Agenda
Village of Glen Ellyn
Finance Commission
Regular Meeting
Friday, September 13, 2019
7:00 AM
Glen Ellyn Civic Center, Room 306

A. Call to Order

B. Public Comment (Non Agenda Items)

C. Approval of Minutes

1. Finance Commission - Regular Meeting - Jul 12, 2019 7:00 AM

D. Financial Reports

1. General Fund Update - July 2019
2. Village Links/Reserve 22 - Manager's Report - July 2019
3. Village Links/Reserve 22 - Financial Statements - July 2019

E. Five Year Forecast

1. Finance Director Coyle will present a draft of the 2019 Five Year Forecast.

F. Chairman's Report

G. Trustee Liaison Report

H. Other Business

1. Economic Development Update
2. Next Meeting: Friday, October 11, 2019, 7:00 AM

I. Adjournment

1. Motion to Adjourn

Individuals with disabilities who plan to attend the hearing and who require certain accommodations in order to allow them to observe and participate, or who have questions regarding the accessibility of the meeting or facilities, are requested to contact the Village at least 24 hours before the meeting.

Minutes
Village of Glen Ellyn
Finance Commission
Regular Meeting
Friday, July 12, 2019
7:00 AM
Glen Ellyn Civic Center, Room 306

A. Call to Order

Attendee Name	Title	Status
Lisa A Cleaver	Commissioner	Present
Jose G DeLeon	Commissioner	Absent
Scott R Greeno	Commissioner	Present
Jeremy S VanEk	Commissioner	Absent
Christopher D. Oakes	Commissioner	Present
Lea Dan	Commissioner	Absent
Michael Campagna	Commissioner	Present
Brenton J. Peck	Commissioner	Present
Matthew L Halkyard	Chairman	Present
Ben Harrington	Student Commissioner	Absent

Also present: Village Manager Franz, Finance Director Coyle, Assistant Finance Director Thomas and Recording Secretary Haslett.

Chairman Halkyard called the meeting to order at 7:00AM.

B. Public Comment (Non Agenda Items)

None.

C. Approval of Minutes

1. Finance Commission - Regular Meeting - Jun 14, 2019 7:00 AM

RESULT:	**ACCEPTED [UNANIMOUS]**
MOVER:	Christopher D. Oakes, Commissioner
SECONDER:	Brenton J. Peck, Commissioner
AYES:	Cleaver, Greeno, Oakes, Campagna, Peck, Halkyard
ABSENT:	DeLeon, VanEk, Dan, Harrington

D. Financial Reports

1. General Fund Update - May 2019

Finance Director Coyle distributed the May 2019 General Fund report and noted that income taxes came in at $557,000 compared to $380,000 last year. Sales and home rule sales taxes are still below the budgeted amounts, while other revenues are on par with last year and are on budget. On the expense side there is a variance in the Facilities Maintenance Department because the full transfer was made at the beginning of the year to fund the Civic Center improvements, whereas last year monthly transfers were processed. The Information Technology (IT) department is below budget, due to lower personnel costs. The IT Director will be retiring at the end of the year and the budget included funds to fill this position so that cross training could occur with the new IT Director. The new employee is slated to start in August, which will allow several months of a smooth transition.

RESULT:	**DISCUSSION ONLY**

2. Village Links/Reserve 22 - Manager's Report and Financial Statements - May 2019

Finance Director Coyle indicated that May was not a good month for golf due to the poor weather. Finance Director Coyle said General Manager Jeff Vesevick informed her that revenues for June were one of the best on record.

Commissioner Campagna asked if any contingency plans have been drafted for the Village Links. Finance Director Coyle replied staff is aware that cost cutting could be necessary if a poor season continues, which could include deferring capital items for next year. Commissioner Campana inquired about capital spending. Finance Director Coyle said the Links had some significant capital costs recently with the replacement of the golf carts in 2017 and the Reserve 22 renovation at the end of 2018. For 2019, some capital equipment was obtained because these purchases could not be put-off any longer. Finance Director Coyle said the July 2019 sales reports for the Links and Reserve 22 look good as well. Finance Director Coyle said it is important to restore the cash reserve balance for the slower winter months in January, February, and March. Finance Director Coyle said the new minimum wage requirements become effective in 2020 which will impact costs at the Links and Reserve 22.

RESULT:	**DISCUSSION ONLY**

3. Capital Reporting - June 2019

Finance Director Coyle highlighted some of the major capital projects taking place in the Village. The Baker Hill access improvements should be done before Pete's Market opens. Some punch list items from last year's Park Avenue resurfacing project are currently being finished. The Village Board is reviewing the Central Business District (CBD) improvements. Commissioner Peck inquired if the small business owners have been engaged on the CBD project. Finance Director Coyle replied yes that the CBD improvements will be done over several years so that the downtown is not completely under construction. Also, there will be meetings with the small business owners before construction as well as during construction in order to improve retail access and parking. The Civic Center renovations are almost completed. There are still some issues that are being worked through on the new parking garage.

Minutes Acceptance: Minutes of Jul 12, 2019 7:00 AM (Approval of Minutes)

Chairman Halkyard asked how overages are handled for capital improvements. Finance Director Coyle replied staff tries to balance out the Capital Improvement Fund as a whole and none of the projects have been significantly over budget. Finance Director Coyle said project costs can be modified if there are unforeseen conditions and there are change orders from time to time, but most projects include about a 3% -10% contingency, which is built into the budget amount. Finance Director Coyle noted Professional Engineer Daubert will be attending the Finance Commission meeting in August or September to discuss the capital budget.

RESULT:	**DISCUSSION ONLY**

E. Purchasing Policy Updates

1. Finance Director Coyle will present proposed revisions to the purchasing policy.

Finance Director Coyle noted the Village purchasing guidelines are reviewed every few years and went on to discuss several proposed changes. Finance Director Coyle referenced the memorandum prepared by Professional Engineer Daubert regarding changes in procuring engineering services. In addition to these changes, staff is recommending that the Village Manager's spending authority be increased from $20,000 to $25,000 to mirror the Illinois State Statute. In addition, the Village Manager's authority to approve change orders will also be at the $25,000 threshold. Finance Director Coyle also discussed the proposed changes to the vendor quotation requirements. Chairman Halkyard said the proposed changes were reasonable as long as the purchasing process is continually audited and checked upon. Finance Director Coyle said the proposed changes will be presented to the Village Board for their approval.

RESULT:	**DISCUSSION ONLY**

F. 2018 Audit

1. Finance Director Christina Coyle will present the December 31, 2018 Comprehensive Annual Financial Report.

Finance Director Coyle encouraged all the Finance Commissioners to review the Management Discussion and Analysis included in the 2018 Comprehensive Annual Financial Report. The funded status of the Village's pension decreased due to the market downturn that occurred at the end of December. Finance Director Coyle noted had the report been prepared as of January 31, 2019, the funded status would have been different. The fund balance of the General fund decreased by only $139,000 compared to the projected $600,000 shortfall originally budgeted. The good news for 2018 is that not as much of the General Fund reserves were needed to cover the State of Illinois revenue shortfalls and overall the General Fund ended better than anticipated. Cash reserves exceeded the policy levels for all the funds except the Village Links and Reserve 22. At the end of 2018 the Village issued $9.9 million in bonds for capital projects. The auditor issued a management letter with no comments regarding internal matters.

Minutes Acceptance: Minutes of Jul 12, 2019 7:00 AM (Approval of Minutes)

RESULT:	**DISCUSSION ONLY**

G. Trustee Liaison Report

No report.

H. Chairman's Report

No report.

I. Other Business

1. Economic Development Update

Village Manager Franz updated the Finance Commission on recent economic developments within the Village.

2. Next Meeting: Friday, August 9, 7:00AM

J. Adjournment

1. Motion to adjourn

The meeting was adjourned at 7:40 AM.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Lisa A Cleaver, Commissioner
SECONDER:	Christopher D. Oakes, Commissioner
AYES:	Cleaver, Greeno, Oakes, Campagna, Peck, Halkyard
ABSENT:	DeLeon, VanEk, Dan, Harrington

Finance Commission
535 Duane St.
Glen Ellyn, IL 60137

Meeting: 09/13/19 07:00 AM
Department: Finance Commission
Department Head: Christina Coyle
Category: Report
Prepared By: Ann Pedersen

SCHEDULED

AGENDA ITEM (ID # 4122) DOC ID: 4122

Village Links/Reserve 22 - Manager's Report - July 2019

Please see the attached Manager's Report.

ATTACHMENTS:

- Managers Report082819 (PDF)

VILLAGE LINKS
GLEN ELLYN

RESERVE
22
TWENTY-TWO

"Committed to Excellence since 1967"

Manager's Report for July 2019

Submitted by Jeff Vesevick, General Manager

July weather was decent for golf. There was above normal rain of 5.53" over 7 days. The average rainfall for July is 3.97". Temperatures were above normal 19 days with above normal humidity which led to high disease pressure. Extra treatments for fungal diseases were necessary during July. Golf carts were only grounded for half a day. The irrigation system was used to water greens, tees and fairways for the first time July 7th which is 70 days later than normal.

High Temperatures in July																					
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
100º days								1							1						1
90º days	8	2		1	2		4	15	10	4			3	7	6		5	14	12	1	14
80º days	16	20	20	20	18		14	15	20	25	12	26	21	18	19	21	20	13	11	18	15
70º days	7	8	10	8	8		9		1	2	15	5	7	6	5	9	6	4	8	12	1
60º days		1	1	1	3		4				4					1					
50º days																					
40º days																					
30º days																					
Rain	5.5"	1.7"	4.4"	6.4"	2.5"	2.2"	2.4"	4.0"	5.8"	9.2"	1.9"	4.0"	3.4"	2.0"	2.0"	2.0"	5.7"	2.3"	3.2"	4.4"	2.5"

GOLF

Rounds played were up 2% for the month, and are down 1% for the year
Greens Fees were up 3% for the month, and are up 4% for the year
Motor Cart rentals were up 7% for the month, and are down 4% for the year
Driving Range was down 2% for the month, and is up 2% for the year
Golf Shop merchandise sales were down 3% for the month, and are down 15% for the year
Total Golf revenues were up 4% for the month, and are up 2% for the year

Attachment: Managers Report082819 (4122 : Village Links/Reserve 22 - Manager's Report - July 2019)

Golf Revenue July										
	2010	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
Rounds	11,541	12,119	11,515	11,648	12,879	13,243	11,835	12,191	11,933	12,169
Green Fees	284,613	302,685	289,643	290,661	315,980	327,770	309,969	317,849	319,389	329,955
Driving Range	35,398	37,297	38,871	15,027	47,693	55,416	41,188	47,538	50,378	49,505
Pro Shop	22,778	28,278	21,284	17,344	23,085	26,178	21,903	26,049	24,517	23,907
Carts	65,547	74,519	79,842	78,726	83,735	88,075	82,628	89,841	94,449	101,459
Resident Cards	1,833	1,947	1,460	1,940	2,570	2,470	2,500	2,000	2,900	1,990
Miscellaneous	18,698	38,315	9,880	8,876	8,488	13,412	10,126	10,842	9,819	14,845
Total Revenue	**429,110**	**473,066**	**440,949**	**412,534**	**481,551**	**539,131**	**468,315**	**494,119**	**501,452**	**521,660**

Golf Revenues in July were the second highest in the past 10 years

The **Illinois Section** of the **PGA of America** selected ***Golf Professional Emeritus Ed Posh*** as its recipient of its 2019 Senior Masters Award. The prestigious award recognized Mr. Posh for his years of professional service. Congratulations Mr. Posh!

The **Ed Posh Scholarship Shootout** had another successful event on July 19. The Fund raised approximately $40,000 toward scholarships which are awarded to 4 deserving students each year. 2019 marked the 24th anniversary for the event, held each year at the Village Links, which honors Head Golf Professional Emeritus Ed Posh.

Staff hosted a total of 15 outside events in July 2019, 4 more than last year. Revenues generated were up 12% in July, and are up 10% year to date. Golf Outings in 2019 represented 8% of the total rounds played, and 16% of green fee revenues for the month.

Golf Staff kept quite busy administering and conducting its 13 weekly leagues, the PGA Junior League, Junior Camps and Clinics, and Adult Lesson programs. These numerous scheduled events help to keep the Village Links one of the busiest courses in the area.

The Village Links entered into an email marketing campaign with the **Chicago District Golf Association** for the second year, which sent a promotional offer to its expansive database to play the Village Links for a mild discount. The promotion generated 87 rounds of golf, and $24,772 in green fee revenue.

Grounds

Extra treatments for fungal diseases were necessary during July, due to the excessive spring rains, and the relative high humidity in July. Golf carts were only grounded for half a day. The irrigation system was used to water greens, tees and fairways for the first time July 7th which is 70 days later than normal.

Attachment: Managers Report082819 (4122 : Village Links/Reserve 22 - Manager's Report - July 2019)

Grounds

1. Litter was removed from the parkways twice.
2. Bunker sand was shoveled/plowed back into place 3 times.
3. An irrigation leak on the driving range tee was repaired.
4. Micro-nutrients, growth regulators and disease prevention treatments were applied to greens, tees and fairways 3 times.
5. Fertilizer was applied to all playing areas.
6. Sand was added to 12 bunkers.
7. The 18 & 9 hole putting greens and 9 hole golf greens were spiked.
8. Greens were sand top dressed 2 times.
9. Twelve irrigation heads were repaired.
10. Branches throughout the property were picked up after 2 storms.

Mechanical and Building Maintenance

1. Twelve pieces of equipment were repaired and serviced.
2. Fifteen cutting units were sharpened.
3. The Reserve 22 and Blue Heron carpets were cleaned.
4. Reserve 22/Blue Heron windows were washed twice.
5. Reserve 22 kitchen equipment was serviced.
6. Filters were changed on the Clubhouse/Reserve 22 HVAC units.

Horticulture/Conservation

1. Landscape beds at the police station were cleaned up and weeded.
2. The rehab of several landscape beds was started.

RESERVE 22

Restaurant Manager **Rainn Incardonne** has left Reserve 22 after a year and a half of service. We wish her well in her future endeavors. The search has begun for her replacement.

Staff introduced a **Birthday Club** to Reserve 22 patrons in 2018, offering them a discount if they visit during their birthday month. The offer is aimed at increasing both the volume in the restaurant, and also the data base of emails. Respondents to date total over 1,200.

Management is busy advertising for the eminent exodus of our part-time staff who will be heading off to college in mid-August. Advertisements have been placed on Indeed, and Craig's list, as well as contacts made at College of DuPage. We are looking to fill all positions in the Restaurant, Bar and Banquets.

Reserve 22 - JULY				Year to Date		
	2018	2019	+/-	2018	2019	+/-
Restaurant & Bar	216,220	229,608	*6.2%*	943,609	959,627	*1.7%*
Banquets	63,097	82,638	*31.0%*	419,496	445,325	*6.2%*
from Outings	24,992	17,851	*-28.6%*	93,391	84,393	*-9.6%*
Beverage Cart	14,355	15,766	*9.8%*	40,321	40,571	*0.6%*
Halfway House	19,732	19,801	*0.4%*	55,504	56,427	*1.7%*
Other	24	7,477		24	13,947	
Total Reserve 22	313,428	355,290	*13.4%*	1,458,953	1,515,897	*3.9%*

In a survey conducted by **Open Table**, the popular restaurant reservation app, diners voted Reserve 22 to be among the **Top 10** places to dine al fresco in the Chicago area.

Reserve 22 enjoyed its 2nd most profitable July (2015) since opening just 6 years ago. Warm, sunny evenings have attracted diners to enjoy the scenic view of the patio. Year to date revenues have hit record highs, led by an overall 6% increase in banquets.

Attachment: Managers Report082819 (4122 : Village Links/Reserve 22 - Manager's Report - July 2019)

Finance Commission
535 Duane St.
Glen Ellyn, IL 60137

Meeting: 09/13/19 07:00 AM
Department: Finance Commission
Department Head: Christina Coyle
Category: Report
Prepared By: Ann Pedersen

SCHEDULED

AGENDA ITEM (ID # 4123) DOC ID: 4123

Village Links/Reserve 22 - Financial Statements - July 2019

Please see the attached financial statements.

ATTACHMENTS:

- Village Links - Financial Statements - July 2019 (PDF)

VILLAGE LINKS GLEN ELLYN | RESERVE 22 TWENTY-TWO

VILLAGE LINKS / RESERVE 22
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
As of July 31, 2019

ORG	DESCRIPTION	2019 BUDGET	MONTH 2019	MONTH 2018	MONTH DIFF	MONTH % DIFF	YEAR-TO-DATE 2019	YEAR-TO-DATE 2018	YEAR-TO-DATE DIFF	YEAR-TO-DATE % DIFF
	REVENUES:									
5500	Village Links Revenues	$ 2,993,000	$ 522,815	$ 503,076	$ 19,738	4%	$ 1,567,684	$ 1,538,305	$ 29,379	2%
5520	Reserve 22 Revenues	2,623,600	355,290	313,428	41,862	13%	1,515,897	1,458,924	56,973	4%
	Total Revenues	**$ 5,616,600**	**$ 878,104**	**$ 816,504**	**$ 61,600**	**8%**	**$ 3,083,581**	**$ 2,997,229**	**$ 86,352**	**3%**
	EXPENDITURES:									
55700	Administration	$ 411,057	$ 31,723	$ 31,968	$ (244)	-1%	$ 240,469	$ 223,352	$ 17,117	8%
55710	Golf Course Maintenance	835,951	64,368	69,518	(5,149)	-7%	445,404	456,090	(10,686)	-2%
55720	Golf Services	717,368	90,854	76,637	14,217	19%	413,902	414,830	(928)	0%
55730	Reserve 22	2,275,945	277,593	274,087	3,506	1%	1,345,498	1,382,659	(37,161)	-3%
55740	Stormwater Management	30,756	3,688	3,167	521	16%	8,640	9,392	(753)	-8%
55750	Pro Shop Merchandise	164,405	17,421	20,185	(2,764)	-14%	78,861	90,539	(11,678)	-13%
55780	Motorized Carts	43,641	7,127	7,067	60	1%	16,749	18,873	(2,123)	-11%
557X5	Mechanical Maintenance	172,879	9,841	19,560	(9,719)	-50%	111,607	142,151	(30,544)	-21%
	Total Operating Expenses	$ 4,652,002	$ 502,616	$ 502,189	$ 428	0%	$ 2,661,129	$ 2,737,886	$ (76,757)	-3%
	Operating Income	**$ 964,598**	**$ 375,488**	**$ 314,316**	**$ 61,172**	**19%**	**$ 422,452**	**$ 259,342**	**$ 163,109**	**63%**
	Debt Service	658,070	-	-	-	0%	59,035	66,048	(7,013)	-11%
	Capital Expenditures	332,787	36,426	23,340	13,086	56%	223,914	50,452	173,462	344%
	CHANGE IN NET POSITION	**$ (26,259)**	**$ 339,062**	**$ 290,976**	**$ 48,086**	**17%**	**$ 139,503**	**$ 142,843**	**$ (3,340)**	**-2%**

KEY METRICS

	Goal	Month 2019	Month 2018	Month Diff	YTD 2019	YTD 2018	YTD Diff
Personnel Expenses as % of Sales	*46%*	*30%*	*34%*	*-4%*	*45%*	*47%*	*-2%*
Cash Balance (End of Month, in $000's)	*$ 1,164*	*$ 1,107*	*$ 1,579*	*$ (471)*			

Attachment: Village Links - Financial Statements - July 2019 (4123 : Village Links/Reserve 22 - Financial

VILLAGE LINKS GLEN ELLYN | RESERVE 22 TWENTY-TWO

VILLAGE LINKS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
GOLF
(Including Administration, Grounds, & Mechanical Maintenance)
As of July 31, 2019

ORG/ OBJECT	DESCRIPTION	2019 BUDGET	MONTH 2019	MONTH 2018	MONTH DIFF	MONTH % DIFF	YEAR-TO-DATE 2019	YEAR-TO-DATE 2018	YEAR-TO-DATE DIFF	YEAR-TO-DATE % DIFF
5500	**VILLAGE LINKS REVENUES:**									
440550	Green Fees	$ 1,850,000	$ 330,015	$ 319,389	$ 10,626	3%	$ 943,652	$ 906,557	$ 37,095	4%
440554	Pro Shop - Sales	180,000	23,907	24,517	(610)	-2%	86,450	101,760	(15,311)	-15%
440555	Motor Carts	525,000	101,399	94,449	6,950	7%	249,604	261,938	(12,335)	-5%
440556	Driving Range	280,000	49,505	50,378	(874)	-2%	164,275	161,419	2,856	2%
440557	Resident Cards	32,000	1,990	2,900	(910)	-31%	29,950	30,500	(550)	-2%
460100	Investment Income	17,000	645	1,280	(635)	-50%	7,054	9,673	(2,619)	-27%
489000	Miscellaneous Revenue	109,000	15,207	10,298	4,909	48%	86,754	66,314	20,440	31%
489100	Miscellaneous - Over/Short	-	147	(135)	283	-209%	(55)	142	(197)	-139%
	Total Revenues	**$ 2,993,000**	**$ 522,815**	**$ 503,076**	**$ 19,738**	**4%**	**$ 1,567,684**	**$ 1,538,305**	**$ 29,379**	**2%**
	COST OF GOODS SOLD:									
520945	Cost of Goods Sold - Pro Shop	$ 135,000	$ 15,029	$ 17,640	$ (2,611)	-15%	$ 62,706	$ 73,802	$ (11,096)	-15%
	Total Cost of Goods Sold	**$ 135,000**	**$ 15,029**	**$ 17,640**	**$ (2,611)**	**-15%**	**$ 62,706**	**$ 73,802**	**$ (11,096)**	**-15%**
	Gross Profit	**$ 2,858,000**	**$ 507,785**	**$ 485,436**	**$ 22,349**	**5%**	**$ 1,504,978**	**$ 1,464,503**	**$ 40,475**	**3%**
	OTHER OPERATING EXPENSES:									
510100	Salaries - Pensionable	$ 870,950	$ 70,067	$ 71,323	$ (1,255)	-2%	$ 441,130	$ 432,580	$ 8,550	2%
510120	Salaries - Non-Pensionable	219,010	40,571	33,371	7,200	22%	116,057	84,995	31,062	37%
510200	Salaries - Overtime	6,000	552	835	(283)	-34%	3,061	2,984	78	3%
510400	FICA Taxes	83,886	8,352	7,973	379	5%	42,097	39,052	3,045	8%
510500	IMRF	62,314	4,856	6,797	(1,942)	-29%	30,747	41,889	(11,143)	-27%
590600	Health Insurance	95,150	9,971	8,186	1,785	22%	61,887	59,981	1,906	3%
52XXXX	Contractual Services	595,447	52,677	51,781	897	2%	359,864	402,899	(43,035)	-11%
53XXXX	Commodities	308,300	22,948	30,195	(7,248)	-24%	198,081	217,045	(18,963)	-9%
	Total Operating Expenses	**$ 2,241,057**	**$ 209,994**	**$ 210,461**	**$ (467)**	**0%**	**$ 1,252,925**	**$ 1,281,425**	**$ (28,500)**	**-2%**
	Operating Income	**$ 616,943**	**$ 297,792**	**$ 274,975**	**$ 22,817**	**8%**	**$ 252,053**	**$ 183,077**	**$ 68,975**	**38%**
	Operating Income Percentage	**21%**	**57%**	**55%**			**16%**	**12%**		

KEY METRICS

	Goal	MONTH 2019	MONTH 2018	MONTH DIFF	YTD 2019	YTD 2018	YTD DIFF
Rounds Played	*72,000*	*12,169*	*11,933*	*236*	*35,358*	*35,789*	*(431)*
Revenue Per Round	*$ 41.57*	*$ 42.96*	*$ 42.16*	*$ 0.80*	*$ 44.34*	*$ 42.98*	*$ 1.35*
Resident Cards Sold	*N/A*	*104*	*154*	*(50)*	*2,395*	*2,519*	*(124)*
Cost of Goods Sold % - Pro Shop	*75%*	*63%*	*72%*	*-9%*	*73%*	*73%*	*0%*
Personnel Expenses as % of Sales	*45%*	*26%*	*26%*	*0%*	*44%*	*43%*	*1%*

VILLAGE LINKS GLEN ELLYN | RESERVE 22 TWENTY-TWO

VILLAGE LINKS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
GOLF
(Including Administration, Grounds, & Mechanical Maintenance)

As of July 31, 2019

ORG/ OBJECT	DESCRIPTION	2019 BUDGET	MONTH 2019	MONTH 2018	MONTH DIFF	MONTH % DIFF	YEAR-TO-DATE 2019	YEAR-TO-DATE 2018	YEAR-TO-DATE DIFF	YEAR-TO-DATE % DIFF
	MISCELLANEOUS REVENUE									
	Miscellaneous Revenue includes the following items, which don't fit into any of the major revenue categories:									
	Handicaps		*$ 1,600*	*$ 745*	*$ 855*		*$ 37,335*	*$ 24,925*	*$ 12,410*	
	Hand Cart Rentals		*3,512*	*3,532*	*(20)*		*14,464*	*11,794*	*2,670*	
	Adult & Junior Golf Lessons		*6,824*	*3,039*	*3,785*		*22,021*	*12,289*	*9,732*	
	Golf Club Rentals		*930*	*1,130*	*(200)*		*2,180*	*2,800*	*(620)*	
	Golf Club Repairs		*391*	*578*	*(186)*		*2,739*	*3,905*	*(1,166)*	
	Locker Rentals		*-*	*-*	*-*		*3,200*	*3,360*	*(160)*	
	Illinois Sales Tax (1.75%)		*511*	*479*	*32*		*1,707*	*1,572*	*135*	
	Glen Ellyn Food & Beverage Tax (1%)		*(9)*	*-*	*(9)*		*30*	*-*	*30*	
	Memorial Tree Donation		*-*	*250*	*(250)*		*500*	*250*	*250*	
	Caddie Equipment		*-*	*-*	*-*		*-*	*150*	*(150)*	
	FootGolf Ball Rentals		*25*	*110*	*(85)*		*105*	*175*	*(70)*	
	ATM Machine Commission		*27*	*40*	*(13)*		*73*	*84*	*(11)*	
	Misc./Misc.		*1,395*	*395*	*1,000*		*2,400*	*5,010*	*(2,610)*	
	Total	*$ 109,000*	*$ 15,207*	*$ 10,298*	*$ 4,909*		*$ 86,754*	*$ 66,314*	*$ 20,440*	

Attachment: Village Links - Financial Statements - July 2019 (4123 : Village Links/Reserve 22 - Financial

VILLAGE LINKS GLEN ELLYN | RESERVE 22 TWENTY-TWO

RESERVE 22
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
As of July 31, 2019

ORG/ OBJECT	DESCRIPTION	2019 BUDGET	MONTH 2019	MONTH 2018	MONTH DIFF	MONTH % DIFF	YEAR-TO-DATE 2019	YEAR-TO-DATE 2018	YEAR-TO-DATE DIFF	YEAR-TO-DATE % DIFF
5520	**RESERVE 22 REVENUES:**									
441100	Food	$ 1,450,000	$ 187,159	$ 168,217	$ 18,942	11%	$ 843,678	$ 807,343	$ 36,335	5%
441101	Liquor	260,000	35,281	30,815	4,466	14%	136,779	144,015	(7,236)	-5%
441102	Beer	465,000	71,181	64,450	6,731	10%	283,976	261,028	22,947	9%
441103	Wine	215,000	27,561	22,540	5,020	22%	124,762	119,352	5,410	5%
441104	NA Beverages	95,000	16,193	17,339	(1,145)	-7%	45,956	52,189	(6,234)	-12%
441106	Room Charges	1,500	2,100	-	2,100	0%	3,600	1,100	2,500	227%
441107	Service Charges	137,000	14,012	10,043	3,969	40%	73,603	73,840	(237)	0%
489000	Miscellaneous Revenue	100	1,802	24	1,779	7489%	3,544	56	3,488	6215%
	Total Revenues	**$ 2,623,600**	**$ 355,290**	**$ 313,428**	**$ 41,862**	**13%**	**$ 1,515,897**	**$ 1,458,924**	**$ 56,973**	**4%**
	COST OF GOODS SOLD:									
530400	Cost of Goods Sold - Beer	$ 119,080	$ 16,235	$ 12,376	$ 3,859	31%	$ 60,863	$ 62,520	$ (1,657)	-3%
530401	Cost of Goods Sold - Wine	61,360	8,423	8,923	(500)	-6%	32,235	33,834	(1,599)	-5%
530402	Cost of Goods Sold - Liquor	50,400	8,176	4,064	4,111	101%	26,359	30,695	(4,335)	-14%
530405	Cost of Goods Sold - NA Beverages	27,600	9,687	5,039	4,648	92%	27,676	18,561	9,115	49%
530420	Cost of Goods Sold - Food	460,800	64,211	64,727	(516)	-1%	286,843	297,740	(10,898)	-4%
	Total Cost of Goods Sold	**$ 719,240**	**$ 106,732**	**$ 95,130**	**$ 11,602**	**12%**	**$ 433,976**	**$ 443,349**	**$ (9,373)**	**-2%**
	Gross Profit	**$ 1,904,360**	**$ 248,558**	**$ 218,298**	**$ 30,260**	**14%**	**$ 1,081,921**	**$ 1,015,574**	**$ 66,347**	**7%**
	Gross Profit Percentage	**73%**	**70%**	**70%**			**71%**	**70%**		
	OTHER OPERATING EXPENSES:									
510100	Salaries - Pensionable	$ 629,440	$ 54,042	$ 59,474	$ (5,432)	-9%	$ 345,370	$ 356,065	$ (10,696)	-3%
510120	Salaries - Non-Pensionable	370,000	52,956	61,788	(8,832)	-14%	227,764	249,541	(21,777)	-9%
510200	Salaries - Overtime	6,000	1,828	1,215	613	50%	7,975	5,163	2,812	54%
510399	Tips Paid Through Payroll	-	(786)	110	(896)	-812%	559	2,040	(1,481)	-73%
510400	FICA Taxes	95,662	11,024	11,826	(802)	-7%	55,493	57,274	(1,781)	-3%
510500	IMRF	45,114	4,319	6,217	(1,899)	-31%	27,497	38,258	(10,761)	-28%
590600	Health Insurance	86,000	6,033	7,480	(1,448)	-19%	46,305	41,250	5,055	12%
52XXXX	Contractual Services	201,189	20,860	16,781	4,079	24%	105,792	109,845	(4,053)	-4%
53XXXX	Commodities	123,300	20,585	14,065	6,520	46%	94,768	79,873	14,895	19%
	Total Operating Expenses	**$ 1,556,705**	**$ 170,861**	**$ 178,957**	**$ (8,096)**	**-5%**	**$ 911,522**	**$ 939,309**	**$ (27,787)**	**-3%**
	Operating Income	**$ 347,655**	**$ 77,696**	**$ 39,341**	**$ 38,355**	**97%**	**$ 170,399**	**$ 76,265**	**$ 94,134**	**123%**
	Operating Income Percentage	**13%**	**22%**	**13%**			**11%**	**5%**		

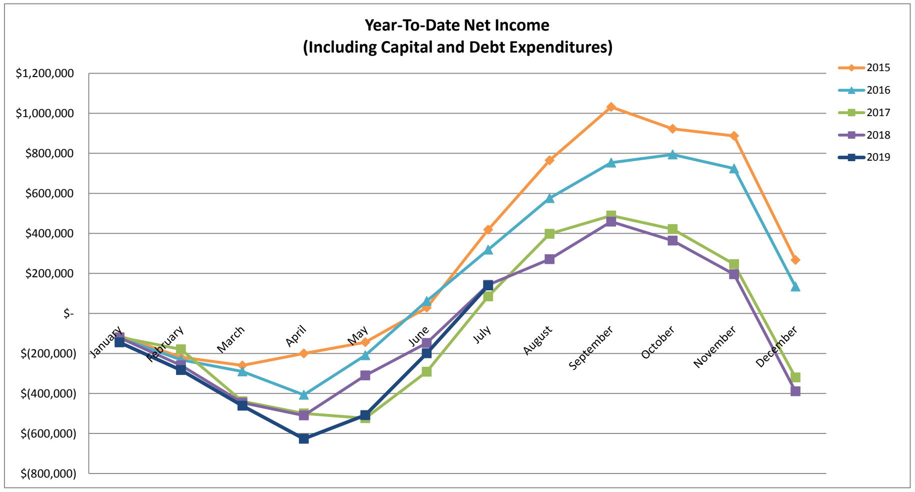
VILLAGE LINKS GLEN ELLYN | RESERVE 22 TWENTY-TWO

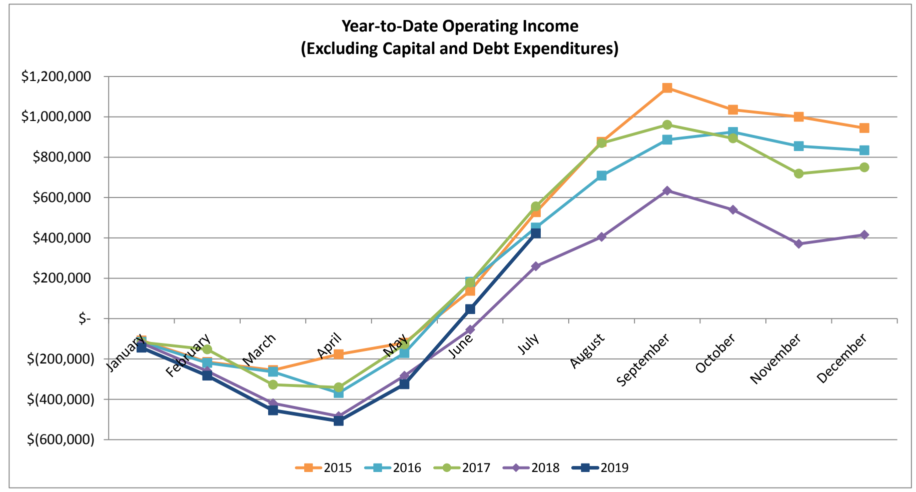
RESERVE 22
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
As of July 31, 2019

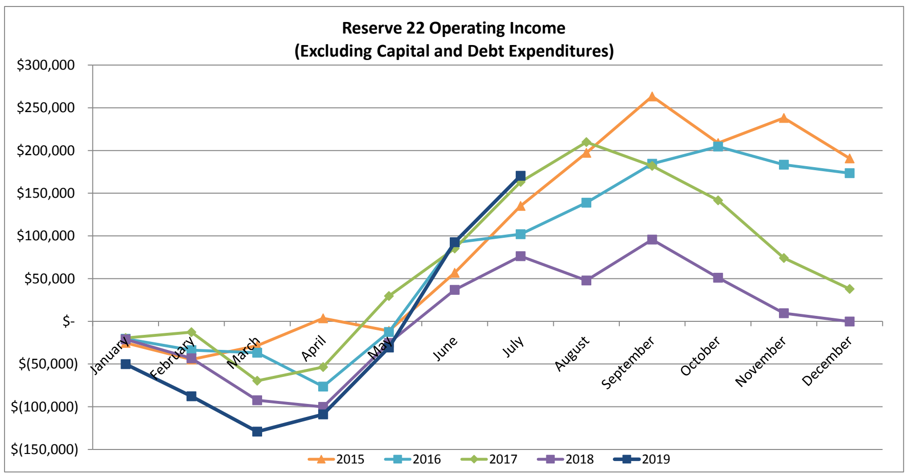
ORG/ OBJECT	DESCRIPTION	2019 BUDGET	MONTH 2019	MONTH 2018	MONTH DIFF	MONTH % DIFF	YEAR-TO-DATE 2019	YEAR-TO-DATE 2018	YEAR-TO-DATE DIFF	YEAR-TO-DATE % DIFF
	KEY METRICS									
		Goal								
	Revenue Source:									
	Restaurant/Bar	*N/A*	*$ 229,595*	*$ 216,220*	*$ 13,375*	*6%*	*$ 959,604*	*$ 943,599*	*$ 16,004*	*2%*
	Banquets	*N/A*	*82,638*	*63,097*	*19,541*	*31%*	*445,325*	*419,496*	*25,829*	*6%*
	Other	*N/A*	*43,057*	*34,111*	*8,946*	*26%*	*110,968*	*95,829*	*15,140*	*16%*
	Total	*$ 2,623,600*	*$ 355,290*	*$ 313,428*	*$ 41,862*	*13%*	*$ 1,515,897*	*$ 1,458,924*	*$ 56,973*	*4%*
	Reserve 22 Revenues (Last 12 Months)	*$ 2,623,600*					*$ 2,542,199*	*$ 2,434,902*	*$ 107,296*	*4%*
	Reserve 22 Expenses (Last 12 Months)	*$ 2,275,945*					*$ 2,448,285*	*$ 2,484,012*	*$ (35,726)*	*-1%*
	# Guest Checks (Restaurant/Bar)	*N/A*	*6,735*	*7,928*	*(1,193)*		*28,880*	*31,835*	*(2,955)*	
	Revenue Per Guest Check	*N/A*	*$ 34.09*	*$ 27.27*	*$ 6.82*		*$ 33.23*	*$ 29.64*	*$ 3.59*	
	# Guests (Restaurant/Bar)	*N/A*	*11,747*	*13,097*	*(1,350)*		*49,626*	*55,157*	*(5,531)*	
	Average Guest Spend	*N/A*	*$ 19.54*	*$ 16.51*	*$ 3.04*		*$ 19.34*	*$ 17.11*	*$ 2.23*	
	Cost of Goods Sold %	*27%*	*30%*	*30%*	*0%*		*29%*	*30%*	*-2%*	
	Cost of Goods Sold % (By Category):									
	Cost of Goods Sold - Beer	*26%*	*23%*	*19%*	*4%*		*21%*	*24%*	*-3%*	
	Cost of Goods Sold - Wine	*29%*	*31%*	*40%*	*-9%*		*26%*	*28%*	*-3%*	
	Cost of Goods Sold - Liquor	*19%*	*23%*	*13%*	*10%*		*19%*	*21%*	*-2%*	
	Cost of Goods Sold - NA Beverages	*29%*	*60%*	*29%*	*31%*		*60%*	*36%*	*25%*	
	Cost of Goods Sold - Food	*32%*	*34%*	*38%*	*-4%*		*34%*	*37%*	*-3%*	
	Personnel Expenses as % of Sales	*47%*	*36%*	*47%*	*-11%*		*46%*	*51%*	*-5%*	
	Prime Cost (Cost of Goods Sold + Personnel Expenses) as % of Sales	*74%*	*67%*	*78%*	*-11%*		*75%*	*82%*	*-6%*	

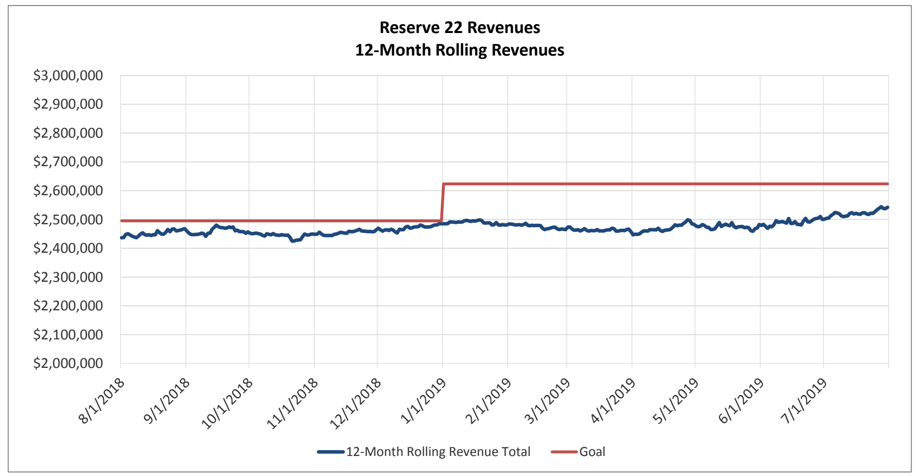
Attachment: Village Links - Financial Statements - July 2019 (4123 : Village Links/Reserve 22 - Financial

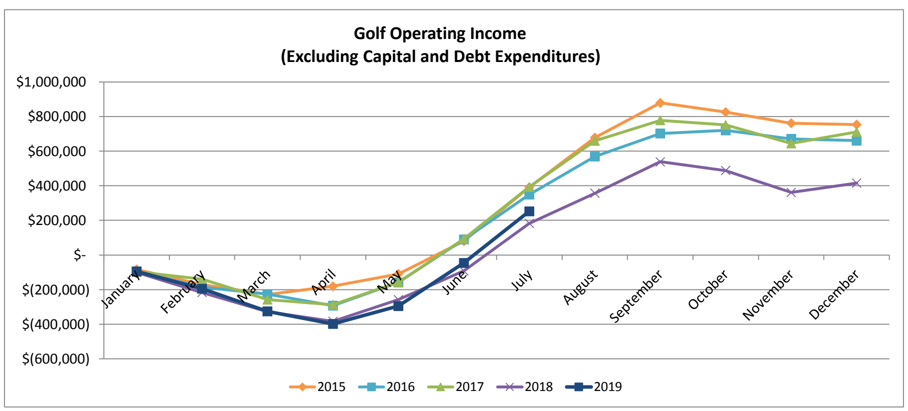
Village Links / Reserve 22
Dashboard Financial Report
As of July 31, 2019

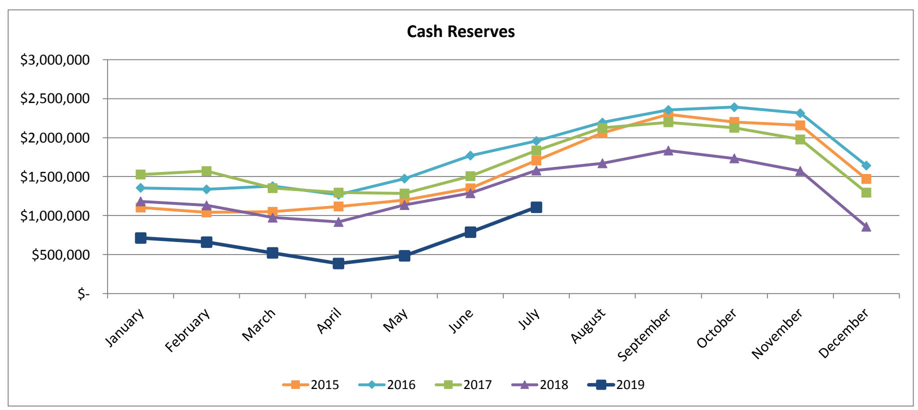












Attachment: Village Links - Financial Statements - July 2019 (4123 : Village Links/Reserve 22 - Financial

Finance Commission
535 Duane St.
Glen Ellyn, IL 60137

Meeting: 09/13/19 07:00 AM
Department: Finance Commission
Department Head: Christina Coyle
Category: Report
Prepared By: Christina Coyle

SCHEDULED

AGENDA ITEM (ID # 4133) DOC ID: 4133

Finance Director Coyle will present the 2019 Five Year Forecast.

Please see the attached report.

ATTACHMENTS:

- Five Year Forecast 2019 2019-09-11 (PDF)

Village of Glen Ellyn

General Fund Five Year Forecast

2020 BUDGET

Attachment: Five Year Forecast 2019 2019-09-11 (4133 : Five Year Forecast 2019 Finance Commission)

Goals of Five Year Forecast

- Understand long-term financial trends in revenues and expenditures/expenses.
- Identify future imbalances (deficits).
- Identify potential areas where programs can be implemented now to avoid future deficits.
- Understand how this forecast aligns with past forecasts.
- Compare past forecasts with actual results.

Attachment: Five Year Forecast 2019 2019-09-11 (4133 : Five Year Forecast 2019 Finance Commission)

Facts on the Five Year Forecast

- Developed annually as a tool for the budget process.
- Forecast is a model to project future activity and is not a prediction of what will happen.
- Each year’s experience will vary.
  - The goal is that annual budgets will be balanced.
  - Each year’s actual results will vary.

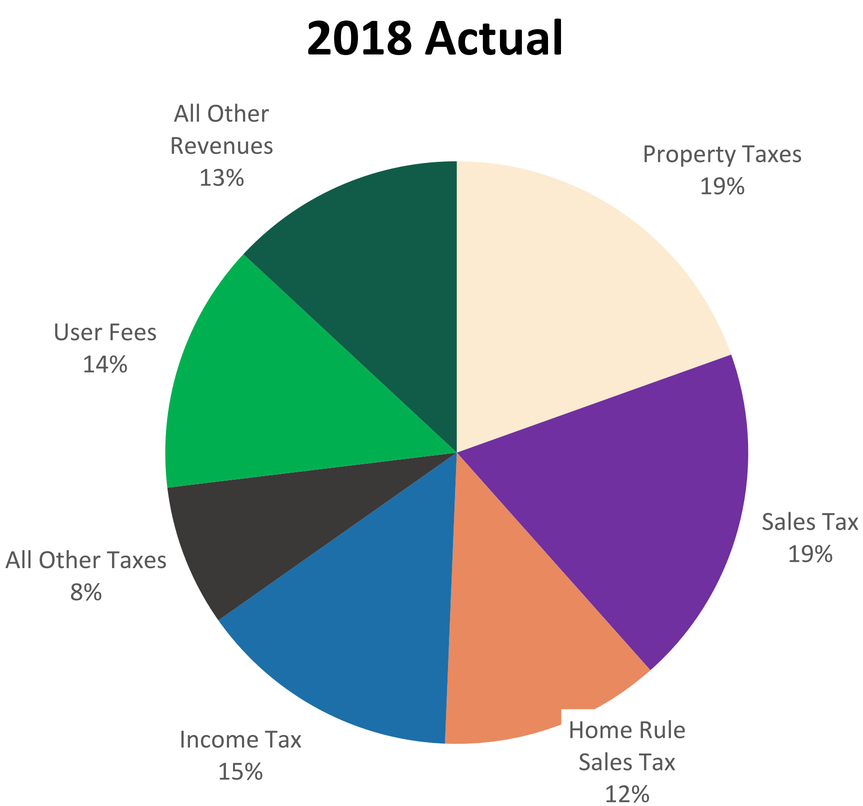
Attachment: Five Year Forecast 2019 2019-09-11 (4133 : Five Year Forecast 2019 Finance Commission)

Executive Summary

- Revenues are forecast to grow slower than expenses, eventually bringing the Village's fund balance down below policy level without action to the contrary.
- Key revenues such as sales tax, home rule sales tax, and income tax performed well prior to 2017, which mitigated the losses predicted in earlier forecasts. Growth in those revenue streams have moderated.
- The General Fund is driven mostly by personnel costs, including pensions.

Attachment: Five Year Forecast 2019 2019-09-11 (4133 : Five Year Forecast 2019 Finance Commission)

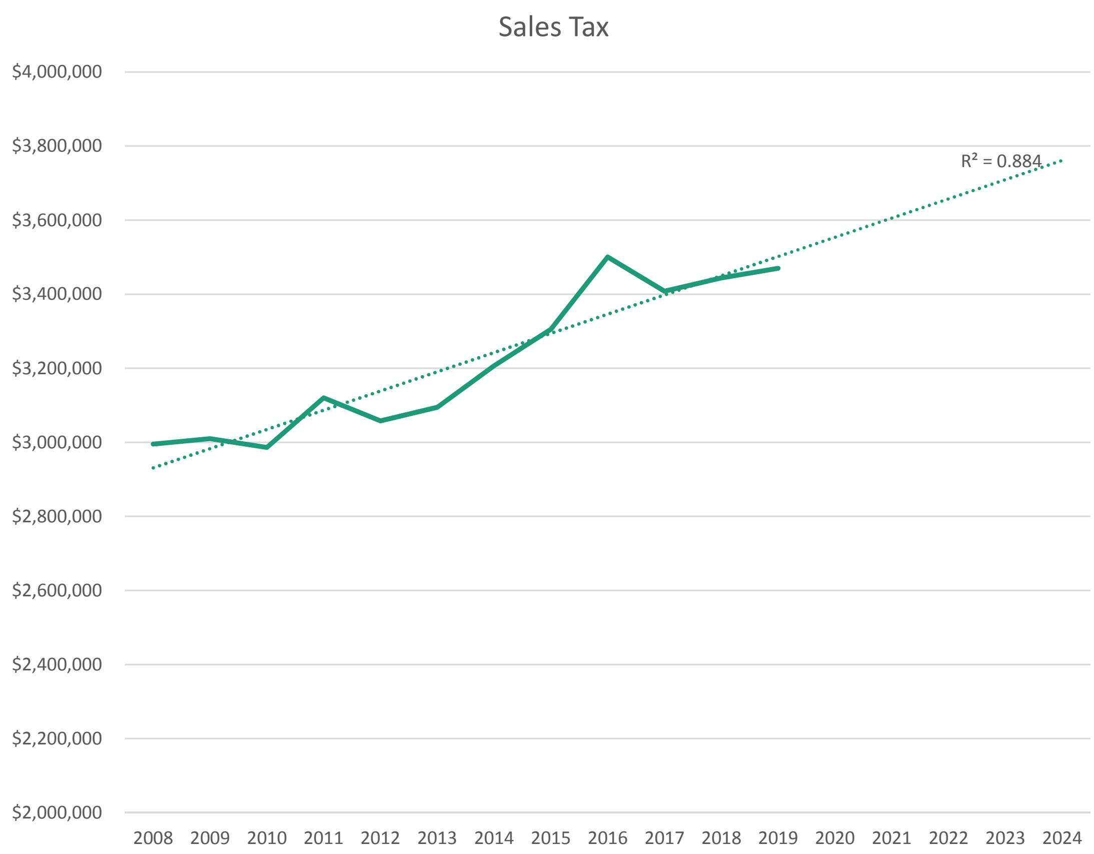
Composition of General Fund Revenues



- 46% of General Fund revenue comes from our key revenues (sales tax, home rule sales tax, and income tax)
    - Village has no direct influence on income tax or sales tax
    - This is increased 2% from 2017
- 19% of General Fund revenue is from property tax levy
    - This is decreased 1% from 2017
- 14% is from user fees which are designed to charge a fee for services used
    - Unchanged from 2017

Attachment: Five Year Forecast 2019 2019-09-11 (4133 : Five Year Forecast 2019 Finance Commission)

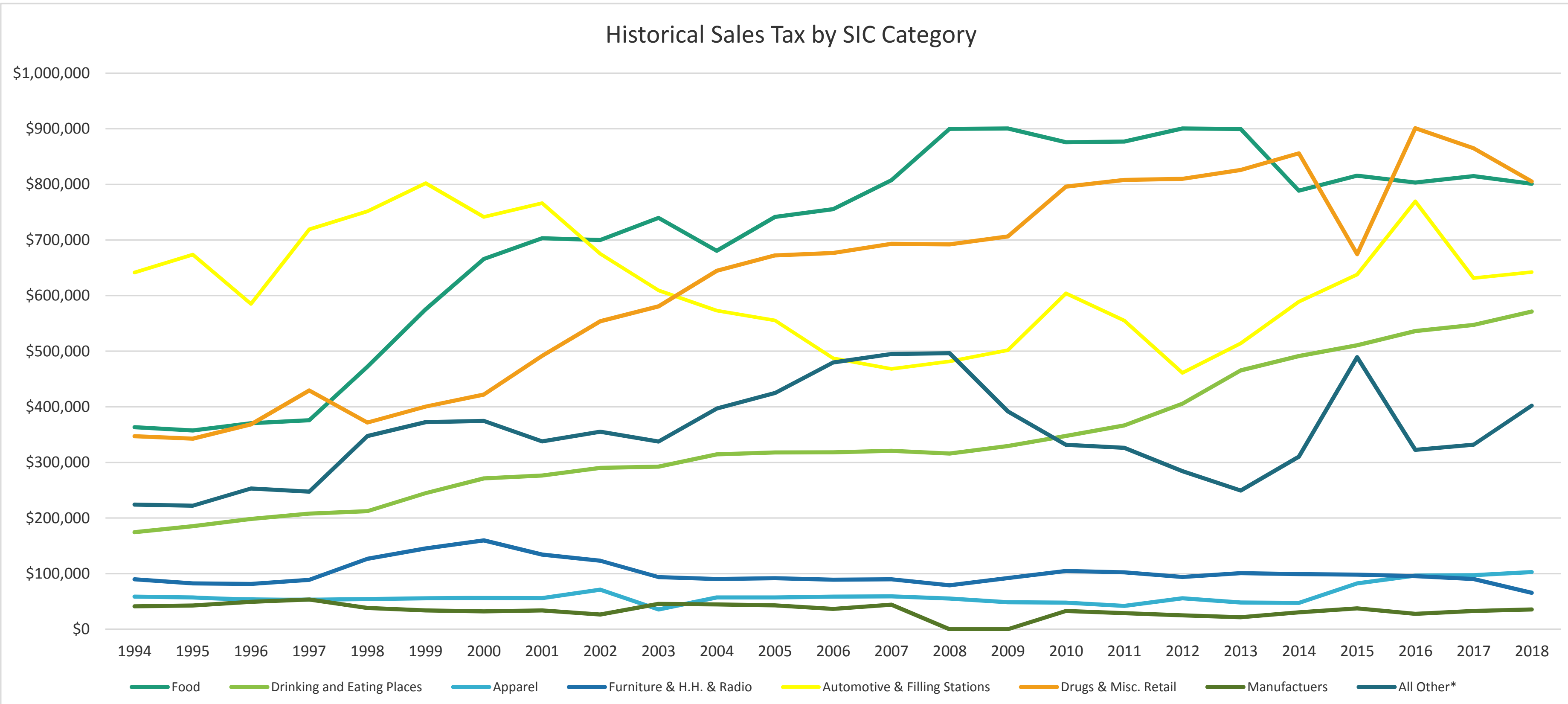
General Fund Key Revenues – Sales Tax



- Sales Tax has grown by an average of 1.47% per year over the past 10 years
- Preliminary 2020 Budget includes a 5.6% increase in sales tax
- Sales tax forecasted to grow at 2% in the 5 year forecast
- Largest Business Categories for Sales Tax (2018 data):
  - Drug and Misc. Retail (805K)
  - Food (801K data)
  - Automotive & Filling (642K)
  - Eating & Drinking Places (571K)
- Wayfair Supreme Court ruling may help the Village's sales tax, but it is too soon to know the impact. It may also draw from our current Use tax.

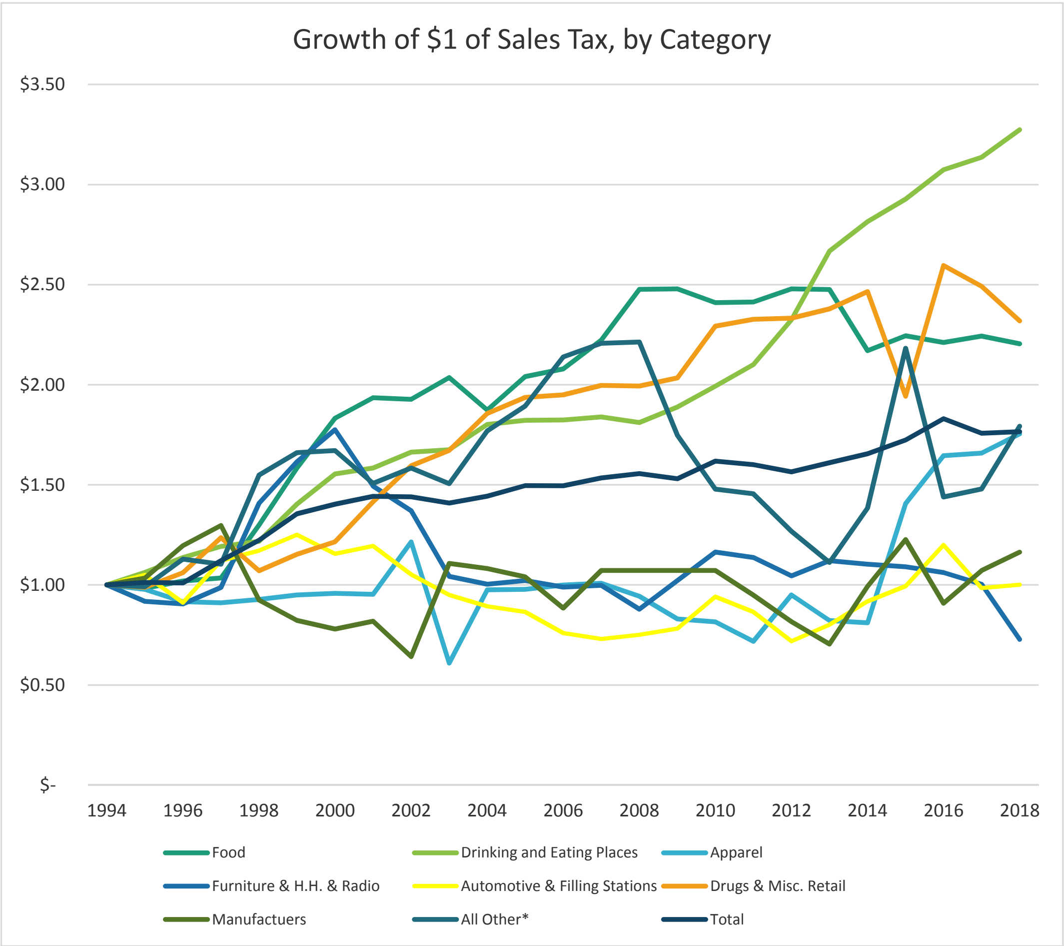
Attachment: Five Year Forecast 2019 2019-09-11 (4133 : Five Year Forecast 2019 Finance Commission)

Historical Sales Tax by Category



Food and Drugs and Miscellaneous Retail make up the largest sector of sales tax base.

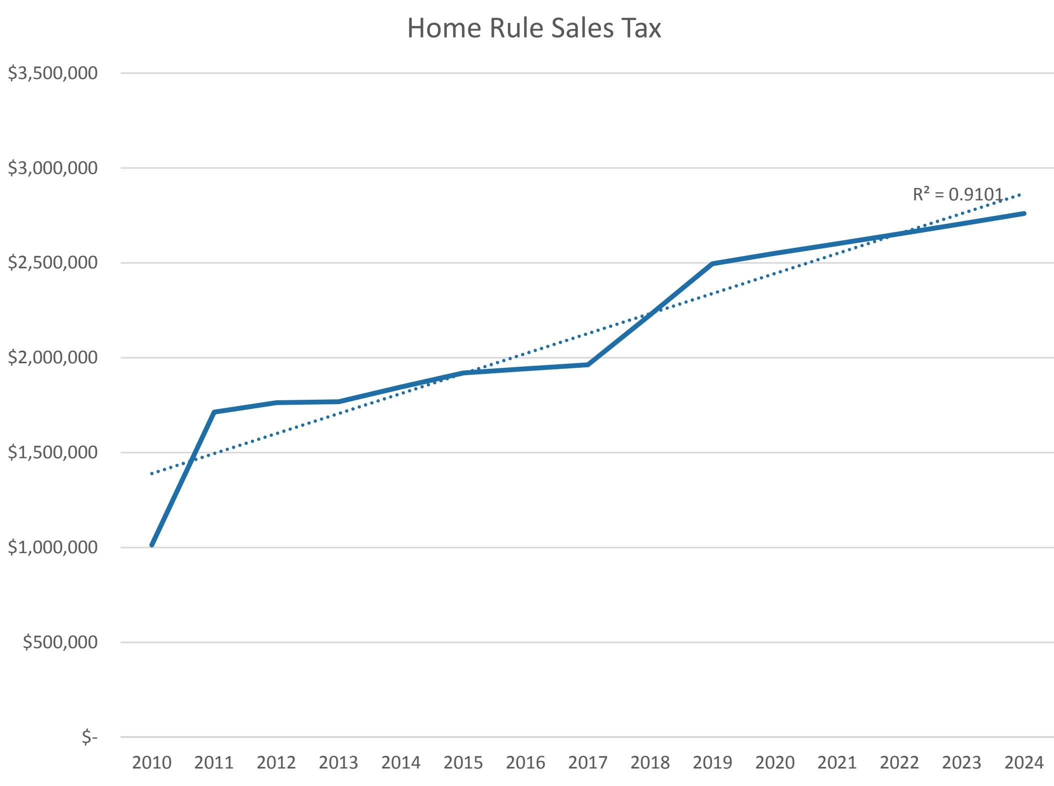
Growth of Sales Tax by Category



- Largest growth has been in the drinking and eating places category.

Attachment: Five Year Forecast 2019 2019-09-11 (4133 : Five Year Forecast 2019 Finance Commission)

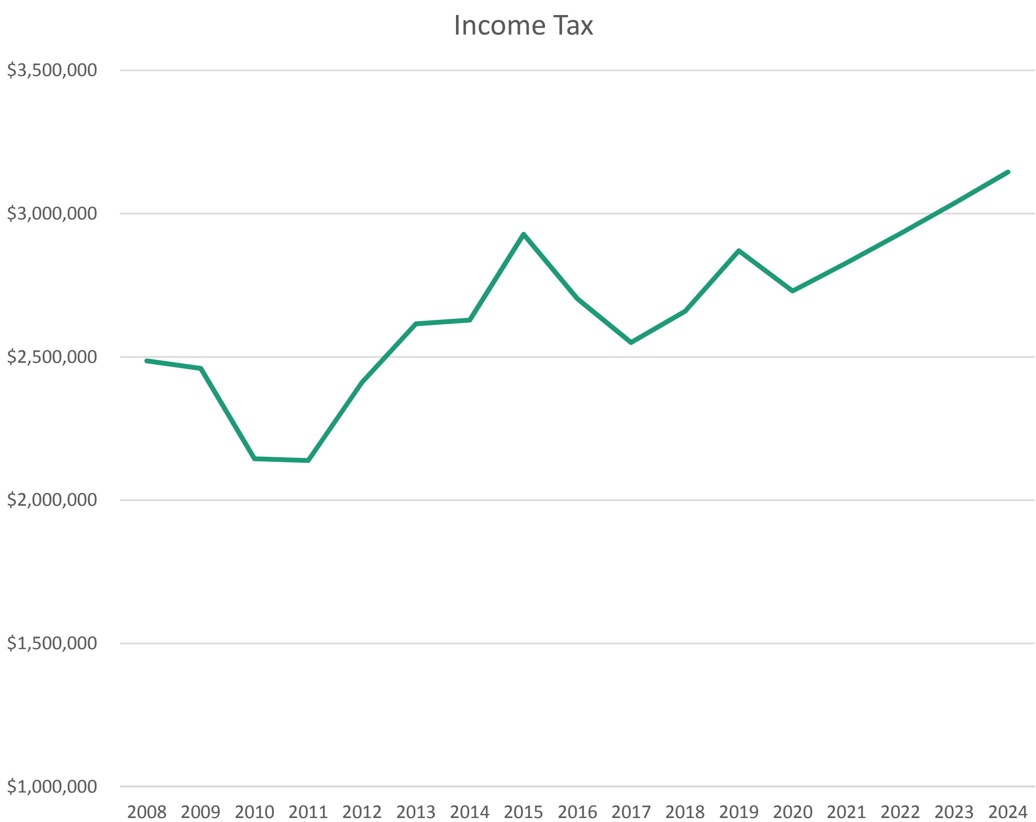
General Fund Key Revenues – Home Rule Sales Tax



- Home Rule Sales Tax has grown by an average of 2.3% per year (excepting 2018/2019 when rate was increased)
- Preliminary 2020 Budget realizes the second full year of the 1.25% rate.
- Forecasted to grow at 2% in the 5 year forecast
- Largest Business Categories for Home Rule Sales Tax (2018 data):
  - Eating & Drinking Places (633K)
  - Drug and Misc. Retail (549K)
  - Agriculture & All Others (322K)

Attachment: Five Year Forecast 2019 2019-09-11 (4133 : Five Year Forecast 2019 Finance Commission)

General Fund Key Revenues – Income Tax



- Income Tax is more volatile than sales tax streams
- Income Tax has grown by an average of 1.89% per year over the past 10 years
- Large payment received in May 2019 which is not anticipated to be repeated
- The forecast includes 3.6% growth in income tax
- Income tax is still being reduced by 5% by the State of Illinois (approximately $125,000)

Attachment: Five Year Forecast 2019 2019-09-11 (4133 : Five Year Forecast 2019 Finance Commission)

General Fund Key Revenues – Property Tax

- Village has adhered to the tax cap rules of CPI and new growth although not required to by its home rule status
- Average increase over 10 years is 3.28%
- 2020 preliminary budget includes:
    - 1.9% CPI set by DuPage County
    - 0.9% New Growth (last year's actual growth)
- Property tax is forecast to grow at 2.5% over the five year forecast
    - 5.0% growth - $1.4M additional
    - 1.0% growth - $872K less
- Property tax freeze concerns are no longer imminent, but remain a possibility
    - A freeze would cost the Village $922K over the five year forecast

Attachment: Five Year Forecast 2019 2019-09-11 (4133 : Five Year Forecast 2019 Finance Commission)

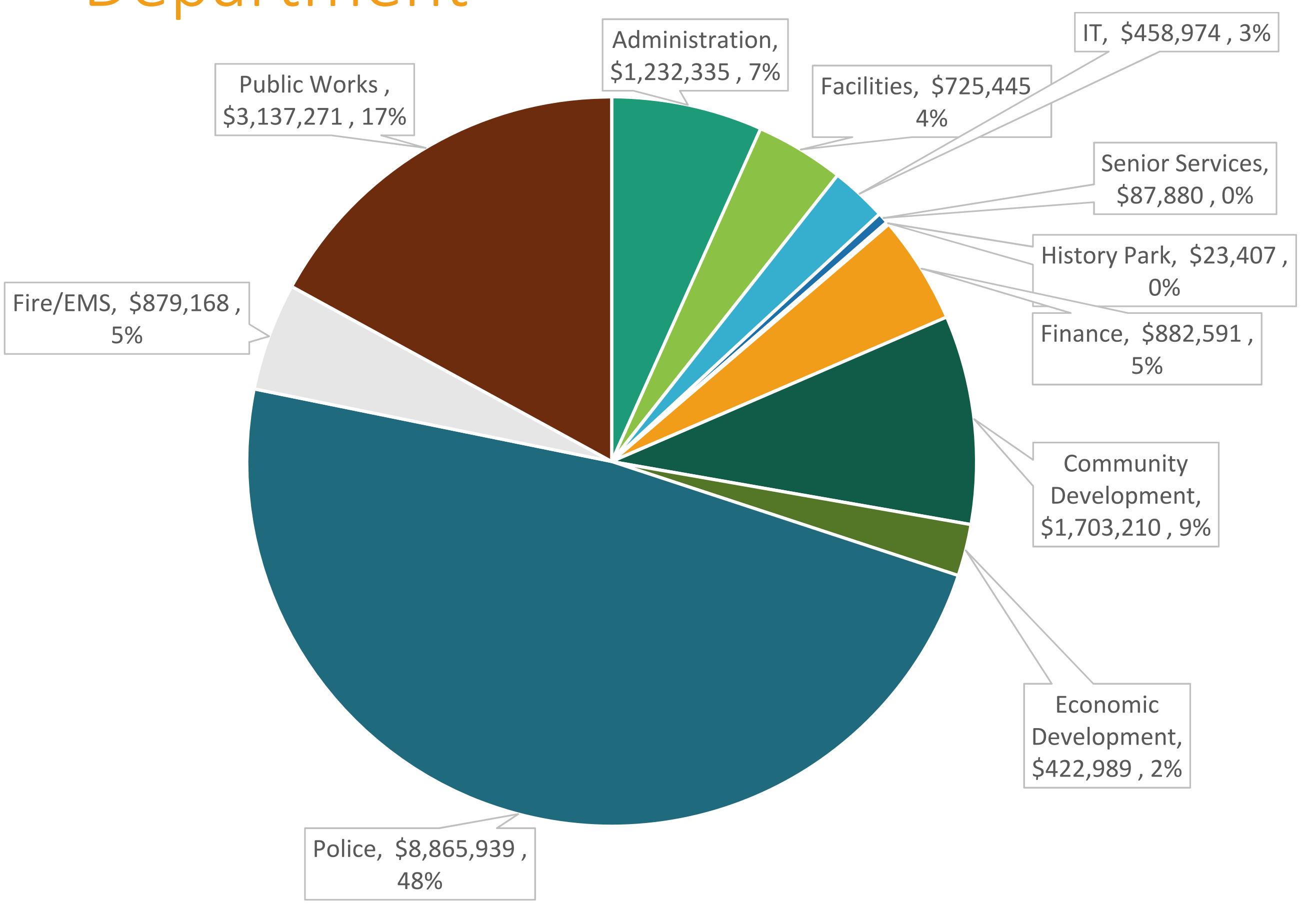
Challenges in Revenue Streams

Several challenges and decision points are on the horizon regarding General Fund Revenues:

- The Village relies heavily upon performance of sales tax, home rule sales tax, and income tax to provide for known increases in costs. The Village has little direct control over these revenues that are highly influenced by the economy.
- The State of Illinois continues to threaten state shared revenues.
- Challenges may be mitigated by redevelopment, especially in the Central Business District.

Attachment: Five Year Forecast 2019 2019-09-11 (4133 : Five Year Forecast 2019 Finance Commission)

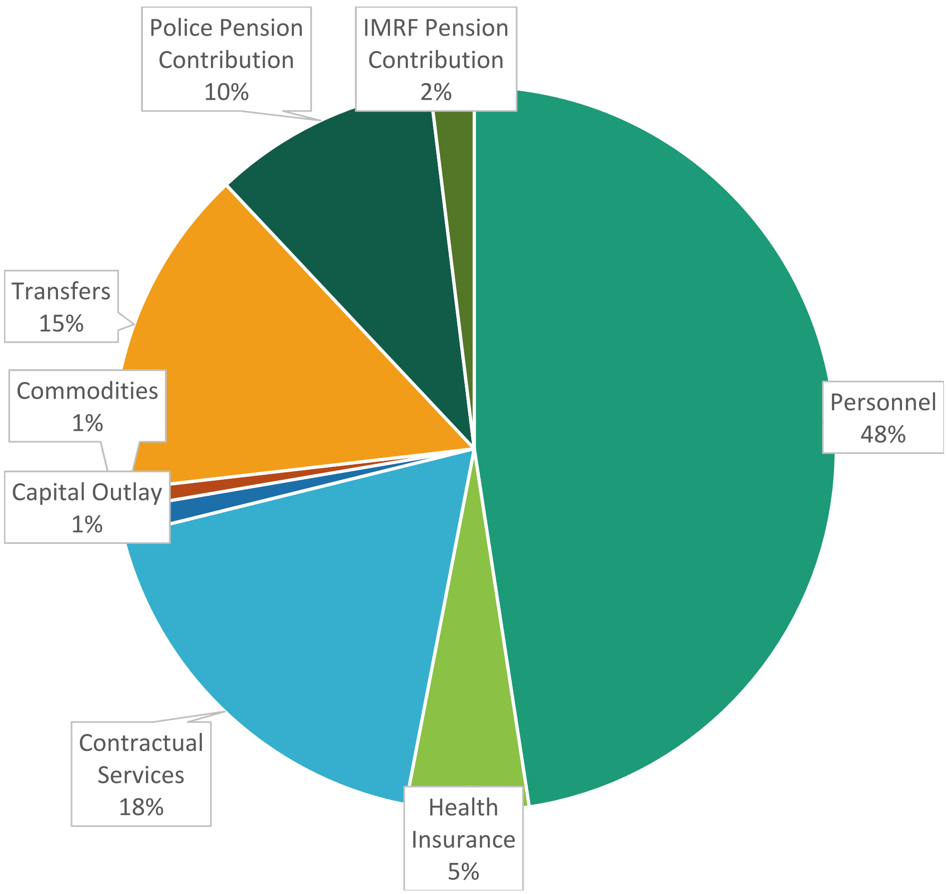
Composition of General Fund Expenditures – by Department



- From the 2018 actual expenses, Police is the largest department in the General Fund at 48% with Public Works at 17%.
- The Village does not have a career fire department, therefore the pie would display differently than those communities do have a career fire department.

Attachment: Five Year Forecast 2019 2019-09-11 (4133 : Five Year Forecast 2019 Finance Commission)

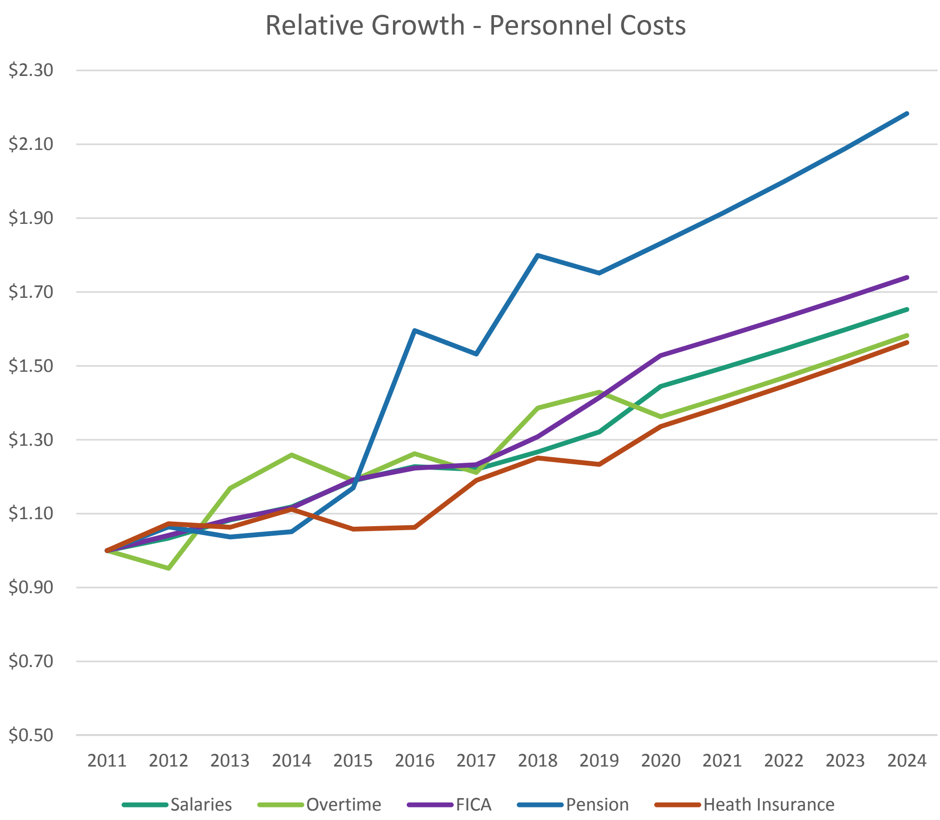
Composition of General Fund Expenditures – By Type



- Personnel is the largest portion of the General Fund expenses, $9.2 million of $19.4 million in expenses (2018 data)
- Once pension and health insurance costs are aggregated with salary costs, personnel comprises 65% of General Fund expenditures
- The Village functions accounted for in the General Fund are highly service oriented; therefore, it is expected that personnel expenditures would be the main expenditure type.
- Personnel expenditures grow at a faster rate than capital or other operating costs.
- Notable contractual services include DuComm, Ambulance Contract, Tree costs, etc.

Attachment: Five Year Forecast 2019 2019-09-11 (4133 : Five Year Forecast 2019 Finance Commission)

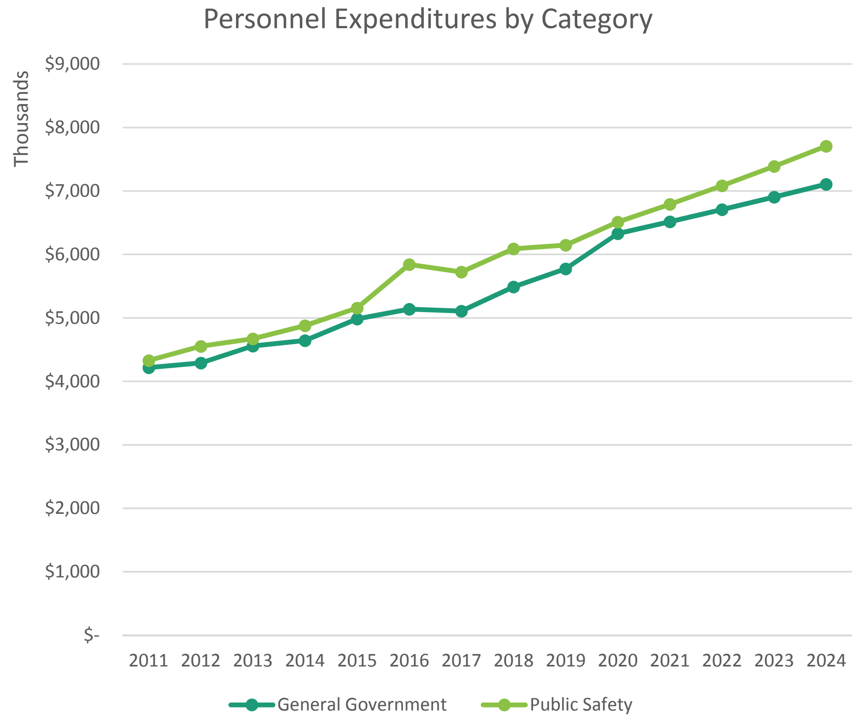
Personnel Expenditures by Type – Relative Growth

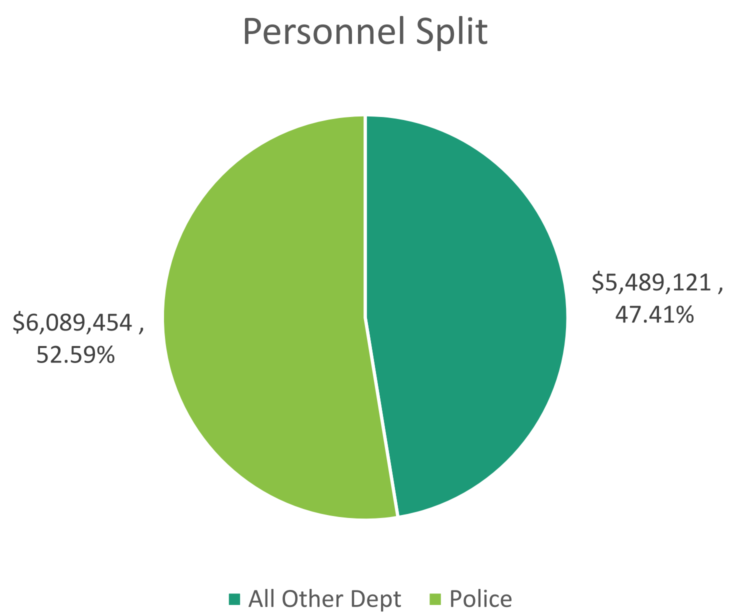


- Chart at left portrays the growth rate of personnel expenditures.
- Pension costs grow at the highest rate, although saw a decrease from 2016 to 2019 due to decreases in IMRF (non sworn) pension costs.
- The Village has been fortunate through its health insurance pool to mitigate health insurance cost increases seen in the marketplace.

Attachment: Five Year Forecast 2019 2019-09-11 (4133 : Five Year Forecast 2019 Finance Commission)

Personnel Expenditures by Category





- Police comprises 53% of General Fund personnel.
- Public safety personnel costs are projected to grow at a faster rate (4%) than general government (3%).
- Police pension costs are also forecast to grow at a higher rate (5%) than municipal pension costs (2%).

Attachment: Five Year Forecast 2019 2019-09-11 (4133 : Five Year Forecast 2019 Finance Commission)

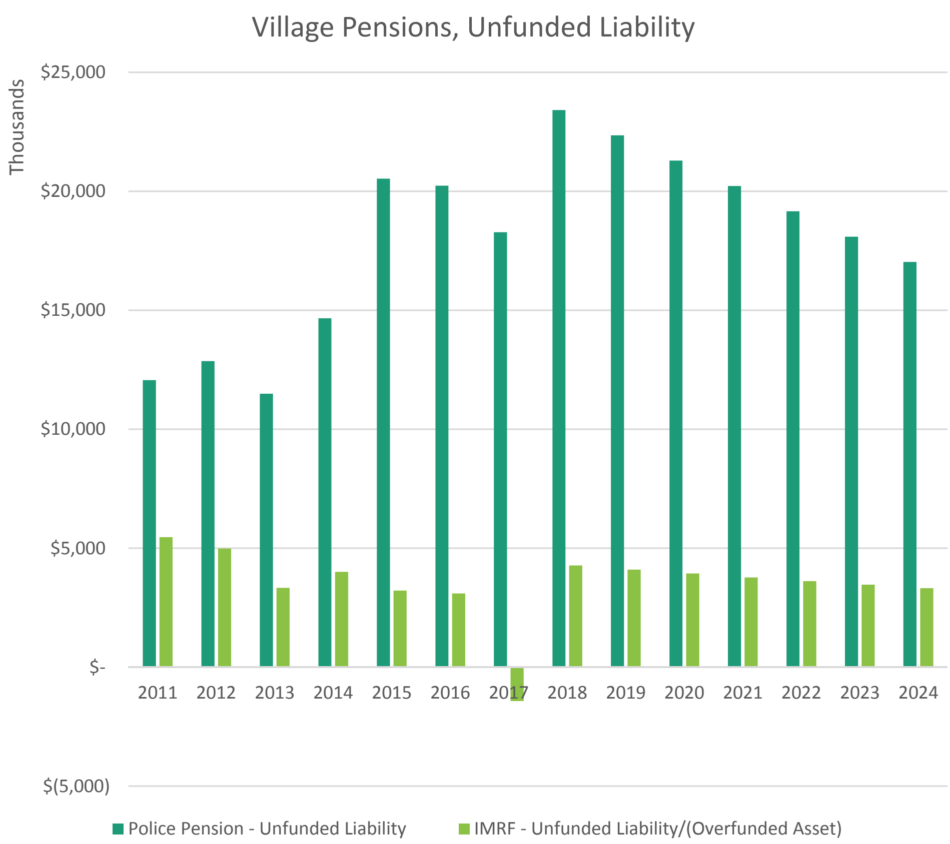
Health Insurance

- The Village is a member of a health insurance risk-sharing pool.
- Pool champions cost saving initiatives such as wellness and encouraging shopping of health care services.
- Health insurance costs have increased by an average of 2.8% over the past 8 years, beating the market place trend.
- Our pool administrators project 4% annual increases, assuming avoidance of the Cadillac Tax (if it moves forward).
- The chart at right evaluates the difference in cost between a 4% trend and a 10% trend. As can be seen, it is important to our financial future to control our healthcare costs to the best of our abilities.
- The Village has made plan adjustments to control costs, most recently a copay and specialist copay adjustment which was effective July 2019.

	4% Growth Rate	10% Growth Rate	Difference
2019 Cost	$1,046,880	$1,046,880	$0
2024 Cost	$1,326,620	$1,686,011	$359,391
Cumulative Cost over 5 Year Forecast	$6,142,108	$7,030,438	$888,330

Attachment: Five Year Forecast 2019 Finance Commission (4133 : Five Year Forecast 2019-09-11 Finance Commission)

Village Pensions

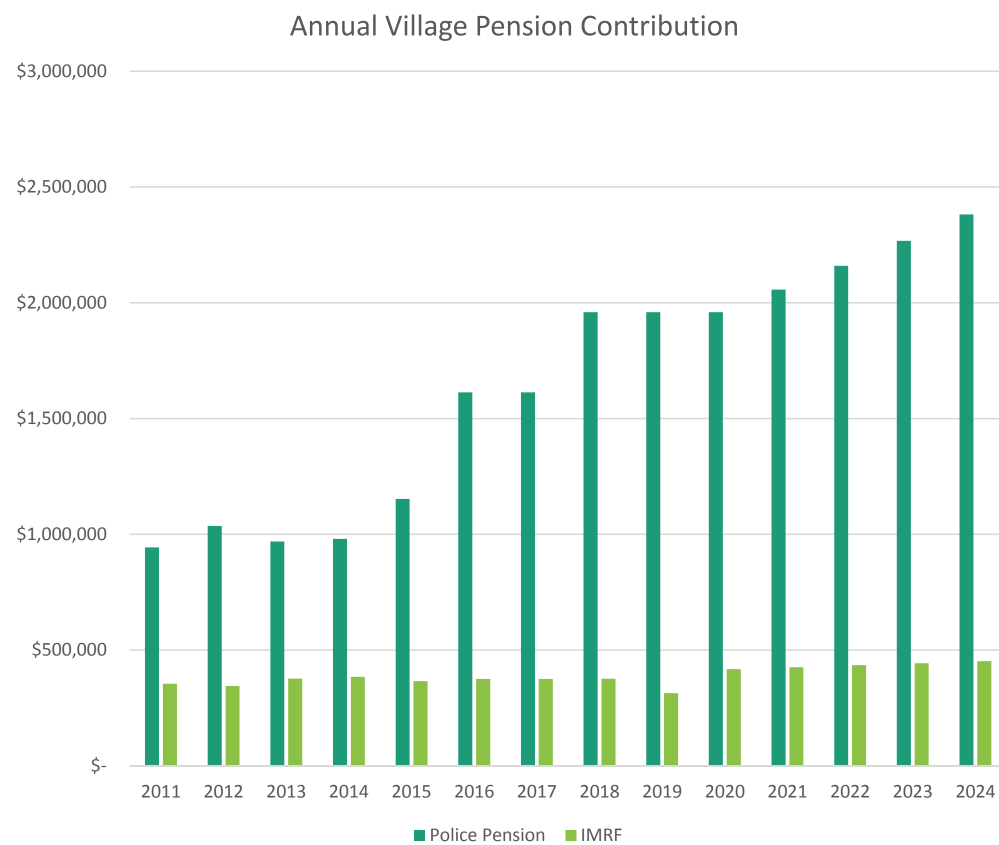


- Village has two pensions, the Police Pension Fund and the Illinois Municipal Retirement Fund (IMRF).
- Police Pension Contribution is 10% of General Fund expenditures
- IMRF is 2% of General Fund expenditures
- Police Pension is 55.19% funded.
- IMRF is 90.14% funded.
- 2018 investment market ended poorly which affected our 2018 actuarial valuation and increased pension liabilities for both plans.
- IMRF lowered discount rate in 2020 to 7.25% (from 7.5%). This increased IMRF contribution rate from 7.15% in 2019 to 9.09% in 2020.
- Police Pension liability began decreasing in 2016, as the Village increased contributions and the Pension Board modified investment strategy.
- The Police Pension Fund has $28.8M in assets. This would pay current benefit payments for twelve years without accumulating another dollar.

Attachment: Five Year Forecast 2019 2019-09-11 (4133 : Five Year Forecast 2019 Finance Commission)

Annual Village Pension Contributions

- Police Pension annual contributions are projected to grow at 5%
- IMRF lowered discount rate for 2020 which increases our rate. However, the 2020 rate with the increase is still lower than the 2018 rate.
- IMRF anticipated to grow at 2%.



Attachment: Five Year Forecast 2019 2019-09-11 (4133 : Five Year Forecast 2019 Finance Commission)

Other General Fund Expenditure Categories

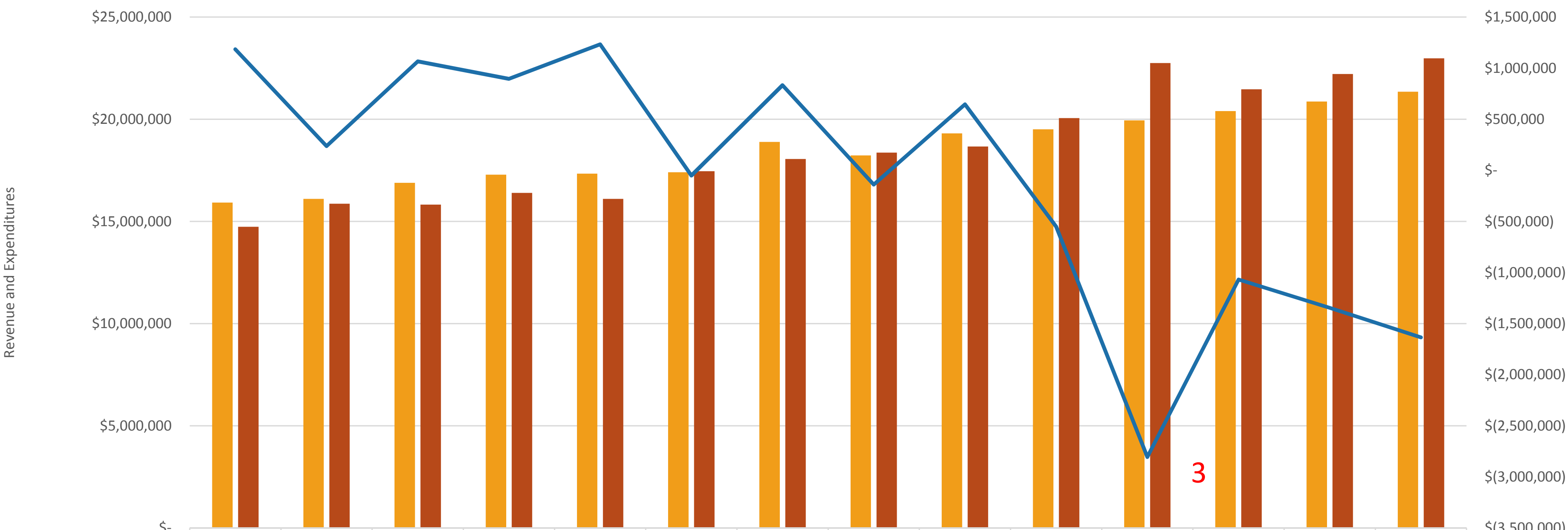
	FY19 Est (thousands)	Average Historical Growth (2012-2019)	Projected Annual Growth (2019-2023)
Contractual Services	$3,584	2.5%	3.0%[1]
Commodities	$260	4.7%	3.0%[1]
Capital Outlay	$194	11.1%	5.0%[2]
Transfers	$1,659	1.4%	3.0%[3]

Footnotes:

1. Commodities and Contractual Services are anticipated to increase at a conservative 3%, also consistent with historical increases.
2. Capital replacement was deferred during the economic downturn; recent purchases have been meeting deferred needs. Capital is incidental in nature, mostly driven by operating initiatives.
3. Transfers are reimbursements to other funds.

Attachment: Five Year Forecast 2019 2019-09-11 (4133 : Five Year Forecast 2019 Finance Commission)

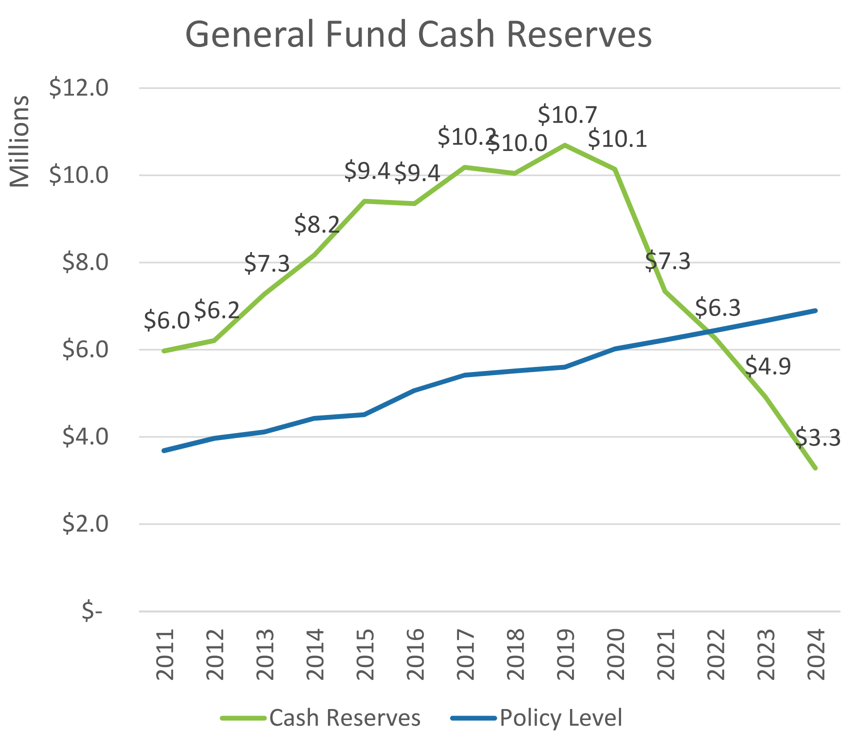
Annual General Fund Forecast

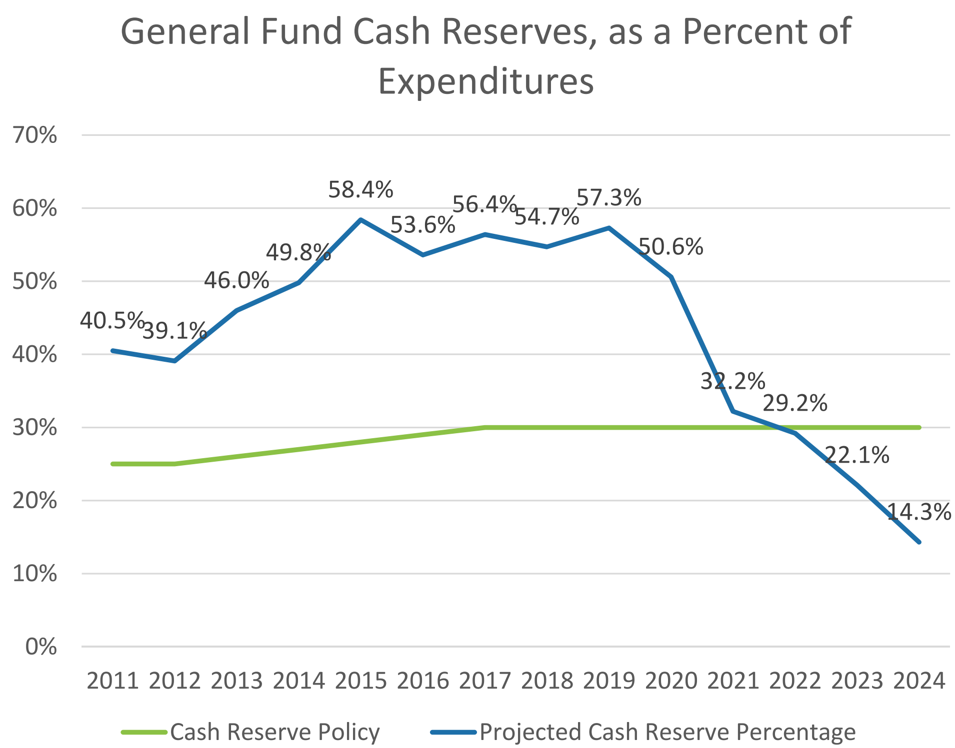


	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues	$15,921,600	$16,105,939	$16,886,658	$17,290,193	$17,337,822	$17,405,406	$18,887,359	$18,229,546	$19,310,348	$19,505,085	$19,942,710	$20,398,351	$20,866,873	$21,347,775
Expenditures	$14,736,501	$15,869,009	$15,820,651	$16,394,227	$16,104,865	$17,457,079	$18,054,549	$18,369,188	$18,664,482	$20,055,712	$22,749,248	$21,467,740	$22,212,124	$22,983,372
Change in Fund Balance	$1,185,099	$236,930	$1,066,006	$895,966	$1,232,957	$(51,673)	$832,810	$(139,642)	$645,866	$(550,627)	$(2,806,538)	$(1,069,389)	$(1,345,251)	$(1,635,597)

- Revenues are forecast to grow at approximately 2.0% per year while expenditures grow at 4.7%, which would decrease the General Fund's fund balance by $3.9 million over the next 5 years.
- Historical growth of revenues has been 2.3%, while expenses have grown 3.3%.
- A planned contribution to the Capital Fund of $2.0M is planned for 2021 as part of Capital Plan (see "3" above).

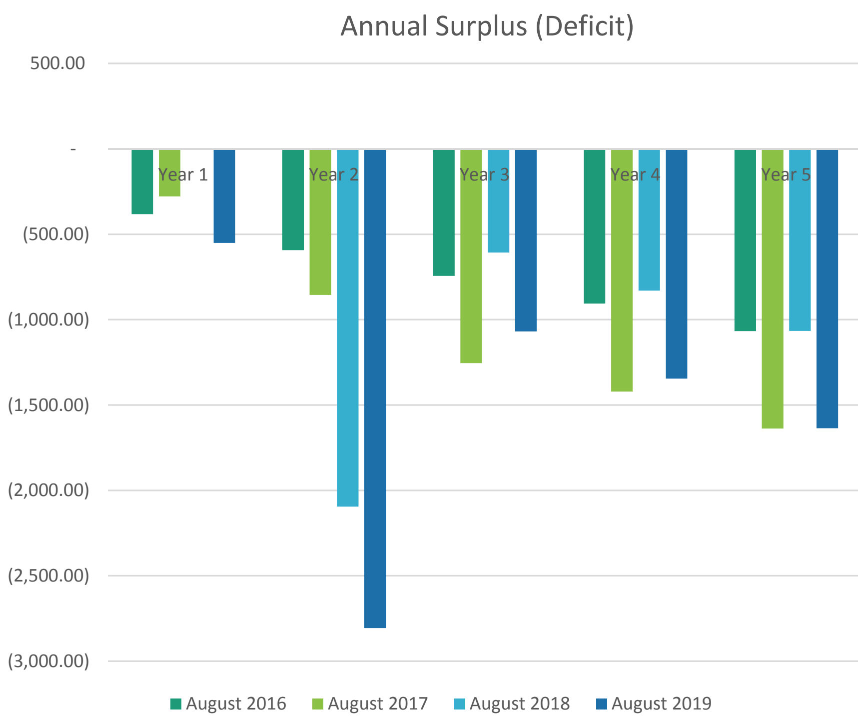
General Fund Balance Projections

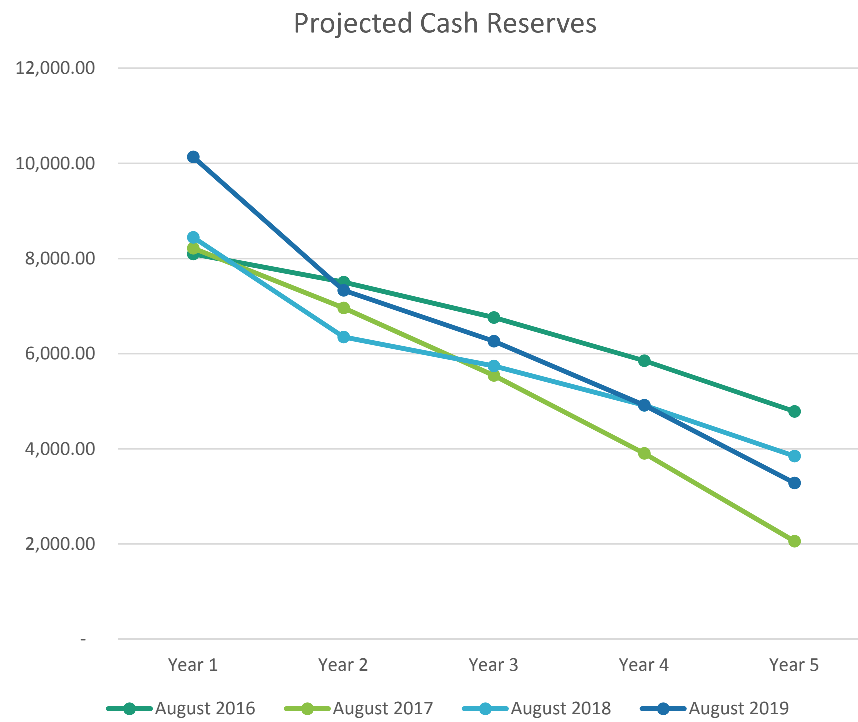




Attachment: Five Year Forecast 2019 2019-09-11 (4133 : Five Year Forecast 2019 Finance Commission)

How does this General Fund Forecast Compare?

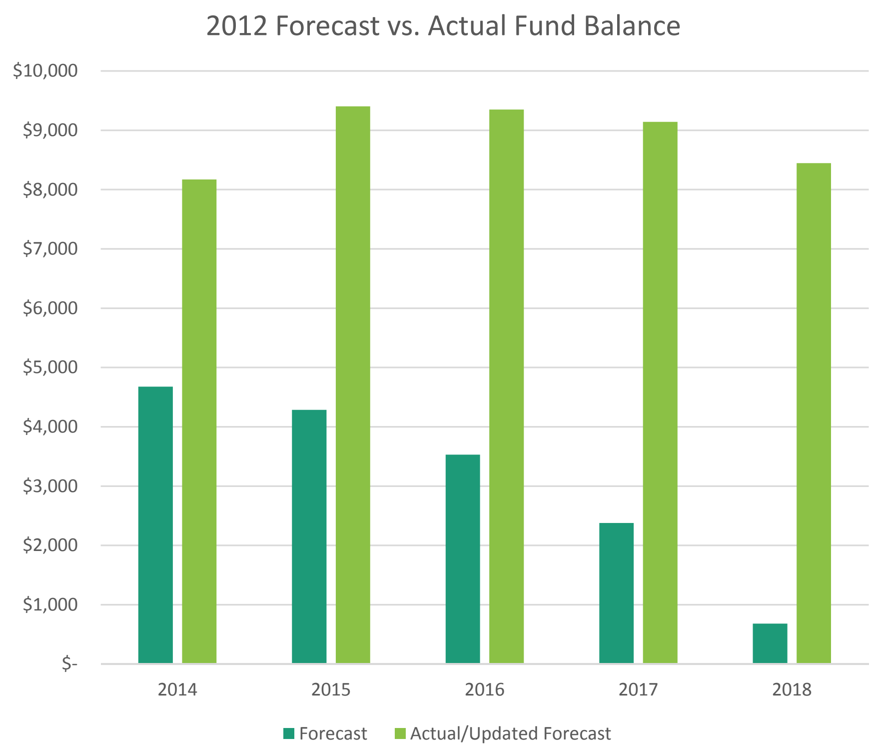




- Forecast improved over other forecasts (HRST increase last year, changes in state revenues, moderation of pension costs)
- $2.0M contribution towards capital projects planned in 2021

Attachment: Five Year Forecast 2019 2019-09-11 (4133 : Five Year Forecast 2019 Finance Commission)

Forecast Versus Actual/Current Forecast – November 2012 Forecast



- Actual results fared better then forecast.
  - Sales, Home Rule Sales, and Income tax have far outperformed expectations in years prior to 2017, but have stagnated in 2017 and 2018.
  - Lower salary increases than anticipated.
  - Lower healthcare cost increases than anticipated.
  - Pension costs began to moderate in 2018; especially municipal pension costs.
  - Annual balanced budgets and good fiscal management have allowed cash reserves to increase.

Attachment: Five Year Forecast 2019 2019-09-11 (4133 : Five Year Forecast 2019 Finance Commission)

Highlights of General Fund 5-Year Forecast

- Personnel costs comprise 65% of General Fund expenditures. It will be necessary for the Village to be focused on controlling and meeting the challenges health care and pension costs.
- Pension costs remain a focus with Police Pension being 10% of the General Fund expenditures.
- The Village has little direct control over three revenue sources (sales tax, home rule sales tax, and income tax) which are directly impacted by the economy.
- The Village has started to make changes to user fees in 2018, namely in Planning & Development. It is important to continue to review and change user fees; otherwise a larger part of the burden is placed on taxes.
- Home Rule Sales Tax increase in 2018 helps the 5 year outlook, but does not solve revenues that are growing slower than expenses
- Operating costs continue to rise, despite stagnant revenues.
- Strong financial decisions have helped the Village to be able to contribute $2.0M towards the Capital Fund in 2021, but will reduce the reserves to the policy limit.
- The Village's AAA bond rating received in 2015 and reaffirmed in 2018 cited strong reserve balances as a key reason for the rating. It is important to maintain the healthy reserve levels to maintain the AAA rating.

Attachment: Five Year Forecast 2019 2019-09-11 (4133 : Five Year Forecast 2019 Finance Commission)