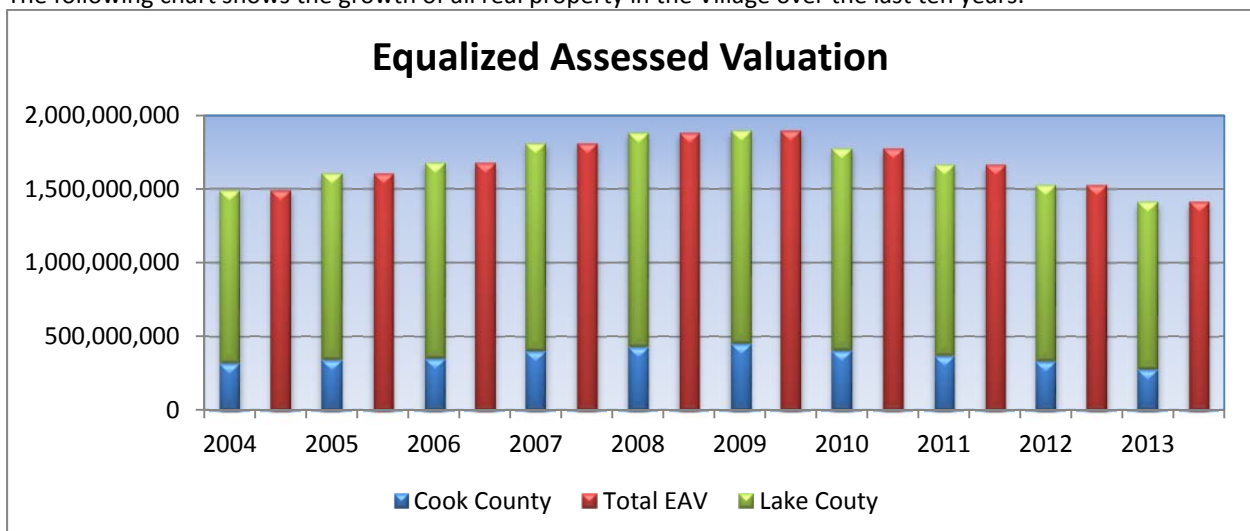
There are three components to the property tax levy, the Corporate Tax Levy, the Pension and Special Purpose Levies, and the Debt Service Levy. The Corporate Tax Levy helps to support the core functions of the Village including public safety and health, public works, and general administration. The Village traditionally uses an inflation metric created by American City and Government and published as the Municipal Cost Index to set the growth target for the Corporate Tax Levy. The Municipal Cost Index is an amalgam of combined inflationary indices (Consumer Price Index-Urban, Producer Price Index and Employer Cost Index) applied to how a local government typically spends its resources. The trailing twelve month inflation rate is 2.3 percent. In order to meet the demand of current service levels the Village is recommending a .7 percent increase beyond inflation for a total Corporate Tax Levy increase of three percent.

Property tax levies for Police and Fire pensions are based on an independent actuarial analysis of both funds' normal cost as well as to provide an amount necessary to amortize a portion of the unfunded actuarial liability. The levies both exceed the minimum requirements as contemplated under the Illinois Pension Code as that code applies to police and fire sworn employee plans. The amount required for the Illinois Municipal Retirement Fund (IMRF) is provided directly to the Village by the Illinois Municipal Retirement Fund. The amounts levied for FICA and Medicare are dictated by the Internal Revenue Service. Most of the growth in the tax levy dollars (excluding debt service) is due to mandated pension obligations as noted in the graph below.

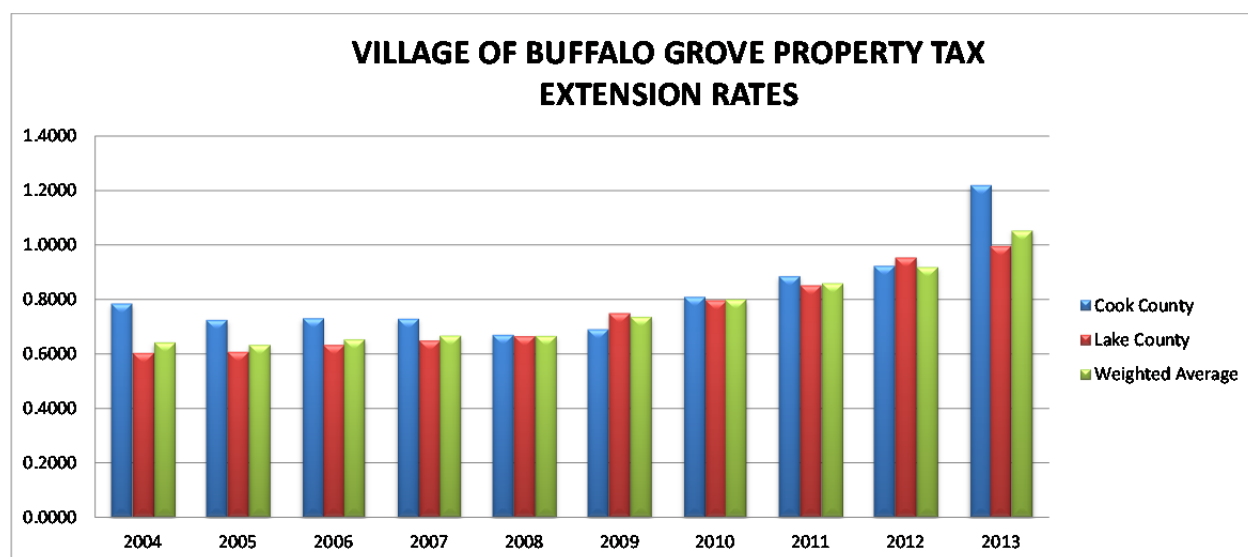


The final component of the tax levy is for debt service obligations. Revenues collected through this levy are used to pay principal and interest on the Village's outstanding general obligation bonds. Principal and interest due in 2015 is \$804,813.

The Village of Buffalo Grove levies property taxes within two counties, Cook and Lake, and the Illinois Department of Revenue is tasked with the responsibility of assigning a tax burden to each county. For the 2014 property tax levy, 76.87 percent of all assessed valuation is located in Lake County and 23.13 percent is located in Cook County. The following chart shows the growth of all real property in the Village over the last ten years.



Falling market values as well as continued individual and commercial assessed value protestations, leads to an estimated tax rate of \$1.05 per \$100 of equalized assessed valuation for the 2014 tax levy (extended in 2015). The chart below provides a history of tax rate weighted for both counties.



The rate at which property taxes are levied is determined by dividing the amount requested by the total equalized assessed valuation (EAV). The EAV is defined as one-third of the market value of all real property in the Village of Buffalo Grove. The Village levies the dollars needed to fund operations, provide the statutory requirement for pensions and meet its debt requirements. The rate is the fulcrum between the dollars requested and the value of all real property. In a declining market value environment the tax rate will increase even if the tax levy dollar amount remains constant. If all property values change uniformly across all classes of property, and the levied dollars do not change, there will be no impact to a property owner's tax bill. In reality, property values do not change in this manner. The five and ten year average decline in assessed value in both Cook and Lake Counties are (-7.67% and -1.29%) and (-4.24% and -.29%) respectively.

State Shared Sales Tax

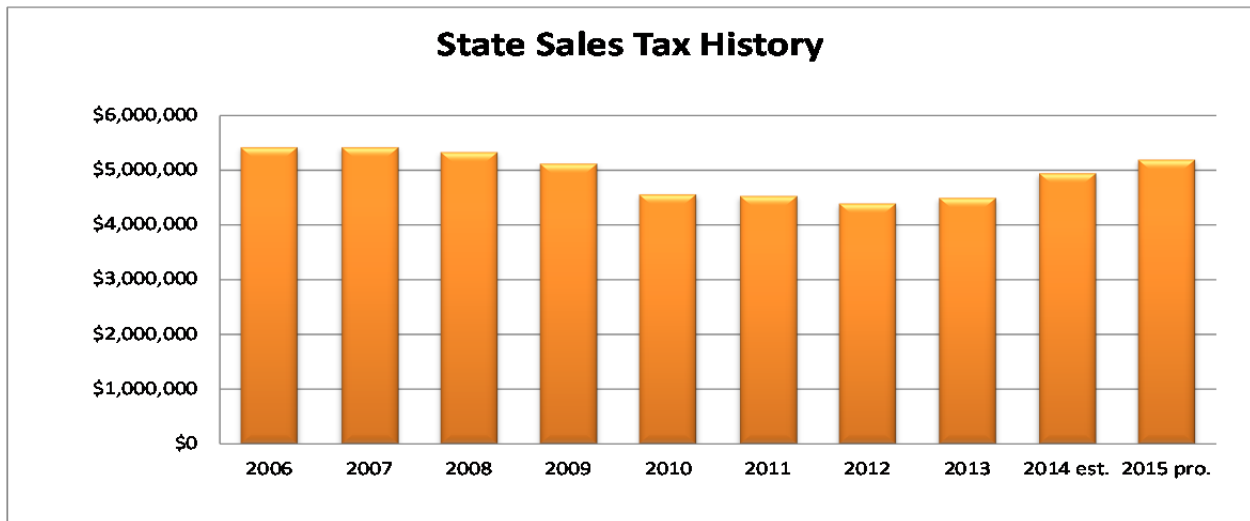
The Village receives one cent (\$0.01) for each dollar of retail sales. The largest single sales tax generators are grocery stores and restaurants whose sales are not as heavily influenced by economic conditions. Market conditions do, however, impact sales tax as neighboring communities have value-oriented retailers that have expanded product offerings that include food and grocery sales.

In FY 2014 two of the three Dominick's Finer Foods store closings were filled by other grocery retailers. One of three vacant car dealer sites was reopened towards the end of the year. The revenue on the site will be driven by pre-owned vehicle sales.

State shared sales taxes are down four percent from the pre-recessionary peak in 2006. Sales taxes were up ten percent during the current year due to a stronger home sales (lumber credit processing center in the Village) and higher volume grocery stores replacing closed Dominick's locations.

The FY 2014 budget anticipated \$4.53 million in sales tax revenue. The estimated actual will be approximately 9 percent more or \$4.94 million. For 2015, the budget is anticipated to be \$5.19 million. Growth is based on 2.5 percent inflation and 2.5 percent new revenue growth generated from a full year of revenue from the new grocery retailers and the new car dealership.

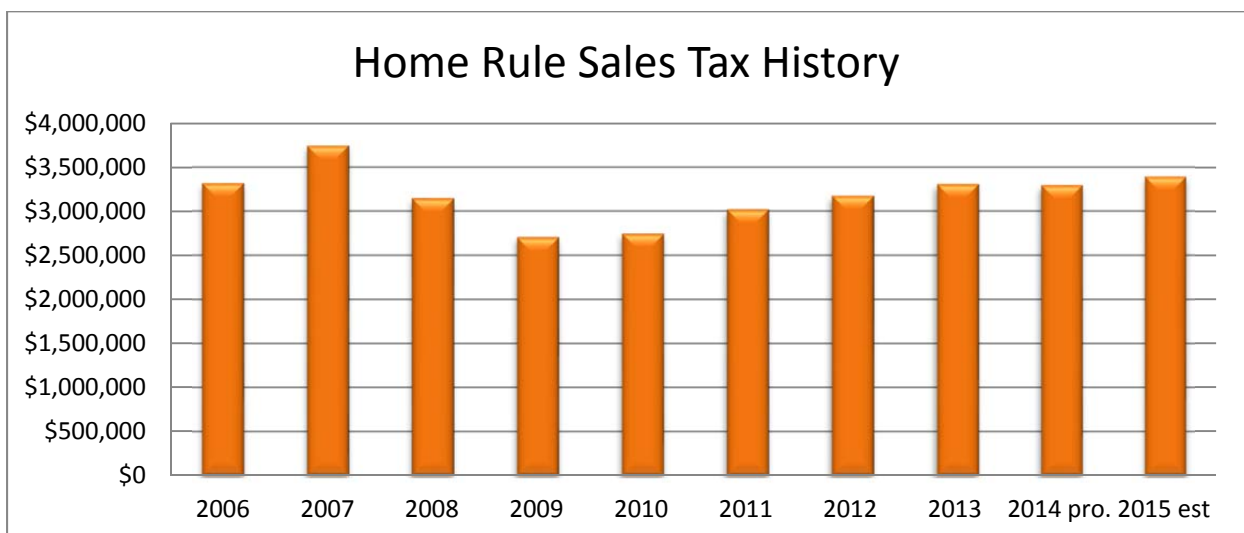
The following chart shows the last ten year of State Sales Tax revenue.



Home Rule Sales Tax

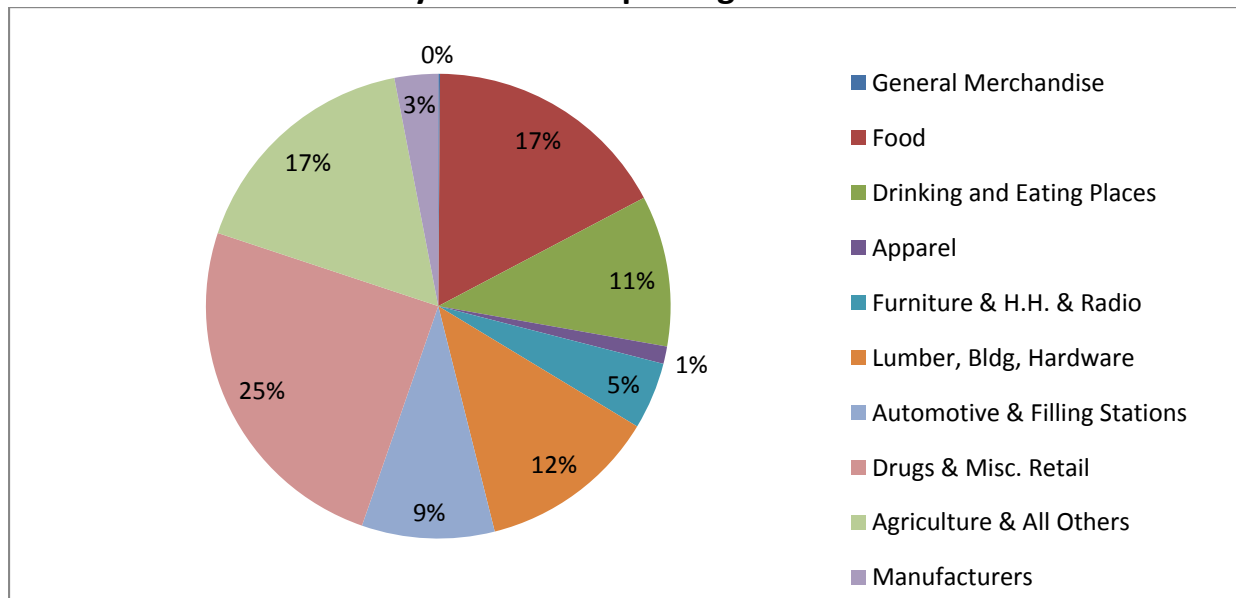
In 1992, the Village assessed a one-half cent (\$.05) local option sales tax against all retail sales except food and drug items and personal property titled with the State of Illinois. Performance of this revenue tends to follow performance of the above referenced state sales tax, except for those excluded retail classes. The Village Board voted in 2004, effective for January 1, 2005, to increase the home rule sales tax to one percent (1%). As a condition of that increase, 20 percent of all home rule sales taxes are transferred to the Motor Fuel Tax Fund to supplement state shared Motor Fuel Tax remittances to fund the annual street maintenance program. The budgeted transfer to the Motor Fuel Tax Fund is \$.6 million. In 2015, revenues are anticipated to increase by three percent from the 2014 estimated actual amount of \$3.29 million to \$3.39 million. Growth in Home Rule Sales Tax is driven primarily by 2.5 percent inflation growth and .5 percent of new growth.

The following is a ten year review of home rule sales tax collections.



The following chart is a distribution of sales taxes obtained from the Illinois Department of Revenue based upon standard industrial classification (SIC) code reporting. The data encompasses the 2013 calendar year. The largest single sales class is Drug and Miscellaneous Retail at 25 percent.

Distribution of Sales Tax by SIC Code Reporting



Prepared Food & Beverage Tax

The Village receives one cent (\$0.01) for each dollar of prepared food and beverage sales. This tax is levied on the purchase of prepared food for immediate consumption and the sale of liquor either for consumption on premises or packaged. Similar to sales tax, inflationary growth is the central driver of revenue increases for the next year. There are a combined 113 food establishments and liquor stores that generate this tax. This revenue has had consistent growth as a large percentage of the dining options within the Village are value oriented. The estimated revenue for 2014 is 3.5 percent above the budget target and 2015 is forecast to grow three percent to \$780,740. This revenue does not account for any more businesses to locate within the jurisdiction. The tax was enacted in 2008.

Illinois Income & Use Tax

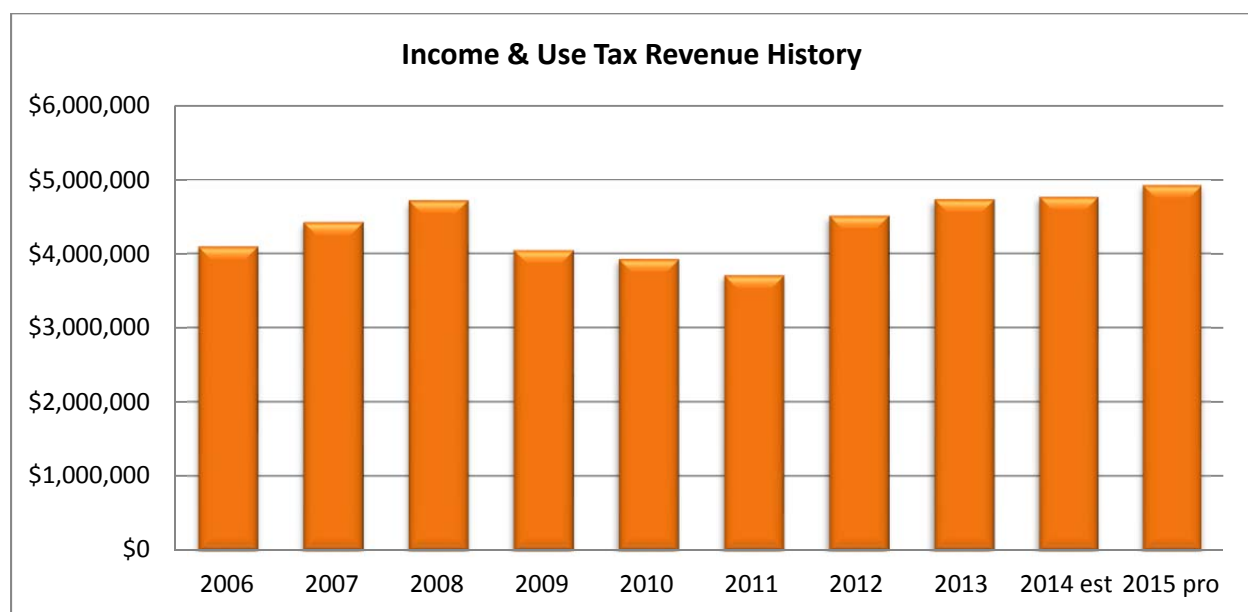
Illinois Income Tax is imposed on every individual, corporation, trust and estate earning or receiving income in the state. The tax is a flat five percent of income for individuals and seven percent for corporations. The Village receives a pro rata allocation of Income Tax from the State of Illinois based on six percent of net personal and corporate taxes. The five percent income tax is scheduled to rollback to 3.75 percent on January 1, 2015. Regardless of the change, it is anticipated that the change will not impact municipal collections, although there is a perennial concern that the Illinois legislature will reduce the amount remitted to municipalities to address state budget deficits.

The Use Tax is a form of sales tax designed to distribute the tax burden fairly among consumers and assures fair competition between in-state and out-of-state businesses. The tax is owed on goods purchased out of Illinois and brought into the state.

Based upon data provided by the Illinois Municipal League, the FY 2015 Income Tax budget is \$4.1 million (\$98.83 per capita) and Use Tax is \$.83 million (\$19.93 per capita). Collectively, Income and Use tax will be at budget and are projected to increase by 1.8 percent in FY 2015.

Income and Use Tax peaked in FY 2008 at \$109.31 per capita just prior to the collapse of the economy and the effect of high unemployment on this revenue source. Unemployment in the state of Illinois is beginning to recover to pre-recessionary levels. The state unemployment rate is 6.6 percent (Bureau of Labor Statistics - September

2014) compared to 9.2 percent one year ago. Sectors still adding jobs include education, healthcare and manufacturing. The Village of Buffalo Grove's unemployment statistics have consistently beat the national and state averages, with an September 2014 rate of 5.8 percent.



Utility Use Taxes

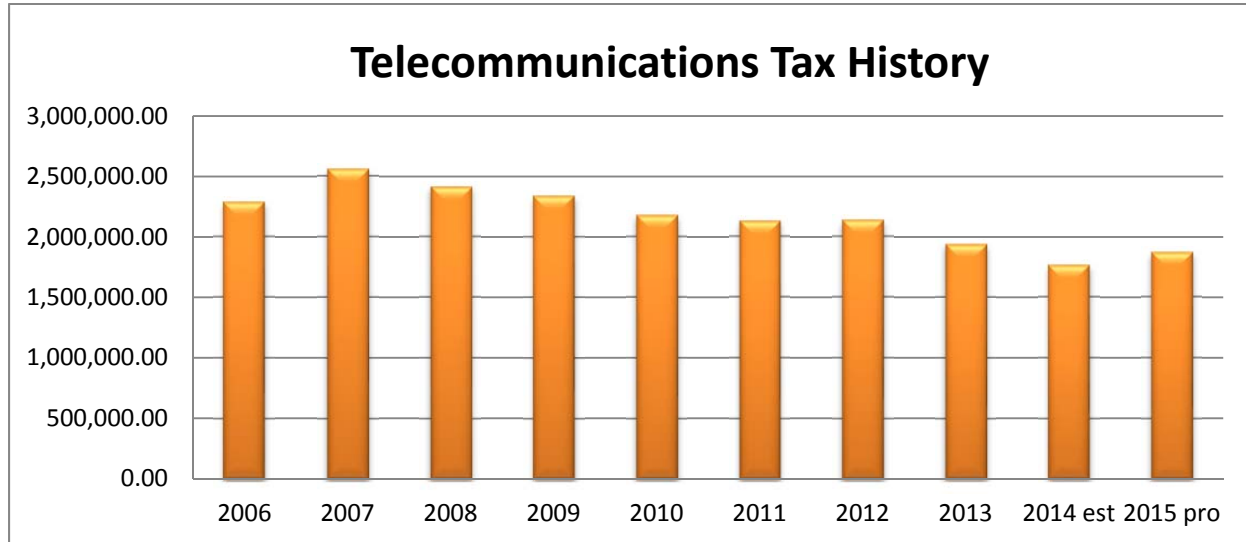
The Village of Buffalo Grove levies three utility taxes for electricity, natural gas, and telecommunications. Use taxes for electricity and natural gas were first imposed in FY 2010. The amount levied for electricity is the maximum amount allowed by state statute and is based on a sliding scale that nets approximately \$.05 per kilowatt hour. Revenue is estimated to be \$1.64 million for 2014 and the budget is unchanged for 2015. Utility taxes for natural gas are levied at a rate of \$.05 per therm. The estimated amount for 2014 is \$1.1 million surpassing the budget by 10 percent due to the unusually frigid winter. The budget is \$1 million for 2015.

Since both electricity and natural gas use taxes are based on unit pricing there is no fluctuation due to commodity pricing. Absent any increase in households or commercial buildings within the village, this revenue source has little room for future growth. Weather conditions are the primary reason for changes in revenue but, the movement toward more efficient building technologies and appliances will be a constant pressure downward on the collection of this revenue.

Telecommunications Tax

This tax is levied at six percent on all types of telecommunications except for digital subscriber lines (DSL) purchased, used, or sold by a provider of internet service (effective July 1, 2008). The unbundling of phone and data services for the purpose of extending the tax has had a significant negative impact on collections. Combined with the economic decisions to consolidate, or eliminate, additional phone lines, revenue is down 23 percent from the peak in 2007. Voice over Internet Protocol (VoIP) phone services such as those provided by Xfinity/Comcast and Vonage are subject to this taxation.

The estimated actual for 2014 is 11 percent off the budget, and is estimated to be less than \$173,675 than the amount collected in 2013. A class action lawsuit resulted in a settlement that will be paid through seven months of collection in 2014 and five months in 2015. This settlement affects all municipalities levying this tax. The revenue is projected to grow in 2015 (due to the payoff of the settlement), but was conservatively budgeted 5.43 percent less than the 2014 budget. Listed in the graph below is a ten year trend of telecommunications tax collections.



Real Estate Transfer Tax

Real estate transfer tax is collected at the rate of \$3 per \$1,000 of sales consideration. This revenue reached a peak in 2005 at \$1.3 million. Since 2005, collections have dropped 42 percent as a result of the collapse of the housing market. In recent years, this revenue has relied heavily on the sale of large commercial properties (sales consideration > one million dollars). A review of sales data indicates that numbers of traditional sales transactions are increasing. The Village's home resale inventories have decreased sharply, with a 48 percent decrease over the last year. Distressed properties such as foreclosures and short sales account for one percent of all sales. The median number of days on the market is 61 versus 83 a year ago.

The budget for 2015 is three percent more than the 2014 estimated actual of \$.75 million and 12.5 percent higher than the previous year's budget.

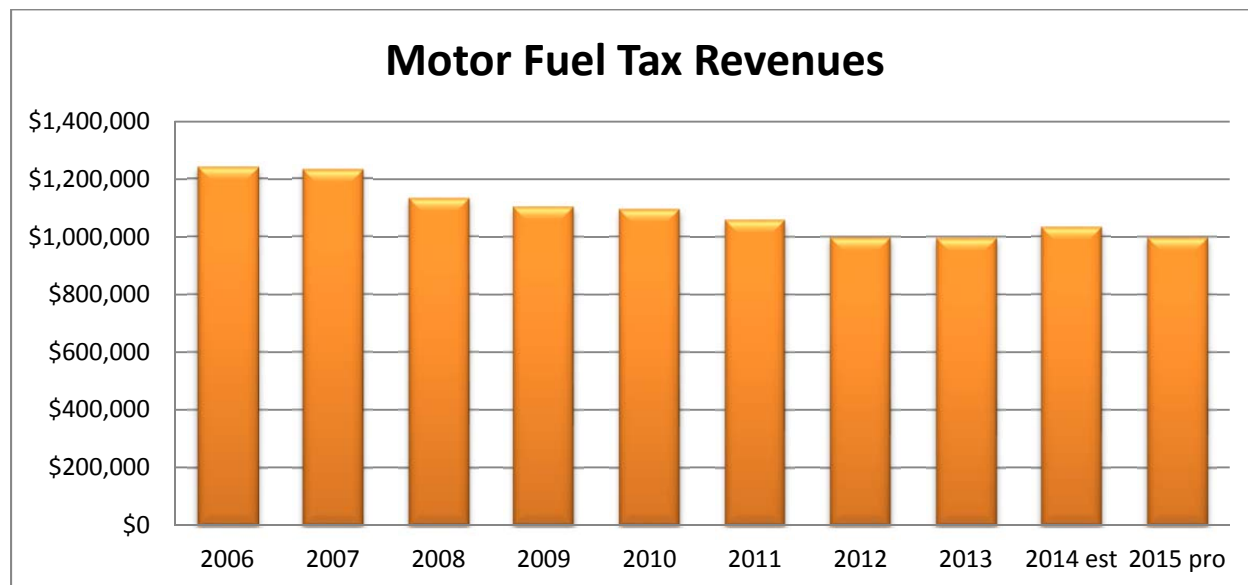
Building Revenue & Fees

This revenue is budgeted conservatively as a significant percentage of this revenue is considered non-recurring and is reliant upon economic conditions. For 2015, it is estimated that 12-14 single family homes, of the approved the 38 in the East Haven subdivision, will be built generating an average of \$7,000 per home in building revenue. Fisher Container Corp is also in the process of building an additional 25,000 square fit facility in 2015. The anticipated revenue from this project is \$26,000. All other revenue is anticipated to be collected on improvements to existing structures. Total building revenues and fees for 2014 are estimated to come in 22 percent over the budget amount in 2014. Specifically, plan review, engineering, and building inspections fee's accounted for \$120,000 of the \$151,550 that is estimated to be over the budgeted revenue. The Village has conservatively budgeted these line items, along with the others, as they are volatile due to the direct correlation these revenue streams have to market conditions.

Motor Fuel Tax

For FY 2015, the Village anticipates \$1 million in Motor Fuel Tax proceeds as estimated by the Illinois Municipal League. Local governments receive 1.25 percent of taxes assessed on gasoline and diesel and is then distributed on a per capita basis. The Village annually transfers 20 percent of the home rule sales tax to the MFT fund and will continue this practice in 2015. The transfer is budgeted at just under \$680,000. Street maintenance is a high priority for the Village of Buffalo Grove as reflected in the commitment of general fund revenues to the MFT fund, as well as the yearly outlays budgeted through Capital Improvement Plan (CIP), which is detailed in Section 6 of the

this document. It is important to note that the decrease in revenues and expenditures in the 2015 MFT budget is the impact of the expiration of the Illinois Jobs Now capital grant. This grant provided \$187,582, annually in addition to the per capita MFT funding received from the state of Illinois on a monthly basis. It is assumed that the elevated fuel costs, alternative energy options, availability and improvement of public transportation, and environmental awareness have already slowed the growth of MFT revenues in recent years. It is becoming more common for employers to provide more flexible work schedules and telecommuting to attract talented employees as technology and traditional work environments evolve. These changes will impact the growth in this revenue.

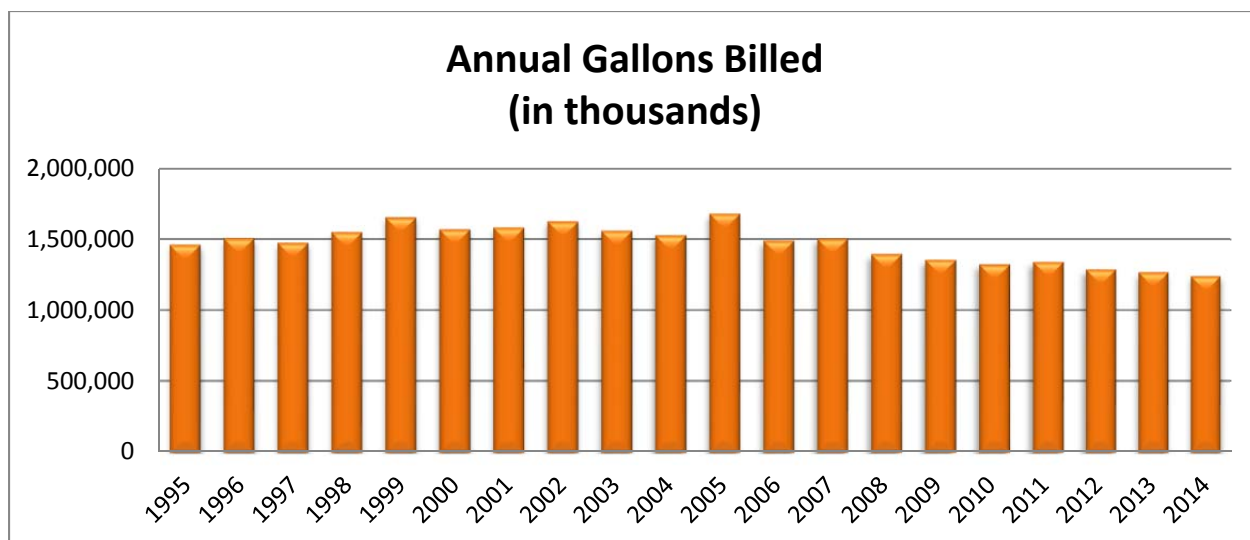


Water and Sewer Fees

Total fees collected for the sale of water combined with revenue collected on behalf of Lake County Public Works for 2015 is \$11.5 million. Over a quarter of the revenue (29.5 percent) is billed by the Village and then remitted directly to Lake County for sanitary sewer treatment fees. Lake County owns and operates the south east region sewer treatment plant. The Village bills the services on their behalf to reduce overhead and administrative costs. The anticipated revenue for 2014 is \$11.1 million. The budget missed its annual consumption estimation by 56 million gallons (5%) due to the cool and wet summer.

The decline in water usage has appeared to stabilize over the last three years. The decreased demand was due both to weather and economic decisions concerning irrigation, eco-friendly landscape designs, energy efficient appliances and a decrease in average household size. Vacant properties also contribute to the reduced consumption. The Village does not impose a minimum or fixed fee for service connection but will be researching the feasibility of one in future budgets.

It is estimated that the total amount of water consumed by the Village will remain unchanged in 2015. The chart below illustrates the average monthly water consumption of all users (residential, commercial, industrial).



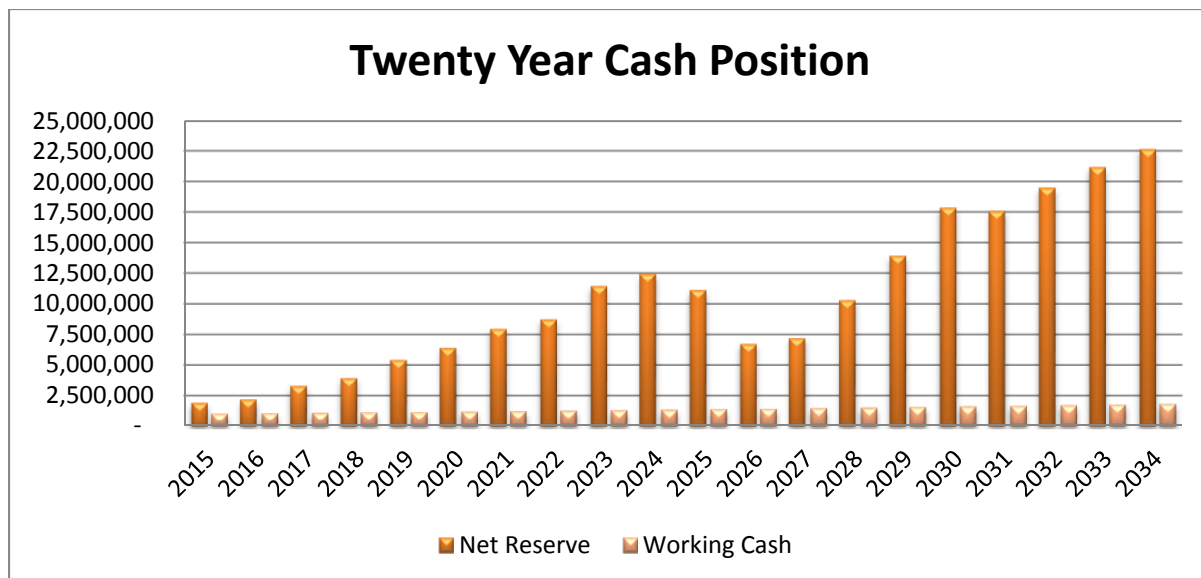
The first of a series of water rate increases was implemented in 2013. The justification for the water rate increase was based on a Water Fund sustainability study entitled the Twenty Year Water Fund Pro-forma Analysis. The study is located in *Appendix B*. The purpose behind the analysis was to design a fee structure that would adequately fund a utility system with a present day replacement cost of \$.5 billion. The components of the rate address operating costs, capital maintenance and repairs, and build reserves for future infrastructure needs.

During high cost growth years (1980-2000), the Village amassed significant cash reserves from developer fees. The original infrastructure was constructed by the developers and donated to the Village. During that period of time, the intent of the water user rate was to recover operating costs only. As the development and related revenues slowed, cash reserves were used to subsidize the water rate to cover both operating and capital expenses.

The three year rate history is:

Year	Water Rate*	Sewer Rate*	Combined Rate*
2013	\$ 3.24	\$ 0.81	\$ 4.05
2014	\$ 4.21	\$ 1.05	\$ 5.26
2015	\$ 4.38	\$ 1.09	\$ 5.47
*all rates are per 1,000 gallons metered Effect January 1, 2015 – rates are increased by 4 percent per annum			

The rate increase will take several years to stabilize the fund and begin to accumulate a reserve for future infrastructure improvements. The following chart shows the impact on cash reserves based on the proposed rate structure and forecasted expenses over the next twenty years.



Working Cash Needs represents a minimal amount of cash on hand needed that would cover 25 percent of operating expenses.

Lake County sanitary sewer fee estimate is on target with the 2014 budget and a five percent contingency for a rate increase was added to the 2015 Budget. The Lake County Board sets the sanitary sewer charge. The revenue collected is a pass through as the amount is remitted to Lake County upon collection. This fees is charged to a Lake County customers. Cook County residents are charged for sanitary sewer fees through a property tax levied by the Metropolitan Water Reclamation District of Greater Chicago.

Golf Course Fees

A very conservative increase was budgeted for FY 2015 of \$5,000, or 0.66 percent. The golf industry as a whole continues to struggle with declining numbers of players in a market that is oversaturated with golf courses. In FY 2014, the Arboretum is estimated to be 9.23 percent short of budgeted revenue. With daily paid rounds of golf being the driver for revenues, the Arboretum got off to a slow start to the 2014 season. The extended winter prevented the course from opening as targeted and the brutal winter caused significant damage to the greens. The 2015 budgeted revenues do account for inclement weather patterns which influences play volume. The Arboretum does have a rate increase of \$1.00 per person for cart rental fees proposed for the 2015 season. The green fee rates will not increase at either course in 2015.

Total golf course revenues at the Buffalo Grove Golf Club in 2014 will result in a decrease of 5.84 percent as measured against the 2014 budget. In addition to being very sensitive to economic conditions and competition for discretionary spending, the Buffalo Grove Golf Club experienced the same environmental issues to begin 2014 as the Arboretum. Additionally, the high volume of rain that fell in late April through early June compromised the first half of the season at Buffalo Grove Golf Club. The club will continue to struggle with weather patterns as it currently sits in a flood plain. The 2015 budget for the Buffalo Grove Golf Club does account for inclement weather patterns on the revenue side and also a reduction of expenses to accommodate the short fall in revenue.

Investment Revenues

The Village's investments are guided by three policies that address permitted investments in the portfolios of the Police Pension Fund, Firefighter Pension Funds, and all other funds. Total investment revenue is expected to be \$7,595,170. All funds other than pension funds have durations less than three years with an average expected yield of .25 percent. All investments are ladderred to meet the cash flow needs of the fund. The primary strategy

for non-pension investments is safety and liquidity. Both pension funds have interest rate targets of seven percent for their actuarial assumption. The pension funds are the only Village funds that purchase equity investments. The Police and Firefighter Pension Fund Boards are fiduciaries of their respective funds and separately administer the funds' investments with the assistance of outside financial advisors.

Pension Revenues

The Village maintains two pension trust funds mandated by Illinois Compiled Statutes, one for sworn police officers and one for sworn firefighters. All other full-time Village employees are covered by the Illinois Municipal Retirement Fund (IMRF), a statewide Public Employees Retirement System (PERS).

Revenues received by the Police and Firefighter Pension Funds are calculated by an independent actuary. The property tax levies for the Police and Firefighter Pension Funds are anticipated to increase by 8.8 percent and no change, respectively. The levy for IMRF and Social Security/Medicare will decrease by 1.6 percent. Employees contribute 9.91 percent of salary for police and 9.455 percent for firefighters. Employees contribute 4.5 percent of salary for IMRF, 6.2 percent for Social Security and 1.45 percent for Medicare. The actuarially assumed rate of investments is 7 percent. The funds are structured to be 100 percent funded by the year 2040. The current level of funding for both the Police and Firefighters' Pension Funds is 63.7.

Other Revenue Sources

The above information highlights the key revenue sources of the Village. Other revenues are less material and are projected to be in line with inflation or other economic trends. There is one large transaction accounted for within Other Revenue Sources. The Village is currently engaged in performance contracting for water meter replacements and street lightening improvements. Approximately \$6 million will be borrowed to cover the initial capital improvements. The savings from the improvements will, in turn, be used to cover the principal and interest.

There are three new sources of revenue proposed in 2015. The first is an Administrative Adjudication Fee assessed to all individuals arrested or cited by the police department for local ordinance violations. These types of violations will also increase the revenue for fines because the Village will be collecting the entire amount for the fine. Currently, tickets meted out in the court system are subject to administrative court cost. The Village ends up collecting pennies on the dollar. The final new revenues are for reimbursements. Reimbursements include payments to the Internal Service Funds for performing services on behalf of the reimbursing department and for the police department for work on various task forces.

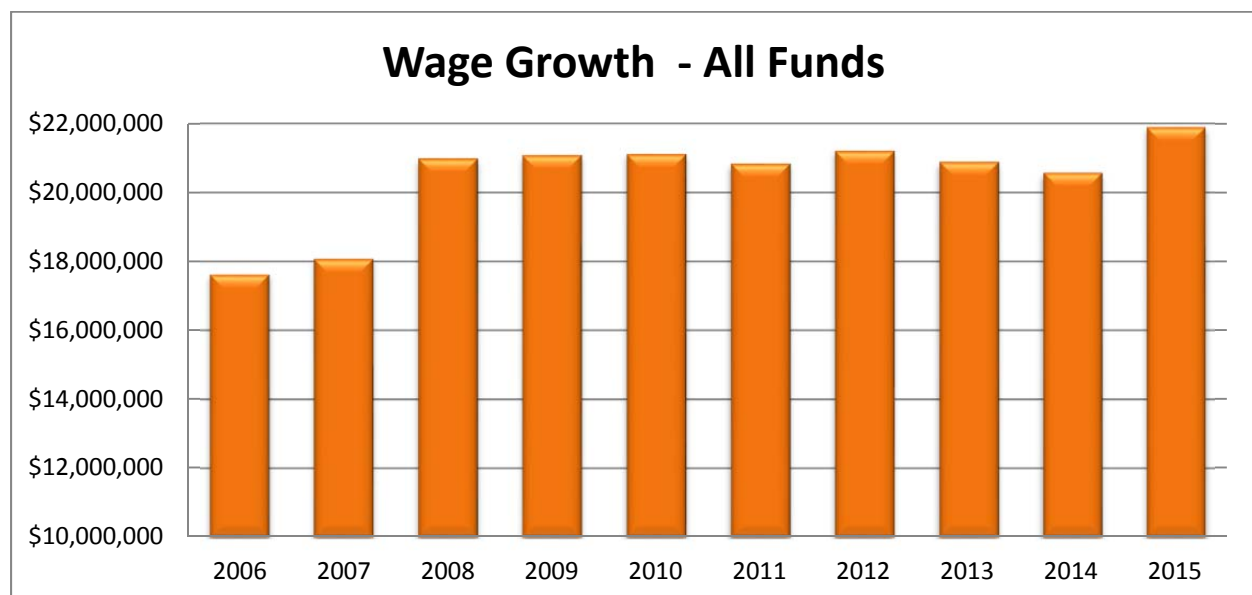
Expenditure Trends and Projections

Personnel Services

The primary mission of the Village of Buffalo Grove is to provide high quality services to residents and those employed within its boundaries. To accomplish that purpose in 2015, 27.8 percent of all Village expenditures are allocated to salaries and wages, down 4.8 percent from 2014.

The Village's pay ranges are evaluated each year to establish both internal and external equity within the market and to ensure fair and competitive wages. The recession has been a catalyst in reevaluating the Village's pay plan to better adapt to a stagnant economy. The implementation of a Tier II pay system combined with limited pay increases has allowed the Village to continue with expected service levels. The Voluntary Separation Incentive, spanning the 2011 - 2013 budgets, was the first step in rebalancing a percentage of the workforce into Tier II and reengineering the service departments to better adapt to the economic landscape.

There are two unionized labor groups subject to a collective bargaining agreement – International Association of Firefighters Local #3177 – representing 54 firefighters and the Metropolitan Alliance of Police – representing 51 police officers. The current firefighter contract is not set to expire until April 30, 2017, with an optional re-opener April 30, 2016. The police union was certified in 2012 and the first contract expired December 31, 2014. The non-represented work force will receive a 2.5 percent general wage increase. In an effort to reward exemplary work, a pay for performance system will be introduced in 2015. The construction of the program was completed in 2014.

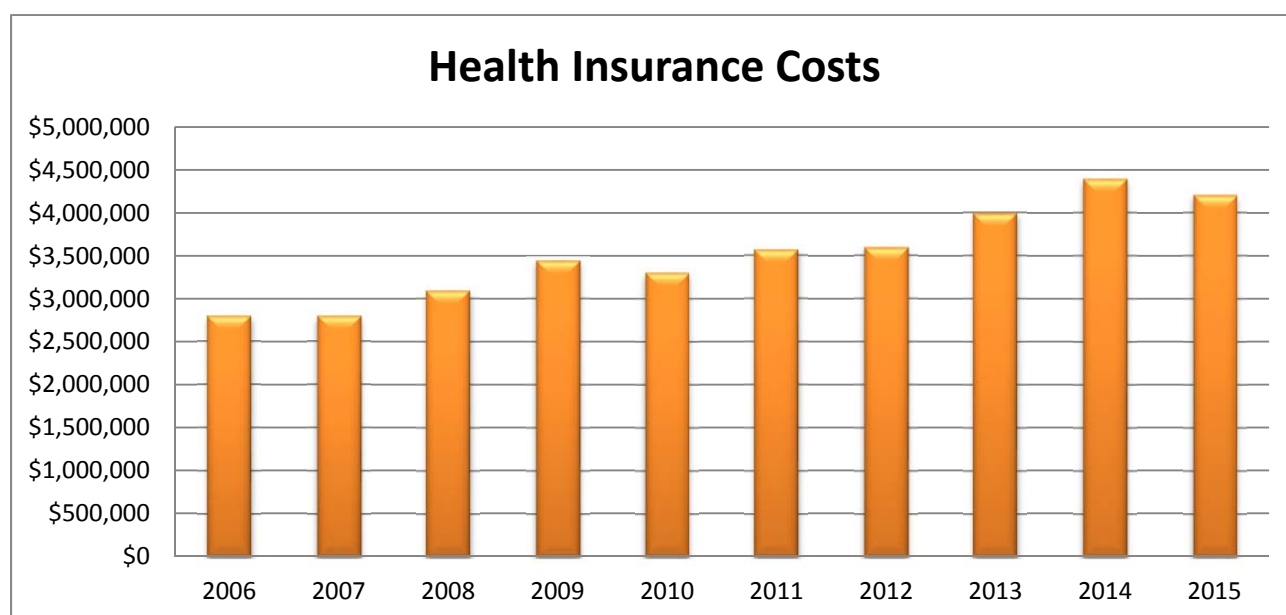


The period between 2007 and 2008 encompasses the change of the fiscal year from an April 30 year end to December 31. There are two cost of living adjustments over the 20 month period resulting in the wage spike. The proposed increase in wages from the 2014 estimated actual is 6.6 percent. That increase is due to a general wage adjustment for non-represented employees of 2.5 percent, targeted market adjustments to positions, and position vacancies being hired with a full salary year. The effective growth of wages is actually 3.6 percent after factoring for new hires and position adjustments. Police and firefighter represented wages increased based upon a negotiated agreement.

Personnel Benefits

The Village of Buffalo Grove is a member of the Intergovernmental Profession Benefits Cooperative. The IPBC is a pooled benefits cooperative with approximately seventy member communities. For 2015, the total amount budgeted for health insurance is \$4.1 million, down over \$264,000 from the 2014 budget. The 2014 estimated actual for health insurance is \$4.3 million. The 2015 budget amount is \$160,000 less than the 2014 estimated actual. The reason for the decrease is due to favorable renewal rates (no increase) and increased employee contributions. Nationally, medical inflation is close to 9.5 percent. The impact of pooling medical risk has proven to be advantageous. The other component of the expenditure line item is the cost to fund the Retiree Health Savings (RHS) Program reserve. The RHS Program is designed to monetize unused employee sick time at the end of employment to be used for unreimbursed medical expenses.

The Village has been proactive in trying to contain medical costs. Those efforts will continue in 2015 with a continued focus on wellness and disease management combined with additional health insurance premium contributions by employees. Through 2011, all employees contributed 10 percent of the medical premium. Beginning in 2012, employee premium contributions have increased one percent per year and conclude in 2016 with employees covering 15 percent of the premium. The 2015 contribution level will be 14 percent of the health insurance premium.



Commodities

Approximately six percent of the entire Village budget is allocated to commodities. The single largest expense is for the sanitary sewer fees collected on behalf of Lake County, budgeted at \$3.4 million in 2015. The Lake County sanitary sewer fees account for almost 75 percent of the Village's entire commodities budget. As these fees are a pass through, there is corresponding revenue to offset this expense. The next most significant expenses are for fuels, energy, and material costs for the snow and ice removal program. The Village purchases salt and other routine equipment through the Northwest Municipal Conference's Joint Purchasing Cooperative. This cooperative creates economies of scale and leverages buying power. The most significant sources of electricity expenses are to power the sanitary sewer lift station pumps, the booster pumps for water delivery, and street lighting.

Capital Projects & Equipment

Just over 20 percent of all 2015 budgeted expenditures are for capital projects and capital assets. These items are identified in detail in the 2015-2019 Capital Improvement Plan as shown in *Section 6: Capital Improvement Budget*

Summary and reserves for capital. Capital projects are those that typically exceed \$25,000 and either are new construction (or acquisition) or add to service life of the asset. Each year, all proposed capital projects are assessed in terms of reliability, performance and forecast maintenance experience and a plan is developed to gauge the operational importance of the request versus the Village's ability to pay for the improvement.

The Village maintains three capital reserve funds. The first fund is the reserve for capital replacement. This reserve was established to fund all vehicles and specialized equipment. As the asset nears the end of its service life the funds are in place for a replacement purchase. The second reserve is a reserve for technology. This reserve commits funds for future technology investments. By allocating a transfer to the reserves each year, the capital spending amount is smoothed out and not subject to spikes. The third reserve is a reserve for buildings and facilities. Budgeted dollars will be allocated to future building repairs including roofs and mechanical systems. As the Village facilities continue to age maintenance costs will continue to rise. In total \$948,679 will be committed in 2015 for these three reserves.

Several significant capital projects are programmed for 2015. The first project is the annual street maintenance program. This program continues to be a top priority of the Village Board. The resources directed to maintaining and improving the Village's roadway system are received from the State of Illinois pro rata share of Motor Fuel Tax and a 20 percent transfer of Home Rule Sales Tax.

The second project is the Village's reforestation program due to the Emerald Ash Borer infestation. 2015 marks year three of the four year project. In total it is anticipated that approximately 6,300 Village owed Ash Trees will be replaced. In 2015, the removal and replacement costs are estimated to be 1.5 million dollars. In anticipation of the magnitude of the project, the Village worked to lock in both pricing on, and availability of, nursery stock.

The third project is the Village wide Water Meter Replacement program. This program provides for water meter replacements at all customer sites, while also establishing Advanced Metering Infrastructure (AMI) to allow for remote reading of meters and increased customer service through real time data. The project is currently being evaluated as a performance contracting project with Siemens, but could also occur as a standalone project managed by the Village. This project is currently budgeted at \$6 million dollars and accounts for 37.07 percent of the total capital budget in 2015.

The Village will also continue to fund initiatives to replace water main and sanitary sewer system items. In 2015 there are five infrastructure projects related to water main and sewer replacements. These projects total \$3.46 million, or 21.38 percent, of the 2015 capital projects budget.

Other Operating Expenditures

In general, when prices cannot be accurately determined or specific quantities identified, an incremental analysis is performed comparing the estimated actual expense for 2014 along with expenditure trend information. A reasonable estimation of expenditure is developed for 2015 and included within the line item budget.

The Village has centralized the purchasing function which controls purchases through a central contact (Purchasing Manager). This has allowed the Village to better leverage purchasing power and provide better oversight of contracts for products and services. Greater savings will be realized over the next few years as existing leases and contracts expire and are renegotiated and/or bid under the new program.

The Purchasing manager is the delegate for the Village to the Suburban Purchasing Cooperative. The Suburban Purchasing Cooperative is a joint purchasing program sponsored by the Northwest Municipal Conference (NWMC), DuPage Mayors & Managers Conference (DMMC) South Suburban Mayors and Managers Association (SSMMA), and Will County Governmental League (WCGL). Together the SPC represents 140 municipalities and townships in northeastern Illinois.

Debt Service Expenditures

The Village currently has three bond issues outstanding as of January 1, 2015, all being General Obligation Bonds (Series 2012, Series 2010A, and Series 2010B). Bond descriptions and amortization schedules are listed within the *Debt Profile* of this section. Most Village debt service revenues are obtained through property tax. The Water and Sewer Fund provides a \$180,000 operating transfer to abate a portion of the taxes attributed to the Public Service Center improvements.

Enterprise Fund Expenses

The Water and Sewer, Refuse, and Golf Funds are considered enterprise funds. Enterprise funds function like private sector businesses in that retail prices (rates and user fees) must be set at appropriate levels that are sufficient to pay for the costs of providing the goods. There is no property tax subsidy used to balance enterprise fund operations. There is a subsidy transfer to the Buffalo Grove Golf Club from the General Fund of \$187,150 and another to the Arboretum Golf Club for \$159,166. These transfers are necessary to stabilize golf operations due to the charge back of the three internal service funds, information technology, central garage, and building maintenance. These funds have increased the expenditure burden of all departments that utilize the services provided. Within the two golf funds over half of the expenses are wage and benefit driven as much of the costs are to prepare the golf course for daily play.

As noted, the Water and Sewer Fund has a budgeted rate increase to provide sufficient operating revenues and capital reserves. The largest cost within the Water and Sewer Fund is for capital improvements, the wholesale cost of the water (\$1.7 million) through the Northwest Water Commission, and the pass through costs (\$3.4 million) of Lake County sanitary sewer services.

The costs within the Refuse Fund are the tipping fees collected and remitted to the Village by the current waste hauler and sent to the Solid Waste Agency of Northern Cook County (SWANCC) for costs associated with processing and delivering the waste. There is a transfer of \$75,000 to the General Fund to reimburse for work performed on behalf of the fund to manage the service contract.

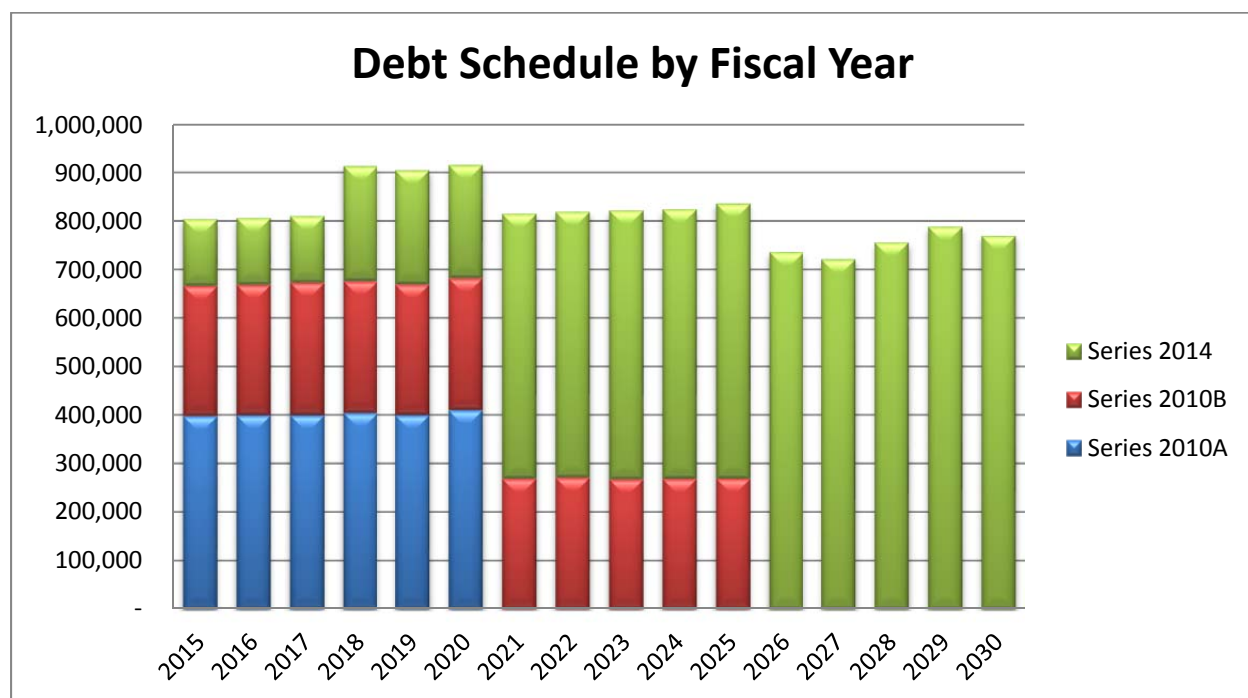
Internal Service Funds

The Information Technology, Central Garage, and Building Maintenance Funds are Internal Service Funds that are new to the 2015 budget. An internal service fund accounts for goods and services designated to a department that are utilized by one or more other governmental units and are reimbursed from the departments that utilize these services. Each department has an expenditure line item for each service they utilize. The expenditure is a combination of the budgeted costs their department would normally incur plus a portion of overhead to operate the Internal Service Fund departments based on the weighted average of the expenditures to be incurred. Costing out internal service funds allows the Village to gain a more accurate cost to provide services.

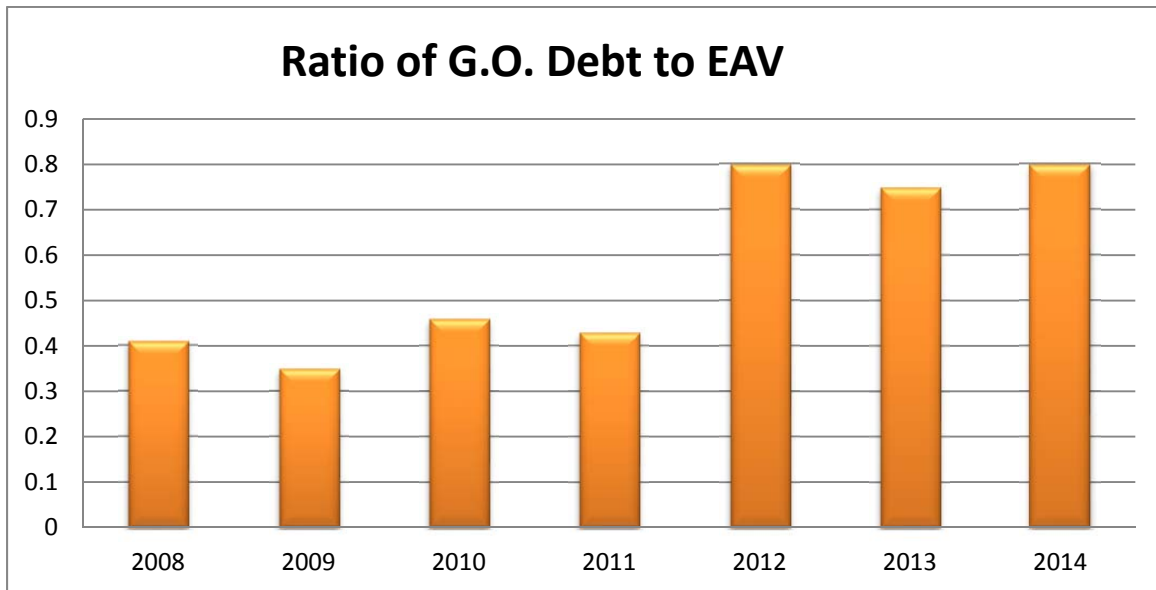
The Information Technology Fund's budget is \$1,101,570, Central Garage is budgeted at \$2,365,390, and Building Maintenance is budgeted at \$2,042,347. The Internal Service Funds are not intended to carry a fund balance at the end of a fiscal year. As they are intended to break even, this may result in additional expenditures incurred by each department to fund the additional costs, if a fund or funds come in over budget. Concurrently, if the internal service funds come in below the budgeted amount(s), a refund will be distributed back to the departments which will show the expenditure below budget for the year.

Debt Position

From time-to-time, the Village may use the issuance of long-term debt to further the Village's Capital Improvement Program. Long-term debt is used only for capital projects that cannot be financed from current revenue sources. The Village accounts for repayment of long-term debt in the Facilities Development Debt Service Fund. In FY 2015, debt service consists of \$398,525 for Series 2010A, \$268,763 for Series 2010B, and \$137,525 for Series 2012. Total debt outstanding as of December 31, 2014 is \$10.55 million. The Village has a \$6 million line of credit with a balance of \$3.5 million as of December 31, 2014. There is another intended draw in FY 2015 of \$2 million. The line of credit will need to be extended, or refinanced, in November 2015. Below is a chart depicting the future principal and interest payments of all general obligation debt.



The Village of Buffalo Grove is a home-rule community and has no legal debt limit set by the Illinois General Assembly. The Village monitors the overlapping debt of all taxing districts and is sensitive to the burden debt places on the taxpayer. As of December 31, 2014, the Village's ratio of General Obligation Bonded Debt to EAV was 0.80 percent. Please see *Appendix B: Financial Policies and Projections* for a copy of the Village's Debt Policy. Below is a five year chart depicting debt as a percentage of EAV.



Debt Service Schedules

Overview

The following summarizes the debt service obligations of the Village as of December 31, 2014.

2010A General Obligation Refunding Bonds

Purpose:	Refunding all of the Village's outstanding debt: Series 2001A and Series 2001B. The 2001A Bonds were issued to partially finance the rehabilitation and improvement of existing golf course facilities and the 2001B proceeds were used to finance the refunding of the Village's outstanding debt at that time.
Maturity Date:	12/30/2020
Original Principal Amount:	\$5,310,000
Investment Rating:	Moody's Investors Service: AAA Standard & Poor's AAA
Principal Outstanding:	\$2,130,000
Interest:	\$ 285,675

2010B General Obligation Bonds

Purpose:	Proceeds used to finance public capital infrastructure improvements including storm water drainage, the construction of water detention facilities, installation of storm sewers and storm box culverts, roadway reconstruction, landscape walls reconstruction, and sidewalk removal and restoration.
Maturity Date:	12/30/2025
Original Principal Amount:	\$2,600,000
Investment Rating:	Moody's Investors Service: AAA Standard & Poor's AAA
Principal Outstanding:	\$2,420,000
Interest:	\$ 554,551

2012 General Obligation Bonds

Purpose:	Proceeds used to complete street improvement projects identified in the FY 2013 Capital Improvement Plan.
Maturity Date:	12/30/2030
Original Principal Amount:	\$6,000,000
Investment Rating:	Moody's Investors Service: AAA Standard & Poor's AAA
Principal Outstanding:	\$6,000,000
Interest:	\$1,667,601

Debt Service Schedules

Annual Payments - General Obligation Debt

Principal

Fiscal Year	Series 2010A	Series 2010B	Series 2012	Total
2015	325,000	185,000	-	510,000
2016	335,000	190,000	-	525,000
2017	345,000	200,000	-	545,000
2018	360,000	205,000	100,000	665,000
2019	370,000	210,000	100,000	680,000
2020	395,000	220,000	100,000	715,000
2021	-	225,000	415,000	640,000
2022	-	235,000	425,000	660,000
2023	-	240,000	440,000	680,000
2024	-	250,000	450,000	700,000
2025	-	260,000	470,000	730,000
2026	-	-	650,000	650,000
2027	-	-	650,000	650,000
2028	-	-	700,000	700,000
2029	-	-	750,000	750,000
2030			750,000	750,000
Total	2,130,000	2,420,000	6,000,000	10,550,000

Debt Service Schedules

Annual Payments - General Obligation Debt

Interest

Fiscal Year	Series 2010A	Series 2010B	Series 2012	Total
2015	73,525	83,763	137,525	294,813
2016	65,400	79,138	137,525	282,063
2017	55,350	73,438	137,525	266,313
2018	45,000	66,938	137,525	249,463
2019	30,600	59,763	135,525	225,888
2020	15,800	52,413	133,525	201,738
2021	-	44,713	131,525	176,238
2022	-	36,725	123,225	159,950
2023	-	28,265	114,725	142,990
2024	-	19,385	105,925	125,310
2025	-	10,010	96,925	106,935
2026	-	-	86,938	86,938
2027	-	-	72,313	72,313
2028	-	-	56,875	56,875
2029	-	-	39,375	39,375
2030	-	-	20,625	20,625
Total	285,675	554,551	1,667,601	2,507,827

Fund Balance Projections by Fund

The fund balance is the fund equity of governmental funds. Changes in fund balances are the result of the difference of revenues to expenditures. Fund balances increase when revenues exceed expenditures and decrease when expenditures exceed revenues. For the General Fund, only unassigned fund balance is noted.

The Village of Buffalo Grove uses cash and investments as a proxy for fund equity in the enterprise funds. The following table depicts the proposed revenues and expenditures by fund for the FY 2015 budget, with surplus (deficit) shown for each fund.

Fund	Fund Balance January 1, 2015	2015 Revenue	2015 Expenditures	Excess of Revenue over Expenditures	Fund Balance December 31, 2015
General Fund	20,465,206	39,038,469	39,027,194	11,275	20,476,481
Special Revenue Funds					
Parking Lot	101,213	181,100	152,935	28,165	129,378
Motor Fuel Tax	1,568,379	1,679,205	1,679,205	-	1,568,379
Debt Service Fund					
Debt Service	(11,819)	804,813	807,813	(3,000)	(14,819)
Capital Project Funds					
Facilities	(915,576)	3,590,611	3,590,611	-	(915,576)
Streets	228,618	50,000	50,000	-	228,618
Enterprise Funds					
Water & Sewer	5,189,715	16,474,253	19,035,519	(2,561,266)	2,628,449
Arboretum Golf Course	-	1,361,050	1,361,050	-	-
B.G. Golf Course	-	1,264,596	1,264,596	-	-
Refuse Service	593,652	1,025,000	965,000	60,000	653,652
Internal Service Funds					
Information Technology	-	1,101,570	1,101,570	-	-
Central Garage	-	2,365,390	2,365,390	-	-
Building Maintenance	-	2,042,347	2,042,347	-	-
Trust & Agency Funds					
Police Pension	52,540,449	6,610,786	3,090,627	9,701,413	62,241,862
Firefighter Pension	38,594,818	6,532,339	2,203,491	8,735,830	47,330,648
Total All Funds	160,040,136	84,121,529	78,737,348	14,611,367	174,651,503

There are five funds that are budgeted to have greater than a ten percent variance in fund balance during 2015. The first fund is the Parking Lot Fund. In 2014, the Village implemented a modern collection system for parking lot fees. As a result, enforcement has been more effective which resulted in additional revenue. The Debt Service Fund fund balance will decrease by \$3,000.00 or 25.38%. The decrease represents the annual bank fee charges to facilitate the debt service on behalf of the Village. The Refuse Fund fund balance will increase just over 10 percent in 2015. The increase in the fund balance is due to lower than anticipated tipping fees. Police and Fire Pensions fund balances will both increase in 2015. Both increases are due to strong pension investments and the market's continued success.

Section 5

General Fund Summary and Detail

General Fund Revenue
Office of the Village Manager
Finance and General Services
Human Resources
Fire Services/EMA
Police Services
Community Development
Public Works Management and Administration
Non-operating Transfers

Service
Optimization

Organizational
Culture

Revenue
Growth

Economic
Development

Infrastructure
Sustainability

General Fund Revenue

The General Fund Revenue Budget for 2015 is \$39,038,469 representing a 4.12 percent increase over the 2014 budgeted amount, and a 9.82 percent increase over the 2013 actual revenues. Property taxes, state shared taxes (sales tax and income tax), home-rule sales tax, prepared food & beverage tax, telecommunications tax, and other taxes comprise 86.98 percent of the revenue generated in 2015.

New revenues for 2015 include a reimbursement for ICE overtime and GMAT & BATTLE task forces. Both reimbursements are for Police department services rendered. The Village entered into a sales tax sharing agreement with an auto dealer in 2014. The Village will begin realizing revenue from up to three locations as they begin operating in late 2014, early 2015. Many of the new, larger, revenue streams have been generated in the internal service funds and the enterprise funds. The internal service funds are generating revenue from transfers from other departments.

For a more detailed description on revenues and assumptions refer to *Section 4 Executive Overview*.

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
Fund: 100 - General Fund						
<u>Revenues</u>						
10 - Property Taxes						
400.01	Corporate Levy - Cook County	510,414	527,195	536,531	536,531	552,626
400.02	Corporate Levy - Lake County	1,713,068	1,732,005	1,770,805	1,770,805	1,823,929
400.03	Police Protection - Cook County	122,406	126,405	129,134	129,134	133,008
400.04	Police Protection - Lake County	410,736	415,273	426,205	426,205	438,991
400.05	Crossing Guard Levy - Cook Cty	12,012	12,407	12,626	12,626	13,004
400.06	Crossing Guard Levy - Lake Cty	40,314	40,759	41,673	41,673	42,923
400.07	Fire Protection - Cook County	875,116	903,893	919,899	919,899	947,959
400.08	Fire Protection - Lake County	2,937,081	2,969,527	3,036,106	3,036,106	3,127,189
400.09	Street & Bridge Levy - Cook Cty	162,768	168,120	171,097	171,097	176,229
400.10	Street & Bridge Levy - Lake Cty	546,284	552,319	564,702	564,702	581,643
400.11	Street Lighting Levy - Cook Cty	55,184	56,999	58,008	58,008	59,748
400.12	Street Lighting Levy - Lake Cty	185,211	187,257	191,454	191,454	197,197
400.13	ESDA Levy - Cook County	2,922	3,016	3,077	3,077	3,169
400.14	ESDA Levy - Lake County	9,932	9,908	10,160	10,160	10,464
400.30	FICA Levy - Cook County	-	-	157,345	157,345	150,834
400.31	FICA Levy - Lake County	-	-	524,393	524,393	502,691
400.32	IMRF Levy - Cook County	-	-	203,367	203,367	194,341
400.33	IMRF Levy - Lake County	-	-	677,774	677,774	647,690
400.50	Police Pension - Lake County	1,676,977	1,698,624	1,606,090	1,606,090	1,735,835
400.51	Police Pension - Cook County	510,344	527,999	481,910	481,910	520,841
400.60	Fire Pension - Lake County	1,554,871	1,563,783	1,672,727	1,672,727	1,672,727
400.61	Fire Pension - Cook County	471,428	484,588	501,905	501,905	501,905
10 - Property Taxes		11,797,067	11,980,078	13,696,988	13,696,988	14,034,943
Percent Change 2015 vs. 2014 Budget						2.47%

15 - Other Taxes

410.05	Local Use Tax	653,116	714,844	719,739	787,681	827,065
410.10	State Income Tax	3,861,087	3,953,754	4,027,461	3,981,622	4,101,071
410.15	Sales Tax - State	4,705,950	4,991,999	4,536,144	4,946,124	5,195,046
410.16	Sales Tax Rebate Payments	(313,022)	(499,117)	-	-	-
410.20	Road & Bridge Tax Wheeling	26,905	27,201	27,000	27,000	27,000
410.25	Road & Bridge Tax Vernon	155,194	155,353	155,200	155,200	152,000
410.30	Foreign Fire Insurance Tax	-	-	-	-	-
410.50	Replacement Tax	0	-	-	-	-
415.05	Sales Tax - Home Rule	3,397,891	3,667,414	3,148,346	3,297,115	3,396,028
415.10	Home Rule Rebate	(219,905)	(356,547)	-	-	-
415.15	Real Estate Transfer Tax	459,036	760,164	700,000	750,000	787,500
415.20	Hotel/Motel Tax	140,017	110,836	128,750	150,000	140,000

	Description	2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
415.25	Simplified Telecomm Tx	2,200,809	1,943,811	1,982,650	1,770,137	1,875,000
415.30	Prepared Food & Beverage Tax	716,155	742,468	732,360	758,000	780,740
415.35	Electricity Use Tax	1,644,039	1,681,745	1,626,900	1,640,000	1,640,000
415.40	Natural Gas Use Tax	866,203	1,109,799	1,000,000	1,100,000	1,000,000
415.45	Para Mutual Tax	22,948	-	-	-	-
415.50	Auto Rental Tax	7,669	10,574	9,000	955	-
15 - Other Taxes		18,324,094	19,014,296	18,793,550	19,363,834	19,921,450

Percent Change 2015 vs. 2014 Budget

6.00%

20 - Intergovernmental Revenue

440.05	Police Training	-	-	-	-	-
440.10	Fire Training	-	-	-	-	-
440.15	District #214 Officer	74,631	151,423	85,717	88,754	95,195
440.20	Various Govts Fuel	118,547	82,393	87,000	87,000	87,000
440.25	D.A.R.E. Officer	81,866	-	85,717	87,254	88,443
440.30	Police Grant Program	-	-	-	-	-
440.35	Park District IT Support	9,996	12,715	50,000	25,000	-
440.40	Crossing Guard	-	-	32,000	32,000	32,000
440.45	GMAT/BATTLE	-	-	-	113,667	124,000
440.50	Overtime -ICE	-	-	-	6,500	8,500
20 - Intergovernmental Revenue		285,040	246,531	340,434	440,175	435,138

Percent Change 2015 vs. 2014 Budget

27.82%

25 - Licenses

420.05	Business Licenses	100,010	103,742	100,000	100,000	100,000
420.10	Tobacco Licenses	1,950	1,875	1,800	1,875	1,800
420.15	Vending Machine Licenses	120	1,630	2,000	4,680	4,650
420.20	Chauffer Licenses	1,970	2,130	2,400	2,100	2,100
420.25	Alarm Permits	26,548	29,305	28,000	30,000	30,000
420.50	All Other Licenses	9,695	8,430	9,000	9,000	9,000
425.05	Class A	45,000	50,208	52,500	50,000	50,000
425.10	Class B	23,200	21,472	20,700	20,700	22,000
425.15	Class C	36,300	41,050	35,000	27,500	27,500
425.20	Class D	3,900	6,200	5,400	5,400	5,400
425.25	Class E	7,500	6,000	9,000	10,500	10,500
425.30	Class F	2,000	2,000	2,000	2,000	4,000
425.50	Other	9,100	12,440	3,000	16,215	16,000
430.05	Animal Licenses Dogs	7,540	7,645	18,000	7,000	8,000
430.10	Animal Licenses Cats	601	495	5,650	350	650
25 - Licenses		275,434	294,622	294,450	287,320	291,600

Percent Change 2015 vs. 2014 Budget

-0.97%

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
30 - Permits						
435.05	Development Building Permits	147,753	32,935	51,000	51,000	35,000
435.10	Engineering Fees	172,770	56,722	45,000	85,000	85,000
435.15	Contractor Registration	75,475	79,750	70,000	80,000	80,000
435.20	Plan Review Fees	64,997	68,418	60,000	80,000	60,000
435.25	Filing Fees	3,050	3,650	3,000	6,000	2,500
435.30	Annexation Fees	700	-	7,000	3,500	-
435.35	Building Inspection Fees	150,799	231,338	175,000	235,000	160,000
435.40	Plumbing Inspection Fees	30,820	39,012	30,000	40,000	30,000
435.45	Electrical Inspection Fees	48,954	53,369	45,000	55,000	45,000
435.50	Mechanical Inspection Fees	18,900	20,750	15,000	19,000	17,000
435.55	Sign Inspection Fees	7,681	8,772	5,000	6,500	7,000
435.60	Elevator Inspection Fees	30,560	31,120	35,000	35,000	35,000
435.65	Fire Suppression Inspection	870	6,673	2,000	1,800	1,500
435.70	Rental Inspection Fees	-	89,633	100,000	103,000	103,000
435.71	Other Non-Bus Lic & Permits	46,512	41,204	56,250	50,000	45,000
30 - Permits		799,841	763,345	699,250	850,800	706,000
Percent Change 2015 vs. 2014 Budget						0.97%
35 - Fines and Fees						
455.05	Court Fines Cook	9,516	14,626	16,000	13,000	14,750
455.10	Court Fines Lake	446,571	569,965	495,000	505,000	505,000
455.15	Village Ordinance Fines	61,604	52,250	51,275	60,000	150,000
455.20	Alarm Service Calls	13,010	18,570	50,000	35,000	35,000
455.25	Accident Reports	3,885	4,850	5,000	7,650	6,503
455.30	Fingerprint Fees	-	-	-	-	2,040
455.35	Ambulance Transport Fees	672,066	740,228	855,000	750,000	775,000
455.40	Subpeona Fees	425	358	500	250	250
455.45	DUI Assessments	45,666	26,672	32,500	55,000	55,000
455.50	Impounding Fees	31,213	68,400	142,500	120,000	142,800
455.60	Administrative Bail Fee	-	2,900	12,500	8,500	7,395
455.65	Special Rescue Billing	-	-	110,000	50,000	80,000
35 - Fines and Fees		1,283,955	1,498,820	1,770,275	1,604,400	1,773,738
Percent Change 2015 vs. 2014 Budget						0.20%
45 - Interest Income						
450.05	Savings	6,380	797	750	800	800
450.10	Investment Pool	1,576	2,051	250	250	250
450.15	Money Market	17	(1,887)	-	-	-
450.20	CD's	113,143	52,307	65,000	55,000	45,000
450.25	Securities	10,160	1,954	12,000	13,000	14,000

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
45 - Interest Income		131,275	55,223	78,000	69,050	60,050
Percent Change 2015 vs. 2014 Budget						-23.01%
50 - Miscellaneous Revenue						
465.05	Cable Franchise Fees	837,693	765,825	820,000	770,000	770,000
465.10	Buffalo Grove Days	-	186	-	-	-
465.12	Symphonic Band	-	-	-	-	16,200
465.20	Facility Rental	3,850	3,850	3,850	3,850	3,850
465.25	Ins Property Damage Recovery	1,701	-	-	-	-
465.50	Misc Reimbursements/Refunds	-	712	-	-	-
465.51	Miscellaneous Donations	27,415	-	-	-	-
465.60	Central Garage Reimbursements	83,525	87,338	85,000	90,000	90,000
465.70	Recycling Proceeds	15,023	33,309	40,000	35,000	37,000
465.90	Miscellaneous Income	44,882	37,579	45,700	45,000	46,000
50 - Miscellaneous Revenue		1,014,090	928,799	994,550	943,850	963,050
Percent Change 2015 vs. 2014 Budget						-3.17%
55 - Operating Transfers						
460	Operating Transfers	-	-	-	-	-
460.05	Interfund Transfers In	705,000	765,000	827,500	827,500	852,500
55 - Operating Transfers		705,000	765,000	827,500	827,500	852,500
Percent Change 2015 vs. 2014 Budget						3.02%
Revenues Total		34,615,797	35,546,713	37,494,997	38,083,917	39,038,469
Percent Change 2015 vs. 2014 Budget						4.12%

Office of the Village Manager

The Office of the Village Manager (OVM) provides general management, staff leadership, and administrative review and oversight to all Village departments.

Legislative Components

The objective of the Village Board is to assure the community efficient and economical government service, and to establish policy and enact ordinances that protect the health, safety and welfare of residents.

Village Board

Members of the Board are assigned specific areas of responsibility by the Village President, and represent the Village at meetings, workshops and public hearings related to their responsibilities.

- Board members are elected at-large and each serves a four year term of office
- The Board establishes the vision and direction for the Village
- The Board coordinates operations through the Village Manager

Village Manager

- Executes policy set by Village Board
- Oversees Village day-to-day operations

Commissions, Committees and Boards

- Membership composed of Village residents
- Appointed by the Village President by and with the consent of the Village Board
- More than 100 volunteers serve eleven commissions, committees and boards

An overview of Village commissions, committees and board as codified in the Municipal Code may be reviewed in *Section 2: Organization and Services*.



Legal Division

The Village receives legal services from an outside firm that include specific research, ordinance preparation, annexation agreements, contracts and litigation.

Village Attorney

- Provides legal service and advice to the Village staff, Village Board and Village Commissions, Committees and Boards
- Attends Village Board meetings, Planning and Zoning Commission public hearings
- Is available for staff conferences as needed

Village Prosecutor

- On retainer to represent Village interests in court cases

Department Structure



2014 Strategic Plan Goal Accomplishments

Action Steps	Strategic Priority	Strategic Outcomes	Project Manager
Explore technology consortia for opportunities to leverage technology assets and gain highly-skilled support services. (Support Services/Hardware)	Organizational Culture, Technology Collaboration	The Village entered into an agreement with InterDev, LLC in January and the new IT provider mobilized in late March. At this time, staff from each of the participating communities is developing the structure and the by-laws of the new IT Consortium. The current members have decided not to push for growth until the Consortium by-laws are set. Discussions regarding sharing servers and hardware have already begun.	Village Manager
Identify and outline the services the Village provides broken down by departmental function and operating funds.	Revenue Growth, Cost Control	This will be complete by the end of 2015.	Deputy Village Manager
Prepare a strategy for the support and lobby of legislators to tax Internet sales that will allow for the Village to capture true sales.	Revenue Growth, Diversification	This goal is ongoing. President Braiman and Village Manager Bragg met with Congressman Schneider earlier this year to discuss a variety of topics that impact Buffalo Grove. The Congressman was made aware of the Village's desire to see Internet sales taxed. The Marketplace Fairness Act has stalled in Congress. There is no expected action on this bill before 2015.	Village Manager
Current work order, staffing utilization, equipment utilization, and service level expectation targets are defined (time to complete, satisfaction rating, cost to complete, etc.)	Service Optimization, External Service Tier	This has been moved to 2015 as a goal	Deputy Village Manager

Action Steps	Strategic Priority	Strategic Outcomes	Project Manager
Complete a fiscally constrained Technology Plan including customer service metrics, training and application platforms for the next five years.	Organizational Culture, Technology Collaboration	Moved to 2015 due to the IT Consortium.	IT Director, All Directors
Establish subject matter experts for software and programs, such as Wrike and Pub Works	Organizational Culture, Technology Collaboration	This will be complete by the end of 2014.	IT Director, All Directors
Create a comprehensive Wellness Program for all employees by January, 1 2015	Organizational Culture, Personal Growth and Balance	The health and wellness committee has been meeting regularly and already kicked off programs in 2014. Data evaluation will be done by the end of 2014. The 2015 goal is to use that data to evaluate health plan design changes.	HR Director, All Directors
Fully implement a new electronic performance evaluation system.	Organizational Culture, Personal Growth and Balance	Will go live January 1, 2015.	HR Director, All Directors
Current work order, staffing utilization, equipment utilization, and service level expectation targets are defined.	Service Optimization, External Service Tier	This has been moved to 2015 as a goal.	Public Works Director All Directors
Develop a customer satisfaction survey that analyzes all Village services. Complete survey and review with the Village Board.	Service Optimization, Marketing and Communication	This has been moved to 2015 as a goal.	Deputy Village Manager, All Directors
Develop an inter-departmental clerical resources training pool by rotating clerical staff into other positions.	Service Optimization, Organizational Needs	The Village completed construction of the 1st floor combined customer service counter in order to cross train employees and have a combined building and zoning and finance customer service counter. The change went live in May.	Deputy Village Manager, All Directors
Identify and outline the services the Village provides broken down by departmental function and operating funds.	Revenue Growth, Cost Control	Will be presented to the Village Manager by 12/31/14	Deputy Village Manager, All Directors

Action Steps	Strategic Priority	Strategic Outcomes	Project Manager
Catalog existing assets in a database format and review for possible use by other departments. Based upon department director input, appropriate charges for use of assets is established and appended to the database.	Service Optimization, Organizational Needs	This has been moved to 2015 as a goal.	Public Works Director, All Directors

2015 Strategic Plan Goals

Action Steps	Strategic Priority	Budgetary Considerations	Performance Metric	Project Manager
Create Economic Development Plan categorized by corridor	Economic Development, Active Development and Redevelopment	Active Development and Redevelopment	Final Plan adopted by Village Board 8/1/15	Deputy Village Manager
Conduct a corridor planning study of the Dundee Road Corridor	Economic Development, Active Development and Redevelopment	30 Staff Hours \$15,000 in consulting fees	Planning study delivered by 12/31/15	Deputy Village Manager
Catalog existing assets in a database format and review for possible use by other departments.	Service Optimization, Organizational Needs	40 Staff Hours	An intergovernmental asset sharing program is operational by 1/1/2016	Public Works Director, All Directors
Complete a fiscally constrained Technology Plan including customer service metrics, training and application platforms for the next five years.	Organizational Culture, Technology Collaboration	40 Staff Hours, Consultant time included in IT Contract	The Village's technology platform is capable of providing best-fit services that are reliable, consistent and integrated across departments and service areas by 7/1/2015.	IT Director, All Directors
A plan to share assets with other governmental entities is developed	Service Optimization, External Service Tier	50 Staff Hours	Plan developed and presented to Village Manager by 12/31/15	Public Works Director, All Directors
A catalog of services for each department will be developed and presented to the Village Board that identifies the Village's current service levels	Service Optimization, External Service Tier	200 Staff Hours	Plan presented to Village Board by 12/31/15	Deputy Village Manager, All Directors
Evaluate the opportunity for a regional 311/CRM system	Service Optimization, External Service Tier	100 Staff Hours	Report provided to the Village Manager by 9/30/15	Deputy Village Manager, All Directors
Go live with licensing, building permits, ticket collections, parking permits, and Police and Fire test sign up	Service Optimization, External Service Tier	\$7,000 80 Staff Hours	Licensing and building permits live by 5/1/15. All others live by 12/31/15	Deputy Village Manager, All Directors

Action Steps	Strategic Priority	Budgetary Considerations	Performance Metric	Project Manager
Develop a plan to effectively evaluate customer service satisfaction for key Village services	Service Optimization, Marketing and Communication	40 Staff Hours	Plan ready for implementation 1/1/16	Deputy Village Manager, All Directors
Develop a mid-year performance review program between employees and their immediate supervisors	Organizational Culture, Personal Growth & Balance	500 Staff Hours including development and implementation	Guidelines developed and sent to employees by 9/1/15	HR Director, All Directors

2015 Staffing Summary

For 2015, there are a few staffing changes in the Office of the Village Manager. With the Village Planner retiring and the Associate Planner leaving in 2014, a Community Development Director has been added to the department, a new Village Planner will be hired, and the Associate Planner position has been eliminated. Additionally, in 2014 the IT Department was outsourced and is now supervised by the Office of the Village Manager.

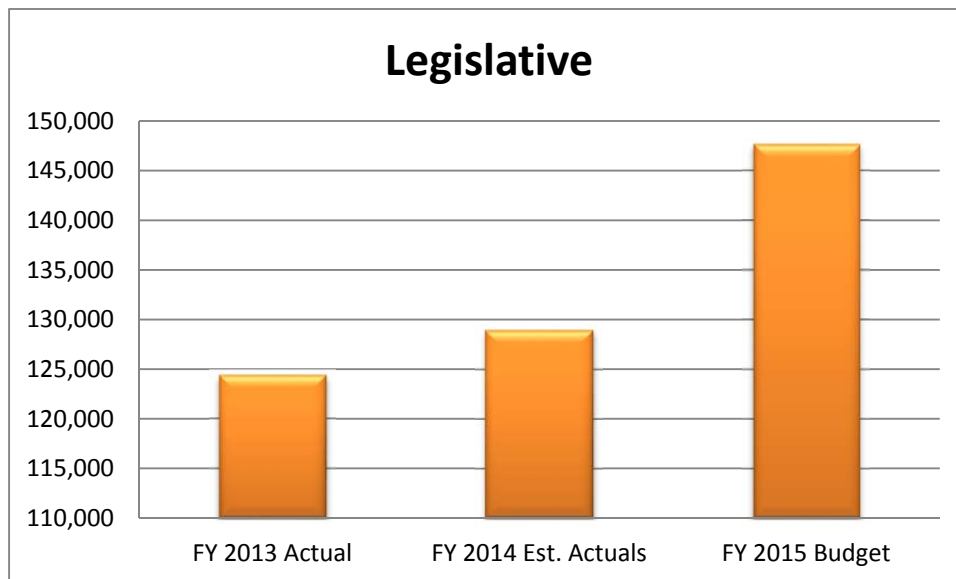
Office of the Village Manager/ Administration	FY 2013		FY 2014		FY 2015	
	FT	PT	FT	PT	FT	PT
Administrative Intern	0	1	0	1	0	0
Assistant to the Village Manager	1	0	0	0	0	0
Associate Planner	0	1	0	1	0	0
Community Development Director	0	0	0	0	1	0
Deputy Village Manager	1	0	1	0	1	0
Management Analyst	0	0	2	0	2	0
Administrative Assistant	1	0	1	0	0	0
Village Manager	1	0	1	0	1	0
Village Planner	1	0	1	0	1	0
Total	5	2	6	2	6	0
Full & Part-Time Total	7		8		6	

Budget Summary Legislative

	FY 2013 Actual	FY 2014 Est. Actuals	FY 2015 Budget
Personal Services	33,000	33,000	33,000
Personal Benefits	29,675	34,130	35,159
Operating Expenses	7,437	7,600	7,700
Commissions & Committees	28,251	28,568	44,300
Capital Equipment	1,121	0	0
All Other Expenses	24,939	25,700	27,550
Total	124,422	128,998	147,709

Budget Variance Legislative

Line Item Number	Account Description	Percent Change	Dollar Amount Change	Description of Change
510.02	Operating Expenses Telephone	-100%	-\$250	Not Budgeted for 2015
525.40	Commission & Committees Zoning Board of Appeals	-100%	-\$50	Not Budgeted for 2015
525.45	Commission & Committees Village Board	-100%	-\$1,200	Not Budgeted for 2015
525.50	Commission & Committees Symphonic Band	305%	\$12,200	Increase in revenue generated
580.45	Other Expenses Cable Television Programing	-11.36%	-\$2,500	New Vendor Contract
580.50	Other Expenses Senior Taxi Program	22.45%	\$550	Increase demand for the program



Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
Fund: 100 - General Fund						
<u>Expenditures</u>						
Department: 10 - Legislative						
10 - Salaries						
500	Personal Services	-	-	-	-	-
500.25	Elected Officials	33,000	33,000	33,000	33,000	33,000
10 - Salaries		33,000	33,000	33,000	33,000	33,000
Percent Change 2015 vs. 2014 Budget						0.00%
15 - Taxes and Benefits						
505	Personal Benefits	-	-	-	-	-
505.10	Professional Training	-	49	500	605	500
505.15	Dues & Memberships	30,040	29,626	31,000	31,000	32,000
505.75	Employer's Contribution - FICA	-	-	2,046	2,046	2,173
505.80	Employer's Contribution - IMRF	-	-	-	-	-
505.85	Employer's Contribution Medicare	-	-	479	479	486
15 - Taxes and Benefits		30,040	29,675	34,025	34,130	35,159
Percent Change 2015 vs. 2014 Budget						3.33%
25 - Operating Expenses						
510	Operating Expenses	-	-	-	-	-
510.02	Telephone	183	183	250	-	-
510.04	Travel	-	17	100	100	100
510.08	Reception & Community Affairs	5,667	7,170	7,000	7,500	7,500
510.40	Supplies - Office	36	67	100	-	100
25 - Operating Expenses		5,885	7,437	7,450	7,600	7,700
Percent Change 2015 vs. 2014 Budget						3.36%
35 - Other Services						
525	Commission & Committees	-	-	-	-	-
525.05	Blood Commission	146	164	300	100	300
525.10	Buffalo Grove Days	-	-	-	-	-
525.15	Fire and Police Commission	-	-	-	-	-
525.20	Fireworks for the Fourth	20,000	20,000	21,000	21,000	21,500
525.25	Plan Commission	-	-	-	-	-
525.30	Residents with Disabilities	624	(100)	700	200	700
525.35	Arts Commission	4,729	5,605	5,000	5,518	5,000
525.40	Zoning Board of Appeals	-	-	50	58	-
525.45	Village Board	1,168	339	1,200	192	-
525.50	Symphonic Band	4,345	4,702	4,000	1,000	16,200
525.55	Farmer's Market	(3,082)	(3,000)	500	500	500

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
525.95	Other Boards/Commissions	(39)	540	100	-	100
35 - Other Services		27,891	28,251	32,850	28,568	44,300
Percent Change 2015 vs. 2014 Budget		34.86%				
50 - Other Expenses						
580	All Other Expense	7	-	-	-	-
580.05	Other Expenses	440	1,031	50	-	50
580.10	Consultant Fees	799	1,109	5,000	3,200	5,000
580.45	Cable Television Programming	21,481	18,937	22,000	19,500	19,500
580.50	Senior Taxi Program	3,052	3,863	2,450	3,000	3,000
50 - Other Expenses		25,779	24,939	29,500	25,700	27,550
Percent Change 2015 vs. 2014 Budget		-6.61%				
55 - Capital Outlay						
555	Capital Equipment	-	-	-	-	-
555.10	Office and Other Equipment	1,296	1,121	-	-	-
55 - Capital Outlay		1,296	1,121	-	-	-
Percent Change 2015 vs. 2014 Budget		0.00%				
Department Total: 10 - Legislative		123,892	124,422	136,825	128,998	147,709
Percent Change 2015 vs. 2014 Budget		7.95%				

Budget Summary

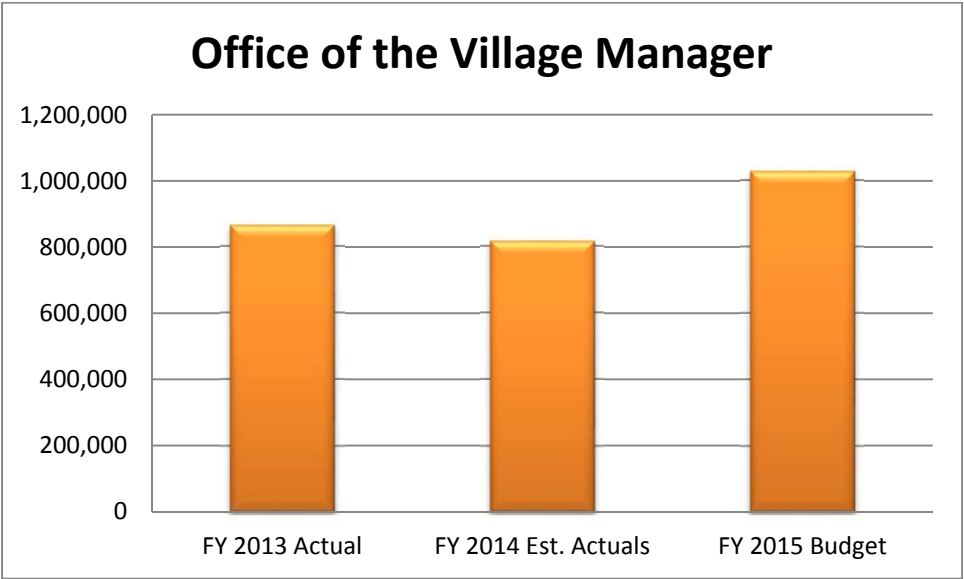
Office of the Village Manager

	FY 2013 Actual	FY 2014 Est. Actuals	FY 2015 Budget
Personal Services	658,891	546,918	635,528
Personal Benefits	99,923	208,280	258,641
Operating Expenses	64,781	50,200	106,524
Contractual Services	800	1,823	2,188
Repairs and Maintenance	135	-	500
Capital Equipment	40,327	10,267	10,267
All Other Expenses	1,631	900	16,800
Total	866,487	818,388	1,030,448

Budget Variances

Office of the Village Manager

Line Item Number	Account Description	Percent Change	Dollar Amount Change	Description of Change
500.05	Personal Services Salaries - Full Time	12.02%	\$70,222	Community Development Director
500.10	Personal Services Salaries - Part Time	-100%	-\$42,574	Eliminated position
500.35	Personal Services Salaries - Overtime	-100%	-\$500	Eliminated Overtime
500.40	Personal Services Salaries - Longevity	-100%	-\$1,800	No employee eligibility in 2015
505.05	Personal Benefits Group & Medical	15.74%	\$15,500	Additional employee coverage
505.10	Personal Benefits Professional Training	30%	\$1,500	Increase training for employees
505.15	Personal Benefits Dues & Memberships	10%	\$800	Additional memberships
505.85	Employer Contribution - Medicare	NEW	\$8,380	New expenditure line item
510.02	Operating Expenses Telephone	-13.46%	\$350	Reduced amount based on historical use
510.04	Operating Expenses Travel	50%	\$400	Additional employee training
510.10	Oper Expenses Maintenance Contracts	-100%	-\$9,600	Allocated to Internal Service Fund
510.21	Oper Exp – IT Internal Svc Fund	New	\$36,613	Internal Service Fund Expense
510.40	Operating Expenses Supplies	66.67%	\$800	Additional Desk
535.01	Repair & Maint – Building Maint Internal Svc Fund	New	\$24,262	Internal Service Fund Expense
545.01	Repair & Maint – Central Garage Internal Svc Fund	New	\$3,799	Internal Service Fund Expense
555.10	Capital Outlay – Office & Other Equip	New	\$3,647	New reserve line item



Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
Department: 15 - Office of the Village Manager						
10 - Salaries						
500	Personal Services	-	-	-	-	-
500.05	Full Time	563,331	546,695	565,306	500,000	635,528
500.10	Part Time	92,118	106,747	42,574	43,591	-
500.35	Overtime	172	4,049	500	2,327	-
500.40	Longevity	2,000	1,400	1,800	1,000	-
10 - Salaries		657,621	658,891	610,180	546,918	635,528
Percent Change 2015 vs. 2014 Budget						4.15%
15 - Taxes and Benefits						
505	Personal Benefits	-	-	-	-	-
505.05	Group & Medical Life	68,363	88,824	98,500	79,698	114,000
505.10	Professional Training	4,889	2,167	5,000	4,000	6,500
505.15	Dues & Memberships	6,970	8,932	8,000	8,000	8,800
505.45	ICMA Deferred Compensation	2,754	-	-	-	-
505.75	Employer's Contribution - FICA	-	-	35,829	33,859	34,965
505.80	Employer's Contribution - IMRF	-	-	79,170	74,804	85,161
505.85	Employer's Contribution Medicare	-	-	8,380	7,919	9,215
15 - Taxes and Benefits		82,975	99,923	234,879	208,280	258,641
Percent Change 2015 vs. 2014 Budget						10.12%
25 - Operating Expenses						
510	Operating Expenses	-	-	-	-	-
510.02	Telephone	2,694	2,553	2,600	2,600	2,250
510.03	Postage	-	-	-	-	-
510.04	Travel	1,143	1,740	800	1,200	1,200
510.06	Per Diem Allowance	74	230	500	500	500
510.08	Reception & Community Affairs	666	1,656	850	850	850
510.10	Maintenance Contracts	8,516	21,337	9,600	9,600	-
510.14	Subscriptions & Publications	32	1,382	1,500	1,500	1,550
510.16	Printing	448	1,000	500	250	500
510.18	Village Newsletter	33,388	33,632	33,000	33,000	33,000
510.21	IT Internal Svc Contribution	-	-	-	-	36,613
510.40	Supplies - Office	2,438	1,251	1,200	700	2,000
535.01	Facilities Building Mnt Internal Svc	-	-	-	-	24,262
545.01	Vehicles Central Garage Internal Svc	-	-	-	-	3,799
25 - Operating Expenses		49,399	64,781	50,550	50,200	106,524
Percent Change 2015 vs. 2014 Budget						110.73%

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
30 - Contractual Services						
515	Insurance	-	-	-	-	-
515.05	IRMA Premium	-	-	1,023	1,023	1,023
515.10	Unemployment Insurance	1,000	800	800	800	800
515.15	IRMA Deductible - Worker's Comp	-	-	219	-	219
515.20	IRMA Deductible - Non Wrker's Co	-	-	146	-	146
30 - Contractual Services		1,000	800	2,188	1,823	2,188
Percent Change 2015 vs. 2014 Budget						0.00%
40 - Repairs and Maintenance						
550.05	Other Department Equipment	229	135	500	-	500
40 - Repairs and Maintenance		229	135	500	-	500
Percent Change 2015 vs. 2014 Budget						0.00%
50 - Other Expenses						
580	All Other Expense	-	-	-	-	-
580.05	All Other Expenses	7,669	1,631	1,800	900	1,800
580.10	Consultant Fees	48	-	-	-	15,000
50 - Other Expenses		7,717	1,631	1,800	900	16,800
Percent Change 2015 vs. 2014 Budget						833.33%
55 - Capital Outlay						
555	Capital Equipment	-	-	-	-	-
555.10	Office and Other Equipment	461	18,318	-	3,647	3,647
555.40	Reserve for Technology	-	22,009	1,250	1,250	1,250
555.50	Reserve for Buildings	-	-	5,370	5,370	5,370
55 - Capital Outlay		461	40,327	6,620	10,267	10,267
Percent Change 2015 vs. 2014 Budget						55.09%
Department Total: 15 - Office of the Village Manager		799,402	866,487	906,717	818,388	1,030,448
Percent Change 2015 vs. 2014 Budget						13.65%

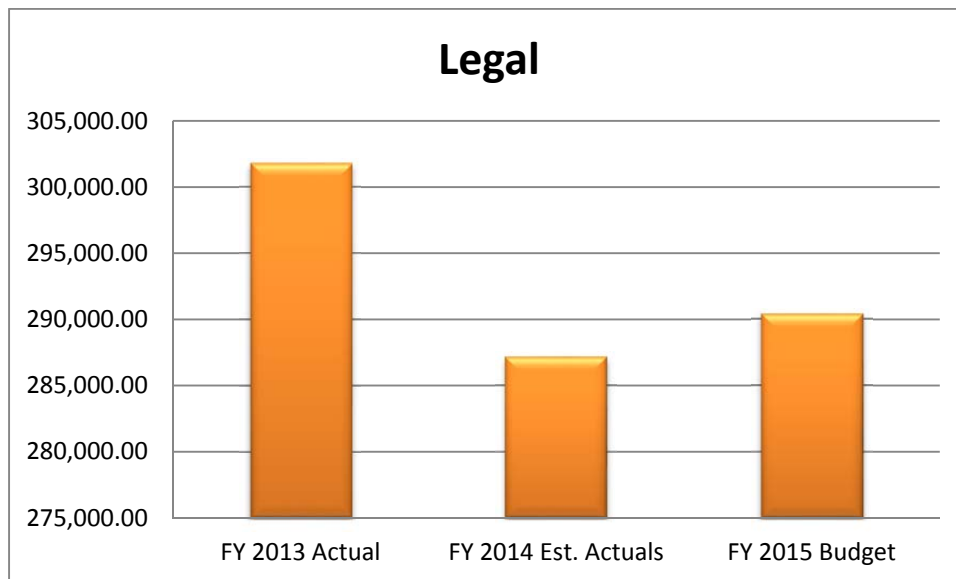
Legal

	FY 2013 Actual	FY 2014 Est. Actuals	FY 2015 Budget
Legal Services	301,823	287,200	290,432
Total	301,823	287,200	290,432

Budget Variances

Legal

Line Item Number	Account Description	Percent Change	Dollar Amount Change	Description of Change
510.21	Oper Exp – IT Internal Svc Fund	New	\$782	Internal Service Fund Expense



Description	2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
Fund: 100 - General Fund					
<u>Expenditures</u>					
Department: 20 - Legal					
25 - Operating Expenses					
510.21 IT Internal Svc Contribution	-	-	-	-	782
25 - Operating Expenses	-	-	-	-	782
Percent Change 2015 vs. 2014 Budget					0.00%
30 - Contractual Services					
520 Legal Services	-	-	-	-	-
520.05 Retainer Fee	50,000	50,000	50,000	50,000	50,000
520.10 Prosecutor Fee	67,800	73,345	68,000	73,000	68,000
520.15 Attorney's Fees	146,890	153,468	152,000	146,500	152,000
520.20 Recording Fees	154	450	200	476	200
520.25 Legal Notices	8,586	8,520	8,400	11,000	8,400
520.30 Litigation Reserve	4,371	15,962	4,200	4,303	4,200
520.35 Messenger Fees	-	-	350	350	350
520.40 Special Counsel	-	-	1,000	1,000	1,000
520.45 Legal Reimbursable	(4,310)	79	5,500	571	5,500
30 - Contractual Services	273,490	301,824	289,650	287,200	289,650
Percent Change 2015 vs. 2014 Budget					0.00%
Department Total: 20 - Legal	273,490	301,824	289,650	287,200	290,432
Percent Change 2015 vs. 2014 Budget					0.27%

Finance Department

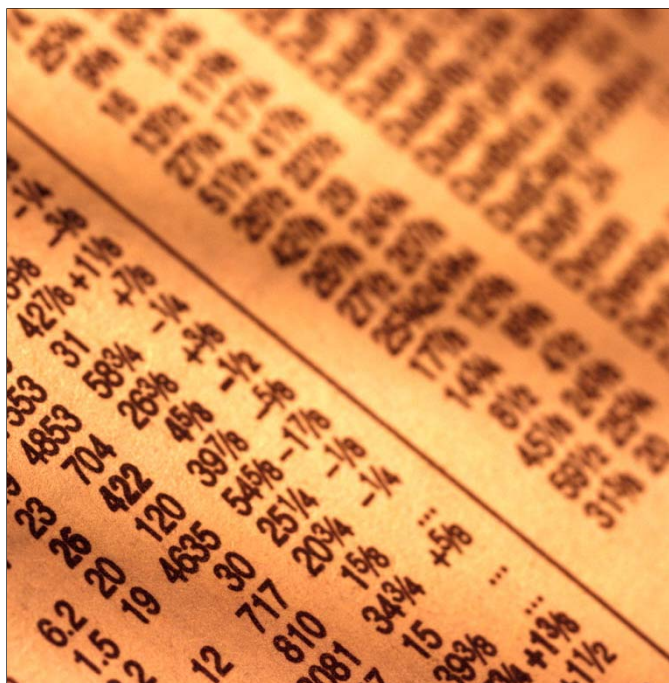
The Finance Department is established to provide the Village with a wide range of financial, analytical and administrative support

The Finance Department is committed to serving the needs of customers by providing excellent customer service through sound, financial management and professionalism. The department functions in a broad staff support environment, assisting departments at different levels.

Various programs have been established to account for all Village financial transactions. The procedures are articulated in the Village's Investment Policy and Procedures. The newly adopted Purchasing Policy is affirmed as part of the Village's annual audit process as well as the preparation of the Comprehensive Annual Financial Report.

Finance Functions

1. Payroll and human resource support (including health insurance administration)
2. Financial administration, planning, analysis and budgeting
3. General services and license administration
4. Utility billing
5. Bookkeeping, accounting and auditing
6. Statutory administrative services
7. Centralized purchasing



Comprehensive Annual Financial Report

Each summer, the Finance Department publishes a report outlining revenues and expenditures from the previous fiscal year. This report includes information about the Village's financial condition and fiscal activities.

This report is presented in accordance with the generally accepted accounting principles (GAAP) outlined by the Government Finance Officers Association

Budget

Each winter, the Village Board of Trustees approves the budget document for the following year. The document is compiled by the Finance Department with input from all levels of government in Buffalo Grove.

Department Structure



2014 Strategic Plan Goal Accomplishments

Action Steps	Strategic Priority	Strategic Outcome	Project Manager
Rewrite village contract and RFP templates to include automated clearing house payment options.	Economic Development, Opportunity Management	Standard language has been developed and is placed in all contracts.	Finance Director
Analyze collections and find opportunities for improved collection in all revenue categories, including the state debt collection program. Put together a formal plan ready for implementation by January 1, 2015.	Revenue Growth, Diversification	This will be complete by the end of 2015	Finance Director
5% increase of customers on e-pay by the end of January 1, 2015	Revenue Growth , Cost Control	Currently trending towards 8%	Finance Director
Re-align the chart of accounts to reflect the prioritization of core services	Revenue Growth, Cost Control	This will be complete by the end of 2015.	Finance Director
Identify and map out a phased in approach to all online services (including funding options).	Organizational Culture, Technology Collaboration	A presentation was given to the Village Board at the 7/28 COW meeting with the strategy to deploy online services. Licensing will go live in November of this year.	Finance Director
Complete a fiscally constrained Technology Plan including customer service metrics, training and application platforms for the next five years.	Organizational Culture, Technology Collaboration	Moved to 2015 due to the IT Consortium.	IT Director, All Directors
Establish subject matter experts for software and programs, such as Wrike and Pub Works	Organizational Culture, Technology Collaboration	This will be complete by the end of 2014.	IT Director, All Directors
Create a comprehensive Wellness Program for all employees by January, 1 2015	Organizational Culture, Personal Growth and Balance	The health and wellness committee has been meeting regularly and already kicked off programs in 2014. Data evaluation will be done by the end of 2014. The 2015 goal is to use that data to evaluate health plan design changes.	HR Director, All Directors

Action Steps	Strategic Priority	Strategic Outcome	Project Manager
Fully implement a new electronic performance evaluation system.	Organizational Culture, Personal Growth and Balance	Will go live January 1, 2015.	HR Director, All Directors
Current work order, staffing utilization, equipment utilization, and service level expectation targets are defined.	Service Optimization, External Service Tier	This has been moved to 2015 as a goal.	Public Works Director, All Directors
Develop a customer satisfaction survey that analyzes all Village services. Complete survey and review with the Village Board.	Service Optimization, Marketing and Communication	This has been moved to 2015 as a goal.	Deputy Village Manager, All Directors
Develop an inter-departmental clerical resources training pool by rotating clerical staff into other positions.	Service Optimization, Organizational Needs	The Village completed construction of the 1st floor combined customer service counter in order to cross train employees and have a combined building and zoning and finance customer service counter. The change went live in May.	Deputy Village Manager, All Directors
Identify and outline the services the Village provides broken down by departmental function and operating funds.	Revenue Growth, Cost Control	Will be presented to the Village Manager by 12/31/14	Deputy Village Manager, All Directors
Catalog existing assets in a database format and review for possible use by other departments. Based upon department director input, appropriate charges for use of assets is established and appended to the database.	Service Optimization, Organizational Needs	This has been moved to 2015 as a goal.	Public Works Director, All Directors

2015 Strategic Plan Goals

Action Steps	Strategic Priority	Budgetary Considerations	Performance Metric	Project Manager
Establish program/service cost centers	Revenue Growth, Cost Control	40 Staff Hours	Revised chart of accounts and service catalog to Village Manager by 5/31/15	Finance Director
Train Village staff on program based budgeting	Revenue Growth, Cost Control	90 Staff Hours	Number of employees trained by 12/31/2015	Finance Director
Evaluate the success and use of performance contracting	Revenue Growth, Cost Control	20 Staff Hours	Dollars saved through a performance contract through 12/31/2015	Finance Director
Audit equipment usage and lifecycles to ensure proper reserve payments are made	Infrastructure Sustainability, Financial	40 Staff Hours	Audit completed by 5/31/15	Finance Director
Evaluate a capital leasing strategy for large assets	Infrastructure Sustainability, Financial	40 Staff Hours	Results of evaluation presented to Village Manager by 5/31/15	Finance Director
Develop a plan to audit Food & Beverage taxpayers and implement the plan	Revenue Growth, Cost Control	60 Staff Hours	Percent of taxpayers audited per plan by 12/31/2015	Finance Director
Create a fee schedule within the Village code	Revenue Growth, Reserves	30 Staff Hours	Fee schedule presented to the Village Board for adoption by 9/1/15	Finance Director
Catalog existing assets in a database format and review for possible use by other departments.	Service Optimization, Organizational Needs	40 Staff Hours	An intergovernmental asset sharing program is operational by 1/1/2016	Public Works Director, All Directors
Complete a fiscally constrained Technology Plan including customer service metrics, training and application platforms for the next five years.	Organizational Culture, Technology Collaboration	40 Staff Hours, Consultant time included in IT Contract	The Village's technology platform is capable of providing best-fit services that are reliable, consistent and integrated across departments and service areas by 7/1/2015.	IT Director, All Directors
A plan to share assets with other governmental entities is developed	Service Optimization, External Service Tier	50 Staff Hours	Plan developed and presented to Village Manager by 12/31/15	Public Works Director, All Directors

Action Steps	Strategic Priority	Budgetary Considerations	Performance Metric	Project Manager
A catalog of services for each department will be developed and presented to the Village Board that identifies the Village's current service levels	Service Optimization, External Service Tier	200 Staff Hours	Plan presented to Village Board by 12/31/15	Deputy Village Manager, All Directors
Evaluate the opportunity for a regional 311/CRM system	Service Optimization, External Service Tier	100 Staff Hours	Report provided to the Village Manager by 9/30/15	Deputy Village Manager, All Directors
Go live with licensing, building permits, ticket collections, parking permits, and Police and Fire test sign up	Service Optimization, External Service Tier	\$7,000 80 Staff Hours	Licensing and building permits live by 5/1/15. All others live by 12/31/15	Deputy Village Manager, All Directors
Develop a plan to effectively evaluate customer service satisfaction for key Village services	Service Optimization, Marketing and Communication	40 Staff Hours	Plan ready for implementation 1/1/16	Deputy Village Manager, All Directors
Develop a mid-year performance review program between employees and their immediate supervisors	Organizational Culture, Personal Growth & Balance	500 Staff Hours including development and implementation	Guidelines developed and sent to Employees by 9/1/15	HR Director, All Directors
Retire Lotus Notes	Organizational Culture, Technology Collaboration	250 Staff Hours \$179,770 Software Costs	Lotus Notes Databases converted to other platforms by 12/31/15	Deputy Village Manager, All Directors

2015 Staffing Summary

For 2015, the personnel counts reflect the strategic move to a combined customer service counter for Building & Zoning and Finance. This change moves one full-time secretary from the Fire Department into the Finance department and moves one Finance Clerk from part-time to full-time. The full-time clerk will take over the licensing responsibilities (aside from liquor licensing) from the Deputy Village Clerk. The Deputy Village Clerk will be primarily responsible for Village Board minutes and support as well as liquor licensing and freedom of information act requests.

Finance & General Services	FY 2013		FY 2014		FY 2015	
	FT	PT	FT	PT	FT	PT
Accountant	1	0	1	0	1	0
Deputy Finance Director	1	0	1	0	1	0
Clerk II	1	1	2	0	2	0
Clerk III	3	0	2	0	1	0
Director of Finance/Treasurer	1	0	1	0	1	0
Payroll Clerk III	1	0	1	0	1	0
Purchasing Manager	1	0	1	0	1	0
Secretary	0	0	0	0	0	0
Total	9	1	10	0	10	0
Full & Part-Time Total	10		10		8	

2015 Budget Summary

Finance and General Services

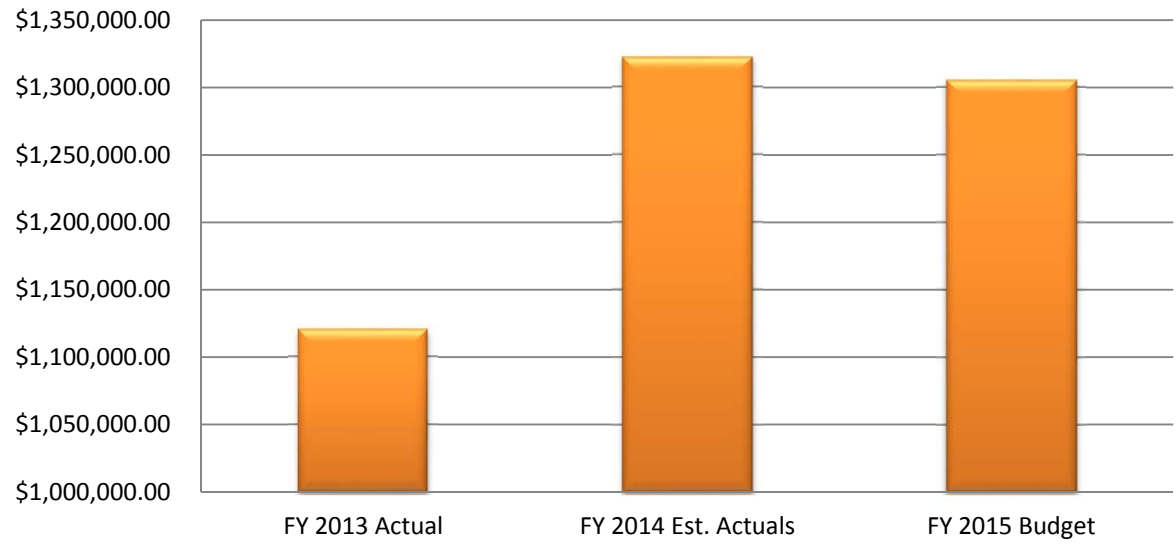
	FY 2013 Actual	FY 2014 Est. Actuals	FY 2015 Budget
Personal Services	700,859	720,136	669,145
Personal Benefits	157,133	337,512	293,576
Operating Expenses	200,916	187,811	257,867
Contractual Services	960	1,855	1,855
Committees & Commissions	32,264	30,000	32,000
Repairs and Maintenance	241	2,000	2,000
Capital Equipment	405	8,660	8,660
All Other Expenses	28,114	34,961	27,500
Total	1,120,894	1,322,935	1,292,603

2015 Budget Variances

Finance and General Services

Line Item Number	Account Description	Percent Change	Dollar Amount Change	Description of Change
500.40	Personal Services Salaries - Longevity	-47.62%	-\$2,000	Eligible staff member no longer employed with the Village
505.05	Personal Benefits Group & Medical Life	-16.30%	-\$29,611	Staff reduction
505.10	Personal Benefits – Professional Training	32.10%	\$1,215	Additional training for staff
505.75	Employer Contribution - FICA	-12.29%	-\$5,354	Staff reduction
510.06	Operating Expenses – Per Diem Allowance	122.22%	\$275	Additional training for staff
510.12	Operating Expenses – Equipment Rental	11.32%	-\$371	Increase in equipment contract
510.16	Operating Expenses- Printing	-27.27%	-\$3,000	Reduction in bill printing cost
510.21	Oper Exp – IT Internal Svc Fund	New	\$41,843	Internal Service Fund Expense
510.28	Operating Expenses – Audit Fee's	17.78%	\$6,400	Contractual increase
510.40	Operating Expenses – Supplies – Office	-31.82%	\$3,500	Reduction of purchases
535.01	Maint & Repair – Building Maint Internal Svc Fund	New	\$27,727	Internal Service Fund Expense
580.05	All Other Expenses – Other Expenses	108.33%	\$1,300	Publications and other materials
580.10	All Other Expenses – Consultant Fees	-25.95%	-\$8,761	Reduction in use of consultants

Finance & General Services



Description		2012 Actual	2013 Actual	2014 Budget	2014 Est.	2015 Budget
Department: 30 - Finance						
10 -						
Salaries						
500.05	Full Time	557,144	644,748	702,936	615,085	653,945
500.10	Part Time	37,789	36,868	-	-	-
500.25	Elected Officials	6,000	6,000	6,000	6,000	6,000
500.35	Overtime	8,936	8,444	7,000	7,000	7,000
500.40	Longevity	4,400	4,800	4,200	4,200	2,200
10 - Salaries		614,270	700,860	720,136	632,285	669,145
Percent Change 2015 vs. 2014 Budget						-7.08%
15 - Taxes and Benefits						
505.05	Group & Medical Life	121,632	153,889	181,611	145,533	152,000
505.10	Professional Training	3,128	2,209	3,785	3,785	5,000
505.15	Dues & Memberships	966	1,035	1,235	1,235	1,235
505.45	ICMA Deferred Compensation	1,770	-	-	-	-
505.75	Employer Contribution - FICA	-	-	43,583	38,015	38,229
505.80	Employer Contribution - IMRF	-	-	97,126	87,563	87,629
505.85	Employer Contribution Medicare	-	-	10,172	9,355	9,483
15 - Taxes and Benefits		127,495	157,133	337,512	285,486	293,576
Percent Change 2015 vs. 2014 Budget						-13.02%
25 - Operating Expenses						
510.02	Telephone	10,892	20,896	10,000	10,000	10,000
510.03	Postage	56,480	74,485	70,575	70,000	70,000
510.04	Travel	691	1,737	1,500	1,550	1,500
510.06	Per Diem Allowance	36	247	225	-	500
510.08	Reception & Community Affairs	594	678	600	600	600
510.10	Maintenance Contracts	5,822	43,311	43,485	43,485	44,000
510.12	Equipment Rental	1,893	3,267	3,276	5,280	3,647
510.14	Subscriptions & Publications	359	337	150	55	150
510.16	Printing	18,371	10,255	11,000	10,000	8,000
510.21	IT Internal Svc Contribution	-	-	-	-	41,843
510.28	Audit Fees	39,300	40,400	36,000	36,225	42,400
510.40	Supplies - Office	11,171	5,303	11,000	7,000	7,500
535.01	Facilities Building Mnt Internal Svc	-	-	-	-	27,727
25 - Operating Expenses		145,609	200,916	187,811	184,195	257,867
Percent Change 2015 vs. 2014 Budget						37.30%

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est.	2015 Budget
30 - Contractual Services						
515.05	IRMA Premium	-	-	1,367	1,367	1,367
515.10	Unemployment Insurance	1,200	960	-	-	-
515.15	IRMA Deductible - Worker's Comp	-	-	293	-	293
515.20	IRMA Deductible - Non Wrker's Co	-	-	195	-	195
30 - Contractual Services		1,200	960	1,855	1,367	1,855
Percent Change 2015 vs. 2014 Budget						0.00%
35 - Other Services						
525.10	Buffalo Grove Days	43,206	32,264	30,000	32,000	32,000
35 - Other Services		43,206	32,264	30,000	32,000	32,000
Percent Change 2015 vs. 2014 Budget						6.67%
40 - Repairs and Maintenance						
550.05	Other Department Equipment	370	242	2,000	1,000	2,000
40 - Repairs and Maintenance		370	242	2,000	1,000	2,000
Percent Change 2015 vs. 2014 Budget						0.00%
50 - Other Expenses						
580.05	All Other Expenses	976	2,030	1,200	2,500	2,500
580.10	Consultant Fees	24,284	26,085	33,761	28,000	25,000
50 - Other Expenses		25,260	28,114	34,961	30,500	27,500
Percent Change 2015 vs. 2014 Budget						-21.34%
55 - Capital Outlay						
555.10	Office and Other Equipment	214	406	-	-	-
555.40	Reserve for Technology	171	-	1,500	1,500	1,500
555.50	Reserve for Buildings	-	-	7,160	7,160	7,160
55 - Capital Outlay		385	406	8,660	8,660	8,660
Percent Change 2015 vs. 2014 Budget						0.00%
Department Total: 30 - Finance		957,794	1,120,895	1,322,935	1,175,493	1,292,603
Percent Change 2015 vs. 2014 Budget						-2.29%

Human Resources Department

The Department of Human Resources is responsible for a variety of elements related to staffing, retention, and training of Village of Buffalo Grove employees

The Human Resources Division is structured to provide support to all Village departments, including but not limited to recruitment, selection, training, promotion and retention of quality employees; compensation and benefit program administration; employee and labor relations; collective bargaining negotiation and management of current labor agreement(s); administration of the pay for performance system; policy administration and interpretation, assisting employees and management staff with day-to-day human resources issues; employee recognition programs; staff liaison to the Board of Fire and Police Commissioners; appointed member of the Fire Pension Board and delegate to both the Intergovernmental Personnel Benefits Cooperative (IPBC) and the Intergovernmental Risk Management Agency (IRMA).

Additionally, payroll support is provided to the Department of Finance and General Services by Human Resources. This includes, but is not limited to, bi-weekly reporting to the International City/County Management Association Retirement Corporation (ICMA/RC) 457 Deferred Compensation Plan, Payroll deduction Roth IRA and VantageCare Retiree Health Savings (RHS) Plan.



The Board of Police and Fire Commissioners

The Village's Human Resources Department is joined by the Board of Police and Fire Commissioners in hiring for Buffalo Grove public safety positions. The Board meets once each month and has five members. Other responsibilities of the Board of Police and Fire Commissioners include:

- Testing and hiring of Police Officers and Firefighter / Paramedics
- Testing and promotion of Police Sergeants and Fire Lieutenants

Department Structure



2014 Strategic Plan Goal Accomplishments

Action Steps	Strategic Priority	Strategic Outcomes	Project Manager
Develop an annual comprehensive training and development program for employees that includes a Village-wide "Existing Employee Orientation" and a leadership develop program for supervisors.	Organizational Culture, Personal Growth and Balance	2015 goal.	HR Director
Complete a fiscally constrained Technology Plan including customer service metrics, training and application platforms for the next five years.	Organizational Culture, Technology Collaboration	Moved to 2015 due to the IT Consortium.	IT Director, All Directors
Establish subject matter experts for software and programs, such as Wrike and Pub Works	Organizational Culture, Technology Collaboration	This will be complete by the end of 2014.	IT Director, All Directors
Create a comprehensive Wellness Program for all employees by January, 1 2015	Organizational Culture, Personal Growth and Balance	The health and wellness committee has been meeting regularly and already kicked off programs in 2014. Data evaluation will be done by the end of 2014. The 2015 goal is to use that data to evaluate health plan design changes.	HR Director, All Directors
Fully implement a new electronic performance evaluation system.	Organizational Culture, Personal Growth and Balance	Will go live January 1, 2015.	HR Director, All Directors
Current work order, staffing utilization, equipment utilization, and service level expectation targets are defined.	Service Optimization, External Service Tier	This has been moved to 2015 as a goal.	Public Works Director, All Directors
Develop a customer satisfaction survey that analyzes all Village services. Complete survey and review with the Village Board.	Service Optimization, Marketing and Communication	This has been moved to 2015 as a goal.	Deputy Village Manager, All Directors

Action Steps	Strategic Priority	Strategic Outcomes	Project Manager
Develop an inter-departmental clerical resources training pool by rotating clerical staff into other positions.	Service Optimization, Organizational Needs	The Village completed construction of the 1st floor combined customer service counter in order to cross train employees and have a combined building and zoning and finance customer service counter. The change went live in May.	Deputy Village Manager, All Directors
Identify and outline the services the Village provides broken down by departmental function and operating funds.	Revenue Growth, Cost Control	Will be presented to the Village Manager by 12/31/14	Deputy Village Manager, All Directors
Catalog existing assets in a database format and review for possible use by other departments. Based upon department director input, appropriate charges for use of assets is established and appended to the database.	Service Optimization, Organizational Needs	This has been moved to 2015 as a goal.	Public Works Director, All Directors

2015 Strategic Plan Goals

Action Steps	Strategic Priority	Budgetary Considerations	Performance Metric	Project Manager
All personnel files converted to electronic format by 12/31/15	Organizational Culture, Technology Collaboration	200 Staff Hours, \$14,000 Software Costs	All Electronic Personnel Files by 12/31/15	HR Director
Implement Online Applicant Tracking	Organizational Culture, Technology Collaboration	30 Staff Hours \$12,600 Software Costs	Program Implemented 7/1/15	HR Director
Launch the BG Training Academy that includes a supervisory track	Organizational Culture, Personal Growth and Balance	200 Staff Hours	Academy Launch 4/1/15	HR Director
Work with Wellness Committee to develop health insurance plan design changes	Organizational Culture, Personal Growth and Balance	40 Staff Hours	Recommendations to senior staff by 12/31/2015	HR Director
Launch and Evaluate Pay for Performance Plan	Organizational Culture, Leadership and Support	\$10,700 Annual Maintenance for Software, 100 Staff Hours	Performance Increases awarded 7/1/15. Evaluation of program to Village Manager by 11/1/15	HR Director
Catalog existing assets in a database format and review for possible use by other departments.	Service Optimization, Organizational Needs	40 Staff Hours	An intergovernmental asset sharing program is operational by 1/1/2016	Public Works Director, All Directors
Complete a fiscally constrained Technology Plan including customer service metrics, training and application platforms for the next five years.	Organizational Culture, Technology Collaboration	40 Staff Hours, Consultant time included in IT Contract	The Village's technology platform is capable of providing best-fit services that are reliable, consistent and integrated across departments and service areas by 7/1/2015.	IT Director, All Directors
A plan to share assets with other governmental entities is developed	Service Optimization, External Service Tier	50 Staff Hours	Plan developed and presented to Village Manager by 12/31/15	Public Works Director, All Directors
A catalog of services for each department will be developed and presented to the Village Board that identifies the Village's current service levels	Service Optimization, External Service Tier	200 Staff Hours	Plan presented to Village Board by 12/31/15	Deputy Village Manager, All Directors

Action Steps	Strategic Priority	Budgetary Considerations	Performance Metric	Project Manager
Evaluate the opportunity for a regional 311/CRM system	Service Optimization, External Service Tier	100 Staff Hours	Report provided to the Village Manager by 9/30/15	Deputy Village Manager, All Directors
Go live with licensing, building permits, ticket collections, parking permits, and Police and Fire test sign up	Service Optimization, External Service Tier	\$7,000 80 Staff Hours	Licensing and building permits live by 5/1/15. All others live by 12/31/15	Deputy Village Manager, All Directors
Develop a plan to effectively evaluate customer service satisfaction for key Village services	Service Optimization, Marketing and Communication	40 Staff Hours	Plan ready for implementation 1/1/16	Deputy Village Manager, All Directors
Develop a mid-year performance review program between employees and their immediate supervisors	Organizational Culture, Personal Growth & Balance	500 Staff Hours including development and implementation	Guidelines developed and sent to Employees by 9/1/15	HR Director, All Directors
Retire Lotus Notes	Organizational Culture, Technology Collaboration	250 Staff Hours \$179,770 Software Costs	Lotus Notes Databases converted to other platforms by 12/31/15	Deputy Village Manager, All Directors

2015 Staffing Summary

There are no staffing changes for 2015.

Human Resources	FY 2013		FY 2014		FY 2015	
	FT	PT	FT	PT	FT	PT
Director of Human Resources	1	0	1	0	1	0
Management Analyst	0	0	1	0	1	0
Secretary	0	1	0	0	0	0
Total	1	1	2	0	2	0
Full & Part-Time Total	2		2		2	

Budget Summary

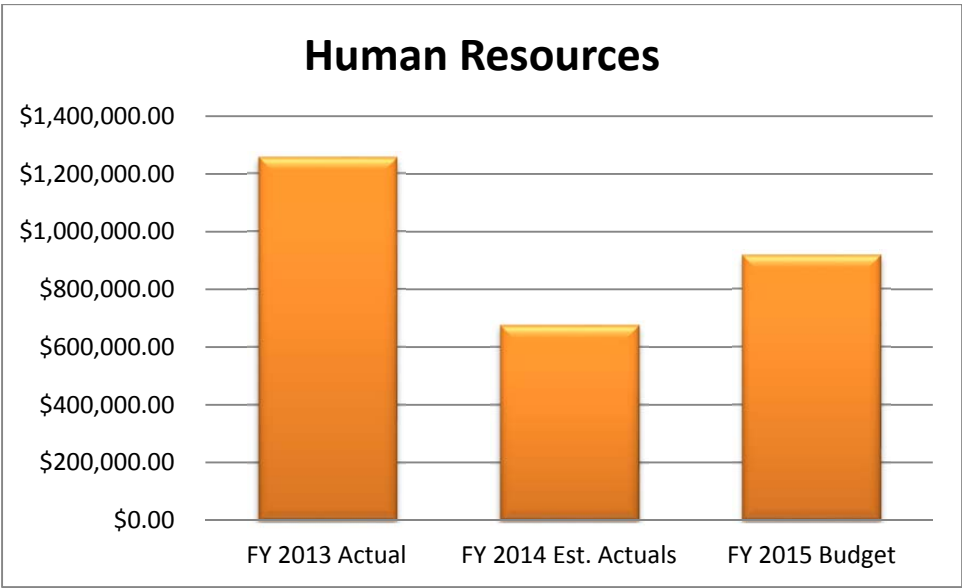
Human Resources

	FY 2013 Actual	FY 2014 Est. Actual	FY 2015 Budget
Personal Services	130,369	170,800	310,730
Personal Benefits	50,171	69,500	135,676
Operating Expenses	47,717	23,250	40,993
Contractual Services	493,155	90,000	90,475
Committees & Commissions	1,301	13,000	30,000
Capital Equipment	92	22,045	19,545
All Other Expenses	234,345	1,500	1,500
Total	957,154	390,095	629,189

Budget Variances

Human Resources

Line Item Number	Account Description	Percent Change	Dollar Amount Change	Description of Change
500.05	Personal Services Salaries - Full Time	58%	\$139,930	\$125,000 added for pay for performance.
505.10	Personal Benefits Professional Training	28.5%	\$2,500	Attendance at annual conference of the National Public Employer Labor Relations Association (NPELRA) and funds added for Management Analyst.
510.21	Oper Exp – IT Internal Svc Fund	New	\$10,461	Internal Service Fund Expense
525.15	Commissions and Committees Fire and Police Commission	79%	\$17,000	Cost of writing test custom test and assessment center for police promotions.
535.01	Maint & Repair – Building Internal Svc Fund	New	\$6,932	Internal Service Fund Expense
555.10	Capital Equipment Office and Other Equipment	-12.66%	\$1,600	Purchase of NeoGov application tracking software and beginning of scanning project.



Expenditures

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
Fund: 100 - General Fund						
Department: 35 - Human Resources						
10 - Salaries						
500	Personal Services	-	-	-	-	-
500.05	Full Time	120,350	129,770	285,048	170,000	309,930
500.10	Part Time	-	-	-	-	-
500.40	Longevity	600	600	800	800	800
10 - Salaries		120,950	130,370	285,848	170,800	310,730
Percent Change 2015 vs 2014 Budget						8.70%
15 - Taxes and Benefits						
505	Personal Benefits	-	-	-	-	-
505.05	Group & Medical Life	32,416	28,506	39,000	39,000	38,000
505.10	Professional Training	1,497	1,768	9,000	7,500	10,000
505.15	Dues & Memberships	753	749	1,100	1,500	1,600
505.40	Tuition Reimbursement	10,736	13,967	15,000	15,000	15,000
505.45	ICMA Deferred Compensation	1,524	-	-	-	-
505.50	Employee Recognition	1,365	5,183	6,500	6,500	6,500
505.75	Employer's Contribution - FICA	-	-	11,523	-	18,551
505.80	Employer's Contribution - IMRF	-	-	25,462	-	41,531
505.85	Employer's Contribution Medicare	-	-	2,695	-	4,494
15 - Taxes and Benefits		48,291	50,172	110,280	69,500	135,676
Percent Change 2015 vs 2014 Budget						23.03%
25 - Operating Expenses						
510	Operating Expenses	-	-	-	-	-
510.02	Telephone	934	1,061	1,200	1,200	1,000
510.04	Travel	1,490	1,138	2,100	2,000	2,100
510.06	Per Diem Allowance	-	450	500	400	500
510.10	Maintenance Contracts	-	-	-	-	-
510.14	Subscriptions & Publications	1,350	1,731	3,000	3,000	3,000
510.21	IT Internal Svc Contribution	-	-	-	-	10,461
510.22	Recruitment Charges	2,692	40,214	16,000	14,000	14,000
510.24	CDL Testing	7,046	2,554	1,200	1,650	2,000
510.40	Supplies - Office	76	570	1,000	1,000	1,000
535.01	Facilities Building Mnt Internal Svc	-	-	-	-	6,932
545.01	Vehicles Central Garage Internal Svc	-	-	-	-	-
25 - Operating Expenses		13,588	47,718	25,000	23,250	40,993
Percent Change 2015 vs 2014 Budget						63.97%

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
30 - Contractual Services						
515	Insurance	-	-	-	-	-
515.05	IRMA Premium	(193,020)	426,658	431	431	431
515.10	Unemployment Insurance	200	160	160	160	160
515.15	IRMA Deductible - Worker's Comp	-	-	92	92	92
515.20	IRMA Deductible - Non Wrkr's Co	-	-	62	62	62
520	Legal Services	-	-	-	-	-
520.40	Special Counsel	13,981	66,337	100,000	90,000	90,000
30 - Contractual Services		(178,839)	493,156	100,745	90,745	90,745
Percent Change 2015 vs 2014 Budget						-9.93%
35 - Other Services						
525	Commission & Committees	-	-	-	-	-
525.15	Fire and Police Commission	32,579	1,302	30,000	13,000	30,000
35 - Other Services		32,579	1,302	30,000	13,000	30,000
Percent Change 2015 vs 2014 Budget						0.00%
50 - Other Expenses						
580	All Other Expense	-	-	-	-	-
580.05	All Other Expenses	1,141	1,997	1,500	1,500	1,500
580.65	IRMA Deductible - Worker's Comp	85,004	127,395	-	-	-
580.66	IRMA Deductible - Non Wrkr's Cmp	109,251	104,952	-	-	-
50 - Other Expenses		195,395	234,345	1,500	1,500	1,500
Percent Change 2015 vs 2014 Budget						0.00%
55 - Capital Outlay						
555	Capital Equipment	-	-	-	-	-
555.10	Office and Other Equipment	-	92	21,000	21,000	18,500
555.40	Reserve for Technology	-	-	150	150	150
555.50	Reserve for Buildings	-	-	895	895	895
55 - Capital Outlay		-	92	22,045	22,045	19,545
Percent Change 2015 vs 2014 Budget						-11.34%
Department Total: 35 - Human Resources		231,965	957,154	575,418	390,840	629,189
Percent Change 2015 vs 2014 Budget						9.34%

Fire Department/EMA

The Buffalo Grove Fire Department is a full service fire department providing the community with Fire, EMS, and Emergency Management Agency support

The Buffalo Grove Fire Department's Mission is to "Provide professional services with Commitment, Loyalty, Integrity, and Pride." The Vision of this organization is to meet the mission of the organization through "Service, Adaptability, Fairness, Empowerment, and Respect."

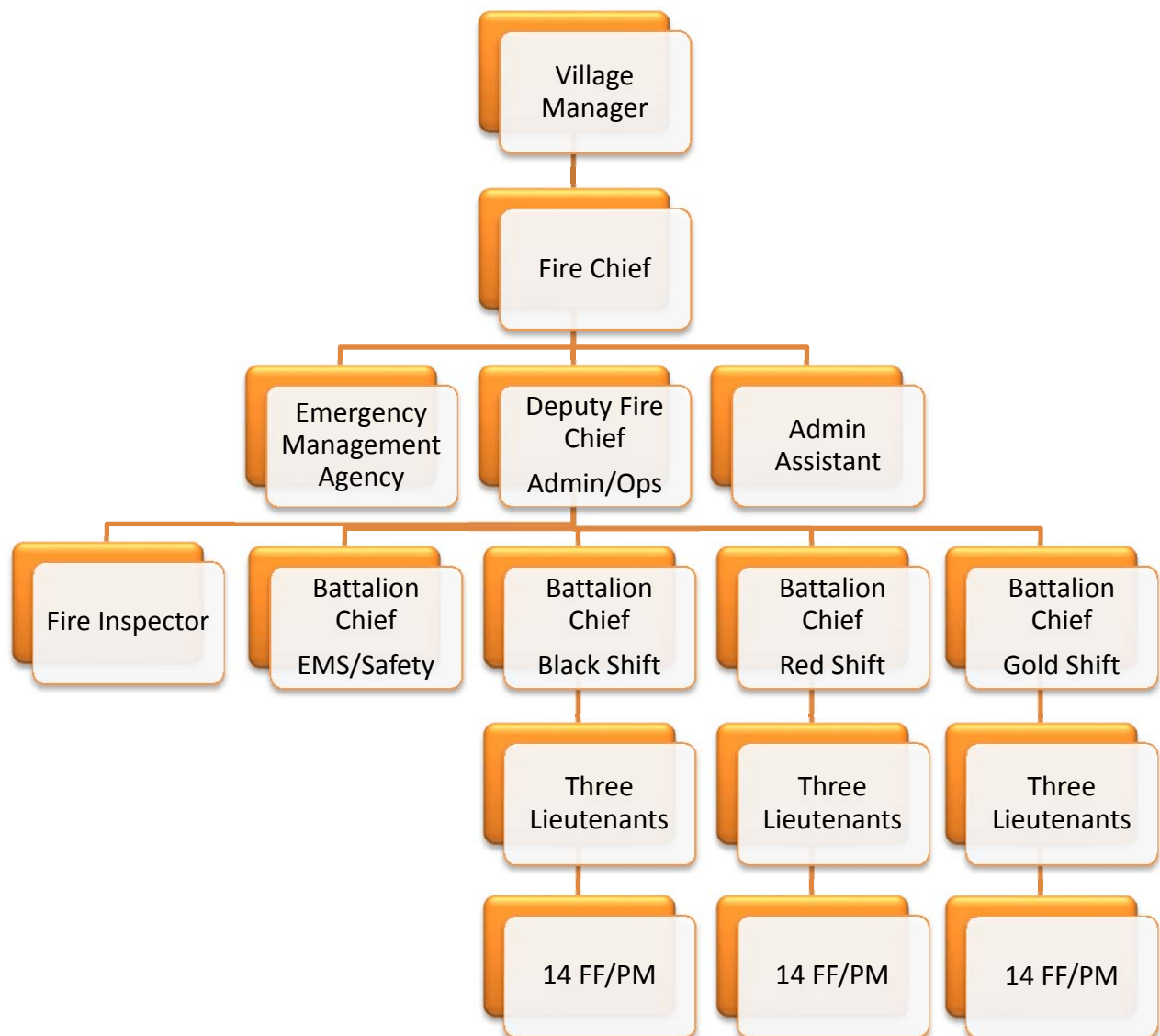
The Department operates 24 hours a day, 365 days a year. There are a total of 60 members operating out of three firehouses, one with an administrative offices. The department provides a wide variety of services including fire suppression, Emergency Medical Services (EMS), technical rescue services including above and below grade rescue and high angle rescue, underwater rescue and recovery and hazardous materials response. The department also investigates all fires in the Village. In 2013, The Fire Department responded to 4,615 calls for service of which 2,971 were EMS and 1,644 were fire and rescue related. This equates to 64 percent EMS / 36 percent fire split. These percentages have remained fairly constant over the last ten years. In 2013, the Village only experienced \$31,875 in fire loss. In addition to responses, the department spent thousands of hours in training. The training prepares emergency personnel to respond to the wide variety of calls handled by the department.

The Department continued its focus on public education, conducting an open house, participating in Buffalo Grove Days and other Village wide events. In addition to these large programs the members of the Buffalo Grove Fire Department conducted school drills and attended many block parties and special events throughout the year.

This budget year starts the incorporation of the EMA function under the Fire Department. The coordination of the many EMA functions including MobileComm and CERT will become the responsibility of the Fire Department.



Department Structure



2014 Strategic Plan Goal Accomplishments

Action Steps	Strategic Priority	Strategic Outcomes	Project Manager
Complete a fiscally constrained Technology Plan including customer service metrics, training and application platforms for the next five years.	Organizational Culture, Technology Collaboration	Moved to 2015 due to the IT Consortium.	IT Director, All Directors
Establish subject matter experts for software and programs, such as Wrike and Pub Works	Organizational Culture, Technology Collaboration	This will be complete by the end of 2014.	IT Director, All Directors
Create a comprehensive Wellness Program for all employees by January, 1 2015	Organizational Culture, Personal Growth and Balance	The health and wellness committee has been meeting regularly and already kicked off programs in 2014. Data evaluation will be done by the end of 2014. The 2015 goal is to use that data to evaluate health plan design changes.	HR Director, All Directors
Fully implement a new electronic performance evaluation system.	Organizational Culture, Personal Growth and Balance	Will go live January 1, 2015.	HR Director, All Directors
Current work order, staffing utilization, equipment utilization, and service level expectation targets are defined.	Service Optimization, External Service Tier	This has been moved to 2015 as a goal.	Public Works Director, All Directors
Develop a customer satisfaction survey that analyzes all Village services. Complete survey and review with the Village Board.	Service Optimization, Marketing and Communication	This has been moved to 2015 as a goal.	Deputy Village Manager, All Directors
Develop an inter-departmental clerical resources training pool by rotating clerical staff into other positions.	Service Optimization, Organizational Needs	The Village completed construction of the 1st floor combined customer service counter in order to cross train employees and have a combined building and zoning and finance customer service counter. The change went live in May.	Deputy Village Manager, All Directors
Identify and outline the services the Village provides broken down by departmental function and operating funds.	Revenue Growth, Cost Control	Will be presented to the Village Manager by 12/31/14	Deputy Village Manager, All Directors

Action Steps	Strategic Priority	Strategic Outcomes	Project Manager
Catalog existing assets in a database format and review for possible use by other departments. Based upon department director input, appropriate charges for use of assets is established and appended to the database.	Service Optimization, Organizational Needs	This has been moved to 2015 as a goal.	Public Works Director, All Directors

2015 Strategic Plan Goals

Action Steps	Strategic Priority	Budgetary Considerations	Performance Metric	Project Manager
Analyze the opportunity to civilianize the EMS Coordinator position.	Service Optimization, Organizational Needs	20 Staff Hours	Present evaluation results to Village Manager by 2/28/15	Fire Chief
Update mutual aid agreements with all communities surrounding the Village	Revenue Growth, Reserves	30 Staff Hours	All mutual aid agreements updated by 9/1/15	Fire Chief
Evaluate the current EMA structure and assets and make appropriate recommendation	Service Optimization, Organizational Needs	40 Staff Hours	Recommendation to Village Manager by 7/1/15	Fire Chief
Catalog existing assets in a database format and review for possible use by other departments.	Service Optimization, Organizational Needs	40 Staff Hours	An intergovernmental asset sharing program is operational by 1/1/2016	Public Works Director, All Directors
Complete a fiscally constrained Technology Plan including customer service metrics, training & application platforms for the next five years.	Organizational Culture, Technology Collaboration	40 Staff Hours, Consultant time included in IT Contract	The Village's technology platform is capable of providing best-fit services that are reliable, consistent and integrated across departments and service areas by 7/1/2015.	IT Director, All Directors
A plan to share assets with other governmental entities is developed	Service Optimization, External Service Tier	50 Staff Hours	Plan developed and presented to Village Manager by 12/31/15	Public Works Director, All Directors
A catalog of services for each department will be developed and presented to the Village Board that identifies the Village's current service levels	Service Optimization, External Service Tier	200 Staff Hours	Plan presented to Village Board by 12/31/15	Deputy Village Manager, All Directors
Evaluate the opportunity for a regional 311/CRM system	Service Optimization, External Service Tier	100 Staff Hours	Report provided to the Village Manager by 9/30/15	Deputy Village Manager, All Directors
Go live with licensing, building permits, ticket collections, parking permits, and Police and Fire test sign up	Service Optimization, External Service Tier	\$7,000 80 Staff Hours	Licensing and building permits live by 5/1/15. All others live by 12/31/15	Deputy Village Manager, All Directors

Action Steps	Strategic Priority	Budgetary Considerations	Performance Metric	Project Manager
Develop a plan to effectively evaluate customer service satisfaction for key Village services	Service Optimization, Marketing and Communication	40 Staff Hours	Plan ready for implementation 1/1/16	Deputy Village Manager, All Directors
Develop a mid-year performance review program between employees and their immediate supervisors	Organizational Culture, Personal Growth & Balance	500 Staff Hours including development and implementation	Guidelines developed and sent to Employees by 9/1/15	HR Director, All Directors
Retire Lotus Notes	Organizational Culture, Technology Collaboration	250 Staff Hours \$179,770 Software Costs	Lotus Notes Databases converted to other platforms by 12/31/15	Deputy Village Manager, All Directors

2015 Staffing Summary

Due to retirements, the roles for the Battalion Chief/Training Officer and Deputy Fire Marshal have been absorbed by existing personnel. Emergency Management Agency responsibilities are now with the Fire Department and the part-time EMA Coordinator is now represented in the Fire Department personnel counts. There are no staffing changes for 2015.

Fire Services	FY 2013		FY 2014		FY 2015	
	FT	PT	FT	PT	FT	PT
Battalion Chief	5	0	4	0	4	0
Deputy Fire Chief	1	0	1	0	1	0
Deputy Fire Marshal	1	0	0	0	0	0
EMA Coordinator	0	0	0	1	0	1
Fire Chief	1	0	1	0	1	0
Fire Inspector*	1	0	1	0	1	0
Fire Inspector/Public Education Officer	0	1	0	1	0	1
Fire Lieutenant	9	0	9	0	9	0
Firefighter/Paramedic	42	0	42	0	42	0
Secretary	1	0	0	1	1	0
Total	61	1	58	3	59	2
Full & Part-Time Total	62		61		61	

*Additionally, three full time Building Inspectors serve as part-time fire inspectors.

Budget Summary

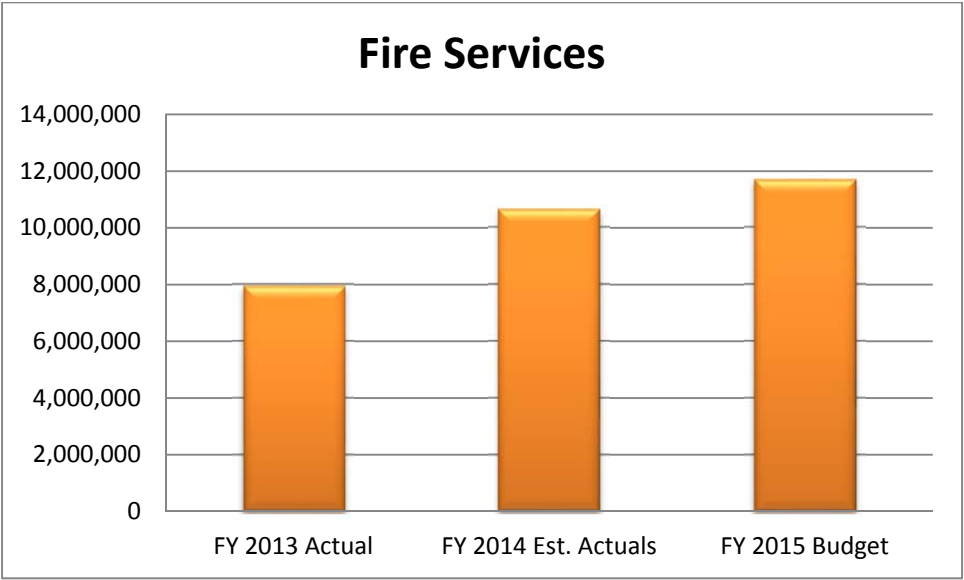
Fire Services

	FY 2013 Actual	FY 2014 Est. Actuals	FY 2015 Budget
Personal Services	6,140,020	6,033,651	6,146,578
Personal Benefits	1,265,517	3,632,962	3,452,491
Operating Expenses	376,669	358,642	1,506,064
Contractual Services	12,400	304,709	304,709
Repairs & Maintenance	33,995	61,888	20,000
Commodities	8,050	22,000	28,000
Capital Equipment	106,990	183,595	187,095
All Other Expenses	14,240	64,930	54,176
Total	7,957,882	10,662,377	11,699,113

Budget Variance

Fire Services

Line Item Number	Account Description	Percent Change	Dollar Amount Change	Description of Change
500.05	Personal Services - Full Time	71.30%	\$59,308	Addition of secretary
500.10	Personal Services - Part Time	-22.54%	-\$15,247	Reduction in staff hours
500.35	Personal Services - Overtime	43.06%	155,000	Increased budget due to historical trend of line item
505.05	Personal Benefits - Group & Medical Life	-14.20%	-\$179,000	Decrease of per capita amount budgeted
505.10	Personal Benefits – Professional Training	-42.11%	-\$16,000	Reduction based on historical trend
505.20	Personal Benefits – Clothing Allowance	-19.35%	-\$6,000	Reduction based on historical trend
505.80	Employer Contribution - IMRF	30.60%	\$4,474	Addition of secretary
510.04	Operating Expenses - Travel	-21.76%	-\$890	Reduction in training budget
510.06	-Per Diem Allowance	-21.05%	-\$400	Reduction in training budget
510.10	Operating Expenses - Maintenance Contracts	-12.00%	-\$9,000	Expenditures moved to Internal Service Funds
510.16	Operating Expenses - Printing	-57.14%	-\$2,000	Reduction of line item
510.21	Oper Exp – IT Internal Svc Fund	New	\$281,132	Internal Service Fund Expense
510.40	Operating Expenses - Supplies - Office	-52.38%	-\$5,500	Reduction of line item
510.50	Operating Expenses – Supplies - All Other	-33.33%	-\$8,000	Reduction of line item
535.01	Maint & Repair – Building Maint Internal Svc Fund	New	\$291,475	Internal Service Fund Expense
535.20	Maintenance and Repairs-Facilities and Buildings	-100.00%	-\$44,650	Expenditures moved to Internal Service Funds
545.01	Miant & Repair – Central Garage Internal Svc Fund	New	\$542,907	Internal Service Fund Expense
545.15	Maintenance and Repairs-Vehicles Automotive Parts	-100.00%	-\$2,000	Expenditures moved to Internal Service Funds
545.35	Maintenance and Repairs-Vehicles Body Work	-100.00%	-\$8,000	Expenditures moved to Internal Service Funds
545.40	Maintenance and Repairs-Vehicles contractual Auto Work	-100.00%	-\$13,500	Expenditures moved to Internal Service Funds
550.05	Maintenance and Repairs-Other Department Equipment	-37.50%	-\$12,000	Reduction of line item
580.11	Contractual Services	21.87%	\$4,264	Contract rate increase



Description		2012 Actual	2013 Actual	2014 Budget	2014 Est. Actuals	2015 Budget
Department: 40 - Fire						
10 - Salaries						
500.05	Full Time	297,743	261,053	83,176	83,176	142,484
500.10	Part Time	21,674	19,436	67,656	25,500	52,409
500.20	Sworn	5,307,594	5,304,995	5,197,863	5,222,776	5,398,685
500.30	Special Duty	(12,714)	(2,216)	-	-	-
500.35	Overtime	383,384	516,952	360,000	662,000	515,000
500.40	Longevity	42,800	39,800	37,400	40,200	38,000
10 - Salaries		6,040,482	6,140,020	5,746,095	6,033,652	6,146,578
Percent Change 2015 vs. 2014 Budget						6.97%
15 - Taxes and Benefits						
505.05	Group & Medical Life	1,208,934	1,214,148	1,262,200	1,262,000	1,083,000
505.10	Professional Training	5,534	10,774	38,000	18,000	22,000
505.15	Dues & Memberships	2,319	9,119	10,500	8,500	11,440
505.20	Clothing Allowance	19,492	18,358	31,000	22,000	25,000
505.35	Safety Equipment	35,809	13,118	31,921	20,000	32,020
505.45	ICMA Deferred Compensation	3,209	-	-	-	-
505.61	Pension Payment - Fire	-	-	2,174,632	2,174,632	2,174,632
505.75	Employer Contribution - FICA	-	-	9,352	21,700	8,835
505.80	EC - IMRF	-	-	14,619	20,930	19,093
505.85	EC - Medicare	-	-	78,255	85,200	76,471
15 - Taxes and Benefits		1,275,297	1,265,517	3,650,479	3,632,962	3,452,491
Percent Change 2015 vs. 2014 Budget						-5.42%
25 - Operating Expenses						
510.02	Telephone	17,960	22,290	21,200	21,200	20,000
510.04	Travel	2,742	918	4,090	3,000	3,200
510.06	Per Diem Allowance	123	149	1,900	1,000	1,500
510.10	Maintenance Contracts	20,700	79,790	75,000	85,942	66,000
510.12	Equipment Rental	481	-	-	-	-
510.14	Subscriptions & Publications	2,371	4,557	6,100	4,500	6,100
510.16	Printing	1,458	1,047	3,500	1,500	1,500
510.21	IT Internal Svc	-	-	-	-	281,132
510.40	Supplies - Office	4,853	3,817	10,500	3,500	5,000
510.50	Supplies - All Other	11,725	8,669	24,000	10,000	16,000
510.55	Op Equip - Department	64,537	99,876	101,500	75,000	111,250
510.65	Northwest Central Dispatch	139,380	155,556	153,000	153,000	160,000
535.01	Build Maint Internal Svc	-	-	-	-	291,475
545.01	Central Garage Internal Svc	-	-	-	-	542,907
25 - Operating Expenses		266,330	376,669	400,790	358,642	1,506,064
Percent Change 2015 vs. 2014 Budget						275.77%
30 - Contractual Services						
515.05	IRMA Premium	-	-	215,386	215,386	215,386
515.10	Unemployment Insurance	13,000	12,400	12,400	12,400	12,400
515.15	IRMA Deduct - Worker's Comp	-	-	46,154	46,154	46,154
515.20	IRMA Deduct- Non Wrkr's Cmp	-	-	30,769	30,769	30,769
30 - Contractual Services		13,000	12,400	304,709	304,709	304,709

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est. Actuals	2015 Budget
Percent Change 2015 vs. 2014 Budget						0.00%
40 - Repairs and Maintenance						
535.20	Buildings & Facilities	529	16,334	44,650	43,088	-
545	Repairs and Maintenance	1,618	-	-	-	-
545.05	Vehicles – Gasoline	493	154	-	-	-
545.15	Automotive Parts	376	155	2,000	800	-
545.35	Body Work	1,167	2,896	8,000	2,000	-
545.40	Contractual Auto Services	4,168	4,903	13,500	1,000	-
550	Repairs and Maintenance- Other	3,308	-	-	-	-
550.05	Department Equipment	12,652	9,552	32,000	15,000	20,000
40 - Repairs and Maintenance		24,311	33,994	100,150	61,888	20,000
Percent Change 2015 vs. 2014 Budget						-80.03%
45 - Commodities						
530.50	Equipment Tools & Hardware	1,465	8,050	28,000	22,000	28,000
45 - Commodities		1,465	8,050	28,000	22,000	28,000
Percent Change 2015 vs. 2014 Budget						0.00%
50 - Other Expenses						
580.05	All Other Expenses	(635)	(3,170)	6,200	30,000	6,200
580.11	Contractual Services	14,361	4,912	19,500	12,000	23,764
580.20	CAFT Site	14,445	(3,318)	5,000	5,000	5,000
580.21	NWCH Administration Fee	12,111	15,816	17,930	17,930	19,212
50 - Other Expenses		40,282	14,240	48,630	64,930	54,176
Percent Change 2015 vs. 2014 Budget						11.40%
55 - Capital Outlay 555						
555.10	Office and Other Equipment Reserve for Capital	697	15,286	1,000	1,000	1,000
555.30	Replacement	-	91,704	125,000	125,000	125,000
555.40	Reserve for Technology	-	-	3,000	3,000	3,000
555.50	Reserve for Buildings	-	-	54,595	54,595	54,595
560.10	Land Improvements	-	-	2,500	-	2,500
560.30	Buildings & Structures	99	-	1,000	-	1,000
55 - Capital Outlay		2,128	106,990	187,095	183,595	187,095
Percent Change 2015 vs. 2014 Budget						0.00%
Department Total: 40 - Fire		7,663,295	7,957,882	10,465,948	10,662,377	11,699,113
Percent Change 2015 vs. 2014 Budget						11.78%

Budget Summary

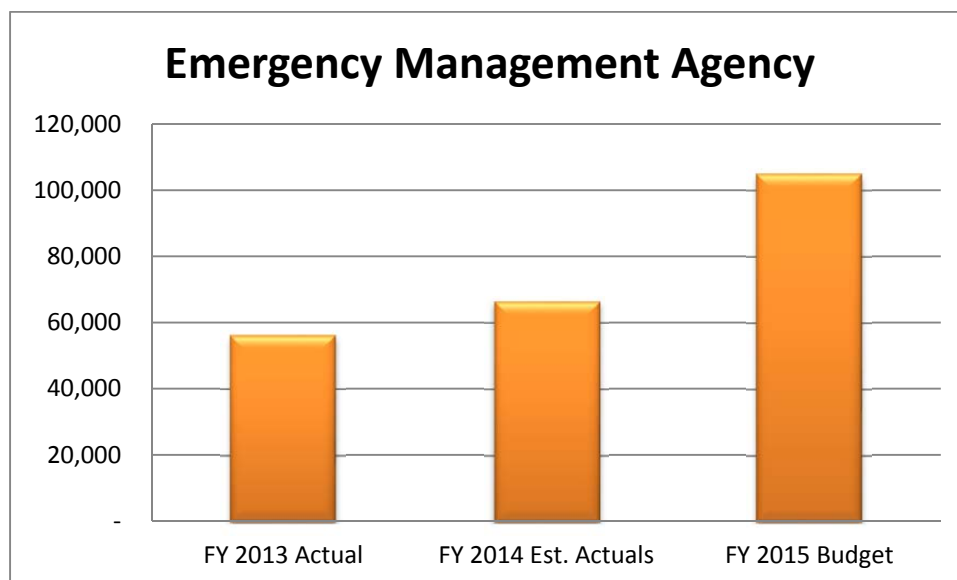
Emergency Management Agency

	FY 2013 Actual	FY 2014 Est. Actuals	FY 2015 Budget
Personal Services	3,514	18,000	23,452
Personal Benefits	-	4,151	4,994
Operating Expenses	11,231	9,850	45,590
Repairs & Maintenance	4,346	1,500	2,200
Commodities	100	300	500
Capital Equipment	37,159	32,565	28,200
All Other Expenses	-	200	300
Total	56,350	66,566	105,236

Budget Variance

Emergency Management Agency

Line Item Number	Account Description	Percent Change	Dollar Amount Change	Description of Change
510.21	Oper Exp – IT internal Svc Fund	New	\$14,128	Internal Service Fund Expense
545.01	Miant & Repair – Central Garage Internal Service Fund	New	\$16,112	Internal Service Fund Expense



Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
Fund: 100 - General Fund						
<u>Expenditures</u>						
Department: 65 - Emergency Management Agency						
10 - Salaries						
500	Personal Services	-	-	-	-	-
500.10	Part Time	13,567	3,514	22,880	18,000	23,452
10 - Salaries		13,567	3,514	22,880	18,000	23,452
Percent Change 2015 vs. 2014 Budget						2.50%
15 - Taxes and Benefits						
505	Personal Benefits	-	-	-	-	-
505.10	Professional Training	-	-	1,400	1,400	1,400
505.15	Dues & Memberships	15	-	300	200	300
505.20	Clothing Allowance	743	-	1,500	800	1,500
505.75	Employer's Contribution - FICA	-	-	1,419	1,419	1,454
505.85	Employer's Contribution Medicare	-	-	332	332	340
15 - Taxes and Benefits		758	-	4,951	4,151	4,994
Percent Change 2015 vs. 2014 Budget						0.87%
25 - Operating Expenses						
510	Operating Expenses	-	-	-	-	-
510.02	Telephone	2,446	5,226	5,100	4,000	5,100
510.04	Travel	-	-	500	-	500
510.06	Per Diem Allowance	-	-	400	-	400
510.08	Reception & Community Affairs	-	27	100	100	100
510.10	Maintenance Contracts	6,170	4,607	6,000	5,000	6,000
510.14	Subscriptions & Publications	-	-	50	-	50
510.20	Computer Services	1,000	-	-	-	-
510.21	IT Internal Svc Contribution	-	-	-	-	14,128
510.40	Supplies - Office	7	910	3,200	250	3,200
510.55	Operating Equip - Department	-	461	-	500	-
545.01	Central Garage Internal Svc	-	-	-	-	16,112
25 - Operating Expenses		9,623	11,231	15,350	9,850	45,590
Percent Change 2015 vs. 2014 Budget						197.00%
40 - Repairs and Maintenance						
550	Maintenance & Repairs - Other	-	-	-	-	-
550.05	Other Department Equipment	881	4,346	2,200	1,500	2,200
40 - Repairs and Maintenance		881	4,346	2,200	1,500	2,200
Percent Change 2015 vs. 2014 Budget						0.00%

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
45 - Commodities						
530	Commodities	-	-	-	-	-
530.50	Small Equipment Tools & Hardware	71	100	500	300	500
45 - Commodities		71	100	500	300	500
Percent Change 2015 vs. 2014 Budget						0.00%
50 - Other Expenses						
580	All Other Expense	-	-	-	-	-
580.05	All Other Expenses	1,617	-	300	200	300
50 - Other Expenses		1,617	-	300	200	300
Percent Change 2015 vs. 2014 Budget						0.00%
55 - Capital Outlay						
555	Capital Equipment	-	-	-	-	-
555.10	Office and Other Equipment	19,670	2,694	3,000	3,000	3,000
555.30	Reserve for Capital Replacement	-	14,900	10,000	10,000	10,000
555.40	Reserve for Technology	-	19,565	15,200	19,565	15,200
55 - Capital Outlay		19,670	37,159	28,200	32,565	28,200
Percent Change 2015 vs. 2014 Budget						0.00%
Department Total: 65 - Emergency Management Agency		46,187	56,350	74,381	66,566	105,236
Percent Change 2015 vs. 2014 Budget						41.48%

Police Department

The Buffalo Grove Police Department exists to promote public safety. Its mission is to serve the community with pride, professionalism, and integrity

The Buffalo Grove Police Department is currently staffed by 64 sworn and 24 civilian personnel, providing law enforcement services to a community of 41,778 residents.

The police department is led by a Chief of Police and Deputy Chief and is structured into the following sections:

Field Operations Division

The Field Operations Division is led by a Commander and includes the Investigations & Youth Section, which is comprised of two Adult Crimes investigators, two Juvenile Crimes investigators, one School Resource Coordinator, three School Resource Officers, one part-time Evidence/Property Officer (civilian), two investigators assigned to the Greater Metropolitan Auto Theft Task Force and one investigator assigned to the Homeland Security Department – Immigrations and Customs Enforcement Task Force.

Patrol Division

The Patrol Division is led by a Commander and includes the three Patrol Watches and the K-9 Unit. This Division also includes three Community Service Officers (CSO's), two full-time Front Desk Officers and three part-time Front Desk Officers (all civilians).

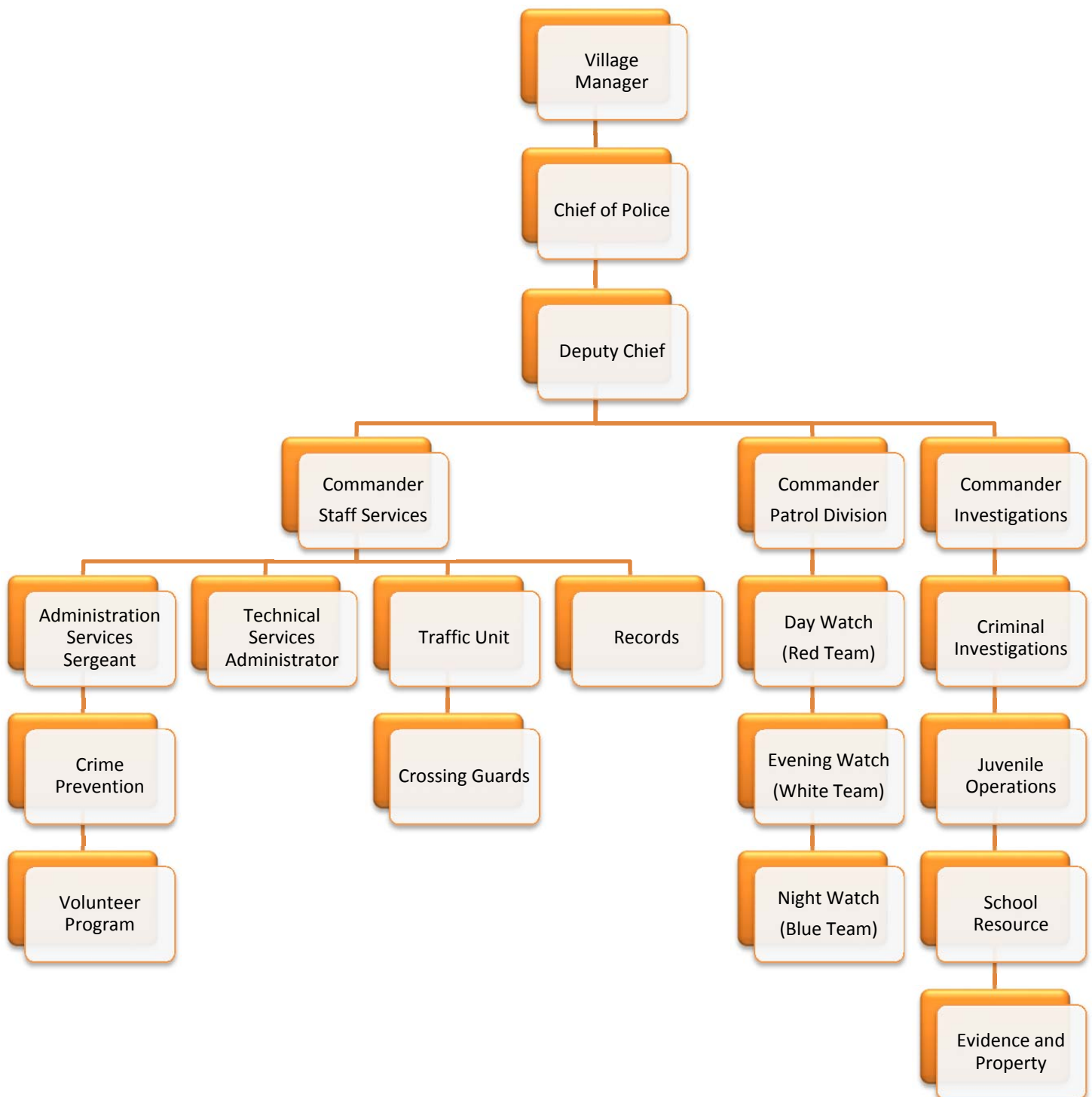


Administration Division

The Staff Services Division is led by a Commander and includes a Staff Services Sergeant, Traffic Unit, Records Section and the Crime Prevention Officer.



Department Structure



2014 Strategic Plan Goal Accomplishments

Action Steps	Strategic Priorities	Strategic Outcomes	Project Manager
Implement administrative adjudication prior to January 1, 2015	Revenue Growth, Cost Control	Adjudication Violation Notices will be issued beginning 1/1/2015 with the first hearing being held in February.	Police Chief
Complete a fiscally constrained Technology Plan including customer service metrics, training and application platforms for the next five years.	Organizational Culture, Technology Collaboration	Moved to 2015 due to the IT Consortium.	IT Director, All Directors
Establish subject matter experts for software and programs, such as Wrike and Pub Works	Organizational Culture, Technology Collaboration	This will be complete by the end of 2014.	IT Director, All Directors
Create a comprehensive Wellness Program for all employees by January, 1 2015	Organizational Culture, Personal Growth and Balance	The health and wellness committee has been meeting regularly and already kicked off programs in 2014. Data evaluation will be done by the end of 2014. The 2015 goal is to use that data to evaluate health plan design changes.	HR Director, All Directors
Fully implement a new electronic performance evaluation system.	Organizational Culture, Personal Growth and Balance	Will go live January 1, 2015.	HR Director, All Directors
Current work order, staffing utilization, equipment utilization, and service level expectation targets are defined.	Service Optimization, External Service Tier	This has been moved to 2015 as a goal.	Public Works Director All Directors
Develop a customer satisfaction survey that analyzes all Village services. Complete survey and review with the Village Board.	Service Optimization, Marketing and Communication	This has been moved to 2015 as a goal.	Deputy Village Manager, All Directors

Action Steps	Strategic Priorities	Strategic Outcomes	Project Manager
Develop an inter-departmental clerical resources training pool by rotating clerical staff into other positions.	Service Optimization, Organizational Needs	The Village completed construction of the 1st floor combined customer service counter in order to cross train employees and have a combined building and zoning and finance customer service counter. The change went live in May.	Deputy Village Manager, All Directors
Identify and outline the services the Village provides broken down by departmental function and operating funds.	Revenue Growth, Cost Control	Will be presented to the Village Manager by 12/31/14	Deputy Village Manager, All Directors
Catalog existing assets in a database format and review for possible use by other departments. Based upon department director input, appropriate charges for use of assets is established and appended to the database.	Service Optimization, Organizational Needs	This has been moved to 2015 as a goal.	Public Works Director, All Directors

2015 Strategic Plan Goals

Action Steps	Strategic Priorities	Budgetary Considerations	Performance Metric	Project Manager
Implement online police reporting for minor incidents	Service Optimization, External Service Tier	\$10,840 10 Staff Hours	Online reporting live by 7/31/15	Police Chief
Review calls for service and evaluate possible changes to the police beat system	Service Optimization, External Service Tier	80 Staff Hours	Potential changes in beat system presented to Village Manager by 7/31/15	Police Chief
Catalog existing assets in a database format and review for possible use by other departments.	Service Optimization, Organizational Needs	40 Staff Hours	An intergovernmental asset sharing program is operational by 1/1/2016	Public Works Director, All Directors
Complete a fiscally constrained Technology Plan including customer service metrics, training and application platforms for the next five years.	Organizational Culture, Technology Collaboration	40 Staff Hours, Consultant time included in IT Contract	The Village's technology platform is capable of providing best-fit services that are reliable, consistent and integrated across departments and service areas by 7/1/2015.	IT Director, All Directors
A plan to share assets with other governmental entities is developed	Service Optimization, External Service Tier	50 Staff Hours	Plan developed and presented to Village Manager by 12/31/15	Public Works Director, All Directors
A catalog of services for each department will be developed and presented to the Village Board that identifies the Village's current service levels	Service Optimization, External Service Tier	200 Staff Hours	Plan presented to Village Board by 12/31/15	Deputy Village Manager, All Directors
Evaluate the opportunity for a regional 311/CRM system	Service Optimization, External Service Tier	100 Staff Hours	Report provided to the Village Manager by 9/30/15	Deputy Village Manager, All Directors
Go live with licensing, building permits, ticket collections, parking permits, and Police and Fire test sign up	Service Optimization, External Service Tier	\$7,000 80 Staff Hours	Licensing and building permits live by 5/1/15. All others live by 12/31/15	Deputy Village Manager, All Directors

Action Steps	Strategic Priorities	Budgetary Considerations	Performance Metric	Project Manager
Develop a plan to effectively evaluate customer service satisfaction for key Village services	Service Optimization, Marketing and Communication	40 Staff Hours	Plan ready for implementation 1/1/16	Deputy Village Manager, All Directors
Develop a mid-year performance review program between employees and their immediate supervisors	Organizational Culture, Personal Growth & Balance	500 Staff Hours including development and implementation	Guidelines developed and sent to employees by 9/1/15	HR Director, All Directors
Retire Lotus Notes	Organizational Culture, Technology Collaboration	250 Staff Hours \$179,770 Software Costs	Lotus Notes Databases converted to other platforms by 12/31/15	Deputy Village Manager, All Directors

2015 Staffing Summary

In 2015, the department will promote a Deputy Chief and return to two DC's. The Administrative Commander position will be eliminated and replaced with an Administrative Lieutenant. The promotion of a Deputy Chief, Lieutenant and Sergeant will result in one less officer rank but the total police sworn staffing will remain the same. We will be evaluating calls for service and preliminary Officer Daily Activity Report data in 2015 to evaluate proper distribution of officer staffing on each patrol watch. Our current staffing is sufficient to properly deploy officers on each watch.

Police Services	FY 2013		FY 2014		FY 2015	
	FT	PT	FT	PT	FT	PT
Chief of Police	1	0	1	0	1	0
Clerk	3	1	2	1	2	1
Community Service Officer	3	0	3	0	3	0
Court Supervisor	0	1	0	0	0	0
Crossing Guard	0	9	0	9	0	9
Deputy Police Chief	1	0	1	0	2	0
Desk Officer	3	2	2	3	2	3
Evidence Custodian	0	1	0	1	0	1
Lieutenant	0	0	3	0	4	0
Patrol Officer	51	0	48	0	47	0
Police Commander	3	0	3	0	2	0
Police Sergeant	10	0	8	0	8	0
Records Supervisor	1	0	1	0	1	0
Administrative Assistant	1	0	1	0	1	0
Technical Services Administrator	0	0	1	0	1	0
Total	77	14	74	14	74	14
Full & Part-Time Total	91		88		88	

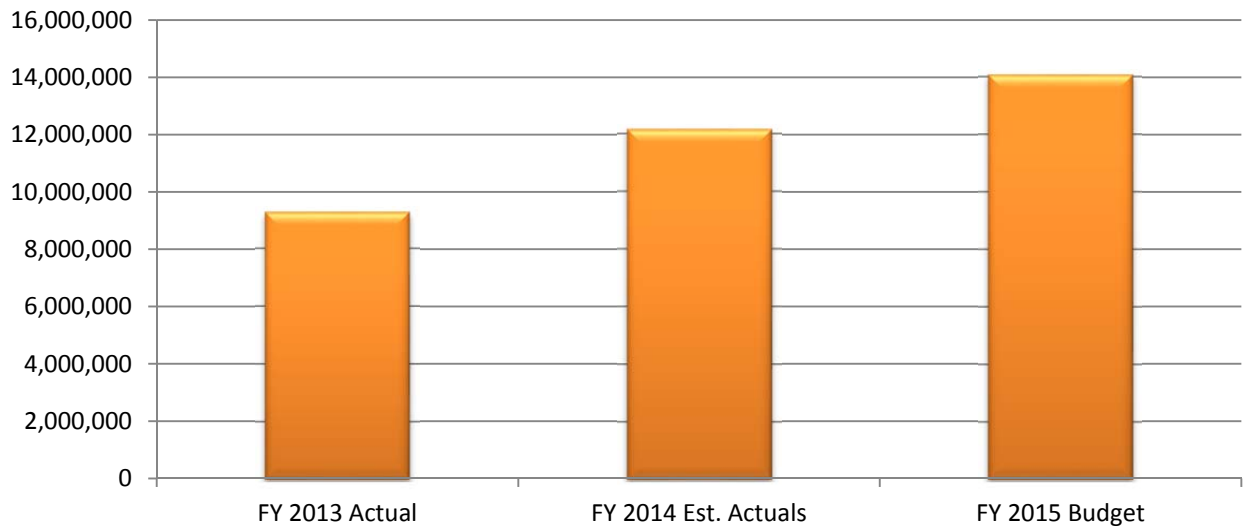
2015 Budget Police Services

	FY 2013 Actual	FY 2014 Est. Actuals	FY 2015 Budget
Personal Services	7,175,788	6,966,660	7,681,586
Personal Benefits	1,397,800	4,323,918	4,466,892
Operating Expenses	564,816	584,965	1,777,583
Maintenance & Repair	12,652	15,009	10,794
Capital Equipment	70,606	222,415	202,365
All Other Expenses	71,382	71,695	74,995
Total	9,293,044	12,184,662	14,214,215

2015 Variance Police Services

Line Item Number	Account Description	Percent Change	Dollar Amount Change	Description of Change
500.20	Salaries – Sworn Officers	13.30%	\$760,599	COLA increase/stipends/holiday pay
505.10	Professional Training	10.61%	\$4,250	Basic academy for two recruits
505.15	Dues & Memberships	25.00%	\$500	MCAT & membership due increases
510.04	Travel	48.00%	\$900	IACP & background travel increase
510.21	IT Internal Service Contribution	NEW	\$357,159	Internal service contribution
510.22	Recruitment	-66.67%	-\$1000	Reduced amount for presentation materials
510.26	Physical Fitness	733.33%	\$4,400	Increase for equipment repair & incentives
510.30	Safety Equipment - Patrol	-10.33%	-\$1,025	No OC spray replacement until 2017
510.33	Operating Equipment - Staff	-70.59%	-\$1,200	CrimeReports.com eliminated
510.44	Supplies - Records	38.46%	\$2,500	Shredder replacement – IJIS mandate
510.46	Supplies – Training	46.78%	\$4,000	Ammunition cost increase
510.57	Operating Equipment – FOSG	16.29%	\$565	APB Net (critical reach) moved from account 580.05
510.58	Operating Equipment – Communications	36.36%	\$200	Radio room equipment maintenance increase
510.63	Operating Equipment – Bike Patrol	-23.08%	-\$300	Program reduction
535.01	Maintenance & Repair – Facility	NEW	\$195,145	Internal service contribution
545.01	Maintenance & Repair – Vehicles	NEW	\$626,680	Internal service contribution
550.15	Maintenance/Repair – MDTs	-80.00%	-\$2,000	Reduced total amount
550.20	Maintenance/Repair – Patrol	-60.93%	-\$3,275	RADAR/LIDAR M&R – DUI fund
550.30	Maintenance/Repair – Staff	36.36%	\$1,000	Cook County WAN fee increase
555.10	Capital Equipment Office	26.76%	\$4,950	CoolerSmart/chair replacement plan
555.30	Capital Reserve	-20.00%	-\$25,000	Reduced amount
580.05	All Other Expenses	13.01%	\$800	Annual lead & hearing tests (firearms instructors)
580.57	Police Grant Charges	33.33%	\$2,500	Bulletproof vest replacement

Police Services



Description		2012 Actual	2013 Actual	2014 Budget	2014 Est. Actuals	2015 Budget
Department: 45 - Police						
10 - Salaries						
500.05	Full Time	621,420	656,322	665,369	665,369	642,875
500.10	Part Time	357,840	243,075	208,325	208,325	210,546
500.20	Sworn	5,972,533	5,965,994	5,717,166	5,717,166	6,477,765
500.30	Special Duty	(34,914)	(21,310)	-	-	-
500.35	Overtime	338,378	260,999	324,000	324,000	300,000
500.40	Longevity	58,800	49,400	51,800	51,800	50,400
10 - Salaries		7,314,056	7,154,480	6,966,660	6,966,660	7,681,586
Percent Change 2015 vs. 2014 Budget						10.26%
15 - Taxes and Benefits						
505.05	Group & Medical Life	1,364,857	1,291,583	1,476,507	1,476,507	1,435,527
505.10	Professional Training	39,667	32,452	40,050	40,050	44,300
505.15	Dues & Memberships	2,145	2,080	2,000	2,000	2,500
505.20	Clothing Allowance	33,828	25,220	31,450	31,450	32,475
505.25	Uniform Maintenance	27,995	26,653	26,256	26,256	26,064
505.30	Recruit Uniforms	2,668	4,413	3,300	3,300	3,300
505.45	ICMA Deferred Compensation	1,332	-	-	-	-
505.60	Pension Payment - Police	-	-	2,088,000	2,088,000	2,256,676
505.75	Employer Contribution - FICA	-	-	54,169	54,169	52,660
505.80	Employer Contribution - IMRF	-	-	91,156	91,156	98,592
505.85	Employer Contrib- Medicare	-	-	101,016	101,016	104,984
15 - Taxes and Benefits		1,472,492	1,382,401	3,913,904	3,913,904	4,057,078
Percent Change 2015 vs. 2014 Budget						.96%
25 - Operating Expenses						
510.02	Telephone	22,392	31,813	36,020	36,020	36,000
510.04	Travel	450	1,029	1,875	1,875	2,775
510.06	Per Diem Allowance	1,576	1,365	1,500	1,500	1,500
510.10	Maintenance Contracts	10,000	43,300	43,260	43,260	43,260
510.14	Subscriptions & Publications	900	764	900	900	950
510.16	Printing	8,411	8,566	9,775	9,775	9,275
510.21	IT Internal Services	-	-	-	-	357,159
510.22	Recruitment Charges	300	194	1,500	1,500	500
510.26	Physical Fitness Equipment	344	393	600	600	5,000
510.30	Safety Equipment - Patrol	3,232	4,817	9,925	9,925	8,900
510.32	Safety Equipment - FOSG	85	483	500	500	500
510.33	Operating Equip - Staff	1,204	532	1,700	1,700	500
510.34	DUI Assessment Purchases	(99)	1,515	-	-	-
510.35	Reimbursable Expenses	-	1,078	-	-	-
510.41	Supplies - Patrol	397	2,259	3,275	3,275	3,275
510.42	Supplies - FOSG	1,885	3,154	4,635	4,635	4,700
510.43	Supplies - Communications	1,575	1,440	1,600	1,600	1,500
510.44	Supplies - Records	9,666	9,499	6,500	6,500	9,000
510.45	Supplies - OCOP	449	450	450	450	450
510.46	Supplies - Training	6,251	7,995	8,550	8,550	12,550
510.47	Supplies - Crime Prevention	3,434	4,776	4,600	4,600	4,600
510.48	Supplies - Detention	1,187	685	1,300	1,300	1,300
510.55	Operating Equip - Department	12,696	11,860	11,520	11,520	11,520
510.56	Operating Equip - Patrol	2,568	1,849	2,800	2,800	2,800
510.57	Operating Equip - FOSG	3,468	3,468	3,468	3,468	4,033

	Description	2012 Actual	2013 Actual	2014 Budget	2014 Est. Actuals	2015 Budget
510.58	Operating Equip - Communications	560	512	550	550	750
510.60	Operating Equip - OCOP	151	87	200	200	200
510.61	Operating Equip - Training	638	-	700	700	700
510.62	Operating Equip - Detention	-	-	150	-	150
510.63	Operating Equip - Bike Patrol	648	1,125	1,300	1,300	1,000
510.64	Operating Equipment - Records	672	1,095	1,072	1,072	1,072
510.65	Northwest Central Dispatch	307,041	350,793	353,758	353,500	355,869
510.66	NIPAS	5,983	4,845	5,245	5,245	5,245
510.67	Northern IL Police Crime Lab	58,238	58,335	60,745	60,745	63,075
510.68	Animal Control	2,414	4,235	4,400	4,400	4,350
510.69	Prisoner Care	541	517	1,300	1,000	1,300
535.01	Facility	-	-	-	-	195,145
545.01	Vehicles	-	-	-	-	626,680
25	- Operating Expenses	469,257	564,828	585,673	584,965	1,777,583
	Percent Change 2015 vs. 2014 Budget					63.1%
30	- Contractual Services					
515.05	IRMA Premium	-	-	291,063	291,063	291,063
515.10	Unemployment Insurance	15,800	15,400	15,000	15,000	14,800
515.15	IRMA Deduct - Worker's Comp	-	-	62,371	62,371	62,371
515.20	IRMA Deduct- Non Wrkr's Cmp	-	-	41,580	41,580	41,580
30	- Insurance	15,800	15,400	410,014	410,014	409,814
	Percent Change 2015 vs. 2014 Budget					-.05%
40	- Repairs and Maintenance					
550.10	Radios	3,121	2,711	3,684	3,684	3,794
550.15	Mobile Data Terminals	3,799	2,387	2,500	2,500	500
550.20	Patrol Equipment	5,529	4,126	5,375	5,375	2,100
550.25	F.O.S.G. Equipment	-	680	700	700	650
550.30	Staff Equipment	2,648	2,750	2,750	2,750	3,750
40	- Repairs and Maintenance	15,096	12,654	15,009	15,009	10,794
	Percent Change 2015 vs. 2014 Budget					-28.1%
50	- Other Expenses					
580.05	All Other Expenses	5,873	5,917	6,150	6,150	6,950
580.10	Consulting Fees	-	-	-	-	-
580.11	Contractual Services	20,000	40,000	40,000	40,000	40,000
580.15	Committee on Accreditation	4,968	5,348	5,500	5,500	5,500
580.25	OMNI Youth Services	45,000	2,815	-	-	-
580.30	Overweight Truck Enforcement	1,969	1,748	2,200	2,200	2,200
580.55	Records Management	3,495	10,345	10,345	10,345	10,345
580.57	Police Grant Charges	7,655	5,210	7,500	7,500	10,000
580.58	Il. Criminal Justice Info. Auth.	6,850	-	-	-	-
50	- Other Expenses	95,810	71,383	71,695	71,695	74,995
	Percent Change 2015 vs. 2014 Budget					4.6%
55	- Capital Outlay					
555.10	Office and Other Equipment	15,935	17,641	18,500	18,500	23,450

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est. Actuals	2015 Budget
555.20	Automobile	-	-	-	-	-
555.30	Reserve for Capital Replacement	-	52,950	125,000	125,000	100,000
555.40	Reserve for Technology	-	-	10,000	10,000	10,000
555.50	Reserve for Buildings	-	-	68,915	68,915	68,915
55 - Capital Outlay		15,935	70,591	222,415	222,415	202,365
Percent Change 2015 vs. 2014 Budget						-9.01%
Department Total: 45 - Police		9,398,448	9,271,737	12,185,360	12,184,662	14,214,215
Percent Change 2015 vs. 2014 Budget						15.78%

Building and Zoning Department

Building and Zoning Department provides a variety of safety and inspection services for the community. It also houses the Village's Health Department.

Building and Zoning

The Building and Zoning Department provides for the administration and inspection of all new residential, commercial, and industrial construction, existing structures, and all businesses pursuant to Village ordinances, codes, and applicable State Statutes. Appropriate regulations and inspections of new and existing buildings are necessary in order to protect the public health, safety and general welfare as regulated by code and statute. Building Codes are adopted and amended through the Buffalo Grove Municipal Code.

Plan Review

All plans are reviewed to ensure that they meet Village codes. If the plans are not approved, the staff will prepare a letter that will be sent to the owner/contractor listing the specific deficiencies. Once the plans are corrected and resubmitted, they will be reviewed again.

Health Department Division

The Health Department is a division of the Building and Zoning department. The Village of Buffalo Grove Health Department is responsible for the oversight and inspection of all of the following within the corporate limits of the Village:

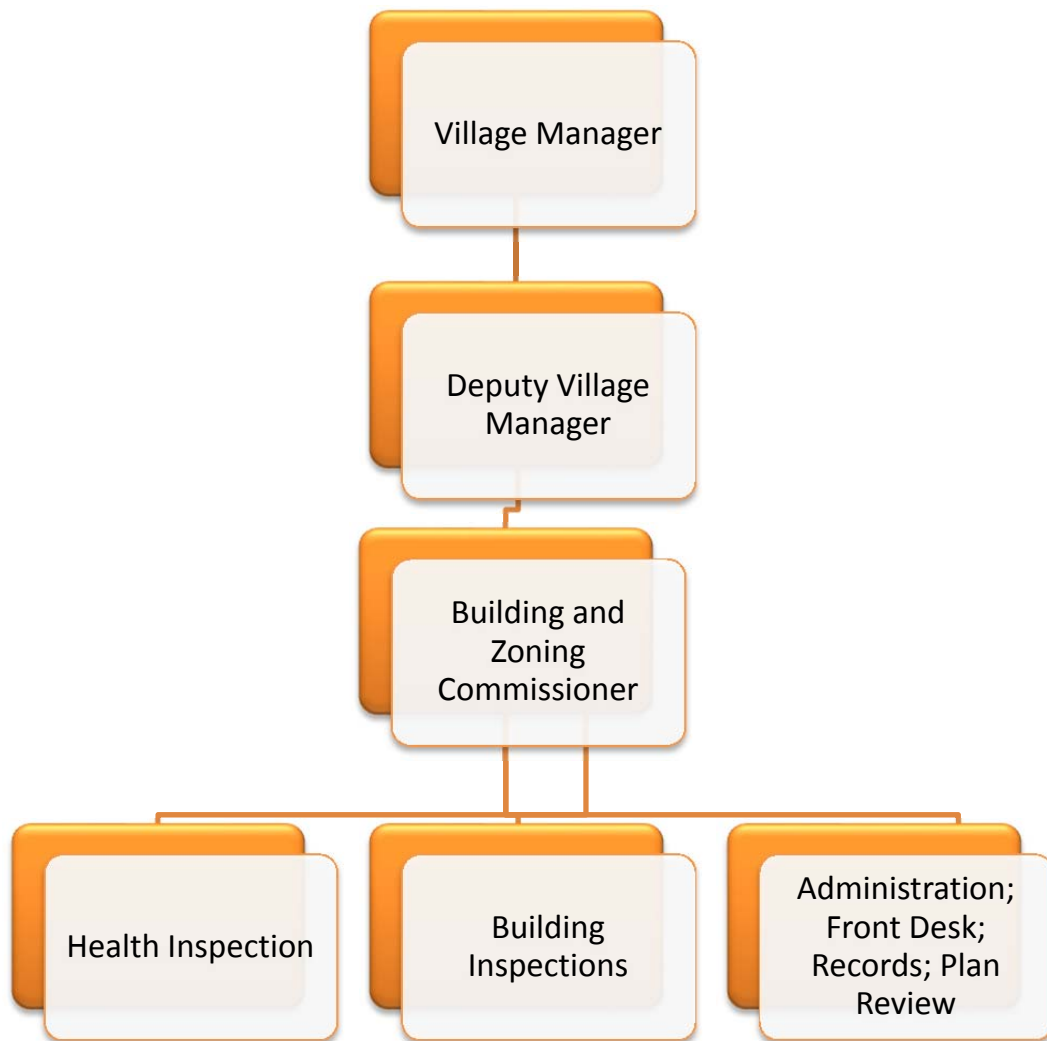
- Food service facilities
- Food stores
- Mobile food vendors
- School food facilities
- Day care centers
- Day care homes



Projects Requiring Permits

- Home/Building Addition
- Air Conditioning (new or replacement)
- Building Demolition
- Deck
- Driveway and/or apron
- New Building
- Electrical Work, including low voltage
- Interior Demolition
- Interior Remodeling
- Fence
- Fireplace
- Furnace (new or replacement)
- Garage
- Gazebo
- Generator
- Lawn Sprinkler System
- Patios and Sidewalks (new or replacement)
- Plumbing Work
- Roof Tear Off (no permit required to add a second layer of shingles – maximum 2 layers)
- Shed
- Signs
- Stairs and Landings (new or replacement)
- Swimming Pool – Above or Below Ground
- Water Heater (new or replacement)
- Windows (new or replacement)

Department Structure



2014 Strategic Plan Goal Accomplishments

Action Steps	Strategic Priority	Strategic Outcome	Project Manager
Re-evaluate the development review process and present a streamlined approach to the Village Board that includes process improvements and ordinance modifications.	Service Optimization, External Service Tier	This goal is complete. The changes to the development review process that were previously discussed with the Village Board were converted into ordinance form and approved by the Village Board at the June 16th Village Board meeting. The first meeting of the Planning & Zoning Commission was held on July 16th. Prior to the meeting, the Commission was provided training on the new process and their role	Deputy Village Manager
Present fully developed Business Ambassador Program to Village Board for adoption.	Economic Development, Active Development and Redevelopment	This will be complete by the end of 2014.	Deputy Village Manager
Develop a comprehensive economic development program for the Village and present to the Village Board for comments by January 1, 2015.	Economic Development, Active Development and Redevelopment	2015 Goal	Deputy Village Manager
Complete a fiscally constrained Technology Plan including customer service metrics, training and application platforms for the next five years.	Organizational Culture, Technology Collaboration	Moved to 2015 due to the IT Consortium.	IT Director, All Directors
Establish subject matter experts for software and programs, such as Wrike and Pub Works	Organizational Culture, Technology Collaboration	This will be complete by the end of 2014.	IT Director, All Directors
Create a comprehensive Wellness Program for all employees by January, 1 2015	Organizational Culture, Personal Growth and Balance	The health and wellness committee has been meeting regularly and already kicked off programs in 2014. Data evaluation will be done by the end of 2014. The 2015 goal is to use that data to evaluate health plan design changes.	HR Director, All Directors

Action Steps	Strategic Priority	Strategic Outcome	Project Manager
Fully implement a new electronic performance evaluation system.	Organizational Culture, Personal Growth and Balance	Will go live January 1, 2015.	HR Director, All Directors
Current work order, staffing utilization, equipment utilization, and service level expectation targets are defined.	Service Optimization, External Service Tier	This has been moved to 2015 as a goal.	Public Works Director, All Directors
Develop a customer satisfaction survey that analyzes all Village services. Complete survey and review with the Village Board.	Service Optimization, Marketing and Communication	This has been moved to 2015 as a goal.	Deputy Village Manager, All Directors
Develop an inter-departmental clerical resources training pool by rotating clerical staff into other positions.	Service Optimization, Organizational Needs	The Village completed construction of the 1st floor combined customer service counter in order to cross train employees and have a combined building and zoning and finance customer service counter. The change went live in May.	Deputy Village Manager, All Directors
Identify and outline the services the Village provides broken down by departmental function and operating funds.	Revenue Growth, Cost Control	Will be presented to the Village Manager by 12/31/14	Deputy Village Manager, All Directors
Catalog existing assets in a database format and review for possible use by other departments. Based upon department director input, appropriate charges for use of assets is established and appended to the database.	Service Optimization, Organizational Needs	This has been moved to 2015 as a goal.	Public Works Director, All Directors

2015 Strategic Plan Goals

Action Steps	Strategic Priority	Budgetary Considerations	Performance Metric	Project Manager
Go live with licensing, building permits, ticket collections, parking permits, and Police and Fire test sign up	Service Optimization, External Service Tier	7,000 80 Staff Hours	Licensing and building permits live by 5/1/15. All others live by 12/31/15	Deputy Village Manager
Create Economic Development Plan categorized by corridor	Economic Development, Active Development and Redevelopment	100 Staff Hours 50,000 for retail trade area and site analysis	Final Plan adopted by Village Board 8/1/15	Deputy Village Manager
Catalog existing assets in a database format and review for possible use by other departments.	Service Optimization, Organizational Needs	40 Staff Hours	An intergovernmental asset sharing program is operational by 1/1/2016	Public Works Director, All Directors
Complete a fiscally constrained Technology Plan including customer service metrics, training and application platforms for the next five years.	Organizational Culture, Technology Collaboration	40 Staff Hours, Consultant time included in IT Contract	The Village's technology platform is capable of providing best-fit services that are reliable, consistent and integrated across departments and service areas by 7/1/2015.	IT Director, All Directors
A plan to share assets with other governmental entities is developed	Service Optimization, External Service Tier	50 Staff Hours	Plan developed and presented to Village Manager by 12/31/15	Public Works Director, All Directors
A catalog of services for each department will be developed and presented to the Village Board that identifies the Village's current service levels	Service Optimization, External Service Tier	200 Staff Hours	Plan presented to Village Board by 12/31/15	Deputy Village Manager, All Directors
Evaluate the opportunity for a regional 311/CRM system	Service Optimization, External Service Tier	100 Staff Hours	Report provided to the Village Manager by 9/30/15	Deputy Village Manager, All Directors

Action Steps	Strategic Priority	Budgetary Considerations	Performance Metric	Project Manager
Develop a plan to effectively evaluate customer service satisfaction for key Village services	Service Optimization, Marketing and Communication	40 Staff Hours	Plan ready for implementation 1/1/16	Deputy Village Manager, All Directors
Develop a mid-year performance review program between employees and their immediate supervisors	Organizational Culture, Personal Growth & Balance	500 Staff Hours including development and implementation	Guidelines developed and sent to employees by 9/1/15	HR Director, All Directors
Retire Lotus Notes	Organizational Culture, Technology Collaboration	250 Staff Hours 179,770 Software Costs	Lotus Notes Databases converted to other platforms by 12/31/15	Deputy Village Manager, All Directors

FY 2015 Staffing Summary

In June of 2014 the customer service staffs of Building & Zoning and Finance merged into one customer service center located on the first floor of Village Hall. Based upon workload an additional full time administrative assistant position was added to the Building & Zoning department. These changes are reflected below.

Building & Zoning	FY 2013		FY 2014		FY 2015	
	FT	PT	FT	PT	FT	PT
Building Commissioner	1	0	1	0	1	0
Building Inspector	1	0	1	0	1	0
Electrical Inspector	1	0	1	0	1	0
Health Inspector	1	0	1	0	1	0
Plan Reviewer	1	0	1	0	1	0
Plumbing Inspector	1	0	1	0	1	0
Property Maintenance Inspector	1	0	1	0	1	0
Clerk II	0	2	0	1	0	1
Administrative Assistant	2	0	1	0	2	0
Secretary/Deputy Village Clerk	1	0	1	0	1	0
Total	9	2	9	1	10	1
Full & Part-Time Total	11		10		11	

Budget Summary

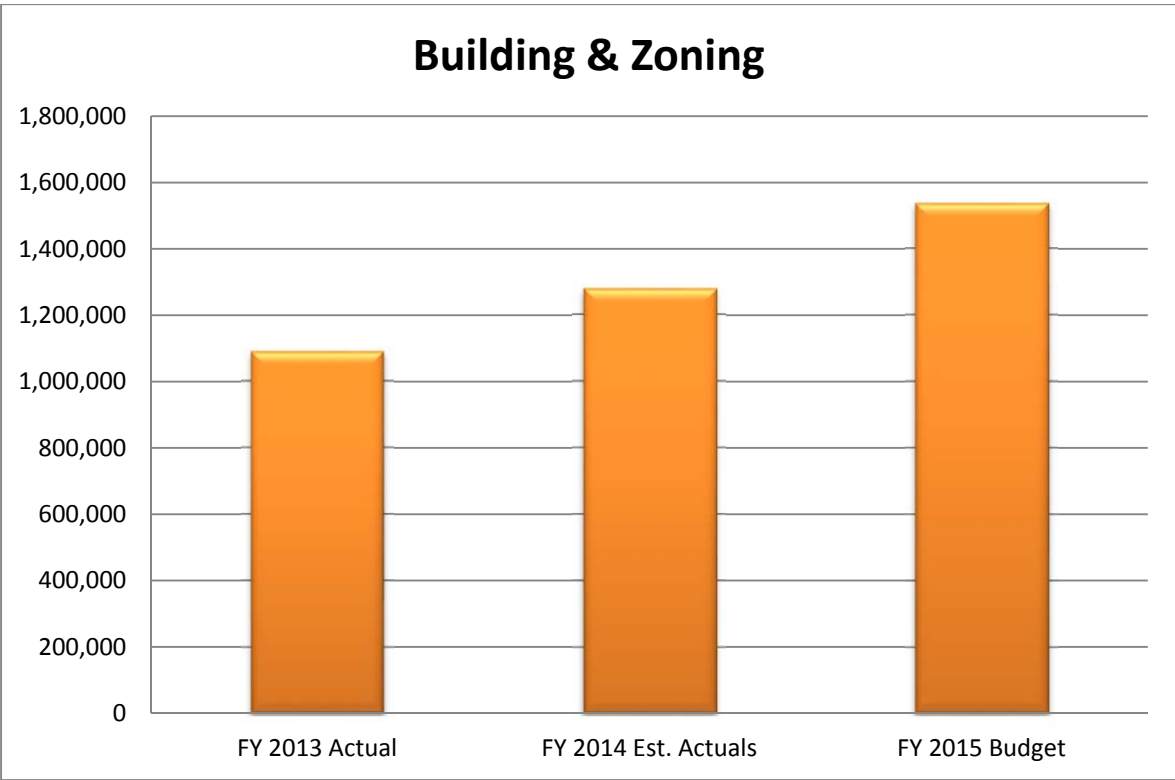
Building/ Zoning/Health

	FY 2013 Actual	FY 2014 Est. Actuals	FY 2015 Budget
Personal Services	842,390	830,587	892,136
Personal Benefits	149,691	356,327	389,685
Operating Expenses	59,383	55,704	206,778
Contractual Services	1,800	1,882	1,882
Repairs & Maintenance	1,953	155	3,000
Capital Equipment	3,064	11,855	13,855
Commodities	242	51	600
All Other Expenses	32,393	23,816	25,626
Total	1,090,916	1,280,377	1,533,562

Budget Variance

Building/Zoning/Health

Line Item Number	Account Description	Percent Change	Dollar Amount Change	Description of Change
500.05	Personal Services Salaries - Full Time	12.68%	\$94,757	COLA movement by all full time employees coupled with the addition of one full time administrative assistant position.
505.10	Personal Benefits - Professional Training	10.00%	\$500	Addition of the training for the Deputy Village Clerk's position.
505.35	Personal Benefits - Safety Equipment	100.00%	\$100	Replacement safety vests/equipment for inspectors
505.75	Personal Benefits Employers contribution - FICA	14.45%	\$7,166	FICA contribution for the administrative assistant position.
505.80	Personal Benefits Employers contribution - IMRF	14.19%	\$15,242	IMRF contribution for the administrative assistant position.
505.85	Personal Benefits Employers contribution - Medicare	14.45%	\$1,676	Medicare contribution for the administrative assistant position.
510.08	Operating Expenses Reception & Community Affairs	22.73%	\$-250	Cost savings realized through consolidated purchasing.
510.21	Operating Expenses - IT Internal Service Contribution.	100.00%	\$54,408	Budgeting on per capita basis.
510.40	Operating Expenses - Supplies	11.00%	\$-250	Cost savings realized through consolidated purchasing and combining B&Z/Finance offices.
535.01	Maintenance & Repairs - Facilities Building Maintenance Internal Svc.	100.00%	\$38,125	Budgeting on per capita basis.
545.01	Maintenance & Repairs - Vehicles Central Garage Internal Svc.	100.00%	\$53,539	Budgeting on per capita basis.
555.50	Capital Equipment Reserve for Bldgs.	33.00%	\$2,000	Cost increase in per capita allocation.



Description		2012 Actual	2013 Actual	2014 Budget	2014 Est. Actual	2015 Budget
Department: 50 - Building & Zoning						
10 - Salaries						
500.05	Full Time	747,765	767,800	747,317	779,015	842,074
500.10	Part Time	65,017	64,341	46,061	41,172	39,462
500.35	Overtime	4,459	2,849	4,000	4,000	4,000
500.40	Longevity	6,200	7,400	6,400	6,400	6,600
10 - Salaries		823,441	842,390	803,778	830,587	892,136
Percent Change 2015 vs. 2014 Budget						10.99%
15 - Taxes and Benefits						
505.05	Group & Medical Life	155,013	144,498	175,500	175,500	190,000
505.10	Professional Training	4,498	3,656	5,000	3,000	5,500
505.15	Dues & Memberships	1,257	1,537	1,400	827	1,400
505.35	Safety Equipment	0	0	0	0	100
505.45	ICMA Deferred Comp	1,714	0	0	0	0
505.75	EC - FICA	0	0	49,587	52,155	56,753
505.80	EC - IMRF	0	0	107,417	112,647	122,659
505.85	EC Medicare	0	0	11,597	12,198	13,273
15 - Taxes and Benefits		162,482	149,691	350,501	356,327	389,685
Percent Change 2015 vs. 2014 Budget						11.18%
25 - Operating Expenses						
510.02	Telephone	4,137	4,323	4,500	4,500	4,500
510.04	Travel	700	707	850	756	850
510.06	Per Diem Allowance	423	116	600	423	600
510.08	Reception & Com Affairs	729	442	1,100	614	850
510.10	Maintenance Contracts	48,442	48,547	49,466	48,298	49,606
510.12	Equipment Rental	0	0	100	0	100
510.14	Subscriptions & Pub	884	1,203	1,100	405	1,100
510.16	Printing	1,439	1,156	1,100	108	1,100
510.21	IT Internal Svc Contribution	0	0	0	0	54,408
510.40	Supplies - Office	1,979	2,888	2,250	600	2,000
535.01	Fac Bldg Mnt Int Svc Cntrb	0	0	0	0	38,125
545.01	Vehicles Centl Gar Int Svc	0	0	0	0	53,539
25 - Operating Expenses		58,733	59,383	61,066	55,704	206,778
Percent Change 2015 vs. 2014 Budget						238.61%
30 - Contractual Services						
515.05	IRMA Premium	0	0	1,387	1,387	1,387
515.10	Unemployment Insurance	1,800	1,800	0	0	0
515.15	IRMA Worker's Comp	0	0	297	297	297
515.20	IRMA Non Wrker's Comp	0	0	198	198	198
30 - Contractual Services		1,800	1,800	1,882	1,882	1,882
Percent Change 2015 vs. 2014 Budget						0.00%

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est. Actual	2015 Budget
40 - Repairs & Maintenance						
545.05	Vehicles Gasoline	0	0	0	0	0
545.10	Vehicles Diesel Fuel	0	0	0	0	0
545.15	Vehicles Automotive Parts	0	0	0	0	0
545.20	Vehicles Garage Labor	0	0	0	0	0
545.25	Vehicles Lubricants	0	0	0	0	0
545.30	Vehicles Garage Overhead	0	0	0	0	0
545.35	Vehicles Body Work	0	0	0	0	0
545.40	Contractual Auto Services	0	0	0	0	0
550	Other	0	0	0	0	0
550.05	Department Equipment	2,191	1,953	3,000	155	3,000
40 - Repairs and Maintenance		2,191	1,953	3,000	155	3,000
Percent Change 2015 vs. 2014 Budget						0.00%
45 - Commodities						
530.50	Small Tools & Hardware	185	242	600	51	600
45 - Commodities		185	242	600	51	600
Percent Change 2015 vs. 2014 Budget						0.00%
50 - Other Expenses						
580.05	All Other Expenses	1,145	1,822	1,000	180	1,000
580.10	Consultant Fees	16,736	30,571	23,636	23,636	24,626
50 - Other Expenses		17,882	32,393	24,636	23,816	25,626
Percent Change 2015 vs. 2014 Budget						4.02%
55 - Capital Outlay						
555.10	Office and Other Equipment	0	0	0	0	0
555.30	Reserve for Capital Replacement	0	3,064	4,000	4,000	4,000
555.40	Reserve for Technology	0	0	1,800	1,800	1,800
555.50	Reserve for Buildings	0	0	6,055	6,055	8,055
55 - Capital Outlay		0	3,064	11,855	11,855	13,855
Percent Change 2015 vs. 2014 Budget						16.87%
Department Total: 50 - Building & Zoning		1,066,713	1,090,916	1,257,318	1,280,377	1,533,562
Percent Change 2015 vs. 2014 Budget						21.97%

Public Works Department

The Village of Buffalo Grove Public Works Department is divided into three functional areas of responsibility: Administration, Engineering, and Operations

Public Works Administration

Public Works Administration develops and oversees effective Public Works service delivery programs and policies. Strategic and long range planning of departmental service programs, capital improvement planning, project management and programming and certain special projects, such as new computer application development, are also provided through the administration.

Engineering

Engineering consists of subdivision and development control, capital improvement engineering, staff and general engineering services. Engineering ensures that safe, efficient, and economical land development and utility service is provided in all new developments of the Village. The Engineering division works closely with the Building Department on permit and zoning reviews as well as the Police Department on traffic and signage related issues.

Operations

The Public Works Department is responsible for the repair and maintenance of all Village facilities, fleet, and infrastructure. This effort is facilitated through Public Works Operations and divided into the Maintenance Section and the Utility Section, which is comprised of seven divisions: Building Maintenance, Street, Forestry & Grounds, Central Garage, Drainage, Sewer, and Water.

Building Maintenance Division

The Building Maintenance Division provides a clean, healthy, safe, and efficient working environment in facilities, public areas and meeting places. This division is responsible for maintaining 193,373 square feet of occupied building space as well as 2,700 streetlights. Major tasks of this Division include HVAC, plumbing and electrical repairs and maintenance, street light maintenance, and building custodial service contract administration.



Street Department Division

This Division provides for the maintenance of 120.70 centerline miles of street and approximately 241.40 miles of curb and gutter to insure that they are clean, safe, and structurally sound for vehicle and pedestrian use. Major tasks of this Division include snow & ice control, street sweeping, concrete and asphalt repairs, regulatory street sign inventory and maintenance, banner production and installation and street striping.

Forestry and Grounds Division

The Forestry and Grounds Division provides for the maintenance and care of 20,185 parkway trees and 151 acres of public property, which includes 74-landscaped roadway medians, 39 retention, detention basins. Major tasks of this Division include tree trimming and removal, landscape maintenance, holiday light installation and removal, and parkway restoration.

Central Garage Division

The Central Garage Division provides for the repair and maintenance of the Village's fleet of 164 vehicles and 83 pieces of equipment. This Division is also responsible for managing the Village's vehicle and equipment fueling system in accordance with the requirements established by the Office of the Illinois State Fire marshal (OSFM).



Drainage Division

This Division provides for the preventive maintenance of the Village storm sewer and drainage system in accordance with guidelines established by the Illinois Environmental protection Agency (IEPA), the Lake County stormwater Management Commission (LCSMC) and the Metropolitan Water Reclamation District of Greater Chicago (MWRDGC). The system is comprised of 39 retention/detention basins (81 acres), 11.3 miles of stream/creeks, 189 miles of storm sewer, approximately 10,000 structures, and 2 stormwater lift stations. Major tasks of this Division include cleaning storm sewers and structures, retention/detention basin inlet and outfall repairs and roadway culvert maintenance.



Sewer Division

This Division provides for the inspection, cleaning and maintenance of the 134 miles of sanitary gravity sewer, 5 miles of force main, 12 sanitary lift stations and 3,251 manholes that comprise the Village's sanitary sewer system. The system is maintained in accordance with guidelines established by the Illinois Environmental protection Agency (IEPA) Lake County and the Metropolitan Water Reclamation District of Greater Chicago (MWRDGC). Major tasks of this Division include flushing and root cutting of the system, manhole repairs, clearing blockages and inflow/infiltration (I/I) testing and repairs.



Water Division

This Division provides for the repair and maintenance of 180 miles of water main, 1,903 valves, 4,475 fire hydrants and 4 pump stations and 4 emergency back-up deep wells that comprise the Village's water system. The system is maintained in accordance with guidelines established by the Illinois Environmental protection Agency (IEPA), the American Water Works Association (AWWA) and the Northwest Water Commission. Major tasks of this Division include repairing water main breaks, flushing and repairing fire hydrants, reading and repairing water meters, well and pump house maintenance and collecting water samples.

Department Structure



2014 Strategic Plan Goal Accomplishments

Action Steps	Strategic Priorities	Action Outcomes	Project Manager
Evaluate the applicability of a Storm Water Utility Fee.	Infrastructure Sustainability, Financial	A flyover of Buffalo Grove was completed and the information will be converted into data that will allow the Village to identify the impervious service area for each parcel in the Village by 5/1/2015.	Public Works Director
Establish draft guidelines for new and existing Village buildings and sites. Present Proposal to the Environmental Committee and Village Board.	Infrastructure Sustainability, Green Infrastructure	Moved to 2015 - Part of performance contract	Public Works Director
Catalog existing assets in a database format and review for possible use by other departments.	Service Optimization, Organizational Needs	Moved to 2015	Public Works Director
Identify and deploy scheduling software for the Public Works Department that integrates with New World.	Organizational Culture, Technology Collaboration	The software was purchased and is in the implementation phase. It will be fully implemented by December 31, 2014	Public Works Director
Complete a fiscally constrained Technology Plan including customer service metrics, training and application platforms for the next five years.	Organizational Culture, Technology Collaboration	Moved to 2015 following IT Consortium implementation.	IT Director, All Directors
Establish subject matter experts for software and programs, such as Wrike and Pub Works	Organizational Culture, Technology Collaboration	This will be complete by the end of 2014.	IT Director, All Directors
Create a comprehensive Wellness Program for all employees by January, 1 2015	Organizational Culture, Personal Growth and Balance	The health and wellness committee has been meeting regularly and already kicked off programs in 2014. Data evaluation will be done by the end of 2014. The 2015 goal is to use that data to evaluate health plan design changes.	HR Director, All Directors
Fully implement a new electronic performance evaluation system.	Organizational Culture, Personal Growth and Balance	Will go live January 1, 2015.	HR Director, All Directors

Action Steps	Strategic Priorities	Action Outcomes	Project Manager
Current work order, staffing utilization, equipment utilization, and service level expectation targets are defined.	Service Optimization, External Service Tier	This has been moved to 2015 as a goal.	Public Works Director, All Directors
Develop a customer satisfaction survey that analyzes all Village services. Complete survey and review with the Village Board.	Service Optimization, Marketing and Communication	This has been moved to 2015 as a goal.	Deputy Village Manager, All Directors
Develop an inter-departmental clerical resources training pool by rotating clerical staff into other positions.	Service Optimization, Organizational Needs	The Village completed construction of the 1st floor combined customer service counter in order to cross train employees and have a combined building and zoning and finance customer service counter. The change went live in May.	Deputy Village Manager, All Directors
Identify and outline the services the Village provides broken down by departmental function and operating funds.	Revenue Growth, Cost Control	This will be complete by the end of 2015.	Deputy Village Manager, All Directors

2015 Strategic Plan Goals

Action Steps	Strategic Priority	Budgetary Considerations	Performance Metric	Project Manager
A plan to share assets with other governmental entities is developed	Service Optimization, External Service Tier	50 Staff Hours	Plan developed and presented to Village Manager by 12/31/15	Public Works Director
Review and update the Development Ordinance to streamline processes	Service Optimization, External Service Tier	150 Staff Hours	Ordinance to Village Board by 10/31/15	Public Works Director
Implement work order and asset management program for public works	Service Optimization, External Service Tier	\$126,970 3000 Staff Hours	Implementation complete 12/31/15	Public Works Director
Implement a Stormwater Utility Program in order to create a capital-funding source for stormwater utility improvements.	Infrastructure Sustainability, Green Infrastructure	100 Staff Hours \$745,000 identified need for 2016	Village Board adopts utility rate for 2016 budget	Public Works Director
Establish draft guidelines for new and existing Village buildings and sites. Present Proposal to the Environmental Committee and Village Board.	Infrastructure Sustainability, Green Infrastructure	20 Staff Hours, Consultant time included in Performance Contract	Guidelines for new and existing buildings adopted by Village Board by 12/31/15	Public Works Director
Catalog existing assets in a database format and review for possible use by other departments.	Service Optimization, Organizational Needs	40 Staff Hours	An intergovernmental asset sharing program is operational by 1/1/2016	Public Works Director, All Directors
Complete a fiscally constrained Technology Plan including customer service metrics, training and application platforms for the next five years.	Organizational Culture, Technology Collaboration	40 Staff Hours, Consultant time included in IT Contract	The Village's technology platform is capable of providing best-fit services that are reliable, consistent and integrated across departments and service areas by 7/1/2015.	IT Director, All Directors
A plan to share assets with other governmental entities is developed	Service Optimization, External Service Tier	50 Staff Hours	Plan developed and presented to Village Manager by 12/31/15	Public Works Director, All Directors

Action Steps	Strategic Priority	Budgetary Considerations	Performance Metric	Project Manager
A catalog of services for each department will be developed and presented to the Village Board that identifies the Village's current service levels	Service Optimization, External Service Tier	200 Staff Hours	Plan presented to Village Board by 12/31/15	Deputy Village Manager, All Directors
Evaluate the opportunity for a regional 311/CRM system	Service Optimization, External Service Tier	100 Staff Hours	Report provided to the Village Manager by 9/30/15	Deputy Village Manager, All Directors
Go live with licensing, building permits, ticket collections, parking permits, and Police and Fire test sign up	Service Optimization, External Service Tier	\$7,000 80 Staff Hours	Licensing and building permits live by 5/1/15. All others live by 12/31/15	Deputy Village Manager, All Directors
Develop a plan to effectively evaluate customer service satisfaction for key Village services	Service Optimization, Marketing and Communication	40 Staff Hours	Plan ready for implementation 1/1/16	Deputy Village Manager, All Directors
Develop a mid-year performance review program between employees and their immediate supervisors	Organizational Culture, Personal Growth & Balance	500 Staff Hours including development and implementation	Guidelines developed and sent to Employees by 9/1/15	HR Director, All Directors
Retire Lotus Notes	Organizational Culture, Technology Collaboration	250 Staff Hours \$179,770 Software Costs	Lotus Notes Databases converted to other platforms by 12/31/15	Deputy Village Manager, All Directors

2015 Staffing Summary

The Public Works Department has undergone several staffing changes in 2014. Through attrition, the Engineering Secretary has been changed from a full time position to a part time position for the 2015 budget. Additionally, significant organizational changes have been made to the operational structure of the department. In an effort to re-align staffing levels, staff from Public Works and the Office of the Village Manager collaborated on a revised organizational structure, the result of which is enumerated in the matrix below. This process was part of the pay range adjustment process approved by the Board in the summer of 2014.

Under the new structure, two Maintenance Worker III and Maintenance Worker II Crew Leader management positions will be eliminated. The goal of the new structure will consist of two Superintendents, Maintenance and Utilities, and a single Manager and single Crew Leader in each operating section of Public Works. The middle management restructuring has resulted in three vacant Maintenance Worker positions. These positions are proposed to be filled as part of the 2015 budget.

Public Works/Engineering	FY 2013		FY 2014		FY 2015	
	FT	PT	FT	PT	FT	PT
Automotive Mechanic II	3	0	3	0	3	0
Automotive Mechanic III	1	0	1	0	1	0
Automotive Shop Assistant	0	1	0	1	0	1
Building Maintenance Supervisor	1	0	1	0	0	0
Building Maintenance Manager	0	0	0	0	1	0
Building Maintenance Worker	2	0	2	0	2	0
Building Maintenance Worker II – CL	1	0	1	0	1	0
Civil Engineer I	1	0	1	0	1	0
Civil Engineer II	1	0	1	0	1	0
Clerk II	1	0	0	0	0	0
Deputy Director of Public Works	1	0	1	0	1	0
Director of Public Works	1	0	1	0	1	0
Engineering Aide	0	1	0	1	0	1
Engineering Technician	1	0	1	0	1	0
Facility Coordinator	0	0	0	0	0	0
Fleet Manager	1	0	1	0	1	0
Forestry and Grounds Supervisor	1	0	1	0	0	0
Forestry & Grounds Manager	0	0	0	0	1	0
Laborer – Seasonal	0	6	0	6	0	6
Maintenance Worker I	11	0	12	0	8	0
Maintenance Worker II	8	0	9	0	13	0
Maintenance Worker II – CL	8	0	8	0	6	0
Maintenance Worker III	1	0	1	0	0	0
Metra Station Attendant	0	0	0	0	0	0
Operations Mgr – Streets, Drainage, Sanitary Sewer	1	0	1	0	0	0
Superintendent of Maintenance	0	0	0	0	1	0
Seasonal Snow Plow Driver	0	1	0	1	0	1
Secretary	2	0	3	0	2	1

Public Works/Engineering	FY 2013		FY 2014		FY 2015	
	FT	PT	FT	PT	FT	PT
Sewer & Drainage Manager	0	0	0	0	1	0
Streets Manager	0	0	0	0	1	0
Superintendent of Water Operations	1	0	1	0	0	0
Superintendent of Utilities	0	0	0	0	1	0
Village Engineer	1	0	1	0	1	0
Water Manager	0	0	0	0	1	0
Total	49	9	50	9	50	10
Full & Part-Time Total	58		59		60	

Budget Summary

Streets

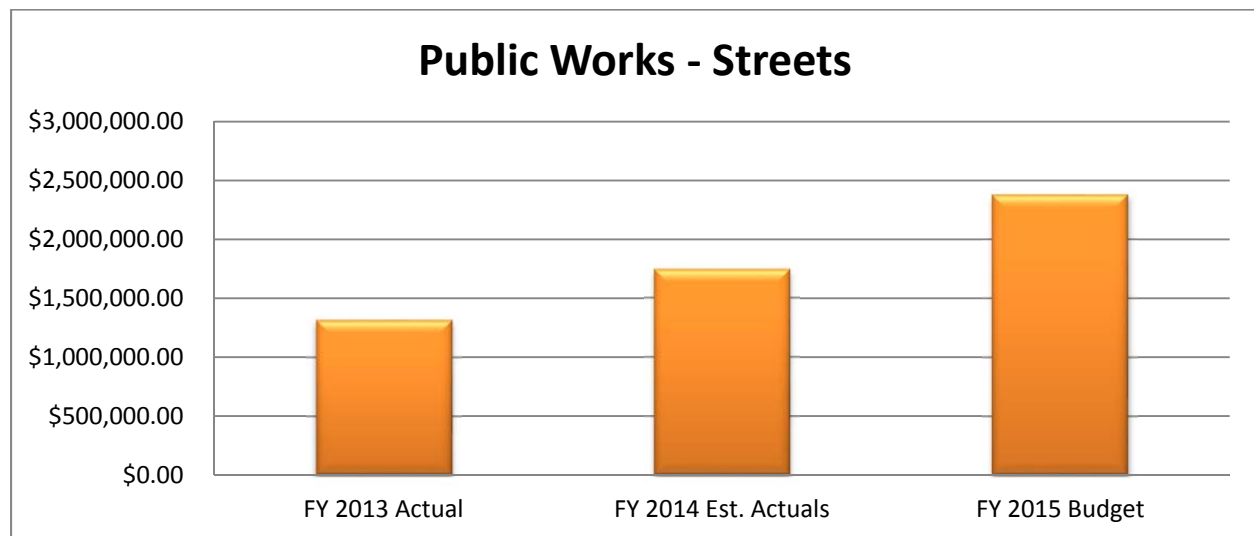
	FY 2013 Actual	FY 2014 Est. Actuals	FY 2015 Budget
Personal Services	657,998	683,576	688,779
Personal Benefits	136,239	277,751	295,760
Operating Expenses	98,830	108,538	354,911
Contractual Services	1,200	31,425	31,425
Commodities	97,076	459,500	398,540
Repairs and Maintenance	255,634	685,174	537,600
Capital Outlay	73,005	79,368	79,368
All Other Expenses	-	-	-
Total	1,319,984	2,325,332	2,386,383

Budget Variance

Streets

Line Item Number	Account Description	Percent Change	Dollar Amount Change	Description of Change
500.05	Personal Services Salaries - Full Time	15.14%	\$87,152	PW staffing reorganization
500.35	Personal Services Salaries - Overtime	33.56%	\$36,148	PW staffing reorganization
505.05	Personal Benefits Group & Medical Life	12.22%	\$17,644	PW staffing reorganization
505.10	Personal Benefits Professional Training	65.00%	\$1,300	APWA snow & ice conference, Illinois Public Service Institute
505.20	Personal Benefits Clothing Allowance	17.98%	\$263	PW staffing reorganization
505.26	Personal Benefits Uniform Rental	34.04%	\$659	PW staffing reorganization
505.75	Personal Benefits Employer's Contribution - FICA	19.46%	\$8,310	PW staffing reorganization

Line Item Number	Account Description	Percent Change	Dollar Amount Change	Description of Change
505.80	Personal Benefits Employer's Contribution - IMRF	17.66%	\$16,296	PW staffing reorganization
505.85	Personal Benefits Employer's Contribution Medicare	19.46%	\$1,943	PW staffing reorganization
510.12	Operating Expenses Equipment Rental	12.50%	\$50	Increase in rental costs
510.21	Operating Expenses IT Internal Svc Contribution	100.00%	\$31,142	New internal service funds
510.55	Operating Expenses Operating Equip - Department	33.33%	\$500	New barricade replacements
535.01	Maintenance & Repairs - Facilities Building Mnt Internal Svc Cntrb	New	\$67,281	New internal service funds
545.01	Maintenance & Repairs - Vehicles Central Garage Internal Svc	New	\$141,720	New internal service funds
535.05	Maintenance & Repairs - Facilities Sidewalks, Curbs, & Bikeways	-18.18%	\$-50,000	Decrease in CIP project for 2015
530.40	Commodities Snow & Ice Control Mix	75.42%	\$268,500	Line item dropped in 2014



Expenditures

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
Fund: 100 - General Fund						
Department: 55 - Public Works						
Division: 10 - Streets						
10 - Salaries						
500	Personal Services	24,413	-	-	-	-
500.05	Full Time	459,984	504,028	488,446	488,446	575,598
500.10	Part Time	400	81	-	-	-
500.35	Overtime	55,126	149,192	71,563	190,000	107,711
500.40	Longevity	4,772	4,697	5,130	5,130	5,470
10 - Salaries		544,695	657,998	565,139	683,576	688,779
Percent Change 2015 vs. 2014 Budget						21.88%
15 - Taxes and Benefits						
505	Personal Benefits	5,092	-	-	-	-
505.05	Group & Medical Life	115,300	133,502	126,750	126,750	144,394
505.10	Professional Training	109	10	700	700	2,000
505.15	Dues & Memberships	129	79	130	311	130
505.20	Clothing Allowance	1,176	1,302	1,200	1,510	1,463
505.26	Uniform Rental	893	701	1,277	1,936	1,936
505.35	Safety Equipment	143	645	850	600	850
505.45	ICMA Deferred Compensation	137	-	-	-	-
505.75	Employer's Contribution - FICA	-	-	34,394	42,382	42,704
505.80	Employer's Contribution - IMRF	-	-	76,000	93,650	92,296
505.85	Employer's Contribution Medicare	-	-	8,044	9,912	9,987
15 - Taxes and Benefits		122,979	136,239	249,345	277,751	295,760
Percent Change 2015 vs. 2014 Budget						18.61%
25 - Operating Expenses						
510	Operating Expenses	-	-	-	-	-
510.02	Telephone	664	480	2,255	2,255	2,255
510.04	Travel	-	-	-	-	-
510.10	Maintenance Contracts	5,068	87,258	98,386	98,386	105,066
510.12	Equipment Rental	-	422	350	150	400
510.14	Subscriptions & Publications	-	-	75	75	75
510.21	IT Internal Svc Contribution	-	-	-	-	31,142
510.40	Supplies - Office	555	881	472	472	472
510.50	Supplies - All Other	2,960	4,464	5,000	4,000	5,000
510.55	Operating Equip - Department	1,132	5,325	1,000	3,200	1,500
535.01	Facilities Building Mnt Internal Svc	-	-	-	-	67,281
545.01	Vehicles Central Garage Internal Svc	-	-	-	-	141,720
25 - Operating Expenses		10,379	98,831	107,538	108,538	354,911
Percent Change 2015 vs. 2014 Budget						230.03%
30 - Contractual Services						
515	Insurance	-	-	-	-	-
515.05	IRMA Premium	-	-	22,271	22,271	22,271
515.10	Unemployment Insurance	1,200	1,200	1,200	1,200	1,200
515.15	IRMA Deductible - Worker's Comp	-	-	4,772	4,772	4,772
515.20	IRMA Deductible - Non Wrker's Co	-	-	3,182	3,182	3,182
30 - Contractual Services		1,200	1,200	31,425	31,425	31,425
Percent Change 2015 vs. 2014 Budget						0.00%

Description	2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
40 - Repairs and Maintenance					
535 Facilities	-	-	-	-	-
535.05 Sidewalks, Curbs, & Bikeways	214,500	93,936	325,000	422,934	275,000
535.10 Streets & Highways	147,352	155,023	253,000	253,000	253,000
550 Other	-	-	-	-	-
550.05 Other Department Equipment	6,345	6,675	9,000	8,000	9,000
550.10 Other Radios	-	-	600	1,240	600
40 - Repairs and Maintenance	368,197	255,634	587,600	685,174	537,600
Percent Change 2015 vs. 2014 Budget					-8.51%
45 - Commodities					
530 Commodities	-	-	-	-	-
530.40 Snow & Ice Control Mix	259,362	54,034	87,500	420,000	356,000
530.50 Small Equipment Tools & Hardware	21,172	425	500	500	540
530.55 Traffic & Street Signs	7,544	42,617	39,000	39,000	42,000
45 - Commodities	288,079	97,077	127,000	459,500	398,540
Percent Change 2015 vs. 2014 Budget					213.81%
55 - Capital Outlay					
555 Capital Equipment	-	-	-	-	-
555.10 Office and Other Equipment	-	-	-	-	-
555.20 Automobiles & Trucks	-	-	-	-	-
555.30 Reserve for Capital Replacement	-	72,998	72,998	72,998	72,998
555.40 Reserve for Technology	-	7	1,000	1,000	1,000
555.50 Reserve for Buildings	-	-	5,370	5,370	5,370
55 - Capital Outlay	-	73,005	79,368	79,368	79,368
Percent Change 2015 vs. 2014 Budget					0.00%
Division Total: 10 - Streets	1,335,528	1,319,984	1,747,415	2,325,332	2,386,383
Percent Change 2015 vs. 2014 Budget					36.57%

Budget Summary

Public Works Administration

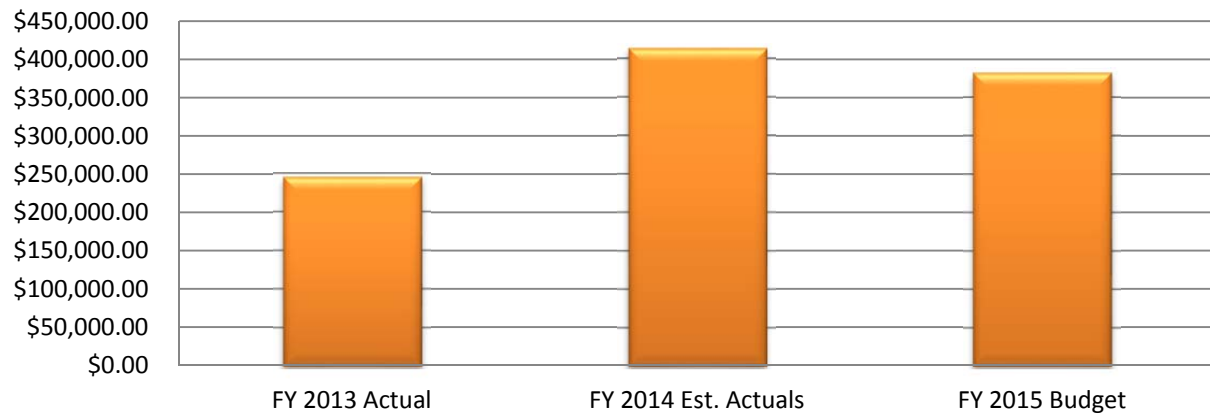
	FY 2013 Actual	FY 2014 Est. Actuals	FY 2015 Budget
Personal Services	194,466	252,841	210,402
Personal Benefits	38,177	120,514	100,614
Operating Expenses	9,885	11,200	41,627
Contractual Services	1,000	9,564	9,964
Repairs and Maintenance	346	2,000	2,000
Other Expenses	-	-	-
Capital Outlay	2,351	18,380	18,380
Total	246,227	\$ 414,499	382,987

Budget Variance

Engineering Services

Line Item Number	Account Description	Percent Change	Dollar Amount Change	Description of Change
500.05	Personal Services Salaries - Full Time	-20.00%	\$-41,813	Reduction in secretary
500.40	Personal Services Salaries - Longevity	-60.00%	\$-600	Reduction in secretary
505.05	Personal Benefits Group & Medical Life	-53.54%	\$-20,400	Reduction in secretary
505.10	Personal Benefits Professional Training	12.99%	\$500	True cost of training based on experience
510.04	Operating Expenses Travel	50.00%	\$300	True cost of vehicle reimbursement based on experience
510.21	Operating Expenses IT Internal Svc Contribution	New	\$20,922	New internal service fund
535.01	Maintenance & Repairs - Facilities Building Mnt Internal Svc Cntrb	New	\$9,205	New internal service fund
515.10	Insurance Unemployment Insurance	New	\$400	New expenditure line item

Public Works - Admin



Expenditures

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
Fund: 100 - General Fund						
Department: 55 - Public Works						
Division: 15 - Administration						
10 - Salaries						
500	Personal Services	10,785	-	-	-	-
500.05	Full Time	255,614	192,467	250,841	250,841	209,028
500.10	Part Time	-	-	-	-	-
500.35	Overtime	303	-	400	400	374
500.40	Longevity	1,800	2,000	1,600	1,600	1,000
10 - Salaries		268,502	194,467	252,841	252,841	210,402
Percent Change 2015 vs. 2014 Budget						-16.78%
15 - Taxes and Benefits						
505	Personal Benefits	1,865	-	-	-	-
505.05	Group & Medical Life	86,867	33,959	58,500	58,500	38,100
505.10	Professional Training	4,004	126	3,350	3,350	3,850
505.15	Dues & Memberships	4,027	3,886	4,458	4,458	4,458
505.20	Clothing Allowance	76	-	250	250	250
505.35	Safety Equipment	163	207	400	400	400
505.45	ICMA Deferred Compensation	2,418	-	-	-	-
505.75	Employer's Contribution - FICA	-	-	15,553	15,553	15,553
505.80	Employer's Contribution - IMRF	-	-	34,366	34,366	34,366
505.85	Employer's Contribution Medicare	-	-	3,637	3,637	3,637
15 - Taxes and Benefits		99,421	38,178	120,514	120,514	100,614
Percent Change 2015 vs. 2014 Budget						-16.51%
25 - Operating Expenses						
510	Operating Expenses	-	9	-	-	-
510.02	Telephone	1,211	2,106	2,800	2,800	2,800
510.04	Travel	25	-	300	300	600
510.10	Maintenance Contracts	-	50	-	-	-
510.12	Equipment Rental	-	-	-	-	-
510.14	Subscriptions & Publications	1,728	5,958	2,000	2,000	2,000
510.21	IT Internal Svc Contribution	-	-	-	-	20,922
510.40	Supplies - Office	8,735	1,732	5,600	5,600	5,600
510.50	Supplies - All Other	-	31	500	500	500
535.01	Facilities Building Mnt Internal Svc	-	-	-	-	9,205
545.01	Vehicles Central Garage Internal Svc	-	-	-	-	-
25 - Operating Expenses		11,699	9,885	11,200	11,200	41,627
Percent Change 2015 vs. 2014 Budget						271.67%
30 - Contractual Services						
515	Insurance	-	-	-	-	-
515.05	IRMA Premium	-	-	7,047	7,047	7,047
515.10	Unemployment Insurance	1,200	1,000	-	-	400
515.15	IRMA Deductible - Worker's Comp	-	-	1,510	1,510	1,510
515.20	IRMA Deductible - Non Wrker's Co	-	-	1,007	1,007	1,007
30 - Contractual Services		1,200	1,000	9,564	9,564	9,964
Percent Change 2015 vs. 2014 Budget						4.18%

Description	2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
40 - Repairs and Maintenance					
550 Other	-	-	-	-	-
550.05 Other Department Equipment	6,571	346	2,000	2,000	2,000
40 - Repairs and Maintenance	6,571	346	2,000	2,000	2,000
Percent Change 2015 vs. 2014 Budget					0.00%
50 - Other Expenses					
580 All Other Expense	-	-	-	-	-
580.05 Other Expenses	25	-	-	-	-
50 - Other Expenses	25	-	-	-	-
Percent Change 2015 vs. 2014 Budget					0.00%
55 - Capital Outlay					
555 Capital Equipment	-	-	-	-	-
555.10 Office and Other Equipment	4,252	2,351	13,800	13,800	13,800
555.30 Reserve for Capital Replacement	-	-	-	-	-
555.40 Reserve for Technology	-	-	1,000	1,000	1,000
555.50 Reserve for Buildings	-	-	3,580	3,580	3,580
55 - Capital Outlay	4,252	2,351	18,380	18,380	18,380
Percent Change 2015 vs. 2014 Budget					0.00%
Division Total: 15 - Administration	391,671	246,227	414,499	414,499	382,987
Percent Change 2015 vs. 2014 Budget					-7.60%

Budget Summary

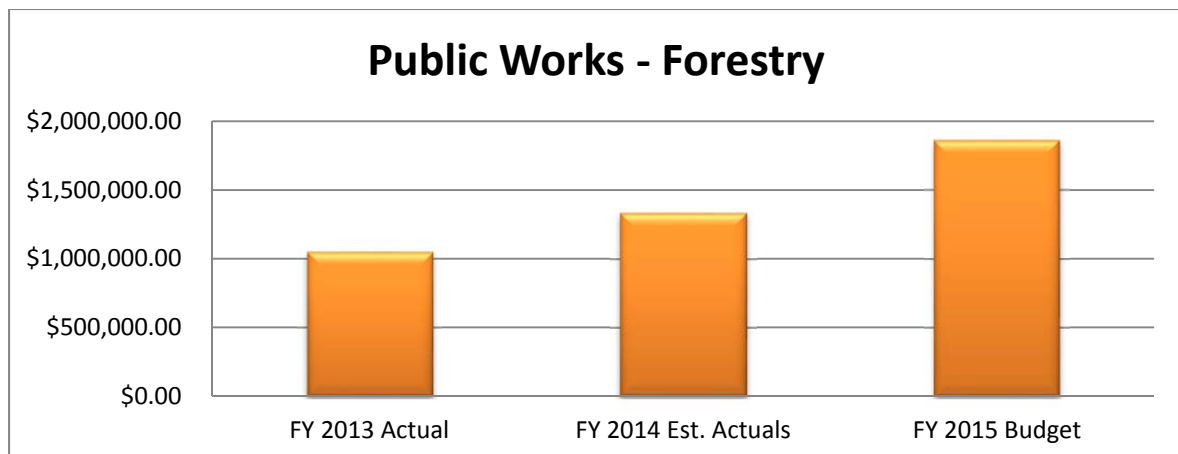
Forestry

	FY 2013 Actual	FY 2014 Est. Actuals	FY 2015 Budget
Personal Services	835,693	822,871	899,431
Personal Benefits	197,329	406,375	402,996
Operating Expenses	18,304	19,772	457,522
Contractual Services	2,400	28,953	28,953
Repairs and Maintenance	-63,395	-14,900	1,100
Commodities	960	3,100	3,100
Other Expenses	-15	-	-
Capital Outlay	60,226	70,845	70,845
Total	1,051,504	1,337,016	1,863,947

Budget Variance

Forestry

Line Item Number	Account Description	Percent Change	Dollar Amount Change	Description of Change
505.10	Personal Benefits Professional Training	47.06%	2,000	True cost of training based on experience
505.26	Personal Benefits Uniform Rental	-18.04%	(390)	Reallocation based on staffing changes
510.21	Operating Expenses IT Internal Svc Contribution	New	63,065	New internal service fund
535.01	Maintenance & Repairs - Facilities Building Mnt Internal Svc Cntrb	New	45,741	New internal service fund
545.01	Maintenance & Repairs - Vehicles Central Garage Internal Svc	New	328,894	New internal service fund



Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
Division: 20 - Forestry						
10 - Salaries						
500	Personal Services	30,998	-	-	-	-
500.05	Full Time	743,206	789,880	781,801	781,801	840,175
500.10	Part Time	3,372	21,852	44,299	26,000	45,929
500.35	Overtime	3,881	16,395	5,515	7,500	5,663
500.40	Longevity	7,300	7,567	7,570	7,570	7,664
Total: 10 - Salaries		788,757	835,693	839,185	822,871	899,431
Percent Change 2015 vs. 2014 Budget						7.18%
15 - Taxes and Benefits						
505	Personal Benefits	7,043	-	-	-	-
505.05	Group & Medical Life	193,055	189,517	217,750	217,750	201,769
505.10	Professional Training	2,394	1,716	2,250	2,250	4,250
505.15	Dues & Memberships	1,996	1,904	1,670	1,607	1,795
505.20	Clothing Allowance	1,705	978	2,539	2,539	2,439
505.26	Uniform Rental	2,136	2,255	2,552	2,552	2,162
505.35	Safety Equipment	829	960	1,250	1,250	1,250
505.45	ICMA Deferred Compensation	137	-	-	-	-
505.75	Employer's Contribution - FICA	-	-	51,815	51,815	55,765
505.80	Employer's Contribution - IMRF	-	-	114,494	114,494	120,524
505.85	Employer's Contribution Medicare	-	-	12,118	12,118	13,042
15 - Taxes and Benefits		209,296	197,330	406,438	406,375	402,996
Percent Change 2015 vs. 2014 Budget						-0.85%
25 - Operating Expenses						
510	Operating Expenses	-	-	-	-	-
510.02	Telephone	2,834	3,062	2,615	2,615	2,615
510.04	Travel	-	-	-	-	-
510.10	Maintenance Contracts	6,431	5,967	7,750	7,750	7,800
510.12	Equipment Rental	-	-	835	835	835
510.14	Subscriptions & Publications	-	-	100	100	100
510.21	IT Internal Svc Contribution	-	-	-	-	63,065
510.40	Supplies - Office	300	51	472	472	472
510.50	Supplies - All Other	4,562	6,243	5,000	5,000	5,000
510.55	Operating Equip - Department	2,915	2,981	3,000	3,000	3,000
535.01	Facilities Building Mnt Internal Svc	-	-	-	-	45,741
545.01	Vehicles Central Garage Internal Svc	-	-	-	-	328,894
25 - Operating Expenses		17,043	18,304	19,772	19,772	457,522
Percent Change 2015 vs. 2014 Budget						2213.99%
30 - Contractual Services						
515	Insurance	-	-	-	-	-
515.05	IRMA Premium	-	-	19,713	19,713	19,713
515.10	Unemployment Insurance	2,200	2,400	2,200	2,200	2,200
515.15	IRMA Deductible - Worker's Comp	-	-	4,224	4,224	4,224
515.20	IRMA Deductible - Non Wrker's Co	-	-	2,816	2,816	2,816
30 - Contractual Services		2,200	2,400	28,953	28,953	28,953
Percent Change 2015 vs. 2014 Budget						0.00%

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
40 - Repairs and Maintenance						
535	Facilities	-	-	-	-	-
535.30	Parkway Trees	(16,607)	(63,395)	-	(16,000)	-
550.05	Other Department Equipment	-	-	600	600	600
550.10	Other Radios	-	-	500	500	500
40 - Repairs and Maintenance		(16,607)	(63,395)	1,100	(14,900)	1,100
Percent Change 2015 vs. 2014 Budget						0.00%
45 - Commodities						
530	Commodities	-	-	-	-	-
530.45	Chemicals and Fertilizers	3,239	292	2,500	2,500	2,500
530.50	Small Equipment Tools & Hardware	315	669	600	600	600
45 - Commodities		3,554	961	3,100	3,100	3,100
Percent Change 2015 vs. 2014 Budget						0.00%
50 - Other Expenses						
580	All Other Expense	-	-	-	-	-
580.05	Other Expenses	165	(16)	-	-	-
50 - Other Expenses		165	(16)	-	-	-
Percent Change 2015 vs. 2014 Budget						0.00%
55 - Capital Outlay						
555	Capital Equipment	-	-	-	-	-
555.10	Office and Other Equipment	-	267	-	-	-
555.20	Automobiles & Trucks	3,400	2,049	-	-	-
555.30	Reserve for Capital Replacement	-	57,911	60,000	60,000	60,000
555.40	Reserve for Technology	-	-	1,000	1,000	1,000
555.50	Reserve for Buildings	-	-	9,845	9,845	9,845
55 - Capital Outlay		3,400	60,227	70,845	70,845	70,845
Percent Change 2015 vs. 2014 Budget						0.00%
Division Total: 20 - Forestry		1,007,808	1,051,504	1,369,393	1,337,016	1,863,947
Percent Change 2015 vs. 2014 Budget						36.11%

Budget Summary

Drainage

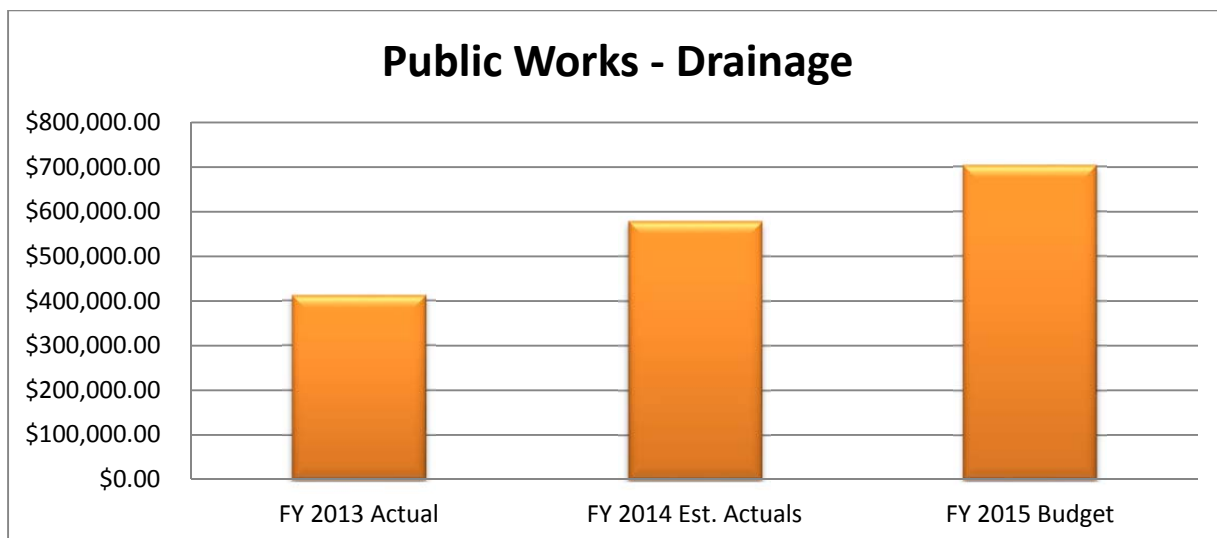
	FY 2013 Actual	FY 2014 Est. Actuals	FY 2015 Budget
Personal Services	220,074	199,8520	254,237
Personal Benefits	23,405	93,185	116,203
Operating Expenses	2,056	2,605	87,574
Contractual Services	200	12,098	12,498
Repairs and Maintenance	14,842	9,700	12,000
Commodities	130	850	1,000
Other Expenses	-	-	-
Capital Outlay	151,385	260,841	220,841
Total	412,096	579,131	704,353

Budget Variance

Drainage

Line Item Number	Account Description	Percent Change	Dollar Amount Change	Description of Change
500.05	Personal Services Salaries - Full Time	21.57%	\$53,580	PW staffing reorganization
500.35	Personal Services Salaries - Overtime	34.52%	\$1,343	PW staffing reorganization
505.05	Personal Benefits Group & Medical Life	18.03%	\$10,720	PW staffing reorganization
505.10	Personal Benefits Professional Training	66.67%	\$400	PW staffing reorganization
505.15	Personal Benefits Dues & Memberships	60.00%	\$60	PW staffing reorganization
505.26	Personal Benefits Uniform Rental	41.24%	\$299	PW staffing reorganization
505.75	Personal Benefits Employer's Contribution - FICA	23.28%	\$3,670	PW staffing reorganization
505.80	Personal Benefits Employer's Contribution - IMRF	21.57%	\$7,350	PW staffing reorganization
505.85	Personal Benefits Employer's Contribution Medicare	23.28%	\$858	PW staffing reorganization

Line Item Number	Account Description	Percent Change	Dollar Amount Change	Description of Change
510.14	Operating Expenses Subscriptions & Publications	97.90%	\$3,500	Des Plaines Watershed Group Membership
510.21	Operating Expenses IT Internal Svc Contribution	New	\$8,898	New internal service fund
510.50	Operating Expenses Supplies - All Other	90.00%	\$900	Line item increased based on expenditure history
535.01	Maintenance & Repairs - Facilities Building Mnt Internal Svc Cntrb	New	\$17,075	New internal service fund
545.01	Maintenance & Repairs - Vehicles Central Garage Internal Svc	New	\$54,896	New internal service fund
515.10	Insurance Unemployment Insurance	50.00%	\$400	PW staffing reorganization
550.05	Maintenance & Repairs - Other Department Equipment	21.88%	\$700	Anticipation of increased flushing activities



Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
Division: 25 - Drainage						
10 - Salaries						
500	Personal Services	7,847	-	-	-	-
500.05	Full Time	189,867	213,849	194,819	194,819	248,399
500.10	Part Time	-	81	-	-	-
500.35	Overtime	864	4,247	2,548	3,000	3,891
500.40	Longevity	1,964	1,897	2,033	2,033	1,947
10 - Salaries		200,542	220,074	199,400	199,852	254,237
Percent Change 2015 vs. 2014 Budget						27.50%
15 - Taxes and Benefits						
505	Personal Benefits	872	-	-	-	-
505.05	Group & Medical Life	8,964	22,330	48,750	48,750	59,470
505.10	Professional Training	68	-	200	200	600
505.15	Dues & Memberships	69	109	40	80	100
505.20	Clothing Allowance	240	258	492	492	492
505.26	Uniform Rental	442	417	426	725	725
505.35	Safety Equipment	66	293	1,300	1,300	1,300
505.45	ICMA Deferred Compensation	137	-	-	-	-
505.75	Employer's Contribution - FICA	-	-	12,092	12,092	15,762
505.80	Employer's Contribution - IMRF	-	-	26,718	26,718	34,068
505.85	Employer's Contribution Medicare	-	-	2,828	2,828	3,686
15 - Taxes and Benefits		10,859	23,406	92,846	93,185	116,203
Percent Change 2015 vs. 2014 Budget						25.16%
25 - Operating Expenses						
510	Operating Expenses	-	-	-	-	-
510.02	Telephone	346	264	780	780	780
510.04	Travel	-	-	-	-	-
510.10	Maintenance Contracts	-	1,296	-	-	-
510.12	Equipment Rental	-	-	300	100	300
510.14	Subscriptions & Publications	-	-	75	75	3,575
510.21	IT Internal Svc Contribution	-	-	-	-	8,898
510.40	Supplies - Office	324	46	450	450	450
510.50	Supplies - All Other	141	450	100	700	1,000
510.55	Operating Equip - Department	-	-	600	500	600
535.01	Facilities Building Mnt Internal Svc	-	-	-	-	17,075
545.01	Vehicles Central Garage Internal Svc	-	-	-	-	54,896
25 - Operating Expenses		810	2,057	2,305	2,605	87,574
Percent Change 2015 vs. 2014 Budget						3699.31%
30 - Contractual Services						
515	Insurance	-	-	-	-	-
515.05	IRMA Premium	-	-	8,620	8,620	8,620
515.10	Unemployment Insurance	400	200	400	400	800
515.15	IRMA Deductible - Worker's Comp	-	-	1,847	1,847	1,847
515.20	IRMA Deductible - Non Wrker's Co	-	-	1,231	1,231	1,231
30 - Contractual Services		400	200	12,098	12,098	12,498
Percent Change 2015 vs. 2014 Budget						3.31%

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
40 - Repairs and Maintenance						
540	Maintenance & Repairs - Water & Sewer	-	-	-	-	-
540.35	Storm and Sanitary Sewers	21,099	13,189	8,000	7,000	8,000
550	Other	-	-	-	-	-
550.05	Other Department Equipment	550	1,654	2,500	2,000	3,200
550.10	Other Radios	-	-	200	200	200
550.30	Other Staff Equipment	-	-	600	500	600
40 - Repairs and Maintenance		21,649	14,843	11,300	9,700	12,000
Percent Change 2015 vs. 2014 Budget						6.19%
45 - Commodities						
530	Commodities	-	-	-	-	-
530.50	Small Equipment Tools & Hardware	-	131	1,000	850	1,000
45 - Commodities		-	131	1,000	850	1,000
Percent Change 2015 vs. 2014 Budget						0.00%
55 - Capital Outlay						
555	Capital Equipment	-	-	-	-	-
555.10	Office and Other Equipment	-	-	-	-	-
555.30	Reserve for Capital Replacement	1,619	18,301	18,301	18,301	18,301
555.40	Reserve for Technology	-	-	750	750	750
555.50	Reserve for Buildings	-	-	1,790	1,790	1,790
560	Capital Projects	-	-	-	-	-
560.40	Improvements Other Than Building	34,278	133,084	240,000	240,000	200,000
55 - Capital Outlay		35,897	151,385	260,841	260,841	220,841
Percent Change 2015 vs. 2014 Budget						-15.34%
Division Total: 25 - Drainage		270,157	412,096	579,790	579,131	704,353
Percent Change 2015 vs. 2014 Budget						21.48%

Budget Summary

Engineering

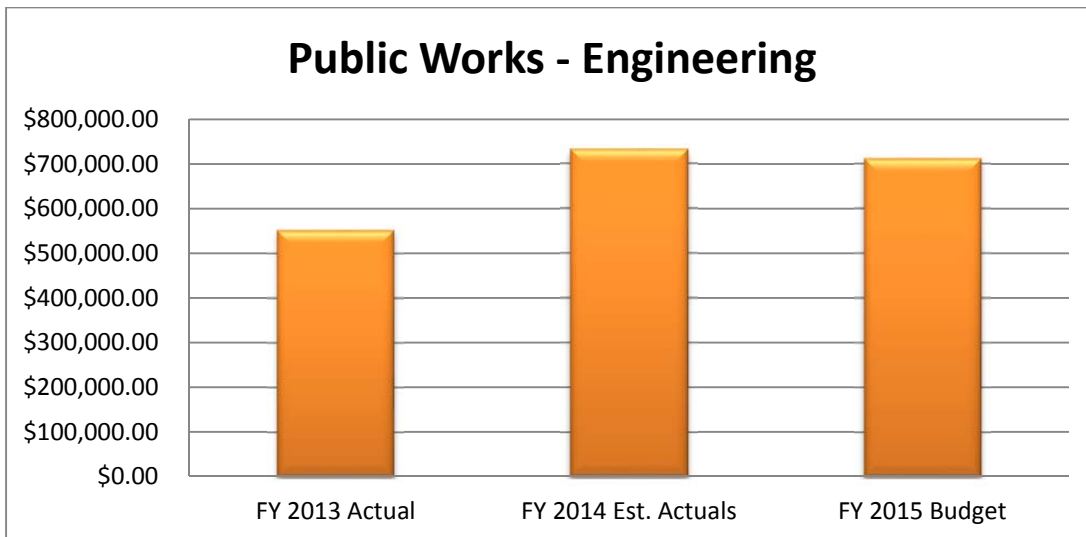
	FY 2013 Actual	FY 2014 Est. Actuals	FY 2015 Budget
Personal Services	453,676	464,990	423,000
Personal Benefits	67,700	205,022	174,420
Operating Expenses	8,771	14,705	79,257
Contractual Services	1,200	16,670	16,670
Repairs and Maintenance	232	5,800	3,300
Commodities	-	750	750
Other Expenses	130	10,300	-
Capital Outlay	21,706	15,677	15,677
Total	553,417	733,914	713,074

Budget Variance

Engineering

Line Item Number	Account Description	Percent Change	Dollar Amount Change	Description of Change
500.05	Personal Services Salaries - Full Time	-17.68%	\$-68,590	FT secretary to PT secretary
500.10	Personal Services Salaries - Part Time	85.45%	\$28,200	FT secretary to PT secretary
500.40	Personal Services Salaries - Longevity	-114.29%	\$-1,600	FT secretary to PT secretary
505.05	Personal Benefits Group & Medical Life	-28.29%	\$-21,500	FT secretary to PT secretary
505.26	Personal Benefits Uniform Rental	80.95%	\$340	Reallocation for 4 Engineering Employees
505.35	Personal Benefits Safety Equipment	-30.00%	\$-150	Expense reallocation based on experience
505.80	Personal Benefits Employer's Contribution - IMRF	-10.86%	\$-6,135	FT secretary to PT secretary
505.85	Personal Benefits Employer's Contribution Medicare	-12.97%	\$-804	FT secretary to PT secretary
510.21	Operating Expenses IT Internal Svc Contribution	New	\$29,038	New internal service fund
510.40	Operating Expenses Supplies - Office	-12.50%	\$-200	Expense reallocation based on experience

Line Item Number	Account Description	Percent Change	Dollar Amount Change	Description of Change
510.50	Operating Expenses Supplies - All Other	-16.67%	\$-250	Expense reallocation based on experience
535.01	Maintenance & Repairs - Facilities Building Mnt Internal Svc Cntrb	New	\$17,365	New internal service fund
545.01	Maintenance & Repairs - Vehicles Central Garage Internal Svc	New	\$18,574	New internal service fund
550.05	Maintenance & Repairs - Other Department Equipment	-83.33%	\$-2,500	Expense reallocation based on experience



Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actuals	2015 Budget
10 - Salaries						
500	Personal Services	-	-	-	-	-
500.05	Full Time	438,920	423,039	456,590	456,590	388,000
500.10	Part Time	59,559	27,637	4,800	4,800	33,000
500.35	Overtime	-	-	600	600	600
500.40	Longevity	3,600	3,000	3,000	3,000	1,400
10 - Salaries		502,079	453,676	464,990	464,990	423,000
Percent Change 2015 vs. 2014 Budget						-9.03%
15 - Taxes and Benefits						
505	Personal Benefits	-	-	-	-	-
505.05	Group & Medical Life	63,771	62,716	97,500	97,500	76,000
505.10	Professional Training	669	3,666	6,900	6,900	7,000
505.15	Dues & Memberships	909	947	900	900	900
505.20	Clothing Allowance	187	-	400	400	400
505.26	Uniform Rental	44	131	80	80	420
505.35	Safety Equipment	228	240	650	650	500
505.45	ICMA Deferred Compensation	22,415	-	-	-	-
505.75	Employer's Contribution - FICA	-	-	28,953	28,953	26,500
505.80	Employer's Contribution - IMRF	-	-	62,635	62,635	56,500
505.85	Employer's Contribution Medicare	-	-	7,004	7,004	6,200
15 - Taxes and Benefits		88,223	67,701	205,022	205,022	174,420
Percent Change 2015 vs. 2014 Budget						-14.93%
25 - Operating Expenses						
510	Operating Expenses	-	-	-	-	-
510.02	Telephone	-	1,095	3,630	3,630	3,630
510.04	Travel	-	67	75	75	100
510.06	Per Diem Allowance	-	-	250	250	250
510.14	Subscriptions & Publications	242	255	400	400	400
510.16	Printing	1,666	1,308	2,300	2,300	2,300
510.20	Computer Services	4,289	4,289	4,500	4,500	4,500
510.21	IT Internal Svc Contribution	-	-	-	-	29,038
510.40	Supplies - Office	1,561	874	1,800	1,800	1,600
510.50	Supplies - All Other	5,847	883	1,750	1,750	1,500
510.55	Operating Equip - Department	-	-	-	-	-
535.01	Facilities Building Mnt Internal Svc	-	-	-	-	17,365
545.01	Vehicles Central Garage Internal Svc	-	-	-	-	18,574
25 - Operating Expenses		13,605	8,772	14,705	14,705	79,257
Percent Change 2015 vs. 2014 Budget						438.98%
30 - Contractual Services						
515	Insurance	-	-	-	-	-
515.05	IRMA Premium	-	-	12,283	12,283	12,283
515.10	Unemployment Insurance	1,000	1,200	-	-	-
515.15	IRMA Deductible - Worker's Comp	-	-	2,632	2,632	2,632
515.20	IRMA Deductible - Non Wrker's Co	-	-	1,755	1,755	1,755
30 - Contractual Services		1,000	1,200	16,670	16,670	16,670
Percent Change 2015 vs. 2014 Budget						0.00%

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actuals	2015 Budget
40 - Repairs and Maintenance						
550	Maintenance & Repairs - Other	-	-	-	-	-
550.05	Other Department Equipment	1,263	232	5,500	5,500	3,000
550.10	Other Radios	-	-	300	300	300
40 - Repairs and Maintenance		1,263	232	5,800	5,800	3,300
Percent Change 2015 vs. 2014 Budget						-43.10%
45 - Commodities						
530	Commodities	-	-	-	-	-
530.50	Small Equipment Tools & Hardware	-	-	750	750	750
45 - Commodities		-	-	750	750	750
Percent Change 2015 vs. 2014 Budget						0.00%
50 - Other Expenses						
580	All Other Expense	-	-	-	-	-
580.05	All Other Expense All Other Expenses	270	130	300	300	-
580.10	All Other Expense Consultant Fees	-	-	10,000	10,000	-
50 - Other Expenses		270	130	10,300	10,300	-
Percent Change 2015 vs. 2014 Budget						-100.00%
55 - Capital Outlay						
555	Capital Equipment	-	-	-	-	-
555.10	Office and Other Equipment	-	12,567	4,500	4,500	4,500
555.30	Reserve for Capital Replacement	-	3,702	3,702	3,702	3,702
555.40	Reserve for Technology	-	5,438	3,000	3,000	3,000
555.50	Reserve for Buildings	-	-	4,475	4,475	4,475
55 - Capital Outlay		-	21,707	15,677	15,677	15,677
Percent Change 2015 vs. 2014 Budget						0.00%
Department Total: 60 - Engineering		606,440	553,417	733,914	733,914	713,074
Percent Change 2015 vs. 2014 Budget						-2.84%

Non-Operating Transfers

This program provides for transfers from prior accumulations of Corporate Fund reserves for capital projects and other operating uses as recommended and authorized within the Village's Fund Balance Use policy for the Corporate Fund.

Additionally, funds will be transferred to the Facilities Development Capital Project Fund for various capital development programs authorized by the Corporate Authorities as part of the Village's FY 2015 through FY 2019 Capital Improvement Plan. Funding for these transfers will come from prior accumulation of unreserved Corporate Fund reserves. Funding for 2015 has been reduced due to other needs in other funds and operational costs.

A transfer of 20 percent of the Home Rule Sales Tax will be transferred to the Motor Fuel Tax Fund to supplement state revenues for the annual street maintenance program.

Budget Summary

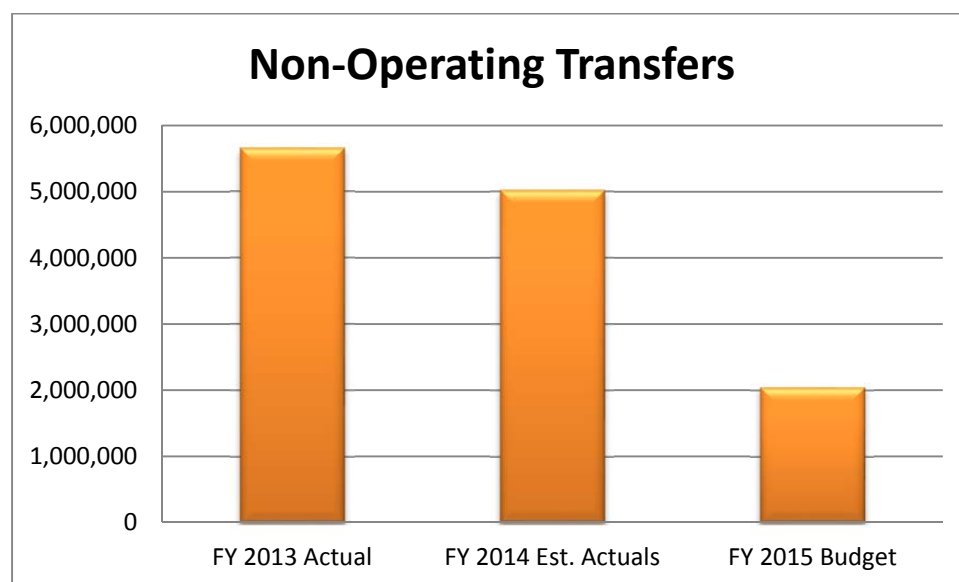
Non-Operating Transfers

	FY 2013 Actual	FY 2014 Est. Actuals	FY 2015 Budget
Operating Expenses	59,010	85,000	90,000
All Other Expenses	5,812,989	2,601,907	1,943,943
Total	5,662,671	5,029,233	2,054,074

Budget Variance

Non-Operating Transfers

Line Item Number	Account Description	Percent Change	Dollar Amount Change	Description of Change
570.60	Arboretum Golf Club	New	\$187,150	Additional Subsidy to Enterprise Fund
570.70	Buffalo Grove Golf Club	152.7%	\$96,166	Additional Subsidy to Enterprise Fund
570.30	Capital Projects Fund	-28.05%	\$-\$357,982	Reduced funding of projects



Expenditures

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
Fund: 100 - General Fund						
Department: 70 - Transfer Non-Operating						
Division: 40 - General Government						
50 - Other Expenses						
580.05	All Other Expenses	63,419	59,010	85,000	85,000	90,000
50 - Other Expenses		63,419	59,010	85,000	85,000	90,000
Percent Change 2015 vs. 2014 Budget						5.88%
65 - Other Financing Uses						
570.20	Debt Service Fund	-	202,605	-	20,000	-
570.50	Motor Fuel Tax Fund	438,980	-	629,670	659,423	679,205
570.60	Arboretum Golf Course Fund	217,000	58,960	-	-	187,150
570.70	Buffalo Grove Golf Course Fund	52,500	15,228	63,000	-	159,166
570.75	Health Insurance	-	532,066	-	-	-
570.90	Police Pension Fund	-	-	-	-	-
570.95	Fire Pension Fund	-	-	-	-	-
65 - Other Financing Uses		708,480	808,859	692,670	679,423	1,025,521
Percent Change 2015 vs. 2014 Budget						48.05%
Division Total: 40 - General Government		771,899	867,869	777,670	764,423	1,115,521
Percent Change 2015 vs. 2014 Budget						43.44%
Division: 45 - Public Safety						
65 - Other Financing Uses						
570.90	Police Pension Fund	2,187,321	2,226,624	-	-	-
570.95	Fire Pension Fund	2,026,299	2,048,371	-	-	-
65 - Other Financing Uses		4,213,620	4,274,994	-	-	-
Percent Change 2015 vs. 2014 Budget						0.00%
Division Total: 45 - Public Safety		4,213,620	4,274,994	-	-	-
Percent Change 2015 vs. 2014 Budget						0.00%
Division: 50 - Public Works						
65 - Other Financing Uses						
570.30	Capital Projects Fund	677,152	729,135	1,276,404	1,922,484	918,422
65 - Other Financing Uses		677,152	729,135	1,276,404	1,922,484	918,422
Percent Change 2015 vs. 2014 Budget						-28.05%
Division Total: 50 - Public Works		677,152	729,135	1,276,404	1,922,484	918,422
Percent Change 2015 vs. 2014 Budget						-28.05%
Department Total: 70 - Transfer Non-Oper		5,662,671	5,871,998	2,054,074	2,686,907	2,033,943
Percent Change 2015 vs. 2014 Budget						-0.98%

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Section 6

Capital Improvement Plan

Capital Improvement Request Summary

Capital Projects Budgeted by Fund

Summary Sheet

Detailed Project Sheets

Criteria List and Scoring Matrix

Reserve for Capital Replacement - Vehicles

Motor Fuel Tax Fund

Capital Projects- Facilities Fund

Capital Projects- Streets Fund

Service
Optimization

Organizational
Culture

Revenue
Growth

Economic
Development

Infrastructure
Sustainability

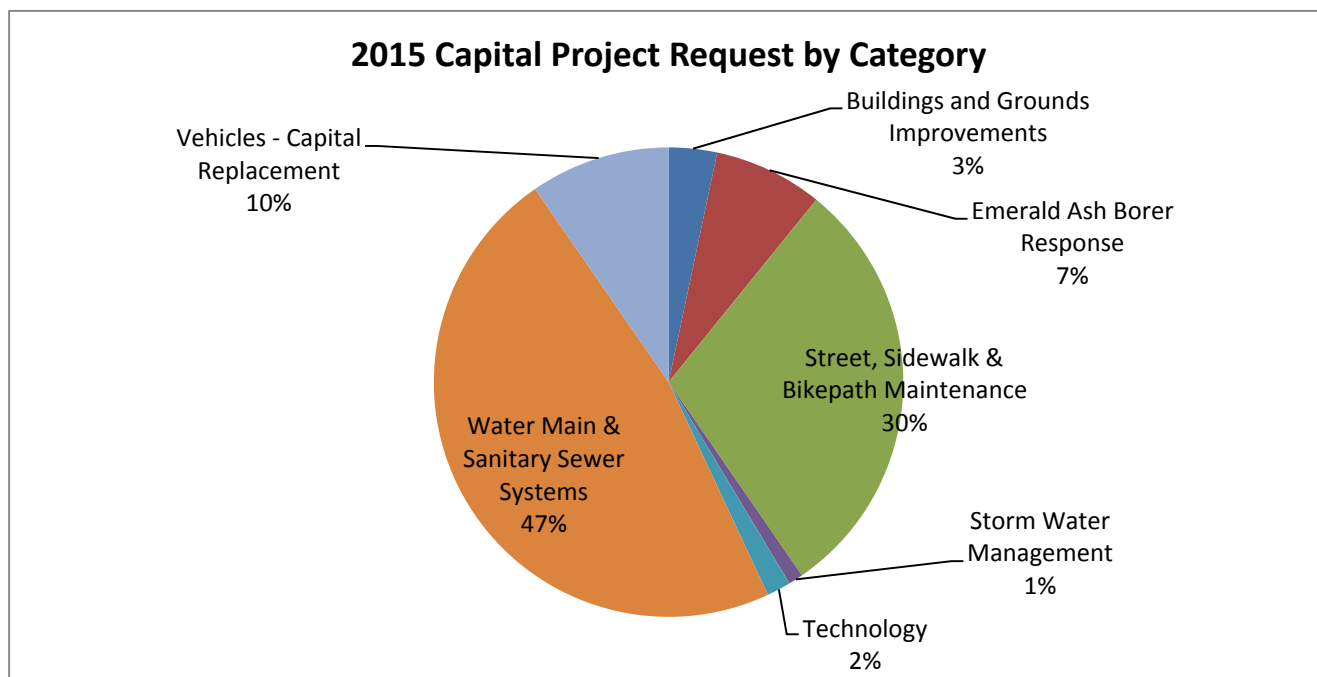
Capital Improvement Request Summary

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

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

Staff has reviewed each project and evaluated the project using the CIP Evaluation Form (see attachment). The evaluation form measures, numerically, the merits of the project based on specific criteria. The sum of the individual scores is then used to establish a priority rating. The highest possible score is 26. There are thirteen criteria used to review projects. Each project is revisited yearly and changes in priority are made as current conditions warrant. In addition, the process includes a mid-year status evaluation of each approved budgeted project in order to gauge construction progress and initiate the cycle for the next five-year program update.

Capital Projects have both financial and non-financial impacts. These impacts can occur in the current fiscal year or future fiscal years. Sometimes they can affect both. Projects requested for FY 2015 CIP total \$18,063,362 (\$14,157,362 budgeted) and fall under six categories. The chart below illustrates each category's percentage as it relates to funding the capital program for FY 2015. It is important to recognize that of the 2015 CIP is a significant capital outlay regardless of funding source but the intangibles these projects offer are important to the residents and Village Board alike. These projects improve access to bike paths, provide safer streets, improve aesthetics, and improve customer service for residents. These projects continue to make Buffalo Grove great.



The impact of the CIP on the 2015 budget and beyond will be significant. The villagewide Water Meter Replacement project will result in increased accuracy, which in turn will lead to more revenue to the Water Fund. Replacing all the water meters villagewide will severely decrease the calls and maintenance historically required of the Water department. Each meter comes with a 20 year warranty. Although there will be instances that the Water department will have service calls to check for leaks and abnormal usage, the calls about noisy meters or ones that need to be replaced will be eliminated.

The EAB program enters year the of the projected five year plan. 2015 will see the continued removal of trees but a significant increase in planting new trees. The forestry department will start to realize some of the operational savings by having to care for far less trees than in 2011 or 2012. The newly planted trees from 2014 and ones that will be planted in 2015 will require very little to no maintenance. As these trees mature over time the care and maintenance of parkways trees will increase.

The Village will continue to improve the information technology infrastructure and data sharing program through the GIS consortium in 2015. In the strategic plan the Village outlined the need to upgrade hardware and software village wide, as well as the savings of the GIS consortium which allows the Village to split IT costs amongst the group. FY 2015 will see new software deployed for Public Works along with twenty percent of the terminals replaced villagewide. These items will directly impact the 2015 budget. Going forward each year the village intends on a twenty percent replacement schedule that will replace all terminals on a five year basis villagewide. Other hardware costs for servers and other essential equipment has been identified and placed on a similar schedule based on those assets useful life cycle.

The largest outlay for the CIP is the annual street maintenance program. This is a major impacting factor on annual basis. The work is carefully scheduled so that maintenance and resurfacing activities can be accomplished before more costly road reconstruction becomes necessary. It is imperative that the Village maintain this program. A more severely deteriorated road, or a failed road, is much more costly to replace than to repair roads timely as assessed. The cost of reconstruction can be as much as three times the amount of timely maintenance. Thus, the operating budgets for road repairs and emergency maintenance activities can remain low as the Village continues to maintain a minimum average pavement condition.

The Village continues to fund the capital reserve for vehicle replacement. This is a joint effort with OVM, Finance, and Central Garage to put high quality equipment in service so each department can complete its responsibilities. Below is a list of the 2015 budgeted vehicle purchases:

Unit #	Description	Department	Cost
436	Chevrolet K3500 1 Ton Dump -00	Storm Sewer	\$62,500
440	Chevrolet Aerial w Utility -98	Building Maint	\$110,500
225	Ford Ambulance-15	Fire	\$229,683
412	Ford Escape - 15	Engineering	\$23,432
712	Ford Crown Victoria -11	PD	\$26,360
713	Ford Crown Victoria - 09	PD	\$26,360
717	Ford Crown Victoria -11	PD	\$26,360
720	Ford Crown Victoria -11	PD	\$26,360
721	Ford Crown Victoria -11	PD	\$26,360
727	Ford Crown Victoria -10	PD	\$26,360
431	Int.2654 Hi-Ranger Lift 50 ft.-92	Forestry	\$115,000

Unit #	Description	Department	Cost
434	Int. 2654 5 Ton Dump -96	Forestry	\$235,000
E 01	John Deere 1800 Utility Cart -01	Forestry	\$13,000
E 18	Gator -99	Forestry	\$10,000
M03	Dixie Chopper -07	Forestry	\$10,000
M11	Dixie Chopper -02	Forestry	\$10,000
M 05	Dixie Chopper 50" Mower -08	Forestry	\$10,000
M 07	Dixie Chopper 50" Mower -07	Forestry	\$10,000
M 01	Jacobsen HR5111 - 06	Forestry	\$72,000
T 01	John Deere 2750 Bm Mwr -85	Forestry	\$14,000
GP 09	Onan Generator Trailer	Sani Sewer	\$42,000
425	Chevrolet Cargo Van -02	Water	\$42,800
457	Dominator w Crane and Utility Box	Water	\$110,900
	Total Capital Outlay for 2015		\$1,278,975

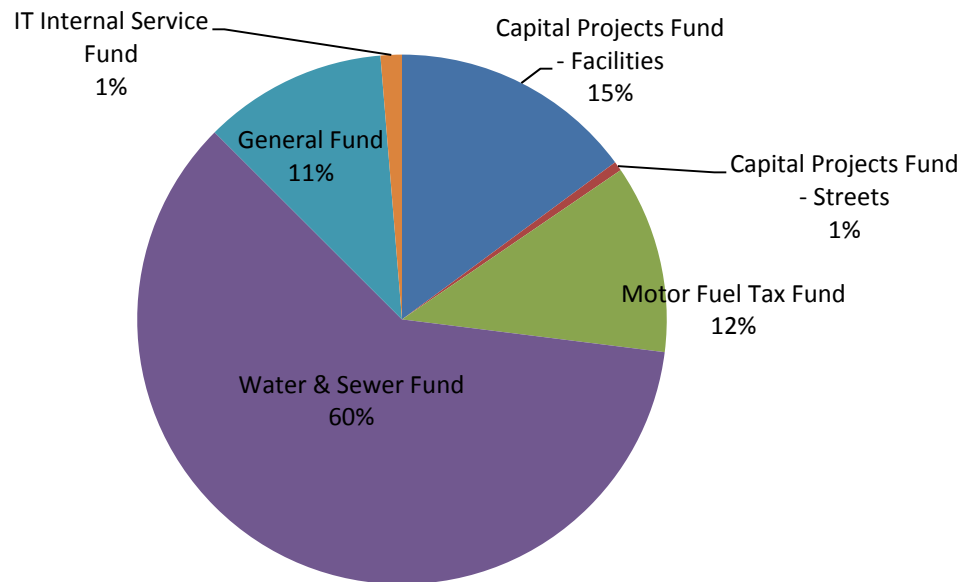
The street and streetscape programs will be active again in FY 2015. The Dundee road median and streetscape improvements will continue. The Village will also be preparing the Wieland/Prairie/Lake Cook road projects, in addition to continued improvements of sidewalks and bike paths. Phase three of the Raupp bridge replacement will commence and be completed this fiscal year. The planning and prep phases have been completed in 2013 and 2014. All major construction and the new bridge are to be reimbursed, up to eighty percent of the project cost, through a grant.

The Village will also be making needed upgrades, repairs, and maintenance to water facilities, water mains, sanitary sewer systems, and storm sewer systems. These capital outlays are ongoing and as these systems are very expensive to maintain. The Village has a twenty year water proforma which not only takes into account the revenues that will/can be generated but the costs that are anticipated to be incurred over that time. The Village assesses the system and plans upgrades and replacements. These assessments allow the Village to avoid incurring excess costs due to breaks and failures within the system as those items most in need of repair or replacement are done so prior to a failure.

2015 Capital Projects Budgeted by Fund

Capital Projects Fund - Facilities	Requested	Budgeted
Carpet Capital Replacement Projects	\$32,452	\$32,452
HVAC BAS Implementation	\$330,000	\$0
Municipal Parking Facility Maintenance	\$125,000	\$125,000
Public Service Center Office Improvements	\$80,000	\$62,000
Replacement Antenna Tower FS #27	\$26,000	\$0
Roof Capital Replacement Projects	\$72,000	\$0
EAB Ash Tree Replacement Program	\$1,500,000	\$1,500,000
Dundee Road Streetscape Improvement	\$90,000	\$90,000
Raupp Bridge Reconstruction	\$392,000	\$392,000
Public Works Software	\$126,970	\$126,970
Subtotal	\$2,774,422	\$2,328,422
Capital Projects Fund - Streets		
Dundee Road Median Improvements	\$40,000	\$40,000
Weiland Road/Lake Cook Road Improvements	\$50,000	\$50,000
Subtotal	\$90,000	\$90,000
Motor Fuel Tax Fund		
Annual Street Maintenance	\$5,010,000	\$1,800,000
Subtotal	\$5,010,000	\$1,800,000
Water & Sewer Fund		
Lift Station Repair & Rehabilitation	\$861,000	\$861,000
Pump House Repairs & Security Improvements	\$550,000	\$550,000
Scada Improvements	\$200,000	\$200,000
Villagewide Sanitary Sewer Replacement	\$850,000	\$850,000
Villagewide Water Main Replacement	\$1,000,000	\$1,000,000
Villagewide Water Meter Replacement	\$6,000,000	\$6,000,000
Subtotal	\$9,461,000	\$9,461,000
General Fund		
Annual Sidewalk/Bike Path Maintenance	\$325,000	\$275,000
Storm Water System Upgrades and Repairs	\$200,000	\$200,000
2015 Vehicles - Capital Replacement	\$1,278,975	\$1,278,975
Subtotal	\$1,803,975	\$1,753,975
IT Internal Service Fund		
GIS Consortium	\$202,940	\$202,940
Subtotal	\$202,940	\$202,940
Total	\$19,342,337	\$15,636,337

Capital Expenditures by Fund



2015-2019 Capital Project Request Summary Table

Buildings and Grounds Improvements	2015	2016	2017	2018	2019
Carpet Capital Replacement Projects	\$32,452	\$134,143	\$76,895	\$107,674	-
HVAC BAS Implementation	\$330,000	\$330,000	\$330,000	\$330,000	\$330,000
Municipal Parking Facility Maintenance	\$125,000	\$125,000	\$110,000	\$90,000	\$100,000
Public Service Center Office Improvements	\$80,000	-	-	-	-
Replacement Antenna Tower FS #27	\$26,000	-	-	-	-
Roof Capital Replacement Projects	\$72,000	\$156,000	\$130,000	\$300,000	\$200,000
Subtotal	\$665,452	\$745,143	\$646,895	\$827,674	\$630,000
Emerald Ash Borer Response					
EAB Ash Tree Replacement Program	\$1,500,000	\$350,000	-	-	-
Subtotal	\$1,500,000	\$350,000	\$0	\$0	\$0
Street, Sidewalk & Bikepath Maintenance					
Annual Street Maintenance	\$5,010,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000
Dundee Road Median Improvements	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
Dundee Road Streetscape Improvement	\$90,000	-	-	-	-
Raupp Bridge Reconstruction	\$392,000	-	-	-	-
Annual Sidewalk/Bike Path Maintenance	\$325,000	\$325,000	\$325,000	\$325,000	\$325,000
Weiland Road/Lake Cook Road Improvements	\$50,000	\$500,000	\$500,000	\$500,000	-
Subtotal	\$5,907,000	\$5,865,000	\$5,865,000	\$5,865,000	\$5,365,000
Storm Water Management					
Storm Water System Upgrades and Repairs	\$200,000	\$150,000	\$150,000	\$150,000	\$150,000
Subtotal	\$200,000	\$150,000	\$150,000	\$150,000	\$150,000
Technology					
Police Headquarter Jail Interlock Upgrade	-	\$27,341	-	-	-
GIS Consortium	\$202,940	\$183,032	\$187,310	\$192,566	\$197,832
Public Works Software	\$126,970	\$33,940	\$38,840	\$38,840	\$38,840
Subtotal	\$329,910	\$244,313	\$226,150	\$231,406	\$236,672

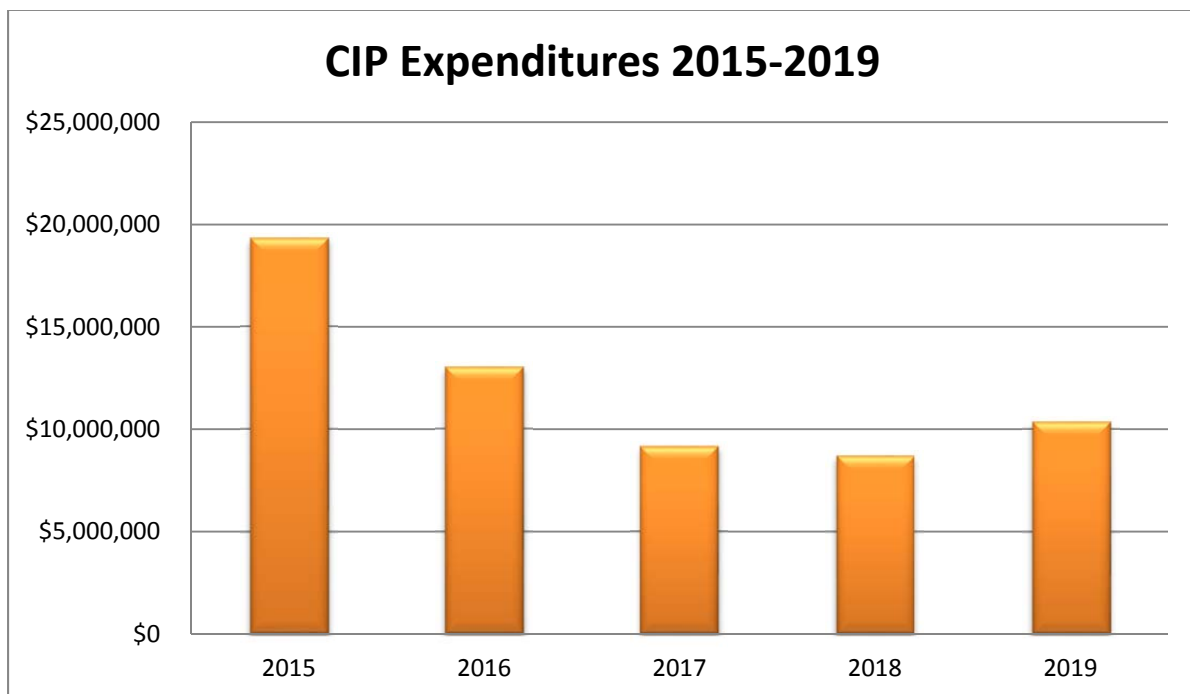
Water Main & Sanitary Sewer Systems

Lift Station Repair & Rehabilitation	\$861,000	\$530,000	\$300,000	\$300,000	\$300,000
Pump House Repairs & Security Improvements	\$550,000	\$220,000	\$110,000	\$110,000	\$110,000
Scada Improvements	\$200,000	\$100,000	\$60,000	\$20,000	\$20,000
Villagewide Sanitary Sewer Replacement	\$850,000	\$750,000	\$100,000	\$700,000	\$100,000
Villagewide Water Main Replacement	\$1,000,000	-	\$700,000	-	\$750,000
Villagewide Water Meter Replacement	\$6,000,000	-	-	-	-
Subtotal	\$9,461,000	\$1,600,000	\$1,270,000	\$1,130,000	\$1,280,000

Vehicles - Capital Replacement

Vehicles - Capital Replacement	\$1,924,284	\$3,442,330	\$995,335	\$512,130	\$2,720,117
Subtotal	\$1,924,284	\$3,442,330	\$995,335	\$512,130	\$2,720,117

Total	\$19,987,646	\$12,396,786	\$9,153,380	\$8,716,210	\$10,381,789

Grand Total 2015-2019**\$60,635,811**

Buildings & Grounds Improvements

The Village is responsible for maintaining 23 structures within its corporate boundaries. Village buildings and grounds must be maintained regularly to remain functional. Village facilities must also periodically be upgraded to ensure efficient operations. Expenditures in this category historically include projects that:

- Maintain the safety and appearance of Village owned property
- Maximize the life of facilities
- Maintain value of facilities through preventative maintenance before they become more expensive to repair.
- Insure that any issues affecting health and safety of building occupants are promptly addressed.

The Village's facilities include:

- Village Hall
- Public Service Center & Salt Dome
- Police Department
- Fire Station Admin, Stations 25, 26, & 27, Fire Training Facility and Classroom Trailer
- Pump Stations 1, 2, 6, & 7
- BGGC & Arboretum Clubhouses, Halfway Houses, and Maintenance Buildings
- Train Station and Warming Shelters
- Youth Center

Carpet Capital Replacement Projects



Category: Buildings & Grounds Improvements

Fund: Capital Projects - Facilities

Account Number: 150.75.560.30

Priority Score: 8

Initial Proposal Date: 2015

Project Coordinator: Public Works

Summary: This category covers planned carpet replacements within Village facilities. On average the carpet to be replaced will be 2 – 4 years past the date it was scheduled to be replaced. 2015 projects include Fire Station #27 (\$10,276) and Police HQ Lower Level (\$22,176)

Prior to 2015, carpet replacements were budgeted on a year-by-year basis within the operating budgets for each department

Budget Impact: This project is funded through the General Fund's operating revenues.

5 Year Expenditure History						
	FY 2010	FY 2011	FY 2012	FY 2013	Estimated FY 2014	TOTAL
Budgeted Amount	\$0	\$0	\$0	\$0	\$0	\$0
Actual Expenditures	\$0	\$0	\$0	\$0	\$0	\$0

5 Year Projected Expenditures						
Expense Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	TOTAL
Land						
Engineering						
Construction	\$32,452	\$134,143	\$76,895	\$107,674	-	\$351,164
Equipment						
Contingency						
Sub-Total	\$32,452	\$134,143	\$76,895	\$107,674	-	\$351,164

HVAC BAS Implementation



Category: Buildings & Grounds Improvements

Fund: Capital Projects - Facilities

Account Number: 150.75.560.30

Priority Score: 14

Initial Proposal Date: Ongoing

Project Coordinator: Public Works

Summary: This project will provide for Building Automation Systems (BAS) to be installed on the various HVAC systems in all Village Buildings. This will allow for the control, adjustment and modification of system settings from a remote location without having to send a Maintenance Worker to the site.

Budget Impact: This project would be funded through the General Fund's operating revenues.

5 Year Expenditure History						
	FY 2010	FY 2011	FY 2012	FY 2013	Estimated FY 2014	TOTAL
Budgeted Amount	\$0	\$0	\$0	\$0	\$ 0	\$0
Actual Expenditures	\$0	\$0	\$0	\$0	\$ 0	\$0

5 Year Projected Expenditures						
Expense Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	TOTAL
Land						
Engineering	\$5,000	\$ 5,000	\$5,000	\$5,000	\$5,000	\$25,000
Construction	\$325,000	\$325,000	\$325,000	\$325,000	\$325,000	\$1,625,000
Equipment						
Contingency						
Sub-Total	\$330,000	\$330,000	\$330,000	\$330,000	\$330,000	\$1,650,000

*This requested project was not funded in 2015.

Municipal Parking Facility Maintenance



Category: Buildings & Grounds Improvements

Fund: Capital Projects - Facilities

Account Number: 150.75.560.40

Priority Score: 16

Initial Proposal Date: Ongoing

Project Coordinator: PW-Engineering

Summary: This program provides for the routine sealing, restriping, and reconstruction of municipal lots. The 2015 planned maintenance includes lots at Fire Station #25, Metra, Buffalo Grove and Arboretum Golf Courses, the Buffalo Grove Police Station, and Reservoirs #1, 2, 6, and 7.

Budget Impact: This project is funded through the General Fund's operating revenues.

5 Year Expenditure History						
	FY 2010	FY 2011	FY 2012	FY 2013	Estimated FY 2014	TOTAL
Budgeted Amount	\$359,000	\$48,000	\$65,000	\$74,100	\$110,000	\$656,100
Actual Expenditures	\$54,700	\$50,000	\$65,000	\$67,000	\$110,000	\$346,700

5 Year Projected Expenditures						
Expense Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	TOTAL
Land						
Engineering						
Construction	\$125,000	\$125,000	\$110,000	\$90,000	\$100,000	\$550,000
Equipment						
Contingency						
Sub-Total	\$125,000	\$125,000	\$110,000	\$90,000	\$100,000	\$550,000

Public Service Center Office Improvements



Category: Building and Grounds Improvements

Fund: Capital Projects - Facilities

Account Number: 150.75.560.30

Priority Score: 13

Initial Proposal Date: 2015

Project Coordinator: Public Works

Summary: The overall scope of this project provides for the purchase and installation of service counters for Public Works Operations on the first floor and Public Works Engineering and Administration on the second floor. The current configuration does not provide space for customers to review plans or other issues with staff and there is no physical barrier between staff and the general public. This project includes the purchase of new furniture for the secretarial staff at Public Service Center.

New furniture is also proposed for the PW lunch/training room including tables and chairs. Finally, several pieces of cardio vascular fitness equipment, dumbbell weights & rack, and some minimal cosmetic updates (walls, flooring, lighting & A/V) would be performed to the fitness room.

Budget Impact: This project would be funded through the General Fund's operating revenues.

5 Year Expenditure History						
	FY 2010	FY 2011	FY 2012	FY 2013	Estimated FY 2014	TOTAL
Budgeted Amount	\$0	\$0	\$0	\$0	\$ 0	\$0
Actual Expenditures	\$0	\$0	\$0	\$0	\$ 0	\$0

5 Year Projected Expenditures						
Expense Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	TOTAL
Land						
Engineering						
Construction	\$80,000	-	-	-	-	\$80,000
Equipment						
Contingency						
Sub-Total	\$80,000	\$0	\$0	\$0	\$0	\$80,000

*This requested project was partially funded in 2015 at \$62,000.

Replacement Antenna Tower – Fire Station 27



Category: Information Technology

Fund: Capital Projects - Facilities

Account Number: 150.75.560.40

Priority Score: 21

Initial Proposal Date: 2012

Project Coordinator: PW-Engineering

Summary: This project will replace the antenna structure at Fire Station 27 that was installed in 1991. The current tower is undersized for line of sight transmission and the type and number of antennas currently mounted, and is nearing the end of its useful life.

Budget Impact: This project is funded through the General Fund's operating revenues.

5 Year Expenditure History						
	FY 2010	FY 2011	FY 2012	FY 2013	Estimated FY 2014	TOTAL
Budgeted Amount	\$0	\$0	\$0	\$0	\$ 0	\$0
Actual Expenditures	\$0	\$0	\$0	\$0	\$ 0	\$0

5 Year Projected Expenditures						
Expense Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	TOTAL
Land						
Engineering	\$4,000	-	-	-	-	\$4,000
Construction	\$12,000	-	-	-	-	\$12,000
Equipment	\$10,000	-	-	-	-	\$10,000
Contingency						
Sub-Total	\$26,000	\$0	\$0	\$0	\$0	\$26,000

*This requested project was not funded in 2015.

Roof Capital Replacement Projects



Category: Buildings & Grounds Improvements

Fund: Capital Projects - Facilities

Account Number: 150.75.560.40

Priority Score: 16

Initial Proposal Date: 2014

Project Coordinator: Building Maintenance

Summary: This category covers full roof replacements on Village owned buildings. For 2015, work is planned to include Fire Station #27 (\$49,000), Pump Station #6 (\$21,000) and Well House #1 (\$2,000)

Prior to 2014 these projects were not programmed in the CIP. Maintenance and repair work remains in the Building Maintenance operating budget within Public Works, and is separate from these replacements. Replacement projects were identified during the 2014 roof inspection reports prepared by Industrial Roofing Services.

Budget Impact: This project is funded through the General Fund's operating revenues.

5 Year Expenditure History						
	FY 2010	FY 2011	FY 2012	FY 2013	Estimated FY 2014	TOTAL
Budgeted Amount	\$0	\$0	\$0	\$0	\$225,000	\$225,000
Actual Expenditures	\$0	\$0	\$0	\$0	\$225,000	\$225,000

5 Year Projected Expenditures						
Expense Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	TOTAL
Land						
Engineering						
Construction	\$72,000	\$156,000	\$130,000	\$300,000	\$200,000	\$858,000
Equipment						
Contingency						
Sub-Total	\$72,000	\$156,000	\$130,000	\$300,000	\$200,000	\$858,000

*This requested project was not funded in 2015.

Emerald Ash Borer Response

The Emerald Ash Borer (EAB) is a highly destructive, tree-killing insect that has been identified in the Village of Buffalo Grove's urban forest. The unfortunate arrival of EAB will have a serious impact to Buffalo Grove's environment and budget for several years. Over one third of the trees in Buffalo Grove's urban forest are being removed. The Village began to prepare for the arrival of EAB in 2002 when it was first discovered in the United States.

The purpose of this management plan is to manage EAB through the principles of Integrated Pest Management (IPM). Through these principles, the Village can take a fiscally responsible approach to this problem while limiting the hazards to our residents, property, and environment.

The Village of Buffalo Grove has been a Tree City USA for over twenty years. The trees in our urban forest provide many social and economic benefits which are often overlooked. According to the USDA Forest Service, some benefits of our trees include helping cool temperatures in summer, improving real estate values, reducing storm water runoff, improving air quality, attracting wildlife, attracting shoppers to commercial areas, and contributing to the overall sense of community pride. These social and economic benefits are the reasons the Village of Buffalo Grove remains a desirable place to live and why the Village continues to commit to the care and maintenance of its urban forest.

On October 15, 2012, the Village Board adopted the latest revision of the Emerald Ash Borer Management Plan which planned for the removal and replacement of nearly 7,000 Village-owned Ash trees over the following 4 years. The expenditures are being programmed in the Capital Improvement Plan due to the size, scope, and specific time period of this natural disaster.

EAB Ash Tree Replacement Program



Category: Natural Disasters

Fund: Capital Projects - Facilities

Account Number: 150.75.560.40

Priority Score: 22

Initial Proposal Date: 2013

Project Coordinator: Public Works

Summary: Over the next 2 years 2,000 remaining Ash Trees will need to be removed and 4,500 replaced due to Emerald Ash Borer infestation. The program will include tree removals, stump grinding, parkway restoration, tree purchases and a continued growing contract for 4,300 trees.

Budget Impact: This project will be funded from the revolving line of credit.

5 Year Expenditure History						
	FY 2010	FY 2011	FY 2012	FY 2013	Estimated FY 2014	TOTAL
Budgeted Amount	\$0	\$0	\$0	\$1,000,000	\$1,000,000	\$2,000,000
Actual Expenditures	\$0	\$0	\$350,000	\$522,978	\$1,500,000	\$2,372,978

5 Year Projected Expenditures						
Expense Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	TOTAL
Land						
Engineering						
Construction	\$1,500,000	\$350,000	-	-	-	\$1,850,000
Equipment						
Contingency						
Sub-Total	\$1,500,000	\$350,000	-	-	-	\$1,850,000

Street, Sidewalk & Bikepath Maintenance

The Village roadway network is comprised of state, county, and municipal roadways. Each roadway carries with it a function such as arterial, collector or local streets. The break-down is as follows:

Municipal Roadways	117.70 miles
State Roadways	8.95 miles
Cook County Roadways	7.25 miles
Lake County Roadways	10.82 miles
Total	144.72 miles

Municipal Roadways are evaluated every five years and recommendations for the next five years of street projects are developed. The projects involve traditional maintenance and rehabilitation of local streets based upon a defined service life. The defined service life is designed to maintain quality surface conditions and avoid more costly roadway rebuilds. Due to funding issues, since 2008 not all streets identified for maintenance have been repaired. Cuts in the program were necessary given the current economic climate and funding limitation both internally, and from the State of Illinois. A bond issued in 2012 allowed for a large catch-up project in 2013. The majority of work to be performed during the 2015 construction season will be for the rehabilitation of street surface and curb/gutter along various identified local streets.

The following streets were identified from the results of the 2013 pavement inspection program and are scheduled for repair in 2015:

Street	Miles	Street	Miles
Fox Hill Drive	0.72	Alsace Court	0.06
Toulon Drive	0.18	Alsace Circle	0.19
Cherbourg Court S	0.10	Prairie Lane	0.13
Marseilles Circle	0.46	Newtown Drive	0.25
Cherbourg Drive	0.18	Hill Court East	0.05
Cherbourg Court N	0.06	Hill Court West	0.06
Raupp Blvd (near bridge)	0.06	TOTAL	2.50

The Village of Buffalo Grove recognizes the need to have a network of pedestrian and mixed-use paths throughout the community. The Village currently maintains 224 miles of concrete sidewalks and bikeways. The Village actively pursues grant funding to expand or improve the current system and has created an ad-hoc bike path committee to develop suggestions for future improvements

Annual Street Maintenance



Category: Street, Sidewalk & Bike Path Maintenance

Fund: Motor Fuel Tax

Account Number: 130.75.560.20

Priority Score: 19

Initial Proposal Date: Ongoing

Project Coordinator: PW-Engineering

Summary: The annual street maintenance and rehabilitation program is covered in each year's CIP. In 2013 the Village completed a complete pavement evaluation study of all Village streets. This study helped plan the next five years of street maintenance and is reflected in the FY 2015 Projected Expenditures below. A small, pavement grinder equipment attachment is proposed for purchase to allow Village crews to more efficiently patch and repair Village streets (\$10k).

Budget Impact: The Village's percentage of the State's Motor Fuel Tax, bond proceeds, and a portion of home rule sales tax fund this project.

5 Year Expenditure History						
	FY 2010	FY 2011	FY 2012	FY 2013	Estimated FY 2014	TOTAL
Budgeted Amount	\$2,679,045	\$1,750,000	\$1,700,000	\$5,950,000	\$2,250,000	\$14,329,045
Actual Expenditures	\$1,512,258	\$1,207,750	\$4,078,000	\$5,934,000	\$2,250,000	\$14,982,008

5 Year Projected Expenditures						
Expense Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	TOTAL
Land						
Engineering	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$2,500,000
Construction	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000	\$22,500,000
Equipment	\$10,000	-	-	-	-	\$ 10,000
Contingency						
Sub-Total	\$5,010,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$25,010,000

*This requested project was partially funded in 2015 at \$1,800,000.

Dundee Road Median Improvements



Category: Street, Sidewalk & Bike Path Maintenance

Fund: Capital Projects - Streets

Account Number: 160.562.20

Priority Score: 7

Initial Proposal Date: 2013

Project Coordinator: PW-Engineering

Summary: This project would continue improvements to the street scape along the Dundee Road corridor through the addition of landscaped medians.

Budget Impact: This project is funded through an internal transfer from the General Fund's operating revenues.

5 Year Expenditure History						
	FY 2010	FY 2011	FY 2012	FY 2013	Estimated FY 2014	TOTAL
Budgeted Amount	\$0	\$0	\$0	\$0	\$40,000	\$40,000
Actual Expenditures	\$0	\$0	\$0	\$0	\$ 0	\$0

5 Year Projected Expenditures						
Expense Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	TOTAL
Land						
Engineering						
Construction	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$200,000
Equipment						
Contingency						
Sub-Total	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$200,000

Dundee Road Streetscape Improvement



Category: Street, Sidewalk & Bike Path Maintenance

Fund: Capital Projects - Facilities

Account Number: 150.75.560.10

Priority Score: 19

Initial Proposal Date: 2009

Project Coordinator: PW-Engineering

Summary: This project includes installation of sidewalk and multi-use path along the Dundee Road corridor. The proposed sidewalk locations were selected to complete bike routes already in place along Dundee Road, provide access to schools, heavy commercial districts and numerous town parks.

This project was included on IDOT's August 3, 2012 Letting. Construction began in 2013 and the contractor failed to complete the work and was found in default by the State of Illinois. It is anticipated that construction will be substantially complete in 2014 but restoration and project close-out will likely carry over into 2015.

Budget Impact: This project is funded through an internal transfer from the General Fund's operating revenues.

5 Year Expenditure History						
	FY 2010	FY 2011	FY 2012	FY 2013	Estimated FY 2014	TOTAL
Budgeted Amount	\$650,211	\$634,212	\$101,013	\$634,212	\$0	\$2,019,648
Actual Expenditures	\$0	\$0	\$50,000	\$60,000	\$10,972	\$120,972

5 Year Projected Expenditures						
Expense Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	TOTAL
Land						
Engineering						
Construction	\$90,000					\$90,000
Equipment						
Contingency						
Sub-Total	\$90,000					\$90,000

Raupp Boulevard Bridge Reconstruction



Category: Street, Sidewalk & Bike Path Maintenance

Fund: Capital Projects - Facilities

Account Number: 150.75.560.30

Priority Score: 19

Initial Proposal Date: 2011

Project Coordinator: PW-Engineering

Summary: This project covers the evaluation and subsequent design and construction of needed improvements to the Raupp Boulevard Bridge. Phase I design engineering was completed in 2013 and Phase II was completed in 2014. Phase III Construction is expected to begin in 2015. Significant funding (80%) is provided by the Highway Bridge Replacement and Rehabilitation Program administered by the USDOT Federal Highway Administration for the majority of the project.

Budget Impact: This project is funded through an internal transfer from the General Fund's operating revenues.

5 Year Expenditure History						
	FY 2010	FY 2011	FY 2012	FY 2013	Estimated FY 2014	TOTAL
Budgeted Amount	\$0	\$23,000	\$32,000	\$40,000	\$40,000	\$135,000
Actual Expenditures	\$0	\$41,469	\$6,272	\$40,297	\$40,000	\$127,741

5 Year Projected Expenditures						
Expense Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	TOTAL
Land						
Engineering	\$130,000	-	-	-	-	\$130,000
Construction	\$366,000	-	-	-	-	\$366,000
Equipment						
Contingency	(\$104,000)	-	-	-	-	(\$104,000)
Sub-Total	\$392,000	-	-	-	-	\$392,000

Annual Sidewalk/Bike Path Maintenance



Category: Street, Sidewalk & Bike Path Maintenance

Fund: General Fund

Account Number: 100.55.10.535.05

Priority Score: 20

Initial Proposal Date: Ongoing

Project Coordinator: PW- Engineering

Summary: Annual sidewalk and bike path maintenance and rehabilitation program. In FY 2015 new pedestrian facility improvements include repairing sidewalk in the north and northeast sections of the Village.

Budget Impact: This project is funded through an internal transfer from the General Fund's operating revenues.

5 Year Expenditure History						
	FY 2010	FY 2011	FY 2012	FY 2013	Estimated FY 2014	TOTAL
Budgeted Amount	\$150,000	\$150,000	\$325,000	\$100,000	\$325,000	\$1,050,000
Actual Expenditures	\$142,902	\$149,964	\$325,000	\$108,000	\$325,000	\$1,050,866

5 Year Projected Expenditures						
Expense Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	TOTAL
Land						
Engineering						
Construction	\$325,000	\$325,000	\$325,000	\$325,000	\$325,000	\$1,625,000
Equipment						
Contingency						
Sub-Total	\$325,000	\$325,000	\$325,000	\$325,000	\$325,000	\$1,625,000

*This requested project was partially funded in 2015 at \$275,000.

Weiland Road/Prairie Road/Lake Cook Road Improvement



Category: Street, Sidewalk & Bike Path Maintenance

Fund: Capital Projects - Streets

Account Number: 160.562.20

Priority Score: 25

Initial Proposal Date: 2008

Project Coordinator: PW-Engineering

Summary: Lake County Department of Transportation is to provide a percentage reimbursement of the original full study cost after completion of the Weiland Road/Prairie Road portion of the Phase II Study. The Cook County Highway Department is paying 100% of the supplemental Phase I expenses which result from expanding the study along the Lake Cook Road Corridor. The remaining expenditures are being funded through an internal transfer from the General Fund.

Budget Impact: This project is funded through an internal transfer from the General Fund's operating revenues.

5 Year Expenditure History						
	FY 2010	FY 2011	FY 2012	FY 2013	Estimated FY 2014	TOTAL
Budgeted Amount	\$496,390	\$335,633	\$234,054	\$100,452	\$113,000	\$1,279,529
Actual Expenditures	\$361,579	\$136,255	\$299,012	\$100,000	\$113,000	\$1,009,846

5 Year Projected Expenditures						
Expense Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	TOTAL
Land						
Engineering	\$50,000	\$500,000	\$500,000	\$500,000	-	\$1,550,000
Construction						
Equipment						
Contingency						
Sub-Total	\$50,000	\$500,000	\$500,000	\$500,000	-	\$1,550,000

Storm Sewer System

The Village of Buffalo Grove maintains a piped network of 180 miles of storm sewer, one storm water lift station at Jackson Drive, and several miles of creeks and streams. While most periodic maintenance and cleaning efforts are included in the Public Works Drainage Section operating budget, system repairs are being included in the CIP due to the size and scope of necessary repairs.

Repair locations are identified through the annual Storm Sewer Televising program. The program allows a televised inspection of 10% of the Village's storm sewers each year. Tapes are then reviewed by Engineering staff and repair recommendations are grouped by point repair, sewer lining, or pipe replacement.

In the past, most Storm Sewer repairs have been handled by in-house Public Works staff or in conjunction with scheduled street maintenance. But, as infrastructure ages, the list of identified repairs has increased. A contractual repair contract will be necessary and repairs will be addressed in order of priority.

It is anticipated that the storm sewer system repair program will be an ongoing need.

Storm Water System Upgrades and Repairs



Category: Storm Sewer

Fund: General Fund

Account Number: 100.55.25.560.40

Priority Score: 14

Initial Proposal Date: 2013

Project Coordinator: PW-Engineering

Summary: This program provides for storm sewer lining, point repairs, or replacements at priority locations within the Village's storm sewer network as identified through the Annual Storm Sewer Televising Inspection Program. The program also provides for other storm water management system upgrades such as the stream bank stabilization work along Kildeer Creek planned for 2015 with assistance from the IEPA and Lake County SMC (IEPA 319 grant plus Village match of funding and labor).

Budget Impact: This project is funded through an internal transfer from the General Fund's operating revenues.

5 Year Expenditure History						
	FY 2010	FY 2011	FY 2012	FY 2013	Estimated FY 2014	TOTAL
Budgeted Amount	\$0	\$0	\$0	\$200,000	\$200,000	\$400,000
Actual Expenditures	\$0	\$0	\$0	\$200,000	\$200,000	\$400,000

5 Year Projected Expenditures						
Expense Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	TOTAL
Land						
Engineering						
Construction	\$200,000	\$150,000	\$150,000	\$150,000	\$150,000	\$800,000
Equipment						
Contingency						
Sub-Total	\$200,000	\$150,000	\$150,000	\$150,000	\$150,000	\$800,000

Technology

The Village of Buffalo Grove's Information Technology (IT) staff is responsible for maintenance of local and wide area networks that facilitate effective interdepartmental communication among Village offices and facilities. The Village made a strategic move to join the Government Information Technology Consortium (GovITC) in 2014. The employees of the Consortium who work in Buffalo Grove report to the Deputy Village Manager and currently maintain the entire Village network including:

- 50 Virtual Servers
- 230+ Desktop and Mobile Workstations
- Approximately 100 Printers and Specialty Devices

The backbone of the Village's data systems is a redundant wide area network comprised of fiber optic cable and secure wireless transmission. This network links the data systems of three fire stations, two golf courses, Police headquarters, Public Works, and Village Hall.

Several technology upgrades are being requested which will modernize the way that departments interact with the public and do business.

In addition to the Villagewide IT initiatives, Public Works is also requesting specific technology programs for Geographical Information Systems (GIS) and Computerized Maintenance Management Systems (CMMS).

Technology is a key part of the Village's vision and mission and that is reflected in this year's CIP requests.

Police Headquarters Jail Interlock Upgrade



Category: Technology

Fund: Capital Projects - Facilities

Account Number: 150.75.560.50

Priority Score: 10

Initial Proposal Date: 2014

Project Coordinator: Police

Summary: The door control interlock system for the jail has failed on several occasions. The system and parts have not been manufacturer in more than 10 years causing extreme difficulty in obtaining repair parts. This system is governed and inspected by the Illinois Department of Corrections.

Budget Impact: This project is funded through an internal transfer from the General Fund's operating revenues.

5 Year Expenditure History						
	FY 2010	FY 2011	FY 2012	FY 2013	Estimated FY 2014	TOTAL
Budgeted Amount	\$0	\$0	\$0	\$0	\$ 0	\$0
Actual Expenditures	\$0	\$0	\$0	\$0	\$ 0	\$0

5 Year Projected Expenditures						
Expense Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	TOTAL
Land						
Engineering						
Construction	-	\$27,341	-	-	-	\$27,341
Equipment						
Contingency						
Sub-Total	\$0	\$27,341	\$0	\$0	\$0	\$27,341

GIS Consortium



Category: Technology

Fund: IT Internal Service Fund

Account Number: 211.92.510.20

Priority Score: 19

Initial Proposal Date: 2013

Project Coordinator: PW-Engineering

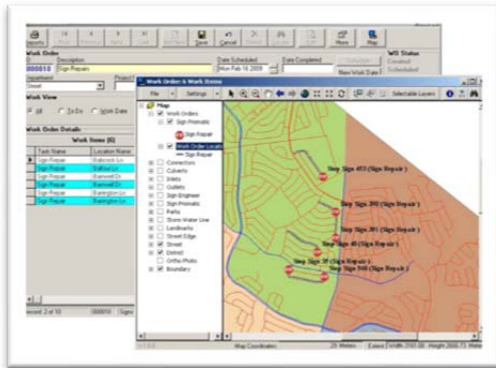
Summary: Joining the GIS Consortium gave the Village of Buffalo Grove access to staffing and development tools through a cooperative, regional consortium. Savings over in-house staff are realized as the Village only pays partial staff salaries sized to fit our needs without bringing in our own set of employees. The expenditures laid out below are based on the Remote Access Service GIS Consortium Model which provides savings in hardware and software costs for the Village. For 2015, a LiDAR flyover is being budgeted to increase accuracy of our base map topography data.

Budget Impact: This item, traditionally programmed in the CIP during initial buildout, is being moved to the IT Internal Service Fund (Operating Budget) for 2015 and beyond as an on-going expense item.

5 Year Expenditure History						
	FY 2010	FY 2011	FY 2012	FY 2013	Estimated FY 2014	TOTAL
Budgeted Amount	\$0	\$0	\$0	\$152,997	\$291,512	\$444,509
Actual Expenditures	\$0	\$0	\$0	\$152,997	\$291,512	\$444,509

5 Year Projected Expenditures						
Expense Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	TOTAL
Program Staffing	\$131,946	\$135,904	\$139,981	\$144,181	\$148,506	\$700,518
Layer Development	\$39,693	\$30,681	\$30,558	\$31,475	\$32,419	\$164,826
Hardware	-	-	-	\$100	-	\$ 100
Software	\$27,728	\$12,728	\$12,728	\$12,728	\$12,728	\$78,640
Consortium Costs	\$3,573	\$3,719	\$4,043	\$4,082	\$4,179	\$19,596
Sub-Total	\$202,940	\$183,032	\$187,310	\$192,566	\$197,832	\$963,680

Public Works Software/Database Upgrades



Category: Technology

Fund: Capital Projects - Facilities

Account Number: 150.75.560.50

Priority Score: 20

Initial Proposal Date: 2013

Project Coordinator: PW-Admin

Summary: Due to the decreased size of an already lean Public Works Department, efficiencies in daily activities need to be realized. The current Lotus Notes system of non-integrated databases is cumbersome and inefficient because the same data is being entered multiple times in multiple locations. A software/database upgrade from a company specializing in the public works sector would allow technology to streamline processes for everyone from the Resident looking to submit a service request, to a PW employee closing out work orders, to a Supervisor tracking unit costs on the back end. Integration with GIS and the New World financial software is considered a priority.

Budget Impact: This project is funded through an internal transfer from the General Fund's operating revenues.

5 Year Expenditure History						
	FY 2010	FY 2011	FY 2012	FY 2013	Estimated FY 2014	TOTAL
Budgeted Amount	\$0	\$0	\$0	\$0	\$37,000	\$37,000
Actual Expenditures	\$0	\$0	\$0	\$0	\$37,000	\$37,000

5 Year Projected Expenditures						
Expense Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	TOTAL
Land						
Engineering						
Hardware/Servers	\$10,500	-	-	-	-	\$10,500
Software & Training	\$116,470	\$33,940	\$38,840	\$38,840	\$38,840	\$450,000
Contingency						
Sub-Total	\$126,970	\$33,940	\$38,840	\$38,840	\$38,840	\$460,500

Water Main & Sanitary Sewer Systems

The Village of Buffalo Grove's oldest water main was constructed in 1929 with the majority, approximately 50%, of water main put into place between 1983 and 1996. Currently, the water main system has 181 linear miles of water main and has a replacement value of approximately \$773 million. Other water system features include:

- 2,475 Hydrants
- 1,900 Valves
- 4 Pump Houses with storage reservoirs and back-up deep wells

Due to the relatively young age of the water system, between 1993 and 2007 the only capital expense was \$229,527 for the St. Mary's Pkwy water main replacement. In the five year period between 2008 and 2013, there was \$1,997,566 in capital expenses related to water system replacements and improvements.

The Village of Buffalo Grove's sanitary sewer system is a combination of gravity lines, force mains, and lift stations. There are 134.20 miles of gravity sewer and 5.07 miles of force main. Currently, there are 12 sanitary sewer lift stations in operation (6 in Cook County and 6 in Lake County).

All municipal waste is conveyed through Village owned and maintained sanitary sewer mains. The wastewater is then routed to either Lake County Public Works or Midwest Water Reclamation District (Cook County).

Expenditures in this category historically include repairs and reliability enhancements to the water and wastewater systems.

Lift Station Repair & Rehabilitation Program



Category: Water Main & Sanitary Sewer

Fund: Water & Sewer Fund

Account Number: 170.55.36.560.70

Priority Score: 21

Initial Proposal Date: 2001

Project Coordinator: Public Works

Summary: This program provides for continued repair work and emergency generator replacement at the Raupp Lift Station (\$297,300), a conversion of the Camelot Lift Station (\$460,000) and will complete other required work identified at other lift stations, such as condition evaluations, pump repairs, cathodic protection system renovations, maintenance lift repairs, and contractual interior painting.

Budget Impact: This program is funded by the Water & Sewer Fund Reserves.

5 Year Expenditure History						
	FY 2010	FY 2011	FY 2012	FY 2013	Estimated FY 2014	TOTAL
Budgeted Amount	\$300,000	\$300,000	\$300,000	\$780,000	\$530,000	\$2,210,000
Actual Expenditures	\$133,455	\$290,000	\$48,898	\$976	\$200,000	\$673,329

5 Year Projected Expenditures						
Expense Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	TOTAL
Land						
Engineering	\$60,000	\$30,000	\$30,000	\$30,000	\$30,000	\$180,000
Construction	\$760,000	\$500,000	\$270,000	\$270,000	\$270,000	\$2,070,000
Equipment						
Contingency	\$41,000	-	-	-	-	\$41,000
Sub-Total	\$861,000	\$530,000	\$300,000	\$300,000	\$300,000	\$2,291,000

Pump House & Security Improvements



Category: Water Main & Sanitary Sewer

Fund: Water & Sewer Fund

Account Number: 170.55.35.560.60

Priority Score: 19

Initial Proposal Date: 2010

Project Coordinator: PW-Engineering

Summary: This program incorporates pump house repair projects identified in the 2008 Comprehensive Water Study Update and improvements identified in the federally mandated vulnerability study.

In 2014, various repairs including building and roof structural repairs, access hatch security improvements, and various other pump house improvements are scheduled to be underway with expenses rolling into 2015. Moving forward, an improved electrical feed to station 7 and well maintenance at sites 1 & 2 are being programmed at this time.

Budget Impact: This program is funded by the Water & Sewer Fund Reserves.

5 Year Expenditure History						
	FY 2010	FY 2011	FY 2012	FY 2013	Estimated FY 2014	TOTAL
Budgeted Amount	\$0	\$600,000	\$600,000	\$610,318	\$550,000	\$2,360,318
Actual Expenditures	\$0	\$0	\$0	\$17,209	\$300,000	\$317,209

5 Year Projected Expenditures						
Expense Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	TOTAL
Land						
Engineering	\$50,000	\$20,000	\$10,000	\$10,000	\$10,000	\$100,000
Construction	\$500,000	\$200,000	\$100,000	\$100,000	\$100,000	\$1,000,000
Equipment						
Contingency						
Sub-Total	\$550,000	\$220,000	\$110,000	\$110,000	\$110,000	\$1,100,000

SCADA Improvements



Category: Technology

Fund: Water & Sewer

Account Number: 170.55.35.560.60

Priority Score: 16

Initial Proposal Date: 2012

Project Coordinator: Public Works

Summary: Implement recommended improvements as detailed in the SCADA System Master Plan. The main goal for 2015 is to reestablish reliable radio connections to the well and lift station sites for control and telemetry purposes. Work also continues to update software and hardware within the SCADA system in order to update security and alarming functionality, and replace key components which are no longer serviceable due to manufacturer obsolescence.

Budget Impact: This program is funded by the Water & Sewer Fund Reserves.

5 Year Expenditure History						
	FY 2010	FY 2011	FY 2012	FY 2013	Estimated FY 2014	TOTAL
Budgeted Amount	\$0	\$0	\$0	\$77,000	\$85,800	\$162,800
Actual Expenditures	\$0	\$0	\$0	\$0	\$129,042	\$129,042

5 Year Projected Expenditures						
Expense Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	TOTAL
Land						
Engineering						
Construction						
Equipment	\$200,000	\$100,000	\$60,000	\$20,000	\$20,000	\$400,000
Contingency						
Sub-Total	\$200,000	\$100,000	\$60,000	\$20,000	\$20,000	\$400,000

Villagewide Sanitary Sewer Replacement Program



Category: Water Main & Sanitary Sewer

Fund: Water & Sewer Fund

Account Number: 100.55.25.560.40

Priority Score: 14

Initial Proposal Date: 2012

Project Coordinator: PW-Engineering

Summary: This program provides for sanitary sewer lining, point repairs, or replacements at priority locations. The locations are identified through the Annual Sanitary Sewer Televising Inspection Program and from reviewing maintenance and flushing reports. Two major interceptors are in need of lining, BG Road, completed in 2014 and Old AH Road which is planned for 2015 (\$600k) and both interceptor's manholes need to be lined to protect the manholes. The sanitary force main from the Linden Avenue Lift Station is scheduled for replacement in 2015 (\$150k). The annual sewer televising program is planned to review approximately 10% of the total Village's sanitary sewer system (\$100k) every year and additional smoke testing is planned for 2016 (\$50k).

Budget Impact: This program is funded by the Water & Sewer Fund Reserves.

5 Year Expenditure History						
	FY 2010	FY 2011	FY 2012	FY 2013	Estimated FY 2014	TOTAL
Budgeted Amount	\$0	\$0	\$650,000	\$0	\$700,000	\$1,350,000
Actual Expenditures	\$0	\$0	\$650,000	\$0	\$700,000	\$1,350,000

5 Year Projected Expenditures						
Expense Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	TOTAL
Land						
Engineering						
Construction	\$850,000	\$750,000	\$100,000	\$700,000	\$100,000	\$2,500,000
Equipment						
Contingency						
Sub-Total	\$850,000	\$750,000	\$100,000	\$700,000	\$100,000	\$2,500,000

Villagewide Water Main Replacement Program



Category: Water Main & Sanitary Sewer

Fund: Water & Sewer Fund

Account Number: 170.55.35.560.60

Priority Score: 14

Initial Proposal Date: 2012

Project Coordinator: PW-Engineering

Summary: This program provides for water main replacements at priority locations in older portions of the Village as identified through the Water Service Interruption Reports.

Locations have been identified on Cambridge (Anthony to Dundee) and along Buffalo Grove Road (Bernard to Golfview) as well as various locations throughout the village are proposed to be rehabilitated using standard open cut technology or cured-in-place (CIPP) in 2015. A total of approximately 4,500 lineal feet is included.

Budget Impact: This program is funded by the Water & Sewer Fund Reserves.

5 Year Expenditure History						
	FY 2010	FY 2011	FY 2012	FY 2013	Estimated FY 2014	TOTAL
Budgeted Amount	\$0	\$0	\$0	\$160,000	\$1,376,000	\$1,536,000
Actual Expenditures	\$0	\$0	\$0	\$153,150	\$1,376,000	\$1,376,000

5 Year Projected Expenditures						
Expense Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	TOTAL
Land						
Engineering						
Construction	\$1,000,000	-	\$700,000	-	\$750,000	\$2,450,000
Equipment						
Contingency						
Sub-Total	\$1,000,000	-	\$700,000	-	\$750,000	\$2,450,000

Villagewide Water Meter Replacement



Category: Water Main & Sanitary Sewer

Fund: Water & Sewer Fund

Account Number: 170.55.35.560.60

Priority Score: 17

Initial Proposal Date: 2014

Project Coordinator: Finance

Summary: This program provides for water meter replacements at all customer sites, while also establishing a Advanced Metering Infrastructure (AMI) to allow for remote reading of meters and increased customer service through real time data. The project is currently being evaluated as a performance contracting project with Siemen's, but could also occur as a standalone project managed by the Village.

Budget Impact: This program would likely be funded as a performance contracting project, where future cost savings would fund the initial capital investment.

5 Year Expenditure History						
	FY 2010	FY 2011	FY 2012	FY 2013	Estimated FY 2014	TOTAL
Budgeted Amount	\$0	\$0	\$0	\$0	\$0	\$0
Actual Expenditures	\$0	\$0	\$0	\$0	\$0	\$0

5 Year Projected Expenditures						
Expense Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	TOTAL
Land						
Engineering						
Construction	\$6,000,000	-	-	-	-	\$6,000,000
Equipment						
Contingency						
Sub-Total	\$6,000,000	-	-	-	-	\$6,000,000

Criteria List and Scoring Matrix

Criteria	Number	0	1	2	SCORE
Consistency with Village Goals and Plans	1	Project is inconsistent with Village's Comprehensive Plan or does nothing to advance Strategic Goals	Project is consistent with Village's Comprehensive Plan but does little to advance Strategic Goals	Project is directly consistent with the Village's Comprehensive Plan and advances the Strategic Goals	0, 1, or 2
Public Health and Safety	2	Project would have no impact on existing public health and/or safety concerns	Project would increase public health and/or safety but is not an urgent, continual need or hazard	Project addresses an immediate, continual safety hazard or public health and/or safety need	0, 1, or 2
Mandates or Other Legal Requirements	3	Project is not mandated or otherwise required by intergovernmental agreement, judgment, or court order	Project would address anticipated mandates, other legal requirements, or intergovernmental agreements	Project required by federal, state, or local mandates, grants, court orders and judgments; required as a part of an intergovernmental agreement	0, 1, or 2
Maintains or Improves Standard of Service	4	Project not related to maintaining an existing standard of service	Project would maintain existing standard of service	Project would address deficiencies or problems with existing services or will establish a new service	0, 1, or 2
Extent of Benefit	5	Project would benefit only a small percentage of citizens or particular neighborhood or area	Project would benefit a large percentage of citizens or many neighborhoods or regions	Project would benefit the entire community	0, 1, or 2
Relation to Other Projects	6	Project is not related to other projects in the Capital Improvement Plan	Project linked to other projects in the Capital Improvement Plan already underway but not essential to their completion	Project is essential to the success of other projects identified in the current Capital Improvement Plan	0, 1, or 2
Public Perception of Need	7	Project has no public support or established voter appeal; is not identified by the community as a need	Project has been identified by the residents as a need in the community but lacks strong support	Project has strong technical and strong political support, project was suggested or demanded by the community	0, 1, or 2
Efficiency of Service	8	Project would have no impact on the efficiency of service	Project would result in savings by eliminating obsolete or inefficient services or facilities	Project would result in significant savings by increasing the efficiency of the performance of a service or reducing the on-going cost or service of a facility	0, 1, or 2
Supports Economic Development	9	Project would discourage or directly prevent capital investment, decrease the tax base, decrease valuation, or decrease job opportunities	Project would have no impact on capital investment, tax base, valuation, or employment	Project would directly result in capital investment, increased tax base, increased valuation, or improved job opportunities	0, 1, or 2
Environmental Quality	10	Project would have a negative effect on the environmental quality of the Village	Project would not effect the environmental quality of the Village	Project would improve the environmental quality of the Village	0, 1, or 2

Criteria	Number	0	1	2	SCORE
Feasibility of Project	11	Project is unable to proceed due to obstacles (land acquisition, easements, environmental)	Minor obstacles exist, project is not entirely ready to proceed	Project is entirely ready to proceed, no obstacles exist	0, 1, or 2
Opportunity Cost	12	If deferred, the increase in project costs would be less than the rate of inflation	If deferred, the increase in project costs would be equal to inflation	If deferred, the increase in project costs would be greater than the rate of inflation	0, 1, or 2
Operational Budget Impact	13	Project would significantly increase debt service, installment payments, personnel or other operating costs or decrease revenues	Project would neither increase or decrease debt service, installment payments, personnel, or other operating costs or revenues	Projects would decrease debt service, installment payments, personnel or other operating costs or increase revenues	0, 1, or 2
				TOTAL SCORE	Total

Reserve for Capital Replacement – Vehicles

The Village maintains unique sets of capital equipment for six divisions; Police, Fire, Public Works, Engineering, Building and Zoning/Code Enforcement, and Golf Operations. When a vehicle or piece of equipment is acquired, a projected life span is assigned and amortization costs are calculated based on past performance of vehicles or equipment of similar class that are in current inventory. Additionally, vehicles and equipment are assessed on an annual basis to determine whether the projected replacement date is reasonable and units which evaluate favorably for condition, operational need, cost of operation/maintenance, equipment suitability and parts availability can be deferred beyond the original replacement date projections.

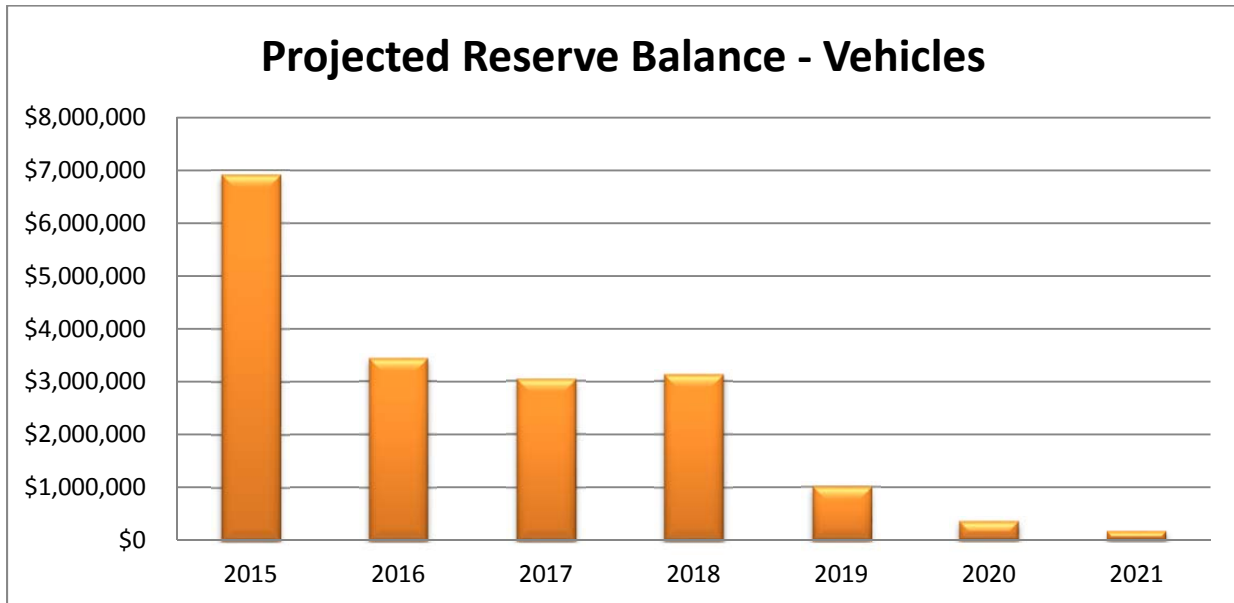
The Village maintains a capital replacement fund with the intent to fund the amortization on each vehicle. Ideally, when vehicles are scheduled for replacement the replacement cost will be fully funded with available money.

The 2015 budget includes \$568,507 to fund the reserve account in order to minimize a direct impact on the operating budget as equipment comes up for replacement in the near future. Currently, \$7.6 million is in the reserve account and the table below shows the projected replacement costs through 2021. It is important that the reserve be funded in order to minimize impact to future budgets.

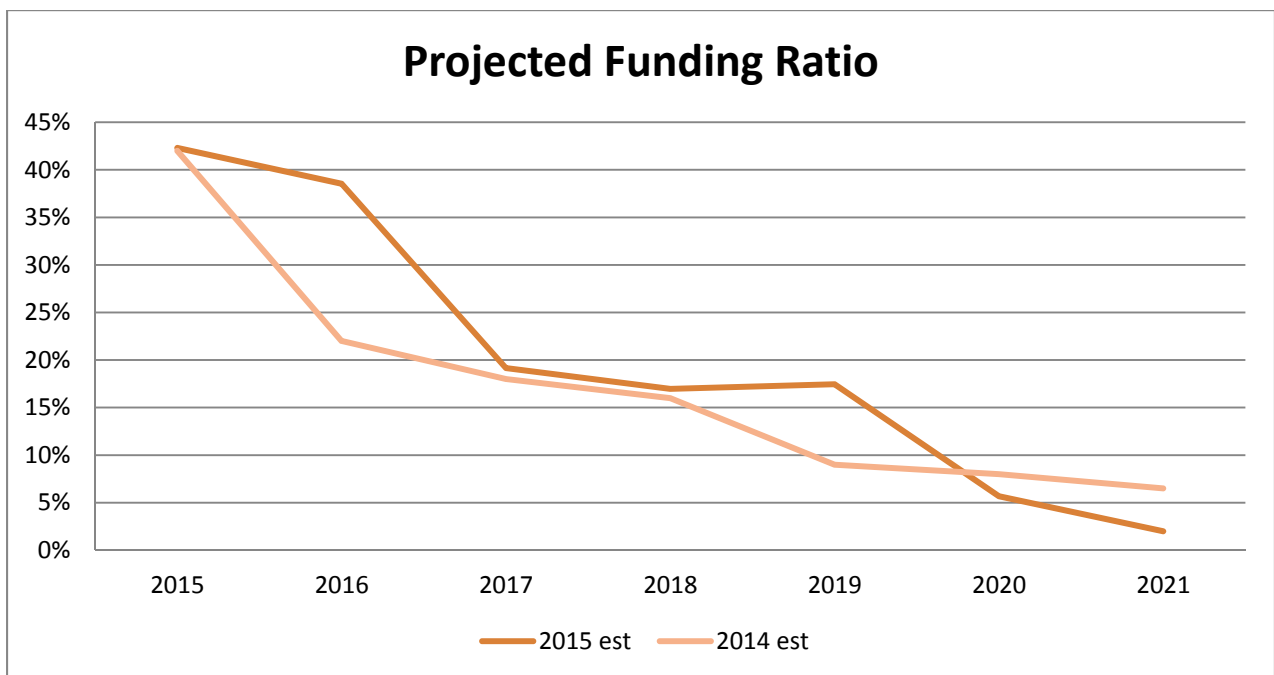
Finally, the Village Board's approval of the funding reserve does not authorize spending for equipment replacement. Each replacement vehicle or equipment purchase must go through the procurement process including Board authorization to bid and Board award of bid. This ensures that the procurement remains consistent with the budget and that identified funding is available at the time of purchase.

Planned Capital Reserve Contribution by Department - Vehicles								
Department	2015	2016	2017	2018	2019	2020	2021	Subtotal
Fire Services	\$229,683	\$2,563,447	\$290,873	\$0	\$1,873,054	\$252,651	\$88,428	\$5,298,136
Police Services	\$158,160	\$312,640	\$212,887	\$66,715	\$167,790	\$202,002	\$70,701	\$1,190,895
Building & Zoning	\$0	\$66,376	\$0	\$52,659	\$22,400	\$31,116	\$0	\$172,551
Engineering	\$23,432	\$26,800	\$0	\$0	\$27,965	\$0	\$0	\$78,197
Building Maintenance	\$110,500	\$30,180	\$30,626	\$0	\$0	\$0	\$121,550	\$292,856
Street Maintenance	\$0	\$616,994	\$201,314	\$0	\$419,571	\$202,300	\$0	\$1,440,179
Forestry & Grounds	\$499,000	\$86,485	\$30,626	\$0	\$31,544	\$142,484	\$156,733	\$946,872
E.M.A.	\$0	\$0	\$150,000	\$0	\$0	\$0	\$165,000	\$315,000
Water	\$153,700	\$74,068	\$0	\$56,850	\$130,000	\$91,216	\$100,338	\$606,172
Sanitary Sewer	\$42,000	\$0	\$0	\$110,800	\$28,000	\$46,200	\$0	\$227,000
Storm Sewer	\$62,500	\$0	\$0	\$0	\$0	\$68,750	\$0	\$131,250
Central Garage	\$0	\$136,377	\$0	\$0	\$0	\$170,471	\$0	\$306,848
Buffalo Grove Golf Club	\$0	\$30,751	\$0	\$59,246	\$0	\$54,726	\$0	\$144,723
Arboretum Golf Course	\$0	\$143,521	\$79,009	\$165,860	\$19,793	\$0	\$74,834	\$483,017
Totals	\$1,278,975	\$4,087,639	\$995,335	\$512,130	\$2,720,117	\$1,261,917	\$777,582	\$11,633,695

The following graph projects the balance of the Reserve for Capital Replacement for Vehicles assuming a yearly funding level of \$600,000. This graph also assumes purchasing Fire Trucks over leasing in 2016 and 2019.



The graph below charts total replacement cost against the capital reserve fund balance. All vehicles have an estimated replacement value of \$18 million. The two lines show where the Village was as the budget was proposed last year (2014 est.) vs the proposed 2015 Budget (2015 est.). The funding ratio is directly attributable to the Village's commitment to capital reserves. This is the third consecutive budget that the Village is dedicating significant assets to funding vehicle capital replacement. These large outlays, if purchased in a lump sum, will severely deplete the capital asset reserve in the years 2019 to 2021. Village staff will continue to review funding strategies including; capital leasing, regional asset sharing, and identifying potential dedicated revenue source to fund the reserves.



Motor Fuel Tax Fund - 130

Motor Fuel Tax improvements and projects are needed to provide for safety and capacity improvements for Village roadways. They also provide for the ongoing maintenance and improvement of local Village-owned streets, where designed and required. Detailed plans and specifications will be prepared for the identified streets including surface treatments, base repairs and any necessary drainage and curb improvement. Construction will be performed by a contractor selected through a competitive bidding process with construction engineering to be performed by a consulting engineer. The Village Engineer will perform administration of the engineering service and construction contract.

Revenue

Description	2012 Actual	2013 Actual	2014 Budget	2014 Est. Actuals	2015 Budget
Fund: 130 - Motor Fuel Tax Fund					
15 - Other Taxes					
410.60 Motor Fuel Tax	1,011,948	997,371	1,000,000	1,034,682	1,000,000
15 - Other Taxes	1,011,948	997,371	1,000,000	1,034,682	1,000,000
Percent Change 2015 vs. 2014 Budget					0.00%
45 - Interest Income					
450.10 Investment Pool	622	141	-	-	-
45 - Interest Income	622	141	-	-	-
Percent Change 2015 vs. 2014 Budget					0.00%
50 - Miscellaneous Revenue					
465.65 Grants	187,582	187,582	187,582	-	-
465.90 Miscellaneous Income	22,007			375,164	
470 Bond Proceeds	6,091,669		-	-	-
50 - Miscellaneous Revenue	6,301,258	187,582	187,582	375,164	-
Percent Change 2015 vs. 2014 Budget					-100.00%
55 - Operating Transfers					
460.05 Interfund Transfers In	438,981	-	629,670	659,423	679,205
55 - Operating Transfers	438,981	-	629,670	659,423	679,205
Percent Change 2015 vs. 2014 Budget					0.00%
Revenues Total	7,752,810	1,185,094	1,817,252	2,069,269	1,679,205
Percent Change 2015 vs. 2014 Budget					-7.87%

Expense

Description	2012 Actual	2013 Actual	2014 Budget	2014 Est. Actuals	2015 Budget
Department: 75 - Capital Improvement					
55 - Capital Outlay					
560.20 Streets & Highways	2,646,373	5,684,477	2,250,000	2,250,000	1,679,205
55 - Capital Outlay	2,646,373	5,684,477	2,250,000	2,250,000	1,679,205
Percent Change 2015 vs. 2014 Budget					-25.37%
65 - Other Financing Uses					
570.30 Debt Service Fund	600,000	-	-	-	-
65 - Other Financing Uses	600,000	-	-	-	-
Percent Change 2015 vs. 2014 Budget					0.00%
Expenditures Total	3,246,373	5,684,477	2,250,000	2,250,000	1,679,205
Percent Change 2015 vs. 2014 Budget					-25.37%

Capital Projects - Facilities Fund – 150

This Fund provides for the accounting of design, acquisition and construction elements of various Village capital facilities and equipment. The identified projects have been previously planned for as part of the FY 2015 portion of the Village's comprehensive Capital Improvement Plan for the FY 2015 through FY 2019. Funding will come from several sources, most notably the transfer of prior accumulations of unreserved General Fund Balance and Water and Sewer Fund equity as authorized under current Village use policies.

Revenue

Description	2012 Actual	2013 Actual	2014 Budget	2014 Est. Actuals	2015 Budget
Fund: 150 - Facilities Fund					
45 - Interest Income					
450.05 Savings	-	-	-	-	-
450.10 Investment Pool	31	31	-	-	-
45 - Interest Income	31	31	-	-	-
Percent Change 2014 vs. 2013 Budget					0.00%
50 - Miscellaneous Revenue					
465.90 Miscellaneous Income	(38,353)	565	1,000,000	1,500,000	2,722,189
50 - Miscellaneous Revenue	(38,353)	565	1,000,000	1,500,000	2,722,189
Percent Change 2014 vs. 2013 Budget					172.22%
55 - Operating Transfers					
460.05 Interfund Transfers In	677,152	319,973	1,163,404	1,809,484	868,422
55 - Operating Transfers	677,152	319,973	1,163,404	1,809,484	868,422
Percent Change 2014 vs. 2013 Budget					-25.36%
Revenues Total	638,829	320,538	2,163,404	3,309,484	3,590,611
Percent Change 2015 vs. 2014 Budget					165.97%

Expense

Description	2012 Actual	2013 Actual	2014 Budget	2014 Est. Actuals	2015 Budget
Department: 75 - Capital Improvement					
55 - Capital Outlay					
560.10 Land Improvements	16,638	116,465	348,000	106,972	647,000
560.20 Streets & Highways	-	-	-	-	-
560.30 Buildings & Structures	169,921	53,311	295,000	295,000	1,316,641
Improvements Other Than					
560.40 Building	366,408	956,103	1,000,000	1,500,000	1,500,000
560.50 Technology	243,981	150,196	520,404	553,512	126,970
55 - Capital Outlay	796,948	1,276,075	2,163,404	2,509,484	3,590,611
					165.97%
Expenditures Total	796,948	1,276,075	2,163,404	2,509,484	3,590,611
Percent Change 2015 vs. 2014 Budget					165.97%

Capital Projects – Streets Fund – 160

The elements of this program have been identified and recommended as part of the Village's comprehensive Capital Improvement Plan for the period FY 2015 through FY 2019. Proceeds for the street maintenance fund are funded through transfers from the General Fund.

Revenue

Description	2012 Actual	2013 Actual	2014 Budget	2014 Est. Actuals	2015 Budget
Fund: 160 - Streets Fund					
45 - Interest Income					
450.10 Investment Pool	-	-	-	-	-
45 - Interest Income	-	-	-	-	-
Percent Change 2015 vs. 2014 Budget					0.00%
50 - Miscellaneous Revenue					
465.90 Miscellaneous Income	(10,000)	299,818	-	1,985,000	-
50 - Miscellaneous Revenue	(10,000)	299,818	-	1,985,000	-
Percent Change 2015 vs. 2014 Budget					0.00%
55 - Operating Transfers					
460.05 Interfund Transfers In	600,000	409,162	113,000	113,000	50,000
55 - Operating Transfers	600,000	409,162	113,000	113,000	50,000
Percent Change 2015 vs. 2014 Budget					-44.23%
Revenues Total	590,000	409,162	113,000	113,000	50,000
Percent Change 2015 vs. 2014 Budget					-44.23%

Expense

Description	2012 Actual	2013 Actual	2014 Budget	2014 Est. Actuals	2015 Budget
Department: 75 - Capital Improvement					
55 - Capital Outlay					
560.20 Streets & Highways	763,141	388,451	113,000	794,960	50,000
55 - Capital Outlay	763,141	388,451	113,000	794,960	50,000
Percent Change 2015 vs. 2014 Budget					-44.23%
Expenditures Total	763,141	388,451	113,000	794,960	50,000
Percent Change 2015 vs. 2014 Budget					-44.23%

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Section 7

Enterprise Fund Summary and Detail

Golf Course Fund

Water and Sewer Operating

Refuse Fund

Service
Optimization

Organizational
Culture

Revenue
Growth

Economic
Development

Infrastructure
Sustainability

Golf

The Village of Buffalo Grove operates two municipal golf courses. The Arboretum Club is on Half Day Road and the Buffalo Grove Golf Club is on Raupp Boulevard

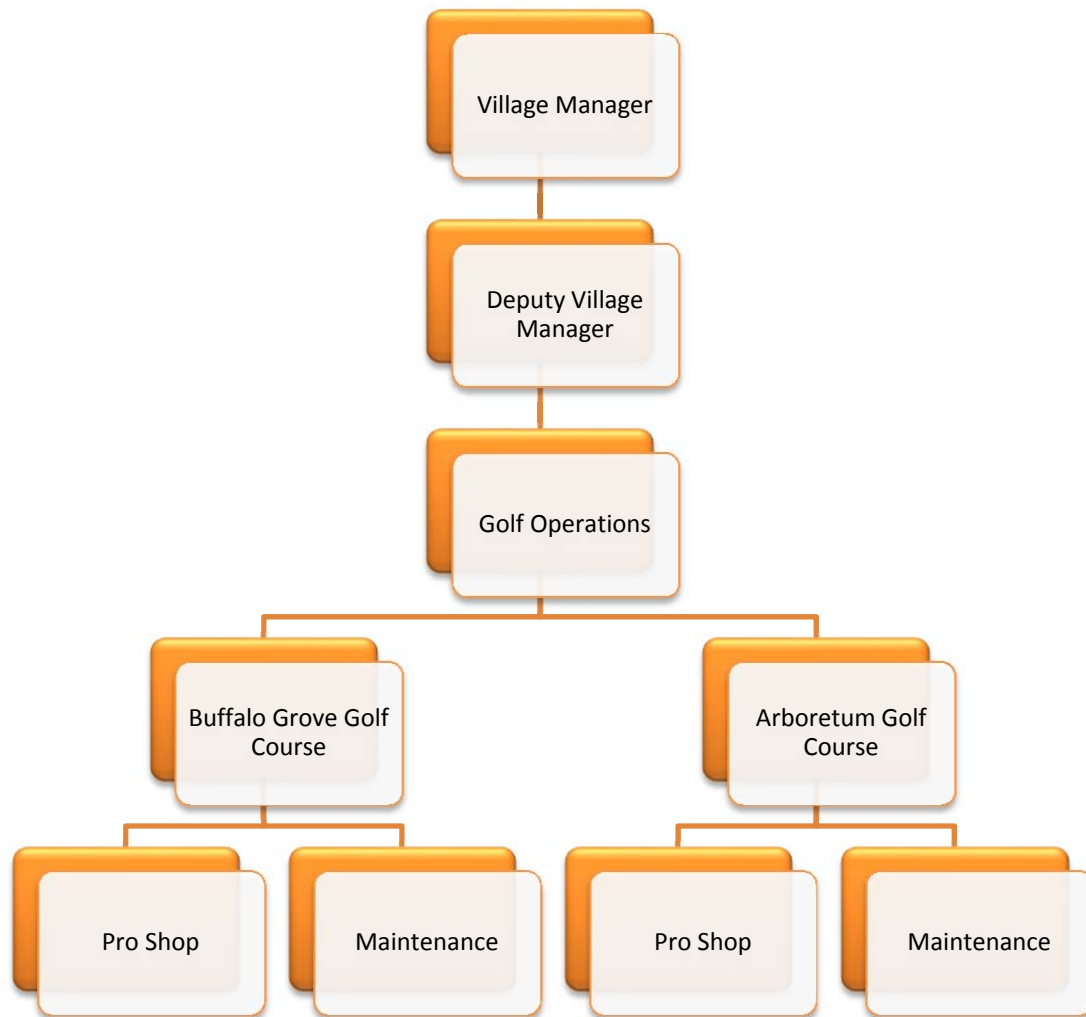
The Buffalo Grove Golf Club and Arboretum Golf Funds provide the entire scope of staff and administrative services necessary to operate the Buffalo Grove Golf Club and Arboretum Golf Club on an annual basis. The majority of the services are of a physical nature in that the programs identified provide for the efficient and effective operations of both golf courses. The overall objectives of the Funds are to maintain the physical quality of two 18-Hole golf courses, a driving range and practice areas in a manner that is acceptable to the patron and to enhance the enjoyment of the game. Pro Shop activities provide support services to the patron in the form of a retail activity.



To accomplish the above tasks, the Buffalo Grove Golf department maintains the following programs:

1. Golf course maintenance and operations
2. Departmental administration
3. Club house operations

Department Structure



2014 Strategic Plan Goal Accomplishments

Action Steps	Strategic Priority	Strategic Outcomes	Project Manager
Complete a fiscally constrained Technology Plan including customer service metrics, training and application platforms for the next five years.	Organizational Culture, Technology Collaboration	Moved to 2015 due to the IT Consortium.	IT Director, All Directors
Establish subject matter experts for software and programs, such as Wrike and Pub Works	Organizational Culture, Technology Collaboration	This will be complete by the end of 2014.	IT Director, All Directors
Create a comprehensive Wellness Program for all employees by January, 1 2015	Organizational Culture, Personal Growth and Balance	The health and wellness committee has been meeting regularly and already kicked off programs in 2014. Data evaluation will be done by the end of 2014. The 2015 goal is to use that data to evaluate health plan design changes.	HR Director, All Directors
Fully implement a new electronic performance evaluation system.	Organizational Culture, Personal Growth and Balance	Will go live January 1, 2015.	HR Director, All Directors
Current work order, staffing utilization, equipment utilization, and service level expectation targets are defined.	Service Optimization, External Service Tier	This has been moved to 2015 as a goal.	Public Works Director, All Directors
Develop a customer satisfaction survey that analyzes all Village services. Complete survey and review with the Village Board.	Service Optimization, Marketing and Communication	This has been moved to 2015 as a goal.	Deputy Village Manager, All Directors
Develop an inter-departmental clerical resources training pool by rotating clerical staff into other positions.	Service Optimization, Organizational Needs	The Village completed construction of the 1st floor combined customer service counter in order to cross train employees and have a combined building and zoning and finance customer service counter. The change went live in May.	Deputy Village Manager, All Directors

Action Steps	Strategic Priority	Strategic Outcomes	Project Manager
Identify and outline the services the Village provides broken down by departmental function and operating funds.	Revenue Growth, Cost Control	Will be presented to the Village Manager by 12/31/14	Deputy Village Manager, All Directors
Catalog existing assets in a database format and review for possible use by other departments. Based upon department director input, appropriate charges for use of assets is established and appended to the database.	Service Optimization, Organizational Needs	This has been moved to 2015 as a goal.	Public Works Director, All Directors

2015 Strategic Plan Goals

Action Steps	Strategic Priority	Budgetary Considerations	Performance Metric	Project Manager
Catalog existing assets in a database format and review for possible use by other departments.	Service Optimization, Organizational Needs	40 Staff Hours	An intergovernmental asset sharing program is operational by 1/1/2016	Public Works Director, All Directors
Complete a fiscally constrained Technology Plan including customer service metrics, training & application platforms for the next five years.	Organizational Culture, Technology Collaboration	40 Staff Hours, Consultant time included in IT Contract	The Village's technology platform is capable of providing best-fit services that are reliable, consistent and integrated across departments and service areas by 7/1/2015.	IT Director, All Directors
A plan to share assets with other governmental entities is developed	Service Optimization, External Service Tier	50 Staff Hours	Plan developed and presented to Village Manager by 12/31/15	Public Works Director, All Directors
A catalog of services for each department will be developed and presented to the Village Board that identifies the Village's current service levels	Service Optimization, External Service Tier	200 Staff Hours	Plan presented to Village Board by 12/31/15	Deputy Village Manager, All Directors
Evaluate the opportunity for a regional 311/CRM system	Service Optimization, External Service Tier	100 Staff Hours	Report provided to the Village Manager by 9/30/15	Deputy Village Manager, All Directors
Go live with licensing, building permits, ticket collections, parking permits, and Police and Fire test sign up	Service Optimization, External Service Tier	\$7,000 80 Staff Hours	Licensing and building permits live by 5/1/15. All others live by 12/31/15	Deputy Village Manager, All Directors
Develop a plan to effectively evaluate customer service satisfaction for key Village services	Service Optimization, Marketing and Communication	40 Staff Hours	Plan ready for implementation 1/1/16	Deputy Village Manager, All Directors
Develop a mid-year performance review program between employees and their immediate supervisors	Organizational Culture, Personal Growth & Balance	500 Staff Hours including development and implementation	Guidelines developed and sent to Employees by 9/1/15	HR Director, All Directors

Action Steps	Strategic Priority	Budgetary Considerations	Performance Metric	Project Manager
Retire Lotus Notes	Organizational Culture, Technology Collaboration	250 Staff Hours \$179,770 Software Costs	Lotus Notes Databases converted to other platforms by 12/31/15	Deputy Village Manager, All Directors

2015 Staffing Summary

There are no proposed staffing changes for 2015.

Golf Operations	FY 2013		FY 2014		FY 2015	
	FT	PT	FT	PT	FT	PT
Assistant Director of Golf Operations	2	0	0	0	0	0
Assistant Golf Professional	1	2	1	2	1	2
Director of Golf Operations	0	0	0	0	0	0
Golf Course Attendant - Seasonal	0	15	0	15	0	15
Golf Course Cashier - Seasonal	0	9	0	9	0	9
Golf Course Maintenance Worker	0	1	0	0	0	0
Golf Course Maintenance Worker – Seasonal	0	14	0	14	0	14
Golf Course Maintenance Worker II	1	0	1	0	1	0
Golf Course Maintenance Worker III	1	0	1	0	1	0
Golf Course Starter/Ranger – Seasonal	0	11	0	11	0	11
Golf Course Superintendent	1	0	1	0	1	0
Head Golf Professional	1	0	2	0	2	0
Horticulturist	1	0	1	0	1	0
Total	8	52	7	51	7	51
Full & Part-Time Total	60		58		58	

Budget Summary

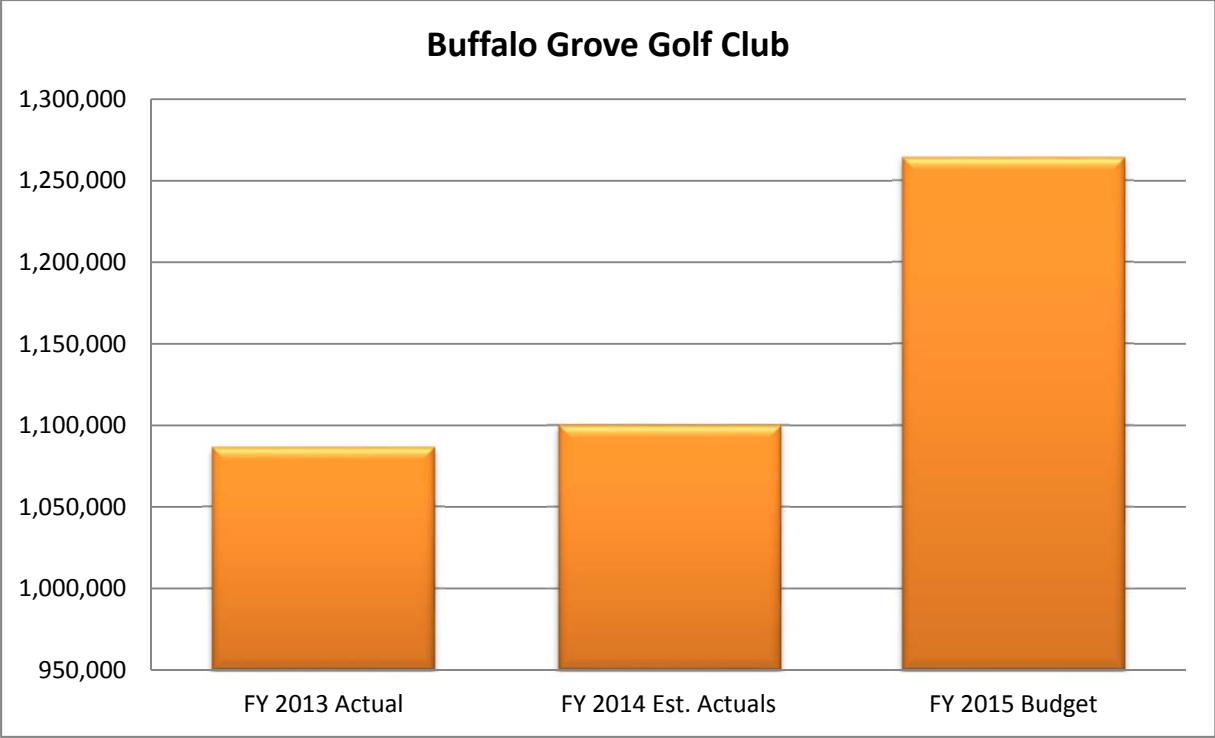
Buffalo Grove Golf Fund

	FY 2013 Actual	FY 2014 Est. Actuals	FY 2015 Budget
Personal Services	502,149	502,957	544,124
Personal Benefits	137,842	151,694	170,257
Operating Expenses	163,028	142,460	284,354
Contractual Services	10,000	25,361	25,361
Repairs and Maintenance	127,845	98,814	47,000
Capital Equipment	19,449	51,000	63,500
Commodities	125,503	127,800	130,000
All Other Expenses	1,028	406	-
Other Uses	-	-	-
Total	1,086,843	1,100,492	1,264,596

Budget Variance

Buffalo Grove Golf Fund

Line Item Number	Account Description	Percent Change	Dollar Amount Change	Description of Change
500.10	Personal Services Salaries – Part Time	17%	\$15,475	Increased based on potential minimum wage increase
500.15	Personal Services Salaries - Seasonal	19.7%	\$19,740	Increase based on potential minimum wage increase
505.05	Personal Benefits Group & Medical Life	24%	\$13,000	Budgeted on per capita basis
510.21	Oper Exp –IT Internal Svc Fund	New	\$20,140	Internal Service Fund Expense
510.76	Operating Expenses Driving Range	-100%	\$3,000	Included in Maintenance & Repairs Svc Cntrb
510.79	Operating Expenses - Advertising	-100%	-\$4,000	Reduced program scope
535.01	Maintenance & Repairs – Facilities Internal Svc Contribution	NEW	\$128,434	New line item
560.30	Capital Projects Buildings & Structures	100%	\$2000	Increased for building repairs



Revenue

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Amount	2015 Budget
Fund: 180 - Buffalo Grove Golf Fund						
<u>Revenue</u>						
40 - Charges for Services						
445	Golf Course Fees	-	-	-	-	-
445.10	Greens Fees	688,063	641,610	685,000	645,000	665,000
445.15	Power Cart Rental	147,643	162,592	167,500	165,000	165,000
445.20	Pull Cart Rental	4,276	3,681	4,000	3,500	3,000
445.25	Driving Range Fees	51,409	57,012	60,000	60,000	61,500
445.30	Memberships & Passes	70,821	63,837	64,000	64,033	64,000
445.35	Merchandise Sales	70,716	60,072	68,000	63,000	57,000
445.36	Coupon Sales	-	-	-	-	-
445.40	Sales Tax	6,468	4,934	6,000	5,670	5,130
445.50	GPS Income	19,060	-	-	-	-
445.55	Club Rental Fees	1,269	1,005	1,300	1,300	1,100
445.56	Locker Room Rental	80	131	100	100	-
445.57	Club Storage	425	175	200	365	200
445.60	Rental Income Facility	34,575	33,557	40,000	40,000	40,000
445.65	Rental Income Cell Tower	2,080	-	28,000	28,000	28,000
445.70	Utility Reimbursement	25,732	41,658	15,000	15,000	15,000
445.90	Other Revenue	(106)	-	-	100	-
40 - Charges for Services		1,122,509	1,070,262	1,139,100	1,091,068	1,104,930
Percent Change 2015 vs. 2014 Budget						-3.00%
45 - Interest Income						
450	Investment Revenue	-	-	-	-	-
450.05	Interest Income – Savings	(1,486)	-	-	-	-
450.10	Interest Income -Invest Pool	-	-	-	-	-
45 - Interest Income		(1,486)	-	-	-	-
Percent Change 2015 vs. 2014 Budget						0.00%
50 - Miscellaneous Revenue						
465	All Other Revenue	-	-	-	-	-
465.65	Grants	-	-	-	-	-
465.90	Miscellaneous Income	1,084	2,235	-	-	500
50 - Miscellaneous Revenue		1,084	2,235	-	-	500
Percent Change 2015 vs. 2014 Budget						0.00%

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Amount	2015 Budget
55 - Operating Transfers						
460	Operating Transfers	-	-	-	-	-
460.05	Interfund Transfers In	52,500	15,228	63,000	-	159,166
55 - Operating Transfers		52,500	15,228	63,000	-	159,166
Percent Change 2015 vs. 2014 Budget						152.64%
Revenues Total		1,174,607	1,087,726	1,202,100	1,091,068	1,264,596
Percent Change 2015 vs. 2014 Budget						5.20%

Expense

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
Fund: 180 - Buffalo Grove Golf Fund						
<u>Expenditures</u>						
Department: 84 - Golf						
10 - Salaries						
500	Personal Services	-	-	-	-	-
500.05	Full Time	243,262	257,686	259,475	297,382	303,334
500.10	Part Time	150,848	127,697	129,390	90,075	105,550
500.15	Seasonal	122,818	97,038	110,860	100,000	119,740
500.35	Overtime	18,918	16,828	13,500	13,500	13,500
500.40	Longevity	3,800	2,900	2,000	2,000	2,000
10 - Salaries		539,646	502,149	515,225	502,957	544,124
Percent Change 2015 vs 2014 Budget						5.61%
15 - Taxes and Benefits						
505	Personal Benefits	-	-	-	-	-
505.05	Group & Medical Life	67,941	42,913	64,750	54,000	67,000
505.10	Professional Training	644	80	500	410	500
505.15	Dues & Memberships	2,263	2,142	2,510	1,900	2,500
505.25	Uniform Maintenance	1,139	1,274	3,000	2,500	3,000
505.26	Uniform Rental	-	-	-	-	-
505.35	Safety Equipment	558	-	1,000	500	800
505.45	ICMA Deferred Compensation	10,165	-	-	-	-
505.75	Personal Benefits Employer's Contribution - FICA	-	-	-	27,680	32,775
505.80	Employer's Contribution - IMRF	86,727	91,432	87,761	58,231	56,017
505.85	Employer's Contribution Medicare	-	-	37,892	6,473	7,665
15 - Taxes and Benefits		169,437	137,842	197,413	151,694	170,257
Percent Change 2015 vs 2014 Budget						-13.76%
25 - Operating Expenses						
510	Operating Expenses	-	-	-	-	-
510.02	Telephone	5,206	6,099	5,400	4,500	5,400
510.03	Postage	-	-	-	-	-
510.04	Travel	295	320	250	-	250
510.10	Maintenance Contracts	-	476	-	2,922	-
510.16	Printing	242	398	500	420	500
510.20	Computer Services	8,300	7,245	7,500	6,000	7,500

	Description	2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
510.21	IT Internal Svc Contribution	-	-	-	-	20,140
510.28	Audit Fees	-	-	1,500	1,500	1,500
510.40	Supplies - Office	4,783	3,568	4,000	3,500	3,500
510.49	Supplies - Golf Course	11,843	6,882	7,000	5,500	7,000
510.50	Supplies - All Other	-	-	-	108	-
510.55	Operating Equip - Department	1,024	-	-	-	-
510.70	Merchandise Purchases	48,725	57,733	45,000	45,000	45,000
510.73	Golf Cart Rental	34,156	35,859	35,000	35,000	35,000
510.76	Driving Range	3,300	2,999	3,500	3,010	-
510.79	Advertising & Promotions	10,085	9,598	6,000	4,000	-
510.82	GPS Expense	-	-	-	-	-
510.83	Credit Card Fees	25,980	26,957	25,980	25,000	25,000
510.85	State Sales Tax	6,086	4,895	5,220	6,000	5,130
535.01	Facilities Building Mnt Intl Svc	-	-	-	-	128,434
545.01	Vehicles Central Garage Int Svc	-	-	-	-	-
25 - Operating Expenses		160,025	163,028	146,850	142,460	284,354
Percent Change 2015 vs 2014 Budget						93.64%
30 - Contractual Services						
515	Insurance	-	-	-	-	-
515.05	IRMA Premium	10,000	10,000	266	266	266
515.10	Unemployment Insurance	800	-	25,000	25,000	25,000
515.15	IRMA Ded - Worker's Comp	-	-	57	57	57
515.20	IRMA Ded - Non Wrker's Co	-	-	38	38	38
30 - Contractual Services		10,800	10,000	25,361	25,361	25,361
Percent Change 2015 vs 2014 Budget						0.00%
40 - Repairs and Maintenance						
535	Facilities	-	4,015	-	-	-
535.20	Buildings & Facilities	11,134	22,257	10,000	14,000	-
535.35	Golf Course	39,801	39,695	40,000	32,000	-
535.40	Irrigation System	11,491	9,356	10,000	9,000	-
545	Vehicles	-	-	-	-	-
545.05	Gasoline	32,462	28,014	25,000	24,000	25,000
545.10	Diesel Fuel	1,207	787	1,000	1,000	1,000
545.15	Automotive Parts	1,093	153	1,000	500	1,000
545.20	Garage Labor	4,269	1,074	-	314	-
545.25	Lubricants	-	-	-	-	-
545.30	Garage Overhead	-	-	-	-	-
545.35	Body Work	-	-	-	-	-
545.40	Contractual Auto Services	-	-	-	-	-

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
550	Other	-	-	-	-	-
550.05	Other Department Equipment	32,543	22,494	30,000	18,000	20,000
40 - Repairs and Maintenance		134,000	127,845	117,000	98,814	47,000
Percent Change 2015 vs 2014 Budget						-59.83%
45 - Commodities						
530	Commodities	-	-	-	-	-
530.05	Electricity - Facilities	59,459	51,072	55,000	55,000	55,000
530.20	Gas - Facilities	6,086	8,347	9,000	9,000	9,000
530.45	Chemicals and Fertilizers	64,935	64,989	65,000	63,000	65,000
530.50	Tools & Hardware	1,301	1,095	1,000	800	1,000
45 - Commodities		131,782	125,503	130,000	127,800	130,000
Percent Change 2015 vs 2014 Budget						0.00%
50 - Other Expenses						
580	All Other Expense	1,170	-	-	-	-
580.05	Other Expenses	-	1,028	500	406	-
50 - Other Expenses		1,170	1,028	500	406	-
Percent Change 2015 vs 2014 Budget						-100.00%
55 - Capital Outlay						
555	Capital Equipment	-	-	-	-	-
555.10	Office and Other Equipment	-	-	1,000	-	500
555.30	Reserve for Capital Replacement	-	-	30,000	30,000	30,000
555.40	Reserve for Technology	-	-	1,000	1,000	1,000
555.50	Reserve for Buildings	-	-	10,000	10,000	10,000
560	Capital Projects	-	-	-	-	-
560.30	Buildings & Structures	-	-	2,000	-	2,000
560.80	Golf Course	10,340	19,449	25,000	10,000	20,000
55 - Capital Outlay		10,340	19,449	69,000	51,000	63,500
Percent Change 2015 vs 2014 Budget						-7.97%
65 - Other Financing Uses						
570	Operating Transfers	-	-	-	-	-
570.10	Corporate Fund	-	-	-	-	-
570.60	Arboretum Golf Course Fund	-	-	-	-	-
65 - Other Financing Uses		-	-	-	-	-
Percent Change 2015 vs 2014 Budget						0.00%
Department Total: 84 - Golf		1,157,199	1,086,843	1,201,349	1,100,492	1,264,596
Percent Change 2015 vs 2014 Budget						5.26%

Budget Summary

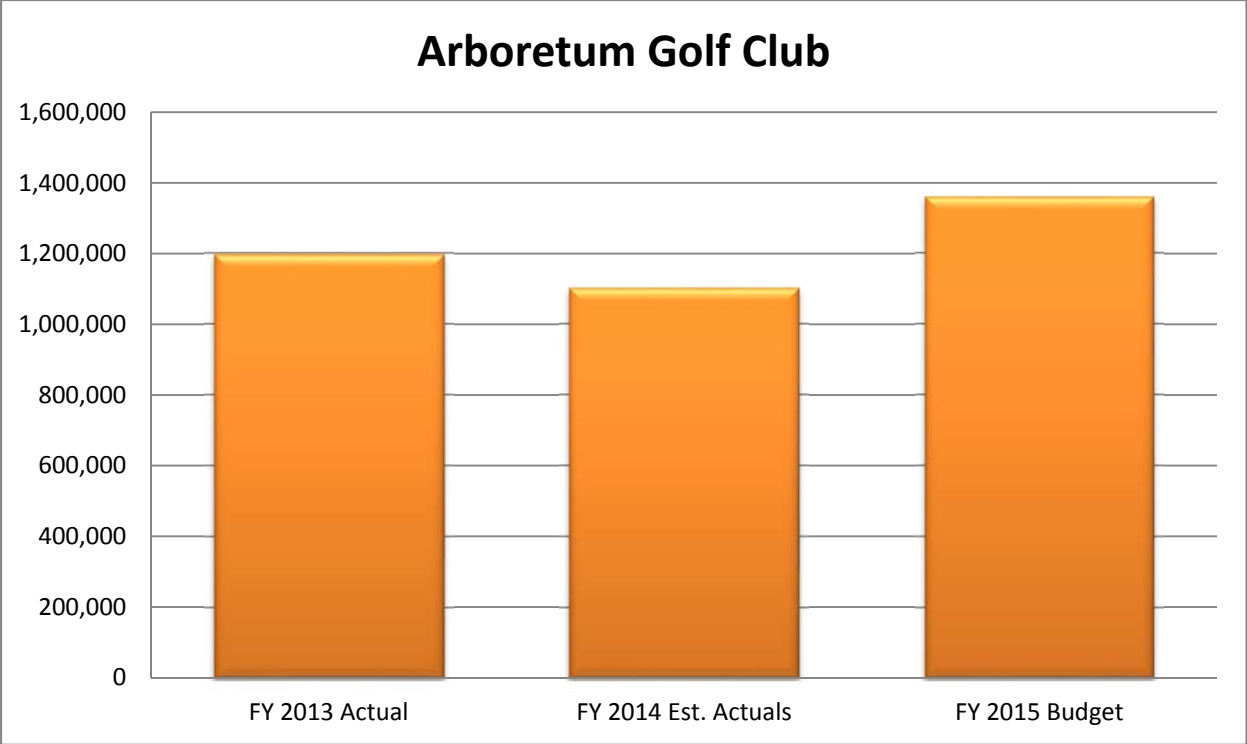
Arboretum Golf Fund

	FY 2013 Actual	FY 2014 Est. Actuals	FY 2015 Budget
Personal Services	540,482	460,900	501,706
Personal Benefits	155,131	140,523	160,039
Operating Expenses	184,996	162,969	427,845
Contractual Services	10,000	35,627	25,360
Repairs and Maintenance	90,584	84,000	34,000
Capital Equipment	49,498	64,022	51,100
Commodities	166,443	154,800	160,500
All Other Expenses	1,131	405	500
Total	1,198,267	1,103,246	1,361,050

Budget Variance

Arboretum Golf Fund

Line Item Number	Account Description	Percent Change	Dollar Amount Change	Description of Change
500.10	Personal Services Salaries – Part Time	11.7%	\$16,628	Increased based on potential minimum wage increase
500.15	Personal Services Salaries – Seasonal	30%	\$23,100	Increased based on potential minimum wage increase
510.21	Oper Exp – IT Internal Svc Fund	New	\$24,589	Internal Service Fund Expense
510.49	Operating Expenses Supplies – Golf Course	17%	\$2000	Increased to upgrade Golf Course products being used
530.50	Commodities Small Equipment Tools & Hardware	87%	\$700	Increased to replace some small equipment tools & hardware
535.01	Maint & Repair – Building Maint Internal Svc Fund	New	\$231,986	Internal Service Fund Expense



Revenues

	Description	2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
40 - Charges for Services						
445	Golf Course Fees	-	-	-	-	-
445.10	Greens Fees	760,931	765,423	760,000	760,000	765,000
445.15	Power Cart Rental	193,566	195,432	180,000	195,000	190,000
445.20	Pull Cart Rental	795	875	800	800	800
445.30	Member & Passes	11,398	37,800	40,500	48,000	48,000
445.35	Merchandise Sales	44,097	50,300	50,000	51,000	50,000
445.36	Coupon Sales	42,785	35,825	37,500	29,220	30,000
445.40	Sales Tax	3,569	4,091	4,000	4,080	4,000
445.50	GPS Income	244	-	-	-	-
445.55	Club Rental Fees	2,976	2,621	2,500	3,000	3,000
445.56	Locker Room Rental	75	224	100	105	100
445.60	Rental Income Facility	35,359	64,904	55,000	55,000	55,000
445.70	Utility Reimbursement	639	16,553	25,000	25,000	25,000
445.90	Other Revenue	1,682	4,320	3,000	5,100	3,000
40 - Charges for Services		1,098,115	1,178,368	1,158,400	1,176,305	1,173,900
Percent Change 2015 vs. 2014 Budget						1.34%
45 - Interest Income						
450	Investment Revenue	-	-	-	-	-
450.05	Savings	-	-	-	-	-
450.10	Investment Pool	-	11	-	-	-
45 - Interest Income		-	11	-	-	-
Percent Change 2015 vs. 2014 Budget						0.00%
55 - Operating Transfers						
460	Operating Transfers	-	-	-	-	-
460.05	Interfund Transfers In	217,000	58,960	-	-	187,150
55 - Operating Transfers		217,000	58,960	-	-	187,150
Percent Change 2015 vs. 2014 Budget						0.00%
Revenues Total		1,315,115	1,237,339	1,158,400	1,176,305	1,361,050
Percent Change 2015 vs. 2014 Budget						17.49%

Expenses

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
10 - Salaries						
500	Personal Services	-	-	-	-	-
500.05	Full Time	368,063	322,813	248,957	224,100	228,878
500.10	Part Time	120,690	106,812	154,000	142,000	158,628
500.15	Seasonal	87,538	88,305	75,777	75,000	98,100
500.35	Overtime	30,181	19,252	15,000	17,000	13,500
500.40	Longevity	5,800	3,300	2,800	2,800	2,600
10 - Salaries		612,273	540,482	496,534	460,900	501,706
Percent Change 2015 vs 2014 Budget						1.04%
15 - Taxes and Benefits						
505	Personal Benefits	-	-	-	-	-
505.05	Group & Medical Life	56,502	48,314	74,000	45,000	64,750
505.10	Professional Training	29	2,705	2,500	2,500	1,000
505.15	Dues & Memberships	2,455	1,691	2,000	1,897	2,000
505.25	Uniform Maintenance	404	1,081	3,000	2,500	3,000
505.26	Uniform Rental	2,515	602	-	-	-
505.35	Safety Equipment	555	534	500	500	500
505.45	ICMA Deferred Compensation	10,165	-	-	-	-
505.75	Personal Benefits Employer's Contribution - FICA	-	-	30,786	28,575	30,106
505.80	Employer's Contribution - IMRF	105,040	100,205	50,595	52,868	51,643
505.85	Employer's Contribution Medicare	-	-	7,200	6,683	7,040
15 - Taxes and Benefits		177,663	155,131	170,581	140,523	160,039
Percent Change 2015 vs 2014 Budget						-6.18%
25 - Operating Expenses						
510	Operating Expenses	-	-	-	-	-
510.02	Telephone	5,624	6,937	5,000	4,500	5,000
510.03	Postage	-	-	-	-	-
510.04	Travel	295	320	250	250	250
510.16	Printing	673	646	700	639	700
510.20	Computer Services	6,772	5,016	6,000	3,500	6,000
510.21	IT Internal Svc Contribution	-	-	-	-	24,589
510.28	Audit Fees	-	-	1,500	1,500	1,500
510.40	Supplies - Office	10,051	4,147	5,000	5,000	5,000
510.49	Supplies - Golf Course	15,223	12,945	13,500	11,500	13,500
510.55	Operating Equip - Department	1,154	-	-	-	-
510.70	Merchandise Purchases	46,397	45,137	40,000	44,000	40,000
510.73	Golf Cart Rental	58,925	63,402	54,000	54,000	54,520

	Description	2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
510.79	Advertising & Promotions	16,062	17,157	15,000	11,000	15,000
510.82	GPS Expense	20,858	-	-	-	-
510.83	Credit Card Fees	23,423	25,754	15,000	23,000	25,800
510.85	State Sales Tax	3,187	3,536	4,000	4,080	4,000
535.01	Facilities Building Mnt Int. Svc	-	-	-	-	231,986
545.01	Vehicles Central Garage Int. Svc	-	-	-	-	-
25 - Operating Expenses		208,644	184,996	159,950	162,969	427,845
Percent Change 2015 vs 2014 Budget						167.49%
30 - Contractual Services						
515	Insurance	-	-	-	-	-
515.05	IRMA Premium	10,000	10,000	265	265	265
515.10	Unemployment Insurance	800	-	25,000	25,000	25,000
515.15	IRMA Deductible - Worker's Comp	-	-	57	10,324	57
515.20	IRMA Deductible - Non Wrker's Co	-	-	38	38	38
30 - Contractual Services		10,800	10,000	25,360	35,627	25,360
Percent Change 2015 vs 2014 Budget						0.00%
40 - Repairs and Maintenance						
535	Facilities	-	-	-	-	-
535.20	Buildings & Facilities	22,783	27,107	15,000	20,000	-
535.35	Golf Course	19,781	23,200	25,000	22,000	-
535.40	Irrigation System	6,510	11,583	10,000	9,000	-
545	Vehicles	-	-	-	-	-
545.05	Gasoline	15,064	17,097	20,000	19,000	20,000
550.05	Other Department Equipment	21,671	11,597	14,000	14,000	14,000
40 - Repairs and Maintenance		85,809	90,584	84,000	84,000	34,000
Percent Change 2015 vs 2014 Budget						-59.52%
45 - Commodities						
530	Commodities	-	-	-	-	-
530.05	Electricity - Facilities	50,445	53,150	50,000	45,000	50,000
530.20	Gas - Facilities	19,703	21,993	19,000	19,000	19,000
530.45	Chemicals and Fertilizers	96,360	89,978	92,000	90,000	90,000
530.50	Small Equipment Tools & Hardware	373	1,322	1,500	800	1,500
45 - Commodities		166,882	166,443	162,500	154,800	160,500
Percent Change 2015 vs 2014 Budget						-1.23%

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
50 - Other Expenses						
580	All Other Expense	-	-	-	-	-
580.05	Other Expenses	1,263	1,131	500	405	500
50 - Other Expenses		1,263	1,131	500	405	500
Percent Change 2015 vs 2014 Budget						0.00%
55 - Capital Outlay						
555	Capital Equipment	-	-	-	-	-
555.10	Office and Other Equipment	-	183	200	2,320	100
555.30	Reserve for Capital Replacement	24,883	-	30,000	30,000	20,000
555.50	Reserve for Buildings	-	-	4,475	11,702	10,000
560	Capital Projects	-	-	-	-	-
560.30	Buildings & Structures	1,264	-	1,000	1,000	1,000
560.80	Golf Course	23,046	49,315	20,000	19,000	20,000
55 - Capital Outlay		49,192	49,498	55,675	64,022	51,100
Percent Change 2015 vs 2014 Budget						-8.22%
Department Total: 84 - Golf		1,312,526	1,198,267	1,155,100	1,103,246	1,361,050
Percent Change 2015 vs 2014 Budget						17.83%
Expenditures Total		1,312,526	1,198,267	1,155,100	1,103,246	1,361,050
Percent Change 2015 vs 2014 Budget						17.83%

Water and Sewer Fund

The departmental goals and the staffing summary of the Water and Sewer Fund are included in the Public Works Department report, Section 5 Corporate Fund Summary and Detail.

For FY 2015, the proposed revenue budget for the Village's Water and Sewer Fund totals \$16,474,253 compared to \$11,494,412 for FY 2014, an increase of \$4,979,841 or 43.32 percent. The spike in revenue is due to an additional six million dollars budgeted for the water meter replacement program. Other Water and Sewer revenues are projected to decrease less than one fifth of a percent, or \$20,159 in 2014.

Water Fund revenues include building fees, sales of water, investment income and all other revenues. The water fund is generating significant revenue from a water meter replacement project to be undertaken in 2015.

Building Revenue & Fees: The revenue for development fees are \$35,750 for the proposed budget. This account group takes into consideration anticipated building and development plans. Building revenue and fees are developed in conjunction with estimates used by the Building & Zoning Department.

Sales of Water: Significant revenue accrues from the metered sale of water along with sanitary sewer treatment fees due the County of Lake.

There were a series of rate increases adopted by the Village Board on July 9, 2012. The first rate increase was effective on January 1, 2013. Sales of Water and Village Sewer combined rate for 2015 adjusts to \$5.48/1,000 gallons. The Water rate is \$4.38 and Sewer is \$1.10. The combined rate will continue to increase 4 percent each year. The rate recommendations were the result of the twenty-year proforma analysis. This report will be updated and reviewed annually.

Over the last three years, water usage has been moderate and no significant growth in consumption was factored for FY 2015. Consumption in Buffalo Grove has significantly decreased in the last ten years. The decrease in consumption is due to several factors including economic decisions to better manage water use, recent weather patterns of cooler and wetter summers, and more efficient appliances,

The last line item of significance is Lake County Sanitary Sewer Treatment Fees. Lake County residents pay \$4/1,000 gallons of water metered for sanitary sewer treatment. The rate is set by the County of Lake. The Village of Buffalo Grove bills on behalf of the county to save administrative costs. Cook County residents pay for sanitary sewer treatment through a property tax levied by the Greater Water Reclamation District of Chicago.

Budget Summary

Water

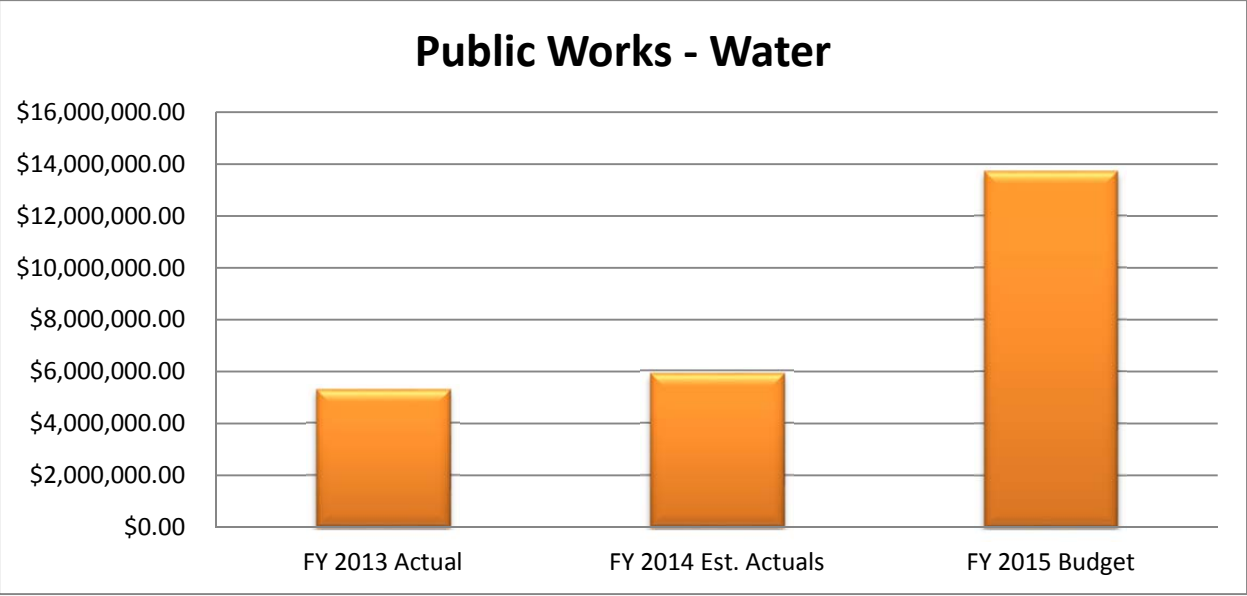
	FY 2013 Actual	FY 2014 Est. Actuals	FY 2015 Budget
Personal Services	640,386	588,529	704,511
Personal Benefits	273,423	346,567	351,316
Operating Expenses	1,394,340	1,901,550	2,404,229
Contractual Services	129,942	65,209	65,506
Repairs and Maintenance	118,290	221,625	86,500
Commodities	262,243	300,228	309,580
Other Expenses	1,083,263	-	-
Capital Outlay	103,716	1,559,401	8,872,020
Debt Service	352,822	6,010	6,010
Operating Transfers	945,000	945,000	945,000
Total	5,303,428	5,934,119	13,744,672

Budget Variance

Water

Line Item Number	Account Description	Percent Change	Dollar Amount Change	Description of Change
500.35	Personal Services Salaries - Overtime	16.99%	\$1,024,600	PW Staffing reorganization
500.40	Personal Services Salaries - Longevity	-26.81%	\$-964	PW Staffing reorganization
505.10	Personal Benefits Professional Training	14.29%	\$500	Additional professional training
505.26	Personal Benefits Uniform Rental	100.00%	\$2,705	PW Staffing reorganization
505.75	Personal Benefits Employer's Contribution - FICA	100.00%	\$43,680	PW Staffing reorganization
505.80	Personal Benefits Employer's Contribution - IMRF	-49.08%	\$-46,337	PW Staffing reorganization
505.85	Personal Benefits Employer's Contribution Medicare	100.00%	\$31,702	PW Staffing reorganization
510.02	Operating Expenses Telephone	-15.94%	\$-1,036	PW Staffing reorganization
510.10	Operating Expenses Maintenance Contracts	21.26%	\$24,235	SCADA Service Contract
510.21	Operating Expenses IT Internal Svc Contribution	New	\$41,843	New internal service fund

Line Item Number	Account Description	Percent Change	Dollar Amount Change	Description of Change
510.83	Operating Expenses Credit Card Fees	95.00%	\$1,900	Online water billing
535.01	Maintenance & Repairs - Facilities Building Mnt Internal Svc Cntrb	New	\$283,898	New internal service fund
545.01	Maintenance & Repairs - Vehicles Central Garage Internal Svc	New	\$141,720	New internal service fund
535.05	Maintenance & Repairs - Facilities Sidewalks, Curbs, & Bikeways	0.00%	\$-25,000	Moved to internal service fund
535.20	Maintenance & Repairs - Facilities Buildings & Facilities	0.00%	\$-70,000	Moved to internal service fund
545.05	Maintenance & Repairs - Vehicles Gasoline	0.00%	\$-8,416	Moved to internal service fund
545.10	Maintenance & Repairs - Vehicles Diesel Fuel	0.00%	\$-14,842	Moved to internal service fund
545.15	Maintenance & Repairs - Vehicles Automotive Parts	0.00%	\$-12,146	Moved to internal service fund
545.20	Maintenance & Repairs - Vehicles Garage Labor	0.00%	\$-37,860	Moved to internal service fund
545.25	Maintenance & Repairs - Vehicles Lubricants	0.00%	\$-944	Moved to internal service fund
545.40	Maintenance & Repairs - Vehicles Contractual Auto Services	0.00%	\$-4,162	Moved to internal service fund
550.05	Maintenance & Repairs - Other Department Equipment	90.00%	\$14,400	Incorrect entry in 2014 budget (\$1,600 vs \$16,000)
530.20	Commodities Gas - Facilities	96.39%	\$4,241	Combined two line items for gas



Revenue

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
30 - Permits						
435	Building Revenue & Fees	-	-	-	-	-
435.75	Water Connection Fees	3,550	7,476	1,500	1,500	1,500
435.76	Lake County Sewer Tap On Fees	51,000	20,450	25,000	25,000	25,000
435.77	Village Sewer Tap On Fees	900	450	500	250	250
435.78	Water Meter Sales	9,998	6,128	7,500	4,000	4,000
435.79	System Improvement Fees	11,915	9,126	7,500	5,000	5,000
435.80	Sewer T.V. Inspection Fees	-	-	-	-	-
435.81	Recapture Fees	-	630	-	-	-
30 - Permits		77,363	44,260	42,000	35,750	35,750
Percent Change 2015 vs. 2014 Budget						-14.88%
40 - Charges for Services						
441.05	Wate Resident - Regular	3,077,087	4,229,973	5,455,679	5,237,175	5,627,523
441.15	Debt Service Charge	381,563	125,677	-	-	-
441.20	Wate Penalties	49,261	102,516	90,000	95,000	95,000
441.30	Construction Water	502	-	750	-	500
441.60	Water Turn On	625	500	1,500	1,500	1,500
441.65	Water Use Non-Resident	-	-	-	-	-
442.05	Sewer Resident - Regular	774,512	1,007,343	1,249,845	1,243,971	1,293,730
442.10	Sewer Penalties	-	-	-	-	-
443.00	Sanitary Sewer Service Fees	3,103,958	3,182,543	3,200,000	3,117,755	3,410,000
40 - Charges for Services		7,387,508	8,648,553	9,997,774	9,695,401	10,428,253
Percent Change 2015 vs. 2014 Budget						4.31%
45 - Interest Income						
450	Investment Revenue	-	-	-	-	-
450.05	Interest Income - Savings	149	622	250	250	250
450.10	Interest Income -Invest Pool	-	-	-	-	-
450.15	Interest Income - Money Market	5	(786)	-	-	-
450.20	Interest Income - CD's	21,883	5,838	12,000	8,000	6,000
450.25	Interest Income - Securities	6,536	6,769	5,000	5,000	4,000
45 - Interest Income		28,573	12,442	17,250	13,250	10,250
Percent Change 2015 vs. 2014 Budget						-40.58%
50 - Miscellaneous Revenue						
465	All Other Revenue	-	-	-	-	-
465.65	Grants	-	173,618	437,388	400,000	-
465.90	Miscellaneous Income	83,574	6,991	1,000,000	1,000,000	6,000,000
50 - Miscellaneous Revenue		83,574	180,609	1,437,388	1,400,000	6,000,000
Percent Change 2015 vs. 2014 Budget						317.42%

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
55 - Operating Transfers						
460	Operating Transfers	-	-	-	-	-
460.05	Interfund Transfers In	-	-	-	-	-
55 - Operating Transfers		-	-	-	-	-
Percent Change 2015 vs. 2014 Budget						0.00%
Revenues Total		7,577,017	8,885,865	11,494,412	11,144,401	16,474,253
Percent Change 2015 vs. 2014 Budget						43.32%

Expense

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
10 - Salaries						
500	Personal Services	27,182	-	-	-	-
500.05	Full Time	659,651	581,335	604,585	513,856	640,604
500.10	Part Time	-	81	-	-	-
500.35	Overtime	50,673	54,604	50,065	71,173	60,311
500.40	Longevity	6,110	4,367	4,560	3,500	3,596
10 - Salaries		743,616	640,387	659,210	588,529	704,511
Percent Change 2015 vs. 2014 Budget						6.87%
15 - Taxes and Benefits						
505	Personal Benefits	4,142	-	-	-	-
505.05	Group & Medical Life	94,242	127,487	151,000	152,000	165,431
505.10	Professional Training	172	1,594	3,000	2,500	3,500
505.15	Dues & Memberships	448	302	894	327	894
505.20	Clothing Allowance	1,045	986	2,060	1,756	2,100
505.25	Uniform Maintenance	433	2,326	2,169	2,169	-
505.26	Uniform Rental	1,605	-	-	-	2,705
505.35	Safety Equipment	1,677	2,850	6,900	3,500	6,900
505.45	ICMA Deferred Compensation	881	-	-	-	-
505.75	Employer's Contribution - FICA	-	-	-	35,315	43,680
505.80	Employer's Contribution - IMRF	137,728	137,879	140,741	140,741	94,404
505.85	Employer's Contribution Medicare	-	-	-	8,259	31,702
15 - Taxes and Benefits		242,373	273,424	306,764	346,567	351,316
Percent Change 2015 vs. 2014 Budget						14.52%
25 - Operating Expenses						
510	Operating Expenses	-	-	-	-	-
510.02	Telephone	6,071	7,357	7,536	7,000	6,500
510.04	Travel	-	-	-	-	-
510.10	Maintenance Contracts	61,952	59,389	89,765	80,000	114,000
510.12	Equipment Rental	-	-	1,018	800	1,018
510.14	Subscriptions & Publications	-	-	-	-	-
510.16	Printing	412	-	4,000	3,000	4,000
510.21	IT Internal Svc Contribution	-	-	-	-	41,843
510.40	Supplies - Office	365	266	450	450	450
510.50	Supplies - All Other	746	644	2,800	2,800	2,800
510.55	Operating Equip - Department	-	2,083	6,000	6,000	6,000
510.83	Credit Card Fees	-	532	100	1,500	2,000
510.84	Bank Fees	-	23,945	-	-	-
510.90	Northwest Water Commission	1,288,449	1,300,123	1,822,005	1,800,000	1,800,000
535.01	Facilities Building Mnt Internal Svc	-	-	-	-	283,898
545.01	Vehicles Central Garage Internal Svc	-	-	-	-	141,720
25 - Operating Expenses		1,357,996	1,394,341	1,933,674	1,901,550	2,404,229
Percent Change 2015 vs. 2014 Budget						24.33%
30 - Contractual Services						
515	Insurance	-	-	-	-	-
515.05	IRMA Premium	(47,575)	129,942	46,868	46,868	46,868
515.10	Unemployment Insurance	1,280	-	1,600	1,600	1,600

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
515.15	IRMA Deductible - Worker's Comp	-	-	10,043	10,046	10,043
515.20	IRMA Deductible - Non Wrker's Co	-	-	6,695	6,695	6,995
30 - Contractual Services		(46,295)	129,942	65,206	65,209	65,506
Percent Change 2015 vs. 2014 Budget						0.46%
40 - Repairs and Maintenance						
535	Facilities	-	-	-	-	-
535.05	Sidewalks, Curbs, & Bikeways	-	-	25,000	25,000	-
535.20	Buildings & Facilities	(33,066)	-	70,000	70,000	-
540	Water & Sewer	-	-	-	-	-
540.05	Well Equipment	3,757	4,907	10,000	8,000	10,000
540.10	Pumping Stations	327,047	19,161	5,000	4,500	5,000
540.15	Watermains & Services	39,645	12,546	16,000	16,000	16,000
540.20	Reservoirs	30,089	91	5,000	4,500	5,000
540.25	Water Meters	-	1,598	14,000	14,000	14,000
540.30	Hydrants & Valves	28,069	14,255	20,000	20,000	20,000
545	Vehicles	-	-	-	-	-
545.05	Gasoline	7,893	9,035	8,416	8,396	-
545.10	Diesel Fuel	12,398	16,906	14,842	14,570	-
545.15	Automotive Parts	7,960	7,371	12,146	8,419	-
545.20	Garage Labor	26,890	24,166	37,860	15,240	-
545.25	Lubricants	-	-	944	-	-
545.30	Garage Overhead	-	-	-	-	-
545.35	Body Work	-	-	-	-	-
545.40	Contractual Auto Services	2,862	7,929	4,162	-	-
550	Other	-	-	-	-	-
550.05	Other Department Equipment	13,943	325	1,600	12,000	16,000
550.10	Other Radios	-	-	500	1,000	500
40 - Repairs and Maintenance		467,487	118,290	245,470	221,625	86,500
Percent Change 2015 vs. 2014 Budget						-64.76%
45 - Commodities						
530	Commodities	-	-	-	-	-
530.15	Electricity - Water & Sewer	80,060	223,231	230,000	230,000	230,000
530.20	Gas - Facilities	4,722	690	159	428	4,400
530.30	Gas - Water & Sewer	387	500	3,000	-	-
530.45	Chemicals and Fertilizers	4,080	2,331	5,220	5,200	5,220
530.50	Small Equipment Tools & Hardware	759	953	1,600	1,600	1,600
530.60	Water Sample Analysis	13,249	15,100	25,360	20,000	25,360
530.65	Water Meter Purchases	29,220	19,439	43,000	43,000	43,000
45 - Commodities		132,477	262,243	308,339	300,228	309,580
Percent Change 2015 vs. 2014 Budget						0.40%
50 - Other Expenses						
580	All Other Expense	-	-	-	-	-
580.05	Other Expenses	104	222	-	-	-
800	Depreciation	1,067,439	1,083,042	-	-	-
50 - Other Expenses		1,067,543	1,083,264	-	-	-
Percent Change 2015 vs. 2014 Budget						0.00%

Description	2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
55 - Capital Outlay					
555 Capital Equipment	-	-	-	-	-
555.10 Office and Other Equipment	-	-	-	-	-
555.30 Reserve for Capital Replacement	1,046	54,255	54,255	46,283	54,255
555.40 Reserve for Technology	-	182	1,500	1,811	1,500
555.50 Reserve for Buildings	-	-	6,265	6,265	6,265
560 Capital Projects	-	-	-	-	-
560.60 Water System	13,562	49,279	2,810,800	1,505,042	8,810,000
55 - Capital Outlay	14,608	103,716	2,872,820	1,559,401	8,872,020
Percent Change 2015 vs. 2014 Budget					208.83%
60 - Debt Service					
565 Debt Service	-	-	-	-	-
565.10 Principal	-	-	-	-	-
565.20 Interest	-	-	6,010	6,010	6,010
565.60 Northwest Water Service	440,163	352,822	-	-	-
60 - Debt Service	440,163	352,822	6,010	6,010	6,010
Percent Change 2015 vs. 2014 Budget					0.00%
65 - Other Financing Uses					
570 Operating Transfers	-	-	-	-	-
570.10 Corporate Fund	705,000	765,000	765,000	765,000	765,000
570.20 Debt Service Fund	200,000	180,000	180,000	180,000	180,000
65 - Other Financing Uses	905,000	945,000	945,000	945,000	945,000
Percent Change 2015 vs. 2014 Budget					0.00%
Division Total: 35 - Water	5,324,967	5,303,429	7,342,493	5,934,119	13,744,672
Percent Change 2015 vs. 2014 Budget					87.19%

Budget Summary

Sewer

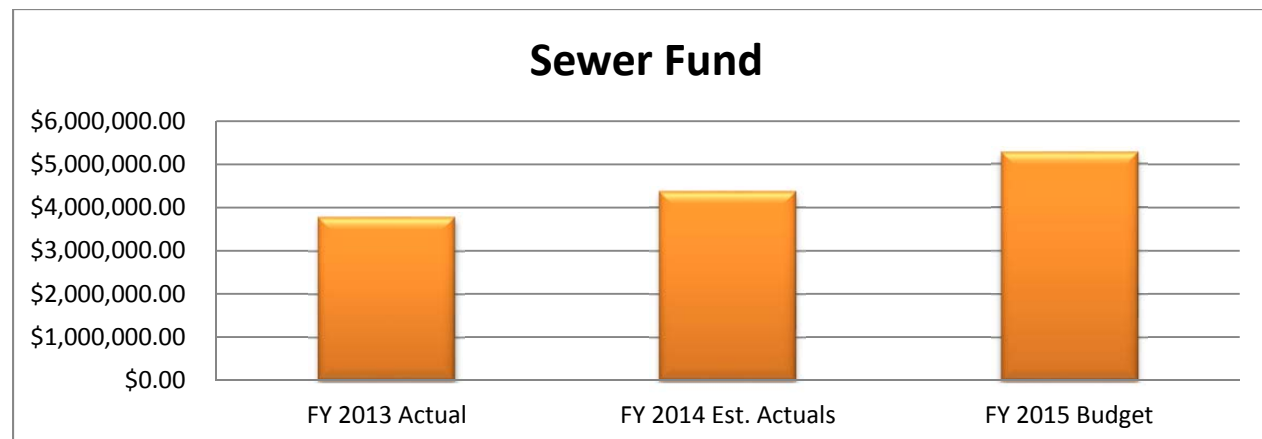
	FY 2013 Actual	FY 2014 Est. Actuals	FY 2015 Budget
Personal Services	371,517	310,848	352,066
Personal Benefits	61,829	148,482	183,920
Operating Expenses	44,000	53,162	300,096
Contractual Services	41,648	41,641	41,641
Repairs and Maintenance	45,945	54,382	24,600
Commodities	3,202,098	3,203,928	3,496,500
Other Expenses	81	-	-
Capital Outlay	28,029	570,974	892,024
Debt Service	-	-	-
Total	3,795,150	4,383,417	5,290,847

Budget Variance

Sewer

Line Item Number	Account Description	Percent Change	Dollar Amount Change	Description of Change
500.05	Personal Services Salaries - Full Time	19.39%	\$64,964	PW Staffing reorganization
500.35	Personal Services Salaries - Overtime	13.95%	\$1,968	PW Staffing reorganization
505.05	Personal Benefits Group & Medical Life	23.35%	\$22,994	PW Staffing reorganization
505.10	Personal Benefits Professional Training	75.00%	\$1,2000	Additional professional training
505.15	Personal Benefits Dues & Memberships	30.00%	\$30	PW Staffing reorganization
505.75	Personal Benefits Employer's Contribution - FICA	New	\$21,828	PW Staffing reorganization
505.80	Personal Benefits Employer's Contribution - IMRF	-32.46%	\$-15,313	PW Staffing reorganization
505.85	Personal Benefits Employer's Contribution Medicare	100.00%	\$5,105	PW Staffing reorganization

Line Item Number	Account Description	Percent Change	Dollar Amount Change	Description of Change
510.02	Operating Expenses Telephone	-11.19%	\$-1,679	PW Staffing reorganization
510.14	Operating Expenses Subscriptions & Publications	New	\$75	New line item expenditure
510.21	Operating Expenses IT Internal Svc Contribution	New	\$18,577	New internal service fund
535.01	Maintenance & Repairs - Facilities Building Mnt Internal Svc Cntrb	New	\$128,770	New internal service fund
545.01	Maintenance & Repairs - Vehicles Central Garage Internal Svc	New	\$77,912	New internal service fund
545.05	Maintenance & Repairs - Vehicles Gasoline	0.00%	\$-3,066	Moved to internal service fund
545.10	Maintenance & Repairs - Vehicles Diesel Fuel	0.00%	\$-9,338	Moved to internal service fund
545.15	Maintenance & Repairs - Vehicles Automotive Parts	0.00%	\$-5,264	Moved to internal service fund
545.20	Maintenance & Repairs - Vehicles Garage Labor	0.00%	\$-14,313	Moved to internal service fund
545.25	Maintenance & Repairs - Vehicles Lubricants	0.00%	\$-649	Moved to internal service fund
545.40	Maintenance & Repairs - Vehicles Contractual Auto Services	0.00%	\$-1,552	Moved to internal service fund



Expenses

Description	2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
10 – Salaries					
500 Personal Services	12,978	-	-	-	-
500.05 Full Time	192,172	287,912	270,043	293,115	335,007
500.35 Overtime	24,123	15,235	12,144	15,000	14,112
500.40 Longevity	1,434	68,370	2,733	2,733	2,947
10 – Salaries	230,707	371,517	284,920	310,848	352,066
Percent Change 2015 vs. 2014 Budget					23.57%
15 - Taxes and Benefits					
505 Personal Benefits	2,823	-	-	-	-
505.05 Group & Medical Life	102,913	55,520	75,500	75,500	98,494
505.10 Professional Training	346	-	400	800	1,600
505.15 Dues & Memberships	120	60	70	70	100
505.20 Clothing Allowance	443	440	701	701	701
505.25 Uniform Maintenance	238	1,386	-	-	-
505.26 Uniform Rental	592	-	1,141	1,141	1,135
505.35 Safety Equipment	1,353	3,745	7,780	7,780	7,780
505.45 ICMA Deferred Compensation	137	-	-	-	-
505.75 Employer's Contribution - FICA	-	-	-	-	21,828
505.80 Employer's Contribution - IMRF	42,957	679	62,490	62,490	47,177
505.85 Employer's Contribution Medicare	-	-	-	-	5,105
15 - Taxes and Benefits	151,922	61,830	148,082	148,482	183,920
Percent Change 2015 vs. 2014 Budget					24.20%
25 - Operating Expenses					
510 Operating Expenses	-	-	-	-	-
510.02 Telephone	17,431	23,301	16,679	15,000	15,000
510.04 Travel	-	-	-	-	-
510.10 Maintenance Contracts	15,824	16,767	23,112	23,112	48,112
510.12 Equipment Rental	-	-	200	100	200
510.14 Subscriptions & Publications	-	-	-	-	75
510.21 IT Internal Svc Contribution	-	-	-	-	18,577
510.40 Supplies - Office	300	199	450	450	450
510.50 Supplies - All Other	3,017	2,570	3,500	3,000	3,500
510.55 Operating Equip - Department	247	1,164	7,500	11,500	7,500
535.01 Facilities Building Mnt Internal Svc	-	-	-	-	128,770
545.01 Vehicles Central Garage Internal Svc	-	-	-	-	77,912
25 - Operating Expenses	36,818	44,001	51,441	53,162	300,096
Percent Change 2015 vs. 2014 Budget					483.38%
30 - Contractual Services					
515 Insurance	-	-	-	-	-
515.05 IRMA Premium	(9,071)	41,648	30,093	30,093	30,093
515.10 Unemployment Insurance	640	-	800	800	800
515.15 IRMA Deductible - Worker's Comp	-	-	6,449	6,449	6,449
515.20 IRMA Deductible - Non Wrker's Co	-	-	4,299	4,299	4,299
30 - Contractual Services	(8,431)	41,648	41,641	41,641	41,641
Percent Change 2015 vs. 2014 Budget					0.00%

Description	2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
40 - Repairs and Maintenance					
540 Water & Sewer	-	-	-	-	-
540.35 Storm and Sanitary Sewers	97,986	2,544	4,000	3,000	4,000
540.40 Lift Stations	42,843	14,430	14,200	12,000	14,200
545 Vehicles	-	-	-	-	-
545.05 Gasoline	3,529	2,793	3,066	3,066	-
545.10 Diesel Fuel	8,713	9,208	9,338	9,338	-
545.15 Automotive Parts	4,463	2,754	5,264	5,264	-
545.20 Garage Labor	11,226	7,464	14,313	14,313	-
545.25 Lubricants	-	-	649	649	-
545.30 Garage Overhead	-	-	-	-	-
545.35 Body Work	-	-	-	-	-
545.40 Contractual Auto Services	1,401	3,600	1,552	1,552	-
550 Other	71	-	-	-	-
550.05 Other Department Equipment	3,425	3,153	6,200	5,000	6,200
550.10 Other Radios	-	-	200	200	200
40 - Repairs and Maintenance	173,657	45,945	58,782	54,382	24,600
Percent Change 2015 vs. 2014 Budget					-58.15%
45 - Commodities					
530 Commodities	-	-	-	-	-
530.15 Electricity - Water & Sewer	18,308	-	45,000	45,000	45,000
530.50 Small Equipment Tools & Hardware	644	707	1,500	1,200	1,500
530.70 Lake County Tap-On Fees	95,600	20,400	40,000	40,000	40,000
530.75 Lake County Sanitary Sewer Fees	3,224,912	3,180,992	3,200,000	3,117,728	3,410,000
45 - Commodities	3,339,464	3,202,099	3,286,500	3,203,928	3,496,500
Percent Change 2015 vs. 2014 Budget					6.39%
50 - Other Expenses					
580 All Other Expense	-	-	-	-	-
580.05 Other Expenses	588	82	-	-	-
50 - Other Expenses	588	82	-	-	-
Percent Change 2015 vs. 2014 Budget					0.00%
55 - Capital Outlay					
555 Capital Equipment	-	-	-	-	-
555.10 Office and Other Equipment	-	-	-	-	-
555.30 Reserve for Capital Replacement	-	26,044	26,044	26,044	26,044
555.40 Reserve for Technology	-	1,009	1,350	1,350	1,400
555.50 Reserve for Buildings	-	-	3,580	3,580	3,580
560 Capital Projects	-	-	-	-	-
560.70 Sewer System	440,306	976	540,000	540,000	861,000
55 - Capital Outlay	440,306	28,029	570,974	570,974	892,024
Percent Change 2015 vs. 2014 Budget					56.23%
Division Total: 36 - Sewer	4,365,030	3,795,151	4,442,340	4,383,417	5,290,847
Percent Change 2015 vs. 2014 Budget					19.10%

Refuse Fund

The Refuse Fund was established as required by the project use agreement between the Village and the Solid Waste Agency of Northern Cook County (SWANCC). The Fund accounts for all user fees collected by the Village on behalf of the Agency for transfer and waste disposal services. The budget is based on the FY 2014-2015 commitment by the Village of an estimated 16,240 tons of refuse to be processed at a rate of \$57.53/ton.

On April 16, 2012, the Village Board approved a five-year contract with Waste Management. The negotiated rates are fixed during the duration of the contract. The term single family unit mean all single-family residential units, 2-family residential units, attached and detached town homes, coach homes, and duplexes. The term multifamily unit include all multifamily residential dwellings whether classified as apartments, condominiums, or residential units that are combined with commercial and/or industrial units. The effective rates are noted below.

	Single Family Monthly Rate	Multi Family Monthly Rate
Solid Waste Collection with Cart	\$7.61	\$7.54
Recycling Collection with Cart	\$3.20	1.85*
Landscape Collection without Cart	\$3.00	-
Additional weekly service	\$4.25*	NA
Tipping Fee	\$5.65	\$4.50
Total - 1 Collection per Week	\$19.46	\$12.04
Total - 2 Collections per Week	\$23.71*	NA

The tipping fee is charged by the Solid Waste Agency of Northern Cook County (SWANCC) and is administered outside of the Waste Management contract.

* Optional service

Revenue

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
50 - Miscellaneous Revenue						
465	All Other Revenue	-	-	-	-	-
465.55	SWANCC User Fees	1,050,386	1,040,878	1,020,000	1,035,038	1,025,000
50 - Miscellaneous Revenue		1,050,386	1,040,878	1,020,000	1,035,038	1,025,000
Percent Change 2015 vs. 2014 Budget						0.49%
Revenues Total		1,050,386	1,040,878	1,020,000	1,035,038	1,025,000
Percent Change 2015 vs. 2014 Budget						0.49%

Expenditures

50 - Other Expenses						
580	All Other Expense	-	-	-	-	-
580.05	Other Expenses	19,275	23,445	-	-	-
580.35	SWANCC User Fees	855,092	879,365	936,000	880,000	890,000
50 - Other Expenses		874,367	902,810	936,000	880,000	890,000
Percent Change 2015 vs. 2014 Budget						-4.91%
65 - Other Financing Uses						
570.10	Corporate Fund	-	-	50,000	50,000	75,000
Other Financing Uses		-	-	50,000	50,000	75,000
Percent Change 2015 vs. 2014 Budget						50.00%
Department Total: 86 - Refuse		874,367	902,810	986,000	930,000	965,000
Percent Change 2015 vs. 2014 Budget						-2.13%
Expenditures Total		874,367	902,810	986,000	930,000	965,000
Percent Change 2015 vs. 2014 Budget						-2.13%

Section 8

Internal Service Funds

Information Technology Fund

Central Garage Fund

Building and Facility Maintenance Fund

Service
Optimization

Organizational
Culture

Revenue
Growth

Economic
Development

Infrastructure
Sustainability

Internal Service Funds

Internal Service Funds provide services to other Village departments so they can efficiently provide goods and services to the Village of Buffalo Grove residents

Internal service funds are activities that produce goods or services to be provided to other departments within the governmental unit or amongst multiple governmental units. The Village's internal service funds only serve itself. The newly created funds are Information Technology, fund 211, Building Maintenance, fund 212, and Central Garage, fund 213.

Internal service funds are operated and accounted for on a business basis. All expenditures incurred for the Village related to technology, building maintenance, and central garage will be charged to the corresponding fund. The Finance department establishes the budget for an internal service fund the same way it does for any other department or fund. Expenditures are assessed to each department based on the direct cost of the good or service and an overhead amount to cover indirect costs. The operating expenditures can be found in the department budgets under the following accounts; I.T. contribution (510.21), building maintenance contribution (535.01), and central garage contribution (545.01).

These funds generate revenue from the expenditures incurred by the departments of the Village. These funds will maintain year-end operating statements, more commonly referred to in the Comprehensive Annual Financial Report (CAFR) as Statement of Revenues, Expenditures, and Change in Fund Net Assets.

Internal service funds allow the Village to better cost the direct services provided to residents and the surrounding community. Building maintenance department fixed costs were redistributed back to the departments based on the square footage of the facilities occupied by each department. Lastly, central garage is billed back on a historical usage basis, and overhead is disbursed to departments based on the percentage of the total central garage usage over time.

These changes in budgeting give an insight into the fully allocated cost for services and provide a more transparent basis to evaluate the true costs of providing a service to the community.

Information Technology

Information Technology provides management, review, and oversight of each Village Department's information system needs

Information Technology is provided through the Government IT Consortium of which the Village of Buffalo Grove is a founding member. Each member of the consortium shares the same contractor for IT services. The contract administration is housed within the Office of the Village Manager. The Division is now staffed by the full-time employees hired by the Consortium's contractor with IT management provided by the manager of the Consortium.

IT is responsible for the maintenance of local and wide area networks that facilitate interdepartmental communication among Village offices and facilities. The Division supports all Village locations providing over two dozen core applications and several dozen department specific applications to these locations. The goal is to provide 99.99% uptime in a 24/7/365 environment.

Information Technology allows all departments to access the network, email, and all other technologies. The I.T. fund was spread based on all full time and year round part time staff. Most of the costs are contracted service or maintenance agreements programs the Village utilizes. Other costs associated include a hardware replacement plan that would replace obsolete computers on a five-year cycle for all Village departments. Any I.T. expenditures that are central to a single department were added in addition to the amount derived through dividing the fixed costs of I.T. so that other departments do not subsidize those costs.



Government IT Consortium Mission

The mission of the Government IT Consortium is to drive down the costs of IT by sharing service providers, making joint purchases, and sharing infrastructure.

2014 Strategic Plan Goal Accomplishments

Action Steps	Strategic Outcomes	Project Manager
Complete a fiscally constrained Technology Plan including customer service metrics, training and application platforms for the next five years.	Moved to 2015 due to the IT Consortium.	IT Director
Establish subject matter experts for software and programs, such as Wrike and Pub Works	This will be complete by the end of 2014.	IT Director
Develop Metadata standards and integration points to allow centralized access to service requests and follow-up.	This is complete. GIS will now be used for centralized addressing so that all databases can connect to it. The GIS data was used as the import data set for the Community Development implementation.	IT Director

2015 Strategic Plan Goals

Action Steps	Budgetary Considerations	Performance Metric	Project Manager
Go live with licensing, building permits, ticket collections, parking permits, and Police and Fire test sign up	\$7,000 80 Staff Hours	Licensing and building permits live by 5/1/15. All others live by 12/31/15	Deputy Village Manager
All personnel files converted to electronic format by 12/31/15	200 Staff Hours, \$14,000 Software Costs	All Electronic Personnel Files by 12/31/15	HR Director
Retire Lotus Notes	250 Staff Hours \$179,770 Software Costs	Lotus Notes Databases converted to other platforms by 12/31/15	Deputy Village Manager
Implement Online Applicant Tracking	30 Staff Hours \$12,600 Software Costs	Program Implemented 7/1/15	HR Director

2015 Staffing Summary

In 2014, the Village opted to join the Government IT Consortium and has contracted with InterDev LLC to provide all IT Services. The Village no longer has in-house IT staff but 3 FTE's on site provided by the contractor.

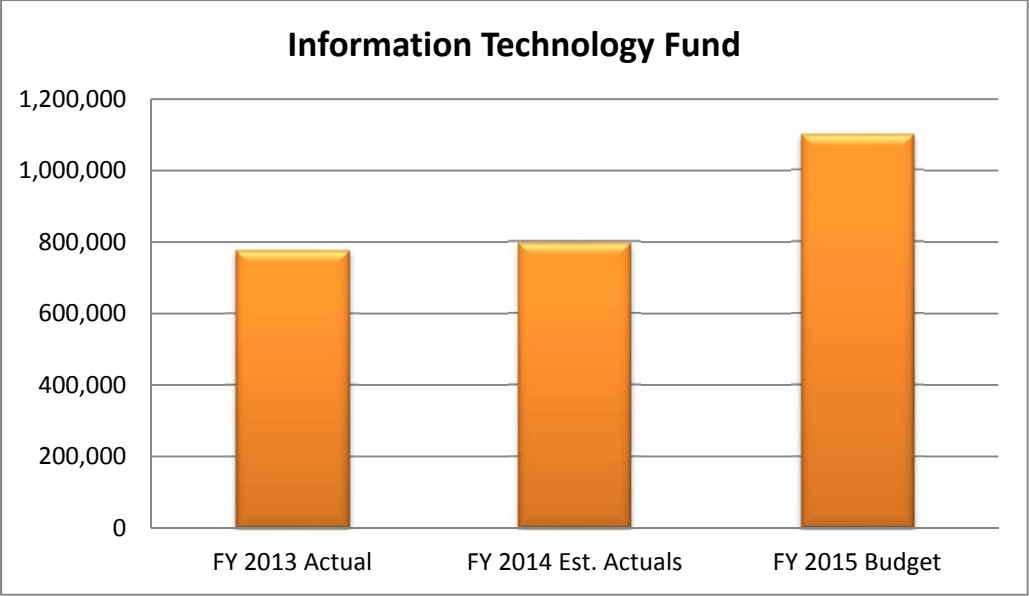
Information Technology	FY 2013		FY 2014		FY 2015	
	FT	PT	FT	PT	FT	PT
Director of Information Technology	1	0	1	0	0	0
Information Technology Analyst	1	0	1	0	0	0
Information Technology Assistant	1	0	1	0	0	0
Programmer	0	1	0	0	0	0
Total	3	1	3	0	0	0
Full & Part-Time Total	4		3		0	

*Independent contractor assigned to the IT Department is not reflected in this staffing table.

Budget Summary Information Technology

	*FY 2013 Actual	*FY 2014 Est. Actuals	FY 2015 Budget
Personal Services	323,887	218,040	-
Personal Benefits	84,359	94,765	-
Operating Expenses	256,031	300,376	1,064,351
Contractual Services	480	1,016	-
Repairs and Maintenance	190	57,625	5,000
Capital Equipment	112,716	126,402	32,219
All Other Expenses	156	95	-
Total	777,819	798,319	1,101,570

*These figures represent the Information Technology Fund when it was a department. In 2015, it will be recognized as an internal service fund. Likewise, this includes GIS and New World maintenance. These expenses were not previously in the I.T. budget.



Revenues

Description	2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
55 - Operating Transfers					
460 Operating Transfers	-	-	-	-	-
460.05 Interfund Transfers In	-	-	-	-	-
461.01 Contributions I.T. Fund	-	-	-	-	1,101,570
55 - Operating Transfers	-	-	-	-	1,101,570
Percent Change 2015 vs. 2014 Budget					0.00%
Revenues Total	-	-	-	-	1,101,570
Percent Change 2015 vs. 2014 Budget					0.00%

Expenses

Description	2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
10 - Salaries					
500 Personal Services	-	-	-	-	-
500.05 Full Time	296,518	304,975	303,310	216,407	-
500.10 Part Time	60,402	16,097	-	-	-
500.35 Overtime	920	615	-	233	-
500.40 Longevity	2,000	2,200	2,200	1,400	-
10 - Salaries	359,840	323,887	305,510	218,040	-
Percent Change 2015 vs 2014 Budget					-100.00%
15 - Taxes and Benefits					
505 Personal Benefits	-	-	-	-	-
505.05 Group & Medical Life	74,263	79,008	58,500	33,907	-
505.10 Professional Training	-	5,276	11,500	14,497	-
505.15 Dues & Memberships	6,346	75	250	-	-
505.45 ICMA Deferred Compensation	1,547	-	-	-	-
505.75 Employer's Contribution - FICA	-	-	18,805	13,467	-
505.80 Employer's Contribution - IMRF	-	-	41,553	29,744	-
505.85 Employer's Contribution Medicare	-	-	4,398	3,150	-
15 - Taxes and Benefits	82,156	84,359	135,006	94,765	-
Percent Change 2015 vs 2014 Budget					-100.00%
25 - Operating Expenses					
510 Operating Expenses	-	-	-	-	-
510.02 Telephone	27,557	19,529	27,500	4,696	91,011
510.04 Travel	645	727	200	176	-
510.06 Per Diem Allowance	30	74	150	220	-

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
510.08	Reception & Community Affairs	500	114	150	-	-
510.10	Maintenance Contracts	44,026	42,981	55,000	227,574	548,725
510.14	Subscriptions & Publications	-	75	-	234	45,420
510.20	Computer Services	211,601	204,389	180,000	65,345	379,195
510.40	Supplies - Office	18,857	(11,857)	250	2,131	-
25 - Operating Expenses		303,217	256,031	263,250	300,376	1,064,351
Percent Change 2015 vs 2014 Budget						304.31%
30 - Contractual Services						
515	Insurance	-	-	-	-	-
515.05	IRMA Premium	-	-	1,016	1,016	-
515.10	Unemployment Insurance	600	480	-	-	-
515.15	IRMA Deductible - Worker's Comp	-	-	218	-	-
515.20	IRMA Deductible - Non Wrker's Co	-	-	145	-	-
30 - Contractual Services		600	480	1,379	1,016	-
Percent Change 2015 vs 2014 Budget						-100.00%
40 - Repairs and Maintenance						
550	Maintenance & Repairs - Other	-	-	-	-	-
550.05	Other Department Equipment	168	190	480	57,625	5,000
40 - Repairs and Maintenance		168	190	480	57,625	5,000
Percent Change 2015 vs 2014 Budget						941.67%
50 - Other Expenses						
580	All Other Expense	-	-	-	-	-
580.05	Other Expenses	292	156	600	95	-
50 - Other Expenses		292	156	600	95	-
Percent Change 2015 vs 2014 Budget						-100.00%
55 - Capital Outlay						
555	Capital Equipment	2,563	-	-	-	-
555.10	Office and Other Equipment	42,791	649	85,000	85,000	-
555.40	Reserve for Technology	13,401	112,067	20,000	38,717	32,219
555.50	Reserve for Buildings	-	-	2,685	2,685	-
55 - Capital Outlay		58,754	112,716	107,685	126,402	32,219
Percent Change 2015 vs 2014 Budget						-70.08%
Department Total: 25 - Information Technology		805,027	777,819	813,910	798,319	1,101,570
Percent Change 2015 vs 2014 Budget						35.34%

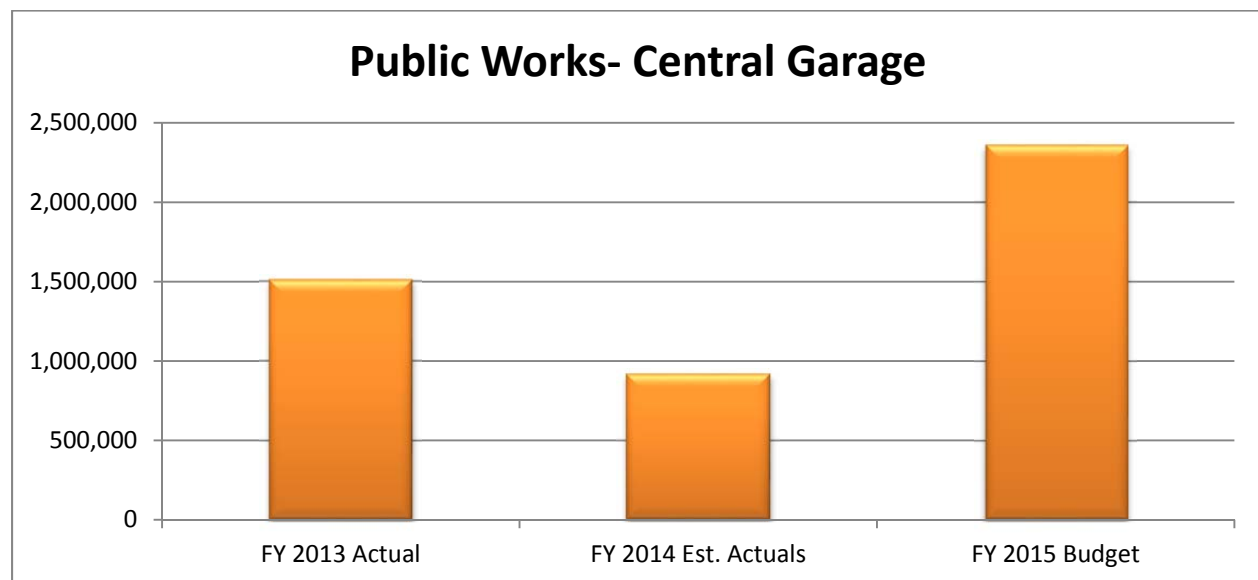
Central Garage Fund

The departmental goals and the staffing summary of the Central Garage Fund are included in the Public Works Department report, Section 5 Corporate Fund Summary and Detail.

Central Garage serves almost all departments of the Village of Buffalo Grove. Specifically the departments that rely on Central Garage are those that have any vehicles, equipment, or machinery that require maintenance or fuel. Central Garage keeps all capital equipment maintained and in proper order to provide Village employees safe, reliable tools and vehicles to complete their responsibilities efficiently. Central garage, using historical usage and service records, was able to allocate costs to all vehicles for fuel usage, service, and other consumable assets for each department based on the fleet that was in service as of August 2014. The overhead to operate central garage including salaries, insurance, capital reserve, and miscellaneous items was allocated to each department based on budgeted amounts for central garage on the percentage of usage.

Budget Summary Garage

	FY 2013 Actual	FY 2014 Est. Actuals	FY 2015 Budget
Personal Services	504,257	480,084	537,457
Personal Benefits	140,364	225,032	227,020
Operating Expenses	6,246	28,812	57,086
Contractual Services	1,000	32,320	32,320
Repairs and Maintenance	674,160	96,813	1,453,289
Commodities	791	3,000	3,000
Other Expenses	-	-	-
Capital Outlay	187,137	54,998	55,218
Total	1,513,956	921,059	2,365,390



Revenues

Description	2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
55 - Operating Transfers					
460 Operating Transfers	-	-	-	-	-
461.03 Internal Service Contributions Central Garage Fund	-	-	-	-	2,365,390
55 - Operating Transfers	-	-	-	-	2,365,390
Percent Change 2015 vs 2014 Budget					0.00%
Revenues Total	-	-	-	-	2,365,390
Percent Change 2015 vs 2014 Budget					0.00%

Expenditures

Description	2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
10 - Salaries					
500 Personal Services	18,740	-	-	-	-
500.05 Full Time	432,813	473,882	459,364	461,197	509,601
500.10 Part Time	15,796	16,462	16,626	14,004	17,045
500.35 Overtime	3,083	9,745	4,796	393	6,147
500.40 Longevity	4,290	4,167	4,490	4,490	4,664
10 - Salaries	474,722	504,257	485,276	480,084	537,457
Percent Change 2015 vs 2014 Budget					10.75%
15 - Taxes and Benefits					
505 Personal Benefits	5,204	-	-	-	-
505.05 Group & Medical Life	126,682	136,144	100,750	116,898	106,269
505.10 Professional Training	163	-	700	700	700
505.15 Dues & Memberships	258	242	153	161	200
505.20 Clothing Allowance	713	244	1,069	1,069	1,069
505.26 Uniform Rental	3,095	3,503	3,200	3,357	4,898
505.35 Safety Equipment	33	231	750	750	750
505.45 ICMA Deferred Compensation	129	-	-	-	-
505.75 Employer's Contribution - FICA	-	-	29,650	29,650	33,322
505.80 Employer's Contribution - IMRF	-	-	65,513	65,513	72,019
505.85 Employer's Contribution Medicare	-	-	6,934	6,934	7,793
15 - Taxes and Benefits	136,278	140,364	208,719	225,032	227,020
Percent Change 2015 vs 2014 Budget					8.77%
25 - Operating Expenses					
510 Operating Expenses	-	-	-	-	-
510.02 Telephone	1,622	1,574	2,000	2,000	2,000
510.04 Travel	-	-	-	-	-
510.10 Maintenance Contracts	-	-	3,500	3,000	3,500
510.12 Equipment Rental	-	-	300	-	300
510.14 Subscriptions & Publications	1,595	1,595	2,500	2,500	2,500

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
510.21	IT Internal Svc Contribution	-	-	-	-	27,474
510.40	Supplies - Office	304	165	472	472	472
510.50	Supplies - All Other	3,963	2,524	5,000	5,000	5,000
510.55	Operating Equip - Department	296	389	15,840	15,840	15,840
25 - Operating Expenses		7,780	6,246	29,612	28,812	57,086
Percent Change 2015 vs 2014 Budget						92.78%
30 - Contractual Services						
515	Insurance	-	-	-	-	-
515.05	IRMA Premium	-	-	23,078	23,078	23,078
515.10	Unemployment Insurance	1,000	1,000	1,000	1,000	1,000
515.15	IRMA Deductible - Worker's Comp	-	-	4,945	4,945	4,945
515.20	IRMA Deductible - Non Wrker's Co	-	-	3,297	3,297	3,297
30 - Contractual Services		1,000	1,000	32,320	32,320	32,320
Percent Change 2015 vs 2014 Budget						0.00%
40 - Repairs and Maintenance						
545	Maintenance & Repairs - Vehicles	-	-	-	-	-
545.05	Gasoline	244,776	220,504	236,029	56,398	249,424
545.10	Diesel Fuel	177,634	188,240	209,768	30,318	295,037
545.15	Automotive Parts	129,977	162,193	118,785	500	173,450
545.20	Garage Labor	-	-	-	4,705	397,968
545.25	Lubricants	9,362	8,053	8,490	42	6,493
545.30	Garage Overhead	-	-	-	-	191,817
545.35	Body Work	-	-	-	-	11,000
545.40	Contractual Auto Services	70,016	92,057	73,394	550	122,400
550	Maintenance & Repairs - Other	-	-	-	-	-
550.05	Department Equipment	5,921	3,113	4,100	4,100	5,500
550.10	Radios	-	-	200	200	200
40 - Repairs and Maintenance		637,685	674,160	650,766	96,813	1,453,289
Percent Change 2015 vs 2014 Budget						123.32%
45 - Commodities						
530	Commodities	-	-	-	-	-
530.50	Small Equipment Tools & Hardware	1,666	791	3,000	3,000	3,000
45 - Commodities		1,666	791	3,000	3,000	3,000
Percent Change 2015 vs 2014 Budget						0.00%
50 - Other Expenses						
580	All Other Expense	-	-	-	-	-
580.05	Other Expenses	21	-	-	-	-
50 - Other Expenses		21	-	-	-	-
Percent Change 2015 vs 2014 Budget						0.00%

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
55 - Capital Outlay						
555	Capital Equipment	-	14,482	-	-	-
555.10	Office and Other Equipment	-	-	-	-	1,400
555.20	Automobiles & Trucks	491,241	175,228	18,743	18,734	18,743
555.30	Reserve for Capital Replacement	950	(2,573)	20,000	31,189	30,000
555.40	Reserve for Technology	-	-	600	600	600
555.50	Reserve for Buildings	-	-	4,475	4,475	4,475
55 - Capital Outlay		492,191	187,137	43,818	54,998	55,218
Percent Change 2015 vs 2014 Budget						26.02%
Division Total: 30 - Central Garage		1,751,342	1,513,956	1,453,511	921,059	2,365,390
Percent Change 2015 vs 2014 Budget						62.74%

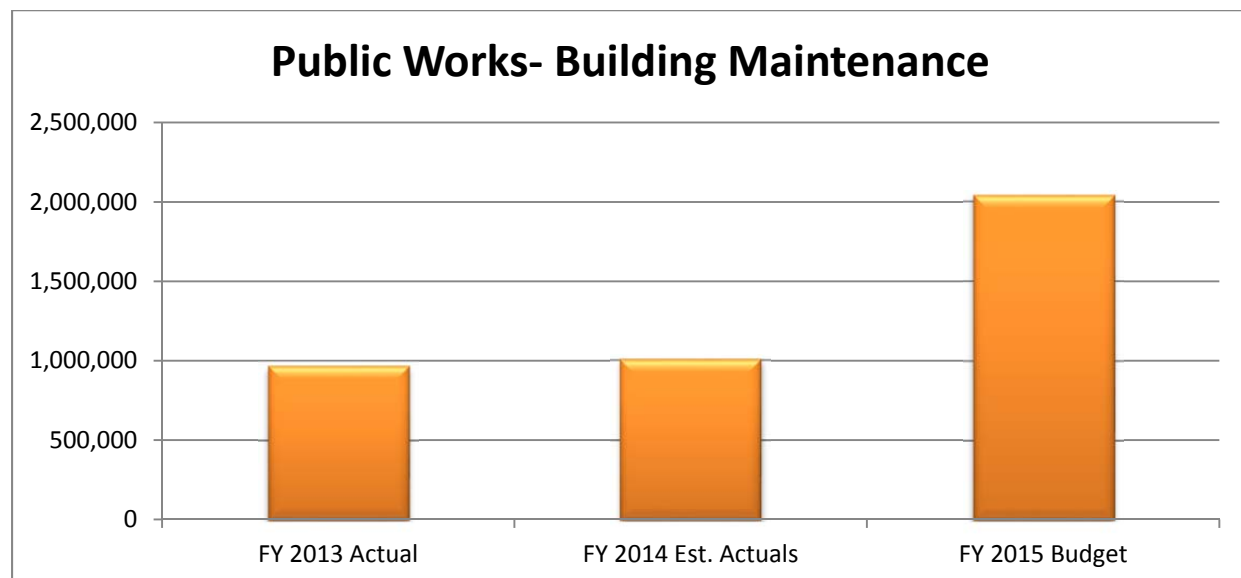
Building Maintenance Fund

The departmental goals and the staffing summary of the Water and Sewer Fund are included in the Public Works Department report, Section 5 General Fund Summary and Detail

The Building Maintenance Department services all Village facilities and properties. The largest direct costs are for the contracted custodial services. Each year, in conjunction with the development of the CIP, departments submit building requests. Those projects are included in the budget based on the ability to fund the improvement or repair. The direct costs of maintaining facilities are charged directly to the operating department. Overheads costs are calculated on the square footage of the buildings.

Budget Summary Building Maintenance

	FY 2013 Actual	FY 2014 Est. Actuals	FY 2015 Budget
Personal Services	338,212	334,177	397,482
Personal Benefits	100,334	158,899	181,785
Operating Expenses	71,127	141,533	206,650
Contractual Services	1,600	24,988	25,065
Repairs and Maintenance	338,281	307,975	1,091,365
Commodities	100,671	15,295	115,000
Other Expenses	4,142	-	-
Capital Outlay	14,207	24,660	25,000
Total	968,576	1,007,527	2,042,347



Revenue

Description	2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
55 - Operating Transfers					
460 Operating Transfers	-	-	-	-	-
461.02 Internal Service Contributions Building Maintenance Fund	-	-	-	-	2,042,347
55 - Operating Transfers	-	-	-	-	2,042,347
Percent Change 2015 vs 2014 Budget					0.00%

Expenditures

Description	2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
10 - Salaries					
500 Personal Services	13,151	-	-	-	-
500.05 Full Time	302,593	328,466	323,091	323,091	385,876
500.10 Part Time	-	81	-	-	-
500.35 Overtime	6,085	6,464	7,756	7,756	7,942
500.40 Longevity	3,330	3,200	3,330	3,330	3,664
10 - Salaries	325,159	338,212	334,177	334,177	397,482
Percent Change 2015 vs 2014 Budget					18.94%
15 - Taxes and Benefits					
505 Personal Benefits	3,633	-	-	-	-
505.05 Group & Medical Life	90,563	94,887	78,000	78,000	87,018
505.10 Professional Training	504	40	400	920	1,500
505.15 Dues & Memberships	223	222	315	366	500
505.20 Clothing Allowance	521	640	872	872	875
505.26 Uniform Rental	4,245	4,233	5,220	6,800	6,273
505.35 Safety Equipment	106	312	1,950	1,950	1,950
505.45 ICMA Deferred Compensation	-	-	-	-	-
505.75 Employer's Contribution - FICA	-	-	20,325	20,325	24,644
505.80 Employer's Contribution - IMRF	-	-	44,912	44,912	53,262
505.85 Employer's Contribution Medicare	-	-	4,754	4,754	5,763
15 - Taxes and Benefits	99,793	100,334	156,748	158,899	181,785
Percent Change 2015 vs 2014 Budget					15.97%
25 - Operating Expenses					
510 Operating Expenses	-	-	-	-	-
510.02 Telephone	2,051	1,205	2,500	2,500	2,500
510.04 Travel	-	-	-	-	200
510.10 Maintenance Contracts	119,985	60,371	108,232	108,232	108,300
510.12 Equipment Rental	575	-	475	5,076	500
510.14 Subscriptions & Publications	-	-	200	200	220
510.20 Operating Expenses Computer Services	-	-	-	-	-
510.21 IT Internal Svc Contribution	-	-	-	-	19,358.00
510.40 Supplies - Office	321	342	525	525	600
510.50 Supplies - All Other	20,251	9,210	33,350	25,000	33,350

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
510.55	Operating Equip - Department	-	-	-	-	500
545.01	Vehicles Central Garage Internal Svc	-	-	-	-	41,122
25 - Operating Expenses		143,183	71,128	145,282	141,533	206,650
Percent Change 2015 vs 2014 Budget						42.24%
30 - Contractual Services						
515	Insurance	-	-	-	-	-
515.05	IRMA Premium	-	-	17,823	17,823	17,900
515.10	Unemployment Insurance	800	1,600	800	800	800
515.15	IRMA Deductible - Worker's Comp	-	-	3,819	3,819	3,819
515.20	IRMA Deductible - Non Wrker's Co	-	-	2,546	2,546	2,546
30 - Contractual Services		800	1,600	24,988	24,988	25,065
Percent Change 2015 vs 2014 Budget						0.31%
40 - Repairs and Maintenance						
535	Facilities	-	1,505	-	-	-
535.05	Sidewalks, Curbs, and Bikeways	-	-	-	-	300,000
535.10	Streets & Highways	-	-	-	-	253,000
535.15	Street Lights	320,375	243,872	206,000	206,000	216,000
535.20	Buildings & Facilities	28,618	92,904	101,400	101,400	243,365
535.35	Golf Courses	-	-	-	-	56,800
535.40	Irrigation System	-	-	-	-	20,000
550	Other	-	-	-	-	-
550.05	Other Department Equipment	-	-	500	500	2,100
550.10	Other Radios	-	-	75	75	100
40 - Repairs and Maintenance		348,993	338,282	307,975	307,975	1,091,365
Percent Change 2015 vs 2014 Budget						254.37%
45 - Commodities						
530	Commodities	-	-	-	-	-
530.10	Electricity - Street Lights	209,755	92,955	90,000	-	98,000
530.15	Electricity - Water & Sewer	836	-	-	-	-
530.20	Gas - Facilities	(17,201)	312	10,000	10,000	11,000
530.25	Gas - Street Lights	2,481	7,271	5,000	5,000	5,500
530.50	Small Equipment Tools & Hardware	173	133	295	295	500
45 - Commodities		196,044	100,671	105,295	15,295	115,000
Percent Change 2015 vs 2014 Budget						9.22%
50 - Other Expense						
580	All Other Expense	-	-	-	-	-
580.05	Other Expenses	1,098	4,142	-	-	-
50 - Other Expenses		1,098	4,142	-	-	-
Percent Change 2015 vs 2014 Budget						0.00%

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
55 - Capital Outlay						
555	Capital Equipment	-	-	-	-	-
555.10	Office and Other Equipment	550	-	250	250	250
555.20	Automobiles & Trucks	-	-	5,623	5,623	5,623
555.30	Reserve for Capital Replacement	7,200	14,207	14,207	14,207	14,207
555.40	Reserve for Technology	-	-	1,000	1,000	1,000
555.50	Reserve for Buildings	-	-	3,580	3,580	3,920
55 - Capital Outlay		7,750	14,207	24,660	24,660	25,000
Percent Change 2015 vs 2014 Budget						1.38%
Division Total: 05 - Building Services		1,122,820	968,577	1,099,125	1,007,527	2,042,347
Percent Change 2015 vs 2014 Budget						85.82%

Section 9

Fiduciary Funds

Police Pension Fund

Firefighters Pension Fund

Service
Optimization

Organizational
Culture

Revenue
Growth

Economic
Development

Infrastructure
Sustainability

Police Pension Fund

The Police Pension Fund provides retirement, disability, and survivor benefits for all sworn police personnel. The defined benefit pension plan is in conformance with Illinois State Statutes under the oversight of the Illinois Division of Insurance. Employees contribute 9.91 percent of their annual salary to the Police Pension Fund.

Standards have been established regarding investment returns and salary increases in order to actuarially determine annual employer contribution levels. The annual benchmark for investment returns is 7 percent. The annual salary increase assumption remains at 5 percent.

The Police Pension Board has invested about 55 percent of its investment portfolio in equity related instruments (mutual funds and separate stocks) and 45 percent in fixed income investments (money market funds, certificates of deposit, treasury bonds, and government agencies).

The Police Pension's rate of return for the last fiscal year was 11.5 percent.

The 2015 budget includes pensions for 43 annuitants. 35 are traditional retirements, two are disability pensions, two are surviving spouses, and four deferred pensioners.

Performance Activities and Measures

	2013 Actual	2014 Estimate	2015 Projected
Unfunded Liability (in thousands)	\$22,525	\$24,553	\$25,043
Assets (in thousands)	\$49,179	\$51,387	\$52,403
Percent Funded	68.59%	67.67%	67.10%
Number of Active Participants	66	64	66
Number of Inactive Participants	40	43	46

Departmental Staffing

No full time or part time employees are assigned to this program.

Revenue

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
45 - Interest Income						
450	Investment Revenue	-	-	-	-	-
450.05	Savings	4,768	3,794	-	4,000	4,000
450.25	Securities	355,943	402,568	-	380,859	407,519
450.26	Fixed Income	195,982	186,063	-	227,804	220,000
450.40	Annuity Gain/Loss	-	-	1,586,846	-	-
450.45	Stock Dividend	119,172	70,750	200,000	-	-
450.50	Fixed Income	555,272	(761,580)	-	673,882	550,000
450.55	Mutual Funds	191,253	471,810	-	204,640	218,965
450.60	Equity Securities	2,019,110	5,320,833	-	2,160,448	2,311,679
45 - Interest Income		3,441,499	5,694,237	1,786,846	3,651,633	3,712,164
Percent Change 2015 vs 2014 Budget						107.75%
50 - Miscellaneous Revenue						
465	All Other Revenue	-	-	-	-	-
465.40	Pension Contributions - ER	-	-	565,000	-	-
465.41	Pension Contributions - EE	672,100	568,266	-	592,664	641,947
50 - Miscellaneous Revenue		672,100	568,266	565,000	592,664	641,947
Percent Change 2015 vs 2014 Budget						13.62%
55 - Operating Transfers						
460	Operating Transfers	-	-	-	-	-
460.05	Interfund Transfers In	2,187,322	2,228,447	2,088,000	2,088,000	2,256,676
55 - Operating Transfers		2,187,322	2,228,447	2,088,000	2,088,000	2,256,676
Percent Change 2015 vs 2014 Budget						8.08%
Department Total: 88 - Police Pension		6,300,921	8,490,951	4,439,846	6,332,297	6,610,787
Percent Change 2015 vs 2014 Budget						48.90%

Expenditures

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
15 - Taxes and Benefits						
505	Personal Benefits	-	-	-	-	-
505.55	Survivor Pension - Police	28,309	98,534	98,533	98,534	98,533
505.60	Pension Payment - Police	1,996,634	2,270,489	2,403,820	2,432,430	2,600,000
505.65	Disability Payment - Police	89,528	89,528	89,528	89,528	89,528
505.70	Pension Refund - Police	-	35,576	-	97,566	97,566
15 - Taxes and Benefits		2,114,471	2,494,126	2,591,881	2,718,058	2,885,627
Percent Change 2015 vs 2014 Budget						11.33%
50 - Other Expenses						
580	All Other Expense	-	-	-	-	-
580.05	All Other Expenses	125,158	47,221	35,000	34,000	40,000
580.40	Investment Fees	41,891	143,394	115,000	155,000	165,000
50 - Other Expenses		167,049	190,614	150,000	189,000	205,000
Percent Change 2015 vs 2014 Budget						36.67%
Department Total: 88 - Police Pension		2,281,520	2,684,741	2,741,881	2,907,058	3,090,627
Percent Change 2015 vs 2014 Budget						12.72%

Firefighters Pension Fund

The Firefighters Pension Fund provides retirement, disability and survivor benefits for all sworn fire personnel. The defined benefit pension plan is in conformance with Illinois State Statutes under the oversight of the Illinois Division of Insurance. Employees contribute 9.455 percent of their annual salary to the Firefighter Pension Fund.

Standards have been established regarding investment returns and salary increases in order to actuarially determine annual employer contribution levels. The Village's annual benchmark for investment return is 7 percent. The annual salary increase assumption remains at 5 percent.

The Firefighters Pension Board has invested about 55 percent of its investment portfolio in equity related instruments (mutual funds and separate stocks) and 45 percent in fixed income investments (money market funds, certificates of deposit, treasury bonds, and government agencies).

The Firefighters Pension's rate of return for the last fiscal year was 15.34 percent.

The 2014 budget includes pensions for 31 annuitants. 28 are traditional retirements, three are disability pensions and one surviving spouses.

Performance Activities and Measures

	2013 Actual	2014 Estimate	2015 Projected
Unfunded Liability (in thousands)	\$19,135	\$19,611	\$21,984
Assets (in thousands)	\$40,456	\$42,849	\$43,707
Percent Funded	67.9%	68.6%	66.5%
Number of Active Participants	56	58	60
Number of Inactive Participants	31	31	33

Departmental Staffing

No full time or part time employees are assigned to this program.

Revenue

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
45 - Interest Income						
450	Investment Revenue	-	-	-	-	-
450.05	Savings	3,219	-	-	-	-
450.15	Money Market	-	-	50	-	-
450.20	CD's	466,495	413,542	35,000	421,813	430,249
450.25	Securities	-	-	200,000	-	-
450.40	Annuity Gain/Loss	-	-	1,500,000	-	-
450.45	Stock Dividend	665,820	686,203	-	712,427	762,297
450.50	Fixed Income	94,451	(933,550)	-	101,062	108,137
450.55	Mutual Funds	2,194,099	5,804,070	-	2,347,686	2,512,024
45 - Interest Income		3,424,084	5,970,265	1,735,050	3,582,988	3,812,707
Percent Change 2015 vs 2014 Budget						119.75%
50 - Miscellaneous Revenue						
465	All Other Revenue	-	-	-	-	-
465.40	Pension Contributions - ER	-	-	494,995	-	-
465.41	Pension Contributions - EE	505,408	493,080	-	522,121	545,000
50 - Miscellaneous Revenue		505,408	493,080	494,995	522,121	545,000
Percent Change 2015 vs 2014 Budget						10.10%
55 - Operating Transfers						
460	Operating Transfers	-	-	-	-	-
460.05	Interfund Transfers In	2,026,299	2,049,868	2,174,632	2,174,632	2,174,632
55 - Operating Transfers		2,026,299	2,049,868	2,174,632	2,174,632	2,174,632
Percent Change 2015 vs 2014 Budget						0.00%
Department Total: 89 - Fire Pension		5,955,791	8,513,213	4,404,677	6,279,741	6,532,339
Percent Change 2015 vs 2014 Budget						48.30%

Expenditures

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
15 - Taxes and Benefits						
505	Personal Benefits	-	-	-	-	-
505.56	Survivor Pension - Fire	72,654	79,036	81,490	81,491	81,491
505.61	Pension Payment - Fire	1,083,569	1,453,572	1,506,453	1,691,451	1,750,000
505.66	Disability Payment - Fire	70,210	149,924	155,888	155,741	250,000
15 - Taxes and Benefits		1,226,434	1,682,532	1,743,831	1,928,683	2,081,491
Percent Change 2015 vs 2014 Budget						19.36%
50 - Other Expenses						
580	All Other Expense	-	-	-	-	-
580.05	All Other Expenses	101,198	149,779	70,000	32,500	70,000
580.40	Investment Fees	87,052	-	50,000	125,000	52,000
50 - Other Expenses		188,250	149,779	120,000	157,500	122,000
Percent Change 2015 vs 2014 Budget						1.67%
Department Total: 89 - Fire Pension		1,414,684	1,832,311	1,863,831	2,086,183	2,203,491
Percent Change 2015 vs 2014 Budget						18.22%

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Section 10

Other Funds

Parking Lot Fund
Debt Service Fund



Parking Lot Fund

The Parking Lot Fund provides for the accounting of both revenues and expenditures related to the Village's operation of the commuter station parking lot at the Canadian National/METRA site. Rates for daily parking are \$1.75/day. The Village offers a bi-monthly prepaid parking pass for \$60. As fuel costs continue to fluctuate and employment numbers steadily increase the revenue performance should begin trending upward for Metra fees. Revenues for the commuter rail are tied directly to the economy and employment trends.

Expenditures are based on projections for maintenance for the parking lot and commuter station. The largest obligation is for a land lease from Commonwealth Edison. There is an additional contract with PACE that requires the Village to pay a percentage of revenue to PACE for vehicles parked in the PACE owned area of the parking lot.

A significant capital acquisition occurred in FY 2014. Automated fare boxes were installed replacing the antiquated manual system. Commuters will benefit from the ease of payment. They have the ability to pay with cash or credit card at the terminal in the Metra station. Additionally, payments are accepted through the website of the automated fare box company or through a downloadable app on supporting smart phone devices at no additional charge by the Village.

Revenue

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
35 - Fines and Fees						
455	Fines & Fees	-	-	-	-	-
455.70	Parking Fees - Daily Metra	30,472	45,060	55,000	55,000	55,000
455.75	Parking Fees - Parking Passes	119,149	103,485	120,000	125,000	125,000
35 - Fines and Fees		149,621	148,545	175,000	180,000	180,000
Percent Change 2015 vs. 2014 Budget						2.86%
50 - Miscellaneous Revenue						
465	All Other Revenue	-	-	-	-	-
465.20	Facility Rental	1,655	991	1,100	1,100	1,100
465.90	Miscellaneous Income	-	-	-	-	-
50 - Miscellaneous Revenue		1,655	991	1,100	1,100	1,100
Percent Change 2015 vs. 2014 Budget						0.00%
Revenues Total		151,276	149,536	176,100	181,100	181,100
Percent Change 2015 vs. 2014 Budget						2.84%

Expenses

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
10 - Salaries						
500.10	Part Time	11,990	12,854	-	1,403	-
10 - Salaries		11,990	12,854	-	1,403	-
Percent Change 2015 vs. 2014 Budget						0.00%
15 - Taxes and Benefits						
505.75	Employer's Contribution - FICA	25	5	-	87	-
505.85	Employer's Contribution Medicare	-	1	-	20	-
15 - Taxes and Benefits		25	6	-	107	-
Percent Change 2015 vs. 2014 Budget						0.00%
25 - Operating Expenses						
510.10	Maintenance Contracts	409	6,005	500	2,804	2,500
510.50	Supplies - All Other	523	3,160	-	-	-
510.83	Credit Card Fees	-	-	-	-	-
510.92	Lease Payments	113,960	116,239	118,518	118,564	120,935
510.95	Pace Fees	17,380	14,678	14,500	14,500	14,500
25 - Operating Expenses		132,272	140,082	133,518	135,868	137,935
Percent Change 2015 vs. 2014 Budget						3.31%
40 - Repairs and Maintenance						
535.20	Buildings & Facilities	643	38,522	70,000	73,377	1,500
535.25	Parking Lots	-	-	750	3,000	1,000
535.30	Parkway Trees	-	-	500	-	-
40 - Repairs and Maintenance		643	38,522	71,250	76,377	2,500
Percent Change 2015 vs. 2014 Budget						-96.49%
45 - Commodities						
530.05	Electricity - Facilities	7,521	-	13,800	10,000	10,000
530.10	Electricity - Street Lights	-	-	1,000	500	750
530.20	Gas - Facilities	651	(306)	1,600	1,000	1,500
530.45	Chemicals and Fertilizers	-	-	-	-	-
45 - Commodities		8,172	(306)	16,400	11,500	12,250
Percent Change 2015 vs. 2014 Budget						-25.30%
50 - Other Expenses						
580.05	Other Expenses	215	1,240	250	-	250
50 - Other Expenses		215	1,240	250	-	250
Percent Change 2015 vs. 2014 Budget						0.00%

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
65 - Other Financing Uses						
570.10	Corporate Fund	-	-	12,000	-	-
65 - Other Financing Uses		-	-	12,000	-	-
Percent Change 2015 vs. 2014 Budget						-100.00%
Department Total: 81 - Metra Parking		153,318	192,398	233,418	225,255	152,935
Percent Change 2015 vs. 2014 Budget						-34.48%

Debt Service Fund

The Debt Service Fund provides for the payment of principal, interest and fiscal agent fees on corporate purpose general obligation bonds. All bonds were issued to fund various capital development and construction projects in the Village. As of January 1, 2015, the Village has \$10.55 million in outstanding general obligation debt with an average interest rate of 2.73 percent. Property taxes will be levied as the primary funding source for the annual principal and interest payments. In addition, the Village is utilizing \$1 million of the \$6 million line of credit to address the replacement of nearly 6,300 Village owned ash trees. The Village intends on drawing against that line of credit to continue to replenish trees Village wide.

The Village Board has adopted a policy that governs debt issuance. As tenets of that policy (1) no debt financing will be used to finance current expenditures, (2) capital projects will not be financed beyond their useful lives, (3) total outstanding general obligation debt will not exceed the amount allowed non-home rule municipalities and (4) pay-as-you-go financing is the preferred method of financing. The Village's bond rating was upgraded in 2010 to AAA by Standard & Poor's and Moody's Investor Services and the Village affirmed that rating in 2014 for existing as well as new debt.

Performance Activities and Measures

	2013 Actual	2014 Estimated	2015 Projected
Village's Equalized Assessed Valuation (in millions)	\$1,456	\$1,606	\$1,692
Debt Per Capita	\$271.43	\$252.52	\$240.31

Revenue

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
10 - Property Taxes						
400	Taxes - Property	-	-	-	-	-
400.40	Debt Service - Lake County	728,398	699,177	208,069	208,069	147,456
400.41	Debt Service - Cook County	219,471	212,267	693,444	693,444	477,357
10 - Property Taxes		947,869	911,445	901,513	901,513	624,813
Percent Change 2015 vs. 2014 Budget						-30.69%
55 - Operating Transfers						
460	Operating Transfers	-	-	-	-	-
460.05	Interfund Transfers In	200,000	382,605	180,000	200,000	180,000
55 - Operating Transfers		200,000	382,605	180,000	200,000	180,000
Percent Change 2015 vs. 2014 Budget						0.00%
Revenues Total		1,147,869	1,294,050	1,081,513	1,101,513	804,813
Percent Change 2015 vs. 2014 Budget						-25.58%

Expenses

Description		2012 Actual	2013 Actual	2014 Budget	2014 Est Actual	2015 Budget
60 - Debt Service						
565.10	Principal	305,000	940,000	790,000	790,000	510,000
565.20	Interest	833,695	381,800	311,513	311,513	294,813
565.30	Paying Agent Fees	2,190	3,596	4,500	3,000	3,000
60 - Debt Service		1,140,885	1,325,396	1,106,013	1,104,513	807,813
Percent Change 2015 vs. 2014 Budget						-26.96%
Department Total: 85 - Debt		1,140,885	1,325,396	1,106,013	1,104,513	807,813
Percent Change 2015 vs. 2014 Budget						-26.96%

Appendix A

Comprehensive Fee and Tax Schedule

Administrative Fees
Building and Development/Health Fees
Planning and Zoning Fees
Police Department Fees
Fire Department Fees
Engineering Fees
Water Connection Fees
Business Taxes, Licenses and Regulations
Taxes Schedule

Service
Optimization

Organizational
Culture

Revenue
Growth

Economic
Development

Infrastructure
Sustainability

ADMINISTRATIVE FEE SCHEDULE

Description	Amount		Reference		
Municipal Commuter Station parking lot fees	Daily fee - \$1.75		BGMC 3.52 (Ord. No. 2009-72, § 1, 11-2-2009)		
Citation and Compliance Violations	The violation described on the citation may be settled in the amount set forth in the Table of Settlement Amounts in Section 10.18.040 of this Chapter, as follows: SEE CITATION LIST BELOW		BGMC 10.18(Ord. No. 2009-66, § 2, 10-5-2009)		
Vehicle Seizure and Impoundment	\$500.00 to the Village and all applicable towing and storage fees are paid to the towing agent.		BGMC 10.20(Ord. No. 2013-71, § 1, 10-21-2013)		
Administrative Adjudication Hearing Fee	\$25.00 to \$50.00		BGMC Section 2.62.040.E.7		
Fines Associated With Violations Heard Through Administrative Adjudication					
Chapter / Section	Title/ Offences	Fine if Paid within 14 Days of Initial Notice	Fine if Paid After 14 Days of Notice but Before Hearing	Minimum Fine at Hearing	Minimum Fine-Must Appear at Hearing
Municipal Commuter Station Parking Lot Fees					
3.52.020	Failure to Pay Daily Parking Fee- Metra	\$25	\$50	\$25	
3.52.040	Resident Parking Only Violation-Metra	\$25	\$50	\$25	
3.52.055	Failure to Pay Daily Parking Fee-Township	\$25	\$50	\$25	
Liquor Controls					
5.20.190	Alcohol underage/possession/ consumption/sale				\$75
Solicitors					
5.24.020	Soliciting without a permit	\$50	\$75	\$50	
5.24.080	Soliciting where posted “No Soliciting”	\$50	\$75	\$50	
5.24.090	Soliciting – failure to leave when requested	\$50	\$75	\$50	
5.24.100	Soliciting in violation of soliciting hours/days	\$50	\$75	\$50	
Tobacco					
5.32.090	Sale/delivery of tobacco products to a minor				\$75
5.32.105	Possession of tobacco products by minor				\$50

Hours of Operation Adjacent to Residential Areas					
5.40.040	Violation of Hours of Operation requirements	\$75	\$100	\$75	
Care and Control					
6.12.010	No Rabies Vaccination -1st Violation	\$50	\$75	\$50	
6.12.010	No Rabies Vaccination -2nd Violation	\$75	\$100	\$75	
6.12.010	No Rabies Vaccination -3rd Violation	\$100	\$150	\$100	
6.12.020	No Dog or Cat License	\$100	\$150	\$100	
6.12.060	Failure to Remove Excrement -1st Violation	\$50	\$75	\$50	
6.12.060	Failure to Remove Excrement -2nd Violation	\$75	\$100	\$75	
6.12.060	Failure to Remove Excrement -3rd Violation	\$100	\$150	\$100	
6.12.070	Dog or Cat at Large -1st Violation	\$50	\$75	\$50	
6.12.070	Dog or Cat at Large -2nd Violation	\$75	\$100	\$75	
6.12.070	Dog or Cat at Large -3rd Violation	\$100	\$150	\$100	
6.12.080	Excessive Number of Animals -1st Violation	\$50	\$75	\$50	
6.12.080	Excessive Number of Animals -2nd Violation	\$75	\$100	\$75	
6.12.080	Excessive Number of Animals -3rd Violation	\$100	\$150	\$100	
6.12.090	Prohibited Animal -1st Violation	\$50	\$75	\$50	
6.12.090	Prohibited Animal -2nd Violation	\$75	\$100	\$75	
6.12.090	Prohibited Animal -3rd Violation	\$100	\$150	\$100	
6.12.150.D	Excessive Dog Barking -1st Violation	\$50	\$75	\$50	
6.12.150.D	Excessive Dog Barking -2nd Violation	\$75	\$100	\$75	
6.12.150.D	Excessive Dog Barking -3rd Violation	\$100	\$150	\$100	
Refuse					
8.20.020	Lack of required refuse service	\$50	\$75	\$50	
8.20.030	Littering	\$100	\$150	\$100	
8.20.070	Garbage-Out Too Early	\$25	\$50	\$25	
8.20.090	Garbage-Unsecured	\$25	\$50	\$25	
8.20.100	Illegal Dumping/Burning	\$50	\$100	\$50	

Nuisances and Miscellaneous Health Laws					
8.24.020	Stagnant water creating mosquito nuisance	\$50	\$75	\$50	
8.24.060	Pest infestation – Insects	\$50	\$75	\$50	
8.24.070	Pest infestation – Rodents	\$50	\$75	\$50	
8.24.110	Improper feeding of wildlife	\$50	\$75	\$50	
Weeds, Grass, Refuse and Junk					
8.32.010	Weeds in Excess of 12 Inches	\$50	\$75	\$50	
8.32.010.B	Grass in Excess of 6 Inches	\$50	\$75	\$50	
Alarm Systems					
9.04.020	No Valid Alarm Permit	\$25	\$50	\$25	
Controlled Substances					
9.16.020	Possession of Cannabis (under 10 grams)	\$200	\$300	\$200	
Drug Paraphernalia					
9.17.020	Possession/ sale of drug paraphernalia	\$100	\$200	\$100	
Disorderly Conduct					
9.28.010	Disorderly conduct				\$100
9.28.010.C	Possession of fireworks	\$50	\$75	\$50	
9.28.025	Public Nuisance Assemblage/Social Host	\$100	\$150	\$100	
Smoking in Public Places					
9.32.020	Smoking in Enclosed Public Place	\$50	\$75	\$50	
9.32.030	Smoking in Place of Employment	\$50	\$75	\$50	
9.32.040	Smoking in Open Air Dining Area	\$50	\$75	\$50	
9.32.050	Smoking at Entrance	\$50	\$75	\$50	
Noise					
9.38.020	Noise Prohibited	\$75	\$125	\$75	
9.38.030	Noise within a multi-family structure	\$100	\$200	\$100	
9.38.037	Construction regulations – hours of work	\$75	\$100	\$75	
Trespass and Damage to Property					
9.48.020	Trespass				\$75
9.48.030A	Damage to Village property				\$75
9.48.040	Graffiti				\$75

Theft					
9.52.020	Theft				\$150
Curfew					
9.68.010	Curfew				\$75
Truancy					
9.70.010	Truancy				\$75
Weapons					
9.80.010	Air rifle/BB gun/Gun discharge				\$75
Snow					
10.08.010	Parking—After 2 inch Snow	\$25	\$50	\$25	
10.08.020	Dumping Snow in Street	\$25	\$50	\$20	
Buffalo Grove Vehicle and Traffic Code. Adoption by Reference of the Illinois Vehicle Code (IVC)					
5/3-401	No valid registration	\$50	\$75	\$50	
5/3-413 (a)	No front/rear registration plate	\$50	\$75	\$50	
5/3-413 (b)	Tinted/obscured license plate covers	\$50	\$75	\$50	
5/3-413 (f)	Operation of vehicle w/expired registration	\$50	\$75	\$50	
5/3-701	Inoperable odometer under mileage plates	\$50	\$75	\$50	
5/1-100 et seq.	Miscellaneous Traffic Code Violations	\$50	\$75	\$50	
5/11-1303.(a).1.b.	Jay Walking	\$25	\$50	\$25	
5/11-1301.3	Handicapped Zone Parking	\$250	\$375	\$250	
5/11-1303.(a).1.b.	Parked Blocking Sidewalk	\$25	\$50	\$25	
5/11-1303.(a).2.b.	Parked Within 15 feet of Fire Hydrant	\$25	\$50	\$25	
5/11--1303.(a).2.c.	Parked Within 20 feet of Crosswalk	\$25	\$50	\$25	
5/11-1303.(a).2.d.	Parked Within 30 feet of Traffic Control Device	\$25	\$50	\$25	
5/11-1303.(a).3.b.	Parking Where Prohibited	\$25	\$50	\$25	
5/11-1303.(a).3.b.	Parking in Loading Zone	\$25	\$50	\$25	
5/11-1304.a.	Parking over 12 inches from Curb	\$25	\$50	\$25	
5/11-1304.a.	Parking -Left Wheels to Curb	\$25	\$50	\$25	
5/6-112	Driver's license not on person	\$50	\$75	\$50	
5/6-116	Failure to notify Secretary of State – change of address	\$50	\$75	\$50	

5/12-713	Improperly marked vehicles – Contractor	\$50	\$75	\$50	
5/12-101	Unsafe equipment	\$50	\$75	\$50	
5/12-201 (a)	Driving motorcycle w/out lighted headlight	\$50	\$75	\$50	
5/12-201 (b)	Driving w/out lights when required	\$50	\$75	\$50	
5/12-201 (b)	Only one tail light	\$50	\$75	\$50	
5/12-201 (c)	No rear license plate light	\$50	\$75	\$50	
5/12-204	Improper lamp or flag on projected load	\$50	\$75	\$50	
5/12-207	Improper use of spot lamp/aux driving lamps	\$50	\$75	\$50	
5/12-208	No stop lights	\$50	\$75	\$50	
5/12-209 (c)	Defective back-up lights	\$50	\$75	\$50	
5/12-210	Failure to dim headlights	\$50	\$75	\$50	
5/12-211	Only one headlight	\$50	\$75	\$50	
5/12-301	Defective brakes	\$50	\$75	\$50	
5/12-405 (c)	Use of unsafe tire	\$50	\$75	\$50	
5/12-502	No rear view mirror	\$50	\$75	\$50	
5/12-503 (c)	Obstructed windshield	\$50	\$75	\$50	
5/12-503 (d)	Obstructed windows – snow, ice, moisture	\$50	\$75	\$50	
5/12-503 (d)	No windshield clearing device (wipers)	\$50	\$75	\$50	
5/12-601 (a)	Defective or no horn	\$50	\$75	\$50	
5/12-602	Loud muffler – excessive noise	\$50	\$75	\$50	
5/12-608	No bumper or unlawful bumper height	\$50	\$75	\$50	
5/12-611	Illegal operation of sound amplification - 75'	\$50	\$75	\$50	
5/12-702	No flags, flares, warning devices carried	\$50	\$75	\$50	
5/12-710	Inadequate or no splash guards (mud flaps)	\$50	\$75	\$50	
Towing					
BG-4-101.E.1.	Abandoned vehicle over 7 days	\$25	\$50	\$25	
Rules of the Road					
BG-11-1303.C.1.	Parking on Parkway or Median	\$25	\$50	\$25	
BG-11-1303.C.2.b.	Parking—Blocking Driveway	\$25	\$50	\$25	

BG-11-1303.C.2.c.	Parking in Posted Fire Lane	\$25	\$50	\$25	
BG-11-1308.1.	Parking on Street 2 am to 6 am	\$25	\$50	\$25	
BG-11-1311	Selling Vehicle on Street	\$25	\$50	\$25	
Trees, Shrubs, and Other Plants					
12.20.070	Trees/vegetation obstructing public sidewalks	\$100	\$150	\$100	
12.20.080	Trees/vegetation creating visual obstructing	\$100	\$150	\$100	
Water System Cross-connection Control					
13.05.110. A.2.	Inspection and maintenance	\$50	\$75	\$50	
Water Conservation					
13.16.020	Sprinkling Ban Violation (12-6 pm)	\$100	\$150	\$100	
Sign Code					
14.12.010	Signs Installed without a Permit	\$50	\$75	\$50	
14.32.060	Signs Placed in the Public Right of Way	\$50	\$75	\$50	
International Building Code. Adoption by Reference of the International Building Code (IBC)					
IBC 105.1	Failure to secure required permit (Commercial)	\$200	\$300	\$200	
International Residential Code One-and Two-Family Dwellings. Adoption by Reference of the International Residential Code One-and Two-Family Dwellings (IRC)					
IRC 105.1	Failure to secure required permit (Residential)	\$50	\$75	\$50	
Property Maintenance Code. Adoption by Reference of the International Property Maintenance Code (IPMC)					
IPMC 302.8, as amended	Parking on non-approved surface/grass/lawn	\$50	\$75	\$50	
IPMC 302.8, as amended	Unlicensed vehicle	\$100	\$150	\$100	
IPMC 302.8, as amended	Vehicle in a state of disrepair	\$75	\$125	\$75	
IPMC 304	Property in disrepair	\$75	\$125	\$75	
IPMC 307	Junk/Garbage/Debris on property	\$75	\$100	\$75	
Plumbing Code					
15.12.030	Downspout and sump pump discharges	\$75	\$100	\$75	
Fence Code					
15.20.100	Fence in Disrepair	\$100	\$150	\$100	
Residential Rental Housing Program					
15.36.040	Renting property without a license	\$100	\$150	\$100	
15.36.060	Failure to schedule/allow rental inspection	\$100	\$150	\$100	\$100

Definitions					
17.12.230	Use or occupancy of a One-Family Dwelling by more than one family	\$25	\$50	\$25	\$25
Driveways and Off-Street Parking and Loading Facilities					
17.36.030	Improper Recreational Vehicle Parking	\$50	\$100	\$50	\$50
17.36.030	Improper parking of a commercial vehicle/Residential District	\$25	\$50	\$25	\$25
17.36.030	Oversized Vehicle	\$25	\$50	\$25	\$25
17.36.030	Improperly maintained parking lots	\$50	\$100	\$50	\$50
17.36.030	Improperly marked accessible parking spaces	\$50	\$100	\$50	\$50
Building and Development/Health Fee Schedule					
Description	Amount				Reference
Permit Cancellation Fee	\$50.00				Ord. 2013-067
Construction Fees					
Construction costs up to 1,000.00	\$50.00				Ord. 2008-048
Construction costs over \$1,000.00	\$50.00 for the first 1,000.00 and \$10.00 for each additional 1,000.00 or portion thereof.				Ord. 2008-048
Decks, Sheds, Gazebos and Patios	\$55.00 plus 0.15 a sq. ft				Ord. 2008-048
Building Plan Review Fees					
Building Sq. Ft.	Plan Review Fee				
Up to 500	\$50.00				Ord. 2008-048
501-1,000	\$75.00				Ord. 2008-048
1,001-2,000	\$125.00				Ord. 2008-048
2,001-3,000	\$175.00				Ord. 2008-048
3,001-4,000	\$200.00				Ord. 2008-048
4,001-5,000	\$250.00				Ord. 2008-048
5,001 and over	\$0.05 per sq. ft.				Ord. 2008-048

Where impractical to compute plan review fees on a square foot basis	.25% (.0025) of the cost of construction	Ord. 2008-048
Development Ordinance variation for residential property	\$125.00	Ord. 2013-067
Plumbing Permit Fees		
RPZ Installation	\$50.00	Ord. 2013-67
Water heater	\$50.00	Ord. 2008-048
Each sump pump pit	\$15.00	Ord. 2008-048
Each sewer service	\$15.00	Ord. 2008-048
Each water service	\$15.00	Ord. 2008-048
Each water meter	\$15.00	Ord. 2008-048
Each cleanout	\$10.00	Ord. 2008-048
Each plumbing fixture or opening not listed	\$10.00	Ord. 2008-048
In-ground swimming pool	\$60.00	Ord. 2008-048
Lawn sprinkler system	\$4.00/per head \$75.00 minimum	Ord. 2008-048
Sewer repair	\$65.00	Ord. 2008-048
Minimum plumbing fee	\$50.00	Ord. 2008-048
Plan review fee	\$50.00 or 25% of building plan review fee- whichever is greater	Ord. 2008-048
Electrical Permit Fees Fees per circuit:		
15 amp	\$7.00 each	Ord. 2008-048
20 amp	\$12.00 each	Ord. 2008-048
30 amp	\$20.00 each	Ord. 2008-048

40 amp	\$25.00 each	Ord. 2008-048
50 amp	\$30.00 each	Ord. 2008-048
60 amp	\$40.00 each	Ord. 2008-048
Electrical Service, including revisions		
100 amp	\$50.00	Ord. 2008-048
101 – 200 amp	\$75.00	Ord. 2008-048
201 – 400 amp	\$100.00	Ord. 2008-048
401 – 800 amp	\$150.00	Ord. 2008-048
801 – 1,199 amp	\$200.00	Ord. 2008-048
1,200 – 4,000 amp	\$250.00	Ord. 2008-048
4,001 – 8,000 amp	\$300.00	Ord. 2008-048
Feeder Circuits		
60 – 100 amp	\$35.00	Ord. 2008-048
101 – 200 amp	\$50.00	Ord. 2008-048
201 – 400 amp	\$65.00	Ord. 2008-048
401 – 600 amp	\$85.00	Ord. 2008-048
601 – 1,000 amp	\$110.00	Ord. 2008-048
1,001 – 2,000 amp	\$130.00	Ord. 2008-048
Motors		
¾ horsepower and over	\$25.00 for the first 10 and 15.00 for each additional	Ord. 2008-048
Under ¾ horsepower	\$10.00 each	Ord. 2008-048

Additional System Fees:		
Audio communications	\$50.00	Ord. 2008-048
Intercom and Public Address System	\$50.00	Ord. 2013-67
Burglar alarm	\$50.00	Ord. 2008-048
Electronic computer/data processing	\$50.00	Ord. 2008-048
Fire alarm system	\$100.00	Ord. 2008-048
Fire alarm system	\$100.00	Ord. 2008-048
Relocatable wired partitions	\$50.00	Ord. 2008-048
Temporary wiring	\$50.00	Ord. 2008-048
Minimum electrical fee	\$50.00	Ord. 2008-048
Plan review fee	50.00 or 25% of building plan review fee- whichever is greater	Ord. 2008-048
Mechanical Permit Fees Heating:		
Residential – new or replacement unit	\$50.00	Ord. 2008-048
All other uses (new installations) Per 2,000 sq. ft. or fraction thereof	\$50.00	Ord. 2008-048
Air Conditioning: (Window units not included)	\$50.00	Ord. 2013-067
Residential – new or replacement unit	\$50.00	Ord. 2013-067
All other uses (new installations) Per 2,000 sq. ft. or fraction thereof	\$50.00	Ord. 2013-067
Modification to existing duct work: Ord. 2013-067		
Minimum mechanical fee	\$50.00	Ord. 2013-067

Plan review fee	\$50.00 or 25% of building plan review fee- whichever is greater	Ord. 2008-048
Elevator Permit Fees		
New installation:		
Each elevator, dumbwaiter, moving walk, escalator, conveyor or man lift (includes initial inspection)	\$125.00	Ord. 2008-048
Semi-annual inspection/Certificate of compliance:		
Each elevator, dumbwaiter, moving walk, escalator, conveyor or man lift	\$80.00 per inspection	Ord. 2008-048
Repairs and re-inspections	\$80.00 per inspection	Ord. 2008-048
Plan review fee:		
Each elevator, dumbwaiter, moving walk, escalator, conveyor or man lift for building of four stories or less	\$175.00	Ord. 2008-048
Additional fee per floor for every story above four stories	\$10.00	Ord. 2008-048
Fire Protection Fees		
New automatic sprinkler system:		
Each system, 1-100 heads	\$125.00	Ord. 2008-048
Every 100 additional heads or fraction thereof	\$50.00	Ord. 2008-048
Renovation to an existing system:		
20 heads or less	\$25.00	Ord. 2008-048
20-100 heads	\$50.00	Ord. 2008-048
Every 100 additional heads or fraction thereof	\$50.00	Ord. 2008-048

Partial system of the domestic water system	\$50.00	Ord. 2008-048
Standpipes (each)	\$50.00	Ord. 2008-048
Fire pumps (each)	\$50.00	Ord. 2008-04
Hood suppression systems	\$50.00	Ord. 2008-048
Clean agent extinguishing systems	\$50.00	Ord. 2008-048
Alternative fire extinguishing systems	\$50.00	Ord. 2008-048
Means of egress access control systems	\$50.00	Ord. 2008-048
Plan review/inspection fee	\$100.00	Ord. 2008-048
Fire alarm systems:		
New or modification to an existing system	\$60.00	Ord. 2008-048
Plan review /inspection fee:		
5,000 sq. ft. or less	\$50.00	Ord. 2008-048
5,001 – 10,000 sq. ft.	\$5.00 per device (minimum \$100.00)	Ord. 2008-048
10,000 sq. ft. or more	\$5.00 per device (minimum \$150.00)	Ord. 2008-048
Swimming Pool Fees		
Above ground pools (installation or alteration)	\$50.00	Ord. 2008-048
In-ground pools will comply with building fee schedule. The installation permit fee shall be in addition to any electrical or plumbing fees that may be required		
Health Department Plan Review Fees		
Plan review fee	\$50.00 or 25% of building plan review fee- whichever is greater	Ord. 2008-048
Re-inspection fee	\$50.00	Ord. 2008-048

Work prior to permit	Double the normal permit fee with a minimum of \$50.00 and a maximum of \$1,000.00	Ord. 2008-048
Certificate of Occupancy Fee		
Residential (per unit)	\$50.00	Ord. 2008-048
Non-residential (per unit)	\$150.00	Ord. 2008-048
Zoning Code/Compliance Letter		
Zoning Code/Compliance letter (non-residential only)	\$150.00	Ord. 2008-048
Parking Lot Repairs/Restriping		
Parking lot repairs/restriping	\$50.00	Ord. 2011-043
Zoning Variation		
All One and Two Family Dwellings:		
Variations for principal structures	\$125.00	Ord. 2013-067
Variations – other than principal structures	\$125.00	Ord. 2013-067
All Multiple Family Dwellings:		
Variation for principal structure	\$175.00	
Variation – other than principal structure	\$125.00	
All Business, Office/Research and Industrial Buildings:		
Partial Roof Inspection Fee	\$50.00	
Variation for principal structure	\$175.00	

Variation – other than principal structure	\$125.00	
Fence Permit Fees		
First 100 lineal feet	\$35.00	Ord. 1995-015
Each additional 100 lineal feet or any part thereof	\$5.00	Ord. 1995-015
Fence Code Variation:		
Fence variation application fee	\$125.00	Ord. 2003-032
Sign Permit Fees		
Wall sign non-illuminated	\$50.00 plus \$0.25 a sq. ft.	Ord. 2012-018
Wall sign illuminated	\$50.00 plus \$0.25 a sq. ft.	Ord. 2012-018
Ground sign	\$75.00 plus \$0.25 a sq. ft.	Ord. 2012-018
Plan review fee	\$50.00	Ord. 2012-018
Electrical fee – illuminated sign	\$50.00	Ord. 2012-018
Boulevard banners	\$50.00	Ord. 2012-018
Banners, pennants, searchlights, balloons or gas filled figures	\$50.00	Ord. 2012-018
Temporary identification sign	\$50.00	Ord. 2012-018
Permit renewal for special sign	\$50.00	Ord. 2012-018
Sign Code Variation:		
Sign variation application fee	\$125.00	Ord. 2003-032

Recovery of Cost Escrow	Every petition shall be accompanied by the required filing fee plus an advance estimate in an amount between \$250.00 and \$1,500.00 for recoverable costs	BGMC Chapter 3.06.040.
Planning and Zoning Fees		
Description	Amount	Reference
Special uses, RE through R-7 Districts	\$100.00	BGMC Chapter 3.06.030.A.1.
Special uses, property in all other districts (other than RE through R-7)	\$200.00	BGMC Chapter 3.06.030.A.2.
Planned Unit Development - amendment	\$100.00	BGMC Chapter 3.06.030.B.1.
Planned Unit Development – new development	\$200.00	BGMC Chapter 3.06.030.B.2.
Rezoning or variation by Plan Commission (not part of a special use or Planned Unit Development)	\$200.00	BGMC Chapter 3.06.030.C.
Zoning text amendment	\$100.00	BGMC Chapter 3.06.030.D.
Concept Plan/Preliminary Plan review (pursuant to Development Ordinance, Section 16.20.020.B.) – sites five acres or less	\$150.00	BGMC Chapter 3.06.030.E.1.
Concept Plan/Preliminary Plan review (pursuant to Development Ordinance, Section 16.20.020.B.) – sites large than five acres	\$150.00 + \$25.00 for each acre or fraction over five acres.	BGMC Chapter 3.06.030.E.2.
Payment of Recoverable Costs and Recoverable Cost Escrow	Every petition shall be accompanied by the required filing fee plus an advance estimate in an amount between \$250.00 and \$1,500.00 for recoverable costs	BGMC Chapter 3.06.040.

Police Department Fees

Description	Amount	Reference
Accident Reports	\$5.00	625 ILCS 5/11-416
Arrest Video	\$50.00	General Order P-08
Fingerprint Fee	\$20.00	Village Ordinance 3.72.010
Municipal Bond Fee	\$20.00	Village Ordinance 3.70.010
Visa/Immigration Fee	\$15.00	Village Ordinance 3.72.020
Freedom of Information Act Request	Free up to 50 pages	5 ILCS 140/6(a)
DUI Vehicle Impoundment	\$500.00	Village Ordinance 10.20.010
False Alarms (within 1 year)		Village Ordinance 9.4.080
1st	\$0.00	
2nd	\$75.00	
3rd	\$125.00	
4th	\$175.00	
5th-9th	\$200.00	
10 or more	\$250.00	
Alarm Systems	Alarm registration fee shall be ten dollars for both original and renewal permits for any single fire alarm for any occupancy. Alarm registration fee shall be twenty dollars for both original and renewal permits for any combination fire/police alarm for any occupancy	BGMC 9.04 (Ord. 2004-88 § 1 (part), 2004;)

Fire Department Fees

Description	Amount	Reference
Emergency Medical Service and Transportation Fee		
Non-Residents		
BLS	\$650.00	BGMC 3.36(Ord. No. 2013-35, § 1, 7-17-2013)
ALS Level 1	\$750.00	BGMC 3.36(Ord. No. 2013-35, § 1, 7-17-2013)
ALS Level 2	\$925.00	BGMC 3.36(Ord. No. 2013-35, § 1, 7-17-2013)
Treat, Non-Transport	\$175.00	BGMC 3.36(Ord. No. 2013-35, § 1, 7-17-2013)
Mileage/mile	\$8.50	BGMC 3.36(Ord. No. 2013-35, § 1, 7-17-2013)

Residents		
BLS	\$475.00	BGMC 3.36(Ord. No. 2013-35, § 1, 7-17-2013)
ALS Level 1	\$550.00	BGMC 3.36(Ord. No. 2013-35, § 1, 7-17-2013)
ALS Level 2	\$700.00	BGMC 3.36(Ord. No. 2013-35, § 1, 7-17-2013)
Treat, Non-Transport 0.00	\$0.00	BGMC 3.36(Ord. No. 2013-35, § 1, 7-17-2013)
Mileage/mile	\$8.50	BGMC 3.36(Ord. No. 2013-35, § 1, 7-17-2013)
Hazardous Substance Removal and Abatement		
Actual personnel cost, including benefits, consultants, cost of equipment that is contaminated, material costs, contract or mutual aid costs, and attorneys fees.		BGMC 8.48 (Ord. No. 1989-92)
Specialized Emergency Response and Recovery Fee Motor Vehicle Incidents		
Non-Residents		
Level 1	\$435.00	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Level 2	\$495.00	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Level 3	\$605.00	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Level 4	\$1,800.00	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Level 5	\$2,200.00	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Level 6	Itemized	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Residents		
Level 1	\$435.00	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Level 2	\$495.00	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)

Level 3	\$605.00	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Level 4	\$900.00	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Level 5	\$1,100.00	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Level 6	Itemized	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Hazardous Materials Incidents		
Non-Residents		
Level 1	\$700.00	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Level 2	\$2,500.00	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Level 3	\$5,900.00	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Haz Mat Technician	\$50.00/hour	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Residents		
Level 1	\$350.00	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Level 2	\$1,250.00	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Level 3	\$2,500.00	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Haz Mat Technician	\$50.00/hour	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Pipeline/Power line Incidents		
Non-Residents		
Level 1	\$400.00	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Level 2	\$1,250.00	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Level 3	Itemized	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Residents		
Level 1	\$200.00	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Level 2	\$500.00	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Level 3	Itemized	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)

Fire Investigations		
Non-Residents		
Level 1	\$275.00/hour	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Residents		
Level 1	\$275.00/hour	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Water Incidents		
Non-Residents		
Level 1	\$400.00	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Level 2	\$800.00	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Level 3	\$2,000.00	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Technician	\$50.00/hour	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Residents		
Level 1	\$200.00	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Level 2	\$400.00	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Level 3	\$1,000.00	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Technician	\$50.00/hour	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Specialized Rescue		
Non-Residents		
	Itemized	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Technician	\$50.00/hour	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)

Residents		
	Itemized	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Technician	\$50.00/hour	BGMC 3.38(Ord. No. 2013-66, § 1, 9-9 2013)
Specialized Emergency Response Services		
Actual personnel cost, including benefits, consultant, cost of equipment that is contaminated, material costs, contract or mutual aid costs, and attorneys fees.		BGMC 8.56 (Ord. No. 2004-33)
CPR and First Aid Training		
Heartsaver AED	\$50.00	Authorized by the Fire Chief
BLS for HCP	\$50.00	Authorized by the Fire Chief
First Aid	\$50.00	Authorized by the Fire Chief
Heartsaver AED Recert	\$35.00	Authorized by the Fire Chief
BLS for HCP Recert	\$35.00	Authorized by the Fire Chief
Engineering Fees		
Description	Amount	Reference
Preliminary Engineering Review Fee	Preliminary Engineering Review Fee = 1% of cost of improvements, both public and private.	BGMC Title 16 - Section 16.20.020.F.

Engineering Review and Inspection Fee	3.5% of the total estimated cost of all improvements, both public and private, less the amount of the Preliminary Engineering Review Fee paid pursuant to Section 16.20.020.F.	BGMC Title 16 - Section 16.20.080.D.1.	
Storm and Sanitary Sewer Television Inspections	A two dollar and fifty cent(\$2.50) per lineal foot inspection fee for storm and sanitary sewer television inspections.	BGMC Title 16 - Section 16.20.080.D.2.	
Pavement Evaluation Fee	15 cents per lineal foot for streets and 15 cents per square yard for parking lots	BGMC Title 16 - Section 16.20.080.D.3.	
Water Connection Fees			
Size of Water Service Connection	Fee	Size of Water Meter	Cost of Meter
1 inch	\$100.00	¾ inch	\$143.00
1 ¼ inch	\$125.00	1 inch	\$180.00
1 ½ inch	\$150.00	1 ½ inch	\$1,145.00
2 inch	\$400.00	2 inch	\$1,336.00
2 ½ inch	\$625.00	3 inch	\$1,720.00
3 inch	\$900.00	4 inch	\$2,936.00
4 inch	\$1,600.00	6 inch	On call (currently \$5,051.00)
6 inch	\$1,800.00		
8 inch	\$2,000.00		
10 inch	\$2,200.00		
(Labor rates for installation of meter size ¾" – 1 ½" = 50.00; labor rate for installation of 2" – 4" compound meters = 75.00; <u>this applies to change of meter only</u>)			
Construction Water Charges		Village Sanitary Sewer Tap-On Fees	
Construction Values	Fee	Size of Connection	Fee

0.00 - 29,999.99	\$17.50	6 inch	\$50.00
30,000.00 - 49,999.99	\$18.50	8 inch	\$200.00
50,000.00 - 74,999.99	\$20.00	10 inch	\$300.00
75,000.00 and up	20.00 + .25¢/1,000 in excess of 75,000		

Business, Taxes Licenses And Regulations

Description	Amount	Reference
Amusement Activities	A nonreturnable fee of \$50.00.	BGMC 5.08 (Ord. 79-51 § 4, 1979)
Raffles	The license fee, if any, shall be established by the Corporate Authorities for each raffle.	BGMC 5.09 (Ord. 88-73 § 1 (part), 1988).
Arts and Crafts Vendor License	\$20.00 for six days or fewer	(Ord. 2003-24 § 1, 2003; Ord. 2003-19 § 2 (part), 2003).
	\$50.00 per week	
	\$75.00 per month	
	\$150.00 per year	
Coin-Operated Amusement Devices	Annual fee of \$50.00 for each such amusement device. Any license issued between November 1st and April 30th of the following calendar year, the fee is \$25.00 for each such amusement device	BGMC 5.12 (Ord. 2002-41 § 1 (part), 2002)
Liquor License Application Fee	\$500.00	BGMC 5.20 (Ord. 2008-13 § 1, 2008) (Ord. 2004-83 § 1, 2004;)
Annual Liquor License Fees:		
Class A	\$2,500.00	
Class B	\$2,300.00	
Class C	\$2,500.00	
Class D	\$1,800.00	
Class E	\$1,500.00	
Class F	\$2,000.00	
Class G	\$100.00	
Class H	\$250.00	
Class I	\$1,200.00	
Class J	\$4,000.00	
Solicitor Permit	Not-For-Profit - No Fee For-Profit -\$50.00, plus \$15.00 for each additional person	BGMC 5.24.050

Public passenger vehicle license	The annual fee for a public passenger vehicle license is \$20.00. Licenses issued July 1st or after shall be \$10.00.	BGMC 5.28 (Ord. 94-85 § 11 (part), 1994
Tobacco	\$75.00 per annum. Every tobacco dealer having a mechanical device on his premises in addition to the sale of tobacco shall be required to pay an annual fee of \$50 for each mechanical device.	BGMC 5.32 (Ord. 95-105 § 2 (part), 1995;(Ord. 95-105 § 2 (part), 1995:
Massage Establishments	A \$250.00 nonrefundable application fee .	BGMC 5.44 (Ord. 2004-106 § 1 (part), 2004).
Food and Beverage Vending Machines	\$30.00 each license and \$15.00 for a half of a year.	BGMC 5.52 (Ord. 95-105 § 1, 1995:)
Cable/Video Service Provider Fee and Peg Access Support Fee	5.00% of the holder's gross revenues. The amount of the PEG access support fee imposed hereby shall be one percent of the holder's gross revenues or, if greater, the percentage of gross revenues that incumbent cable operators pay to the Village or its designee for PEG access support in the Village.	BGMC 5.74 (Ord. 2007-59 § 2 (part), 2007)
Taxes		
Description	Amount	Reference
Hotel & Motel Tax	6.00% of the gross rental receipts from such a rental, leasing or letting.	BGMC 3.28 (Ord. 2007-49 § 1, 2007)
Foreign Fire Insurance Tax	2% per annum of the gross receipts received as premiums upon fire insurance policies on property located in the Village.	BGMC 3.32 ((Ord. 91-34 § 1 (part), 1991)
Home Rule Municipal Retailers & Service Occupation	1.00% of the gross receipts from all business sales made in the course of such business while this Chapter is in effect; and a tax is imposed upon all persons engaged in the Village of Buffalo Grove in the business of making sales of service, at the rate of one percent of the selling price of all tangible personal property transferred by such serviceman as an incident to the sale of service.	BGMC 3.40 ((Ord. 2004-16 § 1, 2004)

Real Estate Transfer Tax	Three dollars for every one thousand dollars value thereof as stated in the declaration. If the value of the fraction of every one thousand dollars is five hundred dollars or less, the value shall be rounded down to the nearest one thousand dollars. If the value of the fraction is five hundred dollars and one cent or more, the value shall be rounded up to the nearest one thousand dollars.	BGMC 3.44 (Ord. 91-89 § 1 (part), 1991)
Prepared Food and Beverage Tax	1.00% of the purchase price of prepared food and alcoholic liquor at any prepared food facility or liquor facility within the Village	BGMC 3.48 (Ord. 2007-62 § 2 (part), 2007)
Municipal Telecommunications Infrastructure Maintenance Fee	1.00% of all gross charges charged by the telecommunications retailer to service addresses within the Village for telecommunications originating or received in the Village.	BGMC 3.56 (Ord. 97-71 § 2 (part), 1997)
Simplified Municipal Telecommunications Tax	6.00% of the gross charges for such telecommunications purchased at retail from a retailer.	BGMC 3.64 (Ord. 2002-50 § 4 (part), 2002)
Municipal Gas Use Tax	0.05 per therm.	BGMC 3.65(Ord. No. 2009-89, § 2, 12-21-2009)
Municipal Electricity Use Tax	Next 500,000	0.34
	Next 2,000,000	0.32
	Next 2,000,000	0.315
	Next 5,000,000	0.31
	Next 10,000,000	0.305
	Excess of 20,000,000	0.3
	The tax is in addition to all taxes, fees and other revenue measure imposed by the Village, the State of Illinois, or any other political subdivision of the State.	BGMC 3.66(Ord. No. 2009-90, § 2, 12-21-2009)
Municipal Automobile Renting Occupation Tax and Municipal Automobile Renting Use Tax	1.00% of the rental price of such automobile while this chapter is in effect	BGMC 3.68 (Ord. 2001-79 § 1, 2001: 2001-78 § 1 (part), 2001)

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Appendix B

Financial Policies and Projections

Fund Policy

Purchasing Policy

Investment Policy

Debt Policy

Fixed Asset and Capital Equipment Capitalization Policy

Five-Year Operating Forecast

Twenty-Year Water and Sewer Utility Forecast

Service
Optimization

Organizational
Culture

Revenue
Growth

Economic
Development

Infrastructure
Sustainability

Fund Balance Use

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.

Fund Policy

- A. It is the policy of the Village of Buffalo Grove to maintain Committed Fund Balance in the General Fund to fund operations for a period of at least three months. The 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 Committed Fund Balance be expected to fall below the 25 percent target notification will be given to the Village’s 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 Committee.
- B. 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. 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 transferred to the Reserves for Capital Replacement. Although the policy minimum is 25 percent for Committed Fund Balance, 30 percent is considered the preferred balance and any unassigned balances exceeding 30 percent will be considered for transfer.
- D. 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. 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
- F. The Finance Director will determine if a portion of fund balance should be assigned.

Purchasing Policy Overview

*Revised by Resolution 2013-9 on March 4, 2013. Full policy available on the website.

The procurement policy is intended for use as a guide to the Village of Buffalo Grove procurement methods. When used properly, the policies will enable the Village to obtain needed materials, equipment, supplies, and services efficiently and economically.

The basic goals of the Village's procurement program are:

1. To comply with the legal requirements of public procurement and purchasing.
2. To assure vendors that impartial and equal treatment is afforded to all who wish to do business with the Village.
3. To receive maximum value for each dollar spent by awarding purchase orders to the lowest responsible bidder, taking into consideration quality, performance, technical support, delivery schedule, past performance and other relevant factors.
4. To provide Village departments the required goods, equipment and services at the time and place needed and in the proper quantity and quality.
5. To promote environmentally safe products and services while taking into consideration factors such as price, performance, availability and safety.
6. To promote good and effective vendor relations, cultivated by informed and fair buying practices and strict maintenance of ethical standards.

The purpose of this purchasing policy is to provide the Village of Buffalo Grove staff with guidelines and directions for the acquisition of goods and services. This policy is designed to be a fluid document and will be modified from time to time to conform to changes in legislation, technology, and actual practice.

The Village Manager, or his/her designee, shall be the final authority with regards to enforcement of any of the provisions of this policy. Failure to follow the procedures outlined in this policy may lead to disciplinary action in accordance with the provisions of the Village of Buffalo Grove Personnel Manual.

This policy is not intended to provide third parties with any specific rights when transacting with the Village of Buffalo Grove. All policies and procedures in this Policy are subject to modification by the appropriate Village employees and, therefore, vendors or other third parties shall not be entitled to rely on the contents of this policy.

Amount Of Purchase	Procurement Method	Notification	Approval
Purchases of \$50.00 or less	Petty Cash Procedures	Supervisor or Designee	Supervisor or Designee
\$50.01 to \$100.00 Purchases	Request for Payment Method Or Invoice submitted Purchase Order Procedure	Department Supervisor or Designee	Department Supervisor or Designee
\$100.01 to \$999.99 Purchases	Quotes (verbal, fax, email, written) 3 Quotes Recommended Purchase Order Procedure	Department Supervisor or Designee	Purchasing Manager
\$1,000 to \$2,499.99 Purchases	Quotes (written, faxed or email) 3 Quotes Required Purchase Order Procedure	Purchasing Manager	Department Director or Designee
\$2,500 to \$20,000 Purchases	Contact the Purchasing Manager Quotes (written, faxed or email) 3 Quotes or State Contract/GSA Purchase Order Procedures	Department Director or Designee	Village Manager or Designee
Purchase Exceeds \$20,000	Contact the Purchasing Manager Formal Procurement Process Award by Village Board	Village Manager or Designee	Village Board

Village Manager Authority and Responsibilities

1. Purchase all materials, supplies, equipment, personal services, and contracts for which funds are provided in the budget, but no item or personal service which exceeds any budget appropriation may be purchased.
2. For a purchase of more than twenty thousand dollars, with the exception of professional services, the Village Manager should solicit bids and such bids shall be presented to the Corporate Authorities for approval or rejection.
3. The Village Manager shall solicit bids for any public improvement, which will exceed twenty thousand dollars, which is not to be paid for in whole or in part by a special assessment or special tax.
4. The Village Manager will make recommendations to the Corporate Authorities with respect to all bids.
5. The Village Manager may issue rules and regulations governing requisitions and the transaction of the business of the purchasing agent and the heads of departments, officers, and employees of the Village.
6. In case of circumstances creating an emergency, the Village Manager may, without prior consent of the Corporate Authorities, award contracts and make purchases for the purpose of meeting the emergency. In such cases the Village Manager will notify the Corporate Authorities as soon as is practicable of all emergency procurements that exceed \$20,000

Petty Cash

Purpose: To reimburse an employee for small incidental purchases.

Appropriate use of the Petty Cash: Petty cash funds may be used for small incidental nonrecurring cash purchases that do not exceed \$50. The use of petty cash should not be considered as a substitute for regular procurement procedures.

Requests for reimbursement using petty cash must be accompanied by the Petty Cash Form. These forms must be completed and then submitted to the Accounts Payable Clerk.

Advance Check Request

Purpose: To request a check for payment when an invoice is not issued.

Appropriate use of Advance Check Request for Payment: Occasionally, a check is needed when there is no invoice. These occurrences include, but are not limited to:

- An employee request for reimbursement for out of pocket expense.
- Vendors requiring payment in advance.
- Mail in catalog orders requiring pre-payment.

When the Advance Check Request form is used, a cash receipt, a written quote, or a copy of the catalog order must be submitted as supporting documentation.

Purchase Orders

Purpose: To provide a legal document that places an obligation on both the Village and the vendor. When properly endorsed by the Finance Department, the purchase order obligates the Village to purchase the items listed at the prices stated. The vendor is obligated according to the terms and prices stated on the purchase order to deliver the goods or services. The purchase order provides specifications for goods and services ordered and shipping and billing information.

Appropriate Use of the Purchase Order: A purchase order shall be used for procurement of any item or service that requires a written order or any purchase of \$50.01 or more. Purchase orders are not required for prepaid orders.

Blanket Purchase Orders

Purpose: Blanket purchase orders will be used for repetitive purchases from certain vendors.

Appropriate Use of the Blanket Purchase Order: If the Village has entered into contract with a Vendor then a Blanket purchase may be issued for each fiscal year of that contract. Departments should follow standard purchase order procedures. For repetitive purchases, rather than issuing a purchase order for each purchase, one purchase order with a dollar limit is issued for a period of up to three months.

Procurement Card Program

A policy has been designed to establish the procedures to be used with the Village of Buffalo Grove's procurement card program.

Investment Policy

I. Policy:

The Village of Buffalo Grove, as a public agency, has an inherent fiduciary responsibility to properly account for and manage public funds. Public funds are to be considered current operating funds, special funds, debt service, and other funds of any kind or character belonging to or in the custody of any public agency (Chapter 30, paragraph 235/1 through 235/7, Public Funds Investment Act, Illinois Compiled Statutes).

II. Scope:

This investment policy applies to all financial assets of the Village of Buffalo Grove except for the Police and Firefighter's Pension Funds, which are subject to those individual fund boards.

1. Pooling of Funds

Except for cash in certain restricted and special funds, the Village of Buffalo Grove will consolidate and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping, and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

III. General Objectives:

The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield:

1. Safety

Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk

(a). Credit Risk

The Village of Buffalo Grove will minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer, by:

- Limiting investment to the types of securities listed in Section VII of this Investment Policy
- Pre-qualifying the financial institutions, broker/dealers, intermediaries, and adviser with which the Village of Buffalo Grove will do business in accordance with Section V
- Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

(b). Interest Rate Risk

The Village of Buffalo Grove will minimize interest rate risk, which is the risk that the market values of securities in the portfolio will fall due to changes in market interest rates, by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity
- Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools and limiting the average maturity of the portfolio in accordance with this policy (see section VIII).

2. Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). Alternatively, a portion of the portfolio may be placed in money market mutual funds or local government investment pools, which offer same day liquidity for short-term funds.

3. Yield

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall generally be held until maturity with the following exceptions:

- A security with declining credit may be sold early to minimize loss of principal.
- A security swap would improve the quality, yield, or target duration in the portfolio.
- Liquidity needs of the portfolio require that the security be sold.

IV. Standards of Care:

1. Prudence

The standard of prudence to be used by investment officials shall be the “prudent person” standard and shall be applied in the context of managing the overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

2. Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the Village of Buffalo Grove.

3. Delegation of Authority

Authority to manage the Village of Buffalo Grove’s investment program is derived from the following:

The establishment of investment policies is the responsibility of the Village Board. Management and administrative responsibility for the investment program is hereby delegated to the Finance Director who, under the direction of the Village Manager, shall establish written procedures for the operation of the investment program consistent with this investment policy. Procedures should include references to: safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, collateral/depository agreements, and banking service contracts. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Director. The Finance Director shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. The Finance Director may from time to time amend the written procedures in a manner not inconsistent with this policy or state statutes.

The responsibility for investment activities of the Police and Firefighter Pension Funds rest with the trustees of the respective fund boards.

V. Authorized Financial Institutions, Depositories, and Broker/Dealers:

The Finance Director will maintain a list of financial institutions authorized to provide investment services. In addition, a list will be maintained of approved security broker/dealers selected by credit worthiness. These may include “primary” dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule). No public deposit shall be made except at a qualified public depository as established by state statutes.

All financial institutions and broker/dealers who desire to become qualified become qualified bidders for investment transactions must supply the Finance Director with the following:

- Audited financial statements demonstrating compliance with state and federal capacity adequacy guidelines
- Proof of National Association of Security Dealers (NASD) certification (not applicable to Certificate of Deposit counterparties)
- Proof of state registration
- Completed broker/dealer questionnaire
- Certification of having read the Village’s Investment Policy

VI. Safekeeping and Custody:

All trades of marketable securities will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds.

Securities will be held by an independent third-party custodian selected by the Village as evidenced by safekeeping receipts in the Village’s name. The safekeeping institution shall annually provide a copy of their most recent report on internal controls (Statement of Auditing Standard No. 70, or SAS 70).

1. Internal Controls

The Finance Director is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Village of Buffalo Grove are protected from loss, theft, or misuse. Details of the internal controls system shall be documented in an investment procedures manual and shall be reviewed and updated annually. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

The internal controls structure shall address the following points:

- Control of collusion

- Separation of transaction authority from accounting and recordkeeping
- Custodial safekeeping
- Avoidance of physical delivery securities
- Clear delegation of authority to subordinate staff members
- Written confirmation of transactions for investments and wire transfers
- Dual authorizations of wire transfers
- Development of a wire transfer agreement with the lead bank and third-party custodian

Accordingly, the Finance Director shall establish a process for annual independent review by an external auditor to assure compliance with policies and procedures.

VII. Suitable and Authorized Investments:

The Village may invest in any type of the security allowed for in Illinois Compile Statutes (30 ILCS 235/2) regarding the investment of public funds. Approved investments include:

- Bonds, notes, certificates of indebtedness, treasury bill, or any other securities now or hereafter issued, which are guaranteed by the full faith and credit of the United States of American as to principal and interest;
- Bonds, notes, debentures or other similar obligations of the United States of America or its agencies;
- Interest-bearing savings accounts, interest-bearing certificates of deposit or interest-bearing time deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act; and is insured by the Federal Deposit Insurance Corporation;
- Short-term obligations of corporations organized in the United States with assets exceeding \$500,000,000 if (i) such obligations are rated at the time of purchase at one of the three highest classifications established by at least two standard rating services and which mature not later than 180 days for the date of purchase, (ii) such purchases do not exceed 10% of the corporation's outstanding obligations and (iii) no more than 25% of the Village's funds may be investing in short-term obligations of corporations;
- Illinois Public Treasurer's Investment Pool (Illinois Funds);
- Consistent with the GFOA Recommended Practice on Use of Derivatives by State and Local Governments (attachment #1), extreme caution should be exercised in the use of derivative instruments.

1. Collateralization:

It is the policy of the Village of Buffalo Grove and in accordance with the GFOA's Recommended Practices on the Collateralization of Public Deposits (attachment #2), the Village requires that funds on deposit in excess of FDIC limits be secured with some form of collateral. The Village will accept any of the following assists as collateral:

- Government Securities
- Obligations of Federal Agencies
- Obligations of Federal Instrumentalities
- Obligations of the State of Illinois

(The Village reserves the right to accept/reject any form of the above named securities.)

The amount of collateral provided will not be less than 110% of the fair market value of the net amount of public funds secured. The ratio of fair market value of collateral to the amount of funds secured will be reviewed monthly, and additional collateral will be required when the ratio declines below the level required and collateral will be released if the fair market value exceeds the required level. Pledged collateral will be held in safekeeping by an independent third party depository designated by the Village of Buffalo Grove and evidenced by a safekeeping agreement. Collateral agreements will preclude the release of the pledged assets without an authorized signature from the Village of Buffalo Grove. The

Village realizes that there is a cost factor involved with collateralization and the Village will pay any reasonable and customary fees related to collateralization.

VIII. Investment Parameters:

1. Diversification

In order to reduce the risk of default, the investment portfolio of the Village of Buffalo Grove shall be diversified by:

- Limiting investments to avoid over-concentration in securities from a specific issuer or business sector (U.S. Treasury and Agency securities),
- No financial institution shall hold more than 40% of the Village's investment portfolio
- Monies deposited at a financial institution shall not exceed 75% of the capital stock and surplus of that institution.
- Commercial paper shall not exceed 10% of the Village's investment portfolio.
- Brokered certificates of deposit shall not exceed 25% of the Village's investment portfolio.
- Investing in securities with varying maturities, and
- Continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPs), money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

2. Maximum Maturities

To the extent possible, the Village of Buffalo Grove will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Village will not directly invest in securities maturing more than three years from the date of purchase.

Reserve funds and other funds with longer-term investment horizons may be invested in securities exceeding three year if the maturities of such investments are made to coincide as nearly as practicable with the expected use of funds.

Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds such as LGIPs, money market funds, or overnight repurchase agreements to ensure that appropriate liquidity is maintained to meet ongoing obligations.

IX. Reporting:

The Finance Director shall prepare as investment report at least monthly, including a management summary that provides an analysis of the status of the current investment portfolio and the individual transactions executed over the month. This management summary will be prepared in a manner, which will allow the Village to ascertain whether investment activities during the reporting period have conformed to the investment policy. This report should be provided to the Village Manager and Village Board. The report will include the following:

- Listing of individual securities held, by fund, at the end of the reporting period.
- Average weighted yield to maturity of portfolio.
- Listing of investments by maturity date.
- Percentage of total portfolio, which each type of investment represents.

1. Performance Standards

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. Portfolio performance should be compared to appropriate benchmarks on a regular basis. The

benchmarks shall be reflective of the actual securities being purchased and risks undertaken and the benchmark shall have similar weighted average as the portfolio.

2. Market Yield

The Village's investment strategy is passive. Given this strategy, the basis used by the Finance Director to determine whether market yield are being achieved shall be the six-month U.S. Treasury Bill.

3. Marking to Market

The market value of the portfolio shall be calculated at least quarterly and a statement of the market value of the portfolio shall be issued at least quarterly. This will ensure that review of the investment portfolio, in terms of value and price volatility, has been performed consistent with the GFOA recommended Practices on "Mark-to-Market Practices for State and Local Government Investment Portfolios and Investment Pools" (attachment #3). In defining market value, considerations should be given to the GASB Statement 31 pronouncement.

X. Investment Policy Adoption:

The Village of Buffalo Grove's investment policy shall be adopted by resolution of the Village Board of Trustees. This policy shall be reviewed on an annual basis by the Finance Director and any modifications thereto must be approved by the Village Board of Trustees.

Debt Policy

A debt policy is a formal document governing when, how, for what purposes, and to what extent debt may be issued. A sound debt policy will provide benefit and guidance to the Village of Buffalo Grove not only as to how it manages the repayment of outstanding debt but can serve to manage the Capital Improvement Plan adopted annually. Debt policy can:

- Help avoid common pitfalls of debt issuance and management.
- Promote long-term financial stability, including managing tax levies.
- Send a message regarding fiscal responsibility to the community.
- Assist in not only maintaining but improving bond ratings.
- Enhances regulatory compliance matters.
- Assures that borrowing is done at the lowest cost to the community.

An effective debt policy should be firm in intent but not onerous to the extent that flexibility in approach toward use and design of debt becomes difficult. Elements should include, but not be limited to, the purposes for which debt may or may not be used, the limitations of debt, and the standards for debt issuance. The following represent elements of the debt policy for the Village of Buffalo Grove.

- Long-term debt will not be used to finance current operations or to capitalize operating expenses. The capitalization of expenses, which represents a shift of operating costs onto long-term debt, should be a practice that is expressly prohibited. To further support this policy, the highest priority for the issuance of long-term debt will be to further the Village's Capital Improvement Plan. In terms of this and other policy statements, long-term debt will be bonded indebtedness whose maturity is at least ten years from the date of original issue.
- Long-term debt will be used only for capital projects that cannot be financed from current revenue sources. Where capital improvements or acquisitions are financed through the issuance of debt, such debt will be retired in a period not to exceed the expected life of the improvement or acquisition.
- The Village will also issue long-term debt for refunding of other outstanding debt for the purpose of interest rate savings. As a guide, the minimum net present value savings shall be three percent (3%) of the par value of the proposed new bonds to be issued. However, circumstances may occur where a refunding may be advantageous with net present value savings of less than 3%. In those cases, approval of the President and Board of Trustees will be required in order to proceed.

- The Village will use only level or declining debt repayment schedules, avoiding back-loaded or balloon repayment schedules or variable-rate debt. This is to avoid fluctuations in debt service requirements as well as fluctuations in tax levy rates. Only in those circumstances where it is to the Village's advantage will debt service be scheduled on a non-even repayment basis. Level or declining repayment schedules incur less interest cost while the use of delayed or balloon schedules incur greater interest cost. Lastly, the use of variable-rate debt requires dependence upon some external measure and indices and may be considered a form of speculation.
- A policy of full disclosure will be followed in all financial reports, official statements and as part of any mandatory continuing disclosure undertaking. Information required to be distributed, by law, to any Nationally Recognized Municipal Securities Information Repository (NRMSIR) shall follow guidelines set forth from time to time, including any required Material Events Disclosure as interpreted under the Securities Exchange Act of 1934, as amended. Lastly, the Village will use generally accepted accounting principles in the preparation of all financial statements used in complying with disclosure requirements. All financial statements will be audited annually by an independent, certified public accounting firm.
- Municipalities of less than 500,000, unless they are a home rule unit, are limited in the amount of indebtedness they can incur at any one time to no more than 8.625% of assessed and equalized valuation. However, as a policy-planning target, the Village shall endeavor to have no more indebtedness outstanding at any one time in an amount greater than four percent (4%) of assessed and equalized valuation. In the event of an extraordinary situation as determined by the President and Board of Trustees, the Village may have outstanding debt in an amount exceeding 4% of its assessed evaluation.
- Overall, the Village will repay any indebtedness incurred in the shortest possible time without creating undue hardship for tax or ratepayers.
- Capital improvement or refunding indebtedness will be funded with General Obligation Bonds unless there are other, more appropriate, means of financing. Such alternative financing might include, but not be limited to, revenue bonds, special service area bonds, tax increment allocation revenue bonds, and special assessments.
- Indebtedness to be issued by the Village will be offered through the competitive bidding process except as expressly approved by the President and Board of Trustees. If it is proposed that debt not be issued through competitive bidding, such request will state the compelling reasons why the competitive bidding process is not deemed suitable for the particular issuance of debt. Competitive bidding can reduce interest cost, avoids questions of unfairness and favoritism in the underwriting selection process and should validate the ultimate price paid for debt.
- Any consultants providing advice and counsel for any issuance of Village debt, as well as broker/dealers acquiring Village debt shall be independent. Financial advisors, bond counsel, and any broker/dealer for any issuance of debt shall each be separate entities having no relationship with each other. This is intended to prevent any conflict of interest, incorporating within the Policy the requirements of Municipal Securities Rulemaking Board Rule G-23, which permits financial advisor/underwriter relationships if such relationships are disclosed to the Village as issuer.
- Any financial advisor and bond counsel shall provide full and continuing disclosure to the Village of any relationship or agreement, formal or informal, which may be in conflict with the best interests of the Village. The financial advisor and bond counsel shall further be prohibited from engaging in such relationships or agreements without the express prior consent of the Village. Any potential for conflict of interest, where it may exist, should be expressly recognized by all consultants.

While the Village intends to match its borrowing needs with those identified within the approved Capital Improvement Plan or in some cases, the refunding of outstanding debt at a lower net interest cost, with long-term debt, there may be instances with other debt may be advantageous to issue. Additionally, there may be a need to employ what will be defined as interim debt. The following policies are applicable to the issuance of either short-term or interim debt:

- Short-term debt shall be considered indebtedness issued for a term of 10-years or less. The use of such debt, with the exception of current debt refunding, shall be intended to provide financing for municipal needs such as purchasing/replacing fleet equipment, renovation or reconstruction of capital assets, purchases of specialized types of equipment, or to acquire communications or data systems/equipment. Each proposal for short-term financing shall be evaluated on a case-by-case basis with final approval granted by the President and Board of Trustees.
- Interim debt shall be considered indebtedness issued for a term of less than 5-years. Such borrowing may be utilized for the temporary funding of operational cash flow deficits pending receipt of anticipated revenues or for interim capital financing needs; an internal borrowing for operational or capital acquisition would qualify as interim debt. Repayment will occur over a period not to exceed the useful life of the underlying asset but in any case, no longer than 5-years, although the period could vary depending on the nature of the asset financed. In terms of internal borrowing for purposes other than capital acquisition, the term will be no greater than 5-years.

Policy on Revenue Based Debt:

The Village may find it advantageous to issue revenue based debt to fund enterprise capital financing needs. Should such indebtedness be required, the following standards shall apply:

- An annual rate and fee review will be conducted as part of the fiscal year budget process to ensure that predictable and affordable charges for services are in effect.
- The Village will maintain rates and fees necessary to conform to bond coverage requirements that may be required.
- The primary option for any enterprise financing, and to also serve as a modeling tool for future rate and fee requirements, shall be debt with a maximum maturity of 20-years.

Village Board Authorizations:

All long, short, and interim term borrowing shall require approval of the President and Board of Trustees prior to authorization.

Alternative Financing:

The Village will issue alternate type of indebtedness such as, but not limited to, Special Service Area Bonds or Tax Increment Allocation Revenue Bonds when beneficial to an identified development strategy approved by the President and Board of Trustees. Such indebtedness shall be considered limited obligations of the Village secured by special taxes authorized by statute or in the case of TIF, by incremental property and sales taxes. The Village will not use its full faith and credit to secure any alternative financing.

Further, should the Village issue alternative type debt, it shall take any and all reasonable steps to confirm the financial feasibility of any projects and the financial solvency of the end user(s). Further, all precautions will be taken to ensure that a true public purpose and financial viability exists for all such projects funded.

Other Agency Financing:

Through intergovernmental agreement, the Village may be obligated for a portion of debt issued by an associated public agency such as the Solid Waste Agency of Northern Cook County or Northwest Water Commission. Depending upon the nature of the obligation, disclosure will be noted within the Village's Comprehensive Annual Financial Report following generally accepted accounting principles. If the nature of an external financing requires

disclosure within the financial statements of the Village, such indebtedness obligations will be properly accounted for and disclosed.

Bond Covenants and Laws:

The Village shall comply at all times with all covenants and requirements of bond ordinances as well as supplemental transcript documents as well as State and Federal laws authorizing and governing the issuance and administration of debt obligations.

Debt Policy and Rating Agencies:

Underwriting and municipal credit rating institutions base their evaluation of the Village upon its ability to ensure that new debt is incurred in a prudent manner, so as to maximize the credit worthiness of the Village. This is important if the Village is to upgrade its present bond rating, and in extreme conditions, maintain its current rating. Rating agencies have advised that one of the major criteria used in evaluating credit worthiness is whether a local jurisdiction has an objective but flexible debt policy which serves as a guideline for making decisions about how much new debt to incur or have outstanding at any one time. Generally, rating agencies will view, as positive, criteria that are conservative. A local government should only borrow what it can afford and retire principal in a timely and aggressive manner.

Fixed Asset and Capital Equipment Capitalization

Purpose and Overview:

The government's role is to provide services to its citizens and as part of that duty, a responsibility exists to maintain stewardship over the resources that are used to provide those services. Control over fixed assets is necessary to ensure that these assets are used properly and efficiently. Appropriate systems and procedures will be established and revised from time-to-time in order to be assured that assets are adequately controlled.

The purpose of recording the general fixed assets of the Village is primarily for stewardship purposes, in order to provide for physical and dollar control, and for an accounting of general governmental capital planning and acquisitions over the years. In addition, generally accepted accounting principles as they apply to public entities require the inclusion of financial data regarding fixed and general asset accounting within the Village's Comprehensive Annual Financial Report.

Assets included within a fixed asset control system should possess the following attributes:

1. They must be tangible
2. Have a useful life of greater than one year
3. Be of a "significant" dollar value

The general purpose given to recording fixed and general assets is to facilitate the protective custody of the property. A good system permits the fixation of responsibility of custody and for the proper use of specific assets within the using department(s). The taking of an actual physical inventory on a regular basis can increase the control capabilities of the Village's system and help insure overall integrity. Other purposes usually cited for asset control is:

1. Insuring assets for risk management purposes
2. Centralizing asset documentation and reporting systems
3. Developing estimates for asset replacement purposes
4. Allowing for completeness of financial statements
5. Providing for management of fixed assets regarding acquisition, declaration of surplus and disposition.

The end purpose of this Policy will be to provide a guide to the organization, inventory and reporting of data for the Village of Buffalo Grove's Fixed and General Asset Management System.

Asset Control Policy:

The following will apply regarding asset control policies for the Village of Buffalo Grove:

1. All assets acquired by the Village will be recorded within the Fixed Asset Management System maintained within Lotus Notes as an independent database. Assets to be controlled should be acquired as a capital acquisition and possess a significant value. The minimum value for control purposes will be \$10,000 per individual piece of equipment. Equipment carrying a value less than \$10,000 will be accounted for internally based the type of asset and upon the discretion of the Department Director. The capitalization threshold for capital construction and/or infrastructure improvements will be \$25,000.
2. The cost of the asset will include the actual purchase price plus any other additional charges incurred to put the asset into service. Absent any data on original cost, a realistic estimate will be used. New capital construction will be value as the sum of all charges and costs to put the asset into service.
3. Responsibility for all asset control will be assigned to the individual department. All changes in the inventory for whatever reason must be reported by that department.
4. The system will be maintained by the Department of Finance and General Services but will be available within the MIS network within Lotus Notes as a read-only database. Finance will input new acquisitions as well as deletions and transfers. The status of all assets will be posted through an Inventory Control Record.
5. The department initiating an acquisition, deletion or transfer of an asset should notify the Finance Department of these events. Changes to the database will be initiated as appropriate.
6. All asset acquisitions should be by purchase order unless they are for assets donated or contributed to the Village. All deletions/retirements will be declared surplus by ordinance. Such ordinances will be prepared by the Finance Department.
7. All asset acquisitions will be identified, when appropriate, with tags provided by the Finance Department. Tags will be affixed to the asset acquired by department personnel.
8. At a minimum once per year, an inventory will be conducted of all general fixed assets. This will be prior to the conclusion of the fiscal year and will be used for posting to the Village's financial records and for preparation of any surplus declaration.
9. Any final inventory values will be considered the official financial record of the Village subject to independent review and audit.

Costing of General Fixed Assets:

General fixed assets should be recorded at their original cost; if original cost is unknown, an estimate will be acceptable if reasonable and customary for similar assets. As stated, an asset that is to be included within the inventory should have a significant value. The significant value test is mostly subjective, and accordingly, it is necessary to exercise some level of judgment in determining which items should be treated as controlled assets. The judgment will be minimized when controls are improved when capitalization policies are in place and accepted.

Maintaining the System:

Accounting for additions can be accomplished through several methods. Data from purchasing records for all assets that are quantified are to be noted on the departmental requisition/purchase order for identification and entry into the database. Accounting for deletions can be more difficult because of trade-ins, transfers, retirements, loss or strip downs for spare parts. The database will be considered the primary link between the individual asset and the general ledger fixed asset accounts. It should be possible to reconcile the detail in the fixed asset database with the general ledger control account(s). The basic elements to be included as part of the asset record will be as follows:

- Description of the asset
- Model and serial numbers
- Date acquired/deleted/changed
- Purchasing department as well as location of the asset
- Estimated useful life
- Cost, purchase order number, vendor

- Asset control number
- Date, method and authorization for disposition

Other information may be requested, as is determined necessary to maintain the control system.

Once the asset control system is in place and operational, it will be necessary to perform periodic reviews to determine whether the system has been properly established, supported and functioning. The objective of an inventory is to determine if the assets are still in service, on-hand and to make any corrective actions as soon as possible. In addition to what is assumed would be a full departmental inventory, periodic review can consist of any of the following:

1. Reconciling the asset control ledgers to the Village's general ledger
2. Tracing a random sample of assets from the database to the physical location of assets
3. Taking the database list and tracing a random sample of entries to actual assets

Tagging of Assets:

There will be two primary considerations when a decision is made to tag an asset. First, is it important to identify this individual asset from another of a similar kind? Will records need to be changed each time the asset moves to a new location or is retired? If the answer is yes to both questions, the assets should and will be tagged.

Inventory control numbers will be assigned in consecutive order without regard to type of asset or location. The use of a permanent number (unless lost and replaced) permits control over an asset throughout its useful life regardless of status until such asset is retired or disposed of. Once an asset is disposed, the number will be retired and not reissued. Placement location will be left to the discretion of the department. Ideally, tags will be placed where they are accessible and not subject to defacement or marring by normal activity.

Inventory Control Record:

Anytime the status of an asset is affected, the Inventory Control Record (attached) must be completed by the initiating department. With an acquisition, the Record will be prepared by the Department of Finance and General Services although this does not preclude a purchasing department from preparing a Record in the case of a donation or acquisition that may occur. With an acquisition, a copy of the Record will be returned to the purchasing department with an assigned control tag.

Amendments and Adoptions to current Village of Buffalo Grove Policies:

The policies in the budget document are all reflective of their current, board approved, versions. Policies and procedures are examined by staff annually, in some cases they may be looked more frequently depending on the demands of the residents, department efficiencies, or market demands. Any changes that are proposed by staff and presented to the board for approval are done so in a manner that they are a standalone amendment to the current ordinance. No policy and procedure shall be passed through the adoption of a larger document, such as the budget or comprehensive annual financial report. Staff will clearly present the proposed amendments to, or adoption of, any policy changes and additions. Each item will be presented as a single item to ensure a transparent explanation of what is requested and the intended outcome of the request.



Purpose

The goal of the Five-Year Operating Forecast is to assess the Village's ability over the next five years to continue current service levels based on projected revenue growth, evaluate future sustainability by aligning operating revenues and expenditures, and ensure proper funding of reserves for vehicles, buildings, and technology. The assessment analyzes the capacity to fund capital projects and also restore unassigned fund balance reserves to ultimately reach a balance that will cover four and a half months of expenditures (35%).

It is important to stress that this forecast is not a budget. It does not dictate expenditure decisions; rather it identifies the need to prioritize allocations of Village resources. As part of the process, the Village is working on aligning core revenues with core services. The revenues that are less dependable, as they are subject to market or economic risk, will support less essential services.

As a governmental entity, changes in strategy that involve service delivery are slow and methodical. The forecast provides a picture of the Village's fiscal health based on numerous assumptions over the next five years. The Five-Year Financial Forecast is a planning tool and should be considered fluid in its construction. As new significant data or trends emerge the document will be revised, at minimum, on an annual basis. This document should be viewed in conjunction with the annual Village Budget in order to make specific policy and spending recommendations.

The intent of the Five Year Operating Forecast is to evaluate resource allocations to ensure the proper funding levels for services, capital,

Financial Focus and Methodologies

The General Fund is the main operating fund and accounts for the core services provided by the Village including public safety (police & fire), public works, building & zoning, and administration. All major discretionary revenues such as property tax, sales tax, income tax, telecommunication, and utility use tax are accounted for within the General Fund. For purposes of the analysis, final audited 2013 expenditures set the baseline for analysis and are inflated or adjusted accordingly based upon changing service needs and known changes that were incorporated in the FY 2014 Budget. The General Fund is the primary focus of the forecast as it represents about 60 percent of the total Village Budget. The second largest Village Fund is the Water and Sewer Fund accounting for 19 percent of the total budget. A Twenty-Year funding analysis is completed annually for that enterprise activity

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

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

The national economy affects both state and local economies, although this impact varies by jurisdiction and may actually have an inverse effect on a community. Some of the economic indicators the Village uses in financial

analysis include; inflation, stock market returns, employment, housing starts, vehicle sales, interest rates, and manufacturing activity.

Economic Indicators

Inflation – As inflation goes up, the cost of goods sold go up, increasing retail sales tax revenue. As prices rise, so will business income tax receipts. Conversely, the Village will have to pay more for goods and services. The Village uses the Illinois Municipal Price Index (MPI) as the primary inflation metric. The MPI is an amalgam of price indices based on types and goods purchased by Illinois Municipalities. The MPI is 2.19 percent. The most recent (May 2014) Consumer Price Index is at 1.7 percent, Producer Price Index is 2.11 percent and Construction Cost index is 2.64 percent.

Stock Market Returns – Stock market returns are a leading indicator and will change before the economy changes. Approximately 50 percent of all Village pension funds are invested in equities and/or individual stocks. The performance of the stock market is a significant factor in determining the growth of the property tax levy for pensions.

Employment – Retail and vehicle sales tend to have inverse relationships with the unemployment rate. Sales tend to move in the opposite direction of the unemployment rate. Chronic unemployment often spills over into the residential real estate market resulting in lost real estate transfer tax revenue. The current national unemployment rate (May 2014) is 6.3 percent, the state rate is 7.5 percent and the local rate is 5.4 percent.

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

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

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

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

Overview of Fiscal Year 2014

Over the last five years, the Village has moved through three distinct financial cycles in responding to the economic downturn. The strategy in the FY 2010-2011 budgets was to protect public services/programs and staffing levels through deficit spending drawing upon prior period fund balance. FY 2011-2012 strategies involved reducing staffing through attrition by leveraging an employer sponsored retirement incentive program and creating a Tier II compensation program to lower starting wages. Those actions plus reduced capital project spending and a continued moratorium on capital reserve funding successfully eliminated budget deficits.

Beginning in FY 2014 and continuing through the next five years is a continued effort to evaluate and consolidate service to improve workflow efficiencies, appropriately fund all capital reserves, and increase the resources allocated to infrastructure maintenance. Over the next five years, the Village will be moving towards program based budgeting. The result of the change is that budgets will be developed around cost centers. As a result of these efforts, the Village's unassigned General Fund balance available for asset maintenance and replacement increased by \$2.5 million or 25 percent from FY 2011 to FY 2013.

Factors that are to be considered moving into the next five-year update include;

- *Impact of the real estate market.* The impact of declining property values in tandem with incorrect assumptions that property taxes will move in similar fashion is making it difficult to grow the tax levy to support general operations.
- *State of Illinois budget crisis.* As the State of Illinois continues to address perennial budget shortfalls, distributions to municipalities out of the Local Government Distributive Fund continue to be at risk.
- *Impact of Employer Pension Costs.* The tax levies for the three pension systems account for 40 percent of the property tax levy. Additional pressure on the tax levy to support growing pension costs will impact the ability to increase taxes for core services.
- *Health Care Cost and the Patient Protection Affordable Care Act.* The Village is currently on track to attain "Cadillac Tax" status in 2017. The Village will continue to promote wellness initiatives as a means of controlling health care costs.
- *Commercial/Retail Development.* The economy's impact on existing sales tax generators as well as development or redevelopment of Dundee, Milwaukee Road corridors and Lake Cook Corridors.
- *Infrastructure.* The ability to keep pace with the maintenance needs of Village owned assets continues to be a significant financial challenge. A new reserve account for facilities was added in FY 2014.

Forecast Assumptions

The following is forecasted revenues and expenditures for the next five years. The column on the far right is an inflation index (if warranted).

General Fund Revenues Projected						
	2015	2016	2017	2018	2019	Growth
Property Taxes	14,107,898	14,531,135	14,967,069	15,416,081	15,878,563	1.03
Income & Use Taxes	4,889,616	5,036,304	5,187,394	5,343,015	5,503,306	1.03
State Sales Tax	4,626,867	4,719,404	4,813,792	4,910,068	5,008,270	1.02
Home Rule Sales Tax	3,211,313	3,275,539	3,341,050	3,407,871	3,476,028	1.02
Real Estate Transfer Tax	721,000	742,630	764,909	787,856	811,492	1.03
Telecomm Tax	1,903,344	1,903,344	1,903,344	1,903,344	1,903,344	1.00
Prepared Food and Beverage Tax	754,800	769,896	785,294	801,000	817,020	1.02
Utility Tax Electric/ Natural Gas	2,626,900	2,626,900	2,626,900	2,626,900	2,626,900	1.00
Licenses	270,800	270,800	270,800	270,800	270,800	1.00
Building Revenue & Fees	706,243	713,305	720,438	727,642	734,919	1.01
Intergovernmental Revenue-	265,643	270,956	276,375	281,902	287,540	1.02

General Fund Revenues Projected						
	2015	2016	2017	2018	2019	Growth
Local						
Fines & Fees- Police & Fire	1,805,681	1,841,794	1,878,630	1,916,203	1,954,527	1.02
Operating Transfers	827,500	827,500	827,500	827,500	827,500	1.00
Miscellaneous Revenue	1,505,360	1,505,360	1,505,360	1,505,360	1,505,360	1.00
Total Revenues	38,222,963.12	39,034,867.01	39,868,853.92	40,725,542.25	41,605,568.11	
Annual Increase	1.9%	2.1%	2.1%	2.1%	2.2%	
General Fund Expenditures Projected	-	-	-	-	-	-
	2015	2016	2017	2018	2019	
Personal Services	19,660,025	20,446,426	21,264,283	22,114,855	22,999,449	1.04
Personal Benefits	10,415,392	10,623,700	10,836,174	11,052,898	11,273,956	1.02
Operating Expenses	1,965,891	2,005,209	2,045,313	2,086,219	2,127,944	1.02
Insurance	1,000,000	1,040,000	1,081,600	1,124,864	1,169,859	1.04
Legal Services	397,443	405,392	413,500	421,770	430,205	1.02
Commodities	275,707	281,772	287,971	294,307	300,782	1.022
Maintenance & Repairs	1,730,437	1,768,507	1,807,414	1,847,177	1,887,815	1.022
Capital Outlay	519,952	531,391	543,082	555,030	567,240	1.022
All Other Expenses	313,556	318,259	323,033	327,879	332,797	1.015
Total Expenditures	36,278,404	37,420,657	38,602,370	39,824,997	41,090,045	
Operating Surplus/ (Deficit)	1,944,559	1,614,210	1,266,484	900,545	515,523	
Annual Increase	3.2%	3.1%	3.2%	3.2%	3.2%	
General Fund Transfers Projected	-	--	-	-	-	-
	2015	2016	2017	2018	2019	
Capital Reserve - Vehicles	600,000	600,000	600,000	600,000	600,000	
Capital Reserve - Facilities	175,000	150,000	150,000	150,000	150,000	
Capital Reserve - Technology	75,000	75,000	75,000	75,000	75,000	

General Fund Revenues Projected						
	2015	2016	2017	2018	2019	Growth
Motor Fuel Tax	642,263	655,108	668,210	681,574	695,206	
Golf Enterprise Subsidy	50,000	50,000	50,000	25,000	25,000	
Capital Improvement Plan	383,247	303,717	334,490	322,490	350,000	
Total Transfers	1,925,510	1,833,825	1,877,700	1,854,064	1,895,206	
Total Fund Surplus/ (Deficit)	19,050	(219,615)	(611,216)	(953,519)	(1,379,683)	

The forecast provides two levels of analysis. The first level is to show where the General Fund is positioned from an operational standpoint. The highlighted row designed as Operating Surplus/ (Deficit) weighs short-term sustainability in measuring how operating revenues meet the day-to-day obligations of the fund. In all five years of the forecast, revenues will support current services.

The second level of the analysis includes transfers for capital projects, reserves, and enterprise subsidies. Long term sustainability is measured through the Village's ability to invest in infrastructure including funding reserves for vehicles, buildings, equipment, technology, streets (though Motor Fuel Tax), and projects in the Capital Improvement Plan. Commitments to long-term capital programs are identified under "General Fund Transfers – Projected." Included in the spending category are subsidy transfers to the golf enterprise. These transfers eliminate anticipated negative cash positions at both courses at the end of the year. After including these transfers, the total fund surplus at the end of FY 2015 is estimated to be \$19,050. Beginning in FY 2016, the General Fund will be in deficit. That deficit grows to just over \$1.38 million by the end of the five-year projection.

One of the financial indices the bond rating houses (Standard & Poors and Moody's Investor Services) cite as the reason for the current AAA bond rating is the low level of debt. The current budgeting strategy is to try and fully fund capital reserve programs in order to remain on a pay-as-you-go basis of capital asset financing. If reserve amounts are depleted, or inadequately funded, staff will need to consider debt financing for future expenditures,

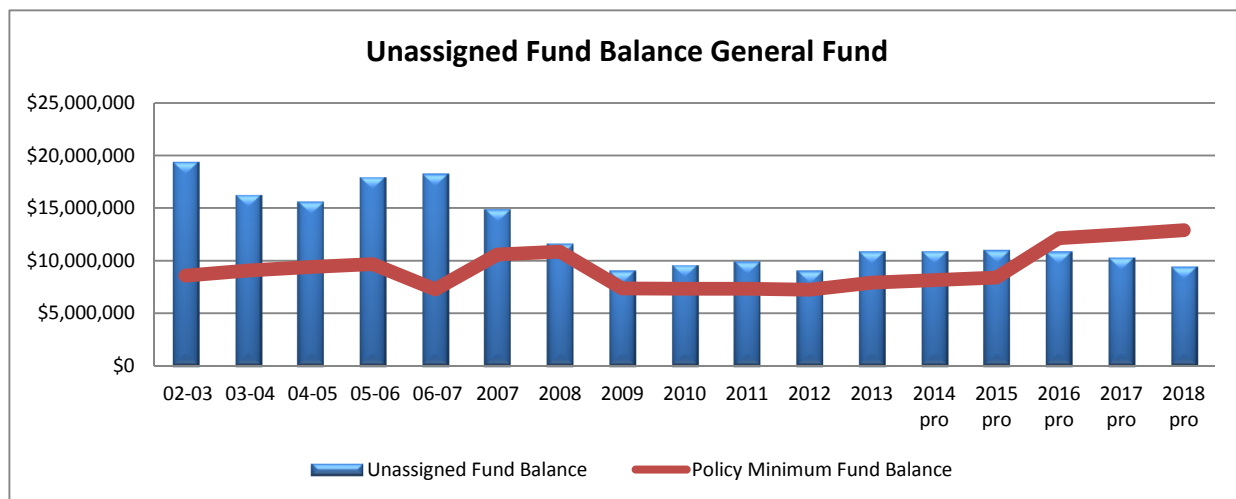
A commitment to properly funding capital will require either a significant revenue enhancement, a reduction in services, or a combination of both. The impact of doing nothing has severe consequences on the Village's reserves.

General Fund Reserves

The General Fund Fund Balance Reserve Policy sets forth a minimum unassigned reserve level of 25 percent of the subsequent year's budget (less pension and capital funding transfers). Within the adopted Strategic Priorities is a goal of reestablishing a 35 percent threshold by the end of FY 2016.

It is important to maintain a strong reserve level for several reasons, (1) it provides more time to react and respond to revenue threats created by economic turbulence, (2) it helps to better withstand any unfunded legislative mandates that will create additional expenditure obligations without a corresponding revenue, and (3) to fund unforeseen infrastructure/capital asset costs. Spending down of prior period reserve balances allows the Village time to reallocate resources within the budget and restructure service levels to react to the situation. After drawing down on the balance to respond to emergency conditions, it is important to rebuild those reserves in order to remain flexible to respond to the next threat.

The following chart provides a history of fund balance reserves and includes estimates for the current fiscal year and the five forecasted years using the assumptions in the financial forecast.



The red line on the graph represents the fund balance policy minimum of 25 percent less pension and capital transfers. In FY 2016, the policy minimum is adjusted to 35 percent to be consistent with Village Strategic Priorities. At the conclusion of the last audited fiscal year (2013), unassigned fund balance represents 34.33 percent of the operating expenses of the FY 2014 Budget. Based upon the five-year analysis, if all transfers for capital, reserves, and golf subsidies are made the 35 percent target will not be attained over the next five years.

Revenue Review:

Approximately 86 percent of all General Fund revenue is generated from seven revenue sources including property tax, combined sales tax including prepared food and beverage, income and use tax, telecommunications tax, utility (natural gas & electricity) use tax and real estate transfer tax.

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

The following is a summary of significant Village revenue sources.

Property Tax

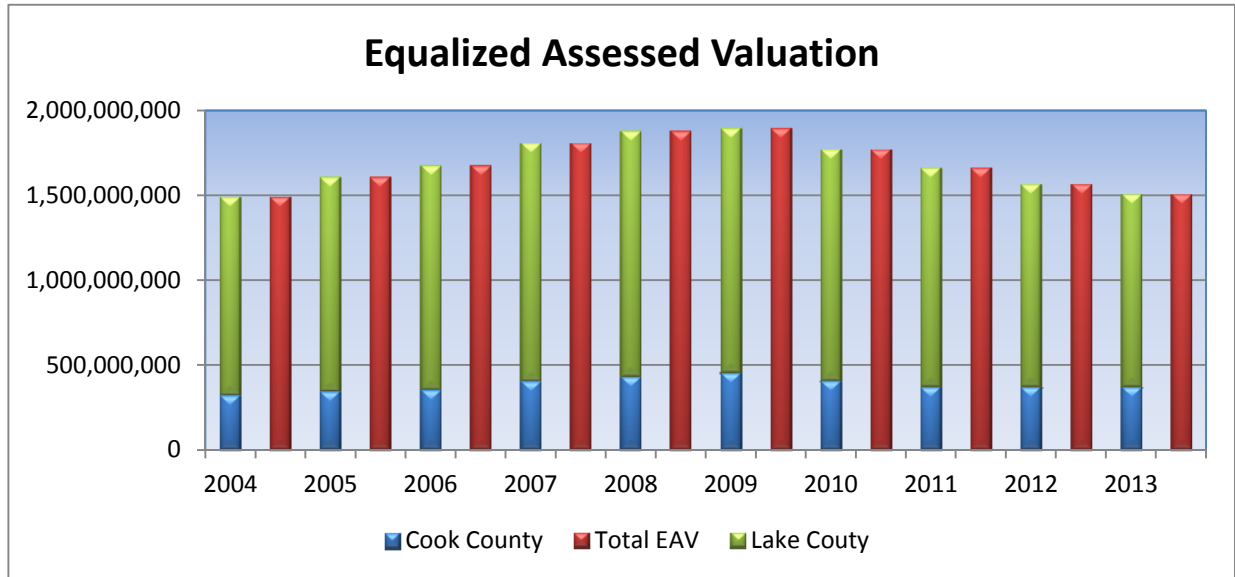
Growth in the corporate property tax levy is tied to the Municipal Cost Index (MCI). The MCI is an amalgam of several key inflationary indices including the Producer Price Index (PPI), Employment Cost Index (ECI), and the Consumer Price Index—Urban (CPI-U). The MCI weights the indices accordingly based on how a typical municipality spends its resources.

The Police and Firefighter Pension Funds levies are calculated by an independent actuary. The pension levies are pass-through revenues that will have a corresponding expenditure. Beginning in FY 2014, the pension levies for the Illinois Municipal Retirement Fund and Social Security/Medicare have been added to the General Fund.

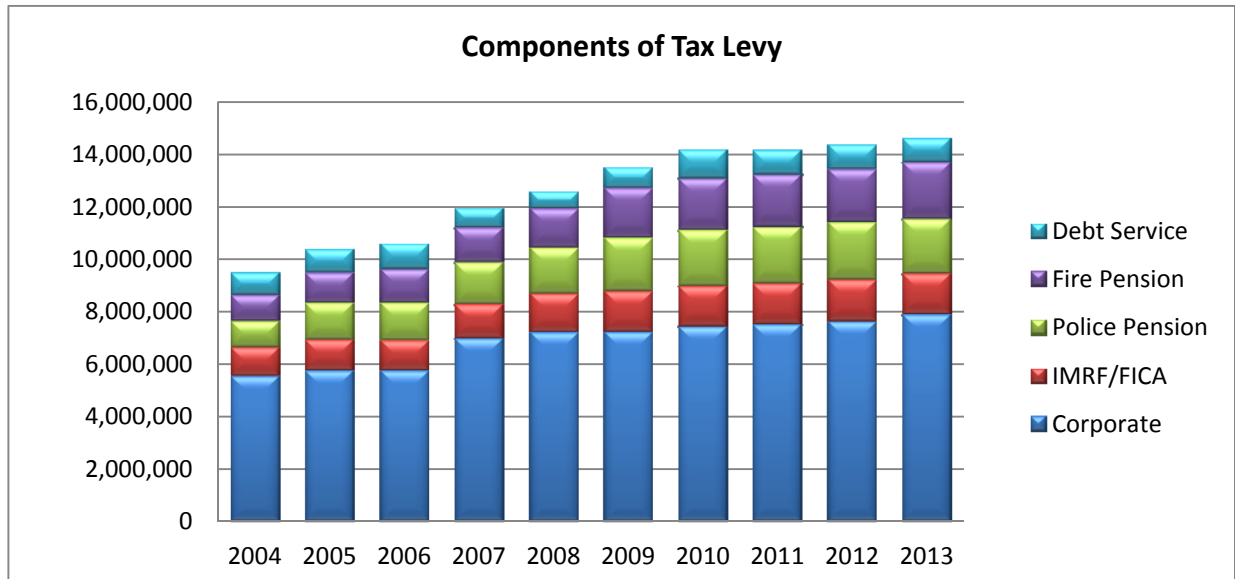
A continuing concern with property taxes is the lack of growth in the property tax base. Assessed value declines began in 2010 (6.47%). Subsequent the following declines have taken place – 2011 (6.48%), 2012 (5.87%) and the most recent, 2013 (3.72% estimated). Because the Village levies a dollar amount, a uniform change across all property classifications has no financial impact to tax payers. This dynamic has not materialized as

commercial/industrial properties have been more successful contesting and decreasing their property values. Any aggregate decrease that exceeds the county average decrease results in a greater share of the tax burden shifted to residential properties.

Listed below is a history of equalized assessed valuations since 2003.



Future ability to raise property tax revenue to support General Fund operations will be challenging as the corporate levy must compete for tax dollars with pension and debt service levies. In 2003, levies for pensions accounted for 32.1 percent of the tax extension. In the most recent tax year (2013), pensions represent 40 percent of property tax as illustrated below. The corporate levy, which funds core General Fund services, has been stagnant until the current year. There was a 3 percent increase in the 2013 levy. The large increase in 2007 was due to the elimination of the Village Vehicle Sticker Program. Those revenues were shifted to the property tax with a net revenue grow of zero.

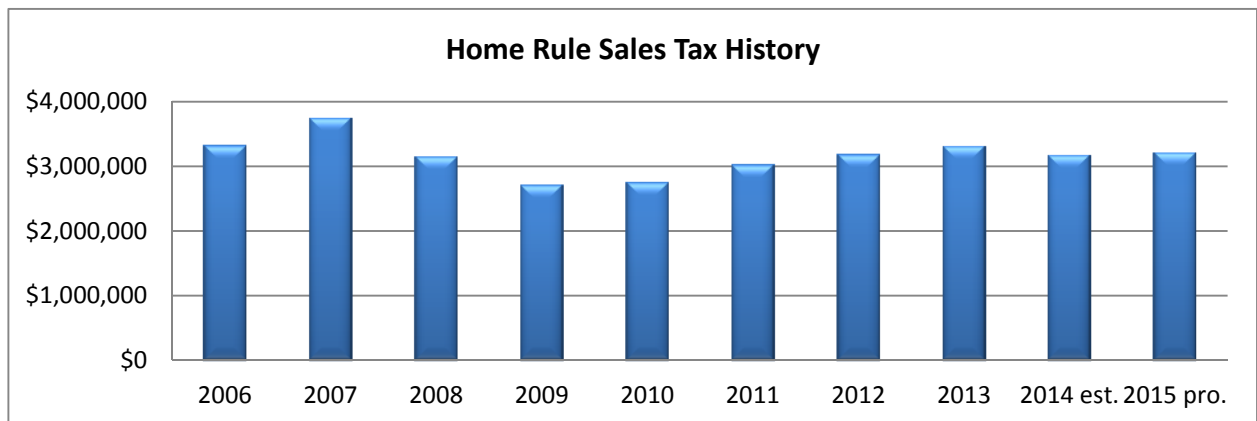
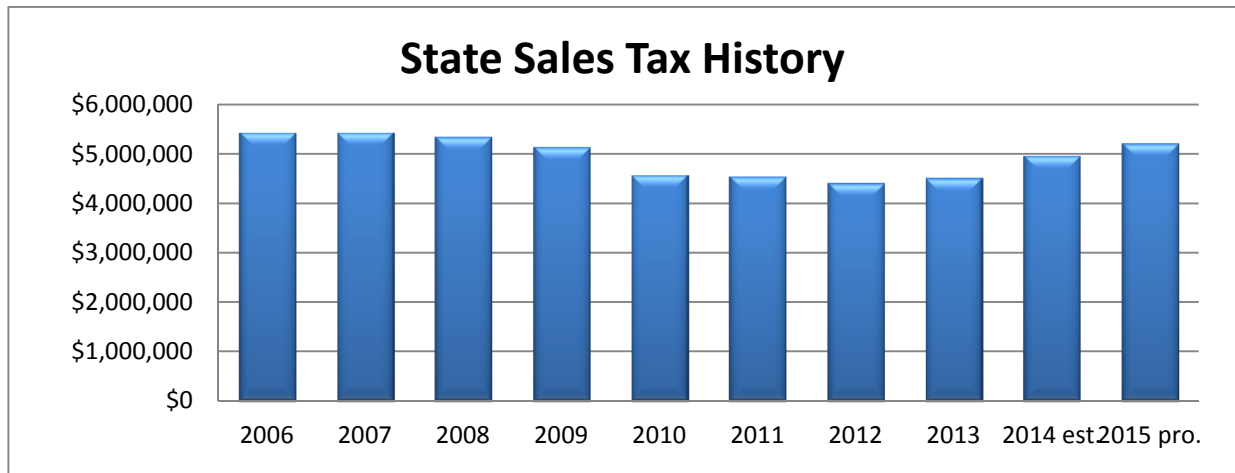


Sales Tax

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

The assumption for the five-year analysis is that the retail mix will remain substantially similar to what is present today. The only variable not accounted for is the change in ownership at two of the three former Dominick's Food Stores. It is too early to measure the sales tax performance at the Mariano's and Garden Fresh stores.

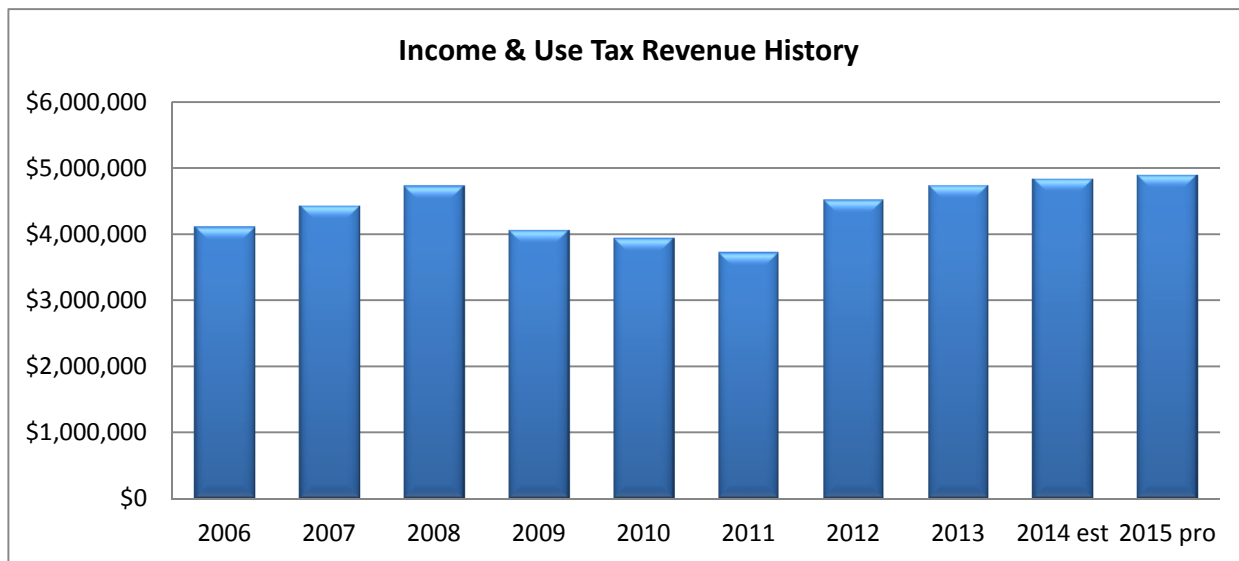
The forecast applied to both base and home rule sales tax produces the following;



Income Tax

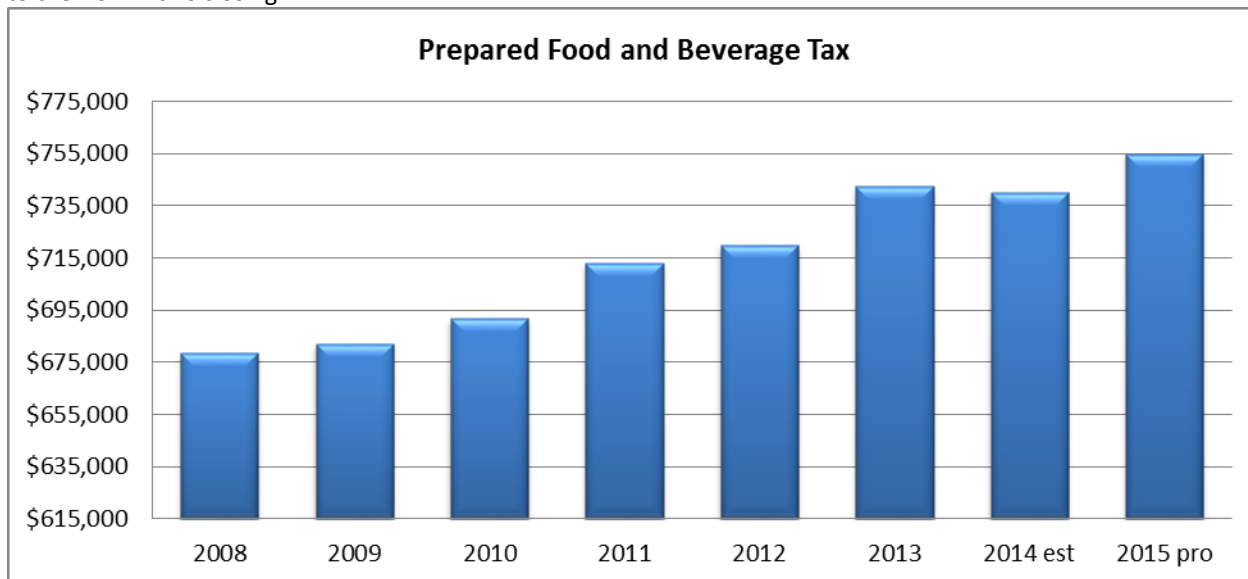
The Illinois Income Tax is imposed on every individual, corporation, trust, and estate earning or receiving income. The tax is calculated by multiplying net income by a flat rate. The current rate is five percent of net income. The rate is set to revert to 3.75 percent from January 1, 2015 to December 31, 2024. The rate will then reduce to 3.25 percent starting on January 1, 2025. The formula for distribution for local governments was 10 percent of the revenue, allocated on a per capita basis, when the rate was 3 percent. When the state rate increased to 5 percent, the increase was not included in the distribution making the effective per capita distribution to municipalities six percent.

The Village's unemployment rate as of May 2014 is 5.4 percent, Cook County is 7.9, Lake County is 6.7 percent, and the State of Illinois is 7.5 percent. Revenues generated by income and use taxes have surpassed the peak set in FY 2008. The growth in revenue is due to improving corporate earnings, recovery in employment, and tax changes to increase total net income. The forecast accounts for 3 percent growth each year through the duration of the forecast. The chart below shows the performance of the revenue since FY 2006.



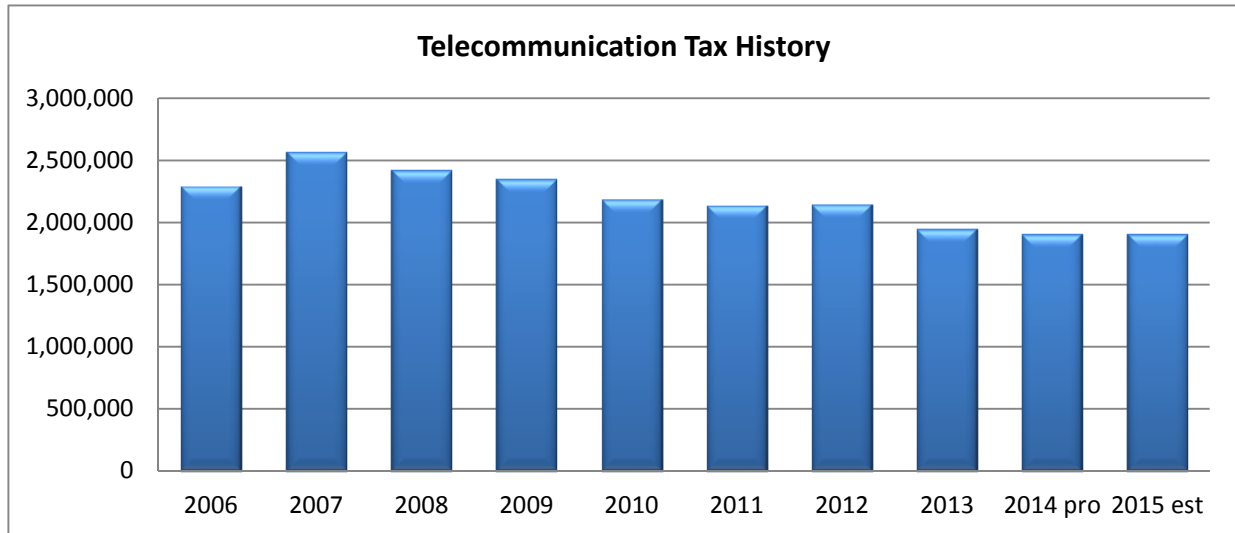
Prepared Food and Beverage Tax

This tax (1%) was adopted in 2008 and is levied on the purchase of prepared food for immediate consumption and the sale of liquor. Similar to sales tax, inflationary growth is the central driver of revenue increases with five-year increases projected at 2 percent annually. There are 112 establishments that charge and remit this tax to the Village. The following chart shows the growth of the revenue since inception. The revenue drop in FY 2014 is due to the Dominick's closing.



Telecommunications Tax

This tax levied at 6 percent on all types of telecommunications except for digital subscriber lines (DSL) purchased, used, or sold by a provider of internet service (effective July 1, 2008). The exemption of DSL service has made a significant impact on collections. Recent legislation has also mandated that data packages no longer be bundled with all other telecommunications billing for the sake of taxation. Those services have been exempted. This revenue is down almost 26 percent from the peak in FY 2007. The forecast calls for a continued decline in 2015 then flat over the remainder of the plan.



Utility Use Tax (Natural Gas & Electricity)

Natural gas and electricity charges are based on consumption and will fluctuate with seasonal demands. The Village is charging the highest statutory rate. No growth is projected over the next five years. Any new growth will be predicated on adding square footage to houses or buildings.

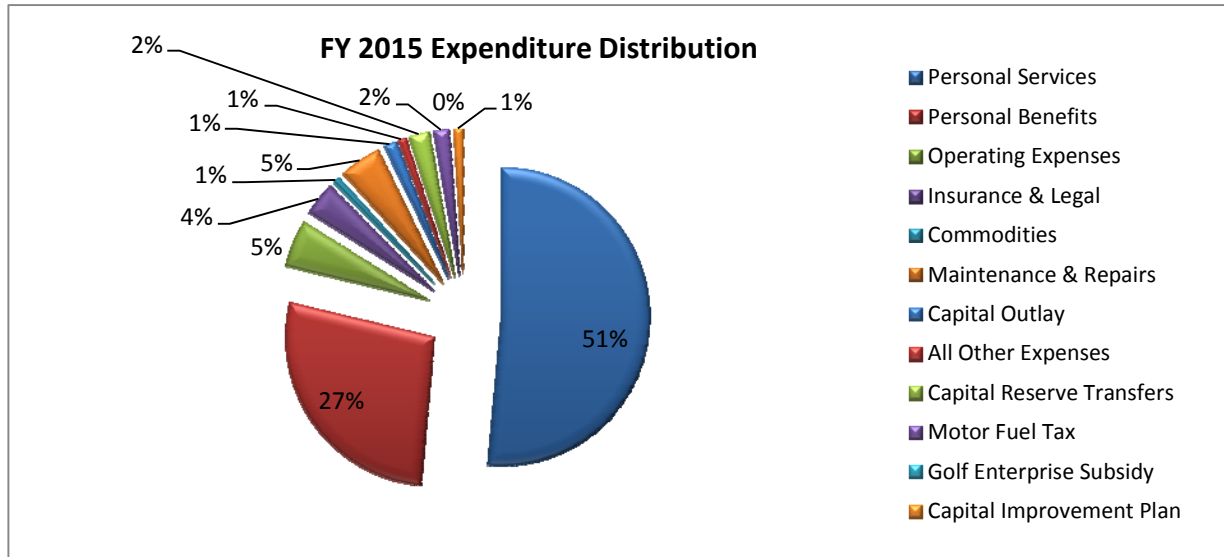
Real Estate Transfer Tax

Real estate transfer tax is collected at the rate of \$3 per \$1,000 of sales consideration. This revenue reached a peak in 2005 at \$1.3 million. There has been a recovery in sales since the market reached a bottom in FY 2012. Traditional sales are increasing as well as the number of high value commercial transactions.



Expenditure Review:

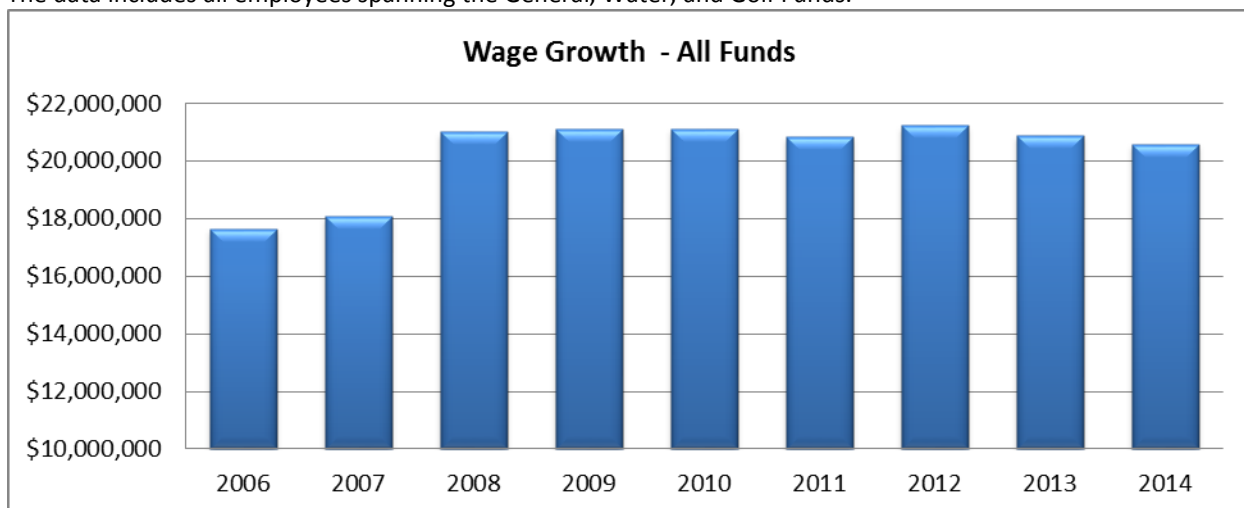
The average annual increase in expenditures over the next five years is 3.2 percent. In each of the next five years, wages and benefits account for about 78.7 percent of all expenditures. The next largest expenditure account group is for operating expenditures (5.1 percent). For FY 2015 the distribution of General Fund expenditures is shown in the table below.



Personal Services

Wages are anticipated to increase by a factor of 4 percent each year. The wage forecast anticipates the general wage increases and merit based pay range adjustments. The forecast does not anticipate another Voluntary Separation Incentive (VSI) during the review period. If one is offered, the forecast will need to be adjusted to reflect as the impact of retirements, the effect of any service realignments, and any hiring decisions become more evident.

Personnel levels have decreased significantly since 2010 as a result of the Village's previous VSI programs combined with reorganization strategies. Full time staffing is at 218 employees or 10.8 percent less than staffing levels four years ago. The chart below shows the financial impact of the efforts to reorganize Village operations. The data includes all employees spanning the General, Water, and Golf Funds.



A major initiative in FY 2014 is to establish a pay for performance system that will allow employees to move through their pay ranges. With the proliferation of retirements, one of the budget savings strategies has been to replace employees with lower salaried employees. Although, the savings are realized immediately, there needs to be a tool to move employees through the pay scale.

Personal Benefits

The largest single expenditure within Personal Benefits is for health insurance. The Village is a member of the Intergovernmental Professional Benefits Cooperative (IPBC). As a member of IPBC, the Village is better able to stabilize medical costs through risk pooling and provide for a mechanism to help establish positive cash flow and rebuild reserves. The forecast calls for two percent growth each year in premium expenses. The benefits of pooling health insurance risk are paying back immediate dividends as the national medical trend for health insurance costs is 6.8 percent.

Over the five-year projection, the employees' contribution is set to cap at 15 percent of the premium in FY 2016. Continued efforts will be made to maintain costs. A renewed emphasis on wellness programs and evaluating data will be critical in the next few years to help stabilize experience.

Staff will be actively working with the IPBC to manage tax implications of the Patient Protection and Affordability Care Act. The Village's plan will be subject to the 'Cadillac Tax' in FY 2017 whereby any premium expenses that exceed the mandated threshold will be subject to a 40 percent tax.

Beginning in FY 2014, employer pensions obligations for police and firefighters are classified under Personal Benefits instead of all other expenses and the Illinois Municipal Retirement Fund has been closed. Employer pension costs have been assigned to each operating department budget. The intent of the change was to better represent the true cost of providing a specific service. Employer pension obligations are anticipated to be \$5.9 million in 2015 or 15.6 percent of the General Fund Budget.

Insurance

Within the Insurance category is the premium paid to the Intergovernmental Risk Management Pool (IRMA) for general liability and workers' compensation coverage. The deductible was lowered in FY 2014 from \$50,000 to \$25,000 due to the recent proliferation of worker's compensation claims. The forecast assumes growth of 2 percent.

Commodities

The single largest expenditure within the Commodity account group is for purchase of salt for the snow and ice control program. The forecast calls for increases of 2.2 percent per annum. Staff continues to seek innovative ways to reduce commodity costs, such as bulk electric procurement, and utilizing centralized purchasing to leverage the Village is buying power.

Maintenance & Repair – Facilities

Expenditure growth in this account group is estimated to be 2.2 percent per year. Included in these expenditures are costs related to the maintenance and repair of sidewalks and bike paths, street patching, streetlights, building facilities, and parkway trees.

General Fund Transfers:

Included in the transfers are \$4.15 million for vehicles, technology, and building reserves over the next five years. \$3.34 million is allocated for transfer to the Motor Fuel Tax Fund to supplement state funding for road repairs. The annual transfer to the Motor Fuel Tax Fund, in conjunction with state allocation, only covers about 50 percent of the streets identified for improvement in a given year. In FY 2012, \$6 million in bonds were issued to expedite the maintenance program. Given the current and continued level of funding, it should be anticipated that another debt issuance for streets would be present in the out years of the forecast. At the end of FY 2015, staff will present recommendation on the \$6 million line of credit for tree replacement. The line of credit will either need terms renegotiated or a takeout financing will be structured.

There is an estimated equity transfer to the Golf Enterprise of \$200,000 over five years. The following transfers have been made over the last seven years. Nearly \$2.6 million in equity transfers have been made to the golf courses since 2006. The intent of an Enterprise Fund is to cover its expenditures with user fees. There was significant improvement in FY 2013 due to staffing realignments, better inventory purchasing, and a slight rebound in play.

Fiscal Year	Subsidy
2013	\$74,188
2012	\$269,500
2011	\$352,000
2010	\$268,000
2009	\$400,000
2008	\$775,000
2007	\$205,141
2006	\$258,601
Total	\$2,602,430

The Five Year Financial Forecast calls for a cumulative five-year deficit of \$3.15 million over the review period. Given the relatively stagnant revenues and growing infrastructure needs, this deficit is not unexpected. Future funding strategies will need to address shortfalls on either or both sides of the ledger. On the expenditure side, there is little ability to reduce significant operating costs that are not wage and benefit driven. Those efforts have taken place over the last four years.

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

This report will be used as a guide for the development of the FY 2015 Budget and will help shape the discussion about how the Village adapts to the current and future financial landscape. Staff seeks further input from the Village Board on the operating forecast.

Revised Pro Forma - Based on Budget Changes

General Fund Revenues - Projected	2015	2016	2017	2018	2019	Growth
Property Taxes	\$14,034,943	\$14,455,991	\$14,889,671	\$15,336,361	\$15,796,452	1.03
Income & Use Taxes	\$4,928,136	\$5,051,339	\$5,177,623	\$5,307,063	\$5,439,740	1.025
State Sales Tax	\$5,195,046	\$5,298,947	\$5,404,926	\$5,513,024	\$5,623,285	1.02
Home Rule Sales Tax	\$3,396,028	\$3,463,949	\$3,533,228	\$3,603,892	\$3,675,970	1.02
Real Estate Transfer Tax	\$787,500	\$795,375	\$803,329	\$811,362	\$819,476	1.01
Telecomm/Excise Tax	\$1,875,000	\$1,912,500	\$1,950,750	\$1,989,765	\$2,029,560	1.02
Prepared Food and Bev Tax	\$780,740	\$800,259	\$820,265	\$840,772	\$861,791	1.025
Utility Tax-Electric Service	\$1,640,000	\$1,656,400	\$1,672,964	\$1,689,694	\$1,706,591	1.01
Utility Tax-Natural Gas Therms	\$1,000,000	\$1,015,000	\$1,030,225	\$1,045,678	\$1,061,364	1.015
Licenses	\$291,600	\$294,516	\$297,461	\$300,436	\$303,440	1.01
Building Revenue & Fees	\$706,000	\$723,650	\$741,741	\$760,285	\$779,292	1.025
Intergovernmental Revenue-Local	\$435,138	\$441,665	\$448,290	\$455,014	\$461,840	1.02
Investment Revenue	\$60,050	\$60,651	\$61,257	\$61,870	\$62,488	0.0025
Fines & Fees-Police & Fire	\$1,773,738	\$1,791,475	\$1,809,390	\$1,827,484	\$1,845,759	1.01
Operating Transfers	\$852,500	\$861,025	\$869,635	\$878,332	\$887,115	1.01
Miscellaneous Revenue	\$1,282,050	\$1,307,691	\$1,333,845	\$1,360,522	\$1,387,732	1.02
Total Revenues - Projected	\$39,038,469	\$39,930,433	\$40,844,600	\$41,781,554	\$42,741,894	
Annual Increase	11.77%	2.28%	2.29%	2.29%	2.30%	
General Fund Expenditures- Projected	2015	2016	2017	2018	2019	Growth
Personal Services	\$18,868,004	\$19,245,364	\$19,630,271	\$20,022,877	\$20,423,334	1.02
Personal Benefits	\$9,717,293	\$10,203,158	\$10,713,316	\$11,248,981	\$11,811,430	1.05
Operating Expenses	\$4,970,772	\$5,070,187	\$5,171,591	\$5,275,023	\$5,380,523	1.02
Insurance	\$820,703	\$853,531	\$887,672	\$923,179	\$960,106	1.04
Legal Services	\$379,650	\$387,243	\$394,988	\$402,888	\$410,945	1.02
Commodities	\$432,490	\$442,870	\$453,499	\$464,383	\$475,528	1.024
Maintenance & Repairs	\$594,494	\$608,762	\$623,372	\$638,333	\$653,653	1.024
Capital Outlay	\$664,898	\$680,856	\$697,196	\$713,929	\$731,063	1.024
All Other Expenses	\$424,747	\$433,242	\$441,907	\$450,745	\$459,760	1.02
Total Operating Expenditures - Projected	\$36,873,051	\$37,925,212	\$39,013,812	\$40,140,337	\$41,306,344	

Operating Surplus/(Deficit)	\$2,165,418	\$2,005,220	\$1,830,788	\$1,641,216	\$1,435,550	
General Fund Transfers - Projected	2015	2016	2017	2018	2019	
Capital Reserve - Vehicles	\$0	\$0	\$0	\$0	\$0	
Capital Reserve - Facilities	\$170,050	\$170,050	\$170,050	\$170,050	\$170,050	
Capital Reserve - Technology	\$39,650	\$39,650	\$39,650	\$39,650	\$39,650	
Motor Fuel Tax	\$679,205	\$692,789	\$706,645	\$720,778	\$735,193	1.02
Golf Enterprise Subsidy	\$346,316	\$349,779	\$353,277	\$356,810	\$360,378	1.01
Capital Improvement Plan	\$918,422	\$941,383	\$964,917	\$989,040	\$1,013,766	1.025
Total Transfers - Projected	\$2,153,643	\$2,193,651	\$2,234,539	\$2,276,328	\$2,319,037	
Total Fund Surplus/(Deficit)	\$11,775	-\$188,431	-\$403,751	-\$635,111	-\$883,487	



TO: Dane C. Bragg, Village Manager

FROM: Scott D. Anderson, Finance Director

DATE: July 22, 2014

RE: FY 2014 – Water Fund 20 Year Pro Forma Annual Update

System Status Update

In FY 2012, two water rate increases were adopted for service years 2013 and 2014. Beginning in 2015, an automatic inflation increase (4%) will be initiated. The intent of water rate increases was to align the true cost of the system (operating, capital, and depreciation and reserve costs) with the rate assessed to water customers. The intent of the update of the 20-year analysis is to provide either a justification for the current rate or a recommendation to modify the water rate ordinance.

A review of the audited 2013 Water Fund performance results in the following;

- Operating income in the fund was \$613,448.
- Adding in the transfer back to the General Fund for services performed on behalf of the fund the fund is in deficit \$399,407. At the same point last year the fund was in deficit approximately \$2.1 million.
- Total gallons billed were 1.27 billion (proforma estimate – 1.31 billion).
- The ending cash and investment balance is \$3.1 million

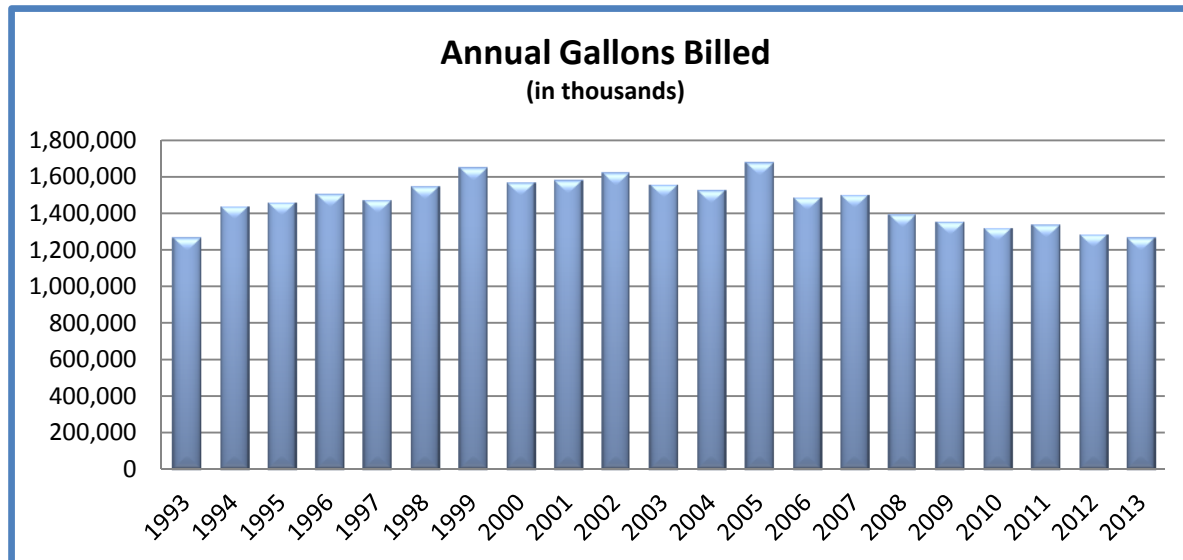
The rate increase in the current year was \$1.21 moving the water rate from \$4.05/1,000 gallons to \$5.26/1,000 gallons.

Rate and Consumption History

The Village maintained a water and sewer rate of \$1.80/1,000 gallons for a period of twenty-three years (1983-2005). One significant reason leading to this period of rate stability was due to the age of the water and sewer infrastructure. During the peak growth decades of the 1980's and 1990's, developers donated approximately 53 percent of the water and sewer system assets. Through a combination of minimal capital expenses, receipt of building and development fees, coupled with a period of growing water consumption, the Water Fund was able to generate strong cash reserves to allow for a strategy of pay-as-you-go financing for future infrastructure repair. Funding for future infrastructure replacement (funding depreciation) was never a component of the rate structure.

Beginning in 2003, a pattern of declining water usage started. In 2002, 1.63 billion gallons of water was billed. In 2013, 1.27 billion gallons were billed, a decrease of 22 percent. There is no expectation that the amount of water billed will reach those levels again absent a significant drought or the addition of heavy industrial uses.

The following chart shows the annual gallons billed since 1993.



The outlier in FY 2005 was drought induced. If that year is removed from the analysis, a fairly linear decline begins after FY 2002 and plateaus in FY 2010. Even with the decline, the Water Fund was able to cover its operating expenses and generate a small surplus each year until 2006. A rate recommendation was made to increase the rate by 33 percent to \$2.40/1,000 gallons effective January 1, 2007. The increase stabilized the fund but did not start building additional cash reserves for future asset replacement. A second rate increase of 25 percent to \$3.00/1,000 was implemented for 2010. Again, the increase helped to ensure that water sales would offset operating expenditures. The next increase was to \$4.05/1,000 or 35 percent in FY 2013 and the most recent increase to \$5.26/1,000 or 30 percent. The new rates begin the process of developing a fully loaded water rate that will fund operating, capital and infrastructure reserve demands.

Last year marked the lowest amount of water billed since 1993. This year, water usage is trending lower than previous year due to an unusually mild and wet summer to date. Factors that continue to impact water usage include weather, conservation, mature landscaping and more efficient appliances. The Village's philosophy on establishing an infrastructure reserve is to cash finance system replacement over the long term.

It is estimated, in the study that the current fiscal year will close at 1.26 billion gallons billed. The analysis uses an estimate of 1.31 billion gallons and will carry forward through the next 20 years. Although there will be an increase in total consumers over the next two decades, continued conservation efforts could partially counterbalance that growth. One factor that has not been integrated into this analysis is any potential impact of replacing worn out meters in homes. As these devices start to fail and are replaced, there is the potential for more accurate (higher) reads. The Village is currently working with Siemens Industry, using a performance-contracting model, which may result in replacing all water meters in the Village. Ideally, the savings generated through more efficient measurement will offset the cost of the capital (meters). For purposes of this analysis, the water meter project was excluded, to be considered as a standalone project.

Water Fund Financials

During the high growth years of the water system, the Water and Sewer Fund was able to amass a cash balance that allowed for a reserve to address infrastructure maintenance and improvement. Due to the relative age of the system, over a fifteen year span (1993-2007) the only capital expense was \$229,527 for the St. Mary's Road water main replacement. Since 2008, \$3.3 million in infrastructure repairs and improvements has been spent. In FY 2014, it is anticipated that another \$3.4 million will be invested in system infrastructure.

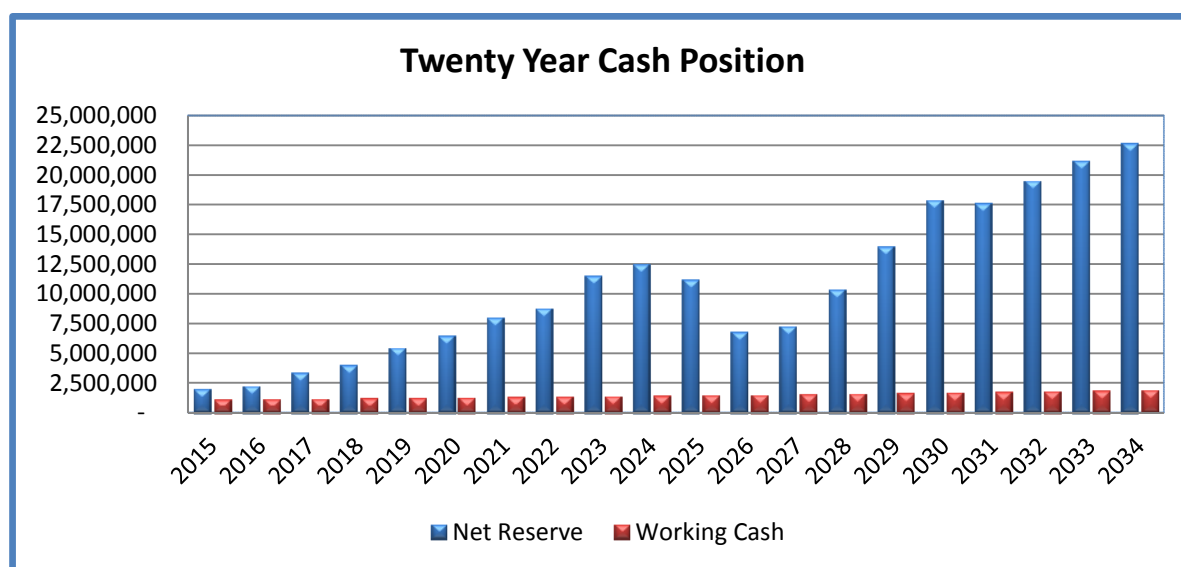
On the attached financial analysis, staff has presented a twenty-year estimate of revenues, operating expenses, Capital expenses, and Operating Transfers. Revenues include all building fees and billed amounts for water

consumption. Operating expenses are those expenses related to the day-to-day activities such as wholesale water purchase, labor and materials, and energy costs. Capital expenses are those amounts spent to repair or improve capital assets and infrastructure. Operating transfers are amounts paid to reimburse the General Fund for expenditures related to Water Fund activities.

Working cash represents 25 percent of operating expenses. Once the working cash balance reaches the 25 percent threshold, remaining funds are then allocated as the 'net reserve' that is available for capital and infrastructure spending. At the end of FY 2014, working cash is anticipated to be \$1.039 million and the net reserve is \$1.95 million. Those funds support an enterprise system valued at \$.5 billion.

Also included in the analysis is a possible expansion of the public utility financing program loan limits, which does not have a forecast rate impact.

The following chart shows the impact of the current rate structure (with 4% inflationary increases beginning FY 2015) on the fund's cash position.



The Water Fund remains in a precarious financial position for the next few years. Any significant unanticipated repairs will deplete the working cash and reserve balances.

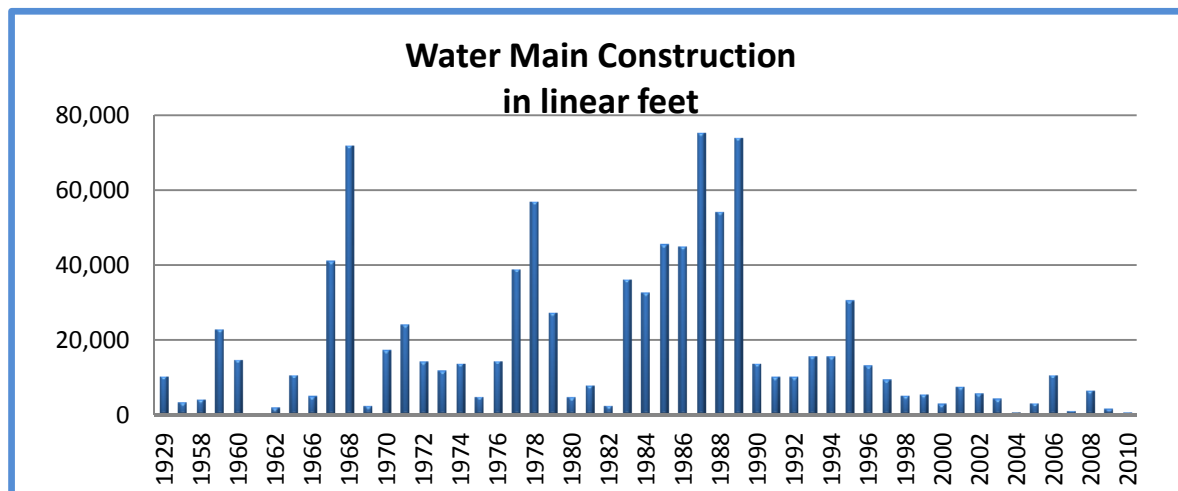
Water and Sewer System Assets

The utility system consists of 181 linear miles of water and sewer main. The value of the water main alone in today's dollars is approximately \$200 million. The service life of the infrastructure ranges from 50 years for cast iron main to 75 years for ductile iron. The replacement cost of the entire system (water and sewer main, lift stations) at the end of the 20-year study, inflated at 3% per year, is \$700 million. The assumption used for replacing any future water mains is that on any given year where sections of the system have reached the end of their useful life 25% of the system will be replaced. For instance, water main constructed in 1965 has a replacement cost of about \$372,000; we then forecast that \$94,000 in repairs would occur in FY 2015. This cost estimate compensates for the improbability that the entire section will be replaced. The estimates reflect rolling replacements where in certain instances only sections are repaired. Another factor for consideration is that the replacement cost includes a curb-to-curb street reconstruction. About 50 percent of that expense will be charged to the Capital Projects Street Fund or the Motor Fuel Tax Fund.

Within the straight-line depreciation calculation beginning with the oldest main constructed in 1929, the first replacement should have occurred in 1979. Approximately \$10 million in water mains have 'expired' but have not

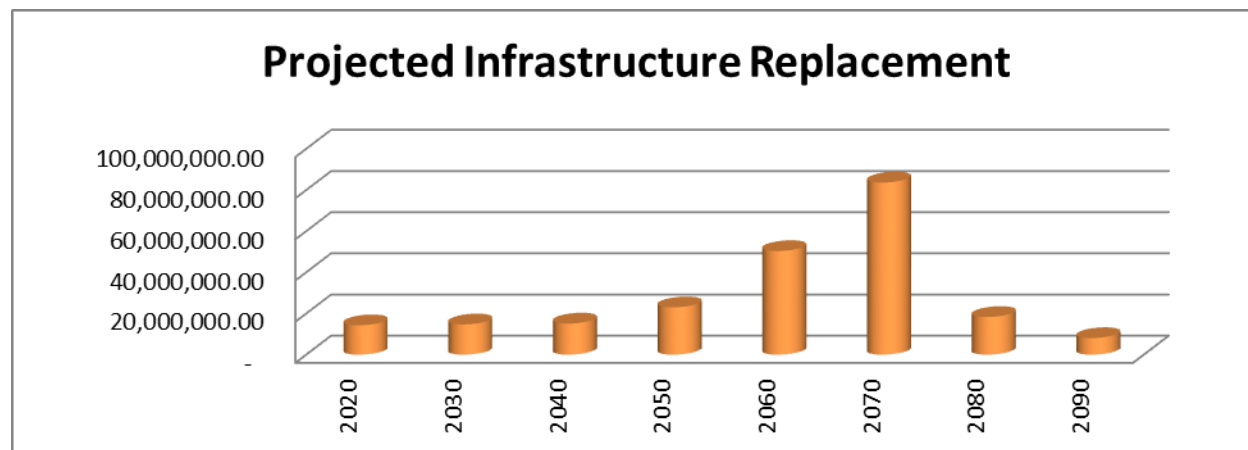
needed to be repaired. Estimating the actual asset life at times is more abstract than qualitative. Pipe that is ensconced in stable soil and subjected to consistent water pressure may have a service life that may double an engineering estimate, and conversely, weak soils or pressure fluctuations may reduce the life by many years.

The following chart shows the pattern of construction of water main since 1929.



During the thirteen years spanning 1983-1996, almost 50% of the water system was constructed. Fortunately during those years, the more resilient ductile iron was used. The cost of that original installation was paid by developers as specified within development agreements.

The age distribution of the water main leads to the cost estimates to replace the system noted in the graph presented below:



Replacement costs begin to ramp up in the 2060s and 2070s as main installed during the peak construction years reaches seventy years of age.

Water main is only one component of the delivery system. Other assets include the sanitary sewer main, lift stations, and booster stations. The sanitary sewer mains have roughly the same total mileage as the water main. The service life of the sewer mains should be significantly higher than water mains as they are not subjected to pressure. Since the Village does not treat waste there are no treatment facilities to fund. For the purpose of the pro forma, the FY 2014-2018 Capital Improvement Plan was added to the calculation. Beyond 2018, a flat amount is budgeted each year to address sanitary sewer system and lift station repairs.

Water Rate Recommendations

Each year staff reviews the financial condition of the fund to determine the adequacy of current rates. The rate is set by ordinance to increase in FY 2015 by 4 percent annually. There are no changes recommended with this update.

The impact of infrastructure maintenance costs and the related strain on the water and sewer fund is not unique to the Village of Buffalo Grove. All communities to varying degrees are challenged on how to maintain and protect their system assets. A proper rate structure is the first step to ensuring that the fund will have the resources available to maintain the integrity of the system.

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Appendix C

Human Resources

Health Plan Benefits

Employee Staffing Levels



Health Plan Benefits

The Village offers three health insurance coverage options (2 PPOs and 1 HMO) on a self insured, pooled basis using the BlueCross BlueShield network. The Village also offers Basic Life /AD&D through Reliance Standard and Dental insurance coverage on a self-funded, pooled basis through MetLife.

On January 1, 2012, the Village entered the Intergovernmental Personnel Benefits Cooperative (IPBC). Established in 1978, the IPBC is a benefits pool, created under Illinois Law and regulated by the Illinois Department of insurance. Comprised of approximately 80 municipalities and similar units of local government, the IPBC covers over 12,000 active employees and retiree lives. Participation in the IPBC provides the Village with great benefits, including, but not limited to the following:

1. IPBC rate increases have historically trended lower than industry benchmarks.
2. Economies of scale are experienced from negotiating and purchasing insurance products in intergovernmental consortiums.
3. The IPBC has expanded access to more effective cost containment options by negotiating contracts with BlueCross BlueShield, Cigna, and United Healthcare.
4. The IPBC provided a wealth of information and support services to assist the Village in regard to the impact of Healthcare Reform, compliance, and cost analysis.

Multi-Year Approach to Employee Health Care Premium Contributions

For a decade, the Village has charged its eligible employees 10% of the premium for their medical insurance benefit. Effective January 1, 2012, the Village began a multi-year approach to increasing medical premium contribution to 15%. This year the employee contribution will be 14%. The FY2012-FY2016 medical insurance premium contribution schedule that has been adopted for all eligible Village employees, including those in the bargaining unit, is as follows:

- 2012 – 11% employee contribution to health insurance premium.
- 2013 – 12% employee contribution to health insurance premium.
- 2014 – 13% employee contribution to health insurance premium.
- 2015 – 14% employee contribution to health insurance premium.
- 2016 – 15% employee contribution to health insurance premium.

2014 versus 2015 Premium Structure (\$)

	2014 Monthly rates			2015 Monthly rates		
PPO-A Medical Plan						
90% In-Network / 70% Out of network benefit	<u>Employee</u>	<u>Village</u>	<u>Total</u>	<u>Employee</u>	<u>Village</u>	<u>Total</u>
Single employee	80.81	540.80	621.61	78.79	483.99	562.78
Single + 1 dependent	163.23	1092.41	1,255.64	159.15	977.67	1,136.82
Family + 2 dependents	288.48	1930.62	2,219.10	281.28	1727.83	2,009.11

	2014 Monthly rates			2015 Monthly Rates		
PPO-B Medical Plan						
100% In-Network / 0% Out of network benefit	<u>Monthly</u>	<u>Village</u>	<u>Total</u>	<u>Monthly</u>	<u>Village</u>	<u>Total</u>
Single employee	85.05	569.19	654.24	82.93	509.40	592.33
Single + 1 dependent	171.8	1149.75	1,321.55	167.51	1028.98	1,196.49
Family + 2 dependents	303.63	2051.99	2,355.62	296.05	1818.56	2114.61

	2014 Monthly rates			2015 Monthly rates		
HMO Medical Plan	<u>Monthly</u>	<u>Village</u>	<u>Total</u>	<u>Monthly</u>	<u>Village</u>	<u>Total</u>
Single employee	72.47	485.00	557.47	78.12	479.88	558.00
Single + 1 dependent	146.39	979.70	1,126.09	158.57	974.09	1,132.66
Family +2 dependents	258.72	1731.45	1,990.17	280.25	1721.52	2,001.77

<u>DENTAL</u>	2014 Monthly rates	2015 Monthly rates
No employee contribution	<u>Total Premium</u>	<u>Total Premium</u>
Single employee	43.89	48.8
Single + 1 dependent	73.90	82.16
Family + 2 dependents	123.92	137.78

Employee Staffing Levels

Office of the Village Manager/ Administration	FY 2013		FY 2014		FY 2015	
	FT	PT	FT	PT	FT	PT
Administrative Intern	0	1	0	1	0	0
Assistant to the Village Manager	1	0	0	0	0	0
Associate Planner	0	1	0	1	0	0
Deputy Village Manager	1	0	1	0	1	0
Director of Human Resources	0	0	0	0	0	0
Emergency Response Coordinator	0	1	0	0	0	0
Management Analyst	1	0	2	0	2	0
Secretary	1	0	0	0	0	0
Village Manager	1	0	1	0	1	0
Village Planner	1	0	1	0	1	0
Community Development Director	0	0	0	0	1	0
Total	5	2	6	2	6	0
Full & Part-Time Total	7		8		6	

Human Resources	FY 2013		FY 2014		FY 2015	
	FT	PT	FT	PT	FT	PT
Director of Human Resources	1	0	1	0	1	0
Management Analyst	0	0	1	0	1	0
Secretary	0	1	0	0	0	0
Total	1	1	2	0	2	0
Full & Part-Time Total	2		2		2	

Finance & General Services	FY 2013		FY 2014		FY 2015	
	FT	PT	FT	PT	FT	PT
Accountant	1	0	1	0	1	0
Deputy Finance Director	1	0	1	0	1	0
Clerk II	1	1	2	0	2	0
Clerk III	3	0	2	0	1	0
Director of Finance/Treasurer	1	0	1	0	1	0
Payroll Clerk III	1	0	1	0	1	0
Purchasing Manager	1	0	1	0	1	0
Secretary	0	0	1	0	0	0
Total	9	1	10	0	8	0
Full & Part-Time Total	10		10		8	

Building & Zoning	FY 2013		FY 2014		FY 2015	
	FT	PT	FT	PT	FT	PT
Administrative Assistants	1	0	2	0	2	0
Building Commissioner	0	0	1	0	1	0
Building Inspector	1	0	1	0	1	0
Clerk II	0	2	0	1	0	1
Deputy Building Commissioner	2	0	0	0	0	0
Deputy Clerk	0	0	0	0	1	0
Electrical Inspector	1	0	1	0	1	0
Health Inspector	1	0	1	0	1	0
Plan Reviewer	1	0	1	0	1	0
Plumbing Inspector	1	0	1	0	1	0
Property Maintenance Inspector	1	0	1	0	1	0
Total	9	2	9	1	10	1
Full & Part-Time Total	11		10		11	

Fire Services	FY 2013		FY 2014		FY 2015	
	FT	PT	FT	PT	FT	PT
Battalion Chief	5	0	4	0	4	0
Deputy Fire Chief	1	0	1	0	1	0
Deputy Fire Marshall	1	0	0	0	0	0
EMA Coordinator	0	0	0	1	0	1
Fire Chief	1	0	1	0	1	0
Fire Inspector*	1	0	1	0	1	0
Fire Inspector/Public Education Officer	0	1	0	1	0	1
Fire Lieutenant	9	0	9	0	9	0
Firefighter/Paramedic	42	0	42	0	42	0
Secretary	1	0	0	1	1	0
Total	61	1	58	3	59	2
Full & Part-Time Total	62		61		61	

*Additionally, two full-time Building Inspectors serve as part-time fire inspectors.

Information Technology	FY 2013		FY 2014		FY 2015	
	FT	PT	FT	PT	FT	PT
Director of Information Technology	1	0	1	0	0	0
Information Technology Analyst	1	0	1	0	0	0
Information Technology Assistant	1	0	1	0	0	0
Programmer	0	1	0	0	0	0
Total	3	1	3	0	0	0
Full & Part-Time Total	4		3		0	

*Information Technology was contracted to InterDev in 2014

Police Services	FY 2013		FY 2014		FY 2015	
	FT	PT	FT	PT	FT	PT
Chief of Police	1	0	1	0	1	0
Clerk II	0	1	0	1	0	1
Clerk III	3	0	2	0	2	0
Community Service Officer	3	0	3	0	3	0
Court Supervisor	0	1	0	1	0	0
Crime Prevention/Community Relations	0	1	0	0	0	0
Crossing Guard	0	9	0	9	0	9
Deputy Police Chief	1	0	1	0	2	0
Desk Officer I	0	2	0	2	0	3
Desk Officer II	3	0	2	0	2	0
Evidence Custodian	0	1	0	1	0	1
Lieutenant	0	0	3	0	4	0
Patrol Officer	51	0	48	0	47	0
Police Commander	3	0	3	0	2	0
Police Sergeant	10	0	8	0	8	0
Records Supervisor	1	0	1	0	1	0
Secretary	1	0	1	0	1	0
Technical Services Administrator	0	0	1	0	1	0
Technical Services Specialist	0	0	0	0	0	0
Total	77	14	74	14	74	14
Full & Part-Time Total	91		88		88	

Golf Operations	FY 2013		FY 2014		FY 2015	
	FT	PT	FT	PT	FT	PT
Head Golf Professional	1	0	1	0	2	0
Assistant Golf Professional	1	0	1	2	1	2
Golf Course Attendants- Seasonal	0	15	0	15	0	15
Golf Course Cashier- Seasonal	0	9	0	9	0	9
Golf Maintenance worker I	0	1	0	0	0	0
Golf Course Maintenance Worker- Seasonal	0	14	0	14	0	14
Golf course maintenance worker II	1	0	1	0	1	0
Golf course maintenance worker III	1	0	1	0	1	0
Golf Course starter/ranger- seasonal	0	11	0	11	0	11
Golf Course Superintendent	1	0	1	0	1	0
Horticulturalist	1	0	1	0	1	0
Total	8	52	7	51	7	51
Full & Part-Time Total	60		58		58	

Public Works/Engineering	FY 2013		FY 2014		FY 2015	
	FT	PT	FT	PT	FT	PT
Automotive Mechanic II	3	0	3	0	3	0
Automotive Mechanic III	1	0	1	0	1	0
Automotive Shop Assistant	0	1	0	1	0	1
Building Maintenance Supervisor	1	0	1	0	0	0
-Building Maintenance Manager	0	0	0	0	1	0
Building Maintenance Worker	2	0	2	0	2	0
Building Maintenance Worker II – CL	1	0	1	0	1	0
Civil Engineer I	1	0	1	0	1	0
Civil Engineer II	1	0	1	0	1	0
Clerk II	1	0	0	0	0	0
Deputy Director of Public Works	1	0	1	0	1	0
Director of Public Works	1	0	1	0	1	0
Engineering Aide	0	1	0	1	0	1
Engineering Technician	1	0	1	0	1	0
Facility Coordinator	0	0	0	0	0	0
Fleet Manager	1	0	1	0	1	0
Forestry and Grounds Supervisor	1	0	1	0	0	0
Forestry & Grounds Manager	0	0	0	0	1	0
Laborer – Seasonal	0	6	0	6	0	6
Maintenance Worker I	11	0	9	0	8	0
Maintenance Worker II	8	0	10	0	13	0
Maintenance Worker II – CL	8	0	7	0	6	0
Maintenance Worker III	1	0	1	0	0	0
Metra Station Attendant	0	0	0	0	0	0
Operations Mgr – Streets, Drainage, Sanitary Sewer	1	0	1	0	0	0
-Superintendent of Maintenance	0	0	0	0	1	0
Seasonal Snow Plow Driver	0	1	0	1	0	1
Secretary	2	0	3	0	2	1
Sewer & Drainage Manager	0	0	0	0	1	0
Streets Manager	0	0	0	0	1	0
Superintendent of Water Operations	1	0	1	0	0	0
Superintendent of Utilities	0	0	0	0	1	0
Village Engineer	1	0	1	0	1	0
Water Manager	0	0	0	0	1	0
Total	49	9	50	9	50	10
Full & Part-Time Total	58		59		60	

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Appendix D

Document Definitions

Glossary
Acronyms



Glossary

The Annual Budget contains terminology unique to public finance and budgeting. This glossary was prepared to assist the reader of this document in the understanding of some of these terms.

Abatement:

A partial or complete cancellation of a levy imposed by the Village. Abatements usually apply to tax levies special assessments and service charges.

Agency Fund:

A fund normally used to account for assets held by a government as an agent for individuals, private organizations or other governments and/or other funds.

Appropriation:

A legal authorization granted by the Village Board to make expenditures and to incur obligations for specific purposes. An appropriation usually is limited in amount and time it may be expended.

Assessed Valuation:

A value that is established for real or personal property and used as a basis for levying property taxes. (Note: Property values are established by the Township Assessor.)

Assets:

Property owned by a government.

Audit:

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation.

Balance Sheet:

That portion of the Village's financial statement that discloses the assets, liabilities, reserves and balances of a specific governmental fund as of a specific date.

Basis of Accounting:

A term used when revenues, expenditures, expenses, transfers, assets and liabilities are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the nature of the measurement, on the cash, modified accrual or the accrual method.

Bond:

A written promise to pay a sum of money on a specific date at a specified interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation and revenue bonds. These are most frequently used for the financing of capital improvements.

Budget:

A plan of Village financial operations which includes an estimate of proposed expenditures and a proposed means of financing them. The term used without any modifier usually indicates a financial plan for a single operating year. The budget is the primary means by which the expenditure and service levels of the Village are controlled.

Budget Message:

The opening section of the budget which provides the Village Board and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and the views and recommendations of the Village Administrator.

Cash Management:

The management of cash necessary to pay for government services while investing temporary cash excesses in order to earn interest revenue. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships, and investing funds in order to achieve the balance of the highest interest and return, liquidity and minimal risk with these temporary cash balances.

Certificate of Deposit:

A negotiable or non-negotiable receipt for monies deposited in a bank or financial institution for a specified period for a specified rate of interest.

Charges for Service:

User charges for services provided by the Village to those specifically benefiting from those services.

Debt:

A financial obligation resulting from the borrowing of money. Debts of government include bonds, notes, and land contracts.

Deficit:

The excess of expenditures or expenses over revenues or income during a single accounting period.

Department:

A major administrative division of the Village which indicates overall management responsibility for an operation.

Depreciation:

The allocation of the cost of a fixed asset over the asset's useful life. Through this process the entire cost of this asset less any salvage value is ultimately charged off as an expense. This method of cost allocation is used in proprietary funds.

Distinguished Budget Award Program:

Award program that recognizes exemplary budget documentation run by Government Finance Officers Association. Budgets are reviewed using a comprehensive checklist and those judged proficient receive the award.

Enterprise Fund:

A fund established to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has 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 purposes.

Expenditures:

Decreases in net financial resources. Expenditures include current operating expenses requiring the present or future use of net current assets, debt service and capital outlays, and intergovernmental transfers.

Expenses:

Charges incurred, whether paid or unpaid, resulting from the delivery of Village services.

Fiscal Policy:

The Village's policies with respect to revenues, spending, and debt management as these relate to government services, programs and capital investment. Fiscal policy provides an agreed upon set of principles for the planning and programming of government budgets and their funding.

Fiscal Year:

A 12 month period to which the Village's annual operating budget applies and at the end to which the Village determines its financial position and the results of its operation. The Village has specified January 1 to December 31 as its fiscal year.

Fixed Assets:

Assets of a long term character which are intended to continue to be held or used. Examples of fixed assets include items such as land, buildings, machinery, furniture, and other equipment.

Fund:

An accounting entity with a self-balancing set of accounts which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

Fund Balance:

The fund equity of governmental funds. Changes in fund balances are the result of the difference of revenues to expenditures. Fund balances increase when revenues exceed expenditures and decrease when expenditures exceed revenues.

Generally Accepted Accounting Principles (GAAP):

Uniform minimum standards and guidelines for financial accounting and reporting. They govern the form and content of the financial statements of an entity. GAAP encompass the conventions, rules and procedures necessary to define accepted accounting practice at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. GAAP provide a standard by which to measure financial presentations. The primary authoritative body on the application of GAAP to state and local governments is the Governmental Accounting Standards Board (GASB).

General Obligation Bonds:

Bonds that finance a variety of public projects such as streets, buildings, and improvements; the repayment of these bonds is usually made from the Debt Service Fund, and these bonds are backed by the full faith and credit of the issuing government.

GIS Consortium (GISC):

The Consortium gives the Village access to staffing and development tools through a cooperative, regional consortium. Specifically GISC is a group of local communities working together to develop geographic information systems (GIS) solutions. These local governments have broad backgrounds in GIS-related technologies and share a common objective—to achieve the full benefits of GIS by maximizing value while reducing cost and risk. The GIS Consortium was established with the goal of investigating existing approaches to GIS in local government and integrating best practices into a unified model.

Governmental Fund Types:

Funds used to account for the acquisition, use and balances of expendable financial resources and the related current liabilities, except those accounted for in proprietary and trust funds. In essence, these funds are accounting segregation of financial resources. Expendable assets are assigned to a particular governmental fund type according to the purposes for which they may or must be used. Current liabilities are assigned to the fund type from which they are to be paid. The difference between the assets and the liabilities of governmental fund types is referred to as fund balance. The measurement focus in this fund types is on the determination of financial position and changes in financial position (sources, uses and balances of financial resources), rather than on net income determination. The statement of revenues, expenditures and changes in fund balance is the primary governmental fund type operating statement. It may be supported or supplemented by more detailed schedules of revenues, expenditures, transfers and other changes in fund balance. Under current GAAP, there are four governmental fund types: general, special revenue, debt service and capital projects.

Income:

A term used in proprietary fund type accounting to represent (1) revenues, or (2) the excess of revenues over expenses.

IRMA (Intergovernmental Risk Management Agency):

An organization of 75 municipalities in the six county collar area around Chicago which joined together to pool insurance risk, cost, and coverage. IRMA, through its risk-sharing provisions, provides the Village with coverage for liability, property damage, automobile, and worker's compensation insurance.

Intergovernmental Revenue:

Funds received from federal, state and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

Internal Service Fund:

A fund that is comprised of one or more departments that provide services to other departments within the governmental unit or amongst multiple governmental units. These services are funded through expenditures in the departments that utilize the services provided and recorded as revenue in the internal service fund created.

Levy:

(Verb) To impose taxes, special assessments, or service charges for the support of governmental activities. (Noun) The total amount of taxes, special assessments or service charges imposed by the Village.

Liability:

Debt or other legal obligations arising out of transactions in the past which must be liquidated renewed or refunded at some future date.

Modified Accrual Basis:

The accrual basis of accounting adapted to the governmental fund-type measurement focus. Under it, revenues and other financial resource increments (e.g., bond issue proceeds) are recognized when they become susceptible to accrual that is when they become both "measurable" and "available" to financial expenditures of the current period: "Available means collectible in the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recognized when the fund liability is incurred except for (1) inventories of materials and supplies that may be considered expenditure either when purchased or when used, and (2) prepaid insurance and similar items that may be considered expenditures either when paid for or when consumed. All

governmental funds, expendable trust funds and agency funds are accounted for using the modified accrual basis of accounting.

Net Income:

Proprietary fund excess of operating revenues, non-operating revenues, and operating transfers in over operating expenses, non-operating expenses, and operating transfers out.

Property Tax:

Property taxes are levied on real property according to the property's valuation and the tax rate.

Proprietary Fund Types:

The classification used to account for a Village's ongoing organizations and activities that are similar to those often found in the private sector (i.e., enterprise and internal service funds). All assets, liabilities, equities, revenues, expenses and transfers relating to the government's business and quasi-business activities are accounted for through proprietary funds. The GAAP used are generally those applicable to similar businesses in the private sector and the measurement focus is on determination of net income, financial position and changes in financial position. However, where the GASB has issued pronouncements applicable to those entities and activities, they should be guided by these pronouncements.

Retained Earnings:

An equity account reflecting the accumulated earnings of the Village's Proprietary Funds.

Revenue:

Funds that the government receives as income. It includes such items as tax receipts, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues and interest income.

Tax Increment District:

A legal entity created by local resolution to promote improvements, jobs, etc. The taxes generated from the assessed value "increment" above the base year is used to finance the costs of the improvements which generate the increased assessed valuation.

Tax Levy:

The total amount to be raised by general property taxes for operating and debt service purposes.

Tax Rate:

The amount of tax levied for each \$100 of assessed valuation.

Trust Funds:

Funds used to account for assets held by a government in a trustee capacity for individuals, private organizations, other governments and/or other funds.

Acronyms

CAD: Computer Aided Dispatch

CIF: Capital Improvement Fund

CIP: Capital Improvement Plan

EAB:	Emerald Ash Borer
EAV:	Equalized Assessed Valuation
EMA:	Emergency Management Agency
FLSA:	Fair Labor Standards Act
GAAP:	Generally Accepted Accounting Principals
GFOA:	Government Finance Officers Association
GMAT	Greater Metropolitan Auto Theft Task Force
HVAC:	Heating, Ventilation Air Conditioning
ICE:	Immigrations and Customs Enforcement
IEPA:	Illinois Environmental Protection Agency
IMF:	Infrastructure Maintenance Fee
IMRF:	Illinois Municipal Retirement Fund
IRMA:	Intergovernmental Risk Management Agency
MCSC3:	Mobile Comm Support Center 3
MDC:	Mobile Data Computer
MFT:	Motor Fuel Tax
OTSW:	Opportunities, Threats, Strengths and Weaknesses
SOP:	Standard Operating Procedure
SWANCC:	Solid Waste Agency of Northern Cook County
TERF:	Technology Equipment and Replacement Fund
TIF:	Tax Increment Financing
VSI:	Voluntary Separation Incentive