

2013 ADOPTED BUDGET

**VILLAGE OFFICIALS AND MANAGEMENT STAFF
VILLAGE ORGANIZATIONAL CHART
SOURCES AND USES BY FUND
REVENUE ASSUMPTIONS
PROPERTY TAXES
MAJOR REVENUE TRENDS**

VILLAGE OFFICIALS AND MANAGEMENT STAFF

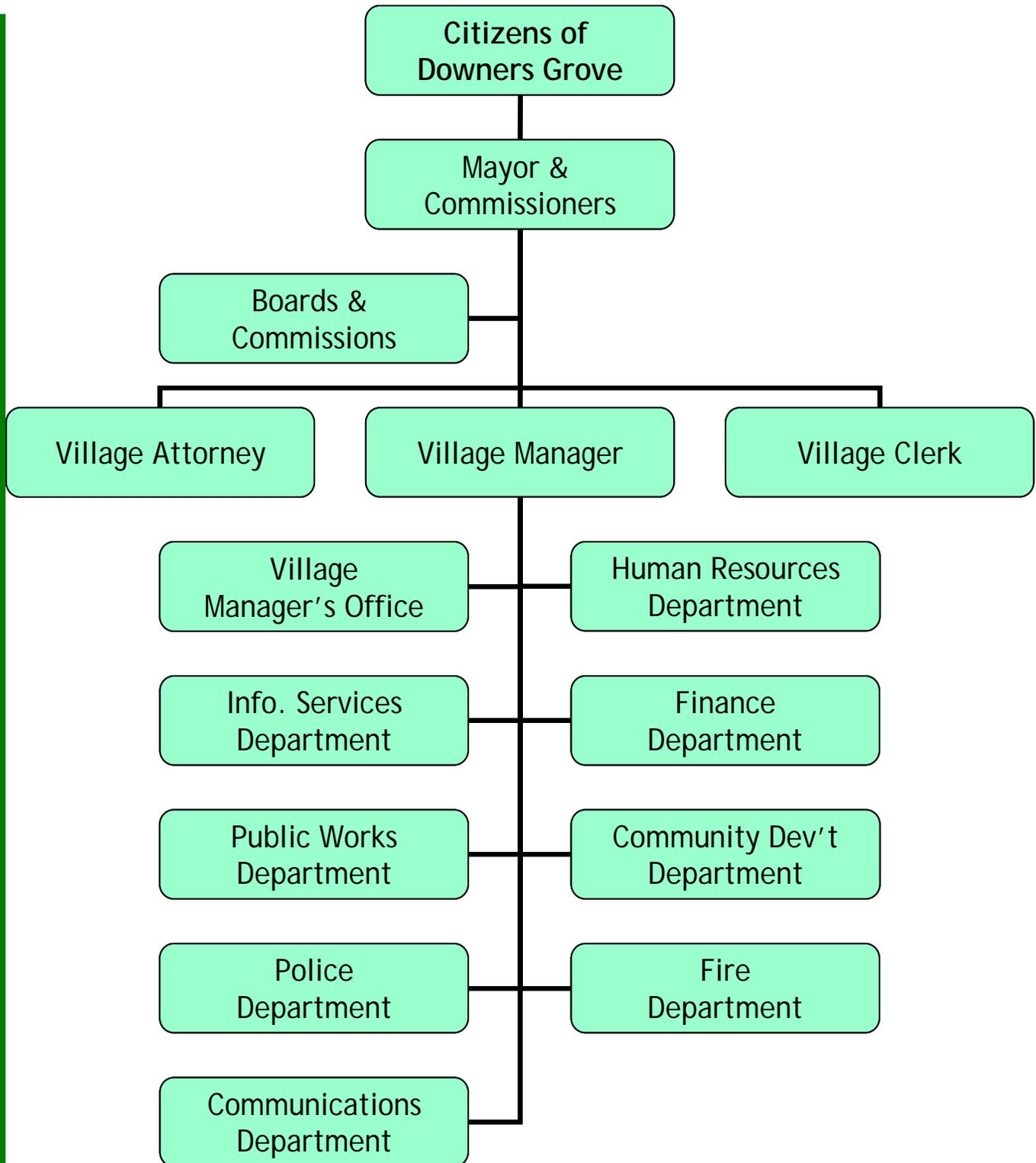
Mayor & Village Council

Mayor	Martin Tully
Commissioners	Robert Barnett
	Sean Patrick Durkin
	Geoff Neustadt
	Becky Rheintgen
	Marilyn Schnell
	William Waldack

Management Staff

Village Manager	David Fieldman
Village Attorney	Enza Petrarca
Village Clerk	April Holden
Deputy Village Manager	Michael Baker
Communications Director	Douglas Kozlowski
Community Development Director	Thomas Dabareiner
Finance Director	Judy Buttny
Fire Chief	James Jackson
Human Resources Director	Dennis Burke
Information Services Director	Liangfu Wu
Police Chief	Robert Porter
Public Works Director	Naneil Newlon
Purchasing Agent	Theresa Tarka

VILLAGE ORGANIZATIONAL CHART



SOURCES AND USES BY FUND

The chart below shows the FY13 budgeted revenues and expenses by category and fund.

Sources By Fund, FY2013 Adopted Budget

Fund #	Fund Description	41-Local Taxes	42-Licenses & Permits	43-Intergov'tal Revenues	44-Sales Revenues
001	General Fund	18,926,623	1,284,830	16,003,000	20,000
102	Motor Fuel Tax	-	-	1,150,000	-
107	CBD-TIF	2,850,000	-	-	-
109	Foreign Fire Insurance	78,000	-	-	-
110	Ogden TIF	715,000	-	-	-
111	Tax Rebate	-	-	825,000	-
112	Transportation	-	-	171,187	-
114	Asset Forfeiture	-	-	-	-
220	Capital Projects	7,574,195	-	-	-
223	Major Buildings	-	-	-	-
226	Real Estate	-	-	-	-
337	Fairview Avenue Debt Service	186,000	-	-	-
338	CBD-TIF Debt Service	-	-	-	-
339	Stormwater/Facilities Debt	-	-	-	-
443	Stormwater Utility	-	-	-	3,314,976
471	Parking	-	-	-	1,174,000
481	Water	-	2,881	-	13,155,110
530	Equipment Replacement	-	-	-	-
531	Fleet Services	-	-	-	113,800
562	Risk Management	-	-	-	-
563	Health Insurance	-	-	-	1,945,000
651	Police Pension	-	-	-	-
652	Fire Pension	-	-	-	-
805	Library	4,306,580	-	52,000	200
821	Library Construction Fund	-	-	-	-
836	Library Debt	649,340	-	-	-
TOTAL		35,285,738	1,287,711	18,201,187	19,723,086

Uses by Fund, FY2013 Adopted Budget

Fund #	Fund Description	51-Personnel Expenses	52-Supplies	53-Professional & Tech Services	54-Other Contr Srcvs
001	General Fund	32,706,054	1,088,112	1,510,961	1,712,476
102	Motor Fuel Tax	-	-	-	-
107	CBD-TIF	-	40,500	22,200	-
109	Foreign Fire Insurance	-	50,700	28,850	9,200
110	Ogden TIF	-	1,000	21,590	-
111	Tax Rebate	-	-	-	-
112	Transportation	214,517	45,685	2,400	19,537
114	Asset Forfeiture	-	-	15,000	-
220	Capital Projects	290,647	100,000	209,050	16,500
223	Major Buildings	-	-	-	-
226	Real Estate	-	4,000	3,000	66,600
337	Fairview Avenue Debt Service	-	-	-	-
338	CBD-TIF Debt Service	-	-	-	-
339	Capital Debt	-	-	-	-
443	Stormwater Utility	1,028,363	69,695	97,662	163,500
471	Parking	169,873	10,488	42,493	128,432
481	Water	1,322,050	7,391,693	201,678	531,332
530	Equipment Replacement	-	-	-	-
531	Fleet Services	636,074	807,382	12,100	122,285
562	Risk Management	123,560	550	76,120	485,250
563	Health Insurance	113,894	760	488,592	543,000
651	Police Pension	-	600	170,800	-
652	Fire Pension	-	-	135,800	-
805	Library	3,097,500	123,000	165,400	286,000
821	Library Construction Fund	-	-	-	-
836	Library Debt	-	-	-	-
TOTAL		39,702,532	9,734,165	3,203,696	4,084,112

45-Fees & Charges	46-Grants	47-Interest & Claims	48-Misc. & Contributions	49-Other Fin. Resources	TOTAL	Fund #
4,816,695	530,000	50,000	-	-	41,631,148	001
-	-	300	-	-	1,150,300	102
-	-	225	-	-	2,850,225	107
-	-	300	-	-	78,300	109
-	-	5,005	-	-	720,005	110
-	-	-	-	-	825,000	111
111,672	-	-	-	-	282,859	112
50,000	-	-	-	-	50,000	114
-	190,000	125,000	20,000	-	7,909,195	220
-	-	-	-	350,000	350,000	223
67,740	-	-	-	-	67,740	226
-	-	-	-	-	186,000	337
-	-	-	-	2,814,126	2,814,126	338
-	-	-	-	3,632,546	3,632,546	339
-	-	20,000	50,000	-	3,384,976	443
110,000	75,000	75	-	-	1,359,075	471
111,882	400,000	40,000	-	-	13,709,873	481
1,250,478	-	200	-	29,000	1,279,678	530
1,666,463	-	-	-	-	1,780,263	531
1,459,000	-	30,000	-	-	1,489,000	562
4,456,397	-	-	-	-	6,401,397	563
-	-	1,000,000	2,643,836	-	3,643,836	651
-	-	950,000	2,894,196	-	3,844,196	652
138,500	40,000	6,100	10,000	-	4,553,380	805
-	-	600	-	-	600	821
-	-	-	-	-	649,340	836
14,238,827	1,235,000	2,227,805	5,618,032	6,825,672	104,643,058	

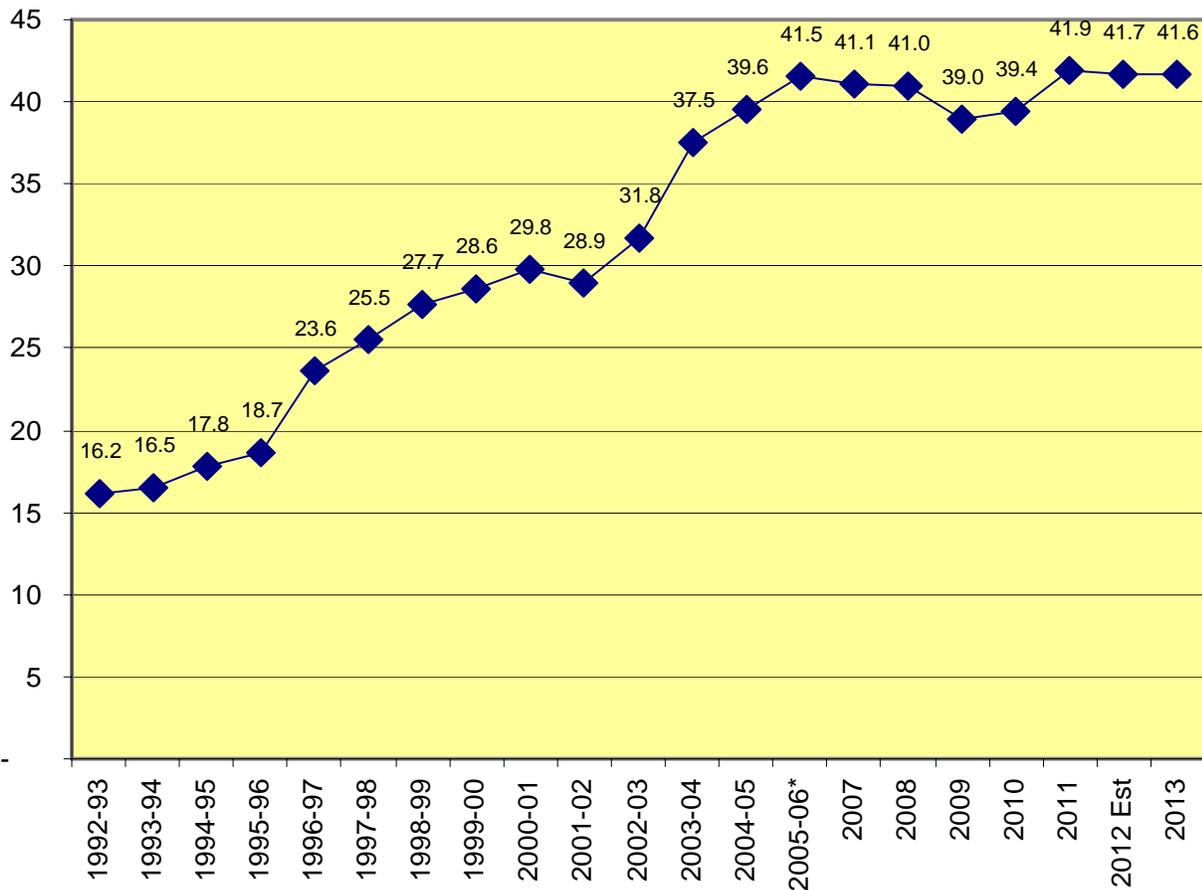
56-Claims, Grants, & Debt	57-Controlled Assets	58-Capital Assets	59-Other Financial Uses	TOTAL	Fund #
4,518,315	84,560	10,400	-	41,630,878	001
-	1,500,000	-	-	1,500,000	102
50,000	45,500	-	2,514,126	2,672,326	107
31,250	30,000	-	-	150,000	109
285,000	-	700,000	1,079,568	2,087,158	110
825,000	-	-	-	825,000	111
-	-	-	-	282,139	112
-	35,000	-	-	50,000	114
9,699	4,137,000	10,482,600	3,982,546	19,228,042	220
-	352,000	-	-	352,000	223
7,200	-	65,000	53,045	198,845	226
200,000	-	-	-	200,000	337
2,814,126	-	-	-	2,814,126	338
3,632,546	-	-	-	3,632,546	339
1,571,377	2,474,500	552,000	-	5,957,097	443
19,542	310,000	175,000	834,172	1,690,000	471
1,121,266	211,500	6,170,000	1,106,462	18,055,981	481
-	27,900	1,638,800	-	1,666,700	530
99,072	22,500	-	113,423	1,812,836	531
800,237	-	-	-	1,485,717	562
5,175,521	-	-	78,062	6,399,829	563
2,995,000	-	-	6,852	3,173,252	651
2,775,000	-	-	6,852	2,917,652	652
33,000	95,000	1,104,000	-	4,903,900	805
-	220,000	-	-	220,000	821
649,340	-	-	-	649,340	836
27,612,491	9,545,460	20,897,800	9,775,108	124,555,364	

REVENUE ASSUMPTIONS

In developing the revenue estimates for the Village, each department provides data that is then reviewed by the finance department and manager's office. Historical trends over many years are used with the current economic climate to generate conservative realistic amounts. No set percentages are used to forecast the out years for each line item; an analysis is completed for each revenue with known facts and reasonable expectations. This process includes ongoing scrutiny of the Village's current financial position; changes and modifications in assumptions; and variations in the economic climate affecting the community. These factors translate into an anticipated modest rate of growth of General Fund Revenues of about 1-2% per year over the next few years.

Total General Fund Revenues

This chart presents a history of all General Fund Revenues in the Village of Downers Grove. It shows the estimated collection for FY12 and projected collection for FY13.



REVENUE ASSUMPTIONS

Enterprise Fund Revenues

The Village's three enterprise funds—Parking Fund, Water Fund and Stormwater Fund—derive their revenue directly from the users of the services provided through parking fees, water fees, and stormwater fees.

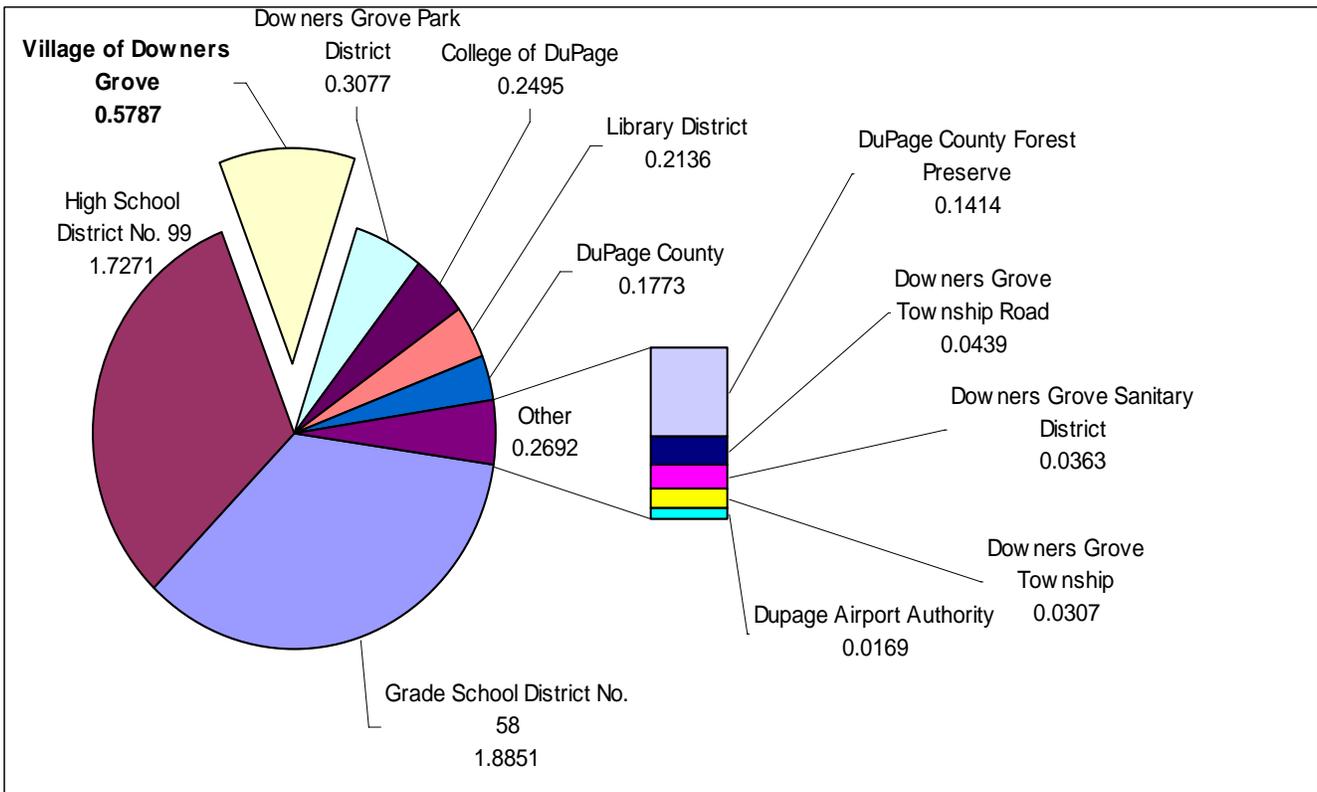
Parking Fund-In 2011 the Village authorized a downtown parking study which was conducted by Rich & Associates. The Parking Fund, which is the repository for all commuter and downtown parking activities, should benefit from this study. The purpose of the study is to manage available parking in a manner that best serves downtown Downers Grove. The Village has begun implementing recommendations from this study, including a rate increase in 2013 for commuter parking permits which is planned to become effective the third quarter, generating an additional \$30,000 in revenues over current levels.

Water Fund- In 2010, the Village conducted a water rate study with the assistance of the consultant Municipal & Financial Services Group (MFSG). Through the study, the Village determined that water rates as of 2010 were not generating adequate revenues to cover the costs of operating and maintaining the water system in 2011 or during subsequent years. The study concluded that the Village should restructure the water rates to include a fixed rate fee based on meter size, increase water rates over a five-year period, make needed improvements to the water system and issue bonds at regular intervals to pay for water system improvements. The Village changed the water billing structure in 2011. In 2012, the MFSG model had to be adjusted to cover the increased cost of purchasing water from the DuPage Water Commission triggered by unexpected rate increases by the City of Chicago. The long-range financial plan (LRFP) strategy for the Water Fund is to continue to implement the 2010 Water Rate Study, which includes increasing water rates to ensure that revenues cover the cost of water as well as maintenance and improvements to the water infrastructure.

Stormwater Fund- During the LRFP process in 2012, a maintenance gap in infrastructure was identified. The LRFP recommended considering the creation of a stormwater utility to address the infrastructure maintenance gap. In 2012, the Village Council authorized the creation of a stormwater utility system. Revenues from this system will cover maintenance and operating costs of the stormwater infrastructure. Beginning in 2013, all property owners in the Village can expect to pay a monthly fee based on a property's impervious area. The current plan is to increase the fees each year by approximately 11% for 15 years to fund the stormwater system in a manner consistent with the Stormwater Master Plan.

PROPERTY TAXES

Downers Grove Property Tax Rates 2011



Distribution of 2011 Tax Levy

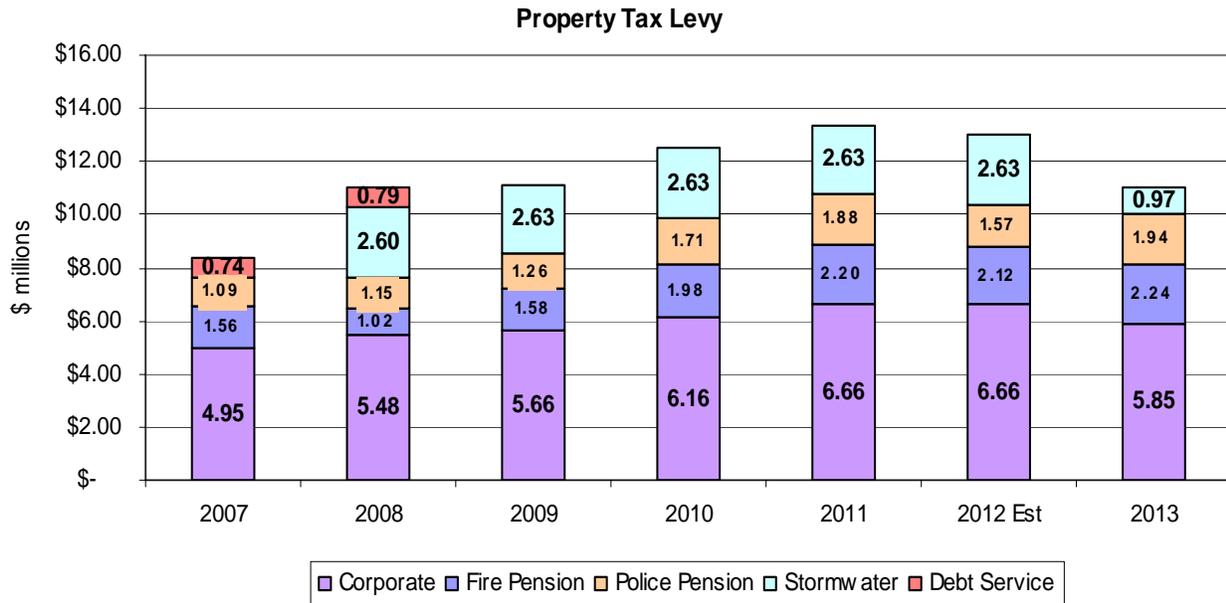
Taxing Unit	2011 Tax	
	Rate*	% of Tax Bill
Grade School District 58	1.8851	34.86%
High School District 99	1.7271	31.93%
Village of Downers Grove	0.5787	10.70%
Downers Grove Park District	0.3077	5.69%
College of DuPage	0.2495	4.61%
Downers Grove Public Library	0.2136	3.95%
DuPage County	0.1773	3.28%
DuPage County Forest Preserve	0.1414	2.61%
Downers Grove Township	0.0746	1.38%
Downers Grove Sanitary District	0.0363	0.67%
DuPage Airport Authority	0.0169	0.31%
Total	5.4082	

* Levied in 2012

MAJOR REVENUE TRENDS

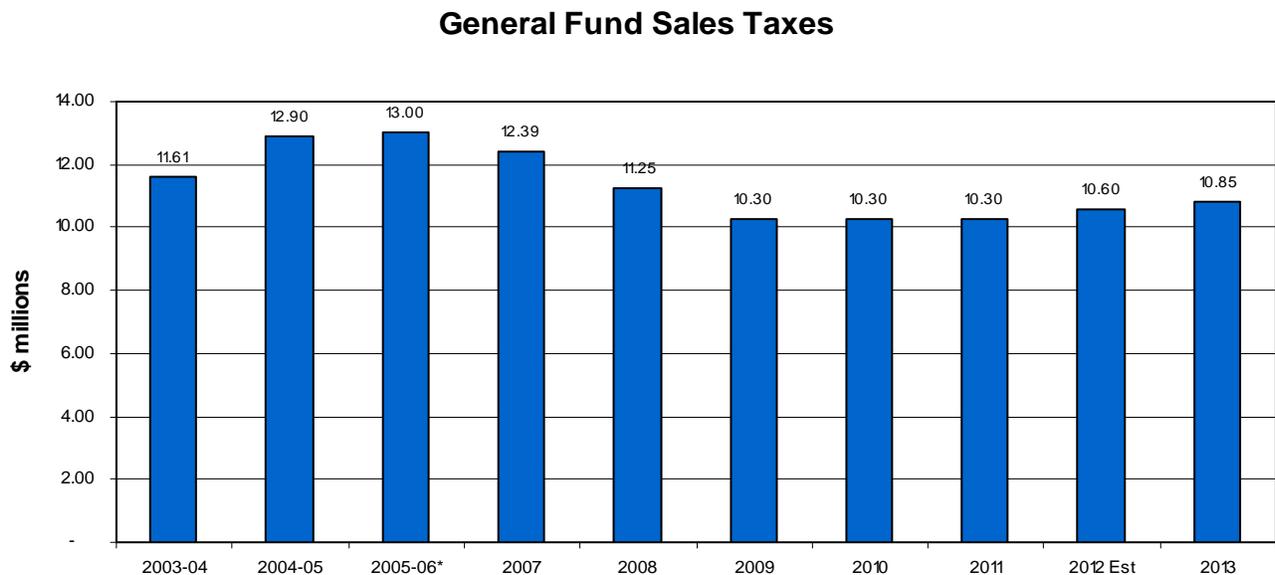
Property Tax Levy History

The Village's property tax rate has been historically one of the lowest rates for DuPage County municipalities. The 2013 decrease is due to creation of a Stormwater Utility (\$2.47 million) partially offset by increases in the levy for Police and Fire Pensions (\$497,000).



Sales Tax Revenue History

This chart presents a complete ten year history of the 1% Municipal sales tax collection for the Village of Downers Grove. It also shows the estimated collection for FY12 and projected collection for FY13. Sales tax is projected at 26% of the FY13 General Fund operating revenue. The Village relies heavily on sales taxes to provide quality services to the Village of Downers Grove. Sales taxes are paid by both Village residents and non-residents. Modest recovery recently has not approached levels prior to the recession.

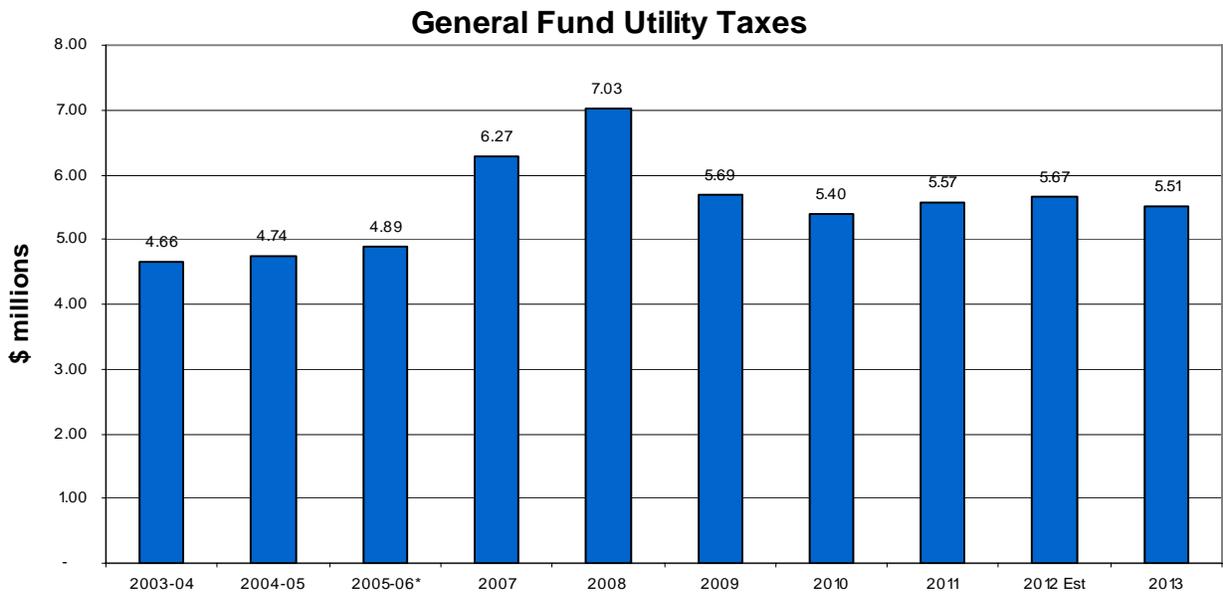


*The Village switched its Fiscal Year to a calendar year in 2007. Prior to that time the Fiscal Year was May 1 through April 30.

MAJOR REVENUE TRENDS

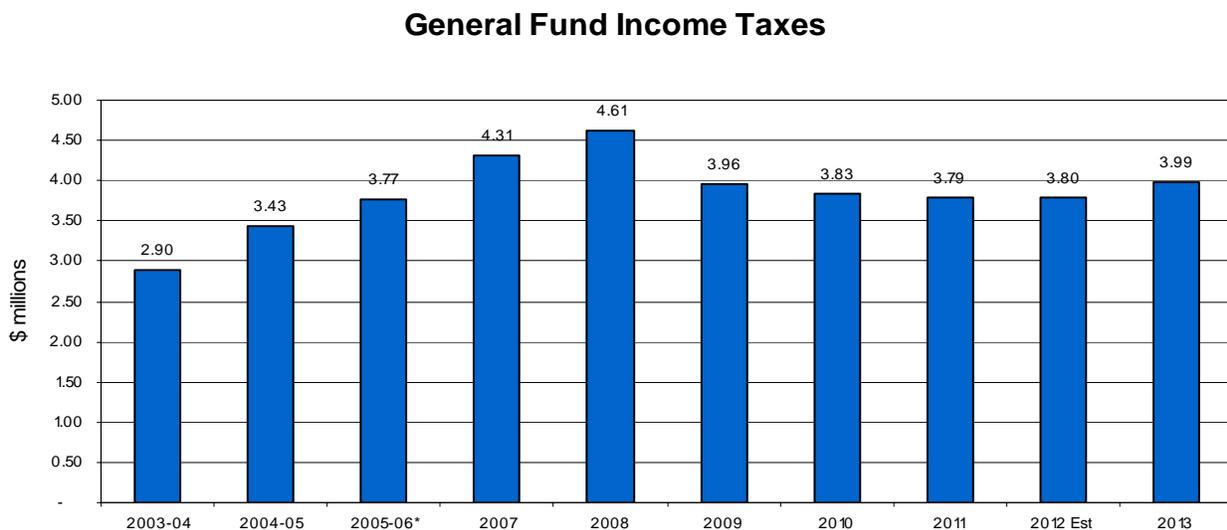
Utility Tax History

These include Natural Gas Use Tax, the Electricity Tax and the Telecommunications Tax. Electricity and Natural Gas taxes vary relative to the weather. The Telecommunications Tax grew dramatically from 2006-2008 due to the proliferation of cell phones and internet use. These revenues started declining in 2009 due to a number of factors: The elimination of land lines, businesses moving to Voice over Internet Protocol (VOIP), and call centers leaving the Village.



State Income Tax History

The Village of Downers Grove receives a percentage of the income tax received by the state based on the Village's population. Income taxes are impacted by the economic climate and any changes in state funding formula. After many years of substantial growth, this revenue declined dramatically in 2009 due to the recession. Modest recovery recently has not approached levels prior to the recession.



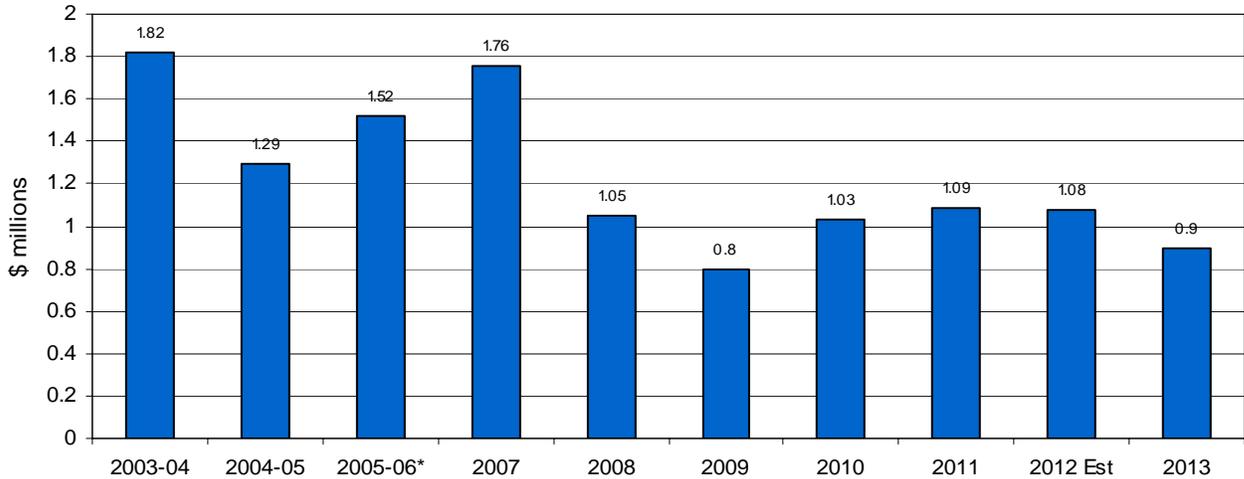
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MAJOR REVENUE TRENDS

Building Related Permits

In the early 2000's, the Village's building related permit revenues were strong due to the housing market boom and tear-down activity. With the recession and downturn in the housing market there was a substantial drop in this revenue from 2007 to 2008 and 2009 with a leveling off in recent years.

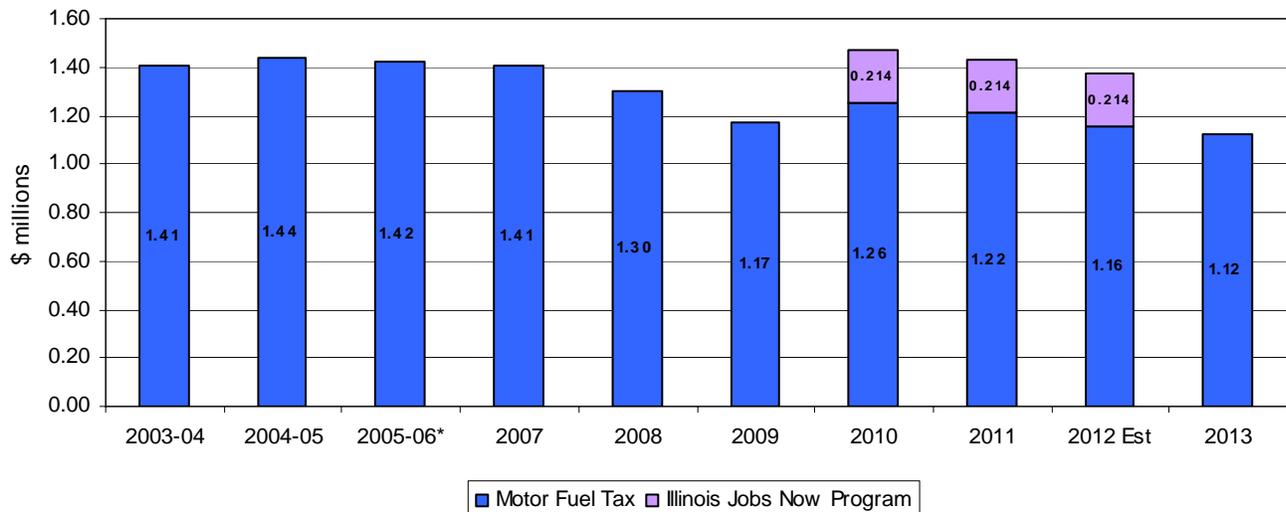
Building Related Permits



Motor Fuel Tax (MFT)

The Village of Downers Grove receives a percentage of the motor fuel tax received by the state based on the Village's population. MFT revenues have been declining in recent years due to a decrease in total miles driven and improvements in the average fuel economy of vehicles. Offsetting this decline are additional distributions from the state for the Illinois Jobs Now Program. The Village has received \$214,000 per year from 2010-2012 from this program. These funds are used for roadway maintenance.

Motor Fuel Tax Revenues

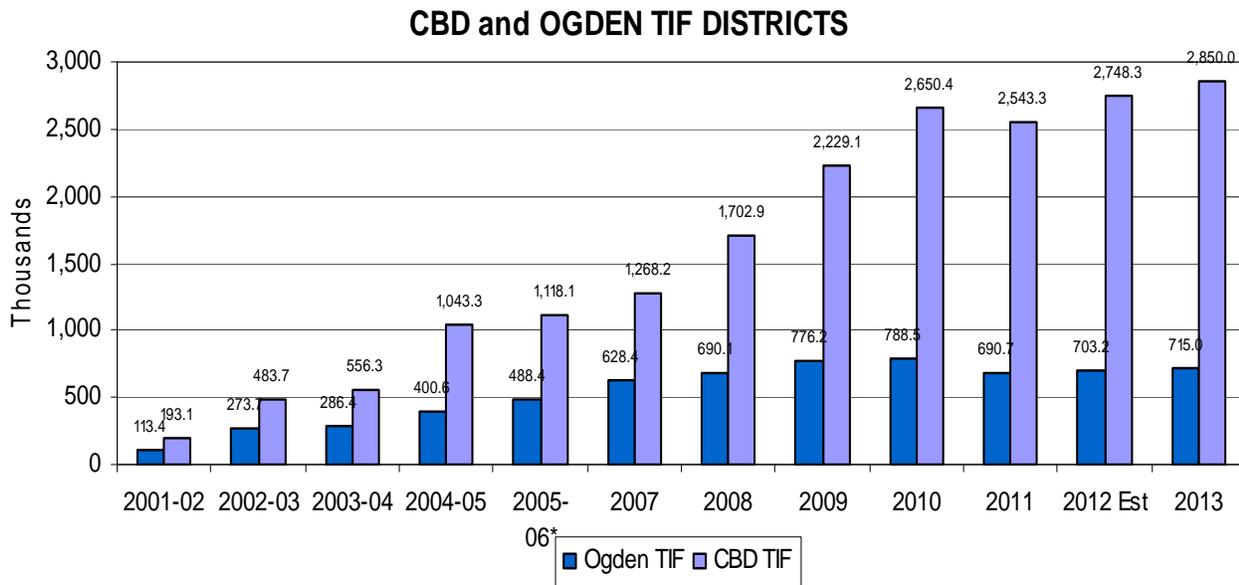


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MAJOR REVENUE TRENDS

Central Business District and Ogden Avenue Tax Increment

The Downtown TIF was created in 1997. The value of the properties located within the district has increased from \$16.3 million (1996 EAV) to \$56.6 million (2011 EAV). The Ogden TIF was created in 2011. The value of the properties located within the district increased from \$29.3 million (2000 EAV) to \$41.5 million (2011 EAV).



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