Agenda
Village of Glen Ellyn
Finance Commission
Special Meeting
Friday, September 23, 2016
7:00 AM
Village Links

A. Call to Order

B. Public Comment (Non Agenda Items)

C. Approval of Minutes

1. Finance Commission - Regular Meeting - Jul 8, 2016 7:00 AM
2. Finance Commission - Special Meeting - Aug 26, 2016 7:00 AM

D. Financial Update

1. Financial Update - August 2016
2. Village Links/Reserve 22 Financial Statements - August 2016

E. Village Links/Reserve 22 Five Year Forecast

1. Village Links and Reserve 22 Five Year Forecast

F. Vehicle Sticker Analysis

1. Vehicle Sticker Analysis

G. Trustee Liaison Report

H. Chairman's Report

I. Other Business

1. Economic Development
2. Next Meeting: Friday, October 7, 7:00 AM, Room 301

J. Adjournment

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

Minutes
Village of Glen Ellyn
Finance Commission
Regular Meeting
Friday, July 8, 2016
7:00 AM
Glen Ellyn Civic Center, Room 301

A. Call to Order

Attendee Name	Title	Status
Erik G Ford	Chairman	Present
Lisa A Cleaver	Commissioner	Present
Jose G DeLeon	Commissioner	Absent
Scott R Greeno	Commissioner	Present
Matthew L Halkyard	Commissioner	Present
Yadav N Nathwani	Commissioner	Absent
Jeremy S VanEk	Commissioner	Present
Jeffrey S Wallace	Commissioner	Absent

Also Present: Trustee O'Shea, Finance Director Coyle, Assistant Finance Director Thomas, Student Commissioner O'Shea

B. Public Comment (Non Agenda Items)

None.

C. Approval of Minutes

1. Finance Commission - Special Meeting - Jun 17, 2016 7:00 AM

RESULT:	**ACCEPTED [UNANIMOUS]**
MOVER:	Matthew L Halkyard, Commissioner
SECONDER:	Lisa A Cleaver, Commissioner
AYES:	Ford, Cleaver, Greeno, Halkyard, VanEk
ABSENT:	DeLeon, Nathwani, Wallace

D. Financial Updates

The June financial report was not available yet. Director Coyle discussed a few highlights for June. Sales taxes in the General Fund are doing well. Income tax for June was $11,000 below the monthly budget and is being monitored. Director Coyle contacted Lombard and they are experiencing the same trend. Looking at the General Fund preliminary numbers overall, the current year is in the middle of the past five year trend, not the lowest year and not the highest. A more detailed report will be given at the next meeting. Trustee O'Shea asked a question on the income taxes and the effects to our budget if it continues to be lower. Director Coyle replied that the state has not released its revenue report and that we will have a better idea once we receive the report. Until May, income taxes were doing fine, May was around $100,000 below expectations and June was $11,000 below. For budgeting purposes, we rely on the Illinois Municipal League analysis per capita estimates for income taxes. The Village did an update with the U.S. Census Bureau to update our populations which then adjusts the population for our per capita calculation.

E. Quarterly Capital Reporting

1. Capital Reporting as of June 2016

The Engineering Division Project Activity Report includes the status of each project. Director Coyle announced that the Police Station had its ground breaking on Tuesday, July 5th. The Lake Ellyn project is near completion; the outlet control structure gate will likely be installed in August. Construction is starting a new project on Hill Avenue to replace the bridge through an intergovernmental agreement with Lombard. Capital expenditures are in line with the budget. One of the major projects this year is the Elm-Cottage-Geneva project. The Taylor Pedestrian Underpass project may start next spring. We will start to see more payments go out for construction projects through the end of the year.

RESULT:	**DISCUSSION ONLY**

F. Actuarial Report

1. Police Pension Actuarial Report - December 31, 2015

Some information in the report is a repeat from the audit. One major change this year is in the mortality tables. The Daily Herald had an article that the City of Naperville is potentially commissioning a study to look at mortality tables for public safety workers. Trustee O'Shea asked what is their ultimate goal. Director Coyle responded that one of the criticism is that the mortality tables that we are currently using is that they do not include the public safety employees. If the public employees have different life expectancies, then that would affect our funding. Actuaries get info from large corporation's public safety plans are excluded.

Director Coyle reviewed the state minimum requirements. Commissioner VanEk asked if the report summarizes the investment return. Director Coyle said that the average has been around 5% over the past ten years.

The Village had three Sergeants retire this year which will hit next year. There is a 3% escalator each year at age 55, with a jump in liability next year. Reviewed and discussed new pension disclosures and what liability would be with current rate.

RESULT:	**DISCUSSION ONLY**

G. Trustee Liaison Report

Trustee O'Shea reported that an ordinance was updated on the sale of village property, changing from having six votes to five.

Minutes Acceptance: Minutes of Jul 8, 2016 7:00 AM (Approval of Minutes)

H. Chairman's Report

Chairman Ford reported that he sat in on the three presentations for the Police Pension financial consultant candidates and that the decision will be made at the July meeting. He also noted that the Village Board approved an additional contribution to the Police Pension Fund. Jazz fest and bike race is next Saturday.

I. Other Business

Director Coyle gave an update on some of the projects in Finance. The department is working on the 5 year forecast and if any Commissioner has thoughts or ideas they would like to see; please let her know. Other finance projects include reviewing other General Fund revenues, including comparing those to other communities, and if the fees are covering our costs, etc. Staff will be looking at vehicle stickers and parking fees etc.

Trustee O'Shea inquired about the accounts payable invoice automation. Director Coyle said that a new server was installed facilitate implementing the new software. A request for dollars for the project will be brought to the board soon. Director Coyle said that the new system should be up and running in the first quarter of 2017.

The Village is also working on e-billing for water bills, which should be out in a couple of months. This will save a little on postage but the biggest cost savings program is auto pay.

One other project finance is looking at with our accounting system is importing files from our credit card vendor. This will give us the ability to download charges and send out for approval and coding.

Next month will be Student Commissioner O'Shea's last meeting.

J. Adjournment

1. Motion to Adjourn

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Jeremy S VanEk, Commissioner
SECONDER:	Scott R Greeno, Commissioner
AYES:	Ford, Cleaver, Greeno, Halkyard, VanEk
ABSENT:	DeLeon, Nathwani, Wallace

Minutes Acceptance: Minutes of Jul 8, 2016 7:00 AM (Approval of Minutes)

Minutes
Village of Glen Ellyn
Finance Commission
Special Meeting
Friday, August 26, 2016
7:00 AM
Glen Ellyn Civic Center, Room 301

A. Call to Order

Attendee Name	Title	Status
Erik G Ford	Chairman	Present
Lisa A Cleaver	Commissioner	Absent
Jose G DeLeon	Commissioner	Absent
Scott R Greeno	Commissioner	Present
Matthew L Halkyard	Commissioner	Present
Yadav N Nathwani	Commissioner	Absent
Jeremy S VanEk	Commissioner	Absent
Jeffrey S Wallace	Commissioner	Present

Also Present: Christina Coyle, Finance Director and Lori Thomas, Assistant Finance Director

B. Public Comment (Non Agenda Items)

John Mulherin indicated that the doors were locked when he first tried to enter the building. Director Coyle responded that anyone can always buzz the Police Department to be let into the building; however, she would check with the Facilities Department to ensure the doors were unlocked in the future.

C. Approval of Minutes

No minutes were available for approval.

D. Financial Update

1. Financial Update - July 2016

2. Village Links/Reserve 22 June 2016 Financial Report

3. Village Links/Reserve 22 July 2016 Financial Report

Director Coyle reported that revenues were down for July from the prior July and down from the month budget mainly due to timing issues of payments received for a Police Liaison Officer for District 87.

Director Coyle also reported that income tax and building permits are under the budget for July but that number is being offset by positive trends in sales taxes, ambulance fees and cable franchise revenues.

Expenditures for July were above the prior year due to a board approved transfer to the Police Pension Fund and the Facilities Maintenance Reserve Fund. This transfer was to increase funding levels for both the Police Pension Fund and the Facilities Reserve Fund. Chairman Ford questioned if the transfer was budgeted in the Police Pension Contribution and Director Coyle stated that the budget was amended to include the transfer.

Director Coyle reported on notable variances in expenditures which were not addressed in previous Commission meetings –

- DuComm costs are greater than last year due to the timing of payments.
- Vacancies in public works are holding personnel expenditures below budget and the prior year. Personnel salaries in the Street Division are lower at $139,728 vs $161,069 in last July.
- Tree Removals/Trimmings running ahead of last year due to earlier timing of work. Nonetheless, overall this number is still within its budgeting amount. Director Ford asked if this number was budgeted monthly over 12 months or seasonality. Director Coyle reported budget allowances are based on season.

Commissioner Halkyard questioned how the Retail Awards are granted. Director Coyle replied that there is a policy in place that sets the parameters of how the award is granted. The Façade or Interior Award are subject to paperwork being submitted and board approval.

Director Coyle commented that Income Tax numbers are to be closely monitored as we move through end of year since the numbers are not doing as well as expected. The State provided a revenue report that explained the tax issue seen in May. The report identified the May spike being attributed to software not being updated by employers. At the beginning of tax season in 2015, the state tax rate lowered and a lot of employers didn't change their accounting software system for their withholdings which resulted in refunds being awarded by the State in May for income tax refunds instead of payments. No information has been received by the State of Illinois on the rest of the year. Director Coyle contacted the Illinois Department of Revenue and is waiting for reply for any insight.

Chairman Ford questioned what our position will be if the income tax numbers continue to display same trend. Director Coyle replied that other numbers such as Sales Tax are positively offsetting it and there is no major concern that the overall bottom line number will not be reached.

Building Permits are down for July from previous year mainly based on major projects not coming through as expected.

Village Links struggled with numbers in July based on previous July mainly due to weather.

Minutes Acceptance: Minutes of Aug 26, 2016 7:00 AM (Approval of Minutes)

Chairman Ford suggested the next Finance Meeting be at the Village Links.

RESULT:	**DISCUSSION ONLY**

E. Second Quarter Report

Director Coyle indicated that she would only discuss those highlights which were not already addressed in the Financial Update.

Real Estate Transfer Taxes are 40% over last year's number and 73% at budget for the year. This is a good indicator of the real estate market.

Overtime expenses are down due to mild winter and little snow. The liability insurance premium was down from previous year. Police Pension Expenses are up due to change in the investment return assumption. The liability insurance is also almost at budget, but this is expected as the premium is paid in May.

Real Estate trends have improved from last year with 393 RETT issued year to date vs. 327 from last year.

For the Water & Sewer Fund, the construction season has begun, but payments lag behind the work.

The compost program was deployed in April. Approximately 1.5% of households have enrolled in this program.

The Solid Waste Fund cash reserves are lagging behind policy due to slow build up from a prior major storm. This number continues to be closely monitored but Director Coyle is expecting to end the year with this Fund being in a positive position.

RESULT:	**DISCUSSION ONLY**

F. Five Year Forecast

Director Coyle presented the General Fund Five Year Forecast. Director Coyle reported that revenues are forecast to grow at approximately 3% per year while expenditures grow at 4%, which would decrease the General Fund's fund balance by $3.7 million over the next 5 years. Chairman Ford commented that if numbers continue on that trend, it appears that there will be a problem towards the end of five-year projection. Director Coyle replied that there are some further resources that will be considered such as changing user fees. She presented a comparison in revenues from 2011 to 2021 which shows greater reliance on taxes if the trends occur as forecasted. Director Coyle presented information on the cost of a potential property tax freeze for the Village. If a freeze occurred, over 5 years, the Village would forego $411,000 of property tax revenue in the General Fund that would have to be made up from other revenue sources or through reductions in service.

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Commissioner Greeno questioned about movement of potential in-town developments. Director Coyle noted they hoped to see one of the projects submit within the next 90 days but at the soonest the Village would not see any building permit revenue until next year.

The Five Year Forecast for the Village Links/Reserve 22 Fund will be presented to the Finance Commission in September.

The Water & Sewer Fund projects water usage to decrease 2% annually which will affect the rates.

Director Coyle discussed revenues for the Capital Projects Fund. Telecommunications tax is not performing well due to land lines being eliminated by households. Also, the larger portion of cell phone bills is now data and data is not taxed. Capital Fund expenditures account for future road projects. Projects were adjusted to offset the expense faced with the new police station.

Director Coyle also addressed the potential impact a property tax freeze would have on the Capital Projects Fund. Over five years, the Village would forego $565,000 of revenue that would have to be made up from other revenues or from reductions to the Capital Plan. Director Coyle reported that the Village must await decisions in Springfield on any property tax freeze. The Village Board must also provide direction on the 2016 property tax levy as well as on direction on unscheduled/unfunded projects and how to proceed forward.

The debt forecast showed gradual repayments over the next five years of Village debt.

RESULT:	**DISCUSSION ONLY**

G. Trustee Liaison Report

None.

H. Chairman's Report

None.

I. Other Business

1. FY2017 Budget Calendar

Director Coyle referenced the FY2017 Budget Calendar which was in the packet.

2. Economic Development

3. Investment Subcommittee - Target Portfolio

PMA Financial Network (PMA) is the Village's investment brokers. Their cash flow analysis would be to invest $26 million of village investments and to invest in a 3

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year ladder of investments. Consensus among the room is that PMA's conservative approach is a great way to start the program.

4. Next Meeting: Friday, September 9, 7:00 AM, Room 301

Director Ford suggested that September 9th meeting be cancelled and an e-mail be sent around to see which date in mid-September we can get the most attendees and hold the meeting at Village Links.

J. Adjournment

The meeting was adjourned at 8:09 AM.

Minutes Acceptance: Minutes of Aug 26, 2016 7:00 AM (Approval of Minutes)

Finance Commission
535 Duane St.
Glen Ellyn, IL 60137

SCHEDULED

Meeting: 09/23/16 07:00 AM
Department: Finance Commission
Department Head: Christina Coyle
Category: Report
Prepared By: Christina Coyle

AGENDA ITEM (ID # 2428) DOC ID: 2428

Financial Update - August 2016

Please see the attachment to this memo.

ATTACHMENTS:

- Financial Update - 2016-08-31 (PDF)

MEMORANDUM

TO: Finance Commission

FROM: Christina Coyle, Finance Director

DATE: September 16, 2016

RE: August 2016 Financial Update

General Fund Dashboard: Page 1

Revenues in August were $141,647 over last August, and $168,042 over the August budget. As mentioned in last month's Update, the receipt for the police liaison officer for District 87 (approximately $100,000) was received in July in 2015 but would be received in August in 2016. Also in August, two of our key revenue streams (sales and home rule sales taxes) performed above the budget and the prior year. Income tax continued to lag behind the prior year and budget. In total, revenues year-to-date are closely mirroring last year (1% ahead of last year) and the budget (2% ahead of budget). Disappointing performance by income taxes, vehicle stickers and building permits are being offset by positive trends in sales taxes, ambulance fees, and cable franchise revenues.

Expenditures for August were above budget (by $24,151) and above the prior year (by $109,877). In total, expenditures year-to-date are $1,044,216 ahead of the prior year and $379,314 below the year-to-date budget.

General Fund Budget Summary: Page 2

Key revenues are discussed on Page 3. Other notable variances include:

- Other Taxes: Due to the delay in disbursement of Use Taxes during 2015, the Use Taxes for December 2015 were not received until 2016.
- Vehicle Licenses: Vehicle sticker revenue is lagging behind the current year. Given the amount of time left in the year, it is unlikely that this revenue will hit its budget mark.
- Building Permits/Registration Fees: The prior year included permit fees from Amber Ridge. Also, several developments that were anticipated to begin this year are on hold at this point.
- Cable Franchise Fees: In August, the payment for AT&T was not yet received, causing a timing variance from August of the prior year. The fourth quarter payment 2015 ($38,264) for AT&T was not received until the first quarter of 2016, which creates a positive year-to-date trend.
- Ambulance Services Fees: As part of the new contract structure, an audit is done at the end of the contract to identify any surplus that is shared back with the Village. In April, a payment for this distribution of $43,095 was received. This payment was not budgeted as it was unknown if the Village would receive any distribution.
- Police Service Reimbursements: As noted above, a reimbursement from District 87 was received in July last year, but was received in August in the current year.

Attachment: Financial Update - 2016-08-31 (2428 : Financial Update - August 2016)

- Miscellaneous Income: At the end of 2015, the Village received notice that the federal forfeiture dollars were frozen by the federal government. As such, payments were not received in January through March of 2016. At the end of March, we received notice that the federal government was resuming payment of these dollars. The freeze meant that payment was delayed to the Village; not a reduction in what the Village was owed. Fiscal year-to-date, $276,932 in forfeiture funds have been received.
- Village Board & Clerk: Annual dues for the DuPage Mayors and Managers were paid in July and exceeded the cost of the prior year. Due to the current recycling market, the cost of the annual electronics recycling event exceeded the prior year and budgeted costs. The Village also incurred expenditures for strategic planning services.
- Facilities Maintenance: $200,000 was transferred from the General Fund to the Facilities Maintenance Reserve Fund to build up reserves in the Facilities Maintenance Reserve Fund. Also, several vacancies in the current year have reduced personnel costs from the planned budget.
- Economic Development: $67,000 was paid to Haggerty for their sales tax incentive in March of 2016 versus $40,100 in 2015. The budget for the 2016 incentive was $60,000. Three façade/retail awards were paid for Marche and Ross Dress for Less totaling $37,500. These awards had been approved by the Village Board in 2015. In June, a $15,000 façade award was approved and paid for Jayne, a new women's boutique downtown. In August, $15,000 was awarded to the building owner of M and 'Em's for HVAC updates.
- Police Administration: In the 2016 budget, the vehicle replacement and operations costs were evaluated and more equitably distributed to operations and investigations rather than administration. To date, only $1,000 of the $13,000 employee education budget has been spent. The division is also trending favorably on health insurance.
- Police Operations and Investigations: As noted above, an additional contribution to the Police Pension Fund was approved by the Village Board and was transferred in July 2016. The total transfer was $400,000.
- Fire: $24,576 has been spent in 2016 for fire inspections versus $10,632 in 2015. The required contribution to the Equipment Services Fund also increased in 2016 versus 2015.
- EMS: DuComm costs are $81,622 to date in 2016 versus $54,355 in 2015. This is due to timing of the quarterly payments. Three payments were made to date in 2016 versus two payments to date in 2015.
- PW Admin: A third engineer was hired to augment the department as well as to provide succession planning when the current Professional Engineer retires. However, in August, a Civil Engineer resigned.
- PW Streets: In the prior year, there were greater costs for snow removal. In 2015, through May, $69,692 was spent on snow labor costs versus $39,986 in the current year. Also, $21,026 was spent on snow hauling in the CBD in 2015 versus $4,606 in 2016. Vacancies in the department are holding personnel expenditures below budget and the prior year. To date, only $161,009 in full-time salaries have been incurred versus $186,303 in the prior year.
- PW Forestry: Forestry costs such as tree removals, trimming, etc. are running approximately $46,000 ahead of the prior year. These costs are still within their budgeted amounts (only at 51% of budget).

Attachment: Financial Update - 2016-08-31 (2428 : Financial Update - August 2016)

Key General Fund Revenues: Page 3

Sales Tax: Sales Tax receipts in August are for sales that originated in May. After a dip in July, sales tax hit another record 12 month rolling average high in August 2016.

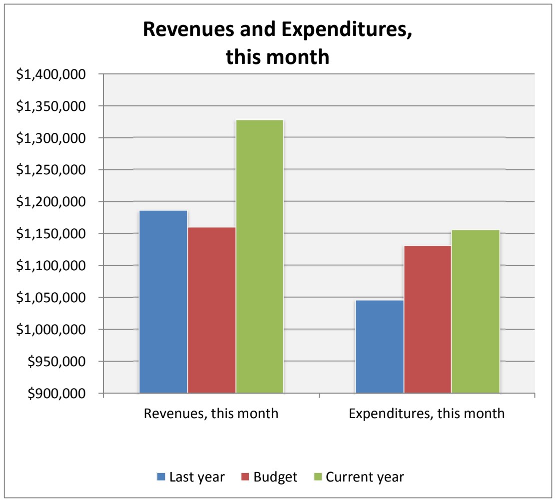
Home Rule Sales Tax: Home Rule Sales Tax receipts in August are for sales that also originated in May. Home Rule Sales Tax is not collected on vehicle sales and food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks, and food which has been prepared for immediate consumption) and certain other medical prescriptions and supplies. Also after a dip in July, home rule sales tax hit another record 12 month rolling average high in August 2016.

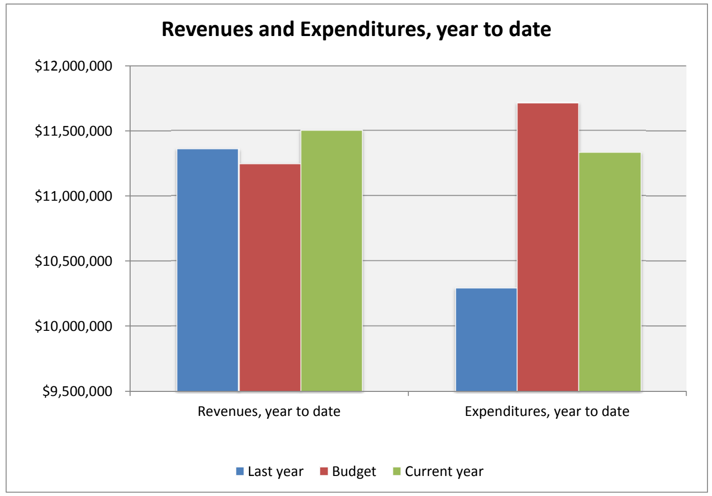
Income Tax: Income tax received in August is for remittances to the state in July. Income tax receipts from April through August have fallen below our budgeted expectations. At the time this report was written, the September income tax amount was released. The September income tax will be above the previous five Septembers, and is hopefully a turnaround from the decline that this revenue stream has experienced in the last few months. We will continue to monitor this revenue.

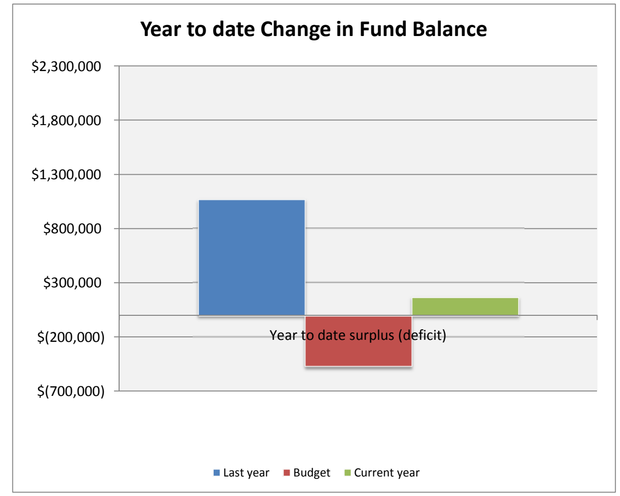
Attachments
August Financials

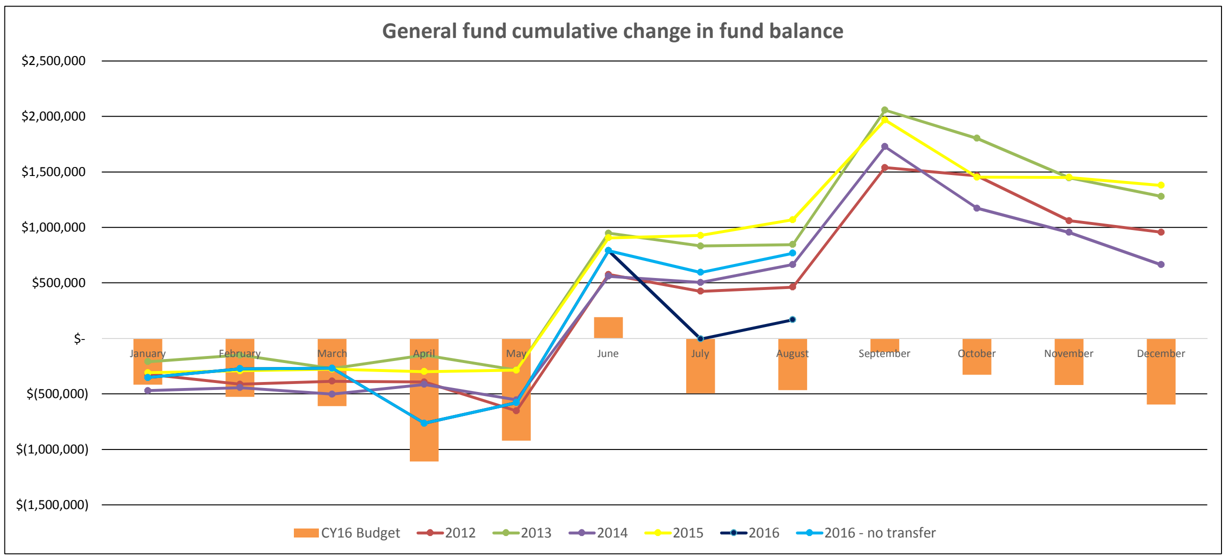
Attachment: Financial Update - 2016-08-31 (2428 : Financial Update - August 2016)

General Fund Budget Summary
For the Period Ended August 31, 2016









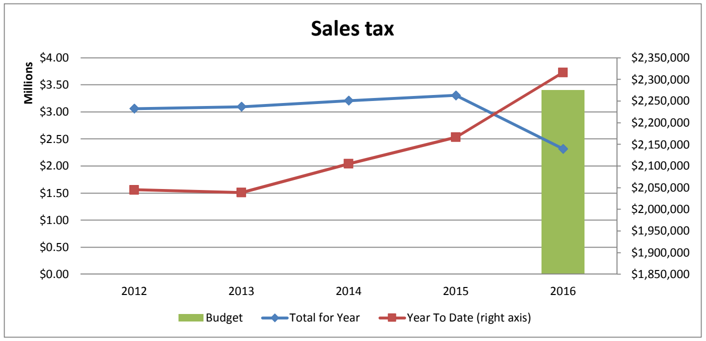
Packet Pg. 14

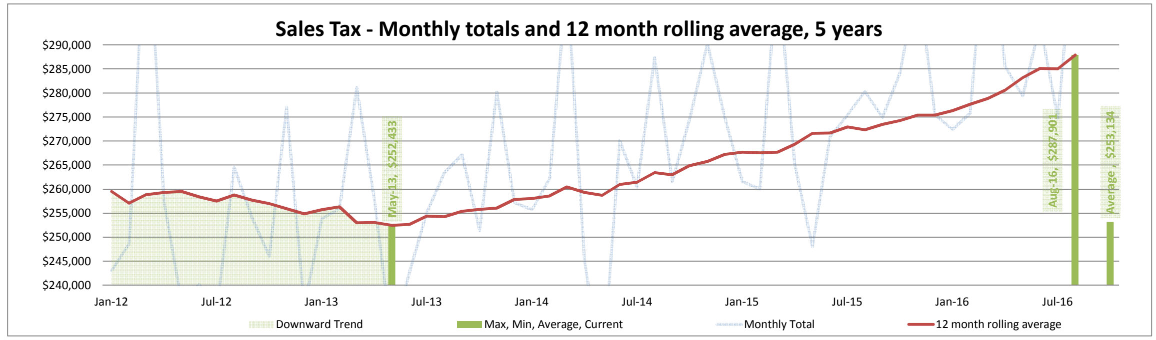
D.1.a

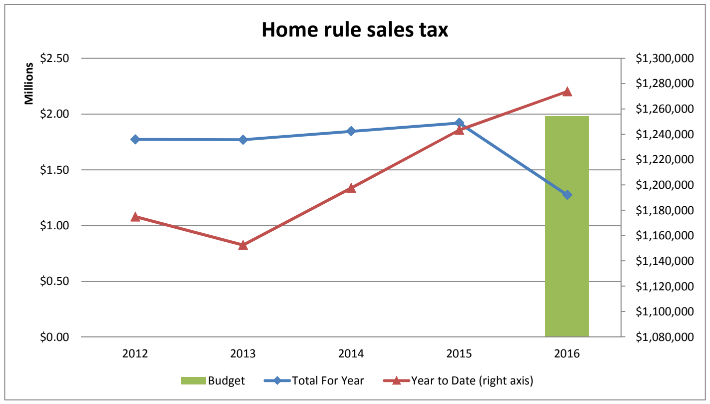
General Fund Budget Summary
For the Period Ended August 31, 2016

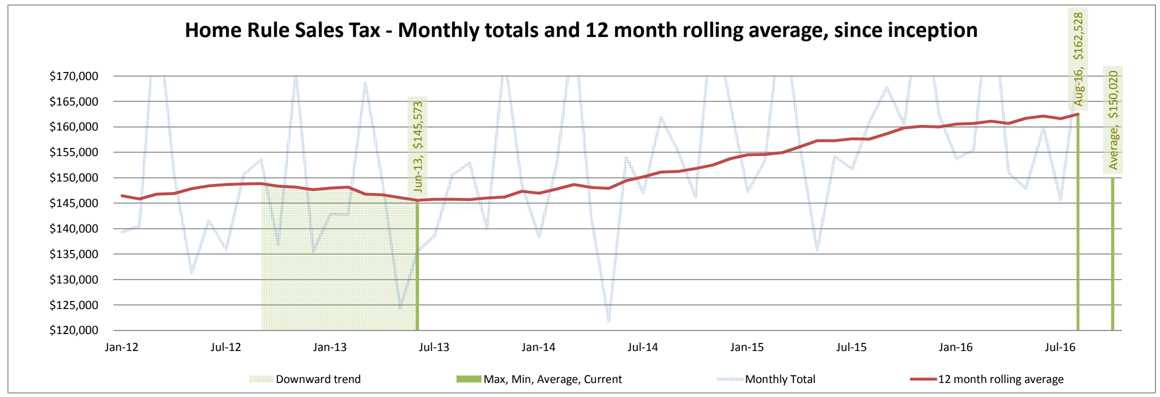
	MONTH							YTD						
	Last Year	Current Budget	Current Year	Variance from LY $	%	Variance from Budget $	%	Last Year	Current Budget	Current Year	Variance from LY $	%	Variance YTD Budget $	%
REVENUES														
TAXES														
Property Tax	44,019	45,205	57,046	13,027	30%	11,841	26%	1,682,601	1,727,950	1,772,580	89,979	5%	44,630	3%
Econ Dev SSA Tax	588	598	1,853	1,265	215%	1,255	210%	66,219	67,382	75,836	9,617	15%	8,454	11%
Sales Tax	280,279	288,242	314,704	34,425	12%	26,462	9%	2,166,603	2,228,159	2,316,322	149,719	7%	88,163	4%
Home Rule Sales Tax	160,910	165,942	171,420	10,510	7%	5,478	3%	1,243,343	1,282,222	1,273,717	30,374	2%	(8,505)	-1%
State Income Tax	167,315	157,040	150,461	(16,854)	-10%	(6,579)	-4%	2,152,232	2,020,059	1,985,063	(167,169)	-8%	(34,996)	-2%
Other Taxes	75,667	75,290	82,278	6,611	9%	6,988	9%	825,620	855,541	910,332	84,712	10%	54,791	6%
Subtotal Taxes	**728,778**	**732,317**	**777,762**	**48,984**	**7%**	**45,445**	**6%**	**8,136,618**	**8,181,314**	**8,333,850**	**197,232**	**2%**	**152,536**	**2%**
LICENSES & PERMITS														
Vehicle Licenses	10,175	10,171	8,975	(1,200)	-12%	(1,196)	-12%	364,403	364,256	335,953	(28,450)	-8%	(28,303)	-8%
Business Registration	570	612	630	60	11%	18	3%	5,301	5,687	6,800	1,499	28%	1,113	16%
Liquor Licenses	560	610	100	(460)	-82%	(510)	-84%	118,235	128,817	111,917	(6,318)	-5%	(16,900)	-15%
Building Permits/Reg./Fees	61,189	58,743	61,298	109	0%	2,555	4%	488,029	471,987	406,608	(81,421)	-17%	(65,379)	-16%
Subtotal Licenses & Permits	**72,494**	**70,136**	**71,003**	**(1,491)**	**-2%**	**867**	**1%**	**975,968**	**970,747**	**861,278**	**(114,690)**	**-12%**	**(109,469)**	**-13%**
CHARGES & FEES														
Cable Franchise Fees	144,886	150,451	110,297	(34,589)	-24%	(40,154)	-27%	425,530	441,874	444,730	19,200	5%	2,856	1%
Ambulance Service Fees	1,229	168	(3,077)	(4,306)	-350%	(3,245)	-1935%	10,540	1,438	46,066	35,526	337%	44,628	97%
Police Service Reimbursements	4,475	5,682	106,764	102,289	2286%	101,082	1779%	133,669	147,070	123,007	(10,662)	-8%	(24,063)	-20%
Service Fees - GWA/Library	10,642	10,798	10,798	156	1%	0	0%	85,136	86,381	86,384	1,248	1%	3	0%
Subtotal Charges & Fees	**161,232**	**167,098**	**224,782**	**63,550**	**39%**	**57,684**	**26%**	**654,875**	**676,763**	**700,187**	**45,312**	**7%**	**23,424**	**3%**
OTHER														
Police/Court Fines	40,151	39,642	43,711	3,560	9%	4,069	10%	362,273	360,893	352,844	(9,429)	-3%	(8,049)	-2%
Investment Income	515	851	3,727	3,212	624%	2,876	338%	12,923	21,362	21,938	9,015	70%	576	3%
Miscellaneous Income	58,043	24,424	81,525	23,482	40%	57,101	234%	413,556	229,710	426,939	13,383	3%	197,229	46%
Transfers from Other Funds	125,800	126,150	126,150	350	0%	0	0%	806,400	809,200	809,200	2,800	0%	0	0%
Subtotal Other	**224,509**	**191,067**	**255,113**	**30,604**	**14%**	**64,046**	**34%**	**1,595,152**	**1,421,165**	**1,610,921**	**15,769**	**1%**	**189,756**	**12%**
Revenue Totals	**1,187,013**	**1,160,618**	**1,328,660**	**141,647**	**12%**	**168,042**	**14%**	**11,362,613**	**11,249,989**	**11,506,236**	**143,623**	**1%**	**256,247**	**2%**
EXPENDITURES														
Village Board & Clerk	4,925	5,087	4,404	(521)	-11%	(683)	-13%	31,430	32,462	63,290	31,860	101%	30,828	95%
Village Manager's Office	43,787	50,207	53,294	9,507	22%	3,087	6%	445,506	510,828	482,268	36,762	8%	(28,560)	-6%
Law	22,411	22,313	23,934	1,523	7%	1,621	7%	210,492	209,570	206,843	(3,649)	-2%	(2,727)	-1%
Facilities Maintenance	42,615	45,088	41,899	(716)	-2%	(3,189)	-7%	359,132	579,970	541,306	182,174	51%	(38,664)	-7%
Senior Services	4,960	5,645	8,088	3,128	63%	2,443	43%	57,287	65,196	60,383	3,096	5%	(4,813)	-7%
History Park	1,147	1,759	3,304	2,157	188%	1,545	88%	20,920	32,073	15,502	(5,418)	-26%	(16,571)	-52%
Information Technology*	27,002	30,472	33,938	6,936	26%	3,466	11%	275,737	301,173	269,074	(6,663)	-2%	(32,099)	-11%
Finance - Administration	34,399	39,372	37,758	3,359	10%	(1,614)	-4%	334,154	382,459	348,338	14,184	4%	(34,121)	-9%
Finance - Cashiers Office	21,195	22,594	23,244	2,049	10%	650	3%	193,847	206,641	202,937	9,090	5%	(3,704)	-2%
Planning	38,611	42,306	48,383	9,772	25%	6,077	14%	299,040	327,658	331,249	32,209	11%	3,591	1%
Building	61,175	67,722	59,881	(1,294)	-2%	(7,841)	-12%	477,571	528,682	481,338	3,767	1%	(47,344)	-9%
Economic Development	3,774	4,008	19,529	15,755	417%	15,521	387%	205,864	218,645	344,982	139,118	68%	126,337	58%
Police - Administration	97,109	96,406	90,220	(6,889)	-7%	(6,186)	-6%	918,506	951,856	870,001	(48,505)	-5%	(81,855)	-9%
Police - Operations	293,334	320,686	325,997	32,663	11%	5,311	2%	3,293,137	3,900,205	3,847,780	554,643	17%	(52,425)	-1%
Police - Investigations	62,690	62,901	58,491	(4,199)	-7%	(4,410)	-7%	696,110	758,455	720,551	24,441	4%	(37,904)	-5%
Fire	25,577	31,147	30,690	5,113	20%	(457)	-1%	241,833	294,494	290,377	48,544	20%	(4,117)	-1%
EMS	27,917	30,374	29,494	1,577	6%	(880)	-3%	260,233	283,138	308,742	48,509	19%	25,604	9%
Public Works - Admin & Eng.**	54,093	58,735	69,370	15,277	28%	10,635	18%	462,424	502,109	495,558	33,134	7%	(6,551)	-1%
Public Works - Streets	101,440	97,777	131,103	29,663	29%	33,326	34%	890,488	858,333	776,116	(114,372)	-13%	(82,217)	-10%
Public Works - Forestry	78,149	97,438	63,166	(14,983)	-19%	(34,272)	-35%	621,050	774,342	682,342	61,292	10%	(92,000)	-12%
Expenditure Totals	**1,046,310**	**1,132,036**	**1,156,187**	**109,877**	**11%**	**24,151**	**2%**	**10,294,761**	**11,718,291**	**11,338,977**	**1,044,216**	**10%**	**(379,314)**	**-3%**
Net Surplus / (Deficit)	**140,703**	**28,582**	**172,473**	**31,770**		**143,891**		**1,067,852**	**(468,301)**	**167,259**	**(900,593)**		**635,560**	

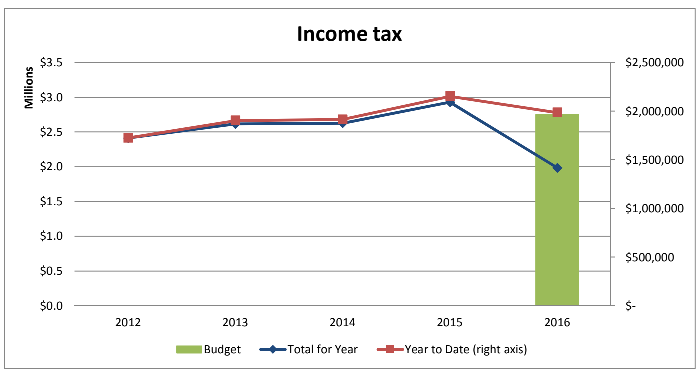
Key General Fund Revenues
For the Period Ended August 31, 2016

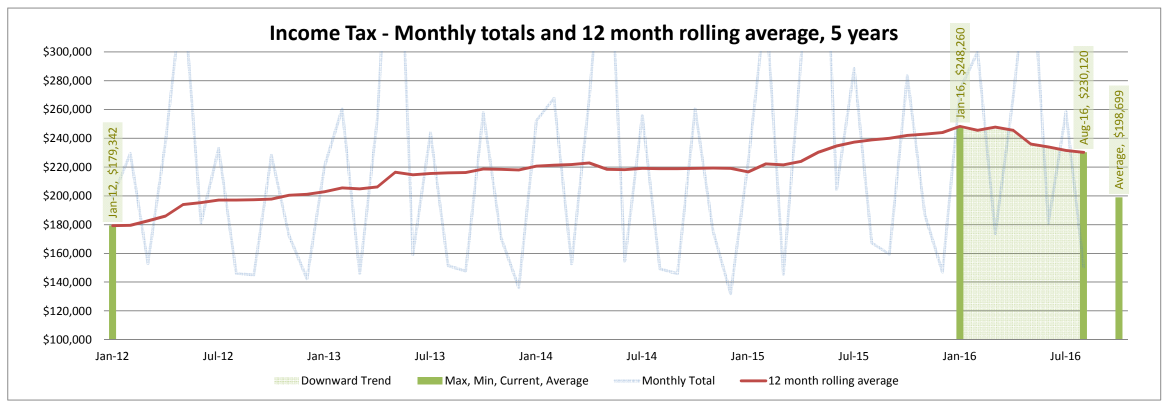












Finance Commission
535 Duane St.
Glen Ellyn, IL 60137

Meeting: 09/23/16 07:00 AM
Department: Finance Commission
Department Head: Christina Coyle
Category: Report
Prepared By: Christina Coyle

SCHEDULED

AGENDA ITEM (ID # 2427) DOC ID: 2427

Village Links/Reserve 22 Financial Statements - August 2016

Please see the report attached to this memo.

ATTACHMENTS:

- Village Links R22 Financial Statements August (PDF)

VILLAGE LINKS
GLEN ELLYN

RESERVE 22 TWENTY-TWO

"Committed to Excellence since 1967"

Manager's Report for August 2016

Submitted by Jeff Vesevick, General Manager

August is typically the wettest month of the year, making it a challenge to excel in golf revenues. In August 2016, recorded rainfall of 4.27" was below the normal 4.6", and 1.3" less than 2015. The rainfall was recorded on 11 of the 31 days, and prohibited the use of motor carts 1 day on the 9-hole course, and a half a day on the 18-hole course. The bigger deterrent to revenues, however, was the presence of high humidity for most of the month, which rendered generally uncomfortable outdoor conditions.

GOLF

Despite the wet, up and down weather patterns, golf facility usage was at its highest in the past several years:

Rounds played were down 15% for the month, and are up 1% for the year
Green Fee revenue was down 12% for the month, as is up 1% for the year
Driving Range revenue was down 15% for the month, and is down 6% for the year
Motor Car revenue was down 13% for the month, and is flat for the year
Pro Shop sales were down 32% for the month, and are down 9% for the year

Golf Revenue August	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Rounds	12,055	14,010	12,030	12,453	12,420	11,823	12,451	12,385	13,242	11,176
Green Fees	299,099	352,602	299,211	295,170	286,660	273,188	303,350	277,455	324,654	285,344
Driving Range	33,602	39,178	38,459	31,896	33,407	33,178	37,426	48,085	45,160	38,251
Pro Shop	28,014	29,553	21,059	19,673	23,008	21,943	25,303	24,363	30,781	20,834
Carts	62,169	78,993	62,017	67,018	72,236	69,288	83,248	73,506	88,648	77,363
Resident Cards	701	1,007	846	1,194	889	1,000	1,415	1,270	1,080	560
Miscellaneous	448	-8,587	5,920	9,261	6,963	10,400	15,535	11,212	7,869	7,597
Total Revenue	**423,714**	**492,934**	**427,534**	**423,953**	**423,123**	**409,617**	**468,882**	**435,512**	**498,193**	**429,950**

Golf revenues in August 2016 were slightly below average, and 5th best in the last 10 years

Weekend Permanent Starting times ended the season on Sunday, August 28.

Attachment: Village Links R22 Financial Statements August (2427 : Village Links R22 Financial Statements - August 2016)

118 players participated in the Glen Ellyn Open Championship on Sunday, August 16, up slightly from last year's 106 players. August is Championship month for the Village Links, as the Over 60 Men's 9-hole league and the Swingin' Set Ladies league both crowned champions. The Village Links also conducted championship tournaments for Juniors, Husband-Wife teams, and a Match Play Championship for men.

There were 16 outside events in August, 2 less than 2015. The outings were of various sizes, hosting 525 players and generating $34,200 in golf revenue, and $17, 490 in Banquet Revenues. Golf outing revenues were relatively the same as 2015, accounting for 10% of all golf revenues. As is typically the case, the Golf Staff is preparing for a busy September schedule, as 29 outside events are currently booked.

FootGolf attracted the US Soccer Association, as 40 of its staffers convened for an outing on Friday, August 12. The Village Links hopes to attract more of these types of events in the future. The American Foot Golf League conducted its local qualifier for its National Championship on Sunday, July 31. Among the qualifiers was Foot Golf enthusiast, and Reserve 22 bartender **Bobby Safford**. The Village Links was also selected to host the Regional Qualifier on October 8. Successful qualifiers will move on to the inaugural National Championship in Palm Desert California in November.

The FALL FEST version of ***Touring the Links*** was published and mailed to over 5,000 regular customers, informing them of the annual promotions. The newsletter is also available on the website, and emails were sent out to more than 11,600 addresses. ***FALL FEST*** is an annual promotion to increase traffic in the slower fall months, as most of our programmed leagues and lesson programs end in August.

The fall version of the PGA Junior League attracted 36 junior golfers, roughly half of the successful summer league. High School golf practices and matches begin in August, and will continue through September.

GROUNDS

The weather during the month of August was a repeat of July with high temperatures and humidity. We had 4.27" of rain which fell over 11 days. Normal August rainfall is 4.6". Temperatures were above normal 14 days during the month.

Course conditions were moderate during the month. Greens were soft and puffy. The wet, humid weather slowed green speeds which average 9' 2" during the month. The weather also favored fungal diseases. Extra fungicide applications were made to combat Dollar Spot – Sclerotinia homoeocarpa, Brown Patch – Rhizoctonia and Pythium Disease. The greens were spiked with 1/8" solid tines early in the month to provide extra air to the bent grass root zone.

Nine hole golf carts were grounded 1 day. Carts were grounded a half day on the 18 hole golf course.

Attachment: Village Links R22 Financial Statements August (2427 : Village Links R22 Financial Statements - August 2016)

1. Staff prepped for Have One On Us. Stakes and ropes were installed at the south practice greens and driving range tee. Bleachers were moved to the first tee for the long drive contest. Stripes were painted on the 13th and 7th fairways. Extra trash cans and flower planters were placed at the HOOU tent site.
2. Bunkers were edged.
3. The practice tee was fertilized once.
4. Isolated dry spots on green complexes were hand watered 7 days.
5. Greens, tees and fairways were treated with growth regulators, wetting agents, fungicides and fertilizer 2 times.
6. Sixteen thousand ball marks were leveled using green sand.
7. Eighteen hole greens were sand top dressed once.
8. Scalped plugs were replaced on all greens.
9. Pond weeds were treated in several ponds.
10. New flags were installed on the 18 hole.
11. Silvery Thread Moss was spot treated 3 times during the month.
12. Yardage plates on par 3's and fairways were trimmed.
13. Washed out bunkers were shoveled up.

Mechanical and Building Maintenance

1. Traffic patterns on the north patio were cleaned once.
2. The Reserve 22 and Blue Heron carpets were cleaned.
3. Fifteen fairway mowing reels and bed knives were sharpened.
4. Six greens mower cutting units were sharpened.
5. A shutoff relay was replaced on the driving range tractor.
6. A thermostat for kitchen fryer #1 was replaced.
7. Twelve pieces of equipment received routine service.

Horticulture

1. Six dead trees were cut down on the golf course.
2. Annual flower beds were weeded.
3. Landscape shrubs were trimmed.
4. Weeds were sprayed in landscape beds.

Storm Water

1. Five dead trees were removed from Panfish Park.
2. Panfish Park was fertilized.
3. The Panfish Park pond outflow structure was cleaned of debris.

RESERVE 22

Food and beverage sales also suffered in August, as sticky, humid air made it uncomfortable for the popular patio dining. As a result, revenues from the Restaurant and Bar were down 14% for the month, but remain up slightly for the year. Revenues from the Halfway House and Beverage Cart were down 21%, relating directly to the decrease in rounds played. Revenues from banquets and outings improved 43% over last year, and are up 25% year to date.

Reserve 22 - August				Year to Date		
Restaurant	**2015**	**2016**	**+/-**	**2015**	**2016**	**+/-**
Beverages	10,165	7,327	*-27.9%*	42,929	37,935	*-11.6%*
Beer	50,108	42,675	*-14.8%*	251,126	243,127	*-3.2%*
Wine	20,437	17,109	*-16.3%*	109,154	102,791	*-5.8%*
Spirits	21,168	22,535	*6.5%*	108,655	124,102	*14.2%*
Food	129,179	108,441	*-16.1%*	644,507	661,936	*2.7%*
Total	**231,058**	**198,087**	***-14.3%***	**1,156,372**	**1,169,890**	***1.2%***
Banquet & Outings	**2015**	**2016**	**+/-**	**2015**	**2016**	**+/-**
Beverages	708	1,121	*58.5%*	7,434	7,527	*1.3%*
Beer	2,505	4,708	*87.9%*	21,952	30,477	*38.8%*
Wine	1,383	2,740	*98.1%*	18,639	24,551	*31.7%*
Spirits	2,231	3,809	*70.7%*	24,318	34,465	*41.7%*
Food	20,622	26,859	*30.2%*	171,064	208,859	*22.1%*
Misc.	919	1,479	*61.0%*	12,351	15,548	*25.9%*
Total	**28,369**	**40,717**	***43.5%***	**255,759**	**321,428**	***25.7%***
Other	**38,058**	**29,977**	***-21.2%***	**151,925**	**127,424**	***-16.1%***
Total Reserve 22	**297,486**	**268,782**	***-9.6%***	**1,564,056**	**1,618,741**	***3.5%***

The 2nd annual Pig Roast was held on the patio on Friday, August 6. 82 guests enjoyed the roast, down almost 50% from the inaugural event in 2015. High humidity, along with family vacation schedules may have contributed to the lackluster attendance.

Staff is preparing for its annual Fall promotions, including menu specials, beer tap takeovers, a Spanish Wine tasting and Sale event, family S'mores, and a special Halloween Pumpkin drawing contest.

Many of the service staff has returned to college, and management is hiring new people for the fall.

Aimee Detterbeck was promoted to full time Banquet Sales Coordinator, and will officially begin her duties on September 2. Aimee has been working in the restaurant and banquets since 2013.

Reserve 22 has ended its 2nd trial period for Outdoor Live entertainment. While not entirely conclusive, sales in the restaurant and bar were up from 27-54% on evenings when entertainment were offered, versus no entertainment. Staff will present results to the Village Board in September, and request that some of the restrictions be changed going forward.

VILLAGE LINKS / RESERVE 22
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
As of August 31, 2016

ORG	DESCRIPTION	2016 BUDGET	MONTH 2016	MONTH 2015	MONTH DIFF	MONTH % DIFF	YEAR-TO-DATE 2016	YEAR-TO-DATE 2015	YEAR-TO-DATE DIFF	YEAR-TO-DATE % DIF
	REVENUES:									
5500	Golf Recreation	$ 3,071,600	$ 430,973	$ 497,885	$ (66,912)	-13%	$ 2,063,565	$ 2,087,002	$ (23,437)	-
5520	Food Service	2,515,000	268,782	297,486	(28,704)	-10%	1,620,436	1,570,753	49,684	
	Total Revenues	**$ 5,586,600**	**$ 699,754**	**$ 795,371**	**$ (95,616)**	**-12%**	**$ 3,684,002**	**$ 3,657,755**	**$ 26,247**	
	EXPENDITURES:									
55700	Administration	$ 541,430	$ 25,722	$ 22,657	$ 3,065	14%	$ 229,013	$ 194,984	$ 34,029	1
55710	Golf Course Maintenance	845,100	54,710	66,299	(11,589)	-17%	515,867	522,396	(6,529)	-
55720	Golf Services	691,500	80,336	77,973	2,363	3%	484,644	454,706	29,937	
55730	Food Services	2,097,968	231,892	237,479	(5,587)	-2%	1,481,492	1,389,871	91,621	
55740	Stormwater Management	38,510	3,937	1,336	2,600	195%	15,680	15,270	411	
55750	Pro Shop Merchandise	177,200	24,926	24,877	49	0%	109,165	118,707	(9,542)	-
55780	Motorized Carts	50,680	7,092	8,133	(1,041)	-13%	30,863	30,171	692	
557X5	Mechanical Maintenance	159,830	13,920	9,290	4,630	50%	109,039	77,075	31,964	4
	Total Operating Expenses	$ 4,602,218	$ 442,534	$ 448,044	$ (5,509)	-1%	$ 2,975,763	$ 2,803,180	$ 172,583	
	Operating Income	**$ 984,382**	**$ 257,220**	**$ 347,327**	**$ (90,107)**	**-26%**	**$ 708,239**	**$ 854,575**	**$ (146,336)**	**-1**
	Debt Service	646,970	-	-	-	0%	78,485	83,948	(5,463)	-
	Capital Expenditures	176,000	-	1,875	(1,875)	-100%	53,967	27,010	26,957	10
	CHANGE IN NET POSITION	**$ 161,412**	**$ 257,220**	**$ 345,452**	**$ (88,232)**	**-26%**	**$ 575,787**	**$ 743,618**	**$ (167,831)**	**-2**

KEY METRICS

	Goal	Month 2016	Month 2015	Month Diff	YTD 2016	YTD 2015	YTD Diff
Personnel Expenses as % of Sales	*43%*	*34%*	*28%*	*5%*	*41%*	*38%*	*3%*
Cash Balance (End of Month, in $000's)	*$ 1,335*	*$ 2,194*	*$ 2,059*	*$ 135*			

Attachment: Village Links R22 Financial Statements August (2427 : Village Links R22 Financial

VILLAGE LINKS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
GOLF
(Including Administration, Grounds, & Mechanical Maintenance)
As of August 31, 2016

ORG/ OBJECT	DESCRIPTION	2016 BUDGET	MONTH 2016	MONTH 2015	MONTH DIFF	MONTH % DIFF	YEAR-TO-DATE 2016	YEAR-TO-DATE 2015	YEAR-TO-DATE DIFF	YEAR-TO-DATE % DIFF
5500	**GOLF REVENUES:**									
410400	Sales Tax *(Note: Restated 2015)*	$ 221,100	$ -	$ -	$ -	0%	$ -	$ -	$ -	0%
440550	Green Fees	1,800,000	285,344	324,654	(39,310)	-12%	1,288,443	1,296,311	(7,868)	-1%
440554	Pro Shop - Sales	190,000	20,834	30,781	(9,947)	-32%	124,794	136,720	(11,926)	-9%
440555	Motor Carts	465,000	77,363	88,648	(11,285)	-13%	337,391	336,935	456	0%
440556	Driving Range	275,000	38,251	45,160	(6,909)	-15%	198,568	212,375	(13,808)	-7%
440557	Resident Cards	37,000	560	1,080	(520)	-48%	34,515	35,865	(1,350)	-4%
460100	Investment Income	500	586	75	511	677%	2,601	1,772	829	47%
489000	Miscellaneous Revenue	83,000	7,988	7,427	561	8%	77,186	67,863	9,323	14%
489100	Miscellaneous - Over/Short	-	46	60	(13)	-22%	67	(839)	906	-108%
	Total Revenues	**$ 3,071,600**	**$ 430,973**	**$ 497,885**	**$ (66,912)**	**-13%**	**$ 2,063,565**	**$ 2,087,002**	**$ (23,437)**	**-1%**
	COST OF GOODS SOLD:									
520945	Cost of Goods Sold - Pro Shop	$ 144,400	$ 22,503	$ 22,481	$ 22	0%	$ 90,082	$ 100,905	$ (10,823)	-11%
	Total Cost of Goods Sold	**$ 144,400**	**$ 22,503**	**$ 22,481**	**$ 22**	**0%**	**$ 90,082**	**$ 100,905**	**$ (10,823)**	**-11%**
	Gross Profit	**$ 2,927,200**	**$ 408,470**	**$ 475,404**	**$ (66,934)**	**-14%**	**$ 1,973,483**	**$ 1,986,097**	**$ (12,614)**	**-1%**
	OTHER OPERATING EXPENSES:									
510100	Salaries - Regular	$ 753,000	$ 70,530	$ 66,415	$ 4,115	6%	$ 501,638	$ 467,532	$ 34,106	7%
510120	Salaries - Regular PT	-	31,707	-	31,707	0%	128,457	-	128,457	0%
510300	Salaries - Temporary Help	252,000	(2,802)	31,995	(34,797)	-109%	-	132,204	(132,204)	-100%
510200	Salaries - Overtime	2,500	5	386	(381)	-99%	1,276	758	518	68%
510400	FICA	79,820	7,481	7,445	37	0%	47,398	45,040	2,358	5%
510500	IMRF	81,480	7,259	7,061	198	3%	49,112	49,318	(206)	0%
590600	Health Insurance *(Note: Restated 2015)*	78,500	6,617	5,357	1,260	24%	50,950	48,954	1,996	4%
52XXXX	Contractual Services	732,550	48,117	36,868	11,248	31%	377,887	322,398	55,489	17%
53XXXX	Commodities	345,000	19,226	32,556	(13,331)	-41%	247,470	246,198	1,272	1%
	Total Operating Expenses	**$ 2,324,850**	**$ 188,140**	**$ 188,084**	**$ 56**	**0%**	**$ 1,404,188**	**$ 1,312,403**	**$ 91,785**	**7%**
	Operating Income	**$ 602,350**	**$ 220,330**	**$ 287,320**	**$ (66,990)**	**-23%**	**$ 569,295**	**$ 673,694**	**$ (104,399)**	**-15%**
	Operating Income Percentage	**20%**	**51%**	**58%**			**28%**	**32%**		

KEY METRICS

	Goal	MONTH 2016	MONTH 2015	MONTH DIFF	YTD 2016	YTD 2015	YTD DIFF
Rounds Played	*72,000*	*11,176*	*13,242*	*(2,066)*	*53,194*	*53,694*	*(500)*
Revenue Per Round *(Note: Restated 2015)*	*$ 39.59*	*$ 38.56*	*$ 37.60*	*$ 0.96*	*$ 38.79*	*$ 38.87*	*$ (0.08)*
Resident Cards Sold	*N/A*	*35*	*63*	*(28)*	*2,782*	*2,820*	*(38)*
Cost of Goods Sold % - Pro Shop	*76%*	*108%*	*73%*	*35%*	*72%*	*74%*	*-2%*
Personnel Expenses as % of Sales *(Note: Restated 201*	*44%*	*28%*	*24%*	*4%*	*38%*	*36%*	*2%*

Attachment: Village Links R22 Financial Statements August (2427 : Village Links R22 Financial

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RESERVE 22
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
As of August 31, 2016

ORG/ OBJECT	DESCRIPTION	2016 BUDGET	MONTH 2016	MONTH 2015	MONTH DIFF	MONTH % DIFF	YEAR-TO-DATE 2016	YEAR-TO-DATE 2015	YEAR-TO-DATE DIFF	YEAR-TO-DATE % DIF
5520	**FOOD SERVICE REVENUES:**									
441100	Food	$ 1,425,000	$ 141,142	$ 157,539	$ (16,397)	-10%	$ 901,449	$ 857,917	$ 43,532	
441101	Liquor	230,000	29,195	25,787	3,409	13%	170,458	145,529	24,929	1
441102	Beer	510,000	63,339	70,068	(6,729)	-10%	338,873	343,877	(5,004)	-
441103	Wine	200,000	19,850	21,821	(1,971)	-9%	127,342	127,794	(452)	
441104	NA Beverages	125,000	13,840	19,085	(5,245)	-27%	69,202	79,028	(9,826)	-1
441105	Café	-	-	1,718	(1,718)	-100%	-	7,614	(7,614)	-10
441106	Room Charges	-	126	(622)	748	-120%	1,049	(622)	1,671	-26
441107	Service Charges	25,000	1,289	2,100	(811)	-39%	12,064	9,638	2,426	2
441108	Paid Tips	-	-	(10)	10	-100%	-	(22)	22	-10
	Total Revenues	**$ 2,515,000**	**$ 268,782**	**$ 297,486**	**$ (28,704)**	**-10%**	**$ 1,620,436**	**$ 1,570,753**	**$ 49,684**	
	COST OF GOODS SOLD:									
530400	Cost of Goods Sold - Beer	$ 127,800	$ 16,976	$ 14,378	$ 2,599	18%	$ 96,865	$ 81,245	$ 15,620	1
530401	Cost of Goods Sold - Wine	58,409	6,978	7,350	(372)	-5%	56,781	37,965	18,817	5
530402	Cost of Goods Sold - Liquor	45,220	5,451	7,999	(2,547)	-32%	34,033	28,506	5,527	1
530405	Cost of Goods Sold - NA Beverages	41,500	7,369	8,293	(924)	-11%	33,201	31,769	1,431	
530420	Cost of Goods Sold - Food	488,000	56,129	62,512	(6,383)	-10%	331,051	327,740	3,311	
	Total Cost of Goods Sold	**$ 760,929**	**$ 92,902**	**$ 100,530**	**$ (7,628)**	**-8%**	**$ 551,931**	**$ 507,224**	**$ 44,707**	
	Gross Profit	**$ 1,754,071**	**$ 175,879**	**$ 196,955**	**$ (21,076)**	**-11%**	**$ 1,068,505**	**$ 1,063,528**	**$ 4,977**	
	Gross Profit Percentage	**70%**	**65%**	**66%**			**66%**	**68%**		
	OTHER OPERATING EXPENSES:									
510100	Salaries - Regular	$ 653,200	$ 48,262	$ 17,213	$ 31,049	180%	$ 285,894	$ 121,452	$ 164,442	13
510120	Salaries - Regular PT	-	40,417	-	40,417	0%	215,026	-	215,026	
510300	Salaries - Temporary Help	195,000	327	72,449	(72,122)	-100%	63,071	402,362	(339,291)	-8
510200	Salaries - Overtime	15,000	5,819	2,924	2,895	99%	29,989	19,369	10,620	5
510400	FICA	86,550	10,205	10,296	(91)	-1%	63,726	57,020	6,706	1
510500	IMRF	67,200	6,901	2,127	4,774	224%	40,795	13,515	27,280	20
590600	Health Insurance *(Note: Restated 2015)*	27,500	1,971	2,163	(192)	-9%	15,232	16,404	(1,173)	-
52XXXX	Contractual Services	170,089	14,994	15,986	(993)	-6%	113,917	140,451	(26,535)	-1
53XXXX	Commodities	122,500	10,094	13,790	(3,696)	-27%	101,912	112,073	(10,161)	-
	Total Operating Expenses	**$ 1,337,039**	**$ 138,989**	**$ 136,949**	**$ 2,040**	**1%**	**$ 929,561**	**$ 882,647**	**$ 46,915**	
	Operating Income	**$ 417,032**	**$ 36,890**	**$ 60,007**	**$ (23,117)**	**-39%**	**$ 138,944**	**$ 180,881**	**$ (41,937)**	**-2**
	Operating Income Percentage	**17%**	**14%**	**20%**			**9%**	**12%**		

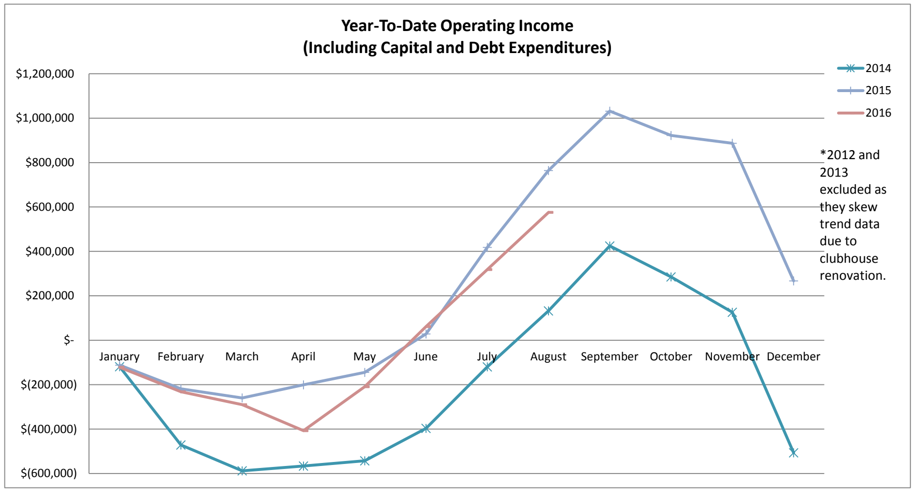
Attachment: Village Links R22 Financial Statements August (2427 : Village Links R22 Financial

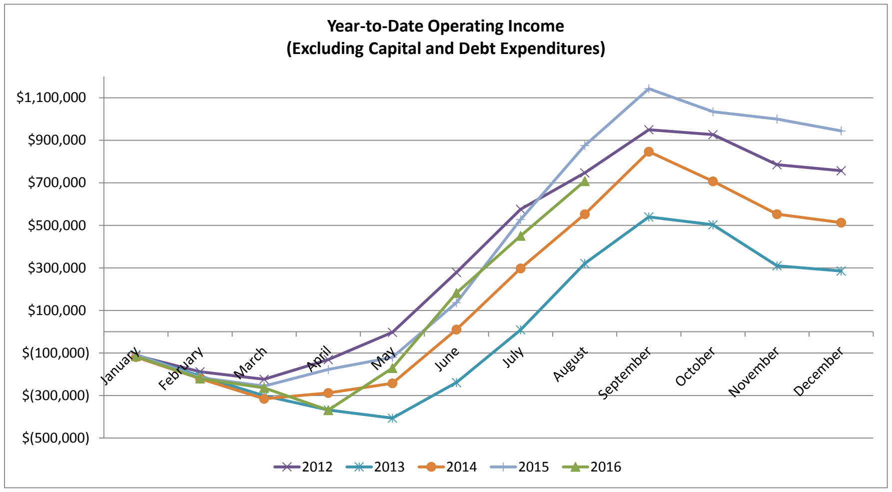
RESERVE 22
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
As of August 31, 2016

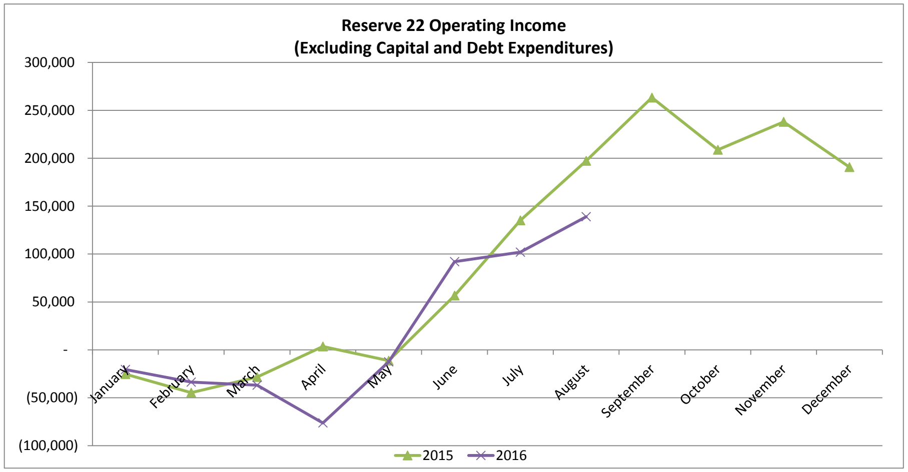
ORG/ OBJECT	DESCRIPTION	2016 BUDGET	MONTH 2016	MONTH 2015	MONTH DIFF	MONTH % DIFF	YEAR-TO-DATE 2016	YEAR-TO-DATE 2015	YEAR-TO-DATE DIFF	YEAR-TO-DATE % DIF
	KEY METRICS									
		Goal								
	Revenue Source:									
	Restaurant/Bar	*N/A*	*$ 196,957*	*$ 230,905*	*$ (33,948)*	*-15%*	*$ 1,168,791*	*$ 1,162,071*	*$ 6,719*	
	Banquets	*N/A*	*41,848*	*29,463*	*12,385*	*42%*	*322,598*	*256,896*	*65,701*	*2*
	Other	*N/A*	*29,977*	*37,118*	*(7,141)*	*-19%*	*129,048*	*151,785*	*(22,737)*	*-1*
	Total	*$ 2,515,000*	*$ 268,782*	*$ 297,486*	*$ (28,704)*	*-10%*	*$ 1,620,436*	*$ 1,570,753*	*$ 49,684*	
	Food Service Revenue (Last 12 Months)	*$ 2,515,000*					*$ 2,268,661*	*$ 2,102,604*	*$ 166,056*	
	Food Service Expenses (Last 12 Months)	*$ 2,097,968*					*$ 2,136,324*	*$ 1,931,915*	*$ 204,409*	*1*
	# Guest Checks (Restaurant/Bar)	*N/A*	*7,093*	*9,318*	*(2,225)*		*42,040*	*46,569*	*(4,529)*	
	Revenue Per Guest Check	*N/A*	*$ 27.77*	*$ 24.78*	*$ 2.99*		*$ 27.80*	*$ 24.95*	*$ 2.85*	
	# Guests (Restaurant/Bar)	*N/A*	*12,534*	*13,956*	*(1,422)*		*70,899*	*69,139*	*1,760*	
	Average Guest Spend	*N/A*	*$ 15.71*	*$ 16.55*	*$ (0.83)*		*$ 16.49*	*$ 16.81*	*$ (0.32)*	
	# Banquets & Events Held	*N/A*	*40*	*36*	*4*		*229*	*187*	*42*	
	Cost of Goods Sold %	*30%*	*35%*	*34%*	*1%*		*34%*	*32%*	*2%*	
	Cost of Goods Sold % (By Category):									
	Cost of Goods Sold - Beer	*25%*	*27%*	*21%*	*6%*		*29%*	*24%*	*5%*	
	Cost of Goods Sold - Wine	*29%*	*35%*	*34%*	*1%*		*45%*	*30%*	*15%*	
	Cost of Goods Sold - Liquor	*18%*	*19%*	*31%*	*-12%*		*20%*	*20%*	*0%*	
	Cost of Goods Sold - NA Beverages	*29%*	*53%*	*43%*	*10%*		*48%*	*40%*	*8%*	
	Cost of Goods Sold - Food	*32%*	*40%*	*40%*	*0%*		*37%*	*38%*	*-1%*	
	Personnel Expenses as % of Sales (Note: Restated 201	*42%*	*43%*	*36%*	*7%*		*44%*	*40%*	*4%*	
	Prime Cost (Cost of Goods Sold + Personnel Expenses) as % of Sales (Note: Restated 2015)	*72%*	*77%*	*70%*	*7%*		*78%*	*72%*	*6%*	

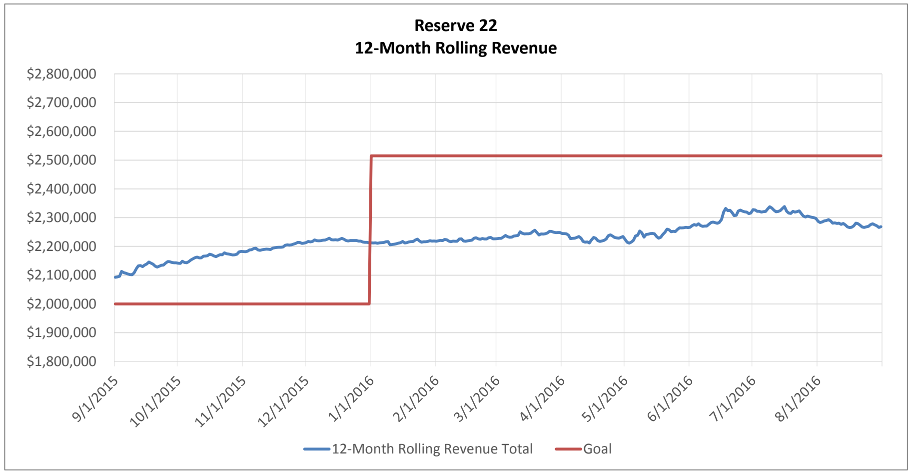
Attachment: Village Links R22 Financial Statements August (2427 : Village Links R22 Financial

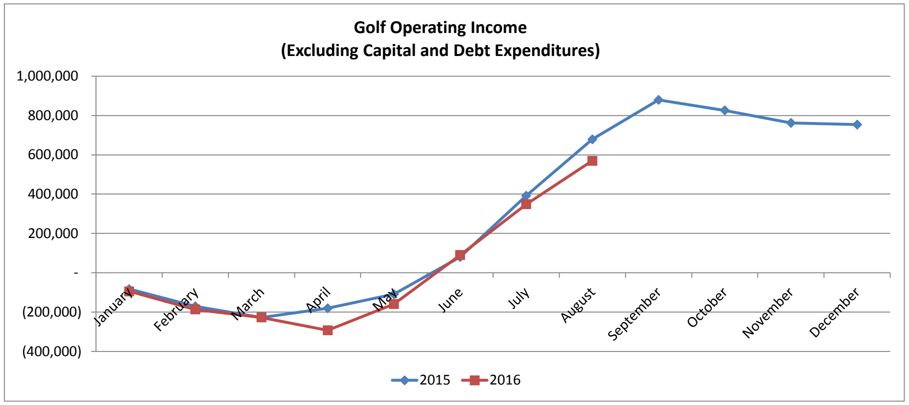
Village Links / Reserve 22
Dashboard Financial Report
As of August 31, 2016

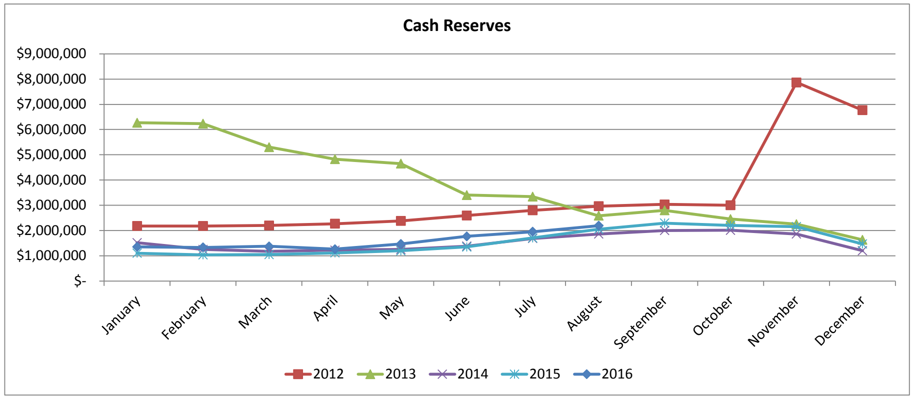












Attachment: Village Links R22 Financial Statements August (2427 : Village Links R22 Financial

H:\11\05-70\PCTOOLS\COHHIST **CASH HISTORY** ######## Month-End Cash on Hand ($1,000's)

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
JAN	169	333	547	750	757	953	1073	1210	1457	944	1029	1498	2098	2653	2977	3111	6970	2173	1616	1622	1719	2282	2302	2129	2126	2181	6269	1521	1104	1356
FEB	195	346	496	704	725	1034	1065	1205	1448	919	1090	1608	2122	2710	3031	3170	6830	2210	1603	1646	1743	2294	2318	2096	2126	2182	6233	1251	1041	1336
MAR	157	369	448	728	650	979	1076	1263	1361	817	1094	1574	2097	2740	3049	3146	6772	2112	1591	1612	1741	2234	2268	2108	2086	2203	5306	1174	1050	1377
APR	196	416	490	776	664	930	918	1203	1311	739	965	1549	2000	2761	2890	3108	6489	1928	1504	1623	1786	2271	2228	2168	1989	2273	4828	1224	1117	1268
MAY	320	522	536	867	723	1053	1015	1342	1270	981	1075	1672	2255	2737	3075	3103	5773	1874	1644	1733	1955	2374	2365	2305	2094	2383	4653	1354	1197	1474
JUNE	466	564	595	817	853	1110	1154	1463	1007	1204	1300	1945	2348	2754	3054	3213	5510	1819	1828	1863	2156	2478	2352	2419	2271	2595	3405	1384	1351	1770
JULY	512	722	789	951	1035	1276	1318	1702	1423	1299	1581	2158	2604	3055	3322	3433	4820	2079	2001	2109	2456	2771	2383	2523	2412	2803	3347	1690	1706	1957
AUG	551	790	905	1054	1224	1479	1507	1869	1549	1446	1763	2345	2798	3238	3462	3553	4019	2270	2154	2308	2541	2962	2586	2744	2627	2969	2589	1867	2059	2194
SEPT	649	886	1041	1189	1322	1638	1647	1915	1503	1438	1886	2436	2971	3369	3573	3663	3895	2386	2185	2345	2759	3096	2771	2896	2740	3035	2801	2005	2297	
OCT	566	805	974	1070	1210	1544	1437	1941	1427	1265	1904	2488	3025	3390	3532	3553	2845	2274	2222	2321	2809	3038	2681	2864	2760	3004	2456	2015	2200	
NOV	463	688	875	930	1128	1212	1330	1872	1300	1142	1760	2354	2897	3247	3330	3347	2580	2102	2110	2207	2720	2928	2601	2593	2686	7865	2259	1867	2158	
DEC	410	630	803	870	1071	1132	1274	1668	999	1092	1644	2205	2751	3058	3226	2874	2333	1713	1716	1832	2360	2413	2202	2216	2284	6768	1633	1204	1470	
AVG	388	589	708	892	947	1171	1234	1554	1338	1107	1424	1986	2497	2976	3210	3273	4903	2078	1848	1935	2229	2595	2421	2422	2350	3355	3815	1546	1563	1591
Low Point	157	333	448	704	650	930	918	1203	999	739	965	1498	2000	2653	2890	2874	2333	1713	1504	1612	1719	2234	2202	2096	1989	2181	1633	1174	1041	1268

MONTH +/- is the monthly increase/decrease to cash

MONTH +/-	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
																					-181	-549	-384	-528	-342	-487				
JAN	-70	-77	-83	-53	-113	-118	-59	-64	-211	-55	-63	-146	-106	-98	-81	-115	4096	-159	-98	-94	-113	-78	-111	-73	-76	-103	-499	-112	-100	-114
FEB	26	13	-51	-46	-32	81	-8	-5	-9	-25	61	110	24	58	55	59	-140	36	-13	23	24	12	16	-34	0	1	-35	-270	-63	-20
MAR	-38	23	-48	24	-75	-55	11	58	-87	-102	5	-33	-25	30	17	-24	-58	-98	-11	-34	-3	-60	-50	13	-40	21	-927	-77	9	41
APR	39	47	42	48	14	-49	-157	-60	-50	-78	-129	-26	-97	21	-159	-38	-282	-183	-88	11	45	37	-40	60	-97	70	-478	50	67	-109
MAY	124	106	46	91	59	123	96	139	-41	242	110	123	255	-24	185	-5	-717	-54	140	110	169	103	137	137	105	110	-175	130	80	206
JUNE	146	42	59	-50	130	58	139	121	-263	223	225	273	93	17	-21	110	-263	-56	185	130	201	104	-13	114	177	212	-1248	30	153	296
JULY	46	158	194	134	182	166	164	238	416	95	281	213	256	301	268	220	-690	261	173	246	300	293	31	104	141	208	-58	306	356	186
AUG	39	68	116	103	189	202	189	167	126	147	182	187	194	183	140	120	-801	191	153	199	85	191	203	221	214	166	-758	177	352	237
SEPT	98	96	136	135	98	159	140	46	-46	-8	123	91	174	131	111	110	-124	116	30	37	218	134	185	152	113	66	212	138	239	
OCT	-83	-81	-67	-119	-112	-94	-210	26	-76	-173	18	52	53	21	-42	-110	-1050	-113	37	-24	49	-58	-90	-32	20	-30	-345	10	-97	
NOV	-103	-117	-99	-140	-82	-332	-107	-69	-127	-123	-144	-135	-127	-143	-201	-207	-265	-172	-113	-114	-88	-111	-80	-272	-73	4861	-198	-148	-42	
DEC	-53	-58	-72	-60	-57	-80	-56	-204	-301	-50	-116	-149	-147	-189	-104	-473	-247	-389	-393	-375	-360	-514	-399	-377	-402	-1098	-626	-663	-689	

WINTER=Dec-Jan-Feb SPRING=Mar-Apr-May SUMMER=Jun-Jul-Aug FALL=Sep-Oct-Nov

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
																			-438	-476	-181	-549	-384	-528	-342	3799	-956	-663	-589	0
WINTER	-97	-122	-206	-159	-202	-117	-123	-274	-521	-130	-118	-186	-229	-230	-131	-528	3709	-512	-504	-445	-449	-580	-494	-483	-477	-1200	-1160	-1044	-851	-134
SPRING	125	176	40	163	-2	19	-50	137	-178	62	-15	64	133	27	44	-67	-1057	-335	41	87	212	80	47	210	-33	201	-1580	103	156	138
SUMMER	231	268	369	187	501	426	492	527	279	465	688	673	542	501	387	450	-1754	396	511	575	586	588	221	439	533	586	-2064	513	861	720
FALL	-88	-102	-30	-124	-96	-267	-177	4	-249	-304	-3	9	100	9	-132	-206	-1440	-168	-45	-101	179	-35	15	-151	60	4896	-330	0	100	0

YTD +/- is theYTD increase/decrease to cash

YTD +/-	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
JAN	-70	-77	-83	-53	-113	-118	-59	-64	-211	-55	-63	-146	-106	-98	-81	-115	4096	-159	-98	-94	-113	-78	-111	-73	-76	-103	-499	-112	-100	-114
FEB	-44	-64	-134	-99	-145	-37	-67	-69	-220	-80	-2	-37	-83	-41	-27	-56	3956	-123	-111	-70	-89	-66	-95	-106	-75	-102	-535	-382	-163	-134
MAR	-82	-41	-182	-75	-220	-92	-56	-11	-308	-182	2	-70	-108	-11	-9	-80	3898	-221	-122	-104	-91	-126	-145	-93	-116	-81	-1462	-459	-154	-93
APR	-43	6	-140	-27	-206	-141	-214	-71	-357	-260	-127	-96	-205	10	-168	-118	3616	-404	-210	-93	-46	-89	-185	-34	-213	-11	-1939	-409	-87	-202
MAY	81	112	-94	64	-147	-18	-118	68	-398	-18	-17	28	51	-14	17	-123	2899	-458	-70	17	123	14	-48	103	-108	98	-2115	-279	-7	4
JUNE	227	154	-35	14	-17	39	22	189	-661	205	208	301	143	3	-4	-14	2636	-514	115	147	324	118	-61	217	69	311	-3362	-249	147	301
JULY	273	312	159	148	165	205	186	428	-245	300	489	513	399	304	264	207	1946	-253	288	393	624	411	-30	321	211	518	-3420	57	502	487
AUG	312	380	275	251	354	408	375	595	-119	447	671	700	593	487	404	327	1145	-62	441	592	709	602	173	542	425	684	-4179	234	854	724
SEPT	410	476	411	386	452	567	515	641	-165	439	794	792	767	618	516	437	1021	54	472	629	927	736	358	695	538	750	-3966	372	1093	
OCT	327	395	344	267	340	473	305	667	-241	266	812	844	820	639	474	327	-29	-59	509	605	977	678	268	663	558	720	-4311	382	996	
NOV	224	278	245	127	258	141	198	598	-368	143	668	709	693	496	272	121	-294	-231	396	491	888	567	188	391	484	5581	-4509	234	954	
DEC	171	220	173	67	201	61	142	394	-669	93	552	560	546	307	168	-352	-541	-619	3	116	528	53	-212	14	83	4483	-5135	-429	266	

Attachment: Village Links R22 Financial Statements August (2427 : Village Links R22 Financial

Finance Commission
535 Duane St.
Glen Ellyn, IL 60137

Meeting: 09/23/16 07:00 AM
Department: Finance Commission
Department Head: Christina Coyle
Category: Discussion Item
Prepared By: Christina Coyle

SCHEDULED

AGENDA ITEM (ID # 2432) DOC ID: 2432

Village Links and Reserve 22 Five Year Forecast

Please see the forecast attached to this memo.

ATTACHMENTS:

- Village Links Reserve 22 Five Year Forecast 2016 (PDF)

Village Links/Reserve 22
Five Year Forecast – 2017 - 2021

September 23, 2016

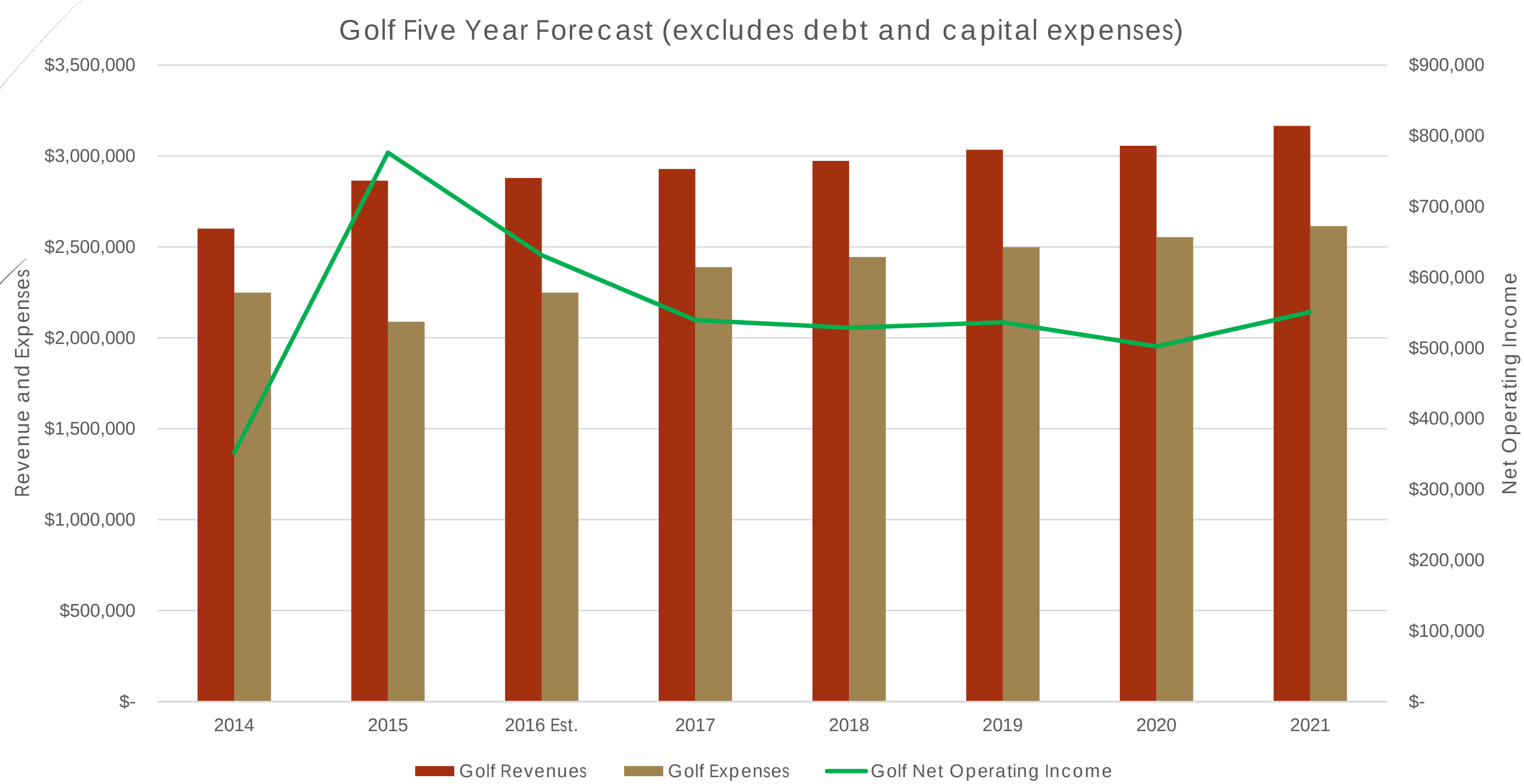
Goals of Five Year Forecast

- Understand long-term financial trends in revenues and expenses.
- Identify future imbalances (deficits).
- Identify potential areas where programs can be implemented now to avoid future deficits.

About the Five Year Forecast

- Developed annually as a tool for the budget process.
- Forecast is a model to project future activity and is not a prediction of what will occur.
- Each year's experience may vary.
  - The goal is for annual budgets to be balanced from an operating standpoint.

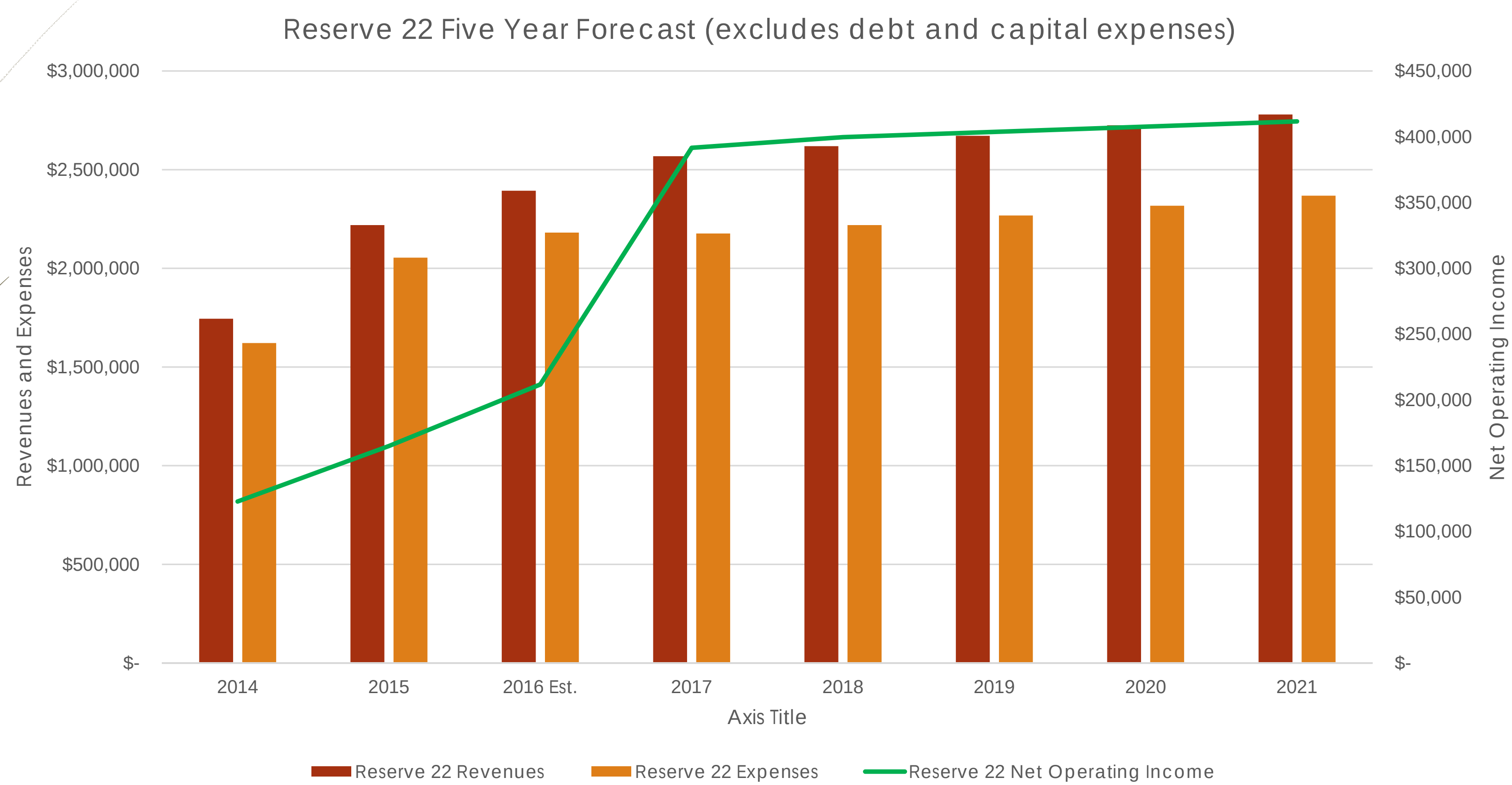
Golf Five Year Forecast



Golf Highlights

- Revenues are anticipated to grow between 1-2% a year.
- Rate increase is slotted for 2021.
- Project planned to review cart rates to determine if an increase is warranted.
  - Carts will be purchased in 2017.
  - Based on management's analysis, it is better to purchase rather than lease carts.

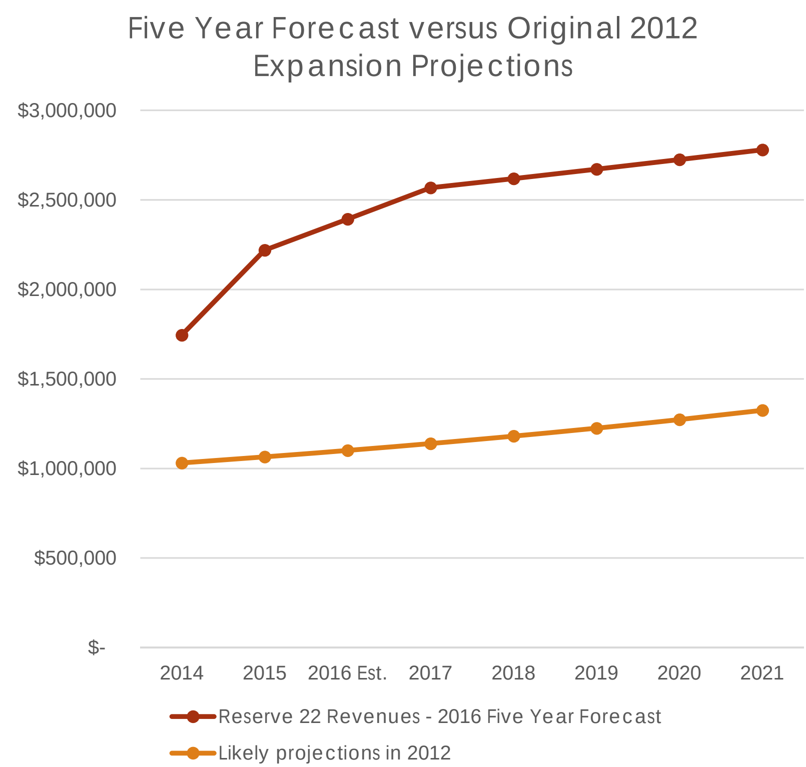
Reserve 22 Five Year Forecast



Reserve 22 Highlights

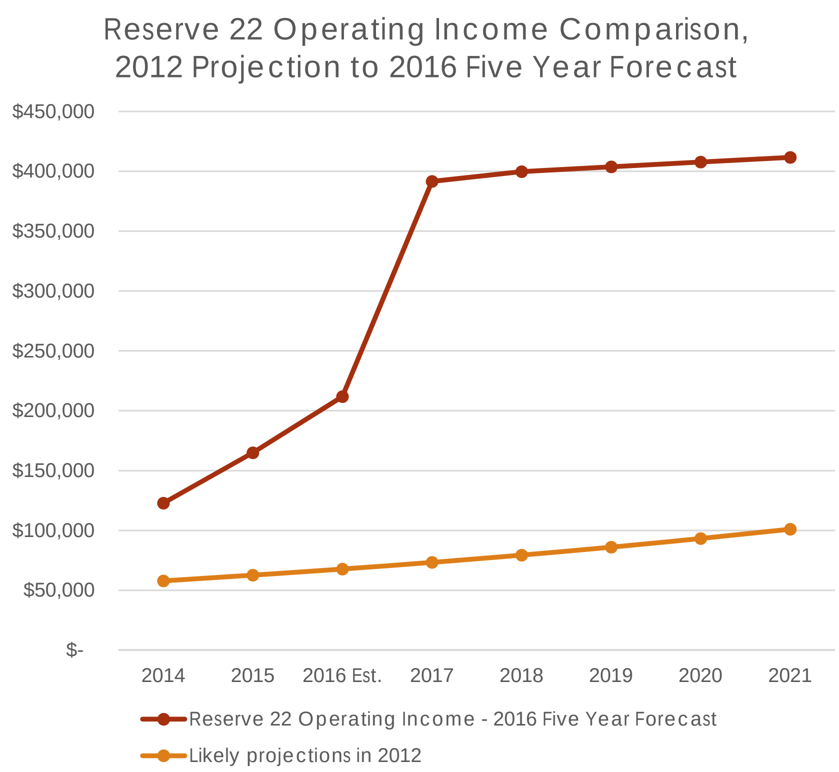
- 2% annual increase in revenues.
- Growth potential is in banquets.
- Payroll is projected to be 43-44% of revenues.
- Cost of Goods sold are based off of revenue projections.

Reserve 22 Revenues – Five Year Forecast compared to Original 2012 Expansion Projections



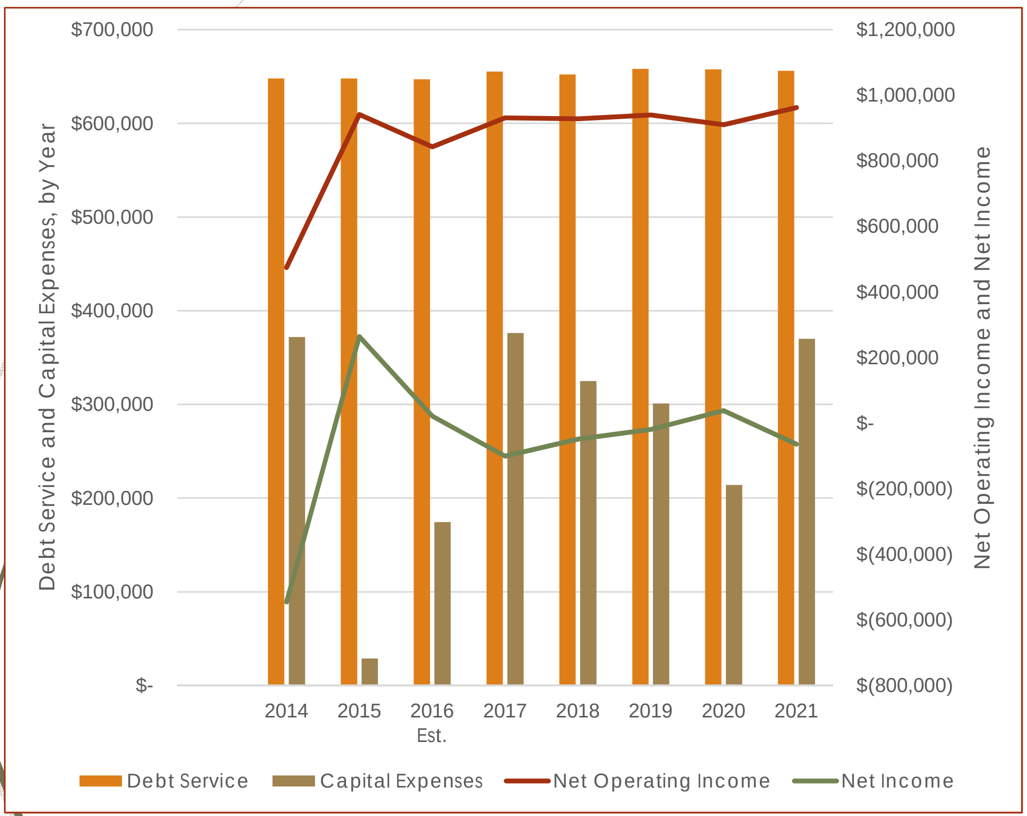
- Reserve 22 has outperformed the “likely” projections forecasted in 2012 when the expansion was approved.

Reserve 22 Operating Income – Five Year Forecast compared to Original 2012 Expansion Projections



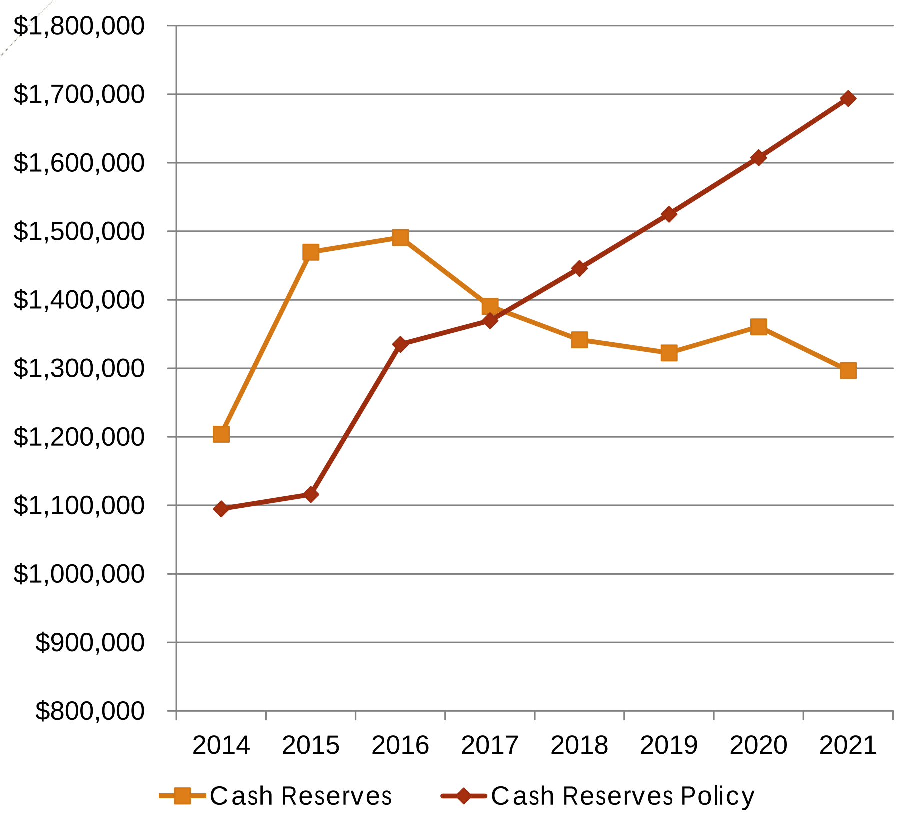
- Five Year Forecast performance is anticipated to yield better results than the original 2012 projections.
- Due to poor weather, the 2016 estimated actual ($211,000) is estimated below the 2016 budget ($444,000)

Village Links & Reserve 22 Net Operating Income vs Operating Income



- Debt Service maintains a constant level over the forecast.
- Capital expenses vary year to year.
- Based on anticipated capital needs, the forecast projects net losses in future years.
- Currently, it is anticipated to use cash reserves to fund capital needs. Some capital purchases can be deferred if funds are not available.
- Approximately half of the debt service will be retired in 2023.

Cash Reserves



- Cash reserves is set at a percentage of operating expenses. In 2017, that policy is 30%, up to a maximum of 35% in 2022.
- Based upon the current policy, cash reserves dip below the policy level in 2017.

Finance Commission
535 Duane St.
Glen Ellyn, IL 60137

Meeting: 09/23/16 07:00 AM
Department: Finance Commission
Department Head: Christina Coyle
Category: Discussion Item
Prepared By: Christina Coyle

SCHEDULED

AGENDA ITEM (ID # 2431) DOC ID: 2431

Vehicle Sticker Analysis

Background:

The Village of Glen Ellyn first instituted vehicle licenses in 1921. At that time, licenses were required for horse wagons as well as cars. The 1921 fee for a motor vehicle was $5.00 annually. The early vehicle licenses actually provided the residents with a metal plate to affix to their car or wagon. This would be in addition to the plate that was provided by the State of Illinois. Over the years, the fees for vehicle licenses (now referred to as vehicle stickers) were adjusted. Vehicle stickers were last adjusted in 2004 to their current rates. Stickers are required for all vehicles registered to a Glen Ellyn address.

Vehicle sticker renewal is largely managed in-house. An access database is maintained of all vehicles. The database is then used each year to create a mass billing to residents. The printing and mailing of the billing is outsourced to a print vendor. The renewal bills typically go to residents at the beginning of March, providing residents with two months to renew their vehicles before the April 30 deadline. After the April 30 deadline, late fees are assessed. Late fees accrue at a rate of $5 per month, to a maximum charge for a regular car of $55. When the Cashier's Office processes renewals, the access database is updated with the renewal information, which is a substantial amount of information (approximately 20,000 individual records) to maintain.

Vehicle stickers generate approximately $400,000 in revenue to the General Fund.

There are currently three enforcement mechanisms for vehicle stickers. The police provide enforcement in their course of operations. The majority of this enforcement occurs in the public parking lots downtown. Police cannot enter private property solely for the purpose of enforcing vehicle stickers. Next, as part of the commuter parking process, staff does ensure that an individual receiving a parking permit is current with their vehicle stickers. Lastly, as part of the real estate transfer stamp process, staff does ensure that the resident has purchased vehicle stickers before they are provided with a transfer stamp. In many cases, this does result in a resident being required to purchase many years of vehicle stickers (with late fees).

Pros and Cons of Vehicle stickers:

Like any program, there are advantages and disadvantages of the vehicle sticker program:

Pros:

1. **Economy Resistant Revenue Stream**. The vehicle sticker revenue stream is fairly resistant to downturns in the economy. Mostly, households do not decrease the number of cars that they have in an economic downturn. There may be individuals that "take their chances" and do not buy stickers if they cannot afford them. However, the real estate transfer stamp

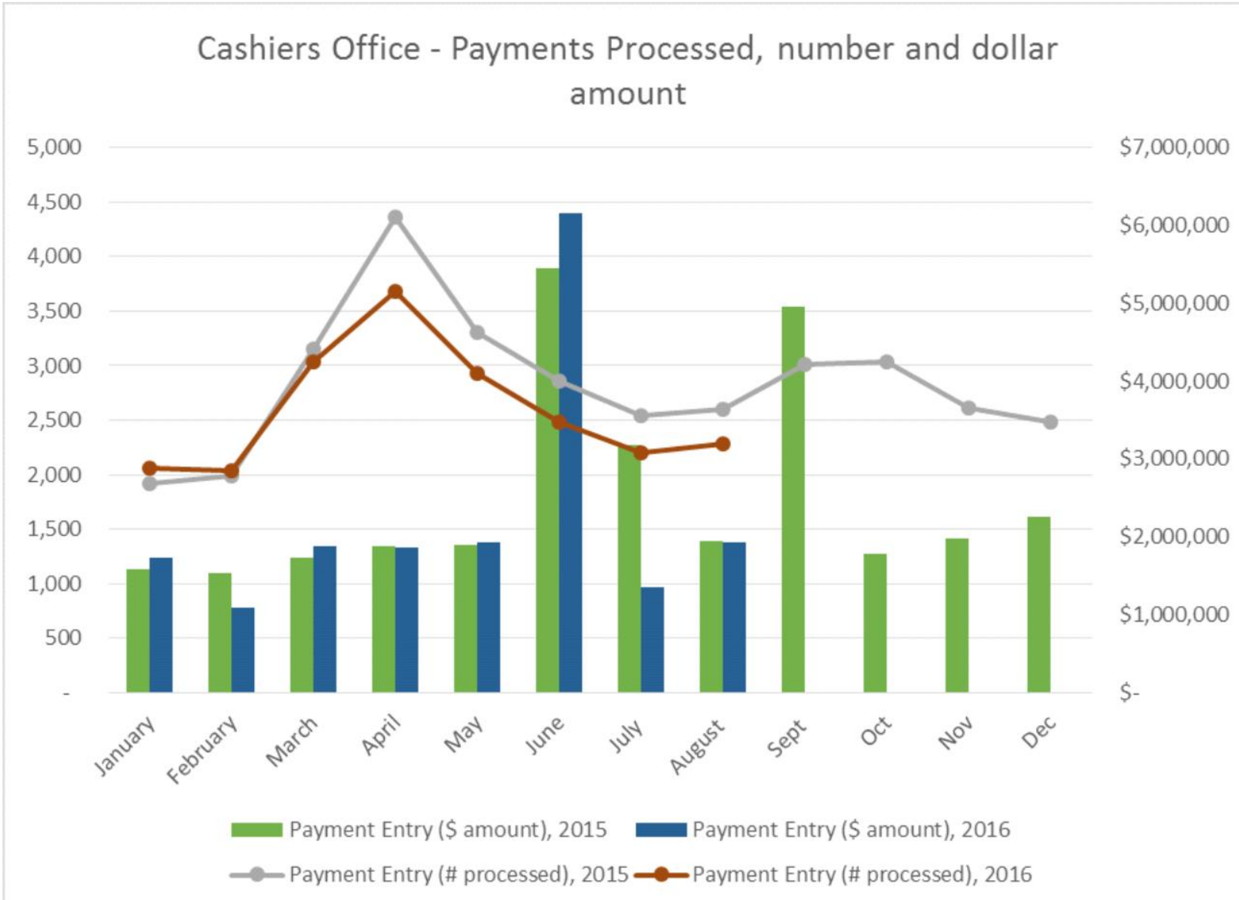
program would ensure that the Village would eventually be able to recoup the revenues from property owners. Typically, this revenue stream does not decrease during an economic downturn.

2. **Diversification**. Having a separate and distinct revenue stream provides for diversification of our revenues in the General Fund. This is especially helpful in economic downturns when other revenue streams, such as our sales tax, home rule sales tax, and income tax, decline.

3. **Identification of Vehicles for Police**. The police department has access to the vehicle sticker records which can provide them contact information on the vehicle in cases where car would need to be moved, etc. At times, the information in the vehicle sticker database may be more accurate or easily accessible than pulling records from the State of Illinois.

Cons:

1. **Labor Intensive.** The vehicle sticker program is very labor intensive and creates a huge workload spike in March - May. The graph below indicates the spike in payments over the vehicle sticker season. As can be seen in the graph, there is a large spike in the number of payments processed that does not correlate to a large increase in revenue. During the vehicle sticker season, staff hours are extended by approximately 150 hours. Then, the data entry costs into the vehicle database range from an extra 100-200 hours. Based upon an average rate of $23.00 per hour, this costs the Village $6,200-8,600 per year in labor costs.



2. **Unpopular.** The program is very unpopular with residents and it is the largest source of customer service complaints in the Cashier's Office. Points of complaint include:

    a. Residents feel they are being "nickeled and dimed" by the Village.

    b. They do not like affixing the sticker to their car.

    c. They do not like paying for stickers for cars away at College.

    d. Customers are angry when late fees are assessed.

    e. Customers are angry when they have to purchase stickers on a RETT transaction and leave the Village on a negative note.

    f. There is confusion on the vehicle sticker versus commuter parking hangtags.

    g. Residents complain that enforcement is sporadic. For example, I got a ticket but my neighbor doesn't have stickers on his/her car.

    h. Residents (especially renters) will complain that they were not aware of the program when they are ticketed.

i. Customers are angry when they have to purchase stickers for vehicles which are not regularly used (ex. antique vehicles).

j. Seniors do not like only receiving one discount per household.

k. Customers complain that neighboring communities do not have vehicle stickers.

3. **Complex rate structure.** Based upon the current rate structure, there are 145 different rates for vehicle stickers depending on the vehicle and the time/month of year the sticker is purchased. This makes training staff difficult.

4. **Enforce in Rental Properties.** It is difficult to enforce renters to purchase vehicle stickers. The RETT program is the ultimate enforcement mechanism for homeowners. However, there is not a similar program for renters. Police also cannot enter private property solely to enforce vehicle stickers. Therefore, the only enforcement mechanism for renters is if they are ticketed for parking on a public street or lot. Based upon an analysis done by our GIS mapping, the majority of addresses that do not a vehicle sticker associated with the address are in multifamily/rental areas. This also means that these residents of the Village are not paying their fair share of the costs.

5. **Focuses on Residents.** The vehicle sticker program is directed at residents. However, there are many non-residents that also use our streets. Business owners, COD students, and others that come to our community to frequent our businesses also use the roadways.

Recommendations for Improvement:

Staff would like to recommend making changes to the vehicle sticker program and is seeking the Finance Commission's questions and input on options for changing the program.

Option 1: Eliminate the vehicle sticker program

One recommendation is to eliminate the vehicle sticker program. Elimination of this program would reduce costs by $11,600. Costs eliminated would be additional staff hours, postage, printing, and the cost of the stickers. However, eliminating this program would require finding another revenue source to make up the difference (approximately $380,000). Funding options available include:

a. **Property Tax Levy**. The property tax levy could be increased by $380,000 to directly offset the decrease in vehicle sticker revenue. For a $400,000 house, this would approximately cost the homeowner an additional $40 per year. For this particular homeowner, that would be less than the cost of two vehicle stickers. For a $1,000,000 house, this would approximately cost the homeowner $100 per year, approximately the cost of 4 vehicle stickers. One advantage to the property tax levy is that it is resistant to economic declines. One advantage to the homeowner is the ability to deduct the property taxes on their income tax return. However, one disadvantage to the levy is the perception that Glen Ellyn as a whole (including school district property tax levies) has a high tax rate. A last advantage to the property tax revenue is that there is very little processing cost for the Village to receive the revenue.

b. **Home Rule Sales Tax**: If the home rule sales tax was increased by 0.25%, it would generate approximately $480,000. The disadvantage to the home rule sales tax is that it is subject to economic risk. A quarter percent over the last 5 years would yield between $438,000 and $480,000. Another disadvantage to the home rule sales tax is that it might negatively impact businesses that sell large ticket items (ex. appliances). Their customers may shop at other communities that do not have a higher home rule sales tax. It should be noted that home rule sales tax does not apply to vehicle sales. Warrenville, Aurora, and Glendale Heights all have home rule sales tax rates currently set at 1.25%. Of note, Wheaton is also currently considering increasing their home rule sales tax to 1.25%. An advantage to home rule sales tax is that it is charged to both residents and non-residents, both groups which use our streets. Home rule sales tax, like property taxes, also requires very little processing or administration cost for the Village to receive the revenue.

c. **Food and Beverage Tax**: Another option the Village may consider is instituting a food and beverage tax. Based upon initial estimates, a half percent would generate approximately $390,000 per year. Several surrounding communities have a food and beverage tax, including Aurora, Elmhurst, Glendale Heights, Hinsdale, Lombard, and Naperville (see attached schedule for details). The advantage to the food and beverage tax is that it applies to both residents and non-residents and is already being used by many of the surrounding municipalities. Food and Beverage tax would be administered and collected by the Village, so it would require more processing and administrative costs than the property tax and home rule sales tax. However, it would require less than the current vehicle sticker program.

Option 2: Keep the program and institute program changes

If the vehicle sticker program was retained, staff would be requesting the ability to make changes to the program. Some of the ideas include:

a. **Change fee structure.** As mentioned above, one challenge of the vehicle sticker program is that the rate structure is complex. There are 145 different rates for vehicle stickers depending on the type of vehicle and the time/month of the year that the sticker is purchased. One option for changing the rate structure includes making the senior discount $5 of the regular rate (rather than having a specified rate which is only available to one car per household). Another option would be to reduce the different classes of vehicles. An example would be only having a vehicle rate, a motorcycle rate and a senior rate and eliminate classes such as B, D, and F plates.

b. **Follow State of Illinois late fee policies.** Our current late fee begins at $5 in May, and increases $5 every month thereafter, to a maximum late fee of $30. As mentioned above, this further complicates the fee structure. Our recommendation would be to provide May as a grace month for late fees and then starting June 1, the full late fee of $30 would be assessed. This practice would be consistent with how the State of Illinois administers the license plate fees.

c. **Eliminate the vehicle sticker database.** As mentioned earlier in the memo, staff maintain an access database with all of the vehicle records. It takes many staff hours each year to update this database. One idea is to eliminate maintaining the database. Then, each year blank renewal forms would be sent to each residence. It would be up to the resident to self-report and pay for their vehicles. This would eliminate the staff time to enter all of the data into the database. However, if the database was eliminated, we would be unable to enforce vehicle sticker collections when a resident applies for a transfer stamp. The lack of enforcement could lead to fewer purchases of vehicle stickers and loss of revenue. Staff looked into the option of getting a download of vehicle data from the Secretary of State as an alternative to maintaining our own database. Based upon discussing with other communities that tried this option, we are not recommending this option.

d. **Implement online payment option.** If we retain the vehicle sticker program, we would like to implement an online payment option. This would reduce the visits to the physical counter. It would not, likely, eliminate any back office work such as data entry into the vehicle database. It would also increase credit card fees that the Village incurred. If this option was considered, it might be appropriate to consider a credit card processing fee.

e. **Eliminate the multi-year sticker.** Staff would like to investigate eliminating the three year sticker. Approximately 1/3 of vehicle sticker sales are for three year stickers. Eliminating this option would make the program simpler. Also, if eliminating the vehicle database were considered, then it would be necessary to eliminate the three year sticker as we would no longer link a sticker to a renewal year.

f. **Increase the sticker price.** If the vehicle sticker program is retained, staff would recommend increasing the sticker price. The fee for vehicle stickers was last changed in 2004 (over twelve years ago). If the price set in 2004 was indexed to CPI, then the fee should be $30 for a one year sticker. Based upon the comparison of area municipalities, the median fee is $36 and the average fee is $33.50. If the Commission believed this idea was sound, then staff would provide a detailed analysis on potential fee structures. Included as an attachment is a comparison of those communities which have vehicle sticker programs. Based upon the Five Year Forecast, it is necessary to review our user fees and adjust them where necessary to align with our increasing costs.

Other:

Staff is also recommending transitioning from a yearly dog tag to a lifetime dog tag. Dog tags currently cost $5 annually and generate approximately $9,000 in revenue. We would recommend increasing the lifetime tag fee to $25. Assuming dogs live approximately 10 years, this would generate $4500 annually. This would also be a savings to the owner over the life of the dog, assuming the dog lived more than 5 years. The Village would not be providing the lifetime tag to generate revenue. The tag would be provided to reunite the dog more quickly with the owner. Without the tag, the police would turn more dogs over to the County animal control. If those animals are housed overnight, the Village is charged boarding fees. By having the Village tag and maintaining owner information, the Village can reunite the dog with the owner and prevent taking the dog to animal control.

Feedback requested:

Staff is requesting the feedback from the Finance Commission on the vehicle sticker program and the dog tag program. Of the options laid out in the memo, please provide feedback on what you support and do not support. Also, please provide feedback if there are other options that you would consider or if there is additional information or analysis you would like to see.

ATTACHMENTS:

- Comparison of Vehicle Sticker Fees (PDF)
- Comparison of DuPage County Fees (PDF)

Village of Glen Ellyn
Comparison of Vehicle Sticker Fees throughout DuPage County
As of July 2016

	Passenger Car	Truck - B	Motorcycle	Senior	Late Fee	
Glen Ellyn	$ 25.00	$ 37.00	$ 12.50	$ 8.00	$5-30	*
Addison	$ 25.00	$ 44.00	$ 14.00	$ 1.00	$ 10.00	
Bensenville	$ 30.00	$ 49.00	$ 20.00	$ 1.00	$20-70	
Carol Stream	$ 15.00	$ 20.00	$ 9.00	$ 3.00	$ 30.00	
Clarendon Hills	$ 40.00	$ 50.00	$ 30.00	$ 20.00	$ 20.00	
Elmhurst	$ 36.00	$ 90.00	$ 18.00	$ 18.00	$ 9.00	
Hinsdale	$ 40.00	$ 55.00	$ 20.00	$ 20.00	$ 25.00	
Lemont	$ 48.00	$ 120.00	$ 78.00	$ 12.00	$ 50.00	
Roselle	$ 45.00	$ 45.00	$ 27.00	$ 22.50	$15-115	
Wayne	$ 50.00	$ 100.00	$ 25.00	$ 50.00	$ 10.00	
Wood Dale	$ 15.00	$ 30.00	$ 15.00	$ -	$ 3.00	
Average Fee	$ 33.55	$ 58.18	$ 24.41	$ 14.14		
Median Fee	$ 36.00	$ 49.00	$ 20.00	$ 12.00		

Late Fee Notes:
1. Glen Ellyn and Carol Stream late fee $5 per month for up to 6 months for a total possible fee of $30.
2. Bensenville late fee $20 for 5 months then $70 after that.
3. Roselle late fee $15 for first month; $25 for second month; $35 for third month plus $10 each month thereafter to a max of $115

Senior Discount Notes:
1. Addison senior discount limited to one vehicle per individual
2. Glen Ellyn senior discount limited to one vehicle per household
3. Bensenville discount can only have two per household.
4. Carol stream discount only one per person and two per household.
5. Hinsdale discount is one vehicle per individual
6. Lemont senior discount is $12 for first vehicle and $24 for each add'l vehicle

Village of Glen Ellyn
Comparison of General Fund Fees throughout DuPage County
As of July 2016

	Vehicle Sticker	Dog license	Home Rule or Non Home Rule Sales Tax	Food & Beverage Tax
Glen Ellyn	yes - see schedule	$ 5.00	1.00%	
Addison	yes - see schedule		1.00%	
Aurora		1 yr - $10 for altered; $50 for unaltered; 3yr $20 altered only; free for microchipped pets	1.25%	1.75%
Bartlett		$ 2.00		
Bensenville	yes - see schedule	$ 3.00	1.00%	
Bloomingdale			0.50%	
Bolingbrook				1.50%
Burr Ridge			0.25%	1.00%
Carol Stream	yes - see schedule	$3 altered; $5 unaltered		
Clarendon Hills	yes - see schedule	$ 15.00		1.00%
Downers Grove				
Elmhurst	yes - see schedule	$5 altered; $7.50 unaltered	0.75%	1.00%
Glendale Heights	yes - see schedule	$ 5.00	1.25%	1.00%
Hanover Park		$ 5.00	0.75%	3.00%
Hinsdale	yes - see schedule	$5 altered; $20 unaltered	1.00%	1.00%
Itasca		$ 3.00	0.50%	1.00%
Lemont	yes - see schedule			
Lisle				
Lombard			1.00%	1.00%
Naperville				1-1.50%
Oak Brook			0.50%	
Oakbrook Terrace			1.00%	
Roselle	yes - see schedule			1.00%
Schaumburg			1.00%	2.00%
Villa Park		$ 4.00	0.50%	1.50%
Warrenville			1.25%	1.50%
Wayne	yes - see schedule			
West Chicago			0.75%	
Westmont				2.00%
Wheaton			1.00%	
Willowbrook				1.00%
Winfield			0.50%	
Wood Dale	yes - see schedule		1.00%	
Woodridge			0.50%	
# with fee	11	12	22	17
# w/o fee	23	22	12	17

Attachment: Comparison of DuPage County Fees (2431 : Vehicle Sticker Analysis - Finance Commission)