

VILLAGE OF HOMEWOOD



BOARD AGENDA MEMORANDUM

DATE OF MEETING: November 12, 2024

To: Village President and Board of Trustees

Through: Napoleon Haney, Village Manager

From: Amy Zukowski, Director of Finance

Topic: Amendments to Raffle License Requirements

PURPOSE

The current process of obtaining a raffle license includes requirements that are in need of change in order to better accommodate the issuance of these licenses in a timely and appropriate manner. Staff is recommending changes to the Municipal Code which requires Board approval.

PROCESS

Currently, all raffle applicants are required to submit a fidelity bond in order to obtain a raffle license. A fidelity bond is a type of business insurance that offers an employer protection against financial losses that are caused by its employees' dishonest misconduct. Obtaining the bond can be costly to the organization; therefore, most applicants request to have the fidelity bond requirement waived. This, or any other request to waive a raffle requirement in the Municipal Code, requires Board approval.

Taking into consideration that raffle licenses are issued to non-profit or other such organizations, and the fact that many times the aggregate value of prizes is less than \$5,000.00, staff is recommending that a fidelity bond only be required for those raffles that have an aggregate value of prizes that is more than \$5,000.00.

In addition, staff is recommending the maximum dollar amount for each raffle chance sold be established in the Municipal Code, per State statute. Staff recommends the maximum amount for each raffle chance sold be established at \$100.00 for a single raffle and \$10.00 for a multiple/serial raffle.

OUTCOME

Amending the Municipal Code for the raffle license requirements will streamline the process for most raffle applicants.

FINANCIAL IMPACT

- **Funding Source:** N/A
- **Budgeted Amount:** N/A

VILLAGE OF HOMEWOOD



- **Cost:** N/A

LEGAL REVIEW

Completed

RECOMMENDED BOARD ACTION

Pass an ordinance amending the Municipal Code to establish the maximum price which may be charged for each raffle chance as \$100.00 for single raffles and \$10.00 for multiple/serial raffles; and, require a fidelity bond only for those raffles which have an aggregate prize value of more than \$5,000.00.

ATTACHMENT(S)

Ordinance