Dear Friends and Neighbors,

It is good to see people on their properties, busy this spring, getting ready for a new season. Similarly, your Village Board has been busy wrapping up the 2010 fiscal year and the budgeting process for the new 2011 fiscal year, which officially began May 1, 2010.

Your local government is made up of many people who worked very hard this past year for you, the residents of our Village. We had a number of new dedicated residents and professionals working in Village roles who had to learn their positions very quickly in the face of many challenges. For these efforts, I first want to thank all the Trustees, Village Clerk, Treasury, Deputy Clerk, Resident Volunteers, the Village Counsel and Engineer for their time and efforts in support of a successful year for the Village of Mettawa.

Next, I want to thank all those residents who took the time to show interest and supported the Village by attending our monthly Village meetings, sending ideas, suggestions or comments. This Village is small enough to maintain solid relationships with each resident; and your Village Board and officers are working hard to achieve that goal.

When we began last May, your Village Board faced several complex challenges:

- Two active lawsuits against the Village regarding the Costco development. These were costly and time-consuming; but in the end, one case was dismissed in court and the other was settled to better benefit Village residents
- A $300,000+ budget deficit inherited from the previous year-end which significantly lowered our financial reserves
- A court order, stemming from an earlier law suit, requiring the Village fund a new $1.060 million dollar sewer line down Route 60. This also lowered our cash position to a low point not seen in years
- A threat of land-disconnection from the Village from a land owner, which potentially could have brought us a high-density housing development and more traffic
- The worst economy in nearly 100 years negatively impacting our collected business tax revenues

I am pleased to report to you that we successfully managed through these challenges and have begun this fiscal year with a stronger organization that will perform more effectively and cost efficiently.

During this past year, you have received from me three quarterly reports of Village actions and decisions. This report for the fourth quarter diverges in form from the past three newsletters and takes the form of an Annual Report. This Mettawa Village Annual Report will serve as a recap of the key initiatives and actions your Village Board carefully managed throughout the year to benefit the residents.

**FY 2010 GOVERNANCE APPROACH**

- **Key operating style**
  - Collaborative….involving more residents in the process of local government
  - Thorough..considering multiple positions on each issue yet being creative to resolve issues fast
  - Transparency….keep residents informed with Village decisions
  - Frugal….find better, less expensive ways to manage the Village while improving delivered services to benefit residents
  - Success measurements….be accountable to ourselves and residents for what we spend and decisions we make
  - Desirability of the Village…always working to make this a better place to live for residents

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**Key operating guidelines**
- Keep costs down…do more work ourselves with volunteers
- Manage major legal and engineering challenges to successful conclusions
- Find best operating structure which is effective yet efficient for long-term
- Build for a stronger fiscal budget in 2011

Developing out of these activities and underlying the “governing style and guidelines,” were four key initiatives. These four initiatives cover many of the projects of focus for your Board and officers last year.

I. **WEIGH ALTERNATIVE IDEAS AND APPROACHES**

In the beginning of the 2010 fiscal year, it seemed prudent to look at every Village procedure and past Board decision in light of current best practices. While a large number of actions were taken (see previous quarterly newsletters), here are the key highlights:

- New Village Clerk (Cathy Nelson) was appointed….a resident of the Village
- Village files were discovered in multiple locations, most without fire protection. Cathy began the process of consolidation of these files in a secure and safe location.
- Village Computers were acquired for the Clerk and Deputy Treasurer as the Village previously had no dedicated computers for staff use
- Newspaper notices of Village business were transferred from the remote Waukegan Sun to the Village-delivered Daily Herald paper so residents could see what business the Village was conducting
- A Village Phone was installed with messages service so residents could more easily make contact with the Village and leave messages so we can respond more quickly to inquiries
- Speed limits were reduced to 25mph to make our roads safer for resident recreational use
- Residents were appointed to the positions of Treasurer (Tom Lys) and Deputy Treasurer (Rita Tavakoli)
- New Commission/Boards were staffed by residents who manage Village safety and building issues
- Trustee Village Districts were established to allow the Board members to poll resident opinion before important Board action and decisions…e.g., the vote to block Video Gambling in the Village
- Established a Village Monthly Activity Report completed by Trustees and officers
- Trail maintenance was increased and will be improved further in this upcoming fiscal year

II. **INCREASE RESIDENT INVOLVEMENT AND COMMUNICATIONS**

While we are a small Village, many neighbors didn’t know each other or know when meetings were being held in the Village. We felt, that regardless of our community’s size and the absence of a Village Hall we should provide an environment which allows for better communications with and among residents. We feel you have a right to an opinion on your Village operations and policies that may impact you personally.

Instituting our first initiative above, to weigh every policy, these changes below reflect a more transparent and available government which encourages resident involvement to help shape the state of the Village.

- Surveyed residents opinion and goals early to put a “stake in the ground” on our starting position of resident opinion
- Redesigned the Village web-site for more helpful resident information and Village transparency: http://mettawa.org
- Eliminated meeting postings on telephone poles which few residents could read, now on website & hotel lobby with email follow-ups from Clerk (to residents who have signed up on the Village distribution list)
- Changed location of Village meetings to Hilton Hotel for ease of access and comfort for residents
- Initiated a quarterly newsletter to keep residents informed on Village business and useful info
- Initiated Alerts and FYI emails to residents to keep you informed about health risks, traffic and safety
- Renewed relationships with surrounding Municipalities and governments for “best-practice” insights and cooperation/interdependence
- Held open houses with HSBC and Grainger to increase community sharing and relations
- Passed ordinance to stop Video Gambling in the village -- we used the Trustee district assignments on this issue for swift resident input prior to Board voting
III. STRENGTHEN VILLAGE FINANCIAL CONTROLS AND STANDING

With the uncertain outcomes of two legal cases and a $1 million dollar sewer payment facing the village last year coupled with a 33% decline in revenues from budget, it was necessary to be aggressive in our cost containment so that we could still offer a Tax Rebate to residents and not have a tax increase or a reduction of services to which many nearby communities resorted. Our new and active Finance Committee was aggressive in looking at cost savings all year. At the same time, we looked to strengthen our financial organization to improve future years’ financial operations. Key accomplishments:

- Finished the fiscal year in the black…reducing expense levels to that of nearly three years ago
- With tight management we were able to turn last year’s deficit of over $300,000 into a surplus of nearly $100,000.
- Audits now up-to-date…previously three years behind
- Used zero-based budgeting for 2011 fiscal year to control costs
- Instituted a “three-bid process” for services…this process allowed us to reduce our project costs in some cases by as much as 50% when compared to the previous year’s expenses..examples of projects that were bid out:
  - Road paving/patching
  - Culverts installation/repair
  - Grass cutting along roadways….moved to 2x cuttings this year to keep weeds down
  - Snow plowing
  - We have signed a contract to buy our salt from the State as many cities do, lowering our costs
  - Tree cutting recently done with lowest and best bid
- A newly negotiated “retainer” fee structure for Legal services resulted from a bid process
- The Board took action to reduce legal fees charged residents during property development work
- Through legal settlement negotiations, we achieved better Costco contract terms for the Village
- A possible new garbage collection service is now being bid as we explore new resident services

IV. DEVELOP AND IMPLEMENT A STRATEGIC PLAN FOR THE VILLAGE

Thirty-eight residents met with the Board at the Hilton Hotel to take the first step in developing a first-ever Strategic Plan for the Village. Thank you to all of you who took the time to help us in the first or follow-up meetings helping us outline this most important plan.

While it has been a longer process to finalize the plan than any had imagined, we will soon have a Board-approved Village Strategic Plan. Once the board approves the plan, we will once again call a “committee of the whole” meeting for all residents to attend where we will present the final approved Plan. The Plan has four major themes fleshed out as Goals, Objectives and Actions. Here is a sample of goals:

- Financial
  - Sustainable Revenue
  - Develop a formula for tax rebates
- Village Character
  - Low Density
  - Trails and Open Land
- Land Use
  - Limit Commercial Development
  - Preserve 5-acre zoning
- Infrastructure
  - Water/Sewer
  - Repave Roads
  - Increase security in Village

(Full report available on the Village Website)
WHAT CAN YOU EXPECT FOR FY2011?

With all of your help, we have accomplished much this past year. These accomplishments will allow your Board to provide more time investigating how the Village can provide more value to residents.

Once again, I ask that you consider giving the Village Clerk your email address for purposes of our sending occasional alerts and news/newsletters. Using emails as a communication technique is a low-cost way for us to speak with you and provides a quick way for us to contact residents should any safety alert need to be issued. If you are not on our email distribution list, you are not getting these alerts due to the time delay and cost necessary to use the traditional mail method. This email list is protected and used only by the clerk and me to communicate to residents and neighbors of the Village.

The clerk can be reached at clerk@mettawa.org

A management challenge that we continue to work on is our decision-making process that only allows us to make new decisions at monthly Board meetings or Special meetings. For those of us accustomed to working in a fast-paced corporate setting, we often have to exercise patience due to the length of time it takes to get some Village decisions made. Despite this challenge, we have worked hard this year to govern with a sense of fairness and urgency on issues facing the Village. We trust you are pleased with our progress and the direction.

At the end of the day, all of us want Mettawa to remain a wonderful place to live and enjoy life. Many residents only volunteer and serve the Village because they believe this little community is something special and worthwhile to protect. An active and proud Mettawa spirit shows when people attend meetings, volunteer their time, stop and pick up litter on our roads, remove illegal advertising signs, trim their grass on Village roadways and plant attractive vegetation on their property that makes our Village look beautiful.

This year is your Village’s 50-year anniversary of incorporation. We are currently in the planning stages for a celebration to mark this significant anniversary. We’d like to thank Mettawa Open Lands Association (MOLA) for their mailing “native” seed packs to residents and neighbors as their way of acknowledging this important milestone in our history.

In closing we encourage your feedback and comments.

Kind regards,

Jess D. Ray
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