

**VILLAGE OF DOWNERS GROVE**  
**REPORT FOR THE VILLAGE COUNCIL MEETING**  
**OCTOBER 18, 2011 AGENDA**

<b>SUBJECT:</b>	<b>TYPE:</b>	<b>SUBMITTED BY:</b>
Proposed FY12 Municipal Budget	Resolution Ordinance Motion ✓ Discussion Only	David Fieldman Village Manager

**SYNOPSIS**

Discussion is requested regarding the proposed FY12 Municipal Budget.

**STRATEGIC PLAN ALIGNMENT**

The goals for 2011-2018 include Steward of Fiscal and Environmental Responsibility.

**FISCAL IMPACT**

The FY12 Municipal Budget will provide for all operational revenues and expenditures for the time period from January 1, 2012 through December 31, 2012.

**UPDATE & RECOMMENDATION**

This FY12 Proposed Budget was discussed at the October 11, 2011 Village Council meeting. At the meeting, Commissioner Waldack introduced the idea of restoring funding for the DuPage Senior Citizens Council (Meals on Wheels) and modifying the Village's taxi coupon program by increasing the monthly coupon purchase limit from 60 to 100. Commissioner Barnett introduced the idea of providing additional funding for sidewalks by postponing or adjusting funding for other projects in the Capital Project Funds.

Staff has prepared the attached responses to Councilmember questions asked at the October 11 meeting.

Staff requests additional discussion and Council direction on potential changes to the FY12 Proposed Budget and recommends adoption of the budget on the November 8, 2011 Active Agenda.

**BACKGROUND**

On September 23, 2011, the proposed FY12 Municipal Budget was published for the Village Council and the public. The proposed budget is available at <http://www.downers.us/govt/village-budget>. A Budget Workshop was held at Fire Station 2 on Saturday, October 1, 2011. Staff presented information related to the following funds at the Workshop:

- General Fund
- MFT Fund
- Ogden TIF Fund
- Risk Fund
- Water Fund
- Stormwater Fund
- Equipment Replacement Fund
- Health Insurance Fund
- Capital Fund (Streets & Sidewalks)
- Downtown TIF Fund
- Fleet Services Fund
- Transportation Fund

During the presentation both Village Council and residents asked questions of staff. Copies of those questions and answers are attached. If requested by Council, staff will provide a presentation for any of the remaining funds not discussed at the Saturday Workshop.

Following is the budget schedule for the remainder of the year:

- Coffee with the Council Saturday, Oct. 15
- Budget Discussion Tuesday, Oct. 18
- Budget Public Hearing Tuesday, Nov. 1
- Vote to Adopt Budget Tuesday, Nov. 8
- Adopt Estimated Tax Levy Tuesday, Nov. 15
- Tax Levy Public Hearing Tuesday, Dec. 6
- Adoption of Tax Levy Tuesday, Dec. 13

**ATTACHMENTS**

Answers to questions from the October 11, 2011 Village Council meeting discussion

## **Responses to the Questions of the October 11, 2011 Budget Discussion**

**IMPORTANT UPDATE REGARDING SIDEWALK FUNDING:** The proposed FY12 budget includes \$300,000 in expenses for the acquisition of property for the construction of sidewalks on Ogden Avenue. The proposed budget includes grant revenue of \$250,000 to offset these expenses. The grant revenue of \$250,000 shown in the proposed budget is the first installment of a \$500,000 grant. The second installment is planned to be included in the FY13 budget. At the time the Village sought this grant, the use of the grant funds was restricted to Ogden Avenue sidewalks. Further, the State indicated that the grant would be paid in two annual installments.

The Illinois Department of Commerce and Economic Opportunity (DCEO), the State agency that administers the grant, indicated this week that the \$500,000 grant described above is not limited to Ogden Avenue and can be used on any sidewalk project. They also indicated that the grant can be paid in the full amount as soon as possible. The Village is in the process of completing the grant paperwork now and the \$500,000 grant should be paid to the Village within the next few months.

Therefore, if the Council would like to increase the amount of funding allocated to new sidewalk construction (sidewalk matrix), staff recommends the following:

- Shift \$30,000 from TR022 (Traffic Signal Modification, Main & Maple). The recently updated cost estimate for this project is approximately \$30,000 less than the budgeted amount. Shifting \$30,000 to new sidewalks would not impact this project.
- Shift \$20,000 from BW006 (Update Bikeway Plan). The scope of the bikeway plan update would be reduced slightly.
- Apply \$250,000 of the \$500,000 grant to new sidewalk construction.
- Do not change the amount budgeted in FY12 for Ogden Avenue sidewalks (\$300,000 in expenses, \$250,000 in grant revenue). This means that the second installment of \$250,000 of the \$500,000 grant will not be available for Ogden Avenue sidewalks in FY13. This issue should be addressed when the FY13 budget is prepared.

*What are the implications of postponing the CIP projects noted in the staff responses to the Council budget questions?*

SL006 (Village Hall Parking Lot Lighting Replacement): Postponing the Village Hall lighting replacement will lead to increased maintenance costs each year until the lights are replaced. There are approximately 80 mercury vapor cube lights in the parking lots near the Village Hall and Police Department. They are beyond their useful life and are failing at a rate of at least one per month. Staff extends the life of the light by rebuilding the light and converting it to a metal halide fixture by replacing the ballast, mounting bracket, bulb and wire. Both the light fixtures and the wires inside the poles are failing. There are no replacement parts for the poles available either. Therefore, if a pole fails, it is either removed or repaired with silicone for as long as the repair lasts. New LED lights and fixtures would almost eliminate the need for annual maintenance for 15 to 20 years while improving the quality of light and energy efficiency of the lighting.

Staff estimated the current annual maintenance costs as follows:

Conversion repairs 15 @ \$125 (including in house labor )	\$1875.00
Faulty underground repairs 2 @ \$750.00	\$1500.00
Staff time spent on repairs fixing cube light parts	\$500.00
Total estimated yearly maintenance	\$3,875.00

ST-004 (Roadway Maintenance Program): A reduction of \$50,000 from this program translates into approximately 600 centerline feet of road maintenance (approximately one street block) that would need to be eliminated from the program.

*How would an increase in the funding for sidewalks by \$300,000 affect the bundling of the next segments on the matrix with other construction projects?*

Staff reviewed the matrix to determine, based on the information known at this point, which of the next sidewalks in the matrix could be completed in 2012 with the additional \$300,000. Some of the next sidewalks listed in the matrix would not be constructed in 2012 because they are planned to be bundled with other needed drainage or street improvements in the next few year. See the table below for staff’s preliminary recommendation for the additional \$300,000.

Segments	From	To	Length	Est. Cost	Recommended if Extra for 2012?	Total of Added Segments	Comments
61st	Osage	Grand	400	\$20,400	No	-	Located in vacant ROW, Needs review
Sterling	Chicago	Davis	1540	\$78,540	Yes	\$78,540	
Grant	Lee	W. Limit	470	\$23,970	Yes	\$102,510	
Meadowlawn	Main	Washington	860	\$43,860	Yes	\$146,370	
Elm	Rogers	Warren	240	\$12,240	Yes	\$158,610	
62nd Place	Brookbank	Carpenter	320	\$31,620	Yes	\$190,230	
Eldon	Bunning	59th	590	\$30,090	No	-	Needs storm sewer work
60th Place	Clyde	E. Limit	190	\$9,880	No	-	Needs drainage work
Middaugh	60th	62nd	400	\$20,800	Yes	\$211,030	
Bunning	Eldon	Fairview	1360	\$70,720	No	-	Needs storm sewer work
62nd	Fairview	W. Limit	180	\$9,360	No	-	No connectivity, needs review
Downers Dr	Brook	Butterfield	780	\$40,560	Yes	\$231,830	Review available ROW
Brook	Finley	E. Limit	2380	\$123,760	Yes	\$355,590	Will complete as much as possible of project

*Does staff consider sidewalk gaps when constructing other projects? Are there examples of constructing sidewalks in conjunction with other projects?*

Yes, staff considers sidewalk gaps when constructing projects. Depending on the project and available funding, they are funded out of the construction project, available funding from other projects or from the sidewalk budget. Sidewalks are being constructed on Sterling north of Grant in conjunction with a drainage project this year. Similarly staff is planning for sidewalks in cul-de-sacs in Valley View and along Brookbank in conjunction with planned roadway work. Missing sections of sidewalks are also addressed by developers when private development occurs.

*Telecom tax – are other municipalities experiencing a decline in telecom revenues?*

Yes, other communities have experienced a decline in telecom revenues. See the following table.

**Telecommunications Taxes**

<b>Municipality</b>	<b>Calendar 2007</b>	<b>Calendar 2008</b>	<b>Calendar 2009</b>	<b>Calendar 2010</b>	<b>% Change 2007-2010</b>
Downers Grove ^	\$3,836,382.46	\$4,609,319.89	\$3,372,389.35	\$3,027,168.89	-21%
Lombard	\$3,045,315.48	\$2,840,486.76	\$2,754,541.79	\$2,574,646.70	-15%
Westmont	\$1,470,090.51	\$1,395,779.14	\$1,281,999.38	\$1,250,354.09	-15%
Carol Stream	\$1,947,836.96	\$1,851,582.87	\$1,765,604.76	\$1,670,433.40	-14%
Elmhurst	\$2,542,685.61	\$2,474,006.82	\$2,497,145.75	\$2,234,960.71	-12%
Aurora	\$6,823,879.14	\$6,718,352.96	\$6,534,254.38	\$6,185,474.98	-9%
Glen Ellyn	\$1,353,543.54	\$1,345,983.16	\$1,342,313.11	\$1,232,452.06	-9%
Naperville	\$6,627,546.94	\$6,588,835.83	\$6,570,067.22	\$6,108,366.33	-8%
Wheaton	\$2,477,937.46	\$2,450,855.32	\$2,424,401.60	\$2,308,627.61	-7%
Woodridge	\$1,518,269.64	\$1,490,005.33	\$1,499,756.30	\$1,458,548.34	-4%
Lisle	\$2,546,232.51	\$2,429,877.05	\$2,594,556.27	\$2,450,189.08	-4%
Oak Brook *	\$2,370,837.25	\$2,489,657.58	\$3,092,709.57	\$2,703,614.89	14%
Hinsdale #	\$1,088,682.92	\$1,126,658.52	\$1,271,563.56	\$1,280,872.42	18%
^ This represents the 5% in the General Fund					
# Hinsdale raised the rate from 5% to 6% beginning 7/1/2009					
* Oak Brook raised the rate from 5% to 6% beginning 1/1/2009					

*Has the Village received a request for funding or a report on service levels from the DSCC?*

No, the Village has not received a request or a report from the DuPage Senior Citizens Council (DSCC).

*To whom were the Village contribution payments made for the Meals on Wheels program?*

Payments were made to the DuPage Senior Citizens Council (DSCC).

*When the Village was administering the Community Grants program, were grants provided to similar organizations that provide services similar to the DCSCC?*

No, the Village did not provide grants to organizations that provide services similar to DSCC. Grants were provided to organizations in support of arts and cultural events.

*Does the Village conduct well-being checks?*

Yes, the Police Department responds to calls asking for a well-being check. A well being-check is a service provided in response to a call for service that results in one or more officers being dispatched to a specific location to check on the status of the individual who was the subject of the phone call. In 2010, there were 1,345 calls for well-being checks. To date in 2011, the Village has responded to 1,010 calls for well-being checks. The Fire Department responds to these calls if there is a medical response needed.

*How many un-budgeted projects has the Village completed in the past few years? What are they?*

Two unbudgeted capital projects were completed in FY10 and FY11. In 2011 the Village completed a Neighborhood Traffic Study. In 2010 the Village completed lighting retrofits within Village facilities. The receipt of a grant from the Department of Energy prompted the Village to undertake the lighting project one year earlier than planned.

*How many street sweeping cycles are currently performed? How much would it cost to add one more fall street sweeping cycle?*

The Village currently contracts for three street sweeping cycles between mid-October and early December at a cost of \$16,971.33 per cycle. Staff estimates that an additional cycle would cost about \$17,000.

*How much would it cost to increase the coupon purchase limit from 60 per month to 100 per month?*

Currently the Village provides a 50% subsidy to eligible participants for the purchase of taxi coupons. Participants are limited to purchasing 60 coupons per calendar month, or a total face value of \$60. Most all participants purchase the maximum allowed under the policy. The subsidy under the current structure costs the Village \$60,000 annually. If the amount available was increased to 100 coupons, staff projects that it would cost the Village an additional \$40,000 per year for a total annual subsidy of \$100,000.

*Request for Information:*

- *Domestic Violence Activity Data for the last 5-10 years (whatever is available through the PD)*
  - \* *seeking frequency of event*
  - \* *manhours spent on handling these events*

<u>Year</u>	<u># of Domestic Violence Related Calls</u>	<u>Sum of Time Spent by Officers for All Incidents (Hours)</u>
2001	590	1456
2002	618	1381
2003	549	1383
2004	616	1653
2005	640	2002
2006	657	1842
2007	639	1678
2008	636	1801
2009	568	1755
2010	560	1440
2011 (Jan to Dec)	424	1195

- *FISH Pantry Visit Activity Data*
  - \* *some quantification of how many people they serve, where the people are from, and with what frequency*

The FISH pantry distributes non-perishable food baskets, on a monthly basis, to approximately 400 (179 to DG) families per year. The non-perishable baskets are available to families from Downers Grove, Lisle and Westmont. FISH also makes perishable items available to families from Downers

Grove, Lisle, Westmont, Woodridge and Darien every Monday and Friday morning. FISH has received 40,547 lbs. of food supplies from Northern Illinois Food Bank in 2010.

FISH also provides the following services:

- Rides to appointments
- Clothes closet
- Household commodities
- Financial assistance for rent, car repairs, and utilities

In 2010, FISH provided 49 grants totaling \$25,000 for financial assistance.

- *Northern Illinois Food Depository Data*

*\* some quantification of how many people they serve, where the people are from, and with what frequency*

The Northern Illinois Food Bank distributes food to food pantries, soup kitchens and other organizations that provide food to low-income or needy individuals. According to its annual report, the Northern Illinois Food Bank distributes food in 13 northern Illinois counties. In its general distribution program, it distributed 35 million pounds of food to 502,400 different people in 2010.

*What amount of ambulance fee do insurance companies deem usual and customary?*

In November, staff will prepare a Council meeting agenda item regarding changes in Village fees. Staff will provide a response to this question as part of the November fee schedule discussion.

*Has staff looked into charging for the water used during a fire?*

Staff has been researching this potential new fee. In November, staff will prepare a Council meeting agenda item regarding changes in Village fees. Staff will provide a response to this question as part of the November fee schedule discussion.

*Describe the methodology for determining administrative transfers.*

The administrative transfer fee is a payment from the water and other major operating funds to the General Fund to cover the costs of providing services to other funds. These allocation transfers are reviewed annually by the Village's independent auditors and accepted for their reasonableness. The amount of each year's administrative transfer fee is based on the estimated General Fund expenditures that represent direct and indirect services provided to other operating funds. Examples of the costs include personnel, equipment, materials, construction, facilities or service usage provided by General Fund departments (such as Legal, Information Services, Finance and Human Resources).