Agenda
Village of Glen Ellyn
Special Workshop Meeting
Monday, October 17, 2016
6:00 PM
Glen Ellyn Civic Center, Room 301

Village Board Workshop Procedures Statement

Visitors are most welcome to attend all meetings of the Village Board and can find copies of the Agenda on their chairs or online at www.glenellyn.org prior to the meeting. Any individual with a disability requiring a reasonable accommodation in order to participate in a meeting should contact the Village of Glen Ellyn ADA Coordinator, 630-469-5000, at least five (5) business days in advance of the next scheduled meeting. All matters on the Agenda may be discussed, amended, and acted upon.

A. Call to Order

B. Roll Call

C. Pledge of Allegiance

D. Audience Participation

1. Open: Members of the public are welcome to speak to any item *not* specifically listed on tonight's agenda for up to three minutes. For those items which are on tonight's agenda, the public will have the opportunity to comment at the time the item is discussed. In either case, please complete the Audience Participation form and turn it in to the Village Clerk. It is requested that, if possible, one spokesman for a group be appointed to present the views of the entire group. Speakers who are recognized are requested to step to a microphone and state their name, address and the group they are representing prior to addressing the Village Board.

E. Planning and Development

F. Village Links/Reserve 22

1. Village Links Reserve 22 Five Year Forecast 2016

G. Public Works

H. Capital Funds

I. Facilities Maintenance/Facilities Reserve

J. Other Items

K. Adjournment

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

Meeting: 10/17/16 06:00 PM
Department: Finance
Department Head: Christina Coyle
Category: Report
Prepared By: Christina Coyle

SCHEDULED

AGENDA ITEM (ID # 2465) DOC ID: 2465

Village Links Reserve 22 Five Year Forecast 2016

Please find the Forecast attached to this memo.

ATTACHMENTS:

- Village Links R22 Five Year Forecast 2016-10-13 (PDF)

Village Links/Reserve 22

Five Year Forecast – 2017 - 2021

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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.

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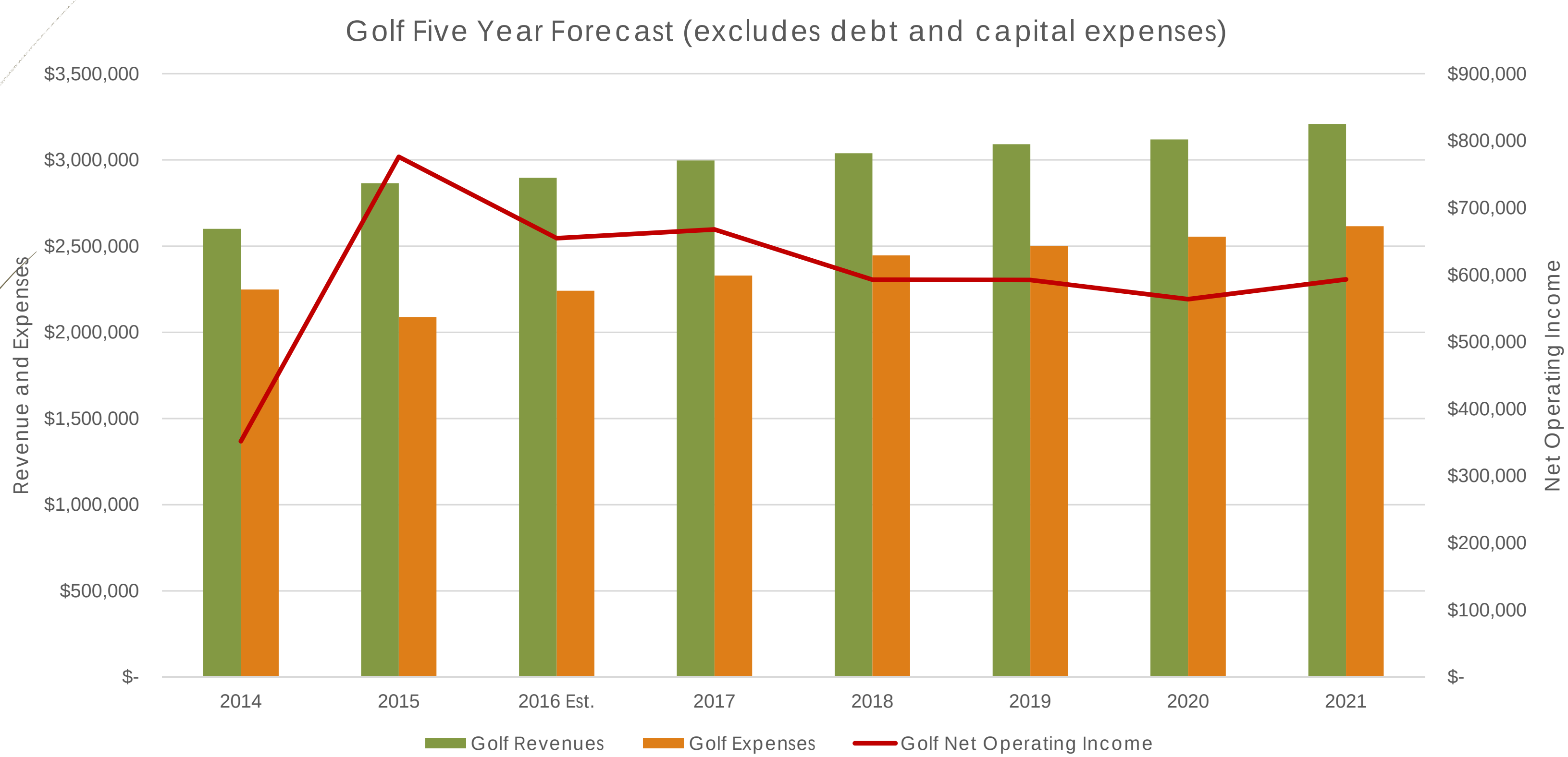
Golf Five Year Forecast



Golf Highlights

- Revenues are anticipated to grow between 1-2% a year.
- Rate increase is slotted for 2021.
- Carts are budgeted to be purchased in 2017 and a rate increase is included for carts.
  - Based on management's analysis, it is better to purchase rather than lease carts.

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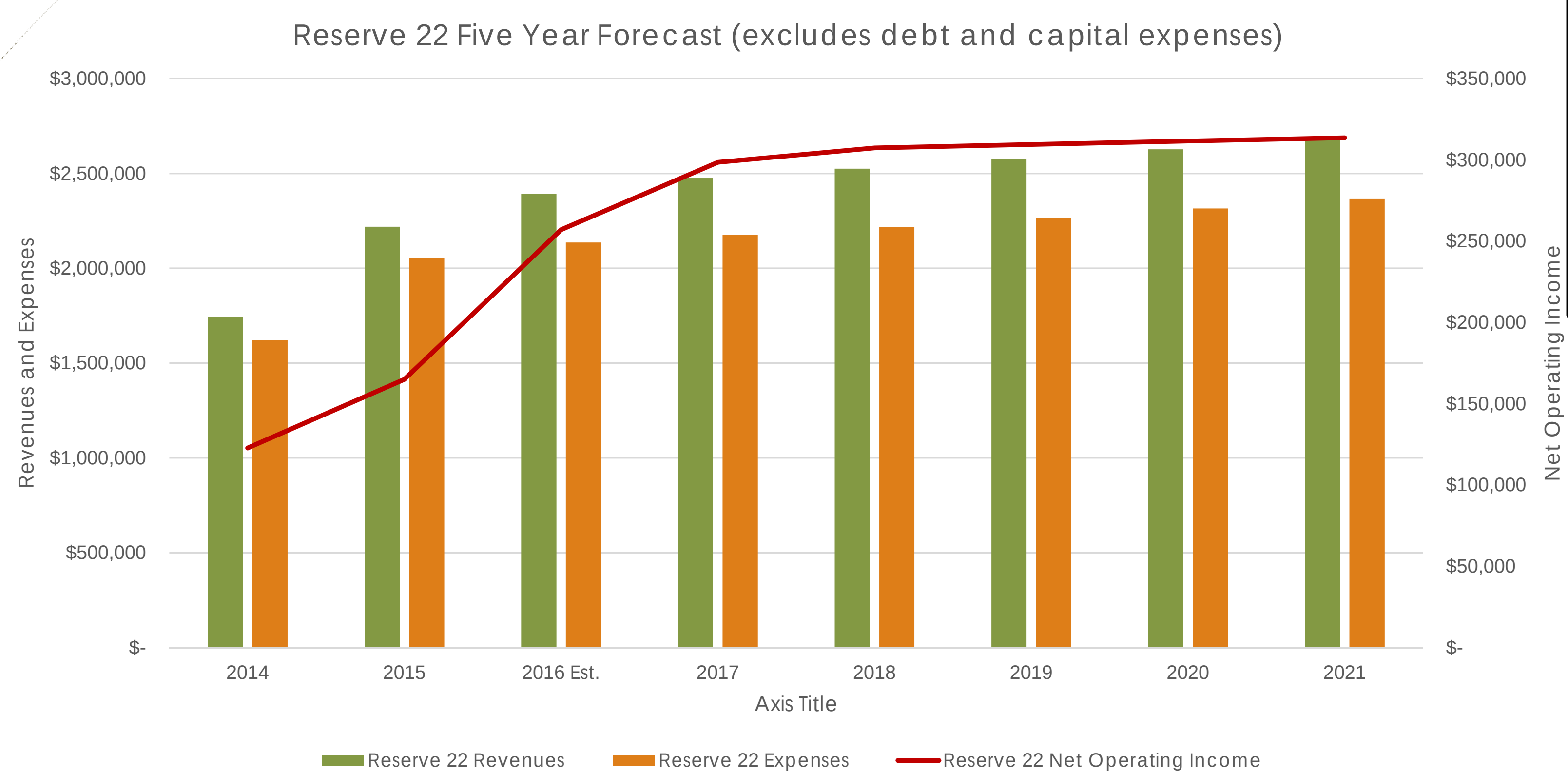
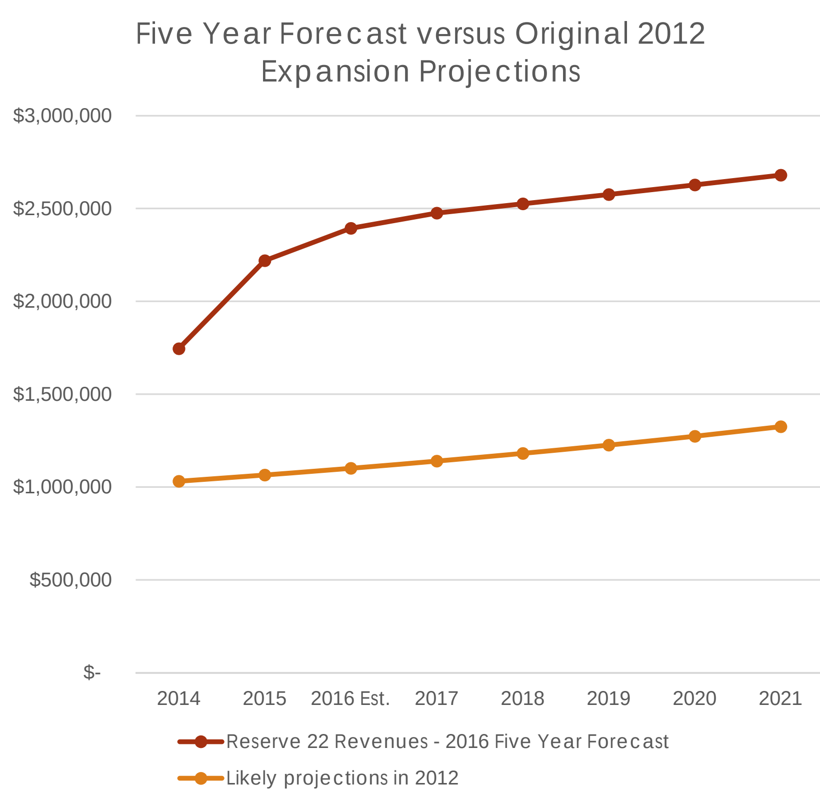
Reserve 22 Five Year Forecast



Reserve 22 Highlights

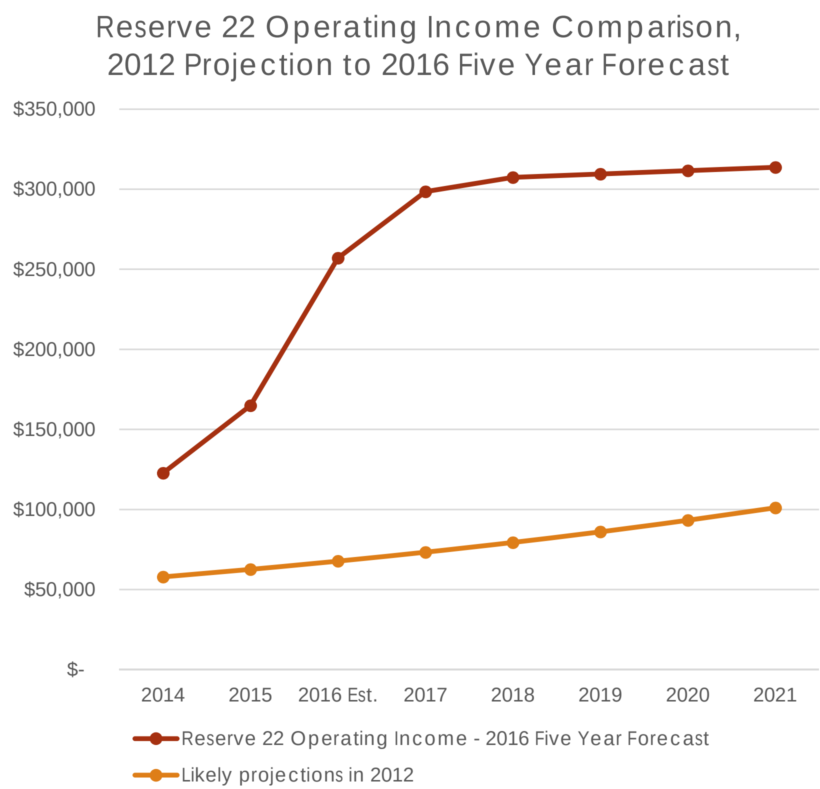
- 2% annual increase in revenues.
- Growth potential is in banquets.
- Payroll is projected to be approximately 45% of revenues.
- Prime cost percentage is 75-76%
- Operating profit percentage is 12%
- Cost of Goods sold are based off of revenue projections.

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



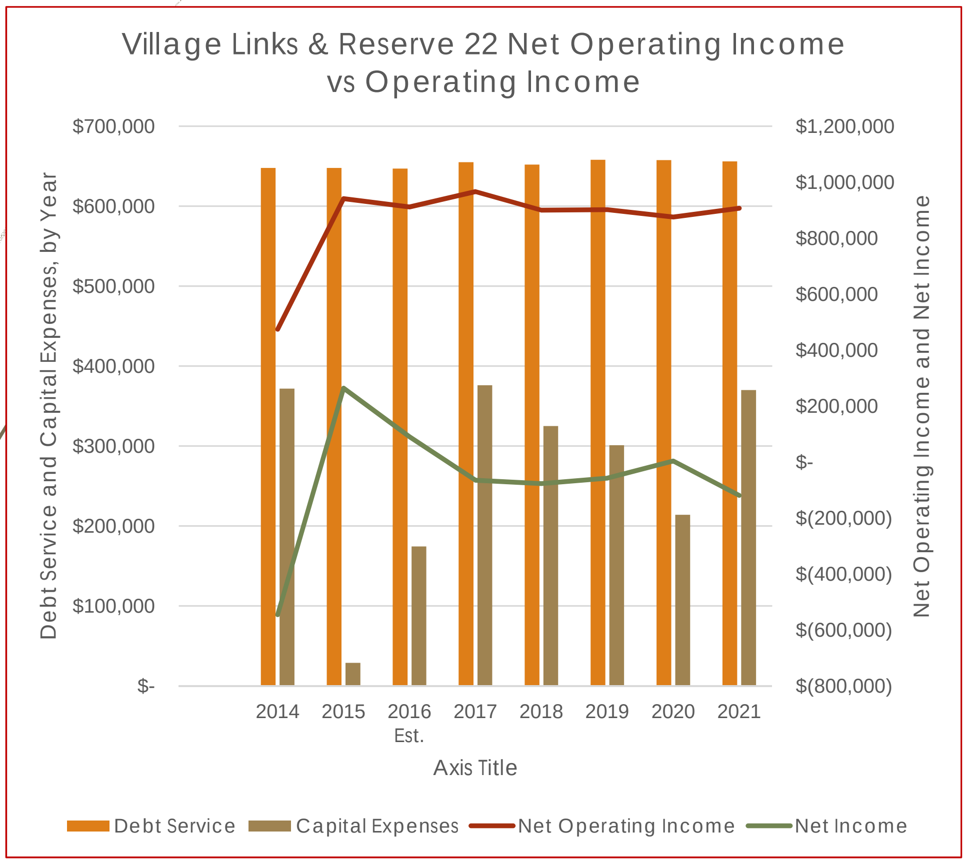
- Reserve 22 has outperformed the "likely" projections forecasted in 2012 when the expansion was approved.

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



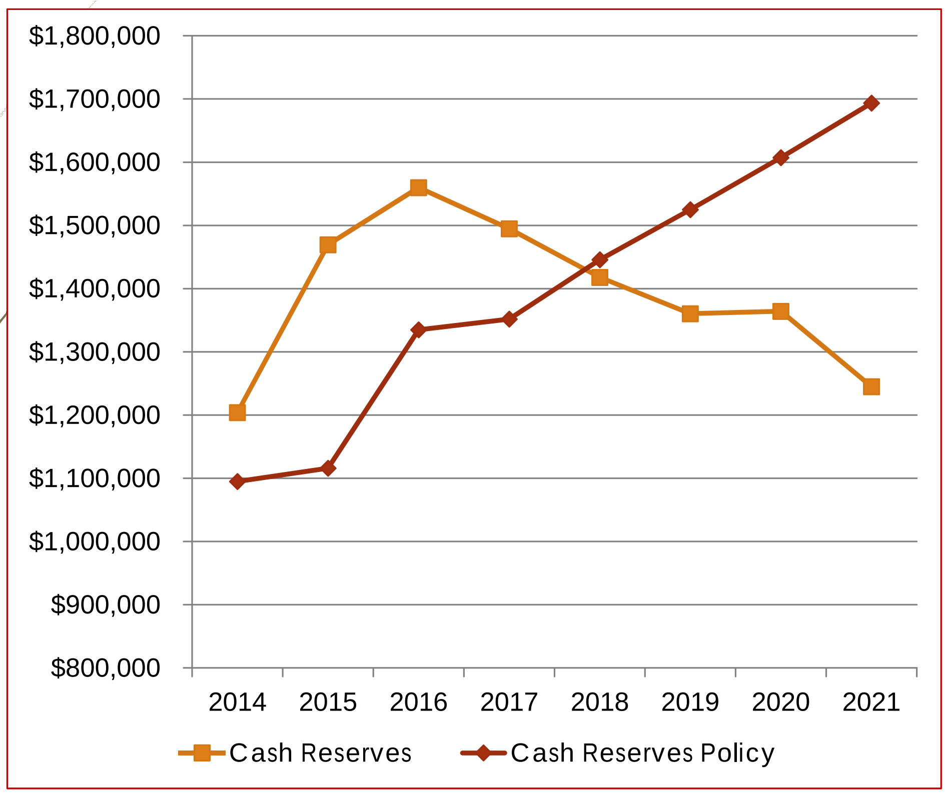
- Five Year Forecast performance is anticipated to yield better results than the original 2012 projections.
- Due to poor weather, the 2016 estimated actual ($257,000) is estimated below the 2016 budget ($444,000)

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 30%, up to a maximum of 35% 2022.
- Based upon the current policy, cash reserves dip below the policy level in 2018.