



Dear Neighbor,

Municipal debt is an ongoing problem for Berwyn like so many cities across the country. The 2009 recession along with global trends in the economy have made the debt issue even worse in recent years. We have a legal and moral obligation to pay for pensions that were promised to workers long ago. Berwyn began taking out bonds in the past few decades to address the pensions and to pay for necessary infrastructure needs. My administration took action by continuously negotiating and restructuring these bonds to get better interest rates. We have been aggressive in tackling this, and we will remain vigilant in the coming years. Just in the last two years alone we have saved over \$15 million and paid down \$6 million. The actions we have taken – and continue to take - are projected to save \$30 million over the 30-year life of the bonds.

It is important to note that had we not taken action on unfunded pension liabilities, we would add more debt than exists and taxes would be higher. This is a generational problem reaching back four Mayors and will continue to be there for decades to come. The important thing is we are taking the right actions and partnering with financial experts to solve this problem.

In the short term, we must keep focusing on economic development. Growth is critical to solving this problem. As more new businesses come to Berwyn, we generate new sources of revenue without burdening our residents. My administration will continue to partner with the Berwyn Development Corporation to promote economic development.

We also need to maintain strong partnerships with state, county and federal leaders who can bring grants and other support. I will continue to seek out and pursue all sources of assistance. We just had great success securing \$18 million dollars from the state and other agencies for our \$26 million dollar infrastructure upgrades coming soon to the Depot District.

My administration has used every tool at our disposal to manage this debt problem while also maintaining public safety and not raising taxes at levels we see in surrounding cities. As your Mayor, I will continue to show transparency by balancing the many short term needs of our community, while still addressing long term debt.

Respectfully,

Mayor Robert J. Lovero

