Village of Downers Grove

Long-Range Plan

2013 - 2015

Village of DOWNERS GROVE FOUNDED IN 1832 ®

The 2013-2015 LONG-RANGE PLANNING PROCESS

This year's Long-Range Planning process obtained effective policy direction from the 2013-2015 Village Council by combining key elements of the Village's Long-Range Financial Plan (LRFP) and Strategic Plan. The Long-Range Planning process combined elements of the LRFP and Strategic Plan to create an outcome-driven plan that also addresses financial issues and constraints. The Village now has one plan to guide the actions of the 2013-2015 Village Council.

The Long-Range Plan was prepared with the Village Council and will be implemented by the members that are in service from May 2013 to May 2015. The 2013-2015 LRP includes Goals and Action Items that direct the preparation of the annual budget and the daily operations of the Village. Following the election in April 2015, the Long-Range Plan will be updated for the 2015-2017 Village Council.

For the past several years the Village has been preparing LRFPs and Strategic Plans that guide Village actions. The LRFP efforts have been financially driven and focused on strategies for allocating limited financial resources. The LRFP process enabled the Village to successfully manage through difficult economic conditions by identifying potentially adverse trends and corresponding strategies to mitigate their impacts. The Village's LRFP process is one of many strong management practices that led Standard & Poor's to affirm the Village's AA+ bond rating. More information on the Village's past LRFP processes is available at the end of this report.

The Village has relied both on the LRFP and Strategic Plan for guidance. These plans have worked well together but have resulted in two separate sets of strategies, solutions and actions that require the Village to coordinate the plans.

Benefits of the Long-Range Plan

- ***Combines Elements of LRFP and Strategic Plan***
  Results are in one plan with strategies, solutions and action items.

- ***Increases Efficiency***
  Preparing the Long-Range Plan will be done with one coordinated process, not two processes that require coordination efforts.

- ***Aligns with the Council Election Process***
  The Long-Range Plan was prepared and will be implemented by the Village Council that is in place from May 2013 to May 2015.

The Long-Range Plan was created by applying critical thinking, identifying trends and issues that may affect the future of the Village, and developing strategies and solutions in response to the issues. The Plan is a commitment of resources into actions and includes a list of action items to be completed during the next two years. The Long-Range Plan includes:

- Goals for 2013 - 2015
- Solutions and strategies for addressing key issues facing the Village
- Prioritized Action Item list

II. GOALS & ACTIONS 2013-2015

The Village Council met on June 18 and July 23, 2013, to discuss the Long-Range Plan for the period of 2013 to 2015. The existing Strategic Plan Goals created in 2010 are intended to guide Village actions through 2018. The goals will remain unchanged for 2013 to 2015.

- ***Steward of Financial & Environmental Sustainability***
  The Village should act as a steward of public resources to achieve financial and environmental sustainability. Financial sustainability can be achieved by aligning expenses with revenues on a long term basis. The Village should control increases in expenses and implement revenue sources that withstand short-term uncertainty and provide long-term stability.

  Over the past few years the Village has used strategies previously identified in the Long-Range Financial Plan to achieve sustainability. The strategies include:

  - Increase operating efficiencies.
  - Reduce personnel expenses.
  - Partner with other agencies and government entities.
  - Enhance the revenue base.

  These strategies demonstrate how the culture of Lean throughout the organization can lead to greater value for residents and other stakeholders.

  Environmental sustainability refers to the Village's responsibility to deliver its services in a way that protects or enhances natural resources. The Village seizes opportunities to 'green' its operations when possible, whether by seeking grants to introduce new environmentally friendly practices or by seeking the most environmentally friendly option for existing services.

Key Themes Guiding Village Operations

Three themes emerged during Long-Range Plan discussions that will guide Village operations from 2013-2015.

- **Improve how residents engage with the Village.**
  - **Use technology to allow residents and other stakeholders to access Village services anytime, anywhere.**
  - **Allow for interactive communication.**
  - **Build goodwill with residents.**
- **Take a lead role in identifying and implementing partnership opportunities with *other agencies*.**
- **Increase and demonstrate community value of Village services.**

- ***Exceptional Municipal Services***
  The services provided by the Village to residents, businesses and all stakeholders should be of the highest quality. The Village should provide unsurpassed service to residents and businesses in a manner intended to exceed expectations. Village services should be delivered at a value to the community and should reflect the needs and desires of the community as a whole. This is achieved through maximizing the value of public dollars by partnering with overlapping and adjacent government entities. The value of the Village's services should be regularly communicated to residents, government should be transparent and accessible, and residents should be engaged and able to interact with their local government. The Village achieves this by producing timely communications in multiple media formats, publishing financial information in a way that is clear and understandable, and seeking and implementing new ways to gather input from residents and other stakeholders.

- ***Top Quality Infrastructure***
  The Village owns and operates several infrastructure systems including streets, stormwater system and water supply and distribution. Specific performance and maintenance standards have been identified for each infrastructure system. The Village should continue to invest in all infrastructure systems so that each system meets or exceeds performance and maintenance standards. The following strategies have been identified in previous planning processes:
  - ***Streets:*** Reconstruct failed streets and maintain existing streets at a level that reduces the need for total reconstruction in the future. More information on this strategy is found in the 2012 LRFP.
  - ***Stormwater:*** Continue to maintain and expand the stormwater system using the stormwater utility as a funding source, as outlined in the 2012 Stormwater Utility Study presentations. Additionally, the Village will incorporate the findings of the 2013 storm report into future budgets.
  - ***Water:*** Continue to implement the recommendations of the 2010 Water Rate Study, which outlined a rate structure that improves the long-term sustainability of the system.

- ***Strong, Diverse Local Economy***
  The Village should continue to strengthen and diversify the local economy. This goal can best be achieved by working with the Downers Grove Economic Development Corporation (DGEDC) and implementing the recommendations of the Village's Comprehensive Plan.

  The DGEDC, a private not-for-profit agency, is committed to strengthening and diversifying the local economy by retaining existing businesses and attracting new businesses to the Village.
  They work in partnership with the Village to achieve the following:
  - Strengthen the Sales Tax Base
  - Strengthen the Commercial and Industrial Tax Base
  - Increase Hotel Tax Revenue
  - Increase the Employment Base

  The Village's Comprehensive Plan was adopted in 2011 after nearly two years of public discussion and serves as a tool for improving the community in many areas, including economic development. The Village and DGEDC are both now working to implement the recommendations of the Comprehensive Plan.The Village is updating the Zoning Ordinance and Subdivision Code, enforcing the sign ordinance compliance deadline, and creating a Historic Building Survey.

  The DGEDC is drafting a five-year Strategic Plan, which is scheduled for review and discussion by the Village Council in late 2013. The plan will include a mission statement for the organization, as well as establishing goals and benchmarks. Each goal will include "critical success factors" or the steps necessary to achieve each goal. The plan will address all aspects of the DGEDC including commercial and office development, the Ellsworth Business Park, downtown redevelopment, business retention, marketing, and the Downers Grove Visitors Bureau.

  Strategies to create jobs and grow the local tax base, including revenues from sales, hotel and business real estate taxes, will be discussed in the plan. The Strategic Plan will also identify organizational goals such as finance, investor relations, personnel, and office administration. In addition, annual benchmarks will be established to measure outcomes during the five-year period.

- ***Continual Innovation***
  Innovation refers to the discovery and implementation of leading ideas and practices. Continual innovation leads to increased value of each dollar of investment in Village operations. It is achieved by emphasizing a leadership philosophy that is issue-focused and builds on the skills and talents of all employees within the organization. Village staff carefully considers the benefits of innovative practices to ensure success and value to the organization.

III. KEY ISSUES and STRATEGIES & SOLUTIONS

There are three key issues currently facing the Village that may have a significant impact on the Village's future. All three of these issues have been identified and discussed in previous Long-Range Financial Plan efforts.

- Potential reduction in state shared revenues.
- Infrastructure maintenance funding gap.
- Aging Village facilities.

The following section describes the current issues, discusses the actions that the Village has taken and provides strategies and solutions to address the issue.

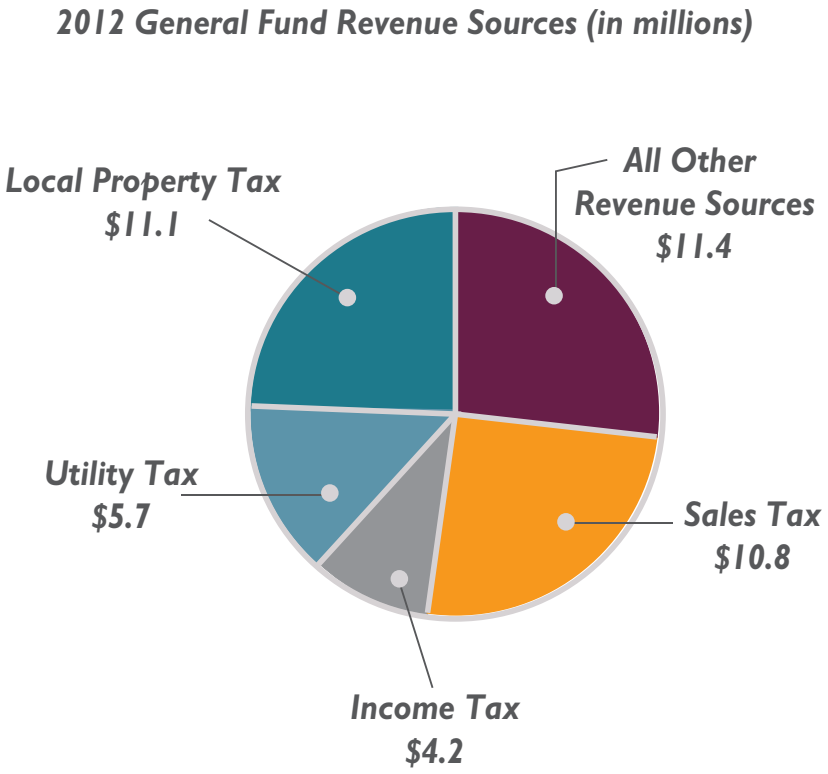
1. Potential Reduction in State Shared Revenues

Issue	The Village receives about $15 million per year in state shared revenues in the General Fund primarily from sales tax revenue (over $10 million) and state income tax from the Local Government Distributive Fund (about $4 million). The state is considering reducing the amount of revenue shared with municipalities as a way to address their financial challenges. **Changes to the Local Government Distributive Fund (LGDF) recently considered by the state range from capping the Village's revenue at its current level (no reduction, but no future growth) to reducing the Village's revenue by over $550,000 per year.**
Actions Completed	***Increased the Balance in the General Fund -*** The balance now stands at over $19 million, up $3.7 million from the 2009 fund balance. This fund balance allows the Village to withstand changes in the Local Government Distributive Fund and provides time for the Village to strategically respond to the long term impacts of the changes. ***Eliminated Operating Deficit in Transportation Fund -*** In 2012, the Village executed an agreement with PACE for the operation of the Grove Commuter Shuttle. All costs of operating the bus system are now paid for by the bus riders and PACE. Village funds are no longer used to support the bus system. Prior to this action, the bus system was operating at an annual deficit and the General Fund was used to cover the deficit. This action eliminated the use of General Fund revenues to pay for the annual operating deficit. ***Created the Stormwater Utility -*** In 2013, the Village launched a stormwater utility. The entire cost of owning and operating the stormwater system is now supported by stormwater fees paid by all properties in the Village. This action eliminated the use of General Fund money for stormwater operations.

Strategies and Solutions	If the Village were notified that state shared revenue is to be diminished, staff would **engage the Council and community in a policy-oriented discussion to effectively prioritize services and address any resulting structural deficits in the General Fund.** Similar discussions were held in 2009 in response to rapidly declining revenues.
	
	Potential Solutions Include:
	• Continue to Implement General Fund Strategies Previously Identified
	  ◦ Increase Operating Efficiencies
	  ◦ Reduce Personnel Expenses
	  ◦ Partner with Others
	  ◦ Enhance Revenue Base
	• Maintain a General Fund Balance Up to More than the Top of the Range
	• Use reserves and fund balances strategically to manage risk and increase the value of reserves to fund Village operations.
	• If LGDF Revenue is Reduced:
	  ◦ Draw Down General Fund Balance within Range
	  ◦ Engage Council and Community in Service Prioritization

Preparing for the Potential Changes

The General Fund relies on many revenue sources including sales tax, property tax, state income tax and utility taxes. State income tax accounts for about 10% of the General Fund revenues.



The state has been discussing reductions in the income tax distribution to municipalities for the past several years. In anticipation of this revenue reduction, the Village has increased the balance in the General Fund from $15.4 million in 2009 (39% of annual expenses) to the current balance of $19.2 million (46% of annual expenses). This balance allows the Village to withstand reductions in state income tax revenue and provides time for the Village to strategically respond to long term impacts of this change. In the event that state income tax is not reduced, the Village could use the fund balance to address other key issues, including the infrastructure maintenance funding gap and aging Village facilities.

2. Infrastructure Maintenance Funding Gap

Issue	***Annual Infrastructure Maintenance Gap of Approximately $1.2 Million -*** The cost of maintaining the Village's existing infrastructure systems to the established service level exceeds the revenue generated by the existing revenue sources dedicated to infrastructure. **This maintenance gap will appear in 2015 when the Village has completed the reconstruction of streets** using the proceeds from the 2012 bond issuance.
Actions Completed	**The Village reduced the annual infrastructure maintenance gap from $2.9 million to $1.2 million by taking the following actions.** ***Improved the Condition of the Street System -*** In 2012, the Village issued $25 million in bonds to fund the reconstruction of streets that had failed. The Village also increased funding for street maintenance. The resulting increased maintenance reduces the total life-cycle costs of streets by reducing the likelihood of additional streets needing total reconstruction. ***Shifted local gasoline tax revenue to pay for street maintenance expenses -*** With the elimination of the operating deficit in the Transportation Fund, the Village shifted the revenue from the local gasoline tax ($100,000 per year) that previously funded the bus operation to fund street maintenance. ***Captured savings from low bond interest payments -*** Due to the very low interest rate obtained for the 2012 bond issuance, the annual debt service payments are $300,000 less than expected. The Village shifted $300,000 from debt service payments to infrastructure maintenance. ***Created a Stormwater Utility -*** On April 10, 2012, the Village Council adopted a motion directing staff to implement a stormwater utility system. The stormwater utility will pay for all stormwater costs including the debt service payments on the 2008 stormwater bonds. $1.3 million of stormwater system maintenance will be covered by the stormwater utility revenues.

Strategies and Solutions	**The Village's use of bonds to fund the reconstruction of streets is a long-term investment activity. Increasing funding for annual maintenance activities demonstrates the Village's commitment to the fiduciary responsibility to protect its infrastructure investment.**
	
	• Continue to **reduce the cost of maintaining infrastructure systems** by:
	
	  • Coordinating Village construction projects to achieve economies of scale
	  • Exploring partnerships with other municipalities and governments
	
	• **Use existing revenues** of $1.2 million to fund infrastructure maintenance beginning in 2015

Using the 2015 Bonding Capacity to Fund the Infrastructure Maintenance Gap

As part of a multi-year bond issuance plan prepared in 2008, the Village has the capacity to issue $20 to $25 million of bonds in 2015 using existing revenue sources. Because of the creation of the stormwater utility, improvements to the stormwater system that rely on intermittent bond issuances will be paid for using revenues from stormwater fees. Likewise, intermittent bond issuances used to finance improvements to the water system will be paid off using water revenues. The use of the Village's bonding capacity from the existing revenues has not yet been determined. The Village plans to use the existing revenues of $1.2 million per year to address the annual infrastructure maintenance gap.

In 2008 the Village and its financial advisor, Northern Trust, prepared a multi-year bond issuance plan. The plan calls for three bond issuances (2008, 2012 and 2015) each in the amount of $25 million with the debt service payments supported by home rule sales tax and property tax. The debt service payments on all three bonds would be "laddered" so that the total annual payment on all three bonds would remain constant at approximately $4 million, an amount equal to the revenue generated by the identified funding sources. This plan allows the Village to issue three bonds over an 8-year period using the supporting revenues introduced in 2008 to pay for the debt service payments on all three bond issuances.

Originally, all bond issuances were to be used to construct stormwater infrastructure improvements. The first bond was issued in 2008 in the amount of $25 million. The proceeds were used to construct high priority stormwater improvements. The second bond in the amount of $25 million was issued in 2012. The proceeds are being used to reconstruct streets that have fallen into disrepair. The third and final bond in the amount of $25 million is planned to be issued in 2015. With the creation of the Stormwater Utility in 2013, the remaining debt service payments on the 2008 bonds and any future bond issuances for stormwater infrastructure improvements are supported by revenues from the stormwater fees. This means that the Village has the capacity to use existing revenue sources of approximately $1.2 million to address the infrastructure maintenance gap.

Beginning in 2015, the Village will use the existing revenues of approximately $1.2 million originally pledged for debt service on a 2015 bond issue to fund infrastructure maintenance expenses. This allows the Village to increase funding for street maintenance without implementing new revenues.
If necessary, the Village may issue bonds for stormwater and water system improvements in 2015 and beyond; the corresponding debt service payments will be funded by stormwater utility and water fund revenues.

Filling the Gap

The infrastructure maintenance funding gap has been known and discussed since 2009. Since then, the Village has taken actions to reduce the funding gap from $2.9 million to $1.2 million.

Annual Funding Gap Identified in 2011	**($2.9 Million)**
Creation of Stormwater Utility	$1.3 Million
Contribution from Local Gas Tax	$0.1 Million
Debt Service Payment Savings	$0.3 Million
Remaining Annual Funding Gap	**($1.2 Million)**

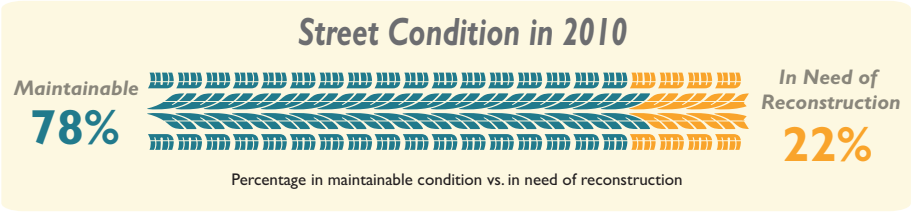
What Will Happen if the Infrastructure Maintenance Gap is Not Addressed?

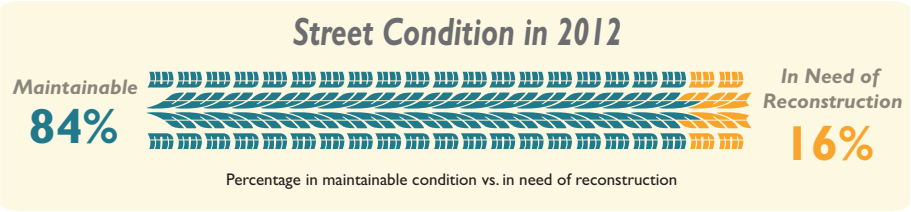
If the infrastructure maintenance gap is not addressed beginning in 2015, the Village will not have sufficient funds to maintain the street system and the overall condition of the streets will decline over time.

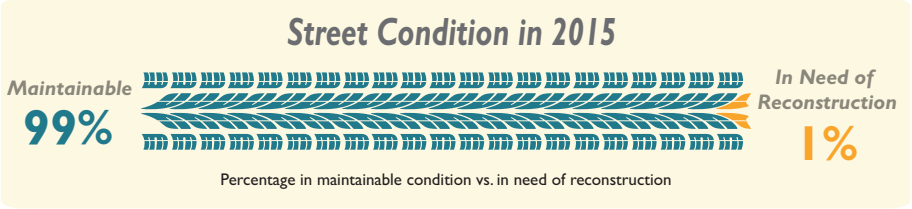
There are two major categories of street condition: Maintainable and In Need of Reconstruction. Maintainable condition refers to a street that is crackfilled, patched and resurfaced on a regular schedule and continues to function. Streets that do not receive that level of maintenance investment eventually fall into the category of In Need of Reconstruction. This means that the pavement has failed and is not salvageable. Reconstruction is the most expensive and disruptive type of pavement project and it is four times as expensive to reconstruct a street segment as it is to maintain it regularly.

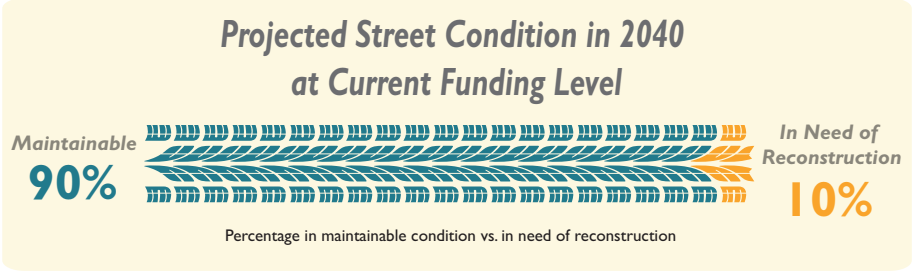
The Village is currently in the process of bringing all of its streets up to a Maintainable condition by 2015 (fewer than 1% will be considered failed). The existing level of funding for infrastructure maintenance is insufficient to maintain this level of maintenance and without additional funding a significant portion of the Village's street segments will need reconstruction by 2040. An additional $1.2 million in annual funding will keep 99% of street segments in a Maintainable condition.

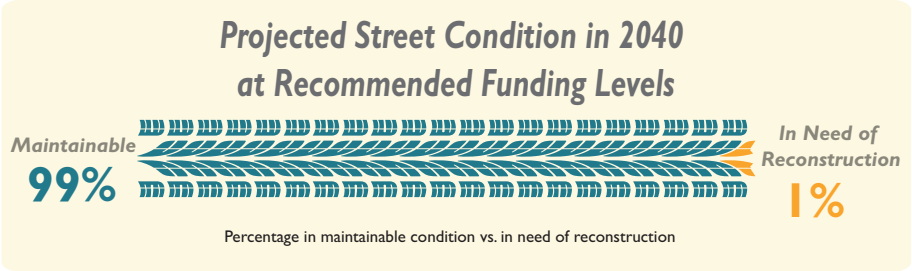
The charts below show illustrate the positive effect on continuing to fund infrastructure maintenance.











3. Village Facilities Sustainability Plan

Issue	**The Village owns and operates seven major buildings that must be properly maintained.** Five buildings are in a maintainable condition of Excellent, Good or Fair. **The Police Station and Village Hall are in Below Average condition** and do not provide modern work spaces that allow for efficient and effective interactions among employees and customers. **Both facilities have outdated major building systems that will require significant investment to replace**. The Police Station and Village Hall are in need of major renovation.
Actions Completed	• **The Village completed a Facility Condition Assessment in 2012 to accurately determine the condition of each major facility as well as future improvements.** • **The Village has invested $250,000 to $450,000 annually in facilities maintenance activities since 2010.**

Strategies and Solutions	• Continue to maintain the five facilities using existing revenues
	• Evaluate options ranging from renovation of existing facilities to new construction of the facilities in below average condition (Police Station and Village Hall)
	  • Fully consider the range of options available
	  • Apply modern and flexible approaches
	• Pursue partnerships with other government agencies
	  • Locate in a shared facility
	  • Reduce operating expenses by spreading fixed cost
	• Use existing resources to pay for improvements
	  • Asset Forfeiture Fund, $1.0 million available for Police Station
	  • General Fund Balance, if available
	  • Ogden TIF Balance, if facility is built or land acquired within Ogden TIF boundaries -$4.0 Million
	  • Local Gasoline Tax Revenue (currently used for Fairview debt service) - $180,000
	  • Property Tax Revenue currently used for Library Bonds - $670,000
	  • PEG funding balance - $80,000
	• Sell assets and use proceeds
	  • Main Street building
	  • Vacant parcel at Lemont and Dunham
	• Pursue alternative revenues
	  • Private sector partnerships for shared space
	  • Naming rights
	  • Sponsorships

Schedule/ Timing	Draft Specific Action Plan in Q1 and Q2 of 2014 • Explore the range of options • Identify preferred option and funding strategy • Conduct meetings with the Finance & Administrative Committee

Preparing for Improvements to the Police Station and Village Hall

The Below Average condition of the Police Station and Village Hall require major renovations to both facilities. The Village will examine a range of options to address this issue ranging from renovating the buildings to constructing new buildings. All options will be examined with the following key concepts in mind:

Efficient Use of Facilities

Facilities should be treated as capital assets that must be used efficiently, maximizing the use of each space within each facility.

Consider How Modern Workers Work

Staff members use technology extensively. Access to computers and phones is no longer tied to a specific place or office. Many workers are or can be mobile. Because of our collaborative environment, much of our work is performed in groups while working in common areas or conference rooms.

Create Flexible Work Spaces

Spaces within each facility should be flexible so that they can be used by multiple people for a variety of uses and functions during many times of the work day.

Build Only What is Needed

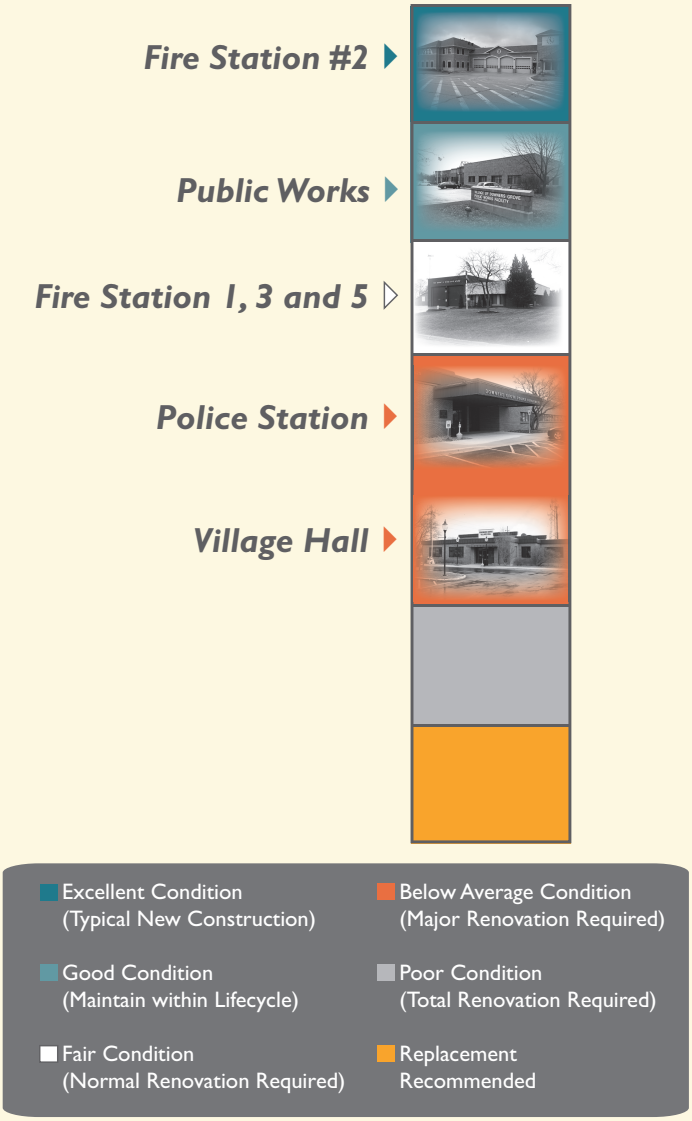
Facilities should be right-sized such that the Village builds only what is necessary to achieve the stated goals. This means that traditional approaches to space planning and programming based on a staff member's position in the organizational chart should be re-examined. Spaces should be built, sized and designed based on the functions that will be performed by the staff members and customers using the space. Existing community resources such as existing Village facilities and other public facilities should be considered prior to constructing new facilities. The existing facilities should be used as efficiently as possible in an effort to minimize the facilities that may be constructed or remodeled.

Seek Partnerships

Many of the governments that serve the residents of Downers Grove are facing the same or similar challenges of owning and maintaining facilities. Partnering with other governments and agencies should be encouraged in an effort to reduce the overall costs of owning and maintaining public facilities. The Village should consider all fiscally responsible financing methods and pursue public-private partnerships if the partnership represents a long-term value to the community.

Results of 2012 Facility Condition Assessment

Assessment based solely on existing facility maintenance-related conditions. Not intended to assess operational and customer-service related deficiencies.



V. 2014-2015 ACTION ITEMS

The Village Council met on July 23, 2013, to discuss potential Action Items. Action Items are used to determine Council priorities and to guide staff work plans and the preparation of the annual operating budget. Projects that rise to the level of Action Items meet the following criteria:

- ***Support of Strategic Plan Goals and Key Issues*** The action should achieve a measurable result that supports one or more of the Strategic Plan Goals and/or Key Issues identified in the Long-Range Plan Preliminary Report.
- ***Village Council Policy Direction Required*** The action requires the Village Council to provide policy-level direction to be completed.
- ***Six Months or More to Complete*** The action requires significant staff and/or Village Council time.
- ***Multi-Department Effort*** The action requires effort from more than one Village department.
- ***Significant Community Engagement*** The action includes significant interaction and dialogue with community members.

The Village Council prioritized potential Action Items into High, Medium and Low categories as shown in the table below. The action items are not presented in priority order. Rather, the prioritization into three categories preserves the flexibility of the staff work plan, allowing the Village to recognize and act on opportunities that may be presented.

Staff will use on-going public dialogue and continued conversations with Village Council Members to effectively manage the 2014-2015 Action Items List. Implementation of the high priority action items will occur over the next 18 months and these will be given highest priority to ensure completion within the established timeline. Medium priority items will be acted on throughout the year and the Village will take opportunities to move forward on as many of these as possible. Low priority items are less likely to be pursued unless major changes or developments require them to be given expedited consideration.

High	Medium	Low
Complete Facilities Sustainability Plan and implementation	**Consider amendments to the Fowl Regulations**	**Consider creation of Leaf Pick-up Program**
Continue to improve resident engagement and communication	**Consider amendments to Stormwater Management regulations**	**Consider licensing mobile ice cream vendors**
Develop an Employee Compensation strategy	**Construct Gateway Signs**	**Construct a Green Energy Project**
Enforce the Sign Ordinance Amortization compliance deadline	**Continue to implement recommendations of the Downtown Parking Plan**	**Create Emergency Response Volunteer Corps**
Lead role in partnerships and cooperation	**Develop a standard for Right-of-Way improvements**	
Negotiate Collective Bargaining Agreements	**Explore options for Methadone Clinic relocation**	
	Leverage membership in the DuPage Mayors and Managers Conference (DMMC)	
	Update policy on sidewalks for Ogden Avenue	
	Update the New Sidewalk Construction plan	

High Priority Action Items

Facilities Sustainability Plan and Implementation

The purpose of this project is to determine how to make necessary improvements to and to maintain Village facilities in a sustainable manner. The plan will be based on a 2012 condition assessment of all major Village facilities and provide recommendations and cost estimates for long-term facility maintenance. This action item is discussed in the Key Issues section of the Long-Range Plan Preliminary Report. The creation of a Facilities Sustainability Plan will take approximately 12 months to complete and will likely consist of four to six months of initial staff preparation, three to six months of public review and discussion at Finance and Administrative Committee meetings, and a few months of staff revisions and Village Council approval. Implementation of the plan will take several years.

Continue to Improve Resident Engagement and Communication

This project consists of continuing to improve communication to residents and other stakeholders and looking for opportunities to allow residents to engage the Village at any time, from any location, using technology. This action item is ongoing and will likely include several tasks performed at the staff level, many of which will require Village Council input or policy direction.

Develop an Employee Compensation Strategy

This project consists of creating a strategy and policies that guide the compensation of all Village employees, including the Village Manager, Village Attorney, unionized and non-unionized employees. The current compensation plan has been in place since 2001. Staff would formulate a proposed policy based on existing best practices, comparable agencies and Council member input. This project would likely take six to eight months to complete, including four months of staff preparation, followed by two or more Finance and Administrative Committee meetings and Village Council review.

Enforce the Sign Ordinance Amortization Compliance Deadline

This project consists of making sure that all signs are in compliance with the sign ordinance regulations. The compliance date is May 2014. Enforcement will likely include notification to affected property owners and tenants beginning in January 2014, extensive interaction among staff and property owners to facilitate compliance on the remaining non-compliant signs, consideration of variation petitions submitted by sign owners, and participation in court proceedings for owners that have been issued citations for failure to comply. This project will take 12 months or more to complete.

Lead Role in Partnerships and Cooperation with District 58, Downers Grove Park District and Other Local Governments

This project consists of identifying opportunities to partner with local governments in ways that add value to residents, enhance service levels and reduce the total cost of providing governmental services. This action item is ongoing and will likely include several tasks performed at the staff level, many of which will require Village Council input or policy direction.

Negotiate Collective Bargaining Agreements

The Village has five collective bargaining units. This project consists of negotiating collective bargaining agreements with the five units. Agreements with the Police Sergeants, Firefighters, and Local 150 (Public Works) will be negotiated during the 2013-2015 planning period.

Each contract requires up to three months of staff preparation, three to six months of negotiations with the collective bargaining units and consideration by the Village Council to review and approve the contracts. Due to the number of contracts and the work involved, staff is continually working on collective bargaining agreements.

Village Comprehensive Plan Supported by Long-Range Plan

In 2011, the Village Council approved the Comprehensive Plan, the official, adopted guide for future development and conservation within the Village. The Plan provides numerous recommendations designed to help the Village achieve its overall vision. The Village and the Downers Grove Economic Development Corporation (DGEDC) are implementing the Comprehensive Plan recommendations. Many of the Long-Range Plan action items support recommendations in the Comprehensive Plan.

For example, in 2013 the Village began the process of updating the Zoning and Subdivision Ordinance, one of the single-most important ways to implement the Comprehensive Plan. Other action items, such as the Sign Ordinance Compliance Deadline, Right-of-Way Standards and the Construction of Gateway Signs, also incorporate the recommendations of the Comprehensive Plan. The DGEDC is preparing their Strategic Plan that will include specific actions for implementing recommendations of the ComprehensivePlan.

Medium Priority Action Items

Consider Amendments to the Fowl Regulations
The purpose of this project is to consider changes to existing Village regulations on backyard chickens that could expand the type and number of residential lots eligible to keep chickens. Current regulations adopted in 1987, allow chickens on large lots on which coops and other structures can be set back 50 feet from the property line. The Village Council last considered changes in January 2013. Staff estimates this project would require five months total, including staff research and preparation, followed by public engagement, and consideration at meetings of the Finance and Administrative Committee and the Village Council.

Consider Amendments to Stormwater Management Regulations
This project consists of amending the Village's stormwater management regulations to become more restrictive than the current regulations, which are consistent with the DuPage County regulations. The amendments could include additional best management practices that would reduce runoff from residential properties, such as requiring stormwater detention for new house construction and additions to existing houses. Currently detention is not required for these types of construction projects. Council policy direction could include the extent of new regulations and timelines for implementing new regulations. This project would require extensive public engagement, including consideration by the Stormwater Floodplain Oversight Committee. Staff estimates this project would take place over 10 to 12 months, including two Stormwater Floodplain Committee meetings prior to Council consideration.

Construct Gateway Signs The purpose of this project is to design and construct gateway signs on major thoroughfares in the Village. The existing gateway signs are outdated and there has previously been no plan to update the signs. Staff would prepare a design proposal for review by the Council (estimated to take three months). Implementation would then take approximately three months.

Continue to Implement Recommendations of the Downtown Parking Plan
This project consists of continued implementation of the recommendations found in the 2011 Downtown Parking Plan. Many of the short term objectives have been implemented. Continued efforts would focus on medium and long term objectives such as relocating commuter parking to Village Hall parking lots, consideration of an anti-shuffling ordinance, creating a signage and wayfinding system, and constructing additional parking. This project is likely to take about seven months to complete including staff preparation of approximately four months, followed by Council review and implementation over three months.

Develop a Standard for Right-of-Way Improvements
This project consists of updating the requirements for construction work in Village rights-of-way and creating design specifications for all future Village street improvements. Amendments to the standards could address items such as specifications for street signage, specifications for utility appurtenances, general construction regulations and the standards to which the Village will make improvements to roadways. Two standards are contemplated; The first would be a standard for streets with existing curb and gutter. The standard would include sidewalks on both sides of the streets, parkway trees and a bike lane. The second standard would apply to streets without curb and gutter and would include ribbon curb, ditch & culverts, parkway trees and sidewalks on both sides of the street. The standards would be applied when the Village completes a road maintenance or reconstruction project. This project would take approximately eight months to complete, including staff research and exploration of impacts to future budgets, followed by discussion at the Public Services Committee and consideration by the Village Council.

Explore Options for Methadone Clinic Relocation
The purpose of this project will be to explore options to facilitate the relocation of the methadone clinic located on Main Street. There are multiple considerations for this project, including community engagement and feasibility. Staff estimates this project would have a duration of 12 months.

Leverage Membership in the DuPage Mayors & Managers Conference
This project consists of maximizing the benefits the Village receives from membership in the DuPage Mayors and Managers Conference by leading change. Examples of improvements over-and-above the current benefits would be additional partnerships opportunities with member municipalities, a return on the investment in membership dues by providing studies and analysis of regional issues, and improved communication among the conference and members and among members themselves.

Update the Policy on the Construction of Sidewalks on Ogden Avenue
This project consists of discussing and updating the policy and plan to complete the sidewalk system on both sides of Ogden Avenue. The policy would address issues such as acquiring rights to private property upon which sidewalks would be constructed, the impact of land acquisition and sidewalk construction on the availability of off-street and on-street parking, and the cost of construction compared to the benefits provided.

Update the New Sidewalk Construction Plan
The Village is approaching the completion of the sidewalk construction plan known as the Sidewalk Matrix. This project consists of reviewing the plan for the construction of the remaining sidewalk segments on the Matrix and discussing potential changes to the sidewalk construction plan. Staff estimates that updating the plan will take about seven months, including a few months of staff preparation, review and consideration by the Transportation and Parking Commission and review and consideration by the Village Council.

Low Priority Action Items

Consider Creation of Leaf Pick-Up Program
This project consists of considering a curbside leaf pickup program that would provide for residential tree leaf removal beyond the sticker and cart program that is currently offered by the Village as part of the refuse collection contract with Republic Services. This project could be incorporated into future discussions of the Village's refuse collection contract, which would begin in 2015 (after the period considered in this Long-Range Plan). If desired by the Council, it could be considered earlier. Staff estimates this would be a 12-month project, including research and preparation by staff, multiple reviews by the Environmental Concerns Commission and other commissions, and consideration by the Village Council.

Consider Licensing Mobile Ice Cream Vendors
This project consists of considering the creation of licensing and inspection program of mobile ice cream vendors operating within the Village. The licensing and inspection program could address issues such as background checks for operators, the condition of the vending vehicles, rules and regulations for vending operations and inspections of the products available for purchase. This project would have a duration of four months including two months for staff preparation, followed by Village Council review.

Construct a Green Energy Project
This project will identify and plan for the construction of a showcase solution to expand the Village's use of renewable energy. Currently the Village uses small-scale solar energy at its Public Works and Fleet Buildings. Staff would explore multiple options including wind and solar energy, in addition to multiple funding sources, specifically grants and potential lease options. Staff would research the value of all options in reducing operational costs. This project would likely take 12 months or more to complete, including six months of staff preparation and Council policy direction and six months or more to implement.

Create an Emergency Response Volunteer Corps
This project consists of developing a group of volunteers that would be trained to assist the Village in responding to emergency situations, such as flooding events and severe storms. Volunteers would be trained on items such as cleaning storm sewer inlets, placing street barricades, filling sandbags, and directing traffic. Staff would prepare a proposed program for Council approval over a six month period. Implementation would take about three months.

V. HISTORY OF STRATEGIC PLAN & LONG-RANGE FINANCIAL PLAN EFFORTS.

AA+ Rating

The Village's efforts in 2013 were consistent with previous years' long-range planning efforts, which aligned the goals of the community, the Village Council and staff. Village employees have a role in executing the Long-Range Plan by referencing specific elements of the plan during decision-making processes. This practice helps to ensure that actions are carried out which are in the best interests of the Village and its residents. Standard & Poor's commented on the Village's financial planning and management practices in a recent bond rating report which affirmed the Village's AA+ rating stating that:

"Downers Grove's financial management practices are considered 'strong' under Standard & Poor's Financial Management Assessment, indicating that practices are strong, well-embedded, and likely sustainable. The stable outlook reflects Standard & Poor's expectation that Downers Grove will continue to maintain balanced operations and very strong reserves. The Village has consistently demonstrated an ability to make structural budget adjustments in response to adverse conditions, and we expect this to continue. The Village's close monitoring of daily operations, combined with an emphasis on identifying long-term budget challenges and strategies, supports our expectation that balanced operations will continue."

VI. RESULTS OF PAST VILLAGE PLANNING EFFORTS

From 2009 to 2012, the Village prepared Long-Range Financial Plans to identify financial trends and issues and to develop strategies and solutions to guide financial and operational decisions. The Long-Range Financial Planning process has been a key component in achieving the Village's strategic plan goal of Steward of Financial and Environmental Sustainability.

The most recent version of the LRFP identified trends and issues in four major areas: General Fund, Water Fund, Transportation Fund, and Capital and Infrastructure. Through the Long-Range Planning efforts, the Village Council and staff identified sustainable strategies and solutions to the issues and prepared the Village's budget accordingly.

Elimination of the Structural Gap in the General Fund

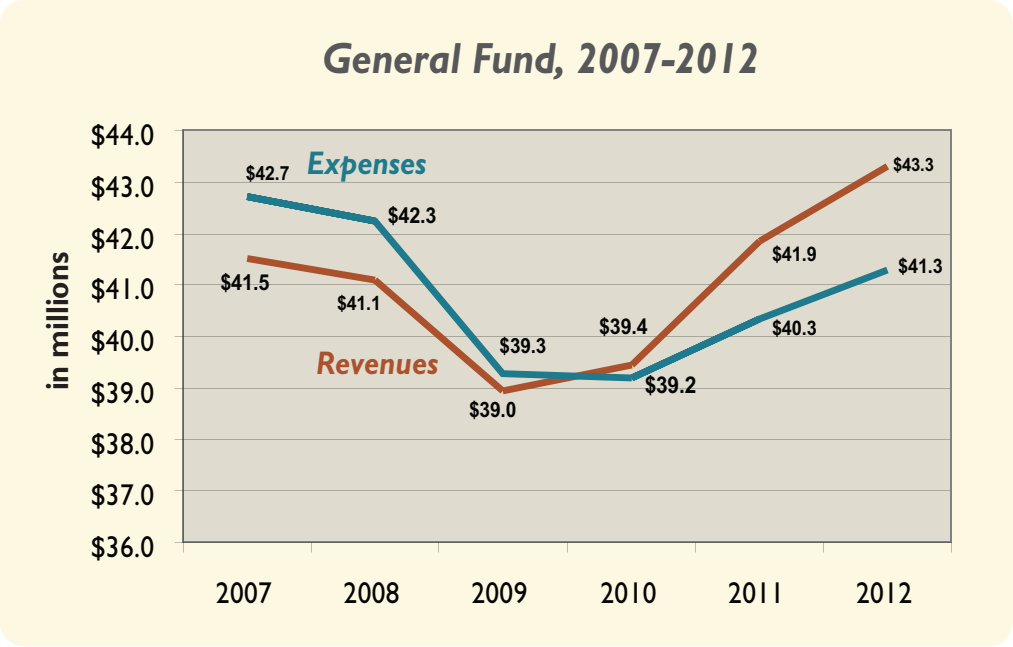
Since 2010, the Village has been preparing General Fund budgets per the recommendations of the LRFP, which identified four strategies:

- Increase operating efficiencies
- Reduce personnel expenses
- Partner with others
- Enhance revenue base

The Village followed these strategies to make significant changes to the budget and operations. In the past four years, the Village addressed and eliminated a substantial structural financial gap in the General Fund of up to $6.0 million. Changes included reductions and eliminations of Village services and programs; voluntary and involuntary staffing reductions; and revenue enhancements.

These efforts resulted in:

- Expenses increased at 1.7% per year from FY09 to FY12
- Revenues increased at 3.65% from FY09 to FY12
- Fund Balance increased by $3.7 million
- Expenses remain $1.4 million less in FY12 than in FY07 when General Fund expenses peaked



Restructuring the Water Fund for Long-Term Sustainability

The Village commissioned a study of its water utility which revealed that water rates were insufficient to meet daily operating needs and pay for necessary improvements to the system. The Long-Range Financial Plan called for the Village to implement the findings of the water study to achieve long-term sustainability, including implementing a new rate structure, making needed improvements to the water system and issuing bonds at regular intervals to pay for water system improvements. The new rate structure allows the water utility to cover operating expenses and pay debt-service payments on the $10 million bond issue that was necessary to maintain the water infrastructure.

Sustainable Solution for Stormwater Infrastructure

The Long-Range Financial Plan identified a need to close an annual gap in funding for the maintenance of major infrastructure systems. To address the gap, the Village implemented a stormwater utility that achieved an equitable and sustainable source of funding for stormwater infrastructure. The stormwater utility shifted the method of funding stormwater from the property tax levy to a monthly fee charged to the property owners of all parcels based on amount of impervious area on the property. The stormwater utility is budgeted to have $3.3 million in revenues in 2013. As a result of implementing the utility, the Village reduced its property tax levy by $2.47 million.

Elimination of the Operating Deficit in Transportation Fund

In 2012 , the Village executed an agreement with PACE for the operation of the Grove Commuter Shuttle. All costs of operating the bus system are now paid for by the bus riders and PACE. Village funds are no longer used to support the bus system. Prior to this action, the bus system was operating at an annual deficit that resulted an accumulated deficit of $1.9 million in the Transportation Fund. The LRFP called for the Village to implement strategies to retire the accumulated deficit over time beginning in 2012. The Village is now using General Fund annual interest income in excess of $100,000 to reduce the accumulated deficit. In 2012, this resulted in a $17,000 transfer of interest income from the General Fund to the Transportation Fund.

Improvement of the Condition of the Street System

In 2010, the Village conducted an analysis of all roads it maintains, ranking them on a scale from Failed to Good. In 2010, 25% of the streets were in Good condition and 22% were in Poor or Failed condition requiring reconstruction. The LRFP called for the Village to increase funding for street maintenance and reconstruction. In 2012, the Village issued $25 million in bonds to reconstruct the streets, which will be paid through existing revenue sources. Of the $25 million issuance, $7.3 million was expended in 2012. The number of streets in Good condition improved from 25% to 35% of all streets; the number of streets in the state of Poor or Failed were reduced from 22% to 16% of all streets.

Completed Belmont Underpass

The Village celebrated the completion of the Belmont Road Underpass in October 2012. The $60 million project eliminated a troublesome and dangerous intersection between Belmont Road and the BNSF tracks. The Belmont Underpass was funded by Metra, the Illinois Commerce Commission (ICC), the State of Illinois, and the Burlington Northern Santa Fe Railway Company (BNSF). No Village funds were used for this project. The benefits include:

- Improved vehicular and pedestrian safety
- Enhanced traffic flow
- Increased commuter parking
- Improved access to Ellsworth Business Park

Arranged for Electrical Supply (Electrical Aggregation)

Voters approved a referendum in the 2012 General Primary Election authorizing the Village to seek a competitive bid to lower the price of electricity for residents and many businesses. The Village partnered with Westmont to reduce program administration expenses and leverage buying power. The contract awarded to First Energy Solutions in June 2012 reduced electric bills by an average of $350 per year, representing a 42% savings over ComEd's comparable non-summer rate. The new rate enhances the use of renewable energy sources by purchasing Renewable Energy Credits (RECs) on a one to one match to supplement the electricity purchased. Purchasing RECs at the same quantity as electricity consumption guarantees that the energy used is added to the power grid from a renewable energy facility, thus supporting further development of green energy sources.

Implemented Downtown Parking Changes

The Village and the Downtown Management Corporation commissioned a comprehensive downtown parking study in 2011. Extensive data collection and stakeholder input was used to understand current conditions and parking demand.The Village implemented the following actions in 2012:

- Increased opportunities for shopper and visitor parking
- Increased the number of shopper parking spaces on the north side of the tracks
- Provided 15-minute short-term parking spaces on each block for the convenience of downtown shoppers
- Increased the number of free parking spaces available beginning at 11:00 a.m.
- Increased the number of accessible spaces