

FY2019 Budget Hearing

Capital Budget

2019

October 29, 2018

TONI PRECKWINKLE

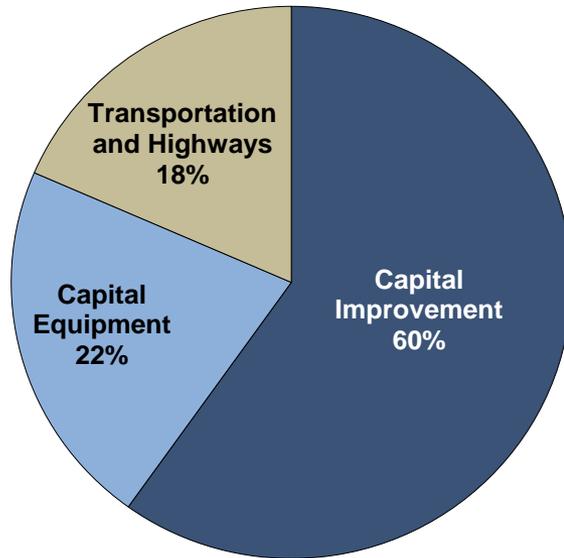
President, Cook County Board of Commissioners



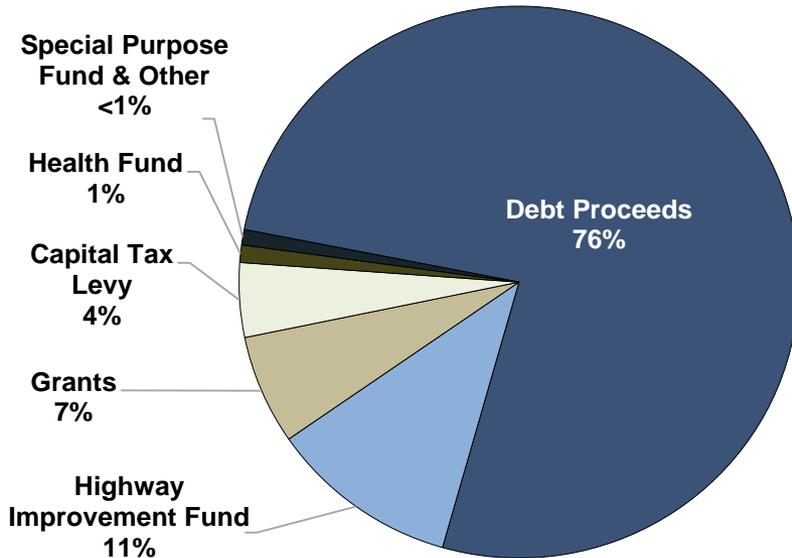


CAPITAL BUDGET OVERVIEW

Capital Budget Uses & Sources



Project Category	Amount (\$ millions)
Capital Improvement	274.9
Capital Equipment	99.2
Transportation and Highways	84.9
Total	459.0



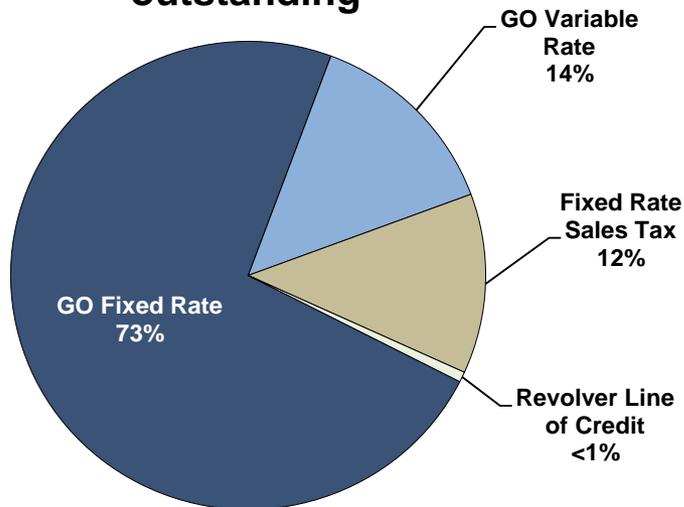
Sources	Amount (\$ millions)
Debt Proceeds	350.4
Highway Improvement Fund	50.3
Grants	29.4
Capital Tax Levy	20.0
Health Fund	4.8
Special Purpose Fund & Other	4.1
Total	459.0

County Debt Profile



Judicious management of debt allows the County to enjoy investment grade bond ratings and lower cost of borrowing

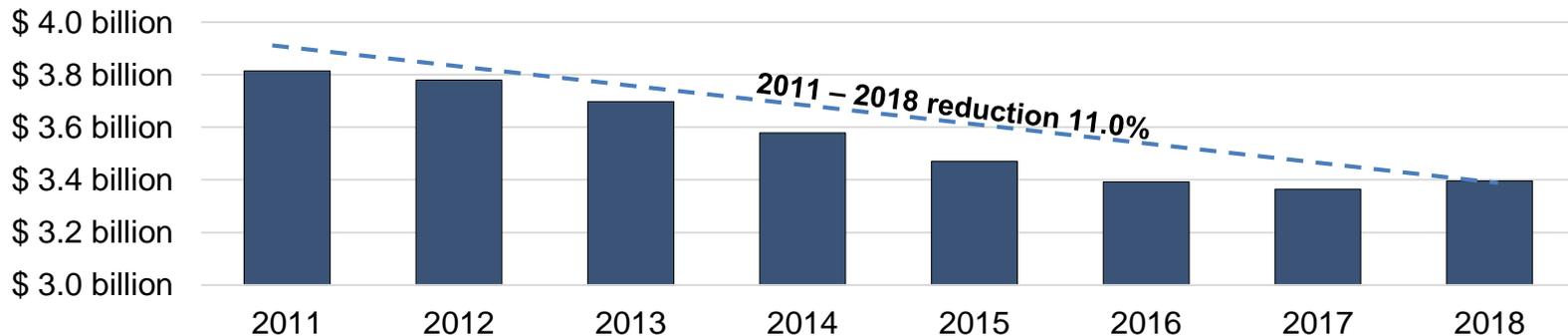
Total of \$3,396,306,750 in principal outstanding*



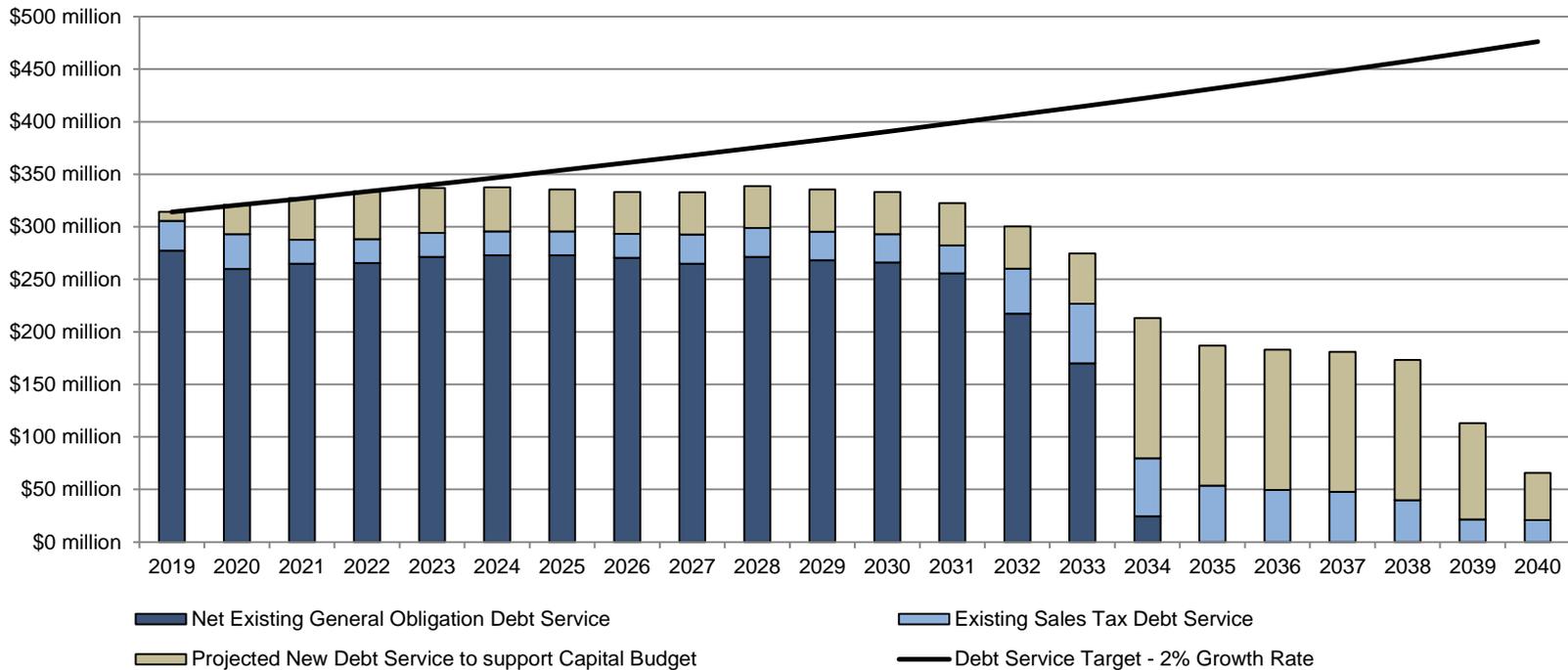
*estimated as of November 30, 2018

Current Credit Ratings

General Obligation Debt		
Rating Agency	Rating	Outlook
Moody's Investor Services	A2	Stable
S&P Global Ratings	AA-	Negative
Fitch Ratings	A+	Stable
Sales Tax Debt		
Rating Agency	Rating	Outlook
S&P Global Ratings	AAA	Stable
Kroll Bond Rating Agency	AAA	Stable



Projected Debt Service to support the Capital Plan



In FY2016 the County devised a long term plan to manage its debt, which included the following:

1. Create a debt structure that rises by no more than 2% annually, including all anticipated new issuances; a growth rate that would match the long term Federal Reserve inflation forecast
2. Utilize all refunding opportunities to focus savings in key years to keep with 2% growth target
3. Minimize interest costs by utilizing the line of credit to fund capital projections during construction and acquisition phases
4. Actively manage variable rate debt portfolio to take advantage of low interest rate environment

Note: Existing debt service values include projected refundings of Series 2009C, 2009D, 2010A, and 2010G Bonds.



CAPITAL IMPROVEMENT PROJECTS



Unlocking the Value of Our Assets



Strategic Framework

- Real Estate Asset Strategic Realignment Plan (REASRP) is the guideline
- Use data to drive investment decisions in our facilities
- Policy Roadmap

Capital Plan Development

- Identify critical upgrades & replacements
- Calculate cost of improvements
- Prioritize improvements along County's long-term objectives
- Run funding scenarios demonstrating different spending levels
- Develop capital plan and budget to sustain facilities & support core functions

Green Buildings Program (GBP)

- Use the GBP initiative to reduce the environmental impact of our County buildings and create a positive impact on communities
- Leverage revenues from high-performance design project to yield measurable reductions in operating costs

FY2019 Capital Improvements

- Focused on funding needs of Priorities 1, 2 & 3
- Prioritize work to be completed by in-house trades
- **Appropriation request for FY2019 is \$274.9 million**

Priorities for Maintenance and Replacement

Priority 1: Currently Critical (Immediate)

Conditions require immediate action to correct a cited safety hazard, stop accelerated deterioration, or return a facility to operation.

Priority 2: Potentially Critical (Years 1-2)

Conditions, if not corrected expeditiously, will become critical within a year resulting in intermittent operations, rapid deterioration, potential life safety hazards, etc.

Priority 3: Necessary/Not Yet Critical (Years 3-4)

Conditions require appropriate attention to avoid predictable deterioration, potential downtime, or associated damage or higher costs if deferred further.

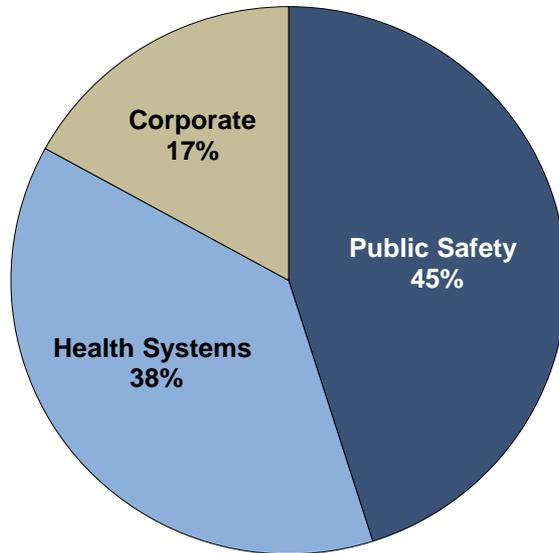
Priority 4: Recommended (Years 5-10)

Conditions include items that represent sensible improvement to existing conditions but are not required for the basic function of the facility, overall usability improvements, or long-term maintenance cost reduction.

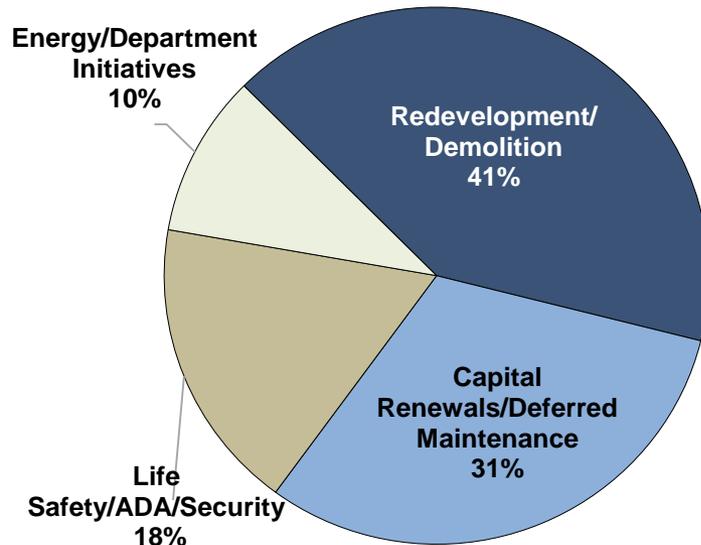
Priority 5: Does Not Meet Current Codes but is "Grandfathered"

No action is required at this time; however, renovation work performed in the future may trigger correction.

FY2019 Capital Improvement Program by Category & Portfolio

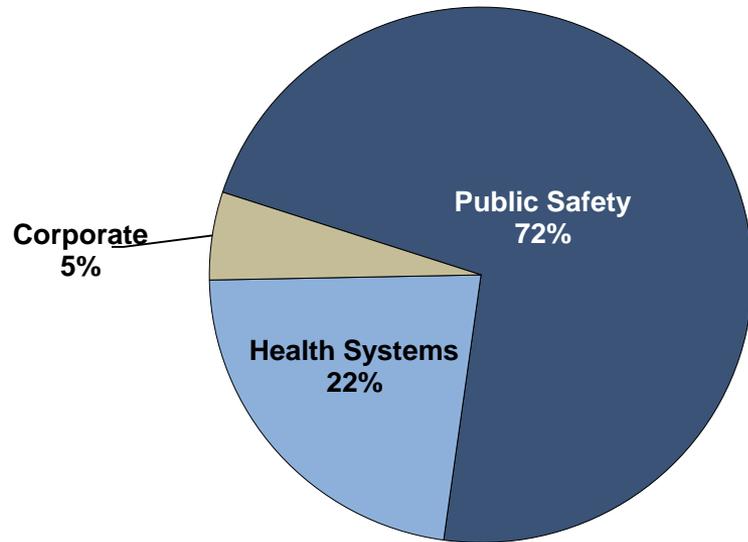


Portfolio	Amount (millions)
Public Safety	123.9
Health System	104.3
Corporate	46.8
Total	274.9

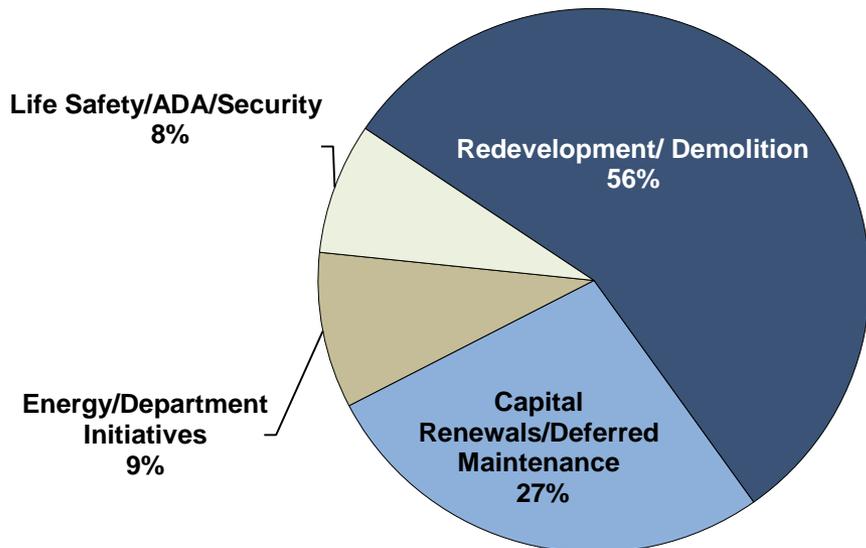


Program Category	Amount (\$ millions)
Redevelopment/Demolition	113.8
Capital Renewals/Deferred Maintenance	85.6
Energy/Department Initiatives	26.8
Life Safety/ADA/Security	48.6
Total	274.9

FY2019-2028 Capital Improvement Program by Category & Portfolio



Program Portfolio	Amount (\$ millions)
Public Safety	1,473.8
Health System	459.2
Corporate	108.3
Total	2,041.4



Program Category	Amount (\$ millions)
Redevelopment/Demolition	1,137.6
Capital Renewals/Deferred Maintenance	555.5
Energy/Department Initiatives	189.3
Life Safety/ADA/Security	159.0
Total	2,041.4

Capital Improvement Program 2016 - 2018



Investments in County's physical assets to improve services and consolidate footprint

- **CCHHS Professional Building** – Construction completed of a new 9 story healthcare facility
- **Bond Court** – Renovation of consolidated bond court utilizing in-house trades resulting in savings
- **E-Filing Installations** – Modernized conversion of court filings from paper to electronic
- **Demolition of Division 3 & 17** – Demolition of outdated buildings exceeding their useful life
- **Warehouse Consolidation** – Relocation of Clerk & Elections to high efficiency space
- **22nd Floor Conference Center** – Creation of a shared state of the art conference center
- **ADA/Fire, Life & Safety Infrastructure** – Continuation of increased accessibility and maintaining compliance of our assets



Bond Court – 26th & California



Cicero Records Center - Elections

Major 2019 CIP Projects



Smart Communities

Corporate Facilities

- Renovation and consolidation at county building
- ADA improvements to county boardroom
- Dunne building Re-stack
- Workplace Strategy Design guidelines implementation
- Enhance technology solutions in buildings

Healthy Communities

Health and Hospital

- Stroger Hospital major renovations
- Community based healthcare clinics
- Provident campus improvements

Safe & Thriving Communities

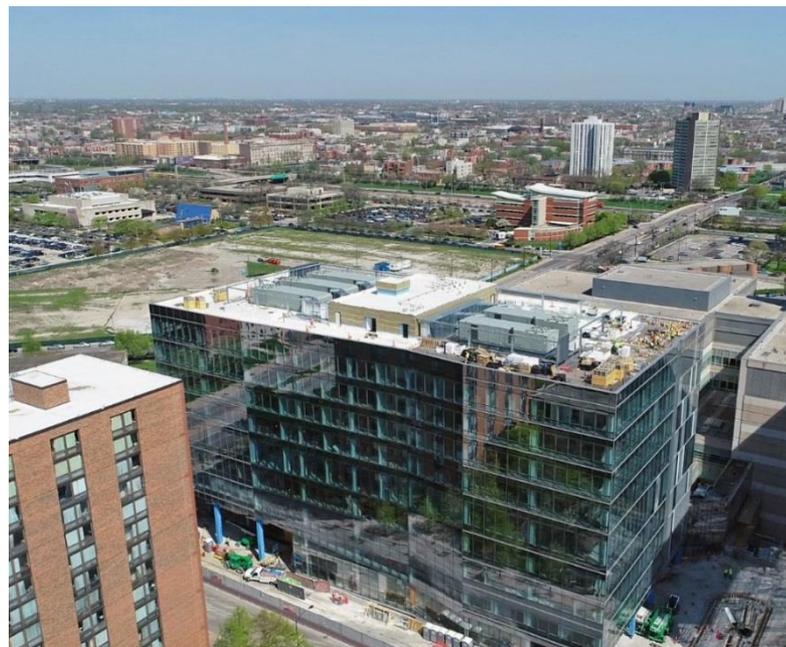
Public Safety

- Demolition of Division I & IA
- DOC Campus Master Plan
- Phase II DOC campus roof replacements
- Branch courts renovations/consolidation Phase II
- Courthouses hardening planning & design (UASI)
- Court Utilization Plan Phase II

Green Buildings Program

Countywide

- ADA compliance
- Life safety upgrades
- Greening facilities through infrastructure improvements

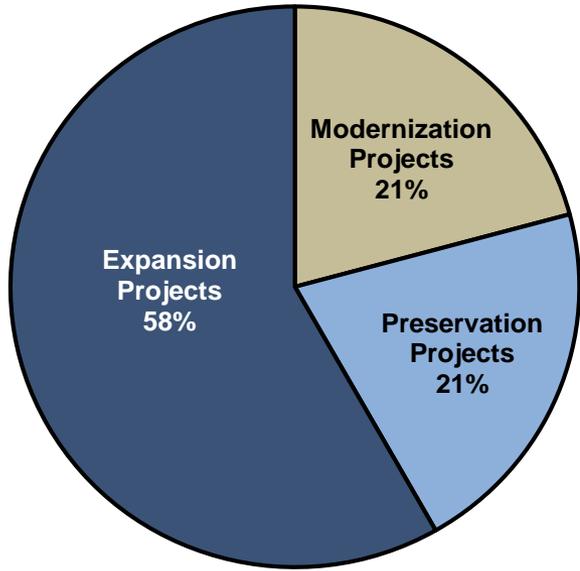


*Cook County Health and Hospitals System – Central
Campus Health Center (completed)*

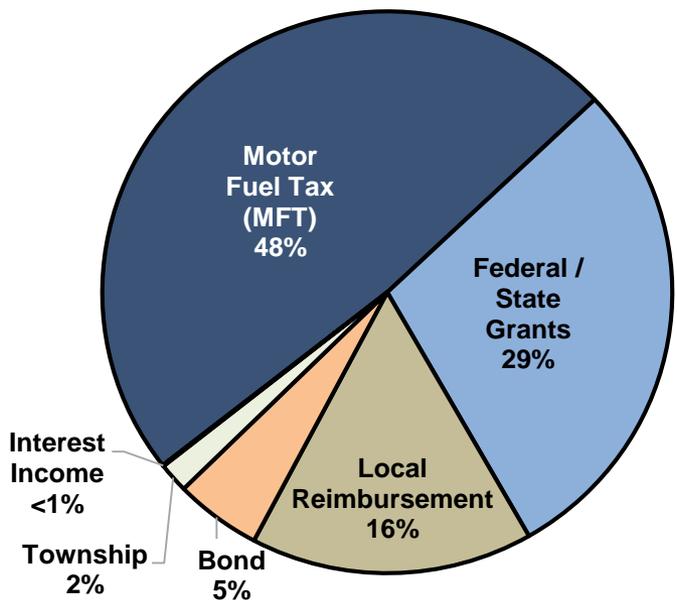


TRANSPORTATION & HIGHWAYS PROJECTS

FY2019 Transportation Projects by Category & Funding



Project Category	Amount (\$ millions)
Modernization Projects	38.2
Preservation Projects	38.2
Expansion Projects	106.4
Total	182.8



Funding Source	Amount (\$ millions)
Motor Fuel Tax (MFT)	88.7
Federal / State Grants	52.5
Local Reimbursement	29.3
Bond	9.0
Township	3.1
Interest Income	0.1
Total	182.8

2040 Long Range Transportation Plan



Policy Priorities to Guide Transportation Investment

- Prioritize Transit and Other Transportation Alternatives
- Support the Region's Role as North America's Freight Capital
- Promote Equal Access to Opportunities
- Maintain and Modernize What Already Exists
- Increase Investments in Transportation



2018 Accomplishments



Investments in transportation infrastructure to foster regional economic growth

Central Road

This improvement includes a new westbound ramp to I-90 and completes the full interchange at I-90 and Roselle Road.

Central Rd



Butler Drive

DOTH's 2017 \$300,000 Invest in Cook Award enabled the Illinois International Port District to secure an additional \$13.9M in federal, State and City grants to fully fund the project through Construction.

Butler Drive



CREATE 75th Street CIP

DOTH's \$77.7M commitment in matching funds was critical in securing a \$132M federal INFRA grant. This project will address chronic freight railroad, passenger railroad, and motorist congestion.



75th Street CIP

Major Projects in Design and under Construction



Projects Under Construction

Lake Cook Road

- New Roadway Construction/Reconstruction
- Traffic signal improvements
- Shared use path
- Multi-agency project partnership with IDOT, Lake County, the Village of Buffalo Grove, and the City of Wheeling

County Line Road & North Avenue

- New tollway ramp interchange from southbound I-294
- New Roadway Construction/Reconstruction
- Traffic signal improvements
- Multi-agency project partnership with Illinois Tollway, IDOT, the City of Northlake, and the City of Elmhurst

Touhy Avenue

- Improved freight mobility in busy manufacturing cluster adjacent to O'Hare airport
- Intersection reconstruction
- Roadway reconstruction
- New shared use path
- Multi-agency project partnership with Illinois Tollway, DuPage County, the Village of Elk Grove Village, and the City of Des Plaines

Countywide Paving Contracts

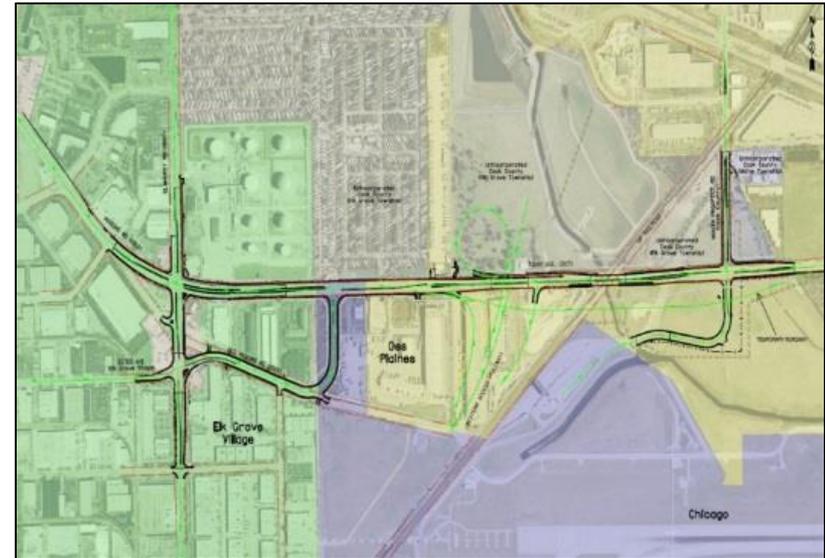
- \$8 million (2018 award, 2019 construction)

Countywide Pavement Marking Contracts

Countywide Sign Contracts

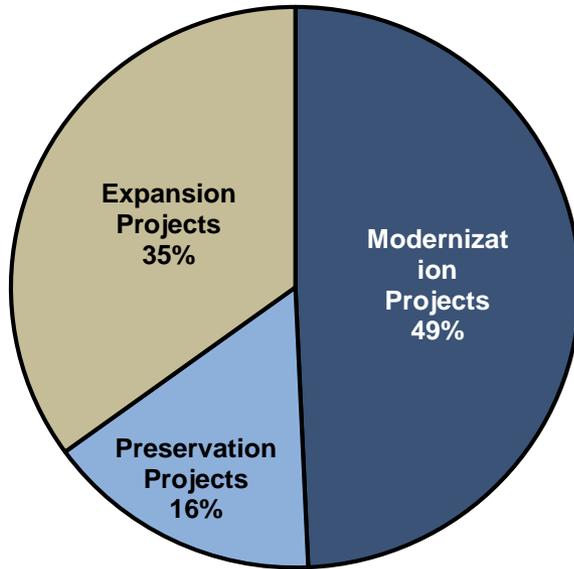
Projects in Design

- **Joe Orr Road**—Torrence Avenue to Burnham Avenue
- **Butler Drive**—130th Street to Doty Avenue
- **Kedzie Avenue** – 159th Street to Vollmer Road
- **Pulaski Rd/Crawford Ave**—127th Street to 159th Street
- **Plainfield Road** – County Line to East Avenue

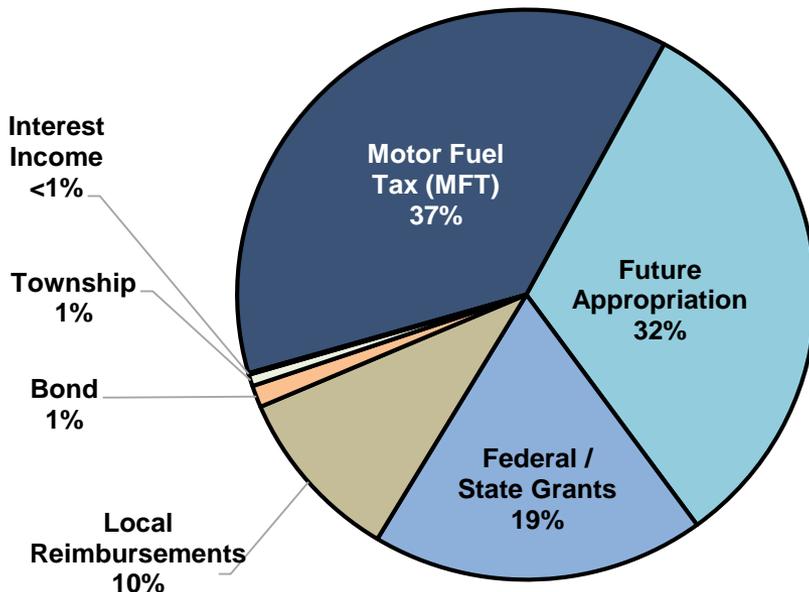


Touhy Avenue Project Map

FY2019-2023 Transportation Program by Category & Funding



Project Category	Amount (\$ millions)
Modernization Projects	357.2
Preservation Projects	114.0
Expansion Projects	253.5
Total	724.7

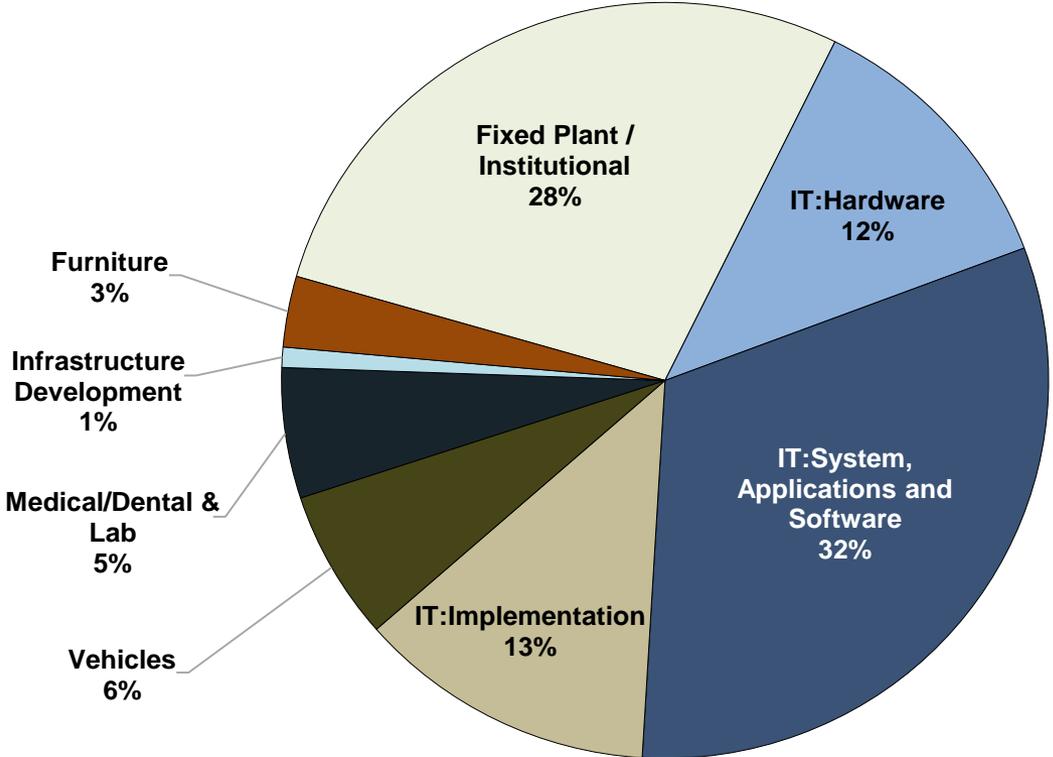


Funding Source	Amount (\$ millions)
Motor Fuel Tax (MFT)	270.7
Future Appropriation	232.3
Federal / State Grants	135.2
Local Reimbursement	72.1
Bond	9.0
Township	4.8
Interest Income	0.6
Total	724.7



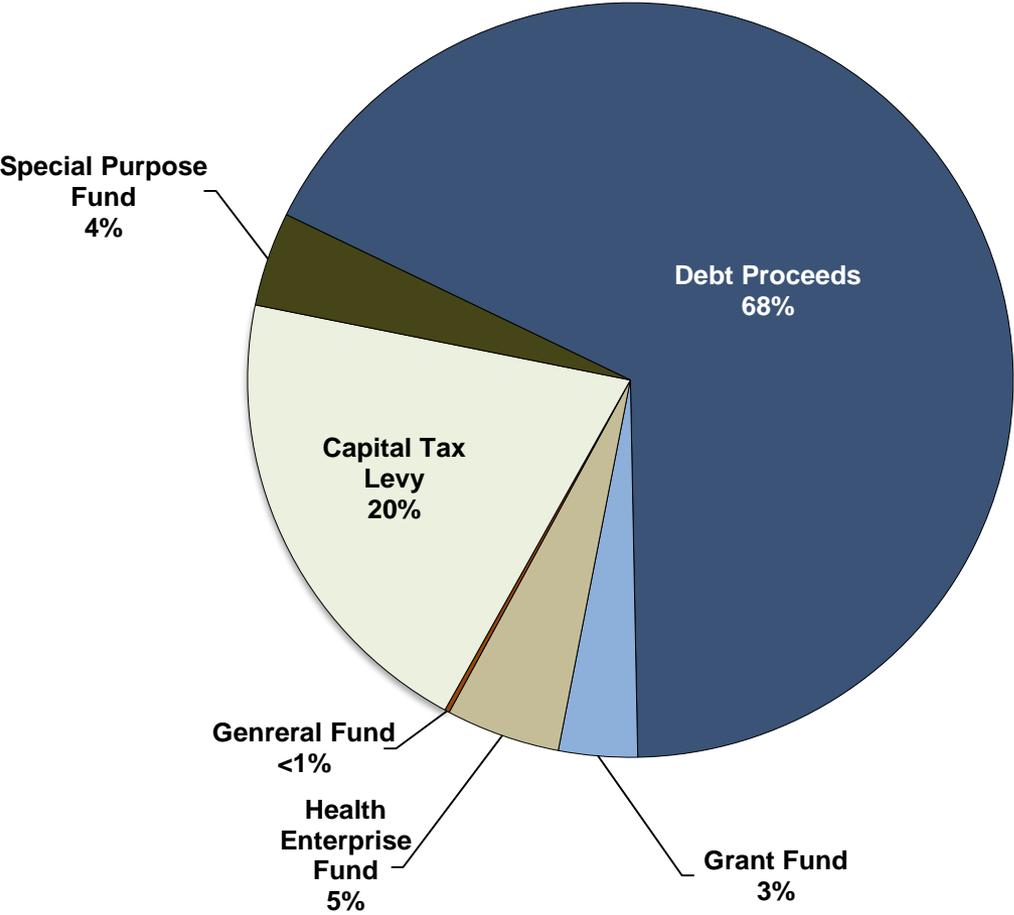
Capital Equipment Projects

FY2019 Capital Equipment Recommendations



Project Type	Amount (\$ millions)
Fixed Plant / Institutional	27.6
Furniture/Office Equipment	3.0
IT: Hardware	11.9
IT: Infrastructure Development	0.9
IT: Implementation	12.5
IT: Systems, Applications & Software	31.4
Medical & Lab	5.5
Vehicles	6.4
Total	99.2
Amount Requested	200.9
Amount Recommended	99.2

FY2019 Capital Equipment By Funding Source



Funding Source	Amount (\$ millions)
Capital Tax Levy	20.0
Debt Proceeds	67.0
General Fund	0.2
Grant Fund	3.3
Health Enterprise Fund	4.8
Special Purpose Fund	4.0
Total	99.2

FY2018 Major Information Technology Projects



The Bureau of Technology in collaboration with all offices countywide successfully implemented new mission critical applications and infrastructure to replace end of life applications and equipment

Major IT Projects

Countywide Unified Communications (VOIP) – Implementation started for CCHHS

IT Consolidation Ordinance -- IT Service Desk consolidation assessment completed and ordinance approved

Countywide ERP (Financials, Payroll/Benefits, Employee Self Service, Single Sign-on)

Countywide Cook County Time (CCT) Time and Attendance

Enterprise Service Bus (Bus) Exchanges for the States Attorney, Sheriff, Public Defender and Clerk of the Circuit Court

Integrated Tax Processing System (ITPS) for the Department of Revenue – Release 1, 1.5 and 1B

Case Management System & Web Portal for Environment and Sustainability – Phase I

FY2019 Major Information Technology Projects



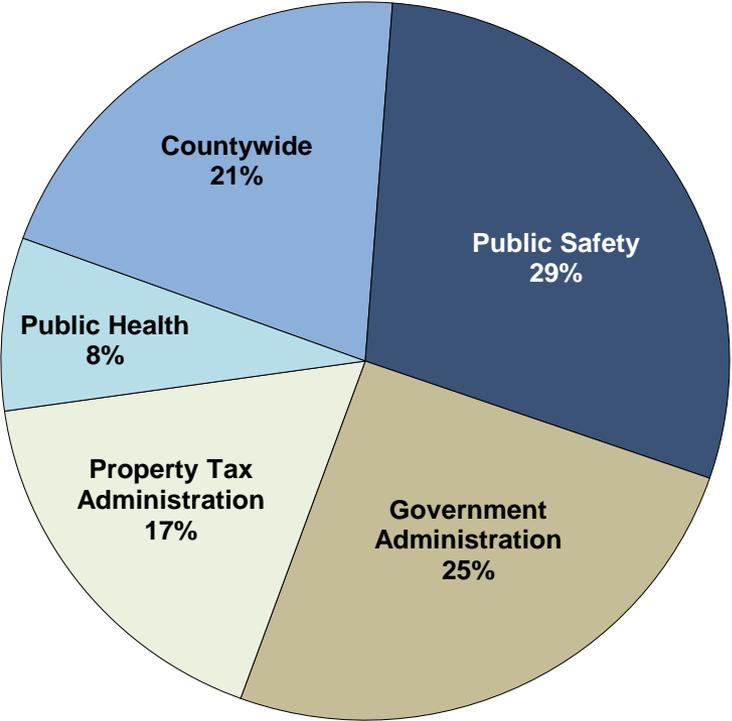
Cook County needs critical investment in technology infrastructure that support key elections, administrative, public safety and property tax related functions; recommended projects focus on:

- Enhancing and securing County's operations
- Achieving highest Return on Investment
- Migration from Mainframe/midrange to modern solutions

Major IT Projects*	Amount (\$ millions)
Election Equipment and Tally System for the County Clerk	25.0
Clerk of the Circuit Court's (CCC) Case Management System	10.0
Integrated Property Tax System	5.6
Asset Management System	5.0
Cashiering System Upgrade for the County Clerk	2.4
Enterprise Service Bus (ESB) Data Integration	2.3
Unified Communications	2.0
EBS Financials Implementation	2.0
Enterprise Identity Access	1.8
Network and Computer Equipment	1.6

*Note: Many projects will span multiple fiscal years and the funds above represent FY2019 portion of the investment

FY2019 Technology Investment by Function



Project Type	Amount (\$ millions)
Countywide	12.7
Public Safety	17.9
Government Administration	15.5
Property Tax Administration	10.6
Public Health	4.9
Total	61.4

* Maintenance and hosting for Enterprise systems will be cross-charged to department budgets upon completion of implementation and per agreed upon methodology based on usage