



**Village of Oak Park, IL  
Department of Finance**

# **Quarterly Finance and Performance Report 2015, 3rd Quarter**

October, 2015

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## **Section 1: Introduction**

- The Quarterly Financial and Performance Report provides a summary analysis of the Village of Oak Park's budget to actual performance, with explanations of variance.
- Section 2 of the report presents the Third Quarter (Jul-Sep 2015) Financial Report Summary

## Section 2: 3rd Quarter Financial Report Summary

The Quarterly Financial Report Summary presents key revenue and expenditure activity in relation to the Village’s approved budget. The report covers revenue and expenditure activity through the third quarter of FY 2015. The report highlights the performance of key revenues and expenditures, by identifying a rating and providing a summary explanation. The goal of the report is to provide stakeholders with a regular assessment of the Village’s financial performance and to proactively identify and address significant issues that may impact year-end performance.

<u>Overview</u>	<u>Rating</u>	<u>Comments</u>
<b>General Fund</b>		
<u>General Fund Revenues</u>		<b>Green</b> – Overall 3Q revenues are in accordance with budgeted projections.
Property Taxes		<b>Green</b> – Property tax revenue yield is on par with budgeted projections.
Liquor Taxes		<b>Green</b> – Taxes, on an accrual basis, are at 3Q budget projections.
Natural Gas Use Taxes		<b>Yellow</b> – Taxes, adjusted for one-month reporting lag, are only slightly below 3Q budget projections.
Sales Taxes		<b>Green</b> – Calendar-adjusted taxes are at expected yields through 3Q.
Real Estate Transfer Tax		<b>Green</b> - Taxes are performing basically exactly at budgeted expectations for the year.
Utility Taxes		<b>Yellow</b> - Tax revenues are marginally below projections.
Licenses and Permits		<b>Green</b> - Revenue proceeds are above budgeted estimates.
Intergovernmental Revenues		<b>Green</b> - Revenue is marginally ahead of budgeted projections.
Charges for Services		<b>Yellow</b> - Revenues are marginally below budgeted revenue estimates.
Fines		<b>Green</b> - Revenues are running at budgeted projections.
<u>General Fund Expenditures</u>		<b>Green</b> - Year-end expenditures comfortably below budgeted estimates.
Personnel and Benefits		<b>Green</b> - Personnel and benefit costs are significantly below budgeted estimates.
Professional and Technical Services		<b>Green</b> - Expenditures are 27% below projected expenditures.

Purchased Property Services		<b>Green</b> - Expenditures are slightly below projected expenditures.
Other Purchased Services		<b>Green</b> - Expenditures are marginally below projected expenditures.
Supplies and Materials		<b>Green</b> - 3Q expenditures are significantly below projected expenditures.
Real Property, CDBG and Other		<b>Green</b> - 3Q YTD expenditures are modest and within a reasonable threshold of performance.

### Water and Sewer Fund

Water and Sewer Fund Revenues		<b>Green</b> - 3Q revenues are slightly (6%) above 3Q estimates.
Water and Sewer Fund Expenditures		<b>Green</b> - 3Q expenditures are significantly (17%) below budget.

### Parking Fund

Parking Fund Revenues		<b>Green</b> -Revenues are marginally higher (~4%) than projections for 3Q.
Parking Fund Expenditures		<b>Green</b> - 3Q expenditures are significantly below budgeted expenditures.





### Environmental Services Fund

Environmental Services Revenue		<b>Green</b> - 3Q revenues, adjusted for accruals, are slightly above budgeted projections.
Environmental Services Expenditures		<b>Green</b> - 3Q expenditures are currently running significantly (20%) lower than anticipated.

**Table 1-1: Quarterly Report Summary**

The Quarterly Report Summary, as illustrated above in Table 1-1 presents a rating summary for each of the revenue and expenditure items that are presented within the report, along with summary comments related to each rating.

Table 1-2 below presents the Quarterly Report Rating Legend, which explains the ratings that have been attributed to each identified revenue or expenditure item.

<b>Rating Legend</b>	
	Within approved cost or revenue estimates; no concern regarding revenue or expenditure performance
	Minor variance from approved cost or revenue estimates; minor concern regarding revenue or expenditure performance
	Major variance approved cost or revenue estimates; and/or significant concern regarding revenue or expenditure performance
	There is not enough current year information to assess a performance rating at this time

**Table 1-2: Quarterly Report Rating Legend**

The remaining sections of the report present summaries for each of the above revenue and expenditure areas. Please contact the Village of Oak Park Finance Department with any questions related to this report.

## Section 2.1: General Fund Revenue Analysis

**Brief Description:** General Fund Revenues are the taxes, fees, and charges that the Village assesses to provide services to its citizens. General Fund revenues are managed within the Village's General Fund, and are comprised the following revenue streams:

- Tax revenues (e.g.- property taxes)
- Licenses and permits (e.g.- business licenses)
- Intergovernmental revenues (e.g.- state shared income taxes)
- Charges for services (e.g.- police reports)
- Fines (e.g.- parking tickets)
- Other financing sources (transfer of resources from other funds)

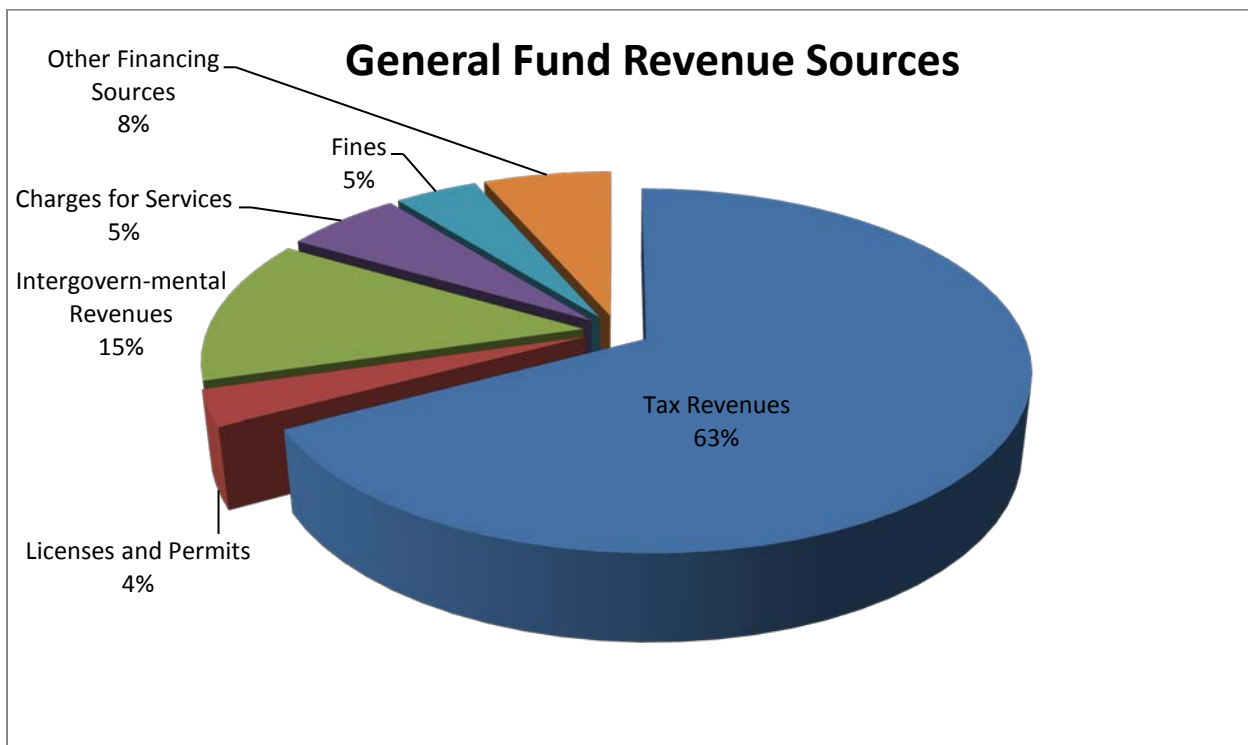


Figure 2-1: Proportion of General Fund Revenue Sources

2015 Third Quarter Rating: Green 

**General Comments:** Third quarter General Fund revenues for 2015 are performing in accordance with budgeted projections. Tax proceeds, which currently comprise approximately 63% of the Village's General Fund revenues, are ostensibly performing at ~9% below the planned yield for the quarter's end; yet if "missing/late" revenue postings are comprehended, the deficit is reduced entirely. The Village, to date, is not experiencing any significant line item deficits in any revenue areas within Tax Revenues, Licenses and Permits, Intergovernmental Revenues, or Fines. The

Village, however, has experienced slightly slower receipts in Charges for Services, with the bulk of the deficit attributable to Ambulance Charges.

Recently, the Village Board approved migrating to a new billing service which is expected to improve collection rates in the long-run. The new service is set to begin November 1st. There may be some initial delay in payments in the 4th quarter which staff expects to be made up for in increased collections in 1st quarter 2016.

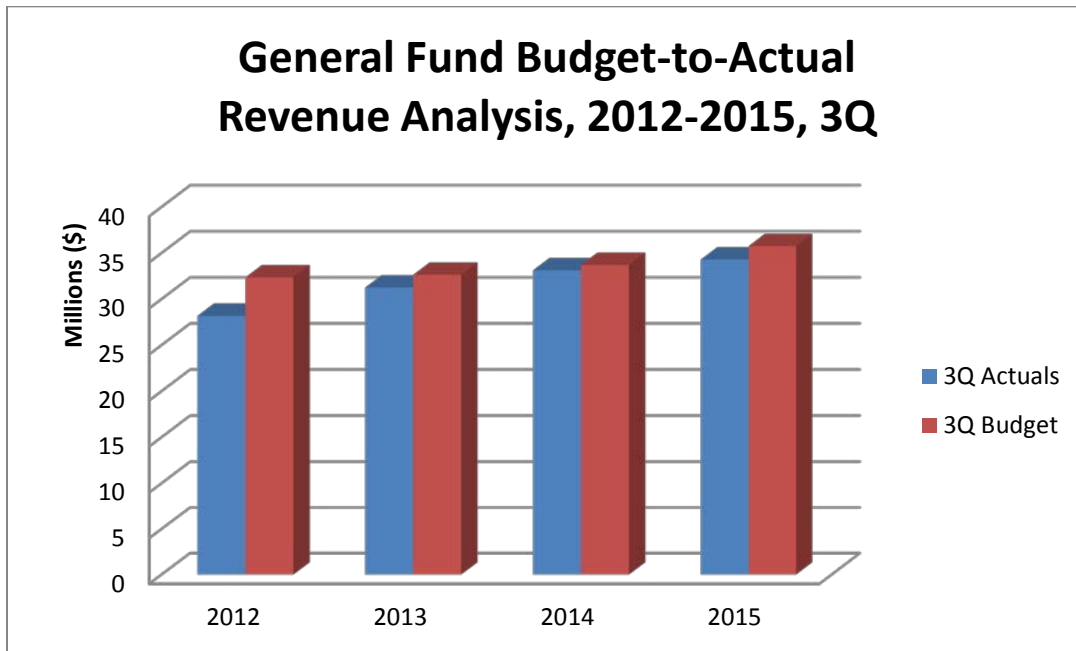


Figure 2-2: General Fund Budget-to-Actual Revenue Analysis

General Fund Revenues				
Description	YTD Actuals	YTD Budget	Variance	Variance %
			Good/(Bad)	
Tax Revenues	\$21,527,501	\$23,530,762	-2,003,261.00	-8.5%
Licenses and Permits	\$1,386,417	\$1,320,809	65,608.00	5.0%
Intergovernmental Rev.	\$5,234,695	\$4,564,056	670,639.00	14.7%
Charges for Services	\$1,756,433	\$2,024,625	-268,192.00	-13.2%
Fines	\$1,644,966	\$1,652,899	-7,933.00	-0.5%
Other Local Government	\$124,812	\$154,500	-29,688.00	-19.2%
Other Financing Sources	\$2,523,754	\$2,512,500	11,254.00	0.4%

Table 2-3: Summary of General Fund Revenue Streams



# Property Tax Revenues

**Brief Description:** Property tax revenues are the proceeds that the Village receives from assessing taxes on residential and commercial properties within the Village. Each year, the Village Board sets a levy by fixing an exact dollar amount that is used to fund operations, debt service, and the Police and Fire Pension funds. In order to collect the necessary amount, the County extends the levy by a set percentage beyond the Village’s request to account for any potential loss in collections.

**Property Tax Revenue Drivers:** The following are the drivers that impact property taxes:

- Equalized Assessed Valuation (EAV)
- Local tax rates
- Timing of the assessment and collections process

**2015 Third Quarter Rating:** Green 

**Comments:** As illustrated below in Figure 2-4, property tax yields for the third quarter are in accordance with the year-end projection of \$13.265MM. The amount recognized through the 3Q (\$13.261MM) falls within 1% of YTD expected receipts

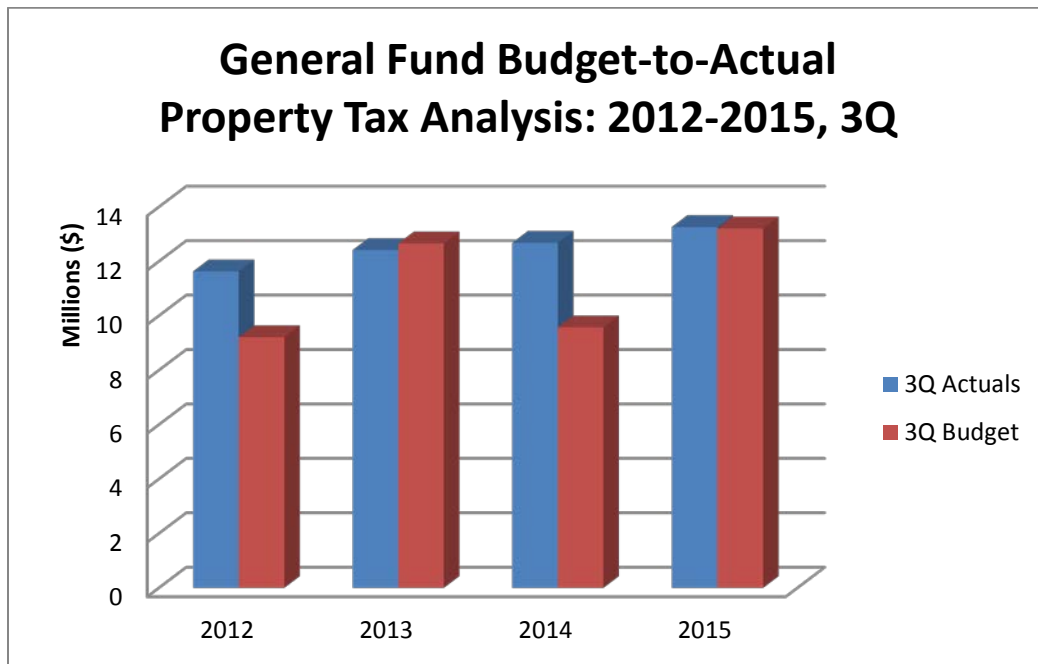


Figure 2-4: General Fund Budget-to-Actual Property Tax Analysis

# Liquor Tax Revenues

**Brief Description:** Liquor Tax Revenues are the revenues that the Village charges to vendors that sell liquor within the Village. The current Liquor Tax rate is 3% of the liquor purchase price.

**Liquor Tax Revenue Drivers:** The following are the drivers that impact Liquor Taxes:

- Number of liquor-selling establishments within the Village
- Customer volume
- Price of liquor at retail

**2015 Third Quarter Rating: Green** 

**Comments:** As indicated below in Figure 2-5, Liquor Tax revenue yields through the third quarter are marginally below (10%) third quarter projections, although on a cash basis if the one-month lag in posting of receipts are factored in, realized revenues are exactly on target with budget.

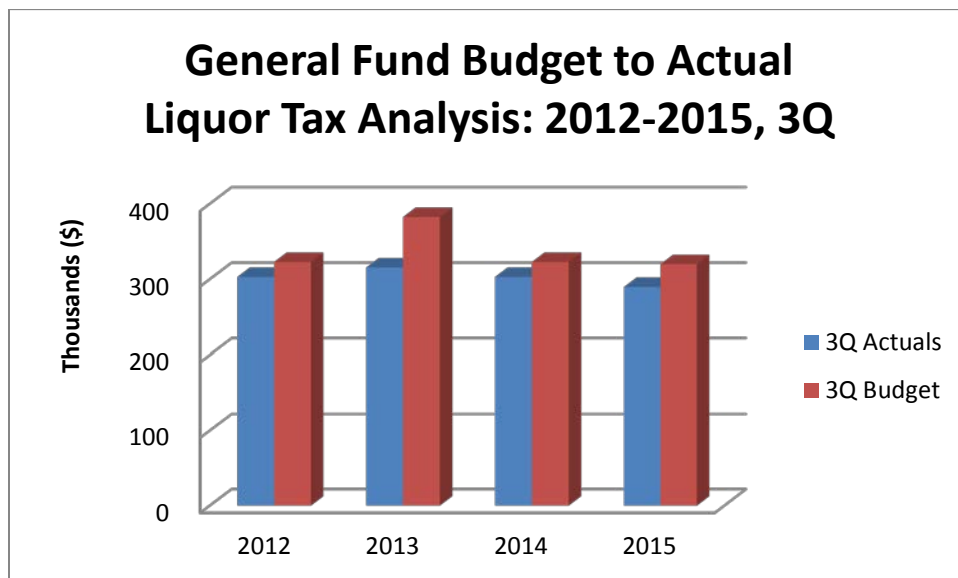


Figure 2-5: General Fund Budget-to-Actual Liquor Tax Analysis

# Natural Gas Use Tax Revenues

**Brief Description:** The Natural Gas Use Tax is a tax that the Village charges to users based upon the purchase of natural gas. The current Use Tax rate is 2.2 cents per therm.

**Natural Gas Use Tax Revenue Drivers:** The following are the drivers that impact Natural Gas Use taxes:

- Number of Therms consumed
- Weather conditions

**2015 Third Quarter Rating: Yellow** 

**Comments:** The revenue yield for the Natural Gas Use Tax is 13% less than projected through the third quarter. We believe that the shortfall cannot yet be considered to be a consumption difference, but is due rather to the timing variances (usually a one-month lag) in the receipt of payments.

Finance is marking this category as yellow while we await more definitive information pursuant to the variance.

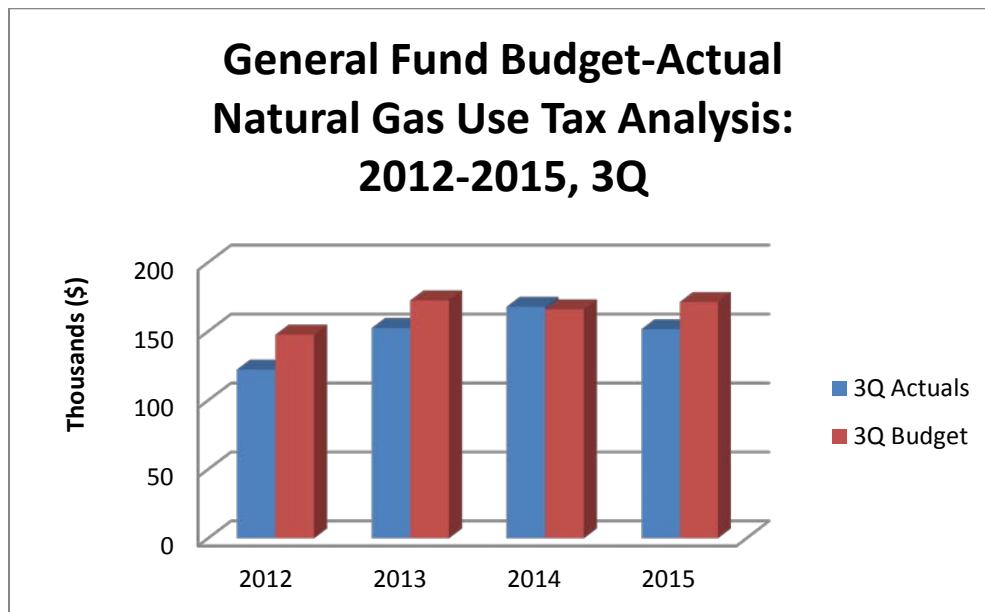


Figure 2-6: General Fund Budget-to-Actual Natural Gas Use Tax Analysis

# Sales and Use Tax Revenues

**Brief Description:** In the State of Illinois, there is a base 6.25 % Sales Tax on general merchandise. It is administered and collected by the Illinois Department of Revenue. One percent (1%) of this Sales Tax is distributed to the municipality where the sale occurred. This tax, officially referred to as the Retailer’s Occupation Tax (ROT) is captured in the Village’s General Fund and is used for basic Village operations.

The Village also imposes a 1% Home Rule Occupation Tax (HROT). While approved locally, this tax is also administered and collected at the state level. This tax is dedicated for Village capital projects and is accounted for in the Capital Improvement Project (CIP) Fund.

**Sales and Use Tax Revenue Drivers:** The following are the drivers that impact Sales and Use Tax revenue performance:

- Retail sales
- Retail establishments

**2015 Third Quarter Rating: Green** 

**Comments:** As mentioned in previous reports, there is a quarterly lag in Sales Tax yields, whereby current quarter actuals typically reflect the sales tax yield from the previous quarter. This is to say that current revenues actuals would reflect revenue performance from the second quarter of the current year (caught up at the end of the Village’s fiscal year). The revenues, however, posted for July through September are in line with what would be expected to receive to reach a year-end projection of \$4.386 MM. Also, to date the Village has not experienced any unusual delays in payments from the State of Illinois.

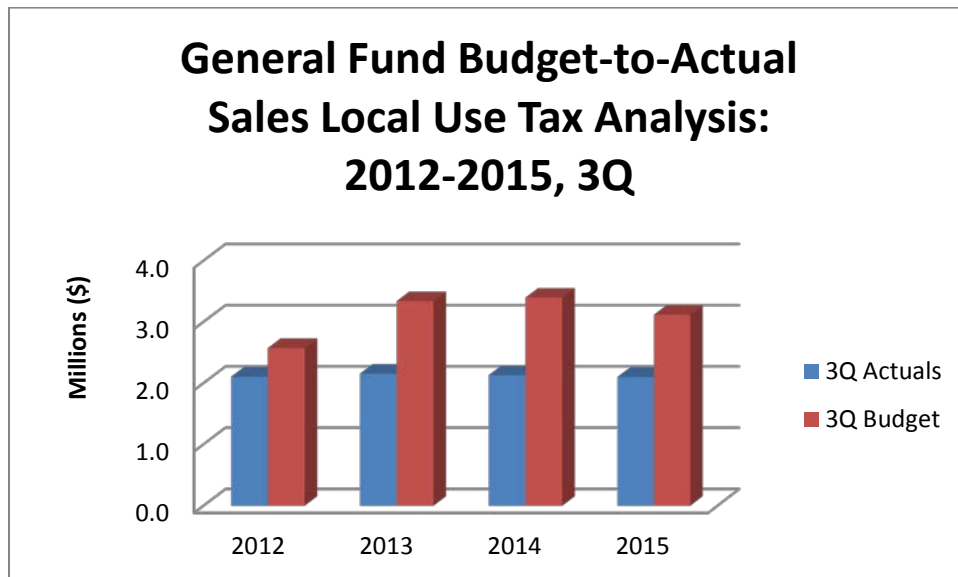


Figure 2-7: General Fund Budget-to-Actual Sales-Local Use Tax Analysis

# Real Estate Transfer Tax Revenues

**Brief Description:** The Real Estate Transfer Tax (RETT) is a tax on the seller of property within the Village. The tax is assessed at \$8.00 for every \$1,000.00 of the sale or “transfer” price. For example, when a \$500,000.00 house is sold, the seller would pay a RETT of \$4,000.00 ( $\$500,000 / \$1,000 = 500 \times \$8.00 = \$4,000.00$ ).

**Real Estate Transfer Tax Revenue Drivers:** The following are the drivers that impact Real Estate Transfer Tax revenues:

- Number of transactions
- Price of transactions

**2015 Third Quarter Rating: Green** 

**Comments:** As illustrated below in Figure 2-8, Real Estate Transfer tax proceeds are performing at budgeted expectations through 3Q. This reflects the sustained growth from previous years and continues to signal a rebound from the slowdown of prior years.

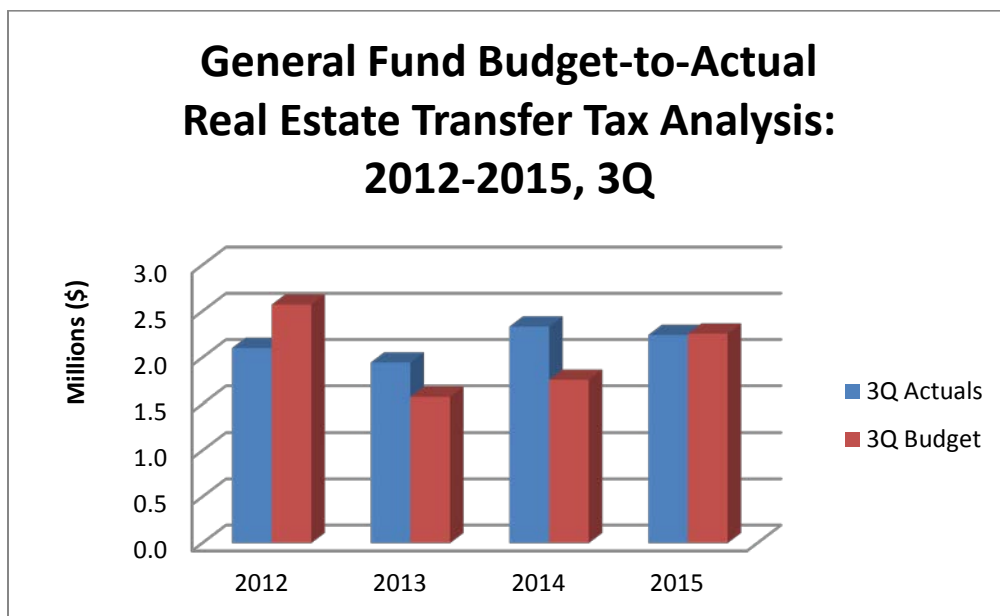


Figure 2-8: General Fund Budget-to-Actual Real Estate Transfer Tax Analysis

# Utility Tax Revenues

**Brief Description:** The Utility Tax is composed of two taxes: the Electricity Tax and the Natural Gas Tax. Both taxes are assessed based upon user consumption within the Village. The Electricity Tax is based on the number of kilowatt hours (kwh) consumed. The actual rate varies from a low of \$0.00202/kwh to a high of \$0.0033/kwh, based on usage. The Natural Gas Tax is also assessed on a unit charge, called the “Therm”. The tax rate is \$0.024/therm.

**Utility Tax Revenue Drivers:** The following are the drivers that impact Utility Taxes:

- Energy consumption
- Weather conditions

**2015 Third Quarter Rating:** Yellow 

**Comments:** As mentioned above, Utility Tax revenues are marginally below budgeted projections, although the deficit appears artificially high due to a one-month lag in posting the revenue.

As reported previously, performance within this revenue may be due to a number of issues: weather conditions impacting utility consumption; as Village residents implement energy-saving programs within their homes and business, this may contribute to reduced consumption; as residents adopt more economical behaviors (e.g. - turn off unused lights, wearing warmer clothing while lowering the thermostat) their need for energy may be reduced. All of these factors may contribute to energy consumption rates. As such changes become long-term in nature; the Village may ultimately become the “victims of success”, and may need to adjust our Utility Tax revenue estimates accordingly.

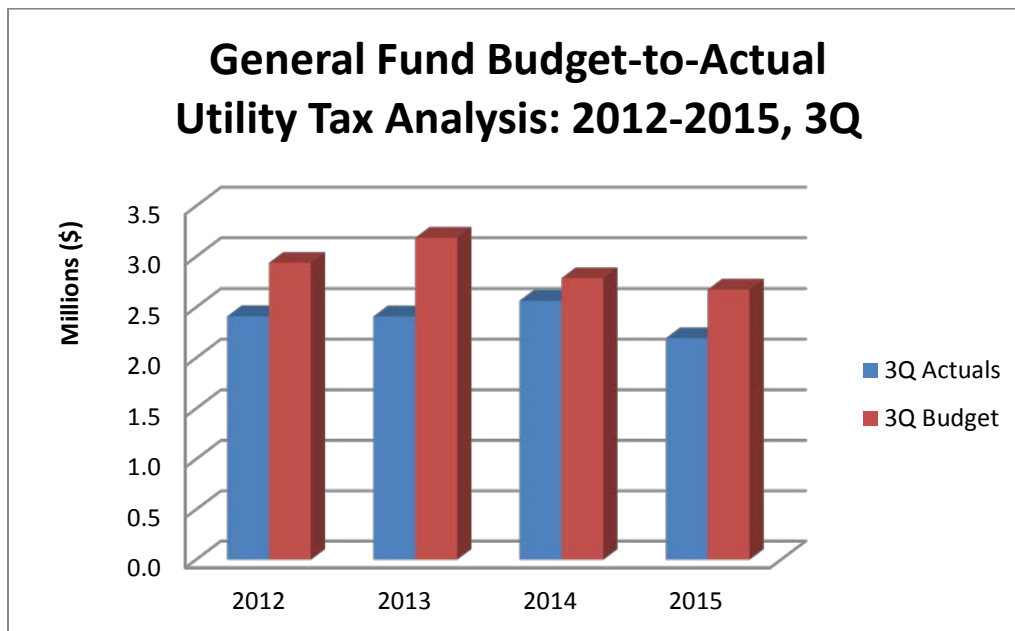


Figure 2-9: General Fund Budget-to-Actual Utility Tax Analysis

## Licenses and Permits

**Brief Description:** The Village charges fees to individuals, businesses and other entities to acquire authorization and permission to conduct certain activities within the Village. These authorizations and permissions are extended in the form of licenses and permits. For example, the Village charges business licensing fees for entities that wish to conduct business within the Village. Individuals that wish to park in public spaces within the Village must acquire a parking permit. Figure 2-10 below illustrates the types of licenses and fees for which the Village receives revenue and their relative proportion of the total Licenses and Permits revenue stream.

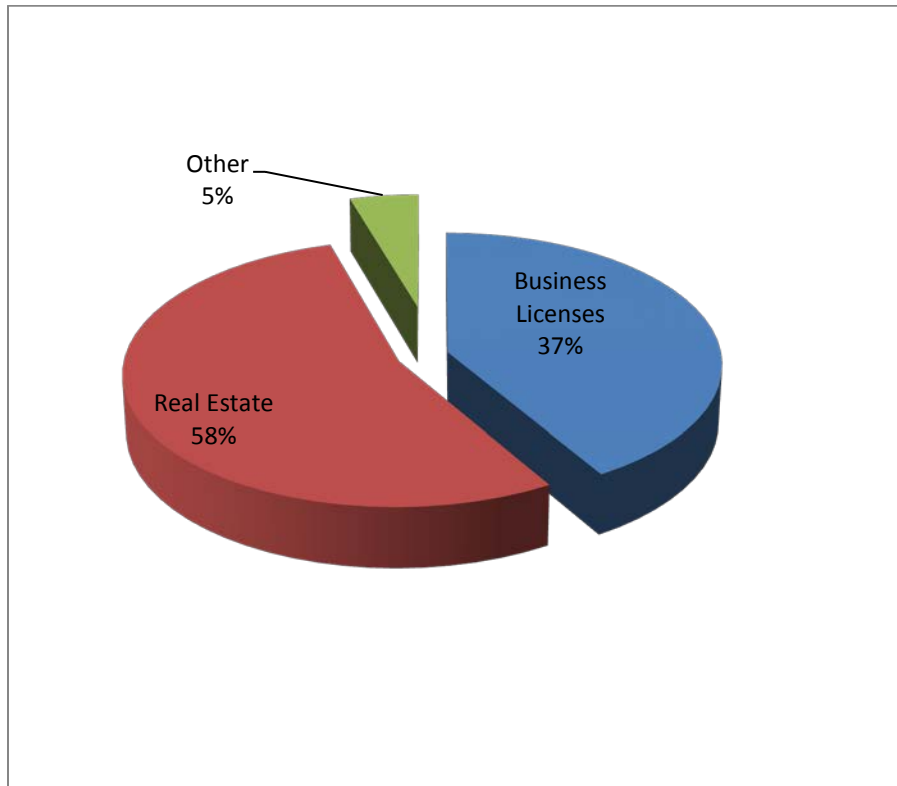


Figure 2-10: Proportion of Licenses and Permits

**Licenses and Permits Drivers:** The following are the drivers that impact licenses and permits:

- Economic conditions in real estate and retail markets

**2015 Third Quarter Rating: Green**



**Comments:** As illustrated in Figure 2-11 below, third quarter proceeds from licenses and permits are exactly in line with budgeted estimates. Business License proceeds have begun exceptionally strong, yielding double the YTD budgeted estimates. Liquor License applications, Building Plan Reviews and Animal Licenses are also running marginally higher than budgeted – while Building Permits receipts are below estimates.

### General Fund Budget-to-Actual Licenses and Permits Analysis: 2012-2015, 3Q

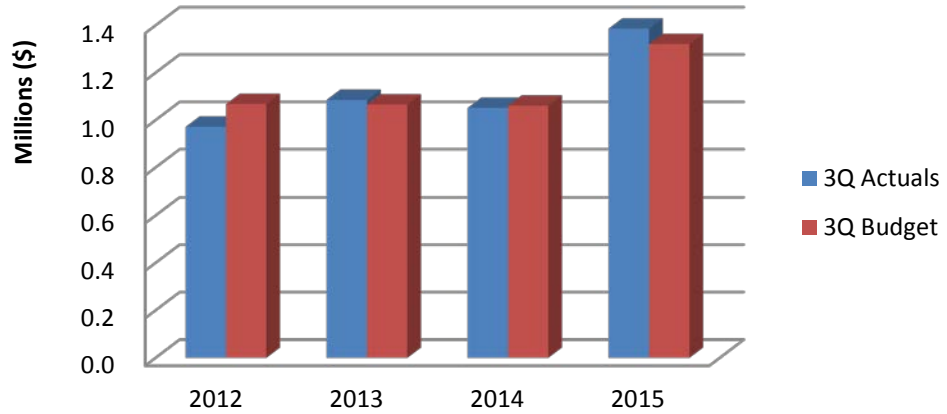


Figure 2-11: General Fund Budget-to-Actual Analysis of Licenses and Permits



# Intergovernmental Revenues

**Brief Description:** Intergovernmental revenues are revenues that the Village receives from other government entities. Apart from other grants, the revenues that the Village receives from this revenue stream are primarily from the State of Illinois. Intergovernmental revenues typically take the form of grants, entitlements, shared revenues, or payments in lieu of taxes.

**Intergovernmental Revenue Drivers:** The following are the drivers that impact intergovernmental revenues:

- State of Illinois Income Tax collections

**2015 Third Quarter Rating: Green**



**Comments:** The majority of revenues that comprise the Intergovernmental Revenues portfolio include State Income Taxes, which currently make up 78% of the portfolio, and Personal Property Replacement Tax (PPRT), which make up 21% of the portfolio. As illustrated below in Figure 2-12, intergovernmental revenues ended the third quarter only 15% above our budgeted projections. Currently, State Income taxes reflect a 17% outperformance versus anticipated revenues through the third quarter; while the PPRT is outperforming budget by ~10%. As is the case with Sales Tax, the Village has not experienced any unusual delays in payment from the State of Illinois.

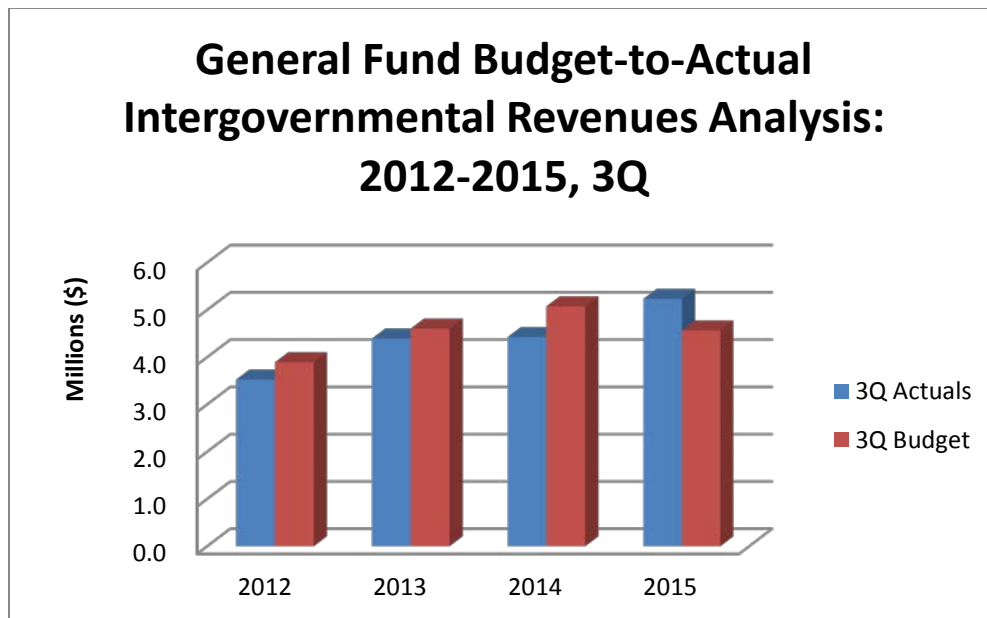
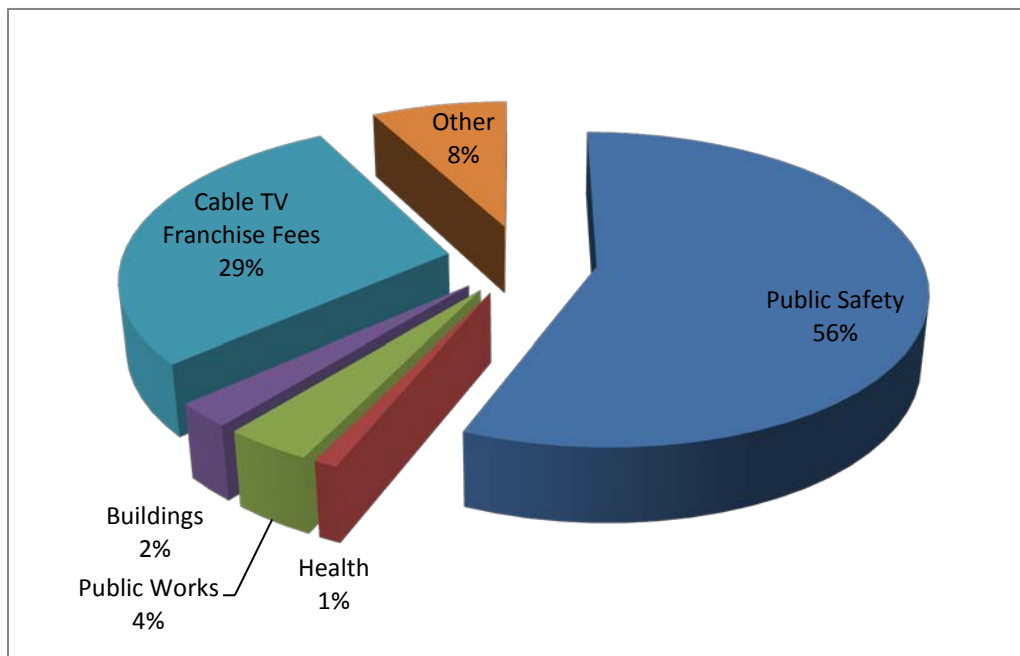


Figure 2-12: General Fund Budget-to-Actual Intergovernmental Revenue Analysis

## Charges for Services

**Brief Description:** The Village provides a number of services for which it charges fees directly to the service recipient. Such services include: drafting of police reports, ambulance services, animal adoption services, and environmental health services. Figure 2-13 below illustrates the types of services for which the Village charges fees and their relative proportion of revenue yield this revenue stream.



**Figure 2-13: Types and Proportion of Charges for Services**

**Drivers for Charges for Services:** The following are the drivers that impact Charges for Services:

- **Public Safety:**
  - Vehicular accidents
  - Traffic and other insurance-related claims
- **Health**
  - Number of health-related inspections
- **Info Tech support:**
  - Reimbursement for services provided to other taxing bodies
- **Public works**
  - Services volume and maintenance service related to the public way
- **Buildings**
  - Condo inspection fees
- **Cable TV**
  - Number of cable subscribers
  - Cost of cable service
- **Other**
  - Miscellaneous demands for services

2015 Third Quarter Rating: Yellow



**Comments:** The receipts for the Services portfolio of revenue streams continue to run ~13% below projected revenue estimates. About 75% of this deficit is due to lesser-than-anticipated Ambulance Charges, and another 9% attributable to lagging Alarm Fees. Finance will continue to monitor closely.

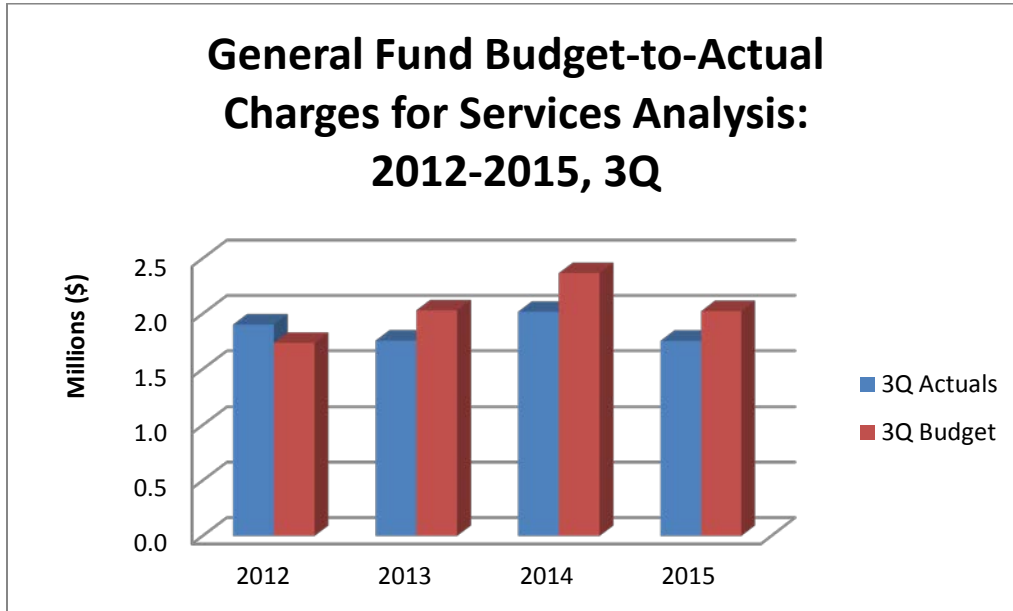


Figure 2-14: General Fund Budget-to-Actual Charges for Services Analysis

# Fines

**Brief Description:** The Village charges fines and penalties to individuals and businesses when they become non-compliant with Village rules and regulations. Parking citations is an example of such a fine for which the Village charges a fee directly to the offender.

**Drivers of Fines:** The following are the drivers that impact fine proceeds:

- Number of tickets issued
- Village Parking Policy
- Number of parking enforcement officers
- Degree of enforcement by Parking Enforcement Officers
- Spoilage (e.g.- fine is waived)
- Resident bankruptcies
- Reductions in vehicles
- Collection rates

**2015 Third Quarter Rating: Green** 

**Comments:** Third quarter yields from fines are at projected estimates. Parking fine proceeds continue to meet budgeted expectations. This revenue stream, however, is likely to remain seasonably variable and merits further close monitoring – although as seen in the chart below, current budget projections are more closely aligned with actuals than in previous years.

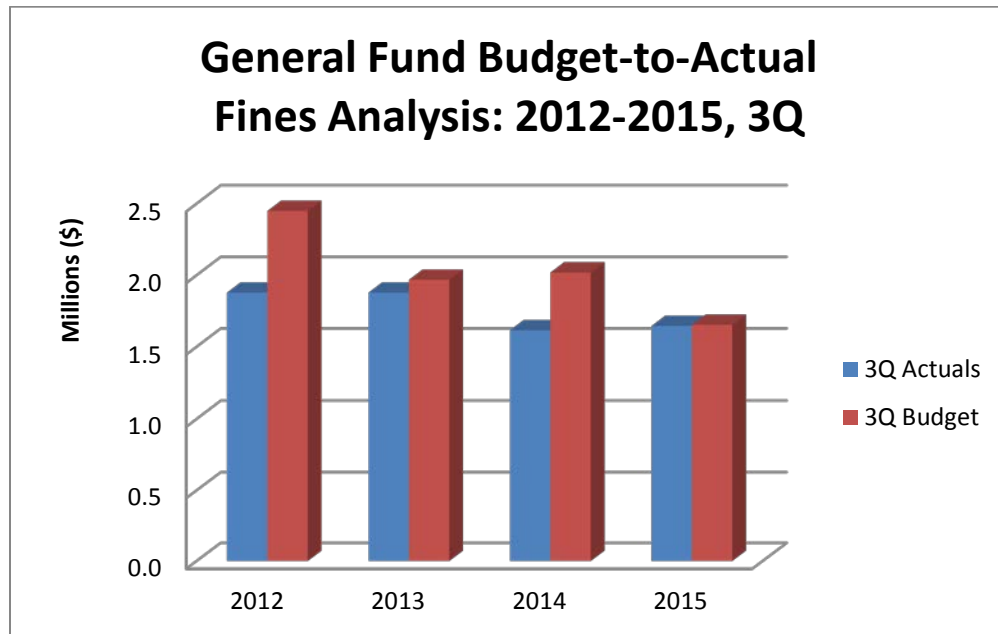


Figure 2-15: General Fund Budget-to-Actual Fines Analysis

## Section 2.2: General Fund Expenditure Analysis

### General Fund Expenditures

**Brief Description:** General Fund Expenditures are the expenditures related to the performance of direct Village services, such as police, fire, public works and housing services. General fund expenditures also relate to the performance of back-office services, such as finance, human resources, and information technology.

**2015 Third Quarter Rating: Green**



**General Comments:** At the end of the third quarter, adjusted general fund expenditures are 15% below planned estimates. As mentioned previously, while on its face, under-expenditures may appear to be a positive outcome, it may also reflect delays and challenges in performing planned services.

As the Quarterly Report is focused primarily on assessing the Village's financial position, we continue to rate areas of under-expenditure as "Green". However, it is important for the reader to understand that there remain other factors to consider in evaluating overall performance of Village services such as the impact on community services, accomplishment of organizational objectives, etc.

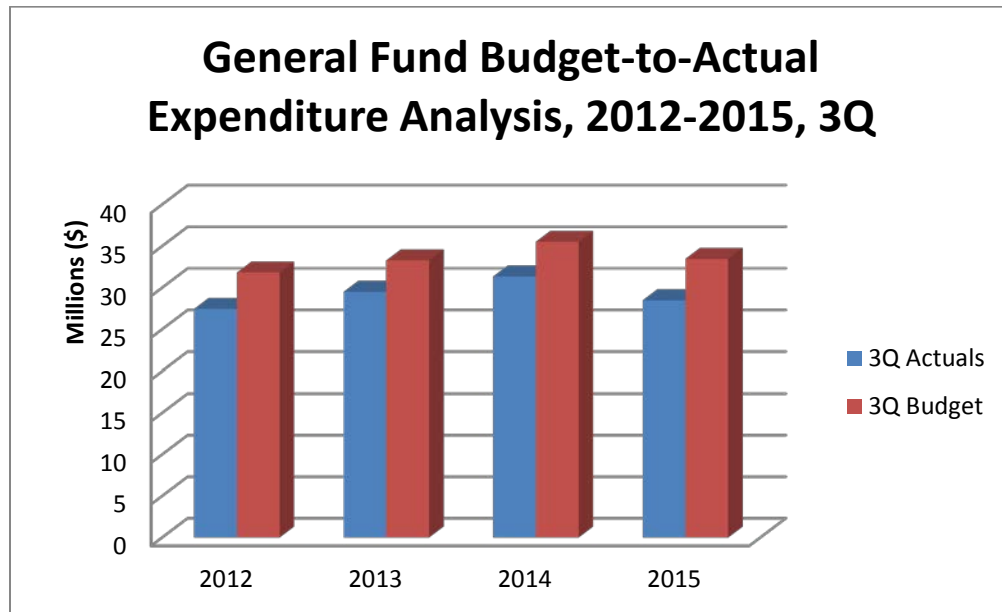


Figure 3-1: General Fund Budget-to-Actual Expenditure Analysis

<b>General Fund Expenditures</b>				
<b>Description</b>	<b>YTD Actuals</b>	<b>YTD Budget</b>	<b>Variance</b>	<b>Variance %</b>
			<b>Good/(Bad)</b>	
Personnel and Benefits	\$22,457,362	\$25,248,209	\$2,790,847	11.05%
Professional and Technical	\$3,748,721	\$5,140,197	\$1,391,476	27.07%
Purchased Property Services	\$418,206	\$482,075	\$63,869	13.25%
Other Purchased Services	\$339,320	\$482,778	\$143,458	29.72%
Supplies and Materials	\$981,369	\$1,587,214	\$605,845	38.17%
Real Property, CDBG & Other	\$534,248	\$521,765	(\$12,483)	-2.39%

**Table 3-2: Summary of General Fund Expenditure Streams**

## Personnel and Benefits Expenditures

**Brief Description:** Personnel and Benefits expenditures are the expenditures for the compensation of Village staff to perform Village services and activities. Given the labor-intensive nature of Village services, personnel and benefits expenditures typically make up the largest proportion of general fund expenditures.

**Personnel and Benefits Drivers:** The following are the drivers that impact personnel and benefits expenditures:

- Changes in labor agreements
- Vacancies
- Health and pension costs

**2015 Second Quarter Rating:** Green 

**Comments:** The Village's expenditures for combined wages and benefits for the first quarter are 7% below budgeted projections, an expected outcome through the third quarter in a given year.

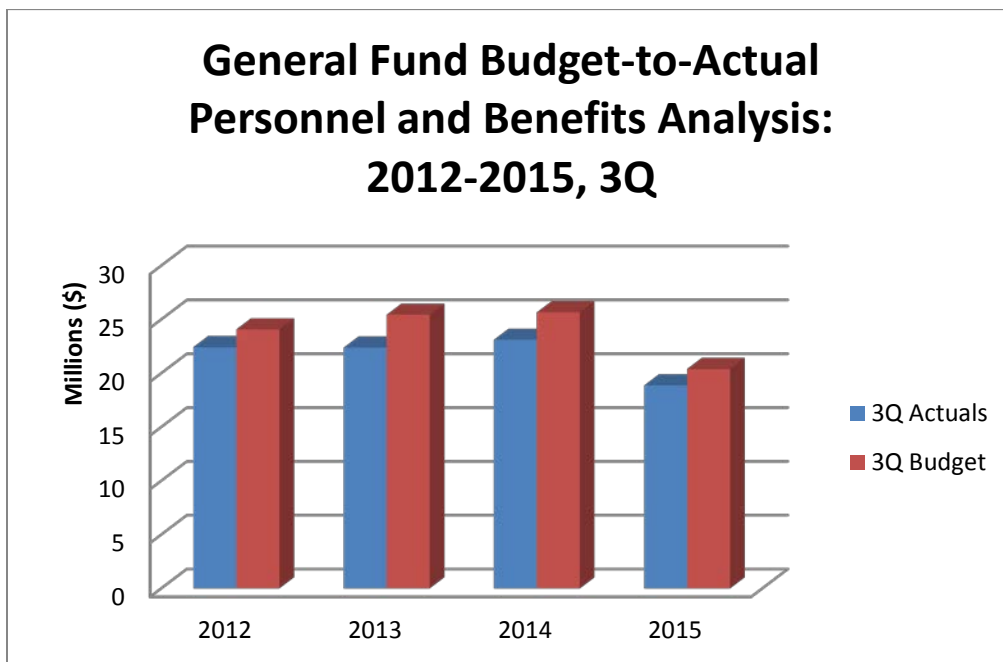


Figure 3-3: General Fund Budget-to-Actual Personnel and Benefits Analysis

# Professional and Technical Services Expenditures

**Brief Description:** Professional and technical expenditures are for infrequent or unique services that are provided to the Village by independent contractors or by consultants. These expenditures are tracked separately from the Village’s salary and benefits resources.

**Professional and Technical Services Drivers:** The following are the drivers that impact professional and technical services expenditures:

- Availability and ability of Village staff to perform specialized activities
- Skillsets of Village staff

**2015 Third Quarter Rating:** Green 

**Comments:** Professional and Technical Services net expenditures for the third quarter are almost 27% below projected expenditures, most often due to heavier last quarter expenditures for External Support and Contractual Services.

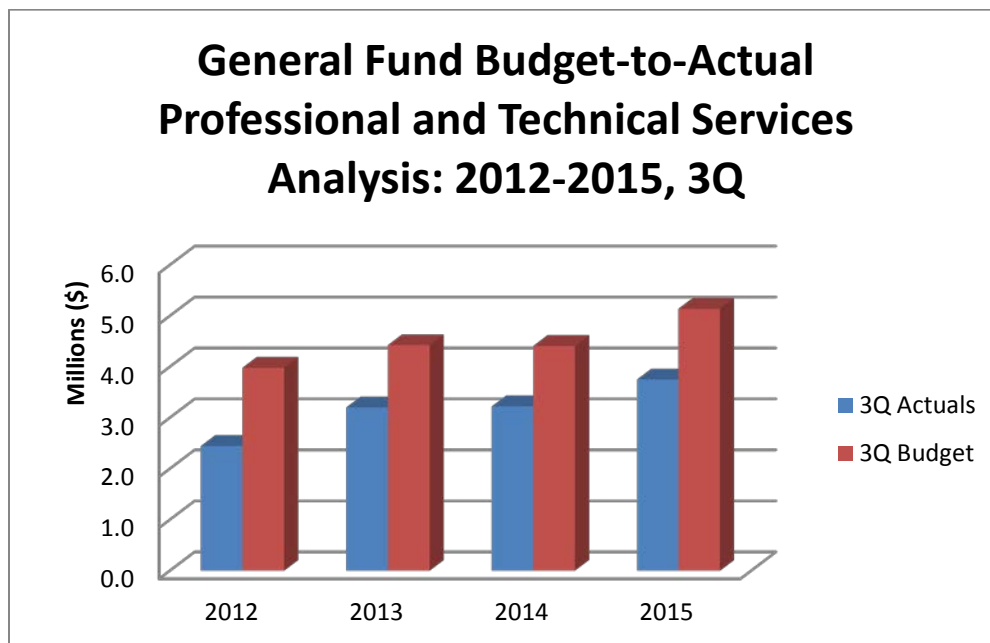


Figure 3-4: General Fund Budget-to-Actual Professional and Technical Services Analysis



# Purchased Property Services

**Brief Description:** Purchased Property Service expenditures are expenditures related to: a) maintaining support for Village buildings and facilities; and b) providing emergency services to properties within the Village for the safety of Village residents. These activities include: the purchase of utility services, such as water, electricity and natural gas, maintaining property repair, and hardware maintenance.

**Purchased Property Services Drivers:** The following are the drivers that impact purchased property services expenditures:

- Usage of village-owned properties
- Private maintenance during foreclosures

2015 Third Quarter Rating: Green 

**Comments:** Third quarter expenditures within the Purchased Property Services expenditure area are ~13% (64k) below budgeted estimates, mostly attributable to lower than anticipated Emergency Services and Electricity costs.

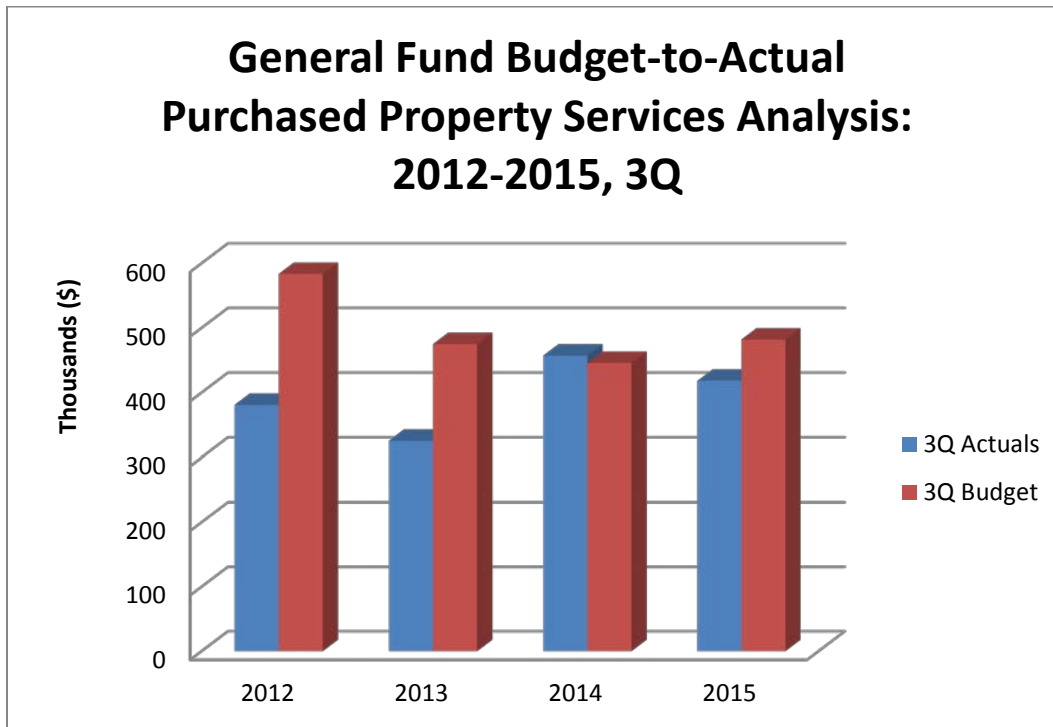


Figure 3-5: General Fund Budget-to-Actual Purchased Property Services Analysis

## Other Purchased Services

**Brief Description:** Other Purchased Service expenditures are expenditures related to maintaining administrative operations within Village departments. These expenditures include costs such as printing costs, general maintenance and upkeep, telephones services and software support.

**Other Purchased Services Drivers:** The following are the drivers that impact other purchased services expenditures:

- The need for special and complex printing jobs
- Volume of laundry services
- Other back-office operational issues

**2015 Third Quarter Rating: Green** 

**Comments:** Third quarter expenditures within Other Purchased Services are 30% below projected expenditures, as anticipated Software License Updates and Operational Maintenance Support payments have yet to have been made and/or reimbursed.

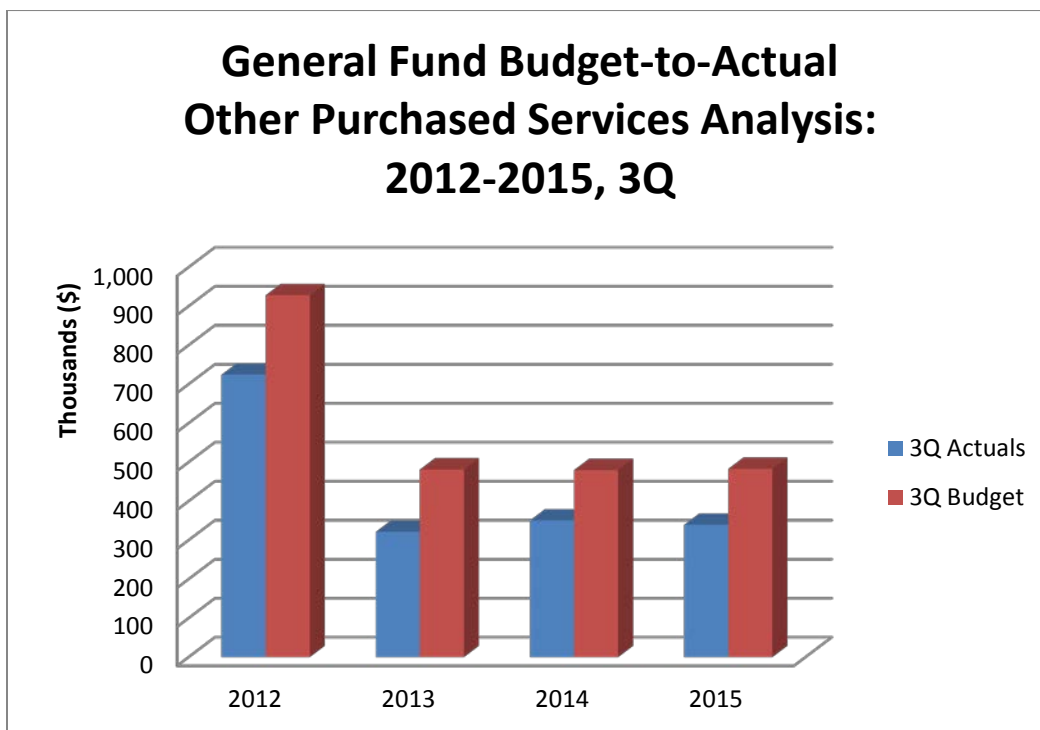


Figure 3-6: General Fund Budget-to-Actual Other Purchased Services Analysis

# Supplies and Materials

**Brief Description:** Supplies and Materials expenditures are primarily for office supplies and materials. Expenditures in this area include: office supplies, clothing and uniforms, motor fuel, vehicle equipment parts, and equipment rental.

**Supplies and Materials Drivers:** The following are the drivers that impact supplies and materials expenditures:

- General use of village-owned assets (e.g.- fuel)
- Weather conditions

**2015 Third Quarter Rating: Green** 

**Comments:** Total expenditures through 3Q within the Supplies and Materials expenditure area are 38% under budget, with most of the to-date lower expenditures being seen across-the-board – but especially in the areas of Roadway Maintenance and lower Fuel costs.

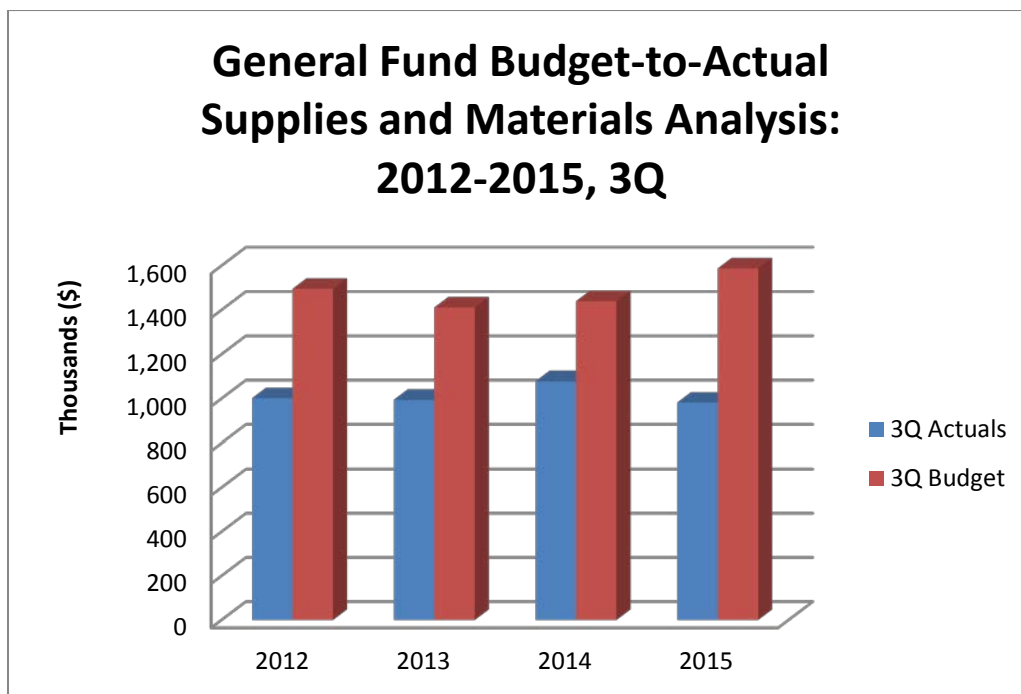


Figure 3-6: General Fund Budget-to-Actual Supplies and Materials Analysis

# Real Property, Community Development Block Grant (CDBG) and Other

**Brief Description:**

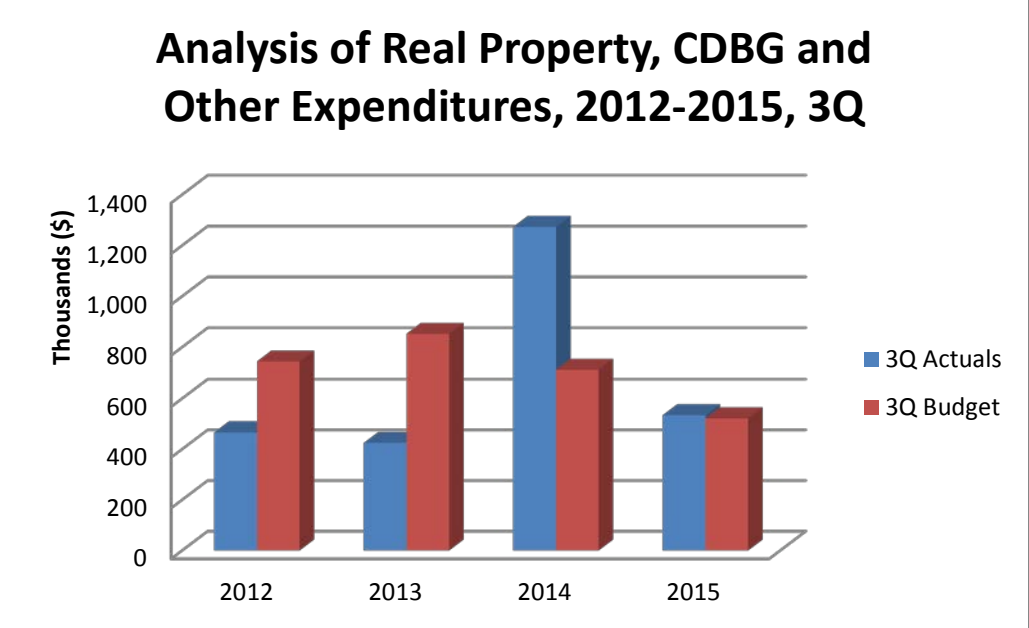
- o **Real Property:** These are minor administrative expenditures related to the operations of Village-owned properties.
- o **Community Development Block Grant:** These minor expenditures are for the administrative costs related to the management of the federally funded Community Development Block Grant.
- o **Other:** These expenditures are miscellaneous expenditures for unplanned activities or services.

**Drivers for Real Property, CDBG, and Other Services:** The following are the drivers that impact expenditures within Real Property, CDBG and Other services:

- o **Real Property**
  - o Purchase of property
- o **CDBG**
  - o The administrative costs borne by the general fund and reimbursed by the grant
- o **Other**
  - o Other unplanned expenditures

**2015 Third Quarter Rating: Green** 

**Comments:** Through the second quarter, the expenditures in this area are below budget, but are not significant within the overall budget. Expenditures in this area are primarily driven by Community Development and for 2015, the OPDC Contingent Liability expense.



**Figure 3-7: Analysis of Real Property, CDBG and Other Expenditures**

## Section 2.3: Enterprise Funds

**Brief Description:** This section provides 3<sup>rd</sup> Quarter Report summaries for the following Enterprise Funds:

- Water and Sewer Fund
- Parking Fund
- Environmental Services Fund

### Water and Sewer Fund

#### Water and Sewer Fund Revenues

**Brief Description:**

**Water Description:** The Village purchases water from the City of Chicago and distributes it to customers throughout the Village through its own water system. The Water Fund is the enterprise fund that accounts for the revenues and expenditures of operating the water system, inclusive of capital costs.

**Sewer Description:** The Village maintains the system that carries sewage to the Metropolitan Water Reclamation District's system. The Sewer Fund is the enterprise fund that accounts for the revenues and expenditures of operating the system, inclusive of capital costs. The sewer charge is derived from the amount of water consumed per account.

**Water and Sewer Fund Revenue Drivers:** The following are the drivers that impact Water Fund revenues:

- Water Revenue Drivers
  - Cost of water purchased from the City of Chicago
  - Amount of gallons used by customers
- Sewer Revenues Drivers
  - Sewer charges imposed by local ordinance
  - Amount of gallons used by customers

2015 Third Quarter Rating: Green 

**Comments:** As of the third quarter of 2015, Water and Sewer revenues are exceeding budgeted estimates by 6% and appear strong across all significant line items.

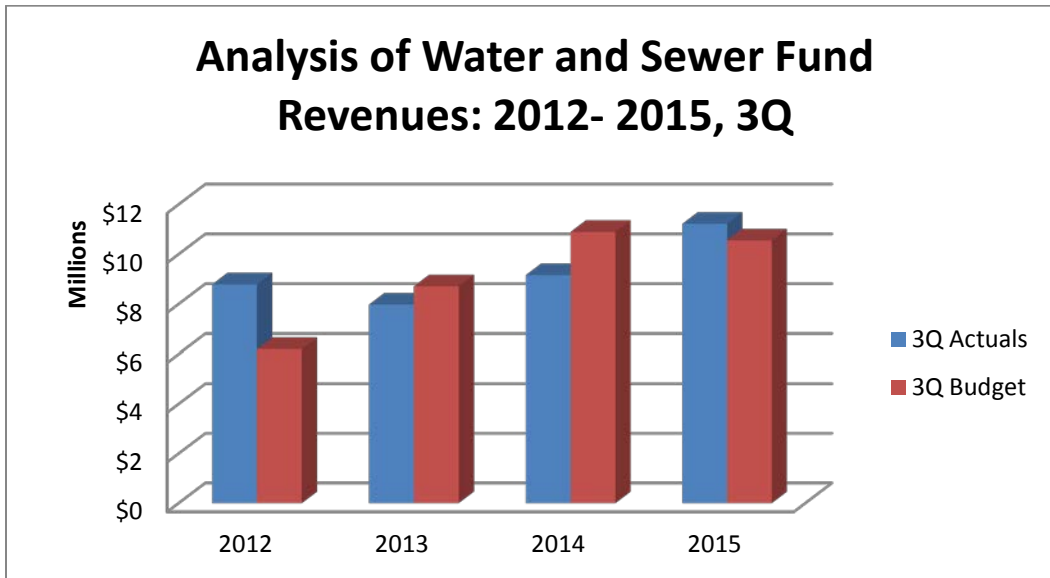


Figure 4-1: Analysis of Water and Sewer Fund Revenues

#### Water and Sewer Fund Expenditures:

##### Brief Description:

**Water:** The Water Fund maintains the infrastructure required to deliver water to Village residences and businesses throughout the community. Expenditures within the Water fund reflect the costs related to the staff and equipment that are required to operate the pumping stations, and to repair broken water mains.

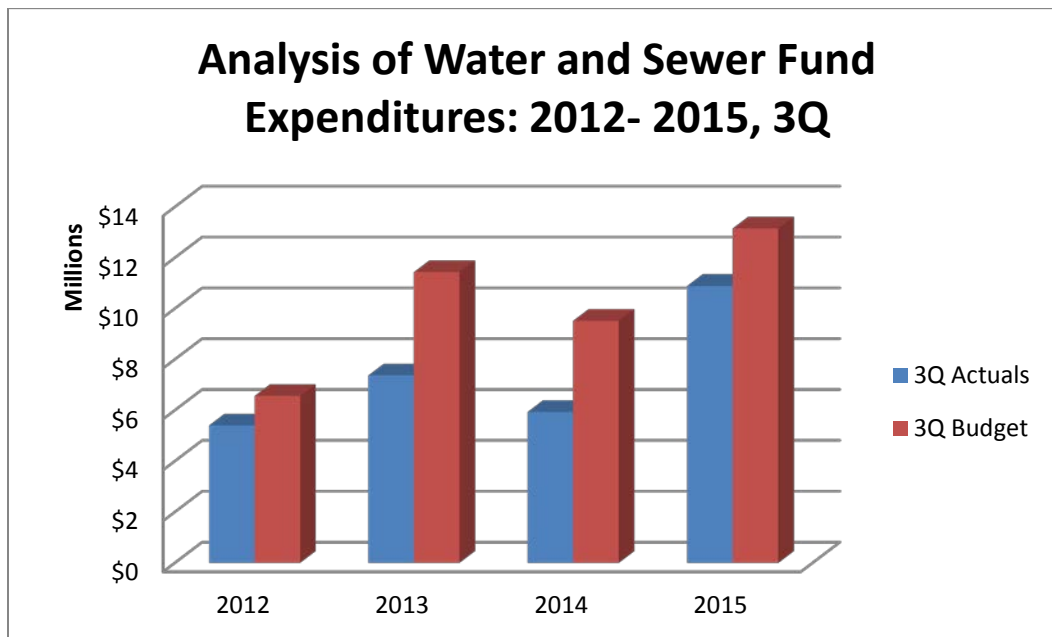
**Sewer:** The Sewer Fund maintains the infrastructure required to transport water from residences and businesses throughout the community. Sewer fund expenditures reflect the staff and equipment necessary to repair broken sewer lines.

**Water and Sewer Fund Expenditure Drivers:** The following are the drivers that impact Water and Sewer Fund expenditures:

- Water Fund Expenditure Drivers
  - Cost of water
  - Personnel costs
  - Outside contractor costs
  - Bill-to-pump ratio
  
- Sewer Fund Expenditure Drivers
  - Capital requirements
  - Personnel costs
  - Outside contractor costs

**2015 Third Quarter Rating: Green** 

**Comments:** Total expenditures for the Water and Sewer Fund through the third quarter are 17% below budget. It is anticipated that the expenditures within this fund will largely catch up to budget somewhat during the fourth quarter of the year, and that fund expenditures will end up much nearer their budgeted levels. To date, however, we have experienced lower costs in Professional and Technical expenses; Purchased Property Services; and Supplies and Materials (i.e. the cost of water itself).



**Figure 4-2: Analysis of Water and Sewer Fund Expenditures**

# Parking Fund

## Parking Fund Revenues

**Brief Description:** The Village owns and operates the vast majority of public parking throughout the Village. This includes the on-street meters, parking garages located in Downtown Oak Park, as well as a large number of off-street lots throughout the Village

**Parking Fund Revenue Drivers:** The following are the drivers that “fuel” Parking Fund revenues:

- Parking rates
- Volume of parkers

**2015 Third Quarter Rating: Green**



**Comments:** Parking fund revenues through the third quarter are at 4% over budgeted projections, with Charges for Services (higher Onstreet Paystation Revenue and Garage Fees offsetting lower Parking Meter Collections) comprising all of the positive difference.

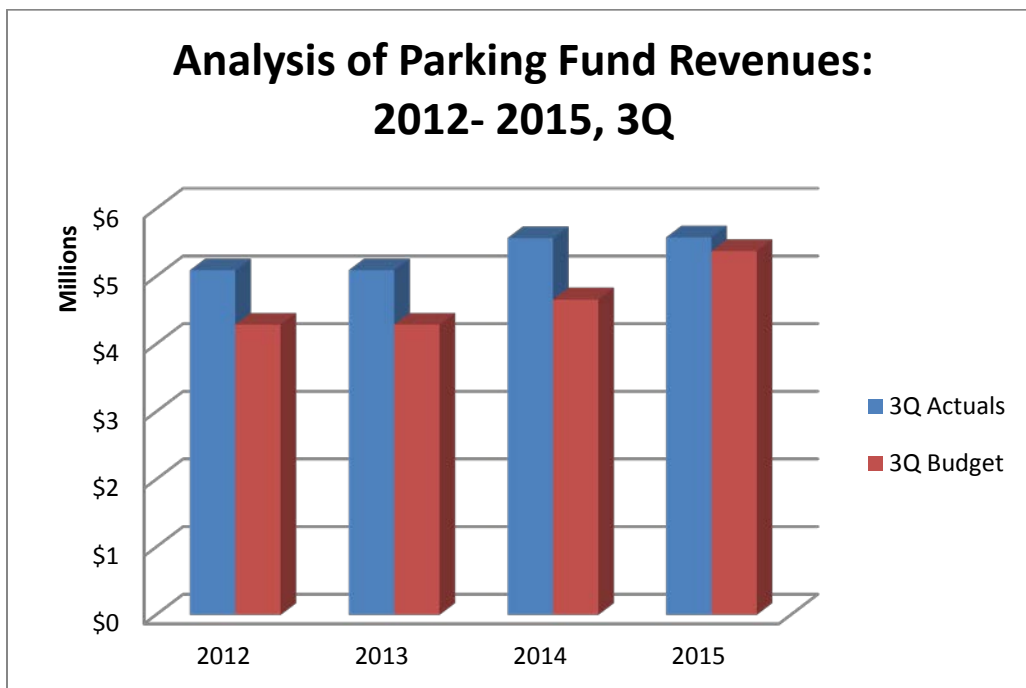


Figure 4-5: Analysis of Parking Fund Revenues



### Parking Fund Expenditures:

**Brief Description:** The Village owns and operates the vast majority of public parking throughout the Village. This includes the on-street meters, parking garages located in Downtown Oak Park, as well as a large number of off-street lots throughout the Village.

The Village provides for staff to directly service the public to comply with the overnight parking ban and other relevant restrictions. Further, this Fund accounts for the maintenance and repair of parking meters, lots and garages.

**Parking Fund Expenditure Drivers:** The following are the drivers that impact Parking Fund expenditures:

- Personnel costs
- Capital costs

**2015 Third Quarter Rating: Green**



**Comments:** Total first quarter expenditures for the Fund are currently 55% below budgeted expenditures, with no expenses having yet hit the Real Property line items and significantly lower than budgeted Purchased Property Services expenses.

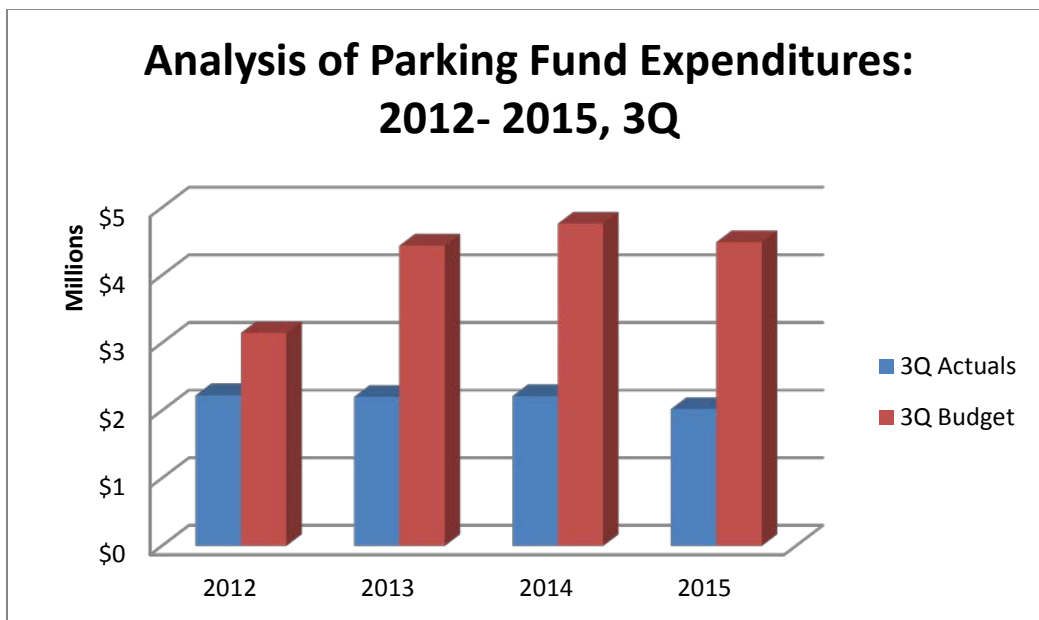


Figure 4-6: Analysis of Parking Fund Expenditures

# Environmental Services Fund

## Environmental Services Fund Revenues

**Brief Description:** The Environmental Services Fund accounts for the Village’s solid waste removal and recycling programs. An enterprise fund, the costs are charged to users of the system via charges on their utility bill.

**Parking Fund Revenue Drivers:** The following are the drivers that impact Environmental Services Fund revenues:

- Garbage collection rates
- Sale of yard waste stickers

2015 Third Quarter Rating: Green 

**Comments:** Revenues for this fund are currently slightly below budgeted projections, although the Refuse Collection Fee line item is running 4% in excess of budget.

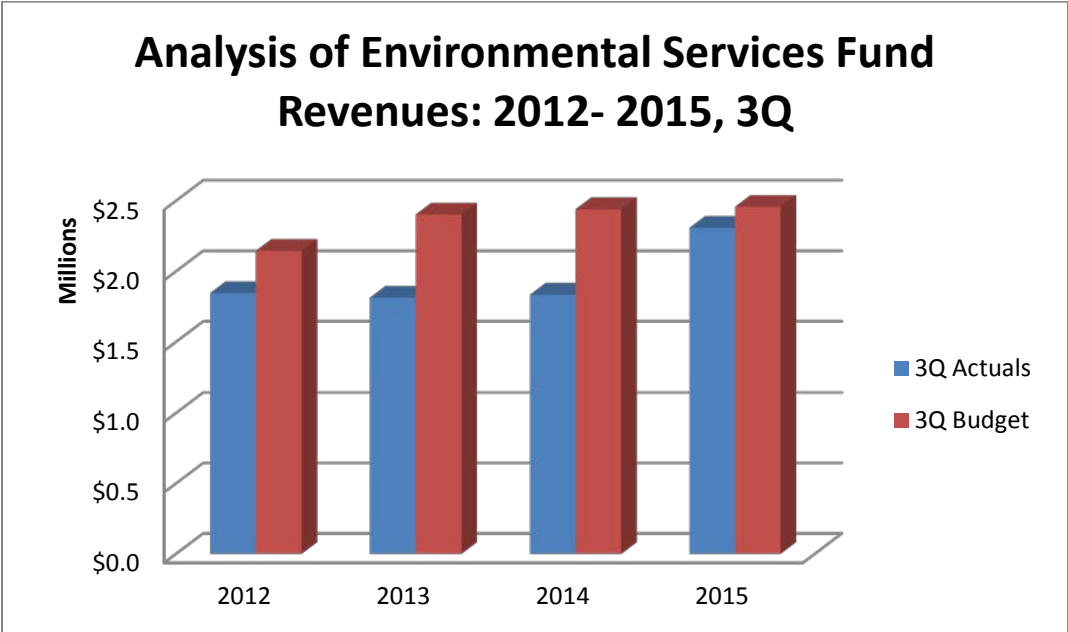


Figure 4-7: Analysis of Environmental Services Fund Revenues

**Environmental Services Fund Expenditures:**

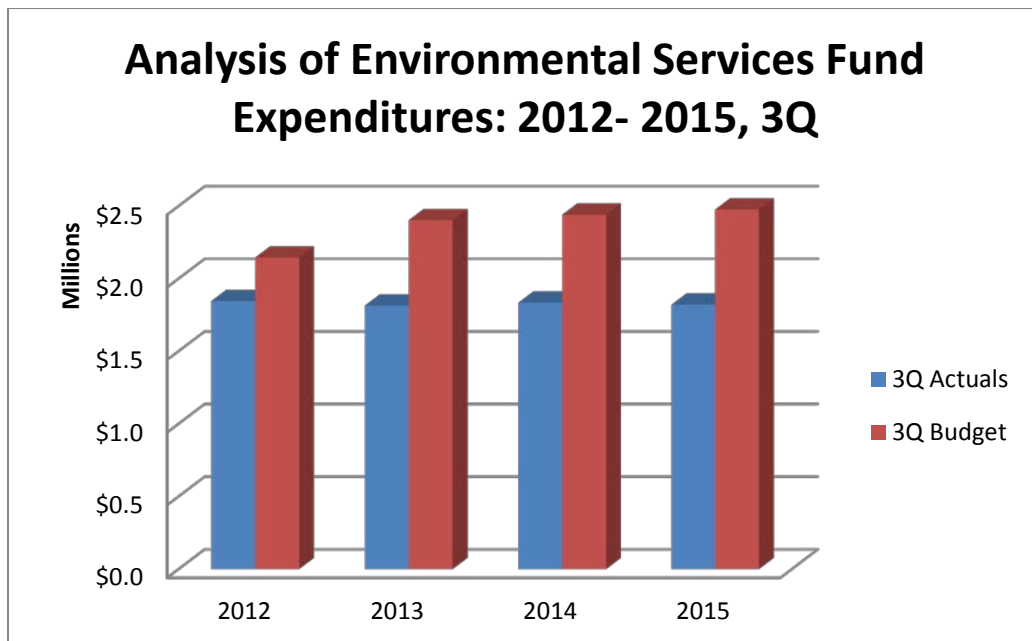
**Brief Description:** The Environmental Services Fund accounts for the Village’s solid waste removal and recycling programs. An enterprise fund, the costs are charged to users of the system via charges on their utility bill.

**Environmental Services Fund Expenditure Drivers:** The following are the drivers that impact Environmental Services Fund expenditures:

- Personnel costs
- Contractual costs of waste disposal

**2015 Third Quarter Rating: Green** 

**Comments:** Total expenditures for the Fund for are currently 26% below third quarter expenditure estimates, but are artificially understated until our General Contractual payments “catch-up” with previously provided services.



**Figure 4-8: Analysis of Environmental Services Fund Expenditures**