



Village Of Buffalo Grove, IL

A Citizens Guide to Local
Financial Activities

2018

Fiscal Year Ending
December 31, 2018



Your Elected
Officials



Jeffery Berman, Trustee



Joanne Johnson, Trustee



Lester Ottenheimer, Trustee



Andrew Stein, Trustee



Eric Smith, Trustee



David Weidenfeld, Trustee



A Message
From the
Village President

“The Village of Buffalo Grove’s
greatest resource is its volunteers.
They donate endless hours to make
our community great!”

It is with great pleasure that the Village of Buffalo Grove elected officials and I provide the annual “A Citizen’s Guide to Local Financial Activities” for the fiscal year ended December 31, 2018. It is my desire to deliver to the residents of Buffalo Grove an overview of the Village’s progress and financial performance that is transparent and easily understood. This report summarizes the financial activities of the Village and is not intended to replace the Comprehensive Annual Financial Report (CAFR). The full disclosure financial statements, or CAFR, can be found on the Village’s website at www.vbg.org.

The analysis conducted within this report outlines growth drivers, capital projects, and summarized financial and trend data. The presentation of financial information in the report has been derived from the audited financial statements and conforms to generally accepted accounting principles (GAAP) and related reporting standards.

The Village will continue to make financial presentation and transparency a priority and provide open communication with its residents and businesses. It is my hope that the information and data contained in the 2018 guide to local financial activities will provide the reader a snapshot of the challenges and opportunities the Village of Buffalo Grove is managing today and into the future.

Sincerely,

Beverly Sussman
Village President

Buffalo Grove
Nationally Recognized
by Engaging Local
Government
Leaders

The Village of Buffalo Grove Public Works department received the Clarity Award from Engaging Local Government Leaders (ELGL) organization. The Clarity Award is about more than just transparency in local government. The recognition identifies a unit of government that is telling a clear, compelling story while engaging the communities which they serve through measurable and actionable ways. The award reaffirms the dedication and service that the Village of Buffalo Grove Public Works Department provides residents, businesses and visitors

The award was presented to the Village at ELGL’s 2018 national conference in Golden, Colorado. Buffalo Grove was one of three finalists, beating out the cities of Colorado Springs, Colorado and Tigard, Oregon. In addition to completing an application detailing project, scope and results, staff created a two minute video to communicate the innovation, problem that it solved, and the impact to the community. Please view the Village of Buffalo Grove’s award winning process improvement video at:

www.vbg.org/public_works_clarity_award_video



Did You Know?

Buffalo Grove is home to over 40 recreational facilities! This includes two golf courses, a golf dome, pool, museum, spray and play, parks, ball fields, art center and other great recreational spaces.

Village Clerk’s Office



The Village Clerk and Deputy Village Clerk maintain all of the Village’s official records, meeting minutes and documents on behalf of our residents. In addition, a range of services including business and liquor licensing, voter registration and municipal code updates are provided daily.

Contact the Village Clerk’s office at (847) 459-2511.

Public Records
and Village
Information

Looking for meeting information, contact elected officials, review financial information or request public records? One visit to the Village’s website brings all of this information and more at the click of a mouse. Please visit the Village website today at www.vbg.org

2017-18
**HIGH-PERFORMANCE
GOVERNMENT**
AWARD WINNER

The Village of Buffalo Grove Wins High Performance Government Award Two Years in a Row

The Village was recognized for excellence in local government by Cartegraph. The award celebrates the most forward-thinking, efficient organizations in local government. The award is presented to units of local government that utilize modern technology to solve problems, work smarter and improve their communities.

Pay with Credit and Debit Cards at the Village

All licenses, fees, fines, registrations, permits, and bills can be paid via credit card. All credit card transactions are subject to a convenience fee of \$1.80 per water payment and 2.39% for all other transactions. The fee is processed by a third party credit card provider. The Village currently accepts Visa, MasterCard, and Discover.

Follow the Village of Buffalo Grove on Social Media

The Village is active on social media! Please follow the Village to find out about special events, news updates, and more by following us on Twitter, liking us on Facebook, and adding us on LinkedIn. Always know what is happening in your Village by tuning in through social media.



Quality of Life in Buffalo Grove

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 40,853 (2018 US Census 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.

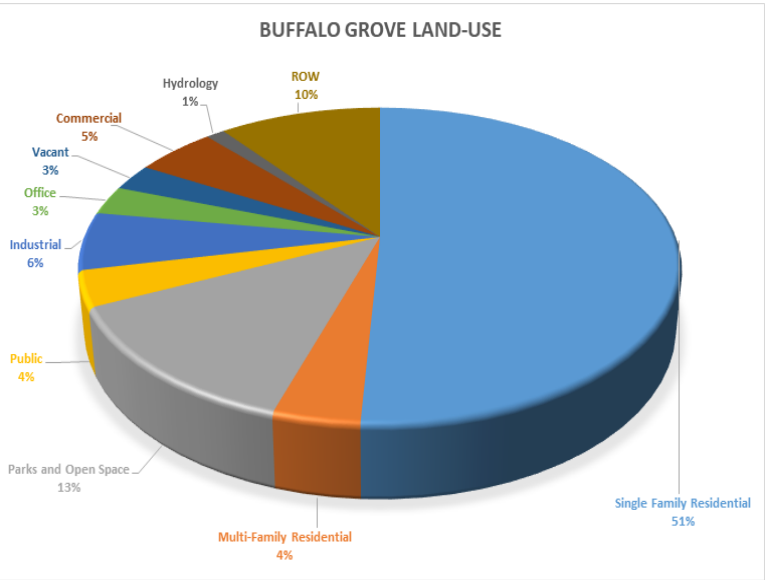
The Village has excellent transportation access for residents, businesses, employees and visitors. The Village is served by the Metra North Central rail line connecting to downtown Chicago and O'Hare airport. Pace bus service provides access to adjacent communities, the Metra Milwaukee District North 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.

Comparative Data (Source: US Census)	Buffalo Grove	State of Illinois	United States of America
Median Income	\$106,564	\$61,229	\$57,652
Median Home Value	\$314,500	\$179,700	\$193,500
Homeownership Rate	78.4%	66.2%	64.8%
Unemployment %	3.3%	4.3%	3.9%
Persons in Poverty	4.6%	12.6%	12.3%

Buffalo Grove Stats	2018	2017	2016
Population	40,853	41,226	41,500
Income Per Capita	\$49,967	\$47,023	\$46,983
General Fund Expenses Per Capita	\$1,195	\$987	\$980
General Bonded Debt Per Capita	\$324.18	\$348.45	\$376.87
Streets Resurfaced	0.97 mi	2.76 mi	11.40 mi



Enjoying Buffalo Grove



From January through December, Buffalo Grove offers many opportunities to enjoy community.

Buffalo Grove residents place a high priority on quality events and programs for their families. During the summer months, many events are going on throughout the Village, such as:

- Rotary Village Green concerts
- Lawn Chair Lyrics
- Movies Under the Stars
- Farmers Market
- Green Fair
- Buffalo Grove Symphonic Band
- Buffalo Grove Singers
- Buffalo Grove Days
- National Night Out
- Fourth of July Fireworks
- Golf at Buffalo Grove and Arboretum Golf Courses

And, in the winter, there is plenty more to do inside, with many sports and extracurricular activities offered by the Buffalo Grove Park District, Buffalo Grove Recreation Association, township, library and local school district programs.



Farmers Market
June to October

Ranked Illinois' best Farmer's Market, come out to Mike Rylko Park on Sundays from 8:00 AM to 12:30 PM for the best in local food!



Buffalo Grove Days - Labor Day Weekend

Enjoy food, fun, music, carnival games, and more at this five-day celebration. Located at Mike Rylko Park 801 McHenry Rd Buffalo Grove, IL 60089.



The Village of Buffalo Grove Awarded \$170,000 Grant from IEPA

The Village was awarded \$170,000 grant from the Illinois Environmental Protection Agency (IEPA) for the Buffalo Creek Nature Preserve Stream-bank Stabilization Project. The project has been undertaken to restore severely eroded stream banks. The project will restore native vegetation, stone rip-rap, and other hardscape products to restore the streambanks and help protect them in the future.



Buffalo Grove Police Department Recognized by the International Association of Chiefs of Police

The Buffalo Grove Police Department participated in the “One Mind” Campaign in 2018 sponsored by the IACP. The Campaign promotes successful interactions between police officers and persons affected by mental illness. Each participating police agency committed to achieving four goals; building and sustaining a partnership with a community mental health organization, developing a policy on police response to person affected by mental health, providing training and certification of sworn officers and non-sworn staff on mental health first aid, and establishing a crisis intervention team. The required implementation timeline was 24-36 months. The Police Department successfully fulfilled all four of these goals in 2018 and is one of 491 departments recognized nationwide.

Community Development & Local Economy

Link Crossing development brings new homes and townhomes to Buffalo Grove

In 2018, the Village Board approved the new Link Crossing Development. The development is located on part of the Didier Farm property. The developer, K. Hovnanian Homes, will be constructing 68 clustered single-family detached homes and 119 2-story townhomes. Construction is expected to begin in 2019.



Continued Development along Milwaukee Avenue



The Shops of Buffalo Grove is currently under construction and includes over 43,000 square feet of new retail and office space at the southwest corner of Deerfield Road and Milwaukee Avenue. Some key tenants include Starbucks, T-Mobile, Mod Pizza, Chase Bank and Panera Bread. Opening is projected to be Spring/Summer 2019.

The Village approved plans for a new Shell Gas Station at 185 N Milwaukee Avenue (former Wooil Restaurant). The developer will be demolishing the existing building and constructing a new 3,500 square foot convenience store and gas station. Construction is expected to get underway in 2019.



The Workforce and Business Activity

Businesses and Employers in the Village

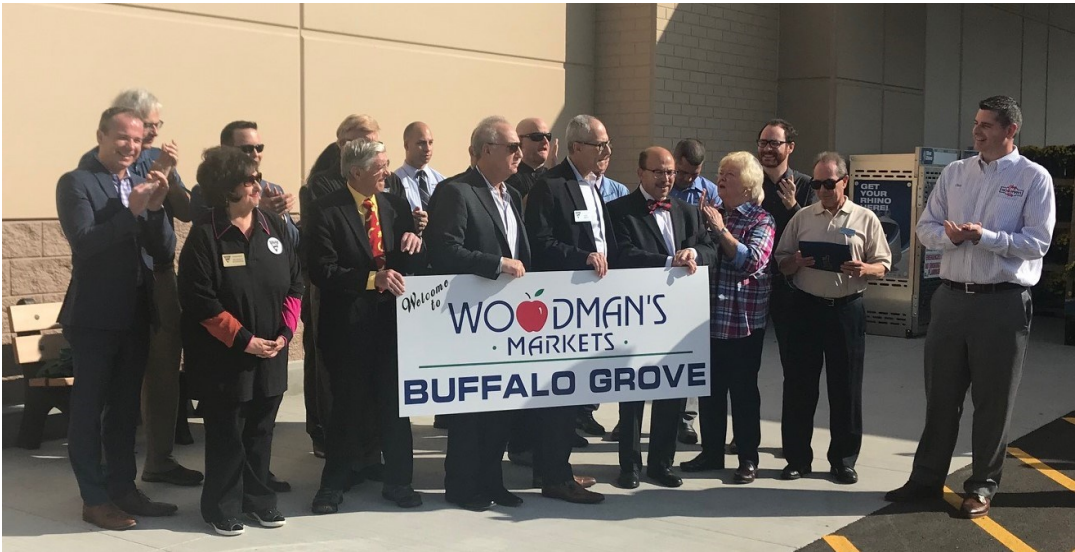
The Village of Buffalo Grove is home to many businesses and industries. The top ten employers in the Village are listed below.

Top Ten Employers*	Number of Employees
Siemens Building Technologies	1,800
I.S.I	1,200
ESS	550
Plexus Corporation	370
Veritas Document Solutions	300
Village of Buffalo Grove	230
ARxIUM, Inc	200
Leica Microsystems, Inc	200
Vapor Bus Direct	200
Crosscom National, LLC	170

*Sourced from 2019 Illinois Manufacturers and Service Directories

Woodman’s Market is OPEN!

On October 9, 2018, Village officials, the Chamber of Commerce and Woodman’s representatives held a ribbon-cutting event celebrating the grand opening of the new 242,000 square foot Woodman’s Market. In addition to the market, Woodman’s also has a gas and lube center at the location. The 24-hour, 7 day a week grocer is located at 1550 Deerfield Parkway.



Financial Reports, Budget, and more on Village Website

The Village of Buffalo Grove website houses a host of financial data, including the full fiscal year 2018 CAFR, at www.vbg.org. Current and historical financial reports, budgets, treasurers reports and other financial information can be found there as well.



Buffalo Grove Wins Tree City USA Award for 31st Consecutive Year

Tree City USA recognized Buffalo Grove for its dedication to community forestry management. The Village maintains a forestry department, has community tree ordinances, spends over two dollars per capita on trees and celebrates Arbor Day.

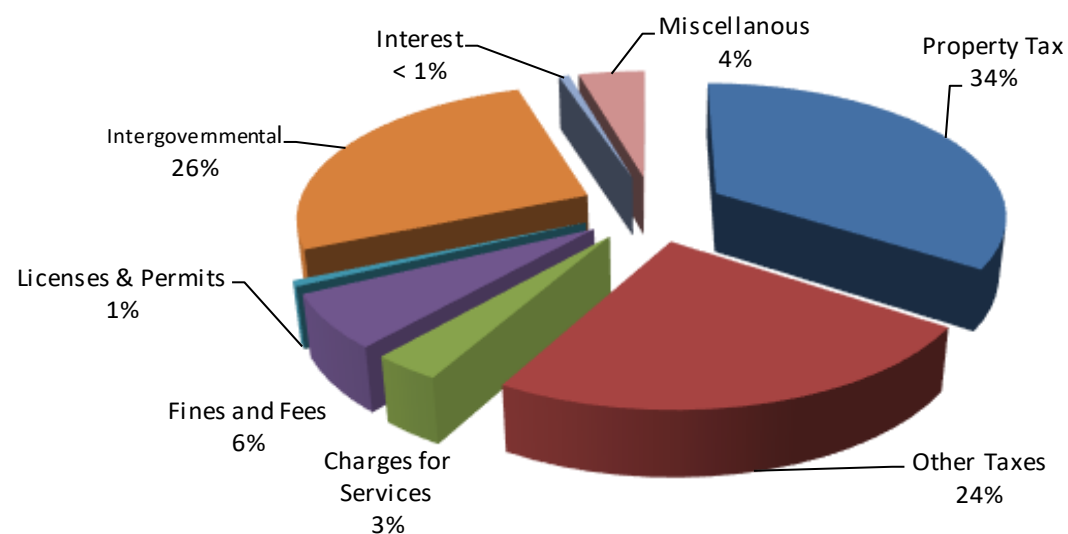


Village of Buffalo Grove wins 36th Consecutive CAFR Award

Buffalo Grove received its 36th consecutive Certificate of Achievement for Excellence in Financial Reporting. The award criteria are based on the presentation of the annual financial report in a manner that provides transparency and full disclosure of the entity's fiscal year. Providing this report goes beyond the minimum requirements of generally accepted accounting principles. The Village has also complied with Governmental Accounting Standards Board standards as they have changed the manner in which post employment benefits are presented and disclosed. This is the highest honor from the Government Finance Officers Association.

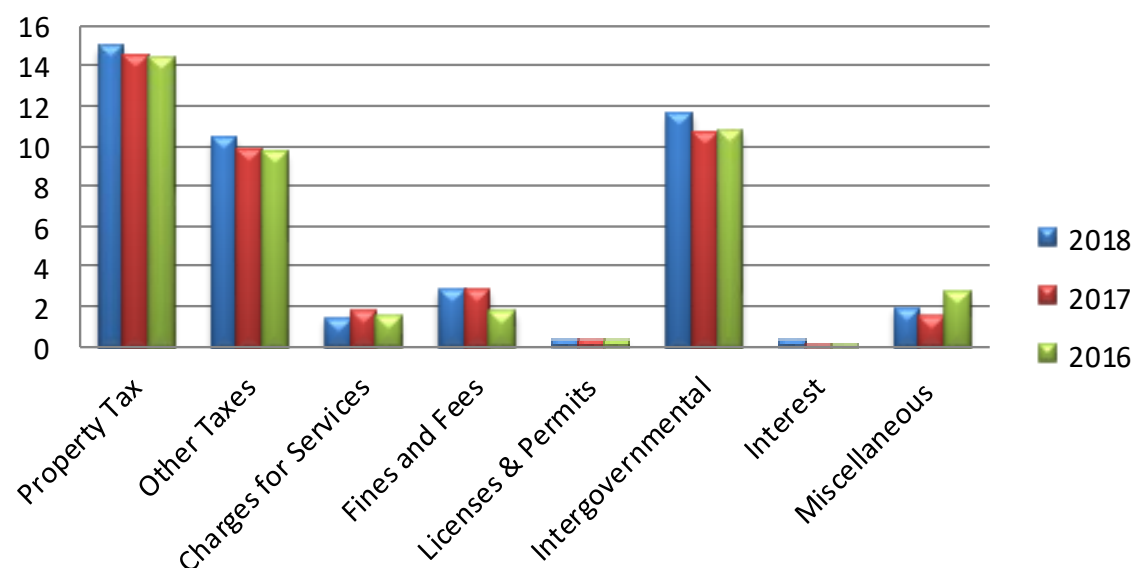
Where Do Village Resources Come From?

2018 General Fund Revenue by Source



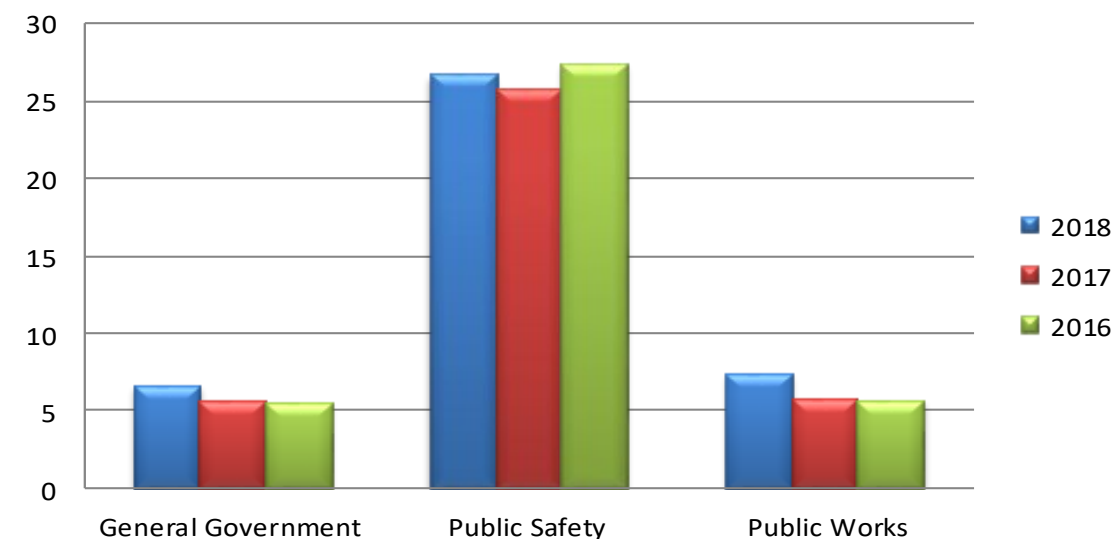
The Village relies on various tax sources as they make up 58 percent of the total revenue into General Fund. The General Fund provides essential public services like Police, Fire, and Public Works. Property and other taxes support core services including Public Safety and Public Works. The Village revenue sources are fairly consistent year over year, as shown below. Most revenue sources increased from 2017 to 2018. Charges for service decreased 20 percent due to the influx in 2017 from building fees. Intergovernmental revenues increased 8 percent and miscellaneous revenue went up 27 percent. Miscellaneous and Intergovernmental income is mostly comprised of one-time, extra ordinary items and are usually one time revenue streams available in a single fiscal year. Below is a three year trend of actual revenue generated by type.

2018 General Fund Revenue (in millions)



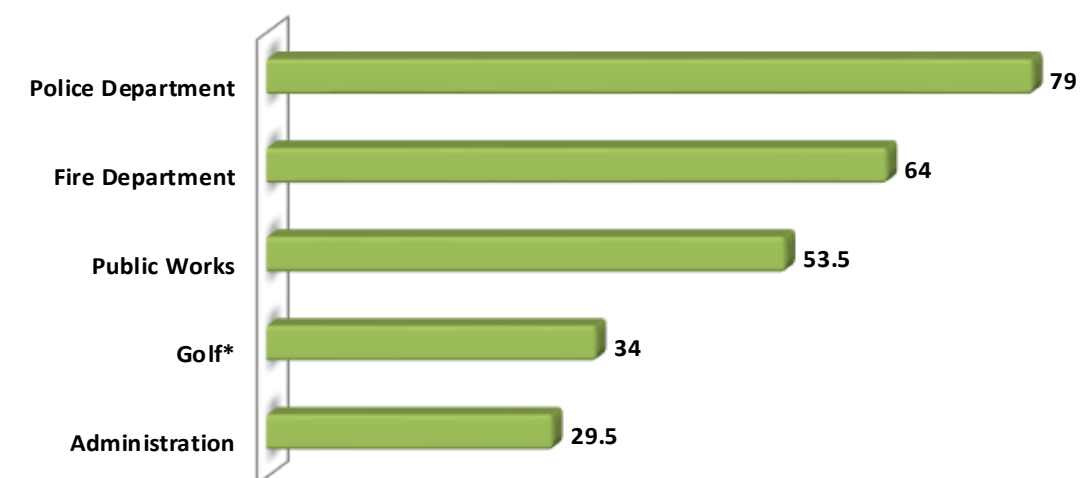
How are Village Resources Expended?

2018 General Fund Expenditures (in millions)

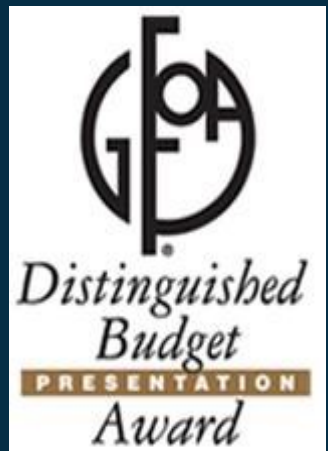


The Village allocates significant resources to core services such as Police, Fire, and Public Works. The graphs on this page show how the Village has allocated its resources in fiscal year 2018. The chart above provides a visual based on actual dollars expended within each function of operations from the general fund. Public Safety and Public Works combine for \$34,178,425, or 82.7 percent of the total general fund expenditures. The General Government, 15.9 percent of the total, includes: Office of the Village Manager, Finance Department, Human Resources, and Community Development. Capital outlay is comprised of facilities maintenance costs. The chart below shows the employees by department for the Village of Buffalo Grove as budgeted for fiscal year 2018. The staffing chart reflects a similar story to the consumption of resources above; Public Safety and Public works accounts for 80.2 percent of the employees for the Village of Buffalo Grove, while Administration is 10.8 percent.

Budgeted Employment by Department 2018



* Golf employees includes 4 full time employees and 30 part time and seasonal employees.



Village of Buffalo Grove wins 7th Consecutive Distinguished Budget Award

The Village achieved its goal for the seventh year in a row being awarded the Distinguished Budget Award for the fiscal year 2018 Budget document. The method for which the Village of Buffalo Grove budget is compiled takes into account the guidelines provided by the National Advisory Council on State and Local Budgeting and the Government Finance Officers Association's best practices on budgeting. The award shows the continued success of Village staff to produce a high quality document that is fiscally responsible. This is the highest budgetary honor that is bestowed on a community from the Government Finance Officers Association.

Emergency Management Agency

The Village maintains an emergency management agency to provide response to natural or man-made disasters in our community. Working throughout the year and behind the scenes, EMA volunteers prepare for worst case scenario events, network with other EMA local and regional agencies and provide support services to other events throughout the Chicagoland area. The Emergency Management Director is Fire Chief Mike Baker.

Reverse 911

Do you want the Village to be able to contact you in the event of a community emergency? If so, make sure to sign up through the Village's web site under the Fire and Emergency Services webpage and select Emergency Management. You can choose to receive email, text and phone alerts, and your contact information will never be sold or used for another purpose.

Public Safety Services



Public safety is a high priority for the Village and its residents. Comprising 62 percent of Village employees, the Buffalo Grove Fire and Police Departments provide the highest quality safety services to residents and businesses. Some of the programs offered by the departments include:

- Coffee with a Cop
- Infant/Child Seat Safety Checks
- Home Security Inspections
- School Crossing Guards
- School Resource Officers
- Citizen & Junior Police Academies
- Bicycle Registration
- Care Trak Program
- Premise Alert Notifications
- K-9
- Police Social Worker
- CPR Classes
- School Fire Drills
- Smoke Education Trailer
- Open House
- Block Parties
- Station Tours

Fire Department	Number
Ambulance Calls	3,145
Service Calls	309
Fire Calls	1,257
Auto Aid/MABAS	967

Police Department	Number
Physical Arrests	452
Adjudication Citations	5,748
Traffic Citations	6,054
DUI Arrests	85
Vehicle Crash Responses	1,353



Rotary of Buffalo Grove Selects Police Officer and Firefighter/Paramedic of the Year

Each year the Rotary Club of Buffalo Grove presents a police officer and firefighter/paramedic of the year award. The award is provided to members of the public safety group who go above and beyond in their service to the Village of Buffalo Grove. The 2018 police officer of the year was awarded to Jonathan Officer (left pictured with Chief of Police Steven Casstevens). The firefighter/paramedic of the year was awarded to William Navarro (right pictured with Fire Chief William Baker). Both have been hardworking, exemplary members of their departments who are very respected by their supervisors and peers alike.

Infrastructure and General Services



As a full service organization, the Village of Buffalo Grove provides critical water, wastewater, storm water, street, pedestrian and pathway, forestry and grounds maintenance services.

With a dedicated staff of professional maintenance personnel, the Public Works Department provides around the clock infrastructure services, ranging from maintenance of Village facilities to providing clean, high-quality Lake Michigan water. Always there to serve, public works professionals strive to maintain a clean, attractive and high-functioning network of streets, sewers, mains and paths.

The Village also provides administrative support to its residents and departments through its Community Development Finance, and Office of the Village Manager personnel. Comprising 10 percent of the Village's staffing complement, these professionals specialize in the building and construction trades, architecture, technology, accounting, finance, technical analysis and management fields.

Did you know? The Village of Buffalo Grove Maintains 114.02 miles of street and has resurfaced 20.86 miles in the last 5 years.



AWARD for OUTSTANDING ACHIEVEMENT
Popular Annual Financial Reporting

Buffalo Grove Wins 5h Consecutive Popular Annual Financial Reporting Award

Buffalo Grove was awarded its fifth Popular Annual Financial Reporting (PAFR) Award for the fiscal year 2017. The PAFR is a summary of the Comprehensive Annual Financial Report (CAFR) issued by the Village and is meant to be a document that can communicate financial information of the Village to those residents without a background in finance. The report highlights the projects and initiatives in the Village over the past fiscal year. It also provides an overview of the balance sheet, revenues, and expenditures to underscore the stability and performance of operations of the Village.

Buffalo Grove By the Numbers

2018 Village EAV
\$1,6687,765,723*
(*estimated)

Total EAV
Per Capita
\$49,967

Village of Buffalo
Grove EAV
Increases for 4th
Consecutive Year

The Village's EAV is estimated to increase from \$1,662,450,463 in 2017 to \$1,687,765,723 in 2018. This is the fourth consecutive increase in EAV in as many years. As this trend continues, it is a positive sign that residential and commercial property values are rebounding from the recession. This is the third highest EAV reported by the Village in the last ten years. The highest EAV reported over the last ten fiscal years was \$1,896,782,514 in 2009. Currently the Village EAV is 90 percent of the highest EAV reported (2009) and the Village has a positive out look for EAV growth to continue into fiscal year 2019.

Equalized
Assessed
Valuation

More commonly referred to as EAV, is the ratio of the total value of real estate compared to all other properties in the jurisdiction of the government, which the government has set as a basis for levying taxes.

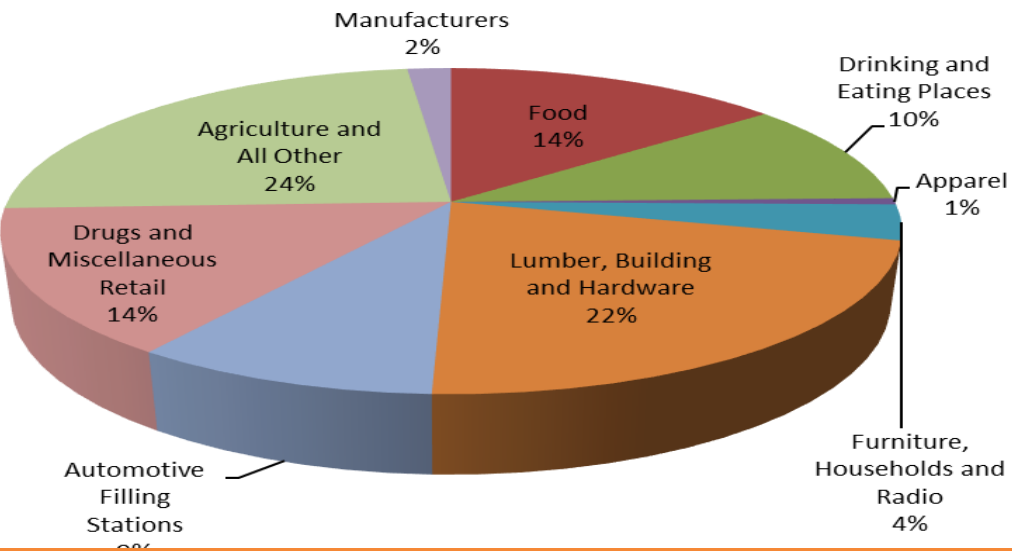
EAV calculations are different for residential and commercial properties. In addition, Cook and Lake Counties use differing formulas to establish EAV.

Top Ten Real Estate Tax Payers	Equalized Assessed Valuation (\$)
Chevy Chase Business Park Ltd.	21,759,899
Hamilton Partners	12,147,043
Penobscot Management LLC	9,436,975
Buffalo Grove STE 106	9,168,128
Millbrook	9,167,002
Leider Lane Investors LLC	8,630,563
Arthur J. Rodger and Co	8,229,224
BRI 1862 Riverwalk LLC	8,145,927
Riverwalk South LLC	7,819,608
Resource Real Estate Inc	6,589,815

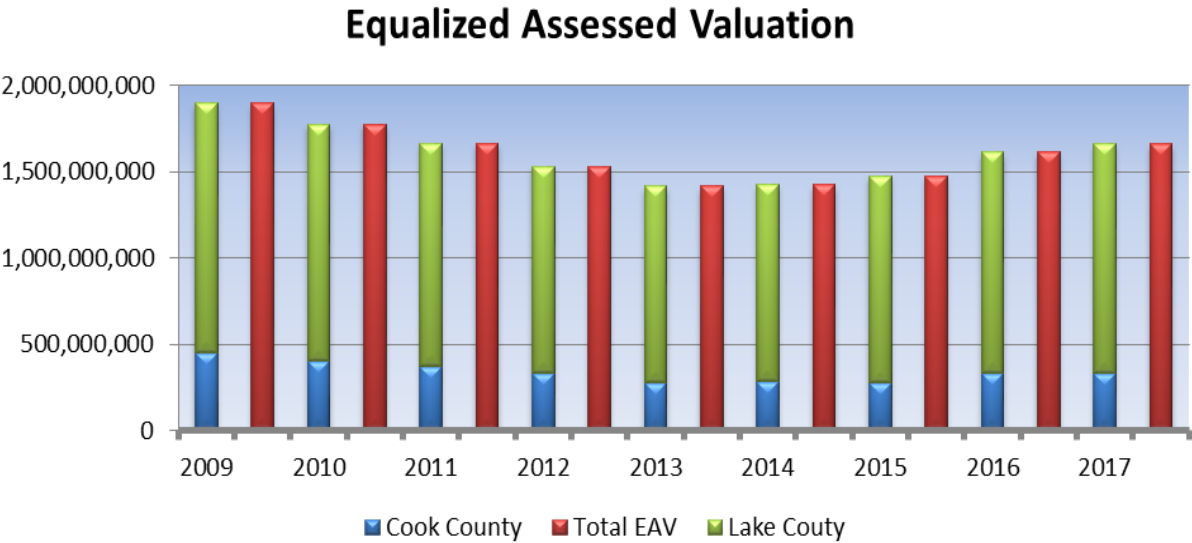
Tax Collection
By Source

Tax Type	Amount (\$)
Property	15,980,771
Sales (1% & Home Rule)	10,159,866
Income & Use	5,221,827
Telecommunication	1,761,326
Utility	2,805,912
Real Estate Transfer	969,039
Other	1,087,497
Total	37,986,238

Sales Tax
Revenue By
Category

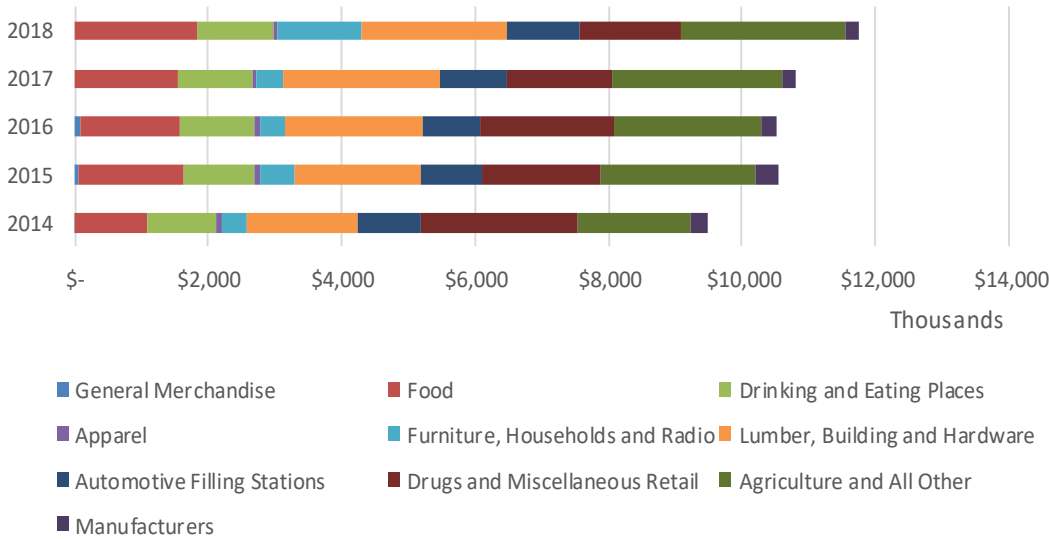


Village of Buffalo Grove Equalized Assessed Valuation
Fiscal Years 2009-2017



The Equalized Assessed Valuation (EAV) for the Village peaked in 2009 at over \$1.89 billion in property valuation. The valuations declined steadily for five years, with a cumulative reduction of 24.9 percent (\$0.47 billion) from 2009 to 2014. The growth curve began in 2015 and values are still on the rise per Village projections for 2018. Values have increased 18.4 percent since 2014 and the Village estimates growth in 2018 to be 1.5 percent over reported EAV in 2017.

Taxable Sales by Catagory 2014 - 2018



The Village has reported it's 8th consecutive year of growth in taxable sales. Above is a snap shot of the past five fiscal years , by category. Taxable sales increased 8.5 percent in 2018 (\$0.9 million), and since 2014 has grown 23.6 percent (\$2.2 million). The Village's ability to generate sales tax, and other revenue streams, mitigates it's reliance on the property tax levy and allows staff to manage increases to the levy year over year.

What is the most
valuable asset in
the Village?

The Village's infrastruc-ture and other capital assets are main contrib-utors to the General and Water and Sewer Fund fund balances. The Village's water and sewer system is the most valuable capital asset, followed by streets and storm sewers, and land. These three asset cate-gories make up 76.6 percent of the capital assets, before deprecia-tion.



Buffalo Grove
Police Depart-
ment Continues
its support of
Special Olympics

In 2018, Officers and staff raised over \$55,360 for Special Olympics Illinois hosting events such as the airplane pull at O'Hare Airport, Badges and Burgers at Culvers in Buffalo Grove, Trivia night at Arboretum Golf Club, Cop on top at Dunkin Donuts locations in Buffalo Grove, and the truck convoy through Chicagoland. The funds raised support children and adults with intellec-tual disabilities to train and participate in sports to build social and motor skills to assist them in life.

Village of Buffalo Grove Total Debt Outstanding 5th Smallest Amongst Taxing Districts in Cook and Lake County

The Village of Buffalo Grove, as of 12/31/18 has gross debt of \$13,243,707 which is the 5th smallest of all taxing bodies. The following round out the 5 smallest debt issuers:

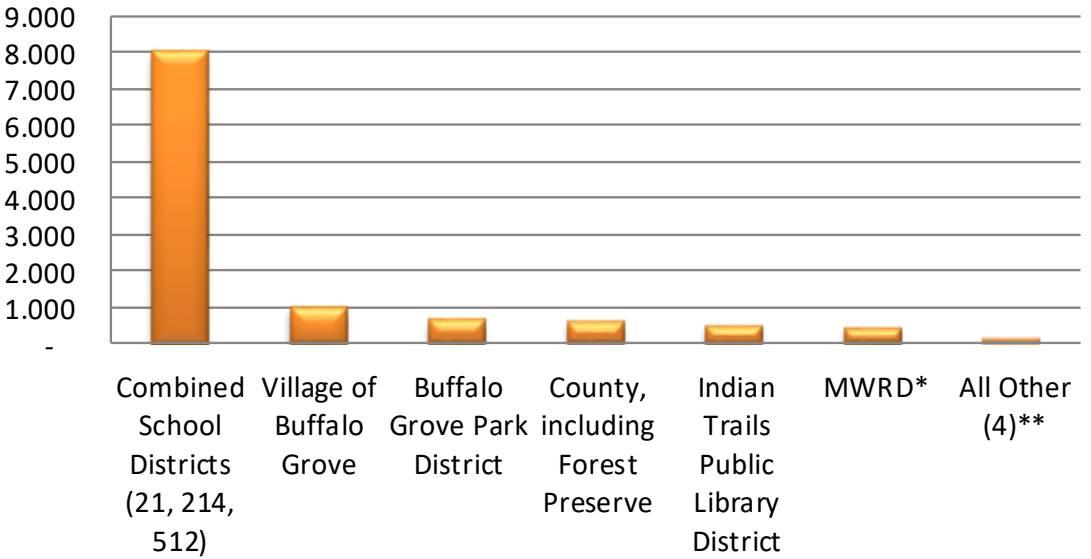
- School Dist 96 - \$0
- School Dist 103- \$5,740,000
- Wheeling Park Dist - 12,995,000
- Buffalo Grove Park Dist - \$13,190,000

Below are the top five taxing bodies debt outstanding as of December 31, 2018 that have authority to levy tax in Buffalo Grove:

- Cook County - \$2,950,121,750
- Metropolitan Water Reclamation District of Greater Chicago - \$2,348,253,000
- Lake County Forest Preserve Dist - \$240,155,000
- Lake County - \$174,530,000
- Cook County Forest Preserve Dist - \$142,360,000

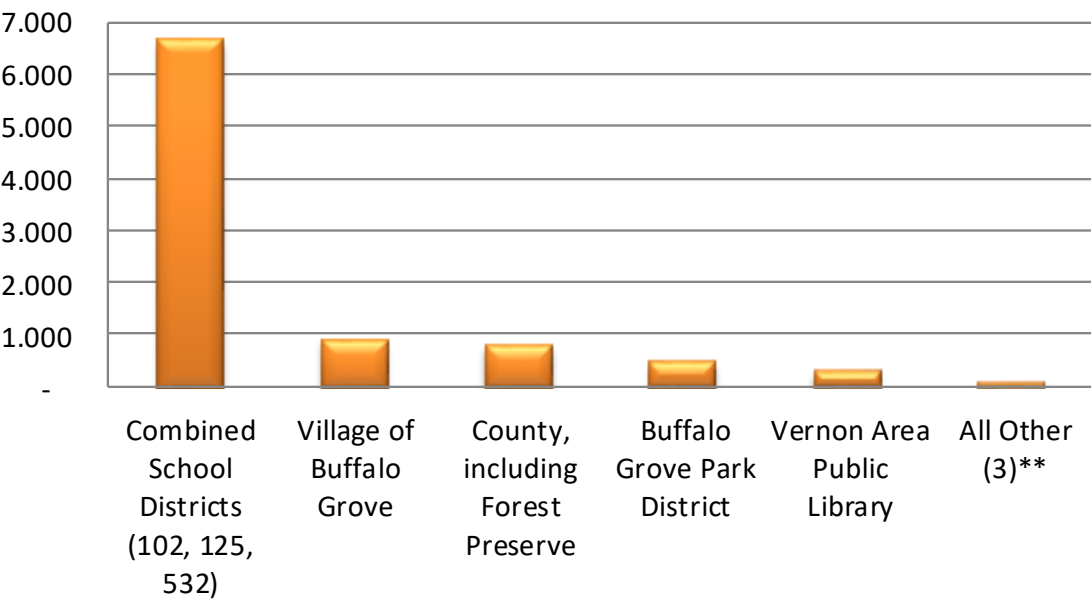
All taxing bodies that have the authority to levy tax in Buffalo Grove can be found in the statistical section of the Village of Buffalo Grove 2018 Comprehensive Annual Financial Report. The statistics section includes each entity and the amount of outstanding debt as of December 31, 2018.

Cook County Tax Rates by Unit



*MWRD is the Metropolitan Water Reclamation District of Greater Chicago
**All other taxing bodies are Northwest Mosquito Abatement, Township Road and Bridge, Township General Assistance, and Consolidated Elections.

Lake County Tax Rates by Unit



** Other taxing bodies are Road and Bridge and General Assistance for the Townships herein

COOK COUNTY



Buffalo Grove \$8.68 School Districts 21, 214, and 512 \$71.72 *All Other \$19.61

* Cook County, Cook County Forest Preserve, Buffalo Grove Park District, Indian Trails Public Library, Metropolitan Water Reclamation District of Greater Chicago and Townships

LAKE COUNTY



Buffalo Grove \$9.82 School Districts 102, 125, and 532 \$72.16 *All Other \$18.02

* Lake County, Lake County Forest Preserve, Buffalo Grove Park District, Vernon Area Public Library, and Townships