Agenda
Village of Glen Ellyn
Finance Commission Meeting
Friday, July 12, 2024
7:00 AM
Glen Ellyn Civic Center, Room 301

Visitors are most welcome to attend all meetings of the Finance Commission and can find copies of the Agenda at the meeting or online at www.glenellyn.org prior to the meeting. Any individual with a disability requiring 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. Public Comment

D. Approval of Minutes

1) June 14, 2024 meeting

E. Financial Reports

1) Annual Comprehensive Financial Report and Popular Annual Financial Report as of December 31, 2023

F. Village Links/Reserve 22 Forecast

1) Village Links/Reserve 22 Fund Forecast

G. General Fund Forecast

1) General Fund Forecast

H. Staff Report

I. Chairperson's Report

J. Trustee Liaison's Report

K. Other Business

L. Reminders

1) Next Meeting: Friday, August 9, 2024 at 7:00 AM

M. Adjourn

Finance Commission Minutes
June 14, 2024

A. Call to Order

The June 14, 2024, Finance Commission Meeting was called to order at 7:01 a.m. by Chair, Jeremy VanEk, at the Glen Ellyn Civic Center, Room 301.

B. Roll Call

Jeremy Van Ek	Chair	Present
Chris Goodman	Vice-Chair	Present
Anne Arnold	Commissioner	Absent
Lea Dan	Commissioner	Absent
Mike Graham	Commissioner	Present
Leo Hoerdermann	Commissioner	Present
Kevin Moffitt	Commissioner	Present
Brian Niksa	Commissioner	Present
Scott Waldbusser	Commissioner	Present

Also Present:

Finance Director	Patrick Brankin
Assistant Finance Director	Michele Chaparro
Foster & Foster Consulting Actuaries	Jason Franken
Resident	Graham Van Ek

C. Public Comment

None

D. Approval of Minutes

Approval of the April 12th, 2024 meeting's minutes

Motion to Approve Minutes from April 12, 2024, Finance Commission Meeting Motion by: Chair Van Ek Mover: Commissioner Moffitt Seconded by: Commissioner Goodman Result: Unanimous Approval

E. Police Pension Actuarial Valuation

Jason Franken of Foster & Foster Actuaries presented the Finance Commission with the annual actuarial valuation of the Village of Glen Ellyn Police Pension Fund. Mr. Franken pointed out that there are several factors to consider when reviewing the report.

1. Returns are currently smoothed over five years, however due to new investment policy in 2022, there was a "fresh start" at that time. 2022 returns for the 2023 valuation were significantly below actuarial expectations, and as a result 20% of the loss is being recognized each year until absorbed.
2. New contract with the police union affects the valuation through increased salaries which eventually leads to higher pension benefits and increases the overall liabilities and the contribution requirements.
3. More actives this year than last year therefore more benefits being accrued.
4. Minor change to the timing of cost-of-living adjustments.

The above factors contributed to the 600k increase to contribution requirement for the current year report(2025 budget). Mr. Franken then went through the actual report and further explained the report and the 2022 loss. Chair Van Ek clarified that the finance commission recommended the five year smoothing to the investment returns to lessen the volatility of the projections.

Mr. Franken then continued going through the provided packet and report. Questions arose to Social Security Safe Harbor, benefits, and requirements, especially when it comes to Tier 2 IMRF employees and the impact on the Village of Glen Ellyn.

F. Financial Reports

Finance Director Brankin began his report by introducing the new assistant Finance Director Michele Chaparro. Finance Director Brankin then reviewed the Q1 2024 financial report with the Commission. He did point out that because the Village uses cash basis accounting during the year that there may be some timing differences due to year-end expenses. He continued to explain the report and the timing differences.

G. Staff Report

Finance Director Brankin began by reporting on the fire service fees discussion that took place with the Village Board. The discussion was brought to the Board at a workshop where Finance Commission Chair Van Ek was also present. Director Brankin mentioned that several board members are interested in moving the fees to a property tax bill rather than the utility bill. The board did indicate that they would support increasing the fire service fees. Further explanations of the workshop were made. Director Brankin did report that the board did approve a one-time fire service fee increase with no annual CPI component. Additionally, the board did approve an EMS contract. Further discussions ensued relating to the fire service fees and alternative revenues. Director Brankin reported that the removal of the state Grocery Tax has passed and will be effective as of January 2026 and preliminarily explained the impact and the Board's response.

H. Motor Fuel Tax Fund Forecast

Finance Director Brankin explained the main source of revenue for this fund is the motor fuel tax allotment based received from the State based on where the fuel is sold. The projections for 2024 for motor fuel tax and interest income are higher than what was budgeted for 2024. Additionally, the capital projects fund transfers were explained. Further discussions were had on the future forecasts for the Motor Fuel tax. Three (3) scenarios were presented and discussed. First, a scenario with no increase to the motor fuel tax. Secondly, a 1% increase and lastly a yearly decrease of motor fuel tax to 90% tax of the prior year's tax. All scenarios showed a surplus in MFT fund balance. Director Brankin explained that surplus funds would likely be used to supplement the Capital Projects Fund through eligible projects. Brankin also explained that a goal for the next meeting would be to have a preliminary forecast for the general fund and a first pass of the Village Links forecast.

I. Chairperson's Report

Chairperson Van Ek announced that there were three (3) Commission terms up on July 31st, himself, Commissioner Dan, and Commissioner Goodman. Commission Dan has opted to renew her term. Chairperson Van Ek is stepping down after 11 years on the Commission. Commissioner Goodman will be taking over the Chairperson commission from Chairperson Van Ek. There is an opening for Vice-Chair, an open Commission position, and a student representative. Recruiting for all open memberships was encouraged.

J. Trustee Liaison's Report

None

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K. Other Business

None

L. Reminders

The next meeting is Friday, July 12, 2024, at 7:00 AM

M. Adjourn

Commissioner Moffitt moved to adjourn, and Commissioner Goodman seconded. The meeting was adjourned at 8:20 a.m.

Submitted By: Colette Ameche, Recording Secretary

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

Meeting 7/12/2024 7:00 AM
Department: Finance
Department Head: Patrick Brankin
Category: Report
Prepared By: Patrick Brankin

AGENDA ITEM (ID # 2024-445)

DOC ID: 2024-445

Annual Comprehensive Financial Report and Popular Annual Financial Report as of December 31, 2023

Statement of the Issue:
Each year, the Village must undergo an audit of its financial statements. Attached to this item are the Village's audited financial statements for the fiscal year 2023, which covers the period from January 1, 2023 to December 31, 2023.

Analysis:
Attached to this agenda item is the full Annual Comprehensive Financial Report for the fiscal year ended December 31, 2023. Some notable items about this report and the audit process include:

Opinion
The Village received an "unmodified" audit opinion, which is the best possible outcome resulting from the independent audit process. An unmodified opinion means that no exceptions were noted which would result in a material misstatement of financial information presented. The opinion can be found on pages 11-13 of the attached document.

Management's Discussion and Analysis
Immediately following the auditor's opinion letter is the Management's Discussion and Analysis. This provides a narrative summary of the results of the Village operations and financial position as of December 31, 2023. This is the best place for a casual reader to focus their attention for an overview of the Village's financial performance.

Financial Performance
As noted above, the Management's Discussion and Analysis provides an overview of the 2023 financial performance. Earlier this year, staff provided a year-end report, which was a cash-basis report. The audited financial statements are prepared on an accrual basis subsequent to that report.

Management Letter
The audit also includes an assessment of the Village's internal control structure and would report any significant deficiencies or material weaknesses in internal control that were found during the audit. There were no such material weaknesses or significant deficiencies identified.

SAS 114 Letter to those Charged with Governance
Auditing standards require a SAS 114 letter be delivered for each audit. This letter highlights certain

areas required by auditing standards and is attached to this agenda item.

Popular Annual Financial Report
Prepared for the first time for the 2023 fiscal year is a Popular Annual Financial Report (PAFR). The PAFR is intended to break down the dense financial information contained in the Annual Comprehensive Financial Report into a shorter and more easily understood document for the residents and elected officials of the Village. The Finance Department is proud to share this inaugural PAFR as part of its commitment to transparent and accessible financial reporting.

Budget Impact:
N/A

Contribution to Strategic Plan

Action Requested:
None - discussion only.

Attachments:
1. Glen Ellyn Management Letter 23
2. Glen Ellyn SAS 114 23

VILLAGE OF GLEN ELLYN, ILLINOIS

MANAGEMENT LETTER

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2023

535 Duane Street
Glen Ellyn, Illinois 60137
Phone: 630.547.5353
www.glenellyn.org

Lauterbach & Amen, LLP
CERTIFIED PUBLIC ACCOUNTANTS
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June 24, 2024

The Honorable Village President
Members of the Board of Trustees
Village of Glen Ellyn, Illinois

In planning and performing our audit of the financial statements of the Village of Glen Ellyn, Illinois, (the Village), for the year ended December 31, 2023, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

We do not intend to imply that our audit failed to disclose commendable aspects of your system and structure. For your consideration, we herein submit our comments and suggestions which are designed to assist in effecting improvements in internal controls and procedures. Those less-significant matters, if any, which arose during the course of the audit, were reviewed with management as the audit field work progressed.

The accompanying comments and recommendations are intended solely for the information and use of the Village Board of Trustees, management, and others within the Village of Glen Ellyn, Illinois.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various Village personnel. We would be pleased to discuss our comments and suggestions in further detail with you at your convenience, to perform any additional study of these matters, or to review the procedures necessary to bring about desirable changes.

We commend the finance department for the well-prepared audit package and we appreciate the courtesy and assistance given to us by the entire Village staff.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

PRIOR RECOMMENDATIONS

1. **<u>GASB STATEMENT NO. 94 PRIVATE-PUBLIC AND PUBLIC-PUBLIC PARTNERSHIPS AND AVAILABILITY PAYMENT ARRANGEMENTS</u>**

Comment

In March 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, which provides guidance regarding the information needs of financial statement users by improving the comparability of financial statements among governments that enter into public-private and public-public partnerships (PPPs) and availability payment arrangements (APAs) and by enhancing the understandability, reliability, relevance, and consistency of information about PPPs and APAs. A PPP is an arrangement in which a government (the transferor) contracts with an operator to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definitions Service Concession Arrangements (SCAs) if (a) the operator collects and is compensated by fees from third parties, (b) the transferor (government) determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services, and (c) the transferor (government) is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. An APA is an arrangement in which a government compensates an operator for activities that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* is applicable to the Village's financial statements for the year ended December 31, 2023.

Recommendation

Lauterbach & Amen, LLP will work directly with the Village to review the new criteria associated with PPPs and PPAs to determine the appropriate financial reporting for these activities under GASB Statement No. 94.

Status

As the Village has no PPPs or APAs, this comment is considered implemented. The Village and Lauterbach & Amen will continue to monitor PPPs and APAs in the future to determine if additional reporting is required.

2. **<u>GASB STATEMENT NO. 96 SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS</u>**

Comment

In May 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 96, *Subscription-Based Information Technology Arrangements*, which provides guidance regarding the information needs of financial statement users by improving accounting and financial reporting for Subscription-Based Information Technology Arrangements (SBITAs) by governments. It establishes uniform accounting and financial reporting requirements for SBITAs, improves the comparability of financial statements among governments that have entered into SBITAs, and enhances the understandability, reliability, relevance, and consistency of information about SBITAs. GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* is applicable to the Village's financial statements for the year ended December 31, 2023.

PRIOR RECOMMENDATIONS - Continued

2. **GASB STATEMENT NO. 96 SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS - Continued**

Recommendation

Lauterbach & Amen, LLP will work directly with the Village to review the new SBITA criteria in conjunction with the Village's current arrangements to determine the appropriate financial reporting for these activities under GASB Statement No. 96.

Status

This comment has been implemented and will not be repeated in the future.

3. **GASB STATEMENT NO. 100 ACCOUNTING CHANGES AND ERROR CORRECTIONS**

Comment

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 100, *Accounting Changes and Error Corrections*, which establishes accounting and financial reporting requirements for (a) accounting changes, and (b) the correction of an error in previously issued financial statements (error correction). Accounting changes are (a) changes in accounting principle, (b) changes in accounting estimates, or (c) changes to or within the financial reporting entity. Error corrections are (a) errors from mathematical mistakes, mistakes in the application of accounting principles, or oversight or misuse of facts that existed at the time the financial statements were issued, or (b) a change from (i) applying an accounting principle that is not generally accepted to transactions or other events that previously were significant to (ii) applying a generally accepted accounting principle to those transactions or other events is an error correction. GASB Statement No. 100 requires that (a) changes in accounting principal and error corrections are reported retroactively, (b) changes in accounting estimates are reported prospectively, and (c) changes to or within the financial reporting entity should be reported by adjusting the current reporting period's beginning net position, fund balance, or fund net position, as applicable, for the effect of the change as if the change occurred as of the beginning of the reporting period. GASB Statement No. 100, *Accounting Changes and Error Corrections* is applicable to the Village's financial statements for the year ended December 31, 2024.

Recommendation

Lauterbach & Amen, LLP will work directly with the Village to review any accounting changes or error corrections to determine the appropriate financial reporting for these activities under GASB Statement No. 100.

Status

This comment has not been implemented and will be repeated in the future.

Management Response

Management acknowledges this comment and, if applicable, will work to implement it when required by GASB.

4. **GASB STATEMENT NO. 101 COMPENSATED ABSENCES**

Comment

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 101, *Compensated Absences*, which establishes standards of accounting and financial reporting for (a) compensated absences, and (b) associated salary-related payments, including certain defined contribution pensions and defined contribution other post-employment benefits (OPEB). The statement requires that a liability should be recognized for any type of leave that has not been used at year-end if (a) The leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Examples of leave that should be reviewed, and potentially measured under GASB Statement No. 101 are vacation leave, paid time off leave, holiday leave, and sick leave. Examples of leave that are excluded from GASB Statement No. 101 are parental leave, military leave, and jury duty leave. GASB Statement No. 101, *Compensated Absences* is applicable to the Village's financial statements for the year ended December 31, 2024.

Recommendation

Lauterbach & Amen, LLP will work directly with the Village to review the new compensated absences and associated salary-related payments, including certain defined contribution pensions and defined contribution other post-employment benefits criteria to determine the appropriate financial reporting for these activities under GASB Statement No. 101.

Status

This comment has not been implemented and will be repeated in the future.

Management Response

Management acknowledges this comment and, if applicable, will work to implement it when required by GASB.

Lauterbach & Amen, LLP
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June 24, 2024

The Honorable Village President
Members of the Board of Trustees
Village of Glen Ellyn, Illinois

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Glen Ellyn (the Village), Illinois for the year ended December 31, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 24, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Village are described in the Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the year ended December 31, 2023, except for the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. We noted no transactions entered into by the Village during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the governmental and business-type activities' financial statements were:

> Management's estimate of the depreciation/amortization expense on capital assets is based on assumed useful lives of the underlying capital assets, the net pension liabilities are based on estimated assumptions used by the actuary, the total OPEB liability is based on estimated assumptions used by the actuary, and the asset retirement obligation is based on historical costs for similar abandonments, adjusted for inflation. We evaluated the key factors and assumptions used to develop the depreciation/amortization expense, the net pension liabilities, the total OPEB liability, and the asset retirement obligation estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Any material misstatements detected as a result of audit procedures were corrected by management.

Significant Audit Findings - Continued

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 24, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Village's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Village's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the required supplementary information (RSI), as listed in the table of contents, that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the other supplementary information and supplemental schedules, as listed in the table of contents, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with the accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory section and statistical section, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, and we do not express an opinion or provide any assurance on it.

Restrictions on Use

This information is intended solely for the use of the Board of Trustees and management of the Village and is not intended to be, and should not be, used by anyone other than these specified parties.

We wish to express our gratitude to the Board of Trustees and staff (in particular the Finance Department) of the Village of Glen Ellyn, Illinois for their valuable cooperation throughout the audit engagement.

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

FUND: VILLAGE LINKS/RESERVE 22
DEPARTMENT: VILLAGE LINKS/RESERVE 22

ORG	OBJECT	ACCOUNT DESCRIPTION	2023 ACTUAL	2024 BUDGET	2024 PROJECTION
5500	**VILLAGE LINKS REVENUES**				
5500	440550	GREEN FEES	2,683,417	2,500,000	2,795,000
5500	440554	PRO SHOP - SALES	259,718	170,000	241,000
5500	440555	MOTOR CARTS	689,168	600,000	672,500
5500	440556	DRIVING RANGE	482,627	450,000	503,500
5500	440557	RESIDENT CARDS	35,305	34,000	35,000
5500	460100	INVESTMENT INCOME	62,277	56,000	70,000
5500	489000	MISCELLANEOUS REVENUE	132,887	126,000	132,400
5500	489100	MISCELLANEOUS - OVER/SHORT	(593)	-	(25,187)
5500	489200	G/L ON DISP OF FIXED ASSETS	(2,373)	-	-
5500	490800	OPERATING TRANSFER IN	-	-	-
TOTAL	**VILLAGE LINKS REVENUES**		**4,342,433**	**3,936,000**	**4,424,213**
5520	**RESERVE 22 REVENUES**				
5520	441100	FOOD	2,139,921	1,900,000	2,060,000
5520	441101	LIQUOR	470,306	385,000	472,000
5520	441102	BEER	570,561	560,000	543,500
5520	441103	WINE	243,576	240,000	237,000
5520	441104	NA BEVERAGES	121,789	115,000	118,500
5520	441106	ROOM CHARGES	2,733	5,000	3,700
5520	441107	SERVICE CHARGES	236,912	215,000	222,000
5520	489000	MISCELLANEOUS REVENUE	1,330	400	250
TOTAL	**RESERVE 22 REVENUES**		**3,787,128**	**3,420,400**	**3,656,950**
TOTAL VILLAGE LINKS/RESERVE 22 REVENUES			**8,129,561**	**7,356,400**	**8,081,163**

FUND: VILLAGE LINKS/RESERVE 22
DEPARTMENT: VILLAGE LINKS/RESERVE 22

ORG	OBJECT	ACCOUNT DESCRIPTION	2023 ACTUAL	2024 BUDGET	2024 PROJECTION
55700	**ADMINISTRATION**				
55700	510100	SALARIES - PENSIONABLE	187,278	201,400	201,000
55700	510400	FICA TAXES	13,955	15,407	15,377
55700	510500	IMRF EMPLOYER CONTRIBUTIONS	7,723	9,144	9,125
55700	520600	DUES-SUBSCRIPTIONS-REG FEES	9,084	29,142	9,750
55700	520615	RECRUITING AND TESTING	-	-	-
55700	520620	EMPLOYEE EDUCATION	-	-	-
55700	520630	STATE UNEMPLOYMENT CLAIMS	-	-	-
55700	520855	PAYING AGENT FEE	-	550	550
55700	520901	COPIER	398	10,200	4,776
55700	521055	PROFESSIONAL SERVICES - OTHER	179	-	4,093
55700	521195	TELECOMMUNICATIONS	450	600	600
55700	530100	OFFICE SUPPLIES	6,326	2,200	1,500
55700	540000	DEPRECIATION	439,627	-	-
55700	540100	AMORTIZATION	(62,648)	-	-
55700	542000	LEASE AMORTIZATION	22,164	-	-
55700	551170	2021A BONDS PRINCIPAL	-	220,000	220,000
55700	551175	2021A BONDS INTEREST	90,300	81,900	81,900
55700	552100	LEASE INTEREST EXPENSE	3,165	-	-
55700	560200	PENSION EXPENSE	(235,366)	-	-
55700	560210	OPEB EXPENSE	24,546	-	-
55700	570100	BUILDINGS	1,375	379,000	710,256
55700	580100	CAPITAL IMPROVEMENTS	-	-	-
55700	580110	EQUIPMENT/CAPITAL OUTLAY	77,521	625,916	372,861
55700	590120	ACCOUNTING SERVICE CHARGE	175,000	225,000	225,000
55700	590600	TFR TO INSUR- HEALTH	16,515	17,200	16,773
55700	590610	TRF TO INSUR-GEN	94,300	117,300	117,300
55700	590910	OPERATING TRANSFER OUT	-	100,000	-
TOTAL	**ADMINISTRATION**		**871,894**	**2,034,959**	**1,990,861**
55705	**MECH MAINT - ADMIN**				
55705	520975	MAINTENANCE-EQUIPMENT	262	500	-
TOTAL	**MECH MAINT - ADMIN**		**262**	**500**	**-**

FUND: VILLAGE LINKS/RESERVE 22
DEPARTMENT: VILLAGE LINKS/RESERVE 22

ORG	OBJECT	ACCOUNT DESCRIPTION	2023 ACTUAL	2024 BUDGET	2024 PROJECTION
55710	**GOLF COURSE MAINTENANCE**				
55710	510100	SALARIES - PENSIONABLE	440,265	435,000	565,100
55710	510120	SALARIES - NON PENSIONABLE	145,035	195,000	62,900
55710	510200	OVERTIME	13,885	15,000	12,400
55710	510400	FICA TAXES	44,036	49,343	48,991
55710	510500	IMRF EMPLOYER CONTRIBUTIONS	18,011	19,749	25,656
55710	520600	DUES-SUBSCRIPTIONS-REG FEES	7,210	6,985	7,700
55710	520615	RECRUITING AND TESTING	5,534	7,000	2,000
55710	520620	EMPLOYEE EDUCATION	5,337	7,500	2,000
55710	520625	TRAVEL	2,271	5,000	1,386
55710	520630	STATE UNEMPLOYMENT CLAIMS	8,397	18,000	17,000
55710	520970	MAINTENANCE-BUILDING & GROUNDS	5,488	7,600	10,000
55710	520980	MAINTENANCE-DRAIN & IRRIG	17,448	20,000	21,500
55710	521055	PROFESSIONAL SERVICES - OTHER	28,252	59,620	35,700
55710	521195	TELECOMMUNICATIONS	2,793	3,500	2,200
55710	521200	UTILITIES	51,190	43,000	48,000
55710	530105	OPERATING SUPPLIES	28,803	35,000	33,000
55710	530300	GAS AND OIL	30,142	45,000	35,100
55710	530415	FERTILIZER	33,513	45,000	40,000
55710	530425	LANDSCAPE SUPPLIES	17,803	30,000	20,000
55710	530435	SOD SEED SAND & GRAVEL	36,308	95,000	76,000
55710	530440	TREATMENT COSTS & PESTICIDES	127,968	135,000	148,000
55710	530445	UNIFORMS	3,976	6,000	7,700
55710	590600	TRANSFER TO INSURANCE - HEALTH	46,561	51,700	46,700
TOTAL	**GOLF COURSE MAINTENANCE**		**1,120,225**	**1,334,997**	**1,269,032**
55715	**MECH MAINT - GROUNDS**				
55715	510100	SALARIES - PENSIONABLE	100,777	132,000	128,320
55715	510200	OVERTIME	-	-	288
55715	510400	FICA TAXES	7,501	10,098	9,839
55715	510500	IMRF EMPLOYER CONTRIBUTIONS	4,156	5,993	5,826
55715	520970	MAINTENANCE-BUILDING & GROUNDS	1,145	2,000	100
55715	520975	MAINTENANCE-EQUIPMENT	63,723	50,000	43,000
55715	530105	OPERATING SUPPLIES	11,721	15,000	14,000
55715	590600	TRANSFER TO INSURANCE - HEALTH	10,891	4,100	13,700
TOTAL	**MECH MAINT - GROUNDS**		**199,915**	**219,191**	**215,072**

FUND: VILLAGE LINKS/RESERVE 22
DEPARTMENT: VILLAGE LINKS/RESERVE 22

ORG	OBJECT	ACCOUNT DESCRIPTION	2023 ACTUAL	2024 BUDGET	2024 PROJECTION
55720	**GOLF SERVICES**				
55720	510100	SALARIES - PENSIONABLE	298,865	325,292	297,200
55720	510120	SALARIES - NON PENSIONABLE	245,731	237,525	252,600
55720	510200	OVERTIME	179	1,000	-
55720	510400	FICA TAXES	40,281	43,132	42,060
55720	510500	IMRF EMPLOYER CONTRIBUTIONS	11,903	14,768	13,493
55720	520600	DUES-SUBSCRIPTIONS-REG FEES	12,140	43,024	64,500
55720	520615	RECRUITING AND TESTING	4,370	3,000	2,600
55720	520620	EMPLOYEE EDUCATION	355	4,400	200
55720	520630	STATE UNEMPLOYMENT CLAIMS	9,212	15,000	3,145
55720	520810	CREDIT CARD FEES	85,379	70,425	91,800
55720	520900	POSTAGE & SHIPPING	389	1,000	50
55720	520903	MARKETING	17,344	20,000	16,300
55720	520905	PRINTING	890	2,000	556
55720	520950	HANDICAPS FEES	100	100	100
55720	521055	PROFESSIONAL SERVICES - OTHER	8,943	4,800	26,000
55720	521195	TELECOMMUNICATIONS	2,683	5,000	2,750
55720	521200	UTILITIES	39,918	40,000	40,000
55720	530105	OPERATING SUPPLIES	99,243	70,000	112,000
55720	530445	UNIFORMS	5,182	5,000	6,900
55720	590600	TRANSFER TO INSURANCE - HEALTH	48,376	56,900	56,200
TOTAL	**GOLF SERVICES**		**931,484**	**962,366**	**1,028,454**
55725	**MECH MAINT - CLUBHOUSE**				
55725	510100	SALARIES - PENSIONABLE	5,883	8,400	8,150
55725	510200	OVERTIME	-	-	26
55725	510400	FICA TAXES	436	643	625
55725	510500	IMRF EMPLOYER CONTRIBUTIONS	242	381	370
55725	520970	MAINTENANCE-BUILDING & GROUNDS	20,976	11,237	24,050
55725	520975	MAINTENANCE-EQUIPMENT	4,915	2,500	4,450
55725	530105	OPERATING SUPPLIES	27	200	140
55725	590600	TRANSFER TO INSURANCE - HEALTH	687	800	940
TOTAL	**MECH MAINT - CLUBHOUSE**		**33,165**	**24,161**	**38,751**

FUND: VILLAGE LINKS/RESERVE 22
DEPARTMENT: VILLAGE LINKS/RESERVE 22

ORG	OBJECT	ACCOUNT DESCRIPTION	2023 ACTUAL	2024 BUDGET	2024 PROJECTION
55730	**RESERVE 22**				
55730	510100	SALARIES - PENSIONABLE	791,954	687,284	800,260
55730	510120	SALARIES - NON PENSIONABLE	812,814	853,732	682,200
55730	510200	OVERTIME	12,027	15,000	5,200
55730	510399	TIPS PAID THROUGH PAYROLL	(3,579)	-	-
55730	510400	FICA TAXES	154,987	168,640	148,766
55730	510500	IMRF EMPLOYER CONTRIBUTIONS	40,665	31,224	36,332
55730	520600	DUES-SUBSCRIPTIONS-REG FEES	18,415	15,172	22,800
55730	520615	RECRUITING AND TESTING	7,330	7,500	6,055
55730	520620	EMPLOYEE EDUCATION	463	1,000	800
55730	520630	STATE UNEMPLOYMENT CLAIMS	9,811	15,000	1,000
55730	520810	CREDIT CARD FEES	85,796	80,000	92,600
55730	520875	LIABILITY INS DEDUCTIBLE	2,343	2,400	2,487
55730	520900	POSTAGE & SHIPPING	681	600	150
55730	520903	MARKETING	12,766	12,000	12,000
55730	520905	PRINTING	-	-	-
55730	521055	PROFESSIONAL SERVICES - OTHER	31,050	21,870	31,000
55730	521195	TELECOMMUNICATIONS	4,795	4,000	5,000
55730	521200	UTILITIES	43,910	40,000	43,000
55730	530105	OPERATING SUPPLIES	116,292	100,000	120,000
55730	530400	COGS - BEER	124,680	145,600	141,310
55730	530401	COGS - WINE	71,704	74,400	59,250
55730	530402	COGS - LIQUOR	101,390	80,850	84,960
55730	530405	COGS - NA BEVERAGES	72,342	59,293	94,800
55730	530410	DRY GOODS	33,884	38,000	28,000
55730	530420	COGS - FOOD	722,705	608,000	700,400
55730	530445	UNIFORMS	9,536	10,000	5,000
55730	530446	LINENS AND RENTALS	41,179	38,000	40,000
55730	590600	TRANSFER TO INSURANCE - HEALTH	69,874	101,000	89,600
TOTAL	**RESERVE 22**		**3,389,811**	**3,210,565**	**3,252,970**

FUND: VILLAGE LINKS/RESERVE 22
DEPARTMENT: VILLAGE LINKS/RESERVE 22

ORG	OBJECT	ACCOUNT DESCRIPTION	2023 ACTUAL	2024 BUDGET	2024 PROJECTION
55735		**MECH MAINT - FOOD SERVICES**			
55735	510100	SALARIES - PENSIONABLE	14,249	19,000	20,250
55735	510200	OVERTIME	-	-	70
55735	510400	FICA TAXES	1,060	1,454	1,554
55735	510500	IMRF EMPLOYER CONTRIBUTIONS	587	863	919
55735	520970	MAINTENANCE-BUILDING & GROUNDS	13,923	23,738	31,400
55735	520975	MAINTENANCE-EQUIPMENT	60,818	40,000	35,000
55735	530105	OPERATING SUPPLIES	699	1,000	250
55735	590600	TRANSFER TO INSURANCE - HEALTH	1,549	1,800	2,240
TOTAL		**MECH MAINT - FOOD SERV**	**92,885**	**87,855**	**91,684**
55740		**STORMWATER MANAGEMENT**			
55740	510100	SALARIES - PENSIONABLE	13,864	12,500	8,630
55740	510200	OVERTIME	-	-	67
55740	510400	FICA TAXES	1,011	956	665
55740	510500	IMRF EMPLOYER CONTRIBUTIONS	559	568	392
55740	520970	MAINTENANCE-BUILDING & GROUNDS	-	30,000	-
55740	530105	OPERATING SUPPLIES	-	2,000	-
55740	530435	SOD SEED SAND & GRAVEL	2,320	5,000	2,000
55740	590600	TRANSFER TO INSURANCE - HEALTH	2,556	600	1,380
TOTAL		**STORMWATER MANAGEMENT**	**20,310**	**51,624**	**13,134**
55750		**PRO SHOP MERCHANDISE**			
55750	510100	SALARIES - PENSIONABLE	20,253	22,248	21,520
55750	510400	FICA TAXES	1,464	1,702	1,646
55750	510500	IMRF EMPLOYER CONTRIBUTIONS	812	1,010	977
55750	520810	CREDIT CARD FEES	5,450	4,500	5,850
55750	520945	COST OF GOODS SOLD	209,701	119,000	168,700
55750	521195	TELECOMMUNICATIONS	-	-	-
55750	530105	OPERATING SUPPLIES	180	1,000	2,050
55750	590600	TRANSFER TO INSURANCE - HEALTH	4,556	5,500	4,600
TOTAL		**PRO SHOP MERCHANDISE**	**242,415**	**154,960**	**205,343**
55755		**MECH MAINT - PRO SHOP**			
55755	520975	MAINTENANCE-EQUIPMENT	-	500	-
TOTAL		**MECH MAINT - PRO SHOP**	**-**	**500**	**-**

FUND: **VILLAGE LINKS/RESERVE 22**
DEPARTMENT: **VILLAGE LINKS/RESERVE 22**

ORG	OBJECT	ACCOUNT DESCRIPTION	2023 ACTUAL	2024 BUDGET	2024 PROJECTION
55780	**MOTORIZED CARTS**				
55780	510120	SALARIES - NON PENSIONABLE	44,713	35,000	44,300
55780	510400	FICA TAXES	3,421	2,678	3,389
55780	530300	GAS AND OIL	18,280	25,000	19,400
TOTAL	**MOTORIZED CARTS**		**66,414**	**62,678**	**67,089**
55785	**MECH MAINT - MOTORIZED CARTS**				
55785	510100	SALARIES - PENSIONABLE	13,244	17,900	17,650
55785	510200	OVERTIME	-	-	45
55785	510400	FICA TAXES	986	1,369	1,354
55785	510500	IMRF EMPLOYER CONTRIBUTIONS	547	813	801
55785	520975	MAINTENANCE-EQUIPMENT	6,033	10,000	11,640
55785	590600	TRANSFER TO INSURANCE - HEALTH	1,384	1,700	1,770
TOTAL	**MECH MAINT - MOTORIZED**		**22,194**	**31,782**	**33,260**
TOTAL EXPENSES VILLAGE LINKS/RESERVE22			**6,990,973**	**8,176,138**	**8,205,650**
NET INCOME (LOSS)			**1,138,588**	**(819,738)**	**(124,487)**

ORG	OBJECT	ACCOUNT DESCRIPTION	2023 ACTUAL	2024 PROJECTION	2025 PROJECTION	2026 PROJECTION	2027 PROJECTION	2028 PROJECTION
1000	**General Fund Revenues**							
	Taxes							
1000	410100	PROPERTY TAX	8,153,252	8,498,791	8,970,181	9,194,400	9,424,300	9,659,900
1000	410113	PROPERTY TAX - SSA # 13	42,905	43,800	43,800	43,800	43,800	43,800
1000	410114	PROPERTY TAX - SSA # 14	92,427	95,100	95,100	95,100	95,100	95,100
1000	410115	PROPERTY TAX - SSA # 15	4,430	4,500	4,500	4,500	4,500	4,500
1000	410116	PROPERTY TAX - SSA # 16	2,285	2,300	2,300	2,300	2,300	2,300
1000	410117	PROPERTY TAX - SSA # 17	719	700	700	700	700	700
1000	410200	ROAD AND BRIDGE TAX	197,174	200,000	200,000	200,000	200,000	200,000
1000	410405	HOME RULE SALES TAX	3,962,891	4,080,000	4,200,800	5,190,172	6,412,561	7,922,847
1000	410412	AUTO RENTAL TAX	34,558	28,000	28,000	30,800	31,200	30,500
1000	410700	DEMOLITION TAX	6,050	7,000	10,000	7,500	8,200	7,800
1000	410800	HOTEL TAX	140,091	120,000	120,000	120,000	120,000	120,000
		Total Taxes	**12,636,781**	**13,080,191**	**13,675,381**	**14,889,272**	**16,342,661**	**18,087,447**
	Intergovernmental							
1000	410420	STATE INCOME TAX	4,607,266	4,970,000	5,074,300	5,209,300	5,347,900	5,490,200
1000	410400	SALES TAX	5,008,782	5,230,000	5,430,300	4,788,300	4,971,700	5,162,100
1000	410410	STATE USE TAX	1,155,682	1,118,000	737,900	715,800	694,300	673,500
1000	410411	CANNABIS USE TAX	43,681	47,000	50,000	50,000	50,000	50,000
1000	410300	PPRT	396,196	262,000	302,000	332,700	353,300	329,200
1000	430100	FEDERAL GRANT REVENUE	5,184	2,000	-	-	-	-
1000	430110	FEDERAL GRANT-RIDE DUPAGE	7,539	8,500	8,500	6,700	6,900	7,600
		Total Intergovernmental	**11,224,329**	**11,637,500**	**11,603,000**	**11,102,800**	**11,424,100**	**11,712,600**
	Licenses and Permits							
1000	420200	BUSINESS REGISTRATION LICENSES	67,082	60,000	60,000	60,000	60,000	60,000
1000	420300	LIQUOR LICENSES	129,668	135,000	135,000	135,000	135,000	135,000
1000	420100	VEHICLE LICENSES	302,242	293,622	300,000	304,900	301,900	300,500
1000	420400	BUILDING PERMITS	2,033,514	1,323,000	1,000,000	1,000,000	1,000,000	1,000,000
1000	440080	OVERWEIGHT TRUCK PERMIT	16,250	10,000	17,900	15,500	15,300	15,000
		Total Licenses and Permits	**2,548,756**	**1,821,622**	**1,512,900**	**1,515,400**	**1,512,200**	**1,510,500**

	Charges for Services							
1000	440120	REIMBURSEMENT - OTHER AGENCIES	146,700	137,300	137,300	140,100	140,400	140,400
	420410	CONTRACTOR REGISTRATION	-	-	-	-	-	-
1000	420420	STORMWATER ENGINEERING FEE	53,008	40,000	40,000	47,200	54,800	47,000
1000	420450	ELEVATOR INSPECTIONS	22,650	22,650	22,650	21,000	21,500	22,100
1000	440050	AMBULANCE SERVICE FEES	26,252	100	-	-	-	-
1000	480440	CELL TOWER RENTAL INCOME	57,131	185,000	190,550	196,267	202,154	208,219
1000	440221	CABLE FRANCHISE FEES	486,908	500,000	500,000	507,800	504,000	499,700
1000	440130	REIMBURSEMENT - GLEN OAK	47,159	58,600	58,600	49,600	52,100	53,200
1000	440170	FACILITY RENTALS	1,039	-	-	-	-	-
1000	480200	PARKWAY REFORESTATION	7,500	3,250	-	-	-	-
1000	480438	COD LICENSE FEE	-	55,000	55,000	55,000	55,000	55,000
1000	488901	ELECTRIC AGGREGATION REBATE	-	-	-	-	-	-
1000	489000	MISCELLANEOUS REVENUE	118,546	80,000	128,100	122,500	120,300	113,900
1000	489100	MISCELLANEOUS - OVER/SHORT	188	-	-	-	-	-
1000	440070	POLICE ACCIDENT REPORTS	4,160	4,000	4,000	3,900	4,000	4,000
1000	440065	POLICE FINGERPRINTING FEES	2,243	2,200	2,200	3,900	2,600	2,600
1000	440100	POLICE SERVICE REIMBURSEMENTS	150,510	158,000	158,000	158,400	155,900	156,200
1000	480110	POLICE TRAINING REIMBURSE	672	18,000	12,000	12,000	12,000	12,000
		Total Charges for Services	**1,666,113**	**1,264,100**	**1,308,400**	**1,317,667**	**1,324,754**	**1,314,319**
	Fines and Forfeitures							
1000	450200	TRAFFIC COURT FINES	311,437	300,000	300,000	294,300	300,200	301,200
1000	450300	PLAN & DEV ADJUDICATION FINES	23,300	10,000	30,000	20,700	18,800	20,600
1000	450100	POLICE ORDINANCE FINES	198,826	220,000	220,000	200,500	210,900	210,000
1000	440060	POLICE FALSE ALARM FEES	10,875	5,000	7,500	7,300	7,600	7,700
		Total Fines and Forfeitures	**544,438**	**535,000**	**557,500**	**522,800**	**537,500**	**539,500**
	Interest							
1000	460100	INVESTMENT INCOME	824,550	680,000	680,000	636,489	468,918	468,514
		Total Interest	**824,550**	**680,000**	**680,000**	**636,489**	**468,918**	**468,514**
		Total Revenue	**29,444,967**	**29,018,413**	**29,337,181**	**29,984,427**	**31,610,134**	**33,632,880**
	Other Financing Sources/(Uses)							
1000	490100	REIMB - MFT LABOR / EQUIP	168,163	275,000	275,000	275,000	275,000	275,000
1000	490110	REIMB - ACCOUNTING SERVICES	707,765	755,200	777,856	801,192	825,227	849,984
1000	490120	REIMB - STAFF ENGINEER	270,300	285,800	294,374	303,205	312,301	321,670
1000	490130	REIMB - SP PROGRAMS - POLICE	-	-	-	-	-	-
1000	490140	REIMB - PW SERVICE CHARGE	125,900	130,500	134,415	138,447	142,601	146,879
1000	490150	REIMB - FACILITIES MAINTENANCE	139,300	161,300	166,139	171,123	176,257	181,545
1000	490160	REIMB - PW OPERATIONS	20,000	20,000	20,000	20,000	20,000	20,000
1000	490180	REIMB - FORFEITURE FUND	43,401	-	-	-	-	-
1000	490800	OPERATING TRANSFER IN	53,400	53,400	53,400	53,400	53,400	53,400
1000	490850	OPERATING XFER-PROPERTY TAX	(4,333,918)	(4,337,707)	(4,674,564)	(4,791,400)	(4,911,200)	(5,034,000)
		Total Other Financing Sources/(Uses)	**(2,805,689)**	**(2,656,507)**	**(2,953,380)**	**(3,029,032)**	**(3,106,413)**	**(3,185,522)**
		Total Inflows	**26,639,278**	**26,361,906**	**26,383,801**	**26,955,395**	**28,503,720**	**30,447,358**

Finance Commission

July 12, 2024

Five Year General Fund Forecast - Revenues

GOALS OF THE FORECAST (2019)

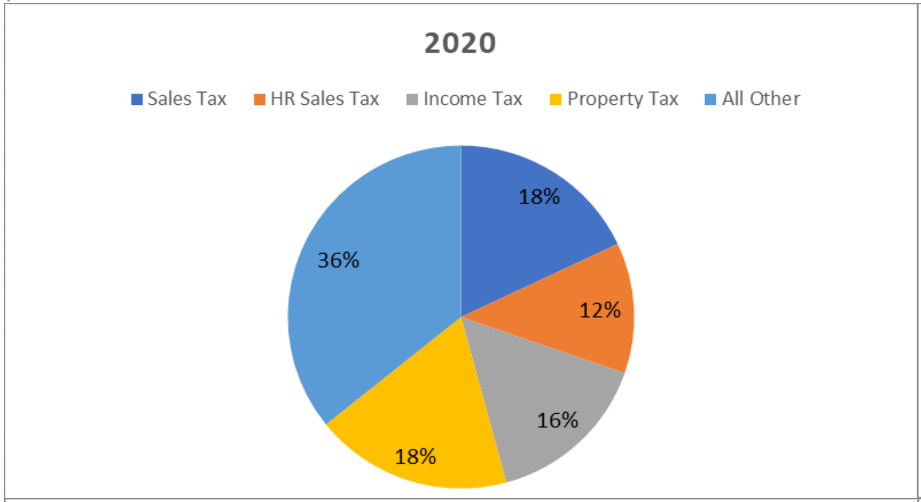
- Understand long-term financial trends in revenues and expenditures/expenses.
- Identify future imbalances (deficits).
- Identify potential areas where programs can be implemented now to avoid future deficits.
- Understand how this forecast aligns with past forecasts.
- Compare past forecasts with actual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

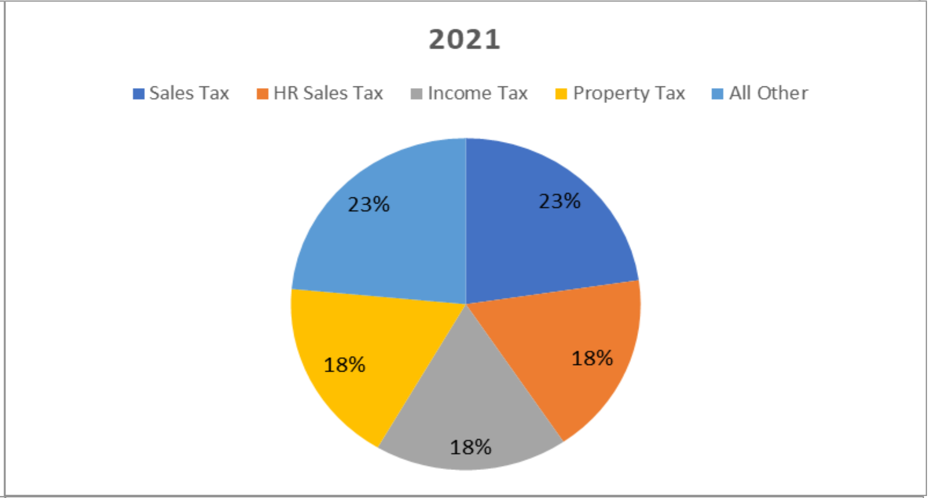
PRIMARY GENERAL FUND REVENUES

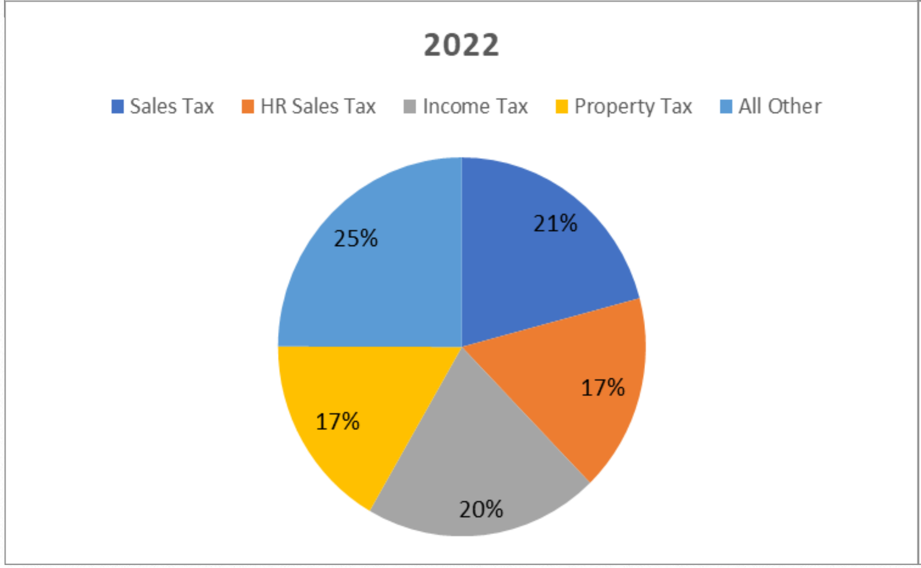
- **Sales Tax**
- **Home Rule Sales Tax**
- **State Income Tax**
- **Property Tax**
- **Others**

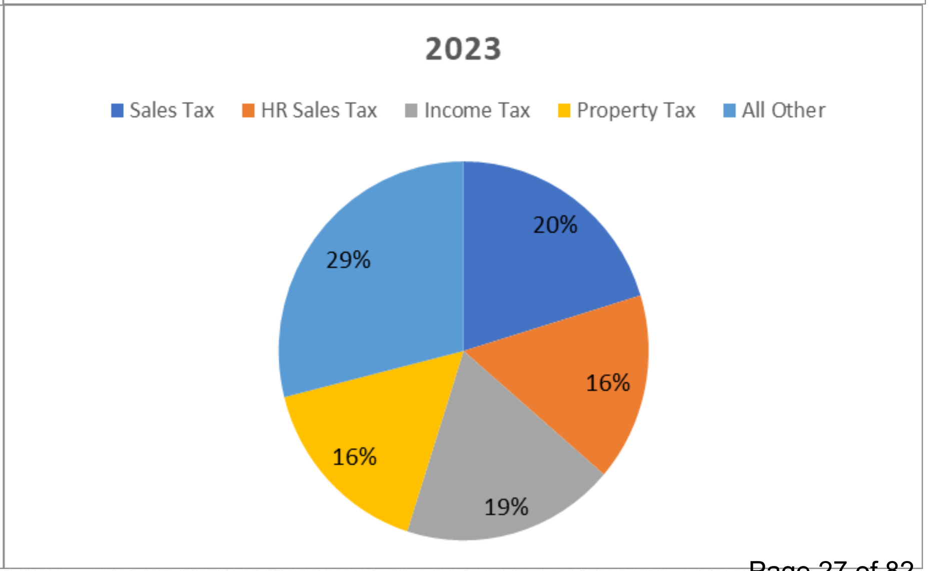
VILLAGE OF Glen Ellyn ILLINOIS

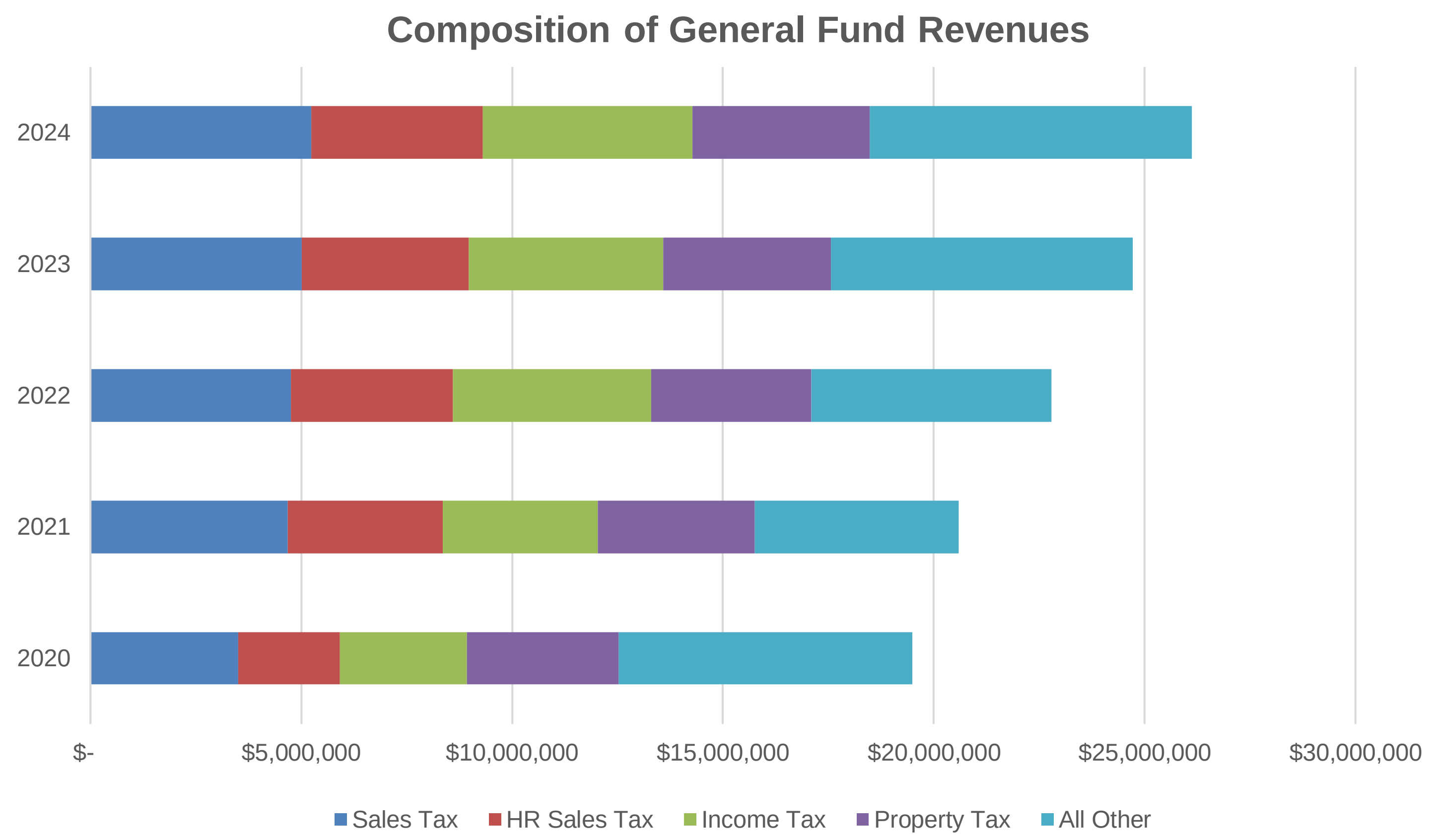
COMPOSITION OF GENERAL FUND REVENUES

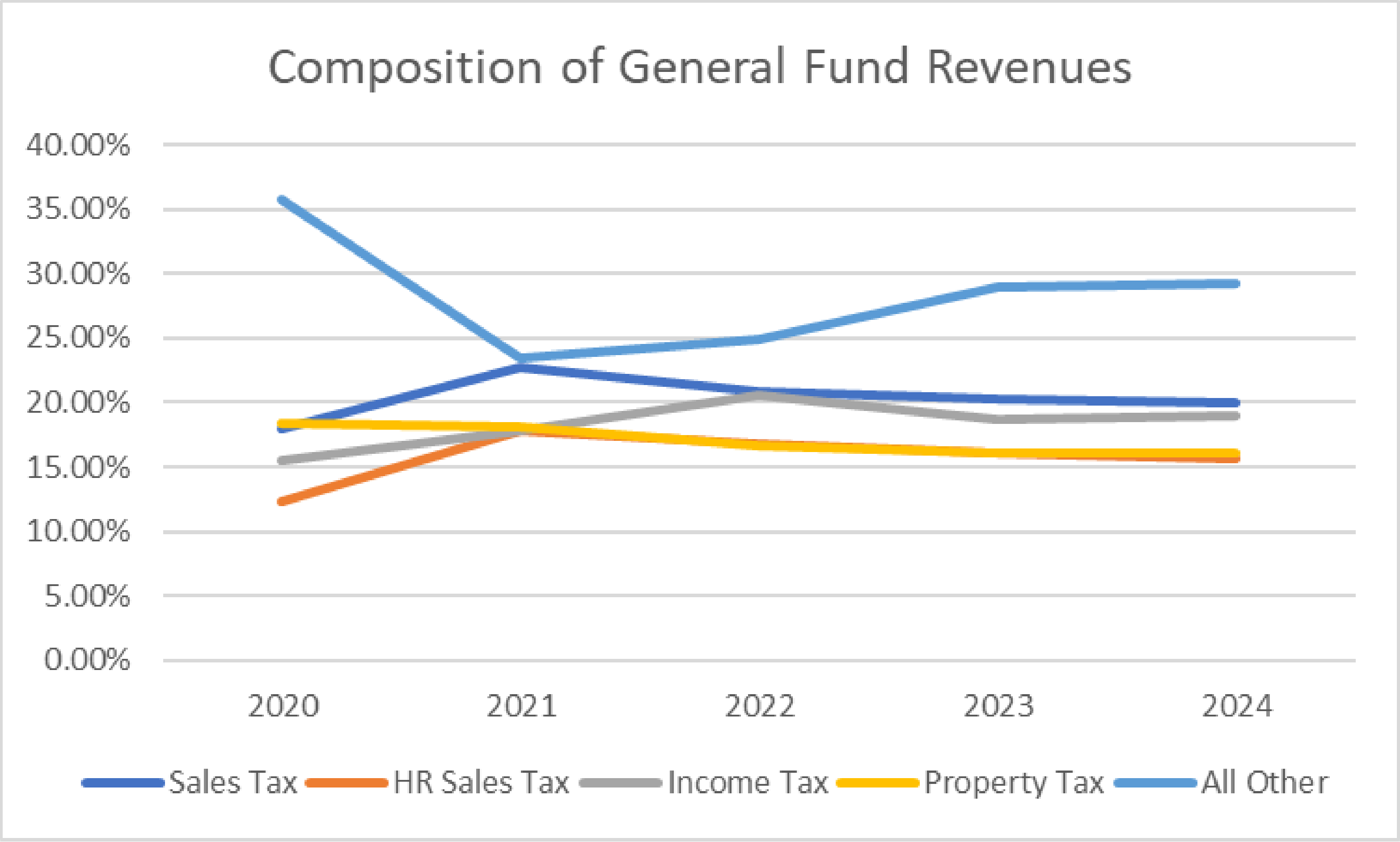




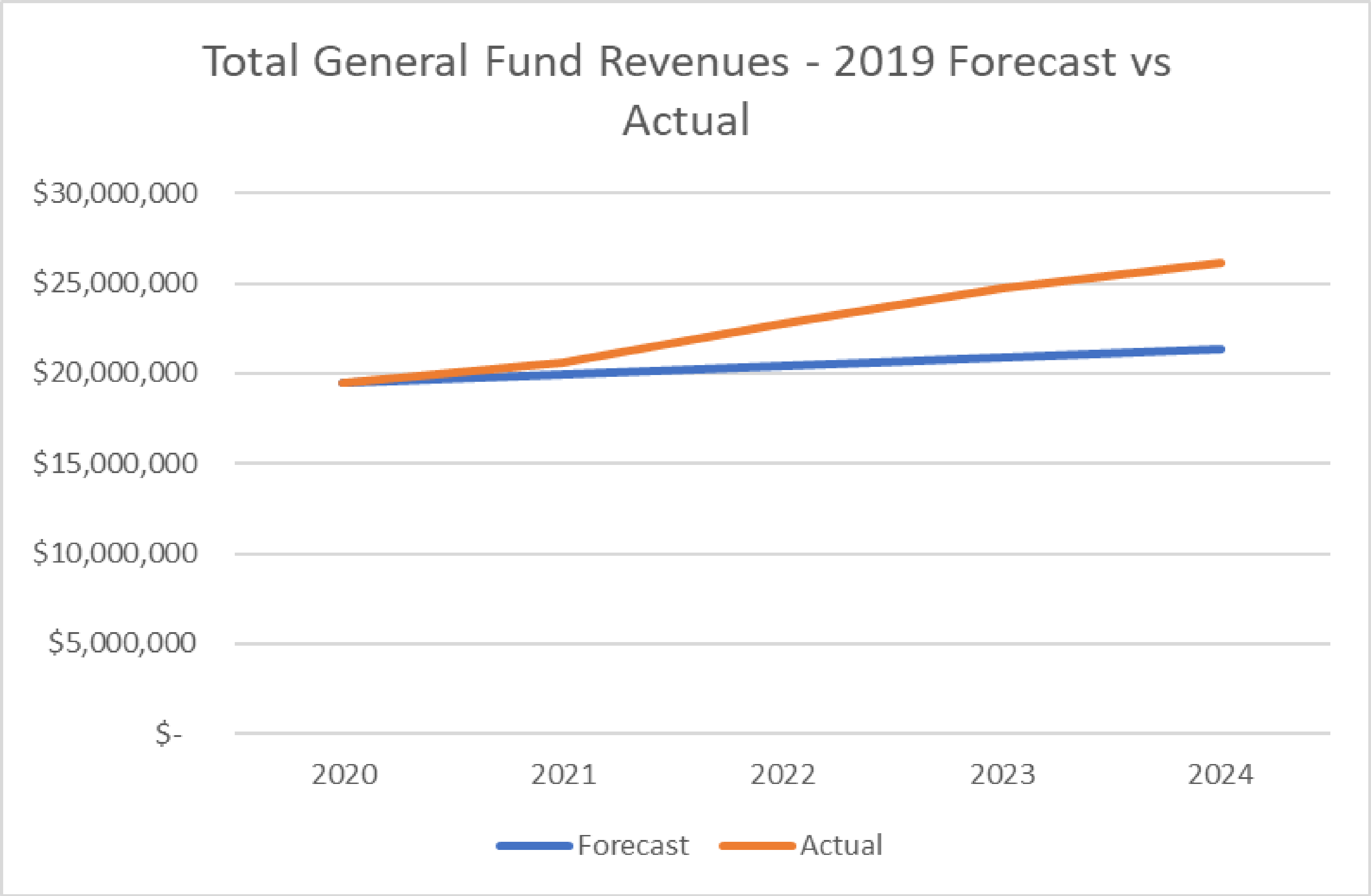





Composition of General Fund Revenues
2024
2023
2022
2021
2020
$-
$5,000,000
$10,000,000
$15,000,000
$20,000,000
$25,000,000
$30,000,000
Sales Tax
HR Sales Tax
Income Tax
Property Tax
All Other

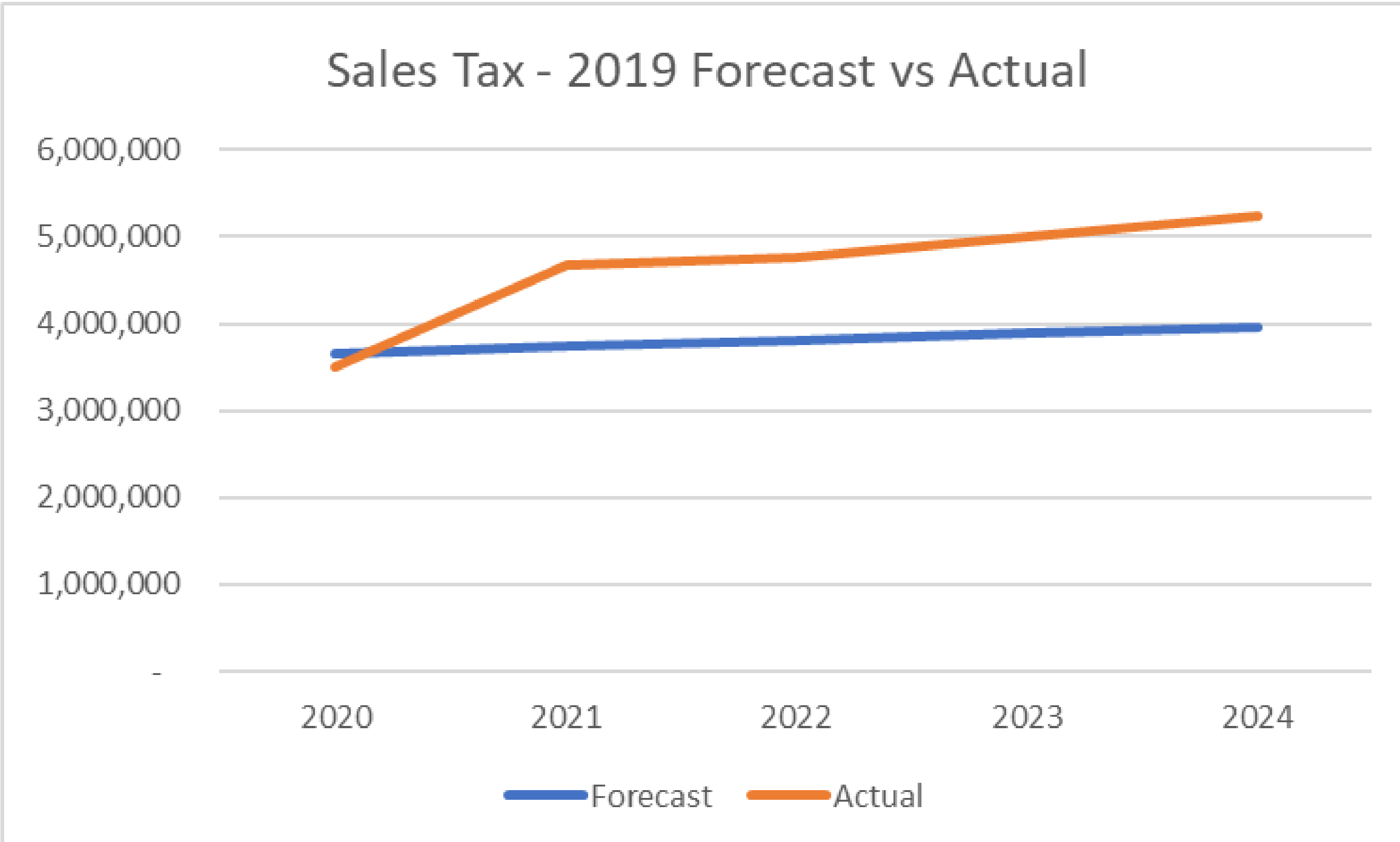


Composition of General Fund Revenues
40.00%
35.00%
30.00%
25.00%
20.00%
15.00%
10.00%
5.00%
0.00%
2020
2021
2022
2023
2024
Sales Tax
HR Sales Tax
Income Tax
Property Tax
All Other

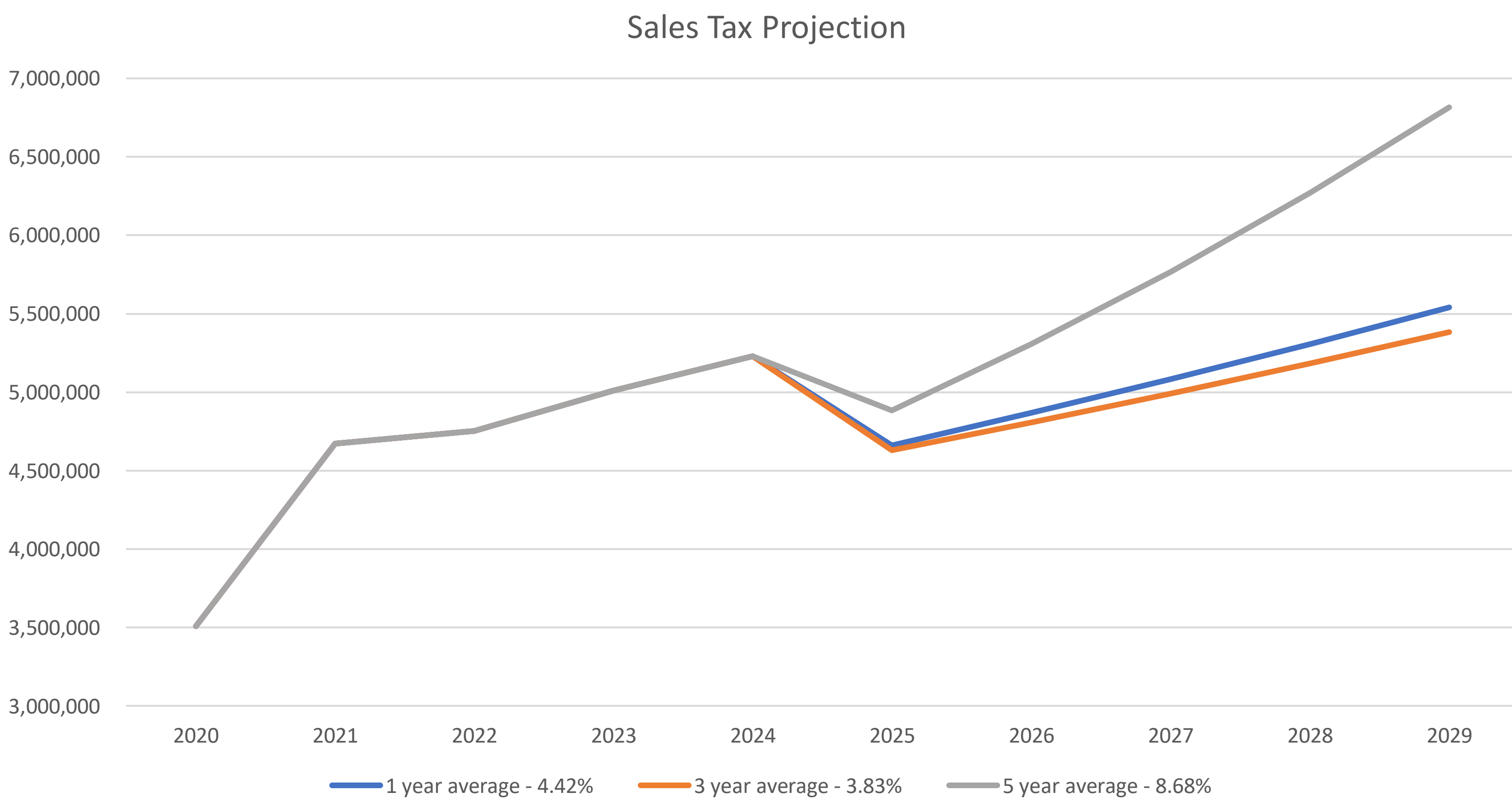

Total General Fund Revenues - 2019 Forecast vs Actual
$30,000,000
$25,000,000
$20,000,000
$15,000,000
$10,000,000
$5,000,000
$-
2020
2021
2022
2023
2024
Forecast
Actual

SALES TAX

- Projected to grow at ~2% in 2019 forecast
- Significant increase in 2021 due to changes in state law
- 2024 tracking at 4.42% increase over 2023
- 3-year average increase 3.83%
- 5-year average increase 8.68%
- Grocery tax eliminated as of January 2026



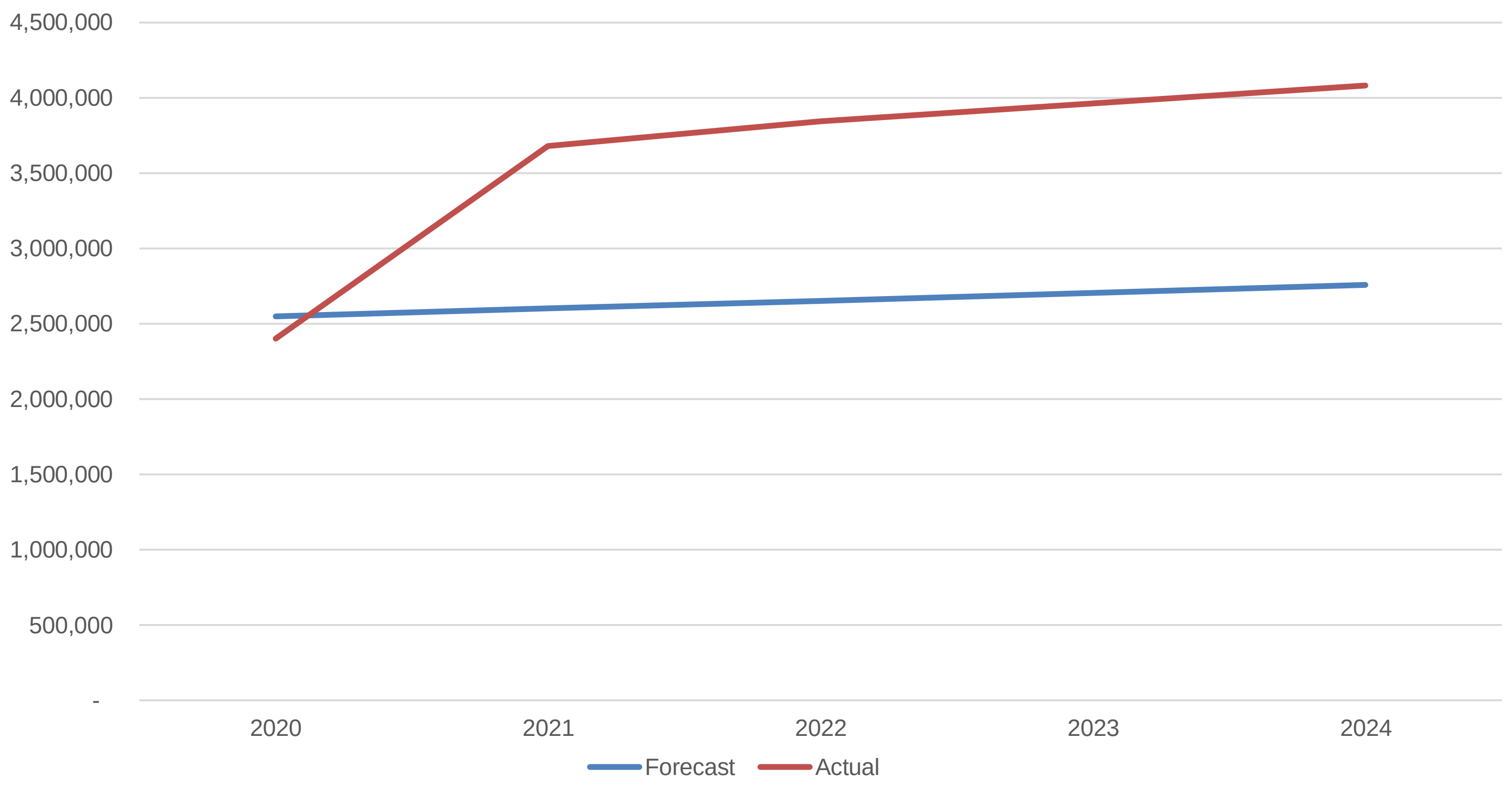
Sales Tax - 2019 Forecast vs Actual
6,000,000
5,000,000
4,000,000
3,000,000
2,000,000
1,000,000
-
2020
2021
2022
2023
2024
Forecast
Actual

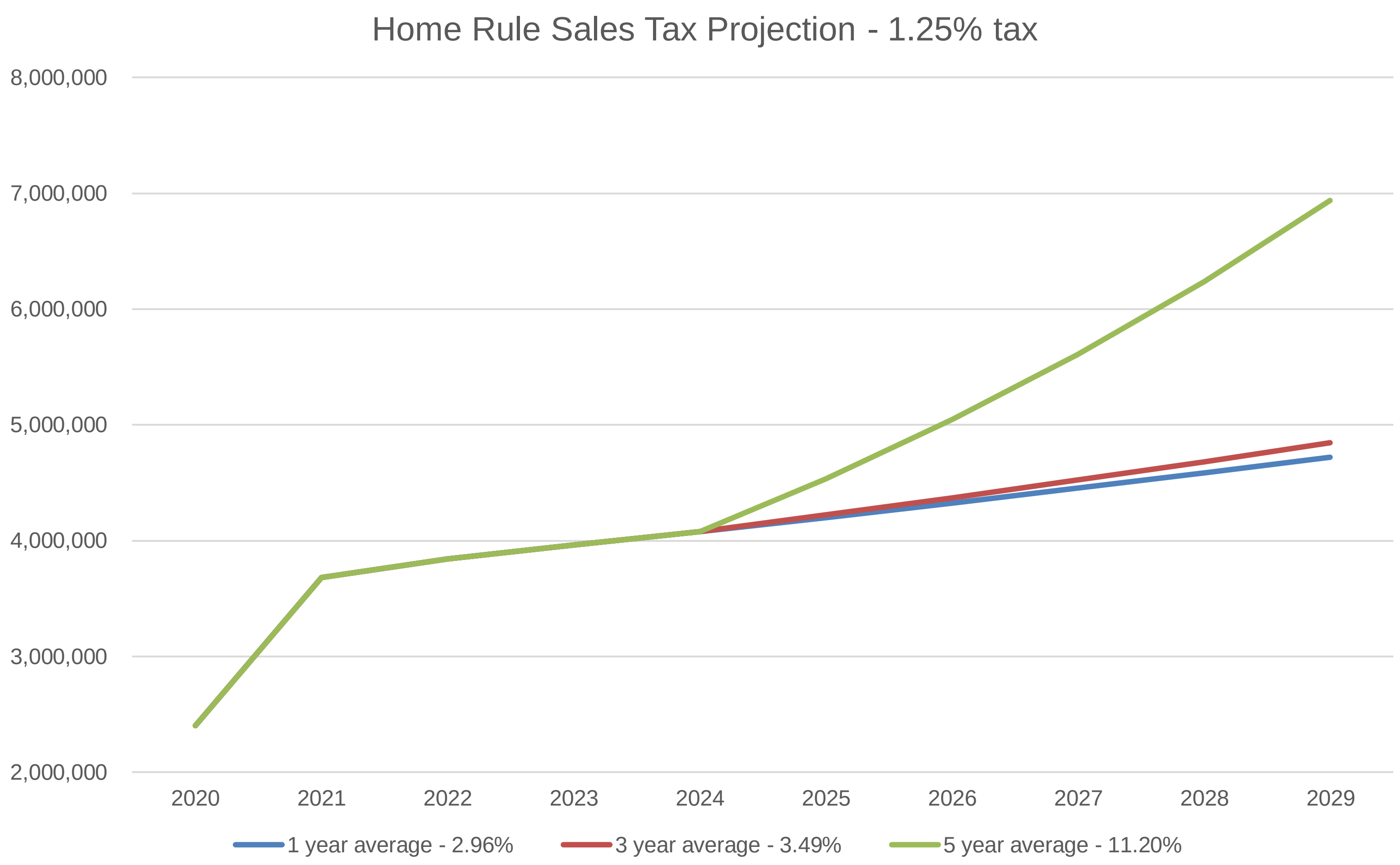

Sales Tax Projection
7,000,000
6,500,000
6,000,000
5,500,000
5,000,000
4,500,000
4,000,000
3,500,000
3,000,000
2020
2021
2022
2023
2024
2025
2026
2027
2028
2029
1 year average - 4.42%
3 year average - 3.83%
5 year average - 8.68%

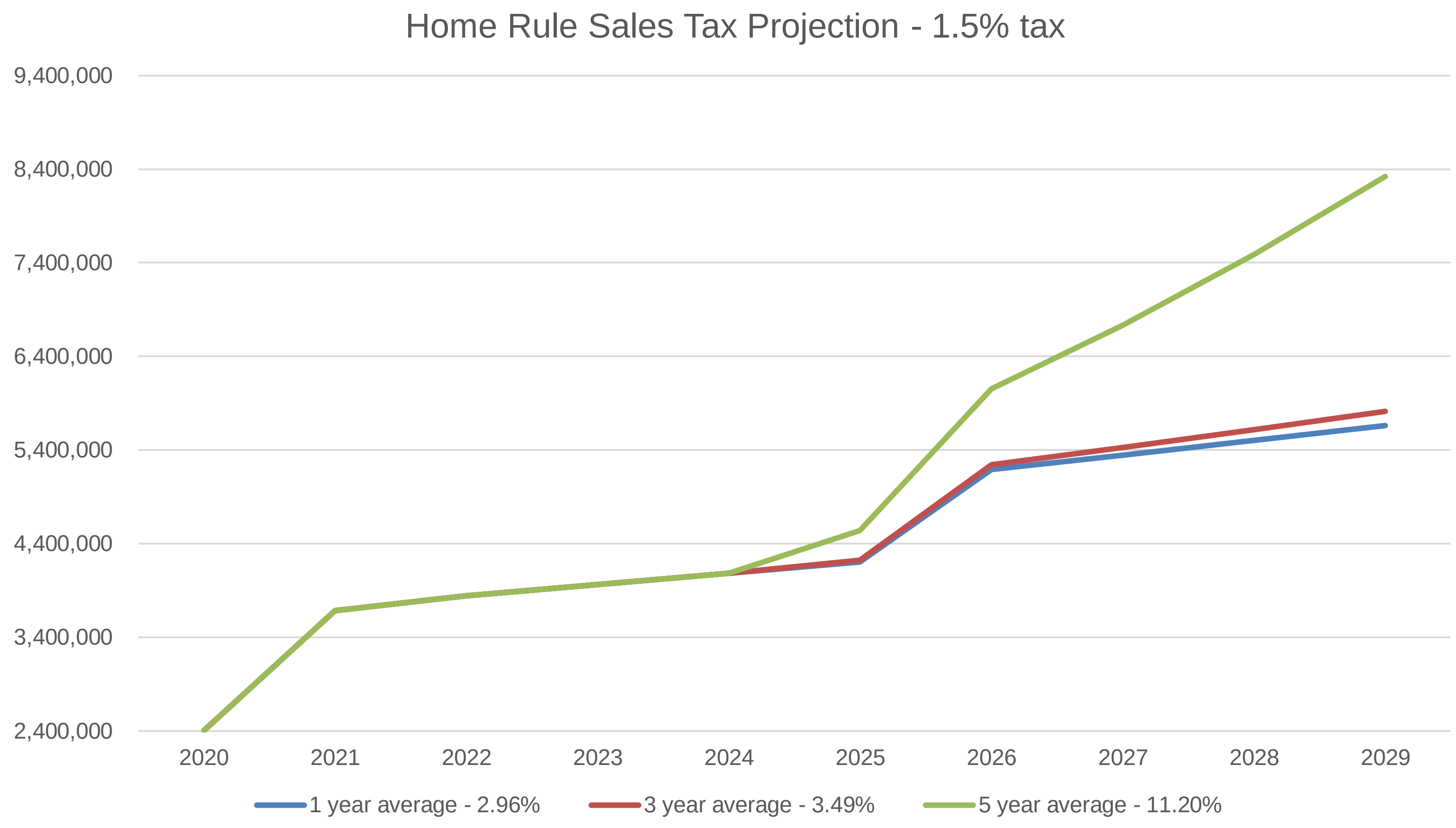
HOME RULE SALES TAX

- Projected to grow at ~2% in 2019 forecast
- Significant increase in 2021 along with Sales Tax
- 2024 tracking at 2.96% increase over 2023
- 3-year average increase 3.49%
- 5-year average increase 11.20%
- An increase in the HRST rate from 1.25% to 1.50% would recover lost grocery tax revenue

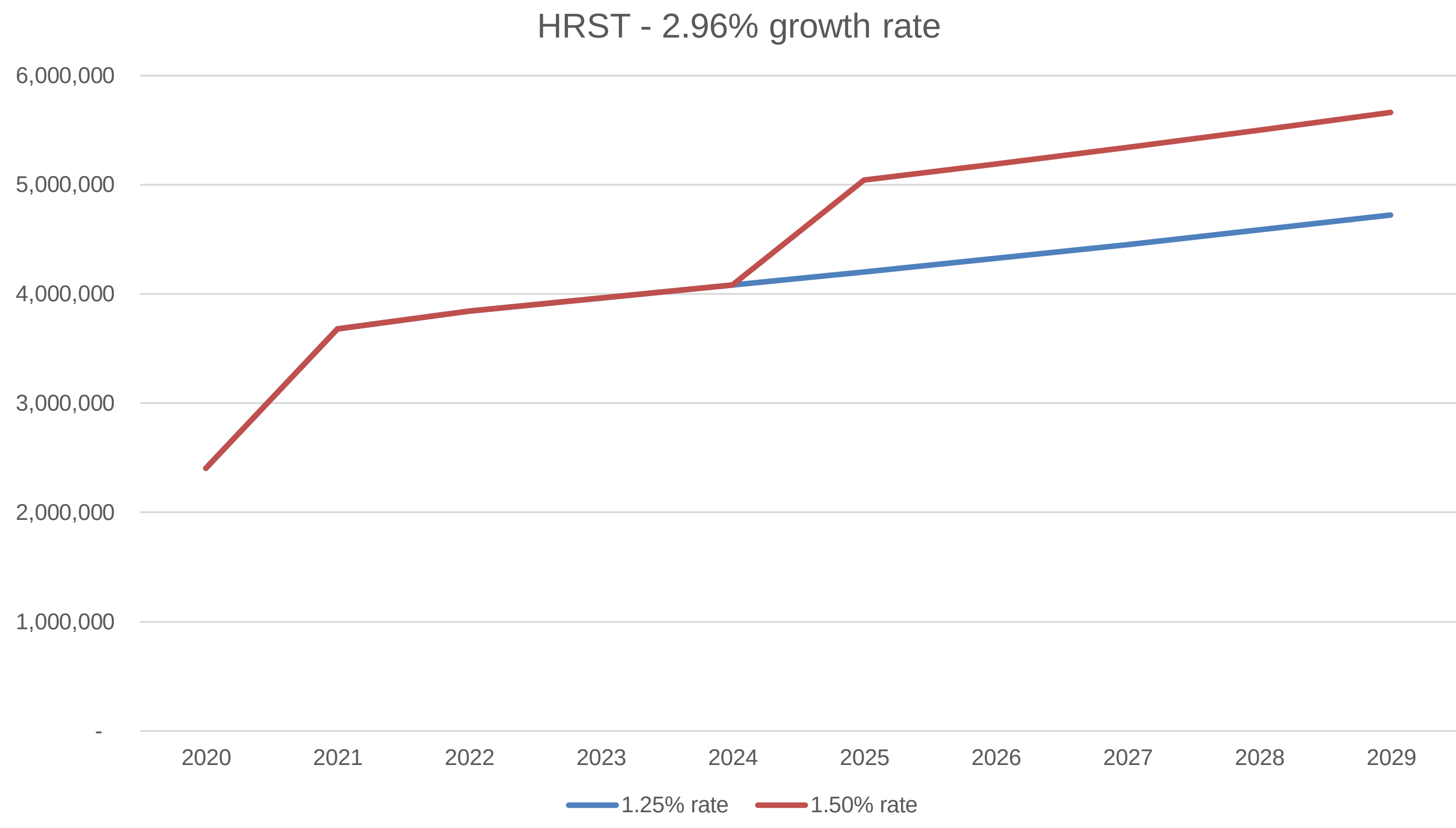
Home Rule Sales Tax - 2019 Forecast vs Actual

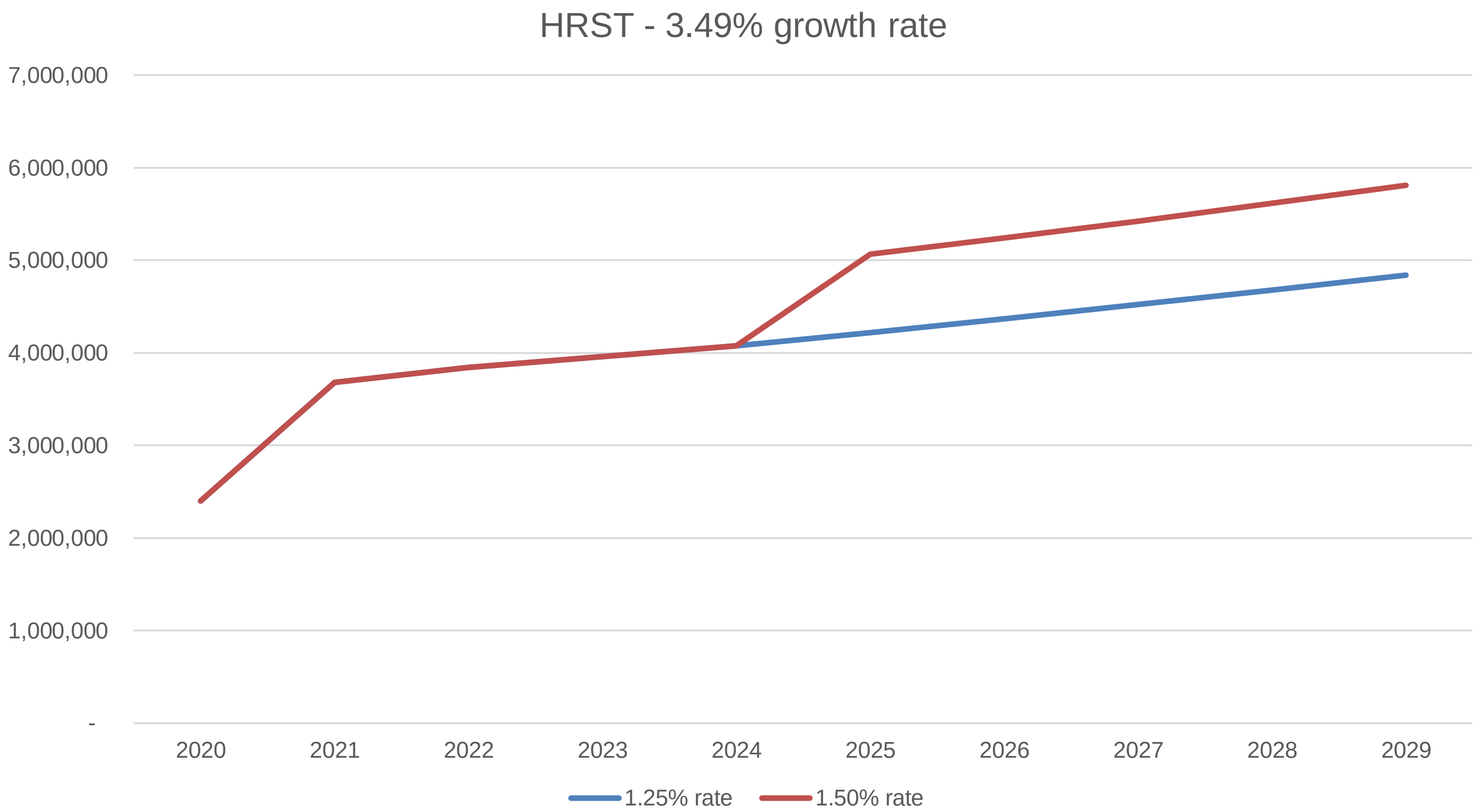


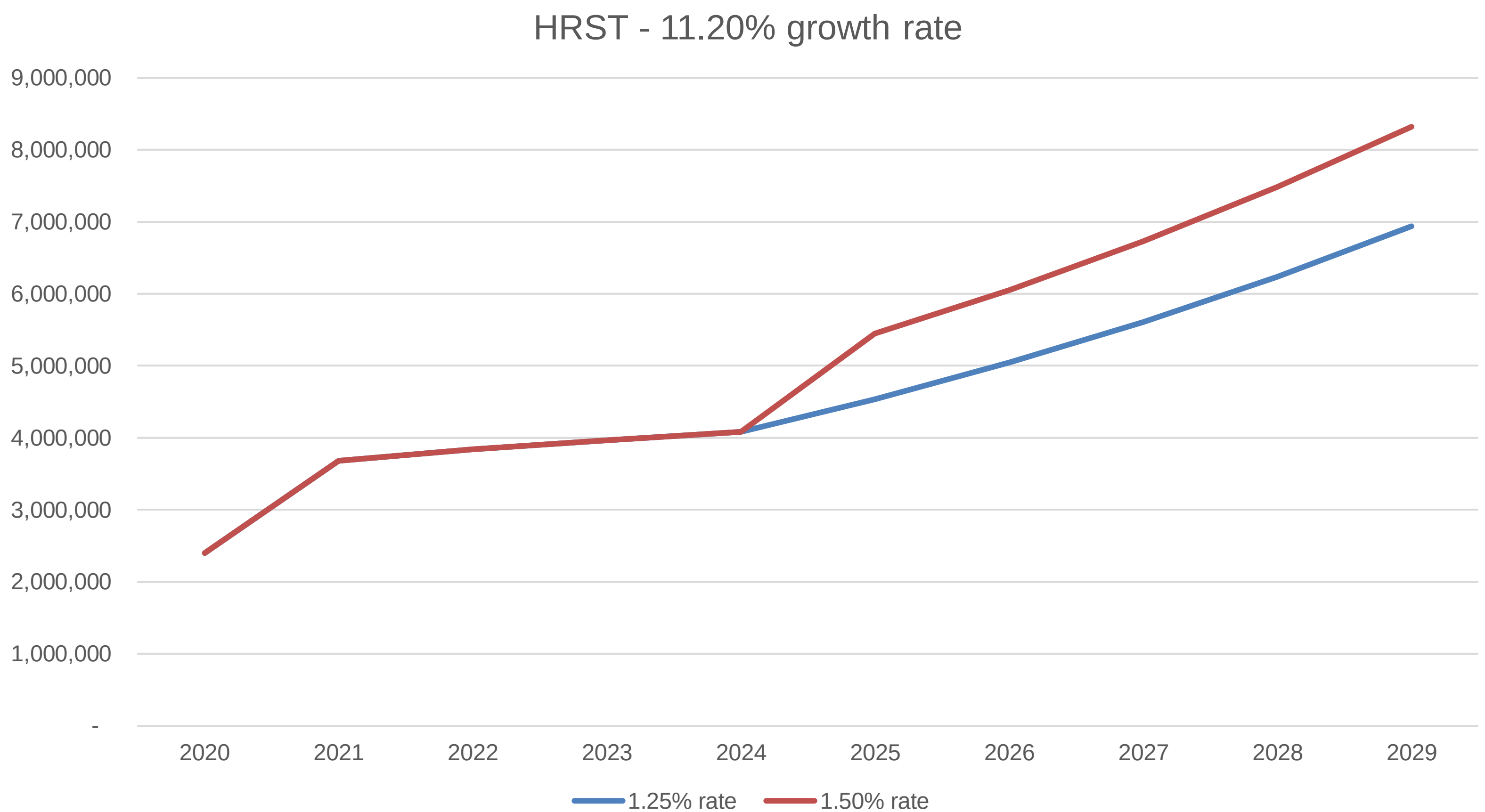

Home Rule Sales Tax Projection - 1.25% tax
8,000,000
7,000,000
6,000,000
5,000,000
4,000,000
3,000,000
2,000,000
2020
2021
2022
2023
2024
2025
2026
2027
2028
2029
1 year average - 2.96%
3 year average - 3.49%
5 year average - 11.20%



Home Rule Sales Tax Projection - 1.5% tax
9,400,000
8,400,000
7,400,000
6,400,000
5,400,000
4,400,000
3,400,000
2,400,000
2020
2021
2022
2023
2024
2025
2026
2027
2028
2029
1 year average - 2.96%
3 year average - 3.49%
5 year average - 11.20%

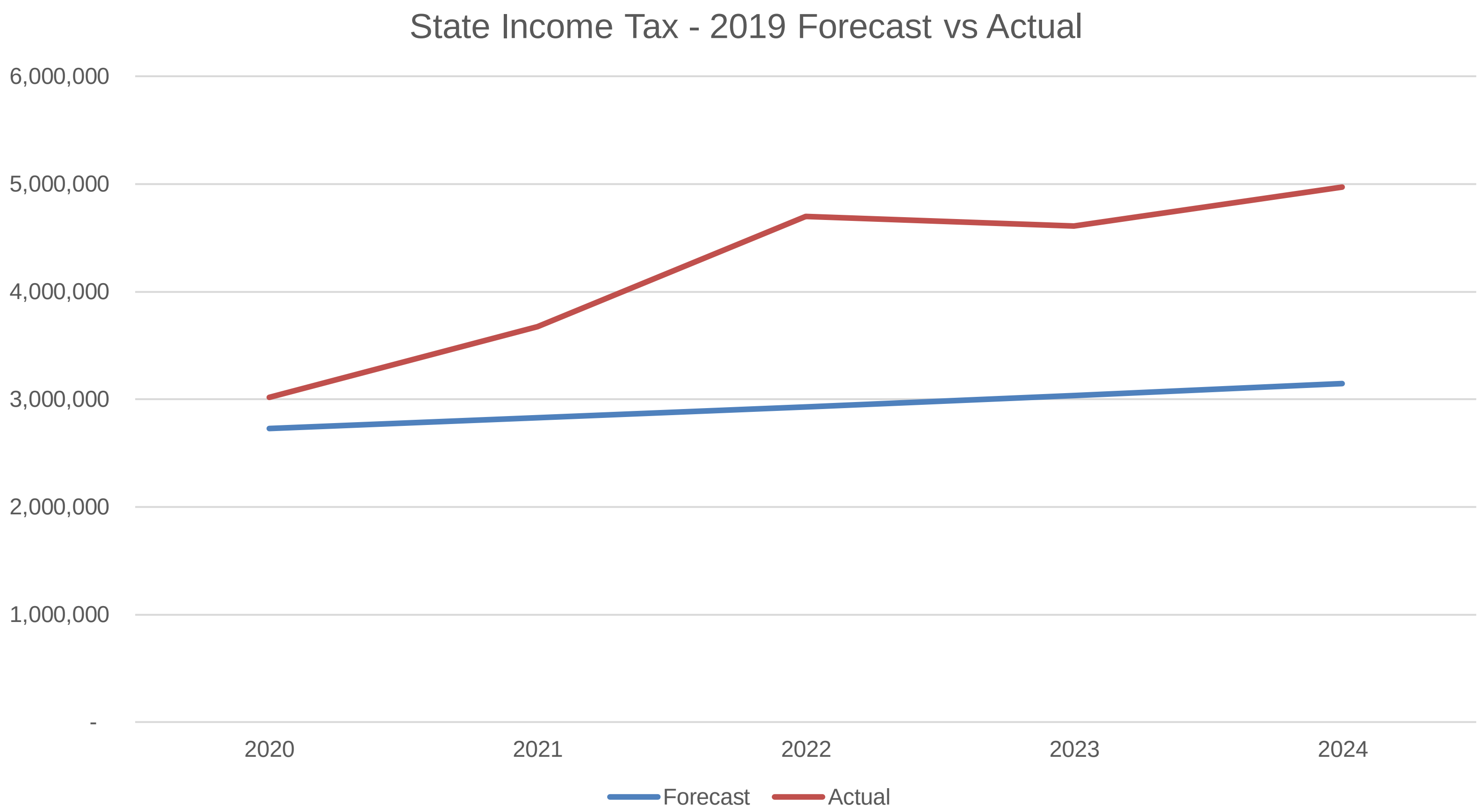

HRST - 2.96% growth rate
6,000,000
5,000,000
4,000,000
3,000,000
2,000,000
1,000,000
-
2020
2021
2022
2023
2024
2025
2026
2027
2028
2029
1.25% rate
1.50% rate

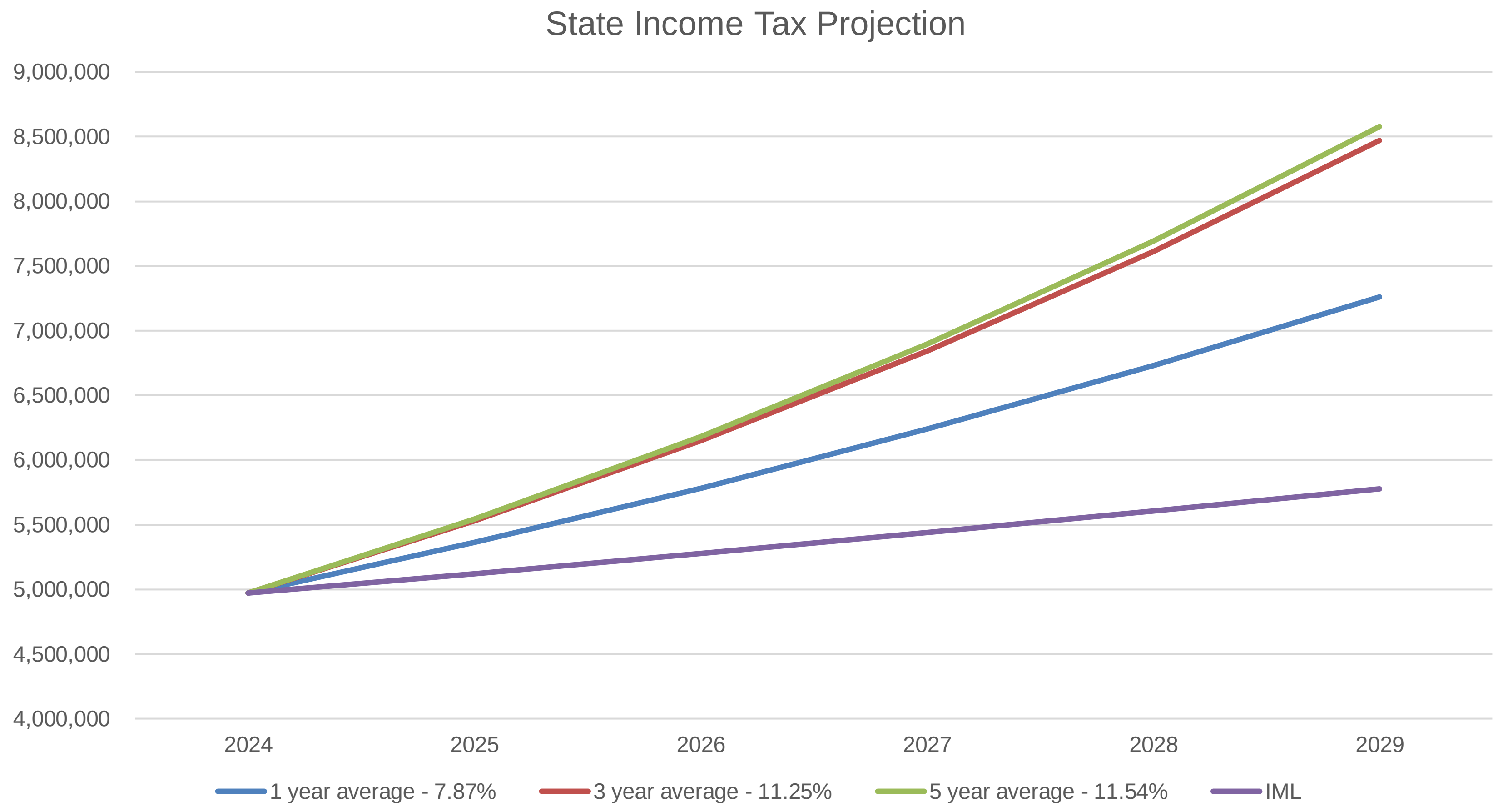

HRST - 3.49% growth rate
7,000,000
6,000,000
5,000,000
4,000,000
3,000,000
2,000,000
1,000,000
-
2020
2021
2022
2023
2024
2025
2026
2027
2028
2029
1.25% rate
1.50% rate


HRST - 11.20% growth rate
9,000,000
8,000,000
7,000,000
6,000,000
5,000,000
4,000,000
3,000,000
2,000,000
1,000,000
-
2020
2021
2022
2023
2024
2025
2026
2027
2028
2029
1.25% rate
1.50% rate

STATE INCOME TAX / LGDF

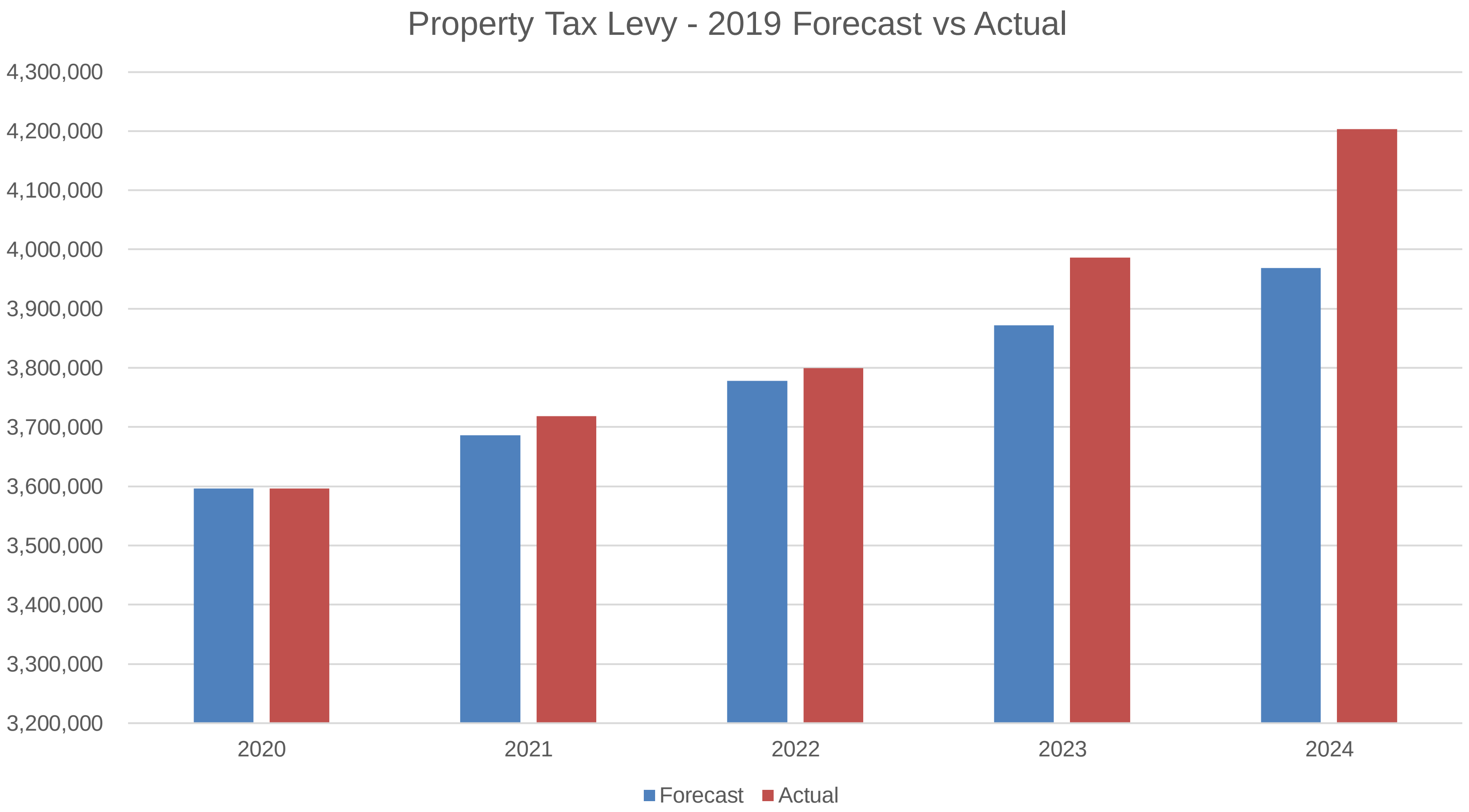
- More volatile than other revenues we've discussed
- Subject to State interference
- 2021 reconciliation issue
- 2024 tracking at 7.87% increase over 2023
- 3-year average increase 11.25%
- 5-year average increase 11.54%


State Income Tax - 2019 Forecast vs Actual
6,000,000
5,000,000
4,000,000
3,000,000
2,000,000
1,000,000
-
2020
2021
2022
2023
2024
Forecast
Actual

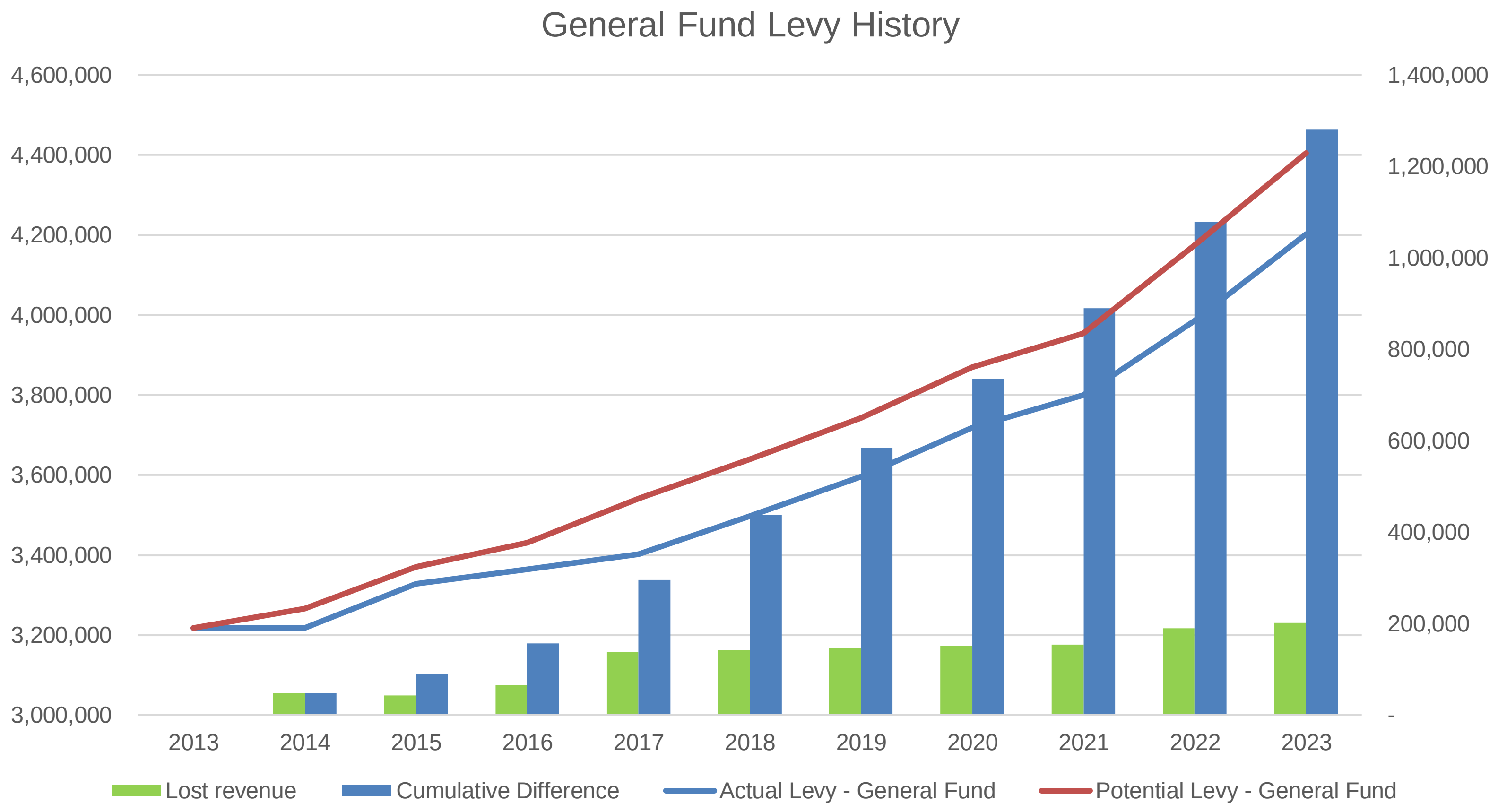

State Income Tax Projection
9,000,000
8,500,000
8,000,000
7,500,000
7,000,000
6,500,000
6,000,000
5,500,000
5,000,000
4,500,000
4,000,000
2024
2025
2026
2027
2028
2029
1 year average - 7.87%
3 year average - 11.25%
5 year average - 11.54%
IML

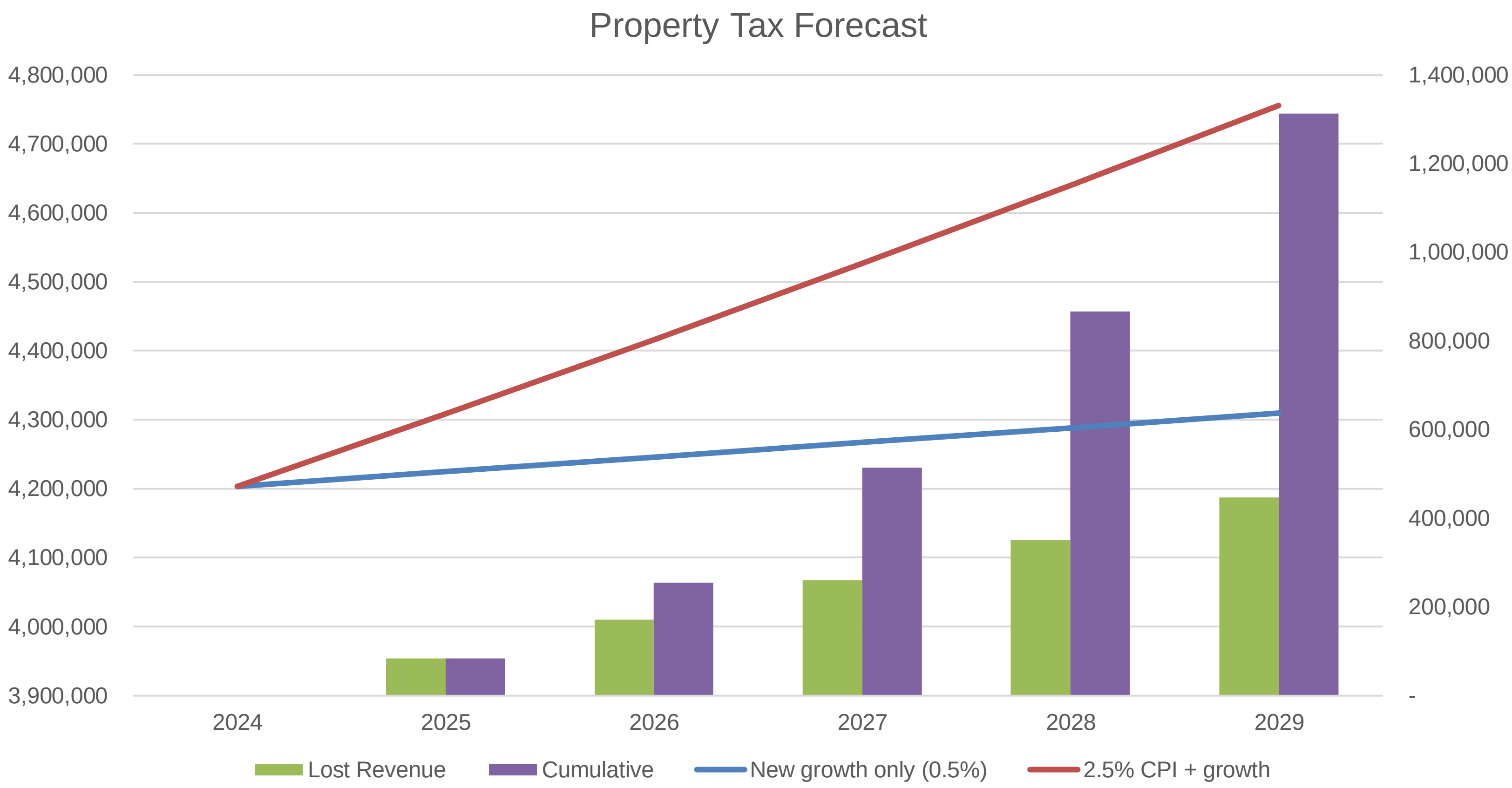
PROPERTY TAX

- **Only significant revenue totally under Village control**
- **Political implications**
- **PTELL limits non-home rule communities to lesser of CPI or 5% plus new growth**
  - Village has traditionally adhered to PTELL despite being a home rule community
- **CPI for 2024 levy year is 3.4%, new growth is 0.5%, maximum potential levy increase of 3.9%**
- **2019 forecast assumed 2.8% increase in first year, then 2.5% increases thereafter**

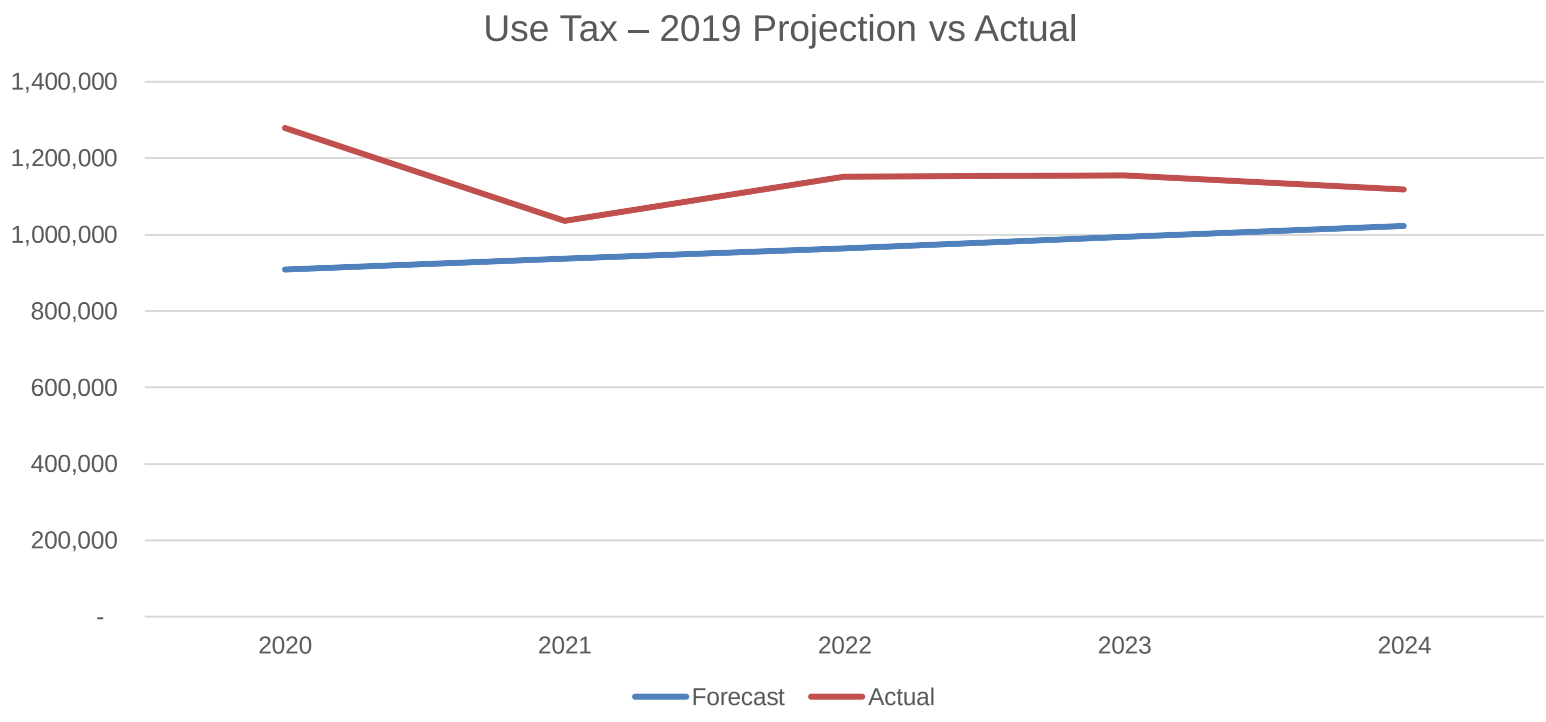

Property Tax Levy - 2019 Forecast vs Actual
4,300,000
4,200,000
4,100,000
4,000,000
3,900,000
3,800,000
3,700,000
3,600,000
3,500,000
3,400,000
3,300,000
3,200,000
2020
2021
2022
2023
2024
Forecast
Actual

Levy Year	Collections Year	PTELL CPI	Village CPI Increase	Village New Growth Increase	Total Increase
2023	2024	6.5%	5.0%	0.5%	5.5%
2022	2023	7.0%	4.3%	0.6%	4.9%
2021	2022	1.4%	1.4%	0.8%	2.2%
2020	2021	2.3%	2.3%	1.1%	3.4%
2019	2020	1.9%	1.9%	0.9%	2.8%
2018	2019	2.1%	2.1%	0.7%	2.8%
2017	2018	2.1%	2.1%	1.1%	3.2%
2016	2017	0.7%	0.0%	1.1%	1.1%
2015	2016	0.8%	0.0%	2.4%	2.4%
2014	2015	1.5%	0.0%	0.0%	0.0%
2013	2014	1.7%	1.7%	1.2%	2.9%
2012	2013	3.0%	3.0%	0.4%	3.4%

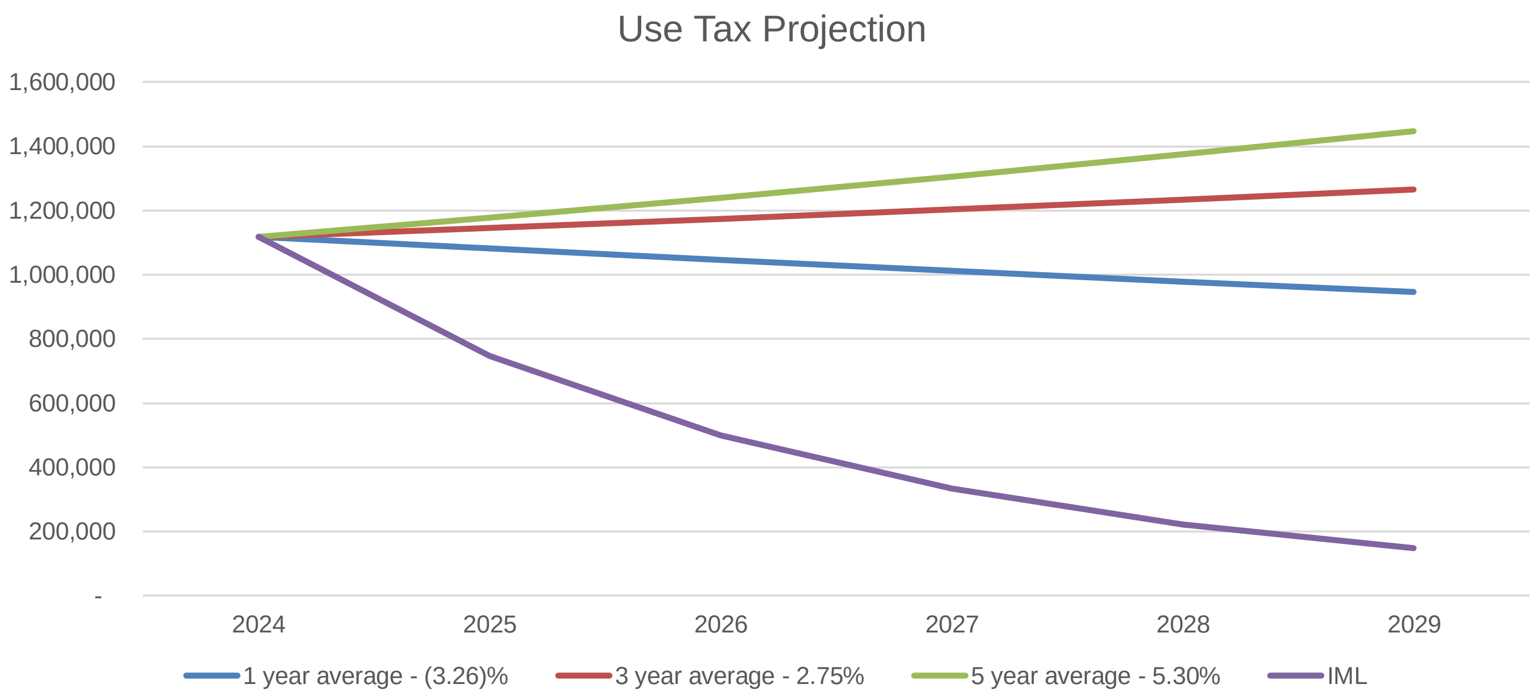

General Fund Levy History
4,600,000
4,400,000
4,200,000
4,000,000
3,800,000
3,600,000
3,400,000
3,200,000
3,000,000
1,400,000
1,200,000
1,000,000
800,000
600,000
400,000
200,000
-
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
Lost revenue
Cumulative Difference
Actual Levy - General Fund
Potential Levy - General Fund


Property Tax Forecast
4,800,000
4,700,000
4,600,000
4,500,000
4,400,000
4,300,000
4,200,000
4,100,000
4,000,000
3,900,000
1,400,000
1,200,000
1,000,000
800,000
600,000
400,000
200,000
-
2024
2025
2026
2027
2028
2029
Lost Revenue
Cumulative
New growth only (0.5%)
2.5% CPI + growth

OTHER REVENUES – USE TAX



OTHER REVENUES – USE TAX



OTHER REVENUES

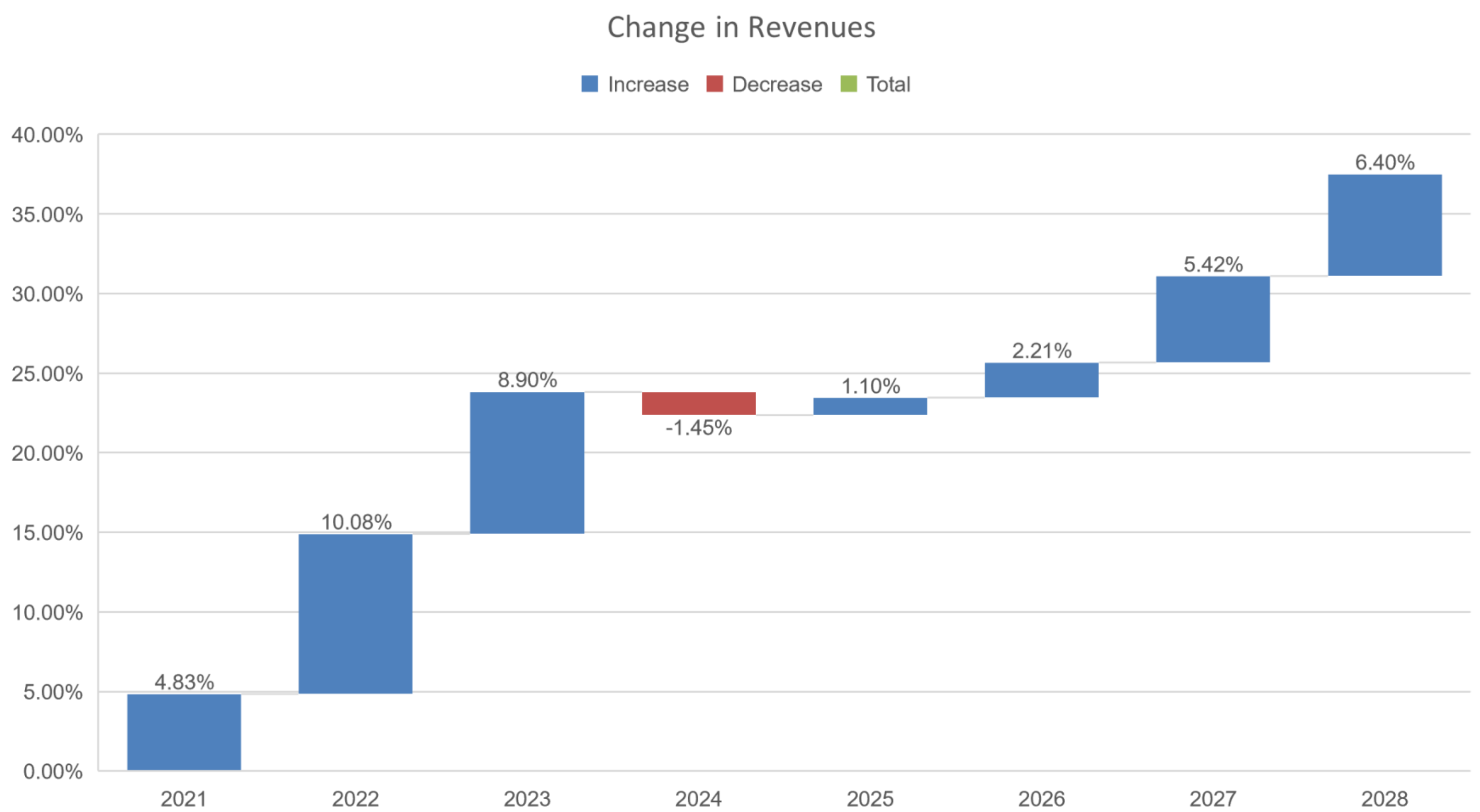
- **Investment income – 2024 projections are aligned with budget, will likely forecast interest rates to fall slowly over five years**
- **PPRT – has been volatile. IML projecting large decrease in 2024, with a slight rebound in 2025**
- **Vehicle license(stickers) – Slowly declining over time, but not by material amount**
- **Building permits – On track to far outpace budget in 2024. Budgeted figure will increase in 2025 and likely remain constant in forecast**
- **Interfund transfers – frequently based on personnel costs and will be forecasted to increase along with personnel costs over forecast**

KEY ASSUMPTIONS

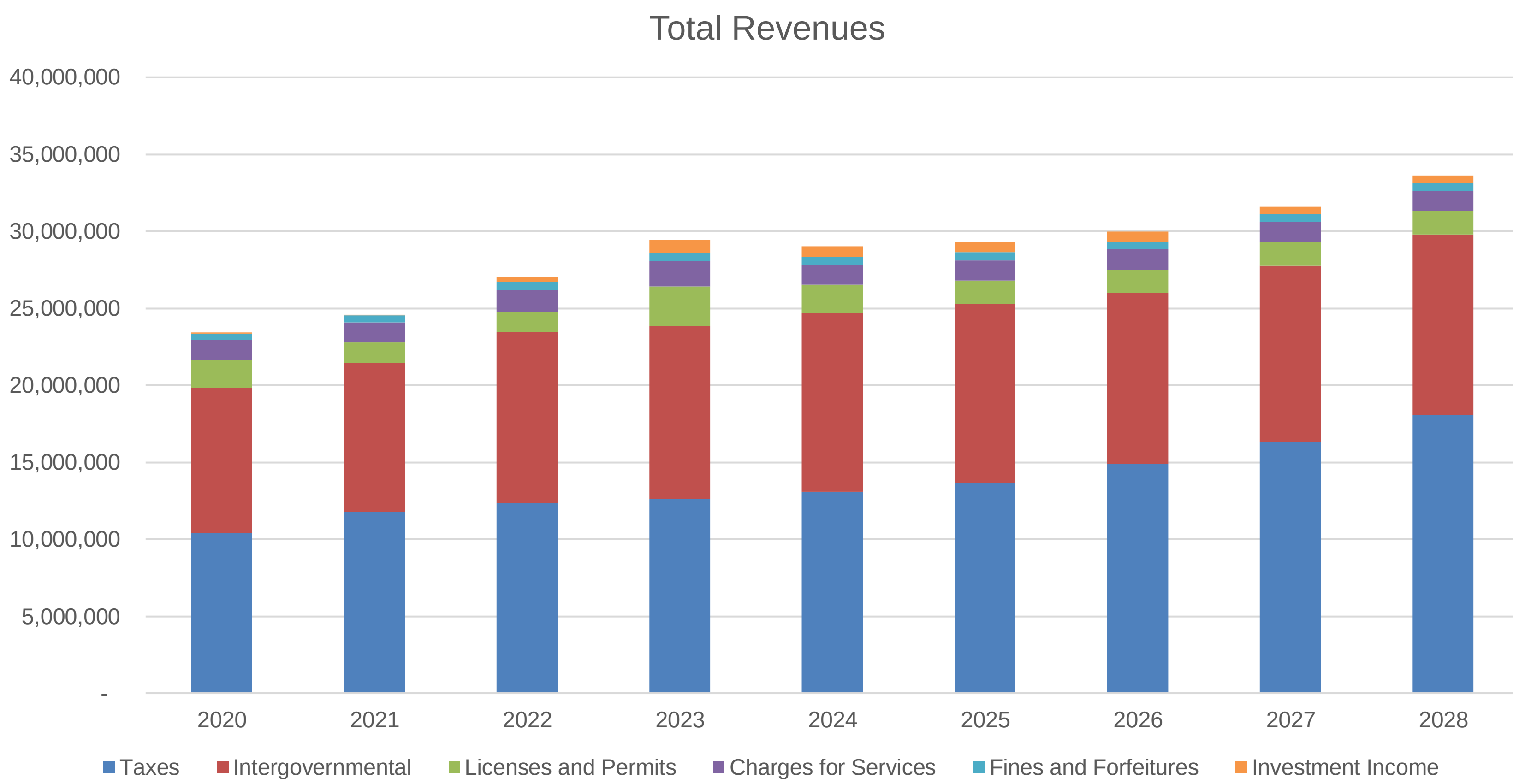
- **Property Tax Levy – 1.7% CPI + 0.5% new growth (half of actual CPI)**
  - 2.5% CPI + new growth used in future years
- **Sales Tax – 3.83% growth each year**
  - Lowest of the three rates we examined
  - Factors in loss of grocery tac revenue beginning in 2026
- **HR Sales Tax – 2.96% growth each year**
  - Lowest of the three rates we examined
  - Assumes an increase in tax rate from 1.25% to 1.5% in 2026
- **State Income Tax – IML projection in 2025, then 2.66% growth**
- **State Use Tax – IML projection in 2025, then 3% decline**

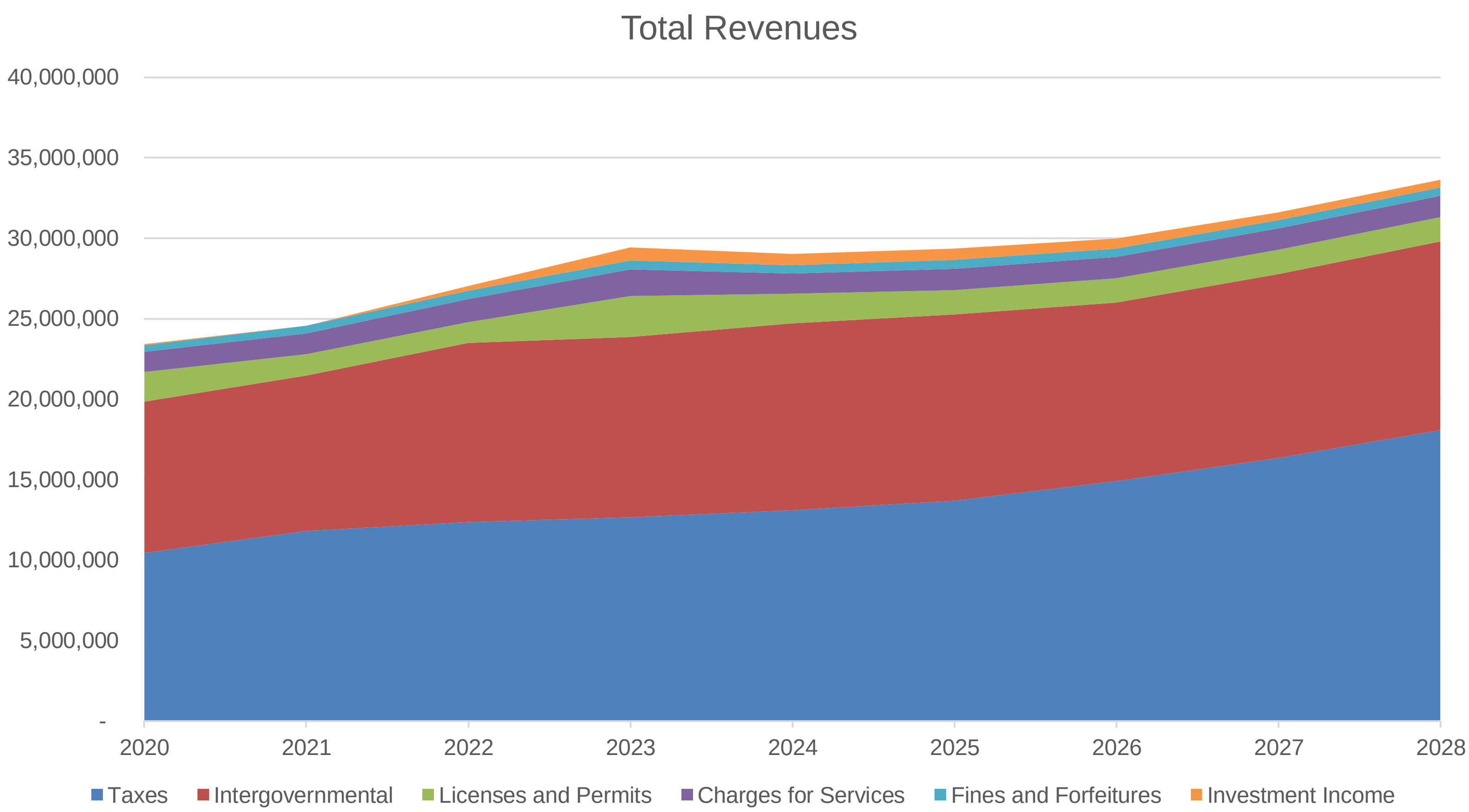
RESULTS

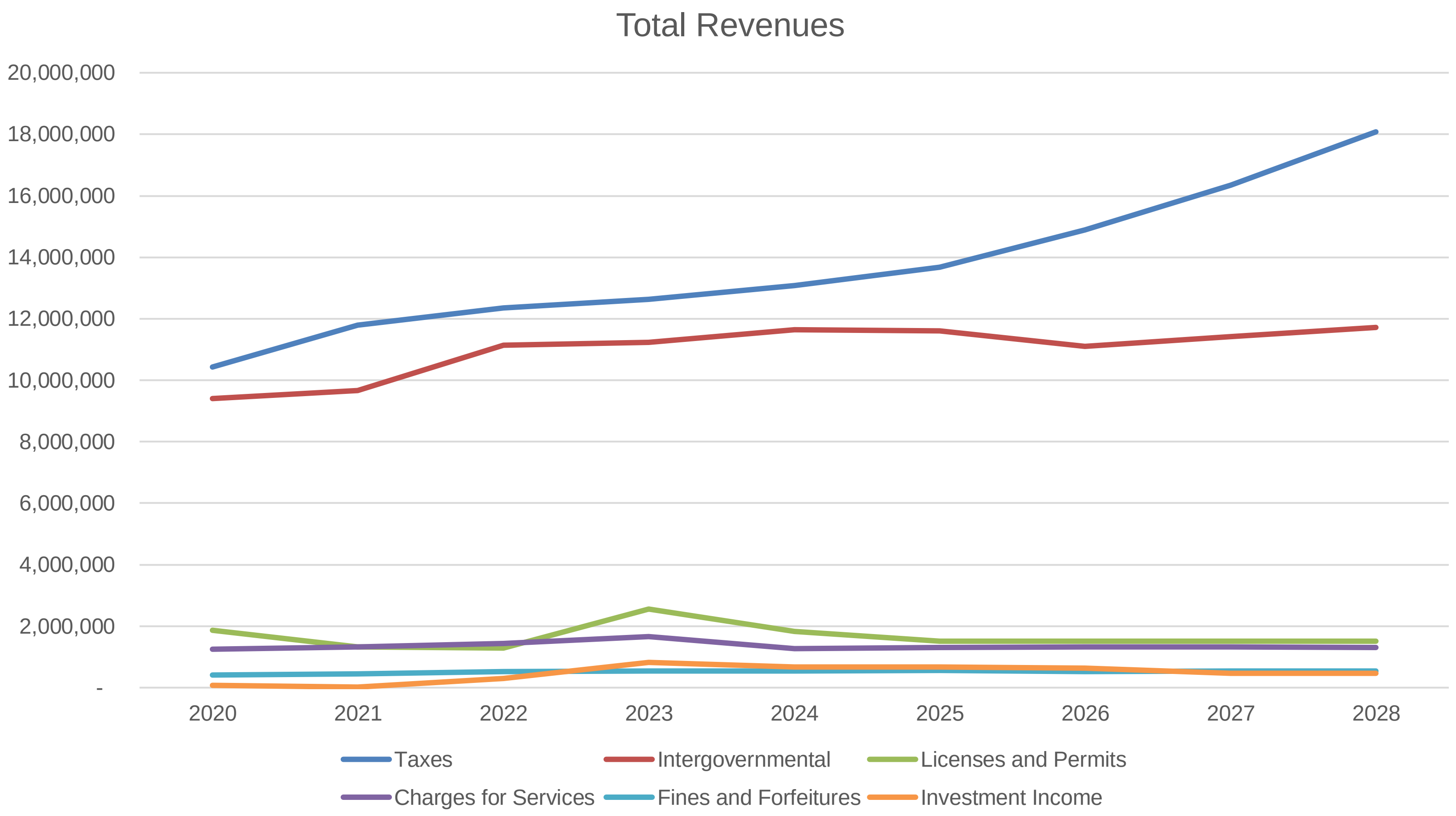
- **2024 revenues projected to exceed budget, but be lower than 2023**
  - Building permits projected to beat budget but fall short of 2023 by $750k
- **Slow growth in near-term, with larger increases seen in 2027 and 2028**
  - 2024: (1.45%)
  - 2025: 1.10%
  - 2026: 2.21%
  - 2027: 5.42%
  - 2028: 6.40%


Change in Revenues
Increase
Decrease
Total
40.00%
35.00%
30.00%
25.00%
20.00%
15.00%
10.00%
5.00%
0.00%
4.83%
10.08%
8.90%
-1.45%
1.10%
2.21%
5.42%
6.40%
2021
2022
2023
2024
2025
2026
2027
2028

VILLAGE OF Glen Ellyn ILLINOIS




Total Revenues
40,000,000
35,000,000
30,000,000
25,000,000
20,000,000
15,000,000
10,000,000
5,000,000
-
2020
2021
2022
2023
2024
2025
2026
2027
2028
Taxes
Intergovernmental
Licenses and Permits
Charges for Services
Fines and Forfeitures
Investment Income


Total Revenues
20,000,000
18,000,000
16,000,000
14,000,000
12,000,000
10,000,000
8,000,000
6,000,000
4,000,000
2,000,000
-
2020
2021
2022
2023
2024
2025
2026
2027
2028
Taxes
Intergovernmental
Licenses and Permits
Charges for Services
Fines and Forfeitures
Investment Income

Village of Glen Ellyn

General Fund Five Year Forecast

2020 BUDGET

Goals of Five Year Forecast

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

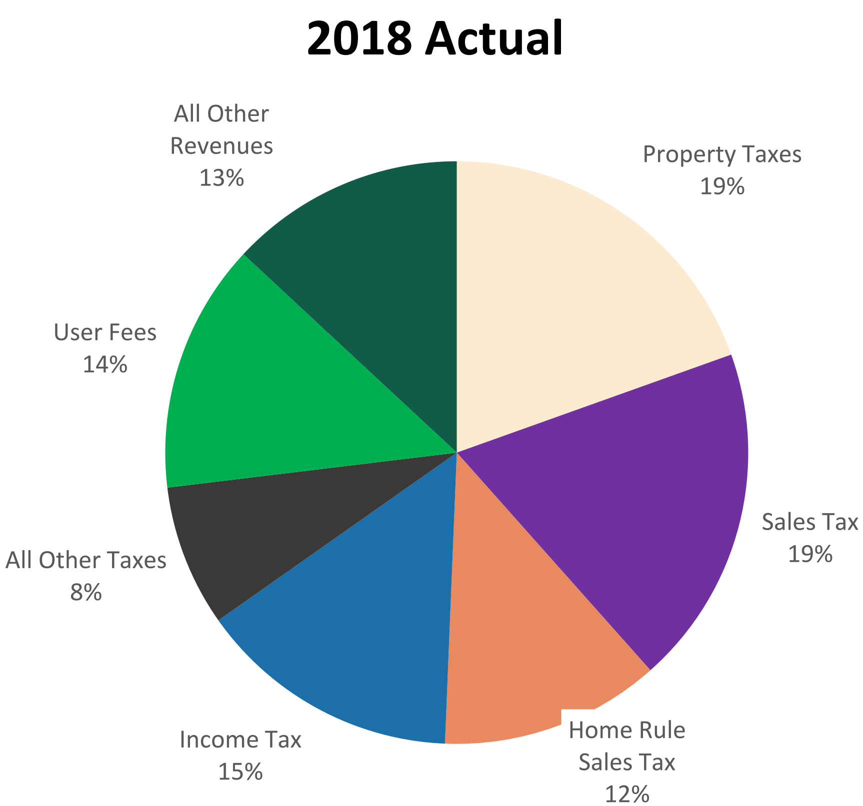
Facts on the Five Year Forecast

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

Executive Summary

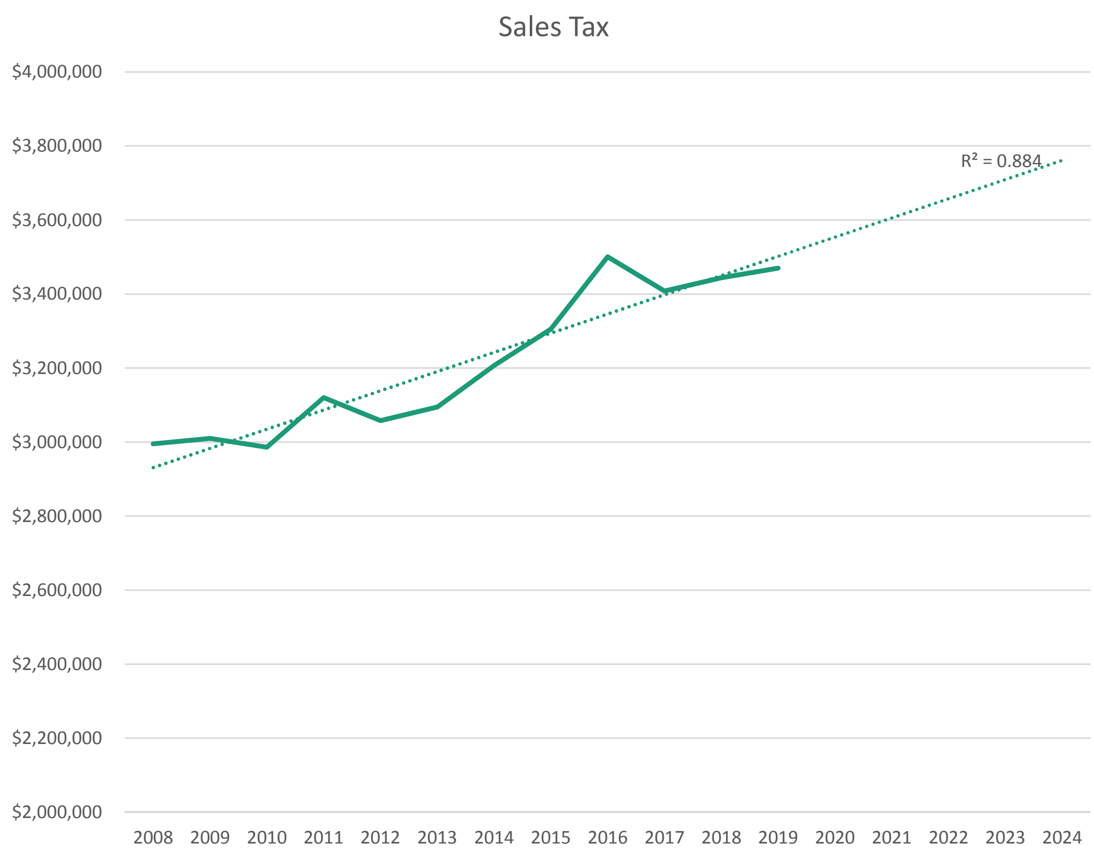
- Revenues are forecast to grow slower than expenses, eventually bringing the Village's fund balance down below policy level without action to the contrary.
- Key revenues such as sales tax, home rule sales tax, and income tax performed well prior to 2017, which mitigated the losses predicted in earlier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

Composition of General Fund Revenues



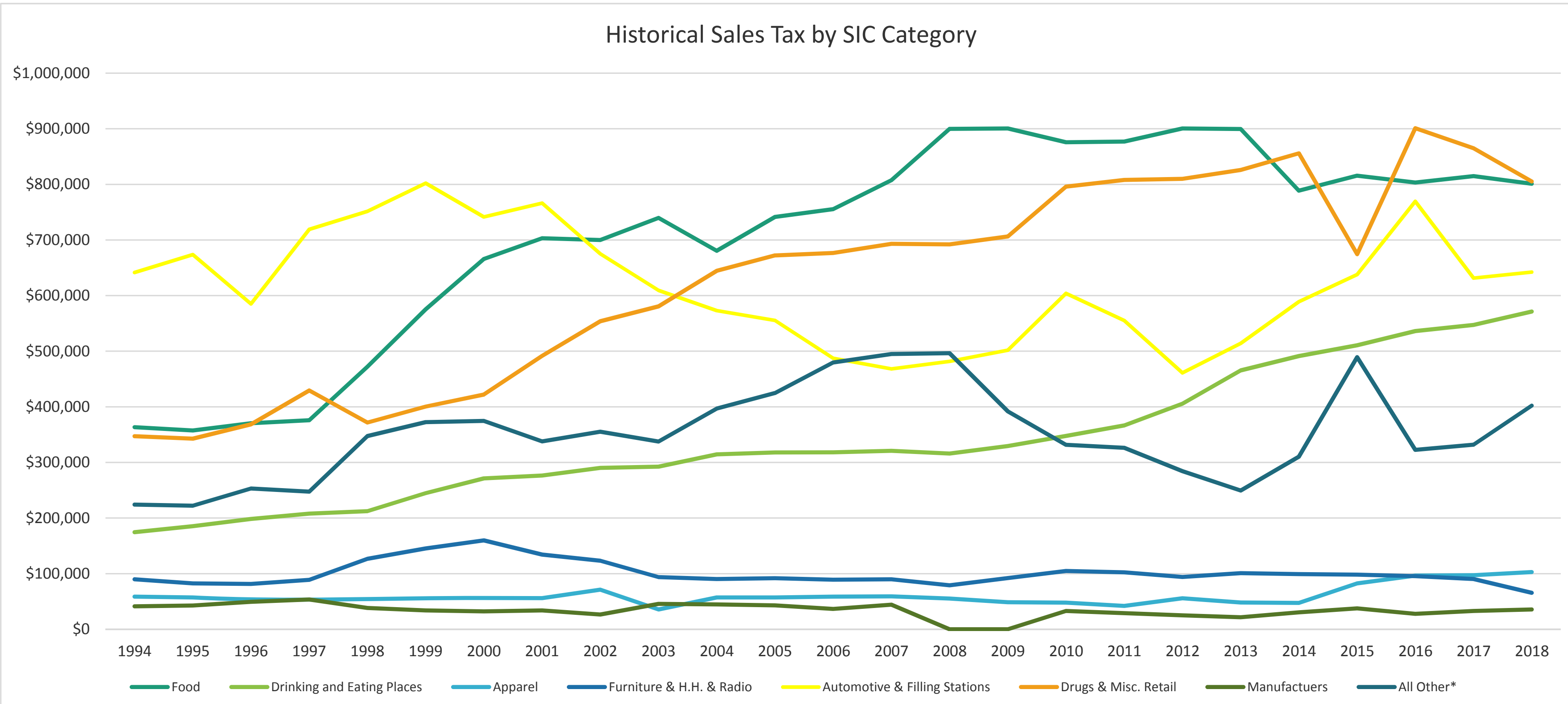
- 46% of General Fund revenue comes from our key revenues (sales tax, home rule sales tax, and income tax)
  - Village has no direct influence on income tax or sales tax
  - This is increased 2% from 2017
- 19% of General Fund revenue is from property tax levy
  - This is decreased 1% from 2017
- 14%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

General Fund Key Revenues – Sales Tax



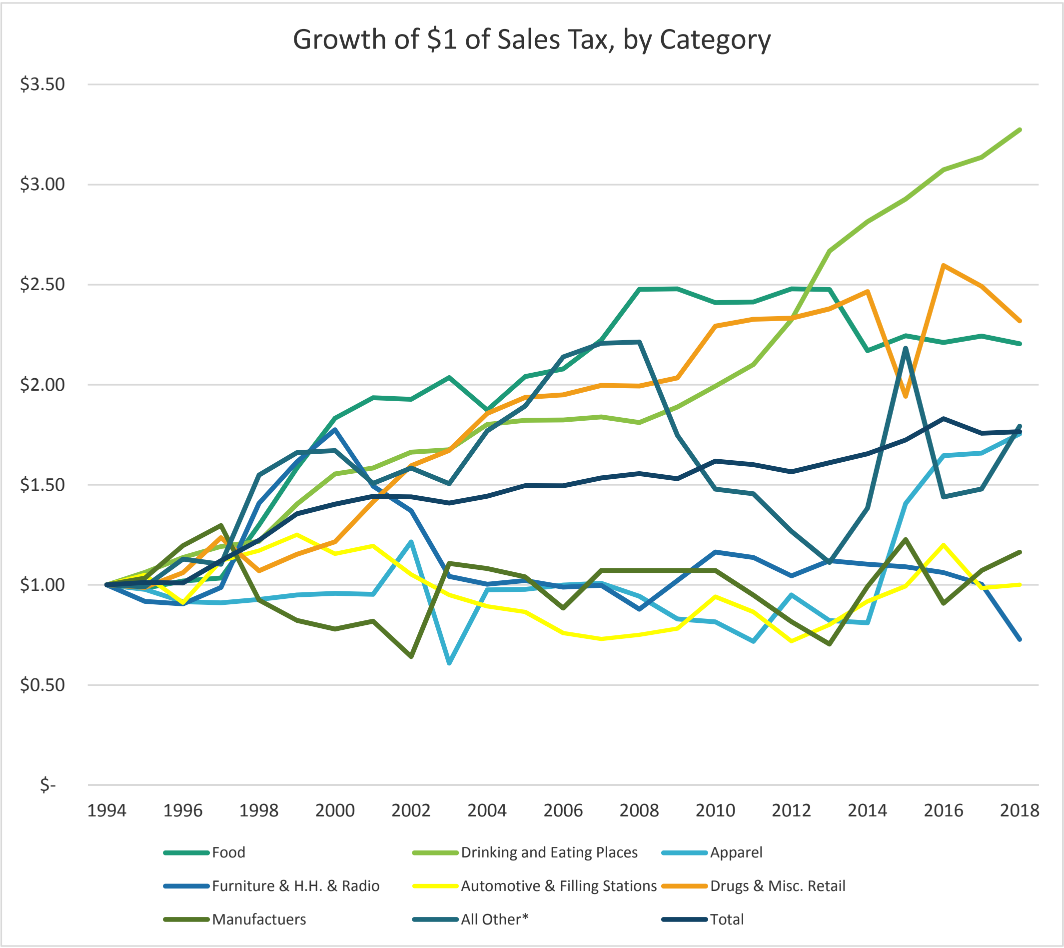
- Sales Tax has grown by an average of 1.47% per year over the past 10 years
- Preliminary 2020 Budget includes a 5.6% increase in sales tax
- Sales tax forecasted to grow at 2% in the 5 year forecast
- Largest Business Categories for Sales Tax (2018 data):
    - Drug and Misc. Retail (805K)
    - Food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

Historical Sales Tax by Category



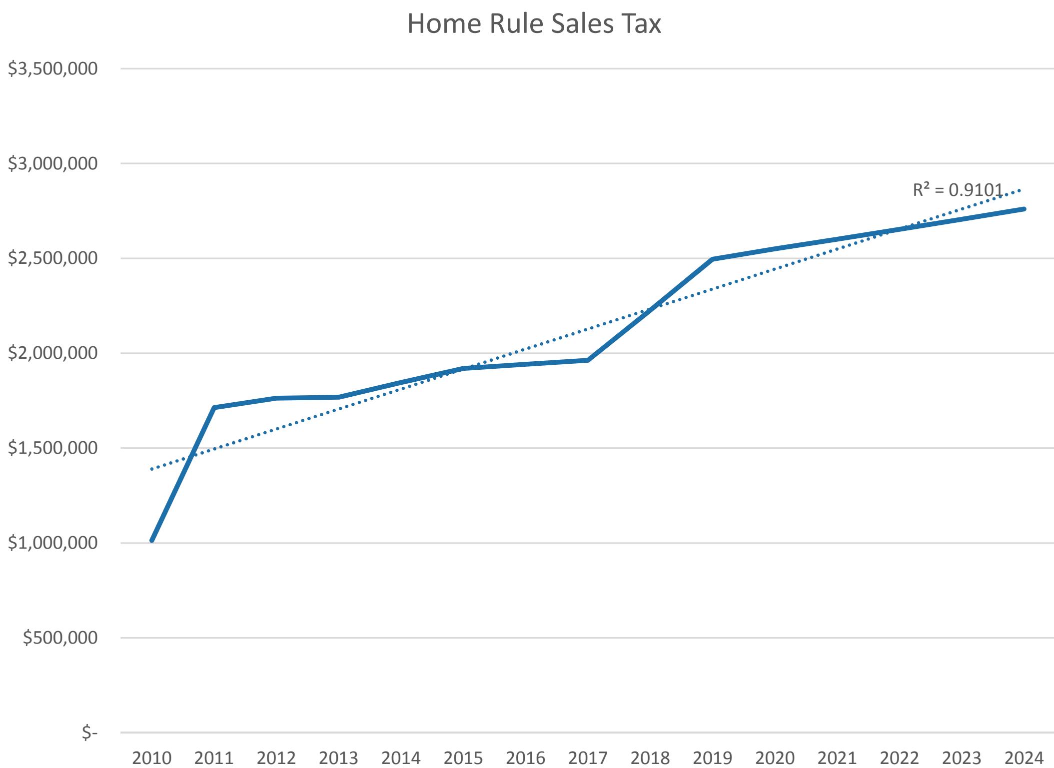
Food and Drugs and Miscellaneous Retail make up the largest sector of sales tax base.

Growth of Sales Tax by Category



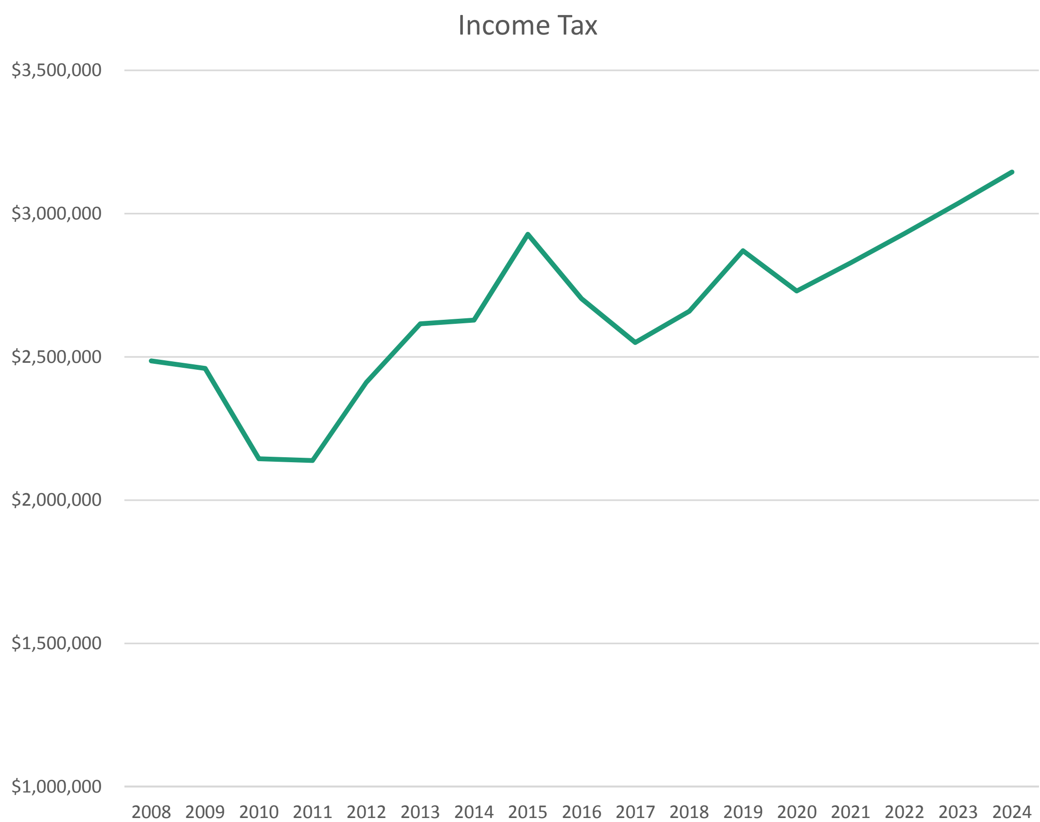
- Largest growth has been in the drinking and eating places category.

General Fund Key Revenues – Home Rule Sales Tax



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

General Fund Key Revenues – Income Tax



- Income Tax is more volatile than sales tax streams
- Income Tax has grown by an average of 1.89% per year over the past 10 years
  - State of Illinois reduced income tax by 10% in SFY 18 (Village FY 17/18) and 5% in SFY 19 & 20 (Village FY18-20)
- Large payment received in May 2019 which is not anticipated to be repeated
- The forecast includes 3.6% growth in income tax
  - IML Estimates per capita ($106.30 for MFY2020 or $2,951,632)
  - 2020 budget currently set at $2,730,000
- Income tax is still being reduced by 5% by the State of Illinois (approximately $125,000)

General Fund Key Revenues – Property Tax

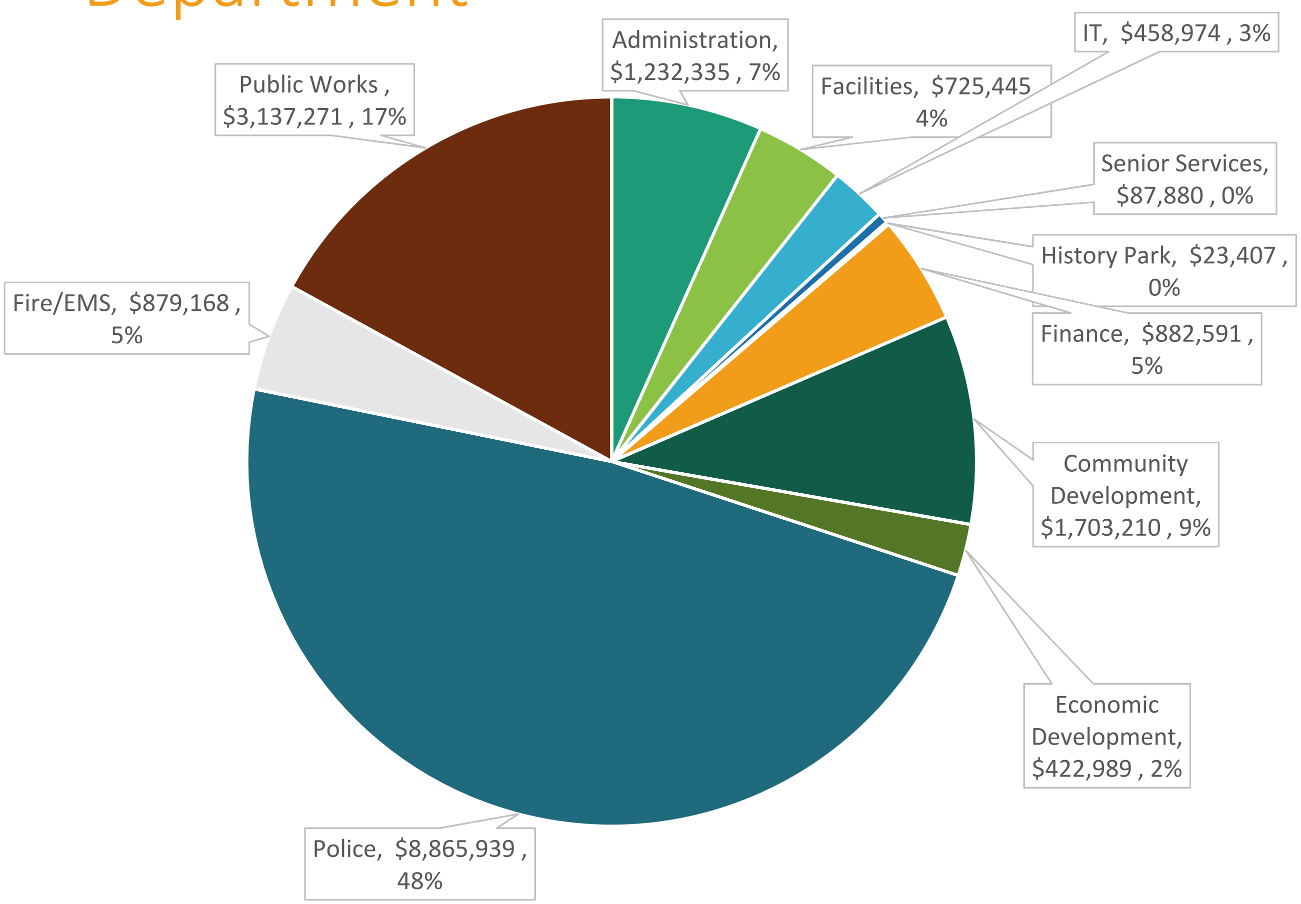
- Village has adhered to the tax cap rules of CPI and new growth although not required to by its home rule status
- Average increase over 10 years is 3.28%
- 2020 preliminary budget includes:
    - 1.9% CPI set by DuPage County
    - 0.9% New Growth (last year's actual growth)
- Property tax is forecast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

Challenges in Revenue Streams

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

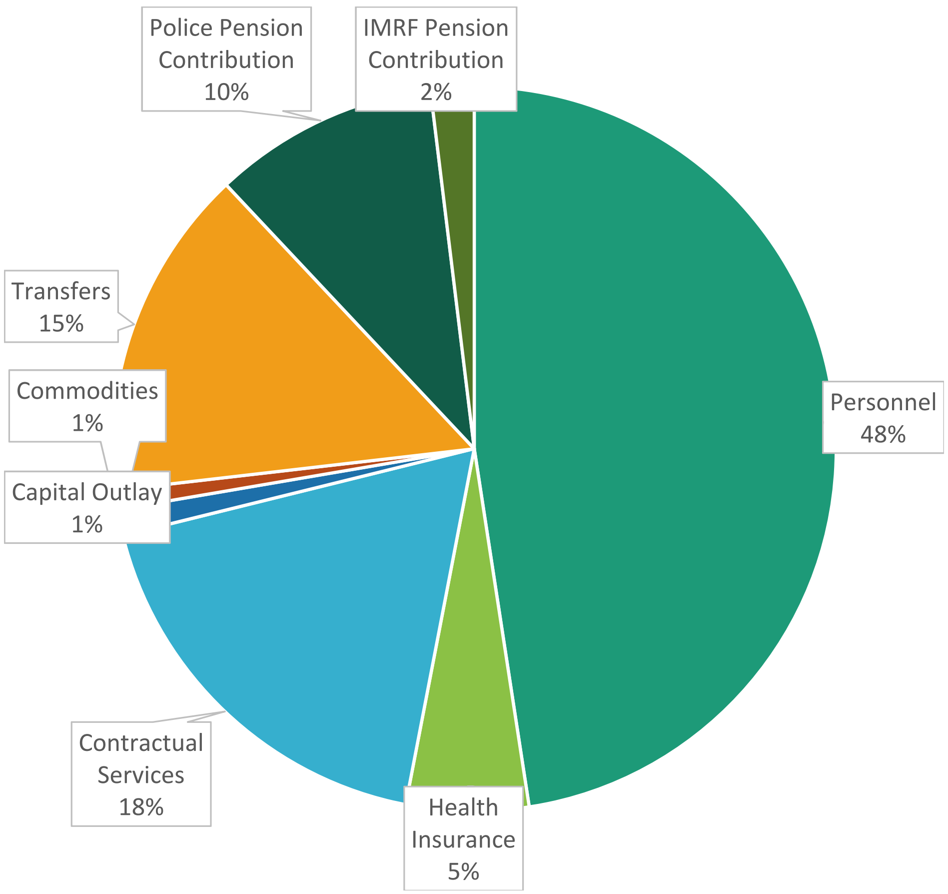
- The Village relies heavily upon performance of sales tax, home rule sales tax, and income tax to provide for known increases in costs. The Village has little direct control over these revenues that are highly influenced by the economy.
- The State of Illinois continues to threaten state shared revenues.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

Composition of General Fund Expenditures – by Department



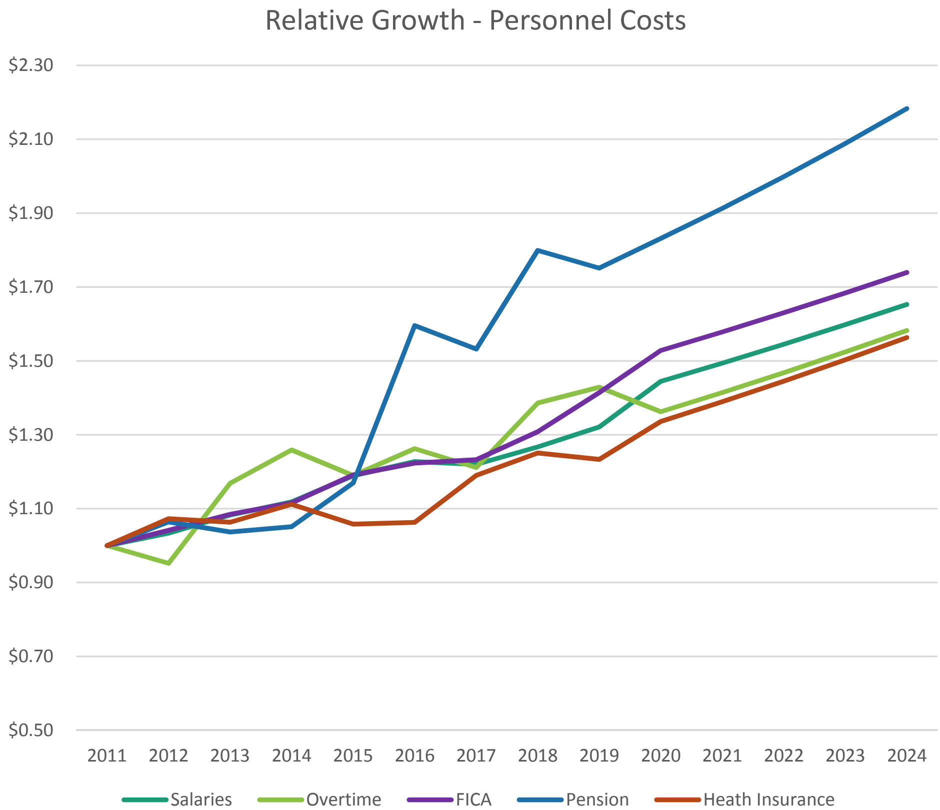
- From the 2018 actual expenses, Police is the largest department in the General Fund at 48% with Public Works at 17%.
- The Village does not have a career fire department, therefore the pie would display differently than those communities do have a career fire department.

Composition of General Fund Expenditures – By Type



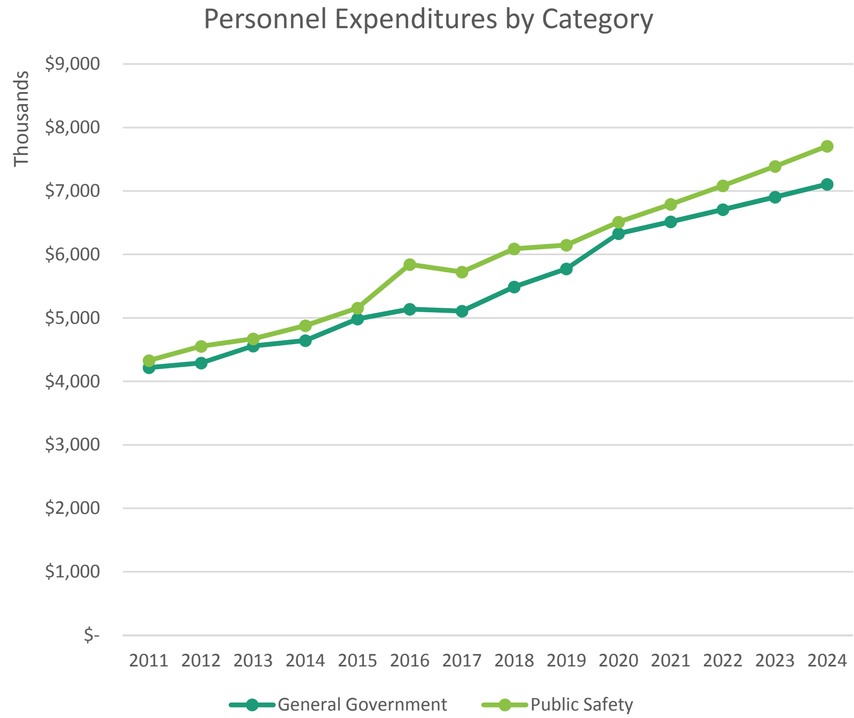
- Personnel is the largest portion of the General Fund expenses, $9.2 million of $19.4 million in expenses (2018 data)
- Once pension and health insurance costs are aggregated with salary costs, personnel comprises 65% of General Fund expenditures
- The Village functions accounted for in the General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

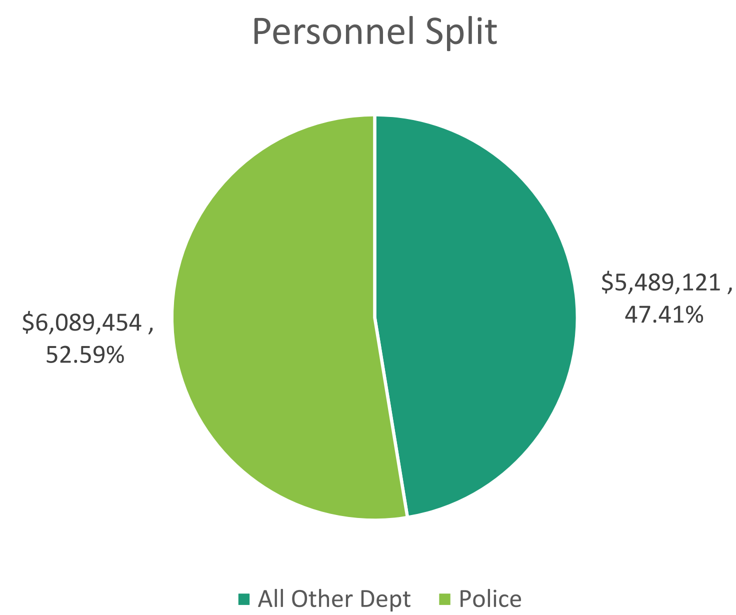
Personnel Expenditures by Type – Relative Growth



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

Personnel Expenditures by Category





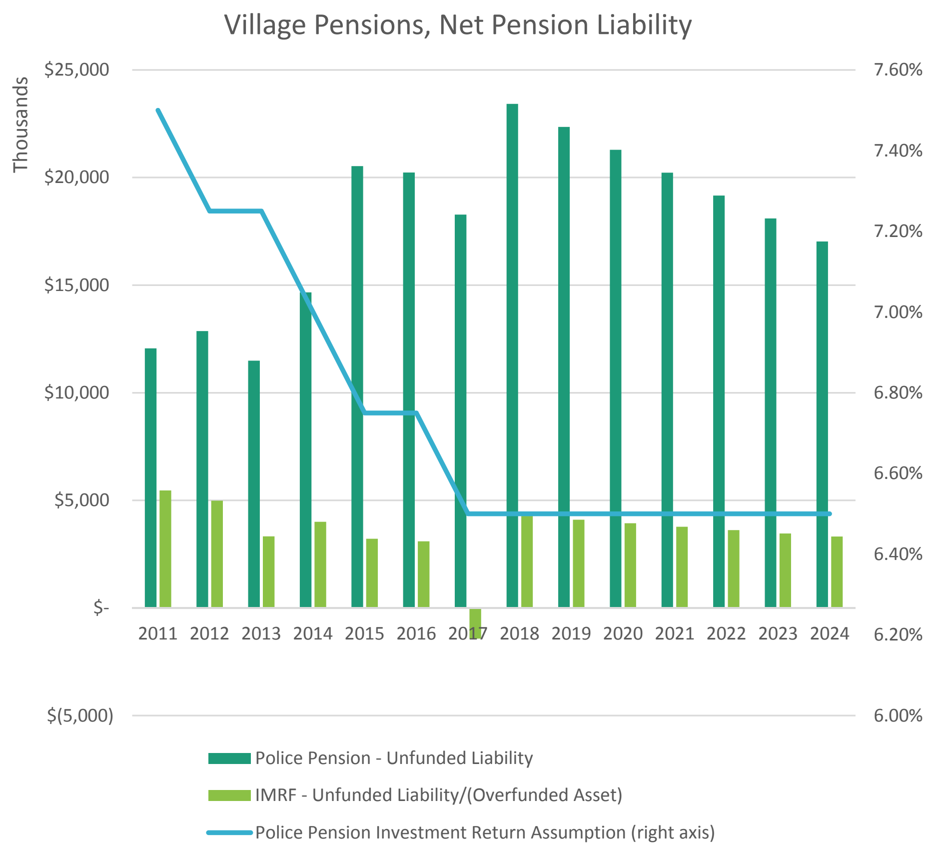
- Police comprises 53% of General Fund personnel.
- Public safety personnel costs are projected to grow at a faster rate (4%) than general government (3%).
- Police pension costs are also forecast to grow at a higher rate (5%) than municipal pension costs (2%).

Health Insurance

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

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

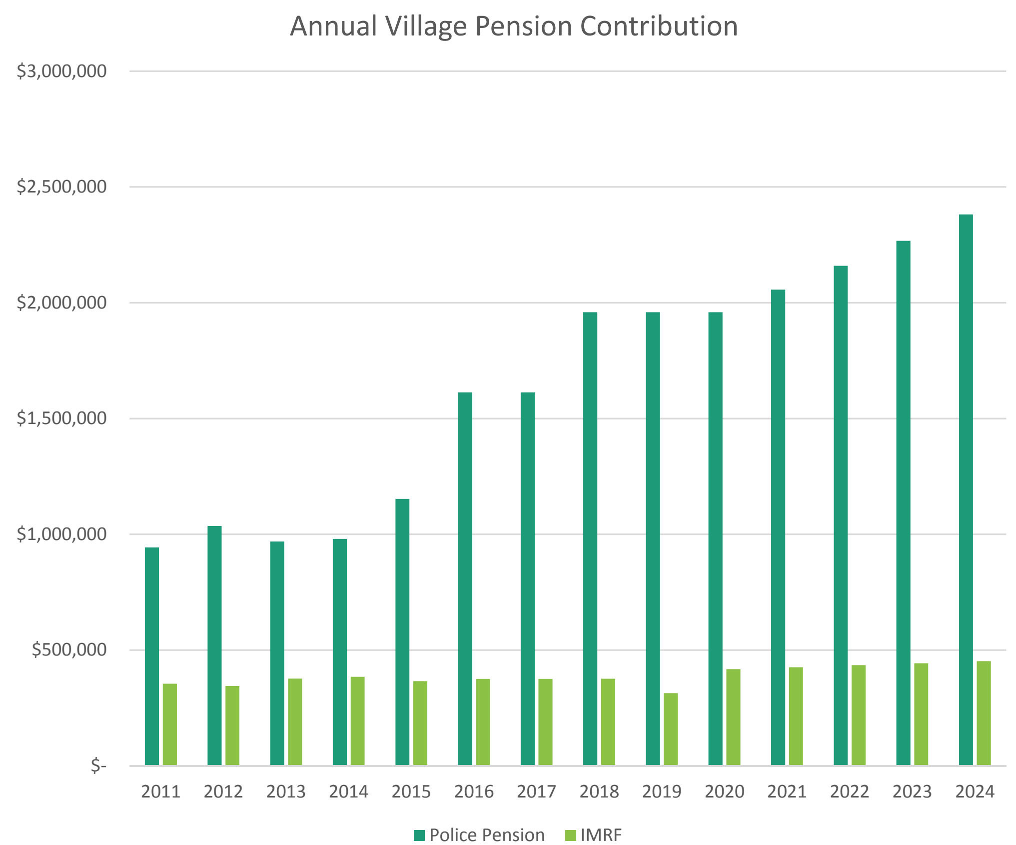
Village Pensions



- Village has two pensions, the Police Pension Fund and the Illinois Municipal Retirement Fund (IMRF).
- Police Pension Contribution is 10% of General Fund expenditures
- IMRF is 2% of General Fund expenditures
- Police Pension is 55.19% funded.
- IMRF is 90.14% funded.
- 2018 investment market ended poorly which affected our 2018 actuarial valuation and increased pension liabilities for both plans.
- IMRF lowered discount rate in 2020 to 7.25% (from 7.5%). This increased IMRF contribution rate from 7.15% in 2019 to 9.09% in 2020.
- Village has been lowering the investment return assumption for Police Pension. This increases the unfunded liability but provides for more sound funding.
  - 2012 – 7.25%
  - 2014 – 7.00%
  - 2015 – 6.75%
  - 2017 – 6.50%
- Police Pension liability began decreasing in 2016, as the Village increased contributions and the Pension Board modified investment strategy.
- The Police Pension Fund has $28.8M in assets. This would pay current benefit payments for twelve years without accumulating another dollar.

Annual Village Pension Contributions

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



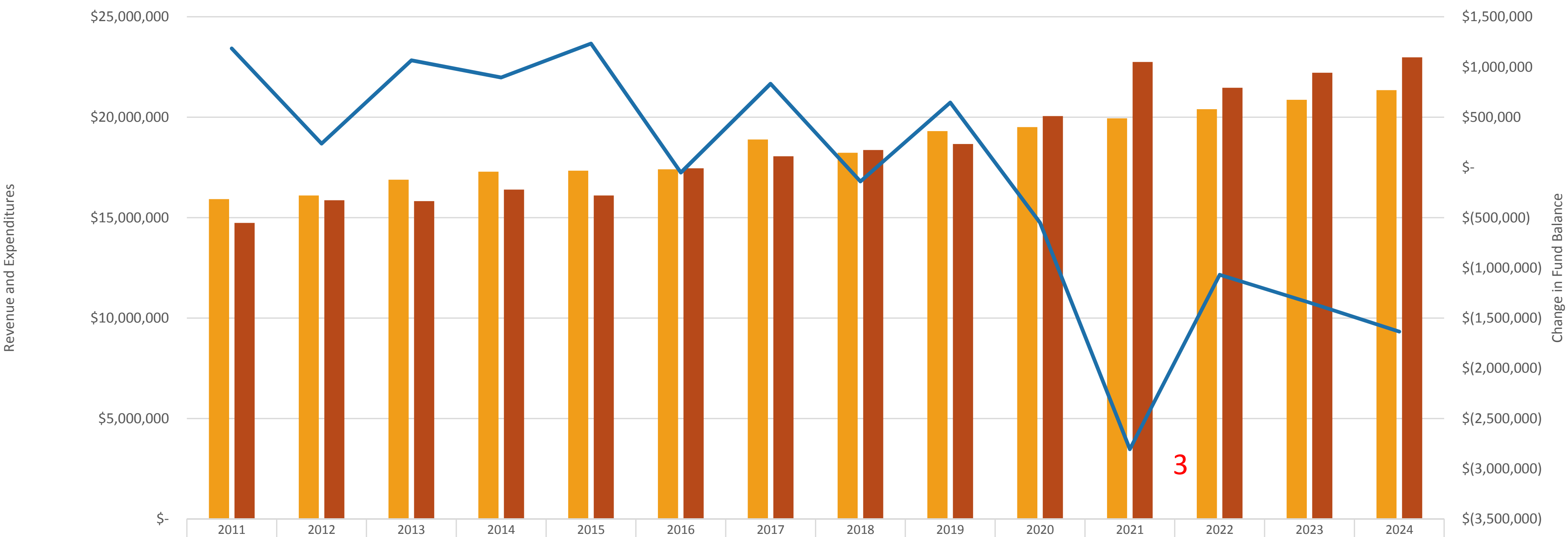
Other General Fund Expenditure Categories

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

Footnotes:

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

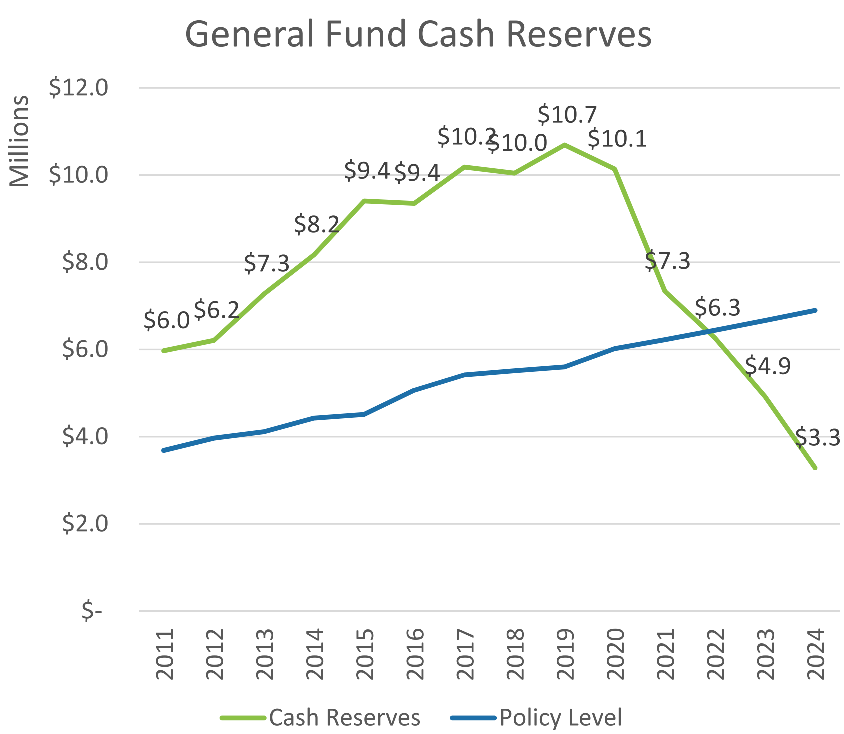
Annual General Fund Forecast

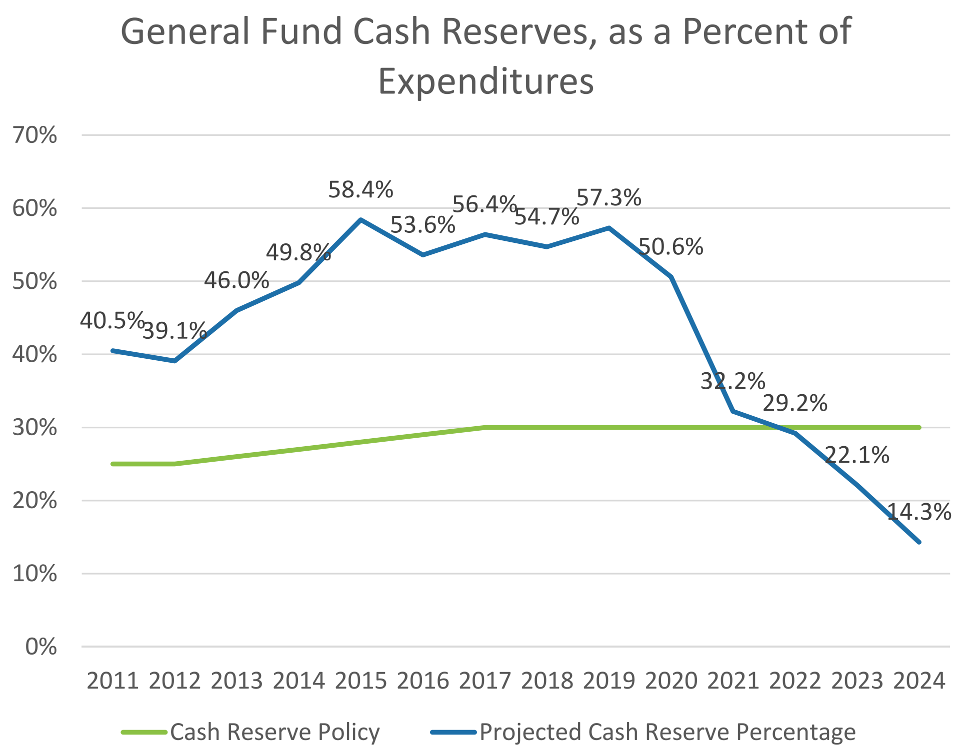


	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues	$15,921,600	$16,105,939	$16,886,658	$17,290,193	$17,337,822	$17,405,406	$18,887,359	$18,229,546	$19,310,348	$19,505,085	$19,942,710	$20,398,351	$20,866,873	$21,347,775
Expenditures	$14,736,501	$15,869,009	$15,820,651	$16,394,227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

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

General Fund Balance Projections





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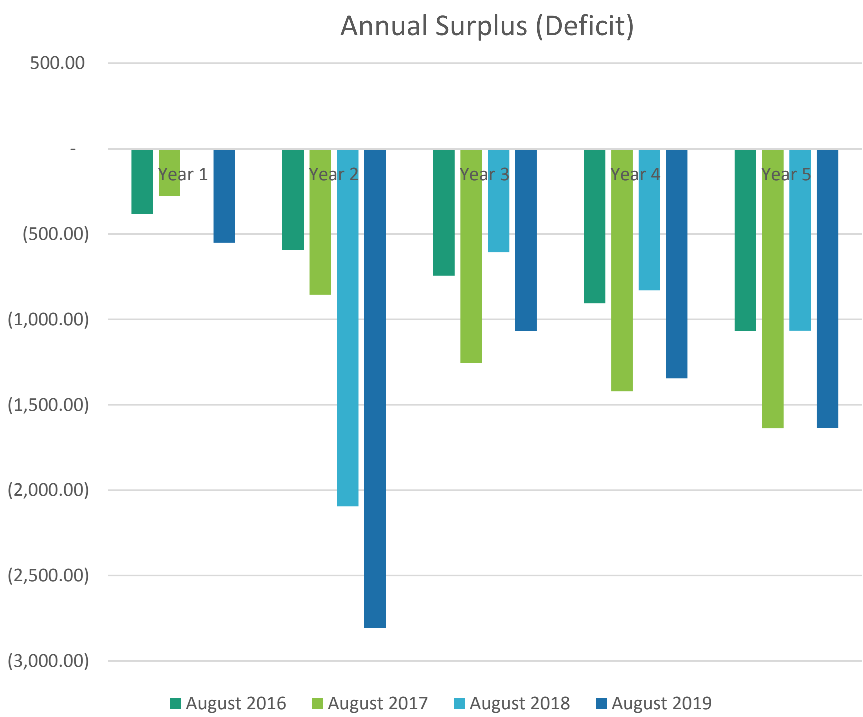
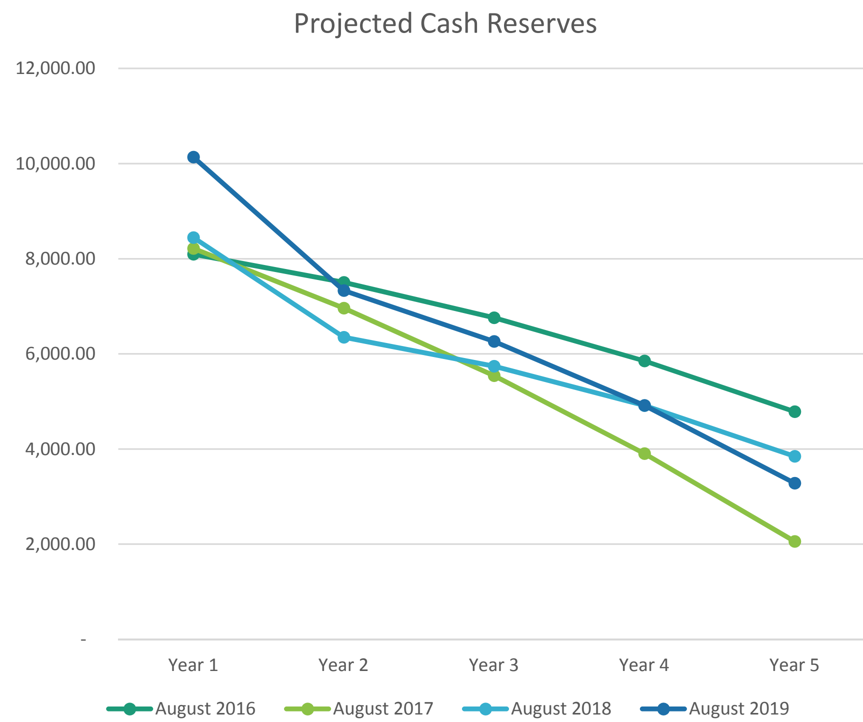
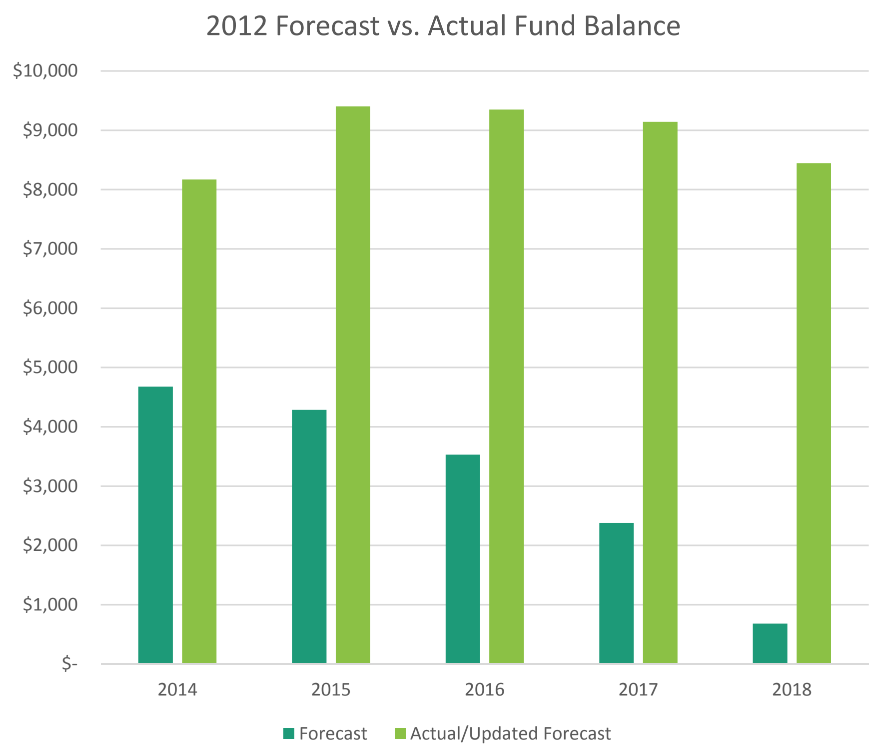
How does this General Fund Forecast Compare?





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

Forecast Versus Actual/Current Forecast – November 2012 Forecast



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

Highlights of General Fund 5-Year Forecast

- Personnel costs comprise 65% of General Fund expenditures. It will be necessary for the Village to be focused on controlling and meeting the challenges of health care and pension costs.
- Pension costs remain a focus with Police Pension being 10% of the General Fund expenditures.
- The Village has little direct control over three revenue sources (sales tax, home rule sales tax, and income tax) which are directly impacted by the economy.
- The Village has started to make changes to user fees in 2018, namely in Community Development. It is important to continue to review and change user fees; otherwise a larger part of the burden is placed on taxes.
- Home Rule Sales Tax increase in 2018 helps the 5 year outlook, but does not solve revenues that are growing slower than expenses
- Operating costs continue to rise, despite stagnant revenues.
- Strong financial decisions have helped the Village to be able to contribute $2.0M towards the Capital Fund in 2021, but will reduce the reserves to the policy limit.
- The Village's AAA bond rating received in 2015 and reaffirmed in 2018 cited strong reserve balances as a key reason for the rating. It is important to maintain the healthy reserve levels to maintain the AAA rating ($160K savings from AA to AAA on a $9.6 million issue).