



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

**Unaudited Quarterly Finance and Performance Report**

**October 1, 2016-December 31, 2016**

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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 2016 Fourth Quarter (Oct-Dec 2016) Financial Report Summary



## Section 2: 4th 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 fourth quarter of FY 2016. 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 4Q revenues versus projected, when adjusting for a minor amount of revenue phasing, are ~4.7% ahead of budgeted projections – when discounted for an unbudgeted \$2.25MM in Property Sales, however, they will finish 0.7% above expectations.
Property Taxes		<b>Green</b> - Property tax revenue yield is on par with expected receipts.
Liquor Taxes		<b>Green</b> – Liquor Taxes finished exactly at budget.
Natural Gas Use Taxes		<b>Green</b> – Taxes are within 6K of budget.
Sales Taxes		<b>Green</b> – When adjusted for two months of revenue phasing, revenues will finish 6% ahead of FY 2016 estimates.
Real Estate Transfer Tax		<b>Green</b> - Taxes are a robust 32% (950K) in excess of budgeted expectations for the year.
Utility Taxes		<b>Yellow</b> - Tax revenues are ~15% (580K) below projections at year's end.
Licenses and Permits		<b>Red</b> - Revenue proceeds, driven by low Building Permit revenues, are significantly (31%) below budgeted estimates.
Intergovernmental Revenues		<b>Green</b> - Revenue is currently within 3% of budgeted projections.
Charges for Services		<b>Green</b> – Revenues will finish 17% (499K) above projected revenue estimates.
Fines		<b>Red</b> - Revenues are significantly (30%) below budgeted projections, mostly attributable to lower Parking Fines Fees.
<u>General Fund Expenditures</u>		<b>Green</b> - Year-end expenditures are 5.9% below budgeted estimates, including increased Fire and Police pension expenses.
Personnel and Benefits		<b>Green</b> – Personnel and benefit expenses are marginally (1%) below budgeted estimates.

Professional and Technical Services		<b>Green</b> - Expenditures finished 25% below projected expenditures.
Purchased Property Services		<b>Green</b> - Expenditures are well below (279K) projected expenditures.
Other Purchased Services		<b>Green</b> - Expenditures are significantly below (279K) projected expenditures.
Supplies and Materials		<b>Green</b> - Expenditures are significantly (36%) below projected expenditures.
Real Property, CDBG and Other		<b>Green</b> - Annual expenditures are relatively small and within a reasonable threshold of performance.



## Water and Sewer Fund

Water and Sewer Fund Revenue		<b>Green</b> - 4Q revenues are estimated to be within 1% of budget when accounting for the phasing of revenue receipts.
Water and Sewer Fund Expenditures		<b>Green</b> - 4Q expenditures are ~19% below budget, when accounting for capital project expenses not yet realized. Holding this line item constant, expenses would have exceeded budget by 3.4%.

## Parking Fund

Parking Fund Revenue		<b>Green</b> - 4Q Revenues are marginally (5%) higher than budgeted projections for 2016 YE.
Parking Fund Expenditures		<b>Green</b> - 4Q budgeted expenditures (adjusted for Building Improvements) finished 10% below budgeted expenditures.





## Environmental Services Fund

Environmental Services Revenue		<b>Green</b> - 4Q revenues are about 2% below budgeted projections when considering phasing of Refuse Collection Fees.
Environmental Services Expenditures		<b>Green</b> - 4Q expenditures are running 3% under budget. When considering increased Inter-fund Transfers, the amount under budget would have been ~21% less than budgeted.

**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 to 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 of 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)

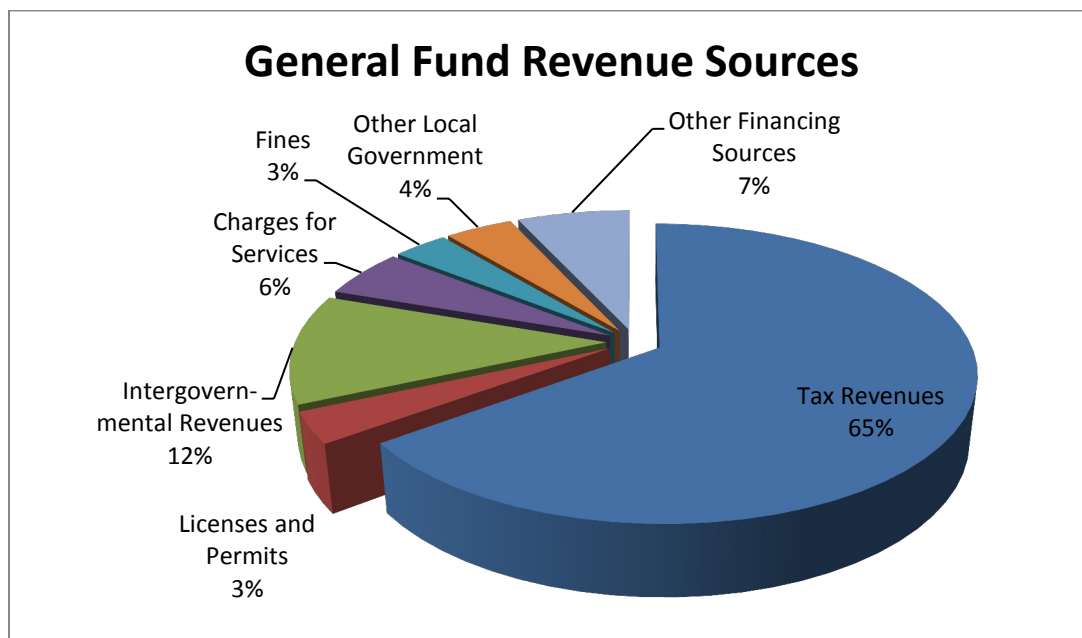


Figure 2-1: Proportion of General Fund Revenue Sources (2016 YE)

2016 Fourth Quarter Rating: Green 

**General Comments:** FY 2016 General Fund revenues, excluding a relatively insignificant amount of revenues not yet received but attributable to 2016, performed marginally above expectation and are expected to finish nearly \$2.63MM ahead of expectations, or 4.7% in excess of budget. However, total revenue is skewed by \$2.25MM for unbudgeted 'Gain on Sale of Property' proceeds primarily pursuant to the sale of properties at 708 Lake Street (\$1.8MM) and 2-10 Chicago Avenue (400K). Without this one time revenue, year-end revenues would have been a more modest 0.7% ahead of budget. Tax proceeds, which comprise almost two-thirds of the Village's General Fund revenue

proceeds, are on target with budget. The Village, in 2016, experienced slightly lower than expected proceeds within the Fines, Licenses & Permits, and Intergovernmental line items, while exceeding expectations for Charges for Services.

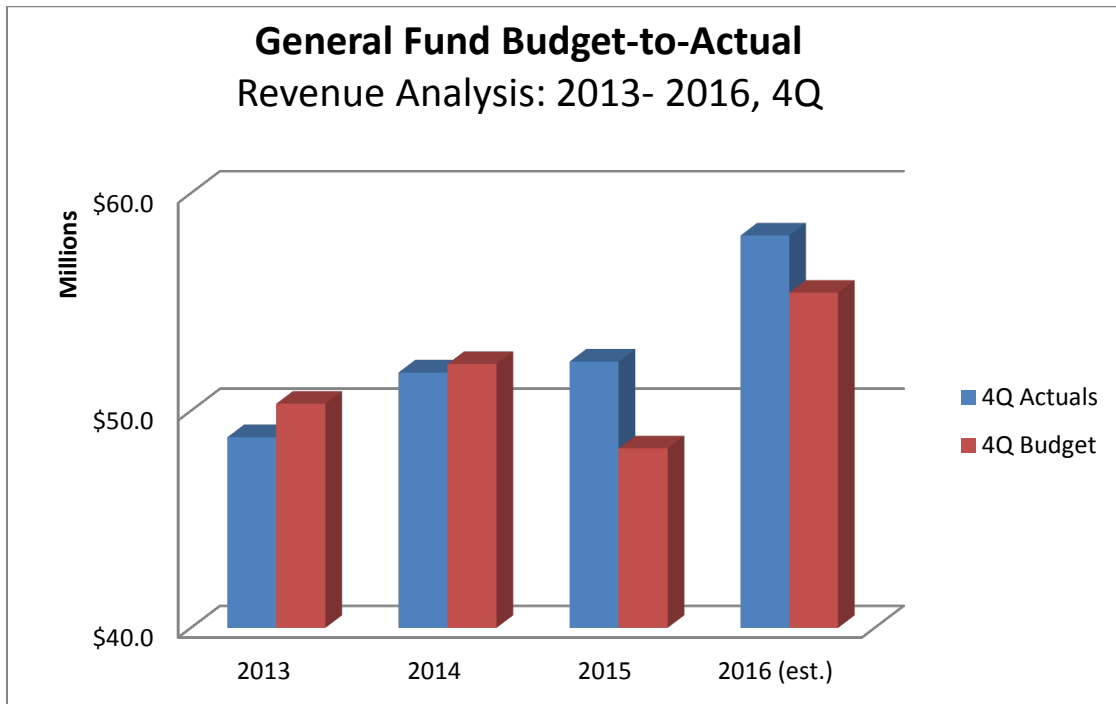


Figure 2-2: General Fund Budget-to-Actual Revenue Analysis

Description	YTD Income	Percentage
Tax Revenues	\$3,736,246	65.0%
Licenses and Permits	\$1,904,754	3.3%
Intergovernmental Revenues	\$6,913,629	11.9%
Charges for Services	\$3,441,538	5.9%
Fines	\$1,885,931	3.3%
Other Local Government	\$2,232,304	4.0%
Other Financing Sources	\$3,850,004	6.6%

**\$58,054,406                      100%**

Table 2-3: Summary of General Fund Revenue Streams



# Property Tax Revenues

**Brief Description:** Property tax revenues are the proceeds that the Village levies or assesses on residential and commercial properties within the Village. Each year, the Village Board adopts a specific amount needed from the property tax to be used for funding operations, debt service, and the Police and Fire Pension funds. In order to account for unpaid property taxes, the County further increases the Village levy by an additional 3% (slightly more for the debt service levy) to account for any potential loss in collections and or large appeals. In typical years, the Village will collect 98-100% of the amount levied by the County, including the additional 3%.

**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

**2016 Fourth Quarter Rating:** Green 

**Comments:** As illustrated below in Figure 2-4, property tax yields for 2016 YE were slightly ahead of the year-end projection of \$13.662MM. We consider this outcome as reasonable and consistent with the manner in which tax revenues are realized by the Village.

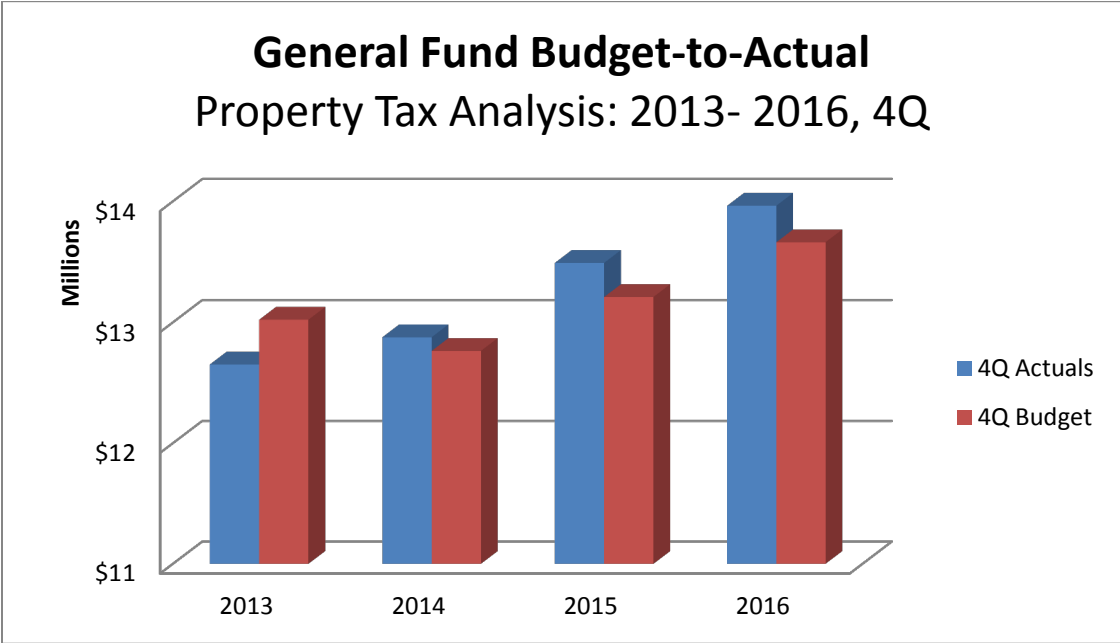


Figure 2-4: General Fund Budget-to-Actual Property Tax Analysis

# Liquor Tax Revenues

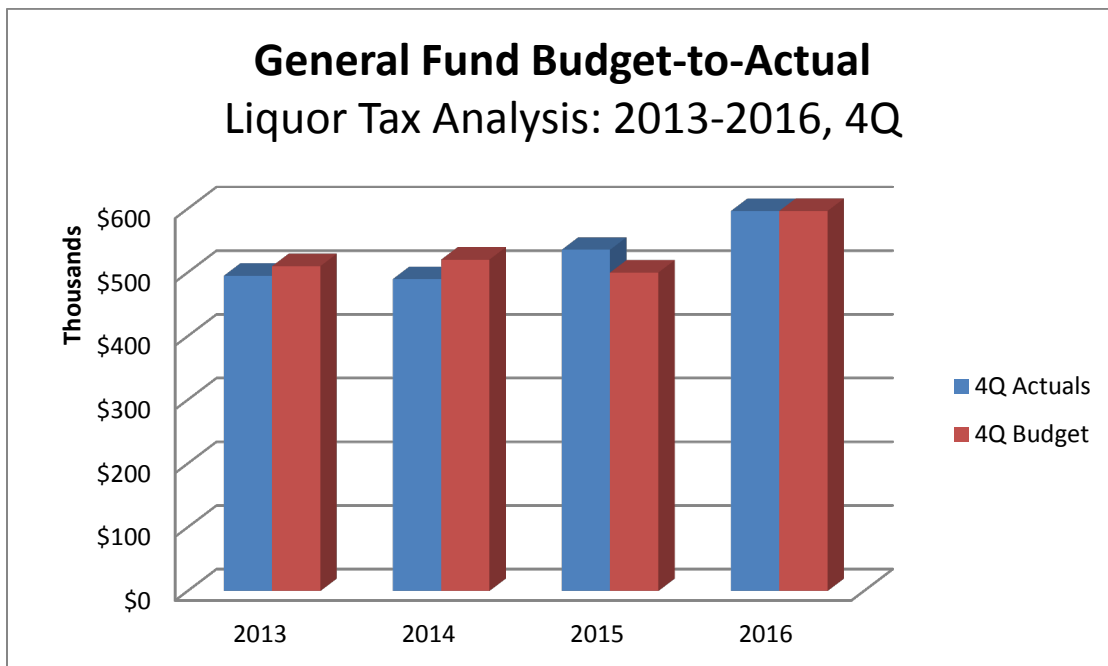
**Brief Description:** Liquor Tax Revenues are the revenues that the Village charges to vendors that sell liquor within the Village. The current Liquor Tax rate is 3% of the liquor purchase price.

**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

**2016 Fourth Quarter Rating: Green** 

**Comments:** As indicated below in Figure 2-5, Liquor Tax revenues through the fourth quarter were in line with budget and consistent with prior year results after factoring out new businesses selling liquor.



**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. Please note that this tax was approved for increase effective with usage starting January 1, 2017.

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

- Number of Therms consumed
- Weather cycles/conditions

**2016 Fourth Quarter Rating: Green** 

**Comments:** As illustrated below in Figure 2-6, the revenue yield for the Natural Gas Use Tax is only \$6K below projected year-end estimates.

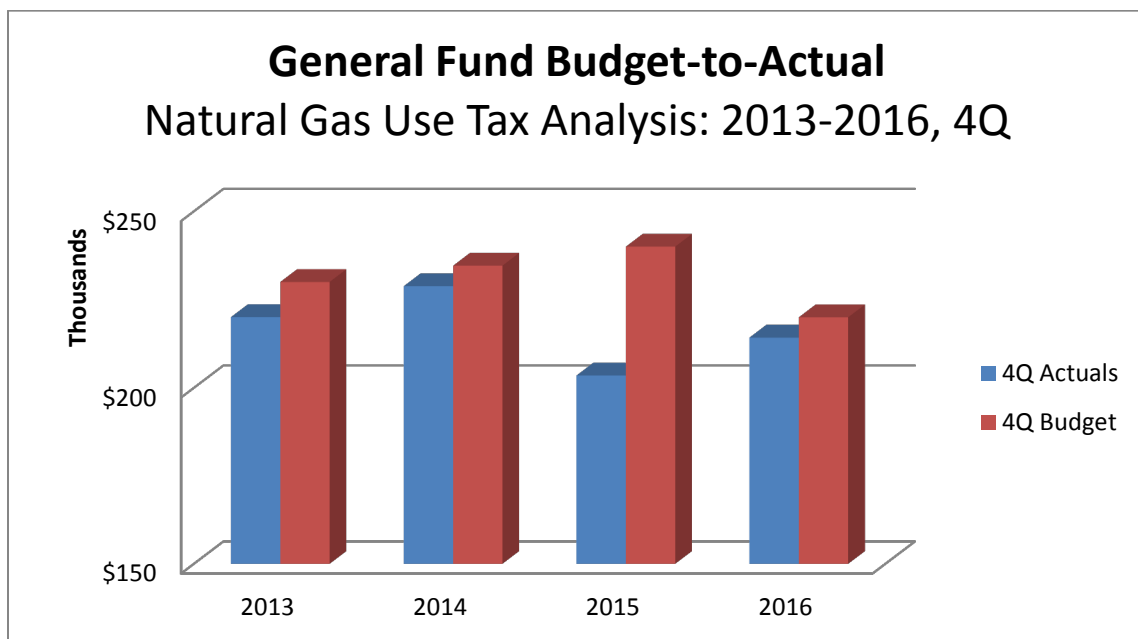


Figure 2-6: General Fund Budget-to-Actual Natural Gas Use Tax Analysis

# 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 used for normal 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

**2016 Fourth Quarter Rating:** Green 

**Comments:** As mentioned in previous reports, there is a quarterly lag in sales tax distribution from the State of up to three months where current quarter actuals typically reflect the sales tax collected up to the end of the previous calendar quarter. Projecting a full recognition of the phased revenues for October through December, however, sales tax revenues are projected to be at least 6% greater than budget.

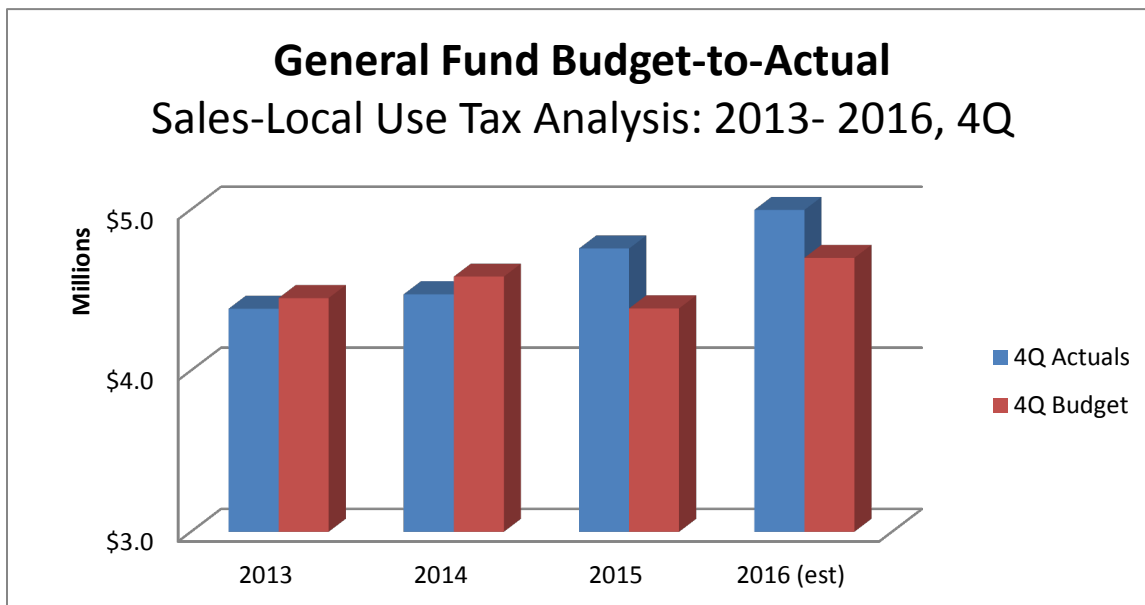


Figure 2-7: General Fund Budget-to-Actual Sales-Local Use Tax Analysis

# Real Estate Transfer Tax Revenues

**Brief Description:** The Real Estate Transfer Tax (RETT) is a tax on the seller of a property within the Village. The tax is assessed at \$8 for every \$1,000 of the sale or “transfer” price. For example, when a \$500,000 house is sold, the seller would pay a RETT of \$4,000 ( $\$500,000 / \$1,000 = 500 \times \$8 = \$4,000$ ). In addition, there is a flat \$30 fee for exempt real estate transfers without the exchange of consideration.

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

- Number of transactions
- Price of transactions

**2016 Fourth Quarter Rating:** Green 

**Comments:** As illustrated below in Figure 2-8, fourth quarter Real Estate Transfer tax proceeds performed strongly above budgeted expectations through YE. The 32% in excess of budget amount represents a total almost \$950K over the 2016 budget estimate.

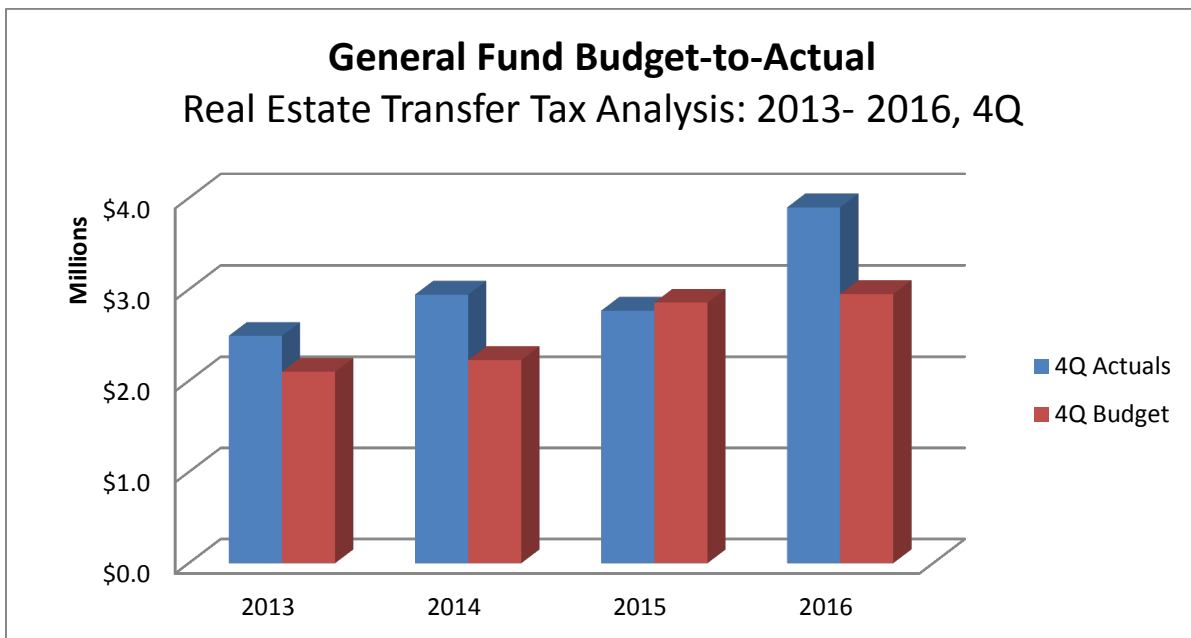


Figure 2-8: General Fund Budget-to-Actual Real Estate Transfer Tax Analysis

# 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 slightly different than the natural gas use tax and is assessed on the gross amount of natural gas billed by NICOR.

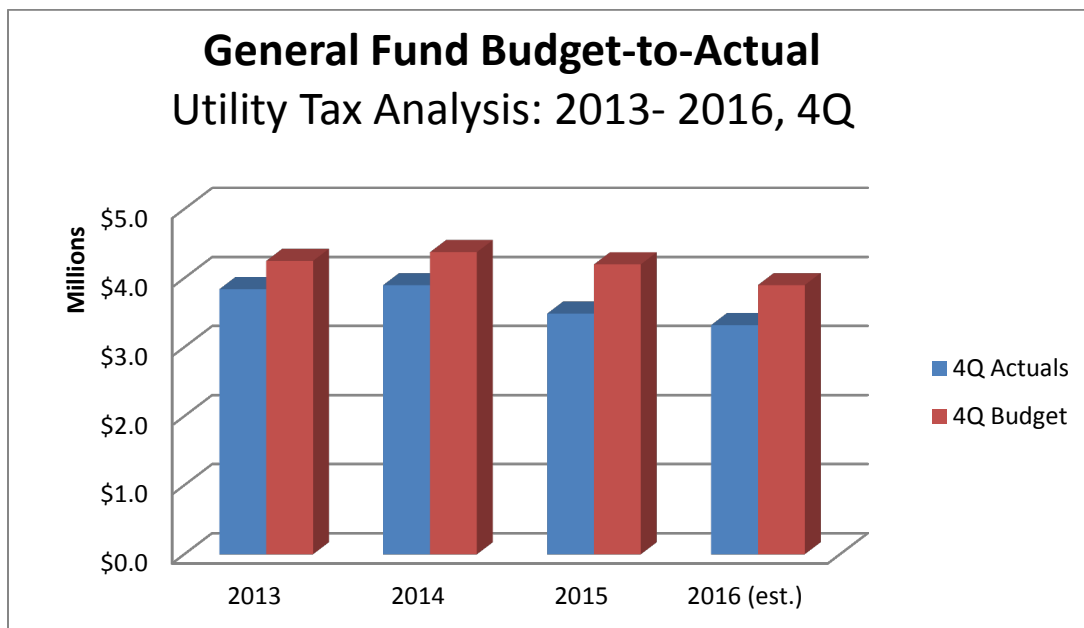
**Utility Tax Revenue Drivers:** The following are the drivers that impact Utility Taxes:

- Energy consumption
- Weather conditions

**2016 Fourth Quarter Rating: Yellow** 

**Comments:** As mentioned above, Utility Tax (Electric and Natural Gas) revenues will finish 15% below budgeted projections, although it is possible that some adjustments to this tax are made prior to the issuance of audited financial statements. In addition, beginning with Fiscal year 2017, each utility tax will be tracked and analyzed separately rather than combined into a broader category.

As reported previously, performance within this revenue line item may be influenced by a number of issues: weather conditions impacting utility consumption; also, Village residents implementing energy-saving programs within their homes and business may contribute to reduced consumption.



**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.

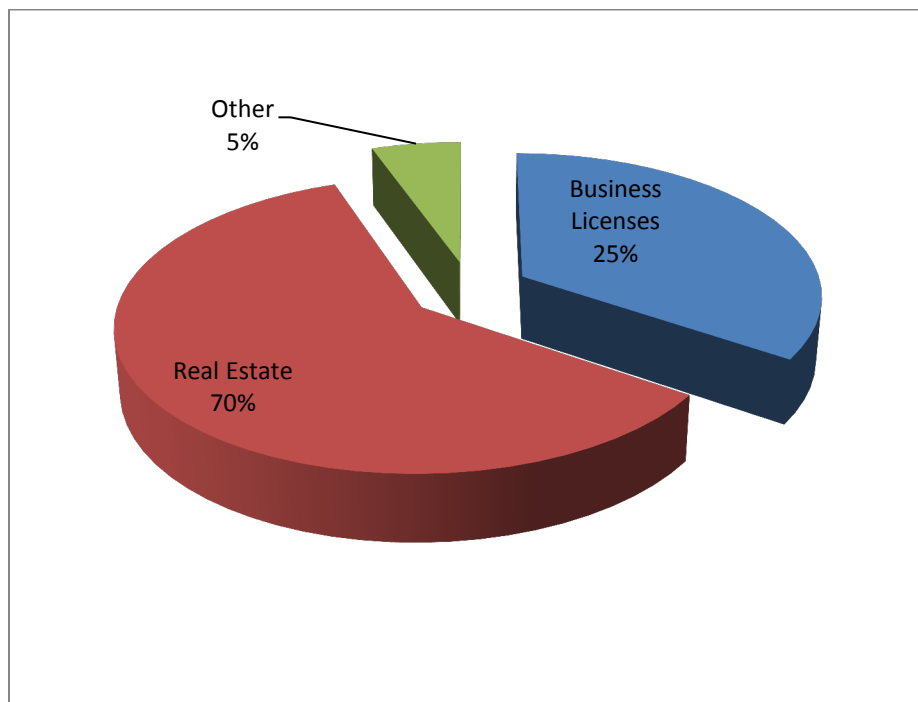


Figure 2-10: Proportion of Licenses and Permits

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

- Economic conditions in real estate and retail markets

**2016 Fourth Quarter Rating:** Red



**Comments:** As illustrated in Figure 2-11 below, fourth quarter proceeds from licenses and permits are ~875K below (31%) budgeted estimates. The 2016 budget for building permit revenue appears to have been overly optimistic and has unfortunately not materialized.

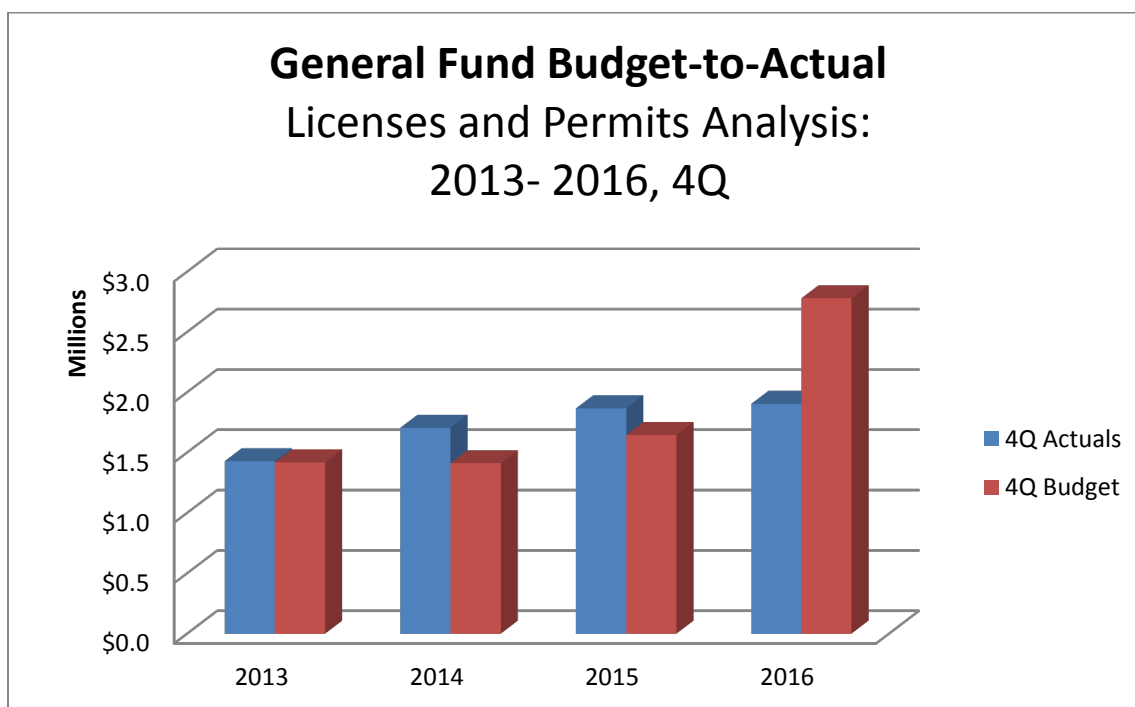


Figure 2-11: General Fund Budget-to-Actual Analysis of Licenses and Permits

## 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

**2016 Fourth Quarter Rating: Green**



**Comments:** The majority of revenues that comprise the Intergovernmental Revenues portfolio include State Income Taxes and the Personal Property Replacement Tax (PPRT), which make up almost this entire category. As illustrated below in Figure 2-12, intergovernmental revenues ended the year slightly behind (~3%) our budgeted projections.



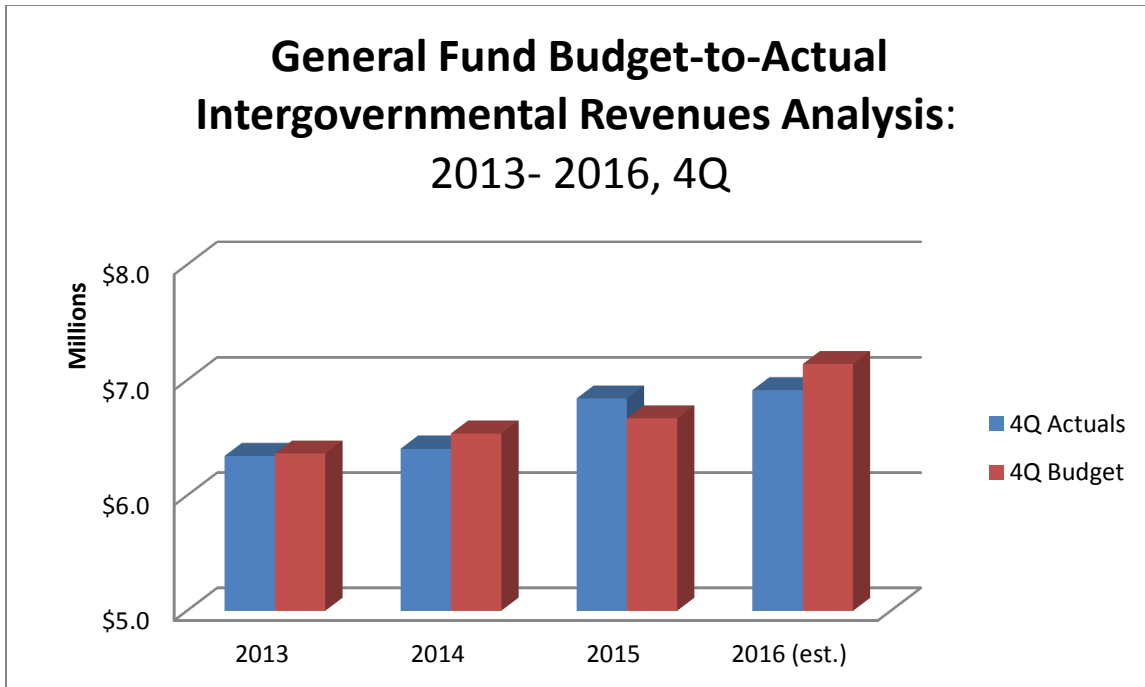


Figure 2-12: General Fund Budget-to-Actual Intergovernmental Revenues Analysis

## Charges for Services

**Brief Description:** The Village provides a number of services for which it charges fees directly to customers. Such services include: drafting of police reports, property sales inspections, ambulance services, intergovernmental 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.

**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

2016 Fourth Quarter Rating: ● Green

**Comments:** Given a one-quarter lag in posting of revenues for Cable TV Franchise Fees, representing ~ 400K, when total FY 2016 YE revenues are realized for this line item the Village will actually see revenues approximately 18% above budgeted.

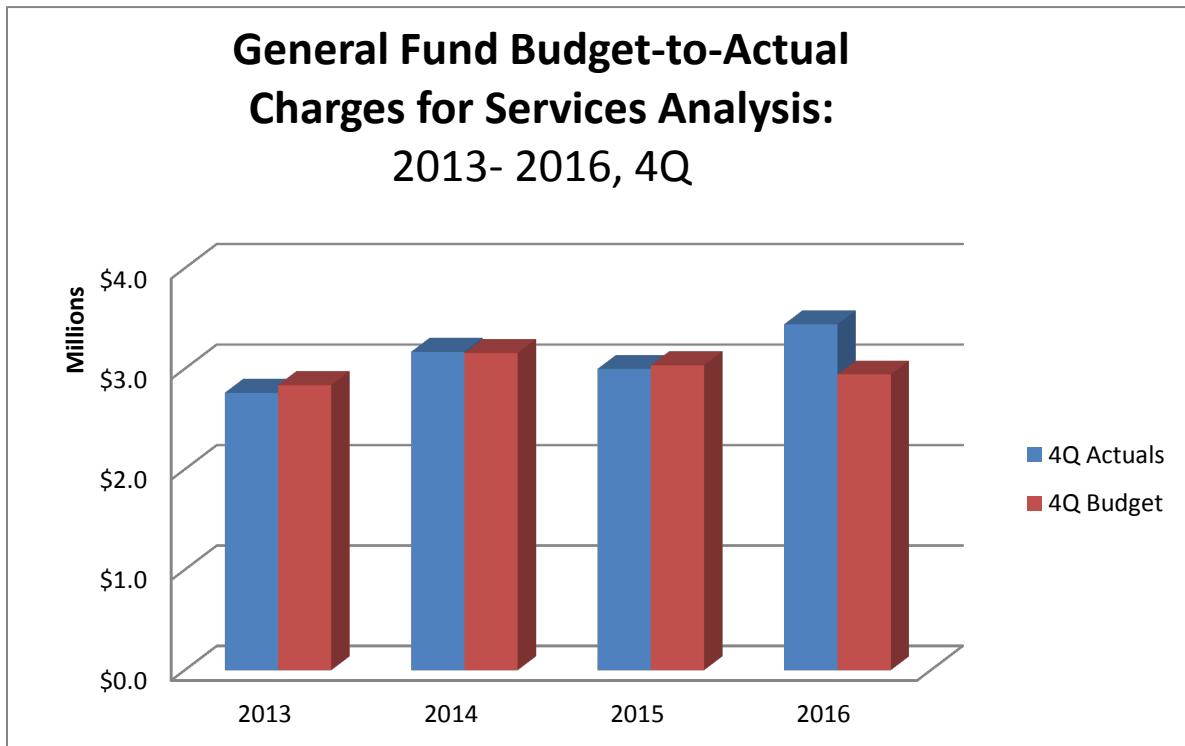


Figure 2-13: General Fund Budget-to-Actual Charges for Services Analysis

# Fines

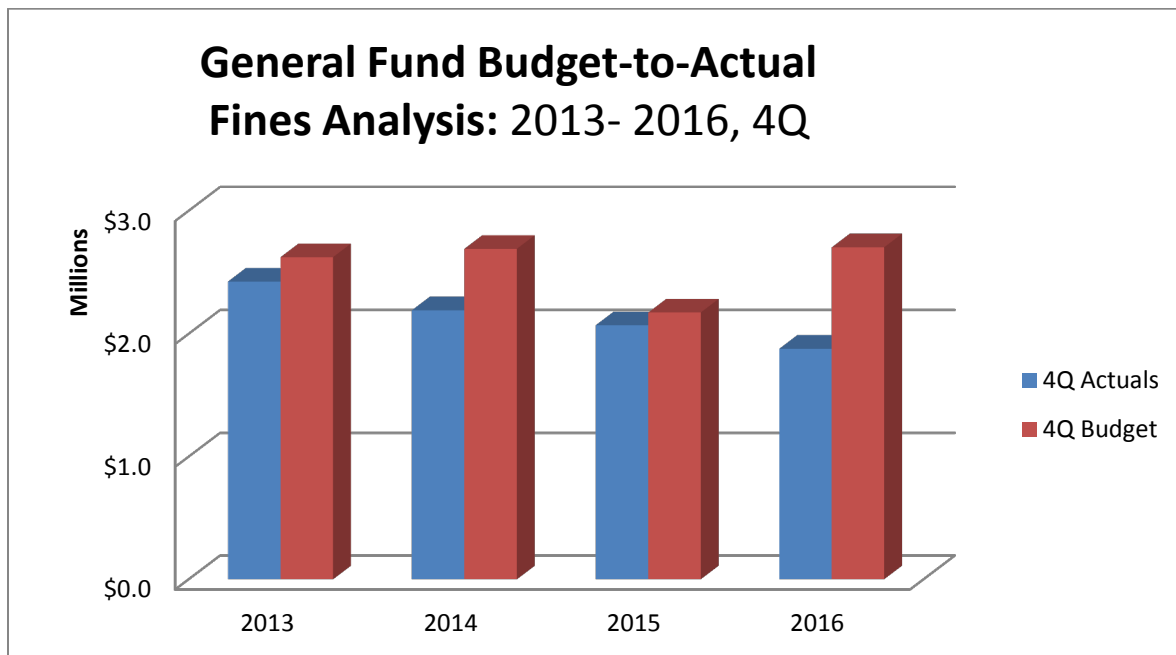
**Brief Description:** The Village charges fines and penalties to individuals and businesses when there is non-compliance with Village rules and regulations. Parking citations is an example of such a fine for which the Village charges a fee directly to an offender.

**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

**2016 Fourth Quarter Rating: Red** ●

**Comments:** As illustrated in the figure below, year-end yields from fines are 30% (824K) below projected estimates, impacted by Parking Fine revenues that are currently 744K (29%) under budget. This revenue stream has trended downward the last few years.



**Figure 2-14: 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.

2016 Fourth Quarter Rating: Green 

**General Comments:** At the end of the fourth quarter, general fund expenditures were ~5.9% below planned estimates. Although Personnel and Benefits costs were 334K (0.8%) below budgeted, Professional and Technical; Purchased Property Services; Other Purchased Services, and Supplies and Materials savings were significant – totaling another ~\$2.9MM. It is expected that additional invoices received in 2017 through the end of March will be charged to 2016 and total expenditures will likely end the year on target with budget.

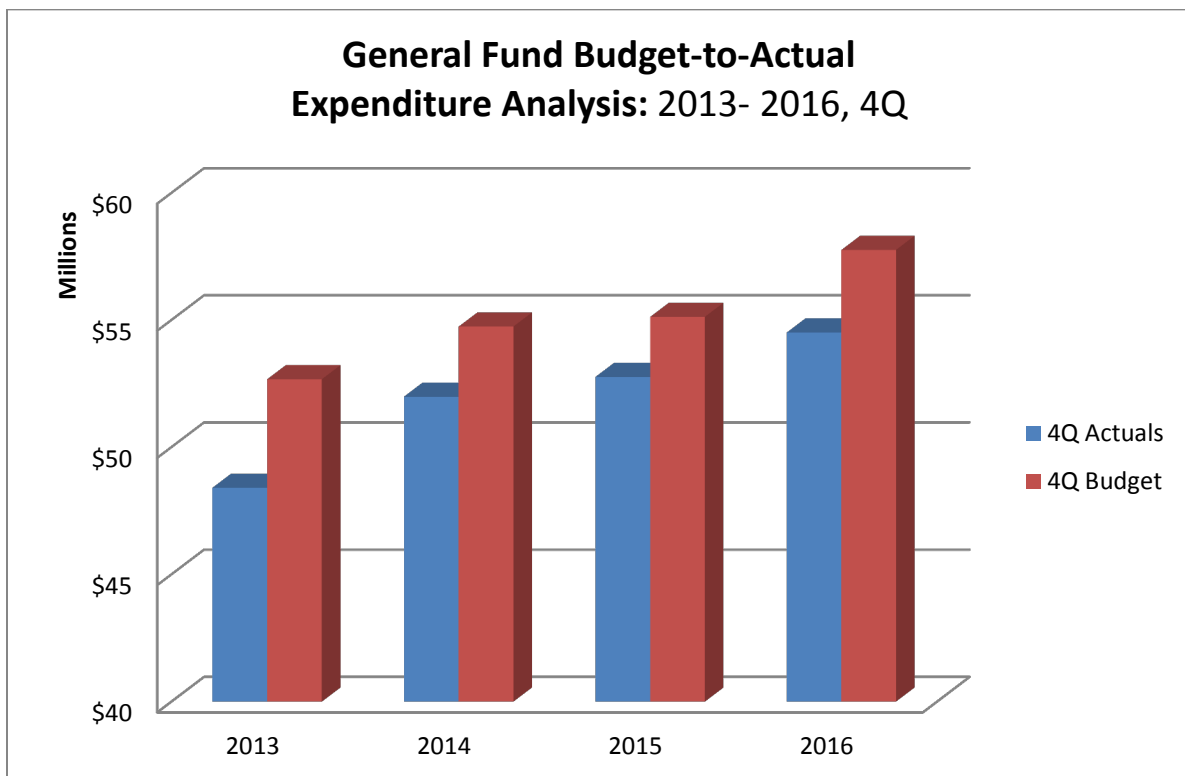


Figure 3-1: General Fund Budget-to-Actual Expenditure Analysis

<b>General Fund Expenditures</b>				
<u>Description</u>	<u>YTD Actuals</u>	<u>YTD Budget</u>	<u>Variance Good/(Bad)</u>	<u>Variance %</u>
Personnel and Benefits	\$42,456,188	\$42,789,943	330,916	0.8%
Professional and Technical	\$5,044,851	\$6,686,219	1,622,959	24.3%
Purchased Property Services	\$429,828	\$708,948	279,120	39.4%
Other Purchased Services	\$382,500	\$652,849	270,389	41.4%
Supplies and Materials	\$1,306,983	\$2,035,201	728,388	35.8%
Real Property, CDBG & Other	\$2,046,511	\$2,040,011	(6,500)	-0.3%
	<b>\$51,666,861</b>	<b>\$54,913,171</b>	<b>3,246,310</b>	<b>5.9%</b>

**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

**2016 Fourth Quarter Rating: Green** 

**Comments:** The Village's expenditures for combined wages and benefits for the fourth quarter finished 0.8% below budgeted projections, with Compensation running 4% (\$1.024MM) below projected and Benefits running 5% (690K) above budget.

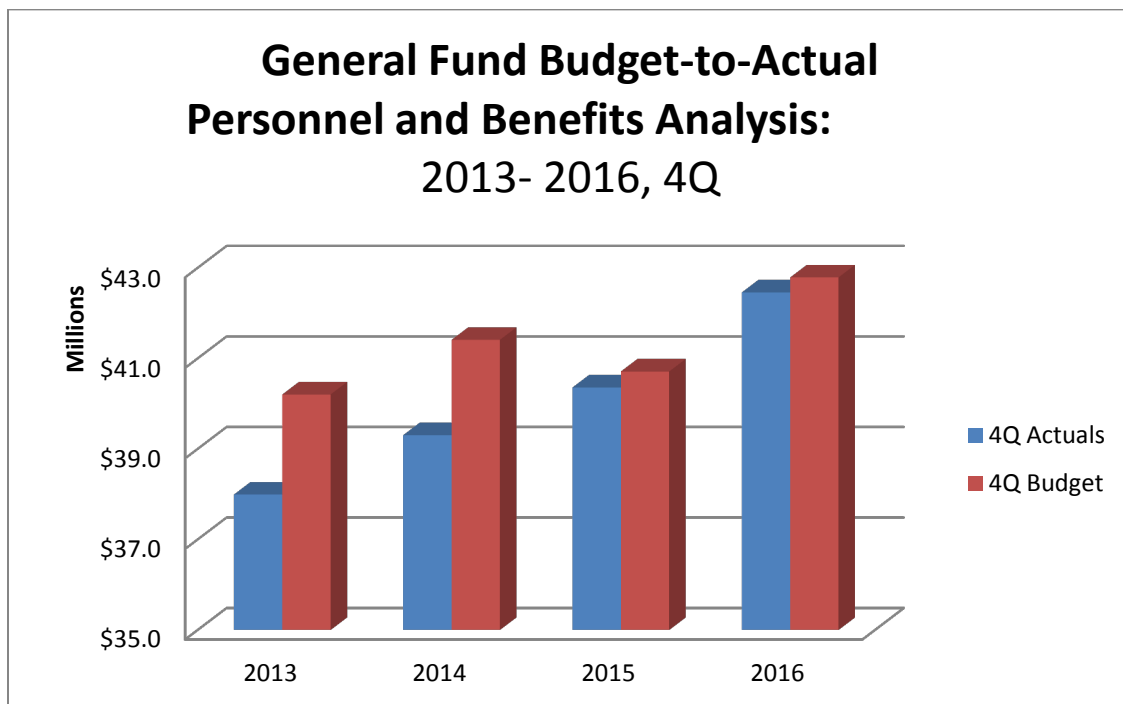


Figure 3-3: General Fund Budget-to-Actual Personnel and Benefits Analysis

# 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

**2016 Fourth Quarter Rating: Green** 

**Comments:** Professional and Technical Services net expenditures for 2016 year-end are 25% below projected expenditures, although this gap should narrow as invoices received in 2017 for services provided in 2016 will continue to be charged to that year into March.

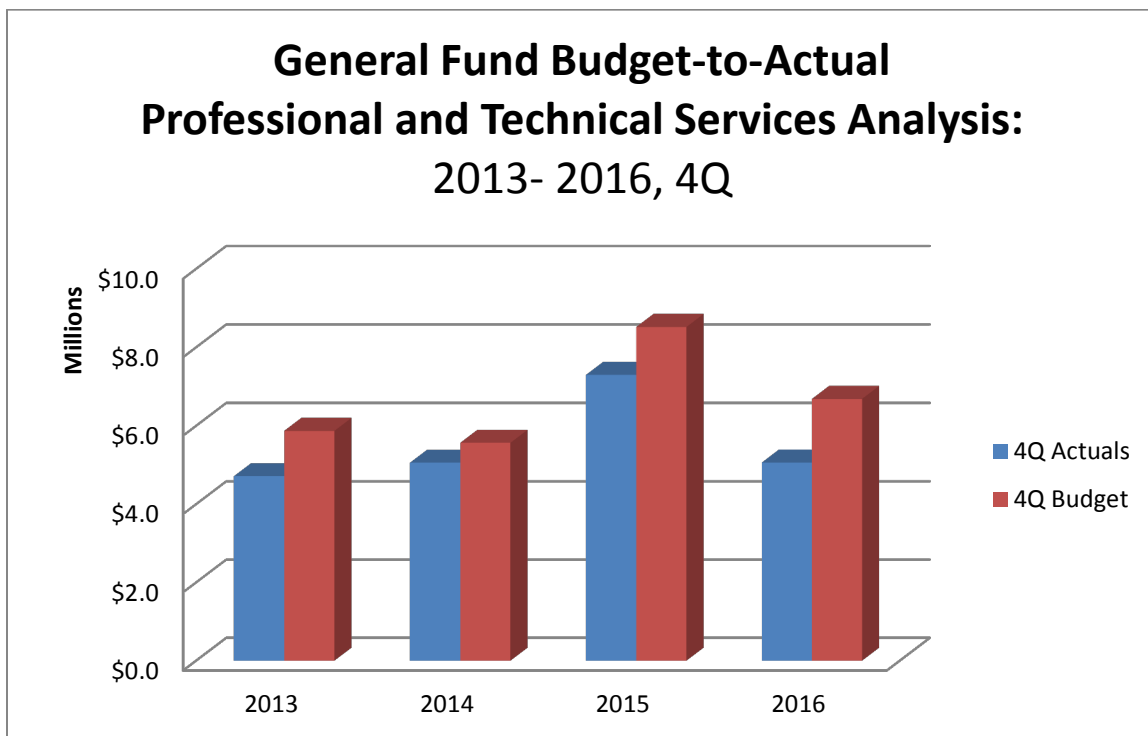


Figure 3-4: General Fund Budget-to-Actual Professional and Technical Services Analysis

# 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

**2016 Fourth Quarter Rating: Green** 

**Comments:** Fourth quarter expenditures within the Purchased Property Services expenditure area finished almost 40% (279K) below budgeted estimates. Lower Telecommunications Charges and Electricity costs have mostly driven this outcome. This gap is expected to narrow as invoices continue to be charged to 2016.

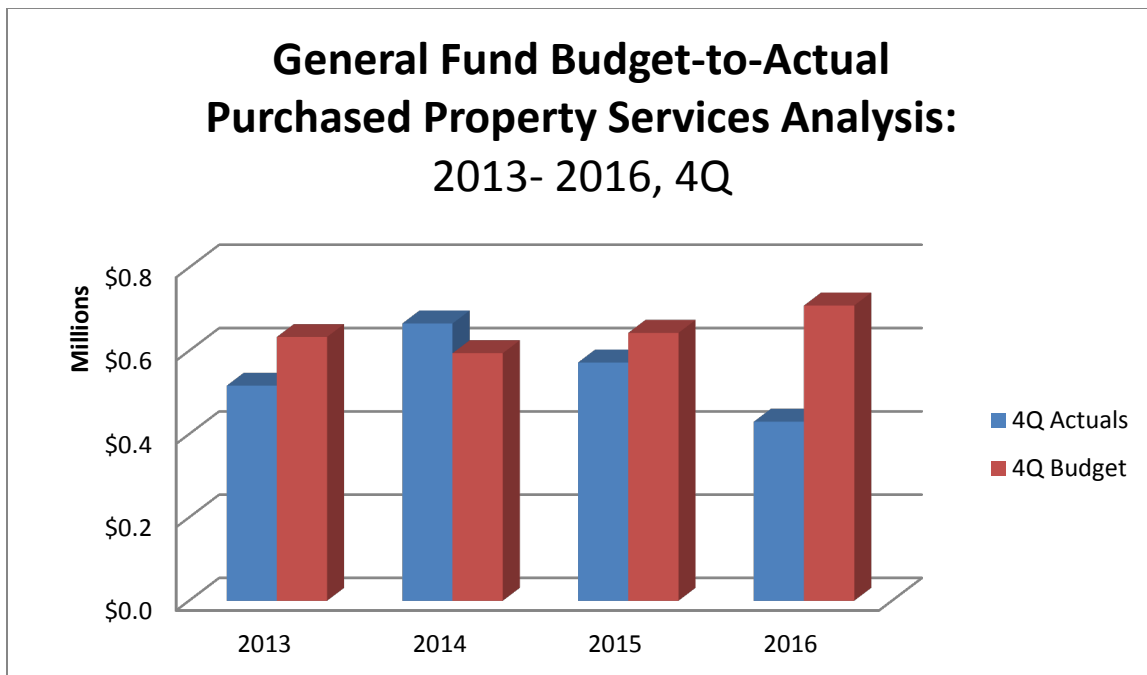


Figure 3-5: General Fund Budget-to-Actual Purchased Property Services Analysis



## 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

**2016 Fourth Quarter Rating: Green** 

**Comments:** Year-end expenditures within Other Purchased Services are 41% (270K) below projected expenditures, almost than half of which originates from the Software License Updates line item.

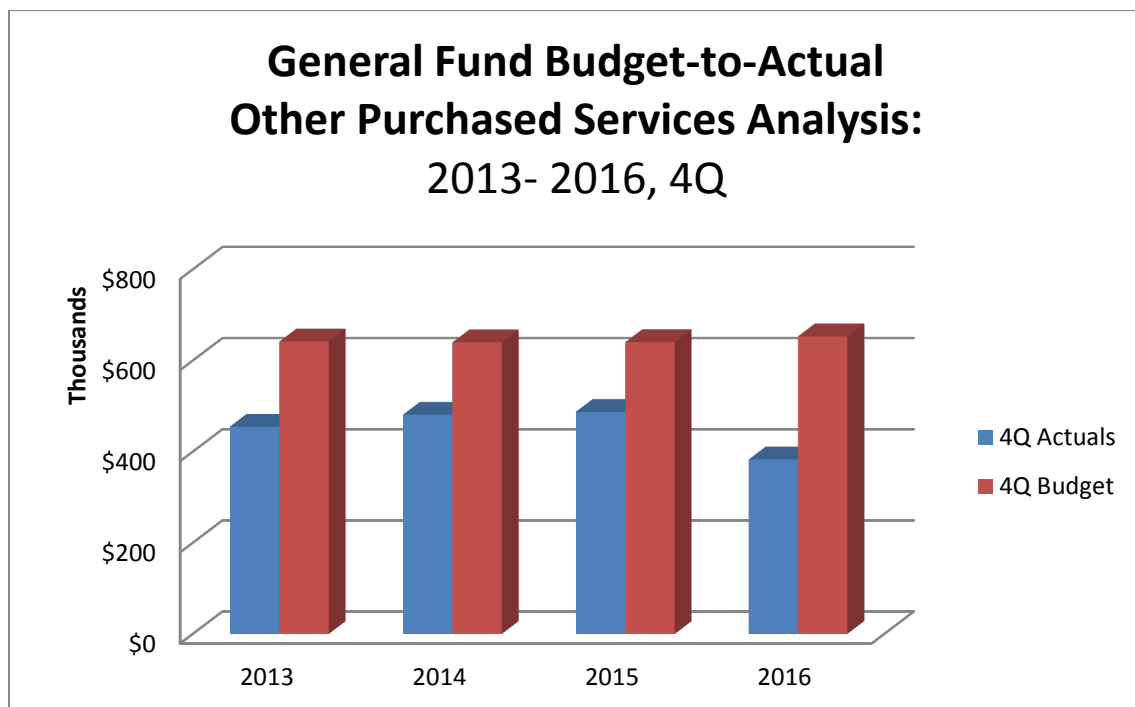


Figure 3-6: General Fund Budget-to-Actual Other Purchased Services Analysis

# 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

**2016 Fourth Quarter Rating: Green** 

**Comments:** Total expenditures for the 4th quarter within the Supplies and Materials expenditure area are ~36% (728K) under budget, with 74% of those savings as a result of two different expenses – Fuel and Roadway Maintenance. This gap is expected to narrow as invoices continue to be charged to 2016.

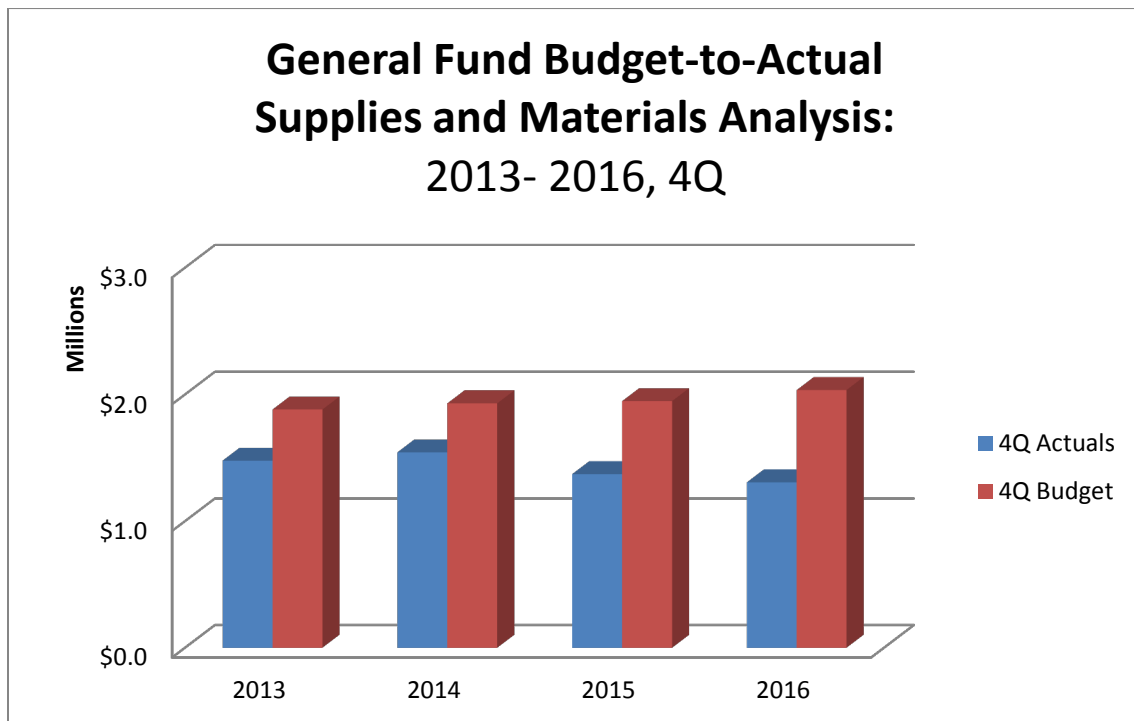


Figure 3-6: General Fund Budget-to-Actual Supplies and Materials Analysis

# 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

**2016 Fourth Quarter Rating: Green** 

**Comments:** For the fourth quarter, the expenditures in this area are almost exactly to budget, but this category is not significant within the overall budget. Expenditures in this area are primarily driven by Real Property items and do not consider Interfund Transfers.

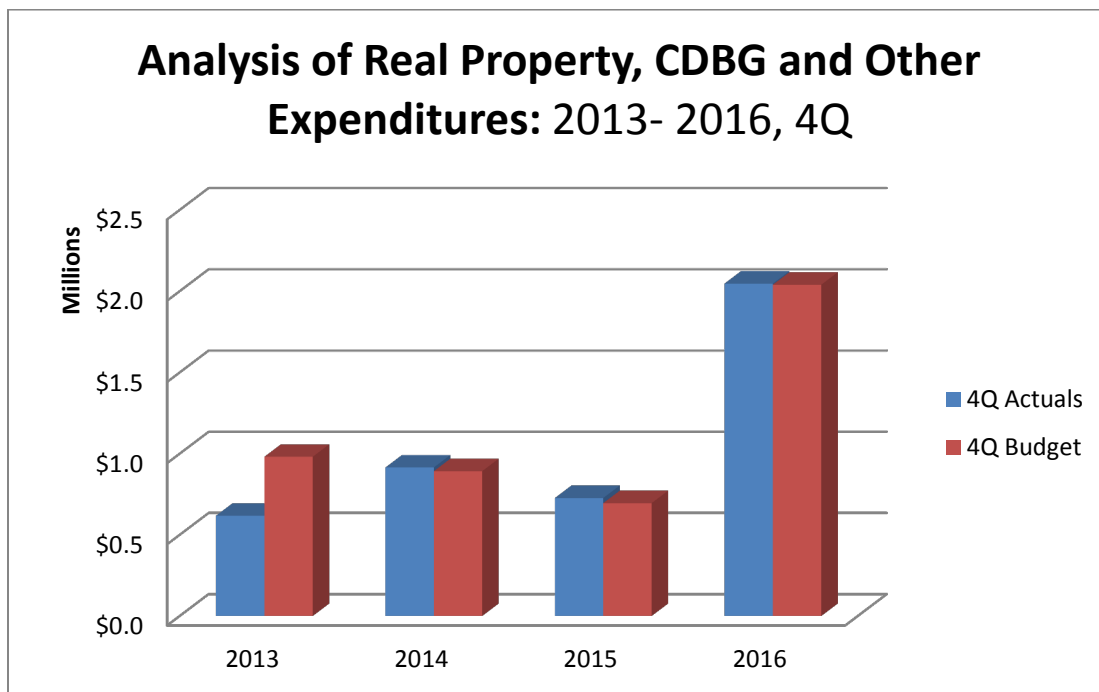


Figure 3-7: Analysis of Real Property, CDBG and Other Expenditures

## Section 2.3: Enterprise Funds

**Brief Description:** This section provides the 2016 4th 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.

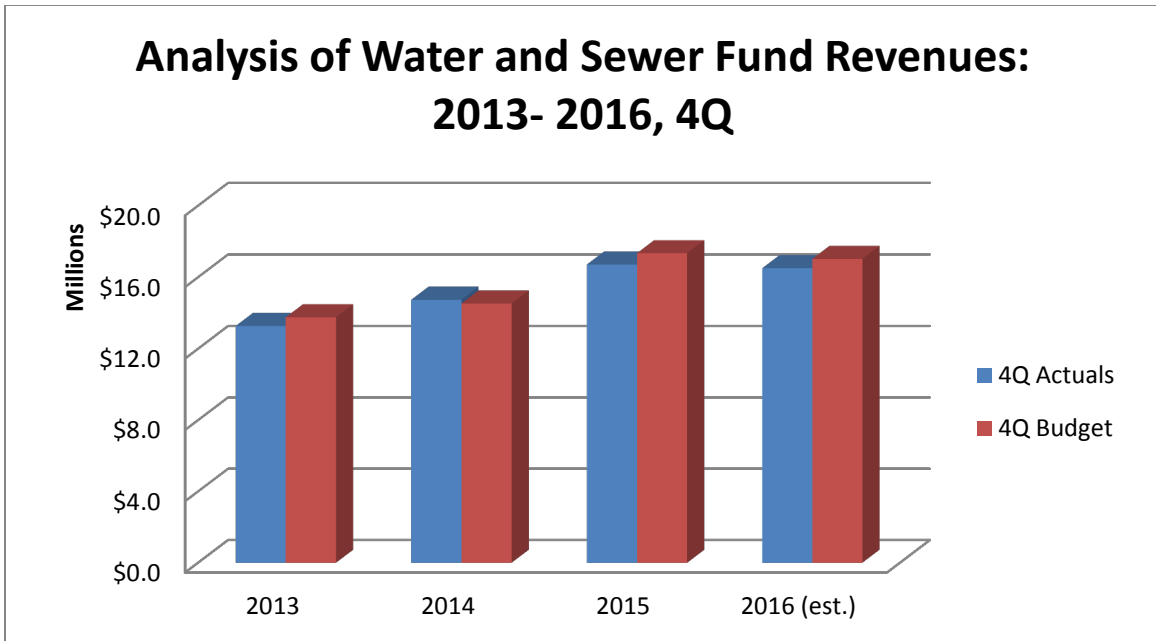
**Sewer Description:** The Village maintains the system that carries sewage to the Metropolitan Water Reclamation District's system. The Sewer Fund is the enterprise fund that accounts for the revenues and expenditures of operating the system, inclusive of capital costs. The sewer charge is derived from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

**2016 Fourth Quarter Rating: Green** 

**Comments:** As of the fourth quarter of 2016, Water and Sewer revenues are running at budgeted estimates, when considering a two-month accrual of revenue receipts (~\$3MM). When considering the yet-to-be-received revenues, we estimate that our year-end actuals will finish within 2% of the budgeted figure – and there has therefore not been evidence of an overall lessening of demand.



**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

2016 Fourth Quarter Rating: Green 

**Comments:** Although total expenditures for the Water and Sewer Fund through the fourth quarter will finish almost 20% below budget, 100% of that difference is due to Capital Improvement projects not finished as of year-end that will need to be carried over into FY 2017.

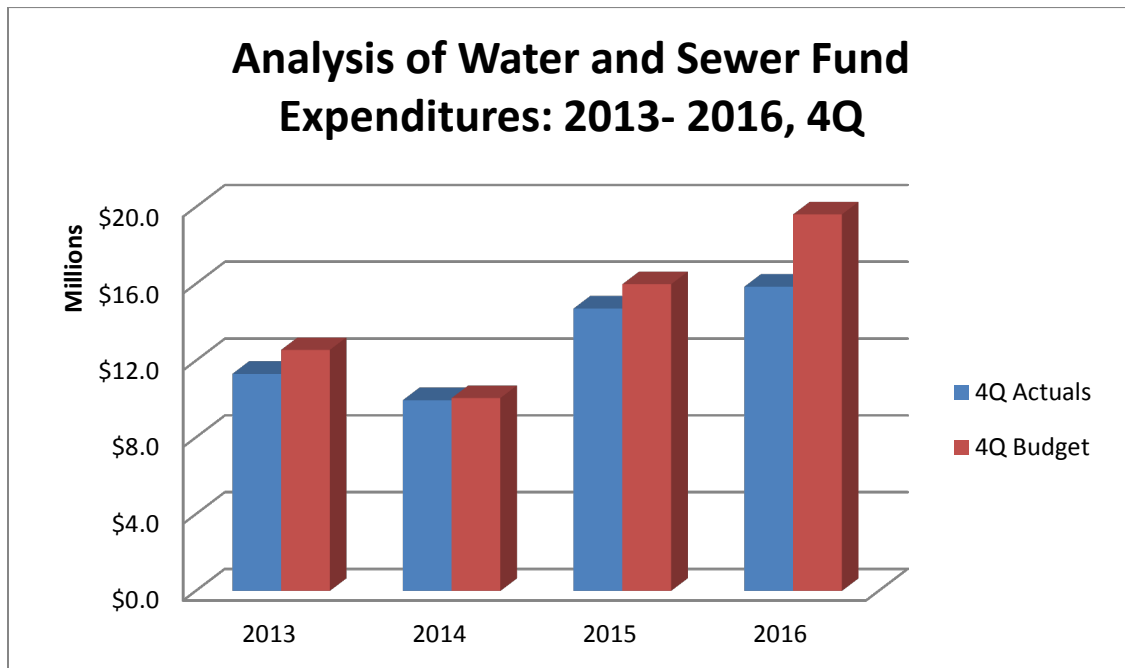


Figure 4-2: Analysis of Water and Sewer Fund Expenditures

# 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

**2016 Fourth Quarter Rating: Green** 

**Comments:** Parking fund revenues for the fourth quarter continued at the pace indicated throughout the year and finished moderately (5%) above budgeted projections. Two-thirds of that surplus was attributable to the Garage Fee line item.

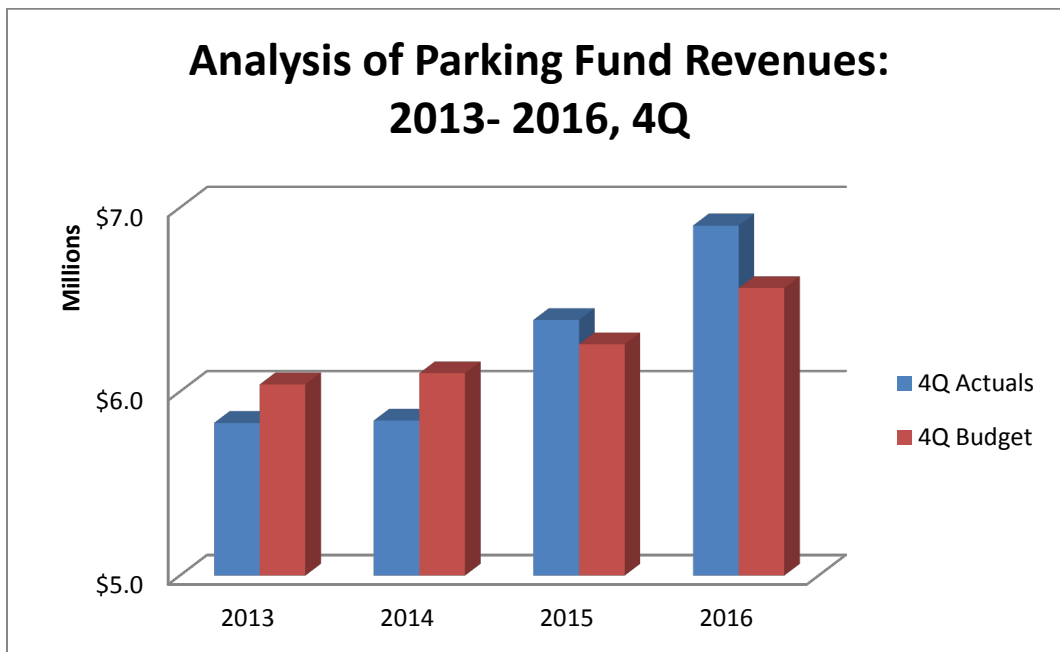


Figure 4-5: Analysis of Parking Fund Revenues

### Parking Fund Expenditures:

**Brief Description:** The Village owns and operates the vast majority of parking available to the public within 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.

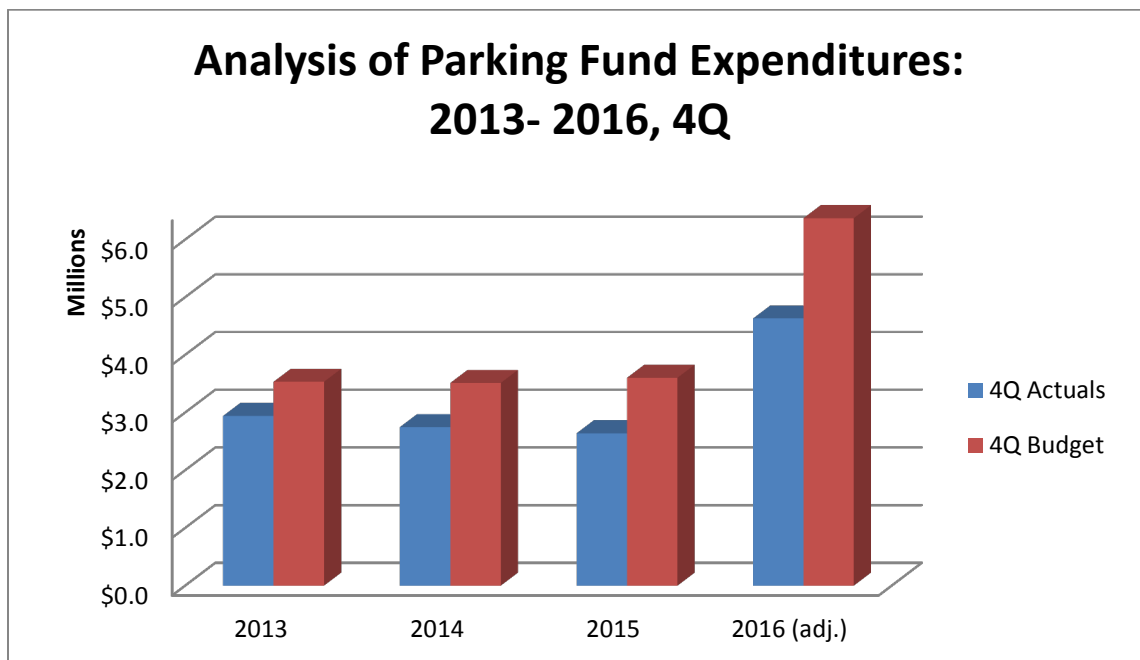
The Village provides for staff to directly service the public to comply with the overnight parking ban and other relevant restrictions. Further, this Fund accounts for the maintenance and repair of parking meters, lots and garages.

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

- Personnel costs
- Capital costs

**2016 Fourth Quarter Rating: Green** 

**Comments:** Total fourth quarter expenditures for the Fund, holding the \$11.2MM unspent from the Building Improvement line item constant (64% of YE Parking Expenditure budget), are yet 27% below budgeted expenditures. These savings are present throughout expenditure categories for the Fund.



**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

**2016 Fourth Quarter Rating:** Green 

**Comments:** Revenues for this fund, when adjusting for the phasing of three months of Refuse Collection Fees, are within 2% (\$72K) of budgeted FY 2016 projections.

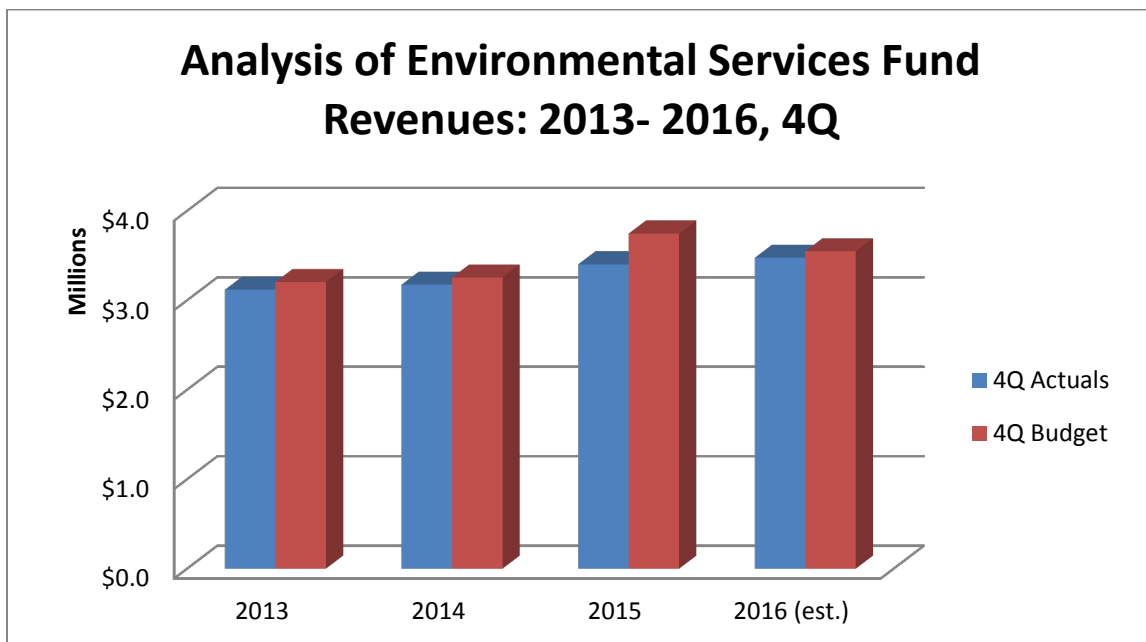


Figure 4-7: Analysis of Environmental Services Fund Revenues

### 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

**2016 Fourth Quarter Rating: Green** 

**Comments:** Total expenditures for the fourth quarter ran 3.3% below budgeted estimates. When considering the increase (700K) in Transfers to the General Fund from budgeted, Fund expenditures would have finished 21% below budget, much of that due to savings within General Contractuals.

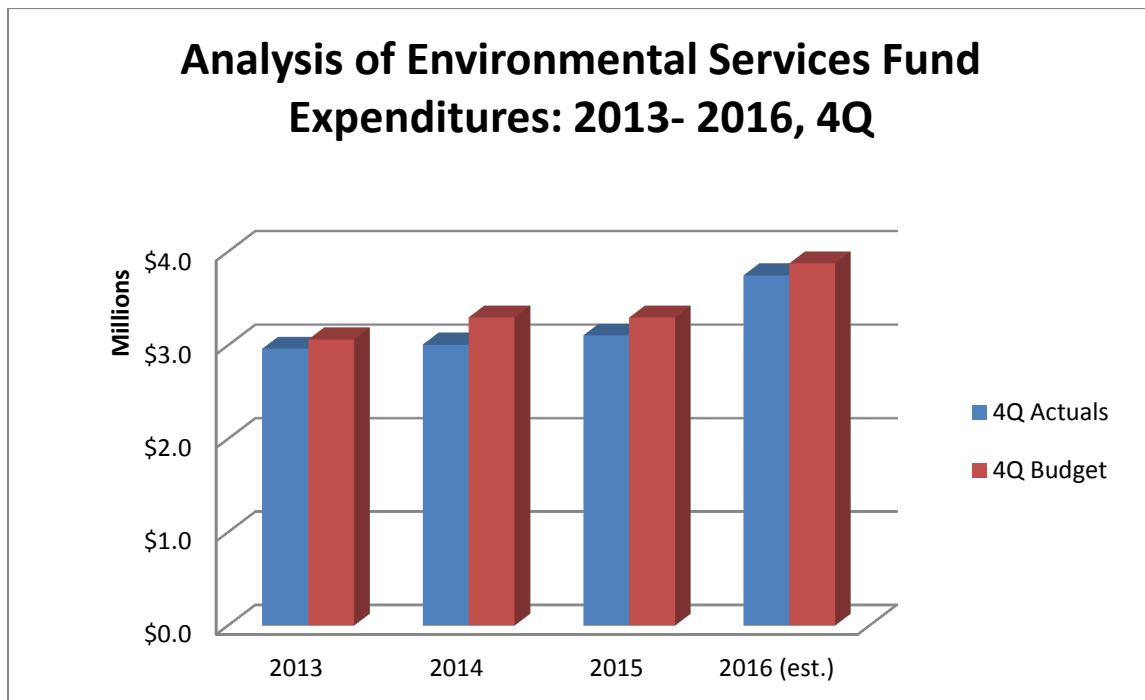


Figure 4-8: Analysis of Environmental Services Fund Expenditures

# **Appendix: MAP (Performance Management) Measures**

**Fire Department**

**Police Department**

**Public Works Department**

## **MAP Header Definitions**

Governance – Each department’s governance describes the processes that coordinate and control an organization’s resources and actions. Each of the governances listed below has been identified as an essential function of each department’s overall mandate.

Metric – The standard of measurement that defines a quantifiable outcome that entities use to track, monitor and assess the success or failure of various business processes.

Measurement Description – The definition of how each measurement is derived (i.e. a ratio or other mathematical function used to construct a numerical measurement).

Reporting Frequency – Defines how often the measurement is taken (Note: measurements that are reported on an annual basis may often be internally tracked quarterly or monthly).






Measurement – The actual numerical measurement associated with the Measurement Description.

Explanation – An explanation of the measurement parameter, most often detailing the calendar year associated with the measurement of the stated metric.

Performance Trend – The description - up, down, and sideways arrows – of the historical trend of the performance in baselining the metric. An upward arrow is improved performance, a sideways arrow represents consistent performance, a downwards arrow represents a declining performance. It should be noted, however, that performance that has declined may still remain within acceptable business parameters while an upwards trend could yet represent an overall less-than-acceptable performance. A later establishment of individual measure benchmarks will be added.

# MAP Program

## Fire Department Performance Measures Reporting





Governance	Metric	Measurement Description	Reporting Frequency	Measurement	Explanation	Performance Trend
Fire Prevention	Proportion of fire incidences at inspected buildings to total incidences	Ratio expressed as a percentage	Monthly	2.2% 3.7% 7.1%	2016 Metric 2015 Metric 2014 Metric	
Fire Prevention	Plan review turn-around time	Business days from receipt to approval	*Monthly	15.5 18.9 4.8	2016 Metric 2015 Metric 2014 Metric	
Fire Response and Control	Fire Response Times	Combined total of turn-out and travel times	Monthly	4:21 5:17 4:18	2016 Metric 2015 Metric 2014 Metric	
Fire Response and Control	Property Value Salvage (Property Value Saved to Value Loss)	Each fire incident has fire loss data and property/contents valuation determined	Monthly	3.0% 6.5% 3.3%	2016 Metric 2015 Metric 2014 Metric	
Emergency Medical Response	EMS Response Times	Combined total of turn-out and travel times	**Monthly	4:03 5:09 4:10	2016 Metric 2015 Metric 2014 Metric	

\*September 2015 to October 2016 statistics unavailable.

\*\* October 2015 to October 2016 statistics unavailable.

# MAP Program

## Police Performance Measures Reporting





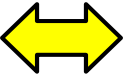
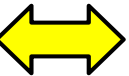
Governance	Metric	Measurement Description	Reporting Frequency	Measurement	Explanation	Performance Trend
Law Enforcement	Service Call Response Time	Police Response to High Priority Calls	*Monthly	N/A N/A 3:31	2016 Metric 2015 Metric 2014 Metric	N/A
Law Enforcement	Case Clearance Rate	Number of Part I Crimes cleared by Arrest or Exceptional Clearance (Non-Theft-Related/Theft-Related/Overall)	**Monthly	TBD 57%/15%/19% 88%/23%/29%	2016 Metric 2015 Metric 2014 Metric	
Law Enforcement	Perception of Safety	Survey Results that Rate the Village as "Very Safe" or "Somewhat Safe" from Violent Crimes	Bi-Annual	76.0% 70.0% 68.0%	2015 Metric 2013 Metric 2011 Metric	
Protection of Life and Property	Crime Rate	Part I Crimes per 100,000 population	Monthly	257.3 250.7 266.8	2016 Metric 2015 Metric 2014 Metric	
Maintain Peace and Order	Citizen Complaints	Number of Formal Complaints Filed	Monthly	13.0 10.0 7.0	2016 Metric 2015 Metric 2014 Metric	

\* 2015/16 statistics unavailable due to CAD migration.

\*\* 2016 statistics available with 2017 1Q financial report.

# MAP Program

## Public Works Performance Measures Reporting

Governance	Metric	Measurement Description	Reporting Frequency	Measurement	Explanation	Performance Trend
Improved Long-Range Capital Planning	Street Safety and Quality as measured by the Pavement Condition Index rating of the Village's overall street network	Rating between 0 – 100 with 100 being excellent. (Local/Arterial/ <b>Combined Total</b> ) as measured by the total street segments rated.	Annual	<b>76.6/79.0/77.1</b> <b>75.6/78.1/76.1</b> <b>70.3/78.9/72.1</b> <b>69.5/73.9/70.6</b> <b>69.7/72.9/70.5</b>	2016 Metric 2015 Metric 2014 Metric 2013 Metric 2012 Metric	
Improved Long-Range Capital Planning	Alley Safety and Quality as measured by the Pavement Condition Index rating of the Village's overall alley network	Rating between 0 – 100 with 100 being excellent.	Annual	<b>66.4</b> <b>64.7</b> <b>63.6</b> <b>61.9</b> <b>58.0</b>	2016 Metric 2015 Metric 2014 Metric 2013 Metric 2012 Metric	
Improved Long-Range Capital Planning	Percentage of urban tree canopy within the public right of way	Represents the percent of tree canopy over the Village's public right of way.	Tri-Annual	<b>33.1%</b> <b>39.6%</b>	2016 Metric 2013 Metric	
Maintenance of Service Programs	Fleet Quality as measured by the percentage of vehicles that are within designated period of service	Equipment replacement parameters include: Age, Mileage/Hours, Lifetime Maintenance Cost and Condition Evaluation.	Annual	<b>87.0%</b> <b>81.0%</b> <b>76.6%</b>	2016 Metric 2015 Metric 2014 Metric	
Maintenance of Service Programs	Water Usage Efficiency as measured by the water bill to pump ratio	Percent of gallons of water that is billed compared to the gallons of water purchased from the City of Chicago.	Annual	<b>*TBD</b> <b>81.4%</b> <b>79.7%</b> <b>85.1%</b>	2016 AWWA Water Audit 2015 AWWA Water Audit 2014 AWWA Water Audit 2013 AWWA Water Audit	
Maintenance of Service Programs	Percentage of Village waste diverted from landfill	Percent of all materials being diverted from the landfill from all Village programs. Includes percent of recyclables, yard waste, organics and special event recycling collected and diverted divided by the total amount of refuse and diverted materials.	Monthly	<b>43.6%</b> <b>44.3%</b> <b>45.8%</b>	2016 Metric 2015 Metric 2014 Metric	

\*Available in the 1Q 2017 financial report.

