Agenda
Village of Glen Ellyn
Finance Commission
Regular Meeting
Friday, July 10, 2020
7:00 AM
Glen Ellyn Civic Center, Room 306
And Via Zoom

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 COVID19 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 COVID19. The Village President 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. The Village Manager and Finance Director be in attendance at the Civic Center in compliance with the Act.

To participate in this meeting at the appointed date and time, please visit https://us02web.zoom.us/j/86270934520?pwd=VDFyNjJqT0NEWjBQVHZBbTJCeUdWQT09. In lieu of participating in the electronic meeting, the public may also complete a public comment form which will be read into the record during the meeting. This form can be found at www.glenellyn.org/publiccomment.

A. Call to Order

B. Public Comment (Non Agenda Items)

C. Approval of Minutes

1. Finance Commission Minutes - May 15, 2020

D. Financial Reports

1. General Fund Update
2. Village Links/Reserve 22 - Manager's Report - May 2020
3. Village Links/Reserve 22 - Financial Statements - May 2020

E. Covid-19 Financial Projections Update

1. Finance Director Coyle will update the Finance Commission on the Covid-19 revenue projections.

F. Bond Issuance

1. Finance Director Coyle will update the Finance Commission on the timeline for issuing General Obligation Bonds (Discussion Only)

G. Trustee Liaison Report

H. Chairman's Report

I. Other Business

1. Economic Development Update

2. Next Meeting: Friday, August 14, 7:00 AM

J. Adjournment

1. Motion to Adjourn

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

Finance Commission
535 Duane St.
Glen Ellyn, IL 60137

Meeting: 07/10/20 07:00 AM
Department: Finance Commission
Department Head: Christina Coyle
Category: Minutes
Prepared By: Christina Coyle

SCHEDULED

AGENDA ITEM (ID # 4541) DOC ID: 4541

Finance Commission Minutes - May 15, 2020

Please see the attached minutes.

ATTACHMENTS:

- May 15 2020 Finance Commission (PDF)

FINANCE COMMISSION
MINUTES
MAY 15, 2020

CALL TO ORDER:

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

Also, present: Village Manager Franz, Assistant Village Manager Holmer, Finance Director Coyle, Assistant Finance Director Thomas, Trustee Fasules, Professional Engineer Daubert, 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 - February 14, 2020 7:00 AM
2. Finance Commission - Regular Meeting - March 13, 2020 7:00 AM
3. Finance Commission - Special Meeting - April 7, 2020 7:00 AM

MOVE TO APPROVE MINUTES OF FINANCE COMMISSION MEETINGS AS PRESENTED FROM 2/14/20, 3/13/20, and 4/7/20.

RESULT	**Motion Unanimously Carried**
MOVER:	**Commissioner VanEk**
SECONDER:	**Commissioner Oakes**
AYES:	**Cleaver, DeLeon, Greeno, VanEk, Oakes, Campagna, Peck, and Halkyard**
ABSENT:	**Dan and Harrington**

D. **Financial Reports**

1. General Fund Update April 2020

Finance Director Coyle updated the Finance Commission on the April 2020 financials. The April financials largely represent pre-Covid receipts. Tax revenues were up 3% from budget and 7% from the prior year. However, this trend will not continue through the remainder of the year. The Avere building permit fee was about $200,000 and positively impacted building permit revenue. Investment income is down due to lower interest rates. Sales, home rule sales, and income taxes were trending upward before COVID. Also, police fines are expected to decrease due to COVID. The food and beverage tax returns since COVID have been all over the board with some restaurants performing better, some restaurants getting by, and some restaurants opted to close. The Village Manager's Office has incurred about $39,000 in COVID related purchases thus far for item such as personal protection equipment. Information Technology costs are higher than last year because now two (2) employees work in this department.

2. Village Links/Reserve 22 Financial Statements - March 2020

Finance Director Coyle noted March 2020 was actually better than last year, with operating income up $64,000 over 2019. Much of this was due to a reduction in expenses with closing the restaurant in mid-March. There was a lay-off of part-time staff at the Links/Reserve22. Village Links operations have been impacted by the new guidelines with only eight (8) golfers allowed to tee-off every hour. Village Manager Franz noted Governor Pritzker may be revisiting some of the golf restrictions. Finance Director Coyle noted the Links will likely be tapping into the line-of-credit issued by the Village especially with next week's payroll and upcoming debt service payments. Commissioner Campagna inquired on the status of operations at Reserve 22. Finance Director Coyle replied Reserve 22 reduced payroll and there has been limited take-out for golfers. Currently Reserve 22 is not driving a profit, but is mitigating losses.

E. **Long Term Capital Plan and Project Prioritization**

Finance Director Coyle referenced the capital planning documents included in the agenda. Staff is looking for direction form the Finance Commission on moving projects forward given the financial impact of COVID. Food and beverage tax receipts have been tempered down from about $1.3 million per year to about half of this for the next two (2) years and returning to the $1.3 million level in 2025. The Village will be receiving about $1.8 million for capital projects over the next three (3) years from the State of Illinois. The Village is looking at applying for a state grant program for shovel ready projects. The State will be awarding anywhere from $500,000 to $5 million. The Central Business District project has been trimmed down by $2 million in the analysis. Commissioner Campagna asked for a detail on the $2 million in cuts. Finance Director Coyle said the design CBD project will be much more simplified, but the specific areas of reduction have not yet been decided.

Finance Director Coyle explained when you look at the bottom-line for the Capital Improvement Fund it does have sufficient cash flow over the ten (1) year plan until the outlying years. Over the 20-year Capital Improvement Fund forecast, the Village is only short by $136,000.

Professional Engineer Daubert noted some of the bigger capital projects have already been awarded by the Village Board for sidewalk improvements, street repairs, and street patching. The capital strategy has been to stay true to the Village's maintenance program. The Village received another $2 million grant for the train station project. Now the Village has accumulated about $20.4 million in federal funding the new train station. Commissioner VanEk asked what is the percentage of the train project that has secured grant funding. Professional Engineer Daubert replied it is actually 100% of the total cost right now, but that the total cost of the train station will most likely be $25 million and federal funding can not exceed 80% of the total project cost. Professional Engineer Daubert noted there is a short-term deferral on some of the projects. Finance Director Coyle explained that the deferred projects are still included in the 10-year plan and have been moved to the correct year in the plan.

Chairman Halkyard said one of the risks of not proceeding with some of the capital projects is the potential for incremental cost increases. Chairman Halkyard noted there is uncertainty right now and recommended deferring slowly until we know where the Village is at with the golf course and pension obligations.

Commissioner Campagna asked when does the Village need to make a decision. Commissioner Campagna said it may be an opportune time to proceed dependent upon what the municipal bond market looks like. Finance Director Coyle said she recently spoke with the Village's financial advisor and the bond market is very stable right now. Another community issued bonds and obtained a 2.25% interest rate on a 20-year issue for $10 million.

Assistant Village Manager Holmer said if the parking garage is deferred, labor costs will most likely increase and winter conditions would increase the project cost as well. Finance Director Coyle noted the Village must notify the parking garage contractor by June 1, 2020 to proceed with buying certain parts for the garage so construction can begin. Finance Director Coyle said staff will be looking for direction from the Village Board if the parking garage should proceed or deferred. Commissioner Greeno asked how long will the parking garage take to construct. Assistant Village Manager Holmer replied about nine (9) months. Commissioner Greeno said the garage is a 100% need, while the street scape project is somewhere between a need and a want. Commissioner Greeno suggested deferring a decision on the street scape longer. Commissioner Cleaver agreed the parking garage is a bigger priority and suggested deferring the street scape program. The Commission cautioned to move forward slowly given the unknown impact to the Village finances.

Chairman Halkyard said the consensus of the Finance Commission is to prioritize the parking garage over the Central Business District street scape project. Village Manager Franz noted from a timing perspective this is the time to do the parking garage before the street scape begins. Village Manager Franz added COVID-19 is hitting finances, which makes this decision more complicated.

F. **Trustee Liaison Report -** None

G. **Chairman's Report -** None

H. **Other Business**

1. Next Meeting Friday, June 12, 2020

I. **Adjournment**

1. Motion to Adjourn

Commissioner VanEk moved and Chairman DeLeon seconded, to adjourn the meeting. The meeting was adjourned at 8:46AM.

Submitted by Aileen Haslett, Recording Secretary

Finance Commission
535 Duane St.
Glen Ellyn, IL 60137

Meeting: 07/10/20 07:00 AM
Department: Finance Commission
Department Head: Christina Coyle
Category: Report
Prepared By: Ann Pedersen

SCHEDULED

AGENDA ITEM (ID # 4539) DOC ID: 4539

Village Links/Reserve 22 - Manager's Report - May 2020

Please see the attached report.

ATTACHMENTS:

- Managers Report2 (PDF)

VILLAGE LINKS
GLEN ELLYN

RESERVE 22 TWENTY-TWO

"Committed to Excellence since 1967"

Manager's Report for May 2020

Submitted by Jeff Vesevick, General Manager

May weather 2020 was another for the record books. We for the second May in a row broke the record for rainfall. We had 7.06" at our station (I believe our big rains overwhelmed our station causing lower totals) and 9.51" at O'Hare. That is 5.8" above our normal rainfall for May. That all fell over 14 days. We had 2 flood events that forced closure of the course due to the inability to pass through the flood waters. The events were Friday May15th, in which 3.08"+ fell from Thursday-Friday morning. Flood water receded to allow us to open for the weekend but we flooded again from 2.23" of rain Sunday night forcing the course closed for half of the day on Monday May 18th. Carts were grounded on the 18-hole course 10 days and 15 days on the 9-hole course. There were also 4 frost delays for month.

High Temperatures In May																
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
90° days	1		2					1	3	1	2				2	
80° days	5	2	11	4	8	7	10	7	9	5	7	3	2	13	4	2
70° days	8	14	8	10	4	11	8	10	7	9	9	14	11	8	11	13
60° days	10	6	8	9	12	6	5	7	11	7	6	13	11	10	9	11
50° days	4	8	2	8	5	5	6	4	1	8	7	1	7		3	3
40° days	3	1			2	2	2	2		1					2	2
30° days																
Rain	9.5"	7.7"	5.9"	3.3"	5.4"	4.0"	4.8"	4.9"	2.6"	4.9"	5.2"	3.1"	4.7"	1.5"	4.0"	2.2"

GOLF

Rounds played were down 19% for May, and are down 38% for the year.

Green Fee revenue was down 1% for May, and is down 24% for the year.

Motorized cart revenue was up 66% for the month, and is down 73% for the year

Driving Range revenue was down 84% for the month, and was is down 80% for the year.

Resident Card sales were up 92% for the month, and are down 13% for the year.

Pro Shop sales were down 79% for May, and are down 62% for the year.

Total Golf Revenue was down 23% for the month, and is down 41% for the year.

Golf Revenue May											
	2010	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**
Rounds	9,685	8,617	10,550	7,647	9,089	9,375	10,035	8,468	8,824	6,872	5,590
Green Fees	250,437	204,372	257,288	185,960	221,319	228,593	244,793	206,351	223,066	191,363	189,810
Driving Range	29,487	25,477	32,851	0	33,163	32,955	36,392	32,148	40,365	36,096	5,627
Pro Shop	20,288	20,601	26,574	11,130	20,140	23,058	25,008	20,949	22,215	17,120	3,588
Carts	49,644	42,494	56,373	42,316	52,329	55,168	58,352	53,573	65,210	35,203	12,080
Resident Cards	3,293	3,048	4,310	4,935	5,770	5,090	4,670	4,060	3,920	2,800	5,380
Miscellaneous	8,982	7,776	8,705	5,475	28,089	10,360	8,266	10,678	13,282	13,001	9,886
Total Revenue	**362,065**	**303,567**	**385,904**	**249,783**	**337,596**	**355,237**	**379,424**	**327,759**	**368,058**	**295,582**	**226,371**

COVID-19 restrictions held Golf Revenues to 10 year lows

The onset of the **COVID-19 Global Pandemic** virtually shut down the Village Links golf operation on March 22, after a promising start with more favorable weather conditions than the past 3 springs. Lobbying efforts by the Allied Golf Associations convinced the state to re-open golf on March 25. Business was good. However, fears of large gatherings prompted the state to order all golf courses closed once again on March 26. The month of April was void of golfers, or any golf activity for the first time in Village Links' 52 year history of spring golf. The Village Links finally opened for golf on Friday, May 1, but with many restrictions. Twosomes every 15 minutes, with no push cart rentals, riding carts only for those with physical disabilities, and no driving range allowed us to operate at less than 30% of normal capacity to generate revenue. Golf staff scrambled to re-tool operations, as the Clubhouse and Golf Shop were also ordered to remain closed. Golf was finally allowed to resume near normal operations on Friday, May 29. 34% of the month's golf revenues were realized in those 3 days.

Grounds

1. Litter was removed from the parkways twice.
2. Driving range tee and select wear areas were fertilized.
3. Washed out sand bunkers were rehabbed 5 times.
4. All close mowed playing surfaces have begun plant protectant treatments.
5. Worked on range potholes as weather and time allowed
6. Continued working with vendors to secure terms

Mechanical and Building Maintenance

1. 14 pieces of equipment were repaired and serviced.
2. Six cutting units were sharpened.
3. Plexiglas placed in pro shop and halfway house, for COVID safety
4. Patio TV's reinstalled, patio bar coolers put in place

Horticulture/Conservation

1. Tropical plants moved into position around the clubhouse
2. Continue weed removal and bed clean-up

RESERVE 22

Reserve 22 was also forced to close its doors on March 17. Staff quickly set up a take-out only business. Attempts to run Golf Express through the front entrance proved unsuccessful, as golfers were mostly content to leave immediately after golf.
With heavy marketing, and building a reputation for excellent curbside service, staff was able to produce relatively successful one day sales for Easter Sunday (April), Mother's Day, and Cinco de Mayo through the closure of the restaurant and bar.
Also given the green light to open outdoor dining with restrictions on Friday, May 29, staff quickly assembled maximum seating space, and opened to much fanfare on our Top 10 patio. 67% of the months sales were done on those 3 days. The Halfway House was fitted with special Plexiglas sneeze guards, and operated as take-out only, as no customers were allowed inside.

	Reserve 22 - MAY			Year to Date		
	2019	2020	+/-	2019	2020	+/-
Restaurant & Bar	185,536	45,026	-75.7%	505,239	233,783	-53.7%
Banquets	101,682	0	-100.0%	241,284	106,995	-55.7%
from Outings	24,141	0	-100.0%	24,141	0	-100.0%
Beverage Cart	7,420	2,147	-71.1%	9,600	2,149	-77.6%
Halfway House	11,299	6,008	-46.8%	17,536	6,982	-60.2%
Other	433	691	59.6%	413	1,209	192.8%
Total Reserve 22	306,370	53,872	-82.4%	774,072	351,116	-54.6%

Staff is keeping a close eye on announcements to move into Phase 4, which could include the reintroduction of small sized banquets, as well as indoor dining and bar patrons, with restrictions.

THE NET EFFECT

Through aggressive cost control efforts, as well as the laying off of nearly all the seasonal staff, Village Links/Reserve 22 was able to dramatically reduce expenses to date during the pandemic restrictions, thus minimizing the crippling effects on the bottom line, to finish the month of May only 11% worse than a year ago.

We look forward to the re-opening of full capacity.

Finance Commission
535 Duane St.
Glen Ellyn, IL 60137

Meeting: 07/10/20 07:00 AM
Department: Finance Commission
Department Head: Christina Coyle
Category: Report
Prepared By: Ann Pedersen

SCHEDULED

AGENDA ITEM (ID # 4540) DOC ID: 4540

Village Links/Reserve 22 - Financial Statements - May 2020

Please see the attached financial statements.

ATTACHMENTS:

- Village Links - Financial Statements - May 2020 (PDF)

VILLAGE LINKS GLEN ELLYN | RESERVE 22 TWENTY-TWO

VILLAGE LINKS / RESERVE 22
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
As of May 31, 2020

ORG	DESCRIPTION	2020 BUDGET	MONTH 2020	MONTH 2019	MONTH DIFF	MONTH % DIFF	YEAR-TO-DATE 2020	YEAR-TO-DATE 2019	YEAR-TO-DATE DIFF	YEAR-TO-DATE % DIFF
	REVENUES:									
5500	Village Links Revenues	$ 2,997,700	$ 226,428	$ 296,865	$ (70,437)	-24%	$ 315,866	$ 534,690	$ (218,823)	-41%
5520	Reserve 22 Revenues	2,733,000	53,876	306,370	(252,493)	-82%	370,084	774,072	(403,988)	-52%
	Total Revenues	**$ 5,730,700**	**$ 280,304**	**$ 603,235**	**$ (322,931)**	**-54%**	**$ 685,951**	**$ 1,308,762**	**$ (622,811)**	**-48%**
	EXPENDITURES:									
55700	Administration	$ 457,977	$ 30,089	$ 32,805	$ (2,717)	-8%	$ 185,999	$ 173,718	$ 12,281	7%
55710	Golf Course Maintenance	820,822	53,335	65,853	(12,518)	-19%	251,939	290,911	(38,972)	-13%
55720	Golf Services	725,176	29,536	59,320	(29,784)	-50%	180,149	228,975	(48,826)	-21%
55730	Reserve 22	2,452,699	51,889	228,165	(176,277)	-77%	529,239	804,803	(275,563)	-34%
55740	Stormwater Management	28,823	267	769	(503)	-65%	1,904	2,007	(103)	-5%
55750	Pro Shop Merchandise	157,234	8,787	14,624	(5,836)	-40%	15,918	39,559	(23,641)	-60%
55780	Motorized Carts	43,448	58	2,546	(2,488)	-98%	307	4,117	(3,810)	-93%
557X5	Mechanical Maintenance	184,873	7,512	17,333	(9,821)	-57%	62,990	90,397	(27,408)	-30%
	Total Operating Expenses	$ 4,871,052	$ 181,472	$ 421,416	$ (239,944)	-57%	$ 1,228,444	$ 1,634,487	$ (406,042)	-25%
	Operating Income (Loss)	**$ 859,648**	**$ 98,832**	**$ 181,819**	**$ (82,987)**	**-46%**	**$ (542,494)**	**$ (325,725)**	**$ (216,769)**	**67%**
	Debt Service	657,696	-	-	-	0%	-	-	-	0%
	Capital Expenditures	192,000	12,440	63,621	(51,181)	-80%	20,525	182,493	(161,967)	-89%
	CHANGE IN NET POSITION	**$ 9,952**	**$ 86,392**	**$ 118,198**	**$ (31,807)**	**-27%**	**$ (563,019)**	**$ (508,218)**	**$ (54,801)**	**11%**

KEY METRICS

	Goal	MONTH 2020	MONTH 2019	MONTH DIFF	YTD 2020	YTD 2019	YTD DIFF
Personnel Expenses as % of Sales	*48%*	*45%*	*37%*	*8%*	*117%*	*68%*	*49%*
Cash Balance (End of Month, in $000's)	*$ 1,218*	*$ 139*	*$ 485*	*$ (346)*			

VILLAGE LINKS GLEN ELLYN | RESERVE 22 TWENTY-TWO

VILLAGE LINKS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
GOLF
(Including Administration, Grounds, & Mechanical Maintenance)
As of May 31, 2020

ORG/ OBJECT	DESCRIPTION	2020 BUDGET	MONTH 2020	MONTH 2019	MONTH DIFF	MONTH % DIFF	YEAR-TO-DATE 2020	YEAR-TO-DATE 2019	YEAR-TO-DATE DIFF	YEAR-TO-DATE % DIFF
5500	**VILLAGE LINKS REVENUES:**									
440550	Green Fees	$ 1,850,000	$ 189,810	$ 191,363	$ (1,553)	-1%	$ 217,562	$ 287,665	$ (70,103)	-24%
440554	Pro Shop - Sales	180,000	3,588	17,120	(13,532)	-79%	13,640	35,388	(21,747)	-61%
440555	Motor Carts	525,000	12,080	35,203	(23,123)	-66%	15,844	58,267	(42,423)	-73%
440556	Driving Range	285,000	5,627	36,096	(30,469)	-84%	13,666	65,962	(52,296)	-79%
440557	Resident Cards	32,000	5,380	2,800	2,580	92%	20,980	24,100	(3,120)	-13%
460100	Investment Income	13,200	30	809	(779)	-96%	2,337	5,604	(3,267)	-58%
489000	Miscellaneous Revenue	112,500	9,920	13,432	(3,512)	-26%	32,140	57,691	(25,551)	-44%
489100	Miscellaneous - Over/Short	-	(6)	43	(49)	-114%	(304)	13	(316)	-2498%
	Total Revenues	**$ 2,997,700**	**$ 226,428**	**$ 296,865**	**$ (70,437)**	**-24%**	**$ 315,866**	**$ 534,690**	**$ (218,823)**	**-41%**
	COST OF GOODS SOLD:									
520945	Cost of Goods Sold - Pro Shop	$ 126,000	$ 6,799	$ 12,523	$ (5,724)	-46%	$ 4,045	$ 28,058	$ (24,013)	-86%
	Total Cost of Goods Sold	**$ 126,000**	**$ 6,799**	**$ 12,523**	**$ (5,724)**	**-46%**	**$ 4,045**	**$ 28,058**	**$ (24,013)**	**-86%**
	Gross Profit	**$ 2,871,700**	**$ 219,629**	**$ 284,342**	**$ (64,714)**	**-23%**	**$ 311,821**	**$ 506,631**	**$ (194,810)**	**-38%**
	OTHER OPERATING EXPENSES:									
510100	Salaries - Pensionable	$ 898,265	$ 64,562	68491.07	$ (3,929)	-6%	$ 338,672	$ 302,095	$ 36,577	12%
510120	Salaries - Non-Pensionable	168,200	5,336	20545	(15,209)	-74%	14,752	41,089	(26,337)	-64%
510200	Salaries - Overtime	4,500	112	418.05	(306)	-73%	112	548	(435)	-80%
510400	FICA Taxes	81,928	5,129	6715.72	(1,587)	-24%	26,177	25,822	355	1%
510500	IMRF	81,653	5,609	4807.74	802	17%	29,600	20,995	8,605	41%
590600	Health Insurance	132,375	10,121	8088.1	2,033	25%	55,512	43,760	11,752	27%
52XXXX	Contractual Services	630,932	22,536	48920.1	(26,384)	-54%	181,530	231,756	(50,225)	-22%
53XXXX	Commodities	294,500	9,378	22741.91	(13,364)	-59%	48,804	135,561	(86,758)	-64%
	Total Operating Expenses	**$ 2,292,353**	**$ 122,784**	**$ 180,728**	**$ (57,943)**	**-32%**	**$ 695,160**	**$ 801,625**	**$ (106,466)**	**-13%**
	Operating Income (Loss)	**$ 579,347**	**$ 96,844**	**$ 103,615**	**$ (6,770)**	**-7%**	**$ (383,339)**	**$ (294,994)**	**$ (88,344)**	**30%**
	Operating Income (Loss) Percentage	**19%**	**43%**	**35%**			**-121%**	**-55%**		

KEY METRICS

	Goal	MONTH 2020	MONTH 2019	MONTH DIFF	YTD 2020	YTD 2019	YTD DIFF
Rounds Played	*70,000*	*5,590*	*6,862*	*(1,272)*	*7,078*	*11,455*	*(4,377)*
Revenue Per Round	*$ 42.82*	*$ 40.51*	*$ 43.26*	*$ (2.76)*	*$ 44.63*	*$ 46.68*	*$ (2.05)*
Resident Cards Sold	*N/A*	*288*	*145*	*143*	*1,930*	*2,087*	*(157)*
Cost of Goods Sold % - Pro Shop	*70%*	*190%*	*73%*	*116%*	*30%*	*79%*	*-50%*
Personnel Expenses as % of Sales	*46%*	*40%*	*37%*	*3%*	*147%*	*81%*	*66%*

VILLAGE LINKS GLEN ELLYN | RESERVE 22 TWENTY-TWO

VILLAGE LINKS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
GOLF
(Including Administration, Grounds, & Mechanical Maintenance)
As of May 31, 2020

ORG/ OBJECT	DESCRIPTION	2020 BUDGET	MONTH 2020	MONTH 2019	MONTH DIFF	MONTH % DIFF	YEAR-TO-DATE 2020	YEAR-TO-DATE 2019	YEAR-TO-DATE DIFF	YEAR-TO-DATE % DIFF
	MISCELLANEOUS REVENUE									
	Miscellaneous Revenue includes the following items, which don't fit into any of the major revenue categories:									
	Handicaps		*$ 520*	*$ 4,135*	*$ (3,615)*		*$ 13,560*	*$ 33,575*	*$ (20,015)*	
	Hand Cart Rentals		*769*	*4,914*	*(4,145)*		*1,625*	*7,044*	*(5,419)*	
	Adult & Junior Golf Lessons		*8,450*	*2,610*	*5,840*		*13,250*	*9,715*	*3,535*	
	Golf Club Rentals		*-*	*560*	*(560)*		*30*	*730*	*(700)*	
	Golf Club Repairs		*60*	*612*	*(552)*		*170*	*2,027*	*(1,857)*	
	Locker Rentals		*80*	*160*	*(80)*		*2,880*	*3,200*	*(320)*	
	Illinois Sales Tax (1.75%)		*35*	*248*	*(212)*		*610*	*811*	*(202)*	
	Glen Ellyn Food & Beverage Tax (1%)		*(2)*	*(14)*	*12*		*19*	*3*	*16*	
	Memorial Tree Donation		*-*	*-*	*-*		*-*	*250*	*(250)*	
	FootGolf Ball Rentals		*15*	*-*	*15*		*15*	*20*	*(5)*	
	ATM Machine Commission		*-*	*11*	*(11)*		*20*	*31*	*(12)*	
	Miscellaneous		*(8)*	*197*	*(205)*		*(38)*	*285*	*(323)*	
	Total	*$ 112,500*	*$ 9,920*	*$ 13,432*	*$ (3,512)*		*$ 32,140*	*$ 57,691*	*$ (25,551)*	

VILLAGE LINKS GLEN ELLYN | RESERVE 22 TWENTY-TWO

RESERVE 22
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
As of May 31, 2020

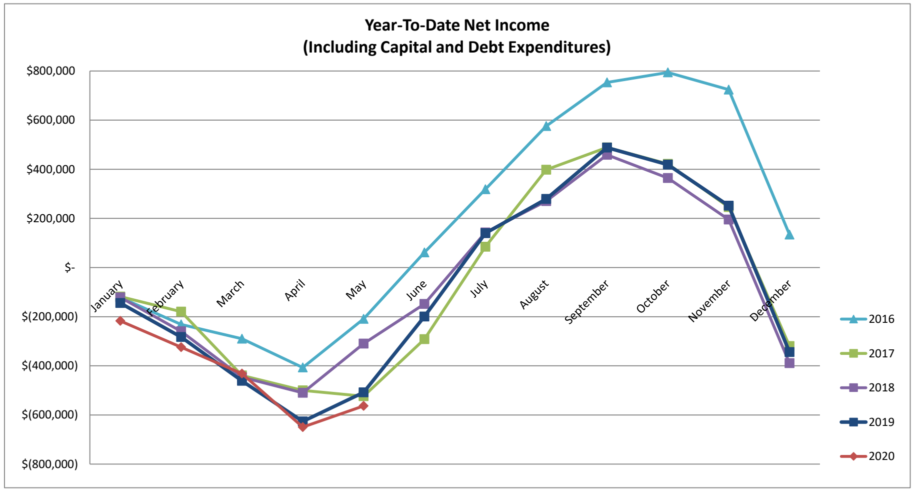
ORG/ OBJECT	DESCRIPTION	2020 BUDGET	MONTH 2020	MONTH 2019	MONTH DIFF	MONTH % DIFF	YEAR-TO-DATE 2020	YEAR-TO-DATE 2019	YEAR-TO-DATE DIFF	YEAR-TO-DATE % DIFF
5520	**RESERVE 22 REVENUES:**									
441100	Food	$ 1,500,000	$ 33,289	$ 170,996	$ (137,707)	-81%	$ 228,989	$ 458,904	$ (229,915)	-50%
441101	Liquor	260,000	4,649	28,053	(23,404)	-83%	33,507	66,842	(33,335)	-50%
441102	Beer	485,000	9,972	58,696	(48,724)	-83%	39,624	119,683	(80,059)	-67%
441103	Wine	235,000	4,006	24,652	(20,646)	-84%	35,958	70,928	(34,970)	-49%
441104	NA Beverages	85,000	1,920	7,446	(5,526)	-74%	6,785	16,878	(10,093)	-60%
441106	Room Charges	4,000	-	-	-	0%	1,950	1,500	450	30%
441107	Service Charges	160,000	-	16,506	(16,506)	-100%	21,663	39,327	(17,664)	-45%
489000	Miscellaneous Revenue	4,000	40	20	20	102%	1,608	10	1,598	15960%
	Total Revenues	**$ 2,733,000**	**$ 53,876**	**$ 306,370**	**$ (252,493)**	**-82%**	**$ 370,084**	**$ 774,072**	**$ (403,988)**	**-52%**
	COST OF GOODS SOLD:									
530400	Cost of Goods Sold - Beer	$ 121,250	$ 2,593	$ 15,111	$ (12,519)	-83%	$ 11,721	$ 30,469	$ (18,748)	-62%
530401	Cost of Goods Sold - Wine	68,150	1,282	8,658	(7,376)	-85%	11,941	18,661	(6,720)	-36%
530402	Cost of Goods Sold - Liquor	46,800	1,209	7,815	(6,606)	-85%	6,769	15,162	(8,392)	-55%
530405	Cost of Goods Sold - NA Beverages	28,050	(407)	4,358	(4,766)	-109%	3,459	11,439	(7,980)	-70%
530420	Cost of Goods Sold - Food	495,000	7,052	50,133	(43,081)	-86%	75,953	156,487	(80,534)	-51%
	Total Cost of Goods Sold	**$ 759,250**	**$ 11,729**	**$ 86,076**	**$ (74,347)**	**-86%**	**$ 109,844**	**$ 232,217**	**$ (122,374)**	**-53%**
	Gross Profit	**$ 1,973,750**	**$ 42,148**	**$ 220,294**	**$ (178,146)**	**-81%**	**$ 260,241**	**$ 541,855**	**$ (281,614)**	**-52%**
	Gross Profit Percentage	**72%**	**78%**	**72%**			**70%**	**70%**		
	OTHER OPERATING EXPENSES:									
510100	Salaries - Pensionable	$ 640,000	$ 25,312	$ 51,787	$ (26,474)	-51%	$ 204,805	$ 237,062	$ (32,258)	-14%
510120	Salaries - Non-Pensionable	465,000	380	38,959	(38,579)	-99%	60,287	122,662	(62,375)	-51%
510200	Salaries - Overtime	5,000	-	4,120	(4,120)	-100%	400	4,451	(4,052)	-91%
510399	Tips Paid Through Payroll	-	(1,631)	1,955	(3,586)	-183%	2,576	1,328	1,248	94%
510400	FICA Taxes	115,440	1,932	9,341	(7,409)	-79%	23,190	33,712	(10,522)	-31%
510500	IMRF	58,176	2,231	4,429	(2,199)	-50%	20,253	18,776	1,476	8%
590600	Health Insurance	86,200	4,877	5,848	(971)	-17%	26,826	34,424	(7,598)	-22%
52XXXX	Contractual Services	178,883	4,392	13,620	(9,228)	-68%	48,225	63,121	(14,896)	-24%
53XXXX	Commodities	144,750	2,666	12,030	(9,364)	-78%	32,835	57,049	(24,214)	-42%
	Total Operating Expenses	**$ 1,693,449**	**$ 40,160**	**$ 142,089**	**$ (101,929)**	**-72%**	**$ 419,396**	**$ 572,585**	**$ (153,190)**	**-27%**
	Operating Income (Loss)	**$ 280,301**	**$ 1,987**	**$ 78,204**	**$ (76,217)**	**-97%**	**$ (159,155)**	**$ (30,731)**	**$ (128,424)**	**418%**
	Operating Income (Loss) Percentage	**10%**	**4%**	**26%**			**-43%**	**-4%**		

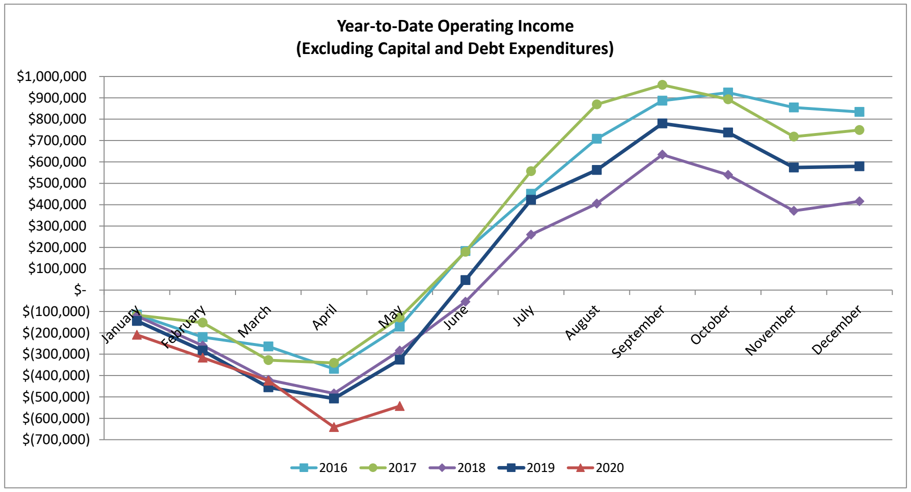
VILLAGE LINKS GLEN ELLYN | RESERVE 22 TWENTY-TWO

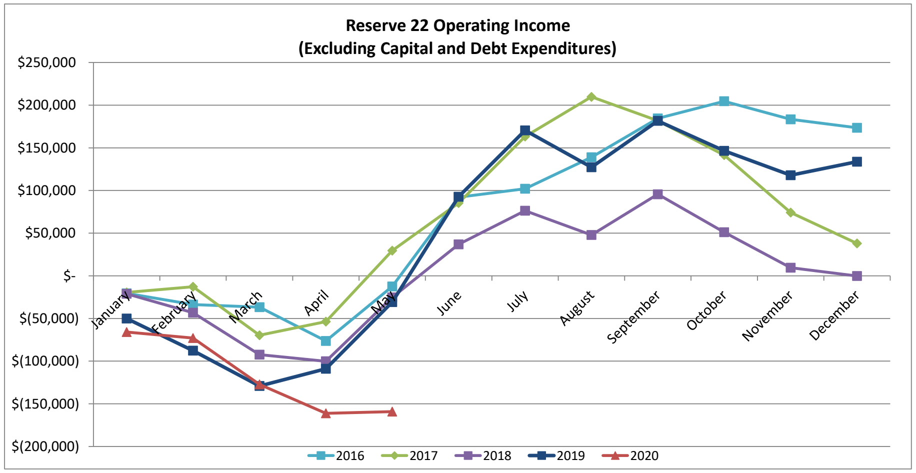
RESERVE 22
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
As of May 31, 2020

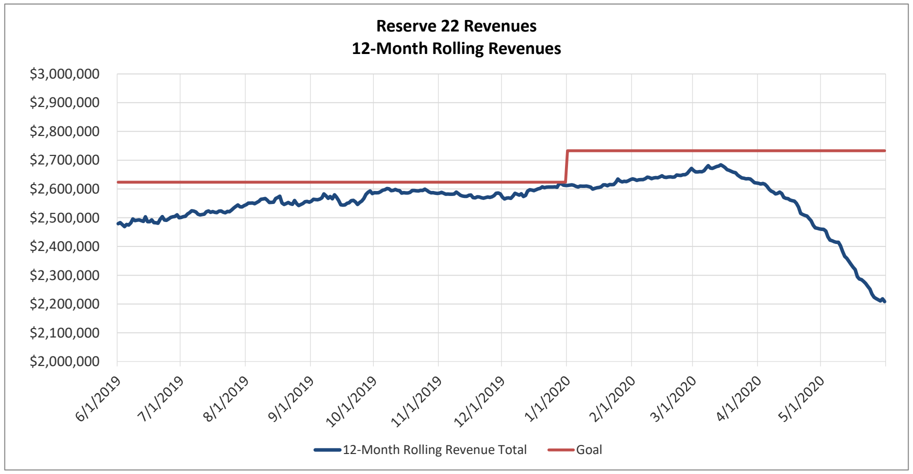
ORG/ OBJECT	DESCRIPTION	2020 BUDGET	MONTH 2020	MONTH 2019	MONTH DIFF	MONTH % DIFF	YEAR-TO-DATE 2020	YEAR-TO-DATE 2019	YEAR-TO-DATE DIFF	YEAR-TO-DATE % DIFF
	KEY METRICS									
		Goal								
	Revenue Source:									
	Restaurant/Bar	*N/A*	*$ 45,012*	*$ 185,507*	*$ (140,495)*	*-76%*	*$ 233,406*	*$ 505,199*	*$ (271,794)*	*-54%*
	Banquets	*N/A*	*-*	*101,682*	*(101,682)*	*-100%*	*125,958*	*241,284*	*(115,326)*	*-48%*
	Other	*N/A*	*8,864*	*19,181*	*(10,317)*	*-54%*	*10,721*	*27,589*	*(16,868)*	*-61%*
	Total	*$ 2,733,000*	*$ 53,876*	*$ 306,370*	*$ (252,493)*	*-82%*	*$ 370,084*	*$ 774,072*	*$ (403,988)*	*-52%*
	Reserve 22 Revenues (Last 12 Months)	*$ 2,733,000*					$ 2,208,501	$ 2,482,490	*$ (273,989)*	*-11%*
	Reserve 22 Expenses (Last 12 Months)	*$ 2,452,699*					$ 2,203,156	$ 2,488,242	*$ (285,086)*	*-11%*
	# Guest Checks (Restaurant/Bar)	*N/A*	*852*	*5,638*	*(4,786)*		*6,245*	*15,326*	*(9,081)*	
	Revenue Per Guest Check	*N/A*	*$ 52.83*	*$ 32.90*	*$ 19.93*		*$ 37.37*	*$ 32.96*	*$ 4.41*	
	# Guests (Restaurant/Bar)	*N/A*	*1,386*	*9,637*	*(8,251)*		*9,799*	*26,163*	*(16,364)*	
	Average Guest Spend	*N/A*	*$ 32.48*	*$ 19.25*	*$ 13.23*		*$ 23.82*	*$ 19.31*	*$ 4.51*	
	Cost of Goods Sold %	*28%*	*22%*	*28%*	*-6%*		*30%*	*30%*	*0%*	
	Cost of Goods Sold % (By Category):									
	Cost of Goods Sold - Beer	*25%*	*26%*	*26%*	*0%*		*30%*	*25%*	*4%*	
	Cost of Goods Sold - Wine	*29%*	*32%*	*35%*	*-3%*		*33%*	*26%*	*7%*	
	Cost of Goods Sold - Liquor	*18%*	*26%*	*28%*	*-2%*		*20%*	*23%*	*-2%*	
	Cost of Goods Sold - NA Beverages	*33%*	*-21%*	*59%*	*-80%*		*51%*	*68%*	*-17%*	
	Cost of Goods Sold - Food	*33%*	*21%*	*29%*	*-8%*		*33%*	*34%*	*-1%*	
	Personnel Expenses as % of Sales	*50%*	*64%*	*37%*	*27%*		*91%*	*58%*	*32%*	
	Prime Cost (Cost of Goods Sold + Personnel Expenses) as % of Sales	*78%*	*86%*	*65%*	*21%*		*120%*	*88%*	*32%*	

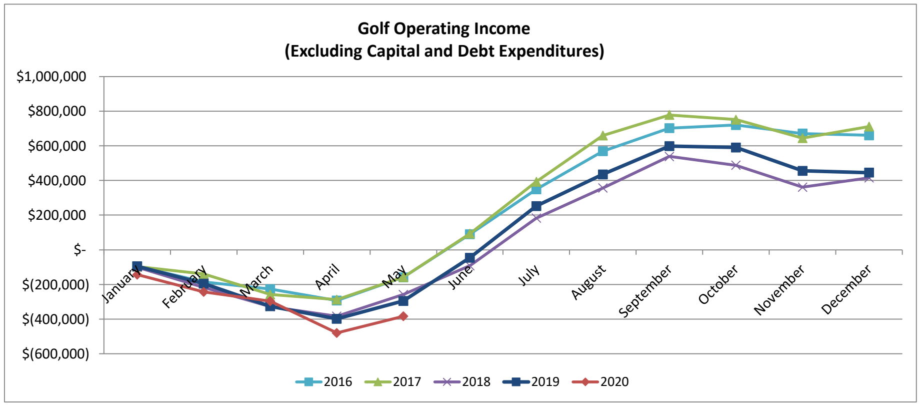
Village Links / Reserve 22
Dashboard Financial Report
As of May 31, 2020

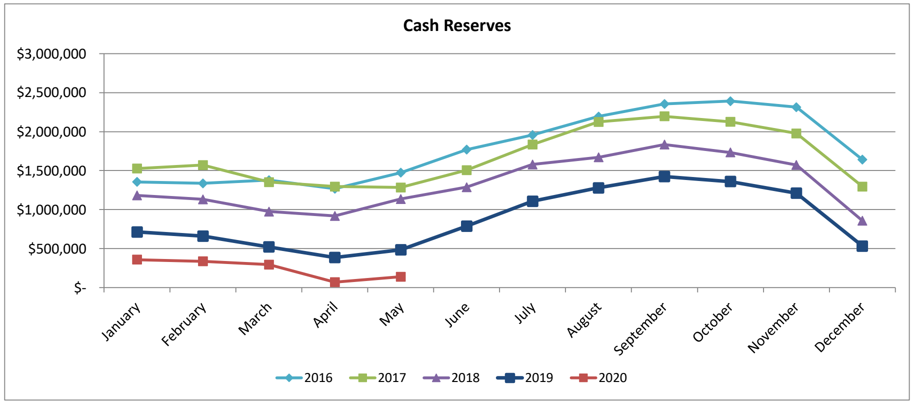












Attachment: Village Links - Financial Statements - May 2020 (4540 : Village Links/Reserve 22 - Financial

Finance Commission
535 Duane St.
Glen Ellyn, IL 60137

Meeting: 07/10/20 07:00 AM
Department: Finance Commission
Department Head: Christina Coyle
Category: Report
Prepared By: Christina Coyle

SCHEDULED

AGENDA ITEM (ID # 4543) DOC ID: 4543

Finance Director Coyle will update the Commission on the Covid-19 revenue projections.

Background:

During the Covid pandemic, staff has modeled and monitored revenue reductions that were likely to align with the economic impact of the pandemic. Many of the revenues received from the Village are at a lag. The Village is just beginning to receive sales tax data from the beginning of the pandemic. This memo serves to update the Finance Commission on some key revenue metrics for the Village.

In the Village's initial modeling, it was identified that these key revenue streams would be impacted by Covid-19. Key revenue streams are those that have a significant impact on the Village's financial health.

- Sales Tax (General Fund)
- Home Rule Sales Tax (General Fund)
- Income Tax (General Fund)
- Real Estate Transfer Tax (Capital Projects Fund)
- Food & Beverage Tax (Capital Projects Fund)

Analysis:

This memo provides an update on the actual performance of these revenue streams to date. An update from the Illinois Municipal League (IML) is also attached for reference.

Sales Tax (General Fund):

The sales tax information from the Illinois Department of Revenue has only been released through March sales. April sales information is anticipated soon, but has not been released. March sales tax only performed 1.2% or $3,377 lower than the prior year. Sales tax is taken on grocery purchases and the mass buying of items such as bread, toilet paper, and hand sanitizer in March likely helped the sales tax performance for Glen Ellyn. Receiving sales tax data for April and May is needed to determine if this pattern will continue. If it does, then actual performance will be much better than our original projections for Covid-19. Attached to this memo is also a chart depicting historical sales tax performance. Through June, the Village is only behind $9,317 on the year-to-date budget on sales tax.

Home Rule Sales Tax (General Fund):

The home sales tax information from the Illinois Department of Revenue has only been released through March sales. April sales information is anticipated soon, but has not been released. March home rule sales tax performed 12.3% or $25,168 lower than the prior March. Home Rule Sales Tax is not collected on groceries, which is likely why this tax did not perform as well as sales tax. Year-to-date through June, home rule sales tax is $5,090 above the year-to-date budget. Receiving home rule sales tax data for April and May is needed to determine any pattern with this revenue stream. Attached to this memo is also a chart depicting the historical home rule sales tax performance. It should be noted that 2019 is the first full year of the 1.25% rate. The home rule sales tax rate increased from 1.00% to 1.25% in July 2018.

Income Tax (General Fund):

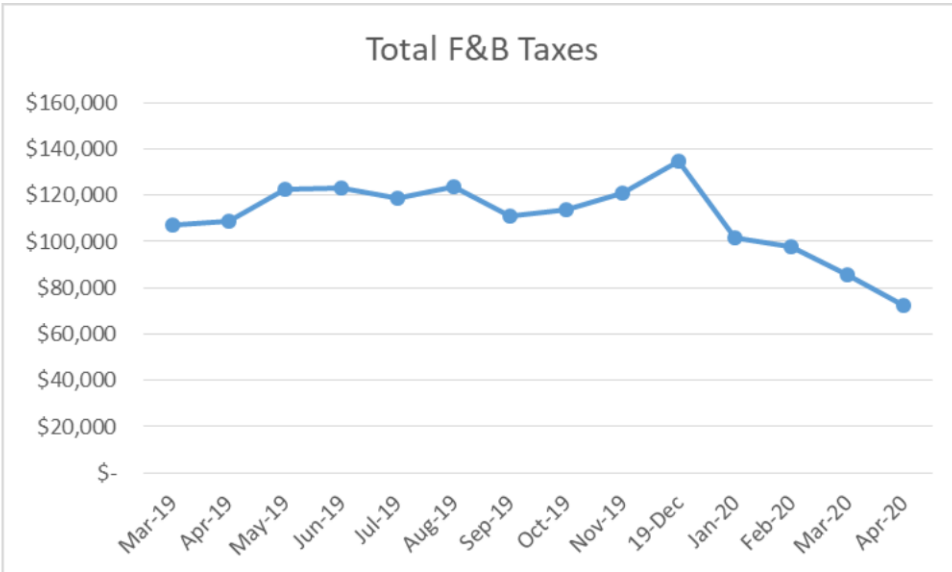
Income tax for June is for May collections. Year-to-date income tax revenue is $1,449,885. This is $121,171 below our year-to-date budget. Based on the attached projections from the Illinois Municipal League, Income tax is anticipated to be $2,667,163 for 2020. This is below our budget of $2,730,000 by $62,837. This is improved from our Covid projections of a loss between $227,000 and $682,500.

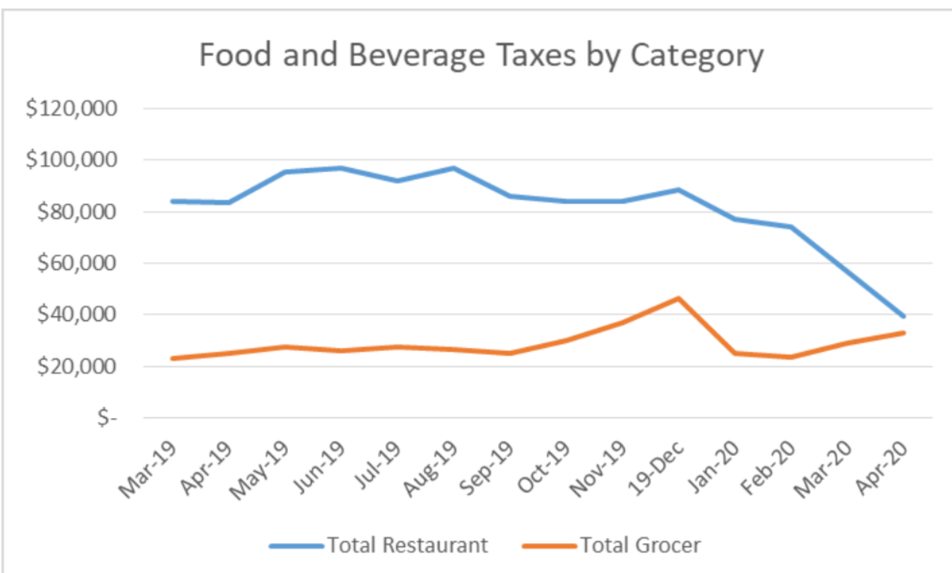
Real Estate Transfer Tax (Capital Projects Fund)

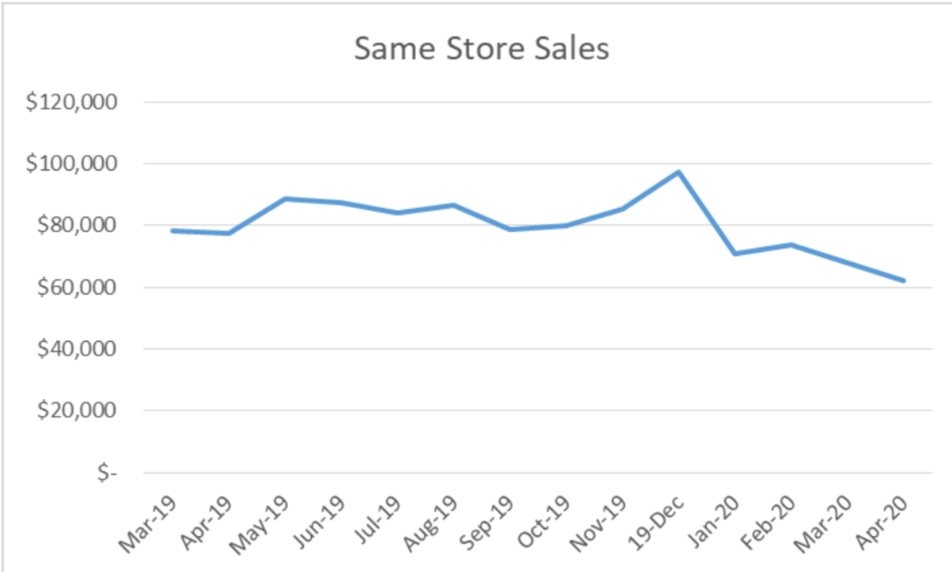
Our original Covid model showed a real estate transfer tax reduction between $62,500 and $387,057. Based upon year-to-date revenues, we estimate the actual reduction to be approximately $160,000. Year-to-date, real estate transfer taxes are down $57,743 from the prior year.

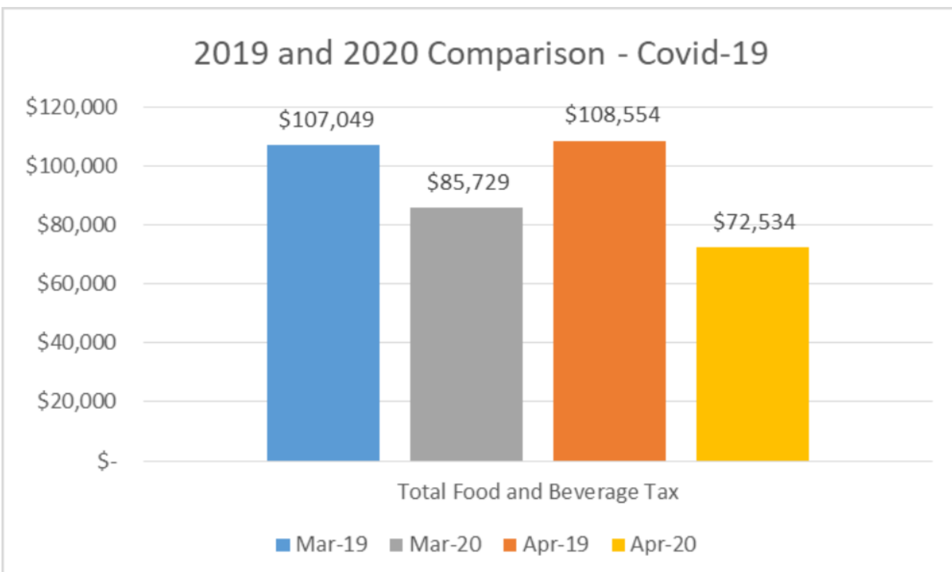
Food & Beverage Tax (Capital Projects Fund)

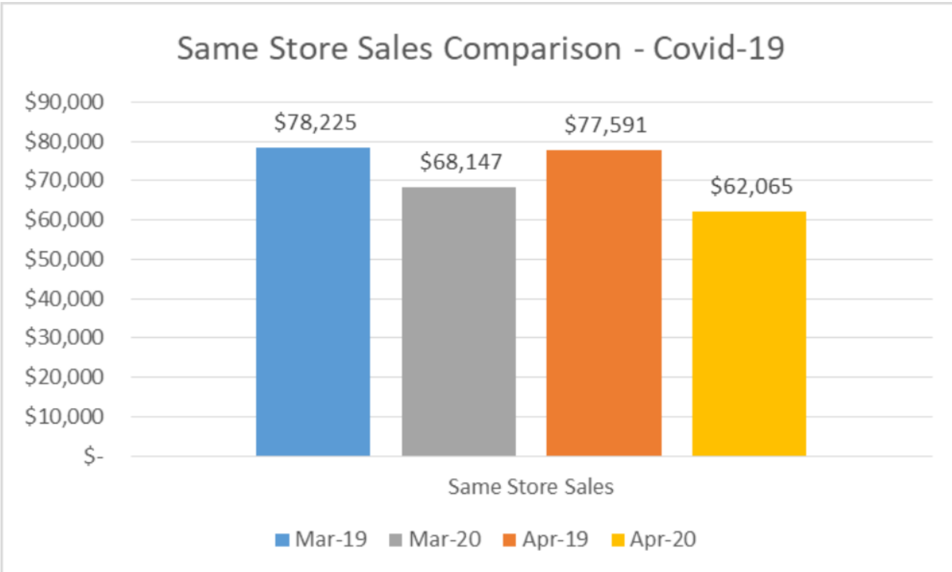
Our original Covid model showed food and beverage tax revenues decreasing between $108,333 and $975,000 for 2020. Based upon data through May receipts, we currently anticipate this reduction to be $220,000 for 2020. Decreases in restaurant sales were somewhat offset by grocer sales (likely packaged liquor). Some charts are included below to provide some points of reference for food and beverage tax performance. A same store sales comparison was also made. This removes any restaurant/store that opened or closed during the analysis period and also removed any restaurant/store that has not filed a return during the Covid period as a grace period was allowed.


Total F&B Taxes
$160,000
$140,000
$120,000
$100,000
$80,000
$60,000
$40,000
$20,000
$-
Mar-19
Apr-19
May-19
Jun-19
Jul-19
Aug-19
Sep-19
Oct-19
Nov-19
19-Dec
Jan-20
Feb-20
Mar-20
Apr-20


Food and Beverage Taxes by Category
$120,000
$100,000
$80,000
$60,000
$40,000
$20,000
$-
Mar-19
Apr-19
May-19
Jun-19
Jul-19
Aug-19
Sep-19
Oct-19
Nov-19
19-Dec
Jan-20
Feb-20
Mar-20
Apr-20
Total Restaurant
Total Grocer


Same Store Sales
$120,000
$100,000
$80,000
$60,000
$40,000
$20,000
$-
Mar-19
Apr-19
May-19
Jun-19
Jul-19
Aug-19
Sep-19
Oct-19
Nov-19
19-Dec
Jan-20
Feb-20
Mar-20
Apr-20


2019 and 2020 Comparison - Covid-19
$120,000
$100,000
$80,000
$60,000
$40,000
$20,000
$-
$107,049
$85,729
$108,554
$72,534
Total Food and Beverage Tax
Mar-19
Mar-20
Apr-19
Apr-20



<u>Full Capital Projects Fund Revenues</u>

The Covid analysis for the Capital Projects has been updated and is attached. At this time, we anticipate revenues to be $443,000 below budget. This is within the range of the original estimates provided. We will continue to update this analysis as additional information becomes available. We will update the full analysis for the General Fund once the data for sales tax and home rule sales tax is more certain. At this point, only having the data for March makes it difficult to come to a more firm estimate.

ATTACHMENTS:

- Sales Tax History through June 2020 (PDF)
- Home Rule Sales Tax History through June 2020 (PDF)
- Income Tax History through June 2020 (PDF)
- IML Revenue Estimates July 2020 (PDF)
- Covid Capital projects Fund Update 2020-07-07 (PDF)

Village of Glen Ellyn
General Fund
Sales Tax - History

Month Received by Village	For Sales in Month of	2012	2013	2014	2015	2016	2017	2018	2019	2020	% Change From Prior Incr/(Decr)	Monthly Budget	Monthly Budget Variance $	Monthly Budget Variance %
January	October	243,006	253,863	255,696	261,542	272,373	287,082	277,441	278,639	310,359	11%	294,097.61	$ 16,261	5.5%
February	November	248,669	255,899	262,219	260,029	275,765	288,225	283,168	275,345	307,678	12%	296,392.76	$ 11,285	3.8%
March	December	320,782	281,126	303,413	305,367	319,664	344,629	335,213	372,925	348,226	-7%	349,326.92	$ (1,101)	(0.3%)
April	January	257,287	257,939	245,057	264,997	285,569	287,726	280,897	267,055	289,385	8%	299,599.39	$ (10,214)	(3.4%)
May	February	236,301	228,521	220,976	248,053	279,367	259,416	255,310	250,650	268,454	7%	278,927.93	$ (10,474)	(3.8%)
June	March	240,112	242,780	270,066	270,903	294,184	271,399	281,881	287,701	284,324	-1%	299,398.18	$ (15,074)	(5.0%)
July	April	234,506	255,149	260,414	275,433	274,695	271,909	277,415	283,889			294,502.12		
August	May	264,532	263,398	287,450	280,279	314,704	303,341	302,606	264,888			321,395.56		
September	June	254,215	267,122	261,544	274,896	295,277	283,072	300,417	286,666			308,830.13		
October	July	246,032	251,388	274,720	284,255	280,905	265,804	279,602	300,873			297,525.86		
November	August	277,053	280,174	290,262	303,881	321,092	304,514	301,604	321,859			329,657.12		
December	September	235,399	257,160	274,903	275,464	287,154	267,890	272,323	289,014			295,346.42		
Total		$ 3,057,894	$ 3,094,519	$ 3,206,720	$ 3,305,099	$ 3,500,749	$ 3,435,007	$ 3,447,877	$ 3,479,504	$ 1,808,426		$ 3,665,000	$ (9,317)	
Budget										$ 3,665,000				
Year to date		$ 1,546,157	$ 1,520,128	$ 1,557,427	$ 1,610,891	$ 1,726,922	$ 1,738,477	$ 1,713,910	$ 1,732,315	$ 1,808,426				
YTD % Change from prior YTD		N/A	(1.7%)	2.5%	3.4%	7.2%	0.7%	(1.4%)	1.1%					

Village of Glen Ellyn
General Fund
Home Rule Sales Tax History

Month Received by Village	For Sales in Month of	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	% Change From Prior Incr/(Decr)	Monthly Budget	Monthly Budget Variance $	Monthly Budget Variance %
January	October	135,813	139,324	142,906	138,381	$ 147,280	$ 153,697	$ 159,304	$ 154,083	$ 198,323	$ 216,975	9.4%	$ 197,165	$ 19,810	10.0%
February	November	147,976	140,563	142,786	152,666	153,420	155,471	163,090	159,793	198,172	219,442	10.7%	202,726	$ 16,716	8.2%
March	December	173,882	184,853	168,686	179,396	183,561	188,745	213,447	205,566	244,038	252,540	3.5%	253,692	$ (1,152)	(0.5%)
April	January	148,985	150,795	149,032	142,324	156,428	150,988	159,762	159,674	189,132	202,168	6.9%	201,141	$ 1,027	0.5%
May	February	119,921	131,286	124,396	121,821	135,787	147,890	143,711	147,703	173,357	174,310	0.5%	184,485	$ (10,175)	(5.5%)
June	March	134,909	141,562	135,511	154,050	154,214	159,833	152,660	157,283	204,329	179,161	(12.3%)	200,297	$ (21,136)	(10.6%)
July	April	133,295	135,982	138,681	147,044	151,743	145,673	157,547	155,145	206,202			195,764		
August	May	148,605	150,607	150,544	161,892	160,910	171,420	174,129	179,554	235,769			219,957		
September	June	152,970	153,570	152,925	155,133	167,703	165,766	163,716	175,625	211,839			215,809		
October	July	143,217	136,906	140,104	146,209	160,475	154,548	151,128	200,837	228,309			213,235		
November	August	173,486	170,932	173,889	182,237	186,006	185,334	177,775	225,574	237,218			247,868		
December	September	141,314	135,557	148,687	164,244	162,437	162,160	156,168	200,325	206,296			217,861		
Total		$ 1,754,373	$ 1,771,937	$ 1,768,147	$ 1,845,397	$ 1,919,964	$ 1,941,525	$ 1,972,437	$ 2,121,162	$ 2,532,984	$ 1,244,596		$ 2,550,000	$ 5,090	
Budget											$ 2,550,000				
Year to date		$ 861,486	$ 888,383	$ 863,317	$ 888,638	$ 930,690	$ 956,624	$ 991,974	$ 984,102	$ 1,207,351	$ 1,244,596				
YTD % Change from prior YTD			3%	-3%	3%	5%	2.8%	3.7%	-0.8%	22.7%					

Village of Glen Ellyn
General Fund
State Income Tax History

Month Received by Village	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	% Change From Prior Incr/(Decr)	Monthly Budget	Monthly Budget Variance $	Monthly Budget Variance %
January	$ 185,404	$ 198,900	$ 220,608	$ 252,205	$ 223,609	$ 274,115	$ 238,761	$ 211,005	$ 230,379	$ 254,106	10.3%	$ 239,391	$ 14,715	6.1%
February	229,119	229,321	260,417	267,654	333,626	299,967	276,142	305,429	277,165	261,799	(5.5%)	$ 305,804	$ (44,005)	(14.4%)
March	114,275	152,994	146,025	152,873	145,544	173,660	144,535	153,546	166,889	194,673	16.6%	$ 155,865	$ 38,808	24.9%
April	196,592	237,550	253,562	267,331	297,422	268,708	278,731	235,777	268,058	285,926	6.7%	$ 272,287	$ 13,639	5.0%
May	251,173	344,916	468,356	414,891	492,057	378,740	372,159	380,826	557,600	279,948	(49.8%)	$ 407,672	$ (127,724)	(31.3%)
June	163,860	181,341	159,120	154,535	204,343	181,039	192,469	175,928	174,136	173,403	(0.4%)	$ 190,007	$ (16,604)	(8.7%)
July	212,271	232,868	243,701	255,760	288,316	258,373	254,613	237,871	260,416			$ 261,638		
August	146,036	146,127	151,411	149,199	167,315	150,461	121,679	174,613	186,674			$ 154,373		
September	140,565	144,946	147,714	145,901	159,358	164,347	143,523	170,415	165,216			$ 160,793		
October	223,259	228,229	257,711	260,330	283,313	242,861	218,522	264,857	294,775			$ 253,823		
November	142,185	172,451	170,627	175,513	186,805	163,003	164,457	190,758	192,387			$ 177,675		
December	133,873	142,318	136,195	131,975	146,094	147,677	144,786	158,112	181,797			$ 150,672		
Total	$ 2,138,612	$ 2,411,961	$ 2,615,448	$ 2,628,167	$ 2,927,802	$ 2,702,951	$ 2,550,377	$ 2,659,137	$ 2,955,492	$ 1,449,855		$ 2,730,000	$ (121,171)	
		12.8%	8.4%	0.5%	11.4%	-7.7%	-5.6%	4.3%	11.1%					
Annual Budget										$ 2,730,000				
YTD Total	$ 1,140,423	$ 1,345,022	$ 1,508,089	$ 1,509,489	$ 1,696,601	$ 1,576,229	$ 1,502,797	$ 1,462,511	$ 1,674,227	$ 1,449,855				
YTD as a percent of total	53.3%	55.8%	57.7%	57.4%	57.9%	58.3%	58.9%	55.0%	56.6%					
YTD % Change from prior YTD		17.9%	12.1%	0.1%	12.4%	(7.1%)	(4.7%)	(2.7%)	14.5%					

Revenue Estimates: State Shared Municipal Revenues - MFY 2020 Update; MFY 2021 Revised Forecast

By Natalie Davila, Joanna Koh and Michael D. Klemens, KDM, Inc.

The COVID-19 outbreak and associated government stay at home orders instituted in mid-March have been the biggest disruption to the economy since the Great Depression. The shutdown of the economy has caused both reduced demand and supply, resulting in lost jobs, production, income and Gross Domestic Product (GDP). It has also exposed major weaknesses in the U.S. supply chain and manufacturing.

Almost 43 million unemployment claims were filed nationwide by May 30, 2020. In May, unemployment fell from 14.7% to 13.3%, in sharp contrast with a consensus forecast of up to 20%. However, the May report included a footnote saying that there had been an error indicating that the unemployment rate likely should be higher than the widely reported rate. Correcting for this misclassification error yields a 16.3% rate for May and 19.7% for April. The expected GDP decreases for the second quarter of 2020 range between 34.0% and 53.8%, while the first quarter GDP declined by 4.8%.[1, 2] Looking forward, a recent survey of economists found the majority were predicting that these contractions could continue into the future: the results suggest a 23% probability that the economy will not grow again until the fourth quarter of 2020 and a 22% probability that it will not grow until the first quarter of 2021 or later.[3]

Congress passed the Coronavirus Aid, Relief and Economic Security (CARES) Act on March 27, 2020, providing $2.2 trillion to stimulate the economy and help workers and families.[4] Most relevant for revenue forecasting purposes are:

- Direct cash to taxpayers of up to $1,200 per person (based on income).
- Expanded unemployment compensation benefits for individual workers and elimination of waiting periods to receive benefits. In addition to state benefit amounts, affected employees received an additional $600 per week through July 2020. This boosted the average Illinois unemployment insurance payment to around $1,020 per week.
- A loan guarantee program called the Paycheck Protection Program (PPP) to help small businesses and nonprofits keep employees on the payroll. PPP loans convert into federal grants if business owners meet certain conditions. Originally, the program rules required business owners to spend PPP money within eight weeks and direct 75% of funding toward payroll costs to get their loan fully forgiven. Recent changes to the law extend the deadline to 24 weeks and reduce the share of funding that must be directed toward payroll costs to 60%. It also pushes back a June 30 deadline to rehire laid-off workers. At the time of writing, the U.S. Small Business Administration, which oversees the lending program, had approved more than 4.5 million PPP loans worth $510.8 billion. More than $120 billion in funding is still available.
- Other business tax relief including tax credits for companies that keep employees on their payrolls. Employers that need to fully or partially cease operations, or experience substantial decreases in revenue due to the pandemic, can recoup up to 50% of eligible wages paid to workers through refundable payroll tax credits. The refundable tax credit

is 50% of up to $10,000 in wages paid by an eligible employer whose business has been financially impacted by COVID-19.

Congress is currently negotiating another stimulus bill based on the Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act passed by the House of Representatives on May 15, 2020.[5] The HEROES Act would extend the $600 unemployment insurance supplement thru January 31, 2021, and would extend unemployment benefits for gig workers through March 2021. The House has been negotiating with the Senate and the final outcome will likely differ considerably from the current proposal. The relevant provisions in the HEROES Act are not considered in our estimates because no details are certain.

While the federal government has instituted fiscal and monetary stimulus programs to ease the economic pain, the full scale of the impact cannot be measured at this time. Consequently, there is significant uncertainty around current estimates; precise estimates are impossible. In this report, we revise Municipal Fiscal Year (MFY) 2021 revenue forecasts based on our analysis of the impact of the COVID-19 pandemic, the State Fiscal Year (SFY) 2021 budget, and the CARES Act. Below is a list of the relevant information and assumptions in the final state budget that we used to revise these estimates:

Pandemic Related

- The impact from a possible second wave of infection and future resulting stay at home orders is not assumed.

Federal Stimulus Related

- The CARES Act provides an additional $600 weekly for individuals receiving unemployment insurance from March 29, 2020, to July 25, 2020. No further extension of this benefit is assumed.
- Gig workers, such as independent contractors and sole proprietors, are eligible to receive a maximum 39 weeks of unemployment benefits, or until December 31, 2020, under the CARES Act.

State Budget Related

- SFY 2021 Refund Fund rates are decreased from 9.50% in SFY 2020 to 9.0% for Individual Income Tax and from 14.25% to 14.00% for Corporate Income Tax and Personal Property Replacement Tax (PPRT).
- A decrease in Local Government Distributive Fund (LGDF) receipts is anticipated for SFY 2021. This is a forecast decrease, not representative of previous rate cuts or hold backs by the General Assembly, which IML was successful in eliminating for SFY 2021.
- The total diversion amount appropriated from PPRT is $312 million, an increase of $8 million over SFY 2020.
- Off-the-top expenditures in the Motor Fuel Tax (MFT) Fund subtracted before allocation to governments will increase from the actual $278 million in MFY 2020 to $340 million budgeted for SFY 2021, an increase of $66 million over MFY 2020 actual. The increases are due primarily to higher payments for refunds and International Fuel Tax Agreement (IFTA) resulting from doubling tax rates last year. All of these payments are charged to the MFT Fund.
- The 2019 income tax return due date and associated payments was extended from April

15, 2020 to July 15, 2020.

REVENUE SUMMARY	MFY 2019 ACTUAL	MFY 2020 DECEMBER 2019 FORECAST	MFY 2020 ACTUAL	MFY 2021 DECEMBER 2019 FORECAST	MFY 2021 JUNE 2020 REVISED FORECAST
Income Tax (Per Capita)	$97.10	$107.25	$108.39	$105.00	$97.30
State Use Tax (Per Capita)	$29.56	$33.65	$34.51	$35.50	$35.50
Motor Fuel Tax (Per Capita)	$25.46	$24.30	$24.94	$24.85	$20.00
Transp Renewal (Per Capita)		$11.45	$11.21	$16.87	$15.00
Cannabis (Per Capita)		$0.13	$0.16	$0.80	$0.84
Total Per Capita	$152.12	$176.78	$179.21	$183.02	$168.64
PPRT (in millions)	$1,228.4	$1,570.0	$1,617.2	$1,405.0	$1,205.0

PERSONAL PROPERTY REPLACEMENT TAX (PPRT) FUND

PPRT ended MFY 2020 with revenues of $1,617.2 million, an increase of 32% or $388.8 million over the last fiscal year. This out-performance was driven by a one-time transfer of $95.8 million from the Refund Fund, tax amnesty receipts, and a healthy growth in tax payments from business and pass-through entities. Because the municipal fiscal year ended in April, when March collection was distributed, PPRT in MFY 2020 was not affected by COVID-19 or the delay in the income tax due date. MFY 2021 will, therefore, realize all of that impact.

Due to the significant decrease in consumer purchasing and the ensuing economic downturn caused by federal and state government efforts to contain COVID-19, corporate profits are assumed to fall by 20% and profits for pass-through entities by 25% for MFY 2021. We also assume no transfers to or from the Refund Fund or any other one-time windfalls. Expenditures charged to PPRT, contained in the SFY 2021 State Operating Budget, are $312 million for SFY 2021.

Based on these assumptions, PPRT is estimated at $1,205 million in MFY 2021, a decrease of 25% from the MFY 2020 level. If PPRT receives a meaningful fund transfer from the Refund Fund, we may update the PPRT estimate.

PERSONAL PROPERTY REPLACEMENT TAX (PPRT) FUND (in thousands)									
MFY	2013	2014	2015	2016	2017	2018	2019	2020	2021
May	$183,351	$262,146	$226,241	$288,434	$218,871	$225,528	$262,718	$362,151	$198,403
July	$236,948	$256,143	$227,937	$236,956	$237,933	$230,620	$204,713	$213,911	
Aug	$28,629	$26,864	$24,515	$31,932	$27,696	$10,628	$20,687	$25,660	
Oct	$180,321	$187,191	$225,834	$238,203	$216,418	$157,444	$185,262	$372,295	
Dec	$68,990	$68,283	$60,111	$58,176	$57,578	$41,508	$45,302	$61,826	
Jan	$183,242	$231,119	$200,370	$189,405	$214,012	$141,338	$151,888	$226,073	
March	$57,347	$68,588	$57,199	$76,069	$137,475	$125,380	$59,910	$44,943	
April	$290,544	$306,541	$350,076	$270,903	$350,200	$257,738	$297,882	$310,332	
Total	$1,229,372	$1,406,875	$1,372,283	$1,390,078	$1,460,184	$1,190,185	$1,228,362	$1,617,192	$1,205,000

LOCAL GOVERNMENT DISTRIBUTIVE FUND (LGDF)

Total LGDF distribution to local governments came in at $108.39 for MFY 2020, 12% higher than MFY 2019. The final total exceeded our estimate by $1.94 per capita.

Illinois' unemployment rate increased from 3.4% in February 2020 to 16.4% in April 2020.[6] The state-level unemployment rate for May 2020 is not available at the time of this writing. In Illinois, almost one million unemployment insurance claims had been filed in the last 10 weeks. Most claimants are temporarily receiving the extra $600 weekly suppleme...

weeks. Most claimants are temporarily receiving the extra $600 weekly supplement from the federal government, until the end of July. Between 65% and 75% of these claimants are thought to earn less than $4,000 monthly. For these individuals, unemployment insurance exceeds their earnings. Because Illinois fully taxes unemployment benefits, the current high unemployment rate will not significantly affect LGDF until the supplement expires in July 2020.

Meanwhile, income tax revenues will decrease due to pay cuts, furloughs and work-hour reductions. Also, income for pass-through entities such as partnerships, S-corporations, and trusts is anticipated to decrease significantly.

Due to the COVID-19 pandemic, corporate profits fell 14.9% in the first quarter of 2020 and will likely be reduced further in the second quarter as many businesses were closed fully or partially for at least two months.[7] Unless consumer demand rebounds soon, the decline in profits will last and the consensus outlook for 2020 is a reduction of about 20%.[8]

Per capita LGDF for MFY 2021 is projected at $97.30, a decrease of 10.2% from the MFY 2020 actual of $108.39. If the $600 unemployment insurance supplement is extended to January 2021, we may revise our estimates.

LOCAL GOVERNMENT DISTRIBUTIVE FUND (LGDF)

MFY	2013	2014	2015	2016	2017	2018	2019	2020	2021
May	$15.60	$5.32	$5.57	$5.30	$6.25	$5.21	$13.72	$20.08	$10.08
June	$5.57	$9.24	$9.74	$10.84	$9.68	$10.04	$6.34	$6.27	
July	$8.65	$17.06	$15.11	$17.93	$13.64	$20.33	$8.57	$9.38	
August	$12.57	$5.80	$5.63	$7.44	$6.52	$9.17	$6.29	$6.72	
September	$6.61	$8.88	$9.32	$16.60	$9.31	$9.55	$6.14	$5.95	
October	$8.48	$5.52	$10.75	$0.00	$5.42	$7.87	$9.54	$10.62	
November	$5.32	$5.38	$0.00	$5.81	$5.92	$5.92	$6.87	$6.93	
December	$5.28	$9.39	$9.48	$10.20	$8.75	$5.21	$5.69	$6.55	
January	$8.31	$11.18	$11.20	$6.73	$5.87	$7.60	$8.30	$9.15	
February	$6.28	$0.00	$0.00	$5.26	$5.32	$11.00	$9.98	$9.43	
March	$5.18	$9.19	$8.15	$9.87	$8.60	$5.53	$6.01	$7.01	
April	$17.52	$9.75	$12.15	$10.80	$9.94	$8.49	$9.65	$10.30	
Total	**$105.37**	**$96.71**	**$97.10**	**$106.78**	**$95.22**	***$90.7/$105.9**	**$97.10**	**$108.39**	**$97.30**

*Per capita was $90.7 for municipalities using accrual accounting and $105.9 for those with cash basis.

LOCAL GOVERNMENT DISTRIBUTIVE FUND – ADULT-USE CANNABIS

The Cannabis Regulation and Tax Act took effect on January 1, 2020. Local governments will receive 8% of revenue from associated state revenue, to be disbursed through LGDF. Since the beginning of the year, more than 30 existing medical marijuana dispensaries have been issued licenses to begin selling cannabis to adults 21 and older. Additional locations will be licensed throughout the year and some locations may be licensed but, due to local ordinances, not permitted to sell to non-medical clients. Our initial estimate was just under $0.07 per capita per month for MFY 2021. Given that the average for the last three monthly distributions was exactly $0.07, and with uncertain economic conditions going forward, we revise our estimate up slightly to $0.84 per capita annually.

LOCAL GOVERNMENT DISTRIBUTIVE FUND – ADULT-USE CANNABIS

	MFY	MFY

MFY	MFY 2020	MFY 2021
May		$0.05
June		
July		
August		
September		
October		
November		
December		
January		
February		
March	$0.07	
April	$0.09	
TOTAL	$0.16	$0.84

MUNICIPAL SHARE OF ILLINOIS USE TAX (UT)

In MFY 2020, UT generated $34.51 per capita, reflecting a 17% increase over the MFY 2019 actual. UT revenue outperformed our estimate by $0.86 or 3%. UT collections benefited from the fact that MFY 2020 was the first full year since the requirement that remote retailers collect and remit UT. Additionally, the continued shift from brick-and-mortar to online shopping is supporting the growth of these tax revenues.

Starting on January 1, 2020, marketplace facilitators such as Amazon are required to collect the 6.25% UT on marketplace sales from certain retailers. Effective January 1, 2021, marketplace facilitators and eligible remote retailers are required to collect both Illinois' 6.25% Retailer's Occupation Tax (ROT) and any locally imposed ROT, instead of the 6.25% UT, on online purchases from sellers based on where the product is delivered. The second change is likely to reduce UT revenues significantly, while increasing state and local ROT. The impact on each local government is almost impossible to predict because UT is currently distributed by population, while ROT distributions depend on the specific tax rates and destination addresses of the customers. It is also not clear how this legislation will withstand a possible constitutional legal challenge. Regardless, since the effective date for collecting state and local ROT is January 1, 2021, these changes are not likely to affect MFY 2021 revenues.

We expect UT growth to return to trend in MFY 2021. Based on this assumption, UT per capita is forecast to total $35.50 per capita for MFY 2021.

MUNICIPAL SHARE OF ILLINOIS USE TAX (UT)									
MFY	2013	2014	2015	2016	2017	2018	2019	2020	2021
May	$1.05	$1.01	$1.17	$1.79	$1.72	$1.72	$1.96	$2.42	$2.49

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
June	$1.30	$1.27	$1.55	$1.88	$2.02	$2.24	$2.37	$2.75	
July	$1.20	$1.39	$1.43	$1.85	$1.97	$1.92	$2.06	$2.60	
August	$1.25	$1.23	$1.52	$1.76	$1.91	$1.94	$2.25	$2.61	
September	$1.40	$1.63	$1.69	$1.99	$2.16	$2.05	$2.41	$2.65	
October	$1.16	$1.41	$1.44	$1.84	$1.72	$1.96	$2.34	$2.73	
November	$1.29	$1.31	$1.56	$1.68	$1.87	$2.09	$2.22	$2.61	
December	$1.33	$1.42	$1.90	$1.93	$1.93	$2.20	$2.55	$2.93	
January	$1.29	$1.52	$1.79	$1.95	$2.10	$2.18	$2.70	$3.21	
February	$1.36	$1.43	$1.71	$1.92	$2.04	$2.53	$2.99	$3.01	
March	$1.94	$2.25	$2.59	$2.74	$3.17	$3.20	$3.61	$4.13	
April	$1.35	$1.19	$0.91	$1.69	$1.83	$1.90	$2.10	$2.86	
TOTAL	**$15.92**	**$17.06**	**$19.26**	**$23.03**	**$24.44**	**$25.94**	**$29.56**	**$34.51**	**$35.50**

MUNICIPAL SHARE OF MOTOR FUEL TAX (MFT)

In MFY 2020, MFT distributions came in at $24.94 per capita, $0.64 higher than our estimate of $24.30. This increase resulted primarily from a one-time fund transfer of $33.4 million from the Environmental Protection Agency (EPA) Vehicle Inspection Fund to the MFT fund, which translates to an $0.80 per capita increase in MFY 2020. (You may remember that the Illinois Department of Transportation (IDOT) used to subtract $30 million for EPA's vehicle inspection program, while the state budget was $23 million. When the Illinois Municipal League (IML) identified this issue and fixed it legislatively last spring, a provision was added to transfer any balance in excess of $2 million in the Vehicle Inspection Fund to MFT by December 31 every year.[9]) As a result of this transfer in December 2019, MFT per capita increased by $0.80 in MFY 2020. The first transfer in December 2019 was substantial because it included several years' worth of excess transfers from MFT to EPA and unused funds. This is not likely to recur in MFY 2021 or in the future.

The COVID-19 pandemic has wreaked havoc on fuel consumption starting in mid-March 2020, and the outlook for MFT has worsened substantially for MFY 2021. Although gasoline prices have fallen sharply due to plunging crude oil prices since February 2020, the demand for gasoline has shrunk significantly because of government-mandated restrictions and stay at home orders. According to INRIX, a traffic data firm, personal travel in Illinois decreased roughly 40% during this time.[10]

Gasoline consumption is assumed to have decreased by 30% to 35% in April and May; as closures were lifted at the end of May, consumption is expected to increase slowly. A second outbreak and another stay at home order are not assumed for this estimate. We assume the inflation adjusted tax rate change scheduled for July 2020 will be around 1.5%. The state budget bill indicates that expenditures charged to MFT will increase from $278 million in MFY 2020 to $340 million in MFY 2021. Payments for IFTA and refunds indicate the biggest increase from the actual $43 million in MFY 2020 to $77 million in SFY 2021. (This is also noted in the TRF funding narrative to follow.) Based on these assumptions and information, per capita MFT is projected to fall to $20.00 for MFY 2021, a decrease of 20% from the MFY 2020 level of $24.94.

MUNICIPAL SHARE OF MOTOR FUEL TAX (MFT)

MFY	2013	2014	2015	2016	2017	2018	2019	2020	2021
May	$1.94	$1.72	$1.84	$2.33	$2.28	$2.19	$2.29	$2.21	$1.78

May	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
June	$2.16	$2.54	$2.59	$2.18	$2.26	$2.22	$2.11	$2.03	
July	$1.82	$1.75	$1.95	$1.42	$1.43	$1.76	$1.93	$1.85	
August	$2.13	$2.05	$2.18	$2.52	$2.29	$2.31	$2.27	$2.31	
September	$2.13	$2.40	$1.48	$2.43	$2.17	$2.18	$2.19	$1.84	
October	$1.85	$1.70	$2.01	$1.64	$1.92	$1.93	$1.83	$2.11	
November	$2.03	$2.18	$2.17	$2.13	$2.22	$2.21	$2.40	$1.96	
December	$2.16	$1.88	$2.20	$2.46	$2.26	$2.25	$2.26	$2.25	
January	$2.07	$2.50	$2.52	$2.26	$2.37	$2.21	$2.17	$2.98	
February	$2.01	$2.21	$2.37	$2.18	$2.26	$2.26	$2.17	$1.74	
March	$1.71	$2.03	$1.80	$2.20	$2.15	$1.96	$1.97	$1.74	
April	$2.02	$1.60	$0.92	$1.89	$1.83	$1.94	$1.89	$1.93	
TOTAL	**$24.03**	**$24.56**	**$24.03**	**$25.63**	**$25.43**	**$25.43**	**$25.46**	**$24.94**	**$20.00**

MUNICIPAL SHARE OF THE TRANSPORTATION RENEWAL FUND (TRF)

MFY 2020 was the first year that TRF was enacted, effective July 1, 2019. Eight per capita distributions from TRF brought $11.21 in MFY 2020 compared with our forecast of $11.45. TRF shares its tax base with MFT, but MFT also receives tax revenues from the $0.075 diesel fuel differential. Taxes on motor fuel incur refunds and IFTA payments. The new law for TRF is silent about these payments. Last fall, the Illinois Department of Revenue (IDOR) informed us that they would seek to amend the law so IDOR could charge these expenses to TRF.

However, no statutory amendment has been proposed yet by IDOR. Therefore, the MFT Fund will continue to pay for all refunds and IFTA payments, while TRF will have no such expenditures in MFY 2021. The MFT Fund paid $43 million for refunds and IFTA payments in MFY 2020; the final budget bill contains appropriations of $77 million for SFY 2021. (This was previously noted in the MFT funding narrative.)

Based on the same assumptions as for MFT, total TRF per capita disbursements are annually projected at $15.00, representing 75% of the MFT estimate for MFY 2021.

MUNICIPAL SHARE OF TRANSPORTATION RENEWAL FUND (TRF)		
MFY	MFY 2020	MFY 2021
May	$0.00	$1.19
June	$0.00	
July	$0.00	
August	$0.00	
September	$1.49	
October	$1.50	
November	$1.35	
December	$1.49	
January	$1.41	
February	$1.37	
March	$1.34	
April	$1.26	
TOTAL	**$11.21**	**$15.00**

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[1] https://www.bea.gov/news/2020/gross-domestic-product-1st-quarter-2020-advance-estimate

https://www.frbatlanta.org/cqer/research/gdpnow#:~:text=Latest%20estimate%3A%20%2D5

3 https://fivethirtyeight.com/features/dont-expect-a-quick-recovery-our-survey-of-economists-says-it-will-likely-take-years/

4 https://www.govinfo.gov/content/pkg/BILLS-116hr748enr/pdf/BILLS-116hr748enr.pdf

5 https://docs.house.gov/billsthisweek/20200511/BILLS-116hr6800ih.pdf

6 https://www.bls.gov/eag/eag.IL.htm

7 https://www.bea.gov/data/income-saving/corporate-profits

8 https://www.nytimes.com/2020/05/27/business/stock-market-coronavirus.html

9 HB2943 contains the language and became Public Act 101-0493 on August 23, 2019. http://ilga.gov/legislation/billstatus.asp?DocNum=2943&GAID=15&GA=101&DocTypeID=HB&LegID=119256&SessionID=108

10 https://inrix.com/blog/2020/05/covid19-us-traffic-volume-synopsis-9/

KDM, Inc., specializes in state and local finance, fiscal policy and economic analysis. Natalie Davila, Ph.D., a public finance economist, Joanna Koh, research associate and Michael D. Klemens, president, have over 50 years' combined experience in state and local government finance. Contact Ms. Davila at natalieadavila@sbcglobal.net.

VILLAGE OF GLEN ELLYN
CAPITAL PROJECTS FUND
COVID-19 REVENUE REDUCTION PROJECTIONS

				Covid-19 Model					Current Estimate (7/7/2020)
				Reductions					
			2020	1 month	3 month	6 month	9 month		
ORG	OBJECT	ACCOUNT DESCRIPTION	BUDGET	Best	Likely 1	Likely 2	Worst	Assumptions	Current Estimate (7/7/2020)
4000	CAPITAL PROJECTS REVENUES								
4000	410100	PROPERTY TAX	3,913,031	-	-	-	-		-
4000	410500	TELECOMMUNICATIONS TAX	613,000	(50,000)	(50,000)	(50,000)	(50,000)	Adjustment not due to Covid-19. 2020 budget was likely too high. This revenue continues to decline.	(36,000.00)
4000	410510	ELECTRICITY USE TAX	950,000	-	-	-	-		(27,000.00)
4000	410520	NATURAL GAS USE TAX	350,000	-	-	-	-		(30,000.00)
4000	410600	REAL ESTATE TRANSFER TAX	750,000	(62,500)	(187,500)	(375,000)	(387,057)	Assumes proportional decrease based on number of months. Worst case scenario is the lowest RETT revenue went in 2008/2009 recession which largely affected the real estate market	(160,000.00)
4000	410850	FOOD AND BEVERAGE TAX	1,300,000	(108,333)	(325,000)	(650,000)	(975,000)	Decrease proportionate to number of months of "stay-at-home" order	(220,000.00)
4000	430100	FEDERAL GRANT REVENUE	863,563	-	-	-	-	Grant related to projects; if project does not move forward grant is not received. Not shown in analysis as it would net with an expense	-
4000	440400	STORMWATER ORDINANCE FEE	143,675	-	-	-	-		-
4000	460100	INVESTMENT INCOME	90,000	(30,000)	(30,000)	(30,000)	(30,000)	Interest rates are near zero and this assumes that no matter the length of COVID, rates will be kept low.	110,000.00
4000	480450	BOND PROCEEDS	9,500,000	-	-	-	-	Bonds are related to the parking garage. If project does not move forward then bonds will not be issued. Not shown in this analysis as it would net with an expense	-
4000	489000	MISCELLANEOUS REVENUE	80,000	-	-	-	-		(70,000.00)
TOTAL	CAPITAL PROJECTS REVENUES		18,553,269	(250,833)	(592,500)	(1,105,000)	(1,442,057)		(433,000.00)

Note: Lowest revenues for RETT were in 2009 ($362,943) and 2010 ($375,097)

Finance Commission
535 Duane St.
Glen Ellyn, IL 60137

Meeting: 07/10/20 07:00 AM
Department: Finance Commission
Department Head: Christina Coyle
Category: Bond
Prepared By: Christina Coyle

SCHEDULED

AGENDA ITEM (ID # 4542) DOC ID: 4542

Finance Director Coyle will update the Finance Commission on the timeline for issuing General Obligation Bonds (Discussion Only)

Statement of the Issue:

The Village Board has provided staff with direction to move forward with construction of the parking garage behind the Civic Center. In order to fund the entire project, the Village will need to issue another series of General Obligation Bonds.

Analysis:

In 2018, the Village issued $9.9 million in General Obligation Bonds. This series of bonds was issued to finance the Civic Center Improvements, Central Business District (CBD) parking garage, the CBD street and streetscape project, and property acquisition. At the time, it was known that if the parking garage project moved forward, a second series of bonds would be needed. The Village began the process of issuing another series of bonds in 2019, but due to delays in the parking garage project, that series of bonds was never issued. The garage is now moving forward and another series of bonds is needed to complete the project.

Of the $9.9 million in bonds issued in 2018, approximately $7.0 million remains. The garage is estimated to cost $17 million, of which $2.2 million has been spent. Therefore, just to finance the remaining cost of the garage, $8.0 million in funds would be needed. Staff is recommending maximizing the bank qualified limit of $10 million to finance both the parking garage and street and streetscape. Given the current market, we expect to receive very favorable interest rates on this issue. Staff has shared the most recent 10 Year Capital Plan with the Finance Commission at a previous meeting. That capital plan is again attached for reference. The 2020 issuance debt service numbers have been updated. The Commission should also recall that bond proceeds were just one funding source for these large capital projects. Staff also projected using Capital Project Fund reserves as well as new capital funding from the State of Illinois for a portion of the suite of projects.

Staff has also attached an estimated debt service schedule and an estimated timeline for the bond issuance.

Action Requested:

This item is for discussion and informational purposes only.

ATTACHMENTS:

- Estimated Bond Issuance Timeline (PDF)
- Hypothetical Debt Service Schedule 2020 Bonds (PDF)
- 10 Year Capital Plan Updated for Covid-19 (PDF)

$10,000,000*
Village of Glen Ellyn, Illinois
General Obligation Bonds, Series 2020

Timetable

Time and Responsibility Schedule*
As of July 1, 2020

Role	Participant	Abbreviation
Issuer	Village of Glen Ellyn	Village
Bond Counsel	Chapman and Cutler, LLP	BC
Municipal Advisor	Robert W. Baird & Co.	MA

July 2020

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	**27**	28	29	30	31	

August 2020

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	**24**	25	26	27	28	29
30	31					

September 2020

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	**14**	15	16	17	18	19
20	21	22	23	24	25	26
27	**28**	29	30			

Viillage Board meeting dates

Week		Responsible Participant(s)
Week of July 13	Preliminary Official Statement ("POS") information request sent to Village.	MA
Week of July 20	First draft of bond ordinance distributed.	BC
Week of July 20	Information received from Village for POS.	Village
Week of July 27	Provide comments to first draft of bond ordinance.	All
Week of July 27	Distribute first draft of POS.	MA
Week of August 3	Distribute second draft of bond ordinance.	BC
Week of August 3	Comments due on first draft of POS.	All
Week of August 3	Distribute information to rating agency and schedule a conference call.	MA
Week of August 10	Comments due and finalize bond ordinance.	All
Week of August 10	Distribute second draft of POS.	MA
Week of August 17	Comments due on second draft POS.	All
Week of August 17	Distribute third draft of POS.	MA
Week of August 17	Conference call with rating agency.	Village and MA
August 24	**Adopt bond ordinance at Village Board Meeting.**	**Village**
Week of August 24	Receive bond rating.	Village and MA
Week of August 24	Finalize and post POS.	MA
Week of August 31	Competitive sale of bonds.	Village and MA
Week of September 7	Distribute and finalize the Final Official Statement ("FOS").	MA
Week of September 21	Bond closing.	All

*Preliminary subject to change.

Village of Glen Ellyn, Illinois

Hypothetical Issuance of General Obligation Bonds, Series 2020 (1)

Bond Year Ending January 1	General Obligation Bonds, Series 2020 Principal	Assumed Coupon	Assumed Yield	Interest	Capitalized Interest	Total Debt Service
	(1/1)			*(1/1 & 7/1)*		
2021				$92,797	($92,797)	$0
2022	$310,000	4.000%	0.810%	$344,400		$654,400
2023	$325,000	4.000%	0.840%	$332,000		$657,000
2024	$335,000	4.000%	0.910%	$319,000		$654,000
2025	$350,000	4.000%	1.010%	$305,600		$655,600
2026	$365,000	4.000%	1.170%	$291,600		$656,600
2027	$380,000	4.000%	1.310%	$277,000		$657,000
2028	$395,000	4.000%	1.410%	$261,800		$656,800
2029	$410,000	4.000%	1.500%	$246,000		$656,000
2030	$425,000	4.000%	1.600%	$229,600		$654,600
2031	$440,000	4.000%	1.670%	$212,600		$652,600
2032	$460,000	4.000%	1.750%	$195,000		$655,000
2033	$480,000	4.000%	1.840%	$176,600		$656,600
2034	$500,000	4.000%	1.880%	$157,400		$657,400
2035	$520,000	4.000%	1.930%	$137,400		$657,400
2036	$540,000	4.000%	1.970%	$116,600		$656,600
2037	$560,000	4.000%	2.010%	$95,000		$655,000
2038	$580,000	4.000%	2.050%	$72,600		$652,600
2039	$605,000	4.000%	2.090%	$49,400		$654,400
2040	$630,000	4.000%	2.130%	$25,200		$655,200
	$8,610,000			$3,937,597	($92,797)	$12,454,800

Sources and Uses of Funds

Sources of Funds	
Par Amount	$8,610,000
Original Issue Premium	$1,385,074
Total Sources	$9,995,074

Uses of Funds	
Deposit to Project Fund	$9,730,077
Assumed Costs of Issuance (2)	$172,200
Deposit to Capitalized Interest Fund	$92,797
Total Uses of Funds	$9,995,074

Potential True Interest Cost (3)	**2.34%**
Potential True Interest Cost +10 Basis Points (3)	**2.44%**
Potential True Interest Cost -10 Basis Points (3)	**2.24%**

(1) This illustration represents a mathematical calculation of potential interest cost, assuming hypothetical rates for tax-exempt bank qualified general obligation bonds rated AAA as of July 6, 2020. Actual rates may vary. If actual rates are higher than those assumed, the interest cost would be higher. This illustration provides information and is not intended to be a recommendation, proposal or suggestion for a financing or otherwise be considered as advice. Structures assume 20 year level debt service, a delivery date of September 24, 2020 and first interest payment date of January 1, 2021. Interest will be capitalized through January 1, 2021. Preliminary, subject to change.

(2) Assumed costs of issuance of $20 per $1,000 of bonds issued. Preliminary, subject to change.

(3) True Interest Cost is the rate of interest, compounded semi-annually, required to discount the payments of principal and interest to bondholders to the original purchase price.

Robert W. Baird & Co.
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CAPITAL PROJECTS FUND
10 YEAR PLAN
AS OF JULY 6, 2020

	Capital Fund	CY2020 FORECAST	CY2021 FORECAST	CY2022 FORECAST	CY2023 FORECAST	CY2024 FORECAST	CY2025 FORECAST	CY2026 FORECAST	CY2027 FORECAST	CY2028 FORECAST	CY2029 FORECAST	CY2030 FORECAST
Revenues:												
	Property Taxes	$ 3,913,031	$ 3,991,292	$ 4,071,117	$ 4,152,540	$ 4,235,591	$ 4,320,302	$ 4,406,708	$ 4,494,843	$ 4,584,739	$ 4,676,434	$ 4,769,963
	Food and Beverage Tax	$ 650,000	$ 650,000	$ 975,000	$ 975,000	$ 1,191,000	$ 1,300,000	$ 1,326,000	$ 1,352,520	$ 1,379,570	$ 1,407,162	$ 1,435,305
	Drainage Infrastructure Fee	143,675	143,675	143,675	143,675	143,675	143,675	143,675	143,675	143,675	143,675	143,675
	TIF Contributions to Capital Projects	-	75,000	75,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
	Parking Fund Contributions to Capital Projects	-	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
	General Obligation Bond for CBD Projects	9,900,000	-	-	-	7,480,000	-	-	-	-	-	-
	Telecommunications Tax	563,000	551,740	540,705	529,891	519,293	508,907	498,729	488,755	478,980	469,400	460,012
	Electricity Use Tax	950,000	950,000	950,000	950,000	950,000	950,000	950,000	950,000	950,000	950,000	950,000
	Natural Gas Use Tax	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000
	Real Estate Transfer Tax	375,000	382,500	750,000	765,000	780,300	795,906	811,824	828,061	844,622	861,514	878,745
	Grant Revenue	863,563	-	475,000	-	7,200,000	13,200,000	-	-	-	-	-
	Forfeiture Funds - To reimburse police station project (if funds are available)	100,000	100,000	100,000	-	-	-	-	-	-	-	-
	MFT (One Time Transfer)	-	-	2,000,000	-	-	-	-	-	-	-	-
	Capital Grant from State of Illinois (Capital Bonds)	600,000	600,000	600,000	-	-	-	-	-	-	-	-
	General Fund (One Time Transfer)	-	-	-	-	-	-	-	-	-	-	-
	Miscellaneous Income	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
	Interest Income	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
	Total Revenues	$ 18,578,269	$ 8,039,207	$ 11,275,498	$ 8,261,106	$ 23,244,859	$ 21,963,791	$ 8,881,937	$ 9,002,853	$ 9,126,586	$ 9,253,185	$ 9,382,700
Expenditures:												
	Non-Roadway Construction Projects:											
	Minor capital investment/other expenditures	$ 22,500	$ 23,200	$ 23,900	$ 24,600	$ 25,300	$ 26,100	$ 26,900	$ 27,700	$ 28,500	$ 29,400	$ 30,300
	Placeholder for Unidentified Non-Roadway Projects		$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000
	Village Green Storm Sewer Replacement	286,000	-	-	-	-	-	-	-	-	-	-
GF	Lake Road Undergrounding	-	-	-	-	-	-	-	-	-	-	-
	Hill Avenue Bridge	30,500	-	-	-	-	-	-	-	-	-	-
	Hill Avenue Utility Sewer and Water (Phase I)	-	200,000	-	-	-	-	-	-	-	-	-
	Cumnor Water and Sewer Utility Extensions	105,000	-	-	-	-	-	-	-	-	-	-
	Royal Glen Infrastructure Improvements	-	125,000	-	-	-	-	-	-	-	-	-
	McKee House	75,000	-	-	-	-	-	-	-	-	-	-
	Saint Charles Road Salt Storage Facility	-	-	-	-	-	-	-	-	-	-	-
	Street Lighting Improvements - 5 Corners	-	-	-	-	-	-	-	-	-	-	-
	Street Lighting Improvements - Roosevelt Road	-	-	-	-	-	-	-	1,952,766	-	-	-
	Street Lighting Improvements - Replacements and Requests	76,000	15,000	15,000	15,000	15,000	75,000	15,000	15,000	15,000	15,000	75,000
	Horse Trough	-	-	-	-	-	-	-	-	-	-	-
	Stormwater Drainage Improvements Program	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
	Traffic Studies and Improvements	25,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
	Wayfinding Signage	63,000	200,000	-	-	-	-	-	-	-	-	-
	East Branch Trail Feasibility Study Contribution	-	100,000	-	-	-	-	-	-	-	-	-
	Special Engineering Projects						-	-	-	-	-	-
	Parking Garage (Transfer to Parking Fund)	16,000,000	-	-	-	-	-	-	-	-	-	-
GF	Taylor Avenue Pedestrian Tunnel	938,399	-	-	-	-	-	-	-	-	-	-
	Train Station/Pedestrian Underpass	230,000	1,000,000	1,000,000	3,000,000	10,000,000	10,000,000	-	-	-	-	-
	CBD Over/Underpass Feasibility Study	-	-	-	-	-	-	-	-	-	-	-
	Developer Capital Improvements (CBD)	200,000	50,000	200,000	50,000	200,000	50,000	50,000	50,000	50,000	50,000	50,000
	Civic Center HVAC Project	-	-	-	-	-	-	-	-	-	-	-
GF	Sidewalk Program	141,800	260,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
	IDOT Crosswalks	-	-	-	-	-	-	-	-	-	-	-
	Illinois Route 38 Streetscape Improvements	-	-	-	-	-	-	-	-	-	-	-
	subtotal non-roadway	18,218,199	2,098,200	1,513,900	3,364,600	10,515,300	10,426,100	366,900	2,320,466	368,500	369,400	430,300
	Roadway Rehabilitation Program											
	Placeholder for Unidentified Roadway Projects	-	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250000
	Pavement Preservation Program	195,000	250,000	250,000	250,000	250,000	300,000	300,000	300,000	300,000	300,000	300,000
	Pavement Condition Survey	-	50,000	-	-	-	50,000	-	-	-	50,000	-
	Baker Hill Ingress/Egress Improvements	-	-	-	-	-	-	-	-	-	-	-
GF	Crescent Boulevard Reconstruction	423,238	-	-	-	-	-	-	-	-	-	-
	2016 and 2017 Street Resurfacing	-	-	-	-	-	-	-	-	-	-	-
	2018 Street Resurfacing	-	-	-	-	-	-	-	-	-	-	-
	Kenilworth-Alley Improvements	-	-	-	-	-	-	-	-	-	-	-
GF	North Park/Main Street Improvements	412,071	-	-	-	-	-	-	-	-	-	-
	2020 Street Program 20001	152,036	2,534,146	2,490,958	-	-	-	-	-	-	-	-
	2020 Street Program 20002	1,359,057	-	-	-	-	-	-	-	-	-	-
	Scott Clifton Cumnor Street Rehabilitation	-	-	-	-	-	-	-	-	-	-	-
	Future Street Resurfacing/Reconstruction Projects	-	5,361,062	4,181,092	3,261,173	2,821,539	4,823,364	5,343,621	6,492,088	6,474,142	3,817,072	2,958,768
	Concrete Street Patching and Rehabilitation Program	225,000	100,000	500,000	550,000	300,000	450,000	-	100,000	-	100,000	-
	CBD Underground Improvements Study	-	-	-	-	-	-	-	-	-	-	-
	CBD Streetscape and Utility Improvements	800,000	-	-	1,248,480	6,323,200	6,242,400	2,080,800	-	-	-	-
	IFT / General Fund Engineering	218,600	223,000	227,000	232,000	237,000	242,000	247,000	252,000	257,000	262,000	267,000
	IFT/ Food and Beverage Collection Cost	50,000	51,500	53,045	54,636	56,275	-	-	-	-	-	-
	subtotal road program	3,835,002	8,819,708	7,952,095	5,846,289	10,238,014	12,357,764	8,221,421	7,394,088	7,281,142	4,779,072	3,775,768
	Total Improvements - Capital Projects Fund	$ 22,053,201	$ 10,917,908	$ 9,465,995	$ 9,210,889	$ 20,753,314	$ 22,783,864	$ 8,588,321	$ 9,714,554	$ 7,649,642	$ 5,148,472	$ 4,206,068
	Bond Repayment - 2015 Police Station Bonds	$ 956,494	$ 954,544	$ 957,144	$ 954,143	$ 955,694	$ 956,644	$ 956,994	$ 956,744	$ 955,894	$ 952,656	$ 952,850
	Bond Repayment - 2018 Capital Project Bonds	$ 678,469	$ 682,219	$ 680,519	$ 678,519	$ 681,219	$ 683,469	$ 680,469	$ 681,769	$ 682,819	$ 683,419	$ 678,569
	Bond Repayment - 2020 Capital Project Bonds (est.)	$ 328,500	$ 657,000	$ 657,000	$ 657,000	$ 657,000	$ 657,000	$ 657,000	$ 657,000	$ 657,000	$ 657,000	$ 657,000
	Bond Repayment - 2022 Capital Project Bonds (est.)	$ -	$ -	$ -	$ -	$ 258,100	$ 516,200	$ 516,200	$ 516,200	$ 516,200	$ 516,200	$ 516,200
	Total Expenditures - Capital Projects Fund	$ 24,016,664	$ 13,211,671	$ 11,760,658	$ 11,500,551	$ 23,305,327	$ 25,597,177	$ 11,398,984	$ 12,526,267	$ 10,461,555	$ 7,957,747	$ 7,010,687
	Change in Fund Balance, Capital Projects Fund	$ (5,438,395)	$ (5,172,464)	$ (485,160)	$ (3,239,445)	$ (60,469)	$ (3,633,386)	$ (2,517,047)	$ (3,523,414)	$ (1,334,969)	$ 1,295,438	$ 2,372,013
	Capital Projects Fund Balance, Beginning of Year	$ 20,540,361	$ 15,101,966	$ 9,929,502	$ 9,444,342	$ 6,204,896	$ 6,144,428	$ 2,511,041	$ (6,006)	$ (3,529,420)	$ (4,864,388)	$ (3,568,950)
	Capital Projects Fund Balance, End of Year	$ 15,101,966	$ 9,929,502	$ 9,444,342	$ 6,204,896	$ 6,144,428	$ 2,511,041	$ (6,006)	$ (3,529,420)	$ (4,864,388)	$ (3,568,950)	$ (1,196,937)

Attachment: 10 Year Capital Plan Updated for Covid-19 (4542 : 2020 Bond Issuance Finance Commission)