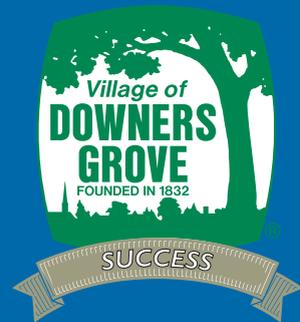


Village of Downers Grove

2013 Annual Report



VILLAGE MANAGER'S MESSAGE

The 2013 Annual Report highlights the key accomplishments and significant measurable results of the past year. The achievements featured support the following goals of the **Long Range Plan:**

- Steward of Financial and Environmental Sustainability
- Exceptional Municipal Services
- Top Quality Infrastructure
- Strong, Diverse Local Economy
- Continual Innovation

The Village achieved significant results consistent with these goals, in addition to being recognized as a leader among municipalities. The many accomplishments of 2013 include implementation of the Stormwater Utility, \$20 million invested in infrastructure projects and successful efforts to attract and retain businesses.

The Village was also recognized for outstanding achievement in several areas including a Distinguished Budget Award, the 2013 Illinois Governor's Sustainability Award and the Clean Cities Coalition Green Fleet Award.

The successes of 2013 are the direct result of input and participation by the citizens of Downers Grove, effective Village Council leadership, and cooperative interactions among professional staff members in all departments.

Sincerely,

A handwritten signature in black ink, appearing to read "David Fieldman". The signature is fluid and cursive, with the first name "David" being larger and more prominent than the last name "Fieldman".

David Fieldman
Village Manager

VILLAGE LEADERSHIP



Mayor
Martin T. Tully



Commissioner
Sean Patrick Durkin



Commissioner
Geoff Neustadt



Commissioner
Robert T. Barnett



Commissioner
Becky Rheintgen



Commissioner
David S. Olsen



Commissioner
Greg Hosé

Mayor
Martin T. Tully

Commissioners

Sean Patrick Durkin, Geoff Neustadt, Robert T. Barnett, Becky Rheintgen, David S. Olsen, Greg Hosé
Village Manager - David Fieldman

Directors

Deputy Village Manager Michael Baker, Village Attorney Enza Petrarca, Village Clerk April Holden,
Communications Director Douglas Kozlowski, Emergency Management Coordinator Mary Pratt,
Finance Director Judy Buttny, Director of Community Development Tom Dabareiner,
Police Chief Robert Porter, Fire Chief James G. Jackson, Sr., Director of Public Works Naneil Newlon,
Director of Information Services Liangfu Wu, Director of Human Resources Dennis Burke

I. STEWARD OF FINANCIAL AND ENVIRONMENTAL SUSTAINABILITY

Standard & Poor's (S&P) AAA Bond Rating

In September, the Village of Downers Grove received a AAA bond rating from Standard & Poor's (S&P), the highest rating issued by the agency. The ratings upgrade from AA+ came as the Village sought to refinance its 2005 series bonds.

AAA
Standard & Poors

The S&P Summary Report cites the following as factors which contribute to Downers Grove's economic stability:

- Strong management conditions, with a consistent track record of balanced budgets;
- Very strong budgetary flexibility, with 2012 audited reserves at 41% of general fund expenditures;
- Adequate budgetary performance, which takes into account capital spending S&P considers to be aggressive;
- Very strong liquidity providing very strong cash levels to cover both debt service and expenditures;
- Strong economy, which benefits from participation in the broad and diverse economy of Chicago.

All Downers Grove residents and businesses benefit from this as the Village will be able to refinance bonds at a lower cost.

Refunded Downtown TIF Bonds and Library Bonds

With the announcement of the elevated S&P bond rating, the Village refinanced \$8.5 million in General Obligation Bonds issued in 2005 for the Downtown TIF District. The refinancing saved approximately \$478,000. The Village saves money by reducing the annual payments on the bonds due to interest rates that are lower now than when the bonds were issued. The bond refinancing saved the Downtown TIF Fund approximately \$90,000 per year in debt service payments.



In the first quarter of 2013 the Village completed the refinancing of library bonds, saving \$132,000. In all, the Village saved \$610,000 in 2013 due to bond refinancing.



Increased General Fund Balance

The General Fund balance increased by about \$820,000. These dollars can now be used for infrastructure and public safety related needs.

Obtained FEMA Reimbursement for Flood

The flood of April 2013, caused damage to hundreds of properties in Downers Grove and many more in neighboring communities. President Obama issued a Disaster Declaration for DuPage County so that affected residents could apply for individual assistance for temporary housing, home repairs and other disaster related expenses.

Expenses incurred by the Village during the flood period were offset by a FEMA grant of \$100,453 to help cover flood related expenses.

II. EXCEPTIONAL MUNICIPAL SERVICES

LEAN Approach Results

LEAN is an approach to process improvement used by many organizations to increase efficiency and reduce costs. In 2013, the Village used LEAN to provide the same or better service at less cost in the following areas:

- **Street Sweeping:** A private contractor now performs this service using advanced equipment, that has improved street appearance and the quality of stormwater and reduced Village staff involvement in the process.
- **Mobile Phone Contract:** Through a competitive bid process, the Village lowered the cost of mobile phone service. The new agreement with AT&T saves the Village \$12,000 per year.
- **Electrical License Testing:** In 2013, testing and licensing procedures for electrical contractors was shifted to an outside process developed and administered by the International Code Council (ICC) and Pearson VUE, a private testing company, at no cost to the Village. This outsourcing allows for ICC approved testing standards and results while saving many hours of staff time.
- **New Electricity Supply Contract:** The Village took advantage of low pricing in the energy market and reduced the cost of electricity for revenue generating facilities, including the parking deck, water pumping stations, train station, and rental properties. The rate of \$0.04719/kwh with new vendor MC Squared Energy Services will save the Village \$11,000 per year.

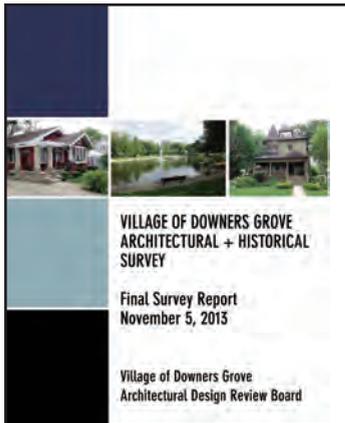


PEARSON VUE



where energy comes from

Completed Historic Building Survey

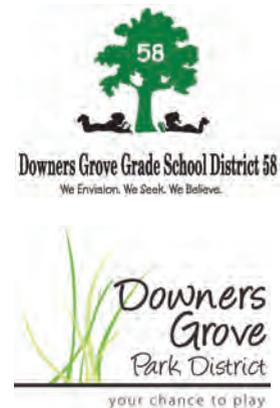


The **Historic Building Survey** documents and evaluates each building and site within four areas of the Village to determine its architectural and historic significance. Potential landmark eligibility or historic district designations are also noted.

The data collected was used to prepare a historic architectural resources report, funded in part by a \$15,000 grant from the state of Illinois Certified Local Government program, which recognizes and supports local historic preservation activities. The report will assist the Village in answering questions from property owners about the historical significance of their property and assist those who wish to voluntarily landmark their property.

Partnerships

- Approved Park District Fleet Maintenance Agreement**
Downers Grove operates a fleet services facility for vehicle maintenance and has agreements with Grade School District 58 and SEASPAR to provide upkeep and repair services. Because these agreements have successfully reduced costs, the Downers Grove Park District became a new partner for similar services in 2013. The agreement allows the Park District to have a limited number of vehicles maintained by the Village.
- Joint Newsletter Delivery with Park District and District 58**
The Village, Park District and Grade School District 58 formed a partnership to share in the delivery cost of their respective print publications. Joint delivery with these partner agencies saves a total of \$13,000 annually by eliminating higher individual bulk mail costs.

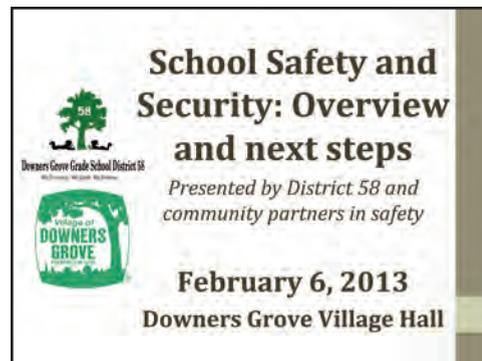


- ***Began Dispatching Sanitary District Calls***

Under the terms of this agreement, calls for the Downers Grove Sanitary District will be answered by the Village Operations Center (VOC). This partnership results in a \$3,000 savings for the Sanitary District and has improved the working relationship with the Village.

- ***Hosted School Safety Town Hall Meeting***

In February, the Downers Grove Fire and Police Departments and Downers Grove Grade School District 58 partnered together to share with the community an overview of safety and security measures in place in the schools, as well as consider other procedures to implement in the future.



Launched Special Needs ID Program

The Downers Grove Police Department developed a Special Needs Identification Program for Downers Grove residents who may be at risk of becoming confused, disoriented, lost, or missing. Persons of any age that suffer from Alzheimer's, dementia, Down syndrome, autism or those at risk of wandering and have communication difficulties are eligible to participate.

The program enables police to make faster identifications, reunite family members quicker, and provide help to people with special needs.

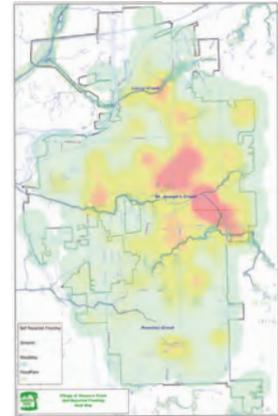
Hosted Stormwater Education Workshops

The Village hosted Stormwater Education Workshops for residents and businesses. The purpose of these workshops was to educate the public about water conservation strategies, stormwater management, and the different types of incentives Downers Grove property owners can employ to reduce their Stormwater Utility Fee. This was a cooperative effort with the Conservation Foundation and both sessions were well attended.



Facilitated FEMA Reimbursements for Residents

The Village served as a facilitator between FEMA and residents during the period of the **April 2013 flood**. As a result of these efforts, FEMA distributed \$1,674,682 to 522 Downers Grove residents to help cover flood damage expenses.



Improved Flood Community Rating System

The Village's ongoing efforts to effectively manage stormwater resulted in a 20% flood insurance premium discount for property owners within the floodplain, which will begin May 1, 2014. This represents a 5% increase in discounts over the current rates as part of the National Flood Insurance Program (NFIP).

On August 16, 2013, the Village was notified that FEMA agents were recommending Downers Grove's rating under the NFIP Community Rating System (CRS) be improved from CRS 7 to CRS 6, resulting in greater insurance premium discounts for property owners in the floodplain. There were over a dozen stormwater best practices and activities in place by the Village that were recognized by the rating agency. Some of these practices include Village flood protection standards, local flood studies, and open space preservation. Overall, the improved rating points to the effectiveness of the Village's proactive approaches to stormwater management and mitigating flood risk.

Although the discounts apply to floodplain properties only, all properties in Downers Grove can purchase flood insurance because the Village participates in the NFIP.

III. TOP QUALITY INFRASTRUCTURE

Implemented **Stormwater Utility**

In 2013 the Village moved from a property tax approach to a fee-based system to fund the operation, maintenance and construction of the stormwater system.



There are multiple benefits to implementing a fee-based system:

- All properties in the Village share in the cost of operating and maintaining the stormwater system.
- Fees provide a predictable and sustainable funding source.
- A heightened sense of awareness of the stormwater management system is created.
- Property owners are encouraged to reduce the amount of run-off from their property by installing rain barrels, rain gardens and detention basins, and may be eligible for a credit to their stormwater fee.

Infrastructure Investment

The Village continues to invest in all infrastructure systems so that each system meets or exceeds performance and maintenance standards. In 2013, the Village invested \$20 million to improve streets, sidewalks, the water system, and the stormwater system. Here are the major highlights:



- Washington Street Watermain/Road Improvements - \$860,000**
 The project included watermain, stormsewer and sanitary sewer improvements. This coordinated investment in infrastructure provides cost effective delivery of water and sanitary services and improved drainage. It has also resulted in safer and more aesthetically appealing streets and sidewalk.

- Concorde Square Unit 2 - \$2,870,000**

This project consisted of the reconstruction of the asphalt roadways and curb on the following streets within the subdivision: Camden, Ticonderoga, Alamance, Monmouth, Valley Forge, and Bunker Hill.

- Oak Grove Unit 3 - \$1,550,000**

This project included the reconstruction of Oak Grove, Scheldrup, Branding, and Frontage Road. The materials used to lay the roadway in this development, built in the mid-1970s, were much too thin for the amount of traffic they now carry. The entire road system within the subdivision was reconstructed.



- Roadway Maintenance - over \$4,000,000**

In 2013 the annual maintenance of Village streets involved over 43 street segments or about 10 miles. Projects include pavement removal and replacement, repairs to existing curb and gutter/sidewalk ramps, surface milling and repaving and all related restoration. Streets generally remain open to traffic during most of this activity.

- Watermain Extensions and Replacements**

- Extended watermain loop in newly annexed area - \$500,000
 - Watermain replacements - \$1,275,000

- New Sidewalks - \$500,000**

Projects include replacing potentially hazardous sections of sidewalk, as well as new installations on streets that previously had none.



ComEd Town Hall Meeting



The Village hosted a ComEd Town Hall meeting on September 19, 2013, at the Public Works Building, 5101 Walnut Avenue. The purpose of the meeting was to report on the progress of ComEd's reliability improvements made during the past year and facilitate ComEd's response to those in the Deer Creek and Hillcrest areas. It was also an opportunity for residents to communicate any ongoing concerns to ComEd.

The success of this process and the improved communication with ComEd has made the meeting an annual event. In 2011, the Village presented the findings of their **Reliability Report to ComEd** representatives in a town hall forum. As a result, ComEd has taken action on the Village's recommendations to improve reliability including:

- Make improvements to the distribution system to reduce outages caused by faulty equipment.
- Increase tree trimming to reduce outages caused by tree contact during severe storms.
- Make improvements to the 10 circuits that have experienced the greatest number of outages and continue to make improvements to the remaining circuits once the top 10 are corrected.

Constructed Downtown Dumpster Enclosure

This dumpster enclosure on the northwest corner of the downtown parking deck site, houses one large refuse dumpster, two smaller recycling dumpsters and grease containers. Businesses that use the dumpsters and/or grease containers are responsible for all collection costs on a pro-rated basis.



Benefits of the dumpster enclosure at this location include:

- Improved aesthetics in an area that is highly visible to pedestrians and drivers that use the parking facility.
- Consolidation of four existing refuse dumpsters collected by multiple haulers into one single dumpster that is collected by a single hauler, reducing the overall collection costs for the participating business.
- Provides recycling for nearby businesses.

IV. STRONG, DIVERSE LOCAL ECONOMY

Business Attraction

The Downers Grove Economic Development Corporation (EDC) is an independent, not-for-profit entity supported by the Village of Downers Grove and over 20 private-sector businesses. The Village is committed to strengthening and enhancing the local economy through the EDC's efforts to attract jobs and employers to Downers Grove, as well as retain established businesses.

Economic Development Wins

- American Society of Gastrointestinal Endoscopy (ASGE) - opened headquarters in Downers Grove
- Advocate Health Care - opened headquarters at Highland Landmark
- Fresenius Medical - occupied 3500 Lacey
- Grundfos - opened North American headquarters at 2001 Butterfield
- Havi Global Solutions - opened headquarters at 3500 Lacey
- Invesco Power Shares - opened regional headquarters at 3500 Lacey Road
- Midwestern University - opened medical clinic
- Midwestern University - started construction on auditorium
- Ray O'Herron- purchased and will relocate to Grove Shopping Center
- Shop & Save - opened new store on Lemont Road
- Art Van Furniture Store - attracted to vacant Home Depot Expo Building



Sales tax revenue generated in 2013 by these combined efforts increased by \$400,000.

Economic Incentive Agreements

Sales tax rebate agreements are an important component of Downers Grove's economic development strategy. All retail stores generate sales tax revenue which the Village uses to pay for public services. National retailers and car dealerships generate significant tax revenues, create jobs, and serve as catalysts for other business development. Competition among local communities for new businesses is fierce and incentives often provide the edge needed to create new opportunities and revenues where there otherwise would be none. In 2013, agreements were made with Art Van Furniture, Lamborghini, and Aston Martin.



V. CONTINUED INNOVATION

Created Fairview Fire District SSA

The Village and Fairview Fire Protection District (FFPD), working with DuPage County, created a special service district (SSA) to provide a sustainable funding source for this service. The Village has provided fire and emergency medical services to the unincorporated area near 39th Street and Fairview Avenue for several decades. For the last several years, the FFPD was not able to pay the Village for the full costs of providing services.

Establishing this SSA has the following benefits:

- Provides a permanent funding source for the cost of Village fire and EMS services for this area;
- Increases annual revenue by \$40,000;
- Guarantees that the District pays full cost of providing services;
- Facilitates the elimination of the Fairview Fire Protection District pursuant to new state law;
- Reduces overlapping governments.

Created Green Business Program

The Village developed the Downers Grove **Green Business** Recognition Program. The goal of the program is to recognize businesses that support the Village goals of **Continual Innovation** and **Steward of Fiscal and Environmental Sustainability** and encourages businesses to adopt environmentally sustainable practices, such as waste reduction, conservation of water and energy conservation.



Businesses recognized in 2013 were Bales Mold Service, Competitive Lawn Service and Good Samaritan Hospital.

Launched Council rEmarks

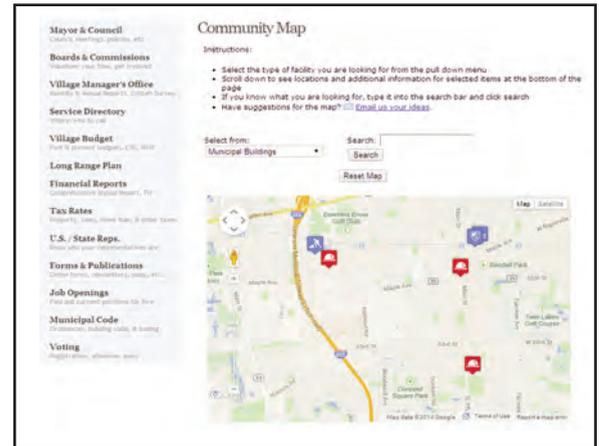
In May, the Village launched **rEmarks**, an online tool that allows residents to provide comments and feedback about Village Council agenda items.



Public input on **rEmarks** opens on the Friday before a Village Council meeting at 5:00 p.m. and is available until noon on Tuesday, the day of the meeting. Commenters must provide their name and address. Comments are then forwarded to the Village Council prior to the meeting and published on the Village's website.

Created Community Maps

In 2013, an interactive **Community Map** debuted on the Village website. This interactive map shows the location of government facilities, parks and other points of community interest. Users can select from drop down menus to select the location they are looking for.



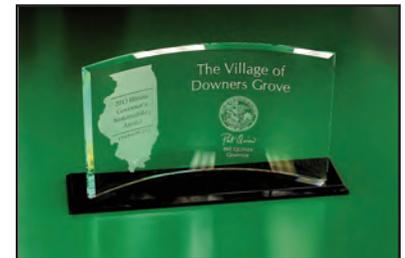
VI. ACHIEVEMENTS

Awards

Governor's Sustainability Award

The Village of Downers Grove is a proud recipient of the 2013 Illinois Governor's Sustainability Award. Downers Grove's commitment to environmental stewardship has been recognized for its best "green" practices in these areas:

- Waste Reduction and Recycling
- Water Conservation and Stormwater Pollution Prevention
- Energy Conservation
- Transportation



Being a *Steward of Financial & Environmental Sustainability* is a goal within the Village Long-Range Plan and seizing opportunities to "green" operations is a high priority. The Village, with input from the Environmental Concerns Commission, has implemented current best practices and developed a roadmap for achieving environmental sustainability.

Clean Cities Coalition Green Fleet Award

The Village of Downers Grove was selected as one of the Top 20 Government Green Fleets in North America. Each year the Government Green Fleet Award recognizes the top 100 fleets for their dedicated use of alternative fuel and hybrid vehicles. These awards are supported by the Clean Cities Coalition, which is operated by the U.S. Department of Energy. Downers Grove was the only community recognized in the Chicagoland area. Of the 176 units within the Village's fleet, including on and off road vehicles and equipment, 83% utilize some form of alternative fuel. These alternatives include Biodiesel (B-20), E-85 (Ethanol), Compressed Natural Gas (CNG), propane, solar power, and hybrid combinations.

Illinois Traffic Safety Challenge

The Downers Grove Police Department received recognition in the 2012 Illinois Traffic Challenge, as the top agency in the state for municipal agencies with 66 to 100 sworn officers for their overall approach to traffic safety. In addition, the Department received the 2012 Pedestrian and Bike Safety award, which recognizes law enforcement agencies for their efforts in bicycle and pedestrian education.

Government Finance Officers Association (GFOA) Distinguished Budget Presentation award for the 2013 Municipal Budget document.

This is the fourth consecutive year that Village Finance Director Judy Buttny and staff have been honored with this significant achievement, which reflects the commitment to meeting the highest principles of governmental budgeting. The 2013 Municipal Budget satisfied nationally recognized guidelines for effective budget presentations. The guidelines are designed to assess how well an entity's budget serves as a policy document, a financial plan, an operations guide and a communications device. The Village's budget was rated proficient in all four of these categories.

GFOA - Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Report (CAFR)

"The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management," according to a GFOA news release.

This award is issued following a review by an impartial panel of judges and recognizes the Village's "spirit of full disclosure" in the telling of its financial story. The professional manner in which the CAFR is organized and presented was cited as motivating factors which encourage potential users to read the document. The CAFR provides a detailed, audited account of all financial activity for the funds and departments in the Village organization. It is published within six months from the close of each fiscal year.

Top Ten Best Cities in Illinois - Movoto Real Estate

The Village of Downers Grove was named the 8th Best City in Illinois by Movoto Real Estate. Movoto looked at the 50 largest Illinois communities and ranked them using the following six criteria:

- Amenities (shopping, dining, entertainment, etc.)
- Cost of living (percent above or below state average)
- Crime (percent above or below state average)
- Education (high school graduation rate compared to state average)
- Employment (income and unemployment compared to state average)
- Home value (percent above or below state average)



Movoto Real Estate described the Village as follows:

Talk about a misnomer - Downers Grove is anything but a downer, as it was recently ranked No. 8 in Forbes' list of America's Friendliest Towns. In fact, unless you're talking about their incredibly low crime rate compared to the rest of the state, Downers Grove ranks pretty high in most things. It is among the top in Illinois education, with a 12 percent higher high school graduation rate than the rest of the state and an annual household income of over \$78,000 - 35 percent higher than average in these parts. It has also been named one of CNN's best places to retire, for its abundance of parks, nature, and, of course, stellar hospital.

