



# **Quarterly Financial Report 2012, 1<sup>st</sup> Quarter**

Finance Department  
April, 2012



















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## Section 1: 1st Quarter Financial Report Summary

The Quarterly Financial Report provides a summary analysis of the Village of Oak Park's key revenue and expenditure activity in relation to the Village's approved budget. This report covers revenue and expenditure activity through the first quarter of FY 2012. 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.

Overview	Rating	Comments
<b>General Fund Revenues</b>		<b>Green-</b> While specific revenues streams are down, total revenues are generally performing well.
Property Taxes		<b>Green-</b> Property taxes remain stable.
Liquor Taxes		<b>Green-</b> Taxes are yielding higher than budgeted projections.
Natural Gas Use Taxes		<b>Green-</b> Taxes are yielding higher than budgeted projections.
Sales Taxes		<b>Green-</b> Taxes are yielding higher than budgeted projections.
Real Estate Transfer Tax		<b>Yellow-</b> Taxes are consistent with budgeted projections, but remain uncertain.
Utility Taxes		<b>Green-</b> Taxes are consistent with budgeted projections
Licenses and Permits		<b>Yellow-</b> While revenues appear down, this may reflect a lag in reporting data.
Intergovernmental Revenues		<b>Green-</b> Revenues are yielding higher than budgeted projections.
Charges for Services		<b>Yellow-</b> Revenues are consistent with budgeted projections, but remain uncertain.
Fines		<b>Red-</b> Revenues are significantly below budgeted projections.
<b>General Fund Expenditures</b>		<b>Green-</b> Expenditures are currently below budgeted projections.
Personnel and Benefits		<b>Yellow-</b> Personnel and Benefits expenditures are currently below budgeted projections, largely due to current vacancies
Professional and Technical Services		<b>Green-</b> Expenditures are below projected expenditures.
Purchased Property Services		<b>Green-</b> Expenditures are slightly below projected expenditures.
Other Purchased Services		<b>Green-</b> Expenditures are below projected expenditures.
Supplies and Materials		<b>Yellow-</b> While expenditures are under budget, fuel expenditures remain volatile.
Real Property, CDBG and Other		<b>Green-</b> No significant comments




Overview	Rating	Comments
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<b>Water Fund</b>		
Water Fund Revenues		<b>Green-</b> 1 <sup>st</sup> Quarter collections are higher than the budgeted target
Water Fund Expenditures		<b>Green-</b> 1 <sup>st</sup> Quarter expenditures are below budget.
<b>Sewer Fund</b>		
Sewer Fund Revenues		<b>Green-</b> Revenues continue to keep pace with Water Fund collections.
Sewer Fund Expenditures		<b>Green-</b> 1 <sup>st</sup> Quarter expenditures are below budget.
<b>Parking Fund</b>		
Parking Fund Revenues		<b>Yellow-</b> Revenues are below 1 <sup>st</sup> Quarter projections.
Parking Fund Expenditures		<b>Green-</b> 1 <sup>st</sup> Quarter expenditures are below budget.
<b>Environmental Services</b>		
Environmental Services Revenue		<b>Green-</b> Revenues are statistically even with 1 <sup>st</sup> Quarter projections
Environmental Services Expenditures		<b>Green-</b> 1 <sup>st</sup> Quarter expenditures are below budget.

**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; significant concern regarding revenue or expenditure performance

**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: 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)

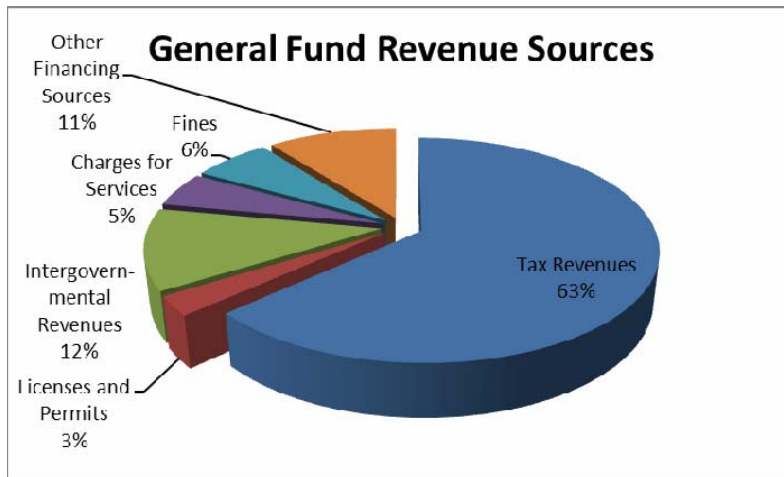


Figure 2-1: Proportion of General Fund Revenue Sources

First Quarter Performance Rating: Green ●

**General Comments:** In general, General Fund revenues are performing well. However, Licenses and Permits revenues, as well as Fines, are significantly down from budgeted projections. The issues related to these revenue streams will be discussed in further detail in their respective sections of the report.

While these revenue streams are currently not performing to expectations, other revenue streams, such as the TIF surplus distribution, which was laid out in the 2011 agreement passed by the Board, have yielded revenues significantly beyond initial projections. Local Sales Taxes are also performing beyond initial projections. Finally, the Village's share of State Income Taxes is performing significantly higher than initially expected. While General Fund revenues are performing well for the 1<sup>st</sup> quarter, we will continue to closely monitor and report on these revenues throughout the year.

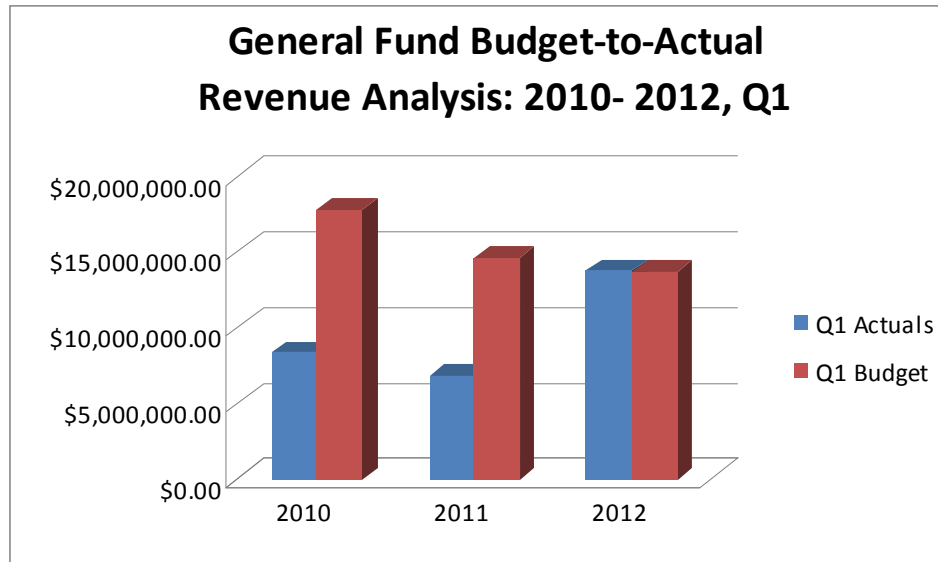


Figure 2-2: General Fund Budget-to-Actual Revenue Analysis

General Fund Revenues				
Description	YTD Actuals	YTD Budget	Variance Good/(Bad)	Variance %
Tax Revenues	\$11,228,565.63	\$10,731,766.84	496,798.79	4.6%
Licenses and Permits	\$212,809.87	\$411,726.81	(198,916.94)	-48.3%
Intergovernmental Revenues	\$1,169,384.54	\$934,967.38	234,417.16	25.1%
Charges for Services	\$640,612.81	\$666,662.50	(26,049.69)	-3.9%
Fines	\$495,921.72	\$928,730.99	(432,809.27)	-46.6%
Other Local Government	\$8,423.74	\$15,594.82	(7,171.08)	-46.0%
Other Financing Sources	\$0.00	\$0.00	0.00	0.0%

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

**First Quarter Performance Rating: Green** ●

**Comments:** By statute, the first installment of property taxes is 55% of the previous collections. Therefore, there is a high probability of a strong performance for property tax revenues. Overall, property tax is a more consistent revenue stream than other revenue streams. As illustrated below in Figure 2-4, Property Tax revenues are performing slightly above budgeted projections for the 1<sup>st</sup> Quarter, and are expected to end the year consistent with year-end estimates.

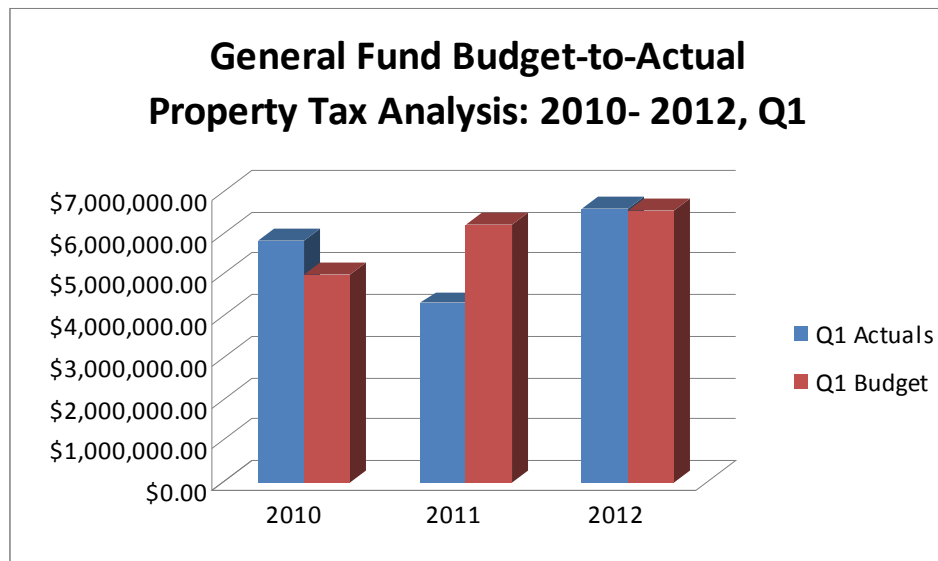


Figure 2-4: General Fund Budget-to-Actual Property Tax Analysis



## 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

**First Quarter Rating:** Green ●

**Comments:** While the liquor tax yield has been higher than initially estimated for the first quarter, we expect that revenue performance will even out throughout the year, and that revenues will end up at budgeted projections for the year.

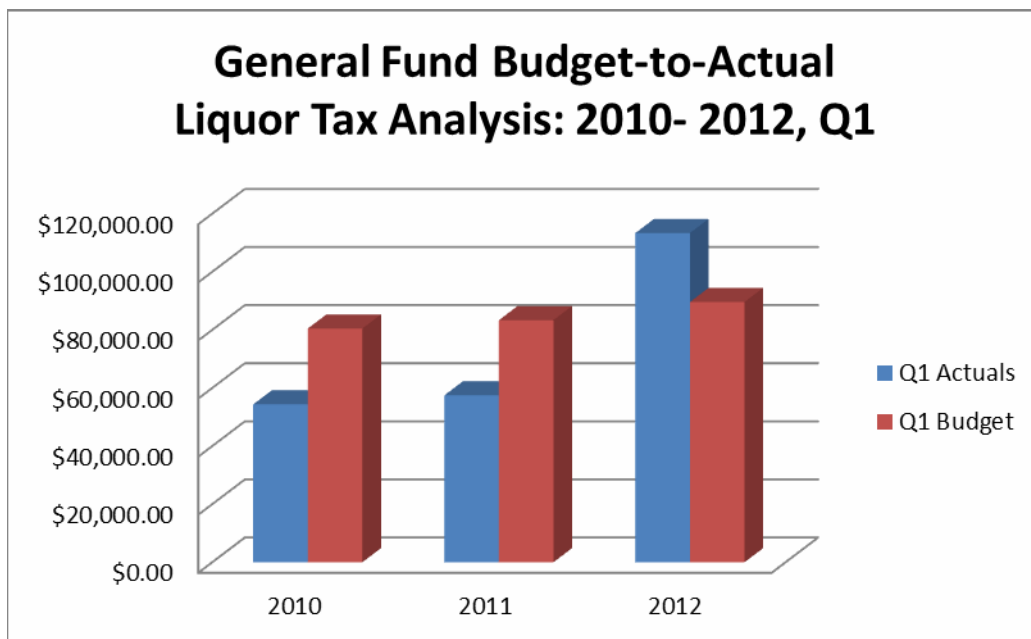


Figure 2-5: General Fund Budget-to-Actual Liquor Tax Analysis

## 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

**First Quarter Rating:** Green 

**Comments:** As illustrated below in Figure 2-6, revenue yield for the Natural Gas Use Tax is slightly above budgeted projections, and is projected to meet year-end budgeted projections.

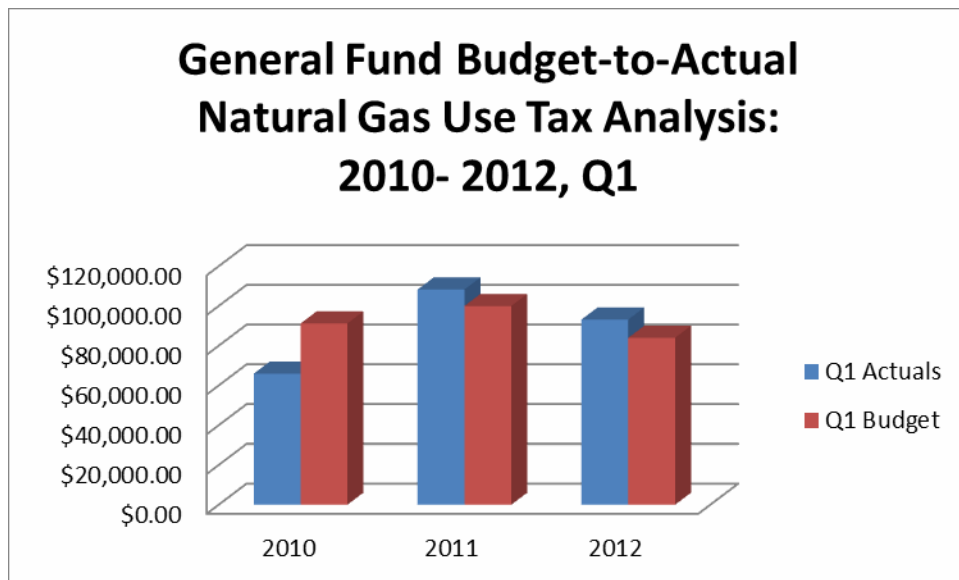


Figure 2-6: General Fund Budget-to-Actual Natural Gas Use Tax Analysis

## 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.

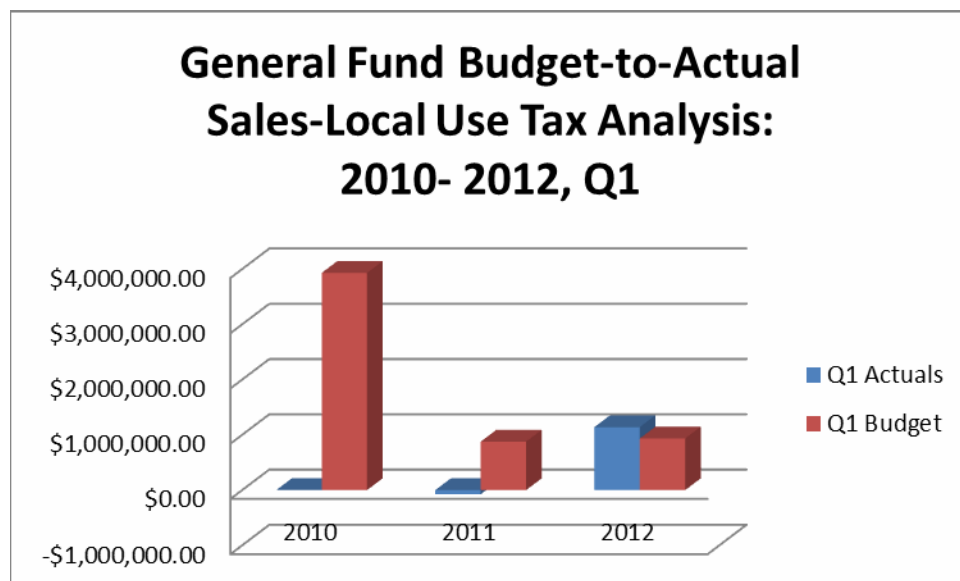
**Sales and Use Tax Revenue Drivers:** The following are the drivers that impact Sales and Use Tax revenue performance:

- Retail sales
- Retail establishments

**First Quarter Rating: Green** 

**Comments:** Historically, there has been a lag in Sales Tax yields, where current quarter actuals typically reflect the sales tax yield from the previous quarter. For the 2012 1<sup>st</sup> Quarter Report, the actual sales tax yield reflects tax proceeds from the close of FY 2011. Among the Village's tax revenue streams, Sales Tax is the only revenue stream that experiences this significant of a lag.

As illustrated below in Figure 2-7, Sales tax revenues for the 4<sup>th</sup> Quarter of 2011 have performed 22% above our budgeted revenue estimate for 1<sup>st</sup> Quarter of 2012. We will continue to actively monitor this revenue stream to identify any significant changes throughout the year.



**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

**First Quarter Rating:** Yellow 

**Comments:** While we are generally yielding Real Estate Transfer Tax revenues at budgeted projections, as illustrated below in Figure 2-8, the uncertainty of the current economic environment causes this revenue stream to be highly volatile. We will continue to actively monitor this revenue stream throughout the year to identify any fluctuations that may adversely impact revenue performance.

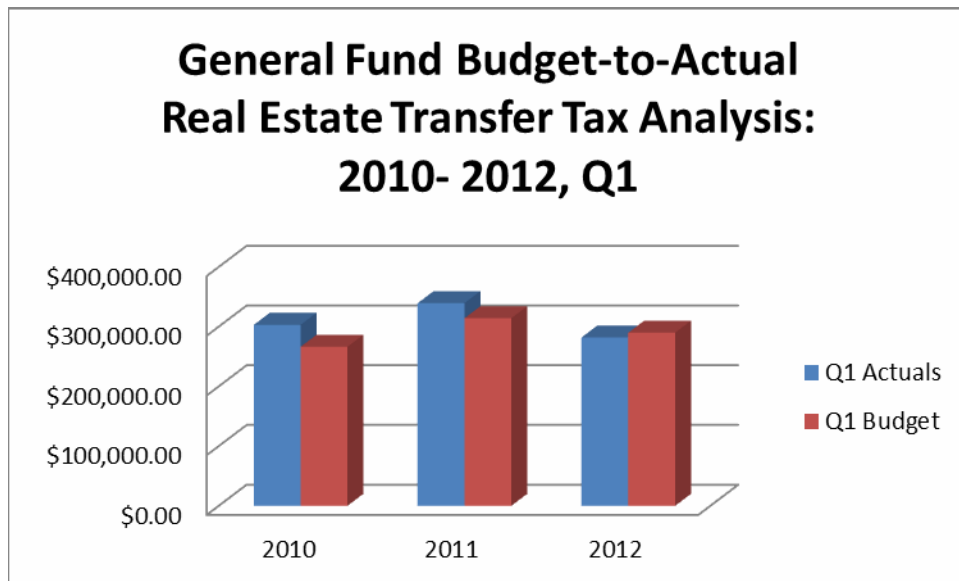


Figure 2-8: General Fund Budget-to-Actual Real Estate Transfer Tax Analysis

## Utility Tax Revenues

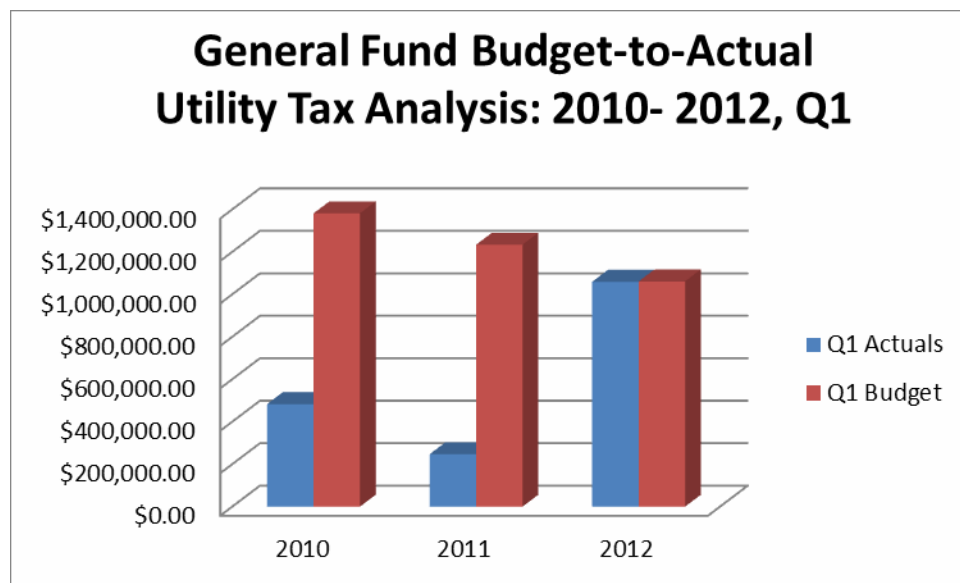
**Brief Description:** The Utility Tax is composed of two taxes: the Electricity Tax and the Natural Gas Tax. Both taxes are assessed based upon user consumption within the Village. The Electricity Tax is based on the number of kilowatt hours (kwh) consumed. The actual rate varies from a low of \$0.00202/kwh 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

**First Quarter Rating:** Green 

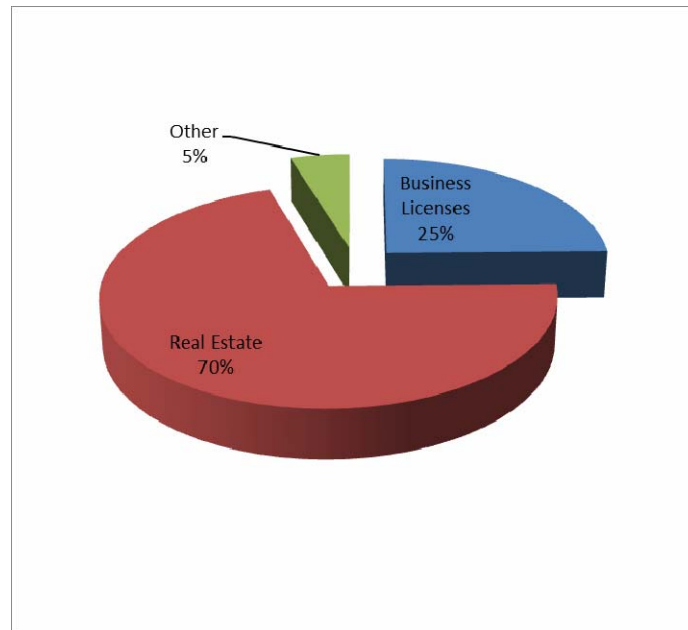
**Comments:** We are currently generating Utility tax revenues in a manner that is consistent with our budgeted projections for the first quarter. This consistency is a reflection of the stabilization of the natural gas and electricity markets, relative to previous periods. While we expect that year-end Utility tax revenue yields will perform consistent with our budgeted projections for the year, we will continue to monitor this revenue stream throughout the year.



**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

**2012 First Quarter Rating: Yellow** ●

**Comments:** As illustrated in Figure 2-11 below, revenues from licenses and permits appear to be below budgeted estimates for the first quarter of the year. However, there are no known issues that would suggest that licensing and permitting activities are occurring below expectations. This under-performance may reflect a lag or delay in licensing and permitting data for the first quarter. We are currently working with department staff to validate the accuracy of the current performance data, and will update this report as information as needed.

### General Fund Budget-to-Actual Licenses and Permits Analysis: 2010- 2012, Q1

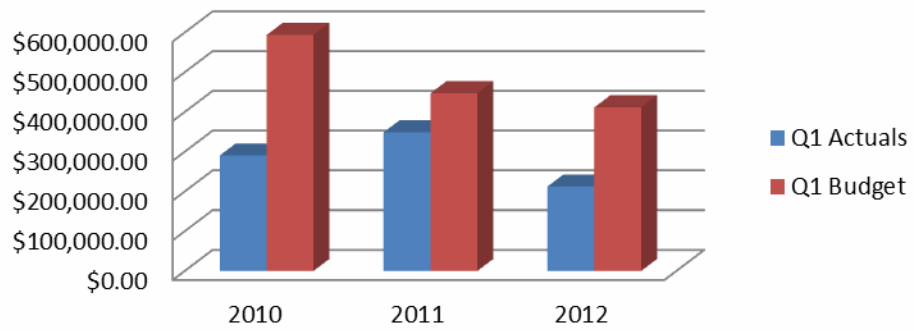


Figure 2-11: General Fund Budget-to-Actual Analysis of Licenses and Permits

# 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

2012 First Quarter Rating: Green 

**Comments:** As illustrated below in Figure 2-12, our current yield from intergovernmental revenues is 25% higher than our budgeted projections for the first quarter. We will continue to monitor this revenue stream throughout the year.

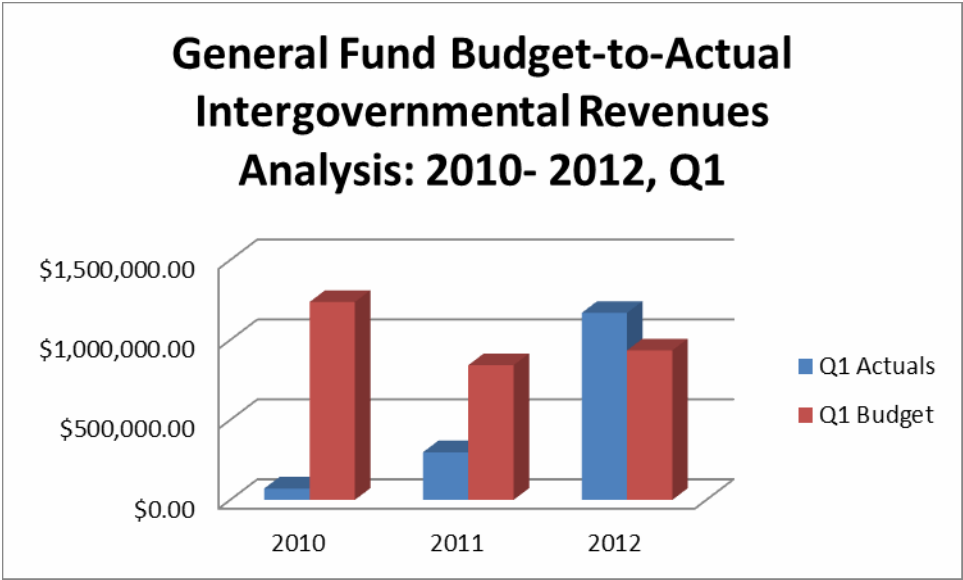


Figure 2-12: General Fund Budget-to-Actual Intergovernmental Revenues Analysis



## 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.

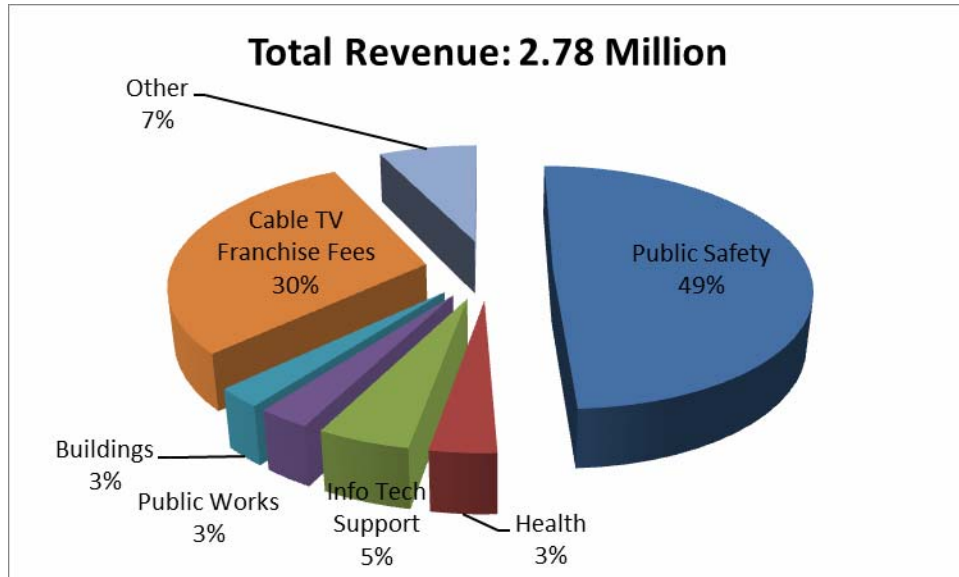


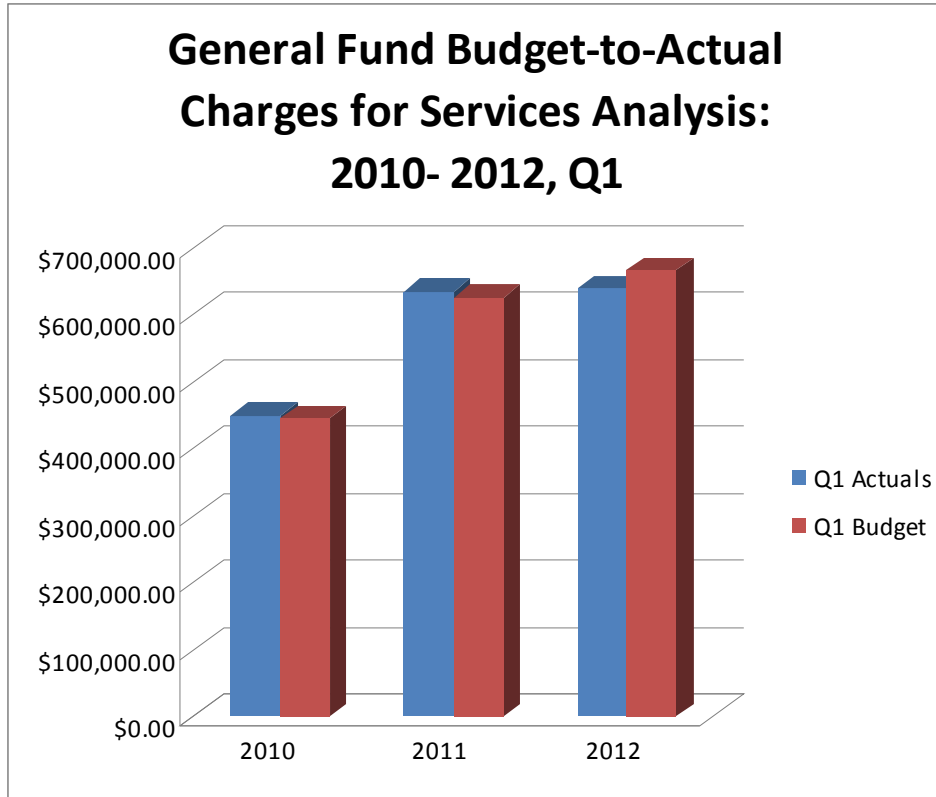
Figure 2-13: Types and Proportion of Licenses and Permits

**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

2012 First Quarter Rating: Yellow 

**Comments:** With some exceptions, the Charges for Services revenue group is a large and diverse portfolio of service areas, in which revenue estimates can be difficult to estimate. Despite this, our yield from this revenue group is generally consistent with our budgeted projections for the first quarter of FY 2012. We will continue to actively monitor this revenue group throughout the year to proactively identify any issues that may impact performance.



**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

**2012 First Quarter Rating: Red** ●

**Comments:** As illustrated in the figure below, 1<sup>st</sup> quarter yields from parking fines are 46% below projected estimates. The current performance for this revenue stream reflects a concerning trend. Since 2007, the Village has experienced a consistent reduction in the issuance of parking citations. This reduction, and the associated reduction in fines, has had significantly adverse impacts on the general fund.

As summarized above, there are a number of internal (within our control) and external (beyond our control) drivers that impact parking enforcement. We are working with Village staff to better understand the impacts of these drivers, so that we may identify and address any issues that may contribute to declining citations. Also, to address this revenue gap, staff is meeting internally to consider mitigation options.

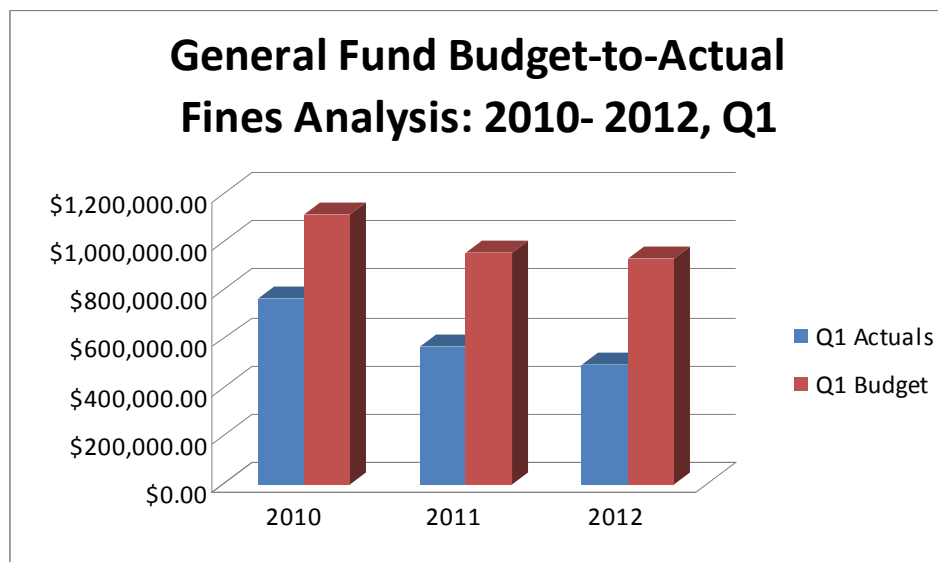



Figure 2-15: General Fund Budget-to-Actual Fines Analysis

## Section 3: 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.

**First Quarter Performance Rating: Green** 

**General Comments:** We have currently spent approximately \$7.8 Million or 14% of our budgeted appropriation through the first quarter of FY 2012. However, it has historically been difficult to project the monthly flow of certain expenses. For example, there is currently an under-expenditure of \$451K for External Support expenditures, which could increase significantly, depending on the actual need for such resources. As such, we will continue to actively monitor these expense areas to proactively identify issues that may adversely impact the budget.

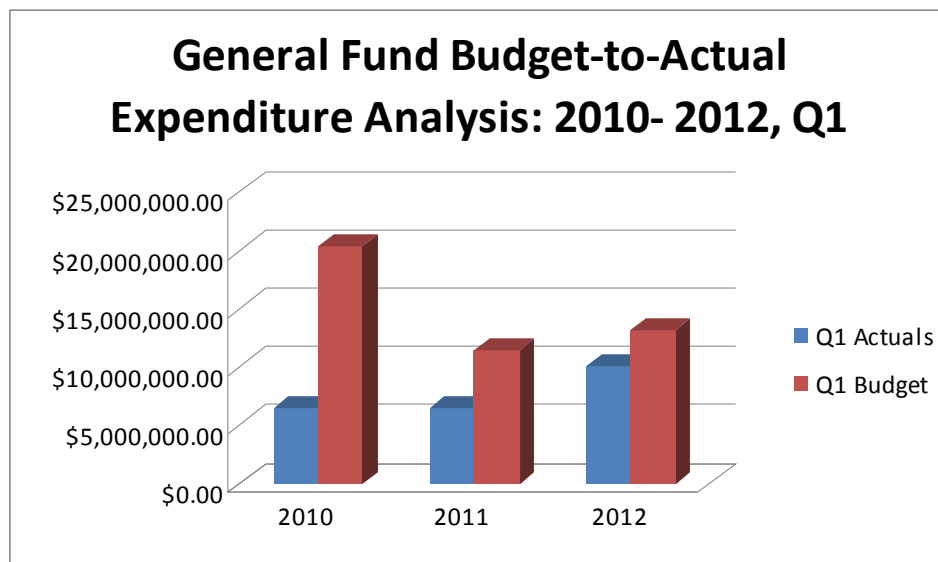


Figure 3-1: General Fund Budget-to-Actual Expenditure Analysis

<b>General Fund Expenditures</b>				
<b>Description</b>	<b>YTD Actuals</b>	<b>YTD Budget</b>	<b>Variance Good/(Bad)</b>	<b>Variance %</b>
Personnel and Benefits	\$8,763,726.11	\$10,152,094.15	\$1,388,368.04	13.7%
Professional and Technical	\$618,219.62	\$1,084,321.33	\$466,101.71	43.0%
Purchased Property Services	\$142,570.72	\$189,000.05	\$46,429.33	24.6%
Other Purchased Services	\$192,218.16	\$343,828.53	\$151,610.37	44.1%
Supplies and Materials	\$313,224.82	\$524,212.98	\$210,988.16	40.2%
Real Property, CDBG & Other	\$27,334.62	\$3,027.52	(\$24,307.10)	-802.9%


**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

**2012 1<sup>st</sup> Quarter Performance Rating: Yellow** 

**Comments:** Our expenditures for combined wages and benefits are currently 9% below budgeted projections. Outstanding vacancies account for the largest component of this under-expenditure. A list of current vacancies will be provided under separate cover.

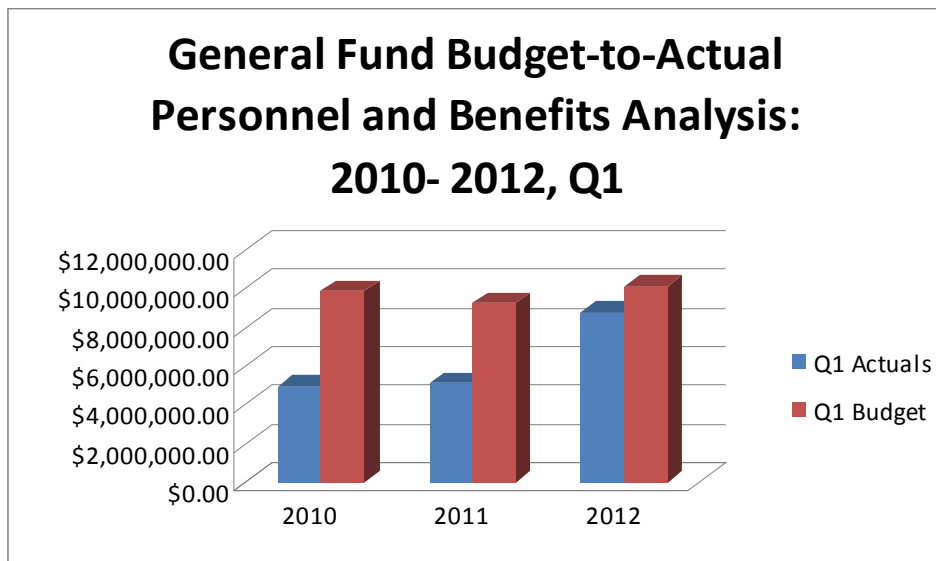


Figure 3-3: General Fund Budget-to-Actual Personnel and Benefits Analysis

## 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

**2012 1<sup>st</sup> Quarter Performance Rating: Green** ●

**Comments:** While some of the services within this expenditure area, such as annual audit services, payroll processing and banking services fees, are relatively fixed and recurring, others services activities, such as Time and Attendance system implementation services, have a high degree of fluidity. It can sometimes be difficult to make accurate expenditure projections for those services that are more fluid.

Currently, Professional and Technical Services expenditures for the first quarter are 43% below projected expenditures. While this is significantly below projected estimates, given the fluid nature of this expenditure area, we are projecting year-end expenditures to be consistent with budgeted projections.

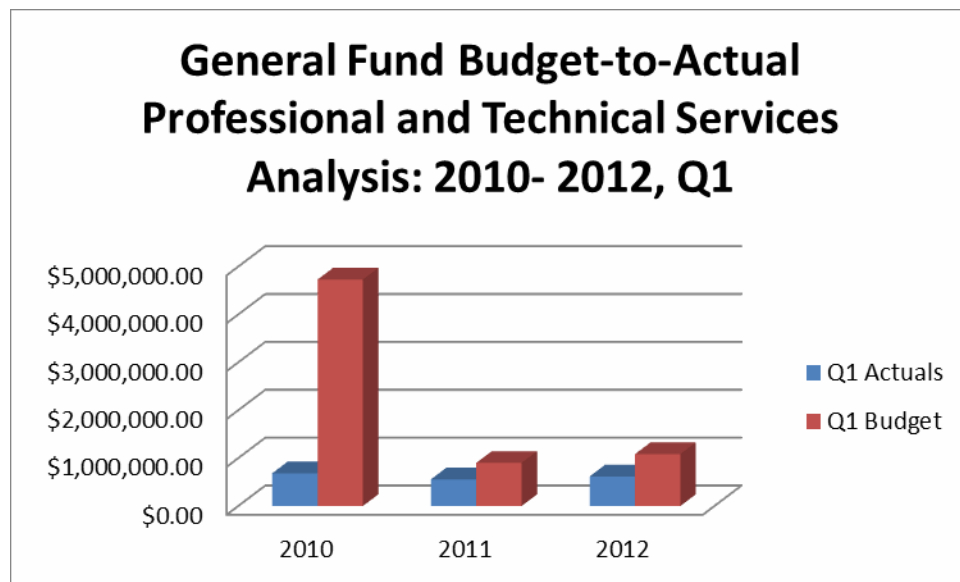



Figure 3-4: General Fund Budget-to-Actual Professional and Technical Services Analysis

## Purchased Property Services

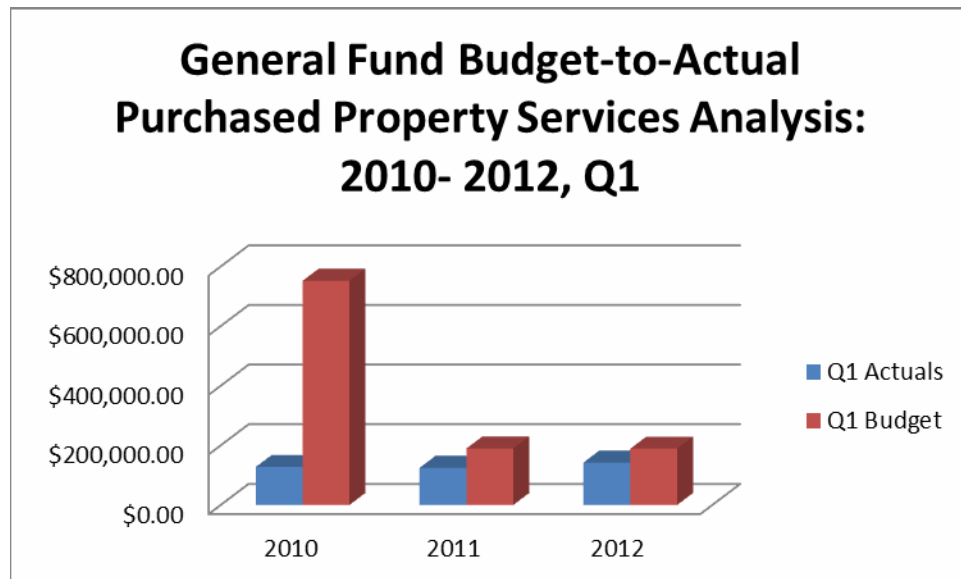
**Brief Description:** Purchased Property Service expenditures are expenditures related to: a) maintaining support for Village buildings and facilities; and b) providing emergency services to properties within the Village for the safety of Village residents. These activities include: the purchase of 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

**2012 1<sup>st</sup> Quarter Performance Rating: Green** 

**Comments:** Currently, expenditures within the Purchased Property Services expenditure area slightly below budgeted estimates.



**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

**2012 1<sup>st</sup> Quarter Performance Rating: Green** ●

**Comments:** First quarter expenditures within the Other Purchased Services expenditure area are 44% below projected expenditures for this period. While expenditures are significantly low for the current quarter, we expect that expenditures will gain pace with projected expenditures and will end the year at budgeted levels.

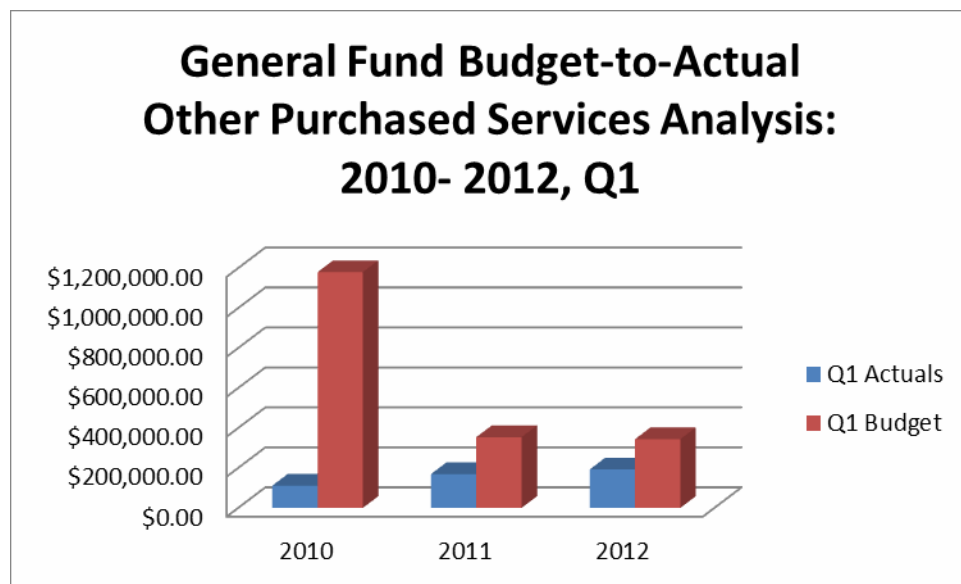



Figure 3-6: General Fund Budget-to-Actual Other Purchased Services Analysis

## 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

**2012 1<sup>st</sup> Quarter Performance Rating: Yellow** 

**Comments:** Total expenditures for the 1<sup>st</sup> quarter within the Supplies and Materials expenditure area are 40% under budget. While expenditures within this area are significantly below initial projections, fuel expenditures, which are tracked within this expenditure area, remain volatile. Significant changes in the cost of fuel can have broad impacts to this expenditure area. As such, we will continue to actively monitor this expenditure area.

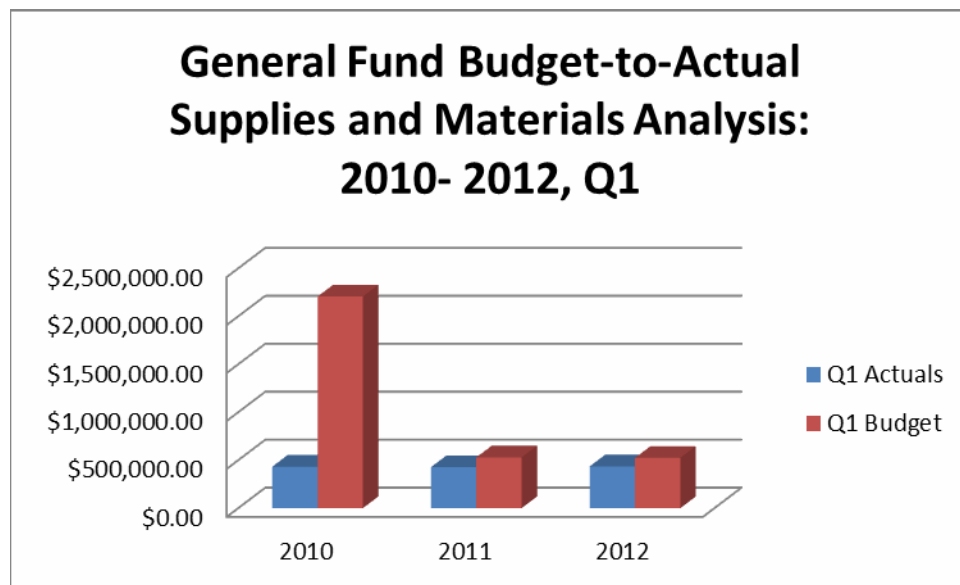


Figure 3-7: General Fund Budget-to-Actual Supplies and Materials Analysis


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

### Brief Description:

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

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

2012 1<sup>st</sup> Quarter Performance Rating: Green 

**Comments:** No comments at this time

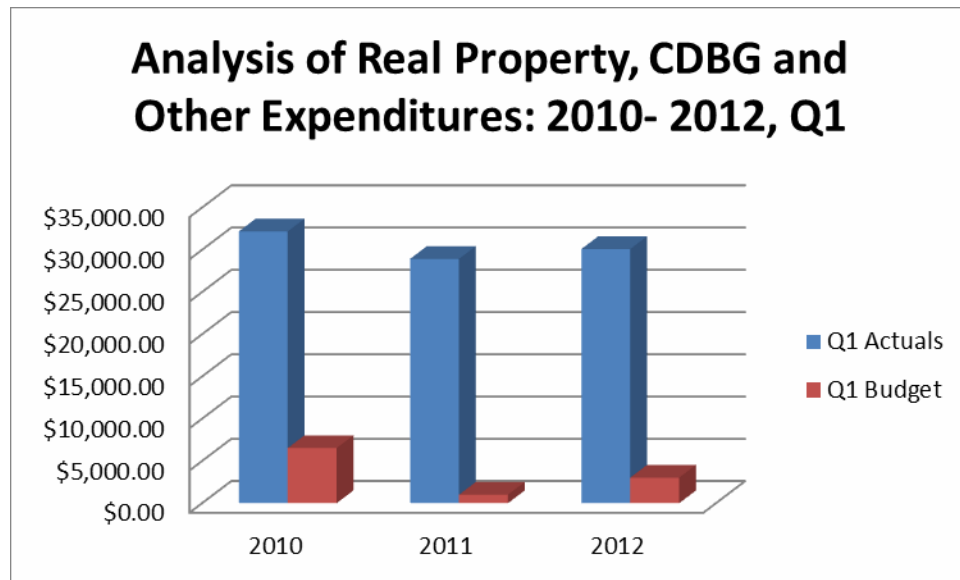


Figure 3-8: Analysis of Real Property, CDBG and Other Expenditures

## **Section 4: Enterprise Funds**

**Brief Description:** This section provides 1<sup>st</sup> Quarter Report summaries for the following Enterprise Funds:

- **Water Fund**
- **Sewer Fund**
- **Parking Fund**
- **Environmental Services Fund**

## Water Fund

### Water Fund Revenues

**Brief 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.

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

- Cost of water purchased from the City of Chicago
- Amount of gallons used by customers

**2012 1<sup>st</sup> Quarter Revenue Performance Rating: Green** 

**Comments:** The Village raised water rates in 2012 by 16% to compensate for Chicago's 25% increase. Year-to-date, collections are 11-percent higher than the budgeted target. Staff will continue to monitor collections to see if this trend continues into the 2<sup>nd</sup> quarter. At the time the City of Chicago increased its rates, the City locked in 15-percent rate increases for the next three years. Assuming that these rate increases hold, the Village will be required to increase its rates accordingly.

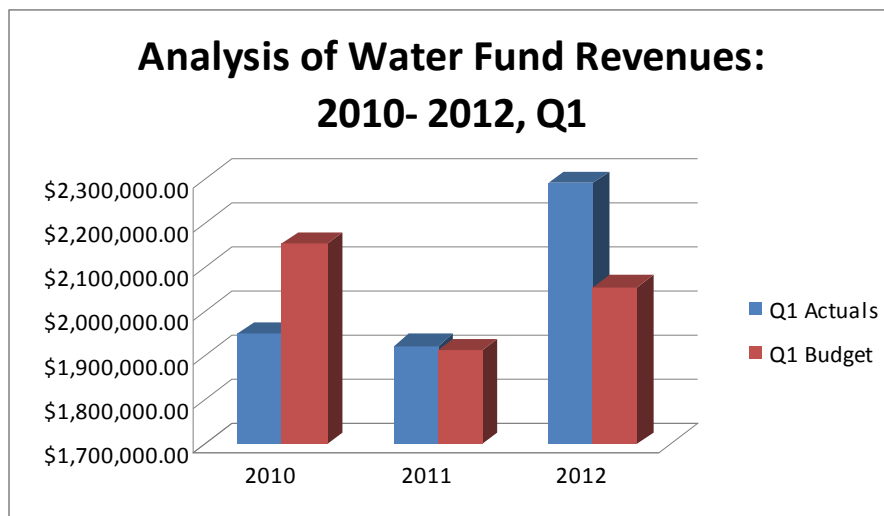


Figure 4-1: Analysis of Water Fund Revenues

### Water Fund Expenditures:

**Brief Description:** 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.

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

- Cost of water
- Personnel costs
- Outside contractor costs
- Bill-to-pump ratio

2012 1<sup>st</sup> Quarter Expenditure Performance Rating: Green 

**Comments:** Total expenditures for the Water Fund are 35-percent below budget for the 1<sup>st</sup> quarter. This is exclusively due to delays, relative to budget projections, of the payment for planned capital work. It is expected that these costs will occur later in the year, and that these expenditures will consume this 1<sup>st</sup> quarter salvage.

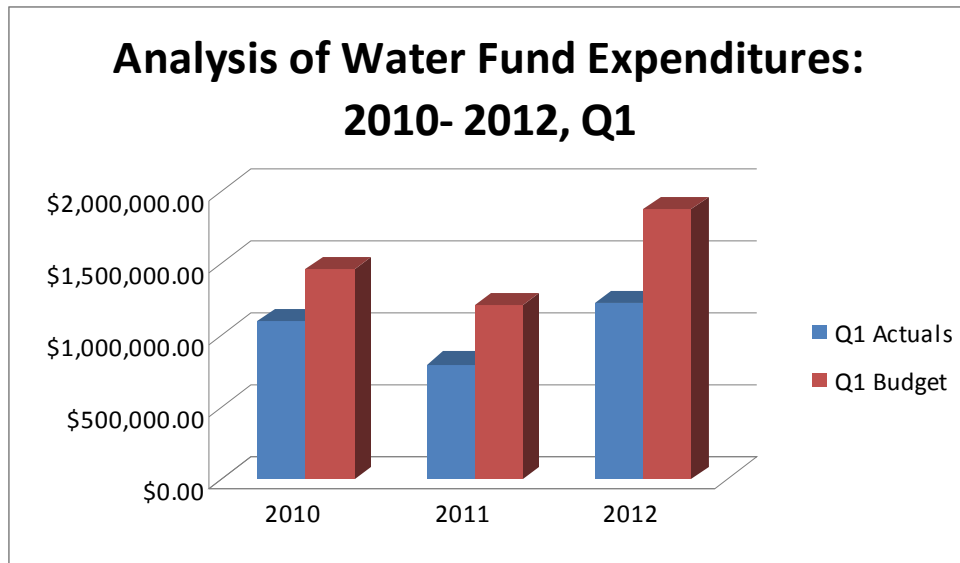


Figure 4-2: Analysis of Water Fund Expenditures

## Sewer Fund

### Sewer Fund Revenues

**Brief 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.

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

- Sewer charges imposed by local ordinance
- Amount of gallons used by customers

**2012 1<sup>st</sup> Quarter Revenue Performance Rating: Green** 

**Comments:** Although year-to-date collections are down from budgeted targets, revenues have generally kept pace with the Water Fund collections, which are on target. Staff is reviewing data to clarify.

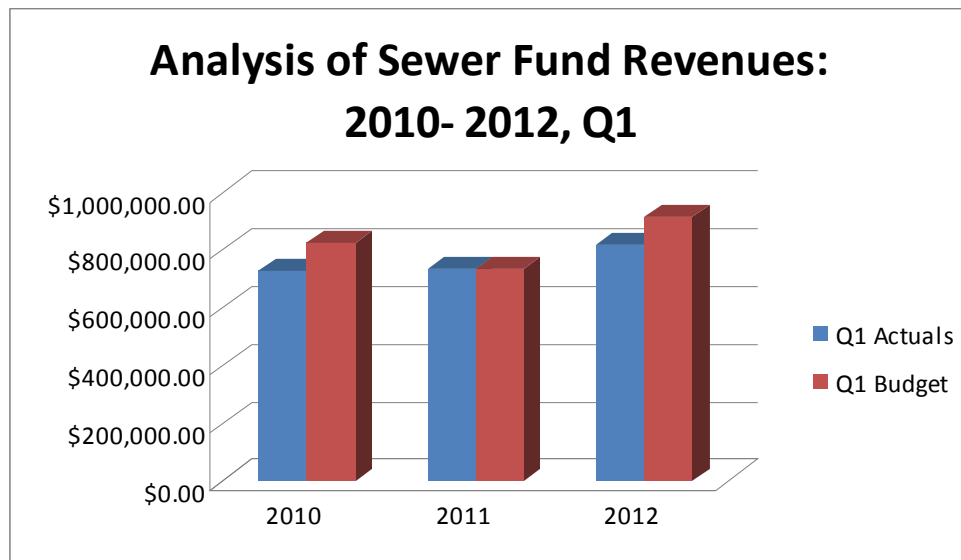


Figure 4-3: Analysis of Sewer Fund Revenues

### Sewer Fund Expenditures:

**Brief Description:** 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.

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

- Capital requirements

- Personnel costs
- Outside contractor costs

2012 1<sup>st</sup> Quarter Expenditure Performance Rating: Green 

**Comments:** Total expenditures for the Fund are 54-percent below budget for the 1<sup>st</sup> quarter. This is exclusively due to delays, relative to budget projections, of payment for planned capital work. It is expected that these costs will occur later in the year and that they will consume this 1<sup>st</sup> quarter salvage.

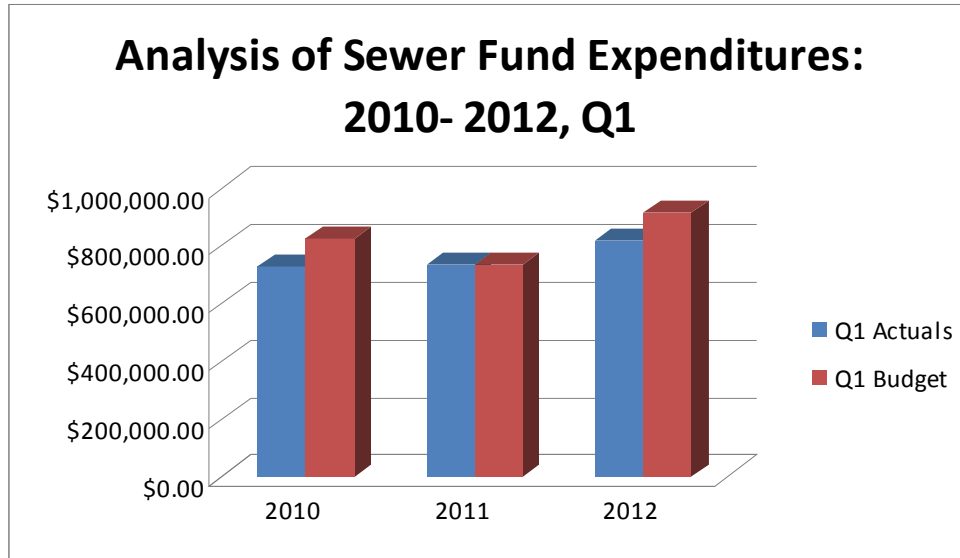


Figure 4-4: Analysis of Sewer Fund Expenditures



## 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 impact Parking Fund revenues:

- Parking rates
- Volume of parkers

**2012 1<sup>st</sup> Quarter Revenue Performance Rating: Yellow** 

**Comments:** Revenues are 3-percent below projects for the 1<sup>st</sup> quarter. At the moment, there is no evidence to suggest this is a long-term trend. Staff will continue to monitor for any further information

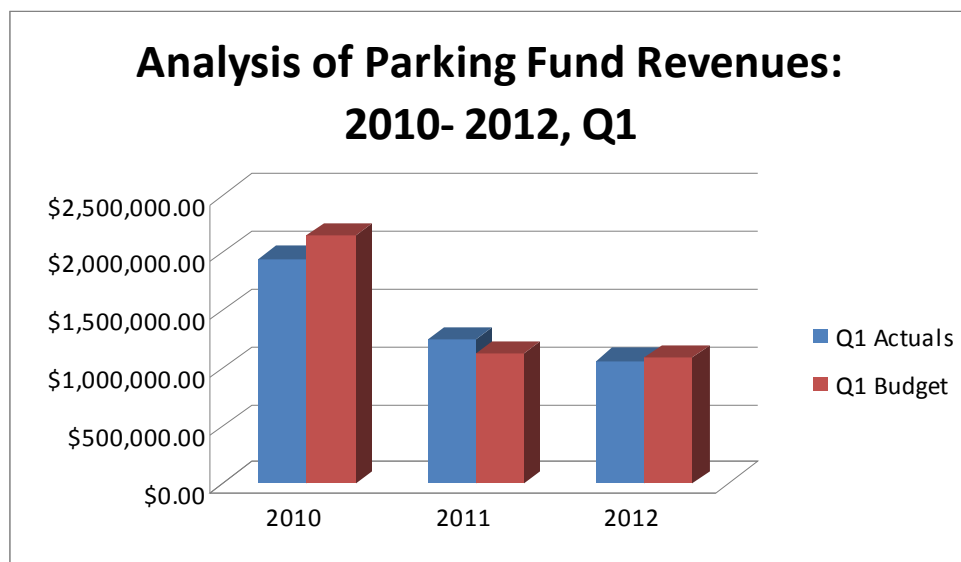


Figure 4-5: Analysis of Parking Fund Revenues

### 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.

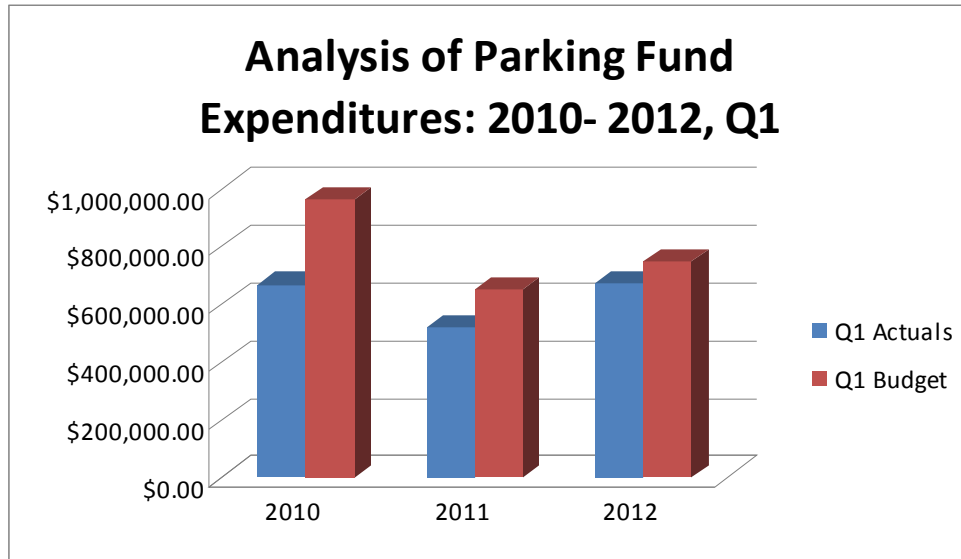
The Village provides for staff to directly service the public to comply with the overnight parking ban and other relevant restrictions. Further, this Fund accounts for the maintenance and repair of parking meters, lots and garages.

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

- Personnel costs
- Capital costs

**2012 1<sup>st</sup> Quarter Expenditure Performance Rating: Green** 

**Comments:** Total expenditures for the Fund are 11-percent below budget for the 1<sup>st</sup> quarter. There is no evidence to suggest that expenses will remain below budget to this degree throughout the year.



**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

**2012 1<sup>st</sup> Quarter Revenue Performance Rating: Green** ●

**Comments:** Revenues are statistically even with projections for the 1<sup>st</sup> quarter.

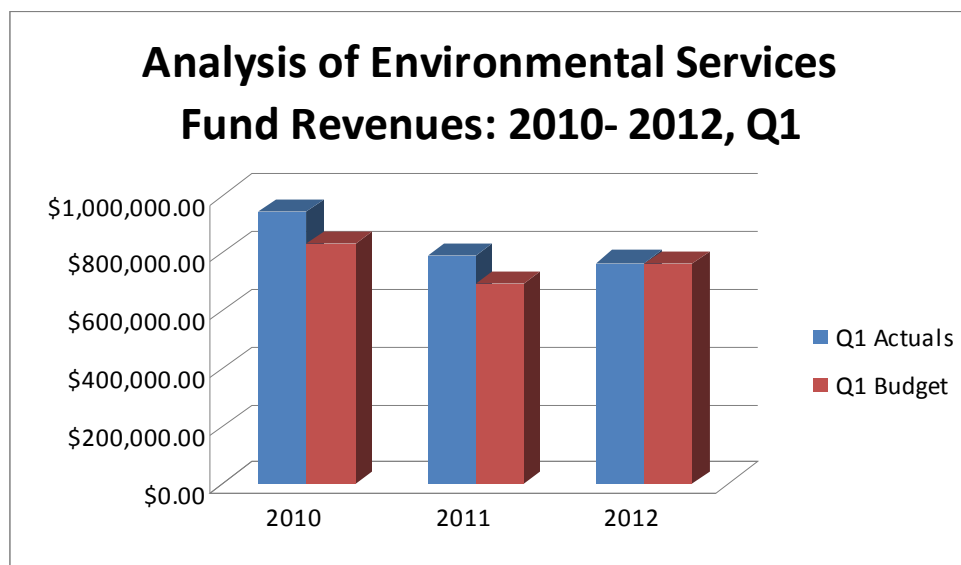


Figure 4-7: Analysis of Environmental Services Fund Revenues

### Environmental Services Fund Expenditures:

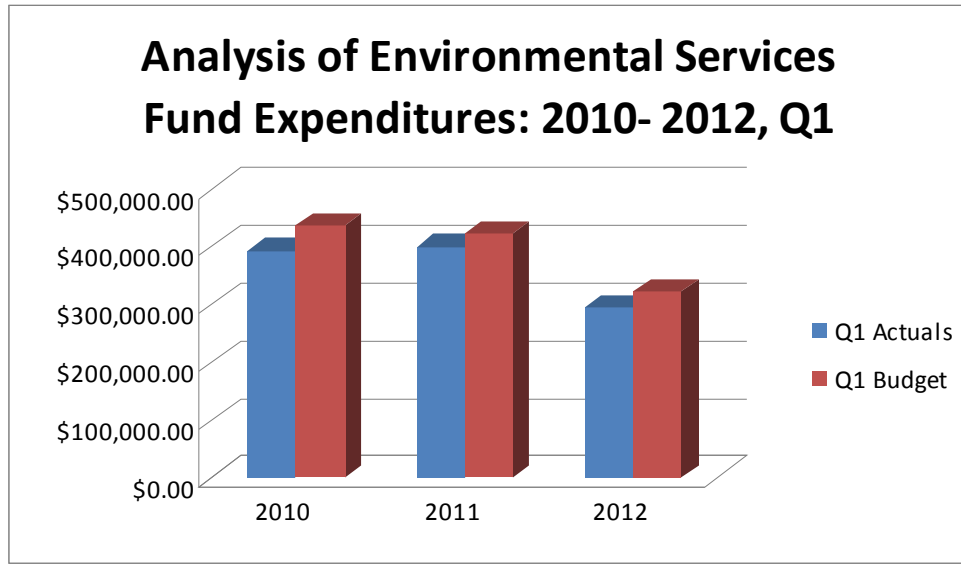
**Brief Description:** The Environmental Services Fund accounts for the Village’s solid waste removal and recycling programs. An enterprise fund, the costs are charged to users of the system via charges on their utility bill.

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

- Personnel costs
- Contractual costs of waste disposal

**2012 1<sup>st</sup> Quarter Expenditure Performance Rating: Green** ●

**Comments:** Total expenditures for the Fund are 8-percent below budget for the 1<sup>st</sup> quarter. There is no evidence to suggest that expenses will remain below budget to this degree throughout the year.



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