

STATE OF THE VILLAGE ADDRESS
2009 Annual Year End Report
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JANUARY 2010

This State of the Village 2009 Annual Report is retrospective and as such includes a look back at the challenges and accomplishments of the previous year. Also included is a look ahead at the goals and aspirations for Downers Grove in 2010.

2009 was a year of tremendous financial challenges and hurdles causing the Village to make several operational changes. A shortfall in General Fund revenues was quickly identified and Staff was very responsive and began implementing changes. The expense reductions needed totaled \$2.4 million and included a hiring freeze, voluntary separations, salary freezes, furlough days and other operating efficiencies.

Throughout the summer the community, Village Council and Staff participated in the development of a Long Range Financial Plan. This was a data-driven look at the financial trends and issues facing the Village. Ultimately, the process revealed something pretty profound—a structural gap, a shortfall if you will, with respect to expenses outstripping revenues. It is important to note, that this structural gap existed prior to the recession which basically compounded some problems that have now been addressed.

The Village now has a Long-Range Financial Plan to guide financial decisions and budget preparations for the next 3-5 years. This was a top priority in our Strategic Plan. The Long Range Financial Plan has specific strategies for expense reductions, revenue enhancements and the strategic use of reserves when needed.

Through innovation the Village found ways to improve efficiency and save money. Two great examples of cost reductions, which also support environmental sustainability, occurred in the area of Fleet Operations. The Village operates a fleet of vehicles to provide Police, Fire and Public Works services. In 2009 the fleet was reduced by 15 vehicles which saved \$200,000. A computerized fleet analysis software program was implemented to better track vehicle usage and scheduled maintenance and saved \$50,000 in maintenance, supplies and equipment. Staff reductions in this area saved another \$72,000. In total, fleet expenses have been reduced by 20%.

The Village also saved money in fuel consumption through several initiatives including:

- Instituting an anti-idling policy
- Switching to nitrogen tire inflation
- Eliminating older vehicles
- Increased reliance on alternative fuels

In fact, there are now a total of 97 alternative fuel vehicles within the Village Fleet, something we can all be proud of. Together these initiatives resulted in a \$150,000 in savings, marking the lowest fuel consumption costs since 2005.

Increased emphasis on reducing energy consumption throughout all areas of Village operations has resulted in several innovative approaches. For example, new energy efficient lighting fixtures were used to re-lamp the parking deck. The cost of the project was approximately \$45,000 thanks to a rebate from the Illinois Department of Commerce and Economic Opportunity. The new fixtures have a ten-year life span, and the project will pay for itself in three years, resulting in a 40% reduction in lighting expenses.

Perhaps my favorite example of the Village responding to a specific need in a highly innovative and cost-effective manner is a new street light project in the Prentiss Creek Subdivision. The Village was approached by the residents there to somehow provide street lighting in this unlit area. The Village researched several options and discussed the features and benefits of each with neighborhood members. The result of this cooperative effort is a solar and wind powered street lighting system that is the first of its kind in any residential neighborhood in the United States. The \$282,000 project was partially granted and funded through a Community Development Block Grant which covers 45% of the cost.

In 2009 the Village obtained over \$400,000 in energy-related project grants to accomplish the innovative concepts mentioned thus far. New lighting in the parking deck, the hybrid street lights in Prentiss Creek, the expansion of our CNG fueling facility, the installation of energy-efficient lighting—all have been accomplished in part by grant funding.

The Village maintained a robust commitment to infrastructure investment in 2009. Twenty-two major infrastructure-related projects were completed throughout our community over the past year. In total \$15 million was spent to improve our roads, insure pedestrian safety, and fortify our stormwater management systems. The most visible of these projects were Prairie Avenue and Rogers Street, and we're nearing completion on improvements at Washington and McCollum Parks, in partnership with the Downers Grove Park District. The Village also completed \$3.2 million in needed road maintenance in 2009.

A short time ago, stormwater was a conspicuous infrastructure need, and the Village has maintained its commitment to making improvements in this vital area. In 2007 a three-year plan was implemented, calling for \$25 million in stormwater improvements. Last year \$7.5 million was spent on the implementation of the high priority projects identified in the Watershed Infrastructure Improvement Plan.

Community outreach and public input were at the forefront of Village activity in 2009. TCD-3 sought input from community members on issues important to Downers Grove. This process included residential and business workshops, as well as on-line surveys and mapping tools which created new opportunities for people to share their views. The common themes discussed throughout the process included economic development, infrastructure, education, public finances, and environmental sustainability.

In 2009 the Village also implemented several new communications tools. The community-wide notification system is able to reach all registered residences and businesses with emergency messages and announcements regarding important issues. The system can also target specific areas or neighborhoods. Although the primary form of notification is by phone, individuals can also register their e-mails and/or cell phones. Importantly, no Village funds were utilized on this project. If you would like to verify your information or register additional e-mail addresses or cell phones you can do so at www.downers.us.

The Village also launched a new format for the e-newsletter which allows subscribers to receive news targeted to specific construction projects. The general e-news is delivered on Wednesdays to all subscribers, and construction updates will be delivered on Mondays. The Village currently has about 2,800 subscribers to this service. If you would like news about the Village visit our website to subscribe.

In keeping with the theme of technology, you can now follow the Village on Twitter. Since May there has been 109 Tweets and we currently have 344 followers and need more . This is a great way to get information out quickly about road closures, water main breaks, and the like.

Even though the Village faced many financial challenges, 2009 was a good year for economic development. Several positive actions were undertaken, thanks in part to cooperative efforts between the Village, Downers Grove Economic Development Corporation, the Downers Grove Area Chamber of Commerce, the County of DuPage and the Illinois Department of Commerce and Economic Opportunity.

DeVry's decision to move to Downers Grove is the most conspicuous win for our Village this year. DeVry is a global leader of educational services, and one of the largest publicly held educational organizations in the world. In the first quarter of 2010, DeVry will move from Oakbrook Terrace to the Highland Landmark V and bring with it approximately 700 new jobs.

The Dover Corporation is moving from Park Avenue in Manhattan, New York to Downers Grove, Illinois. Dover Corporation is the maker of a large variety of products ranging from garbage trucks to building equipment. They will

lease about 68,000 square feet for a total investment of about \$18.5 million. The company currently has dozens of employees in this area, but will be adding about 90 new employees to our community soon—another economic win for our State, County and this municipality.

The Ziegler Automotive Group is putting a new facility in Downers Grove at 2311 Ogden Avenue. This new dealership will bring 75 new jobs and something that is especially rewarding during these times - sales tax revenue. This and the two previous wins, Dover and DeVry, is a reminder that our community continues to be a destination for good business.

Before looking ahead to 2010, I would be remiss if I didn't mention that the last thing the Village Council and Staff did in 2009 was prepare a budget. Like most, the Village is on calendar year budget. The last month of 2009 was difficult because we had to make some significantly challenging decisions. Those tough decisions have set the Village and this community on a path toward financial sustainability for 2010.

An innovative concept that is now being pursued regards a partnership between the Village and the Darien/Woodridge Fire Protection District. These organizations are working together to enhance fire and EMS services while reducing costs. There are two stations in close proximity which provide services to the same geographical area, near Belmont and Maple. The concept, and it's just that right now, would allow for joint operations from one of the two stations, while maintaining response times and the excellence both communities have regarding fire protection services. This is a novel opportunity to consolidate operations and provide necessary services at reduced cost.

Environmental sustainability was a reoccurring theme during TCD-3. In 2009 the Village published its Sustainability Best Practices report. As a result, the Village will be working on a variety of environmental issues and appropriate matters. Some of these projects include, installing idling units on diesel vehicles, analyzing and improving recycling at Village facilities and throughout the community, reducing street light electricity usage, bidding solar panels for our water pumping stations and researching the benefits of gray water collection and rain barrel usage. We will rely on the time and talents of volunteers on the ECC (Environmental Concerns Commission) to advise on these projects in the coming year.

Another important activity that will take place this year will be the Comprehensive Plan update. A group has been appointed to look at our Comprehensive Plan and make recommendations. The vast amount of research obtained from TCD-3 will be utilized for this endeavor. This group will develop recommendations largely dealing with land use and the layout of

our community and will address concepts such as housing, transportation, open space and historic preservation.

I mentioned earlier our commitment to infrastructure improvement. In 2010 our commitment will not waver as we plan to complete 29 infrastructure projects totaling approximately \$29.5 million. The Village recently doubled the amount available for the neighborhood stormwater cost-sharing program to \$100,000. This will allow for the completion of smaller, localized neighborhood drainage projects. Grants are projected to fund over \$2 million of our 2010 capital program.

A theme that will continue in 2010 is financial stewardship. Throughout the year we are going to be mindful of the prudent use of tax dollars. Doing more with less and using innovative approaches to increase the efficiency by which we provide necessary services to the community.

In 2010 we'll improve customer service by developing a customer satisfaction measurement tool to improve performance. We will seek input from our customers regarding their interactions with the Village and increase the number of e-news construction updates related to specific projects. New ways to increase public input at Village Council meetings have already been implemented.

The coming year will likely be every bit as challenging—maybe more challenging—than 2009; but, our Village is well-positioned to face those realities and handle whatever comes our way for the betterment of our community. In 2010 we'll endeavor to do the best we can for you, our customers, in the delivery of necessary Village services. We'll be doing this with an eye towards partnership, looking and listening to you for any ideas you have in helping us do what we do as best as we can.

Thank you for your time, attention and good will.