

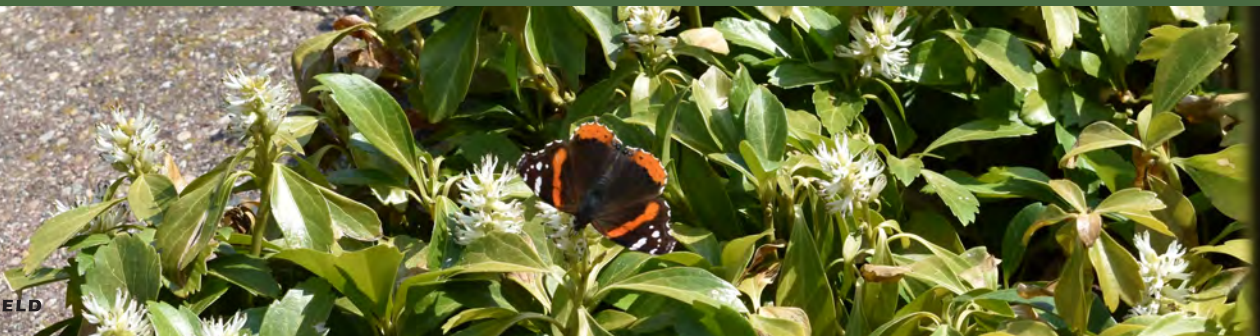


Village of Deerfield, Illinois
Annual Budget

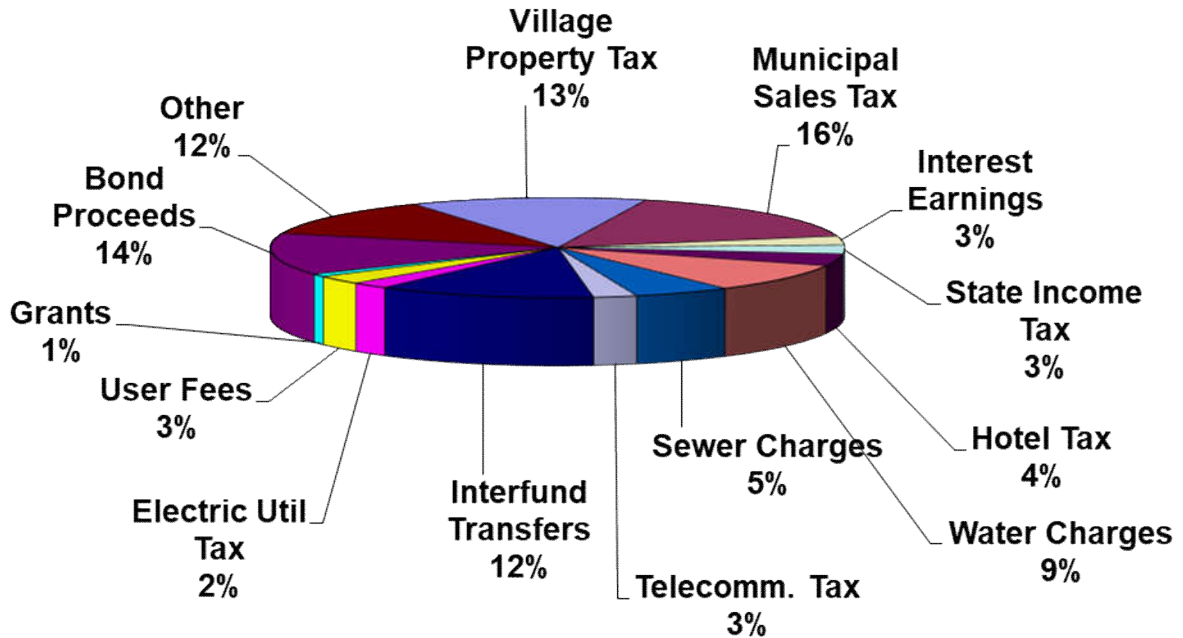
January 1, 2020 to December 31, 2020



VILLAGE OF DEERFIELD

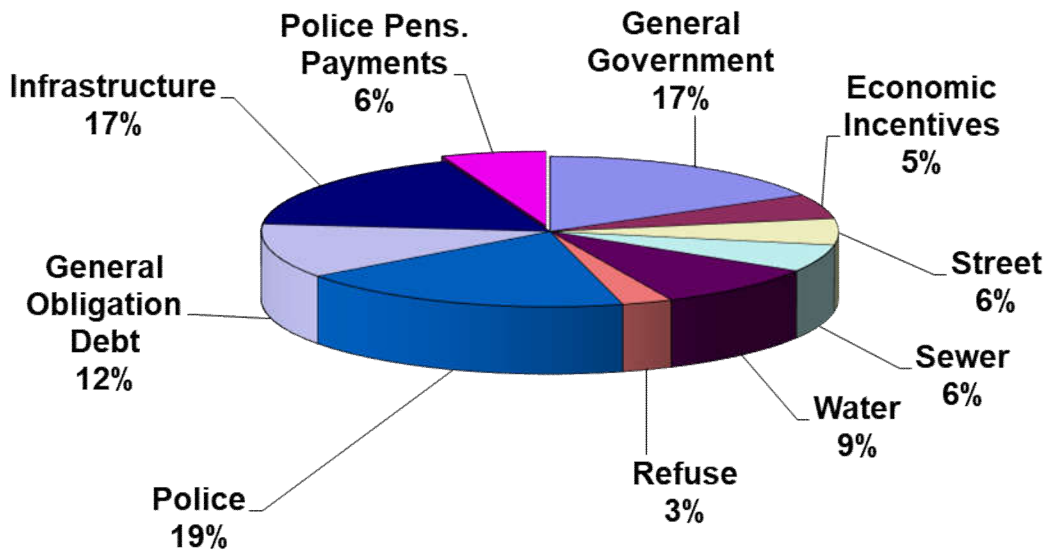


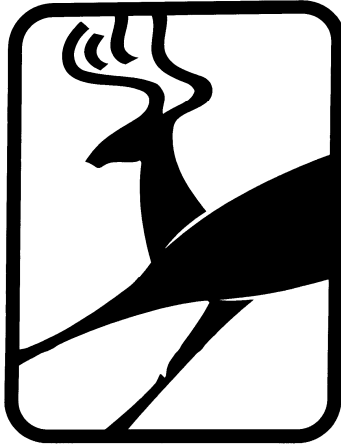
BUDGET REVENUES - FY 2020



2020 Budget Expenditures

(by function)





VILLAGE OF DEERFIELD

ANNUAL BUDGET

JANUARY 1, 2020 TO DECEMBER 31, 2020

ELECTED OFFICIALS

Harriet Rosenthal, Mayor

Robert Benton, Trustee
Tom Jester, Trustee
Mary Oppenheim, Trustee

William Seiden, Trustee
Daniel Shapiro, Trustee
Barbara Struthers, Trustee

VILLAGE MANAGER

Kent Street

DEPARTMENT HEADS

Eric Burk, Director of Finance/Treasurer
John Sliozis, Chief of Police
Robert Phillips, Director of Public Works and Engineering
Andrew Lichterman, Asst. Village Manager/Director of Community Development

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PUBLIC WORKS

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VILLAGE OF DEERFIELD

BUDGET MESSAGE

Municipal government provides a wide range of basic services on which we all depend: police protection, drinking water, sewage treatment, snow plowing and building inspection to name a few. The ability of an elected board to supply these services in an effective and efficient manner depends on its financial decisions. That is why of all issues considered by the Village Board over the course of a year none is more important than adoption of the annual budget.

This budget reflects operations from January 1, 2020 through December 31, 2020. This budget meets all state mandated accounting and financial reporting requirements. In 2013, the Village transitioned from a fiscal year to a calendar year budget. In order to accommodate the transition to a calendar year budget, the Village budget year was shortened to an 8-month period from May 1, 2013 to December 31, 2013. Therefore, when reviewing historical spending an anomaly will be noticed in 2013, as revenues and expenditures reflect a shortened fiscal period.

The total expenditure budget for fiscal year 2020 is \$56,045,291, which represents an 4.26% increase from last year's budget and continues to maintain a robust capital improvement program. This year's expenditure increase is primarily due to increased capital project funding, water rate increases and personnel services. Of the total transfers, \$2 million represents a draw down of fund balance reserves that will be transferred to the Infrastructure Replacement Fund and \$984,665 will be transferred to the Refuse Fund, which represents a 3% increase from last year and reflects the property tax levy for this fund that had previously been reallocated to the General Fund since 2015. Last year was the final year of a two-year strategic capital funding plan which included a \$6 million bond issuance that funded roughly 50% of the capital costs slated for 2018 and 2019.

This year's budget continues the Village's commitment to investing in capital projects as the Village Board established another two-year capital project funding plan that allows for \$18 million of infrastructure improvements over 2020 and 2021. The capital plan includes a \$8 million bond issuance to supplement reoccurring IRF revenue streams for a total of \$18 million in capital improvements over the two-year period. The operating component of the budget is \$30.6 million which is a 2% increase from the prior year. The increase in the operating component is due primarily to contractual increases in personnel services, contractual services and commodities.

This budget addresses programs and service levels that have been largely stable due to the constrained economic conditions of the past decade and an enhanced capital project program that rebuilds an aging infrastructure. Reflecting the slower economic conditions locally and statewide and a stable population, the Village continues to provide a high level of service with minimal staffing. For several years the Village maintained vacancies and operated with a reduced workforce. The Village continues to evaluate workforce needs as positions are vacated through attrition and demands for service evolve with changing demographics and technology.

PLANNING PROCESSES

The Board has determined that a continued program of replacing and maintaining the infrastructure of the Village remains a key priority. For the fourth year in a row, this budget includes a reallocation of the property tax levies from the Infrastructure Replacement Fund and Scavenger Fund to the General Fund to provide the Village the greatest amount of flexibility, as the State of Illinois continues to threaten municipal revenue sources including the potential for a property tax freeze. Due to the decision to issue additional bonds this year, the

previous debt service issuances will no longer be abated, except for the 2011 Qualified Energy Conservation Bonds and 2010 Build America Bonds, totaling an abatement of \$479,228. The total Village levy will increase \$617,216 or 8.5%.

The state of the economy, the fiscal position of the State of Illinois and the continued legislative uncertainties being generated by Springfield played a major role in the budget deliberations this year. For the second year in a row, the budget reflects a state imposed 5% revenue cut to the Local Government Distributive Fund and a 1.5% administrative fee on Home Rule Sales Tax receipts received by the Village when compared to 2018 but remains flat when compared to last year. These cuts are partially offset by an increase in state-shared revenue disbursements, based on a per-capita formula, due to the special census that was completed in 2017. Due to past budgeting decisions, a low tax composition relative to other similarly situated communities, conservative spending practices, the relative strength of the micro economy in Deerfield, and our strong fund balance, the Village has not had to implement the drastic personnel and program reductions that many local governments have found necessary. The Village has selectively filled open employee positions, implemented departmental reorganizations to gain efficiencies and eliminated unfilled full-time positions when possible.

Just over seven years ago, the Village Board undertook a comprehensive review of the Village's Water and Sewer Funds to address their structural deficits. Due to lower water usage that affects both water and sewer revenues, the Board approved a revenue plan that strategically increased water and sewer revenues to reverse the negative revenue projections. These rate increases along with strategic personnel changes and the completion of the water meter replacement project have eliminated the structural imbalance that previously affected these funds. This budget reflects positive growth in both the Water and Sewer Fund through increases in water and sewer rates that keep pace with wholesale price increases.

The Deerfield Public Library recently completed their remodeling project that pursuant to state statute required the Village to issue approximately \$12 million of GO debt. Funding for this debt service, endorsed by the voters in the November 2010 referendum, comes from a combination of annual general revenues, fund balance and property taxes. All the debt is general obligation as the Village has unlimited home rule authority to raise taxes and enjoys a Aaa bond rating from Moody's.

The Village organizes its budget under several funds. Following are brief highlights of each major fund.

GENERAL CORPORATE FUND

This is the basic operating fund of the Village, which includes revenues and expenditures of all governmental activities, except those funds that must be accounted for independently under Illinois law.

Revenues: The General Fund has projected new revenues of \$23,592,437 which is a 0.27% increase over last year's budget. The General Fund levy is \$3,677,437 and reflects a \$141,440 or 4% increase over last year. The entire property tax levy remains in the General Fund to support public safety. The Sales Tax revenues reflect a decrease of 2.2% due to the evolving local economy and the uncertainty around consumer spending. The Hotel Room Tax is projected to increase 2.2%, as the leisure and convention activity in the localized economy are expected to remain stable. The Hotel Tax rate was increased from 6% to 7% in 2019. The state shared income tax is expected to remain flat year-over-year but it is still a 5% decrease compared to three years ago, when legislative decisions in Springfield reduced the revenue sharing to municipalities. The state use tax is expected to increase to \$500,000 or 16.2% to better reflect historical performance. Building permit revenue is projected to remain flat and reflects the continued strong residential and commercial remodeling activity that the Village has experienced in recent years. The telecom tax and electric utility tax are expected to remain flat when compared to last year's figures. These taxes are expected to generate \$1.45 million and \$1.25 million respectively for the General Fund. Overall, revenues are sufficient to cover the operating costs of the fund.

Expenditures: Total expenditures for the General Corporate Fund are budgeted at \$25,522,749 which is a 4.91% increase from last year's budget. There is a transfer of \$2 million from the General Fund to the Infrastructure Replacement Fund for capital project funding. This is consistent with the Village Board's plan to use General Fund reserves, when available, to support the Infrastructure Replacement Fund. Additionally, \$984,665 is being transferred from the General Fund to the Scavenger Fund to support waste hauling operations since the property tax levy was eliminated in the Scavenger Fund in recent years. The Walgreen sales tax rebate expense in the Finance Department budget is flat and reflects Walgreen's sales and production levels achieved last year. \$80,000 is projected for the third year of the sales tax rebate with Portillo's. This is anticipated to be the final year of the incentive. \$100,000 is projected for the second year of the sales tax rebate with Jewel-Osco. There is a 9.3% increase in PPO employee health insurance charges and a 1.9% increase in HMO employee health insurance charges based on experience. Personnel costs reflect a wage increase of 2.75% for non-union employees, which is consistent with the wage increases recently negotiated with the two unions. A new four-year collective bargaining agreement with the Illinois Council of Police (Police Patrol Officers) and the Illinois Union of Operating Engineers (IUOE Local 150 – Public Works) commenced on January 1, 2018. Village operations are very labor intensive. The largest single operating cost relates to personnel, representing 73% of the General Fund less economic incentive payments, transfers to the Infrastructure Replacement Fund (IRF) and Scavenger Fund. Highlights of this year's expenditure budget include:

- The Walgreen's incentive expense is budgeted at \$2.8 million. Since the Village receives 20% of the revenue from this agreement, as Walgreen's activity changes the expense changes, and this is offset by a similar move in the sales tax revenue line. Total economic incentive expenses are budgeted at \$2.98 million.
- \$2 million transfer from the General Fund to the Infrastructure Replacement Fund to support the capital improvement program and a \$984,665 transfer to the Scavenger Fund.
- A 2.75% increase in wages to both union and non-union personnel consistent with the approved collective bargaining agreements.

WATER AND SEWER FUNDS

The water and sewer utility systems operated by Deerfield are intended to be self-funding, based upon user charges for services. Revenues for operations are derived primarily from services furnished to utility customers. Other sources are interest earnings from cash invested on a short-term basis, and connection fees from new construction where the Village's prior investments in its utilities operate to the advantage of new customers who did not share in that initial investment.

Water Budget: Expenditures are budgeted at \$5,240,501 (+9%) against new revenues of \$5,591,500 (+8%). The expenditure level is beginning to normalize in this fund as there was a significant expenditure increase five years ago associated with the completion of the water meter replacement project. The Village continues to see a decrease in revenue when compared with historical usage due to a fundamental reduction in the average usage. The Village received a 15% wholesale rate increase two years ago and a 13% wholesale increase this year. The Village expects to receive similar increases through 2023, as the City of Highland Park pays debt service associated with the recent rehabilitation of their water treatment facility. This budget includes a 9% increase in

water user rates for Deerfield customers from \$5.00 to \$5.45 per 100 cubic feet effective January 1. The interior and exterior of the elevated tank was painted two years ago, but that major capital improvement was funded out of the Village's Infrastructure Replacement Fund. The structural deficit has been addressed and the fund ended 2019 with a small positive cash balance. It will be imperative that the Village keep pace with wholesale rate increases to maintain a positive position in this fund in future years.

Sewer Budget: The Sewer Fund expenditures are budgeted at \$5,131,882 (+2%) against new revenues of \$5,088,483 (+1.49%). No substantial capital expenditures are included in this budget; these are in the IRF. As discussed further below, the sewer rate will be increased 2.5% from \$3.47 to \$3.55 per 100 cubic feet effective January 1.

The Village Board has considered the structural deficits that have existed in these funds and their inability to cover all operating and capital costs through the revenue base. The decision remains to fund operations entirely from user charges and to fund the capital expenses through the IRF. Over the last seven years, the Board has implemented several strategic changes in the Water Fund, which helped return the fund to a positive balance. User rate increases in recent years have better reflected true operational expenses, an accelerated meter change out program was completed in 2015 bringing greater efficiency to the operation, and major capital improvements have been completed that significantly reduced the amount non-revenue water in the Village. Most recently, the elevated tank painting will add resiliency to this critical system. While some of these strategies come with an inherent cost they have helped the Village achieve the goal of bringing the Water and Sewer Fund back to a positive annual cash flow. At the end of 2020, the Water Fund is projected to end with a balance of \$385,703. 2019 was the first time the Water Fund ended the year with a positive cash balance in nearly a decade. As projected, strategic user rate increases in the Sewer Fund over the last seven years have returned the fund to a positive position. Future increases in these funds will be needed to keep pace with operating costs.

SCAVENGER (REFUSE) FUND

In 2010, the Village bid and awarded waste hauling services to Waste Management Incorporated and made significant changes to the base service level that resulted in a substantially lower cost to the Village for this service. In 2015, staff negotiated a 5-year contract extension that included no increase in the refuse and recycling rate until April 2018. The extension also froze the yard waste sticker fee for 2016, which was ultimately passed onto the end user. This year, the Refuse Fund reflects a 2% increase in the user rate to keep pace with increased labor costs and contract terms, which allow the waste hauler to implement an increase between 2.25% and 3.5%, depending on CPI, effective April 2020. Five years ago the property tax levy for this fund was reallocated to the General Fund and replaced by an inter-fund transfer. The inter-fund transfer totals \$984,665 which is a 3% increase from last year. The user rate will increase from \$7.62 to \$7.84 per month per household. This fund will use \$32,594 from reserves to fund operations this year, leaving a reserve balance of \$582,922 at the end of the year. This fund is anticipated to end the year 2020 with a balance of \$555,439.

MOTOR FUEL TAX FUND

The MFT budget projects State allotments of \$750,000 which is a 59% increase from last year. A recent state capital bill increased the state's per capita disbursement formula. The Village continues using the entire allotment for capital outlay in the street rehab program. In 2018 the Village received a 3% increase in revenue sharing due to the increased population that was captured from the special census. The future of MFT revenues remain uncertain as the State continue to face their own fiscal challenges. The Village has experienced lengthy delays in monthly disbursements from the State. Timely payments have since resumed; however, the future of this source remains uncertain.

PENSION FUNDS

For employees covered by the Illinois Municipal Retirement Fund, the Village contributed 10% (a decrease from 12.55% in 2018) of each employee's eligible pay plus the employer's contribution of 7.65% for Social Security and Medicare coverage. The employee contributes 4.5% for IMRF and 7.65% for Social Security and Medicare coverage. The employer's share is expensed in each operating function, and the IMRF contribution is projected to increase to 12.82% in calendar year 2020 (a 28% increase). The large increase is due to investment returns in the prior year and decreasing the assumed rate of return. The employer's contribution to the Police Pension Fund is also expensed through the Police Department budget and is financed through General Fund revenues. The contribution is actuarially determined as adequate for funding pension payments and for amortizing the actuarial reserve deficiency. Sworn police covered by this fund contribute 9.91% of their basic wages but do not participate in Social Security. Additional income is derived from investment earnings. In 2019, the Village contributed the full budgeted amount of \$1.1 million rather than only the actuarially determined required amount of \$930,000 (22% of expected payroll). The additional contribution to the Police Pension Fund enhances the Village's commitment to funding for rating agencies and allows for increased investment options. The Village expects the near term contributions to increase slightly each year barring any large changes in investment results.

The Village is committed to making 100% of its annual required contribution to the pension funds. Contributions are expensed within each operating fund/department/division that has corresponding salary expense.

CAPITAL PROJECTS

The most obvious benefit of establishing a capital budget is the reinforcement of planning at all levels. It is an extremely valuable decision-making device used to 1) stabilize the volume of capital improvements at some relatively uniform level, and 2) coordinate the capital costs and their financing with the attendant debt service demands on the operating budget.

The rolling five-year capital plan has been extremely helpful both in scheduling major projects and in determining their financing. More than any other part of the budget, capital projects warrant detailed discussion between Board and staff. Good financial management dictates that we review closely the major expenditures required in the future to maintain the community's infrastructure. Once long-range plans and projects are determined, priorities must be set and a funding program approved.

\$7.9 million is budgeted in the Infrastructure Replacement Fund to cover capital expenditures for 2020, which is the first year of a two-year strategic capital plan. The Board approved a \$8 million bond issuance as part of this year's budget. Over the two year period of 2020 and 2021, the Village will complete approximately \$18 million worth of capital improvements.

Major capital projects scheduled for 2020 include (costs shown are Village totals for the fiscal year):

- Continuation of the Street Rehabilitation Program (\$2 million IRF; \$750,000 MFT)
- Woodvale Avenue Infrastructure Project (\$2.25 million)
- Deerfield Road Resurfacing (Wilmot to Underpass) (\$1.15 million)
- Various Sewer and Water Improvements (\$1.33 million)

The demand for capital improvements continues to be a pressing need and the 2020 program year reflects a significant investment in these services. A \$10 million bond issuance and a \$2.5 million bond issuance were approved in 2015 and 2017 respectively, in order to meet funding levels for the recently completed three year capital improvement program (2015-2017). A \$6 million bond issuance was approved in 2019 to cover capital projects for 2018 and 2019, totaling approximately \$12 million in improvements. As previously noted, an \$8 million bond issuance was approved as part of the 2020 budget to partially fund projects slated for 2020 and 2021. Total anticipated expenditures over the two-year period (2020 and 2021) equals \$18 million to be paid out of the Infrastructure Replacement Fund (IRF). A combination of General Fund transfers, Food and Beverage Tax receipts, ¼ of the Home Rule Sales Tax receipts, Infrastructure Maintenance Fee and interest

earnings will make up the \$10 million balance of the Infrastructure Replace Fund expenditures for the two-year period that are not covered by this year's debt issuance. Specifically, the \$10 million balance will be funded from the following sources:

- \$2 million strategic draw down of accumulated General Fund reserves in 2020
- \$3 million strategic draw down of accumulated General Fund reserves in 2021
- \$1 million of available one-time accumulated resources in the IRF
- \$2 million of reoccurring revenue from dedicated IRF funding sources in 2020; and,
- \$2 million of reoccurring revenue from dedicated IRF funding sources in 2021

In summary, this year's program will require the full attention of staff and is funded through a combination of grants, GO bonds and IRF revenues. These capital improvements have been prioritized to address areas that are in need of roadway improvements as well as underground utility improvements. The work has also been planned in a way that will minimize disruption to the motoring public as much as possible. The street rehab program has been maintained while significant capital improvements were also completed on Greenwood Avenue, Woodland Area Subdivision (Woodland, Hawthorne, Oakwood, Woodbine), the elevated tank, Deerfield Road, Pflingsten/Kate's Bridge, Brierhill Road, North Avenue, Deer Lake/Estate Drive, North Trail Subdivision, and the Briarwood Vista Subdivision. In recent years, significant road improvements also included the Lake Eleanor/Heather Road project, Carlisle/Carriage Way Infrastructure Improvement Project, and the Lake Cook Road Widening and Reconstruction Project. Seven years ago also concluded the construction of the sewage treatment plant project, which had been under planning and design for five years.

VEHICLE/EQUIPMENT REPLACEMENT FUND

This fund includes purchases of vehicles and equipment amounting to more than \$5,000. Each operating department is charged an annual amount to offset these more expensive items from impacting the budget in any one given year. This year's proposed expenditures amount to \$1,056,432 (+48%). This fund's expenditures vary widely year to year depending on the replacement schedule for a given year. This year's expenditures reflect a heightened position when compared to last year, which did not include the replacement of many major pieces of operational equipment.

ASSESSED VALUATION

Over the past ten years, the taxable assessed valuations have changed as follows:

<u>Year</u>	<u>Amount *</u>	<u>% Change</u>
2009	1,586,409,629	0.5
2010	1,501,605,590	-5.3
2011	1,392,522,439	-7.3
2012	1,293,263,968	-7.1
2013	1,228,417,175	-5.0
2014	1,227,301,586	-0.1
2015	1,319,070,388	7.4
2016	1,407,512,362	6
2017	1,468,241,454	4.3
2018	1,460,222,579	-0.5

DEBT SERVICE FUND

As an Illinois Home Rule community by referendum, the Village has no legal debt limit and is authorized to issue debt without any requirement for a local referendum.

As part of this budget the Village authorized the issuance of \$8 million of GO bonds which will not appear on the tax bills until 2021. In 2018, the Village issued \$6 million of GO bonds and the full debt service amount

associated with the issuance was abated. This year will be the first time the debt service amount of \$438,330 associated with the 2018 bond issuance will appear on the tax bills. In 2017, the Village refunded \$3.215 million of 2008 GO bonds and issued approximately \$2.485 million in new debt to complete the accelerated three-year (2015 – 2017) capital improvement plan. The 2017 issuance first appeared on property tax bills in 2017. The Village currently has eight outstanding GO debt issues, \$7.5 million of the 2010 Series, \$16.27 million of 2011 Series A and Series B, \$9.4 million of the 2012 Series, \$660,000 of the 2013 Series, \$7.98 million of the 2015 Series, \$5.17 million of the 2017 Series and \$5.84 million of the 2018 Series. In addition, the Village has outstanding debt of \$7,520,000 relating to the Library improvement project, which is supported by the Library's property tax payers. As of December 31, 2019, Deerfield's total outstanding bonded General Obligation debt of \$60,360,000 is 4.13% of its total 2018 assessed valuation. When considering that, in Illinois, non-Home Rule communities are allowed a ratio of 8.6%, the Village, as a Home Rule community, can be proud of its low debt service obligations.

Deerfield currently has a Aaa rating from Moody's Investors Service, Inc., an accomplishment shared by few municipalities in the United States. This rating was reaffirmed in May 2018. The Village Board has indicated that it will examine the financial status of the Village each year prior to the final adoption of the annual tax levy with a preference for abating debt service requirements for the Build America Bonds and Qualified Energy Conservation Bonds. The Village Board used federal credits of \$479,228 to abate a portion of the 2019 required Property Tax Levy resulting in a total debt service property tax levy of \$4,197,136.

PROPERTY TAX LEVY

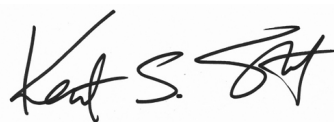
The 2019 Property Tax Levy, collected in 2020, for all Village funds is \$7,874,573. The levy reflects an increase of \$617,216 or 8.5% from the extended 2017 levy. As discussed above, this includes abatements only for debt service associated with the Build America Bonds and Qualified Energy Conservation Bonds. The 2019 levy is distributed as follows: \$3,677,437 to the General Fund and \$4,197,136 for the various GO debt service requirements, which relate to the wastewater treatment plant reconstruction project and other various capital projects. Village property taxes for 2019 represent approximately 6% of the total property tax bill in the Village.

The Library levy decreased 0.01% and totals \$5,113,331. This levy was approved by the Library Board and accepted by the Village Board, as statutorily required.

SUMMARY

Preparing the annual budget is a very thorough and time consuming process and one that the Village Board takes very seriously. As fellow taxpayers, they too want to hold the line on taxes, but without sacrificing the number and quality of services rendered and making sound investments in infrastructure.

I wish to acknowledge the efforts of the Village Board and all departments in compiling this document, and to thank them for their professional support. Special thanks are extended to the Director of Finance and all finance department personnel who do the majority of the budget preparation. We hope that you find it both informative and helpful in implementing our financial plan for fiscal period between January 1, 2020 and December 31, 2020.



KENT STREET
Village Manager

MAJOR BUDGET POLICIES AND OBJECTIVES

VILLAGE GOALS

- To maintain a safe, healthy atmosphere in which to live and work.
- To provide for the Village's long-term financial stability.
- To respond in an efficient and effective manner to community needs.

MAJOR BUDGET POLICIES FOR THIS FISCAL YEAR

- Competitive base salary increase of 2.75% for non-union employees as well as police patrol officers and public works union employees per collective bargaining agreements
- Maintain Village's joint police dispatch operation including participation on the new JETSB
- Continued full required funding contributions of pension costs
- Oversight of \$8.7 million of capital improvement projects including various water main, storm water and roadway improvements
- Issuance and management of a \$8 million bond issuance to cover a portion of the two-year \$18 million capital program
- Completion of a storm water master plan, water system modeling study and wastewater process investigation study to strategically guide future year capital infrastructure needs
- Extension of the commercial solid waste franchise agreement to align expiration dates with the residential solid waste contract
- Issuance of request for proposals to secure new residential solid waste contract expiring March 31, 2021
- Promotion of 2020 census participation to increase future year state-shared per capita distributions
- Strategic management and oversight of Village's fund balance
- Research various policy methods to promote greater access to affordable housing in the Village
- Negotiate public-private partnership to facilitate the development of 630 Central Avenue and 645 Osterman Avenue for holding purposes
- Maintain efforts to reduce non-revenue water loss
- Further enhancement of non-emergency communication tools and citizen outreach including citizen self-service applications such as credit card processing
- Preservation of Village fiscal responsibility including the protection of the local government distributive fund, use tax, property tax, Home-Rule sales tax, and e-911 distributions from a state fund sweep
- Personnel changes including promotion to Administrative Services Coordinator, Assistant Village Engineer, Assistant Village Manager/Director of Community Development and continued succession planning efforts
- 2.5% increase in sewer rate, 9% increase in water rate to keep pace with wholesale purchase increases and 2% increase in the refuse rate to keep pace with labor and contract price increases
- Inter-fund transfer of \$984,665 (3%+) from the General Fund to the Refuse Fund
- Continued management and analysis of a locally administered taxes such as the 1% Prepared Food and Beverage Tax and a 7% Hotel Tax
- Use of federal credits from Qualified Energy Conservation Bonds and Building America Bonds to partially abate the debt service property tax levy
- \$3,677,437 property tax levy to the General Fund and \$4,197,136 property tax levy to fund debt service requirements associated with previously completed capital projects

MAJOR CAPITAL PROJECTS

Street Rehabilitation & Sidewalk Replacement Project: \$2,950,000 program funded through a combination of Infrastructure Replacement Fund (IRF) revenues of \$2,200,000 and \$750,000 of Motor Fuel Tax (MFT) revenue. The scope of work includes pavement removal and replacement, pavement patching, curb and gutter removal and replacement, sidewalk removal and replacement and adjustments of structures and parkway restoration. Locations identified for this year's project include reconstruction/rehabilitation of Dartmouth, Hillside (Somerset to Hazel), Kenton (Cumnor to Woodvale) Knollwood (Kingston to Warwick)

Linden (Stratford to Chestnut), Margate (Warrington to Kenton), Waukegan Road cross walks at Longfellow, Westgate (Warrington to Knollwood) and Windcrest (Dimmydale to Ambleside).

Deerfield Road Resurfacing (Wilmot to Underpass): \$1,150,000 to resurface 4,700 feet of pavement along Deerfield Road between Wilmot Road and the Metra Underpass. This project is an economical way to extend the life of the roadway and delay the need for a full reconstruction project. This project has undergone significant planning efforts in conjunction with the Lake County Division of Transportation so that traffic disruptions would be minimized. As a result, the Village will complete this project at the same time the County is resurfacing Deerfield Road between Saunders Road and Wilmot Road. The Village's funding source for this project is the IRF.

Woodvale Avenue Infrastructure Project: \$2,050,000 project that includes roadway reconstruction, roadway patching, storm sewer installation and adjustments, and sidewalk repairs. After soliciting input from multiple agencies and residents, a meaningful improvement to the drainage situation was not able to come to fruition. Therefore, the project scope will not include a drainage improvement. The Village's funding source for this project is the IRF.

Various Sewer and Water Facility Improvements: \$1,330,000 to continue the Village's efforts to reduce inflow and infiltration while also meeting various NPDES permit requirements for the Water Reclamation Facility (WRF) and working towards completion of a water system redundancy project. \$400,000 is secured to continue the Village's multi-year sewer lining program. Sewer lining is an effective method to significantly extend the life of a sewer while also protecting against inflow and infiltration. \$175,000 is budgeted for a storm water master plan and modeling report to assist with long-term drainage mitigation and infrastructure planning. \$200,000 is budgeted for Phase II design of an emergency water system connection with the Village of Northbrook. This will provide a critical redundancy to the Village's water system once construction is completed. \$100,000 is budgeted for a lead service line elimination program. This program will replace lead service lines from the water main to the house structure. It is anticipated that this will be a new forthcoming requirement from the IEPA when lead service lines are encountered as part of Village capital projects. \$75,000 is budgeted for water meter head replacement program. The water meter heads are approaching end of life and new cellular heads would be installed that would help ensure the Village is accurately billing water usage.

ANALYSIS OF MAJOR BUDGET POLICIES AND OBJECTIVES; EFFECTS OF PLANNING PROCESSES

The Village Board annually updates and reviews the capital project program for a three to five year period, developing stable financing for the immediate budget year and beyond. A financing program is developed based on results from the prior year, the economic conditions at the time and projections of major revenues and expenditures for the immediate and future budget years. In the past, the Village has used the dedicated revenues to the capital program, that is, the 0.25% home rule sales tax, infrastructure maintenance fee of 0.5% of estimated construction costs, MFT revenues, grants and transfers from the fund balances available, primarily from the General Fund. A 1% Food and Beverage Tax has also been used to support the capital program since it was enacted in 2017. As necessary, the Village will issue debt to complete certain projects but this source has historically been used sparingly. As part of this year's budget the Village Board approved issuance of an \$8 million bond to cover the funding gap for infrastructure projects slated for 2020 and 2021.

Infrastructure has become the most pressing demand in the Village and similar to the last several years, 2020 will include large infrastructure investments. The \$8 million bond issuance is consistent with the Board's philosophy to incur debt for projects that will last the lifetime of the bonds. No debt is issued for general operating expenses. Although the Water Fund had not been covering its operating costs for the last decade due to substantially reduced water usage, the 2019 ending fund balance was positive. This trend continues into 2020 with a projected ending fund balance of \$385,703 indicating that the Board has strategically resolved the structural deficit that was affecting the position of the fund. After consideration of

the alternatives available and desirous of maintaining the utility's fund balance, the Board has approved in this budget the following economic decisions:

- Increase the water rate by 9%, sewer rate by 2.5% and refuse rate by 2%. The increases in the water and sewer rates are necessary to provide for ongoing operation of these funds. FY 12/13 was the last year of debt service for a revenue bond out of the water fund, which eliminated approximately \$485,000 in expenses for this fund in future years. Additionally, non-revenue water loss has been significantly reduced in recent years. This will allow this fund to maintain and positive fund balance. In the Refuse Fund, as part of a negotiated contract extension with the waste hauler the Village was able to avoid any contract escalations for curbside service during the first two years of the contract. However, the contract calls for an increase between 2.25 – 3.5% in April of 2020, therefore, a modest increase in the user fee is being passed onto the customers.
- The deficit that has affected the Sewer Fund revenues appears to be recovering and returning to normal due to efficiencies at the treatment plant, a reduction in treatment plant head count from 2014 and previous years of adjusted user fees that helped keep pace with ongoing expenses. This year again calls for a 2.5% increase in the rate to ensure the Fund can maintain balance.
- Use of approximately \$2,000,000 in fund balance drawdown in the General Fund to help cover capital project expenses in 2020.
- A property tax levy increase of \$617,216 or 8.5% to past and current year capital projects. This includes \$479,228 in abatements (reductions) associated with the Federal Government rebates for Build America Bonds and Qualified Energy Conservation Bonds.
- To provide the Village the greatest flexibility, the property tax levies are solely allocated to the General Fund and to the Debt Service Fund. As a result, the Refuse and Infrastructure Funds will receive General Fund transfers to supplement dedicated revenue streams.

BUDGET PROCESS

The budget is a master financial plan that represents services that will be provided to the community and the sources of funds required to perform these services. The budget developed by the Village is regulated through Illinois Statutes and local ordinances. Pursuant to State Statute, the Village is a home rule municipality and as such it has, among other powers: (1) a wider range of revenue options available, (2) no tax rate maximum, and (3) the ability to issue general obligation debt without limit. The Village has been sparing in the use of the tax levy and until FY 2004/05 the only home rule revenue source utilized by the Village had been a 6% hotel tax. Subsequently, the Village has imposed a home rule sales tax at a current rate of 1% with a portion dedicated to the capital projects program, and a 1% prepared food and beverage tax that took effect March 1, 2017. In 2019, the hotel tax was adjusted to a new rate of 7%.

The Budget Act allows for control of the budget at the fund level. However, the Village requires its department heads to control their budgets at the department or division level as appropriate.

The budget is analyzed in two parts - the operating budget and the capital program. The capital project plan has a longer term, and the current year component is incorporated into the operating budget. The operating and capital budgets are developed with a focus on long-term solvency. To maintain a long-term focus, the Village uses presentations of projected figures for the operating budget for two future years, in addition to the budget year, as well as a three or five-year capital project budget.

Budget Amendment. While it is rare for the Village to amend the budget, the Village can do so. Two-thirds of the corporate authorities then holding office may revise the budget, providing that funds are available for the designated purpose.

Debt Issues. This year the Village will issue \$8 million in GO Bonds to partially fund a two-year \$18 million capital improvement program slated for 2020 and 2021. In 2018, the Village issued \$6 million in GO bonds that partially funded a \$12 million capital improvement program that was completed over the two year period of 2018-2019. In 2017, the Village authorized a \$5.5 million debt issuance coupled with a refinance of the 2008 bond issuance that resulted in a net of \$2.5 million of new debt to cover the balance of that year's

capital improvement program. In 2015, the Village authorized a \$9.575 million bond issuance to supplement funding for large scale capital improvements for the three-year period of 2015-2017. The Village issued \$32.4 million in new debt in FY 2011/12 for capital projects. \$22.4 million in new debt was issued in September, 2011 of which \$4.0 million was for general capital projects, \$5.9 million was for the first phase of the Deerfield Public Library remodeling and \$12.5 million for the continued funding of the new wastewater treatment plant. An additional \$10 million was issued in February, 2012, and \$3.2 million in December, 2012, for rehabilitation of the wastewater treatment plant and \$5.875 million for the Deerfield Public Library renovation project. Outstanding debt as of December 31, 2019, includes \$5.84 million of the 2018 issue, \$5.17 million of the 2017 issue, \$7.98 million of the 2015 Series, \$660,000 of the 2013 Series, \$9.4 million of the 2012 Series, \$16.22 million of the 2011 Series A and Series B, and \$7,500,000 of the 2010 Series.

As indicated above, substantial additional debt was necessary over the past several years to support the Village's capital program, especially the \$32 million treatment plant project, and funding for the Deerfield Public Library project. The Village has maintained its Aaa bond rating throughout these issues and although this debt will carry the full faith and credit backing to provide for the lowest possible interest rate, the Village has applied for and received significant savings through the Federal Build America Bonds and Qualified Energy Conservation Bonds programs. Also, the interest rate environment recently has allowed the Village to receive historically low interest rates on its tax exempt debt. The combination of these circumstances will save the Village residents significant sums in debt service costs over the life of the issues.

Operating Budget. The budget process is a continuous one for Village staff, the Village Manager and members of the Board of Trustees. There are regular reviews of priorities and goals and the means to accomplish them. In joint meetings with department heads, supervisors prepare their operating budgets, which are reviewed and adjusted by the department head, prior to further review by the Finance Director and the Village Manager. After these reviews by the Village staff, the preliminary budget is prepared and sent to the Mayor and Board of Trustees. At that point, the Board meets as a Committee of the Whole to review and discuss proposed operating expenditures, existing and potential revenue sources, and requirements of the Village's capital project needs. Highlights from the budget are presented by staff members and the Village Board conducts a line-by-line budget review. Specific programs and projects are addressed as they relate to the present and future needs of the Village residents.

Capital Program. In its capital projects program, the Village identifies long lasting construction expenditures in excess of \$10,000. These expenditures are shown in the Capital Projects Fund Section. These projects are initiated from a number of sources, including the Director of Public Works and Engineering, other Village personnel, the Village Board, members of the public, or outside professional consultants. These items are prioritized by staff members, including the Director of Public Works and Engineering, the Village Manager and the Finance Director. They are then submitted to the Village Board for consideration, prior to presentation at a public hearing. During the process of prioritization, the available methods of financing are also reviewed.

EFFECTS OF CAPITAL PROJECTS ON OPERATING BUDGET

- Street, Sidewalk and Curb Rehabilitation Projects: These projects will minimally reduce maintenance costs. With the square footage expected, we anticipate an ongoing reduction of less than \$25,000 per year. In particular, this year's project includes extensive reconstruction and is expected to lower spring patching costs associated with Dartmouth, Elder, Hillside, Kenton, Knollwood, Westgate and Windcrest as well as avoidance of slip and fall liabilities. Several of these streets will also improve pedestrian safety in the vicinity of nearby schools. Additionally, resurfacing of streets such as Linden Avenue, Margate Terrace and Waukegan Road at this time allows the Village to significantly extend the life of the roadways for relatively low cost when compared to delaying the work, which would result in the need for a full reconstruction project at triple the lane mile price.
- Deerfield Road (Wilmot to Underpass): The Deerfield Road resurfacing project consists of roadway resurfacing. This project is being completed in coordination with Lake County's resurfacing project of Deerfield road to minimize traffic disruptions. *Operating Effect:* The improvements completed as part

of this resurfacing project are expected to extend the life of the roadway and delay the need for a full roadway reconstruction project, which can range from 3 to 6 times the cost of a resurfacing project. This project is expected to reduce the need for hot mix or cold patch asphalt repairs with an associated operating budget expense of less than \$20,000 annually.

- Woodvale and Woodridge Capital Improvement Project: The Woodvale Avenue project includes roadway reconstruction, roadway patching, storm sewer installation, water main improvements and sidewalk repairs on Woodvale and Woodridge. This project also includes minimal drainage improvements that will alleviate some roadway flooding. *Operating Effect:* The improvements will result in some geometric changes that improve roadway access during rain events and limit the frequency for emergency personnel to respond to roadway flooding. Reconstruction of the roadway will reduce the need for asphalt patching repairs at a cost of less than \$10,000 per year. Utility improvements to water and sewer mains will reduce one water main break a year and the need for sewer televising operations at a cost of approximately \$10,000 annually.
- Engineering costs on various infrastructure projects (Woodvale, Arbor Vitae and Deerfield Road): The engineering work for these various infrastructure, drainage and water projects will allow for significant construction improvements in these locations in 2020 and 2021. The Woodvale Avenue project includes replacement of the roadway as well as drainage improvements. Construction is slated for 2020. The water main improvements and roadway reconstruction work contiguous to Arbor Vitae Road is slated for 2021. *Operating Effect:* The improvements completed as part of the Woodvale project is expected to reduce the operating expenses by \$25,000 due to the need for less roadway patching and an anticipated reduction in personnel/overtime costs and resources (i.e. sandbags, etc.) needed to respond to the roadway flooding. In addition, the Arbor Vitae Road and Deerfield Road infrastructure projects are expected to reduce operating expenses by approximately \$20,000 due to the reduced need for asphalt patching repairs and the anticipated reduction of 6 water main breaks per year.
- Various Sewer and Wastewater Facility Improvements: This consists of the sewer lining program, sewer televising and an I/I residential sump pump reduction program. These projects will extend the life of the Village's underground sewer system, reduce the unnecessary treatment of storm water and reduce the potential for sanitary sewer overflows. Sewer improvements will help reduce operating expenses marginally and the diversion of storm water from the wastewater treatment plant is anticipated to reduce operating expenses. This also includes projects associated with the reduction of Phosphorus levels at the wastewater plant as mandated by the IEPA. *Operating Effect:* It is estimated that 30% of the remaining I/I in the system is attributed to illegally connected storm sewers. If these illegal connections can be remedied, it is anticipated that the Warwick Road Pump Station would no longer need to surcharge during excessive wet weather events. By eliminating overflow events at the Warwick Road station permanently, it is anticipated that \$10,000 will be saved in the reduction of chemicals and overtime costs annually. The mandate for the Village to reduce Phosphorus levels at the wastewater plant increases the operating budget by \$100,000 due to increased chemical usage and increased sludge hauling, as the centrifuge will need to be operated more frequently.

INFRASTRUCTURE MANAGEMENT

The Village believes that ongoing maintenance of its infrastructure and equipment is of prime importance to reduce the risk of emergency repairs and avoid the cost increases of deferred maintenance. To finance capital projects, the Village utilizes standard capital raising techniques such as General Obligation and Revenue Bond Issues, as well as pay-as-you-go practices when reasonable. Two examples of the pay-as-you-go program are (1) the Vehicle and Equipment Replacement Fund and (2) the Infrastructure Replacement Fund. The purpose of the Vehicle and Equipment Replacement Fund is to keep annual expenses in balance while providing sufficient funds for the replacement of vehicles and major equipment items that cost in excess of \$5,000. The Vehicle and Equipment Replacement Fund is fully funded. The Village also has established an Infrastructure Replacement Fund to provide funding for ongoing maintenance

of the Village's infrastructure, primarily streets and underground improvements. 2020 once again reflects an aggressive capital improvement plan. Funding for the capital project program is from grants, a portion of the home rule sales tax, infrastructure maintenance fee, bond proceeds, General Fund transfers and the food and beverage tax.

MAJOR REVENUES

The Village has varied sources of revenue available as a home rule municipality. As such, it is not dependent on one source of revenue that may be adversely affected by economic conditions and has the flexibility to adjust current revenue rates or implement new revenue sources as it sees fit. Projection methods and economic effects on the revenue, if applicable, are discussed within each revenue presentation.

Property Tax - \$7,874,573 – An 8.5% increase in the property tax levy that allocates \$3,677,437 for the General Fund to support public safety and to allow for the greatest flexibility. An additional \$4,197,136 is allocated to the Debt Service Fund for the outstanding issues. Deerfield is a home rule municipality, and, as such, has no limit on the amount it can levy for property taxes. The assessed property levels (net for taxing purposes) in the Village had shown sustained growth until the 2009 tax year; in that year, the addition of the TIF #2 EAV to the taxable list was offset by a drop in value for the existing taxable property due to the real estate slowdown. (The Village collection on its property tax levy has averaged 99+% over the last five years). In more recent years the EAV has significantly increased when compared to 2014. The 2015 EAV increased 7.4%, the 2016 EAV increased 6% and the 2017 EAV increased 4.3% as the markets continued to recover and new developments (i.e. AMLI, Woodview,) were added to the property tax base. The 2018 EAV is relatively flat, reflecting a -0.5% change year-over-year but new developments are underway which should add to growth in future years. Since the Village is home rule and collects nearly its entire levy regardless of the change in EAV, the property tax revenue is based on the approved levy.

The Village Board has historically kept property tax increases to a minimum to provide relief in this area to property owners knowing that the major portion of the debt service for the treatment plant and other capital improvements will be property tax supported.

EQUALIZED ASSESSED VALUATION

<u>Tax Levy Year</u>	<u>Net for Taxing Purposes</u>	<u>Incremental (TIF) Valuation</u>	<u>Total</u>
2008	1,577,953,846	84,212,560	1,662,166,406
2009	1,586,409,629	0	1,586,409,629
2010	1,501,605,590	0	1,501,605,590
2011	1,392,522,439	0	1,392,522,439
2012	1,293,263,968	0	1,293,263,968
2013	1,228,417,175	0	1,228,417,175
2014	1,227,301,586	0	1,227,301,586
2015	1,319,070,388	0	1,319,070,388
2016	1,407,512,362		1,407,512,362
2017	1,468,241,454		1,468,241,454
2018	1,460,222,579		1,460,222,579

* The Village's TIF District 1 was terminated for the 2005 tax year; District 2 for the 2009 tax year.

As property in Illinois is generally assessed at one-third of actual market value, this results in an estimated total market value of \$4.38 billion for all taxable property in the Village for 2018, which is a decrease of \$24 million in total value from 2017.

Sales Tax - \$4,900,000 regular projected in 2019 (\$5,200,000 budgeted in 2020) / \$3,350,000 home rule projected in 2019 (\$3,350,000 budgeted in 2020) Sales tax, which is now the Village's largest single General Fund revenue item, is a 1% tax (regular) on the exchange of all tangible personal property within the Village, and the Home Rule tax, which is an additional 1% on items that are not titled (autos) or groceries or

drugs. This tax is collected by the State and remitted to the Village. In late 2017, the State began imposing a new 2% administrative fee on the home rule sales tax. The administrative fee was reduced to 1.5% in 2018. The Village does not anticipate any state changes to the distribution formula this year. The home rule tax was increased from 0.5% effective January 1, 2009.

The fact that some major retailers have closed, such as Fresh Thyme, is offset by several new retailers that opened in Deerbrook Mall, Deerfield Park Plaza and the downtown in 2018 and more are expected to open in 2020.

The home rule tax is split between the General Fund and the IRF, with ¼ going to the IRF for capital project funding and the balance to the General Fund. Also, the amounts above are gross amounts received by the Village. The Village has a long standing agreement with Walgreen National Corp. to rebate 80% of the Village sales tax that the firm pays. The amount of the rebate is projected at \$3.3 million for 2018 and is budgeted at \$2.8 million for 2019. In addition, this is the second year of a sales tax sharing agreement with Portillo's. This rebate is projected at \$80,000 for 2019 and budgeted at the same amount for 2020. It is anticipated that this agreement will reach its total rebate amount of \$240,000 and be dissolved by the end of 2020. Lastly, the Village has a sales tax sharing agreement associated with the redevelopment of the new Jewel-Osco store in Deerbrook Mall, which commenced in 2018. This rebate is projected at \$100,000 for 2018 and budgeted at the same amount for 2019. These expenses total \$2.98 million and are reflected in the Finance Dept. budget.

Income Tax - \$1,800,000 projected in 2019 (\$1,700,000 budgeted in 2020) - The Village receives a portion of the State of Illinois Income Tax receipts which is distributed by formula based on population. This projection is based on the estimates of the Illinois Municipal League and is consistent with previous 12 month periods. In February of 2017, the Village completed a special census of the AMLI and Woodview properties and received official notice that the Village's population increased by 555 people and 488 housing units. This will result in a modest increase in state-shared revenues since the income tax distribution is calculated on a per-capita basis. However, this revenue source is subject to the discretion of the state legislature and can be decreased or totally retained by state legislative action. Recent state budgets included a 5% cut to the Village's revenue from this fund, which is anticipated to continue. This funding source continues to be a topic of debate for the Illinois General Assembly. The 2020 Decennial Census will directly impact revenue generated from this source.

Hotel/Motel Tax - \$2,250,000 projected in 2019 (\$2,250,000 budgeted in 2020) - This revenue source had been substantially affected by the downturn in business travel during fiscal year 2007-08 but recovered in recent years and is budgeted to be an 2% increase this year. The Village increased the tax rate on room occupancy charges in 2019 from 6% to 7%. This revenue is very sensitive to the economy and other external sources as our six hotels cater mainly to the weekday business traveler. The receipts had remained constant over the past four years and the projection is based on the occupancy rates and room revenue to continue the historical trends. In July, several of the hotels will host guests of the 2020 Democratic National Convention being hosted in Milwaukee. None of the six hotels have closed or indicated that they intend to close; their business is supported by the number of corporate businesses in the Village, especially in the pharmaceutical area that has maintained some strength, despite the relocation of Takeda Pharmaceutical Company at the end of 2019.

Investment Earnings - \$1,886,500 projected in 2019 (\$1,200,000 budgeted in 2020) - The largest portion is earned in the Police Pension Fund, where \$700,000 (58%) is budgeted from a combination of equities and fixed income securities. The projections are based on existing investments and on amounts to be invested in the coming year. Short term interest rates have increased recently. However, the spending down of fund balances for operations and capital projects has decreased the investable assets of the operating funds and hence their income from this source.

Building Permit Revenue - \$1,800,000 projected in 2019 (\$925,000 budgeted in 2020) - This revenue, which is tied directly to building and remodeling activity in the Village, increased significantly five years ago due primarily to the construction permit fees from commercial and residential remodeling. Most

notably, building permits for the Woodview and AMLI apartment buildings account for approximately 53% of the total building revenues received in 2014. These two developments have combined to add 500 new luxury rentals to the market. Both properties are now stabilized and enjoy occupancy rates in excess of 95%. 2019 experienced exceptional building permit fees mostly attributable to the permits associated with construction of a nearly \$34 million 240-unit independent senior living apartment community at 1627 Lake Cook Road. With the exception of this development, similar building activity was experienced over the year and is again forecasted for 2020 as the local economy continues to stabilize due to the recovering real estate market, residents remodel their existing homes rather than moving, and custom homes are being desired by new buyers. The Village has been buffered somewhat from the overall downdraft in real estate due to the concentration of corporate, North American and Global headquarters for Walgreens Boots Alliance, Takeda Pharmaceuticals, Baxter, CF industries, Essendant and the newly add global headquarters for Caterpillar, Inc, which took occupancy at 510 Lake Cook Road in 2018. However, in September 2018, Takeda Pharmaceuticals announced plans to relocate 1,000 employees to the greater Boston area and to close the Deerfield site following a successful closing of the Shire acquisition. The campus had been vacated by the end of 2019; however, the Village understands there are several potential buyers for the property and we anticipate a property transfer to occur within the first quarter of 2020. The Village continues to remain an attractive residential community with quality schools and local services. The desirability of the Village's residential community is exemplified by the increased number of new luxury apartments and proposed commercial developments. Several significant redevelopment proposals have recently been approved or are currently under review including approval of a 10.79 acre rental community in the rear of Deerbrook Mall consisting of a five-story building housing 186 rental units, with an attached four story parking garage and 60 rental townhome units in nine building.

User Charges - Village budget policy requires that those funds that can be reasonably financed by a user charge be so financed:

Water - \$4,650,000 projected in 2019 (\$5,450,000 budgeted in 2020) - The budgeted amount for water sales, is based on the rate of \$5.45 per 100 cubic feet. This rate reflects an increase of 9% this year to keep pace with a 15% wholesale increase from the City of Highland Park and increased operating expenses in this fund. Usage continues to stagnate however, significant progress has been made to reduce the amount of non-revenue water in the Village. 2019 was the first year in over a decade that the fund ended the year with a positive balance. FY 12/13 was the final year of debt service for the 2003 issue that has resulted in an expense reduction of \$485,000. Future revenue projections need to keep pace with wholesale increase to allow the fund to remain balanced.

Sewer - \$2,800,000 projected in 2019 (\$3,195,000 budgeted in 2020) - The budgeted amount for sewer charges, is based on water usage and a sewer charge of \$3.55 per 100 cubic feet. This rate reflects an increase of 2.5%. The previous revenue stream in this fund had not been sufficient to cover operating expenses and eight years ago the Board made a rate increase schedule of 10% followed by a 5% increase to bring the fund back to a positive balance. Since then, the Board has maintained 2.5% user rate increases to maintain the funds positive position. Demand as indicated by water usage is stagnant and shows no sign of any significant increase.

Refuse - \$536,620 projected in 2019 (\$546,950 budgeted in 2020) - The budgeted amount for direct customer refuse billing, is based on a user fee of \$7.61 per month. This reflects a 2% increase from last year to keep pace with increased labor and material costs. The contractual refuse service is funded through a combination of user charges and a General Fund transfer of \$984,655, which reflects of 3% increase from last year's transfer. The Village negotiated a five year contract extension with the incumbent hauler, Waste Management, effective April 1, 2016, which froze the curbside pick-up rate for two years and the yard waste sticker rate for one year. The base service that will be charged through the Village will continue to be once a week curbside. Any optional service is billed directly by the hauler to the customer. This contract will be placed out for bid in 2020 with a next contract commencing April 1, 2021.

FINANCIAL CONDITION OF THE FUNDS

Fund - The fund is a self-balancing group of accounts that includes revenues, expenditures, assets and liabilities. Each fund has some specific purpose; funding a pension, providing for the treatment of sewage, or funding capital maintenance or replacement programs. The way to distinguish a fund from an activity is that a fund will have exclusive revenue items as well as expenditures. Normally expenses are to be balanced with revenues within a fund.

Generally the funds of the Village are in sound condition and, if the budget performs as projected, they will continue to have available balances by year-end. As indicated above, the revised sewer and water rates have enabled the sewer fund to have a positive balance and the water fund is expected to return to a balanced position in the near future.

FINANCIAL CONDITION OF THE VILLAGE

The Village continues to be in excellent financial condition. This is indicated by:

- Moody's bond rating of Aaa
- Continued stability in sales tax revenue
- Increasing equalized assessed valuation for property tax purposes
- Debt issuance only for large cost, long-lived projects
- Continued full required funding contribution of pension costs
- Continuing maintenance of the Village waste water treatment plant and equipment
- Full funding of the Vehicle and Equipment Replacement Fund
- Continued economic development activity and private capital investments

FUTURE YEARS' PROJECTIONS

The Village projects its Operating Fund two years into the future. Estimates are conservative. The Village is assuming a general increase of 2% for items not guaranteed by contract or other similar surety. In addition, the Village is assuming a significant increases in the wholesale cost of water purchased from Highland Park will continue until the associated debt service payments for new water plant is stabilized. Accordingly, the Village is tentatively assuming a 9% user rate increase in the water fund and a 2.5% increase in user rates for the sewer fund to keep pace with operating costs. A 2.25% – 3.5% increase in the residential waste hauler contract will occur in April of 2020. A new residential waste hauling contract will take effect on April 1, 2021. The Village's revenue projections were adjusted last year to reflect a proportional increase in state-shared revenues (i.e. income tax and motor fuel tax) that are distributed on a per-capita basis since the special census for AMLI and Woodview was completed in 2017 and 555 people were added to the Village's population. Future year revenue projections will be adjusted following completion of the 2020 Decennial Census. The Village will continue to monitor the application of a recreational marijuana dispensary in town, which would be taxed at 5% on the gross receipts.

PERSONNEL

The budget includes employee promotions to the position of Administrative Services Coordinator, Assistant Village Engineer, Assistant Village Manager/Director of Community Development. A part-time Administrative Intern position has also been added to the budget. This is expected to be a two-year program that supports a graduate student's studies. The personnel changes reflect additional responsibilities and prudent succession planning efforts that will enhance the continuity of service. As employee turnover occurs due to retirements and departures, positions are reevaluated to ensure that the manpower is necessary and that the proper skill sets are acquired as positions are filled.

DEVELOPMENT ACTIVITIES

The Village has not been immune to the general downturn in residential property values. However, the price decreases have not been as drastic as other areas of the country or even this region; homes in foreclosure number less than 25 out of 6,500 in 2019 and continue to decline. As the assessment procedure uses three years of market activity, the assessed value of existing property has had six years of decline, approximately 4.5% for tax year 2009, an additional 5% for 2010, 6% for 2011, 7% for 2012, 5% for 2013 and less than 1% for 2014. However, the 2015 EAV ended this trend as it reflected a 7.4% increase and the 2016 EAV reflected a 6% increase and the 2017 EAV reflects a 4.3% increase. The 2018 EAV reflects a relatively stable assessment with a small decrease of less than 1%. As the Village is a home rule unit, it is not dependent on the level of assessed value to increase property taxes but this situation does affect the school and park districts, which are non-home rule.

Building activity in the residential arena continues with primarily remodeling activity in the residential and commercial sectors. Permit fees continue to remain strong. The near future in commercial activity will also be in the remodeling area with slightly higher overall building permit fees as a result. Recent year activities include two residential developments (AMLI and Woodview) broke ground in 2014 and brought significant building permit fees to the Village. Other residential developments include Taylor Junction, a transit-oriented townhome development in the downtown, and new single-family home developments including Elysian Way and Samantha Way. Zion Woods is a 25 unit workforce housing development on 8 acres at 10 Deerfield Road that will is expected to begin construction in 2020.

More recently, construction is underway at 658, 662, and 702 Elm Street for a 7-unit townhome development on 0.89 acres. Construction of a 5,000 square foot Chick-Fil-A restaurant at 99 S. Waukegan Road, and construction of a multi-tenant building housing a Café Zupas and Bartaco at 711 Deerfield Road were both completed in 2019. Construction of a \$34 million, six-story 240-unit independent living facility at 1627 Lake Cook Road is also nearing completion. At Deerbrook Mall construction is underway for a new Panera Bread restaurant and so is demolition of three vacant retailers in the rear of the mall to accommodate a new rental community. The final development agreement for the rental community was approved in 2019 and construction is expected to being in 2020. This 10.79 acre development will include one residential apartment building consisting of five stories and 186 rental units with an attached four-story parking garage. It will also include 60 rental townhome units in nine buildings and two acres of greenspace including a dog park, pool, and multiple courtyards.

Development is also underway at various sites within the Parkway North office park, Walgreen Co. continues to invest significantly in their campus along the south side of Lake Cook Road, and Deerbrook Mall and Cadwell Corner's shopping center continue to attract restaurants and small or mid-size retailers including Brunch Café and Dollar Tree.

The Village is fortunate to have become the headquarters location for a number of large, international pharmaceutical and health related industries including long established firms like Walgreens, and Baxter. Essendant and CF Industries also have corporate headquarters in the Village. The Corporate Headquarters for Mondelez International recently relocated out of town but this space is expected to be fill with an office user shortly. Corporations and office parks continue to fill and remodel existing office buildings and attract companies to the area. In 2018, Caterpillar, Inc. moved their global headquarters to Deerfield. Caterpillar, Inc. has approximately 300 employees working out of the new headquarters at 510 Lake Cook Road. Takeda Pharmaceutical Company relocated to Boston following a merger with Shire, and the office park was vacated and put up for sale in 2019. This campus has received great interest from potential purchasers and a property is expected to take place in the first quarter of 2019. This activity continues to provide a foundation for the micro-economy of the immediate area and has helped support local businesses and residential housing due to the influx of new employees. New retail activity has shown recent signs of stirring, primarily in development of new fast casual restaurants, grocers and mid-size retail.

This continued interest in the residential and commercial development of the Village should ensure future strength in the property values of the Village. Staff is constantly reviewing service delivery in all areas to ensure that our high service levels are maintained through this growth.

In 2016, the Village adopted a Master Plan for the northwest quadrant of the Village Center. The Master Plan provides an opportunity to make the Northwest Quadrant an attractive public campus. Some improvements outlined in the Master Plan may take place in the near future, and other improvements may be accomplished 15 to 20 years from now. This Master Plan document will serve as a guide for the Northwest Quadrant that will be implemented over the next 20 years when public institutions and landowners in the Northwest Quadrant make improvements to their properties.

BUDGET CALENDAR

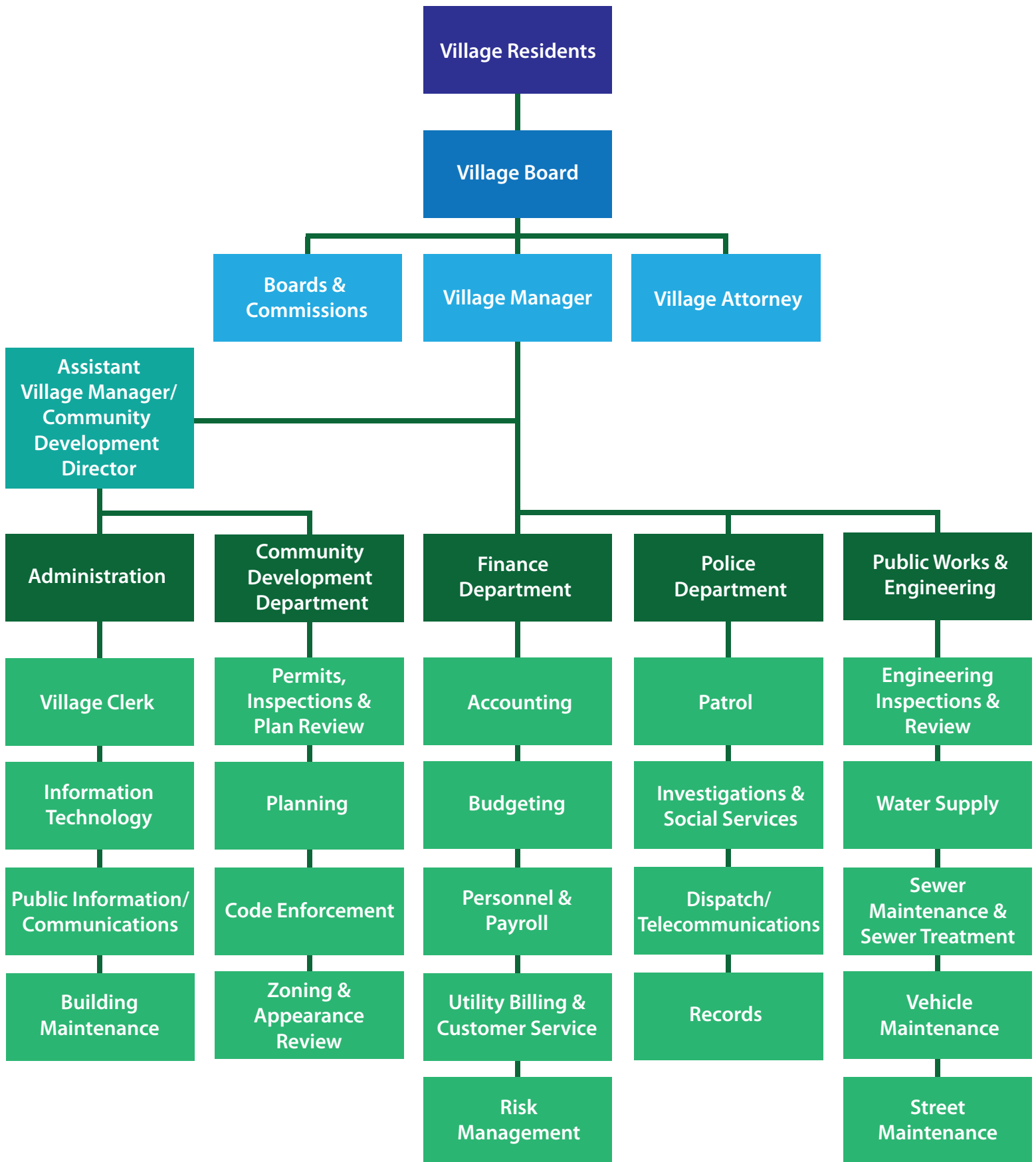
BUDGET PREPARATION AND LEGISLATIVE ENACTMENT FOR 2020

<u>DATES *</u>	<u>OPERATING TIMETABLE</u>	<u>RESPONSIBILITY CENTER</u>
Jun. 29 – Aug. 4	- Final preparation of department budgets	Department heads, staff
August 5	- All departmental budgets requests entered into Munis budget module	Department heads, staff
Aug. 6 – Aug. 30	- Manager reviews budget with department heads; further review when necessary	Village Manager, Finance Director, Department heads
September 13	- Budget to Mayor and Board of Trustees for review	Finance Department
Sept. 14 - Oct. 18	- Review by Mayor and Board of Trustees	Mayor and Board of Trustees
October 1	- Commence budget review meetings	Mayor and Board of Trustees, Finance Director, Department heads
October 1	- Proposed budget placed on file for review by public	Staff
November 4	- Public hearing on proposed 2020 budget	Mayor and Board of Trustees, Staff
November 7	- Publish 2019 Tax Levy hearing notification	Staff
November 18	- Approve 2020 budget and Public hearing on 2019 Tax Levy	Mayor and Board of Trustees
December 2	- Approve 2019 Tax Levy to fund calendar year 2020	Mayor and Board of Trustees
Jan. 1, 2020	- Budget Effective Date	
Jan.-Dec. 2020	- Implement and Administer Budget	Staff
Jan.-Dec. 2020	- Review of Progress toward Goals and Objectives	Staff, Mayor and Board of Trustees
*all 2019 unless noted		



Village of Deerfield, Illinois Organization Chart

VILLAGE OF DEERFIELD



Full time Employees

DEPARTMENT	2013A	2014	2015	2016	2017	2018	2019	2020
VILLAGE MANAGER	5	5	5	5	7	8	8	8
FINANCE	8	8	8	8	7	7	7	7
COMMUNITY DEVELOPMENT	7	8	8	8	8	8	8	8
PUBLIC WORKS:								
ADMINISTRATION	4	4	4	4	4	4	3	3
ENGINEERING	2	2	3	3	3	3	3	3
STREETS	7	7	7	7	7	7	7	7
UTILITIES MAINTENANCE	14	14	13	13	13	13	13	13
SEWAGE TREATMENT PLANT	7	7	7	7	7	7	7	7
GARAGE	2	2	2	2	2	2	2	2
TOTAL PUBLIC WORKS	36	36	36	36	36	36	35	35
POLICE:								
ADMINISTRATION	7	7	7	7	7	7	7	7
COMMUNICATIONS	8	8	8	8	8	8	8	8
INVESTIGATIONS/YOUTH	7	7	7	7	7	7	7	7
PATROL	33	34	34	34	34	34	34	34
TOTAL POLICE	55	56	56	56	56	56	56	56
TOTAL	111	113	113	113	114	115	114	114

Part time Employees - Full time equivalent

DEPARTMENT	2013A	2014	2015	2016	2017	2018	2019	2020
VILLAGE MANAGER	0.2	0.2	0.6	0.6	0.2	0.2	0.2	0.6
FINANCE	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
COMMUNITY DEVELOPMENT	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PUBLIC WORKS:								
ENGINEERING	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
STREETS	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
UTILITIES MAINTENANCE	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7
SEWAGE TREATMENT PLANT	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
TOTAL PUBLIC WORKS	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.3
POLICE:								
ADMINISTRATION	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
COMMUNICATIONS	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
INVESTIGATIONS/YOUTH	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PATROL	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8
TOTAL POLICE	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8
TOTAL - PART TIME - FTE	8.0	7.4	7.8	7.8	7.4	7.4	7.4	7.8

GRAND TOTAL	119.0	120.4	120.8	120.8	121.4	122.4	121.4	121.8
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The Village Manager's Office added a part-time intern in 2019.

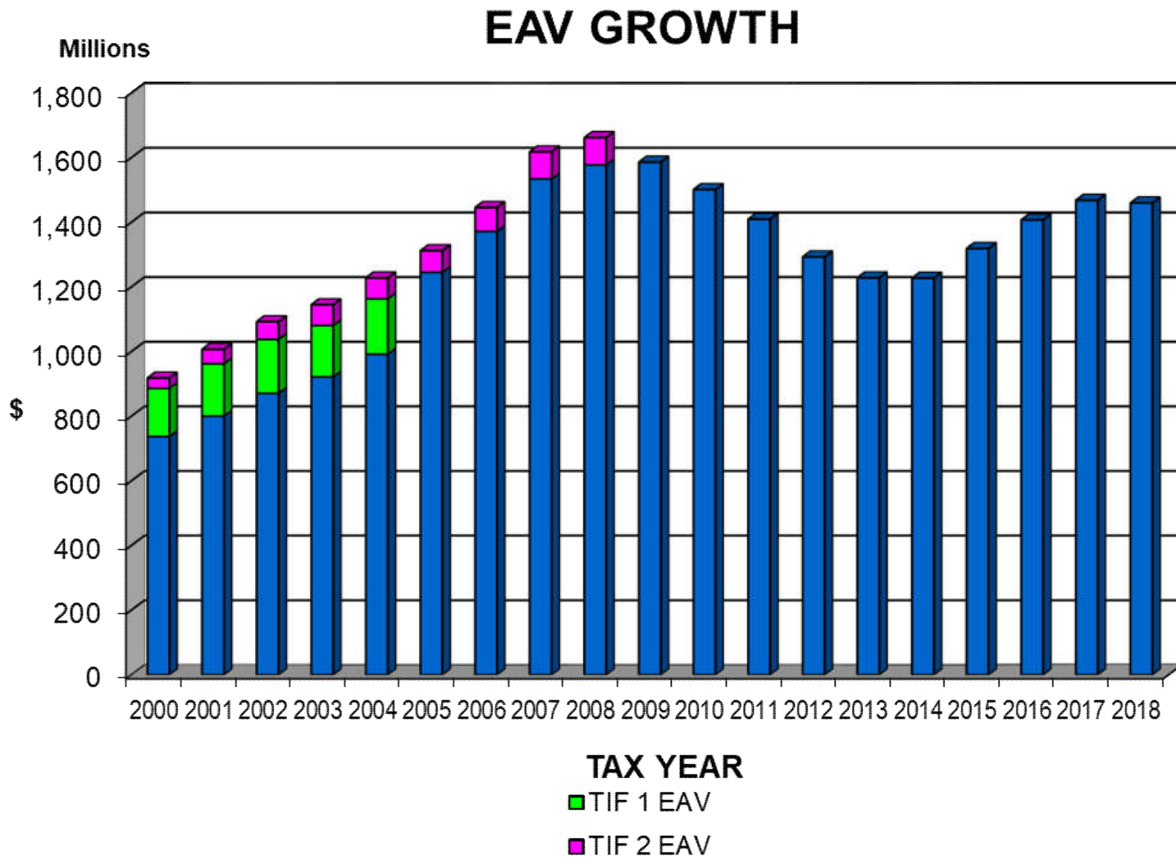
SUPPLEMENTAL INFORMATION

The Village at a Glance

Incorporated in 1903 and located 27 miles north of downtown Chicago, the Village is predominantly a community of single-family homes. The 2010 Census recorded a population of 18,225 and 6,638 housing units within a land area of 7.0 square miles. The Village's population has increased by 4.5% from 1980, whereas the number of housing units in the Village has grown by 21%, indicating a continuing trend toward smaller household sizes. A partial special census was performed in 2017 on specific blocks resulting in a recorded population of 18,779.

<u>Year</u>	<u>Population</u>	<u>Housing Units</u>
1980	17,430	5,489
1990	17,327	6,052
2000	18,420	6,518
2010	18,225	6,638

Deerfield is recognized as one of the State's wealthiest communities. The Census Bureau estimates that in 2010, Deerfield's median family income was \$129,187 was 2.3 times greater than the statewide median of \$54,644. The Village's \$520,300 Median Home Value in 2010 Census was 185% of the statewide median of \$182,300. Median Home Value is a significant contributing factor to the Village's assessed valuation, and recent trends indicate that the equalized assessed value will increase for tax year 2015 after stabilizing the previous two years. Foreclosure activity has remained low with less than 1% of the housing in this status.



Note: Both TIF's have been retired and their increment assessed value is now in the base EAV.

The Commercial Tax Base

In addition to the residential areas of Deerfield, the Village's tax base also includes a number of corporate headquarters facilities and other commercial establishments. The Village's larger office buildings are located primarily along the north-south I-294 Tollway, which is in the western part of the Village, and the east-west Lake Cook Road corridor, a four-lane road near the southern boundary of the Village. Other commercial areas include Deerfield's downtown business district, which has undergone a major redevelopment, and various retail and service firms along Waukegan Road and Deerfield Road. The following table lists the largest taxpayers in the Village (based on 2017 tax rate information):

<u>Taxpayer</u>	<u>Taxable Assessed Value</u>	<u>% of Total Taxable Assessed Valuation</u>
Walgreen Co.	\$45,707,187	3.11%
Marvin F Poer & Co.	32,537,387	2.22%
Takeda Pharmaceuticals North America, Inc.	27,302,061	1.86%
MidAmerica Asset Management	25,636,607	1.75%
Fulcrum Asset Advisors	20,543,752	1.40%
CRM Properties Group	15,211,098	1.04%
James Campbell Co LLC	14,744,691	1.00%
LO Deerfield Operating	13,028,808	0.89%
LFP Woodview, LLC	11,604,372	0.79%
North Parkway One Investment LLC	11,046,770	0.75%
Total	<u>217,362,733</u>	<u>14.81%</u>

Data Source: Lake & Cook County Clerk's & Assessor's Offices.

The table below lists the Village's ten largest employers in 2019 as determined by Lake County Partners:

<u>Company Name</u>	<u>Primary Description</u>	<u>Number of Employees</u>
Walgreens Boots Alliance Inc.	Pharmacies	4200
Baxter International Inc.	Physicians & Surgeons Equip & Supls-Mfrs	1900
Takeda Pharmaceuticals USA Inc.	Pharmaceutical Products-Wholesale	1700
Mondelez International Inc.	Food Products & Manufacturers	700
Essendant Inc.	Office Supplies-Wholesale	600
Deerfield Park District	Parks	500
Student Assistance Commission	Government Offices-State	499
Lundbeck	Pharmaceutical Preparations	260
Deerfield High School	Schools	250
CF Industries Holdings Inc.	Fertilizers-Manufacturers	200

The following municipal services and facilities are available in the Village of Deerfield:

Number of Full-Time Employees (FTE)	114
Miles of Streets	76
Miles of Alleys	4
Miles of Sewers	150
Police Protection:	
Number of Stations	1
Numbers of Police Officers (authorized)	41
Library Services:	
Number of Branch Libraries	1
Physical Items	113,703
Virtual Items	789,681
Circulation	509,487
Recreation Facilities:	
Number of Parks and Playgrounds	20
Park Area in Acres	206
Golf Course Area in Acres	155
Municipal Water Utility:	
Service Locations	6,190
Average Daily Water Pumped (gals)	1,900,000
Miles of Water Mains	90

Municipal and Other Governmental Services

The Village of Deerfield is governed by a President/Mayor and Board of six Trustees, all of who are elected on an at-large basis. Pursuant to a referendum on April 15, 1975, the Village is a home rule unit under Illinois law. In 1952, the Village adopted an ordinance creating the position of Village Manager. The Manager is responsible for the day-to-day operations of the Village and its employees, of which 38 are sworn police officers. The Village has collective bargaining units among Village employees representing the patrol officers and public works employees. The Village has a complex of governmental buildings including the Village Hall (constructed in 1959), the Police Building addition to the Village Hall (constructed in July, 1980, and remodeled in 2002), the Village Hall Addition and remodeling in 2007. The Village's Public Library was constructed in 1971. The Library Board undertook a space needs study towards a plan for improvements to the existing building including modernization of the occupied space to meet accessibility codes. In 2010, an advisory referendum to provide for a \$13 million remodeling of the Library was approved by voters. The Library Improvement project was completed in 2013. In 1988 the Village and the Deerfield Park District (a separate jurisdiction) constructed a \$3,300,000 public works garage. Construction of a \$5.5 million senior center was completed in September, 2003.

Deerfield has purchased Lake Michigan water from the City of Highland Park on a contractual basis since 1913. The Village maintains three pumps at the reservoir in Highland Park and has 90 miles of water mains through which approximately 793 million gallons of water flow per year. The Village has a 1 million gallon elevated tank, a 5 million gallon underground reservoir, a 2.2 million gallon underground reservoir, and a 0.85 million gallon reservoir for Parkway North and Takeda fire protection. In 2008, the Village entered into a 25-year agreement with Highland Park that supports the reconstruction of its water treatment facility. Pursuant to this agreement, the wholesale cost of water to Deerfield will increase annually, but in tandem with increases in the retail rate charged by Highland Park to its own residents.

The Village is served by separate sanitary (75 miles) and storm (75 miles) sewers with sanitary treatment provided by the Village owned sewage treatment plant. The Village's treatment plant was expanded in 1978. The plant has a hydraulic design capacity sufficient to serve a population of 30,000. After a comprehensive sewer system study recommended reconstruction of the plant, the Village entered into a contract in FY 10/11 for the replacement of the entire treatment facility. The treatment facility replacement was completed in 2013 and is functioning as designed, including its hydraulic capacity sufficient to serve a population of 30,000.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Village of Deerfield
Illinois**

For the Fiscal Year Beginning

January 1, 2019

Christopher P. Morrill

Executive Director

BUDGET SUMMARY AND HISTORICAL PERSPECTIVE

Revenue Item	General	Sewer	Water	Refuse	Garage	MFT	Police Pension	Debt Service	Infrastr. Repl.
Taxes:									
Property Tax	3,677,437							4,197,136	
Home Rule Sales Tax	3,350,000								1,150,000
Replacement Tax	135,000								
Motor Fuel						750,000			
Sales Tax	5,200,000								
Local Use Tax	500,000								
State Income Tax	1,700,000								
Hotel-Motel Tax	2,300,000								
Food & Beverage Tax									550,000
License & Permits									
Liquor/Food	70,000								
Other Business Lic	55,500								
Vehicle	370,000								
Building Permits	925,000	15,000	40,000						
Charges:									
Police Services	348,000								
False Alarms	27,000								
Dispatching Serve	405,000								
User Charges		3,225,500	5,480,000	546,950					
Rental Income	250,000		70,000						
Fran Fees - Cable	450,000								
Telecom. Charges	1,450,000								
Electric Utility Tax	1,250,000								
Interfund Services					406,000				
Engineering Fees	55,000								
Misc Rev									
Interest Earnings	250,000	9,000		5,000		6,000	1,200,000	96,000	50,000
Grants	65,000							479,228	
Miscellaneous	209,500	5,000	1,500	17,000	10,000			726,831	327,500
Employee Contributions							400,000		
Employer Contributions							1,100,000		
Ordin Violations	276,000								
Bond Proceeds									8,000,000
Transfers:									
Transfers In	274,000	1,833,983		984,665					2,000,000
From General Fund									
Trans to Debt Service									
Misc Transfers									
TOTAL NEW REVENUE	23,592,437	5,088,483	5,591,500	1,553,615	416,000	756,000	2,700,000	5,499,195	12,077,500
(To)/From Reserve	1,930,312	43,399	(350,999)	27,483	2,134	(6,000)	596,500	(764,300)	(4,060,500)
TOTAL RESOURCES	25,522,749	5,131,882	5,240,501	1,581,098	418,134	750,000	3,296,500	4,734,895	8,017,000
EXP. CATEGORIES:									
Personnel	14,488,512	1,893,680	1,063,917	118,250	275,534				
Other Services	152,700	13,900	3,350	1,400,400	3,000				
Contractual	6,398,947	636,760	462,399	24,700	26,400		81,500	1,500	1,862,000
Commodities	720,721	579,550	3,518,300		109,000				
Capital Outlay	311,486	15,800	114,550		2,500	750,000			6,155,000
Debt Service		1,835,983						2,849,412	
Pension Payments							3,215,000		
Transfers Out	3,450,383	156,209	77,985	37,748	1,700			1,883,983	
Interfund charges									
TOTAL EXPEND.	25,522,749	5,131,882	5,240,501	1,581,098	418,134	750,000	3,296,500	4,734,895	8,017,000

BUDGET SUMMARY AND HISTORICAL PERSPECTIVE (cont'd)

Parking Lots	Equip. Replace.	E-911	2020	2019	2019	2018	
			TOTAL BUDGET	2019 PROJECTED	TOTAL BUDGET	TOTAL ACTUAL	
			7,874,573	7,257,357	7,257,357	7,201,112	<u>Taxes:</u>
			4,500,000	4,500,000	4,500,000	4,336,977	Property Tax
			135,000	135,000	135,000	126,752	Home Rule Sales Tax
			750,000	550,000	470,000	480,661	Replacement Tax
			5,200,000	4,900,000	5,400,000	5,269,748	Motor Fuel
							Sales Tax
			500,000	500,000	430,000	551,672	Local Use Tax
			1,700,000	1,800,000	1,700,000	1,798,487	State Income Tax
			2,300,000	2,250,000	2,250,000	2,159,203	Hotel-Motel Tax
			550,000	600,000	525,000	607,914	Food & Beverage Tax
							<u>License & Permits</u>
			70,000	70,000	70,000	56,778	Liquor/Food
			55,500	55,500	55,500	45,818	Other Business Lic
			370,000	370,000	370,000	362,120	Vehicle
			980,000	1,870,000	980,000	1,471,382	Building Permits
							<u>Charges:</u>
			348,000	222,000	220,000	256,230	Police Services
			27,000	25,000	27,000	22,075	False Alarms
			405,000	270,000	405,000	250,584	Dispatching Serve
293,000			9,545,450	8,622,120	9,015,120	8,047,454	User Charges
			320,000	320,000	320,000	396,073	Rental Income
			450,000	450,000	450,000	445,467	Fran Fees - Cable
			1,450,000	6,100,000	1,770,000	2,027,141	Telecom. Charges
			1,250,000	1,250,000	1,250,000	1,251,639	Electric Utility Tax
	665,360		1,071,360	1,134,238	1,191,211	1,189,914	Interfund Services
			55,000	55,000	55,000	162,817	Engineering Fees
							<u>Misc Rev</u>
4,000	80,000		1,700,000	2,386,700	1,722,100	-836,679	Interest Earnings
			544,228	692,014	723,514	570,361	State/Fed Grants
			1,297,331	1,626,231	1,495,631	2,328,927	Miscellaneous
			400,000	400,000	400,000	418,230	Employee Contributions
			1,100,000	1,100,000	1,100,000	1,100,000	Employer Contributions
			276,000	0	276,000	277,967	Ordin Violations
			8,000,000	0	0	5,970,000	Bond Proceeds
							<u>Transfers:</u>
			5,092,648	5,601,922	4,644,947	4,082,413	Transfers In
			0	0	0	0	From General
			0	0	0	0	Trans to Debt Service
			0	0	0	0	Misc. Transfers
297,000	745,360	0	58,317,090	55,113,082	49,208,380	52,429,237	TOTAL NEW REVENUE
(900)	311,072	0	(2,271,799)	(2,239,351)	4,548,656	(5,194,226)	(To)/From Reserve
296,100	1,056,432	0	56,045,291	52,873,731	53,757,036	47,235,011	TOTAL RESOURCES
							<u>EXP. CATEGORIES:</u>
46,000			17,885,893	16,280,146	17,309,484	15,605,419	Personnel
			1,573,350	122,010	166,450	92,652	Other Services
90,800			9,585,006	10,140,968	10,375,050	10,167,000	Contractual
9,300			4,936,871	4,176,901	4,437,875	3,703,135	Commodities
	1,056,432		8,405,768	8,320,197	8,183,670	6,604,246	Capital Outlay
			4,685,395	4,668,349	4,668,349	3,377,180	Debt Service
			3,215,000	3,000,000	3,175,000	2,805,095	Pension Payments
150,000			5,758,008	6,165,160	5,441,158	4,880,284	Transfers Out
			0	0	0	0	Interfund charges
296,100	1,056,432	0	56,045,291	52,873,731	53,757,036	47,235,011	TOTAL EXPENDITURES

**VILLAGE OF DEERFIELD
2019
BUDGET SUMMARIES BY FUND**

FUND	1/1/2019 AUDITED BEGINNING FUND BALANCE	PROJECTED NEW REVENUES	PROJECTED EXPENDITURES	12/31/2019 PROJECTED ENDING FUND BALANCE
General	\$17,391,240	\$28,321,997	\$23,712,265	\$22,000,972
Sewer	631,347	4,689,320	4,968,467	352,200
Water	(374,695)	4,810,500	4,401,101	34,704
Garage	484	405,000	403,326	2,158
Subtotal "Operational" Funds	\$17,648,376	\$38,226,817	\$33,485,159	\$22,390,034
MFT	832,299	566,000	988,000	410,299
Refuse (Solid Waste)	615,516	1,516,604	1,549,198	582,922
Debt Service	171,299	4,667,148	4,666,349	172,098
2011B Debt Service Sinking Fund	5,258,744	875,200	51,500	6,082,444
Infrastructure				
Replacement (inc. Bond Proc)	6,740,812	3,728,100	7,252,571	3,216,341
Parking Lots	275,129	298,000	295,356	277,773
Vehicle & Equipment				
Replacement	5,809,298	869,238	1,151,108	5,527,428
Enhanced 911	1,364,908	1,515,975	353,490	2,527,393
COMBINED VILLAGE FUNDS	\$38,716,381	\$52,263,082	\$49,792,731	\$41,186,732
Police Pension	\$44,978,916	2,850,000	3,081,000	\$44,747,916

Certain funds are restricted in that available funds may only be used for expenditures allowed within said fund. Figures for proprietary funds represent available cash balances. Beginning infrastructure replacement represents available cash less payables.

**VILLAGE OF DEERFIELD
2020
BUDGET SUMMARIES BY FUND**

FUND	1/1/2020 PROJECTED BEGINNING FUND BALANCE	BUDGET NEW REVENUES	BUDGET EXPENDITURES	12/31/2020 PROJECTED ENDING FUND BALANCE
General	\$22,000,972	\$23,592,437	\$25,522,749	\$20,070,660
Sewer	352,200	5,088,483	5,131,882	308,801
Water	34,704	5,591,500	5,240,501	385,703
Garage	2,158	416,000	418,134	24
Subtotal "Operational" Funds	\$22,390,034	\$34,688,420	\$36,313,266	\$20,765,188
MFT	410,299	756,000	750,000	416,299
Refuse (Solid Waste)	582,922	1,553,615	1,581,098	555,439
Debt Service	172,098	4,684,195	4,683,395	172,898
2011B Debt Service Sinking Fund	6,082,444	815,000	51,500	6,845,944
Infrastructure				
Replacement (inc. Bond Proc)	3,216,341	12,077,500	8,017,000	7,276,841
Parking Lots	277,773	297,000	296,100	278,673
Vehicle & Equipment				
Replacement	5,527,428	745,360	1,056,432	5,216,356
Enhanced 911	2,527,393	-	-	2,527,393
COMBINED VILLAGE FUNDS	\$41,186,732	\$55,617,090	\$52,748,791	\$44,055,031
Police Pension	\$44,747,916	2,700,000	3,296,500	\$44,151,416

Certain funds are restricted in that available funds may only be used for expenditures allowed within said fund. Figures for proprietary funds represent available cash balances.

Available balance is based on estimated prior year end totals.

Village of Deerfield - Exhibit A
2019 Property Tax Levy with comparison to 2018

Fund Purpose	2018 Levy Extended	2019 Levy Proposed	2019 Abatements (Reduction)	2019 Net Levy	Percent Change (18 → 19)	Dollar Change (18 → 19)
General Fund	\$3,535,997	\$3,677,437	\$0	\$3,677,437	4.00%	\$141,440
Debt Service Fund	3,721,360	4,676,364	479,228	4,197,136	12.79%	475,776
Total Village Levies	7,257,357	8,353,801	479,228	7,874,573	8.50%	617,216
Library	4,386,500	4,386,500	0	4,386,500	0.00%	0
Library Debt Service	727,631	726,831	0	726,831	-0.11%	-800
Total	12,371,488	13,467,132	479,228	12,987,904	4.98%	616,416

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BUDGET SUMMARY - FOUR YEAR COMPARISON

FUND/REVENUE SOURCE	YR.END 2017	YR.END 2018	BUDGET 2019	EST.YR.END 2019	BUDGET 2020	% CHG BUDG 19->20
GENERAL FUND (10)						
<i>Taxes</i> -----						
-Corporate Property	3,503,208	3,508,382	3,535,997	3,535,997	3,677,437	4.00%
-Sales	6,020,277	5,269,748	5,400,000	4,900,000	5,200,000	-3.70%
-Home Rule Sales	3,841,934	3,252,733	3,350,000	3,350,000	3,350,000	0.00%
-Hotel/Motel	2,147,573	2,159,203	2,250,000	2,250,000	2,300,000	2.22%
-State Income	1,689,801	1,798,487	1,700,000	1,800,000	1,700,000	0.00%
-State Use Tax	504,239	551,672	430,000	500,000	500,000	16.28%
-Pers. Prop. Replace.	139,424	126,752	135,000	135,000	135,000	0.00%
-Telecommunications Tax	1,370,180	1,368,145	1,450,000	5,500,000	1,450,000	0.00%
-Electric Utility Tax	1,209,298	1,251,639	1,250,000	1,250,000	1,250,000	0.00%
<i>Fines</i> -----						
-Court/Local Ordinance	264,926	277,967	276,000	276,000	276,000	0.00%
<i>License Fees</i> -----						
-Business	41,004	36,718	45,500	45,500	45,500	0.00%
-Liquor	68,450	56,778	70,000	70,000	70,000	0.00%
-Vehicle	369,801	362,120	370,000	370,000	370,000	0.00%
-Other	1,700	2,000	3,000	3,000	3,000	0.00%
<i>Permit Fees</i> -----						
-Building	1,296,075	1,412,526	925,000	1,800,000	925,000	0.00%
-Other	7,200	7,100	7,000	7,000	7,000	0.00%
<i>Inspection Fees</i> -----						
-Engineering	0	162,817	55,000	55,000	55,000	0.00%
<i>Other</i> -----						
-Dispatching Services	247,176	250,584	405,000	270,000	405,000	0.00%
-Interest Earned (net)	188,066	354,364	250,000	450,000	250,000	0.00%
-Special Police Services	260,351	256,230	220,000	222,000	348,000	58.18%
-Activity Donations	53,229	31,898	35,000	38,000	35,000	0.00%
-Grants	58,947	69,130	60,000	65,000	65,000	8.33%
-Transfers In	304,000	304,000	404,000	515,000	274,000	-32.18%
-Cable Franchise Fees	470,063	445,467	450,000	450,000	450,000	0.00%
-Auction Proceeds	1,850	32,524	7,500	3,000	7,500	0.00%
-Rental Income	284,465	322,817	250,000	250,000	250,000	0.00%
-False Alarm Fees	6,667	22,075	27,000	27,000	27,000	0.00%
-Miscellaneous	165,769	257,036	167,000	184,500	167,000	0.00%
TOTAL NEW REVENUE	24,515,673	23,950,912	23,527,997	28,321,997	23,592,437	0.27%
Adjustment (To)						
From Fund Balance	1,501,503	(863,197)	799,924	(4,609,732)	1,930,312	141.31%
TOTAL EXPENDITURES	26,017,176	23,087,715	24,327,921	23,712,265	25,522,749	4.91%
WATER FUND (50)						
-Water Sales	4,201,885	4,231,837	5,000,000	4,650,000	5,450,000	9.00%
-Interest Earned	0	0	0	0	0	N/A
-Miscellaneous/contributions	765,213	572,273	141,500	160,500	141,500	0.00%
TOTAL NEW REVENUE	4,967,098	4,804,110	5,141,500	4,810,500	5,591,500	8.75%
Adjustment (To)						
From Retained Earnings	(401,446)	(464,764)	(342,950)	(409,399)	(350,999)	2.35%
TOTAL OPERATING EXPENSES	4,565,652	4,339,346	4,798,550	4,401,101	5,240,501	9.21%

BUDGET SUMMARY - FOUR YEAR COMPARISON

FUND/REVENUE SOURCE	YR.END 2017	YR.END 2018	BUDGET 2019	EST.YR.END 2019	BUDGET 2020	% CHG BUDG 19->20
SEWER FUND (54)						
-Sewer Use Fees	2,936,590	2,917,006	3,125,000	2,800,000	3,195,000	2.24%
-Interest Earned	4,710	9,834	9,000	12,000	9,000	0.00%
-Miscellaneous/transfers in/contributio	2,307,275	2,256,908	1,879,820	1,877,320	1,884,483	0.25%
TOTAL NEW REVENUE	5,248,575	5,183,748	5,013,820	4,689,320	5,088,483	1.49%
Adjustment (To)						
From Retained Earnings	(190,557)	(468,930)	(12,235)	279,147	43,399	-454.71%
TOTAL OPERATING EXPENSES	5,058,018	4,714,818	5,001,585	4,968,467	5,131,882	2.61%
MOTOR FUEL TAX FUND (14)						
-Intergov. Transfer In	472,113	480,661	470,000	550,000	750,000	59.57%
-Interest Inc./Misc.	1,749	11,183	6,000	16,000	6,000	0.00%
TOTAL NEW REVENUE	473,862	491,844	476,000	566,000	756,000	58.82%
Adjustment (To)						
From Fund Balance	20,138	(491,844)	512,000	422,000	(6,000)	-101.17%
TOTAL EXPENDITURES	494,000	0	988,000	988,000	750,000	-24.09%
GARAGE FUND (70)						
-Charges for Service	359,447	392,043	395,000	395,000	406,000	2.78%
-Interest Earned/Misc.	8,341	9,656	10,100	10,000	10,000	-0.99%
TOTAL NEW REVENUE	367,788	401,699	405,100	405,000	416,000	2.69%
Adjustment (To)						
From Fund Balance	104,313	(1,103)	(850)	(1,674)	2,134	-351.06%
TOTAL EXPENDITURES	472,101	400,596	404,250	403,326	418,134	3.43%
POLICE PENSION FUND (80)						
-Employer Contribution	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	0.00%
-Employee Contrib.	390,162	418,230	400,000	400,000	400,000	0.00%
-Invest. Income	6,324,342	(1,595,016)	1,200,000	1,350,000	1,200,000	0.00%
TOTAL NEW REVENUE	7,814,504	(76,786)	2,700,000	2,850,000	2,700,000	0.00%
Adjustment (To)						
From Fund Balance	(4,844,421)	2,939,282	556,500	231,000	596,500	7.19%
TOTAL EXPENDITURES	2,970,083	2,862,496	3,256,500	3,081,000	3,296,500	1.23%
DEBT SERVICE FUND (35)						
-Property Taxes	2,957,859	2,967,730	2,996,360	2,996,360	3,472,136	15.88%
-Transfer From Other Funds	61,486	0	455,643	455,643	0	-100.00%
-Interest Earned/Misc./BAB credit	1,230,178	1,240,344	1,215,145	1,215,145	1,212,059	-0.25%
TOTAL NEW REVENUE	4,249,523	4,208,074	4,667,148	4,667,148	4,684,195	0.37%
Adjustment (To)						
From Fund Balance	(65,343)	5,963	(799)	(799)	(800)	0.13%
TOTAL EXPENDITURES	4,184,180	4,214,037	4,666,349	4,666,349	4,683,395	0.37%
2011B DEBT SERVICE SINKING FUND (36)						
-Property Taxes	725,000	725,000	725,000	725,000	725,000	0.00%
-Interest Earned	86,906	79,058	90,000	150,200	90,000	0.00%
TOTAL NEW REVENUE	811,906	804,058	815,000	875,200	815,000	0.00%
Adjustment (To)						
From Fund Balance	(811,242)	(803,323)	(763,500)	(823,700)	(763,500)	0.00%
TOTAL EXPENDITURES	664	735	51,500	51,500	51,500	0.00%

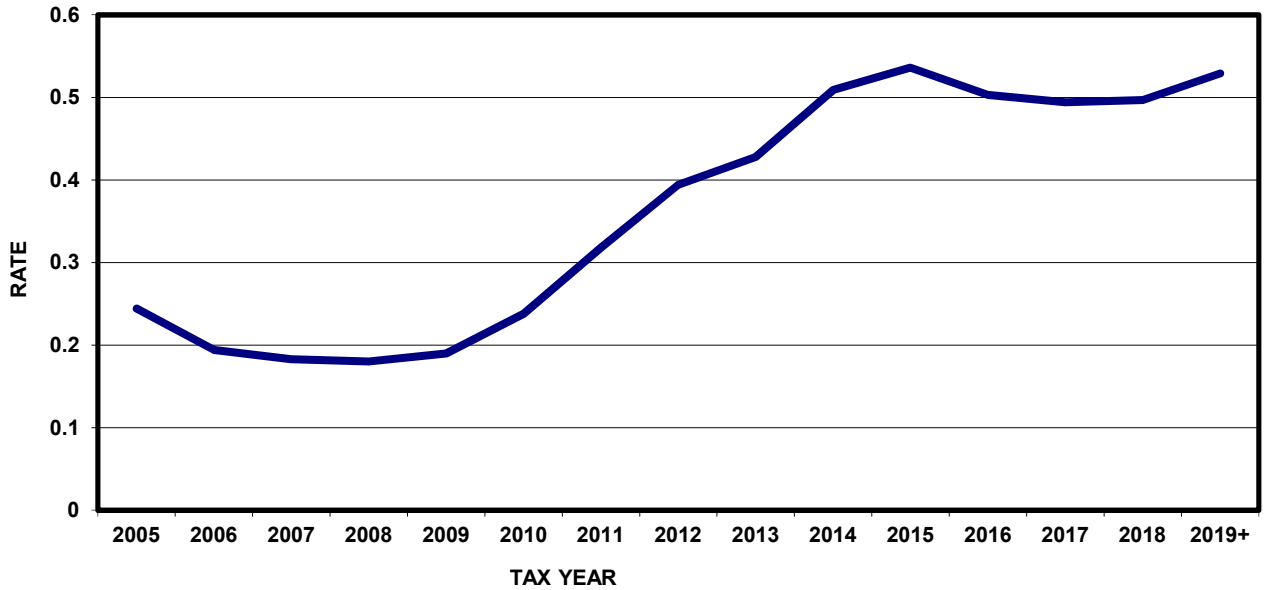
BUDGET SUMMARY - FOUR YEAR COMPARISON

FUND/REVENUE SOURCE	YR.END 2017	YR.END 2018	BUDGET 2019	EST.YR.END 2019	BUDGET 2020	% CHG BUDG 19->20
INFRASTRUCTURE REPLACEMENT (22) including bond proceeds						
-Transfers in	3,793,769	1,000,000	1,000,000	1,000,000	2,000,000	100.00%
-Home Rule Sales Tax	1,280,645	1,084,244	1,150,000	1,150,000	1,150,000	0.00%
-Food & Beverage Tax	502,545	607,914	525,000	600,000	550,000	4.76%
-Infrastructure Maintenance Fee	303,457	412,690	300,000	500,000	300,000	0.00%
-Other (Grants/Bond Proc.)	3,540,568	6,017,461	407,000	243,100	8,027,500	1872.36%
-Interest Earned	47,416	171,644	60,000	235,000	50,000	-16.67%
TOTAL NEW REVENUE	9,468,400	9,293,953	3,442,000	3,728,100	12,077,500	250.89%
Adjustment (To)						
From Fund Balance	1,814,851	(4,373,191)	3,481,485	3,524,471	(4,060,500)	-216.63%
TOTAL EXPENDITURES	11,283,251	4,920,762	6,923,485	7,252,571	8,017,000	15.79%
VEHICLE & EQUIPMENT REPLACEMENT FUND (21)						
-Interfund Transfer	756,217	797,871	796,211	739,238	665,360	-16.43%
-Interest/Misc.	187,660	74,704	80,000	130,000	80,000	0.00%
TOTAL NEW REVENUE	943,877	872,575	876,211	869,238	745,360	-14.93%
Adjustment (To)						
From Fund Balance	(406,374)	(351,851)	(166,978)	281,870	311,072	-286.30%
TOTAL EXPENDITURES	537,503	520,724	709,233	1,151,108	1,056,432	48.95%
EMERGENCY TELEPHONE SYSTEM (911) (17)						
-Surcharge Revenue	348,514	658,996	320,000	600,000	0	-100.00%
-Grant/Miscellaneous	0	0	0	890,975	0	N/A
-Interest	9,559	19,978	12,000	25,000	0	-100.00%
TOTAL NEW REVENUE	358,073	678,974	332,000	1,515,975	0	-100.00%
Adjustment (To)						
From Fund Balance	53,278	(293,443)	450,715	(1,162,485)	0	-100.00%
TOTAL EXPENDITURES	411,351	385,531	782,715	353,490	0	-100.00%
SOLID WASTE SYSTEM (58)						
-User Fees	526,418	538,186	536,620	536,620	546,950	1.93%
-Property Taxes	0	0	0	0	0	N/A
-Interfund Transfer	955,984	955,984	955,984	955,984	984,665	3.00%
-Miscellaneous	22,361	13,551	17,000	16,500	17,000	0.00%
-Interest	3,622	8,788	5,000	7,500	5,000	0.00%
TOTAL NEW REVENUE	1,508,385	1,516,509	1,514,604	1,516,604	1,553,615	2.58%
Adjustment (To)						
From Fund Balance	(57,737)	(76,267)	35,494	32,594	27,483	-22.57%
TOTAL OPERATING EXPENSES	1,450,648	1,440,242	1,550,098	1,549,198	1,581,098	2.00%

BUDGET SUMMARY - FOUR YEAR COMPARISON

FUND/REVENUE SOURCE	YR.END 2017	YR.END 2018	BUDGET 2019	EST.YR.END 2019	BUDGET 2020	% CHG BUDG 19->20
COMM. STATION PARKING (60)						
-User Fees	292,829	294,220	293,000	293,000	293,000	0.00%
-Misc. Revenue	0	0	0	0	0	N/A
-Interest	2,511	5,347	4,000	5,000	4,000	0.00%
TOTAL NEW REVENUE	295,340	299,567	297,000	298,000	297,000	0.00%
Adjustment (To)						
From Fund Balances	6,174	48,442	(150)	(2,644)	(900)	500.00%
TOTAL EXPENDITURES	301,514	348,009	296,850	295,356	296,100	-0.25%
TOTAL NEW REVENUES	61,023,004	52,429,237	49,208,380	55,113,082	58,317,090	18.51%
Adjustment (To)						
From Fund Balance	(3,276,863)	(5,194,226)	4,548,656	(2,239,351)	(2,271,799)	-149.94%
TOTAL EXPENDITURES	57,746,141	47,235,011	53,757,036	52,873,731	56,045,291	4.26%

VILLAGE PROPERTY TAX RATE - \$/\$100 OF EQUALIZED ASSESSED VALUATION



REVENUES & OTHER FINANCING SOURCES BY FUND TYPE							
	GENERAL	WATER	SEWER	REFUSE	OTHER SPECIAL REVENUE	CAPITAL PROJECTS	FIDUCIARY
REVENUES							
TAXES							
REAL ESTATE	X				X		
STATE SHARED	X					X	
SALES TAX	X					X	
HOTEL	X						
TELECOMM	X				X		
NON TAX REVENUES							
LICENSES & PERMITS	X	X	X				
FINES & FORFEITS	X	X	X	X			
INTEREST, RENTS	X	X	X	X	X	X	X
INTERGOVERN. TRANSFER	X	X	X	X	X	X	X
CHARGES FOR SERVICES	X	X	X	X			
OTHER FINANCING SOURCES	X	X	X	X	X	X	X

EXPENDITURES & OTHER FINANCING USES BY FUND TYPE							
	GENERAL	WATER	SEWER	REFUSE	OTHER SPECIAL REVENUE	CAPITAL PROJECTS	FIDUCIARY
GENERAL GOVERNMENT							
ADMINISTRATION	X						
FINANCE	X						
COMMUNITY DEVELOPMENT	X						
ENGINEERING	X						
PUBLIC SAFETY/POLICE	X				X		X
PUBLIC WORKS							
STREET	X				X	X	
WATER	X	X				X	
SEWER	X		X			X	
GARAGE					X		
REFUSE				X			
DEBT SERVICE	X	X					
OTHER FINANCING USES	X	X	X	X	X	X	X

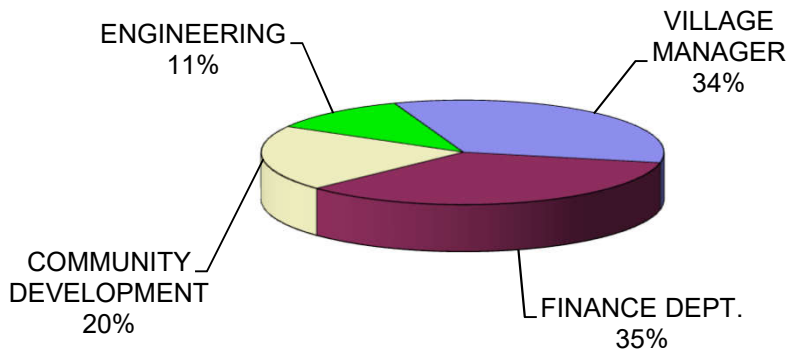
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BUDGET REQUEST - 2020

ADMIN. SUMMARY (FINANCE, VILLAGE MANAGER, COMM. DEVELOP., ENGINEERING)

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	3,666,435	3,948,700	3,727,701	4,070,382	3.08%	9.19%
TRAINING & DEVELOPMENT	24,225	53,800	43,200	50,200	-6.69%	16.20%
CONTRACTUAL SERVICES	5,254,830	4,635,443	5,041,776	4,694,676	1.28%	-6.88%
COMMODITIES	34,023	42,200	39,400	37,200	-11.85%	-5.58%
UTILITIES	45,555	51,075	44,622	48,800	-4.45%	9.36%
CAPITAL OUTLAY	21,132	41,500	46,850	21,750	-47.59%	-53.58%
CAPITAL IMPROVEMENTS	24,759	45,600	45,600	45,600	0.00%	0.00%
TRANSFERS OUT	2,022,618	2,489,542	2,489,542	3,065,554	23.14%	23.14%
TOTAL	11,093,577	11,307,860	11,478,691	12,034,162	6.42%	4.84%

ADMINISTRATIVE FUNCTIONS*



*chart does not include transfers out or economic development payments

FINANCE DEPARTMENT

The Village's Finance Department provides all accounting services, performs investment and cash management activities and coordinates capital financing, purchasing, budget preparation and control, payroll processing, risk management including medical insurance, police pension processing and accounting, as well as annual audit preparation and compliance. As required by statute, the Director of Finance, as Treasurer, provides regular reports on the fiscal condition of the Village to the Mayor and Board of Trustees. The Department is also responsible overall for human resources, risk management and labor management.

The Finance Department is staffed by the Director of Finance, the Village Accountant, the Administrative Services Coordinator, a principal accounting clerk, a payroll & benefits specialist, a finance clerk and a cashier-receptionist. No additional personnel is expected for 2020.

The Director of Finance/Treasurer coordinates all of the financial affairs of the Village, establishes and maintains necessary controls, and supervises the employees and activities of the Finance Department.

The Departmental Objectives for the 2020 are as follows:

- Review finance department processes and implement new processes as necessary.
- Complete the annual Budget and Comprehensive Annual Financial Report and apply for the respective GFOA awards in each of these categories (annually).
- Issue bonds in conjunction with two-year capital project plan and maintain Aaa bond rating.
- Investigate and establish financial reporting requirements for new Joint ETSB Fund.
- Upgrade ERP system to new version that includes additional dashboard functionality.

Accomplishments 2019 fiscal year (*denotes 2019 Departmental Objective):

- Implementation of credit card acceptance and cashiering module in ERP system.*
- Implement customer self service module allowing residents to pay bills through the internet.*
- Completed the 2019 annual budget document, applied for and received the GFOA Distinguished Budget Presentation Award for the thirtieth consecutive application. *
- Completed the 2018 comprehensive annual financial report, applied for and received the GFOA Certificate of Achievement for Excellence in Financial Reporting for the thirty-sixth consecutive year.*

Work Statistics

2013

2014

2015

2016

2017

2018

2019

Village bond rating	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa
Outstanding debt per capita	\$3,064	\$2,956	\$3,394	\$3,273	\$3,150	\$3,347	\$3,194
	Increase due to new debt for the Wastewater Treatment Plant and various other infrastructure projects.						
Water, Sewer and Garbage Bills Issued	28,069	28,095	28,059	28,141	27,981	28,059	27,641
Checks Processed	3,443	3,710	3,919	3,813	3,910	3,969	3,912
Vehicle Licenses sold	12,408	12,479	12,425	12,344	12,278	12,005	12,104
Investment Transactions	74	88	153	153	144	52	126
	Increase due to Pension Fund hiring an Investment Manager in 2013.						
Certificate of Achievement for Excellence in Financial Reporting	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Distinguished Budget Presentation Award	Yes	Yes	Yes	Yes	Yes	Yes	Yes

**BUDGET REQUEST - 2020
FINANCE DEPARTMENT**

101111-

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	901,123	977,500	929,100	1,015,100	3.85%	9.26%
TRAINING & DEVELOPMENT	6,558	14,300	10,300	14,300	0.00%	38.83%
CONTRACTUAL SERVICES	3,859,315	3,475,094	3,455,922	3,491,088	0.46%	1.02%
COMMODITIES	4,566	10,500	7,750	10,500	0.00%	35.48%
UTILITIES	20,096	18,710	18,020	18,500	-1.12%	2.66%
CAPITAL OUTLAY	4,768	1,000	1,000	1,000	0.00%	0.00%
CAPITAL IMPROVEMENTS	0	0	0	0	N/A	N/A
TRANSFERS OUT	1,958,984	2,414,627	2,414,627	2,987,665	23.73%	23.73%
DEPARTMENT TOTAL	6,755,410	6,911,731	6,836,719	7,538,153	9.06%	10.26%

* Finance Department contractual services include economic incentive agreements with multiple local businesses.

GENERAL ADMINISTRATION

MAYOR AND BOARD OF TRUSTEES

The legislative branch of the Village is responsible for interpreting the wishes of the community and determining the policies under which the Village operates. The residents of Deerfield elect the Mayor and six Trustees to four year overlapping terms for which they receive no compensation.

BOARDS, COMMISSIONS, AND COUNCILS

There are eighteen independent commissions, councils, and boards authorized by the Mayor and Trustees or required by State law that are appointed to advise and assist the Board of Trustees in its policy decisions. These councils also conduct hearings that pertain to their function. All positions on these boards are non-salaried.

1. Board of Local Improvements - Consists of seven members (the Mayor and the Board of Trustees). Makes recommendations to the Trustees regarding those things that it feels should be done to improve the Village by special assessment, special taxation, or otherwise. The Village Clerk is secretary to the Board.
2. Plan Commission - Consists of seven members plus the Mayor (ex-officio), serving three-year overlapping terms, except the Mayor who serves a four-year term. Members are appointed by the Mayor with the advice and consent of the Board of Trustees, and the chairman is designated for a one-year term in the same manner. The Plan Commission is responsible to the Board of Trustees for holding public hearings and making recommendations regarding the Comprehensive Plan, annexation, sub-division, and zoning (land use, ratio of building to land area, and building height).
3. Board of Zoning Appeals - Consists of seven members who serve five year overlapping terms. Appointed by the Mayor with the advice and consent of the Board of Trustees. Responsible to the Board of Trustees to hear and make recommendations on applications for variations to the provisions of the zoning ordinance, and to hear and rule on appeals from orders or decisions made by the administrative officer enforcing the zoning ordinance.
4. Board of Police Commissioners - Consists of three members, each serving three-year overlapping terms. Appointed by the Mayor with the advice and consent of the Board of Trustees. Responsible for all appointments, promotions, and dismissals involving sworn officers, and conducts entrance and promotional examinations.
5. Police Pension Board - Has five members who serve two-year terms, including two civilians appointed by the Mayor, two members elected from the police force, and one member elected from the beneficiaries of the pension fund. Determines eligibility of applicants, distributes funds, manages, invests, and controls the police pension fund.
6. Board of Building Appeals - Consists of seven members appointed by the Mayor with the advice and consent of the Board of Trustees, to serve five-year overlapping terms. The members are responsible to the Board of Trustees to hear appeals on decisions made by the Building Commissioner enforcing the building ordinances and to recommend action to the Board of Trustees regarding such appeals. The Board holds hearings and makes recommendations to the Board of Trustees regarding changes in the building codes.

7. Community Relations Commission - Consists of seven members appointed Mayor with the advice and consent of the Board of Trustees to three-year overlapping terms. Studies and recommends means of developing better relationships among all residents in all community activities. Identifies and evaluates the social, recreational and developmental needs of village youth and how they might participate in all aspects of community life. Initiates and conducts educational and informational programs to promote diversity. Awards village assistance to senior residents in accordance with established eligibility criteria.
8. Volunteer Engagement Commission - Consists of five members appointed by the Mayor with the advice and consent of the Board of Trustees for three-year overlapping terms. Reviews possible appointees to the Village boards, commissions, and councils and makes recommendations to the Mayor and Board of Trustees.
9. Electrical Commission - Consists of five members appointed by the Mayor with the advice and consent of the Board of Trustees for four-year coterminous terms or until their successors are appointed. Responsible to the Board of Trustees to recommend standards, specifications, and rules and regulations governing the installation, alteration, and use of electrical equipment in the Village.
10. Emergency Services and Disaster Agency - Consists of a director and such additional members as the director selects. Responsible for the administration, training and operation of the Agency.
11. Sustainability Commission – Consists of ten members appointed by the Mayor with the advice and consent of the Board of Trustees for three year overlapping terms. Its responsibilities include advising the Board and initiating matters related to sustainability in Village operations and in the community as a whole.
12. Cable and Telecommunications Commission - Consists of nine members, appointed by the Mayor with the advice and consent of the Board of Trustees, for three-year overlapping terms. Regulates the use of the Village's right-of-way by telecommunications service providers. Administers the Village's Public Access TV System, including operating the Deerfield InfoChannel. Resolves customer service complaints from residents.
13. Village Center Commission – Consists of seven members appointed by the Mayor with the advice and consent of the Board of Trustees, and such ex-officio members as deemed necessary from time to time for three year terms. At least one member of the Commission shall be a representative of the Deerfield-Bannockburn-Riverwoods Chamber of Commerce and at least one member of the Commission shall be a Village Center business operator or property owner. Charged with duties and missions to advance a positive vision for the downtown area, and to support the area's vitality and desirability.
14. Cemetery Commission - Consists of five members appointed by the Mayor with the advice and consent of the Board of Trustees for indefinite terms. Arrange for the care and maintenance of the Deerfield Cemetery.
15. Appearance Review Commission - Consists of seven members appointed by the Mayor with the advice and consent of the Board of Trustees for three-year terms. Responsible for reviewing exterior design of new and remodeled buildings in the Village Center and in C-2 Outlying Commercial Districts.

16. Stormwater Management Committee - Consists of seven members appointed by the Mayor with the advice and consent of the Board of Trustees for indefinite terms. Responsible for making recommendations to the Mayor and Board of Trustees regarding improvements to the storm and sanitary sewer systems.
17. Fine Arts Commission - Consists of seven members appointed by the Mayor with the advice and consent of the Board of Trustees for three year overlapping terms. Responsible for promoting and encouraging an artistic and cultural environment within the Village.
18. Family Days Commission – Consists of nine members appointed by the Mayor with the advice and consent of the Board of Trustees for three year overlapping terms. Responsible for planning and executing the Village’s annual Family Days celebration over Independence Day.

VILLAGE CLERK

The Village Clerk is responsible for the maintenance of the official records of the Village as required by statute and by the Mayor and Board of Trustees. The Clerk acts as custodian of the Village seal which is required on many documents, publishes legal notices, oversees Village election responsibilities, and performs other duties as stated in statute or ordinance. Appointed by the Mayor and Board of Trustees, the Village Manager serves as the Village Clerk.

VILLAGE MANAGER'S OFFICE

Personnel in the Village Manager's Office serve to join the legislative branch of the Village to its operating departments. As provided by ordinance, the Village Manager advises the Mayor and Board of Trustees on policy decisions and acts as Chief Administrative Officer, supervising the activities of all department heads and directing the day-to-day operations of the Village. The Village Manager is also appointed Village Clerk by the Mayor and Board of Trustees.

The Village Manager's Office is staffed by the Village Manager/Clerk, Assistant Village Manager, Management Analyst/Deputy Village Clerk, and Communications Specialist. The Information Technology Division consists of a IT Systems Coordinator, Senior IT Systems Specialist and IT Systems Technician, and is overseen by the Village Manager's Office. All of the activities of the various boards and commissions are included in the Village Manager's budget.

The Village Manager's Department will complete the following projects during the 2020 fiscal year:

1. Monitor internal operations of all departments to ensure appropriate levels of labor and resources.
2. Provide oversight and support of a 2 year \$18 million Capital Improvement Project and Financing Plan for 2020-2021.
3. Assess effectiveness of Village communication tools and methods including evaluation of website performance and social media platforms.
4. Pursue action items identified in the Northwest Quadrant Master Plan including evaluation of potential downtown parking lot revenue streams and pedestrian safety improvements as well as on-going communications with quadrant stakeholders.
5. Negotiate public-private partnership for redevelopment of 630 Central Avenue / 645 Osterman Avenue and initiate long term planning for the post office.
6. File P-Tax 300 for 645 Osterman Avenue and Certificate of Error for 630 Central Avenue for consideration and review by the Lake County Assessor's Office.
7. Recruit, hire and train a two-year Administrative Intern to support day-to-day functions and special events.
8. Continue to oversee commercial and residential solid waste collection franchises including the negotiation of an 11-month commercial franchise extension and preparation and issuance of a joint RFP for new service agreements to commence on April 1, 2021.
9. Work with the Sustainability Commission to pursue goals/objectives that will enhance sustainable efforts including hosting an educational tree walk, promoting LED lighting and creating sustainable curriculum in partnership with School District 109.
10. Explore opportunities for innovative green initiatives including 100% renewable green aggregation for residents and small business customers and feasibility of solar installations at Village-owned facilities.
11. Improve and expand business continuity and disaster recovery systems and plans including documentation and automated testing.
12. Prioritize security awareness training and penetration testing to ensure users maintain a defensive posture to thwart cyber security threats.
13. Organize efforts related to economic development, local business promotion and community enhancement activities, including the production of promotional videos, continued business visit/retention program in partnership with the Chamber, and continued support for Metra's enhanced reverse commute pilot program.

14. Host Farmers Market, Give Where You Live Campaigns, Winter Celebration, Harvest Fest, Downtown Lighting Ceremony and other special events in partnership with the DBR Chamber of Commerce that promote Deerfield and its businesses.
15. Train Village departments on new technology platforms including Dashboard and robotic process automation for invoice entry.
16. Facilitate annexation of railroad right-of-way south of Lake Cook Road Metra station.
17. Research policy methods to promote affordable housing and related policy implications.
18. Issue Request for Proposals for Janitorial Services Contract for various Village facilities including enhanced green certification requirements.
19. Support litigation efforts related to the Village's Assault Weapons Ban in consultation with Village Attorneys.
20. Monitor and respond to recreational cannabis dispensary applicants to ensure compliance with Village's special use requirements.
21. Negotiate small cell license agreements with various telecommunication companies to establish consistent rules and regulations for installation on Village-owned infrastructure.
22. Establish formal right-of-way vacation processes and associated appraisal policy.
23. Oversee installation of enhanced access control system at the downtown train station.
24. Administer local election filings for the April 2021 consolidated election.
25. Promote community-wide participation in the 2020 Decennial Census.
26. Support departments and engineering consultants in the creation of a Village-wide Storm Water Master Plan, Water System Modeling Study and Waste Water Process Investigation Study to guide future infrastructure planning efforts.
27. Creation of an Adopt-A-Hydrant Program to allow residents to assist with maintaining hydrants in order to ensure they are easily accessible to first responders during snow events.

Accomplishments During 2019

1. Provided electronic packets for all weekly distributions to the Mayor and Board of Trustees; posted full agenda packets on the Village's website.
2. Continued a Summer Research Assistant Program to aid with researching salient policy topics.
3. Served on the Board of Directors of the Solid Waste Agency of Lake County, Community the Anti-Drug, Northeastern Illinois Public Safety Training Academy, Lake County Transportation Alliance, Lake County Convention and Visitors Bureau, Illinois Association of Municipal Management Assistants and Illinois City/County Management Association.
4. Implemented Phase II credit card processing to allow online vehicle sticker payments.
5. Implemented credit card processing that included the ability to process of over-the-counter and online payments for utility billing, vehicle stickers and miscellaneous billing, which increased customer satisfaction, strengthened internal controls and achieved operational efficiencies.
6. Continued promotion of various social media platforms including Facebook, Twitter, Instagram and Nextdoor to enhance Village communication methods.
7. Negotiated Small Wireless Facilities license agreement with Verizon Wireless.

8. Provided guidance and consultation on several key redevelopment projects including at Deerbrook Mall, Cadwell's Corner and Deerfield Park Plaza, amongst others.
9. Supported Village Attorney's defense of the current Assault Weapon Ban litigation and its attainment of pro bono legal defense services from the Brady Center to Prevent Gun Violence and Law Offices of Perkins Coie.
10. Hosted Family Days, Farmers Market, Fine Arts Festival, Harvest Fest, Winter Celebration, Give Where You Live Campaigns, Downtown Lighting Ceremony and other special events.
11. Continued to strengthen partnership with Deerfield Area Historical Society to host a Fall Fest in an effort to grow membership and raise funds to make improvements at the Historic Village.
12. Continued rotating public art program including the display of two downtown murals in partnership with Deerfield High School.
13. Tested CivicReady emergency mass notification system with reverse 9-1-1 call/text and email to 7,000+ subscribers.
14. Formed a Complete Count Committee in support of the upcoming 2020 Decennial Census.
15. Oversaw demolition of 645 Osterman Avenue to bring the property to adequate condition for holding purposes that help meet the long-term planning and redevelopment goals of the Village Center.
16. Oversaw acquisition and associated improvements to 333 Warwick to serve the long-term storm water needs of the Village.
17. Pursued efforts related to the Northwest Quadrant Master Plan including various stakeholder meetings.
18. Participated in joint Request for Proposal with Lake County and various other municipalities to secure vendor for the purposes of investigating feasibility of solar installation at Village-owned facilities.
19. Participated in the State's first Community Solar Pilot Program securing a 20 year subscription agreement for various Village facilities at a 10% savings.
20. Supported development of a 2 year Capital Improvement Project and Financing Plan for 2020-2021 that appropriate balances resources with prioritized infrastructure improvements.
21. Replaced Village Board iPads and implemented dedicated Village Board email addresses.
22. Worked with various councils of government to petition the state to continue disbursing local government revenues and successfully advocated for state-wide capital infrastructure bill.
23. Supported goals and objectives of the Sustainability Commission, which included hosting new activities including a buckthorn removal program, a tree walk and a park restoration work day
24. Implemented robotic process automation pilot project for invoice entry and invoice processing in the Village Manager's Office.
25. Supported implementation of police dispatch operations for the Village of Lincolnshire and the submission of a revised consolidation plan to the Illinois State Police that ended litigation.
26. Supported enhanced Farmers Market activities to celebrate the 25th anniversary.
27. Support Boards and Commissions in response to changes in state law that make recreational cannabis legal January 1, 2020.
28. Negotiated Intergovernmental Agreement with Metra for installation of new access control system at the downtown Deerfield train station at no cost to the Village.

29. Participated in qualification based selection process and identified appropriate engineering firms to assist with creation of Storm Water Master Plan, Water System Modeling Study and Waste Water Process Investigation Study.
30. Created Adopt-A-Grate program to assist residents with identifying storm water inlets in an effort to keep them clean from debris in advance of wet weather events.
31. Enacted an Administrative Policy requiring mandatory cyber security training for all users to protect the posture of our IT infrastructure.

<u>Work Statistics</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Ordinances Passed	39	38	37	50	46
Resolutions Passed	24	21	15	25	27
Village Board Meetings	24	24	24	24	24
D-Tales Published	6	6	6	6	6
FOIA Requests (Admin)	156*	57	61	68	52
Liquor Licenses Issued	37	36	34	30	30
Distributions to Mayor and Board	52	52	52	52	52
Cable and Telecommunications Commission Meetings	3	0	3	2	1
Community Development Group Meetings	23	23	23	23	23
Family Days Commission Meetings	6	6	-	-	-
Fine Arts Commission Meetings	5	5	7	4	6
Sustainability Commission Meetings	10	10	9	9	9
Community Relations Commission	9	4	4	0	0
Volunteer Engagement Commission		4	4	2	5
New Senior/Disabled Taxi Users	51	85	81	82	52
Press Releases	10	36	9	17	8
E-blasts	75	59	24	65	63
Raffle License		6	2	2	4
Solicitation Permits		27	24	19	51
Commercial Filming Permits		8	5	4	7
Strategic Communications Group Mtgs				42	25
Social Media Reports				52	52
Emergency Test Calls/Texts/Emails			1	1	1
Educational Video Productions				1	2
*Community Development FOIA request were processed in CD beginning in 2016 **Family Days moved to PW in 2017					

BUDGET REQUEST - 2020
VILLAGE MANAGER/ADMINISTRATION

101210-

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	1,169,412	1,299,000	1,268,301	1,383,082	6.47%	9.05%
TRAINING & DEVELOPMENT	11,105	23,400	16,800	19,800	-15.38%	17.86%
CONTRACTUAL SERVICES	1,107,057	742,093	1,180,431	801,642	8.02%	-32.09%
COMMODITIES	5,633	6,300	6,250	6,300	0.00%	0.80%
UTILITIES	9,464	10,510	10,352	12,300	17.03%	18.82%
CAPITAL OUTLAY	14,428	12,450	26,650	9,200	-26.10%	-65.48%
CAPITAL IMPROVEMENTS	24,759	45,600	45,600	45,600	0.00%	0.00%
TRANSFERS OUT	33,917	46,417	46,417	46,417	0.00%	0.00%
DEPARTMENT TOTAL	2,375,775	2,185,770	2,600,801	2,324,341	6.34%	-10.63%

COMMUNITY DEVELOPMENT DEPARTMENT

Description of Responsibilities:

The Community Development Department is responsible for all aspects of planning, building, and zoning. The Department consists of a Planning Division and a Building Division. The Department administers and enforces the Zoning Ordinance, Subdivision Ordinance, and Building Codes. The Department is responsible for providing staff assistance to a number of commissions. The Department provides analysis and technical assistance on all items that come before the Plan Commission, the Board of Zoning Appeals, the Village Center Commission, the Appearance Review Commission, the Electrical Commission, the Board of Building Appeals, and various task forces. This includes coordination of the activities of these commissions and writing the reports and recommendations of these commissions. Building plan review, permit approval, inspectional services, zoning compliance approvals for new businesses and residences, zoning verification for properties, and maintaining records of approved plans are also provided by the Department. The Department reviews, analyzes and coordinates all the land development and zoning petitions that come before the Village. The Department works to ensure that projects that go through the Village's approval process are in compliance with the Comprehensive Plan or the necessary amendments are made to the Comprehensive Plan. Staff works with developers in the planning steps of any project so as to achieve maximum compatibility with Village goals, objectives and policies.

Staff Consists of: Code Enforcement Supervisor, Principal Planner, Assistant Code Enforcement Supervisor, Building Inspector, Planner, Planning and Design Specialist, Permit Technician, and an Administrative Assistant II.

Accomplishments for 2019:

Performed 2,814 building inspections along with various plan reviews that correlate with construction projects throughout the Village.

Worked on Village approval for the following projects going through the zoning approval process with the Plan Commission and Village Board: Approval of an amendment to the sign plan for a larger wall sign on the west wall of the 200 Wilmot Road Walgreens office building facing the Tollway; Approval of a Special Use for a proposed reflexology massage spa to be Located at 671 Waukegan Road; A finding of substantial conformance on the relocation of the stop sign on the site plan for the proposed Panera Bread Restaurant in Outlot Retail F Building in Deerbrook Shopping Center; Approval of an amendment to the Deerfield High School Special Use and a Text Amendment for a proposed digital scoreboard on Adams Athletic Field for Deerfield High School; Approval of a Text Amendment and Special Use for a special needs school for Felicity School; a Text Amendment and Special Use for a personal fitness training center for Movement Revolution; a Text Amendment and Special Use for private sports team instruction, all located in the former Berto Center and Venue One building at 550 Lake Cook Road and an amendment to the Corporate 500 Centre Planned Unit Development; Approval of an amendment to an existing sign plan and sign exceptions to allow a new ground sign with six tenant panels at 111 S. Pfingsten Road; Approval of a Final Development Plan for the REVA Residential Rental Development consisting of 246 units at the Rear 10.79 acres of Deerbrook Shopping Center Planned Unit Development; Approval of the 2019 Deerfield Zoning Map; Approval of a Special Use for a personal fitness training center and self-improvement facility in suite 27 at the 444 Lake Cook Road Building B in the Industraplex Planned Unit Development; Approval of a Special Use amendments to permit building additions and renovations for Shepard Middle School and Caruso Middle School in the P-1 Public Lands District; Approval of a Special Use to permit the establishment of a real estate office for Coldwell Banker Residential Brokerage to be Located at 675 Deerfield Road, Suite 125; Approval of a Special Use in the I-2 Limited Industrial District to permit the establishment of a personal fitness training center at 151 S. Pfingsten Road, Suites A, B, C, and D for Institute for Human Performance (IHP); Approval of a Special Use to permit the establishment of a health club facility for Planet Fitness at 35 N. Waukegan Road in Cadwell's Corners; Approval of an amendment to the McDonalds Special Use for new digital menu boards at 50 Waukegan Road; Approval of Amendments to the Deerfield Square Commercial Planned Unit Development to Permit Changes to the Bartaco Restaurant in Unit A (west end-cap space) in the 711 Deerfield Road Building at the Shops at Deerfield Square; Approval of a Class A Special Use for a Wellness Center in Unit M (former Ciento Photography space) in the 720 Waukegan Road Building at the Shops at Deerfield Square; Approval of a New Wall Sign for Mynd Spa Including an Exception to the Deerfield Square Sign Criteria and an Amendments to the Deerfield Square Commercial Planned Unit Development to Permit Changes to the

Elizabeth Arden Red Door Salon Name to be Changed to Mynd Spa and Salon, in Unit A in the 720 Waukegan Road Building at the Shops at Deerfield Square; Approval of Text Amendments to the Deerfield Zoning Ordinance Regarding Zoning Regulations for Recreational Cannabis Businesses, Including Dispensaries; Approval of Text Amendments to the Deerfield Zoning Ordinance Regarding Zoning Regulations for Treehouses, Playhouses, Playsets, and Other Playground Equipment; Discussion of a Special Use to Permit the Establishment of a Restaurant for Brunch Café at the South End of the Cadwell's Corners Shopping Center, and an Amendment to the Commercial Planned Unit Development (PUD) for Exterior Changes to the Cadwell's Corners Shopping Center; Discussion of a Special Use to Allow a Massage Establishment in Unit A3 in the Deerfield Park Plaza Shopping Center at 405 Lake Cook Road; Discussion of a Special Use for a Proposed Massage Establishment to be located in Suite 119 at 400 Lake Cook Road; Approval of an Amendment to a Special Use to Add Four (4) Pickleball Courts to Deerspring Park; Approval of a Text Amendment to the I-1 Office Research and Restricted Industrial District to Allow a Private Preschool as a Special Use in this District; Approval of a Special Use and approval of an amendment to a PUD for Phase I and II for Guidepost Montessori School at 1085 Lake Cook Road.

The VCC conducted a downtown resident survey during the first quarter of 2019 to gather feedback from Deerfield residents on the Village Center/downtown Deerfield. The VCC envisions that the feedback from this survey can be used as a tool to assist in addressing the community's concerns about the Village Center and the downtown businesses. A link to the survey was printed in D-Tales, the Village water bills and posted on our Facebook page and Village website. Of the 1,540 surveys that were received, 1,537 surveys were submitted electronically through the Village website and 3 surveys were mailed in. The VCC gave an update to the Mayor and Village Board at the May 6th Board meeting and will present their findings and recommendations in January 2020. In 2019, the VCC recognized downtown business owner Greg Balmes and Deerfield Cyclery with a proclamation at the May 6 Village Board meeting. The VCC was impressed with the upkeep of the Deerfield Cyclery storefront and display windows during their Village Center walk. The Village Center Commission (VCC) advances a positive vision for downtown Deerfield and supports the area's vitality and desirability. The Commission's goal is to undertake efforts, programs and partnerships to enhance the downtown's image, strengthen its economic base, and maintain and improve its attractiveness and accessibility. As a steward of the downtown, the VCC plays an essential role in keeping the downtown clean, attractive, safe, growing, dynamic, and exciting. The group is an idea commission promoting downtown Deerfield, advocating for Village Center businesses and working closely with the Chamber of Commerce to promote and facilitate public, private and commercial interests in downtown Deerfield. The VCC is made up of residents, one member from the Chamber of Commerce, and one member from the Village Center business community.

Planning staff continued to implement the previous streamlining zoning approval process to make it as user-friendly as possible e.g. Special Uses are no longer reviewed by the VCC, saving the applicant some time and money during the review process. For smaller amendments to Planned Unit Developments, processing more items as substantial conformance instead of holding public hearings. Waiving the pre-filing conference prior to a public hearing when appropriate. Waiving parking and traffic studies when appropriate.

Staff continued to work with the Northwest Quadrant stakeholders to discuss possible improvements in the quadrant and further evaluate traffic. The Plan Commission recommended and the Board approved an amendment to the current Comprehensive Plan for the creation of a Master Plan for the Northwest Quadrant that came from the Northwest Quadrant Unified Task Force. The purpose of the Northwest Quadrant Unified Task Force was to bring together the stakeholders to study the northwest quadrant and develop a Master Plan for the entire quadrant. The Master Plan provides an opportunity to make the Northwest Quadrant an attractive public campus. Some improvements outlined in the Master Plan may take place in the near future, and other improvements may be accomplished 15 to 20 years from now. This Master Plan document serves as a guide for the Northwest Quadrant that will be implemented over the next 20 years when public institutions and property owners in the Northwest Quadrant make improvements to their properties. The Board accepted the report of the Northwest Quadrant Task Force in early 2016 and asked staff to further engage some of the stakeholders. A Northwest Quadrant Stakeholders Working Group worked for about eight months for specific provisions that pertained to the southwest corner of the Northwest Quadrant. The Board of Trustees adopted Ordinance O-16-27 on October 17, 2016 approving the Northwest Quadrant Master Plan as an amendment to the Deerfield Comprehensive Plan. The Deerfield Park District implemented Phase I improvements to Jewett Park which the Plan Commission believed was

consistent and compatible with the Northwest Quadrant Master Plan.

Planning staff promoted the Village Center Flower Planter program for the tenth year, which gives merchants and commercial property owners in the Village Center an opportunity to purchase flower planters and plantings for all four seasons from Moore Landscapes Inc., the Village's landscaper, at a special reduced rate. The Village once again offered a \$50 subsidy on the purchase of one pair of planters for the first 20 merchants who signed up for this year's program. Due to a steady decrease in participation in the program over the years, the VCC is revamping the program to increase participation in 2020 by offering 10 sets of planters and the four seasonal plantings for free to the first 10 businesses that sign up in 2020.

Staff continues to evaluate the 2016 updated Appearance Code. The Appearance Review Commission comprehensive update of the code included reviewing all sections of the code, looking at other communities' codes, making the document more user friendly, and using more samples and pictures/visuals in the revised Appearance Code. Many graphics were used in the revised code to illustrate the high standards of visual quality and compatibility the Village desires. The Board of Trustees approved the updated Appearance Code on October 4, 2016. Staff will consider adding appropriate sections of the Appearance Code to the Zoning Ordinance via text amendments for lighting, landscaping, and signage being cautious not to create too many future variations to the Zoning Ordinance when applicants seek development approvals from the Village.

The ARC worked on Village approval for the following major projects: First Presbyterian Church of Deerfield, 824 Waukegan Road, received approval for a new roof over their Christian Education Building; Village Hall, 850 Waukegan Road, received approval for a new landscape plan on the east side of their building; Kay Foot Spa, 671 Waukegan Road, received approval for two (2) wall signs. They returned to the ARC later in the year to add dark film over their south and west facing windows and doors; Jewett Park, 836 Jewett Park Drive, received approval for Phase 1 of the Jewett Park 2.0 Renovation; Panera Bread, 385 Lake Cook Road, received approval for a new outlet building and signage at Deerbrook Mall. They returned to the ARC to change their wall signs, pylon signs and awnings; TSMGI, 775 Waukegan Road, received approval for a new wall sign at Deerfield Village Centre; Deerbrook Residential Development (REVA) received a final review approval for the new residential apartment and townhome complex proposed behind Deerbrook Mall. They will need to return in early 2020 to receive ARC approval for their monument sign, townhome sconce lighting and landscape up lights; Taco Vida, 469 Lake Cook Road, received approval for a new outdoor seating area at Deerfield Park Plaza. 99 S. Waukegan Road, Chick-fil-A, returned to the ARC for approval for monument sign panels and directional signs. They returned to the ARC for an additional meeting to approve changes to the detention pond at the south end of the site. The detention pond changes were to appease neighbors who complained of landscape elements removed from the site and creating unsightly views; Liquid Fusion, 461 Lake Cook Road, received approval for a new wall sign at Deerfield Park Plaza after changing their name from Bubble Joy to Liquid Fusion; Top Fitness Store, 380 W. Lake Cook Road, received approval for a new wall sign at the Ifergan Building. The wall sign was approved by fast track after the ARC requested changes at the meeting. Later in the year, Top Fitness Store returned to the ARC for a new wall sign on the east wall of their building; Deerfield's Bakery, 813 Waukegan Road, received approval for new awnings on their building. React Physical Therapy, 710 Robert York Road – Unit D, received approval for a new wall sign in Deerfield Square; Coldwell Banker Residential Brokerage, 675 Deerfield Road, received approval for new wall signs at their new Deerfield Village Centre location. They came to the ARC three (3) different times due to changes by the company. A temporary sign was also approved and is currently displayed while the permanent sign is fabricated; Walgreens, 780 Waukegan Road, received approval for a new awnings and wall sign. The ARC worked with the petitioner to use their windows to advertise their services while complying with the Window Ordinance; Planet Fitness, 35 Waukegan Road, received approval for exterior improvements, a new wall sign and pylon sign panels. The approval took place over two (2) meetings (preliminary and final reviews). The petitioner also opened a temporary leasing office next to their permanent space and worked with the Village for a temporary sign that complies with the Zoning Ordinance; McDonald's, 50 Waukegan Road, received approval for their new digital menu boards in their drive-thru. The approval took place over the course of three (3) meetings. One (1) of the meetings was a field trip to a McDonald's in Wheeling to view the brightness of an existing menu board. The ARC created brightness restrictions for the menu boards that will help the Commission with future petitions; Bartaco, 711 Deerfield Road, received approval for signage and building improvements at Deerfield Square. The approval took place over two (2) meetings. The ARC was not in favor of granting

an exception for a 2nd sign on the west elevation, but the Board approved it under the condition that they reduce the area of the sign based on the ARC's feedback; Deerfield Village Residence, 625 Deerfield Road, received approval for new walls signs at Deerfield Village Centre. The apartments were formerly named Deerfield Village Apartments. They also proposed a blade sign, which was denied by the ARC; Mynd Spa & Salon, 720 Waukegan Road, received approval for new signage, awnings and doors at Deerfield Square. Mynd is the rebranding of Elizabeth Arden Salon & Spa. The approval was completed over two (2) meetings and required the Board to grant two (2) exceptions from the Zoning Ordinance, which the ARC was in favor of. The exceptions were for: wall sign letters greater than 24" and a 2nd sign in the form of door handles with the Mynd logo etched into them; Worldwide Liquors, 833 Waukegan Road, received approval of a sign face change at Marshall Mall; West Deerfield Township, 601 Deerfield Road, received approval for a new ground sign; BP, 1460 Waukegan Road, received approval for a new LED price change sign. The approval took place over two (2) meetings (preliminary and final reviews) and received Zoning Ordinance exceptions, which the ARC was in favor of; Runway, 720 Waukegan Road, returned to Deerfield Square and received approval for a new wall sign; Aura Nails, 810 Waukegan Road, received approval to add the word "Aura" to their wall sign; 711 Deerfield Road, received approval to add a new fence and trees in front of their electrical, gas and water meters visible from Deerfield Road; Cadwell's Corners received approval to update their exterior for new tenants. The approval took place over two (2) meetings due to changes requested by the Owners; Protein Bar & Kitchen, 110 S. Waukegan, received approval for new exterior improvements, wall signs and pylon panels at Deerbrook Mall. The ARC was not in favor of granting orange awnings next to the existing green awnings. The decision was appealed to the Board and the approval was denied; Dollar Tree, 27 Waukegan Road, received approval for new entrance doors, a wall sign and new pylon panels at Cadwell's Corners; Brunch Cafe, 7 Waukegan Road, received approval for new awnings, wall signs and pylon panels at Cadwell's Corners. The petition requires Zoning Ordinance exceptions, which the ARC is in favor of granting; A Plus Massages, 400 Lake Cook Road, came to the ARC for a preliminary review for a new wall sign. The ARC provided the petitioner with positive feedback, and they will return to the ARC in early 2020 with a revised submittal.

The Deerfield Cemetery Commission had a change in staff liaison responsibilities from Community Development to the Public Works and Engineering Department. Staff continues to assist in that transition, as necessary. The commission continues to look at ways to preserve the history of the cemetery while maintaining its appearance.

One staff member is part of the Landscape Committee, which played a key role in reviewing the new Village Hall Landscape Plans. The Committee did not need to meet regarding other Village Landscape plantings since Moore took over the Landscape contract. A couple of members of the Committee are currently working with the Mayor to update some of the dated holiday decorations. They are hoping to make decisions this year so the new holiday decorations can be ordered for next year.

In October of 2018, the Village of Deerfield purchased the Village Music Store property. This property will eventually become part of a larger long-term development plan. For the short-term, Planning and Design Specialist, Liz Delevitt created and continues to tweak a possible design for the Village Music Store Property and 630 Central Avenue, the adjacent property to the south the Village also currently owns. The site is a rectangle, roughly 100' wide x 350' deep. The project is to create a parking lot on a little more than half of the site and a "Butterfly Garden" with access to the cemetery on the remaining portion of the site. This property will add much needed parking spaces for the cemetery and surrounding businesses while creating a beautiful space for residents to gather, eat lunch, and enjoy the open space/butterfly garden.

Worked with the broker for the Takeda property explaining the zoning entitlements that a future buyer has, and providing past zoning approvals for the site.

Planning staff continued to maintain an inventory of available commercial retail and service space to help promote business in Deerfield's commercial zoning districts. Staff continues to update this information quarterly, or as new information becomes available. This information was recently reformatted to make it more user friendly. The Village's website contains information about commercial property availabilities in Deerfield in an easy to understand format. The information provided on the website includes the development name and address; the broker contact person, phone number and email; and the total size of

the development along with the available spaces' square footage. When talking with potential businesses and property brokers, this online information is very useful. Maps are provided that show the location of the properties and the traffic counts on the adjacent major roadways. Provided on the Economic Development webpages are business analyst data, which contains recent detailed demographic, consumer spending, and market potential data. The website includes data from the Illinois Association of Realtors, which includes a neighborhood report, a commercial trade area report and a commercial best businesses report. The website also includes a list of new commercial businesses that have opened in the Village, the Business Registration form, Zoning Certificate of Compliance Application, Permitted Use Checklist, Permitted Use Flow Chart, and Special Use Flow Chart.

As a result of Zion Woods and Reva TOD apartment development in Deerbrook adjacent to the Lake Cook Road Metra Station, the Board of Trustees continues to discuss the affordable housing issue and is trying to decide if they want to create an ordinance or to continue to take up each development on a case-by-case basis.

Staff continued to promote a dialogue between The Metropolitan Planning Council (a non-profit group of civic leaders and businesses that promotes planning and development policies in the region) and Deerfield businesses to see if large employers are interested in Employer Assisted Housing (EAH) where the employer provides their employees with housing assistance such as counseling before making a home purchase, help with closing costs, or help with a down payment.

Staff continued to update the Department's page on the Village's website with current information about public hearings (including the applicant's plans and staff memos), commissions, forms and applications, sustainable projects in Deerfield, frequently asked questions, etc.

The Planning Division handles the Freedom of Information Act (FOIA) requests for many properties that are being purchased. As part of due diligence, many companies FOIA the previous Village zoning approvals for the property and inquire if the property meets zoning codes. Potential buyers also inquire about redevelopment potential of the properties (both residential and commercial); especially properties with older structures on them.

Continue training for Planning and Design Specialist Liz Delevitt. Principal Planner Jeff Ryckaert and Planner Dan Nakahara are working with Liz Delevitt as she becomes acclimated to the position she took in 2018 after a 37 year employee retired.

The Building Division adopted the 2018 International Code Conference (ICC) Building Codes for all construction projects in the Village.

The Building Division handles the FOIA requests for all building permit information requests and certificates of occupancy requests.

One new Plan Commission member was provided orientation by the Planning Division along with the Plan Commission manual which includes the rules of procedure and other background information relevant to the Plan Commission. He was also provided a tablet computer.

Village legal counsel Holland and Knight conducted Plan Commissioner training prior to the last regular scheduled Plan Commission meeting for the year. The training began with active shooter training conducted by the Deerfield Police Department followed by an hour and a half of commissioner training. The training with Holland and Knight included Due Process, Conflicts of Interest, FOIA, PUDs, Special Uses, Special Use standards, Text Amendments, and the Open Meetings Act.

The Planning Division continues to handle many inquiries regarding potential new businesses in the office districts, commercial districts, and residential districts, and the Planning Division responds to requests for zoning verification letters mostly from commercial property owners (or their consultants) who are selling their property.

The Planning Division continues to administer the Zoning Certificate of Compliance applications for new businesses that are Permitted Uses.

The Department assists the Village Manager's office with economic development efforts and initiatives (e.g. potential incentives to a property owner or business).

The Village Planning Division is participating in the LUCA (Local Update of Census Address) program to review residential addresses from the Census Bureau in order for the Village to get a complete and accurate address list for the 2020 Census. The Village needs an accurate population count as there is a lot of funding based on the final Census numbers. Census population counts directly affect how federal and state funding is allocated to communities. The final Census population counts determine funding from the State of Illinois income tax, and the federal government's motor fuel tax. An undercounted population means Deerfield will not get its fair share of those funds so it is important the Village participate to make sure all residential addresses in Deerfield are counted. The Local Update of Census Addresses Operations (LUCA) is a voluntary decennial census operation. LUCA is an opportunity prior to the 2020 Census for local governments to review and update the U.S. Census Bureau's residential address list for Village's jurisdiction. The accuracy and completeness of the address list is critical to the accuracy and completeness of the decennial census. Planning Staff worked with MGP to ensure a complete and accurate Village address list. The address list has been reviewed by staff and comments were sent to the U.S. Census Bureau for further review. Staff is working on the promotion of the 2020 Census by getting the word out to participate in the Census in many different ways: D-Tale; Village website; eblasts; Village cable channel and social media. The Village has also formed a Complete Count Committee that staff will participate in.

Staff continues to maintain a good working relationship with many commercial, office, and residential property owners, both large and small developments.

The Planning Division records documents related to land use and plats of subdivision at the County Recorder's office.

The Planning Division and Building Division each prepare six-month reports detailing the Division's activities for the Mayor and Board and reports are posted on the Village website.

The Building Division handles inquiries about residential bulk regulations from homeowners, real estate agents, developers and others.

Continue to work with businesses in the C-1 and C-2 zoning districts to gain compliance with the window signage regulations (most businesses are in compliance).

Continue to implement the vacant buildings ordinance to allow for better enforcement and continued to work on removal of deteriorated vacant residential structures in the Village.

A staff member from the department is part of the Wellness Committee, which has been charged with promoting wellness and health among the Village departments.

A staff member from the department is part of the Strategic Communication Group, which has been charged with building a consistent message delivered across departments.

Staff worked with the GIS Specialist to implement additional custom layers in MapOffice and additional improvements to the plat book map. Staff also worked with the GIS specialist to assist with maps for zoning petitions, and various other special projects such as the LUCA .

Staff continued to digitize the recorded documents that are kept by the Community Development Department. The plats of subdivision, annexation, dedications, easements, vacations, and the planned unit developments plats have been digitized for easy reference by Department staff, and also put into Laserfiche increasing document accessibility and staff efficiency. The next major items for transfer digitization under consideration are Plan Commission minutes and the building files.

Work Statistics	2014	2015	2016	2017	2018	2019
Permits:						
Residences	40 (2 multi-family)	24 (1 multi-family)	23	14	17	10
Additions and Alterations	199	178	170	184	196	213
Garages	20	16	19	14	16	16
Garage Sale and Temporary Use Permits	266	237	192	158	173	124
Miscellaneous	1,006	987	999	894	878	889
Total Permits	1,531	1,442	1403	1264	1280	1262
Board of Zoning Appeals Public Hearings	5	6	1	2	6	4
VCC Meetings	7	5	5	5	4	5
Appearance Review Commission Meetings	13	18*	18*	13	12	13
Northwest Quadrant Unified Task Force (Finished their task in 2013)	0	0	0	0	0	0
Plan Commission:						
Public Hearings	14	12	16	19	22	18
Continued Public Hearings	2	2	1	3	3	1
Substantial Conformance Petitions	4	3	3	4	3	1
Prefiling Conferences	14	11	11	19	18	13
Miscellaneous Requests & Items	1	1	2	1	0	3
Comprehensive Plan Meetings	0	0	1	0	0	0

*Additional meetings were added to help progress on the Appearance Code update.

The Department's objectives for the 2020 fiscal year:

Provide staff support services for the Plan Commission, the Board of Zoning Appeals, the Village Center Commission, the Appearance Review Commission, and other boards and commissions, and task forces for which the Department is responsible.

Maintain the Comprehensive Plan, Zoning Ordinance, Development Code, and the Subdivision Code along with building plans, subdivision plats, and approved development plans.

Discuss which sections of the revised Appearance Code require text amendments to the Zoning Ordinance for landscaping, lighting, and signage.

Continue to work with the ownership of Deerbrook on the redevelopment of the shopping center, including the recently approved rental development, as well as other property owners interested in redeveloping their properties.

Continue to work with Cadwell's Corners in filling up the vacant space and the south end of their shopping center.

Work to implement the Northwest Quadrant Master Plan.

Obtain Census and American Community Survey data for Deerfield as it becomes available and place it on the Village's website so the economic data is accessible to residents and businesses.

Continue to use the promotional brochure for the Village as a marketing tool to attract business to Deerfield.

Continue the process of entering data into the land records data layer in the Village's Geographic Information System (GIS).

Continue to work on and participate on the Local Update of Census Addresses (LUCA) program.

Continue to update and enhance the economic development information on the Village's website so that it is useful to potential businesses interested in locating in Deerfield and to commercial property owners in the community in order to promote economic growth and the well-being of the Village's tax base.

Continue to explore methods of digitally scanning, retrieving and storing all documents required to be maintained by the Department. Converting existing paper documents to a digital electronic format allows easy access by all. Continue to digitize plats of subdivision, PUD plans, and other documents. Continue removing non-essential items from the Plan Commission files and begin planning for the conversion of past Plan Commission paper minutes to electronic files.

Work with the Village Manager's Office to determine what additional department documents will be scanned into Laserfiche for easy retrieval.

Continue to be advisory for the plans for the repair and maintenance of the Village Center streetscape.

Continue to enforce the window sign regulations in the C-1 and C-2 Commercial Districts and continue to work with businesses to gain compliance.

Be advisory to the Sustainability Commission on sustainability issues including green initiatives.

Continue to promote sustainability and green components in land use and building projects, and stay up-to-date on the latest green techniques and information.

Continue to work on the issue of workforce and affordable housing to seek solutions to this housing issue facing the Village. Continue discussions with One Deerfield Place and the Housing Opportunity Development Corporation (HODC) on how to best utilize the private funds they have accumulated for affordable housing in Deerfield. Continue to work with the Metropolitan Planning Council on employer assisted housing for local businesses.

Continue to stay up-to-date on current planning issues and trends and current building codes and topics. This includes attending seminars, conferences, webinars, and reading appropriate literature, background materials and documents. When appropriate, seek advice of planning consultants as needed for various planning issues facing the Village.

Continue to keep the Village's website current and up-to-date for items dealing with the Planning Division and Building Division, including information about upcoming public hearings, forms and applications.

**BUDGET REQUEST - 2020
COMMUNITY DEVELOPMENT DEPT.**

101330

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	1,105,875	1,238,300	1,089,300	1,206,300	-2.58%	10.74%
TRAINING & DEVELOPMENT	4,096	10,000	10,000	10,000	0.00%	0.00%
CONTRACTUAL SERVICES	78,592	144,807	105,025	149,837	3.47%	42.67%
COMMODITIES	11,889	14,900	14,900	9,900	-33.56%	-33.56%
UTILITIES	9,578	11,985	10,250	10,900	-9.05%	6.34%
CAPITAL OUTLAY	0	25,000	17,500	4,500	-82.00%	-74.29%
CAPITAL IMPROVEMENTS	0	0	0	0	N/A	N/A
TRANSFERS OUT	6,250	6,250	6,250	6,250	0.00%	0.00%
DEPARTMENT TOTAL	1,216,280	1,451,242	1,253,225	1,397,687	-3.69%	11.53%

Engineering Department

The Engineering Department provides technical design services and oversight for Village construction projects, reviews development plans to assure compliance with Village ordinances, and advises the Mayor and Board, as well as other departments on engineering matters. The department is supervised by the Director of Public Works and Engineering and staffed by one Assistant Village Engineer, one Project Manager, one Assistant to the Director of Public Works and Engineering, and an Administrative Assistant. The Department continues to maintain a conservative fiscal approach to departmental expenditures without compromising necessary departmental operations.

The primary accountabilities of the Engineering Department are:

- Define and supervise Village construction projects.
- Continue to upgrade and structure engineering and public works data organization and relationships.
- Continue to manage the Geographic Information System (GIS).
- Continue to review commercial and residential development plans with respect to Village ordinances, utilities, drainage, and grading.
- Review, evaluate, and approve applications relative to the Village tree Ordinance.
- Respond to resident drainage concerns.
- Initiate study and design for future infrastructure replacement.
- Manage the Engineering and Public Works portion of the Village Website.

Accomplishments in 2019:

Street Rehabilitation Project - The scope of the Street Rehabilitation Project is to reconstruct or rehabilitate portions of the existing Village owned roadway, network and utilities. In 2019 the Department facilitated the reconstruction/rehabilitation of portions, or all, of the following roads: Birchwood Ave., Castlewood Ave., Cranshire Ct., Montgomery Dr., Berkeley Ct., Wilmot Rd., Woodland Subdivision, Meadow Ln., Rosemary Ter., Warrington Rd., and Margate Ter.

Woodvale Avenue Reconstruction / Flood Mitigation Study – In early 2017, the Village contracted with Christopher B Burke Engineering (CBBEL) to facilitate a feasibility study of flood mitigation options for Woodvale Avenue. Throughout 2018 and into 2019, the Village and CBBEL worked with residents to provide the best option to improve the flooding of Woodvale Ave. Through a well-attended resident's meeting, a preferred option was selected and the engineering design started thereafter. Construction plans are scheduled to be completed in time for an early 2020 bid advertisement.

Greenwood Ave Infrastructure Project – Beginning in early 2017, the Village started the design process to reconstruct Greenwood Ave between Chestnut Street and Waukegan Road, and the resurfacing of Greenwood Avenue between Wilmot Road and Chestnut Street utilizing around \$1M in federal funds. The project was ready for work to commence in the summer of 2019, with the completion of the project taking place in late 2019.

Deerfield Rd. Resurfacing Project – In early 2019, upon learning of Lake County's intention to resurface Deerfield Rd. west of Wilmot in 2020, the Village began to facilitate the design work for resurfacing Deerfield Rd. between Wilmot Road and the underpass. The intention is to align these projects to not only receive better bid pricing, but also to coordinate the construction to minimize traffic disruptions. Design work is

anticipated to be completed in early 2020, and the project will be part of a joint bid with Lake County in April of 2020.

Arbor Vitae Rd. and Appletree Ln. Infrastructure Project – Design work began in early 2019 for this project that is slated to replace the water main on Arbor Vitae Rd. and Appletree Ln., and in doing so, eliminate two dead ends. The reconstruction of Arbor Vitae Rd. is also included in this project while minor patching is anticipated for Appletree Ln. a 2020 construction date was selected, however, to avoid issues with the Deerfield Rd. resurfacing, the project the is currently slated for a 2021 construction season.

Woodland Park Subdivision Infrastructure Rehabilitation Project: –The original water main in this vicinity was among the oldest in the Village, constructed in 1924. In 2018, the Village began the design engineering with construction taking place during the summer of 2019. As planned, this project began in May, and was completed in September, in time for the roadways to be rehabilitated as part of the 2019 Street Rehabilitation Project. In all, this project replaced roughly a mile of substandard and old water main.

Sanitary Sewer Lining Program- As part of the ongoing work to reduce Inflow and Infiltration, staff awarded the 2019 lining contract to Visu Sewer. As part of the project, over 10,000 linear feet of sanitary sewers were lined. The 2020 sewer lining contract was put out to bid in November, and Visu Sewer was once again the lowest bidder.

2019 Sidewalk Program - Due to the vast amount of deteriorating sidewalk Village wide, this project utilized capital funds to remove, replace, and/or rehabilitate sidewalks as needed, to alleviate trip hazards, raised sidewalks due to tree roots and to bring pedestrian cross walks in compliance with ADA requirements (ADA detectable warnings). During 2019, through a combination of sidewalk grinding and sidewalk replacement, more than 300 locations were brought up to safety standards.

North Branch Watershed Work Group - In January of 2018 staff officially established the North Branch Chicago River Watershed Workgroup with the 25 municipalities, 10 townships and 4 drainage districts that are located within the watershed. The formation of this consortium has been strongly encouraged by the Illinois EPA to assist in bringing together a diverse coalition of stakeholders to work to improve water quality in the North Branch watershed. WRF staff continue to act as the lead agency for this effort.

Deerfield/Warwick CL2 System Upgrade - Design work began in 2018 for repairing and upgrading the chlorine tablet systems at the Warwick Road and Deerfield Road pumping stations. Construction of the improvements were complete at the end of 2019. This work included replacement control panels and solenoid valves.

Drainage Study and Resolution Program – Over the last several years, the department has become more involved in developing and implementing drainage solutions throughout the Village. In some instances, staff requires additional outside professional engineering services to determine the resolution or improvement of drainage issues. In other instances, some of these locations with drainage issues were able to be improved upon by various methods.

Water System Redundancy Project (Northbrook Connection) – The Edens Spur reconstruction project began in 2018, and is scheduled to continue through 2020. The Village has facilitated the design of an emergency water connection with the Village of Northbrook. The connection will be constructed in 2020 as part of the Pflugsten Rd. Bridge Reconstruction Project.

Mitchell Park Tennis Courts - The Village of Deerfield entered into an Intergovernmental Agreement, with respect to the Mitchell Park facility, with the Deerfield Park District, at the time the reservoir and pump station were built. As part of the agreement, the Village is required, among other things, to repair and maintain the tennis court surfaces. The north tennis court and basketball court resurfacing project were completed in 2019.

Provide site reviews to residents with flooding concerns – Each year, the Division is called upon for help by residents experiencing drainage issues on or near their property. These issues range from standing water concerns to flooded basements. Once notified of an issue, the Division will typically meet with the resident(s), assess their property as well as the surrounding properties, and provide the resident(s) with recommendations to their concerns. On occasion, these assessments have required multiple site visits and surveys of the problem location. In 2019, the Division conducted site review visits to over 125 properties (double that from 2018) with the large majority of these visits occurring in the spring after large rain events.

Address Village responsible flooding problems – When site assessments reveal that the Village assets, or lack thereof, contribute to flooding issues within the Village, the Division contracts with local consultants to investigate a solution to this issue. Once a proposed improvement has been selected and designed, the Village will then work with a contractor to install the improvement. This year, the Village constructed improvements to five flood prone areas within the Village. The improvement locations were Warrington Rd., Wayne Ave., Warwick Rd., Millstone Rd., and Woodland Park. The Village was also able to complete a study of Margate Terrace. Staff will continue to study Margate Terrace and will initiate a study on Forestway Drive.

Fats, Oils and Grease Program (FOG) – In 2019, the sewer ordinance was updated to include a comprehensive FOG section. All food service establishments (FSEs) must have an adequate grease interceptor installed by July 1, 2020. Every FSE was hand delivered a FOG packet that included a copy of the updated ordinance and an explanation letter.

Other items completed are as follows:

- Managed the Cross Connection Control/Backflow Prevention (RPZ) Program with our contractor BSI.
- The Engineering Department reviewed and approved more than 273 permit applications for removal of trees (including the DED or Ash trees). In addition to these permit applications, the Village has reviewed approximately 180 applications for the removal of trees related to construction permit applications.
- The Public Works and Engineering Department has processed 2,547 invoices for contractual work.
- The Engineering Department performed over 240 plan reviews for residential lot improvements including approximately 17 plan submittals for residential home additions and/or new single family homes.
- Continued to meet or exceed our FEMA community rating system requirements.
- Prepared NPDES yearly report, including outfall inspections, for all 96 outfalls within the Village.
- Updated the Engineering Department portion of the new website, including weekly construction updates.
- Staffed the Family Days Commission with PWE personnel.
- Staffed the Cemetery Commission with PWE personnel.
- Interviewed and selected consultants based on their qualifications for various infrastructure replacement projects.
- Facilitated the replacement of approximately 15,000 linear feet of pavement markings.
- Prepared and published the Consumer Confidence Report on water quality.
- Monitored the conditions and groundwater at Reservoir 29A and cooperated with the offices of the

Metropolitan Water Reclamation District.

- Reviewed and approved roughly 7.5 miles of new fiber installation throughout the Village. This installation is the first step in providing the Village with 5g wireless service.
- Worked with internal staff to develop a standard procedure for reviewing small cell wireless facilities.

Major projects planned for 2020 are:

Street Rehabilitation Project - The scope of the Street Rehabilitation Project is to reconstruct or rehabilitate portions of the existing Village owned roadway network and utilities. Work for 2020 will include, but is not limited to, portions or all of Dartmouth Ln., Elder Ln., Hillside Ave., Kenton Rd., Knollwood Rd., Linden Ave., Margate Ter., Westgate Rd., and Windcrest Dr.

2020 Sidewalk Program - Due to the vast amount of deteriorating sidewalk Village wide, this project will utilize capital funds to remove, replace, and/or rehabilitate sidewalks as needed, to alleviate trip hazards and to bring pedestrian cross walks in compliance with ADA requirements (ADA detectable warnings). The focus in 2020 will be in throughout the Village.

Emergency Water Connection- Design and system engineering was completed in 2018 to allow for construction of the water connection in 2020. This timing affords the Villages of Northbrook and Deerfield the opportunity to construct the first emergency water connection between the two Municipalities.

Sewer Lining Program – In 2020, roughly 8,000 linear feet of sanitary sewer will be lined. The lining work will primarily be focused in the northwest quadrants.

Fats, Oils and Grease Program (FOG) –. Staff will work with all food service establishments (FSEs) to ensure that they come into compliance with the updated grease interceptor requirements by the July 1, 2020 deadline.

Water System Model Update – The Village will be executing a contract with an engineering firm in early 2020 to provide an update to the 2014 water system model. Also included in this project is the forecasting of recommended projects, a Water/Sewer rate study, and exploring the emergency water connection with Northbrook. It is anticipated that a final report will be completed in 2020.

Water Meter Replacement Program – Staff has hired Strand Engineering to prepare contract documents and specifications for the upcoming meter head replacement program in 2021.

Storm Water Master Plan – In early 2020, the Village will be executing a contract with an engineering company to perform a Village wide storm water master plan. This plan is intended to provide the Village with an overall evaluation of the Village's storm system, recommendations for future projects and possible resolutions to current issues will be keys portion of the master plan. It is anticipated that a final report will be completed by early 2021.

Deerfield Rd. Resurfacing Project – This project is set to begin in the summer of 2020 and will involve resurfacing Deerfield Rd. from the Viaduct to Wilmot Rd. This project will be in coordination with a Lake County resurfacing project of Deerfield Rd., west of Wilmot.

Hazel Avenue Infrastructure Rehabilitation Project - Engineering staff anticipates kicking off a federal phase I and phase II Engineering contract to position the Village for federal construction funding through the Lake County Council of Mayors STP Program. To better position the Village for federal funding the engineering work should be complete before the 2022 call for projects, and the improvement should be shovel ready at that time. The expected scope of work for the project is roadway reconstruction, roadway patching, storm sewer installation and adjustments, water main replacement, and sidewalk repairs. The design phase will be completed in 2021 with construction anticipated to follow in 2023.

Installation of Rapid Flashing Beacon at Wilmot Rd and Montgomery Rd - In 2019, the Village was asked to investigate the possibility of installing a Rectangular Rapid Flashing Beacon (RRFB) similar to those installed on Deerfield Rd at Pine St and Jonquil Terrace. The installation is planned for summer of 2020.

Lighting System Upgrades - Much like many other Village assets, the Village lighting system in various subdivisions is starting to fail which requires frequent PW attention. This project would replace problematic locations and allow for system upgrades to reduce the amount of lighting outages in the Village. The scope of work will include new electric line installation, new efficient LED light fixture upgrades, and new light pole installations. This work is planned to take place in 2020.

Roadway Condition evaluation - As part of the planning for future capital improvements the Department maintains a database that identifies the condition rating for all streets within the Village. Every third year the database must be updated. To do so, the vendor drives along all Village streets with a non-destructive testing unit. Following their field review, the data is downloaded into the system for our use. The last roadway condition evaluation was completed in 2017.

Phosphorus Removal Upgrade - The upcoming NPDES permit for the WRF is expected to include a 1 mg/L effluent phosphorus limit (regulation). The current infrastructure at the WRF is not designed to meet this requirement. This budgeted project would consist of design in 2020 and construction or modification of the Water Reclamation Facility starting in 2021.

CMOM/Feasibility/Optimization/Excess Flows - The Capacity, Management, Operations and Maintenance (CMOM) plan, Feasibility Study, Optimization Plan and Excess Flow Reports are all special conditions that will be included on the upcoming NPDES permit. This work will be initiated in 2020 if the IEPA issues a new operating permit.

Nutrient Assessment and Reduction Plan - The Nutrient Assessment and Reduction Plan (NARP) is a requirement of the upcoming NPDES permit due to the current impaired classification of the WRF's receiving waters. The NARP includes identification of phosphorus sources in the watershed and how these can be reduced. This work will be initiated in 2020 if the IEPA issues a new operating permit.

Sanitary Process Investigation - The Village is proposing an investigative effort for the wastewater reclamation facility with respect to the production and handling of the bio-solids, and addressing odor issues. This investigation would help to determine if alternate means and methods of processing and handling the Village's biosolids would result in a less impactful removal effort.

Work Statistics	2014	2015	2016	2017	2018	2019
Number of Purchase Payments Processed	2,745	2,805	2,841	2,652	1,741	2,547
Letters of Credit Received/Renewed	0	3	3	2	2	1
Number of Plans Reviewed	121	136	148	125	185	240
Number of Ad Hoc Tree Removal Permits Issued	475	497	356	293	292	273

BUDGET REQUEST - 2020

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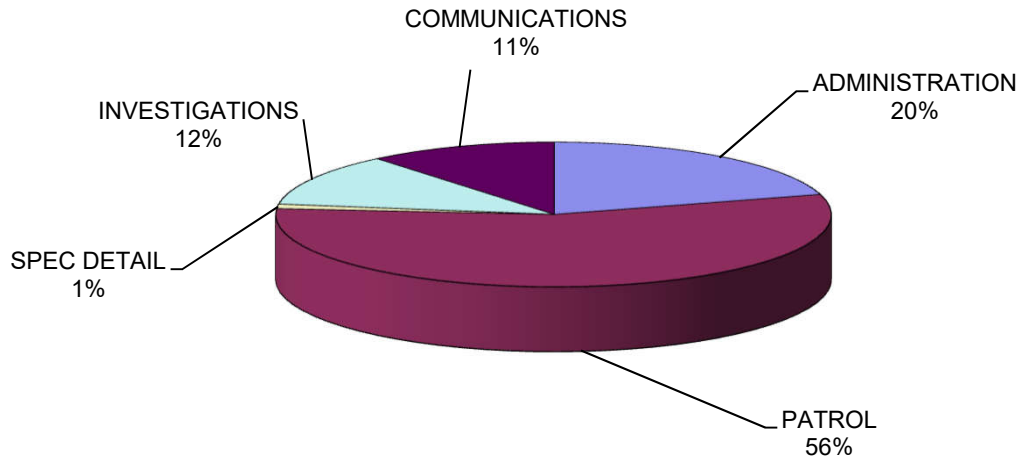
ENGINEERING DIVISION (PUBLIC WORKS)

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	490,025	433,900	441,000	465,900	7.37%	5.65%
TRAINING & DEVELOPMENT	2,466	6,100	6,100	6,100	0.00%	0.00%
CONTRACTUAL SERVICES	209,866	273,449	300,398	252,109	-7.80%	-16.08%
COMMODITIES	11,935	10,500	10,500	10,500	0.00%	0.00%
UTILITIES	6,417	9,870	6,000	7,100	-28.06%	18.33%
CAPITAL OUTLAY	1,936	3,050	1,700	7,050	131.15%	314.71%
CAPITAL IMPROVEMENTS	0	0	0	0	N/A	N/A
TRANSFERS OUT	23,467	22,248	22,248	25,222	13.37%	13.37%
DEPARTMENT TOTAL	746,112	759,117	787,946	773,981	1.96%	-1.77%

**BUDGET REQUEST - 2020
POLICE - SUMMARY**

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	8,154,953	8,898,345	8,204,287	9,239,180	3.83%	12.61%
TRAINING & DEVELOPMENT	55,085	89,100	58,910	98,100	10.10%	66.53%
CONTRACTUAL SERVICES	656,044	823,209	708,420	871,946	5.92%	23.08%
COMMODITIES	91,120	107,375	96,970	118,946	10.78%	22.66%
UTILITIES	21,193	25,085	23,110	32,825	30.86%	42.04%
CAPITAL OUTLAY	40,314	49,652	29,552	70,286	41.56%	137.84%
CAPITAL IMPROVEMENTS	0	0	0	0	N/A	N/A
TRANSFERS OUT	192,452	155,224	155,224	165,325	6.51%	6.51%
DEPARTMENT TOTAL	9,211,161	10,147,990	9,276,473	10,596,608	4.42%	14.23%

POLICE DEPT. BUDGET BY DIVISION



POLICE DEPARTMENT

SUMMARY OF THE POLICE MISSION

With respect and dignity, the Deerfield Police Department will provide professional and ethical service through partnership with all citizens and proactively identifying risks to Deerfield's quality of life.

The Police Department has nine continuing goals that accomplish this mission:

- Prevention of crime
- Apprehension of offenders
- Recovery and return of property
- Safe movement of traffic
- Provision of services unavailable from other public or private welfare agencies
- Prevention of substance abuse in the community
- Education of juveniles informing them of their legal responsibilities
- Education of the public in the steps it can take to reduce the probabilities of becoming the victim of criminal attack
- Participation in the implementation of disaster and emergency services

In addition to these continuing goals, the Deerfield Police Department will complete the following projects during the 2020 fiscal year:

In 2007 the Department established a partnership with the University of Illinois at Chicago (UIC) to assist in updating Department job descriptions. Since that time, many of our agency roles have changed and job descriptions must be updated to reflect those changes. The Department again reached out to UIC in 2018 but they were unable to provide further assistance. Therefore, Department personnel have taken on the task "in-house" by gathering resources and assessing standards. The final analysis will include identifying essential tasks and duties related to each position in addition to the necessary knowledge base and abilities required to perform the job.

The Department is actively working on a revised staff inspection, an inspectional process that includes a review of all components of the Department including operational activities, policies, procedures, facilities, property and resources. A substantial number of General Orders, related duties and resources have been reviewed and modified or revised as needed. Work on all aspects of the process will continue in 2020. Upon completion, a written report will identify deficiencies, make recommendations and identify positive aspects of the project. The staff inspection will be conducted by agency personnel and overseen by the Chief of Police.

The Deerfield Police Department will conduct the biennial Citizen Satisfaction survey. The survey is conducted on-line through the Village of Deerfield website and advertised through various communication channels including, D-Tales, e-blast, utility bills, and social media. The goal is to assess general Department operations as seen by our residents and the feeling of safety and security in the Village.

The Department will research and implement new procedures, including additional software, designed to improve and streamline some administrative functions in 2020. An online scheduling software that can easily integrate directly to the payroll system will save time and reduce errors, while providing a reporting system to track days worked, time off requests, leave, and overtime. Additionally the Department will create an efficient training records management process that will provide accurate training records with the ability to sort by individual, course title, course provider, completion date, or expiry date. Streamlining this process will ensure all employees are in compliance with required trainings, complete the training matrix for their rank and position in the Department, and reduce gaps in training.

2019 Accomplishments

The Department successfully negotiated with the Village of Lincolnshire to begin providing Dispatch Services to that community beginning July of 2019. Staff worked with all involved parties to ensure a successful transition to a Consolidated Dispatch Center that includes the communities of Deerfield, Bannockburn, Riverwoods and Lincolnshire.

This past year the Police Department oversaw the relocation of their radio and microwave equipment back to the Deerfield Water Tower after its renovation. This required coordinating with multiple vendors to ensure the reinstallation was optimal and cost efficient; additionally, we took measures to ensure the existing amateur radio equipment on the tower was maintained and improved. The operators of this equipment historically helps sustain communications when normal means fail to function. Our agency realizes the value and advantages of amateur radios in a disaster situation as they're free from large infrastructure and they're flexible bits of technology that are often overlooked.

In August, the Department had the second annual web-based standards review as required for re-accreditation by the Commission on Accreditation for Law Enforcement Agencies, Inc. (CALEA). The intent of the annual review is to confirm compliance of the applicable standards related to our agency. The Department was first accredited in 2005 and is currently working towards its fifth re-accreditation in 2021.

Acting on a request from Deerfield Public School District 109, the Department assigned a full-time School Resource Officer (SRO) to the District effective January 8, 2020. The District agreed to pay 75% of the annual salary paid by the village to the SRO for services rendered including salary and benefits. The assignment resulted in the addition of an extra Police Officer.

This year the Department successfully transitioned to an in-house CPR/AED training program. A Deerfield Police Officer completed the CPR/AED Instructor Course which allowed the Department to purchase necessary materials and begin the training courses.

STATISTICAL SUMMARY

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Calls for Service	13,706	13,623	21,064	21,196	19,586
Accidents; Personal Injury	68	71	73	56	84
Property	490	488	453	493	502
Traffic Tickets	3,766	3,463	2,856	3,725	3,175
Parking Citations	1,710	1,598	2,452	2,161	1,728
Crime Index*	134	129	135	141	135
Criminal Arrests	366	426	346	451	378
Domestic Trouble	82	85	94	107	133
Vandalism	28	40	44	58	54
Traffic Enforcement Index	55.4	48.8	39.1	66.5	37.8
(Tickets per Injury Accident)					

*Crime Index: Index crimes include "Violent Crimes" (murder, non-negligent manslaughter, aggravated criminal sexual assault, robbery, aggravated battery, and aggravated assault) and "Property Crimes" (burglary, theft, larceny, motor vehicle theft and arson).

BUDGET REQUEST - 2020
POLICE - ADMINISTRATION

106010-

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	915,703	1,125,179	1,007,438	1,131,859	0.59%	12.35%
TRAINING & DEVELOPMENT	7,191	13,240	6,940	12,490	-5.66%	79.97%
CONTRACTUAL SERVICES	598,436	755,689	647,891	804,086	6.40%	24.11%
COMMODITIES	23,758	23,900	20,700	24,860	4.02%	20.10%
UTILITIES	14,190	18,085	15,700	23,325	28.97%	48.57%
CAPITAL OUTLAY	11,424	7,500	4,000	14,500	93.33%	262.50%
CAPITAL IMPROVEMENTS	0	0	0	0	N/A	N/A
TRANSFERS OUT	192,452	155,224	155,224	165,325	6.51%	6.51%
DEPARTMENT TOTAL	1,763,154	2,098,817	1,857,893	2,176,445	3.70%	17.15%

106020-

POLICE - COMMUNICATIONS

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	1,020,580	1,107,275	1,050,834	1,152,535	4.09%	9.68%
TRAINING & DEVELOPMENT	4,227	6,800	5,687	7,100	4.41%	24.85%
CONTRACTUAL SERVICES	237	500	434	500	0.00%	15.21%
COMMODITIES	0	0	0	0	N/A	N/A
UTILITIES	0	0	0	0	N/A	N/A
CAPITAL OUTLAY	233	5,000	5,000	5,000	0.00%	0.00%
CAPITAL IMPROVEMENTS	0	0	0	0	N/A	N/A
TRANSFERS OUT	0	0	0	0	N/A	N/A
DEPARTMENT TOTAL	1,025,277	1,119,575	1,061,955	1,165,135	4.07%	9.72%

106033-

POLICE - INVESTIGATIONS/YOUTH

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	982,369	1,136,447	830,162	1,193,056	4.98%	43.71%
TRAINING & DEVELOPMENT	3,492	22,500	8,300	18,300	-18.67%	120.48%
CONTRACTUAL SERVICES	5,653	6,520	6,295	6,800	4.29%	8.02%
COMMODITIES	7,388	12,900	9,000	13,400	3.88%	48.89%
UTILITIES	0	0	0	0	N/A	N/A
CAPITAL OUTLAY	5,288	7,500	6,000	10,500	40.00%	75.00%
CAPITAL IMPROVEMENTS	0	0	0	0	N/A	N/A
TRANSFERS OUT	0	0	0	0	N/A	N/A
DEPARTMENT TOTAL	1,004,190	1,185,867	859,757	1,242,056	4.74%	44.47%

BUDGET REQUEST - 2020

106034-

POLICE - PATROL

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	5,121,941	5,422,444	5,208,853	5,654,730	4.28%	8.56%
TRAINING & DEVELOPMENT	40,175	46,560	37,983	60,210	29.32%	58.52%
CONTRACTUAL SERVICES	51,718	60,500	53,800	60,560	0.10%	12.57%
COMMODITIES	59,974	70,575	67,270	80,686	14.33%	19.94%
UTILITIES	7,003	7,000	7,410	9,500	35.71%	28.21%
CAPITAL OUTLAY	23,369	29,652	14,552	40,286	35.86%	176.84%
CAPITAL IMPROVEMENTS	0	0	0	0	N/A	N/A
TRANSFERS OUT	0	0	0	0	N/A	N/A
DEPARTMENT TOTAL	5,304,180	5,636,731	5,389,868	5,905,972	4.78%	9.58%

106061-

POLICE - SPECIAL DETAIL

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	114,360	107,000	107,000	107,000	0.00%	0.00%

176020-

E 911 FUND

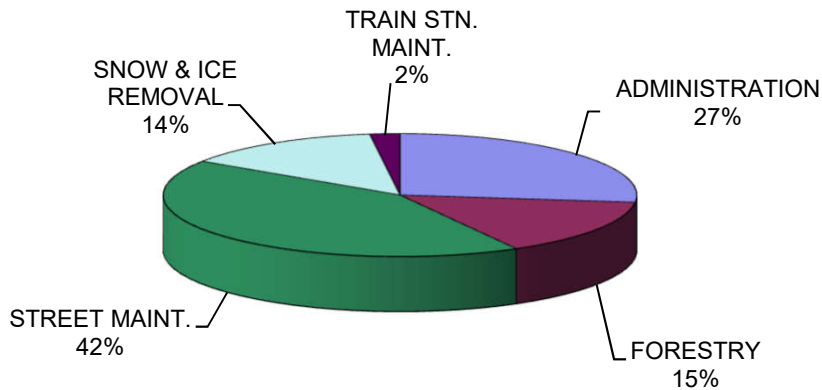
	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	0	0	0	0	N/A	N/A
TRAINING & DEVELOPMENT	0	0	0	0	N/A	N/A
CONTRACTUAL SERVICES	112,292	232,179	135,420	0	-100.00%	-100.00%
COMMODITIES	0	0	0	0	N/A	N/A
UTILITIES	5,225	10,000	2,066	0	-100.00%	-100.00%
OTHER EXPENSES	0	0	0	0	N/A	N/A
DEBT SERVICE	0	0	0	0	N/A	N/A
CAPITAL OUTLAY	0	273,800	71,241	0	-100.00%	-100.00%
CAPITAL IMPROVEMENTS	0	0	0	0	N/A	N/A
TRANSFERS OUT	268,014	266,736	144,763	0	-100.00%	-100.00%
TOTAL EXPENDITURES	385,531	782,715	353,490	0	-100.00%	-100.00%

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BUDGET REQUEST - 2020
STREET DIVISION - SUMMARY

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	1,113,990	1,205,750	1,172,694	1,178,950	-2.22%	0.53%
TRAINING & DEVELOPMENT	3,423	4,400	4,150	4,400	0.00%	6.02%
CONTRACTUAL SERVICES	932,937	866,019	942,670	892,325	3.04%	-5.34%
COMMODITIES	342,651	333,950	358,150	350,450	4.94%	-2.15%
UTILITIES	45,031	72,665	70,250	72,500	-0.23%	3.20%
CAPITAL OUTLAY	2,431	3,850	3,750	3,850	0.00%	2.67%
CAPITAL IMPROVEMENTS	138,056	165,000	185,000	170,000	3.03%	-8.11%
TRANSFERS OUT	204,458	220,437	220,437	219,504	-0.42%	-0.42%
DEPARTMENT TOTAL	2,782,977	2,872,071	2,957,101	2,891,979	0.69%	-2.20%

STREET DIVISION EXPENDITURES



Street Division

The primary accountabilities of the Street Division are:

- To keep the streets clean.
- To keep the streets clear of snow and ice.
- To keep the streets in good condition by repairing cracks and potholes.
- To keep the streets in good condition by removing and replacing concrete and asphalt roads, curbs, and sidewalks.
- To keep all pavement marking lines visible throughout the Village.
- To install and maintain street signs so they are legible under all weather conditions.
- To repair and maintain all Village-owned streetlights and traffic signals.
- To plant trees as part of the 50/50 tree planting program.
- To maintain and repair the interior of the railroad station.
- To cut weeds and grass on Village-owned property.
- To maintain trees in Village right-of-way.
- To maintain adequate supplies of gasoline and diesel fuel, and to keep the fueling equipment in good working order. Fuel is charged to expenditures of specific departments according to usage.

Accomplishments from January 2019 through December 2019:

- Maintained all Village streets in drivable condition throughout the year.
- Removed and replaced 260 cubic yards of concrete street, curb, and sidewalks.
- Removed and replaced 280 tons of asphalt street.
- Swept 2,380 miles of streets, removing 1,125 cubic yards of debris.
- 2,300 tons of salt were used with 2,200 total man hours expended for snow and ice removal in the 2018-2019 season. Liquid Salt Brine used – 15,900 gallons. Calcium Chloride used – 7,200 gallons.
- Performed pavement patching with UPM on a continual basis, using 190 tons.
- Installed 425 replacement street signs, including 15 regulatory signs that failed retro-reflectivity standards.
- Maintained street sign inventory and work orders with 3M Road Management Services software.
- Repairs to Village owned street lighting include the replacement of 6 streetlight poles, 16 repairs to streetlight wires, and 50 streetlight lamps were upgraded to LED.
- Planted 34 parkway trees under the annual 50-50 parkway tree replacement program.
- Performed daily maintenance and repairs, as needed, at the downtown Metra station.
- Performed ongoing weed and grass cutting on Village owned property.
- Trees on Village property were maintained in-house and by contract. Advanced Tree Care completed work under the 2019 tree trimming and tree removal contract. Approximately 200 diseased or hazardous parkway trees were removed.
- Performed daily watering, as needed, of landscaped islands at entrance features.
- Gasoline and diesel fuel were purchased, on an as-needed basis, at the lowest quoted price.
- Monthly reports were submitted to the Finance Department for departmental expenditures.
- Installed holiday decorations, including streetscape pole lighting.
- Manpower was supplied for Village events including the Farmer's Market, Jubilee, Harvest Fest, Memorial Day, Veterans Day setup, Touch a Truck, Fourth of July/Family Days and Public Works Open House.

The Street Division goals for the 2020 fiscal year are as follows:

- Continue to assist the Engineering Department with the 2020 street rehabilitation program.
- Manage snow operations and sidewalk clearing. Reduce the use of chlorides without reducing the level of service.
- Conduct tree trimming and planting on Village property.
- Make concrete street repairs to Gordon Terr., Rosewood Ave., and Laurel Ave.
- Continue to install LED upgrades to Village Street Lighting.
- Install breakaway sign posts and new signs where they have failed retro-reflectivity requirements.

STREET DIVISION

<p>Work Statistics CALENDAR YEARS 2014 - 2019</p>
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	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>Cleaning</u>						
Streets Swept (Miles)	1,500	1,500	1,750	2,350	2,150	2,380
Streets Swept (Cubic Yards Debris)	480	520	680	890	985	1,125
<u>Traffic Marking</u>						
Traffic Marking (Lineal Feet)	N/A	N/A	N/A	N/A	N/A	N/A
<u>Pavement Patching</u>						
Pre-Mix Patching Materials Used (Tons)	144	121	100	140	175	190
<u>Concrete and Asphalt Removal and Replacement</u>						
Concrete (Cubic Yards)	315	395	365.5	385	220	260
Asphalt (Tons)	0	280	125	325	280	280
<u>Street Lights and Traffic Signals</u>						
Street Signs Erected or Replaced	82	410	534	123	338	425
Street Light Standards Replaced	8	9	6	5	5	6
Street Light Cable Repairs	39	43	27	14	15	16
Street Lamps Replaced	117	78	112	57	50	50
<u>Snow and Ice Control</u>						
Snow and Ice Control (Man Hours)	3,540	1,870	877	1092	2,150	2,200
Rock Salt Used (Tons)	4,315	3,793	2,350	2,400	2,037	2,300
<u>Tree Maintenance</u>						
Trees Removed (Number)	478	322	381	253	185	200
Tree Planting 50-50 Program	185	177	13	19	38	34
Leaf Removal (Cubic Yards)	8,568	6,274	7,224	5,404	6,400	7,324

BUDGET REQUEST - 2020
STREET - ADMINISTRATION

102010-

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	355,634	289,250	282,000	297,000	2.68%	5.32%
TRAINING & DEVELOPMENT	3,423	4,400	4,150	4,400	0.00%	6.02%
CONTRACTUAL SERVICES	212,124	242,019	223,670	238,325	-1.53%	6.55%
COMMODITIES	7,650	6,700	7,900	7,700	14.93%	-2.53%
UTILITIES	7,526	10,265	8,500	9,600	-6.48%	12.94%
CAPITAL OUTLAY	1,936	1,100	1,000	1,100	0.00%	10.00%
CAPITAL IMPROVEMENTS	0	0	0	0	N/A	N/A
TRANSFERS OUT	204,458	220,437	220,437	219,504	-0.42%	-0.42%
DEPARTMENT TOTAL	792,751	774,171	747,657	777,629	0.45%	4.01%

102036-

STREET - SNOW & ICE CONTROL

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	104,216	118,250	135,750	88,750	-24.95%	-34.62%
TRAINING & DEVELOPMENT	0	0	0	0	N/A	N/A
CONTRACTUAL SERVICES	176,974	114,000	189,000	124,000	8.77%	-34.39%
COMMODITIES	178,038	167,250	188,750	182,750	9.27%	-3.18%
UTILITIES	0	0	0	0	N/A	N/A
CAPITAL OUTLAY	495	750	750	750	0.00%	0.00%
CAPITAL IMPROVEMENTS	0	0	0	0	N/A	N/A
TRANSFERS OUT	0	0	0	0	N/A	N/A
DEPARTMENT TOTAL	459,723	400,250	514,250	396,250	-1.00%	-22.95%

102037-

STREET - FORESTRY

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	1,904	8,600	8,400	8,400	-2.33%	0.00%
TRAINING & DEVELOPMENT	0	0	0	0	N/A	N/A
CONTRACTUAL SERVICES	259,134	242,500	242,500	242,500	0.00%	0.00%
COMMODITIES	2,484	10,000	10,000	10,000	0.00%	0.00%
UTILITIES	0	0	0	0	N/A	N/A
CAPITAL OUTLAY	0	2,000	2,000	2,000	0.00%	0.00%
CAPITAL IMPROVEMENTS	138,056	165,000	185,000	170,000	3.03%	-8.11%
TRANSFERS OUT	0	0	0	0	N/A	N/A
DEPARTMENT TOTAL	401,578	428,100	447,900	432,900	1.12%	-3.35%

BUDGET REQUEST - 2020

102038-

STREET - TRAIN STATION MAINTENANCE

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	10,059	9,500	9,500	9,500	0.00%	0.00%
TRAINING & DEVELOPMENT	0	0	0	0	N/A	N/A
CONTRACTUAL SERVICES	43,727	43,500	43,500	43,500	0.00%	0.00%
COMMODITIES	2,189	3,000	3,000	3,000	0.00%	0.00%
UTILITIES	1,568	2,400	1,750	2,900	20.83%	65.71%
CAPITAL OUTLAY	0	0	0	0	N/A	N/A
CAPITAL IMPROVEMENTS	0	0	0	0	N/A	N/A
TRANSFERS OUT	0	0	0	0	N/A	N/A
DEPARTMENT TOTAL	57,543	58,400	57,750	58,900	0.86%	1.99%

102050-

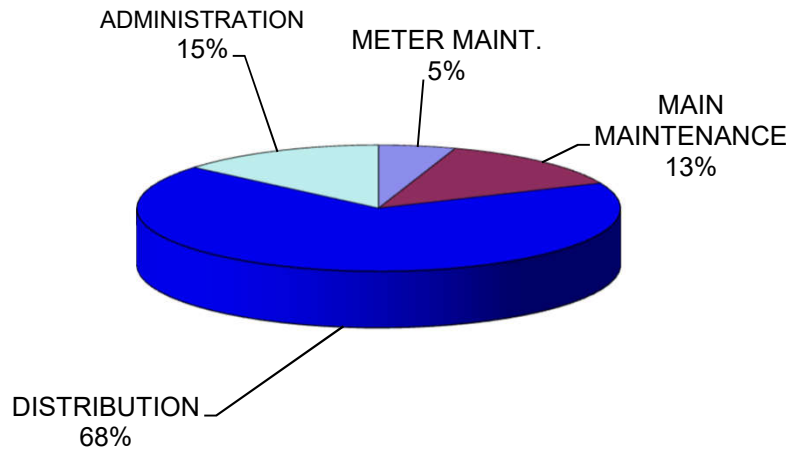
STREET - MAINTENANCE

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	642,177	780,150	737,044	775,300	-0.62%	5.19%
TRAINING & DEVELOPMENT	0	0	0	0	N/A	N/A
CONTRACTUAL SERVICES	240,978	224,000	244,000	244,000	8.93%	0.00%
COMMODITIES	152,290	147,000	148,500	147,000	0.00%	-1.01%
UTILITIES	35,937	60,000	60,000	60,000	0.00%	0.00%
CAPITAL OUTLAY	0	0	0	0	N/A	N/A
CAPITAL IMPROVEMENTS	0	0	0	0	N/A	N/A
TRANSFERS OUT	0	0	0	0	N/A	N/A
DEPARTMENT TOTAL	1,071,382	1,211,150	1,189,544	1,226,300	1.25%	3.09%

**BUDGET REQUEST - 2020
WATER FUND - SUMMARY**

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDC EST→2020
PERSONNEL SERVICES	801,159	1,025,364	947,364	1,063,917	3.76%	12.30%
TRAINING & DEVELOPMENT	2,698	2,250	4,350	3,350	48.89%	-22.99%
CONTRACTUAL SERVICES	371,862	461,041	448,407	462,399	0.29%	3.12%
COMMODITIES	2,409,628	3,028,750	2,675,050	3,416,500	12.80%	27.72%
UTILITIES	80,189	100,115	99,900	101,800	1.68%	1.90%
CAPITAL OUTLAY	111,932	97,550	142,550	114,550	17.43%	-19.64%
CAPITAL IMPROVEMENTS	509,488	0	0	0	N/A	N/A
TRANSFERS OUT	52,390	83,480	83,480	77,985	-6.58%	-6.58%
TOTAL	4,339,346	4,798,550	4,401,101	5,240,501	9.21%	19.07%

WATER FUND EXPENDITURES



Water Division

The primary accountabilities of the Water Division are:

- To provide fresh and safe potable water to Village residents by continuously monitoring and testing the water to comply with EPA regulations.
- To maintain, repair and replace water main, water services, and fire hydrants as needed.
- To monitor, operate, upgrade, and improve the water distribution system.
- To maintain an elevated tank, thirteen water pumps, three underground reservoirs, and a booster station with a capacity of over six million gallons.
- To install, repair, replace, and test all water meters, and take meter readings of all residential and commercial establishments within the Village.
- Monitor regulatory changes with respect to system parameters (lead service lines and hydrant installation) that are under review by the IEPA and IDPH.

Accomplishments from January 2019 through December 2019:

- Completed water sampling and testing as required by the EPA. Collected and tested over 240 bacteriological samples and completed four rounds of trihalomethane and HAA5 Samples. The division continues to monitor for chlorine residuals, phosphorus, pH, and turbidities.
- Read 2,261 meters every month.
- The division assisted various pending infrastructure improvement projects and planning. This included the Woodland subdivision project, as well as, the Greenwood Avenue work, from Waukegan Road to Chestnut.
- Repaired 9 valves throughout the water distribution system.
- Replaced 9 fire hydrants throughout the water distribution system.
- Installed 81 new meter systems on new construction and replacement meters as needed.
- Replaced 126 meter heads due to dead batteries.
- Published and distributed the drinking water Consumer Confidence Report per the Federal Drinking Water regulations.
- Implemented the use of new door hangers to inform residents of water main breaks and utility locates. The new door hangers have specific information regarding lead services.
- Continued the preparation of a lead service inventory, as part of the IEPA annual requirements.
- Prepared a set of Standard Operating Procedures for the water distribution system.
- Assisted in the consultant interview and selection process for the 2020 water system modeling project.
- Implemented a Village wide valve staging in the northeast quadrant. Successfully completed an accurate GPS locating program that gives exact coordinates of water valves and B-boxes.
- Water Net Survey completed two leak surveys in the spring and fall of this year. In the spring survey, there was 1 main break, 11 service leaks, and 6 hydrant leaks. All Village system leaks from the spring survey have been repaired. For the fall survey, there were 3 main leaks, 7 service leaks, and 5 hydrant leaks. All Village owned water service and hydrant leaks from the fall survey have also been repaired.
- Assisted in the preparation of the annual LMO-2 Lake Michigan Water Allocation report.

The Water Division goals for the 2020 fiscal year are as follows:

- Continue to repair main breaks/service leaks and assist with water main rehabilitation projects.
- Flush all fire hydrants in the distribution system.
- Locate service B-Boxes and ensure accessibility to the round-ways. All B-boxes will be located and mapped via the GIS collector app.
- The work towards the completion of the EPA mandated unregulated contaminants (UCMR4) program should be completed by the end of 2020.
- Exercise and replace faulty valves to ensure proper shutdowns, and utilize new equipment for GPS locating of existing utilities to make sure GIS mapping is accurate.
- Deploy new meter reading software.
- Implement engineering for the meter head replacement program and pilot program for cellular meter heads.
- Assist with the preparation of the 2020 water modeling report, and the analysis of the emergency connection with the Village of Northbrook.

WATER DIVISION

<p>Work Statistics CALENDAR YEARS 2014 – 2019</p>
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	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>Main and Fire Hydrant Maintenance</u>						
Water Main Breaks Repaired	42	53	44	52	35	42
Service Leaks Repaired	15	16	13	12	7	18
New Fire Hydrants Installed	7	11	5	4	17	9
Fire Hydrants Tested	1267	1267	1267	1267	1280	1280
Valves Repaired	14	17	3	13	9	9
B-Box Adjustments	23	28	18	22	35	28
Julie Locations	30	355	91	186	75	5
Valve Vaults Reconstruction	4	2	3	8	2	1
<u>Distribution</u>						
Annual Water Pumpage (in Billions of Gallons)	.858	.619	.758	.810	.825	.720
Services Checked for Leaks	191	109	231	250	255	232
Water Sample Analysis	180	180	200	240	240	240
Water Sample Analysis (Lead)	0	30	135	1	30	0
Water Sample Analysis THM/HAA5 (IEPA Required)	4	3	3	4	4	4
Average Daily Consumption (MGD)	2.692	2.269	2.502	2.220	2.218	1.972
Peak Daily Consumption (MGD)	3.903	3.809	4.363	5.127	3.912	4.104
<u>Meter Maintenance</u>						
Meter Pits Repaired	5	2	1	3	5	1
New Meters Installed	333	36	50	51	38	81
Meters Tested	4	1	88	70	44	37
Frozen Water Services	5	0	0	0	0	0
Water Meters Read	20,349	20,349	22,610	27,132	27,132	27,132
Final Meter Readings	416	391	405	460	455	422
"Reread" Meter Readings	771	119	161	224	265	266
Shut-Off Notice/Delinquent Water Bills	327	287	269	410	75	438
Meters Sealed	48	62	50	51	38	81
Frozen Meters	23	0	0	0	0	5
Meter Heads Replaced						126
Irrigation Lock Boxes	N/A	N/A	52	11	5	6

BUDGET REQUEST - 2020

502010- WATER DEPT. ADMINISTRATION

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	246,783	353,900	288,900	370,150	4.59%	28.12%
TRAINING & DEVELOPMENT	2,698	2,250	4,350	3,350	48.89%	-22.99%
CONTRACTUAL SERVICES	220,266	257,041	242,107	257,649	0.24%	6.42%
COMMODITIES	8,565	5,500	6,250	5,500	0.00%	-12.00%
UTILITIES	6,990	7,615	7,400	9,300	22.13%	25.68%
CAPITAL OUTLAY	3,247	550	550	550	0.00%	0.00%
CAPITAL IMPROVEMENTS	509,488	0	0	0	N/A	N/A
TRANSFERS OUT	52,390	83,480	83,480	77,985	-6.58%	-6.58%
DEPARTMENT TOTAL	1,050,427	710,336	633,037	724,484	1.99%	14.45%

502031- WATER DEPT. DISTRIBUTION

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	128,952	147,392	146,392	155,529	5.52%	6.24%
TRAINING & DEVELOPMENT	0	0	0	0	N/A	N/A
CONTRACTUAL SERVICES	52,879	48,000	48,000	48,000	0.00%	0.00%
COMMODITIES	2,235,091	2,857,050	2,501,800	3,244,800	13.57%	29.70%
UTILITIES	73,199	92,500	92,500	92,500	0.00%	0.00%
CAPITAL OUTLAY	4,983	5,000	5,000	5,000	0.00%	0.00%
CAPITAL IMPROVEMENTS	0	0	0	0	N/A	N/A
TRANSFERS OUT	0	0	0	0	N/A	N/A
DEPARTMENT TOTAL	2,495,104	3,149,942	2,793,692	3,545,829	12.57%	26.92%

BUDGET REQUEST - 2020

502050-

WATER DEPT. MAIN MAINTENANCE

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	311,917	406,000	392,000	409,000	0.74%	4.34%
TRAINING & DEVELOPMENT	0	0	0	0	N/A	N/A
CONTRACTUAL SERVICES	74,610	121,000	123,300	121,750	0.62%	-1.26%
COMMODITIES	164,180	162,200	163,000	162,200	0.00%	-0.49%
UTILITIES	0	0	0	0	N/A	N/A
CAPITAL OUTLAY	3,935	7,000	7,000	7,000	0.00%	0.00%
CAPITAL IMPROVEMENTS	0	0	0	0	N/A	N/A
TRANSFERS OUT	0	0	0	0	N/A	N/A
DEPARTMENT TOTAL	554,642	696,200	685,300	699,950	0.54%	2.14%

502054-

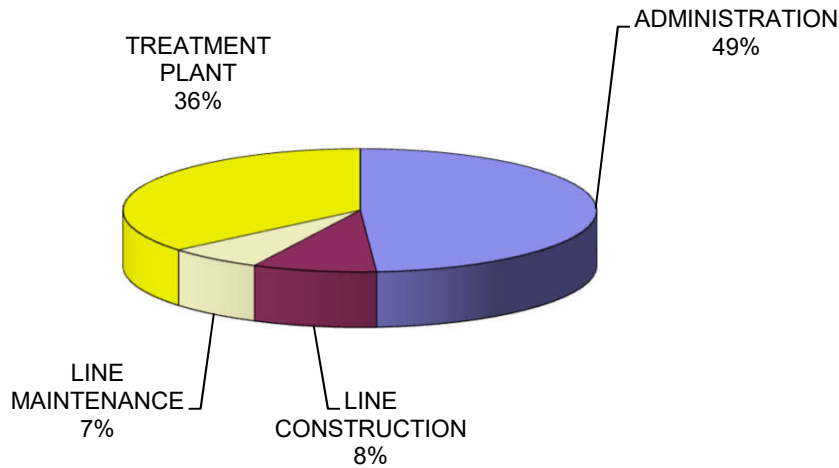
WATER DEPT. METER MAINTENANCE

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	113,507	118,072	120,072	129,238	9.46%	7.63%
TRAINING & DEVELOPMENT	0	0	0	0	N/A	N/A
CONTRACTUAL SERVICES	24,107	35,000	35,000	35,000	0.00%	0.00%
COMMODITIES	1,792	4,000	4,000	4,000	0.00%	0.00%
UTILITIES	0	0	0	0	N/A	N/A
CAPITAL OUTLAY	99,767	85,000	130,000	102,000	20.00%	-21.54%
CAPITAL IMPROVEMENTS	0	0	0	0	N/A	N/A
TRANSFERS OUT	0	0	0	0	N/A	N/A
DEPARTMENT TOTAL	239,173	242,072	289,072	270,238	11.64%	-6.52%

**BUDGET REQUEST - 2020
SEWER FUND - SUMMARY**

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	1,508,369	1,812,575	1,811,050	1,893,680	4.47%	4.56%
TRAINING & DEVELOPMENT	6,460	13,900	9,900	13,900	0.00%	40.40%
CONTRACTUAL SERVICES	571,988	646,559	619,576	685,660	6.05%	10.67%
COMMODITIES	167,621	197,750	188,000	207,750	5.06%	10.51%
UTILITIES	323,900	322,010	331,000	322,900	0.28%	-2.45%
DEBT SERVICE	985,572	1,831,320	1,831,320	1,835,983	0.25%	0.25%
CAPITAL OUTLAY	9,234	20,500	20,650	15,800	-22.93%	-23.49%
CAPITAL IMPROVEMENTS	1,013,199	0	0	0	N/A	N/A
TRANSFERS OUT	128,475	156,971	156,971	156,209	-0.49%	-0.49%
TOTAL	4,714,818	5,001,585	4,968,467	5,131,882	2.61%	3.29%

SEWER FUND DIVISIONS



Sewer Division

The primary accountabilities of the Sewer Division are:

- To continue to maintain, clean, and repair the sanitary and storm sewer system, and respond in a timely and efficient manner to emergency situations.
- To locate all Village utility lines for JULIE (Joint Utility Locating Information for Excavators).
- To treat and dispose of all sewage in an environmentally approved manner.
- To maintain and operate the main Water Reclamation Facility (WRF), seven sanitary pumping stations, and various emergency equipment.
- To maintain a laboratory facility, and to test for required parameters under our National Pollutant Discharge Elimination System (NPDES) permit program administered by the Illinois Environmental Protection Agency (IEPA).

In addition to maintaining the sanitary sewer collection system, the Sewer Division operates and maintains the WRF and eleven (11) satellite facilities. The eleven facilities include seven (7) sanitary pumping stations, two (2) storm water pumping stations, the Bannockburn detention basin, and the monitoring/maintenance of the 29A reservoir. The maintenance and operation of the satellite facilities is an essential part of the overall collection system and the wastewater treatment process. The Sewer Division monitors operations that are pertinent to the operations of the 29A reservoir, which are then reported to the Metropolitan Water Reclamation District of Greater Chicago.

The WRF is currently staffed five days a week, Monday through Friday, and is not staffed on holidays. Additional coverage is provided during evening hours, as needed, to control excess flow or repair mechanical problems. The WRF staff currently includes seven full-time employees; a superintendent, one WRF Foreman, one Lab Technician and four Maintenance Operators.

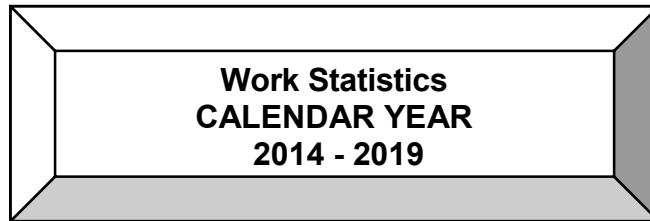
Accomplishments between January 2019 and December 2019:

- Televised 29,490 feet of sewers.
- Cleaned 34,824 feet of sanitary sewers.
- Completed the Chlorine Control Panel Replacement Project. This project included the control panel replacement for the chlorine system at the Deerfield Road Excess Flow Station, and the Warwick Road Excess Flow Station.
- A priority list for sanitary sewer lining and manhole rehabilitation was previously developed, compiling 9 years of sewer system investigation. Since 2016, over seven miles of sanitary sewers have been lined as part of that program.
- Managed the 2019 Flow Monitoring Study to take a snapshot of the progress that has been made in the reduction of I/I.
- Maintained the USGS Creek Monitoring stations.
- Acted as the lead agency for the North Branch Watershed Work Group.
- Facilitated consultant interviews and selection for the WRF Odor Study.
- Reviewed and contested the IEPA draft operating permit for the WRF and satellite facilities.

The Sewer Division goals for the 2020 fiscal year are as follows:

- Clean and televise 50,000 linear feet of sanitary and storm sewers.
- Work with the Engineering Department, and the Building Department, to inspect all storm and sanitary sewer repairs and reinstatements.
- The Division will continue to focus on reducing storm water infiltration into the sanitary sewer system, using information from the Inflow and Infiltration Study, and CIP priority lists.
- Work with the Engineering Department on the construction of various projects, including the 2020 Street Rehabilitation Project.
- Bi-annual biosolids hauling and land application.
- Assist with the 2020 Process Investigation (odor study) of the WRF.
- Optimize WRF treatment processing to minimize energy and polymer use.
- In the event the EPA provides a new NPDES permit for the WRF a CMOM plan, a Feasibility Study, Optimization Plan, and an Excess Flow Report, will be completed.
- Dye test and televise illegal connections to sanitary sewer system.

SEWER DIVISION



	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>Cleaning and Maintenance</u>						
Sanitary Sewer Blockages	17	4	6	0	2	1
Sanitary Sewer Cleaned (in feet)	75,000	32,684	62,398	34,367	34,824	4619
Sanitary Excavation Openings	4	3	5	5	2	1
Sanitary Manholes Rebuilt (in-house)	25	2	4	3	3	2
Sanitary Sewers Televised (in feet)	25,000	11480	59,991	62,734	15,412	4619
Homes Dye or Smoke Tested	45	34	41	23	141	213
Sewer Pipe Replaced (in-house)	40	38	39	532	78	26
<u>Construction</u>						
Storm Sewers Cleaned	12,350	8,900	3780	3,408	32,056	130,088
Inlets Cleaned	175	125	135	135	185	204
Storm Excavation Openings	22	28	21	4	15	9
Storm Infiltrations Found	10	11	8	11	1	1
Storm Structures Reconstructed (in-house)	37	28	21	8	140	18
Storm Sewers Televised (in feet)	30,000	19,000	1050	1,204	14,028	130,088
Street Inlet Covers Replaced	35	8	18	4	19	45
New Storm Sewers or Laterals Installed (in feet) (in-house)	40	227	42	465	75	340
Inlets Dyed or Smoke Tested	12	41	24	11	9	13
Street Inlets Replaced (in-house)	44	21	21	6	15	7
<u>Wastewater Treatment Plant</u>						
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Sanitary Sewage Pumped (in million gallons)	1,323	1,155	1,028	1,015	989	1,194
Electric Current Used (in thousand K.W.H.)	2,318	2,453	2,694	3,029	2,895	2,774
Sludge Hauled/Land Application (Cubic Yards)	1,790	1,820	1,975	1,820	920	2,032

BUDGET REQUEST - 2020

542010-

SEWER DEPT. ADMINISTRATION

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	(16,396)	252,850	241,750	255,900	1.21%	5.85%
TRAINING & DEVELOPMENT	860	2,500	2,500	2,500	0.00%	0.00%
CONTRACTUAL SERVICES	250,665	293,300	253,494	295,550	0.77%	16.59%
COMMODITIES	6,247	5,050	5,050	5,050	0.00%	0.00%
UTILITIES	3,691	4,225	3,750	5,200	23.08%	38.67%
DEBT SERVICE	985,572	1,831,320	1,831,320	1,835,983	0.25%	0.25%
CAPITAL OUTLAY	1,936	3,650	3,650	150	-95.89%	-95.89%
CAPITAL IMPROVEMENTS	1,013,199	0	0	0	N/A	N/A
TRANSFERS OUT	84,282	110,256	110,256	109,494	-0.69%	-0.69%
DEPARTMENT TOTAL	2,330,056	2,503,151	2,451,770	2,509,827	0.27%	2.37%

542031-

SEWER DEPT. LINE CONSTRUCTION

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	318,725	328,500	332,000	347,700	5.84%	4.73%
TRAINING & DEVELOPMENT	0	0	0	0	N/A	N/A
CONTRACTUAL SERVICES	25,084	20,500	20,500	20,500	0.00%	0.00%
COMMODITIES	51,983	64,200	64,200	64,200	0.00%	0.00%
UTILITIES	0	0	0	0	N/A	N/A
CAPITAL OUTLAY	0	5,000	2,500	0	-100.00%	-100.00%
CAPITAL IMPROVEMENTS	0	0	0	0	N/A	N/A
TRANSFERS OUT	0	0	0	0	N/A	N/A
DEPARTMENT TOTAL	395,792	418,200	419,200	432,400	3.40%	3.15%

BUDGET REQUEST - 2020

542051-

SEWER DEPT. MAIN MAINTENANCE/CLEANING

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	231,605	248,700	255,200	267,100	7.40%	4.66%
TRAINING & DEVELOPMENT	0	0	0	0	N/A	N/A
CONTRACTUAL SERVICES	70,362	49,000	50,000	49,000	0.00%	-2.00%
COMMODITIES	15,435	17,500	17,500	17,500	0.00%	0.00%
UTILITIES	0	0	0	0	N/A	N/A
CAPITAL OUTLAY	0	0	0	0	N/A	N/A
CAPITAL IMPROVEMENTS	0	0	0	0	N/A	N/A
TRANSFERS OUT	0	0	0	0	N/A	N/A
DEPARTMENT TOTAL	317,402	315,200	322,700	333,600	5.84%	3.38%

542052-

SEWER DEPT. WASTEWATER TREATMENT FACILITY

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	974,435	982,525	982,100	1,022,980	4.12%	4.16%
TRAINING & DEVELOPMENT	5,600	11,400	7,400	11,400	0.00%	54.05%
CONTRACTUAL SERVICES	225,877	283,759	295,582	320,610	12.99%	8.47%
COMMODITIES	93,956	111,000	101,250	121,000	9.01%	19.51%
UTILITIES	320,209	317,785	327,250	317,700	-0.03%	-2.92%
CAPITAL OUTLAY	7,298	11,850	14,500	15,650	32.07%	7.93%
CAPITAL IMPROVEMENTS	0	0	0	0	N/A	N/A
TRANSFERS OUT	44,193	46,715	46,715	46,715	0.00%	0.00%
DEPARTMENT TOTAL	1,671,568	1,765,034	1,774,797	1,856,055	5.16%	4.58%

Public Works Garage

The primary accountabilities of the Public Works Garage are:

- Maintain Village and Police Department Vehicles.
- Maintain Village owned mobile capital equipment.
- Provide repairs and maintenance of equipment in support of public works forces.
- Provide recommendations regarding equipment and vehicle purchasing.
- Prepare specifications and bid documents for new vehicles and equipment purchases.
- General building maintenance for the main Public Works Facility.

Garage personnel, consisting of one foreman and one mechanic, are responsible for the overall maintenance of all public works, police and engineering vehicles and equipment as well as the public works facility. The foreman and mechanic within this division maintain 11 Administration vehicles, 18 Police vehicles, 27 Public Works vehicles, and 120 various pieces of construction/maintenance related equipment. The construction and maintenance equipment includes: 25 snow plows, 3 backhoes, 2 front end loaders, 3 mower tractors, 3 Bobcats, 1 sidewalk plow, 1 sidewalk blower, 5 snow blowers, 1 street sweeper, 3-20cubic yard self-loading leaf vacuum trailers, 1- 14cubic yard self-loading leaf vacuum trailer, 1 lighting trailer, 2 arrow board trailers, 2 message boards, 1 stump grinder, 2 wood chippers, 4 air compressors, 8 salt spreaders, 8 pumps, 7 generators, 2 hydraulic concrete breakers, 6 lawn mowers, 10 chain saws, 6 cement saws, 10 trailers and 2 water jets. The Public Works building, and HVAC equipment, are also maintained by the Garage personnel.

A charge is made to the various Village departments by budgetary functions for parts and labor on vehicles and equipment serviced by the Garage. The department is responsible to contract for service, from outside repair companies, for major building work and major equipment, body, and transmission work, as well as, maintaining a parts inventory.

Accomplishments between January 2019 and December 2019:

- Maintained all snow and ice removal equipment during winter storms.
- General maintenance of all Village and Police Department Vehicles.
- Maintained the Public Works Facility at 465 Elm Street including; directing contractors on general HVAC repairs, maintenance, and wash bay repairs.
- Monthly reports were submitted to the Finance Department for departmental expenditures.
- Manpower was supplied for Village emergencies, such as wind storms, snow events, and main breaks. Also manpower was supplied for scheduled village events including the Farmer's Market, Memorial Day, Veterans Day setup, Art Festival, and Fourth of July/Family Days.
- Took delivery and outfitted one new Bucket truck fleet # 704.
- Awarded and took delivery/outfitted two (2) new Caterpillar front end loaders Fleet # FL1 & FL2.
- Continued implementation of a new inventory and work order software system.

The Public Works Garage goals for the 2020 fiscal year are as follows:

- Maintain all snow and ice removal equipment during winter storms.
- General maintenance of all Village and Police Department Vehicles.
- Continued implementation of asset management, inventory, and work order systems.
- Prepare specifications and bidding documents for the replacement of:
 - ◆ 1 PW 5 ton dump truck w/ plow and salt spreader Fleet # 807
 - ◆ 1 PW Mini Excavator Fleet # EXC1
 - ◆ 1 PW ¾ pickup truck with plow Fleet # 809
 - ◆ 1 Engineering vehicle Fleet # 303

BUDGET REQUEST - 2020

702050-

GARAGE FUND

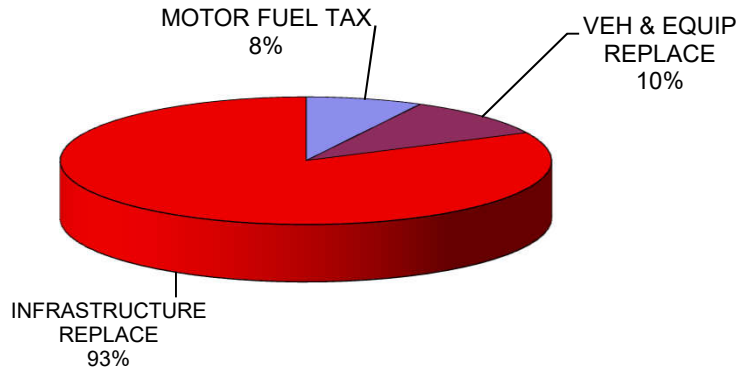
	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	253,896	255,500	252,800	275,534	7.84%	8.99%
TRAINING & DEVELOPMENT	761	3,000	1,500	3,000	0.00%	100.00%
CONTRACTUAL SERVICES	28,343	29,400	26,400	26,400	-10.20%	0.00%
COMMODITIES	112,723	107,800	114,026	104,800	-2.78%	-8.09%
UTILITIES	3,173	4,350	3,900	4,200	-3.45%	7.69%
DEBT SERVICE	0	0	0	0	N/A	N/A
CAPITAL OUTLAY	0	2,500	3,000	2,500	0.00%	-16.67%
CAPITAL IMPROVEMENTS	0	0	0	0	N/A	N/A
TRANSFERS OUT	1,700	1,700	1,700	1,700	0.00%	0.00%
DEPARTMENT TOTAL	400,596	404,250	403,326	418,134	3.43%	3.67%

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BUDGET REQUEST - 2020
CAPITAL PROJECT FUNDS - SUMMARY

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	0	0	0	0	N/A	N/A
TRAINING & DEVELOPMENT	0	0	0	0	N/A	N/A
CONTRACTUAL SERVICES	734,522	1,137,000	773,700	1,862,000	63.76%	140.66%
COMMODITIES	0	0	0	0	N/A	N/A
UTILITIES	0	0	0	0	N/A	N/A
OTHER EXPENSES	520,724	1,697,233	1,364,133	1,735,432	2.25%	27.22%
CAPITAL OUTLAY	4,186,240	5,786,485	6,478,871	6,155,000	6.37%	-5.00%
CAPITAL IMPROVEMENTS	0	0	845,975	0	N/A	N/A
TRANSFERS OUT	0	0	0	0	N/A	N/A
TOTAL	5,441,486	8,620,718	9,462,679	9,752,432	13.13%	3.06%

CAPITAL PROJECT FUNDS



CAPITAL PROJECTS FUNDS

The Village has a number of sources from which capital projects are funded. These include the funds described in this section and also the General, Water and Sewer Funds. As part of the annual budget process, the Village prepares a separate five-year capital improvement program (CIP), which is updated for the budget year. The capital project program for 2020 is more fully described in the *Transmittal Letter* and in the *Major Budget Policies and Objectives* section. The first three years of the CIP are presented in this section in tabular form, along with those capital projects funds as described below.

The Village defines a capital project generally as a long lived fixed improvement with a cost greater than \$5,000.

INFRASTRUCTURE REPLACEMENT FUND

This fund was established in 1989 for the purpose of maintaining, repairing and renovating the capital assets of the Village. The primary sources of funding have been residual equity transfers (primarily from the General Fund), a 0.25% home rule sales tax established in 2005, infrastructure maintenance fee established in 2014, MFT revenue, bond proceeds, state and federal grants and investment earnings.

As part of the planning for the substantial projects contained in this CIP and beyond, it is planned to continue to utilize existing revenue sources, including the 0.25% home rule sales tax, the infrastructure maintenance fee, General Fund transfer, all MFT funds, new and carryover state and federal grants (primarily road). The major projects anticipated for this year are:

- Annual street rehabilitation project (\$2 million).
- Woodvale Avenue Infrastructure Project (\$2.25 million).
- Deerfield Road Resurfacing, Wilmot to Underpass (\$1.15 million).
- Various Sewer and Water Improvements (\$1.33 million).

MOTOR FUEL TAX

Motor fuel tax is a share of the state-imposed and collected fuel tax. The sharing is based on a per-capita formula derived by the state legislature and is expected to yield \$25.35 per person this year. The State implemented an additional Motor Fuel Tax of 19 cents starting in 2020. A portion of the additional tax flows to Municipalities through the Transportation Renewal Fund. State regulations strictly control the use of these funds and include the following eligible items: street construction, maintenance or reconstruction; bridge repair; traffic signal installation and maintenance; and sidewalk repair and maintenance. The Village intends to use all the funds this year towards the street rehabilitation project.

VEHICLE AND EQUIPMENT REPLACEMENT

This fund is established to amortize the replacement cost of certain Village equipment over its useful life. For inclusion into this schedule, capital equipment is defined as any vehicle or regularly replaced equipment item having a useful life of more than one year and a value of \$5,000 or more at the time of the purchase. Over the past two years, a number of items that were not previously included in the schedule have been added and the appropriate contributions included in the operating divisions. A list of the major items to be replaced this fiscal year follows:

- Primary data storage array - \$75,000
- Police lockup remodel - \$50,000
- Emergency generator replacement - \$100,000
- Copy machine (2) - \$22,500
- Live Scan - \$20,000
- Radio console - \$30,000
- Mobile radio replacement - \$20,000
- Portable radio replacement - \$21,000
- Zetron and Radicom Warranty - \$143,800
- StarCom portable radios - \$200,000
- Public works trucks (2) - \$57,350
- Public works 5 ton dump truck - \$115,000
- Excavator - \$64,782
- Police patrol vehicle - \$35,000

BUDGET REQUEST - 2020

222082- INFRASTRUCTURE REPLACEMENT FUND

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	0	0	0	0	N/A	N/A
TRAINING & DEVELOPMENT	0	0	0	0	N/A	N/A
CONTRACTUAL SERVICES	734,522	1,137,000	773,700	1,862,000	63.76%	140.66%
COMMODITIES	0	0	0	0	N/A	N/A
UTILITIES	0	0	0	0	N/A	N/A
CAPITAL OUTLAY	0	0	0	0	N/A	N/A
CAPITAL IMPROVEMENTS	4,186,240	5,786,485	6,478,871	6,155,000	6.37%	-5.00%
TRANSFERS OUT		0	0	0	N/A	N/A
FUND TOTAL	4,920,762	6,923,485	7,252,571	8,017,000	15.79%	10.54%

142050- MOTOR FUEL TAX FUND

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	0	0	0	0	N/A	N/A
TRAINING & DEVELOPMENT	0	0	0	0	N/A	N/A
CONTRACTUAL SERVICES	0	0	0	0	N/A	N/A
COMMODITIES	0	0	0	0	N/A	N/A
UTILITIES	0	0	0	0	N/A	N/A
CAPITAL OUTLAY	0	988,000	988,000	750,000	-24.09%	-24.09%
CAPITAL IMPROVEMENTS	0	0	0	0	N/A	N/A
TRANSFERS OUT	0	0	0	0	N/A	N/A
DEPARTMENT TOTAL	0	988,000	988,000	750,000	-24.09%	-24.09%

211150- VEHICLE & EQUIPMENT REPLACEMENT FUND

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	0	0	0	0	N/A	N/A
TRAINING & DEVELOPMENT	0	0	0	0	N/A	N/A
CONTRACTUAL SERVICES	0	0	0	0	N/A	N/A
COMMODITIES	0	0	0	0	N/A	N/A
UTILITIES	0	0	0	0	N/A	N/A
CAPITAL OUTLAY	520,724	709,233	376,133	985,432	38.94%	161.99%
CAPITAL IMPROVEMENTS	0	0	0	0	N/A	N/A
TRANSFERS OUT		0	845,975	0	N/A	N/A
DEPARTMENT TOTAL	520,724	709,233	1,222,108	985,432	38.94%	-19.37%

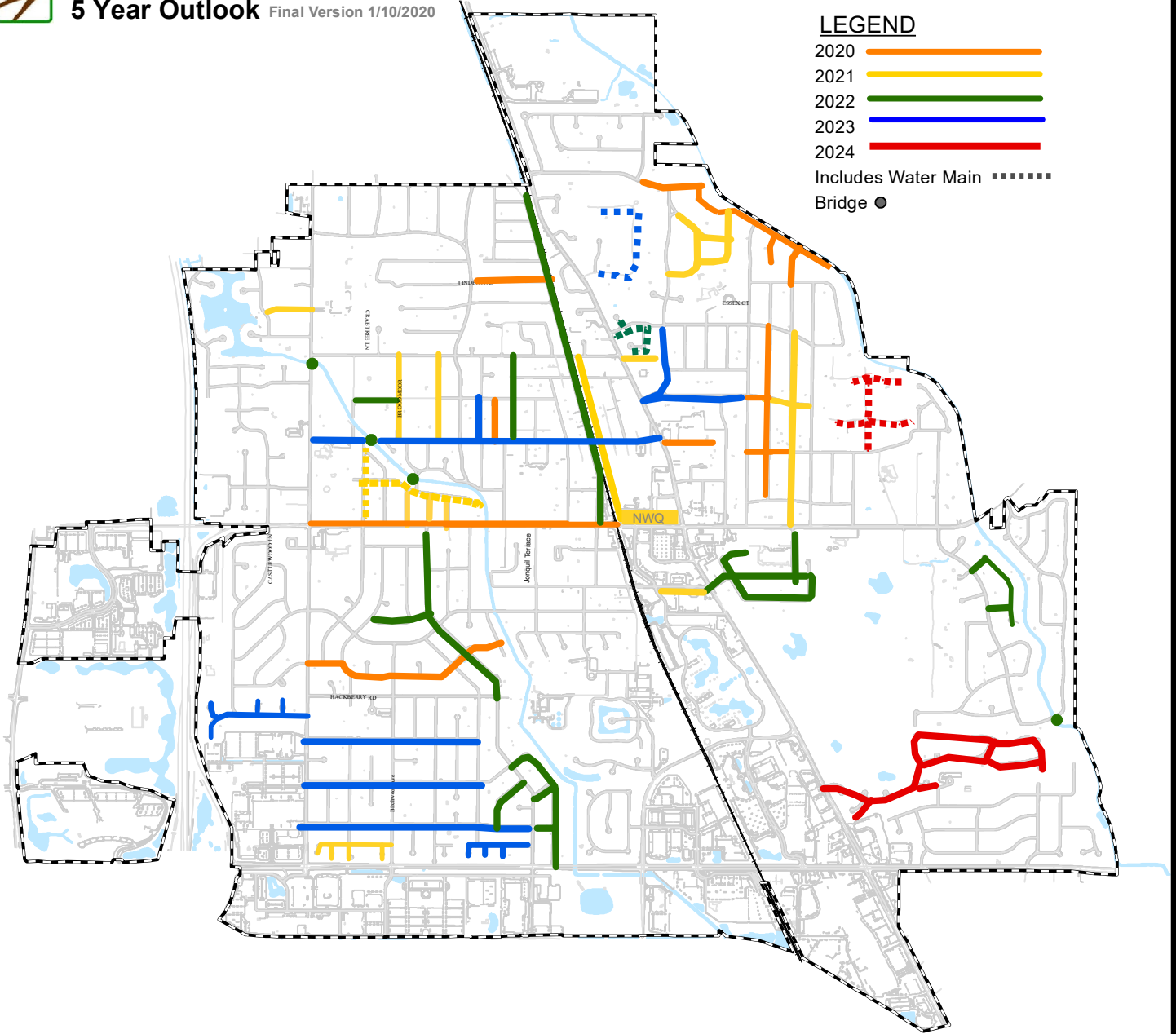


**FY 2020-2024
Capital Improvement Projects
5 Year Outlook** Final Version 1/10/2020



LEGEND

- 2020 —
- 2021 —
- 2022 —
- 2023 —
- 2024 —
- Includes Water Main - - - - -
- Bridge ●



2020	2021	2022	2023	2024
Street Rehab	Street Rehab	Street Rehab	Street Rehab	Street Rehab
Dartmouth (Wilmot to Mallard)	Ambleside (Woodvale to Windcrest)	Byron Court (Hermitage to Longfellow)	Arthur Court (at Country)	Augusta (Oakmont to Saint Andrews)
Elder (Waukegan to east limits)	Broadmoor Pl.	Charring Cross (Indian Hill to Pine)	Country (Willow to Pine)	Doral Court (Deer Run)
Hillside (Somerset to Hazel)	Cedar Terrace (Deerfield to Arbor Vitae)	Chestnut (Deerfield to north limits)	Craig Court	Exmoor Court (Deer Run)
Kenton (Cumnor to Woodvale)	Country (West limits to Birchwood)	Cody Lane (Carlisle to Wicklow)	Edgewood Court (at Country)	East Saint Andrew (Oakmont to east end)
Knollwood (Kingston to Warwick)	Dimmydale (Wincanton to Ambleside)	Colony (Wicklow to Carlisle)	Forsythia Dr.	Oakmont Dr. (Waukegan to east end)
Linden Ave (Stratford to Chestnut)	Hertel Ln.	Forest Way (North to South Limits)	Gordon (Wilmot to Pine)	Tamarisk (August to E. Saint Andrews)
Margate (Warrington to Kenton)	Kenton (Deerfield to Warwick)	Hermitage	Laurel (Wilmot to Willow)	West Saint Andrew (Oakmont to east end)
Westgate (Warrington to Knollwood)	Kenmore (Country to south limits)	Kipling Place (Longfellow to Deerfield)	Merlin Court	
	Kimberly Court (At Country Lane)	Longfellow Ave (Waukegan Rd to Byron)	Paula Court	
	Osterman (Robert York to Waukegan)	Oakley (Somerset to Greenwood)	Rosewood (Wilmot to Willow)	
	Pine Street (Deerfield to Arbor Vitae)	Pine (Hackberry to Deerfield)	Wayne (Hazel to Somerset)	
	Prairie Ave (Greenwood to Hazel)	Plum Tree (Gordon to Pine)	Westgate (Waukegan to Warrington)	
	Spencer (At Country Lane)	Somerset Ave (Cherry to Broadmoor)	Wincanton (Warwick to Westgate)	
	Spruce (Deerfield to Arbor Vitae)	Wicklow Rd (Cody Lane to south limits)	Wego Court	
	Taylor Court (At Country Lane)	Whittier	Wego Trail (Wilmot to west limits)	
	Windcrest (Dimmydale to Ambleside)			
	Westgate (Knollwood to Oxford)			
Capital Projects	Capital Projects	Capital Projects	Capital Projects	Capital Projects
Deerfield Road (Wilmot to Viaduct)	Arbor Vitae (Mitchell Park to east limits)	Bridge Rehab	Hazel Ave (Wilmot to Waukegan)	Landis Lane (Entire Limits) <i>Water Only</i>
Woodvale Ave (North Ave to east limits)	Appletree Lane (Deerfield Rd to Hazel)	Deerpark Court	Hazel (Park Ave to Waukegan Rd)	Meadowbrook (Entire Limits) <i>Water Only</i>
Woodridge Court (Woodvale to south limits)	Greenwood (Waukegan to east limits)	Warwick (Wilmot to Wincanton)	Northwoods Subdivision Water Main	Ramsey Rd (Entire Limits) <i>Water Only</i>
	Park Ave & North West Quadrant (NWQ)	Warwick Court		

Scenario A - \$18M IRF

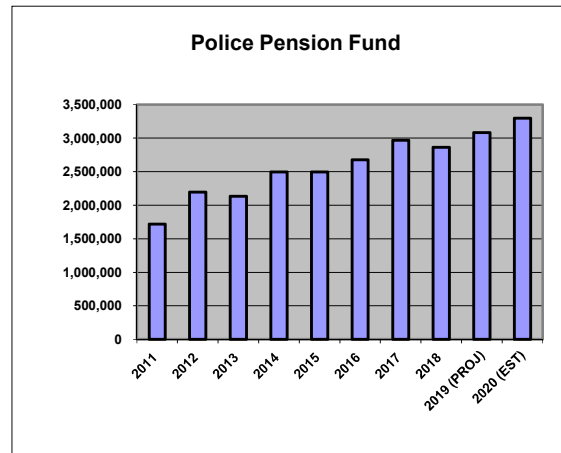
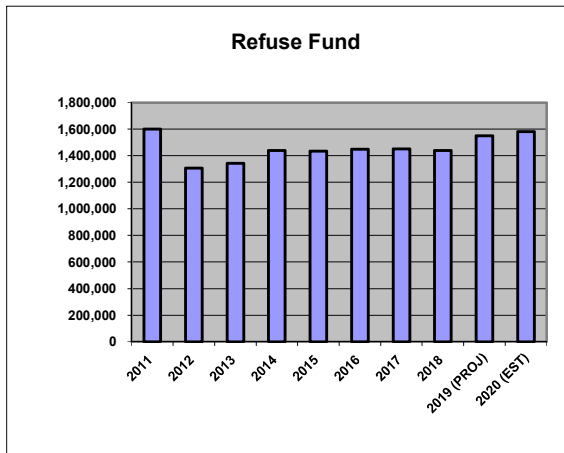
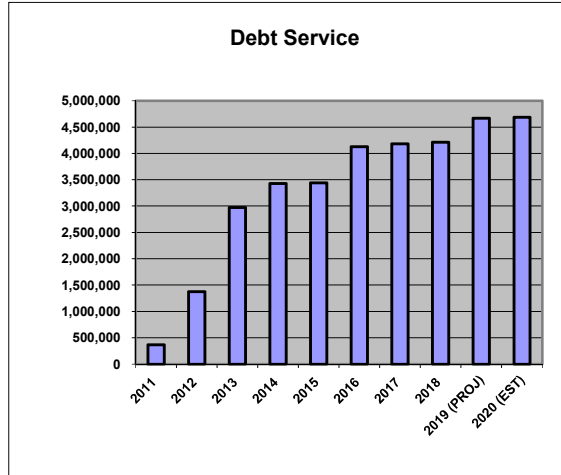
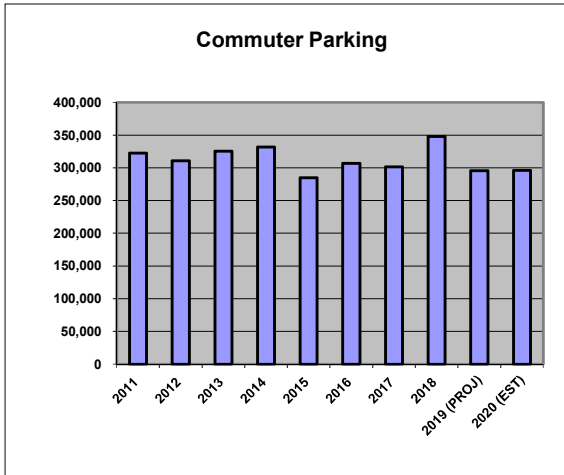
PROJECTIONS FOR CONSTRUCTION PROJECTS, LAND ACQUISITION, & BUILDINGS OVER \$5,000

# PROJECT	TYPE	2019		2020	2021	2022	2023	2024	Funding Source
		Budgeted	Projected						
1) Transportation and Roadway Projects									
A) Street Rehabilitation Program									
••••• 1. Construction	Capital	2,075,085	2,762,000	2,750,000	3,006,000	3,006,000	3,006,000	3,006,000	Infrastructure Replacement Fund (IRF)
	Ex Fund or Reimb	988,000	988,000		750,000	750,000	750,000	750,000	Motor Fuel Tax (MFT)
B) Greenwood Infrastructure Project									
••••• 2. Phase II Design	Prof Serv.	50,000	7,000						Infrastructure Replacement Fund (IRF)
	Ex Fund or Reimb								Infrastructure Replacement Fund (IRF)
3. Phase III Engineering	Prof Serv.	128,000	68,000	30,000					Infrastructure Replacement Fund (IRF)
	Ex Fund or Reimb	132,000	132,000						Federal Grant Reimbursement
4. Construction	Capital	1,046,400	1,046,400						Infrastructure Replacement Fund (IRF)
	Ex Fund or Reimb	897,600	897,600						Federal Grant
C) Woodvale Avenue (Roadway Recon)									
••••• 1. Phase I & II Engineering (Design)	Prof Serv.	100,000	112,000						Infrastructure Replacement Fund (IRF)
2. Phase III Engineering	Prof Serv.			250,000					Infrastructure Replacement Fund (IRF)
3. Construction	Capital			2,000,000					Infrastructure Replacement Fund (IRF)
D) Woodland, Hawthorne, Oakwood & Woodbine Infrastructure Project									
••••• 1. Phase II Design	Prof Serv.	10,000	25,000						Infrastructure Replacement Fund (IRF)
2. Phase III Engineering	Prof Serv.								Infrastructure Replacement Fund (IRF)
3. Construction (Water Main)	Capital	1,200,000	1,530,000						Infrastructure Replacement Fund (IRF)
E) Bridge Rehab (Carriage Way, Wilmot, Hazel, Juniper & Lake Cook)									
• 1. Phase II Design	Prof Serv.					5,000			Infrastructure Replacement Fund (IRF)
2. Phase III Engineering	Prof Serv.					10,000			Infrastructure Replacement Fund (IRF)
3. Construction	Capital					250,000			Infrastructure Replacement Fund (IRF)
F) Deerfield Road Resurfacing Wilmot to Underpass									
• 1. Phase I Engineering	Capital	100,000	93,000						Infrastructure Replacement Fund (IRF)
2. Phase II Design	Prof Serv.								Infrastructure Replacement Fund (IRF)
3. Phase III Engineering	Prof Serv.			150,000					Infrastructure Replacement Fund (IRF)
4. Construction	Ex Fund or Reimb			750,000					Motor Fuel Tax (MFT)
	Maint			250,000					Infrastructure Replacement Fund (IRF)
G) Arbor Vitae Rd & Appletree Ln Infrastructure Project									
••••• 1. Phase II Design	Prof Serv.	200,000	107,000	10,000	150,000				Infrastructure Replacement Fund (IRF)
2. Construction	Capital				1,500,000				Infrastructure Replacement Fund (IRF)
H) Warwick, Warwick Court and Deer Park Watermain Project									
••••• 1. Phase II Design	Prof Serv.				200,000				Infrastructure Replacement Fund (IRF)
2. Construction	Capital					1,000,000			Infrastructure Replacement Fund (IRF)
I) Meadowbrook Ramsay (Water Main Project)									
• 1. Phase II Design	Prof Serv.					250,000			Infrastructure Replacement Fund (IRF)
2. Construction	Capital						2,300,000		Infrastructure Replacement Fund (IRF)
J) Greenwood East (Waukegan Rd to East Limits)									
••••• 1. Phase II Design	Prof Serv.			62,000					Infrastructure Replacement Fund (IRF)
2. Phase III Construction	Capital				400,000				Infrastructure Replacement Fund (IRF)
K) Northwoods (Water Main Project)									
• 1. Phase II Design	Prof Serv.						200,000		Infrastructure Replacement Fund (IRF)
2. Construction	Capital							1,500,000	Infrastructure Replacement Fund (IRF)
L) Lighting System Upgrades									
• 1. Construction	Capital			50,000					Infrastructure Replacement Fund (IRF)
M) Lake Cook Road @ Pine Street Signal Modernization									
• 1. Phase II Design	Prof Serv.				40,000				Infrastructure Replacement Fund (IRF)
2. Construction	Capital					450,000			Infrastructure Replacement Fund (IRF)
N) Flashing Beacon Feasibility @ Wilmot & Montgomery									
• 1. Phase II Design	Prof Serv.			25,000					Infrastructure Replacement Fund (IRF)
O) Hazel Ave Reconstruction									
••••• 1. Phase I & II Engineering (Design)	Prof Serv.			175,000	100,000				Infrastructure Replacement Fund (IRF)
2. Phase III Engineering	Prof Serv.						80,000	20,000	Infrastructure Replacement Fund (IRF)
3. Construction	Capital						320,000	80,000	Federal Grant Reimbursement
	Ex Fund or Reimb						2,200,000		Federal Grant
	Ex Fund or Reimb						2,800,000		Infrastructure Replacement Fund (IRF)
P) Future Federally Funded Projects									
• 1. Phase I & II Engineering (Design)	Prof Serv.			100,000	100,000				Infrastructure Replacement Fund (IRF)
Transportation/Street Projects Totals		6,927,085	7,768,000	6,602,000	6,246,000	5,721,000	11,656,000	5,356,000	
# PROJECT		2019	2019	2020	2021	2022	2023	2024	Funding Source
2) Street Maintenance Projects									
A) Pavement Preservation (Crack Sealing) - Construction	Maint	125,000	125,000	50,000	50,000	50,000	50,000	50,000	Infrastructure Replacement Fund (IRF)
B) Pavement Marking Program - Construction	Maint	25,000	25,000	25,000	25,000	25,000	25,000	25,000	Infrastructure Replacement Fund (IRF)
C) Sidewalk Program - Construction	Maint	100,000	100,000	100,000	100,000	100,000	100,000	100,000	Infrastructure Replacement Fund (IRF)
D) Roadway Condition Evaluations - IMS Roadway Testing	Prof Serv.			40,000					Infrastructure Replacement Fund (IRF)
Street Maintenance Totals		250,000	250,000	215,000	175,000	175,000	175,000	175,000	
# PROJECT		2019	2019	2020	2021	2022	2023	2024	Funding Source
3) Wastewater Facilities									
A) Phosphorus Removal Upgrade	Prof Serv.	70,000	0	70,000	135,000	135,000			Infrastructure Replacement Fund (IRF)
B) CMOM, Feasibility Optimization	Prof Serv.	62,000	12,000	100,000	50,000				Infrastructure Replacement Fund (IRF)
C) Deerfield/Warwick CL2 System Upgrade	Capital	190,000	147,000						Infrastructure Replacement Fund (IRF)
D) NARP (Nutrient Assessment Reduction Plan)	Prof Serv.				50,000	50,000	100,000	50,000	Infrastructure Replacement Fund (IRF)
E) Sanitary Process Investigation	Prof Serv.			50,000					Infrastructure Replacement Fund (IRF)
Sewage Treatment Plant Totals		322,000	159,000	220,000	235,000	185,000	100,000	50,000	
# PROJECT		2019	2019	2020	2021	2022	2023	2024	Funding Source
4) Public Buildings / Facilities									
A) 630 Central Parking Lot Design									
• 1. Phase II Design	Prof Serv.								Infrastructure Replacement Fund (IRF)
2. Phase III Construction	Capital				200,000				Infrastructure Replacement Fund (IRF)
B) Parking Lot Rehab (Sunset, Elm & Chestnut)	Capital			100,000					Infrastructure Replacement Fund (IRF)
C) Parking Lot Rehab (Village Hall, Park & Marathon)	Capital				100,000				Infrastructure Replacement Fund (IRF)
D) Northwest Quadrant Redevelopment									
• 1. Phase II Design	Prof Serv.			300,000					Infrastructure Replacement Fund (IRF)
2. Phase III Engineering	Prof Serv.				200,000				Infrastructure Replacement Fund (IRF)
3. Construction	Capital				2,000,000				Infrastructure Replacement Fund (IRF)
Public Buildings / Facilities Totals		0	0	400,000	2,500,000	0	0	0	
# PROJECT		2019	2019	2020	2021	2022	2023	2024	Funding Source
5) Sewer Projects									
A) Sanitary Sewer Lining	Capital	400,000	400,000	400,000	400,000	400,000	400,000	400,000	Infrastructure Replacement Fund (IRF)
B) Inflow and Infiltration (Sanitary I&I Monitoring)	Prof Serv.	200,000	87,000						Infrastructure Replacement Fund (IRF)
C) Inflow and Infiltration Sump Pump Reduction	Capital	50,000	8,000	50,000	50,000	50,000	50,000	50,000	Infrastructure Replacement Fund (IRF)
D) Drainage Study and Resolution Program									
• 1. Phase II Design	Prof Serv.	50,000	58,000	50,000	50,000	50,000	50,000	50,000	Infrastructure Replacement Fund (IRF)
2. Construction	Capital	100,000	85,000	100,000	100,000	100,000	100,000	100,000	Infrastructure Replacement Fund (IRF)
E) Storm Sewer and Drainage Master Plan & System Model									
• 1. Phase II Design	Prof Serv.			175,000	50,000				Infrastructure Replacement Fund (IRF)
2. Construction	Capital					500,000	500,000	500,000	Infrastructure Replacement Fund (IRF)
F) Capital Project Locations Sewer Televising & Repairs	Capital			100,000	50,000	50,000	50,000	50,000	Infrastructure Replacement Fund (IRF)
Sewer & Water Totals		1,310,000	888,471	1,330,000	1,600,000	4,100,000	3,050,000	2,750,000	
MISCELLANEOUS UNPROGRAMMED ITEMS	VARIES	0	72,700						
CAPITAL IMPROVEMENT PROJECTS - TOTALS		\$ 8,809,085	\$ 9,138,171	\$ 8,767,000	\$ 10,756,000	\$ 10,181,000	\$ 14,981,000	\$ 8,331,000	

CAPITAL IMPROVEMENT PROGRAM								
PROJECTIONS FOR CONSTRUCTION PROJECTS, LAND ACQUISITION, & BUILDINGS OVER \$5,000								
FUNDING SUMMARY	2019 Budget	2019 Projected	2020	2021	2022	2023	2024	
Federal Grant	897,600	897,600	0	0	0	2,800,000	0	
Federal Grant - Reimbursement	132,000	132,000	0	0	0	320,000	80,000	
Motor Fuel Tax (MFT)	988,000	988,000	750,000	750,000	750,000	750,000	750,000	
Lake County Department of Transportation								
Village of Northbrook IGA - Reimbursement	225,000	111,000	27,500	0	0	0	0	
Infrastructure Replacement Fund (IRF)	6,566,485	6,936,871	7,989,500	10,006,000	9,431,000	11,111,000	7,501,000	
MISC. UNPROGRAMMED ITEMS (see attached exhibit for breakdown)	0	72,700	0	0	0	0	0	
TOTAL	\$ 8,809,085	\$ 9,138,171	\$ 8,767,000	\$ 10,756,000	\$ 10,181,000	\$ 14,981,000	\$ 8,331,000	
PROJECT TYPE SUMMARY								
Capital Improvement	5,411,485	6,210,871	5,702,500	8,506,000	8,406,000	10,206,000	7,206,000	
Professional Services	905,000	476,000	1,862,000	1,325,000	850,000	730,000	120,000	
Maintenance	250,000	250,000	1,175,000	175,000	175,000	175,000	175,000	
MISC. UNPROGRAMMED ITEMS (see attached exhibit for breakdown)	0	72,700	0	0	0	0	0	
** Funded Externally of Reimbursed	2,242,600	2,128,600	27,500	750,000	750,000	3,870,000	830,000	
TOTAL	\$ 8,809,085	\$ 9,138,171	\$ 8,767,000	\$ 10,756,000	\$ 10,181,000	\$ 14,981,000	\$ 8,331,000	

**BUDGET REQUEST - 2020
SUPPORT FUNDS - SUMMARY**

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	2,911,712	3,338,250	3,164,250	3,379,250	1.23%	6.79%
TRAINING & DEVELOPMENT	0	0	0	0	N/A	N/A
CONTRACTUAL SERVICES	1,503,447	1,542,700	1,539,500	1,572,700	1.94%	2.16%
COMMODITIES	21,103	26,450	25,450	25,700	-2.84%	0.98%
UTILITIES	0	8,300	8,606	8,300	0.00%	-3.56%
DEBT SERVICE	2,391,608	2,837,029	2,837,029	2,849,412	0.44%	0.44%
CAPITAL OUTLAY	0	0	0	0	N/A	N/A
CAPITAL IMPROVEMENTS	26,737	0	0	0	N/A	N/A
TRANSFERS OUT	2,010,177	2,017,068	2,017,068	2,021,731	0.23%	0.23%
TOTAL	8,864,784	9,769,797	9,591,903	9,857,093	0.89%	2.76%



* See descriptions of Support Funds on following pages.

DEBT SERVICE FUND

The Debt Service Fund is used for paying general obligation debt incurred by the Village. Property tax is levied in such a fashion so that the Village will receive funds in time to pay the principal and interest as it becomes payable. New debt is anticipated in 2020 to partially fund capital projects in 2020 and 2021.

Schedule of General Obligation Debt Outstanding

Currently the Village has seven general obligation bond issues outstanding:

General Obligation Bonds, Series 2010 Build America Bonds. This \$12.5 million issue was dedicated to the first phase of construction of the new wastewater treatment plant (\$7.5 million) and for general capital projects. These were issued under the Build America Bond program and thus the Village will receive a credit from the US Government each year for 35% of the interest due on these taxable bonds. The credit has been reduced between 7% and 9% in recent years due to Federal Sequestration cuts.

General Obligation Bonds, Series 2011A. This \$9.9 million issue consisted of \$4.0 million in tax exempt debt for various Village capital projects and \$5.9 million for the first phase of the Deerfield Public Library (DPL) remodeling. The Village issued this debt on behalf of DPL and it will be serviced by property taxes linked to the DPL levy.

General Obligation Bonds, Series 2011B. This \$12.5 million issue was dedicated to the continued construction of the wastewater treatment plant. The taxable debt was issued under the Federal Qualified Energy Conservation Bond (QECB) program and will receive a credit from the US Government of approximately 70% of the interest due. The credit has been reduced between 7% and 9% in recent years due to Federal Sequestration cuts. These were issued as term bonds all due in 2028; a sinking fund will accumulate the principal portion of the debt service levied each year. These will be serviced using property tax levies.

General Obligation Bonds, Series 2012. This \$10 million tax exempt issue was dedicated to the continued construction of the wastewater treatment plant. This will be serviced using property tax levies.

General Obligation Bonds, Series 2013. This \$9.075 million issue consisted of \$3.2 million in tax exempt debt for the continued construction of the wastewater treatment plant and \$5.75 million for the final phase of the Deerfield Public Library remodeling.

General Obligation Bonds, Series 2015. This \$9.575 million tax exempt issue was dedicated to partially fund an expanded three-year capital plan. This debt will be serviced using property tax levies.

General Obligation Bonds, Series 2017. This \$5.7 million tax exempt issue was dedicated to fund capital projects and refund the remaining portion of the General Obligation Bonds, Series 2008. This debt will be serviced using property tax levies.

General Obligation Bonds, Series 2018. This \$5.9 million tax exempt issue was dedicated to partially fund a two-year capital plan. This debt will be serviced using property tax levies.

GENERAL OBLIGATION DEBT
Retirement Schedule Principal and Interest -- (Levy Year Basis)

TAX LEVY YEAR	General Obligation Build America Bonds Series 2010 – 11/1/10 \$12,500,000 (2)	General Obligation Series 2011A – 09/26/11 \$9,900,000 (3)	General Obligation Series 2011B – 09/26/11 \$12,500,000 QECB (2)	General Obligation Series 2012 – 02/06/12 \$10,000,000 (1)	General Obligation Series 2013 – 01/03/13 \$9,075,000 (5)	General Obligation Series 2015 – 05/06/15 \$9,575,000 (1)	General Obligation Series 2017 – 02/28/17 \$5,700,000 (1)	General Obligation Series 2018 – 05/21/18 \$5,970,000 (1)	TOTAL								
	Principal	Interest	Principal	Interest	Principal (4)	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2019	600,000	364,320	340,000	206,365	725,000	499,200	455,000	227,575	340,000	97,418	430,000	242,600	265,000	171,588	235,000	203,330	5,402,396
2020	610,000	341,220	365,000	199,565	725,000	499,200	475,000	220,750	345,000	90,617	440,000	229,700	270,000	163,638	245,000	193,930	5,413,620
2021	625,000	316,210	380,000	192,265	725,000	499,200	495,000	212,438	350,000	83,718	455,000	216,500	280,000	155,538	255,000	184,130	5,424,999
2022	645,000	289,335	400,000	183,715	725,000	499,200	515,000	203,775	350,000	76,717	470,000	202,850	290,000	147,138	265,000	173,930	5,436,660
2023	660,000	260,310	425,000	174,115	725,000	499,200	540,000	193,475	355,000	69,718	485,000	188,750	300,000	138,438	275,000	163,330	5,452,336
2024	680,000	229,290	450,000	163,490	725,000	499,200	555,000	182,675	360,000	62,617	495,000	174,200	310,000	129,437	285,000	152,330	5,453,239
2025	700,000	195,970	475,000	151,340	725,000	499,200	580,000	170,188	365,000	55,418	510,000	159,350	320,000	120,137	295,000	140,930	5,462,533
2026	720,000	160,270	500,000	138,278	725,000	499,200	600,000	157,138	375,000	48,117	530,000	144,050	330,000	110,537	310,000	129,130	5,476,720
2027	735,000	122,830	355,000	123,277	880,000	499,200	455,000	142,138	380,000	40,618	545,000	128,150	345,000	99,812	320,000	119,830	5,290,855
2028	750,000	83,875	1,280,000	112,627	0	0	1,380,000	130,762	390,000	32,542	560,000	111,800	0	88,600	325,000	110,230	5,355,436
2029	775,000	42,625	1,335,000	74,228	0	0	1,425,000	92,812	390,000	23,963	575,000	95,000	0	88,600	335,000	100,480	5,352,708
2030	0	0	990,000	32,175	0	0	1,950,000	53,625	675,000	15,187	595,000	77,750	0	88,600	350,000	90,095	4,917,432
2031											610,000	59,900	455,000	88,600	360,000	79,245	1,652,745
2032											630,000	41,600	475,000	73,813	370,000	67,365	1,657,778
2033											650,000	21,125	490,000	57,187	385,000	55,155	1,658,467
2034													510,000	38,812	395,000	42,450	986,262
2035													525,000	19,687	410,000	29,020	983,707
															425,000	14,875	439,875
TOTALS	7,500,000	2,406,255	7,295,000	1,751,440	6,680,000	4,492,800	9,425,000	1,987,351	4,675,000	696,650	7,980,000	2,093,325	5,165,000	1,780,162	5,840,000	2,049,785	71,817,768

- (1) Source of Funds – Property Tax or Alternate
- (2) Source of Funds – Property Tax or Alternate – Interest shown is gross amount due before application of Federal credit
- (3) Source of Funds – Property Tax or Alternate – 59.6% of debt service is Deerfield Library responsibility
- (4) Principal payment shown is contribution to sinking fund
- (5) Source of Funds – Property Tax or Alternate – 64.7% of debt service is Deerfield Library responsibility

PENSION FUNDS

The Village contributes to two pension funds as required by State Law.

Police Pension Fund

The Police Pension Fund is required by State law for all communities of over 5,000 in population. A Police Pension Board, made up of five members, administers the fund. Two are active members of the department, two are from the citizens of the community, and one is elected from the beneficiaries of the fund. They are charged with the investment of the funds collected from the active personnel, contributed by the employer (Village) and investment income. Patrol officers contribute 9.91% of their base salary toward the Police Pension Fund.

The Village (employer) contribution is determined annually based on an actuarial analysis of the fund pursuant to state statute. The Village has contributed at least 100% of the actuarially determined required contribution (reflected as an expense in the Police Department budget) in the past and plans to continue full funding in the future.

The Illinois Municipal Retirement Fund (IMRF)

IMRF covers Village employees with the exception of sworn police personnel. The 2019 employer pension contribution for IMRF was 10.00% of salary. The rate is expected to increase to 12.82% in calendar2020. The Village also contributes 6.20% for the employer's portion of social security taxes for allemployees, other than sworn police personnel and 1.45% for the employer's portion of Medicare taxes forall employees covered by Medicare. The Village contributes 100% of its required contribution based on thecalculation by the IMRF.

In 2010 the Illinois state legislature decreased the benefits under IMRF and the downstate Police Pension plans for new employees hired after December 31, 2010. This will have the effect of slowing the increase in employer funding in the future and at some point, largely dependent on the employee replacement rate after this date, will lower the required employer funding percent.

FUNDING PROGRESSION

Based on the Actuarial Accrued Liability (AAL):

Actuarial Valuation Date	Police Pension Fund	Illinois Municipal Retirement Fund
2004	82.72%	81.71%
2005	84.76%	82.54%
2006	83.11%	77.94%
2007	82.00%	75.09%
2008	79.70%	53.10%
2009	71.00%	54.14%
2010	70.28%	57.41%
2011	77.57%	60.98%
2012	74.12%	63.53%
2013	75.21%	69.15%
2014	77.43%	69.22%
2015	(GASB 68 valuation) 60.70%	88.97%
2016	(GASB 68 valuation) 70.13%	85.19%
2017	(GASB 68 valuation) 83.88%	84.89%
2018	(GASB 68 valuation) 69.19%	95.54%

BUDGET REQUEST - 2020

3570XX-

DEBT SERVICE FUND

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	0	0	0	0	N/A	N/A
TRAINING & DEVELOPMENT	0	0	0	0	N/A	N/A
CONTRACTUAL SERVICES	0	0	0	0	N/A	N/A
COMMODITIES	0	0	0	0	N/A	N/A
UTILITIES	0	0	0	0	N/A	N/A
DEBT SERVICE	2,391,608	2,837,029	2,837,029	2,849,412	0.44%	0.44%
CAPITAL OUTLAY	0	0	0	0	N/A	N/A
CAPITAL IMPROVEMENTS	0	0	0	0	N/A	N/A
TRANSFERS OUT	1,822,429	1,829,320	1,829,320	1,833,983	0.25%	0.25%
DEPARTMENT TOTAL	4,214,037	4,666,349	4,666,349	4,683,395	0.37%	0.37%

806010-

POLICE PENSION FUND

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	2,805,095	3,175,000	3,000,000	3,215,000	1.26%	7.17%
TRAINING & DEVELOPMENT	0	0	0	0	N/A	N/A
CONTRACTUAL SERVICES	57,401	81,500	81,000	81,500	0.00%	0.62%
COMMODITIES	0	0	0	0	N/A	N/A
UTILITIES	0	0	0	0	N/A	N/A
CAPITAL OUTLAY	0	0	0	0	N/A	N/A
CAPITAL IMPROVEMENTS	0	0	0	0	N/A	N/A
TRANSFERS OUT	0	0	0	0	N/A	N/A
DEPARTMENT TOTAL	2,862,496	3,256,500	3,081,000	3,296,500	1.23%	6.99%

REFUSE FUND

The Refuse Fund is an enterprise fund established to provide for the collection of residential solid waste, household recycling, and landscape debris. Refuse collection is provided through a contract with a private waster hauler. The multi-year contract entered into with Waste Management beginning April, 2011 and extended for five years in 2015 provides for charges that are adjusted annually by the CPI, with a floor of 2% and a maximum of 4%. Service has been standardized to once a week, curb side with carts. Residents who wish to receive back door pick up pay an extra charge billed and coordinated directly with the company. The Village now charges a set standard fee billed through the utility billing system for the basic service.

The service is funded through a combination of user fees and a General Fund transfer. The transfer provides for a subsidization of the fee. A 2% increase in the user fee is included in this budget, which allows the Village to realize revenues that are slightly in excess of expenses.

The Village also provides an expanded leaf collection program funded through the above revenues. During the fall, each home receives four weekly collections of leaves raked to the curb. The Village maintains four leaf vacuum machines for this purpose. Residents also have the option to bag the waste during this time and throughout the year, with a per-bag fee assessed through the use of stickers.

PARKING LOTS (COMMUTER STATION)

The Village maintains and operates nine commuter train station parking lots with a total of 675 spaces. These are broken down by source of funding, with six lots (320 spaces) built with Village funds and reserved for Village residents. The remaining lots were built with Federal assistance and are open to any users. The lots are a combination of pay-per-day and permit. Village personnel collect fees and police personnel enforce the parking restrictions.

Since the Lake-Cook Road station lots opened a number of years ago, the use of the downtown lots has stabilized below capacity. Parking fees are used to maintain the lots (including snow removal) and the station. The daily parking rates were increased from \$1.50 per day to \$2.00 per day effective January 1, 2015. Effective January 1, 2017, the permit rates increased from \$150 to \$175 and \$215 to \$245 for residents and non-residents respectively. The rates adequately fund the necessary maintenance and capital expenditures for the station and lots as well as the new pay-by phone application implemented in 2015.

BUDGET REQUEST - 2020**5820XX-****REFUSE FUND**

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	65,771	117,250	118,250	118,250	0.85%	0.00%
TRAINING & DEVELOPMENT	0	0	0	0	N/A	N/A
CONTRACTUAL SERVICES	1,320,894	1,370,400	1,368,500	1,400,400	2.19%	2.33%
COMMODITIES	15,829	24,700	24,700	24,700	0.00%	0.00%
UTILITIES	0	0	0	0	N/A	N/A
CAPITAL OUTLAY	0	0	0	0	N/A	N/A
CAPITAL IMPROVEMENTS	0	0	0	0	N/A	N/A
TRANSFERS OUT	37,748	37,748	37,748	37,748	0.00%	0.00%
DEPARTMENT TOTAL	1,440,242	1,550,098	1,549,198	1,581,098	2.00%	2.06%

6020XX-**COMMUTER PARKING LOTS**

	ACTUAL 2018	BUDGET 2019	EST EXPEND 2019	BUDGET 2020	% CHG BUDG 2019→2020	% CHG BUDG EST→2020
PERSONNEL SERVICES	40,846	46,000	46,000	46,000	0.00%	0.00%
TRAINING & DEVELOPMENT	0	0	0	0	N/A	N/A
CONTRACTUAL SERVICES	125,152	90,800	90,000	90,800	0.00%	0.89%
COMMODITIES	5,274	1,750	750	1,000	-42.86%	33.33%
UTILITIES	0	8,300	8,606	8,300	0.00%	-3.56%
CAPITAL OUTLAY	0	0	0	0	N/A	N/A
CAPITAL IMPROVEMENTS	26,737	0	0	0	N/A	N/A
TRANSFERS OUT	150,000	150,000	150,000	150,000	0.00%	0.00%
DEPARTMENT TOTAL	348,009	296,850	295,356	296,100	-0.25%	0.25%

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**APPENDIX A - EQUIPMENT REQUESTS CONTAINED IN
OPERATING BUDGETS**

ADMINISTRATIVE DIVISION

Finance Department		\$1,000
Shared cost of IT hardware	1,000	
Administration		\$8,500
Shared cost of IT hardware	8,500	
Community Development		\$4,500
Shared cost of IT hardware	1,000	
Credit card equipment	3,500	
Engineering Division (Public Works)		\$7,050
Shared cost of IT hardware	3,050	
Village drone equipment	4,000	

POLICE DEPARTMENT

Administration Division - includes ID printer		\$14,500
Fitness Equipment	3,700	
Office Equipment	10,800	
Communications Division		\$5,000
Investigations/Youth/DARE/Social Services		\$10,500
Office and Squad Equipment	10,500	
Patrol Division		\$40,286
Training/Range/Evidence equipment	2,802	
Taser equipment	5,000	
Bike equipment	1,240	
AR-15 rifle replacement	1,000	
Patrol shields	5,000	
Office and Squad Equipment	25,244	

PUBLIC WORKS DEPARTMENT

Street Division		\$3,850
Administration		
Shared cost of IT hardware	1,100	
Snow and ice control		
Salt spreader and maintenance equipment	750	
Forestry		
Lawn mowers and maintenance equipment	2,000	
Sewer Division		\$15,800
Administration		
Shared cost of IT hardware	150	
Wastewater Treatment Facility		
Various equipment upgrades	6,000	
HVAC software/hardware replacement	8,800	
Shared cost of IT hardware	850	
Water Division		\$114,550
Administration		
Shared cost of IT hardware	550	
Distribution		
SCADA controls and upgrades	5,000	
Main & Hydrant Maintenance		
Miscellaneous	2,000	
Shoring boxes	5,000	
Meter Maintenance		
Water Meters	102,000	
Vehicle Maintenance (Garage)		
Diagnostic equipment repair		\$2,500

APPENDIX B

GLOSSARY

ABATEMENT -- A complete or partial cancellation of a levy imposed by a government.

ACCOUNT -- A term used to identify an individual asset, liability, expenditure, revenue, or fund balance.

ACCOUNTING SYSTEM -- The total structure of records and procedures that discover, record, classify, summarize, and report information on the financial position and results of operations of a Government or any of its funds, fund types, balanced account groups, or organization components.

ACCRUAL -- The accrual basis of accounting is used for the Proprietary Fund types. Under the accrual method, revenues are recognized in the accounting period in which they are earned while expenses are recognized when the related liability is incurred.

ACTIVITY -- The smallest unit of budgetary accountability and control which encompasses specific and distinguishable lines of work performed by an organizational unit for the purpose of accomplishing a function for which the government is responsible.

ACTUARIAL RESERVE DEFICIENCY -- The excess of the actuarial accrued liabilities at the date of valuation of the retirement system over the available assets on hand to meet such liabilities; or the excess of accrued and prospective liabilities over the present and prospective assets.

ANNUAL REQUIRED CONTRIBUTION -- The required contribution to fully fund the entity's annual employer's cost of the pension obligation as determined by an actuary.

APPROPRIATION -- legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and as to the time when it may be expended.

ASSESSED VALUATION -- A valuation set upon real estate or other property by a government as a basis for levying taxes.

ASSET -- Property owned by a government which has monetary value.

AUDIT -- An official financial statement examination of the Village's accounts done by an independent firm of certified public accountants.

AVAILABLE FUND BALANCE -- The balance of funds above the recommended minimum fund balance.

BALANCED BUDGET -- A budget is balanced when the proposed expenditures plus expected reserve draw down are equal to the expected new revenues plus the available fund balance at the beginning of the fiscal year.

BOND -- A written promise, generally under seal, to pay a specified sum of money, called the face value, at a fixed time in the future, called the date of maturity, and carrying interest at a fixed rate, usually payable periodically.

BONDED DEBT -- That portion of indebtedness represented by outstanding bonds.

BUDGET -- A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them.

BUDGET AMENDMENT -- A legal procedure utilized by the governing board to revise a budget.

BUDGET DOCUMENT -- The instrument used by the budget-making authority to present a comprehensive financial plan of operations of the governing board.

BUDGET MESSAGE -- A general discussion of the proposed budget as presented in writing by the budget making authority to the legislative body.

BUDGET ORDINANCE -- The official enactment by the governing board to legally authorize the government administration to operations of the governing board.

BUDGETARY CONTROL -- The control or management of a government or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

CAFR – Comprehensive Annual Financial Report.

CAPITAL ASSETS -- Assets of significant value and having a useful life of several years. Capital assets are also called fixed assets.

CAPITAL BUDGET -- A plan of proposed capital outlays and the means of financing them for the current fiscal period.

CAPITAL IMPROVEMENTS BUDGET -- A plan of proposed capital expenditures and the means of financing them. This is usually part of the complete annual budget which includes both operating and capital outlays.

CAPITAL OUTLAY -- Expenditures which result in the acquisition of or addition to fixed assets.

CAPITAL PROJECTS FUND -- A fund created to account for financial resources to be used for the acquisition or construction of major capital facilities and equipment, other than those financed by proprietary funds, special assessment funds, and trust funds.

CHART OF ACCOUNTS -- The classification system used by the government to organize the accounting for various funds.

COMMODITIES -- Consumable items used by the governmental departments. Examples include office supplies, vehicle and maintenance supplies, gasoline, etc.

CONTRACTUAL SERVICES -- Services rendered to governmental departments and agencies by private firms, individuals, or other government agencies. Examples include utilities, insurance, and professional services.

DEBT -- An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of governments include bonds, time warrants, lease-purchase agreements, notes and floating debt.

DEBT LIMIT -- The maximum amount of gross or net debt which is legally permitted by State Statute.

DEBT SERVICE FUND -- A fund established to account for the accumulation of resources for, and then payment of, general long term debt principal and interest.

DEFICIT – An excess of expenditures over revenues or expense over income.

DEPARTMENT -- A major administrative organization unit of the government which indicates overall management responsibility for one or more activities.

DEPRECIATION -- (1) Expiration in service life of fixed assets, other than wasting assets, attributable to wear and tear through use and lapse of time, obsolescence, inadequacy, or other physical or functional cause. (2) The portion of the cost of a fixed asset charged as an expense during a particular period. NOTE: The cost of such asset prorated over the estimated service life of such asset is charged off as an expense.

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 then costs (expenses, including depreciation) or 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.

EAV (EQUALIZED ASSESSED VALUATION) -- The assessed valuation of real property, raised or lowered by an equalizing factor as applied by a countywide and a statewide authority, so that all property is assessed at a consistent level for purposes of levying taxes. Currently, equalized valuation of real property is 1/3 of fair market value. Property taxes are assessed against the aggregate EAV of a taxing unit.

ESTIMATED REVENUE -- The amount of projected revenue to be collected during the fiscal year. The amount of revenue budgeted is the amount approved by the Board of Trustees.

EXPENDITURES -- Decreases in net financial resources. Expenditures include current operating expenses which require the current or future use of net current assets, debt service, and capital outlays.

EXPENSES -- Decreases in net total assets. Expenses represent the total cost of operations during a period regardless of the timing of related expenditures.

FIDUCIARY FUND -- A fund used to account for resources that a government holds as a trustee or agent on behalf of an outside party and that cannot be used to support the government's own programs.

FISCAL PERIOD -- Any period at the end of which a government determines its financial position and the results of its operations.

FISCAL YEAR -- A twelve (12) month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations.

FIXED ASSETS -- Assets of a long term nature which are intended to continue to be held or used, such as land, buildings, improvements other than buildings, machinery and equipment.

FUND -- A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, 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 -- All accounts necessary to set forth the financial position and results of operations of a fund.

FUND EQUITY -- An equity account reflecting the unreserved accumulated earnings of the enterprise fund.

GENERAL FUND -- The fund used to account for all financial resources except those required to be accounted for in another fund. The most common General Fund is the Corporate Fund.

GO (GENERAL OBLIGATION) BONDS -- Bonds for the payment of which the full faith and credit of the issuing government are pledged.

GENERAL REVENUE -- The revenues of a government other than those derived from the net position in an enterprise fund. If a portion of the net income in an enterprise fund is contributed to another non-enterprise fund, such as the General Fund, the amounts transferred constitute general revenue of the government.

GAAP -- Generally Accepted Accounting Principles.

GOAL -- A statement of broad direction, purpose, or intent, based on the needs of the community.

GOVERNMENTAL FUND -- A fund used to account for activities primarily supported by taxes, grants and similar revenue sources.

HOME RULE SALES TAX -- As an Illinois home rule unit, the Village is provided certain additional taxing powers not generally available. The home rule sales tax can be imposed by the Village in increments of 0.25% on all retail sales occurring within the Village except for groceries, drugs and items that are titled by the state (automobiles, boats, etc.). The current Village rate is 1.0%.

IEPA -- Illinois Environmental Protection Agency. State agency charged with environmental regulations, specifically involved in regulating the Village's water and sewer systems. Also a granting agency for revolving loans and other programs associated with these two functions.

IPBC -- The Intergovernmental Personnel Benefit Cooperative. A municipal health and benefits pool through which the Village provides health and life insurance for its employees. The Park District and Library participate with the Village as listed entities.

IMRF -- An abbreviation for Illinois Municipal Retirement Fund, a pension fund covering Village employees who work over 1,000 hours per year, with the exception of sworn police personnel.

IRF – Infrastructure Replacement Fund. A capital projects fund designated by the Village for major capital project expenditures with varied sources of funding.

INTERGOVERNMENTAL REVENUE -- Revenue received from another government, such as the State of Illinois, or other political subdivisions, for a specified purpose.

INTERGOVERNMENTAL SERVICE FUND -- A fund established to finance and account for services and commodities furnished by a designated department or agency to other departments and agencies within a single governmental unit.

INVESTMENTS -- Cash held in interest bearing accounts, securities and real estate held for the production of revenues in the form of interest, dividends, rentals, or lease payments. The term does not include fixed assets used in governmental operations.

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 a government.

LONG TERM DEBT -- Debt with a maturity of more than one year after the date of issuance.

MAJOR FUND – Funds are organized as major funds or non-major funds within the governmental and proprietary statements. A fund is considered major if it is a primary operating fund of the reporting entity. In addition, any other governmental or enterprise fund believed by the reporting entity to be important to financial statement users may be reported as a major fund.

METRA -- An abbreviation for the Northeast Illinois Regional Commuter Railroad Corporation which manages and operates the commuter trains and commuter buses in the Village.

MFT (MOTOR FUEL TAX) – The State of Illinois levies a tax on the sale of motor fuel products for use over the road. Municipalities are distributed a portion of the tax on a per capita basis to be used for the maintenance and improvement of the local road system.

MODIFIED ACCRUAL BASIS OF ACCOUNTING – A basis of accounting in which revenues and other financial resources are recognized when they become both “measurable” and “available” to finance expenditures of the current period. Expenditures are recognized when the fund liability is incurred. All governmental fund types, including the General Fund, use 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.

NPDES – National Pollution Discharge Elimination System.

OBJECT -- As used in expenditure classification, this term applies to the article purchased or the service obtained (as distinguished from the results obtained from expenditures). Examples are personnel services, contractual services, commodities, capital outlay and other expenditure classifications.

OPERATING BUDGET -- The portion of the budget that pertains to daily operations that provide basic governmental services. The operating budget contains appropriations for such expenditures as personnel, supplies, utilities, materials, services, etc.

OPERATING EXPENSES -- Proprietary fund expenses which are directly related to the fund’s primary service activities.

OPERATING INCOME -- The excess of proprietary fund operating revenues over operating expenses.

OPERATING REVENUES -- Proprietary fund revenues which are directly related to the fund’s primary service activities. They consist primarily of charges for services.

PENSION TRUST FUND -- A Trust Fund used to account for public employee retirement systems. Pension Trust Funds are accounted for in essentially the same manner as proprietary funds, but with an important expanded emphasis on required fund balance reserves.

PERSONNEL SERVICES -- Items of expenditures in the operating budget for salaries and benefits paid for services performed by Village employees.

PROPRIETARY FUND – A fund used to account for activities that receive significant support from fees and charges.

RESERVE -- An account used to indicate that a portion of fund equity is legally restricted.

RESOURCES -- Total dollars available for appropriations including estimated revenues, fund transfers, and beginning fund balances.

REVENUES -- Increases in governmental fund type, net current assets, and residual equity transfers.

SOURCE OF REVENUE -- Revenues are classified according to their source or point of origin.

SPECIAL REVENUE FUND -- A fund used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or for major capital projects) that are legally restricted to expenditure for specified purposes.

TAX LEVY -- The total amount to be raised by general property taxes for operating and debt service purposes specified in the Tax Levy Ordinance.

TAX LEVY ORDINANCE -- An ordinance by means of which taxes are levied.

TAXES -- Compulsory charges levied by a government for the purpose of financing services performed for the common public benefit.

TAX INCREMENT FINANCING (TIF) – A municipal financing mechanism used to renovate declining areas that uses the increase in taxable property value to generate revenue for a set period of time to offset the costs of allowable public and private investment in the area.

TRUST FUNDS -- Funds used to account for assets held by a government in a trustee capacity for individuals, private organization, other governments, and/or other funds.

USER CHARGES OR FEES -- The payment of a fee for direct receipt of a public service by the party benefiting from the service.

WRF – Water Reclamation Facility. The Village's designation of its sanitary sewerage treatment plant.

APPENDIX C

SUMMARY OF SIGNIFICANT FINANCIAL, ACCOUNTING AND BUDGETING POLICIES

The accounting policies of the Village of Deerfield, Illinois, conform to Generally Accepted Accounting Principles as applicable to governments. The following is a summary of the significant policies.

Reporting Entity and Its Services

The Village of Deerfield, Illinois, was incorporated April 14, 1903. The Village operates under a Council/Manager form of government and provides the following services as authorized by its charter: public safety (police), highways and streets, water supply, sanitation, public improvements, community development and general administrative services.

Accounting, Auditing and Financial Reporting Policies

- An independent audit will be performed annually.
- The Village will produce annual financial reports in accordance with Generally Accepted Accounting Principles (GAAP) as outlined by the Governmental Accounting Standards Board.
- The Finance Department will report to the Mayor and Board of Trustees and to the departments on a monthly basis the amount of funds expensed or expended for the month and year-to-date vs. budget and projected.
- The Finance Department will also report on an ad hoc basis on any other financial items that will affect the Village's financial picture.

Fund Presentation

The accounts of the Village are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Governmental Funds. The Village has the following governmental-type funds:

- **General Fund** – The General Fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund. Accounts for the operations of the Finance, Administration, Engineering, Community Development, Police and Street Departments.
- **Motor Fuel Tax Fund** – Special Revenue Fund that accounts for activity funded by the state share of tax on the use of motor fuels.
- **Enhanced 911 Fund** – Special Revenue Fund that accounts for the operation of the E911 emergency response system and is funded by a per line charge on land-based and cellular phones.
- **Tax Increment Financing District** – A fund to provide for the redevelopment plans funded by incremental property tax. (Note: the last Village district was terminated on December 31, 2008 and historical information is presented in this budget).
- **Infrastructure Replacement Fund** – Capital Project Fund established in 1989 for the purpose of maintaining, repairing and renovating the capital assets of the Village. All long term capital projects are now funded in this fund, including those of the Water and Sewer Funds.
- **Debt Service Fund** – Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The Debt Service Fund has been treated as a single fund and budgeted in a like manner by the Village. The individual issues are accounted for separately within this fund.

Proprietary (Enterprise) Funds Enterprise Funds are used 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. The Village has the following proprietary funds:

- **Water Fund** – Accounts for all activity relative to the acceptance, storage and delivery of water to the residents.
- **Sewer Fund** – Accounts for all activity relative to the operation of the sanitary sewer system, including the transportation of sewerage to the Village owned and operated sewerage treatment plant.
- **Refuse Fund** – The Village contracts with a private firm to collect and dispose of residential solid waste, residential recyclable materials and landscape waste. This fund provides for the revenues and expenses of this operation.
- **Commuter Parking Lot Fund** – Provides for the activity necessary to operate and maintain the various commuter-parking facilities within the Village, including the commuter train station.

Internal Service Funds - Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the Village, or to other governments, on a cost-reimbursement basis. The Village has the following internal service fund:

- **Garage Fund** – Provides for the maintenance of Village-owned vehicles through operation of a vehicle maintenance facility in the public works complex. All operating departments are charged for work on their vehicles.
- **Vehicle and Equipment Replacement Fund** – Established to account for the funds set aside annually for the replacement of certain vehicles and other equipment. The Village charges operating departments for equipment and motor vehicles based on the current replacement cost and estimated years of usage. These funds are accumulated in the Vehicle and Equipment Replacement Fund until the equipment or motor vehicles are purchased.

Trust and Agency Funds - Trust and Agency Funds are used to account for assets held by the Village in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. These include Pension Trust and Agency Funds. Pension Trust Funds are accounted for in essentially the same manner as proprietary funds since capital maintenance is critical. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Village has the following Agency and Trust funds:

- **Deposit Fund** – To account for funds on deposit with the Village that are being held on a temporary basis.
- **Police Pension Fund** – As established by state statute, provides for the pension and disability benefits of sworn Village police officers, and is funded by employee and employer contributions, and investment income of the fund. Independently administered by a board of trustees as established in the state pension code.

Deerfield Public Library - The Deerfield Public Library has a separately elected seven-member board that annually determines its budget and resulting tax levy. Upon approval of the Village Board, the levy is submitted to the County. All debt of the Library is secured by the full faith and credit of the Village, which is wholly liable for the debt. The Library, while servicing the same general population of the Village, does not provide services entirely to the Village.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the annual budget.

All Governmental Funds (General Fund, Special Revenue Funds, and Capital Project Funds) are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. The Village's share of State-assessed income taxes, gross receipts, and sales taxes are

considered "measurable" when in the hands of intermediary collecting governments and are recognized as revenue at that time. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Agency Fund assets and liabilities are accounted for on the modified accrual basis.

All Proprietary Funds and Pension Trust Funds (Enterprise, Internal Service, and Police Pension) are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred. Unbilled Waterworks and Sewerage Fund utility service receivables are recorded at year-end.

Budget Presentation Basis Exceptions

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the annual budget. The Comprehensive Annual Financial Report (CAFR) shows the status of the Village's finances on the basis of generally accepted accounting principles (GAAP). In most cases the budget preparation conforms to GAAP using the modified accrual basis of accounting for Governmental Funds and the accrual basis of accounting for Proprietary Funds. The following lists exceptions from GAAP contained in the presentation of the budget:

- The treatment of depreciation expenses, which are not shown in the budget, but the full purchase price of equipment and capital improvements are, while purchases of capital improvements are depreciated in the CAFR pursuant to GAAP (the Village's capital asset threshold for accounting purposes is \$25,000).
- The Village has implemented the requirements for disclosing liabilities due to other post employment benefits (OPEB) required by GASB but will not, as of this point, be funding these costs nor showing the increase in the liability in the annual budget.

Balanced Budget

The Village considers the budget, at the fund level, to be balanced if the budgeted expenditures, plus expected reserve drawdown, are matched by budgeted new revenues and available beginning fund balances. The accounting level of control is at the department level or, in the absence of such, at the fund level, and the departments are additionally responsible for maintaining expenditures within the major categories of the function level.

Debt Policy

The Village of Deerfield is a home rule municipality and, as such, has no statutory debt limitations. If, however, the Village were a non-home rule municipality, according to Illinois statutes, its available debt limit would be as follows:

	1/1/20
Equalized Assessed Valuation(2018)	\$1,460,222,579
Non-Home-Rule Debt Limit - 8.6%	125,579,142
Amount of Debt Applicable to Limit	60,360,000
Legal Debt Margin Available	65,219,142

The outstanding debt issues are property tax backed but subject to abatement based on available reserves and federal government rebates. Although the amount of recent debt has been larger than normal, it was planned due to the requirements of the treatment plant project (total cost \$32 million), Library remodeling and expanded 2015-2017 capital improvement plan. The Village's current bond rating is Aaa by Moody's, reaffirmed in May 2018.

The Village's policies in the issuance of debt are: (1) to attempt to keep a relatively even debt service levy, allowing it to increase as new equalized assessed valuation is available and as capital needs arise. The Village must reconcile the quest for a stable levy with the fact that delayed improvements or maintenance often has a higher true cost. Summarily, the goal to keep an even debt service levy must be balanced against the necessity of the project. (2) The

Village will not issue long-term debt for short-term projects. The life of the financing must not exceed the life of the project. The use of long-term debt is subject to review and approval by the Board of Trustees.

Capital Projects Funding

The Village believes that ongoing maintenance of its infrastructure and equipment is of prime importance to reduce the risk of emergency repairs and avoid the cost increases of deferred maintenance. To finance capital projects, the Village utilizes standard capital raising techniques such as General Obligation and Revenue Bond Issues, as well as pay-as-you-go practices when reasonable. Two examples of the pay-as-you-go program are (A) the Vehicle and Equipment Replacement Fund and (B) the Infrastructure Replacement Fund. The purpose of the Vehicle and Equipment Replacement Fund is to keep annual expenses in balance and stable while providing sufficient funds for the replacement of vehicles and major equipment items that cost in excess of \$5,000. The Vehicle and Equipment Replacement Fund is fully funded. The Village also has established an Infrastructure Replacement Fund to provide funding for ongoing maintenance of the Village's infrastructure, primarily streets and underground improvements.

Accounting, Auditing and Financial Reporting Policies

1. An independent audit will be performed annually.
2. The Village will produce annual financial reports in accordance with Generally Accepted Accounting Principles (GAAP) as outlined by the Governmental Accounting Standards Board.
3. The Finance Department will report to the Mayor and Board of Trustees and to the departments on a monthly basis the amount of funds expensed or expended for the month and year-to-date vs. budget and projected.
4. The Finance Department will also report on an ad hoc basis on any other financial items that will affect the Village's financial picture.

Investment Policies

The Village maintains formal investment policies for the general corporate funds and the police pension fund. In summary, the policies cite controlling state statutes and differ in the allowable investment types and duration objective. The corporate funds are typically restricted to and invested in short term government and government agency issues, with duration of less than five years. The pension fund's focus is more long term and is allowed, within statutory limits, to invest in equities and longer-term bonds. The investment policies are reviewed on a regular basis. Investment reports are regularly presented to the governing bodies.

Fixed Asset Policy

Property, including equipment, represents a significant investment of tax revenue by the residents of the Village. Since the assets are durable goods used in providing services to the residents, it is essential that they be accounted for in the most efficient and practical manner possible. Property assets of the Village are numbered for inventory control. All property items valued at \$500 or more shall be recorded in the inventory system.

General Fixed Assets

General fixed assets are those fixed assets of the Village that are not accounted for in an Enterprise, Trust, or Intra-governmental Service Fund. Fixed assets are those assets that possess the following attributes:

1. A tangible nature;
2. A useful life extending beyond the year of acquisition; and
3. A significant value (greater than \$25,000).

These assets shall be accounted for in the annual financial report of the Village.

Property Assets

Non-fixed asset property items are those items valued at greater than \$500. These items shall be recorded and controlled in the Village's property control program and are the responsibility of the department in which they are located.

Classification of Fixed Assets

Fixed assets shall be classified by the following categories: land, buildings, improvements other than buildings, machinery and equipment, and construction in progress.

Capitalization Policy

The Village of Deerfield's capitalization policy provides that all items that cost less than \$25,000 shall be expensed rather than treated as a fixed asset. This policy is established recognizing that items under this limit are not sufficiently material from an accounting basis to include them on the Village's financial statements. Sufficient control of all property with a value greater than \$500 is maintained through the inventory control system.

Procedures for Updating the Fixed Assets and Property Control Record

The Finance Department is responsible for maintaining the fixed assets control system. All property with a value greater than \$500 shall be maintained in this system. Any property with an original value of greater than \$500 that is no longer useful to the Village shall be disposed in a manner consistent with state statute and shall be deleted from the control system record.

Fund Balance Policy

As a home rule municipality, the Village has substantial flexibility in the movement of assets between funds. Other than those funds with certain legal restrictions, for instance, the Motor Fuel Tax, Deposit, and Police Pension, the Village Board may approve transfer of funds between any of the operating or capital project funds of the Village. In addition, the Village has varied sources of revenue that, except for property tax, is generated monthly and therefore is not subject to irregular receipt during the year.

Therefore, the policy is to maintain a combined fund balance of not less than 40% of the annual budgeted recurring expenditures in the operating funds – General, Water, Sewer and Garage. The minimum combined balance of unrestricted fund balance and net cash in these funds shall not fall below 30%.

The remaining funds shall maintain a sufficient balance to achieve the budget on a yearly basis. In April, 2012, the Board adopted a revised Fund Balance Policy that conforms to GASB 54. The recommended and approved fund balance levels were not changed as part of this new policy.