Agenda
Village of Glen Ellyn
Finance Commission Meeting
Friday, March 12, 2021
7:00 AM
Glen Ellyn Civic Center, Galligan Board Room
Meeting Held Virtually - Via Zoom Only

*This meeting will be conducted by audio and video conference without a physically present quorum of the Commission because of a disaster declaration related to COVID-19 and public health concerns affecting the Village of Glen Ellyn. The Illinois General Assembly passed Senate Bill 2135 on May 23, 2020, which was signed by the Governor on June 12, 2020. Senate Bill 2135 (now Public Act 1010640) amends the Open Meetings Act and allows the Village Board and Commissions to participate electronically in Board and Commission meetings when it is not feasible due to a disaster such as COVID-19. The Village has determined that an in person meeting at the Civic Center is not practical or prudent because of the disaster. Physical attendance at the Civic Center by the public is also not feasible because of the disaster.*

*To participate in the meeting at the appointed date and time, please click the link below to join the webinar:*
*https://us02web.zoom.us/j/87218680482?pwd=WmhWZ2R2eDlXVFRGanJRbS84bkFkdz09*
*Passcode: 137202*
*Or Telephone:*
*Dial(for higher quality, dial a number based on your current location):*
*US: +1 312 626 6799 or +1 301 715 8592 or +1 646 558 8656 or +1 253 215 8782 or +1 346 248 7799 or +1 669 900 9128*
*Webinar ID: 872 1868 0482*

**A. Call to Order**

**B. Public Comment (Non Agenda Items)**

**C. Approval of Minutes**

1) Regular Meeting Minutes - February 12, 2021

**D. Financial Reports**

1) General Fund Update - January 2021
2) Village Links/Reserve 22 Financial Statements

**E. Financial Policies**

**F. Trustee Liaison's Report**

**G. Chairman's Report**

**H. Other Business**

1) Economic Development Update
2) Next Meeting: Friday, April 9, 7:00 AM

**I. Adjournment**

**FINANCE COMMISSION**
**MINUTES**
**FEBRUARY 12, 2021**

**CALL TO ORDER:**

| | | |
|---|---|---|
| Matthew L. Halkyard | Chairman | Present |
| Jeremy S. VanEk | Vice-Chairman | Present |
| Michael Campagna | Commissioner | Present |
| Lea Dan | Commissioner | Present |
| Lisa A. Cleaver | Commissioner | Present |
| Scott R. Greeno | Commissioner | Present |
| Christopher Oakes | Commissioner | Present |
| Jose DeLeon | Commissioner | Present |
| Brenton J. Peck | Commissioner | Present |
| Kevin VanEk | Student Commissioner | Excused Absence |

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

A. **Call To Order**

The meeting was called to order at 7:00AM.

B. **Public Comments**

None.

C. **Approval of Minutes**

1. Finance Commission - Regular Meeting – January 15, 2021 7:00 AM

**MOVE TO APPROVE MINUTES OF FINANCE COMMISSION MEETINGS AS PRESENTED FROM 1/15/2021.**

| | |
|---|---|
| **RESULT** | **Motion Unanimously Carried** |
| **MOVER:** | **Commissioner Oakes** |
| **SECONDER:** | **Commissioner J. VanEk** |
| **AYES:** | **Campagna, Cleaver, Dan, DeLeon, Greeno, Halkyard, J. VanEk, Oakes, and Peck** |
| **ABSENT:** | **None** |

D. **Financial Reports**

1. <u>Village Links/Reserve 22 Financial Statements – December 2020</u>
Finance Director Coyle highlighted some key metrics from the Village Links year-end PowerPoint presentation. The Village Links ended the year with a 9% decrease in operating expenses, even with a 20% increase in volume on the golf side. Cash reserves increased 35%

and Reserve 22 almost broke even in 2020, despite all the new COVID safety protocols. Overall, the Links experienced one of the best years in recent history. The Links staff hope to continue the positive movement in cash reserves into 2021 as well. In 2023 one of the bond issues will fall off. In the coming year the Links will continue to pursue aggressive marketing, start new programs geared at today's golf customer, continue to monitor expenses, encourage post-COVID banquets, improve the sustainability of Reserve 22 in the off-season, and continue to make improvements to the golf course.

2. <u>2020 Year-End Financial Report</u>

Finance Director Coyle highlighted some key financials from the unaudited 2020 Year-End Financial Report. Actual General Fund revenues (before CARES Funding) performed slightly below budget, but better than the September 2020 COVID projections. The General Fund received $19.5 million in revenues in 2020, compared to $20.9 million in 2019. The Village received $1.437 million in CARES funding. Sales tax at $3.5 million and home rule sales tax at $2.4 million both ended the year above the September 2020 COVID-revised projection. Income taxes were actually higher than 2019 with $3 million collected compared to $2.9 million last year. Stimulus payments and unemployment incentives positively impacted income tax in 2020. Building permits were $245,653 over budget due to the Avere & Apex developments. Business registrations were $80,360 below budget because of the fee waiver prompted by COVID. Liquor licenses were below budget because the Village waived 25% of the fees due to COVID. Investment income was below budget due to a drop in interest rates.

Finance Director Coyle went on to discuss some of the expenditure trends in the General Fund. The Economic Development department was below budget because a position was temporarily vacant and projects were placed on hold due to COVID. Forestry expenses were down because some reductions were made due to COVID. Village Manager expenses exceeded the budget due to emergency COVID-19 purchases. The Village incurred about $1.5 million in COVID related expenditures. Information technology costs were over budget due to the Storage Area Network upgrade. Legal fees were higher than budgeted due to more development fees.

Finance Director Coyle discussed the Capital Projects Fund and noted the 2020 budget includes about $9.6 million in bond proceeds. Utility taxes are performing below budget and coming in at 92% of the budget with about a $1.76 million actual. Food and beverage taxes exceeded the pre-COVID budget and came in at $1,329,230. Finance Director Coyle noted the 2020 Capital budget included the completion of the parking garage. However, the parking garage will not be completed in April 2021 and $9.15 million still needs to be paid on the project. Due to COVID, several street projects were deferred due to financial uncertainty.

Finance Director Coyle discussed some of the budget amendments that will be needed for the 2020 budget. Cash reserves were above policy level for all funds except the Village Links/Reserve 22. Finance Director Coyle noted the police pension investment performance was 9.8% for the last 12 months and since Marquette Associates took over management of the portfolio in January 2017, the rate of return over this time frame has been 7.6%.

E. **Financial Policies**

1. Village Financial Policy Update

   The Finance Commission opted to defer the discussion of the financial policies at the next meeting.

F. **Trustee Liaison Report**

Trustee Christiansen updated the Finance Commission on recent Village Board activities.

G. **Chairman's Report**

None.

H. **Other Business**

1. Economic Development Update

   Village Manager Franz provided the Economic Development update.

2. Next Meeting Friday, March 12, 2020, 7:00AM

I. **Adjournment**

1. Motion to Adjourn

   Commissioner Cleaver moved and Commissioner J. VanEk seconded, to adjourn the meeting. The meeting was adjourned at 8:03AM.

**Submitted by Aileen Haslett, Recording Secretary**

**Glen Ellyn Finance Commission**
535 Duane Street
Glen Ellyn, IL 60137

Meeting 3/12/2021 7:00 AM
Department: Finance
Department Head:
Category: Report
Prepared By:

**AGENDA ITEM (ID # 2021-974)**

**DOC ID: 2021-974**

# General Fund Update - January 2021

**Statement of the Issue:**
Please see the attached report.

**Analysis:**
N/A

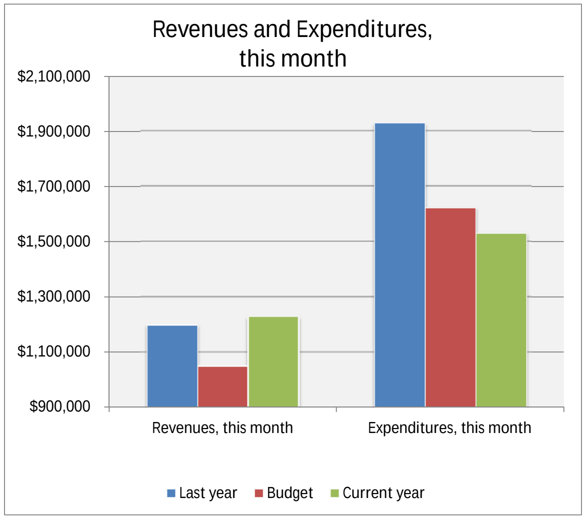
**Budget Impact:**
N/A

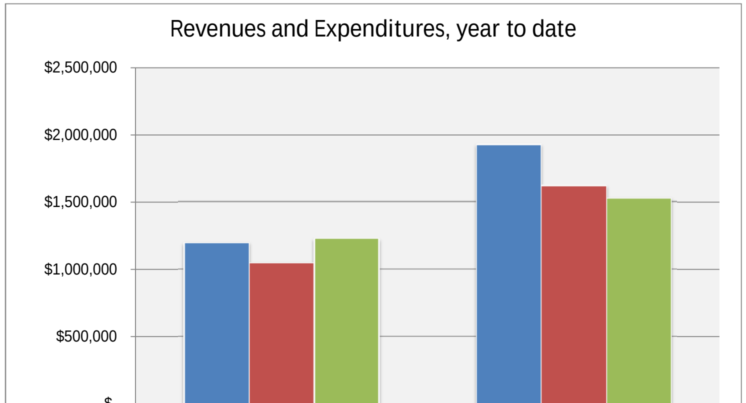
**Action Requested:**
N/A

**Attachments:**

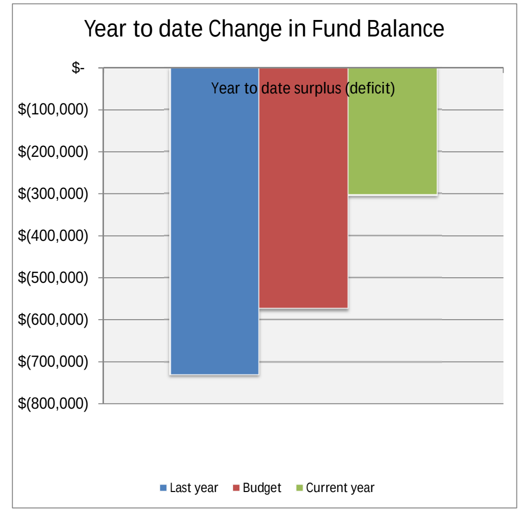
1. General Fund Update - 2021-01-31

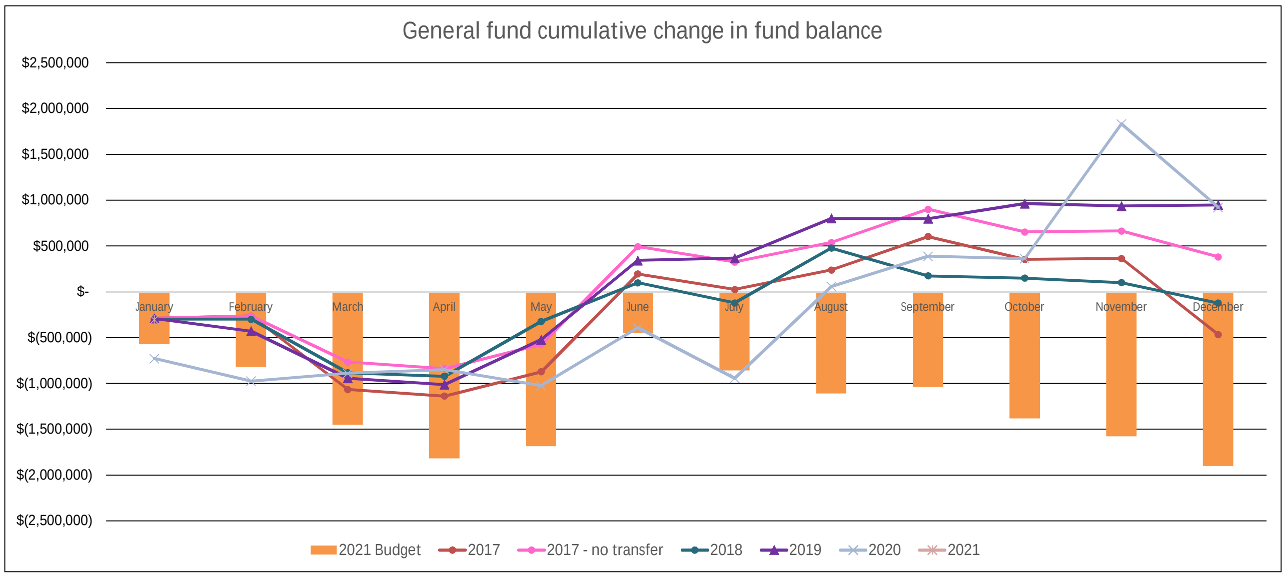
General Fund Budget Summary
For the Period Ended January 31, 2021




| | Revenues, year to date | Expenditures, year to date |
|---|---|---|
| Last year | 1,200,090 | 1,929,061 |
| Budget | 1,050,941 | 1,623,500 |
| Current year | 1,228,022 | 1,530,790 |



# General Fund Budget Summary
## For the Period Ended January 31, 2021

### MONTH

| | Last Year | Current Budget | Current Year | Variance from LY $ | Variance from LY % | Variance from Budget $ | Variance from Budget % |
|---|---|---|---|---|---|---|---|
| **REVENUES** | | | | | | | |
| TAXES | | | | | | | |
| Property Tax | 212 | - | 8,551 | 8,339 | 3933% | 8,551 | 100% |
| Econ Dev SSA Tax | - | (50) | 158 | 158 | 100% | 208 | -417% |
| Sales Tax | 310,359 | 265,542 | 295,637 | (14,722) | -5% | 30,095 | 11% |
| Home Rule Sales Tax | 216,975 | 165,996 | 201,945 | (15,030) | -7% | 35,949 | 22% |
| State Income Tax | 254,106 | 229,738 | 294,409 | 40,303 | 16% | 64,671 | 28% |
| Other Taxes | 124,822 | 142,428 | 138,573 | 13,751 | 11% | (3,855) | -3% |
| Subtotal Taxes | 906,474 | 803,654 | 939,273 | 32,799 | 4% | 135,619 | 14% |
| LICENSES & PERMITS | | | | | | | |
| Vehicle Licenses | 2,031 | 3,059 | 3,009 | 978 | 48% | (50) | -2% |
| Business Registration | 2,595 | 2,205 | - | (2,595) | -100% | (2,205) | -100% |
| Liquor Licenses | 20 | 47 | - | (20) | -100% | (47) | -100% |
| Building Permits/Reg./Fees | 62,969 | 49,319 | 57,617 | (5,352) | -8% | 8,298 | 17% |
| Subtotal Licenses & Permits | 67,615 | 54,630 | 60,626 | (6,989) | -10% | 5,996 | 10% |
| CHARGES & FEES | | | | | | | |
| Cable Franchise Fees | 27,642 | - | - | (27,642) | -100% | - | 0% |
| Ambulance Service Fees | - | - | - | - | 0% | - | 0% |
| Police Service Reimbursements | 1,400 | 3,574 | 17,355 | 15,955 | 1140% | 13,781 | 386% |
| Reimbursements - Other Agencies | 11,286 | 10,777 | 11,543 | 257 | 2% | 766 | 7% |
| Subtotal Charges & Fees | 40,328 | 14,352 | 28,898 | (11,430) | -28% | 14,546 | 50% |
| OTHER | | | | | | | |
| Police/Court Fines/Adjudication | 43,627 | 42,120 | 37,978 | (5,649) | -13% | (4,142) | -10% |
| Investment Income | 13,867 | 2,224 | 909 | (12,958) | -93% | (1,315) | -59% |
| Miscellaneous Income | 36,512 | 42,252 | 64,463 | 27,951 | 77% | 22,211 | 53% |
| Transfers from Other Funds | 91,667 | 91,708 | 95,875 | 4,208 | 5% | 4,167 | 5% |
| Subtotal Other | 185,673 | 178,305 | 199,225 | 13,552 | 7% | 20,920 | 12% |
| Revenue Totals | 1,200,090 | 1,050,941 | 1,228,022 | 27,932 | 2% | 177,081 | 17% |
| **EXPENDITURES** | | | | | | | |
| Village Board & Clerk | 27,290 | 19,204 | 20,519 | (6,771) | -25% | 1,315 | 7% |
| Village Manager's Office | 95,508 | 102,565 | 98,560 | 3,052 | 3% | (4,005) | -4% |
| Facilities Maintenance | 81,038 | 66,964 | 60,302 | (20,736) | -26% | (6,662) | -10% |
| Information Technology* | 51,044 | 67,224 | 64,256 | 13,212 | 26% | (2,968) | -4% |
| Senior Services | 7,931 | 7,397 | 5,244 | (2,687) | -34% | (2,153) | -29% |
| History Park | 2,646 | 2,325 | 1,627 | (1,019) | -39% | (698) | -30% |
| Law | 29,665 | 25,674 | 36,101 | 6,436 | 22% | 10,427 | 41% |
| Finance - Administration | 66,948 | 47,020 | 41,970 | (24,978) | -37% | (5,050) | -11% |
| Finance - Cashiers Office | 33,327 | 26,401 | 22,622 | (10,705) | -32% | (3,779) | -14% |
| Planning | 66,304 | 45,935 | 42,830 | (23,474) | -35% | (3,105) | -7% |
| Building | 161,739 | 111,815 | 77,000 | (84,739) | -52% | (34,815) | -31% |
| Economic Development | 42,257 | 44,910 | 38,520 | (3,737) | -9% | (6,390) | -14% |
| Police - Administration | 143,630 | 132,826 | 137,730 | (5,900) | -4% | 4,904 | 4% |
| Police - Operations | 616,364 | 524,986 | 492,266 | (124,098) | -20% | (32,720) | -6% |
| Police - Investigations | 109,402 | 74,836 | 73,614 | (35,788) | -33% | (1,222) | -2% |
| Fire | 31,626 | 28,665 | 34,865 | 3,239 | 10% | 6,200 | 22% |
| EMS | 63,373 | 42,900 | 63,150 | (223) | 0% | 20,250 | 47% |
| Public Works - Admin & Eng.** | 90,993 | 68,956 | 59,492 | (31,501) | -35% | (9,464) | -14% |
| Public Works - Streets | 144,768 | 105,056 | 112,151 | (32,617) | -23% | 7,095 | 7% |
| Public Works - Forestry | 63,208 | 77,842 | 47,971 | (15,237) | -24% | (29,871) | -38% |
| Expenditure Totals | 1,929,061 | 1,623,500 | 1,530,790 | (398,271) | -21% | (92,710) | -6% |
| Net Surplus / (Deficit) | (728,971) | (572,559) | (302,768) | 426,203 | | 269,791 | |

### YTD

| | Last Year | Current Budget | Current Year | Variance from LY $ | Variance from LY % | Variance YTD Budget $ | Variance YTD Budget % |
|---|---|---|---|---|---|---|---|
| **REVENUES** | | | | | | | |
| TAXES | | | | | | | |
| Property Tax | 212 | - | 8,551 | 8,339 | 3933% | 8,551 | 100% |
| Econ Dev SSA Tax | - | (50) | 158 | 158 | 100% | 208 | 132% |
| Sales Tax | 310,359 | 265,542 | 295,637 | (14,722) | -5% | 30,095 | 10% |
| Home Rule Sales Tax | 216,975 | 165,996 | 201,945 | (15,030) | -7% | 35,949 | 18% |
| State Income Tax | 254,106 | 229,738 | 294,409 | 40,303 | 16% | 64,671 | 22% |
| Other Taxes | 124,822 | 142,428 | 138,573 | 13,751 | 11% | (3,855) | -3% |
| Subtotal Taxes | 906,474 | 803,654 | 939,273 | 32,799 | 4% | 135,619 | 14% |
| LICENSES & PERMITS | | | | | | | |
| Vehicle Licenses | 2,031 | 3,059 | 3,009 | 978 | 48% | (50) | -2% |
| Business Registration | 2,595 | 2,205 | - | (2,595) | -100% | (2,205) | 100% |
| Liquor Licenses | 20 | 47 | - | (20) | -100% | (47) | 100% |
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| Subtotal Licenses & Permits | 67,615 | 54,630 | 60,626 | (6,989) | -10% | 5,996 | 10% |
| CHARGES & FEES | | | | | | | |
| Cable Franchise Fees | 27,642 | - | - | (27,642) | -100% | - | 0% |
| Ambulance Service Fees | - | - | - | - | 0% | - | 0% |
| Police Service Reimbursements | 1,400 | 3,574 | 17,355 | 15,955 | 1140% | 13,781 | 79% |
| Reimbursements - Other Agencies | 11,286 | 10,777 | 11,543 | 257 | 2% | 766 | 7% |
| Subtotal Charges & Fees | 40,328 | 14,352 | 28,898 | (11,430) | -28% | 14,546 | 50% |
| OTHER | | | | | | | |
| Police/Court Fines/Adjudication | 43,627 | 42,120 | 37,978 | (5,649) | -13% | (4,142) | -11% |
| Investment Income | 13,867 | 2,224 | 909 | (12,958) | -93% | (1,315) | -145% |
| Miscellaneous Income | 36,512 | 42,252 | 64,463 | 27,951 | 77% | 22,211 | 34% |
| Transfers from Other Funds | 91,667 | 91,708 | 95,875 | 4,208 | 5% | 4,167 | 4% |
| Subtotal Other | 185,673 | 178,305 | 199,225 | 13,552 | 7% | 20,920 | 11% |
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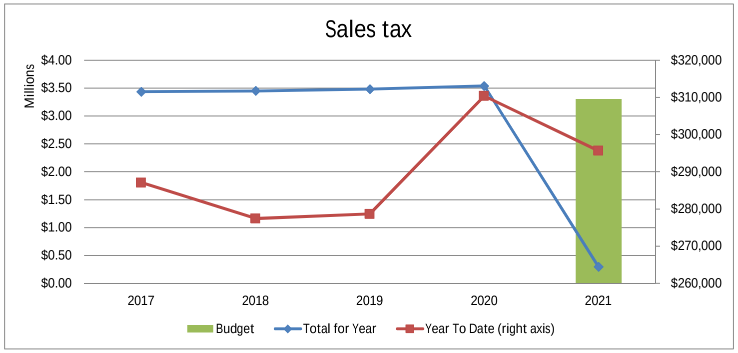
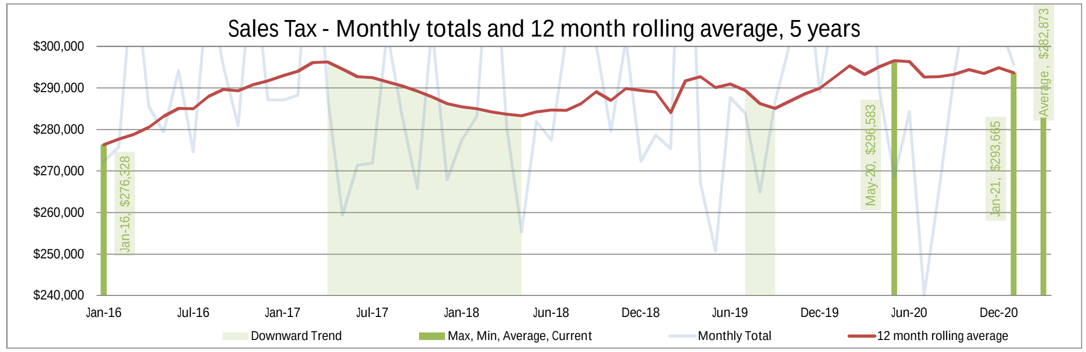
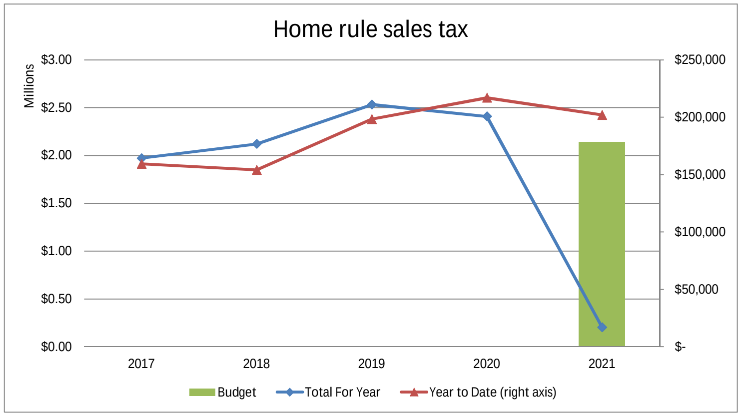
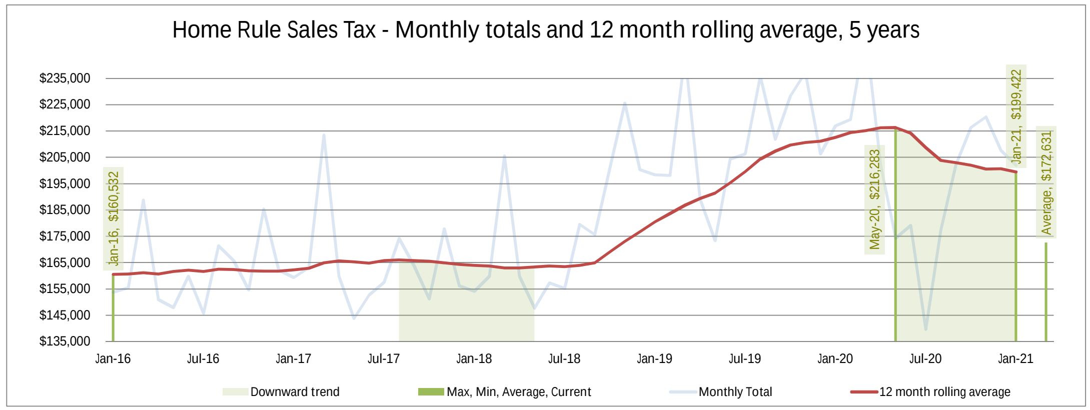
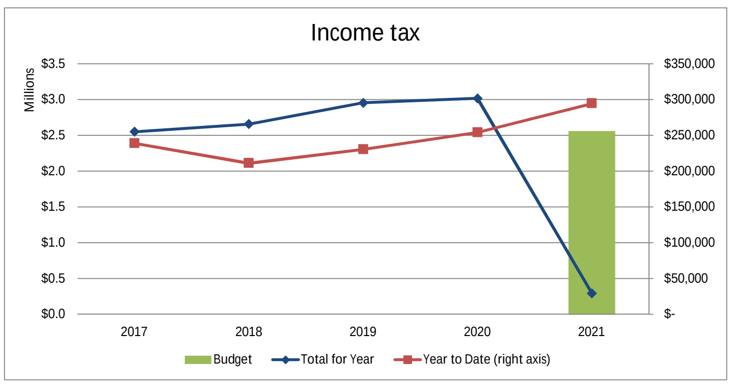
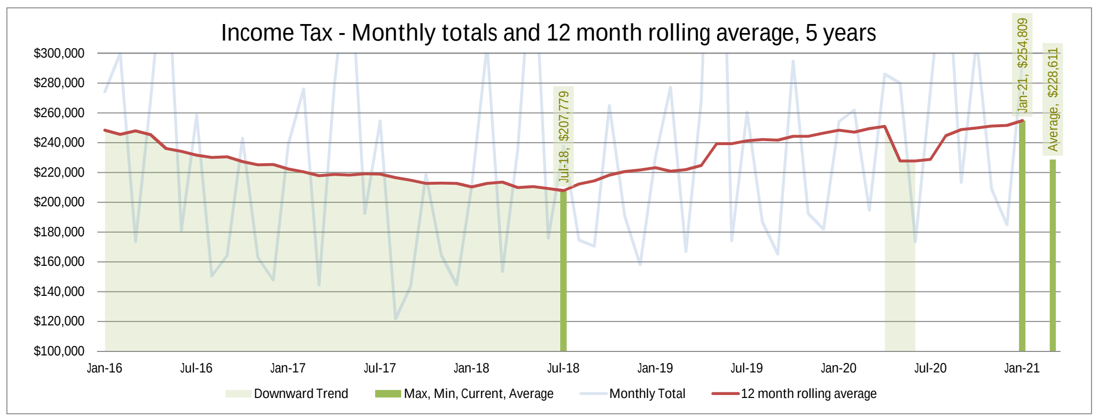

Sales tax
Millions
$4.00
$3.50
$3.00
$2.50
$2.00
$1.50
$1.00
$0.50
$0.00
$320,000
$310,000
$300,000
$290,000
$280,000
$270,000
$260,000
2017
2018
2019
2020
2021
Budget
Total for Year
Year To Date (right axis)


Sales Tax - Monthly totals and 12 month rolling average, 5 years
$300,000
$290,000
$280,000
$270,000
$260,000
$250,000
$240,000
Jan-16, $276,328
May-20, $296,583
Jan-21, $293,665
Average , $282,873
Jan-16
Jul-16
Jan-17
Jul-17
Jan-18
Jun-18
Dec-18
Jun-19
Dec-19
Jun-20
Dec-20
Downward Trend
Max, Min, Average, Current
Monthly Total
12 month rolling average


Home rule sales tax
Millions
$3.00
$2.50
$2.00
$1.50
$1.00
$0.50
$0.00
$250,000
$200,000
$150,000
$100,000
$50,000
$-
2017
2018
2019
2020
2021
Budget
Total For Year
Year to Date (right axis)


Home Rule Sales Tax - Monthly totals and 12 month rolling average, 5 years
$235,000
$225,000
$215,000
$205,000
$195,000
$185,000
$175,000
$165,000
$155,000
$145,000
$135,000
Jan-16, $160,532
May-20, $216,283
Jan-21, $199,422
Average, $172,631
Jan-16
Jul-16
Jan-17
Jul-17
Jan-18
Jul-18
Jan-19
Jul-19
Jan-20
Jul-20
Jan-21
Downward trend
Max, Min, Average, Current
Monthly Total
12 month rolling average


Income tax
Millions
$3.5
$3.0
$2.5
$2.0
$1.5
$1.0
$0.5
$0.0
$350,000
$300,000
$250,000
$200,000
$150,000
$100,000
$50,000
$-
2017
2018
2019
2020
2021
Budget
Total for Year
Year to Date (right axis)


Income Tax - Monthly totals and 12 month rolling average, 5 years
$300,000
$280,000
$260,000
$240,000
$220,000
$200,000
$180,000
$160,000
$140,000
$120,000
$100,000
Jul-18, $207,779
Jan-21, $254,809
Average, $228,611
Jan-16
Jul-16
Jan-17
Jul-17
Jan-18
Jul-18
Jan-19
Jul-19
Jan-20
Jul-20
Jan-21
Downward Trend
Max, Min, Current, Average
Monthly Total
12 month rolling average

**Glen Ellyn Finance Commission**
535 Duane Street
Glen Ellyn, IL 60137

Meeting 3/12/2021 7:00 AM
Department: Finance
Department Head:
Category: Report
Prepared By:

**AGENDA ITEM (ID # 2021-975)**

**DOC ID: 2021-975**

# Village Links/Reserve 22 Financial Statements

**Statement of the Issue:**
Please see the attached reports. Also, as requested from the prior meeting, staff has included a description of the golf app as well as the agenda item that went to the Board on pricing in December 2020.

Information on Golf Smart Phone Application from Director of Golf Noel Allen:
The Village Links has partnered with Gallus Golf to provide a branded smart phone app for our members and guests. The app has many benefits and features including GPS yardage calculations for use on the golf course and driving range targets, electronic scorecard, virtual tournaments, geo location advertising, communication of pertinent news, push notifications for people who opt in, booking tee times, general weather and storm alerts, check-in and payment of tee times and the potential to use a food and beverage component. We can also provide our guests with offers that can be redeemed at our POS. The app integrates with our POS system as well as our tournament software provider Golf Genius. We are working to add future integration with the Chicago District Golf Association for handicap score posting. We were fortunate to have implemented our app just before the pandemic began as many golf courses rushed to find solutions for safe payment and additional communication, and Gallus became overwhelmed with new business. The Village Links app is another tool that helps separate us from our competitors as most golf courses don't have smart phone apps, especially that integrate with their point of sale system, marketing and other partners.

**Analysis:**
N/A

**Budget Impact:**
N/A

**Action Requested:**
N/A

**Attachments:**

1. Manager's Report Jan21
2. Village Links - Financial Statements - January 2021
3. 2021 User Fee Agenda Item

VILLAGE LINKS
GLEN ELLYN

RESERVE 22 TWENTY-TWO

## Manager's Report for January 2021

### Prepared by Jeff Vesevick, General Manager

January temperatures were about 5° above average. There was 21.9" snow during the month. Average snowfall is 10.1". There was 1.9" of rain (and ice).

**High Temperatures In January**

| | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 70º days | | | | | | | | | | | | | | | | | | | | | |
| 60º days | | | | | | | | | 1 | | | | | 2 | | | 1 | 1 | | | 2 |
| 50º days | | 1 | 2 | 5 | 1 | | | | 3 | 5 | 1 | | | 1 | 2 | 3 | 2 | | 1 | 2 | 2 |
| 40º days | | 6 | 3 | 6 | 7 | 8 | 3 | 2 | 6 | 11 | | 2 | | 5 | 8 | 16 | 2 | 2 | 16 | 10 | 14 |
| 30º days | 22 | 20 | 13 | 8 | 15 | 12 | 17 | 10 | 10 | 7 | 9 | 9 | 8 | 8 | 10 | 11 | 12 | 8 | 9 | 15 | 4 |
| 20º days | 9 | 3 | 5 | 5 | 4 | 8 | 4 | 7 | 8 | 6 | 18 | 14 | 13 | 8 | 11 | 1 | 10 | 14 | 5 | 4 | 6 |
| 10º days | | 1 | 6 | 5 | 3 | 2 | 4 | 7 | 3 | 2 | 2 | 6 | 8 | 4 | | | 4 | 3 | | | 3 |
| 0º days | | | 2 | 2 | 1 | 1 | 3 | 4 | | | 1 | | 2 | 3 | | | | 3 | | | |
| -10º days | | | | | | | | 1 | | | | | | | | | | | | | |
| Rain | 1.9" | .05" | 0.4" | 1.5" | 2.9" | 0.3" | | | 3.2" | 0.8" | 0.2" | 0.6" | | 0.1" | 1.1" | 2.6" | 2.9" | 0.1" | 1.9" | 1.5" | 1.1" |
| Snow | 21.9" | 10.5" | 15.5" | 4.7" | 0" | 2.8" | 13.5" | 34" | 1" | 12" | 6" | 12" | 22.3" | 11" | 3" | 6" | 28" | 15" | 2" | 6" | 0 |

### Golf

The **2021 Events and Lesson Programs** have been scheduled. The 2021 schedule is again a busy one, including **70 events for Men, Women, and Juniors**, and **220 classes and camps of golf instruction scheduled to accommodate up to 2,180 students**, to be conducted by our Golf Professional Staff, which in 2021 will consist of 4 PGA Class A Members, and 2 PGA Apprentices**.**

The Golf Staff has also sent out, and are receiving back, signed contracts for 11 Outside **Leagues**. Leagues are an important part of our programmed golf, and help to boost rounds played. Our Outside Leagues are scheduled for 6,248 9-hole rounds in 2019, about 18% of 9-hole play. In addition, four in-house leagues, three of them 18 holes, are scheduled to play approximately 3,500 rounds.

Golfers are also signing up for the **2021 Weekend Permanent Starting Times**, which run from April 3, through August 29. Again in 2021 is the inclusion of groups not consisting of 4 Glen Ellyn residents the opportunity to participate in the main lottery drawing, on a weighted scale. Hopefuls will also be required to make a $500 up front investment, which may be used for green fees. Golf Staff will again be promoting the addition of golfer perks, including pre-paid cart fees, pre-paid warm-up range balls, and a benefit which will allow those who purchase the 20 round Multi-Play package the privilege of playing a few holes after 5:30pm for no charge.

An uptick in Resident Card sales, along with a noticeable increase in "membership" inquiries has the Golf Staff optimistic for continued golf popularity for 2021.

## Golf Course Grounds & Maintenance

The weather for January has been a tale of 2 winters, we went from ice at the beginning to a couple of small snows, to back-to-back big snows that have shut us out from on course work. Looking at January observations from O'Hare, average temperature was 29.2° (5.4° above normal), precipitation was 1.95" (0.22" above normal), snowfall 21.9" (11.1" above normal) which makes this the 10th Snowiest January on record. Our primary focus before the snowfalls was to remove dead, dying, and damaged trees on the course.

**Grounds**

1. Continuing to monitor ice on greens
2. Finished online training for Irrigation Software.
3. Felled about 40 dead/ damaged trees
4. Removal of logs from felled trees, branches remain to be chipped
5. Snow removal as required
6. Negotiated purchase of Used Sprayer for $33,000 vs $62,000 new
7. Continuing to review practices and plan for year ahead
8. Negotiated log removals at no cost to us

**Mechanical and Building Maintenance**

1. 7 pieces of equipment were repaired and/or serviced.
2. Greens and Tee mowers had all moving hydraulic hoses replaced
3. Men's restroom at halfway refurbishment started
4. Floor in restaurant buffed, carpets in hallway and Board Room cleaned
5. Deep cleaning in Maintenance Buildings
6. Quote for Drywall work secured for restaurant and banquet space
7. Removed damaged door in pro shop near ball machine
8. Quote to repair electric to Bar Patio Heaters

**Horticulture/Conservation**

1. Reviewing new plan for Landscape improvements around clubhouse
2. Hanging baskets ordered, for clubhouse
3. Cont. pruning and cleaning of Tropical plants in Basement
4. Secured quotes for Panfish Park tree removals and pruning

## Reserve 22

| Reserve 22 - JANUARY | | | | Year to Date | | |
|---|---|---|---|---|---|---|
| | 2020 | 2021 | +/- | 2020 | 2021 | +/- |
| Restaurant & Bar | 56,555 | 13,396 | *-76.3%* | 56,555 | 13,396 | *-76.3%* |
| Banquets | 38,896 | 0 | *-100.0%* | 38,896 | 0 | *-100.0%* |
| from Outings | 0 | 0 | *#DIV/0!* | 0 | 0 | *#DIV/0!* |
| Beverage Cart | 0 | 0 | *#DIV/0!* | 0 | 0 | *#DIV/0!* |
| Halfway House | 0 | 0 | *#DIV/0!* | 0 | 0 | *#DIV/0!* |
| Other | 6,927 | 20 | *-99.7%* | 6,927 | 20 | *-99.7%* |
| **Total Reserve 22** | **102,378** | **13,416** | ***-86.9%*** | **102,378** | **13,416** | ***-86.9%*** |

Restricted to Take Out only for most of the month, and no allowable Banquet business, revenues suffered dramatically, dropping 87% from a year ago. A surprise announcement allowing DuPage County restaurants to open at 25% capacity, along with a quick spot on the local news, gave revenues a much needed jolt, as sales in the final week nearly doubled the previous 3 weeks' average. We were able to counteract some of the loss in revenue by dramatically lowering labor, using virtually all full time staff to operate.

The 3rd Annual **Chili Cook-Off for Charity** was held at a variety of Restaurants in Glen Ellyn, over the course of 4 weeks. 10 Glen Ellyn restaurants offered their best chili for competition. Traditionally held at Reserve 22, **Marketing Specialist Julie Rusin** set up an online voting system, encouraging patrons to try the offerings at each of the participating restaurants. The charity component was missing this year without ticket sales, but marketing efforts elicited over 350 votes. Most restaurants offered a prize, and winners were selected weekly from the voters. This year's champion was ***Blackberry Market***. Last year's winner, Reserve 22, finished a close fourth in the voting.

Staff is preparing special Super Bowl and Valentine's Day menus. The Valentine's offering will be available February 11 – 14. Limited dine in tables will be available for each event, along with curbside service.

<u>Upcoming Meetings</u>

March 26 – Golf Operations presentation

April 30 – Golf Course and Grounds presentation

# VILLAGE LINKS / RESERVE 22
## STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
### As of January 31, 2021

| ORG | DESCRIPTION | 2021 BUDGET | MONTH 2021 | MONTH 2020 | MONTH DIFF | MONTH % DIFF | YEAR-TO-DATE 2021 | YEAR-TO-DATE 2020 | YEAR-TO-DATE DIFF | YEAR-TO-DATE % DIFF |
|---|---|---|---|---|---|---|---|---|---|---|
| | REVENUES: | | | | | | | | | |
| 5500 | Village Links Revenues | $ 3,113,850 | $ 2,367 | $ 5,303 | $ (2,936) | -55% | $ 2,367 | $ 5,303 | $ (2,936) | -55% |
| 5520 | Reserve 22 Revenues | 2,731,000 | 13,416 | 102,377 | (88,961) | -87% | 13,416 | 102,377 | (88,961) | -87% |
| | **Total Revenues** | **$ 5,844,850** | **$ 15,783** | **$ 107,681** | **$ (91,897)** | **-85%** | **$ 15,783** | **$ 107,681** | **$ (91,897)** | **-85%** |
| | EXPENDITURES: | | | | | | | | | |
| 55700 | Administration | $ 460,117 | $ 36,588 | $ 43,591 | $ (7,002) | -16% | $ 36,588 | $ 43,591 | $ (7,002) | -16% |
| 55710 | Golf Course Maintenance | 899,270 | 27,423 | 48,383 | (20,960) | -43% | 27,423 | 48,383 | (20,960) | -43% |
| 55720 | Golf Services | 722,908 | 32,288 | 42,577 | (10,289) | -24% | 32,288 | 42,577 | (10,289) | -24% |
| 55730 | Reserve 22 | 2,420,256 | 44,079 | 168,273 | (124,194) | -74% | 44,079 | 168,273 | (124,194) | -74% |
| 55740 | Stormwater Management | 28,814 | 269 | 411 | (142) | -35% | 269 | 411 | (142) | -35% |
| 55750 | Pro Shop Merchandise | 158,495 | 11 | 1,436 | (1,425) | -99% | 11 | 1,436 | (1,425) | -99% |
| 55780 | Motorized Carts | 45,515 | - | - | - | 0% | - | - | - | 0% |
| 557X5 | Mechanical Maintenance | 196,841 | 14,209 | 12,246 | 1,963 | 16% | 14,209 | 12,246 | 1,963 | 16% |
| | Total Operating Expenses | $ 4,932,216 | $ 154,866 | $ 316,917 | $ (162,051) | -51% | $ 154,866 | $ 316,917 | $ (162,051) | -51% |
| | **Operating Income (Loss)** | **$ 912,634** | **$ (139,083)** | **$ (209,236)** | **$ 70,153** | **-34%** | **$ (139,083)** | **$ (209,236)** | **$ 70,153** | **-34%** |
| | Debt Service | 656,084 | - | - | - | 0% | - | - | - | 0% |
| | Capital Expenditures | 222,000 | - | 8,085 | (8,085) | -100% | - | 8,085 | (8,085) | -100% |
| | **CHANGE IN NET POSITION** | **$ 34,550** | **$ (139,083)** | **$ (217,321)** | **$ 78,238** | **-36%** | **$ (139,083)** | **$ (217,321)** | **$ 78,238** | **-36%** |

## ***KEY METRICS***

| | Goal | MONTH 2021 | MONTH 2020 | MONTH DIFF | YEAR-TO-DATE 2021 | YEAR-TO-DATE 2020 | YEAR-TO-DATE DIFF |
|---|---|---|---|---|---|---|---|
| *Personnel Expenses as % of Sales* | *47%* | *654%* | *201%* | *453%* | *654%* | *201%* | *453%* |
| *Cash Balance (End of Month, in $000's)* | *$ 1,234* | *$ 584* | *$ 359* | *$ 225* | | | |

# VILLAGE LINKS

## STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

## GOLF

**(Including Administration, Grounds, & Mechanical Maintenance)**

**As of January 31, 2021**

| ORG/ OBJECT | DESCRIPTION | 2021 BUDGET | MONTH 2021 | MONTH 2020 | MONTH DIFF | MONTH % DIFF | YEAR-TO-DATE 2021 | YEAR-TO-DATE 2020 | YEAR-TO-DATE DIFF | YEAR-TO-DATE % DIFF |
|---|---|---|---|---|---|---|---|---|---|---|
| 5500 | **VILLAGE LINKS REVENUES:** | | | | | | | | | |
| 440550 | Green Fees | $ 1,950,000 | $ 68 | $ 67 | $ 1 | 1% | $ 68 | $ 67 | $ 1 | 1% |
| 440554 | Pro Shop - Sales | 170,000 | 301 | 1,566 | (1,265) | -81% | 301 | 1,566 | (1,265) | -81% |
| 440555 | Motor Carts | 500,000 | - | - | - | 0% | - | - | - | 0% |
| 440556 | Driving Range | 300,000 | 127 | 88 | 39 | 45% | 127 | 88 | 39 | 45% |
| 440557 | Resident Cards | 32,000 | 1,320 | 1,260 | 60 | 5% | 1,320 | 1,260 | 60 | 5% |
| 460100 | Investment Income | 8,500 | 1 | 562 | (562) | -100% | 1 | 562 | (562) | -100% |
| 489000 | Miscellaneous Revenue | 126,550 | 551 | 1,772 | (1,222) | -69% | 551 | 1,772 | (1,222) | -69% |
| 489100 | Miscellaneous - Over/Short | - | 0 | (12) | 12 | -101% | 0 | (12) | 12 | -101% |
| 490800 | Operating Transfer In | 26,800 | - | - | - | 0% | - | - | - | 0% |
| | **Total Revenues** | **$ 3,113,850** | **$ 2,367** | **$ 5,303** | **$ (2,936)** | **-55%** | **$ 2,367** | **$ 5,303** | **$ (2,936)** | **-55%** |
| | **COST OF GOODS SOLD:** | | | | | | | | | |
| 520945 | Cost of Goods Sold - Pro Shop | $ 127,500 | $ (2,143) | $ (1,523) | $ (620) | 41% | $ (2,143) | $ (1,523) | $ (620) | 41% |
| | **Total Cost of Goods Sold** | **$ 127,500** | **$ (2,143)** | **$ (1,523)** | **$ (620)** | **41%** | **$ (2,143)** | **$ (1,523)** | **$ (620)** | **41%** |
| | **Gross Profit** | **$ 2,986,350** | **$ 4,510** | **$ 6,827** | **$ (2,316)** | **-34%** | **$ 4,510** | **$ 6,827** | **$ (2,316)** | **-34%** |
| | **OTHER OPERATING EXPENSES:** | | | | | | | | | |
| 510100 | Salaries - Pensionable | $ 943,660 | $ 52,045 | $ 57,964 | $ (5,919) | -10% | $ 52,045 | $ 57,964 | $ (5,919) | -10% |
| 510120 | Salaries - Non-Pensionable | 194,800 | 140 | 18,888 | (18,749) | -99% | 140 | 18,888 | (18,749) | -99% |
| 510200 | Salaries - Overtime | 6,740 | - | - | - | 0% | - | - | - | 0% |
| 510400 | FICA Taxes | 86,408 | 3,767 | 5,658 | (1,891) | -33% | 3,767 | 5,658 | (1,891) | -33% |
| 510500 | IMRF | 82,774 | 4,380 | 6,660 | (2,280) | -34% | 4,380 | 6,660 | (2,280) | -34% |
| 590600 | Health Insurance | 137,400 | 10,048 | 14,588 | (4,540) | -31% | 10,048 | 14,588 | (4,540) | -31% |
| 52XXXX | Contractual Services | 624,178 | 38,552 | 34,905 | 3,647 | 10% | 38,552 | 34,905 | 3,647 | 10% |
| 53XXXX | Commodities | 308,500 | 4,000 | 11,504 | (7,503) | -65% | 4,000 | 11,504 | (7,503) | -65% |
| | **Total Operating Expenses** | **$ 2,384,460** | **$ 112,931** | **$ 150,167** | **$ (37,236)** | **-25%** | **$ 112,931** | **$ 150,167** | **$ (37,236)** | **-25%** |
| | **Operating Income (Loss)** | **$ 601,890** | **$ (108,420)** | **$ (143,340)** | **$ 34,920** | **-24%** | **$ (108,420)** | **$ (143,340)** | **$ 34,920** | **-24%** |
| | **Operating Income (Loss) Percentage** | **19%** | **-4580%** | **-2703%** | | | **-4580%** | **-2703%** | | |

***KEY METRICS***

| | Goal | MONTH 2021 | MONTH 2020 | MONTH DIFF | YTD 2021 | YTD 2020 | YTD DIFF |
|---|---|---|---|---|---|---|---|
| *Rounds Played* | *70,000* | *14* | *14* | *-* | *14* | *14* | *-* |
| *Revenue Per Round* | *$ 44.48* | *$ 169.08* | *$ 378.82* | *$ (209.74)* | *$ 169.08* | *$ 378.82* | *$ (209.74)* |
| *Resident Cards Sold* | *N/A* | *136* | *127* | *9* | *136* | *127* | *9* |
| *Cost of Goods Sold % - Pro Shop* | *75%* | *-712%* | *-97%* | *-615%* | *-712%* | *-97%* | *-615%* |
| *Personnel Expenses as % of Sales* | *47%* | *2973%* | *1956%* | *1017%* | *2973%* | *1956%* | *1017%* |

# VILLAGE LINKS
## STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
## GOLF
**(Including Administration, Grounds, & Mechanical Maintenance)**
**As of January 31, 2021**

| ORG/ OBJECT | DESCRIPTION | 2021 BUDGET | MONTH 2021 | MONTH 2020 | MONTH DIFF | MONTH % DIFF | YEAR-TO-DATE 2021 | YEAR-TO-DATE 2020 | 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:* | | | | | | | | | |
| | *Adult & Junior Golf Lessons* | | $ - | $ - | $ - | | $ - | $ - | $ - | |
| | *Handicaps* | | - | 920 | (920) | | - | 920 | (920) | |
| | *Hand Cart Rentals* | | - | - | - | | - | - | - | |
| | *Golf Club Rentals* | | - | - | - | | - | - | - | |
| | *Golf Club Repairs* | | - | 80 | (80) | | - | 80 | (80) | |
| | *Locker Rentals* | | 480 | 560 | (80) | | 480 | 560 | (80) | |
| | *Illinois Sales Tax (1.75%)* | | 36 | 214 | (179) | | 36 | 214 | (179) | |
| | *Glen Ellyn Food & Beverage Tax (1%)* | | 3 | 23 | (20) | | 3 | 23 | (20) | |
| | *Misc. Tournament Prize* | | - | - | - | | - | - | - | |
| | *FootGolf Ball Rentals* | | - | - | - | | - | - | - | |
| | *ATM Machine Commission* | | 7 | 6 | 1 | | 7 | 6 | 1 | |
| | *Miscellaneous* | | 25 | (30) | 55 | | 25 | (30) | 55 | |
| | *Total* | $ 126,550 | $ 551 | $ 1,772 | $ (1,222) | | $ 551 | $ 1,772 | $ (1,222) | |

# RESERVE 22
## STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
## As of January 31, 2021

| ORG/ OBJECT | DESCRIPTION | 2021 BUDGET | MONTH 2021 | MONTH 2020 | MONTH DIFF | MONTH % DIFF | YEAR-TO-DATE 2021 | YEAR-TO-DATE 2020 | YEAR-TO-DATE DIFF | YEAR-TO-DATE % DIFF |
|---|---|---|---|---|---|---|---|---|---|---|
| 5520 | **RESERVE 22 REVENUES:** | | | | | | | | | |
| 441100 | Food | $ 1,500,000 | $ 11,721 | $ 58,098 | $ (46,377) | -80% | $ 11,721 | $ 58,098 | $ (46,377) | -80% |
| 441101 | Liquor | 260,000 | 498 | 11,186 | (10,688) | -96% | 498 | 11,186 | (10,688) | -96% |
| 441102 | Beer | 485,000 | 641 | 9,077 | (8,436) | -93% | 641 | 9,077 | (8,436) | -93% |
| 441103 | Wine | 235,000 | 524 | 11,423 | (10,899) | -95% | 524 | 11,423 | (10,899) | -95% |
| 441104 | NA Beverages | 85,000 | 33 | 1,491 | (1,459) | -98% | 33 | 1,491 | (1,459) | -98% |
| 441106 | Room Charges | 4,000 | - | 1,950 | (1,950) | -100% | - | 1,950 | (1,950) | -100% |
| 441107 | Service Charges | 160,000 | - | 7,583 | (7,583) | -100% | - | 7,583 | (7,583) | -100% |
| 489000 | Miscellaneous Revenue | 2,000 | - | 1,570 | (1,570) | -100% | - | 1,570 | (1,570) | -100% |
| | **Total Revenues** | **$ 2,731,000** | **$ 13,416** | **$ 102,377** | **$ (88,961)** | **-87%** | **$ 13,416** | **$ 102,377** | **$ (88,961)** | **-87%** |
| 55730 | **COST OF GOODS SOLD:** | | | | | | | | | |
| 530400 | Cost of Goods Sold - Beer | $ 135,800 | $ 157 | $ 2,886 | $ (2,729) | -95% | $ 157 | $ 2,886 | $ (2,729) | -95% |
| 530401 | Cost of Goods Sold - Wine | 72,850 | 480 | 2,440 | (1,961) | -80% | 480 | 2,440 | (1,961) | -80% |
| 530402 | Cost of Goods Sold - Liquor | 52,000 | 66 | 1,493 | (1,427) | -96% | 66 | 1,493 | (1,427) | -96% |
| 530405 | Cost of Goods Sold - NA Beverages | 35,700 | 418 | 381 | 37 | 10% | 418 | 381 | 37 | 10% |
| 530420 | Cost of Goods Sold - Food | 480,000 | 3,321 | 22,478 | (19,157) | -85% | 3,321 | 22,478 | (19,157) | -85% |
| | **Total Cost of Goods Sold** | **$ 776,350** | **$ 4,441** | **$ 29,678** | **$ (25,237)** | **-85%** | **$ 4,441** | **$ 29,678** | **$ (25,237)** | **-85%** |
| | **Gross Profit** | **$ 1,954,650** | **$ 8,976** | **$ 72,699** | **$ (63,724)** | **-88%** | **$ 8,976** | **$ 72,699** | **$ (63,724)** | **-88%** |
| | **Gross Profit Percentage** | **72%** | **67%** | **71%** | | | **67%** | **71%** | | |
| 55730 | **OTHER OPERATING EXPENSES:** | | | | | | | | | |
| 510100 | Salaries - Pensionable | $ 607,800 | $ 23,332 | $ 66,423 | $ (43,092) | -65% | $ 23,332 | $ 66,423 | $ (43,092) | -65% |
| 510120 | Salaries - Non-Pensionable | 460,000 | 126 | 23,521 | (23,394) | -99% | 126 | 23,521 | (23,394) | -99% |
| 510200 | Salaries - Overtime | 5,000 | - | 397 | (397) | -100% | - | 397 | (397) | -100% |
| 510399 | Tips Paid Through Payroll | - | (869) | 3,676 | (4,544) | -124% | (869) | 3,676 | (4,544) | -124% |
| 510400 | FICA Taxes | 115,440 | 1,776 | 8,229 | (6,453) | -78% | 1,776 | 8,229 | (6,453) | -78% |
| 510500 | IMRF | 53,520 | 2,058 | 6,884 | (4,826) | -70% | 2,058 | 6,884 | (4,826) | -70% |
| 590600 | Health Insurance | 73,900 | 5,574 | 7,316 | (1,743) | -24% | 5,574 | 7,316 | (1,743) | -24% |
| 52XXXX | Contractual Services | 179,246 | 5,215 | 12,795 | (7,579) | -59% | 5,215 | 12,795 | (7,579) | -59% |
| 53XXXX | Commodities | 149,000 | 2,425 | 9,354 | (6,929) | -74% | 2,425 | 9,354 | (6,929) | -74% |
| | **Total Operating Expenses** | **$ 1,643,906** | **$ 39,638** | **$ 138,595** | **$ (98,957)** | **-71%** | **$ 39,638** | **$ 138,595** | **$ (98,957)** | **-71%** |
| | **Operating Income (Loss)** | **$ 310,744** | **$ (30,662)** | **$ (65,896)** | **$ 35,233** | **-53%** | **$ (30,662)** | **$ (65,896)** | **$ 35,233** | **-53%** |
| | **Operating Income (Loss) Percentage** | **11%** | **-229%** | **-64%** | | | **-229%** | **-64%** | | |

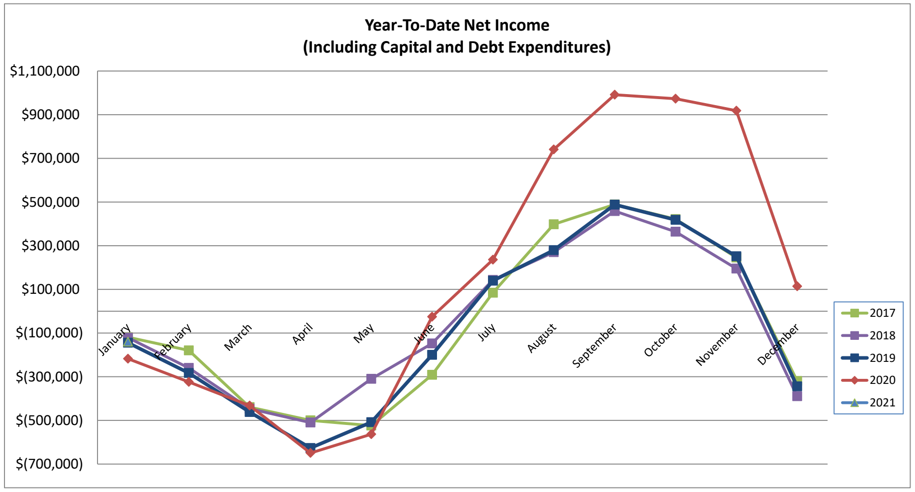
# RESERVE 22

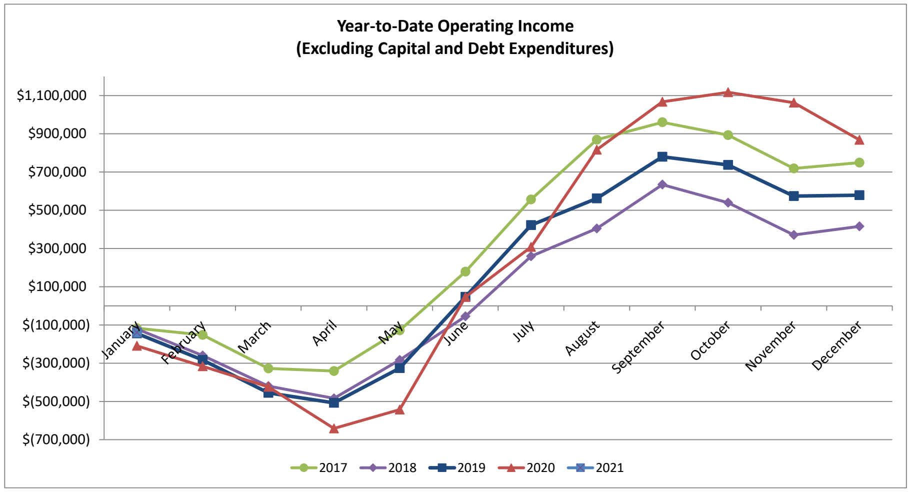
## STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

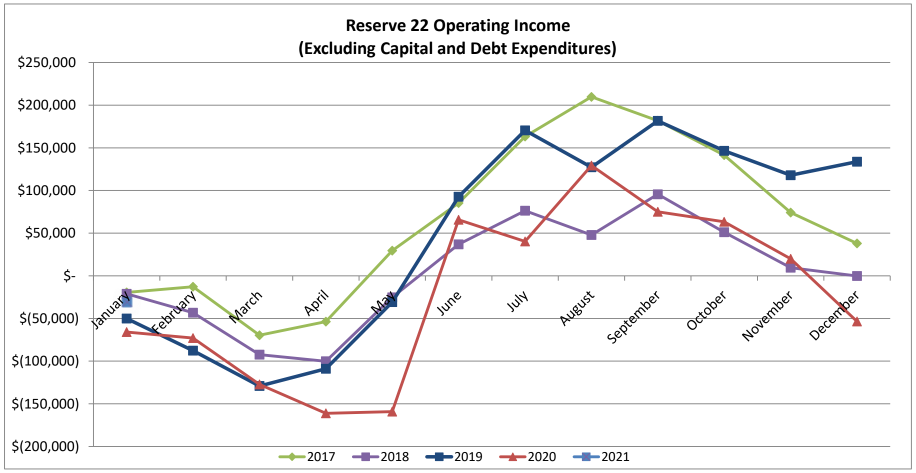
### As of January 31, 2021

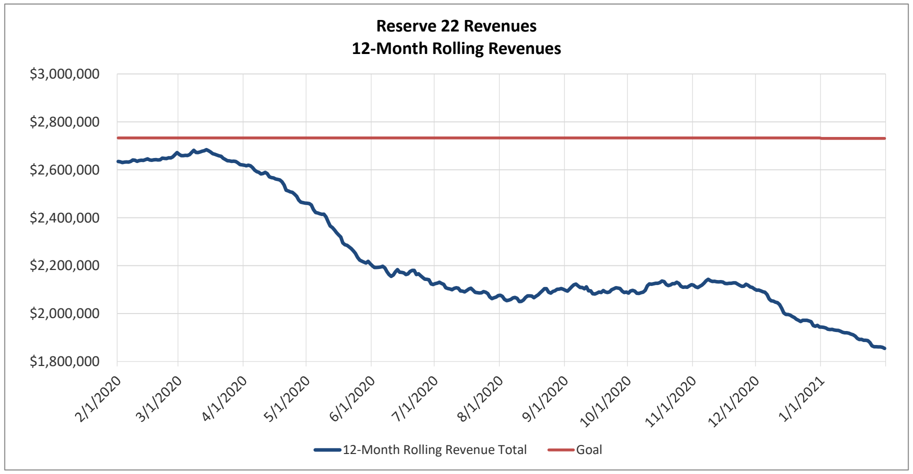
| ORG/ OBJECT | DESCRIPTION | 2021 BUDGET | MONTH 2021 | MONTH 2020 | MONTH DIFF | MONTH % DIFF | YEAR-TO-DATE 2021 | YEAR-TO-DATE 2020 | YEAR-TO-DATE DIFF | YEAR-TO-DATE % DIFF |
|---|---|---|---|---|---|---|---|---|---|---|
| | ***KEY METRICS*** | | | | | | | | | |
| | | *Goal* | | | | | | | | |
| | *Revenue Source:* | | | | | | | | | |
| | *Restaurant/Bar* | *N/A* | *$ 13,396* | *$ 56,555* | *$ (43,159)* | *-76%* | *$ 13,396* | *$ 56,555* | *$ (43,159)* | *-76%* |
| | *Banquets* | *N/A* | *-* | *45,804* | *(45,804)* | *-100%* | *-* | *45,804* | *(45,804)* | *-100%* |
| | *Other* | *N/A* | *20* | *18* | *2* | *8%* | *20* | *18* | *2* | *8%* |
| | *Total* | *$ 2,731,000* | *$ 13,416* | *$ 102,377* | *$ (88,961)* | *-87%* | *$ 13,416* | *$ 102,377* | *$ (88,961)* | *-87%* |
| | *Reserve 22 Revenues (Last 12 Months)* | *$ 2,731,000* | | | | | $ 1,854,727 | $ 2,632,704 | *$ (777,977)* | *-30%* |
| | *Reserve 22 Expenses (Last 12 Months)* | *$ 2,420,256* | | | | | $ 1,872,993 | $ 2,514,710 | *$ (641,717)* | *-26%* |
| | *# Guest Checks (Restaurant/Bar)* | *N/A* | *341* | *1,664* | *(1,323)* | | *341* | *1,664* | *(1,323)* | |
| | *Revenue Per Guest Check* | *N/A* | *$ 39.29* | *$ 33.99* | *$ 5.30* | | *$ 39.29* | *$ 33.99* | *$ 5.30* | |
| | *# Guests (Restaurant/Bar)* | *N/A* | *401* | *2,801* | *(2,400)* | | *401* | *2,801* | *(2,400)* | |
| | *Average Guest Spend* | *N/A* | *$ 33.41* | *$ 20.19* | *$ 13.22* | | *$ 33.41* | *$ 20.19* | *$ 13.22* | |
| | *Cost of Goods Sold %* | *28%* | *33%* | *29%* | *4%* | | *33%* | *29%* | *4%* | |
| | *Cost of Goods Sold % (By Category):* | | | | | | | | | |
| | *Cost of Goods Sold - Beer* | *28%* | *24%* | *32%* | *-7%* | | *24%* | *32%* | *-7%* | |
| | *Cost of Goods Sold - Wine* | *31%* | *91%* | *21%* | *70%* | | *91%* | *21%* | *70%* | |
| | *Cost of Goods Sold - Liquor* | *20%* | *13%* | *13%* | *0%* | | *13%* | *13%* | *0%* | |
| | *Cost of Goods Sold - NA Beverages* | *42%* | *1285%* | *26%* | *1260%* | | *1285%* | *26%* | *1260%* | |
| | *Cost of Goods Sold - Food* | *32%* | *28%* | *39%* | *-10%* | | *28%* | *39%* | *-10%* | |
| | *Personnel Expenses as % of Sales* | *48%* | *245%* | *110%* | *135%* | | *245%* | *110%* | *135%* | |
| | *Prime Cost (Cost of Goods Sold + Personnel Expenses) as % of Sales* | *77%* | *278%* | *139%* | *139%* | | *278%* | *139%* | *139%* | |

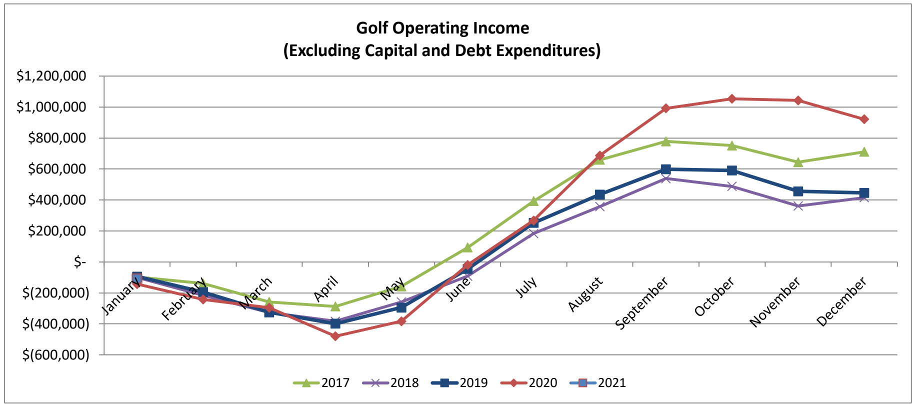
# Village Links / Reserve 22
# Dashboard Financial Report
# As of January 31, 2021

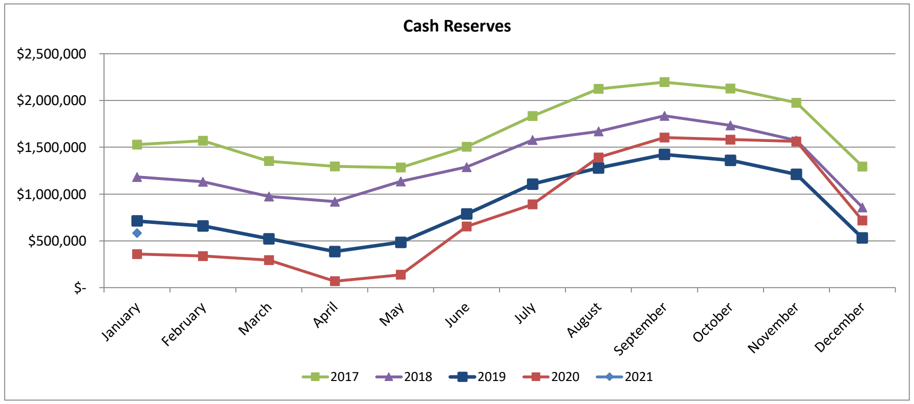


**Glen Ellyn Village Board**
535 Duane Street
Glen Ellyn, IL 60137

Meeting 12/14/2020 7:00 PM
Department: Village Links
Department Head: Jeff Vesevick
Category: Discussion Item
Prepared By: Jeff Vesevick

**AGENDA ITEM (ID # 2020-740)**

**DOC ID: 2020-740**

# Approve Village Links' Golf User Fees for 2021(General Manager Vesevick)

**Statement of the Issue:**
User fees have increased conservatively since 2009, in response to a fragile market. Since then, costs to operate have risen less conservatively resulting in increasing difficulty in maintaining financial stability. During that stretch, staff has delayed the replacing of aging equipment, which is becoming more costly to maintain than to replace. Close management of expenses, the reduction or elimination of some services, and the reliance on cash reserves will need an increase in revenues in order to consistently cover operating costs, fund capital replacements and improvements, and retire debt.

**Analysis:**
The Village Links/Reserve 22 is an Enterprise Fund which relies solely on user fees to cover all operating expenses, capital replacement and improvements, maintenance, repair, and debt service. In addition, user fees alone cover costs to maintain 3 passive use parks, and an intricate storm water detention system on its 240 acre property.

Strategic Plan

Strategic Plan 1.b. – Maintain Village Links/Reserve 22 as self-sustaining

Recommendation

Staff has completed its annual market study of competing facilities and reviewed the state of the golf industry. While the COVID pandemic impacted golf revenues favorably, the trend of golf popularity in prior years will necessitate a moderate increase in user fees, plus the strategic realignment of the rate structure, in order to meet rising operational costs.

This proposal will help the Village Links to meet its financial obligations, maintain its position in the local market as a desirable facility at a good value to golfers, and maintain an overall discount to Glen Ellyn resident card holders.

Furthermore, collaboration with the Recreation Commission at ongoing meetings resulted in a unanimous vote of approval for this proposal at its November 20, 2020 regular meeting.

**Budget Impact:**
Fee increases were included in the proposed 2021 budget.

**Action Requested:**
Approve staff's proposed increase in User Fees as presented for the 2021 golf season.

**Attachments:**

1. 2021 Rate Proposal Packet

# ATTACHMENT 1

# VILLAGE LINKS' GOLF USER FEES – SUPPLEMENTAL INFORMATION

The Village Links rate structure has been getting more and more challenging to manage over the years as we have continually added selectively targeted times to discount due to stagnating rounds. The 2020 golf season, due to the COVID19 pandemic, has changed the golf industry landscape at least for this year, and has forced us to adapt and innovate in many ways. Shotgun start golf outings in 2020 were a miniscule part of our business while consecutive tee times, mostly dominated by our regular players, increased dramatically. In 2021 we will need to carefully navigate how many shotgun start outings we allow as we will not want to offend our regular players and potentially drive them away. Below is a summary of some of the changes to our operation in 2020 and my recommendation for rates in 2021.

**First tee time now 6:30AM** – This resulted in the loss of one hour of tee times during the majority of the season. Opening an hour later allows our maintenance crews to get out ahead of play and complete their regular maintenance faster which enables them to do more of the secondary or discretionary tasks like pruning, weeding, etc. Most of the golfers that played between 5:30AM and 6:30AM compressed into the later tee times, avoiding most of the potential loss of revenue.

**10 Minute Intervals** – Over the years the Village Links has had to adapt to changes in the industry due to innovation in golf ball and club technology, and this year COVID19. When we were allowed to reopen in earnest, we were restricted to allowing only 6 groups per hour, or 10 minute intervals. Many courses in the area had already been using this model over the years in order to keep on time on the first tee and better manage pace of play. The Village Links, in our highest usage years, teed off 8 and 9 groups per hour. Due to increased technology of golf clubs (driver mainly) and golf balls, we had to reduce our capacity as well. For the past several years, the Village Links has been teeing off 7 groups per hour. In the 2020 model we were teeing off 6 groups per hour every day on the 9-hole course. On the 18-hole course we teed off 7 groups per hour on Saturdays and Sundays during permanent tee times, 6 groups per hour Saturdays and Sundays beginning at 11:00AM and 6 groups per hour all day Monday through Friday. This increased our customer satisfaction as we were almost always on time on the first tee and our pace of play was noticeably improved over prior years. We also noticed that people were playing later into the day with the increase in demand and the decrease in supply.

**Elimination of Happy Hours** – With the increase in demand and decrease in supply of tee times, we eliminated the Happy Hour discount. Happy Hour significantly discounted 1 hour of tee times every day on both golf courses. The tee times that were designated as Happy Hour tee times were filled almost 100% in 2020 with full fee players.

**Weekend Rates –** During May of 2020 golf courses were allowed to open under extreme restrictions. We were allowed to tee off 4 groups per hour with twosomes only, resulting in 8 people per hour while our new normal would be 24 golfers per hour. Due to the extreme restrictions we went to weekend rates every day with no complimentary (Keys to Links, Employees, PGA etc.) rounds. May rounds were down 19% while green fee revenue ended up only 1% down. This emphasizes how the increase in base price and the lack of discounting (junior and senior rates as well as comps) impacts the bottom line. With Friday being the busiest day of the week, many courses have included Friday in their weekend rate structure. This is something the Village Links might consider in the future if rounds were to decline.

**Tee Sheet Technology** – Newer point-of-sale systems that include electronic tee sheets like ours offer many tools to manage tee sheet inventory. One of the tools, the Daily Deal, allows us to set up a discount on a tee time or block of tee times. This is displayed online to everyone and is highlighted at the top of the booking engine giving them a better chance of being reserved. One way to maximize revenue potential is to use the daily deal to discount tee times that prove to be less desirable rather than publish discounted breaks in the day (twilight, super twilight, etc.) that are set for an entire season. We recommend eliminating the after 2:00PM and after 3:00PM discounts on the 18-hole course. We also recommend eliminating the early bird junior and early bird senior rate on the 9-hole course.

Dynamic pricing is also a trend in golf course management where golf courses set a floor price and based upon demand, the system manages pricing to increase the "rack" rate where demand is high. We do not believe that dynamic pricing would be received well as a municipal golf course, as our residents would not want to potentially pay more than a non-resident depending upon when they booked.

**Increase School Rates** – Our school rate is low and the tee times they need to occupy are the most in demand. We are recommending increasing our rate to what most of our competitors charge.

**Senior/Junior Rates** – We are recommending we consolidate the senior age to have one senior rate for everyone. After careful consideration with the Recreation Committee, we are recommending setting the age at 62 years old to begin receiving senior discounts. We will grandfather in anyone who was already receiving the over 60 rate. We suggest we keep the junior age at 21 and under, which keeps college aged kids and under receiving a more affordable price. We are also suggesting adding a non-resident and VIP senior/junior rate on the 9-hole course.

**6:30PM 9-Hole Special –** The 6:30 special is too low. We are recommending raising the price to be half of the normal rate. It is still a fantastic deal.

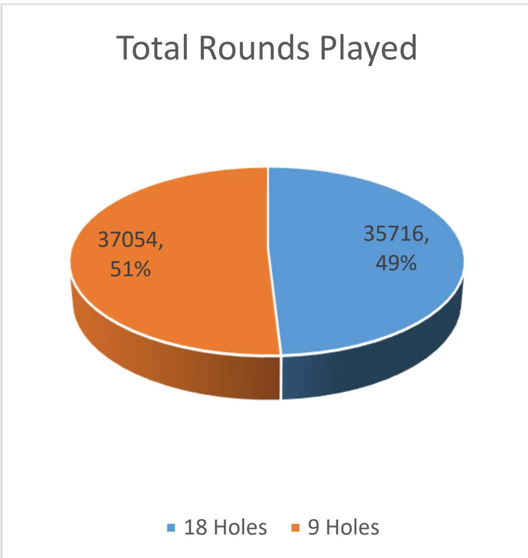
**Eliminate Fall Fest** – This year we eliminated the Fall Fest promotion which offered heavy discounts to keep people playing golf longer into the season. Last year we moved the start of Fall Fest back to the original start when we introduced the program which improved revenue. In 2020 we have been very busy almost every day with no discounts, resulting in higher green fee, cart and driving range revenues. We recommend eliminating Fall Fest again in 2021, unless we see weakness in demand throughout the 2021 season.

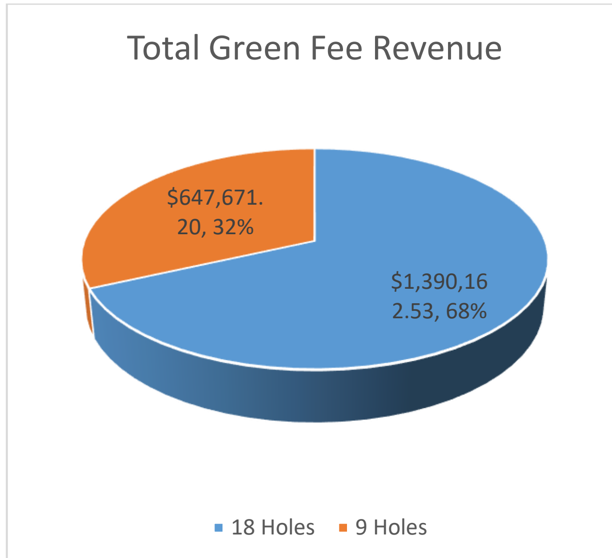
**Spring and Fall Specials** – We recommend eliminating the Spring and Fall Specials, which offer heavily discounted weekday green fees during the fringe months, for the 2021 season. We will have to honor the Spring Specials for 2021 that were purchased in 2020, but we will not sell additional Spring Specials next year. We will monitor demand for golf in 2021, but if COVID19 is still affecting our daily lives, or if businesses have adapted to work-from-home models permanently, we may see a continuation of 2020 and hopefully with no shutdowns.

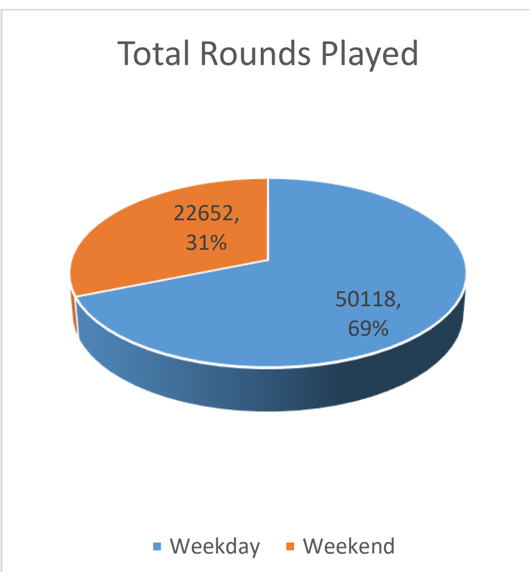
**Footgolf** – We recommend eliminating footgolf from our facility for a number of reasons. First, footgolfers and regular golfers do not mix well. We regularly receive complaints from our regular golfers about footgolfers distracting from their experience at our course. Footgolfers often times do not understand golf etiquette or protocols. Second, with the golf course busier, we are losing revenue almost every time a group of footgolf is booked. Finally, our brand is compromised by the appearance of the footgolf tees and flags on our 9-hole golf course. If play were to decline again and we regularly have open space we could consider bringing it back.

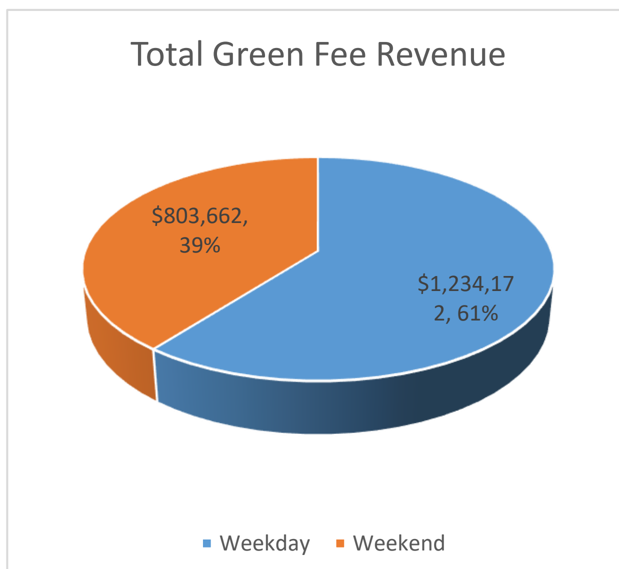
**2020 Green Fee Sales Analysis**

Rounds played through November 18 were 72,770, up 20% from 2019. The increase in play is mostly due to favorable weather conditions and increased demand created as a result of the COVID19 pandemic. With people forced to work from home and travel and group sports severely restricted, we saw a higher rate of new golfers coming into the game this year. Play on the 18-hole course represented 49% while 51% of total play took place on the 9-hole course. Total green fee revenue through November 18 was $2,037,834, up $427,576 or 27%. Green fee revenue on the 18-hole course was $1,390,163 and $647,671 on the 9-hole course.

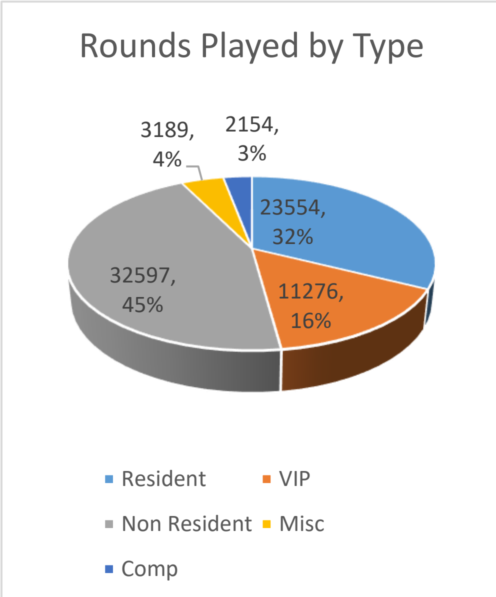


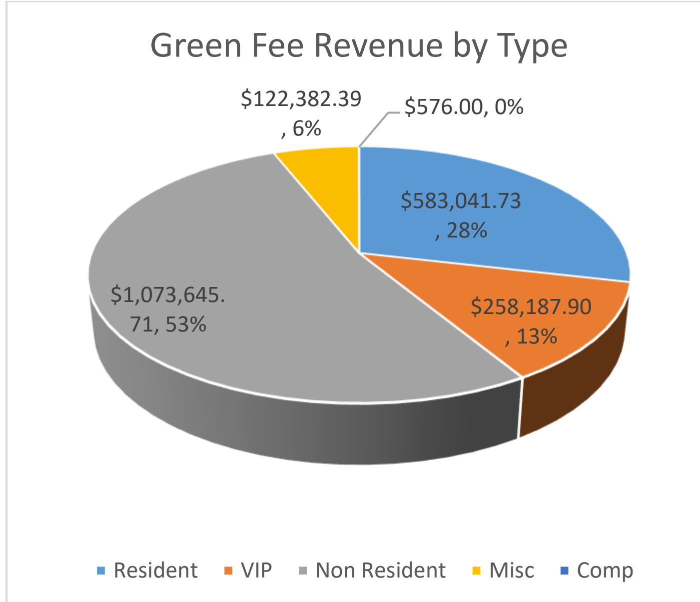



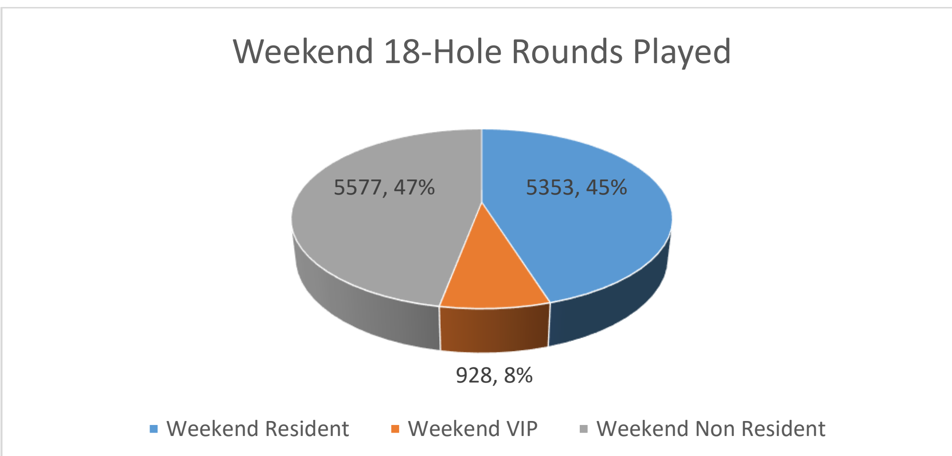



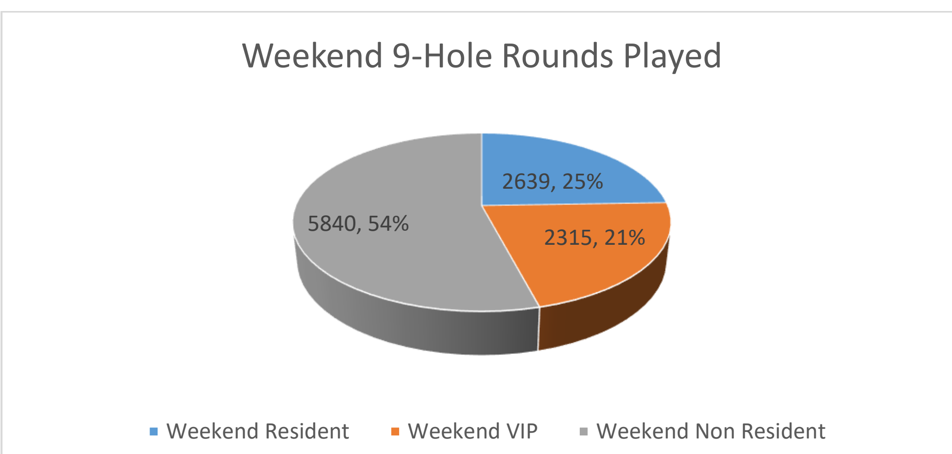
Rounds played continue to be more influenced by non-resident and VIP golfers at 61% of total play. Total green fee revenue from non-resident and VIP play represents over 65%.




Discounted weekend resident play on the 18-hole course is much higher than on the 9-hole course due to permanent tee time play in the mornings.



**2020 Market Analysis**

We have completed our annual survey of base green fees at public golf courses in our area. For this study, we selected courses within 30 miles of Glen Ellyn. The total number of courses in the survey is 58, with two of the courses closing within the last 5 years. The total number of courses offering 9-holes is 35, with only 31 allowing 9-hole play on the weekends. The 18-hole golfer and 9-hole golfer are completely different customers. The 9-hole market competes more on price whereas the 18-hole market competes more on quality.

18-Hole Course Weekday – At $57 Village Links is the 14th most expensive course. The median green fee is $45 and the average green fee is $49.

18-Hole Course Weekend – At $65 Village Links is the 21st most expensive course. The median green fee is $58 and the average green fee is $64.

9-Hole Course Weekday – At $20 Village Links is the 28th most expense course. The median green fee is $25 and the average green fee is $26.

9-Hole Course Weekend – At $27 Village Links is the 23rd most expensive course. The median green fee is $30 and the average green fee is $31.

Most 9-hole players gravitate toward the stand-alone 9-hole operations, or courses who have 27 holes, and designate one of the 3 nines exclusively for 9-hole play. These courses are generally more affordable than the 18-hole counterparts, who more aggressively market 18-hole play as 9-hole play erodes their green fee revenues.

| 2020 Regular Rates | | Weekday 18 Hole | Weekend 18 Hole | Weekday 9 Hole | Weekend 9 Hole | Cart 18 Hole | Cart 9 Hole | Notes |
|---|---|---|---|---|---|---|---|---|
| Arboretum | BUFFALO GROVE | $ 35.00 | $ 55.00 | $ - | $ - | $ 20.00 | $ - | No noted 9 hole rates, green fees and cart fees lower depending on time of day |
| Arrowhead | WHEATON | $ 57.00 | $ 67.00 | $ 28.50 | $ 33.50 | $ 21.00 | $ 10.50 | Has resident rates, has senior/junior rates |
| Balmoral Woods | CRETE | $ 32.00 | $ 50.00 | $ - | $ - | $ 17.00 | $ - | Has senior rates (55) |
| Bartlett Hills | BARTLETT | $ 38.00 | $ 51.00 | $ 23.00 | $ - | $ 18.00 | $ 11.00 | Special rates in effect for 2020 due to COVID-19. Using 2019 Rates |
| Bittersweet | GURNEE | $ 35.00 | $ 59.00 | $ 20.00 | $ 32.00 | $ 10.00 | $ 5.00 | Cart mandatory weekends, has senior (60+)/junior (17-) rates |
| Blackberry Oaks | BRISTOL | $ 57.00 | $ 65.00 | $ - | $ - | Included | $ - | No 9 hole rate, taken from booking engine |
| Bloomingdale | BLOOMINGDALE | $ 27.00 | $ 31.00 | $ 18.00 | $ 18.00 | $ 18.00 | $ 7.50 | |
| Bolingbrook | BOLINGBROOK | $ 69.00 | $ 85.00 | $ - | $ - | $ - | $ - | No 9 hole rate, no cart prices noted |
| Bowes Creek | ELGIN | $ 65.00 | $ 95.00 | $ 33.00 | $ 45.00 | Included | Included | Has senior (62+)/junior (17-) rates |
| Bridges of Poplar Creek | HOFFMAN ESTATES | $ 49.00 | $ 69.00 | $ - | $ - | Included | $ - | No 9 hole rate |
| Cantigny | WHEATON | $ 79.00 | $ 100.00 | $ 40.00 | $ 40.00 | $ 20.00 | $ 12.00 | Has senior (60+)/junior (22-) rates |
| Carillon | PLAINFIELD | $ 39.00 | $ 59.00 | $ 25.00 | $ 25.00 | $ 6.00 | $ 5.00 | Cart mandatory 18 weekends, has senior rates (55) |
| Carriage Greens | DARIEN | $ 36.00 | $ 56.00 | $ 36.00 | $ 56.00 | $ - | $ - | No cart prices noted |
| Cog Hill #1 | LEMONT | $ 39.00 | $ 47.00 | $ - | $ - | $ 18.00 | $ - | Dynamic pricing in effect, minimum price used, no 9 hole rate |
| Cog Hill #2 | LEMONT | $ 59.00 | $ 59.00 | $ - | $ - | $ 18.00 | $ - | Dynamic pricing in effect, minimum price used, no 9 hole rate |
| Cog Hill #3 | LEMONT | $ 39.00 | $ 47.00 | $ - | $ - | $ 18.00 | $ - | Dynamic pricing in effect, minimum price used, no 9 hole rate |
| Cog Hill #4 | LEMONT | $ 159.00 | $ 159.00 | $ - | $ - | Included | $ - | Dynamic pricing in effect, minimum price used, no 9 hole rate |
| Doral Eaglewood | ITASCA | $ 41.00 | $ 51.00 | $ 26.00 | $ 36.00 | $ 18.00 | $ 11.00 | |
| Fox Bend | OSWEGO | $ 30.00 | $ 40.00 | $ 19.00 | $ 19.00 | $ 15.00 | $ 10.00 | Has senior (60+)/junior (17-) rates |
| Fox Lake | FOX LAKE | $ 42.00 | $ 50.00 | $ 28.00 | $ 30.00 | Included | Included | Has senior (62-) rates |
| Fox Run Golf Links | ELK GROVE VILLAGE | $ 38.00 | $ 50.00 | $ - | $ - | $ - | $ - | No 9 hole rate, no cart prices noted |
| George W. Dunne National | OAK FOREST | $ 45.00 | $ 72.00 | $ - | $ - | Included | $ - | No 9 hole rate |
| Glen Club | GLENVIEW | $ 110.00 | $ 198.00 | $ - | $ - | $ 25.00 | $ - | No 9 hole rate |
| Glencoe | GLENCOE | $ 44.00 | $ 53.00 | $ 28.00 | $ - | $ 18.00 | $ 12.00 | No 9 weekend rate, has senior (60+)/junior rates |
| Gleneagles | LEMONT | $ 38.00 | $ 44.00 | $ - | $ - | $ 18.00 | $ - | No 9 hole rate, has senior/junior rates |
| Golf Club of Illinois | ALGONQUIN | $ 32.00 | $ 45.00 | $ 19.00 | $ 24.00 | $ 14.00 | $ 7.00 | First tee time 6:30 WE, 7:30 WD; has senior rate Wednesdays |
| Harborside Int'l | CHICAGO | $ 89.00 | $ 100.00 | $ - | $ - | Included | Included | Add 9.0% Chicago Amusement Tax |
| Highland Woods | HOFFMAN ESTATES | $ 35.00 | $ 40.00 | $ 20.00 | $ 25.00 | $ 20.00 | $ - | 9 Holes walking only |
| Highlands of Elgin | ELGIN | $ 46.00 | $ 55.00 | $ 24.00 | $ 35.00 | $ 20.00 | $ 13.00 | Has resident rates |
| Hilldale | HOFFMAN ESTATES | $ 30.00 | $ 52.00 | $ 20.00 | $ 25.00 | $ 14.00 | $ 8.00 | Cart mandatory 18 weekends, has senior rates (62) |
| Indian Lakes | BLOOMINGDALE | $ - | $ - | $ - | $ - | $ - | $ - | Closed 2016 |
| Klein Creek | WINFIELD | $ 52.00 | $ 68.00 | $ 35.00 | $ 35.00 | Included | Included | Has resident rates, has senior rates (60) |
| Makray Memorial | BARRINGTON | $ 49.00 | $ 74.00 | $ 27.00 | $ 40.00 | $ 20.00 | $ 10.00 | Has senior (60+)/junior (18-) rates |
| Maple Meadows | WOOD DALE | $ 35.00 | $ 50.00 | $ 25.00 | $ 30.00 | $ 17.00 | $ 9.00 | Special rates in effect for 2020 due to COVID-19; has senior (62+)/junior (17-) rates |
| Mistwood | ROMEOVILLE | $ 70.00 | $ 95.00 | $ 35.00 | $ 35.00 | $ 15.00 | $ 10.00 | |
| Mt. Prospect | MT. PROSPECT | $ 35.00 | $ 50.00 | $ 20.00 | $ 28.00 | $ - | $ - | Dynamic pricing in effect, does not note riding rate |
| Naperbrook | PLAINFIELD | $ 36.00 | $ 46.00 | $ 24.00 | $ 28.00 | $ 19.00 | $ 12.00 | Has senior (60+)/junior (17-) rates |
| Oak Brook | OAK BROOK | $ 53.00 | $ 58.00 | $ 32.50 | $ 35.50 | $ 17.00 | $ 10.50 | Has resident rates; has senior/junior rates |
| Oak Meadows | ADDISON | $ 55.00 | $ 69.00 | $ 35.00 | $ 35.00 | $ 20.00 | $ 10.00 | Has senior (62+)/junior (17-) rates |
| Old Orchard | MT. PROSPECT | $ 54.00 | $ 78.00 | $ 41.00 | $ 48.00 | Included | Included | Has resident rates; has senior/junior rates |
| Orchard Valley | AURORA | $ 46.00 | $ 66.00 | $ - | $ - | Included | Included | |
| Pheasant Run | ST. CHARLES | $ - | $ - | $ - | $ - | $ - | $ - | Closed 2020 |
| Pine Meadow | MUNDELEIN | $ 53.00 | $ 68.00 | $ 32.00 | $ 32.00 | $ 18.00 | $ 15.00 | Dynamic pricing in effect, minimum price used |
| Prairie Landing | WEST CHICAGO | $ 55.00 | $ 75.00 | Unlisted | Unlisted | $ 20.00 | $ 13.00 | |
| Ravisloe | HOMEWOOD | $ 49.00 | $ 69.00 | $ - | $ - | $ 20.00 | $ - | Has senior rates |
| Ruffled Feathers | LEMONT | $ 69.00 | $ 94.00 | $ - | $ - | Included | $ - | Has senior rates |
| Schaumburg Golf Club | SCHAUMBURG | $ 47.00 | $ 57.00 | $ 25.00 | $ 28.00 | $ 19.00 | $ 10.50 | Has senior (55+)/junior (17-) rates |
| Settler's Hill | BATAVIA | $ 38.00 | $ 46.50 | $ 23.00 | $ - | $ 18.50 | $ 10.00 | Has resident rates; has senior/junior rates |
| Seven Bridges | WOODRIDGE | $ 60.00 | $ 70.00 | $ - | $ - | $ 20.00 | $ - | Special rates in effect for 2020 due to COVID-19 |
| Silver Lake | ORLAND PARK | $ 39.00 | $ 47.00 | $ 20.00 | $ 20.00 | $ 20.00 | $ 12.00 | Has senior (62+)/junior (20-) rates |
| Springbrook | NAPERVILLE | $ 41.00 | $ 51.00 | $ 25.00 | $ 29.00 | $ 19.00 | $ 12.00 | |
| St. Andrews | WEST CHICAGO | $ 29.00 | $ 59.00 | $ - | $ - | $ - | $ - | Dynamic pricing in effect, does not note riding rate |
| Tamarack | NAPERVILLE | $ 32.00 | $ 45.00 | $ 20.00 | $ 25.00 | $ - | $ - | No cart prices noted |
| Tanna Farms | GENEVA | $ 38.00 | $ 46.00 | $ 25.00 | $ - | $ 21.00 | $ 10.00 | Has senior (60+)/junior (15-) rates |
| Village Links | GLEN ELLYN | $ 57.00 | $ 65.00 | $ 20.00 | $ 27.00 | $ 20.00 | $ 12.00 | Has resident rates, has senior (60+)/junior (21-) rates |
| White Pines | BENSENVILLE | $ 35.00 | $ 40.00 | $ - | $ - | $ 15.00 | $ - | Special rates in effect for 2020 due to COVID-19 |
| Willow Crest | OAK BROOK | $ 60.00 | $ 64.00 | $ 30.00 | $ 30.00 | $ 15.00 | $ 10.00 | Has senior (60+)/junior (18-) rates |
| Winnetka | WINNETKA | $ 46.00 | $ 56.00 | $ 29.00 | $ 29.00 | $ 18.00 | $ 12.00 | Has senior (65+)/junior (18-) rates |

| Weekday | 18 With Cart | |
|---|---|---|
| Cog Hill #4 | $ | 159.00 |
| Glen Club | $ | 135.00 |
| Cantigny | $ | 99.00 |
| Harborside Int'l | $ | 89.00 |
| Mistwood | $ | 85.00 |
| Seven Bridges | $ | 80.00 |
| Arrowhead | $ | 78.00 |
| Village Links | $ | 77.00 |
| Cog Hill #2 | $ | 77.00 |
| Willow Crest | $ | 75.00 |
| Prairie Landing | $ | 75.00 |
| Oak Meadows | $ | 75.00 |
| Pine Meadow | $ | 71.00 |
| Oak Brook | $ | 70.00 |
| Bolingbrook | $ | 69.00 |
| Makray Memorial | $ | 69.00 |
| Ravisloe | $ | 69.00 |
| Ruffled Feathers | $ | 69.00 |
| Schaumburg Golf Club | $ | 66.00 |
| Highlands of Elgin | $ | 66.00 |
| Bowes Creek | $ | 65.00 |
| Winnetka | $ | 64.00 |
| Glencoe | $ | 62.00 |
| Springbrook | $ | 60.00 |
| Doral Eaglewood | $ | 59.00 |
| Silver Lake | $ | 59.00 |
| Tanna Farms | $ | 59.00 |
| Blackberry Oaks | $ | 57.00 |
| Cog Hill #3 | $ | 57.00 |
| Cog Hill #1 | $ | 57.00 |
| Settler's Hill | $ | 56.50 |
| Bartlett Hills | $ | 56.00 |
| Gleneagles | $ | 56.00 |
| Naperbrook | $ | 55.00 |
| Arboretum | $ | 55.00 |
| Highland Woods | $ | 55.00 |
| Old Orchard | $ | 54.00 |
| Klein Creek | $ | 52.00 |
| Maple Meadows | $ | 52.00 |
| White Pines | $ | 50.00 |
| Bridges of Poplar Creek | $ | 49.00 |
| Balmoral Woods | $ | 49.00 |
| Orchard Valley | $ | 46.00 |
| Golf Club of Illinois | $ | 46.00 |
| Bloomingdale | $ | 45.00 |
| Fox Bend | $ | 45.00 |
| George W. Dunne National | $ | 45.00 |
| Bittersweet | $ | 45.00 |
| Carillon | $ | 45.00 |
| Hilldale | $ | 44.00 |
| Fox Lake | $ | 42.00 |
| Fox Run Golf Links | $ | 38.00 |
| Carriage Greens | $ | 36.00 |
| Mt. Prospect | $ | 35.00 |
| Tamarack | $ | 32.00 |
| St. Andrews | $ | 29.00 |

| Weekend | 18 With Cart | |
|---|---|---|
| Glen Club | $ | 223.00 |
| Cog Hill #4 | $ | 159.00 |
| Cantigny | $ | 120.00 |
| Mistwood | $ | 110.00 |
| Harborside Int'l | $ | 100.00 |
| Prairie Landing | $ | 95.00 |
| Bowes Creek | $ | 95.00 |
| Ruffled Feathers | $ | 94.00 |
| Makray Memorial | $ | 94.00 |
| Seven Bridges | $ | 90.00 |
| Oak Meadows | $ | 89.00 |
| Ravisloe | $ | 89.00 |
| Arrowhead | $ | 88.00 |
| Pine Meadow | $ | 86.00 |
| Village Links | $ | 85.00 |
| Bolingbrook | $ | 85.00 |
| Willow Crest | $ | 79.00 |
| Old Orchard | $ | 78.00 |
| Cog Hill #2 | $ | 77.00 |
| Schaumburg Golf Club | $ | 76.00 |
| Arboretum | $ | 75.00 |
| Oak Brook | $ | 75.00 |
| Highlands of Elgin | $ | 75.00 |
| Winnetka | $ | 74.00 |
| George W. Dunne National | $ | 72.00 |
| Glencoe | $ | 71.00 |
| Springbrook | $ | 70.00 |
| Bittersweet | $ | 69.00 |
| Bartlett Hills | $ | 69.00 |
| Bridges of Poplar Creek | $ | 69.00 |
| Doral Eaglewood | $ | 69.00 |
| Klein Creek | $ | 68.00 |
| Tanna Farms | $ | 67.00 |
| Silver Lake | $ | 67.00 |
| Maple Meadows | $ | 67.00 |
| Balmoral Woods | $ | 67.00 |
| Orchard Valley | $ | 66.00 |
| Hilldale | $ | 66.00 |
| Naperbrook | $ | 65.00 |
| Settler's Hill | $ | 65.00 |
| Carillon | $ | 65.00 |
| Blackberry Oaks | $ | 65.00 |
| Cog Hill #3 | $ | 65.00 |
| Cog Hill #1 | $ | 65.00 |
| Gleneagles | $ | 62.00 |
| Highland Woods | $ | 60.00 |
| Golf Club of Illinois | $ | 59.00 |
| St. Andrews | $ | 59.00 |
| Carriage Greens | $ | 56.00 |
| White Pines | $ | 55.00 |
| Fox Bend | $ | 55.00 |
| Fox Lake | $ | 50.00 |
| Mt. Prospect | $ | 50.00 |
| Fox Run Golf Links | $ | 50.00 |
| Bloomingdale | $ | 49.00 |
| Tamarack | $ | 45.00 |

| Weekday | 9 With Cart | |
|---|---|---|
| Cantigny | $ | 52.00 |
| Pine Meadow | $ | 47.00 |
| Oak Meadows | $ | 45.00 |
| Mistwood | $ | 45.00 |
| Oak Brook | $ | 43.00 |
| Old Orchard | $ | 41.00 |
| Winnetka | $ | 41.00 |
| Glencoe | $ | 40.00 |
| Willow Crest | $ | 40.00 |
| Arrowhead | $ | 39.00 |
| Springbrook | $ | 37.00 |
| Highlands of Elgin | $ | 37.00 |
| Doral Eaglewood | $ | 37.00 |
| Makray Memorial | $ | 37.00 |
| Carriage Greens | $ | 36.00 |
| Naperbrook | $ | 36.00 |
| Schaumburg Golf Club | $ | 35.50 |
| Tanna Farms | $ | 35.00 |
| Klein Creek | $ | 35.00 |
| Bartlett Hills | $ | 34.00 |
| Maple Meadows | $ | 34.00 |
| Bowes Creek | $ | 33.00 |
| Settler's Hill | $ | 33.00 |
| Village Links | $ | 32.00 |
| Silver Lake | $ | 32.00 |
| Carillon | $ | 30.00 |
| Fox Bend | $ | 29.00 |
| Fox Lake | $ | 28.00 |
| Hilldale | $ | 28.00 |
| Golf Club of Illinois | $ | 26.00 |
| Bloomingdale | $ | 25.50 |
| Bittersweet | $ | 25.00 |
| Highland Woods | $ | 20.00 |
| Mt. Prospect | $ | 20.00 |
| Tamarack | $ | 20.00 |

| Weekend | 9 With Cart | |
|---|---|---|
| Carriage Greens | $ | 56.00 |
| Cantigny | $ | 52.00 |
| Makray Memorial | $ | 50.00 |
| Old Orchard | $ | 48.00 |
| Highlands of Elgin | $ | 48.00 |
| Doral Eaglewood | $ | 47.00 |
| Pine Meadow | $ | 47.00 |
| Oak Brook | $ | 46.00 |
| Oak Meadows | $ | 45.00 |
| Bowes Creek | $ | 45.00 |
| Mistwood | $ | 45.00 |
| Arrowhead | $ | 44.00 |
| Springbrook | $ | 41.00 |
| Winnetka | $ | 41.00 |
| Willow Crest | $ | 40.00 |
| Naperbrook | $ | 40.00 |
| Village Links | $ | 39.00 |
| Maple Meadows | $ | 39.00 |
| Schaumburg Golf Club | $ | 38.50 |
| Bittersweet | $ | 37.00 |
| Klein Creek | $ | 35.00 |
| Hilldale | $ | 33.00 |
| Silver Lake | $ | 32.00 |
| Golf Club of Illinois | $ | 31.00 |
| Carillon | $ | 30.00 |
| Fox Lake | $ | 30.00 |
| Fox Bend | $ | 29.00 |
| Mt. Prospect | $ | 28.00 |
| Bloomingdale | $ | 25.50 |
| Tamarack | $ | 25.00 |
| Highland Woods | $ | 25.00 |

| Weekday | Green Fee | Cart Fee |
|---|---|---|
| Cog Hill #4 | $ 159.00 | $ - |
| Glen Club | $ 110.00 | $ 25.00 |
| Harborside Int'l | $ 89.00 | $ - |
| Cantigny | $ 79.00 | $ 20.00 |
| Mistwood | $ 70.00 | $ 15.00 |
| Bolingbrook | $ 69.00 | $ - |
| Ruffled Feathers | $ 69.00 | $ - |
| Bowes Creek | $ 65.00 | $ - |
| Seven Bridges | $ 60.00 | $ 20.00 |
| Willow Crest | $ 60.00 | $ 15.00 |
| Cog Hill #2 | $ 59.00 | $ 18.00 |
| Blackberry Oaks | $ 57.00 | $ - |
| Arrowhead | $ 57.00 | $ 21.00 |
| Village Links | $ 57.00 | $ 20.00 |
| Oak Meadows | $ 55.00 | $ 20.00 |
| Prairie Landing | $ 55.00 | $ 20.00 |
| Old Orchard | $ 54.00 | $ - |
| Oak Brook | $ 53.00 | $ 17.00 |
| Pine Meadow | $ 53.00 | $ 18.00 |
| Klein Creek | $ 52.00 | $ - |
| Makray Memorial | $ 49.00 | $ 20.00 |
| Ravisloe | $ 49.00 | $ 20.00 |
| Bridges of Poplar Creek | $ 49.00 | $ - |
| Schaumburg Golf Club | $ 47.00 | $ 19.00 |
| Orchard Valley | $ 46.00 | $ - |
| Highlands of Elgin | $ 46.00 | $ 20.00 |
| Winnetka | $ 46.00 | $ 18.00 |
| George W. Dunne National | $ 45.00 | $ - |
| Glencoe | $ 44.00 | $ 18.00 |
| Fox Lake | $ 42.00 | $ - |
| Doral Eaglewood | $ 41.00 | $ 18.00 |
| Springbrook | $ 41.00 | $ 19.00 |
| Cog Hill #3 | $ 39.00 | $ 18.00 |
| Silver Lake | $ 39.00 | $ 20.00 |
| Carillon | $ 39.00 | $ 6.00 |
| Cog Hill #1 | $ 39.00 | $ 18.00 |
| Tanna Farms | $ 38.00 | $ 21.00 |
| Settler's Hill | $ 38.00 | $ 18.50 |
| Bartlett Hills | $ 38.00 | $ 18.00 |
| Fox Run Golf Links | $ 38.00 | $ - |
| Gleneagles | $ 38.00 | $ 18.00 |
| Carriage Greens | $ 36.00 | $ - |
| Naperbrook | $ 36.00 | $ 19.00 |
| White Pines | $ 35.00 | $ 15.00 |
| Mt. Prospect | $ 35.00 | $ - |
| Maple Meadows | $ 35.00 | $ 17.00 |
| Bittersweet | $ 35.00 | $ 10.00 |
| Arboretum | $ 35.00 | $ 20.00 |
| Highland Woods | $ 35.00 | $ 20.00 |
| Tamarack | $ 32.00 | $ - |
| Balmoral Woods | $ 32.00 | $ 17.00 |
| Golf Club of Illinois | $ 32.00 | $ 14.00 |
| Fox Bend | $ 30.00 | $ 15.00 |
| Hilldale | $ 30.00 | $ 14.00 |
| St. Andrews | $ 29.00 | $ - |
| Bloomingdale | $ 27.00 | $ 18.00 |

| Weekend | Green Fee | Cart Fee |
|---|---|---|
| Glen Club | $ 198.00 | $ 25.00 |
| Cog Hill #4 | $ 159.00 | $ - |
| Cantigny | $ 100.00 | $ 20.00 |
| Harborside Int'l | $ 100.00 | $ - |
| Bowes Creek | $ 95.00 | $ - |
| Mistwood | $ 95.00 | $ 15.00 |
| Ruffled Feathers | $ 94.00 | $ - |
| Bolingbrook | $ 85.00 | $ - |
| Old Orchard | $ 78.00 | $ - |
| Prairie Landing | $ 75.00 | $ 20.00 |
| Makray Memorial | $ 74.00 | $ 20.00 |
| George W. Dunne National | $ 72.00 | $ - |
| Seven Bridges | $ 70.00 | $ 20.00 |
| Ravisloe | $ 69.00 | $ 20.00 |
| Bridges of Poplar Creek | $ 69.00 | $ - |
| Oak Meadows | $ 69.00 | $ 20.00 |
| Pine Meadow | $ 68.00 | $ 18.00 |
| Klein Creek | $ 68.00 | $ - |
| Arrowhead | $ 67.00 | $ 21.00 |
| Orchard Valley | $ 66.00 | $ - |
| Village Links | $ 65.00 | $ 20.00 |
| Blackberry Oaks | $ 65.00 | $ - |
| Willow Crest | $ 64.00 | $ 15.00 |
| St. Andrews | $ 59.00 | $ - |
| Cog Hill #2 | $ 59.00 | $ 18.00 |
| Bittersweet | $ 59.00 | $ 10.00 |
| Carillon | $ 59.00 | $ 6.00 |
| Oak Brook | $ 58.00 | $ 17.00 |
| Schaumburg Golf Club | $ 57.00 | $ 19.00 |
| Carriage Greens | $ 56.00 | $ - |
| Winnetka | $ 56.00 | $ 18.00 |
| Highlands of Elgin | $ 55.00 | $ 20.00 |
| Arboretum | $ 55.00 | $ 20.00 |
| Glencoe | $ 53.00 | $ 18.00 |
| Hilldale | $ 52.00 | $ 14.00 |
| Bartlett Hills | $ 51.00 | $ 18.00 |
| Springbrook | $ 51.00 | $ 19.00 |
| Doral Eaglewood | $ 51.00 | $ 18.00 |
| Fox Lake | $ 50.00 | $ - |
| Balmoral Woods | $ 50.00 | $ 17.00 |
| Maple Meadows | $ 50.00 | $ 17.00 |
| Fox Run Golf Links | $ 50.00 | $ - |
| Mt. Prospect | $ 50.00 | $ - |
| Cog Hill #3 | $ 47.00 | $ 18.00 |
| Silver Lake | $ 47.00 | $ 20.00 |
| Cog Hill #1 | $ 47.00 | $ 18.00 |
| Settler's Hill | $ 46.50 | $ 18.50 |
| Naperbrook | $ 46.00 | $ 19.00 |
| Tanna Farms | $ 46.00 | $ 21.00 |
| Golf Club of Illinois | $ 45.00 | $ 14.00 |
| Tamarack | $ 45.00 | $ - |
| Gleneagles | $ 44.00 | $ 18.00 |
| White Pines | $ 40.00 | $ 15.00 |
| Fox Bend | $ 40.00 | $ 15.00 |
| Highland Woods | $ 40.00 | $ 20.00 |
| Bloomingdale | $ 31.00 | $ 18.00 |

| Weekday | Green Fee | Cart Fee |
|---|---|---|
| Old Orchard | $ 41.00 | $ - |
| Cantigny | $ 40.00 | $ 12.00 |
| Carriage Greens | $ 36.00 | $ - |
| Oak Meadows | $ 35.00 | $ 10.00 |
| Mistwood | $ 35.00 | $ 10.00 |
| Klein Creek | $ 35.00 | $ - |
| Bowes Creek | $ 33.00 | $ - |
| Oak Brook | $ 32.50 | $ 10.50 |
| Pine Meadow | $ 32.00 | $ 15.00 |
| Willow Crest | $ 30.00 | $ 10.00 |
| Winnetka | $ 29.00 | $ 12.00 |
| Arrowhead | $ 28.50 | $ 10.50 |
| Glencoe | $ 28.00 | $ 12.00 |
| Fox Lake | $ 28.00 | $ - |
| Makray Memorial | $ 27.00 | $ 10.00 |
| Doral Eaglewood | $ 26.00 | $ 11.00 |
| Schaumburg Golf Club | $ 25.00 | $ 10.50 |
| Carillon | $ 25.00 | $ 5.00 |
| Springbrook | $ 25.00 | $ 12.00 |
| Maple Meadows | $ 25.00 | $ 9.00 |
| Tanna Farms | $ 25.00 | $ 10.00 |
| Naperbrook | $ 24.00 | $ 12.00 |
| Highlands of Elgin | $ 24.00 | $ 13.00 |
| Settler's Hill | $ 23.00 | $ 10.00 |
| Bartlett Hills | $ 23.00 | $ 11.00 |
| Highland Woods | $ 20.00 | $ - |
| Silver Lake | $ 20.00 | $ 12.00 |
| Village Links | $ 20.00 | $ 12.00 |
| Mt. Prospect | $ 20.00 | $ - |
| Tamarack | $ 20.00 | $ - |
| Hilldale | $ 20.00 | $ 8.00 |
| Bittersweet | $ 20.00 | $ 5.00 |
| Golf Club of Illinois | $ 19.00 | $ 7.00 |
| Fox Bend | $ 19.00 | $ 10.00 |
| Bloomingdale | $ 18.00 | $ 7.50 |

| Weekend | Green Fee | Cart Fee |
|---|---|---|
| Carriage Greens | $ 56.00 | $ - |
| Old Orchard | $ 48.00 | $ - |
| Bowes Creek | $ 45.00 | $ - |
| Cantigny | $ 40.00 | $ 12.00 |
| Makray Memorial | $ 40.00 | $ 10.00 |
| Doral Eaglewood | $ 36.00 | $ 11.00 |
| Oak Brook | $ 35.50 | $ 10.50 |
| Klein Creek | $ 35.00 | $ - |
| Oak Meadows | $ 35.00 | $ 10.00 |
| Highlands of Elgin | $ 35.00 | $ 13.00 |
| Mistwood | $ 35.00 | $ 10.00 |
| Arrowhead | $ 33.50 | $ 10.50 |
| Pine Meadow | $ 32.00 | $ 15.00 |
| Bittersweet | $ 32.00 | $ 5.00 |
| Maple Meadows | $ 30.00 | $ 9.00 |
| Willow Crest | $ 30.00 | $ 10.00 |
| Fox Lake | $ 30.00 | $ - |
| Winnetka | $ 29.00 | $ 12.00 |
| Springbrook | $ 29.00 | $ 12.00 |
| Schaumburg Golf Club | $ 28.00 | $ 10.50 |
| Mt. Prospect | $ 28.00 | $ - |
| Naperbrook | $ 28.00 | $ 12.00 |
| Village Links | $ 27.00 | $ 12.00 |
| Tamarack | $ 25.00 | $ - |
| Highland Woods | $ 25.00 | $ - |
| Carillon | $ 25.00 | $ 5.00 |
| Hilldale | $ 25.00 | $ 8.00 |
| Golf Club of Illinois | $ 24.00 | $ 7.00 |
| Silver Lake | $ 20.00 | $ 12.00 |
| Fox Bend | $ 19.00 | $ 10.00 |
| Bloomingdale | $ 18.00 | $ 7.50 |

**2021 User Fee Proposal**

For many years during the decline in rounds after 9/11 and through the last recession we have had few rate increases. We implemented slight increases in 2009, 2016 and 2019. The cost to do business continues to increase as supplies such as scorecards, fertilizers, fungicides and cleaning supplies go up along with the state minimum wage adjusting up by $1.00 every year through 2025. Green fee revenues must also increase to cover operating expenses, including labor, capital replacement and future improvement projects, and the retirement of debt from the 2002 golf course renovation and 2013 clubhouse, driving range and parking lot project. The proposed rate increases attached show two models, one with significantly strained rounds played due to poor weather in 2019, and the other with a more normal year of rounds played from a recent  period with 12 consecutive months. Note that in 2020 we played over 74,500 rounds and we were closed the last week of March, the full month of April and we had significant restrictions on rounds in May. We estimate that we would have played over 84,000 rounds in 2020 had we been open normally for the entire season. In a poor performing year, we anticipate the green fee revenues to increase from $1,704,073 to $2,036,960. In the more normal year model, we anticipate the green fee revenues to increase from $1,950,941 to $2,197,676. The increase will be even greater if we are able to hit our targeted rounds played of 70,000 and will be significantly higher if we have similar conditions to 2020 and are able to get close to 80,000 rounds.

VILLAGE LINKS
GLEN ELLYN

| | 2002 FEES ACTUAL | 2020 FEES ACTUAL | 2021 FEES CASE A | 2021 FEES CASE B | 2021 FEES PROPOSED | PERCENT CHANGE 20 TO 21 |
|---|---|---|---|---|---|---|
| **NON-RESIDENT GREEN FEES** | | | | | | |
| **WEEKENDS** | | | | | | |
| **18 Holes** | $ 52.00 | $ 65.00 | $ 76.25 | $ 67.00 | $ 68.00 | 4.6% |
| **After 3:30 PM** | $ 38.00 | $ 26.00 | $ 55.75 | $ 26.75 | $ 30.00 | 15.4% |
| **9 Holes** | $ 22.00 | $ 27.00 | $ 32.25 | $ 28.00 | $ 30.00 | 11.1% |
| **WEEKDAYS** | | | | | | |
| **18 Holes** | $ 47.00 | $ 57.00 | $ 69.00 | $ 58.75 | $ 60.00 | 5.3% |
| **18 Hole Guest** | $ 29.00 | $ 39.00 | $ 42.50 | $ 40.25 | $ 41.00 | 5.1% |
| **After 3:30 PM** | $ 38.00 | $ 26.00 | $ 55.75 | $ 26.75 | $ 30.00 | 15.4% |
| **9 Holes** | $ 17.00 | $ 20.00 | $ 25.00 | $ 20.75 | $ 23.00 | 15.0% |
| **MISCELLANEOUS** | | | | | | |
| **School Team 18** | $ 15.00 | $ 24.00 | $ 22.00 | $ 24.75 | $ 30.00 | 25.0% |
| **School Team 9** | $ 7.00 | $ 11.50 | $ 10.25 | $ 12.00 | $ 14.00 | 21.7% |
| **6:30 PM Special 9** | $ 7.00 | $ 8.00 | $ 10.25 | $ 8.25 | $ 15.00 | 87.5% |
| **Winter 9** | $ 4.50 | $ 5.00 | $ 6.50 | $ 5.25 | $ 6.00 | 20.0% |
| **RESIDENT GREEN FEES** | | | | | | |
| **WEEKENDS** | | | | | | |
| **18 Holes** | $ 33.00 | $ 48.00 | $ 48.50 | $ 49.50 | $ 50.00 | 4.2% |
| **18 Hole Multi Play** | $ 30.00 | $ 44.00 | $ 44.00 | $ 45.50 | $ 46.00 | 4.5% |
| **After 3:30 PM** | $ 19.00 | $ 20.00 | $ 28.00 | $ 20.75 | $ 23.00 | 15.0% |
| **9 Holes** | $ 14.50 | $ 20.00 | $ 21.25 | $ 20.75 | $ 22.00 | 10.0% |
| **WEEKDAYS** | | | | | | |
| **18 Holes** | $ 27.00 | $ 38.00 | $ 39.75 | $ 39.25 | $ 40.00 | 5.3% |
| **18 Hole Multi Play** | $ 24.50 | $ 34.00 | $ 36.00 | $ 35.00 | $ 36.00 | 5.9% |
| **After 3:30 PM** | $ 19.00 | $ 20.00 | $ 28.00 | $ 20.75 | $ 23.00 | 15.0% |
| **9 Holes** | $ 13.00 | $ 15.50 | $ 19.00 | $ 16.00 | $ 18.00 | 16.1% |
| **MISCELLANEOUS** | | | | | | |
| **Junior 18 Hole** | $ 15.00 | $ 24.00 | $ 22.00 | $ 24.75 | $ 30.00 | 25.0% |
| **Junior 9 Hole** | $ 7.00 | $ 11.50 | $ 10.25 | $ 12.00 | $ 14.00 | 21.7% |
| **Junior Early Bird 9** | $ 2.50 | $ 3.00 | $ 3.75 | $ 3.00 | $ - | -100.0% |
| **Junior Multi Play 18** | $ 14.00 | $ 23.00 | $ 20.50 | $ 23.75 | $ 28.00 | 21.7% |
| **Senior 18 Hole** | $ 17.00 | $ 27.00 | $ 25.00 | $ 28.00 | $ 30.00 | 11.1% |
| **Senior 9 Hole** | $ 8.00 | $ 12.50 | $ 11.75 | $ 13.00 | $ 14.00 | 12.0% |
| **Senior Early Bird 9** | $ 3.50 | $ 4.75 | $ 5.25 | $ 5.00 | $ - | -100.0% |
| **Senior Multi Play 18** | $ 16.00 | $ 24.00 | $ 23.50 | $ 24.75 | $ 28.00 | 16.7% |
| **6:30 PM Special 9** | $ 3.75 | $ 5.25 | $ 5.50 | $ 5.50 | $ 9.00 | 71.4% |
| **Winter 9** | $ 4.00 | $ 4.00 | $ 5.75 | $ 4.25 | $ 5.00 | 25.0% |

Case A uses the 2002 Fees to calculate inflation from January 2002 to August 2020 (most recent month of data available from BLS) to give that rate in 2020 dollars. Case B uses the 2020 Fees to calculate inflation from January 2019 (when the fees were set) to August 2020 to give that rate in 2020 dollars. The Proposed fees are manually chosen based on demand and market position. Red indicates the low range, yellow the middle, and green high of the three prices. All prices are rounded to the nearest quarter.

# 2020 VILLAGE LINKS USER FEES

## FEE SCHEDULE WORKSHEET

| 18 HOLE GREEN FEES | | | |
|---|---|---|---|
| **WEEKENDS** | **2020** | **2021** | **% incr.** |
| NR 18 Holes | $ 65.00 | $ 68.00 | **4.6%** |
| NR 18 Holes Combo | $ 59.50 | $ 64.00 | **7.6%** |
| VIP 18 Holes | $ 52.00 | $ 54.40 | **4.6%** |
| VIP 18 Holes Combo | $ 47.60 | $ 51.20 | **7.6%** |
| R 18 Holes | $ 48.00 | $ 50.00 | **4.2%** |
| R 18 Holes Combo Res | $ 44.00 | $ 47.00 | **6.8%** |
| R 18 Hole Multi Play | $ 44.00 | $ 46.00 | **4.5%** |
| **WEEKDAYS** | | | |
| NR 18 Holes | $ 57.00 | $ 60.00 | **5.3%** |
| NR 18 Holes Guest | $ 39.00 | $ 40.00 | **2.6%** |
| NR 18 Holes Senior/Junior | $ 36.00 | $ 39.00 | **8.3%** |
| VIP 18 Holes | $ 45.60 | $ 48.00 | **5.3%** |
| VIP 18 Holes Senior/Junior | $ 28.80 | $ 31.20 | **8.3%** |
| R 18 Holes | $ 38.00 | $ 40.00 | **5.3%** |
| R 18 Hole Multi Play | $ 34.00 | $ 36.00 | **5.9%** |
| R 18 Hole Senior Junior | $ 27.00 | $ 30.00 | **11.1%** |
| R 18 Hole Senior Junior Multi Play | $ 25.00 | $ 28.00 | **12.0%** |
| **MISCELLANEOUS** | | | |
| NR 18 Holes After 3:30 PM | $ 26.00 | $ 30.00 | **15.4%** |
| VIP 18 Holes After 3:30 PM | $ 20.80 | $ 24.00 | **15.4%** |
| R 18 Holes After 3:30 PM | $ 20.00 | $ 23.00 | **15.0%** |
| School Team 18 | $ 24.00 | $ 30.00 | **25.0%** |

| MISCELLANEOUS FEES | | | |
|---|---|---|---|
| **MOTORIZED CARTS** | **2020** | **2021** | **% incr.** |
| 18 Holes | $ 20.00 | $ 21.00 | **5.0%** |
| 9 Holes | $ 12.00 | $ 12.00 | **0.0%** |
| Back 9 | $ 12.00 | $ 12.00 | **0.0%** |
| **HAND CARTS** | | | |
| 18 Holes | $ 7.00 | $ 7.00 | **0.0%** |
| 9 Holes | $ 4.00 | $ 4.00 | **0.0%** |
| **DRIVING RANGE** | | | |
| Small | $ 6.00 | $ 7.00 | **16.7%** |
| Medium | $ 9.00 | $ 10.00 | **11.1%** |
| Large | $ 12.00 | $ 13.00 | **8.3%** |
| Jumbo | $ 22.00 | $ 24.00 | **9.1%** |
| 15 Bucket Card | $ 114.90 | $ 135.00 | **17.5%** |
| **LOCKERS** | | | |
| Full Season | $ 80.00 | $ 80.00 | **0.0%** |
| **RESIDENT CARDS** | | | |
| Adult | $ 10.00 | $ 10.00 | **0.0%** |
| (after March 15) | $ 20.00 | $ 20.00 | **0.0%** |
| Junior | $ 5.00 | $ 5.00 | **0.0%** |
| (after March 15) | $ 10.00 | $ 10.00 | **0.0%** |
| **MISCELLANEOUS** | | | |
| PT Registration Fee | $ 25.00 | $ 25.00 | **0.0%** |
| Handicap | $ 40.00 | $ 40.00 | **0.0%** |

| 9 HOLE GREEN FEES | | | |
|---|---|---|---|
| **WEEKENDS** | | | |
| NR 9 Holes | $ 27.00 | $ 30.00 | **11.1%** |
| VIP 9 Holes | $ 21.60 | $ 24.00 | **11.1%** |
| R 9 Holes | $ 20.00 | $ 22.00 | **10.0%** |
| **WEEKDAYS** | | | |
| NR 9 Holes | $ 20.00 | $ 23.00 | **15.0%** |
| NR 9 Holes Senior/Junior | $ - | $ 18.00 | **New** |
| VIP 9 Holes | $ 16.00 | $ 18.40 | **15.0%** |
| VIP 9 Holes Senior/Junior | $ - | $ 14.40 | **New** |
| R 9 Holes | $ 15.50 | $ 18.00 | **16.1%** |
| R 9 Hole Senior/Junior | $ 11.50 | $ 14.00 | **21.7%** |
| **MISCELLANEOUS** | | | |
| NR 9 Holes After 6:30 PM | $ 8.00 | $ 15.00 | **87.5%** |
| VIP 9 Holes After 6:30 PM | $ 6.40 | $ 12.00 | **87.5%** |
| R 9 Holes After 6:30 PM | $ 5.25 | $ 9.00 | **71.4%** |
| School Team 9 | $ 11.50 | $ 14.00 | **21.7%** |

**NOTES**

*Added NR & VIP Senior/Junior for 9 Holes*
*Eliminated After 2 & After 3 discounts*
*Eliminated 60/65 distinction*
*Consolidated to senior 62+ & junior 21-*
*Eliminated early bird discount*
*Raised 6:30 9 hole price*
*Raised school rates - we were lower than most*
*Use daily deals to manage price if rounds decline*
*Many courses use dynamic price now*
*Cart increase assumes new carts*

Using rounds data from 11/18/19 through 11/17/20 the increase in green fee revenue with this rate proposal would be $230,270.35

Glen Ellyn Finance Commission
535 Duane Street
Glen Ellyn, IL 60137

Meeting 3/12/2021 7:00 AM
Department: Finance
Department Head: Christina Coyle
Category: Discussion Item
Prepared By: Christina Coyle

**AGENDA ITEM (ID # 2021-976)**

**DOC ID: 2021-976**

# Financial Policy Review

**Statement of the Issue:**

We have begun the process of reviewing and updating financial policies for the Village. The first step in this process is to review existing policies. Included in this agenda item are three current policies for the Commission's review

1. Purchasing Policy
2. Investment Policy
3. Pension Funding Policy
4. Fund Balance Policy

**Analysis:**

The policies to be discussed at the meeting are as follows:

1. Purchasing Policy: Attached is a redlined version of the purchasing policy. The changes focus on two areas:

   a. Purchasing Cards: Purchasing statements are now all electronic and therefore minor changes to procedures should be updated.
   b. Electronic Invoice Approval: Since the last update of this policy, the Village has automated the internal controls over invoice approval and payment. The policy is updated to account for workflow changes due to automation.

2. Investment Policy: The current investment policy is attached. Staff requests input from the Commission primarily on Section 17 on the Investment Subcommittee of the Finance Commission. A subcommittee is helpful in instances where the Village is overhauling its investment portfolio as we did several years ago. Changes such as that require many meetings and a subcommittee is helpful in such situations. However, more minor changes or updates are

more efficient to bring to the full Finance Commission, rather than schedule additional meetings for a subcommittee. Staff would propose changing the language to allow the Finance Commission chair to create and delegate certain investment matters to a subcommittee as deemed necessary, but otherwise all other matters shall be addressed by the Finance Commission as a whole. Staff also suggests reviewing the policy every four years instead of annually. Policies are intended to be long-term documents. Reviewing the policy every four years will align with turnover for the Commissioners and Village Board.

3. Pension Funding Policy: The policy is attached with minor changes to address current practice. The one outstanding item on pension funding remains transitioning to a 15-year open amortization period. This project was put on hold due to the pension consolidation legislation. Staff recommends addressing the 15-year open amortization subsequent to consolidation. At this time, consolidation is anticipated in early 2022.

4. Fund Balance Policy: The last policy attached is the Fund Balance policy. Staff is not suggesting any changes to this policy at this time.

**Budget Impact:**
None.

**Action Requested:**
Staff requests that the Finance Commission review and provide input on the attached policies.

**Attachments:**

1. Purchasing Policy - Redlined Version 2021-03-10
2. Investment Policy - 2021 Update - Redlined
3. Pension Funding Policy Updated 2021 - REDLINED
4. EXHIBIT A - FUND BALANCE AND NET POSITION RESERVE POLICY

# ADMINISTRATIVE ORDER NO. #3

**Subject:** Village Purchasing Policies and Procedures
Original order approved December 7, 2011, revised September 16, 2013, November 14, 2016, ~~and~~ September 23, 2019, and March XX, 2021

## Applicability

This policy shall apply to the procurement and purchase of goods, supplies, equipment, and services by the Village.

## Purpose

The purpose of this policy is to assist in obtaining supplies, equipment and services as economically and efficiently as possible. It is intended to:

1. Simplify and clarify existing purchasing practices and policies;

2. Provide guidance for compliance with applicable purchasing rules;

3. Ensure the fair and equitable treatment of all persons who deal with purchasing activities;

4. Promote increased economy in purchasing activities;

5. Foster broad-based competition within the free enterprise system; and

6. Provide safeguards for the maintenance of a procurement system of quality and integrity.

## Policy

A. ETHICAL CONDUCT

1. Elected officials and employees shall adhere to the Village's Ethics Policy when making all purchasing decisions.

2. Elected officials and employees may not participate directly or indirectly in a purchase when the elected official or employee or any member of his immediate family will benefit. Any attempt by an employee to realize personal gain through public employment by conduct inconsistent with these polices is subject to

discipline and/or dismissal.

3. No elected official or employee, either on that person's behalf or on behalf of any other person, shall have any financial or personal interest in any business or transaction with any Board, Commission, Committee or other public body of the Village unless that official or employee makes full public disclosure of the nature and full extent of such interest and recuses him or herself from participating in and acting upon the resolution of the business or transaction.

4. Employees shall adhere to this policy consistent with the philosophy above to ensure cost savings and efficiency. When competitive bidding, employees shall attempt to solicit as many bids as reasonably possible. Employees shall not subdivide any contract or purchase with the intent to circumvent the bidding requirements or approval limits established within this policy.

5. If any portion of this policy is found to be in conflict with any federal, state or local law, the federal, state or local law shall apply. However, if this policy is more restrictive than the federal, state or local law, the policy shall apply.

B. AUTHORITY

1. **Up to $5,000:** Department Directors may approve purchases up to $5,000. It is the Department Director's responsibility to ensure budgeted funds are available and competitive pricing is obtained prior to purchase. A Department Director may delegate any level of purchasing authority under $5,000 to other department employees with approval by the Village Manager and Finance Director.

2. **Up to $35,000:** The Village Manager may approve purchases up to $35,000. It is the Village Manager's responsibility to ensure budgeted funds are available and competitive pricing is obtained prior to purchase.

3. **Greater than $35,000:** Any single purchase or contract with a single vendor over $35,000 requires Village Board approval. Glen Ellyn Village Code (1-10-1) requires that all contracts for labor, services or work, or for the purchase of personal property, materials, equipment or supplies involving amounts estimated to be in excess of $35,000 shall be let only by competitive bidding after advertisement for bids to the lowest responsible bidder submitting a bid in conformance with the advertisement. Bi-annually, the Village Manager and Finance Director will review cumulative spending with the Village's vendors to identify if the scope of products and/or services provided by said vendor to determine if the aggregate purchases should be considered for approval by the Village Board. The Village Manager and Finance Director will base his or her decisions on this administrative order.

4. **Payments greater than $35,000 not requiring current purchase order or explicit Village Board approval:** Required or routine payments will be made

through the normal check issuance procedures, without the need for prior purchase order or explicit Village Board authorization, under the following circumstances:

a. *Government or utility payments.* The Village is required to make payments to regulatory agencies or other governments with authority over the Village or Village activity. Examples include, but are not limited to: the State of Illinois, Federal Government, County of DuPage, each in their official or oversight capacity, the Illinois Department of Employment Security (unemployment insurance), the Illinois Municipal Retirement Fund, the Illinois Department of Revenue (sales tax remittances), and utility companies. These payments are not limited to the amount budgeted, but amounts spent over the budget amount will be reported to the Village Board in a timely manner as appropriate.

b. *Village Contracts.* The Village Board periodically approves contracts or service agreements that span multiple years, which later require periodic and ongoing payments that exceed $35,000 individually or in aggregate. Examples include, but are not limited to, DuComm, DuPage Water Commission, Glenbard Wastewater Authority, GIS Consortium legal services, insurance providers, debt service principal and interest, and waste haulers. Payments for these Village Contracts are not limited to the amount budgeted, but amounts spent over the budget amount will be reported to the Village Board in a timely manner as appropriate.

c. *Village support of other organizations*. Payments are made to various service providers, such as the Glen Ellyn Volunteer Fire Company, and the Downtown Alliance of Glen Ellyn. For such arrangements, payments for service shall be limited to the original Village Board approval and/or the Village budget for such services.

d. *Subdividing or Split Purchases.* Purchases shall not be split or subdivided to avoid a level of review or approval or to avoid competitive selection.

5. **Change Orders:** The Village Manager is authorized to approve any change order to a Village contract which is less than $35,000. Any change order equal to, or in excess of, $35,000 must be submitted to the Village Board as an agenda item for the Board's consideration. The Village Manager is also authorized to execute change orders above $35,000 in instances where the change order falls within a contract contingency authorized by the Village Board.

6. **Quotes:** Employees are responsible for obtaining quotes for purchases as follows:

| Amount | Quotes Required | Description |
|---|---|---|
| $1,000-$2,499 | Informal Quotes | Employees are encouraged to seek one or more quotes when possible to ensure that competitive prices are obtained. Informal quotes include taking telephone prices, prices through catalogs/online, etc. |
| $2,500-$4,999 | Combination of Formal/Informal Quotes | At least two quotes must be obtained. Documentation must be submitted to the Finance Department, but can include taking telephone prices, prices through catalogs/online, requests for proposals, and documented quotes from vendors. If less than two quotes were obtained, written justification must be submitted to the Finance Department. |
| $5,000-$34,999 | Formal Quotes | At least three formal quotes must be obtained or sufficient justification to warrant the purchase from a specific vendor. Formal quotes should include documented quotations including sealed bids, requests for proposals, or any other appropriate form of written quotation. These quotations must be submitted to the Finance Department. If less than three quotes were obtained, written justification must be submitted to the Finance Department. |

a. Local Preference: Every effort should be made to solicit a quote from a business located in the Glen Ellyn corporate boundaries. In evaluating quotes, costs such as delivery or freight should be considered to arrive at the lowest possible cost.
b. Recurring purchases: If a purchase of goods or services is recurring and/or ongoing, a quote may be obtained once every three years, so long as the cost remains competitive and there is no significant (i.e. 10%) change to the scope of goods/services.

6. **Transportation and Delivery Charges:** The Department Director shall make every effort to determine any transportation or delivery charges prior to proceeding with a purchase. Transportation charges must be included when determining cost of a purchase.

7. **Maximum Practicable Competition:** All specifications for purchases shall be drafted so as to promote overall economy for the purposes and encourage competition in satisfying the Village's needs, and shall not be unduly restrictive.

8. **Budget:** Careful consideration of the budget must be undertaken when purchasing. It is the Department Manager's responsibility to ensure they are within their budget constraints. If an item would cause the fund to exceed budget, then it should be taken to the Village Board along with a budget amendment.

9. **Contracts:** All contracts must be reviewed and approved by the Village Attorney prior to execution. Contracts under $5,000 may be signed by a Department Head. Contracts $5,000 to under $35,000 may be signed by the Village Manager. Contracts greater than $35,000 must be approved by the Village Board and signed by the Village Manager.

10. **Disposal of Village property:** The Village Manager may authorize disposal of any Village property valued up to $35,000 in a manner deemed most beneficial to the Village. All items above $35,000 must be authorized for disposal by the Village Board.

C. COMPETITIVE SEALED BIDDING

An openly publicized competitive process for the procurement of goods, supplies, equipment, services, and construction, is the most effective means of determining the lowest cost from a responsible source and should be utilized whenever possible.

1. **Exceptions to Competitive Bidding:** A purchase or contract over $35,000 that is by its nature not adapted to award by competitive bidding may be approved by a 2/3rd vote of the Village Board.

   Examples of exceptions to competitive bidding are listed below.

   a. *Professional services* requiring individual skill or expertise shall be governed by the policy on professional services in Section D. Such services include, but are not limited to, engineers, financial advisors, search firms, accountants, architects, inspectors, attorneys, and professional consultants.

   b. *Emergency purchases* are purchases obtained in circumstances which include threats to public health or safety, where immediate repairs to Village property are required to protect or prevent against further loss or damage, or where immediate action is needed to prevent or minimize serious disruption to Village services. Emergency purchases shall be authorized if timing is critical. The Village Manager shall report to the Village Board regarding emergency purchases as soon as practicable.

c. *State or federal contracts* are exempted from the competitive bidding process. The Village may take advantage of the favorable prices obtained under a State contract whenever practical to do so.

d. *Cooperative purchases*, defined as more than one unit of government purchasing goods and services together by competitive bid.

e. *Single Source purchases*, defined as material or services that are available from only one vendor but are deemed necessary to Village operations may be exempted from bidding requirements.

f. *Standardization purchases*, defined as technical nature of certain items or services may result in the standardization of a particular supplier's specifications being necessary or desirable to Village operations. Competitive bidding may be waived if the Village requires compatibility with existing software, machinery or other existing equipment.

g. *Certain items are purchased by the Village Links/Reserve 22 for resale*. These items are generally offered for resale in the Pro Shop or food/hospitality products. Merchandise items are chosen for their marketability and public demand and cannot be purchased through the formal bidding process. Food and hospitality items may be purchased based on immediate need or demand, product quality, availability schedule, or other factors deemed necessary to properly run the food and hospitality functions of the Department. The management of the Village Links/Reserve 22 will make every effort to obtain these items at the best possible prices.

2. Procedures for Competitive Bidding

a. **Invitations for Bids**: An Invitation for Bids shall be issued and shall include a purchase description, and all necessary contractual terms, specifications, and conditions applicable to the purchase.
b. **Bids for Installation of Equipment**: For all bids for the installation of products and equipment, consideration shall be given to requesting bids for the product or equipment separate from bids for the labor involved in installing the equipment in order to reduce the overall costs.
c. **Review by Village Attorney**: When practicable, all invitations for bids shall be reviewed and approved by the Village Attorney prior to being issued.
d. **Public Notice:** Adequate public notice of the Invitation for Bids shall be given at a reasonable time prior to the date set for the opening of bids. It is the policy of the Village to seek as broad an advertisement for bids as is practical under the circumstances. As a minimum, advertisement for bids shall be as follows:

a. Notice inviting bids shall be published once in at least one newspaper of general circulation in the village and at least ten (10) days prior to the last day set for the receipt of bid proposals.

b. The newspaper notice required herein shall include at least a general description of the work to be performed or the articles to be purchased, shall state where bid proposals forms and detailed specifications may be secured, and shall state the time and place for opening bids.

c. Bids and proposals shall, to the extent possible, be solicited from all responsible prospective suppliers who have requested to be notified of purchases of the type being proposed or who are known to the village to do work or provide supplies of the type being sought, by sending those responsible prospective suppliers a copy of the notice to acquaint them with the proposed purchase or sale.

d. Bid announcements shall be advertised on the Village website.

e. **Requirement for Bid Security:** Bid Security will be required for all competitive sealed bidding for construction contracts. Bid security shall be a bond provided by a surety company authorized to do business in the State of Illinois, or a certified check, bank draft, or cashier check, or other form satisfactory to the Village.

f. **Amount of Bid Security:** Bid security amount is to be determined by the requisitioning department and shall be in an amount no less than 5% of the bid and no more than 10% of the bid.

g. **Bid Opening:** Bids shall be opened publicly by the Finance Director or the Finance Director's designee and in the presence of one or more witnesses at the time and place designated in the Invitation for Bids. The amount of each bid, together with the name of each bidder, shall be recorded, and the record of each bid shall be open to public inspection.

h. **Bid Evaluation and Acceptance:** Bids shall be unconditionally accepted without alteration or correction, except as addressed in this policy statement. Bids shall be evaluated based on the requirements described in the Invitation for Bids, which may include criteria to determine acceptability such as inspection, testing, quality, workmanship, delivery and suitability for a particular purpose. The Invitation for Bids shall set forth the evaluation criteria to be used. No criteria may be used in bid evaluation that is not set out in the Invitation for Bids. At no time should any information be made available to any prospective bidder which is not available to all prospective bidders.

i. **Correction or Withdrawal of Bids:** After a bid opening, no changes in bid prices or other provisions of bids prejudicial to the interest of the Village or fair competition shall be permitted. Decisions to permit correction or withdrawal of bids, or to cancel awards or contracts based on bid mistakes prior to approval by the Village Board should be based upon the following criteria:

a. A bidder will not be permitted to correct a bid mistake after bid opening that would cause the bidder to have the low bid, unless the mistake is clearly evident from examining the bid document, and is supported by proof that has evidentiary value--for example, extension of unit prices or errors in addition.

b. A low bidder will not be permitted to correct a bid for errors in judgment.

c. In lieu of bid correction, the Village may permit a low bidder alleging a material mistake of fact to withdraw its bid when there is reasonable proof that a mistake was made and the intended bid cannot be ascertained with reasonable certainty.

d. After bid opening, an otherwise low bidder will not be permitted to delete exceptions to the bid conditions which affect price or substantive obligations.

e. If the Village suspects a mistake has been made by a bidder, it may request confirmation of a bid.

j. **Award:** Contracts shall be awarded to the lowest responsible bidder. In determining "lowest responsible bidder", in addition to the price, the Village may consider the following factors:

a. The ability, capacity and skill of the bidder to perform the contract or provide the service required;

b. Whether the bidder can perform the contract or provide the service promptly, or within the time specified, without delay or interference;

c. The character, integrity, reputation, judgment, experience and efficiency of the bidder;

d. The quality of performance of previous contracts or services;

e. The previous and existing compliance by the bidder with laws and ordinances relating to the contract or service;

f. The sufficiency of the financial resources and the ability of the bidder to perform the contract or provide the service;

g. The quality, availability and adaptability of the supplies or contractual services to the particular use required by the village;

h. The ability of the bidder to provide future maintenance and service for the use of the contract; and

i. The number and scope of conditions attached to the bid, if any.

k. **Notice of Award**: After approval by the Village Board, the award shall be processed with reasonable promptness by written notice to the successful bidder.

l. **Non-monetary Change Orders**: The Village Manager may execute change orders to extend the length of a construction contract by up to 30 days or other terms and conditions of a contract deemed necessary or in the best interest of the Village.

D. PROFESSIONAL SERVICES

1. Qualification Based Selection (QBS) Procedures shall be utilized to procure all federally funded professional services, or as otherwise deemed applicable by the Village Manager. The Village's QBS Procedures shall follow the Federal QBS Requirements in IDOT's Bureau of Local Roads and Streets (BLRS) Manual. The Village's QBS Procedures, included within Appendix A of this Administrative Order, and shall be maintained and updated administratively as dictated by changes in the IDOT BLRS Manual.

2. For all locally funded professional services contracts/agreements related to Architectural, Engineering, and Land Surveying Services shall be governed by the requirements of the Local Government Professional Services Selection Act (50 ILCS 510/1 et seq.). Proposals shall be requested and evaluated based upon the requirements set forth in a request for proposals document, which may include firm information, experience with similar projects, qualifications of personnel, ability to meet project deadlines, completeness of project approach, additional services/tasks, and project costs. Cost may be considered, but may not alone determine the provider of the professional services. Competitive proposals are required where the total contract is $35,000 or greater. Where the cost is less than $35,000, the respective Department Head and the Village Manager shall determine whether such contract will be awarded on the basis of obtaining at least three quotes or on the basis of competitive request for proposals. To aid staff in maintaining a list of qualified firms from which proposals may be requested, the Village shall publish a legal notice in the Daily Herald on a 3-year basis to request statements of interest/qualifications.

   For professional services ***other*** than architectural, engineering, and land surveying services, where the cost is less than $35,000, the respective Department Head and the Village Manager shall determine whether such contract will be awarded on the basis of obtaining at least three quotes or on the basis of competitive request for proposals. For those where the cost is $35,000 or greater, the contract shall be awarded based upon a competitive request for proposal, unless it is determined that an exception listed in Section C(1) applies. The Village Attorney shall determine if an exception is applicable.

E. RECEIPT

The person signing and approving the invoice for payment must determine that goods or services have been received in good order.  By approving the invoice for payment with their signature, the individual is verifying proper receipt of goods or services has occurred.

## F. SALES TAX EXEMPTION

The Village is a sales tax exempt organization in the State of Illinois. When making purchases for the Village, all reasonable attempts should be made to make purchases exempt from sales tax, which may require presenting the Village's sales tax exempt certificate and completing forms or other documentation. Village policy is that we do not pay sales tax or reimburse employees for sales tax paid out of pocket. In those unusual situations when sales tax payments are reasonably unavoidable, Department Managers can authorize payment or reimbursement of a nominal amount sales tax.

## G. PAYMENT

1. **Checks:** Invoices for payment by check shall be submitted to the Finance Department. Invoices must be coded with the appropriate budget account and signed by the Department Director or valid designee. The invoice must also clearly state the purpose of the purchase. Purchases of food or meals must include a list of the individuals or groups receiving the food or meal. If purchase exceeds $5,000, the Village Manager must also sign the invoice, except utilities, postage, developer donations, health insurance and routine refunds. All invoices must describe the Village business purpose for which the goods or services were purchased. Lien wavers from all contractors and subcontractors must be included with invoices for construction contracts and submitted to the Village Attorney before any payment will be authorized.

   All invoices will be reviewed by the Accounts Payable Coordinator for proper approval and coding and entered into the accounting system. The Assistant Finance Director will review and approve the invoices and reports for proper approvals and accuracy prior to printing checks.

   Checks will be printed every Friday. All invoices to be included in a Friday check run must be submitted to the Finance Department by 5PM the Wednesday before the check run. If the schedule is adjusted, Finance will alert departments as early as practical. Checks will not be sent out until all required signatures and documentation are received by the Finance Department. The Finance Department will distribute checks via U.S. mail. If a vendor wishes to pick up a check, the individual will need to provide identification sufficient to show their affiliation with the vendor, and will be required to sign a log provided by the Finance Department.

2. **Purchasing Cards:** Purchasing cards are issued to improve efficiency and make additional vendors available to provide goods for the Village through internet sales.

a. Issuance of Purchasing Cards: Employees may be issued a purchasing card upon request by the Department Director and approval by Finance Director and the Village Manager. Each card has a monthly purchase limit based upon the purchasing requirements of the employee. Employees must sign an agreement that they will use the card only for Village related purchases.

b. Use of Purchasing Cards: Use of a purchasing card does not change the approval structure established in Section B of this policy.

Each employee provided a Purchasing Card is responsible for the security of the card and should not permit its use for means other than those permitted by this policy. If an employee's card is used for egregious or repeated unauthorized purposes or uses, monthly reporting is not made in a timely manner, or it is used outside of the permissions of this policy, the employee's purchasing card may be immediately suspended or revoked, temporarily or permanently. If such action is taken, the employee's supervisor will be advised of the action and reasons for such action.

As with all purchases made on the Village's behalf, goods purchased with a purchasing card are exempt from sales tax. This is indicated on the front of all cards and should be pointed out to the vendor to prevent sales tax from being charged on any purchases made with the card. Depending on the vendor, card holders may still need to present the tax exempt letter or complete other documentation in order to receive the exemption.

The Village's purchasing card shall be used for Village purchases only. Absent approval from the Village Manager or Finance Director, the purchasing cards shall not be used for purchases for other people or organizations, even if the Village is reimbursed for the purchase.

c. Submission of Purchasing Card Expense Reports: ~~Each month, the Accounts Payable Coordinator will receive a summary of all employee charges. Individual statements will be sent to each card holder for coding and approval.~~ Monthly statements are available electronically for each cardholder. Card holders must review their monthly statement and return it to the Finance Department with their signature and an itemized invoice or receipt for each purchase. Department heads must review and approve the purchasing card statements of their employees. Such information shall be submitted to the Finance Department no later than ~~3 business days prior to the due date on the statement~~the 15th of each month, unless other arrangements are agreed upon, in advance, with the Finance Department. ~~Each month, the Finance Department will advise card holders of the due date via email, providing at least one week notice.~~ All receipts or invoices must describe the Village business purpose for which the goods or services were purchased. All purchases of food or meals must list the individuals or groups that benefited from the meal.

The Accounts Payable Coordinator will review all card purchases for proper approval, coding and documentation and enter the charges into the accounting system. The Assistant Finance Director will review the invoices and accounting system reports for proper approvals and accuracy. All monthly purchasing card statements will be reviewed and signed off by the Department Director, Finance Director and the Village Manager.

3. **Open Accounts:** To allow for the efficient procurement of routine supplies, the Village has established a limited number of open accounts at local vendors. Only employees authorized by their Department Director may utilize an open account. When available, purchasing cards should be utilized rather than charging an item to an open account. The Department Director is responsible for ensuring all purchases made on an open account are utilized only for Village business purposes.

   Use of an open account does not exempt an employee from obtaining quotes for items over $1,000. If an item is over $1,000, quotes must still be obtained as required in Section B (4).

   Employees must submit receipts for all purchases made on an open account to the Finance Department. Receipts must describe the Village business purpose for which the items were purchased and include the signature of the employee approving the purchase.

4. **Petty Cash:** Petty cash has been established to expedite miscellaneous purchases and paying of small bills which need not be handled through check payment. These funds are to be used by all departments for facilitating purchases and are not to be used for the purpose of circumventing normal purchasing procedures.

   Petty cash requests shall be limited to $50, unless approved by the Finance Director. Any amount above $50 must be reimbursed via a check request submitted to the Finance Department.

   Each petty cash location shall have a designated custodian who is responsible for disbursing and maintaining the petty cash funds.

   The petty cash custodian shall ensure that all petty cash disbursements are properly approved and that a record of each disbursement includes the following information:

   a. Description of purchase.
   b. Budget account.
   c. Signature of employee approving disbursement.
   d. Signature of petty cash custodian.

e. Signature of petty cash recipient.
f. Original itemized receipt.

As petty cash is depleted, the custodian shall submit a request to replenish petty cash to the Finance Department. The request shall include all the required documentation for disbursements made since the previous request. The AP Fiscal Clerk will review all purchases for proper approval, coding and documentation and enter the charges into the accounting system. The Assistant Finance Director will review the invoices and accounting system reports for proper approvals and accuracy and a check will then be issued to the petty cash custodian. The Finance Department may conduct periodic cash counts and/or audits of petty cash.

5. Approval and **Review of Vouchers:**

1. Electronic Approval Process: The Village uses its financial software system (MUNIS) to electronically approve vouchers. The approvals set up in the MUNIS system must meet the minimum approvals noted in Section B (1-4) of this policy. The Finance Director shall have final approval on the approval processes set up in the MUNIS system, but shall create those approvals in consultation with the Department Head and Village Manager. For proper control and segregation of duties, the Finance Director shall not set up the approval processes in the MUNIS system. The IT Department shall manage all workflow set up and changes in the MUNIS system.
2. Approval Workflow for Electronic Approval Process:
   a. Department Coordinator: Each department and/or building has individual(s) responsible for coding, approving, and submitting invoices into the accounting system for payment. These individuals should ensure that each invoice submitted for payment includes proper documentation and is properly coded.
   b. Workflow: After entry by the department/building coordinator, the invoice shall be routed and approved electronically through the MUNIS system noted in Section 5(1).
   c. Accounts Payable Coordinator: The Accounts Payable Coordinator shall be the final review of the invoice in the electronic approval process. The Coordinator will review invoices submitted for payment to ensure proper documentation, amount, account coding, and approval. Any invoices submitted in the system by the Accounts Payable Coordinator shall be reviewed by the Assistant Finance Director.
3. Review of Warrants and Vouchers: After invoices are approved through the workflow, a warrant list shall be generated of all of the invoices to be paid. That list shall be reviewed as follows:
   a. Assistant Finance Director: The Assistant Finance Director will perform a detailed review of the ~~vouchers after the Accounts Payable Coordinator to ensure proper documentation, amount, account coding, and approval.~~warrant list and pose questions and request documentation as deemed necessary. The Assistant

Finance Director or their designee shall upload a list of the vouchers into the agenda software for review and approval.

b. Finance Director: The Finance Director will ~~receive from the Accounts Payable Coordinator a list of the vouchers for review~~review the voucher listing in the agenda system. The Finance Director shall review the list and pose questions and request documentation as he or she deems necessary.

c. Village Attorney: The Village Attorney shall review the vouchers in advance of the board meeting to review items of a legal nature.

d. Village Manager: ~~The Accounts Payable Coordinator will provide the~~The Village Manager shall review the voucher listing in the agenda approval system ~~Village Manger with a listing of paid invoices~~ for inclusion on a Village Board Agenda. ~~The Village Manager shall review said listing.~~

e. Workflow Delegation: Workflow approvals may be delegated to another employee due to absences away from the office such as vacation, training, illness, etc. An employee should notify the IT Department who their approvals should be delegated to as well as the length of the delegation. As needed, the Finance Director or Village Manager may delegate an employee's approval to another employee.

6. **Village Board Approval of Vouchers:** All payments will be approved by the Village Board. ~~The Accounts Payable Coordinator will provide the Village Manager's office with a listing of paid invoices for inclusion on a Village Board meeting agenda.~~ The agenda packet provided to the Village Board will include a list of invoices. The Finance Department will separately email to the Village Board a downloadable file of all the invoices included on the list. One Trustee will be~~The invoice list will also be provided to all Trustees and a Trustee will be~~ designated to review the invoices prior to Village Board payment approval. To ensure prompt payment, checks will be released prior to the Village Board meeting if the purchase has been properly approved and all required signatures and documentation have been received by the Finance Department.

## H. MANAGEMENT CONTROLS

1. **Purchase Orders:** Purchase orders will be created for amounts greater than $35,000, which require board approval prior to purchasing. Purchase orders may be issued for lower dollar amounts if requested by a department. The Accounts Payable Coordinator will create the purchase orders in the accounting system following board approval of a purchase. The purchase order is then sent to the Finance Director for review. A copy of the original purchase order is forwarded to the department making the purchase. The purchase order number must be included on all payment requests.

2. **Inspection and Testing:** The inspection and testing of delivered materials or equipment should occur at the time of delivery. Department Directors are responsible for ensuring that the quantity and quality of the delivered goods are as ordered and that all purchases made within their department are received and utilized solely for Village business. In the case of items for inventory or resale, Department Directors are responsible for maintaining an ongoing inventory record of such items. The Finance Department may review inventory records on a periodic basis and as part of the annual audit process.

3. **Internal Audits:** The Finance Department will conduct periodic audits of purchases. It shall be the responsibility of each Department Director to provide the Finance Department with the necessary information to verify any purchases chosen for an audit.

4. **External Audits:** The Village will engage an external public accounting firm to perform an annual audit of the financial statements. Such an audit will include an assessment of internal controls related to purchasing.

5. **Treasurer's Report:** The Village will produce an annual Treasurer's Report in accordance with State statutes, which includes all payments to vendors for the past year. The report will be reviewed to assess potential areas to increase purchasing efficiencies.

6. **Public Disclosures:** The Village will produce and publish other reports and disclosures related to payments and disbursements, which may be published on the Village website, hard copy available for public inspection or in another manner as required or allowed by law.

7. **Additional Policies:** Village Management will periodically review and revise additional policies related to purchasing including, but not limited to, uniforms, travel, and cell phones. Such policies may be implemented as administrative orders.

| | |
|---|---|
| ______________________________ | ______________________________ |
| Mark Franz, Village Manager | Revision Date |

# Appendix A

## Village of Glen Ellyn QBS Procedures

### Background

The Village of Glen Ellyn receives federal funds, which may be used to fund engineering and design related consultant services. For federally funded engineering assignments, the Village's written policies and procedures as described hereinafter for Qualification Based Selection (QBS) Procedures will be utilized to procure engineering and design related services.

### Overview of Village QBS Procedures

The Village's QBS Procedure is generally summarized as follows:

1) The scope of the proposed engineering assignment is defined in a request for qualifications/proposals document.
2) The proposed engineering assignment is advertised (via Public Notice in a newspaper, website, magazines, etc.) with a request for qualifications/proposals.
3) The received proposals are evaluated by a selection committee to short-list at least three firms that are capable of completing the assignment within the specified parameters.
4) A minimum of three firms are selected for interviews and presentations by the firms. Based on the evaluations, discussions and presentations, the short-listed firms are ranked on the merits of their qualifications to provide the services for the project.

It is emphasized that during steps 1-4, cost is not part of the evaluation process.

5) The most qualified firm is then contacted and an attempt is made to negotiate an agreement at a fair and reasonable means of compensation based on the Municipality's estimated value of the services being rendered. This process involves developing a specific scope of services with the project schedule, staffing and hours, engineering effort, responsibility/liability, and other critical parameters clearly identified and agreed to as part of the negotiation of the agreement. The independent estimate is to be prepared by the municipality prior to negotiating the agreement.

### Specific Village QBS Procedures

The Village's QBS procedures meet the requirements of 23 CFR 172 and the Brooks Act. As it relates to the 13 specific procedural requirements in Section 5-5 of the BLRS Manual, the Village's QBS Procedures are as follows:

1. Initial Administration – The Village of Glen Ellyn QBS policy and procedures assigns responsibilities to the Village Manager, Village Attorney, Finance Director, Public Works Director, and Professional Engineer within the Village of Glen Ellyn organization for the procurement, management, and administration for consultant services.

2. Written Policies and Procedures – The Village of Glen Ellyn believes its adopted QBS written policies and procedures substantially follows Section 5-5 of the

BLRS Manual and specifically Section 5-5.06(e), therefore; approval from IDOT/FHWA is not required.

3. Project Description – The Village of Glen Ellyn will include the following five items when developing the project description in its request for qualifications/proposals and may include additional items when unique circumstances exist.

    - Describe in general terms the need, purpose, and objective of the project;
    - Identify the various project components;
    - Establish the desired timetable for the effort;
    - Identify any specific challenges, problems, and concerns;
    - Determine the total project budget.

4. Public Notice – The Village of Glen Ellyn will publish an ad/legal notice in the Daily Herald soliciting qualifications/proposals. The legal notice shall be published at least 14 calendar days prior to the last date of acceptance of qualifications/proposals. Interviews of short-listed firms will be required and so noted in the Public Notice.

5. Conflict of Interest – The Village of Glen Ellyn requires consultants to submit with their qualifications/proposals a disclosure statement through the use of the IDOT BDE DISC 2 Template as the conflict of interest form.

6. Suspension and Debarment – The Village of Glen Ellyn procedures require verification of suspension and debarment actions to ensure the eligibility of firms short listed and selected for projects. The Village shall utilize the SAM Exclusions, IDOT CPO's website and the three other state CPO's websites to verify suspensions and debarments.

7. Evaluation Factors – The Village of Glen Ellyn allows the Professional Engineer to set the evaluation factors for each project, but must include a minimum of 4 qualification based criterion including Technical Approach (10-30%), Firm Experience (10-30%), Specialized Expertise (10-30%), Staff Capabilities (Prime/Sub)(10-30%), Work Load Capacity (10-30%), Past Performance (10-30%), and other qualification based criterion included in Figure 5-5B of the BLRS Manual and as set by the Professional Engineer. The criterion and weighting form shall be included within each request for qualifications/proposals as to aid firms in understanding how they will be evaluated. The criterion weighting factors shall not include any consideration of costs.

8. Selection – The Village of Glen Ellyn requires a minimum (3) person selection committee. Typically, the selection committee members include the Village Manager, Public Works Director, Professional Engineer, and/or other staff as deemed necessary by the Village Manager. Members of the selection committee may delegate this responsibility to other staff members.

## Appendix A

## Village of Glen Ellyn QBS Procedures

The selection committee members must certify that they do not have a conflict of interest. Following consultation by the Professional Engineer, the selection committee members are chosen by the Village Manager for each project. The Village of Glen Ellyn requires each member of the selection committee to provide an independent score for each proposal using the criterion, weighting factor, and evaluation form provided by the Professional Engineer in the Request for Qualifications/Proposals document, prior to the selection committee meeting. The selection committee members' scores are averaged for a committee score which is used to establish a short list of three firms. If there are other firms within 10% of the top three firms' scores, the Village Manager may choose to expand the short list to include more than 3 firms. The short listed firms are then interviewed, including a presentation by the firms. The committee score is adjusted by the committee based on a group discussion and information gained from presentations and interviews to develop a final ranking of the short listed firms. The product of these efforts will yield identification of the most qualified firm for the assignment.

9. Independent Estimate – The Village of Glen Ellyn will prepare an independent in-house estimate for the project prior to contract negotiation. The estimate is used in the negotiation.

10. Contract Negotiation – The Village of Glen Ellyn requires a minimum (3) person team to negotiate with firms. The team typically consists of the Village Manager, Village Attorney, and Professional Engineer, and/or other staff as deemed necessary by the Village Manager. Members of the negotiation team may delegate this responsibility to other staff members. The Village will attempt to negotiate an agreement with the most qualified firm. Should

11. Acceptable Costs – The Village of Glen Ellyn requires the Village Manager, or delegate, to review the contract costs and the indirect cost rates to assure they are compliant with Federal cost principles prior to submission to IDOT.

12. Invoice Processing – The Village of Glen Ellyn requires the Finance Director, or delegate, to review and approve all invoices prior to payment and submission to IDOT for reimbursement.

13. Project Administration – The Village of Glen Ellyn requires the Professional Engineer to monitor work on the project in accordance with the contract and to file reports with the Village Manager. The Village of Glen Ellyn procedures require an evaluation of the consultant's work at the end of each project. These reports are maintained in the Village of Glen Ellyn's project records. The Village of Glen Ellyn follows IDOT's requirements and the required submission of BLRS Form 05613 to the IDOT district at contract close-out along with the final invoice.

# VILLAGE OF GLEN ELLYN

# INVESTMENT POLICY

***Revised 6-28-04***
***Updated 11-12-2013***
***Updated 8-24-2015***
***Updated 5-29-2018***
***Updated X-XX-2021***

1.0 **Policy:**

It is the policy of the Village of Glen Ellyn to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state statutes governing the investment of public funds.

2.0 **Scope:**

This investment policy applies to all financial assets of the Village of Glen Ellyn except for the Glen Ellyn Police Pension Fund which is subject to the direction of the Police Pension Board of Trustees. These funds are accounted for in the Village of Glen Ellyn's Comprehensive Annual Financial Report and include:

2.1 **Funds:**

The following funds are covered by this investment policy, plus any new funds that are created by the Village Board, unless specifically exempted by the Village Board or other authority.

- General Fund
- Corporate Reserve Fund
- Motor Fuel Tax Fund
- Central Business District TIF Fund
- Roosevelt Road TIF Fund
- Forfeiture Fund
- Fire Services Fund
- Debt Service Fund
- Capital Projects Fund
- Facilities Maintenance Reserve Fund
- Water and Sanitary Sewer Fund
- Parking Fund
- Residential Solid Waste Fund
- Village Links/Reserve 22 Fund

- Insurance Fund
- Equipment Services Fund

3.0 **<u>Prudence</u>:**

Investments shall be made with judgment and care - under circumstances then prevailing - which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital, as well as the probable income to be derived.

3.1 The standard of prudence to be used by investment officials shall be the "**prudent person**" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4.0 **<u>Objective</u>:**

The primary objectives, in priority order, of the Village of Glen Ellyn investment activities shall be:

4.1 **Safety:**

Safety of principal is the foremost objective of the investment program. Investments of the Village of Glen Ellyn shall be undertaken in a manner that seeks to ensure the preservation of capital in the portfolio.

A. **Credit Risk:**

Credit risk is the risk of loss due to the failure of the security issuer or backer. Credit risk may be mitigated by:

- Limiting investments to the safest types of securities
- Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which an entity will do business, and
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized.

B. **Interest Rate Risk:**

Interest rate risk is the risk that the market value of securities in the portfolio will fall due to changes in general interest rates. Interest rate risk may be mitigated by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and

- By investing operating funds primarily in shorter-term securities.

4.2 **Liquidity:**

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity).

4.3 **Return on Investments:**

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of least importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities should not be sold prior to maturity with the following exceptions:

1) a declining credit security could be sold early to minimize loss of principal; or

2) liquidity needs of the portfolio require that the security be sold.

4.5 **Investment Strategy/Philosophy:**

The Village's investment philosophy is passive. That is, notwithstanding the provisions of paragraph 4.3, once an investment instrument is purchased, it will generally be held until its maturity ("buy and hold"). Given this philosophy, the Village will endeavor to earn a rate of return which is commensurate with similar investments in the marketplace at the time the investment is purchased. It is not a function or objective of the Village's investment policy to speculate as to the possible direction of future interest rates or to actively buy and sell securities in response to market conditions or events.

5.0 **Delegation of Authority:**

Authority to manage the Village of Glen Ellyn's investment program is derived from the following:

The establishment of investment policies is the responsibility of the Village Board. Management and administrative responsibility for the investment program is hereby delegated to the Finance Director who, under the direction of the Village Manager, shall establish written procedures for the operation of the investment program consistent with this investment policy. Procedures should include references to: internal controls, compensating controls, safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, collateral/depository agreements and banking service contracts where applicable. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the approved written procedures. The Finance Director shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate staff. The Finance Director, with the approval of the Village Manager and in consultation with the Finance Commission ~~Investment Subcommittee (Section 13 and 17)~~, may from time to time amend the written procedures in a manner not inconsistent with this policy, with state statutes, or other governing laws or rules.

The responsibility for investment activities of the Police Pension Fund rests with the Board of Trustees of the Police Pension Fund.

The Village Treasurer, appointed by the Village President with concurrence of Village Trustees, advises the Village Board on investment policy and is, by Illinois statute, an ex-officio member of the Police Pension Fund. By Village ordinance, the Finance Director is the Village Treasurer.

## 6.0 **Ethics and Conflicts of Interest**:

Officers and employees involved in the investment process shall abide by the terms established in the Village Ethics Ordinance (Title 1, Chapter 12 of the Village of Glen Ellyn Code of Ordinances), particularly, but not limited to, section 1-12-5, Conflicts of Interest. Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officers shall provide appropriate notification (as described in 1-12-5 (c) Notification) of “Financial Interests” or “Non Financial Interests” as defined in the Ethics Ordinance. They shall further provide appropriate notification of any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual/firm with whom business is conducted on behalf of the Village of Glen Ellyn.

## 7.0 **Authorized Financial Dealers and Institutions**:

The Finance Director will maintain a list of financial institutions authorized to provide investment services. In addition, a list will also be maintained of approved security broker/dealers selected by credit worthiness. These may include “primary” dealers or regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule). No public deposit shall be made except on qualified public depository as established by state statutes.

The Village Board authorizes the Finance Director to invest up to FDIC limits in any federally insured financial institution, subject to appropriate diversification (see section 11 of this policy). Fund splitting programs wherein investments in CDs, money market accounts, or other allowable investments are held by various participating banks as part of a larger umbrella corporation are allowed so long as FDIC insurance protection secures the full value of the Village’s investment.

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Finance Director with the following:

- audited financial statements
- proof of Financial Industry Regulatory Authority (FINRA) certification
- proof of state registration

- certification of having received and read the Village's investment policy
- depository contracts

## 8.0 **Authorized and Suitable Investments:**

The Village may invest in any type of security authorized by the State of Illinois Public Funds Investment Act (30 ILCS 235/) regarding the investment of public funds. Approved investments include:

- Bonds, notes, certificates of indebtedness, treasury bills or other securities now or hereafter issued, which are guaranteed by the full faith and credit of the United States of America as to principal and interest.
- Bonds, notes, debentures, or other similar obligations of the United States of America or its agencies.
- Interest bearing savings accounts, interest bearing certificates of deposit or interest bearing time deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act and which are insured by the Federal Deposit Insurance Corporation.
- Illinois Public Treasurer's Investment Pool (Illinois Funds)
- Illinois Municipal Investment Fund (IMET)
- Other local government investment pool, organized in accordance with state statute
- Short-term obligations of corporations (commercial paper) organized in the United States with assets exceeding $500 million and rated at the time of purchase at one of the three highest classifications established by at least two standard rating services. Investments must mature within 270 days from the date of purchase. Such purchase may not exceed 10% of the corporation's outstanding obligations and no more than 10% of the Village's funds may be invested in commercial paper.
- Short-term discount obligations of the Federal National Mortgage Association or in shares or other forms of securities legally by savings and loan associations incorporated under the laws of this state or any other state or under the laws of the United States. Investments may be made only in those savings and loan associations of which the shares, or investment certificates are insured by the Federal Deposit Insurance Corporation.
- Interest bearing bonds of any county, township, city, village, incorporated town, municipal corporation, or school district, of the State of Illinois, of any other state, or of any political subdivision or agency of the State of Illinois or of any other state, whether the interest earned thereon is taxable or tax-exempt under federal law. The bonds shall be registered in the name of the Village or held under a custodial agreement at a bank. The bonds shall be rated at the time of purchase within the 4 highest general classifications established by a rating service of nationally recognized expertise in rating bonds of states and their political subdivisions.

See section 11.1 Rebalancing for information on a regular review of the Village's investments.

## 9.0 **Collateralization:**

It is the policy of the Village of Glen Ellyn and in accordance with the GFOA's Recommended Practices on the Collateralization of Public Deposits (attachment 1), the Village requires that funds on deposit in excess of FDIC limits be secured by some form of collateral. The Village will accept any of the following assets as collateral:

- Government Securities
- Obligations of Federal Agencies
- Obligations of Federal Instrumentalities
- Obligations of the State of Illinois

The Village reserves the right to accept/reject any form of the above named securities.

The Village also requires that all depositories that hold Village deposits in excess of the FDIC limit must utilize and execute a collateral agreement which is of a form approved by the Village.

The amount of collateral provided will not be less than 110% of the fair market value of the net amount of public funds secured. The ratio of fair market value of collateral to the amount of funds secured will be reviewed monthly, and additional collateral will be required when the ratio declines below the level required and collateral will be released if the fair market value exceeds the required level. Pledged collateral will be held in safekeeping, by an independent third party depository, or the Federal Reserve Bank of Chicago, designated by the Village of Glen Ellyn and evidenced by a safekeeping agreement. Collateral agreements will preclude the release of the pledged assets without an authorized signature from the Village of Glen Ellyn. The Village of Glen Ellyn realizes that there is a cost factor involved with collateralization and the Village will pay any reasonable and customary fees related to collateralization.

10.0 **Safekeeping and Custody:**

All security transactions, including collateral for repurchase agreements, entered into by the Village of Glen Ellyn shall be conducted on a delivery-verses-payment (DVP) basis. Securities will be held by a third party custodian designated by the Finance Director and evidenced by safekeeping receipts.

11.0 **Diversification and Rebalancing:**

In order to reduce the risk of default, the investment portfolio of the Village of Glen Ellyn shall not exceed the following diversification limits unless specifically authorized by the Village Board:

- No financial institution shall hold more than 25% of the Village's investment portfolio, exclusive of U.S. Treasury securities in safekeeping and public investment pools. This does not include custodial accounts, where a financial institution will hold individual securities that are in the Village's name. Public investment pools, such as the Illinois Metropolitan Investment Fund and the Illinois Trust, may comprise up to 25% each of the Village's investment portfolio. The Illinois Treasurer's Investment Pool (the Illinois Funds), may comprise up to 75% of the Village's investment portfolio.
- Monies deposited at a financial institution shall not exceed 15% of the capital stock and surplus of that institution.
- Commercial paper shall not exceed 10% of the Village's investment portfolio.

11.1 **Rebalancing:**

On a quarterly basis, the investment portfolio shall be evaluated to determine if the investment mix should be rebalanced to achieve appropriate diversification. If the Village becomes aware of issues or concerns with a particular investment, the Village will take steps to address them in a timely manner, including ending the relationship or rebalancing the portfolio, or other action as appropriate.

At least annually, the Village will verify that each investment remains consistent with the Village's investment objectives. If one or more investments do not, or have changed its risk perspective, duration, or other factor that is not favorable to the Village or its portfolio, the Village will consider replacement of said investment, or rebalancing so the Village's overall portfolio remains consistent with this policy.

When the portfolio is rebalanced, efforts should be made to minimize negative effects that may occur from selling assets prior to maturity.

11.2 **Target diversification:**

The Finance Commission ~~Investment Subcommittee will develop a~~is responsible for the target diversification. Changes to the target diversification may occur with the quarterly review of the investment portfolio, or more often if necessary. In an emergency situation, where the Village Staff believes there is significant risk by one financial institution or type of security, with both Village Manager and Finance Director approval, the Village may exceed these diversification limits, so long as the legal limits outlined by 30 ILCS 235 are not exceeded. In such an event, both the Village Board and Finance Commission shall be promptly notified of the event.

11.3 **Criteria for ending an investment relationship:**

The Village will objectively evaluate the performance of all investments within the portfolio. Each investment will be evaluated relative to its benchmark and peer investments in the order of the Village's investment objectives (section 4 of this policy) to determine if an investment should be retained or sold. Other considerations may include, but are not limited to, costs (or benefits) to liquidate versus hold, suitable replacement investment alternatives, portfolio diversification or rebalancing, change in credit rating or other credit risk factor, change in one or more risk factor, change in the investment's strategy or methodology, change in legal status or environment, customer service issues, among others.

## 12.0 **Maximum Maturities:**

To the extent possible, the Village of Glen Ellyn will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Village will not directly invest in securities maturing more than five years from the date of purchase.

Reserve funds may be invested in securities exceeding five years if the maturity of such investments is made to coincide as nearly as practicable with the expected use of the funds. Any investment purchased with a maturity longer than five years must be supported with written documentation explaining the reason for the purchase and must be specifically approved by the Village Board.

## 13.0 **Internal Controls**:

The Finance Director, with the approval of the Village Manager, is responsible for establishing and maintaining an internal control structure designed to protect the assets of the Village of Glen Ellyn from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of the control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits require estimates and judgments by management.

Accordingly, the Finance Director shall establish a process for annual independent review by an external auditor to assure compliance with policies and procedures. The best controls prevent frauds from taking place. When that is not possible, compensating controls will be implemented to detect fraud. Internal controls and compensating controls will be documented as part of the written procedures (Section 5.0).

Internal controls, including, but not limited to, the following subject matters will be in place:

- Segregation of duties and clear delegation of authority,
- Multiple signers required for wire transfers,
- Bank reconciliations performed and reviewed on a monthly basis,
- Monitoring bank and investment activity by multiple individuals,
- Monthly balance sheet reports provided to and reviewed by department managers,
- Monitoring of collateral agreements and custodial safekeeping,
- Establishing new accounts, new wire transfers/ACH, and new investment relationships.

## 14.0 **Performance Standards**:

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. Portfolio performance should be compared to appropriate benchmarks on a regular basis.

### 14.1 Market Yield (Benchmark):

The Village's investment strategy is passive. Given this strategy, the basis used by the Finance Director to determine relative performance with comparable market yields shall be the three-month U.S. Treasury Bill. An additional benchmark of the average Illinois Funds rate will be utilized to track investment performance against the Village's liquid/short-term investment earnings.

## 15.0 **Reporting**:

The Finance Director shall prepare quarterly investment reports to the Village Manager, Village Board and Finance Commission that provide a clear picture of the status of the current investment portfolio. This management summary will be prepared in a manner which will allow the entity to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report will include the following:

- A listing of individual securities held at the end of the reporting period,
- Average weighted yield to maturity of portfolio on Village investments as compared to applicable benchmarks,
- Listing of investments by maturity date,
- The percentage of the total portfolio which each type of investment represents,
- The percentage of the total portfolio which each institution is holding,
- The percentage of the total portfolio broken down by defined maturity periods, and
- Principal and type of investment by fund.

Each month, the Finance Director will provide a report to the Village Manager, Village Board, and Finance Commission covering more basic investment reporting including asset value, investment rate of return, and investment income.

15.1 **Marking to Market:**

A statement of the market value of the portfolio shall be issued at least quarterly. Review should be consistent with the GFOA Recommended Practice on Mark-to-Market Practices for State and Local Government Investment Portfolios and Investment Pools (attachment 2).

16.0 **Investment Policy Adoption:**

The Village of Glen Ellyn's investment policy shall be adopted by resolution of the Village Board of Trustees. This policy shall be reviewed ~~on an annual basis by the Finance Commission Investment Subcommittee~~every four years by the Finance Commission and any modifications made thereto must be approved by the Village Board of Trustees.

17.0 **Finance Commission Investment Subcommittee:**

~~The Finance Commission Chair, with the advice and consent of the Village President, shall appoint two Finance Commission members to a Finance Commission Investment Subcommittee. This subcommittee will review and provide recommendations regarding the Village's investment portfolio, policies, practices, and reporting.~~ The Finance Commission Chair may create, from time to time, an investment subcommittee to review investment matters which require a more detailed review or analysis. This subcommittee shall bring its findings and recommendations to the full Finance Commission for review and approval.

# Appendix

**Calendar of activity**

Monthly

- Abbreviated investment reporting (section 15.0)
- Review collateral (9.0)

Quarterly

- Investment report (15.0)
- Marking to market (15.1)
- Review portfolio for rebalancing (11.1)
- Review target diversification (11.2)

Annually

- Detailed review of investments for continued compliance (11.1)

Every Four Years

- Finance Commission ~~Investment Subcommittee~~ review investment policy (16.0)

# Attachment 1

## GFOA Best Practice
## Collateralizing Public Deposits (1984, 1987, 1993, 2000, 2007, 2010) (TIM)

**Background**. The safety of public funds should be the foremost objective in public fund management. Collateralization of public deposits through the pledging of appropriate securities or other instruments (i.e. surety bonds or letters of credit) by depositories is an important safeguard for such deposits. The amount of pledged collateral is determined by a governmental entity's deposit level and the policy or legal required collateral margin. Some states have established programs for the pooling of collateral for deposit of public funds.

Federal law imposes certain limitations on collateral agreements between financial institutions and public entities in order to secure governmental entity deposits. Under certain circumstances, as are discussed in recommendations below, the Federal Deposit Insurance Corporation (FDIC) may void an otherwise perfected security interest and leave the governmental depositor. with only the right to share with other creditors in the pro rata distribution of the assets of a failed institution for the amount of deposits that exceed the FDIC coverage. Separate governmental "corporations" such as economic development corporations or water supply corporations, etc., do not fulfill the FDIC's definition of "public unit"[1] and therefore even accurately completed collateral definition may not be honored by the FDIC on a bankruptcy.

**Recommendation**. The Government Finance Officers Association (GFOA) recommends the use of a written agreement with pledging requirements as protection for state or local government's deposits. GFOA encourages governmental entities to establish adequate and efficient administrative systems to monitor such pledged collateral, including state or locally administered collateral pledging or collateral pools. To accomplish these goals, GFOA recommends the following:

1. Governmental entities should implement programs of prudent risk control. Such programs could include a formal depository risk policy, credit analysis, and use of fully secured investments. In the absence of a state program for pooling collateral, public entities should establish and implement collateralization procedures, including procedures to monitor their collateral positions. Monitoring informs a public entity of undercollateralization, which may threaten the safety of an entity's deposits, and overcollateralization, which may increase the cost of banking services. Governmental entities however can not and should not accept the liability for maintaining collateral levels which liability must fall to the financial institution.

2. Governmental entities/depositors should take all possible actions to comply with state and federal requirements in order to ensure that their security interests in collateral pledged to secure deposits are enforceable against the receiver of a failed financial institution. Federal law provides that a depositor's security agreement, which tends to diminish or defeat the interest of the FDIC in an asset acquired by it as receiver of an insured depository, shall not be valid against the FDIC unless the agreement:

    - is in writing;
    - was approved by the board of directors of the depository or its loan committee and[2]
    - has been, continuously, from the time of its execution, an official record of the depository institution.[3]

3. Governmental entities should have all pledged collateral held at an independent third-party institution outside the holding company of their bank, and evidenced by a written agreement in an effort to satisfy the Uniform Commercial Code (UCC) requirement for control. The UCC states that the depositor does not have a perfected interest in a security unless the depositor controls it. Control means that swaps, sales, and transfers cannot occur without the depositor's written approval.

- The value of the pledged collateral should be marked to market monthly, or more frequently depending on the volatility of the collateral pledged. Some state statutes do dictate a minimum margin level for collateral based on deposit levels (e.g., Georgia and Minnesota statutes require 110 percent). If not, the margin levels should be at least 102 percent, depending on the liquidity and volatility of the collateral pledged. State statutes also govern whether minimum margin levels apply to principal only or to accrued interest as well. On a sale, accrued interest would be received. Governmental entities should review applicable state statutes and confirm compliance.
- Substitutions of collateral should meet the requirements of the collateral agreement, be approved, by the entity in writing prior to release, and the collateral should not be released until the replacement collateral has been received.
- The public entity should require reporting directly from the custodian. The custodian should warrant and be signatory to the agreement
- Reporting by the third party institution should at a minimum be monthly.

4. The pledge of collateral should comply with the investment policy or state statute, whichever is more restrictive. Governmental entities should know and understand securities pledged as collateral.

5. Governmental entities that use surety bonds in lieu of collateral should limit the insurers to those of the highest credit quality as determined by a nationally recognized insurance rating agency. A thorough review of the terms of the bond is required.

6. The governmental entity should thoroughly review the terms and conditions of any letters of credit, including those issued by a federal agency or government sponsored enterprise.

7. The governmental entity should establish and follow procedures for on-going review of collateral.

**Note:** As a result of the court case North Arkansas Medical Center v. Barrett, 963 F.2d 780 (8th Cir. 1992), the FDIC issued a policy statement in March 1993 indicating that it would not seek to void a security interest of a federal, state, or local public unit solely because the security agreement did not comply with the contemporaneous execution requirement set forth in Section 13(e) of the Federal Deposit Insurance Act 12 U.S.C.1823(e). The policy statement was officially enacted by Section 317 of the Riegle Community Development and Regulatory Improvement Act of 1994 (Public Law 103-325).

**References**:


- GFOA Sample Security Agreement (long and short versions), www.gfoa.org, 2009.
- GFOA Sample Custodial Trust Agreement, www.gfoa.org, 2006.
- An Introduction to Collateralizing Public Deposits for State and Local Governments, Second Edition, M. Corinne Larson, GFOA, 2006.

- *Investing Public Funds, Second Edition*, Girard Miller with M. Corinne Larson and W. Paul Zorn, GFOA, 1998.
- FDIC Act (12 U.S.C. 1811 et seq. and 12 C.F.R. Part 330.330.15 Public Unit Accounts (www.FDIC.gov)

Approved by the GFOA's Executive Board, October 23, 2007.

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[1]For deposit insurance purposes, the term "public unit" includes a state, county, municipality, or "political subdivision" thereof. Governments should review Section 330.15 of the FDIC's regulations (12 C.F.R. 330.15) to identify if they fall within the FDIC's definition of 'public unit' and to determine whether they are public entity qualifying for collateral protection under the definition. This information can be found at http://www.fdic.gov/deposit/deposits/FactSheet.html

[2]The FDIC does not require every transaction to be reviewed by the board of directors. The board may fulfill this function by setting parameters and authorizing a particular officer to carry out its wishes. The officer would be performing ministerial acts on behalf of the board. (FDIC Interpretive Letters)

[3]Corporate resolutions that list specific officers who are authorized by the board of directors to execute agreements securing public deposits will meet this requirement.

# Attachment 2

## BEST PRACTICE

## Mark-to-Market Reporting Practices for State and Local Government Investment Portfolios (1995, 2000, 2003, 2005, and 2008) (TIM)

**Background**. Market risk is significant in public investment portfolios. Due to price volatility, valuing investments at their current price is necessary to provide a realistic measure of a portfolio's true liquidation value. Over time, reporting standards for state and local government investment portfolios have been enhanced so that investors, governing bodies, and the public remain informed of the current market value of the portfolio. Regular disclosure of the value of a governmental entity's investments is an important step to furthering taxpayer and market confidence in state and local government investment practices. The Governmental Accounting Standards Board (GASB) has also recognized the need to report investments at fair value at fiscal year end. Government officials should be aware of state, local, accounting, and rating agency requirements regarding mark to-market practices.

**Recommendation**. The Government Finance Officers Association (GFOA) recommends that state and local government officials responsible for investment portfolio reporting determine the market value of all securities in the portfolio on at least a quarterly basis. These values should be obtained from a reputable and independent source and disclosed to the governing body or other oversight body at least quarterly in a written report. The independent source of pricing should not be one of the parties to the transaction being valued and could include:

1. a broker or other financial institution who was not a counterparty to the transaction,
2. the custodial bank if the bank was not a counterparty to the transaction,
3. publicly available publications such as the Wall Street Journal, or
4. other pricing services for which a separate fee would be paid.

It is recommended that the written report include the market value, book value, and unrealized gain or loss of the securities in the portfolio.

If there is a significant event in the local or national economy that might affect the value of the portfolio, then a mid-term valuation of the portfolio should be conducted. Governments that employ a more active portfolio management style should consider more frequent marking to market and reporting.

**References**


- *GASB Statement 31 and Implementation Guide, Accounting and Financial Reporting for Certain Investment and for External Investment Pools*, March, 1997.
- *Investing Public Funds, Second Edition*, Girard Miller with M. Corinne Larson and W. Paul Zorn, GFOA, 1998.
- *Investment Procedures and Internal Controls Guideline*, GFOA, May 2003.
- *Elected Official's Guide Investing, Second Edition*, Sofia Anastopoulos, GFOA, 2007.


**Approved by the GFOA's Executive Board, February 22, 2008.**

# VILLAGE OF GLEN ELLYN

# POLICE PENSION FUNDING POLICY

Updated by the Village Board on 02-27-2017 and XX-XX-2021

## 1.0 Applicability

This policy applies to the calculation of the Village of Glen Ellyn's "annual required contribution" (ARC) to the Glen Ellyn Police Pension Fund, a police pension trust fund organized under Article III of the Illinois Pension Code.

## 2.0 Background

The financial objective of a defined benefit pension plan is to fund the long-term cost of benefits provided to the plan participants. In order to assure that the plan is financially sustainable, the plan should accumulate adequate resources in a systematic and disciplined manner over the active service life of benefitting employees. This funding policy outlines the method the Village will utilize to determine its actuarially determined contribution to the Glen Ellyn Police Pension Fund to fund the long-term cost of benefits to the plan participants and annuitants.

The Village believes that this funding policy meets the guidelines for state and local governments set by the Pension Funding Task Force convened by the Center for State and Local Government Excellence. The guidelines set by this task force outline the following objectives for pension funding policy:

- **Actuarially Determined Contributions.** A pension funding plan should be based upon an actuarially determined annual required contribution (ARC) that incorporates both the cost of benefits in the current year and the amortization of the plan's unfunded actuarial accrued liability.
- **Funding Discipline**. A commitment to make timely, actuarially determined contributions to the retirement system is needed to ensure that sufficient assets are available for all current and future retirees.
- **Intergenerational equity**. Annual contributions should be reasonably related to the expected and actual cost of each year of service so that the cost of employee benefits is paid by the generation of taxpayers who receives services from those employees.
- **Contributions as a stable percentage of payroll**. Contributions should be managed so that employer costs remain consistent as a percentage of payroll over time.
- **Accountability and transparency**. Clear reporting of pension funding should include an assessment of whether, how, and when the plan sponsor will ensure sufficient assets are available for all current and future retirees.

## 3.0 Policy

3.1 Village Annual Required Contribution (ARC)

The Village will determine its ARC to the Glen Ellyn Police Pension Fund using the following principles:

a. The ARC will be calculated by an enrolled actuary.
b. The ARC will include the normal cost for current service and amortization to collect or refund any under- or over-funded amount.
c. The normal cost will be calculated using the entry age normal level of percentage of payroll actuarial cost method using the following assumptions:
    i. The investment rate of return assumption will be 6.50%~~ for the Calendar Year 2017 budget year~~.
    ii. ~~The salary increase assumption will be 5.00% per year.~~
    ii. ~~Non-economic assumptions~~Other factors, such as salary increases, payroll growth, rates of separation, disability, retirement, mortality, etc., shall be determined by Village management in consultation with the actuary to reflect current experience.
d. The difference between the accrued liability and actuarial value of assets will be amortized to achieve 100% funding in 2041~~0~~ (a 30 year closed period that began in 2011) based upon a level percentage of payroll.
e. Actuarial assets will be determined using market valuation.

The Village will make its actuarially determined contribution to the Glen Ellyn Police Pension Fund in two equal installments in or around June and September of each year.

3.2 Transparency and Reporting

Funding of the Glen Ellyn Police Pension Fund should be transparent to vested parties including plan participants, annuitants, the Glen Ellyn Police Pension Fund Board of Trustees, the Village Board, and Glen Ellyn residents. In order to achieve this transparency, the following information shall be distributed:

a. A copy of the annual actuarial valuation for the Glen Ellyn Police Pension Fund shall be made available to the Village Board and the Glen Ellyn Police Pension Fund Board of Trustees.
b. The Village's Comprehensive Annual Financial Report shall be published on its website. This report includes information on the Village's annual contribution to the Glen Ellyn Police Pension Fund, and funded status of the Glen Ellyn Police Pension Fund.
c. Each year, the Village Board shall approve the Village's annual contribution to the Glen Ellyn Police Pension Fund.
d. The Village's annual operating budget shall include the Village's contribution to the Glen Ellyn Police Pension Fund as well as a budget for the Glen Ellyn Police Pension Fund.

The budget for the Glen Ellyn Police Pension Fund is controlled by the Glen Ellyn Police Pension Fund Board of Trustees, in accordance with state law. The budget document shall be published on the Village website and made available for public inspection at the Civic Center and Glen Ellyn Public Library.

3.3 Review of Funding Policy

Funding a defined benefit pension plan requires a long-term horizon. Assumptions and inputs into the policy should focus on long-term trends, not year-to-year shifts in the economic or non-economic environments. Generally, assumptions or inputs should be evaluated and changed if long-term economic or noneconomic inputs have fundamentally changed or are no longer reasonable. As such, the Village will review this policy at least every five years to determine if changes to this policy are needed to ensure adequate resources are being accumulated in the Glen Ellyn Police Pension Fund. The Village reserves the right to make changes to this policy at any time if it is deemed appropriate.

# EXHIBIT A: FUND BALANCE AND NET POSITION POLICY

### *1. Statement of Purpose:*

It is the Village's philosophy to support long-term financial strategies, where fiscal sustainability is its first priority, while also building funds for future growth. It is essential to maintain adequate levels of funds balance/net position to mitigate current and future risks. Fund balance/net position levels are also crucial consideration in long-term financial planning. Credit rating agencies carefully monitor levels of fund balance/net position to evaluate the Village's continued creditworthiness.

Fund Balance (governmental funds) or Net Position (proprietary funds) provides for the operational stability of the Village of Glen Ellyn and provides the capacity to:

a) offset significant economic downturns or revenue shortfalls,
b) provide sufficient cash flow for daily financial needs,
c) maintain or improve the village's bond ratings, and
d) provide funds for unforeseen expenditures related to emergencies or opportunities.

### *2. Definitions*

a. Fund Balance – The difference between assets, deferred outflows, liabilities, and deferred inflows in a governmental fund.
b. Nonspendable Fund Balance – the portion of a Governmental Fund's fund balances that are not available to be spent, either short term or long term, in either form (e.g. prepaid assets) or through legal restrictions.
c. Restricted Fund Balance – the portion of a governmental fund's fund balances that are subject to external enforceable legal restrictions as to what the fund balance can be spent on.
d. Committed Fund Balance – the portion of a governmental fund's fund balances with self-imposed constraints or limitations that have been placed by formal action at the highest level of decision making.
e. Assigned Fund Balance – the portion of a governmental fund's fund balances to denote an intended use of resources.
f. Unassigned Fund Balance – available spendable financial resources in a governmental fund that are not the object of tentative management plan (i.e. assignments).
g. Net Position – The difference between assets, deferred outflows and liabilities and deferred inflows in a proprietary fund, trust fund, or entity wide financial statements.

### *3. Desired Reserve Policies:*

General Fund: Cash reserves of the General Fund should be maintained at thirty percent (30%) of the current year's budgeted operating expenditures (excluding debt and capital outlay expenditures). At any point should the unreserved balance reach above 40% at the low point of the year (April or May), an item shall be brought to the Village Board for action on the excess balance.

Water & Sanitary Sewer Fund: The Village will maintain $2,000,000 in cash reserves in the Water and Sanitary Sewer Fund for FY2011/12, increased annually by the 12-month change in the CPI-U (December before the beginning of the fiscal year) or 3%, whichever is less. [For FY18, the amount of required cash reserves will be $2,261,000.] Amounts held in the fund above the reserve policy limit are assigned for water and sewer capital projects.

Village Links/Reserve 22 Fund: The Village will maintain adequate cash reserves in the Village Links/Reserve 22 Fund, in an amount equal to or greater than 25% of the current year fund operating expense budget (excluding debt and capital).

Residential Solid Waste Fund: The Village will maintain adequate cash reserves in the Residential Solid Waste Fund, in an amount equal to or greater than 25% of the current year fund operating expense budget (excluding debt and capital).

Parking Fund: The Village will maintain adequate cash reserves in the Parking Fund, in an amount equal to or greater than 25% of the current year fund operating expense budget (excluding debt and capital).

### *4. Attaining and Maintaining Desired Reserve Levels:*
Should the reserves in one or more funds fall below the benchmark established by this policy, the Village Manager will notify the Village Board in a timely manner and will develop and present to the Village Board as part of the annual budget a plan to return fund balance to the benchmark level within three (3) fiscal years.

### *5. Use of Fund Balance or Net Position:*
The Village will spend the most restricted dollars before less restricted, in the following order:

1. Restricted
2. Committed
3. Assigned
4. Unassigned.

The Finance Director will determine if a portion of fund balance should be assigned and will document said assignment by a memorandum to the Village Manager and appropriate disclosure in the audited financial statements.

Note: In non-governmental funds, management may decide to "assign" funds for a specific purpose. This will be done as an internal budgeting procedure rather than as a formal accounting entry. Creating a governmental fund automatically assigns fund balance in that fund to the purpose of the fund.

Fund balance or net position should only be used or depleted in the following situations:
1. Revenue shortfalls result in an operating deficit.
2. Unforeseen material expenditures arise which cannot be avoided or delayed.
3. Excess fund balance exists and the village intentionally draws down on the balance to come into compliance with this policy.

**Glen Ellyn Finance Commission**
535 Duane Street
Glen Ellyn, IL 60137

Meeting 3/12/2021 7:00 AM
Department: Finance
Department Head:
Category: Other
Prepared By:

**AGENDA ITEM (ID # 2021-972)**

**DOC ID: 2021-972**

# Economic Development Update

**Statement of the Issue:**

**Analysis:**

**Budget Impact:**

**Action Requested:**

**Attachments:**

**Glen Ellyn Finance Commission**
535 Duane Street
Glen Ellyn, IL 60137

Meeting 3/12/2021 7:00 AM
Department: Finance
Department Head:
Category: Reminder
Prepared By:

**AGENDA ITEM (ID # 2021-973)**

**DOC ID: 2021-973**

# Next Meeting: Friday, April 9, 7:00 AM

**Statement of the Issue:**

**Analysis:**

**Budget Impact:**

**Action Requested:**

**Attachments:**