



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

**Quarterly Financial Report
2012, 4th Quarter**

January, 2013


















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Section 1: 4th 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 fourth 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
General Fund Revenues		Yellow- Revenues ended the year slightly below budgeted estimates.
Property Taxes		Green- Property taxes ended the year above expectations.
Liquor Taxes		Green- Taxes ended the year consistent with year-end projections.
Natural Gas Use Taxes		Yellow- Taxes yielded slightly below budgeted projections.
Sales Taxes		Green- Tax yields were on par with budgeted projections.
Real Estate Transfer Tax		Green- Taxes performed above budgeted projections
Utility Taxes		Yellow- Taxes performed below budgeted projections
Licenses and Permits		Green- Revenue proceeds ended the year above projections.
Intergovernmental Revenues		Yellow- Revenue performed 5% below budgeted projections.
Charges for Services		Green- Revenues ended the year 26% above project estimates.
Fines		Red- Revenues remained significantly below budgeted projections.
General Fund Expenditures		Green- Year-end expenditures were significantly below budgeted estimates.
Personnel and Benefits		Green- Personnel and benefit costs ended the year 1% below budgeted estimates.
Professional and Technical Services		Green- Expenditures ended the year below projected expenditures.
Purchased Property Services		Green- Expenditures ended the year below projected expenditures.
Other Purchased Services		Green- Expenditures ended the year below projected expenditures.
Supplies and Materials		Green- Expenditures remained significantly below budget.













Real Property, CDBG and Other		Green- No significant comments
Water Fund		
Water Fund Revenues		Green- Revenue collections were 39% above budgeted targets
Water Fund Expenditures		Green- Year-end expenditures were 6% below budget.
Sewer Fund		
Sewer Fund Revenues		Yellow- Revenues ended the year 2% below budgeted estimate.
Sewer Fund Expenditures		Yellow- Capital expenditures ended the year \$164,000 above budget.
Parking Fund		
Parking Fund Revenues		Green- Revenues ended the year 11% above budgeted projections.
Parking Fund Expenditures		Green- Year-end expenditures were 6% below budget.
Environmental Services		
Environmental Services Revenue		Yellow- Revenues ended the year 6% below budgeted estimates.
Environmental Services Expenditures		Green- Year-end expenditures were 11% 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.

Rating Legend	
	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
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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)

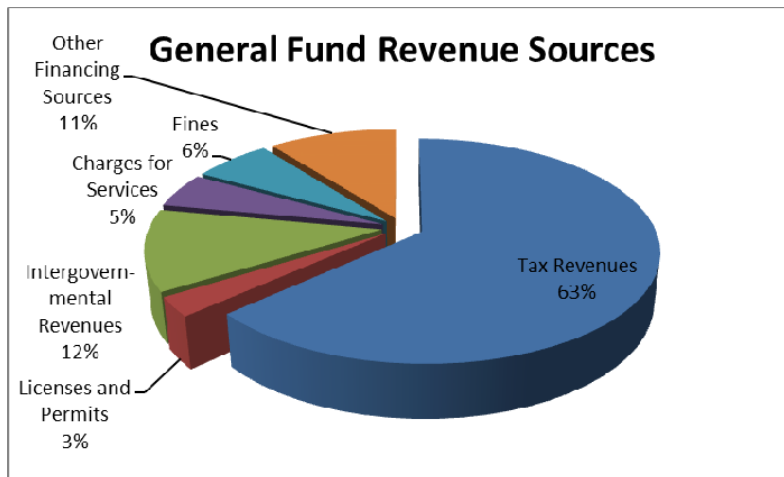


Figure 2-1: Proportion of General Fund Revenue Sources

2012 Fourth Quarter Rating:  Yellow

General Comments: The year ended with General Fund Revenues performing approximately 7% below projected estimates. However, it should be noted this status is largely attributable to budgeted transfers as opposed to overall revenue portfolio performance.

The fund was largely strengthened through the one-time windfall of real-estate transfer tax proceeds from the Whiteco and the West Suburban Hospital transactions. The fund also received above average proceeds from property taxes. However, underperformance in fines and Personal Property Replacement Tax proceeds have contributed to the revenue shortfall. Due to our relatively mild winter, season-driven revenues such as Utility Tax and Natural Gas Use Tax have also adversely

impacted revenue performance. However, it is important to note that, because General Fund expenditures remained below realized revenues, the General Fund remains in good health.

While the Real-Estate Transfer windfall was very helpful, we cannot expect for such one-time resources to be available in the future. For the coming year, we will continue to actively review general fund revenues to identify any structural issues that may impact revenue performance.

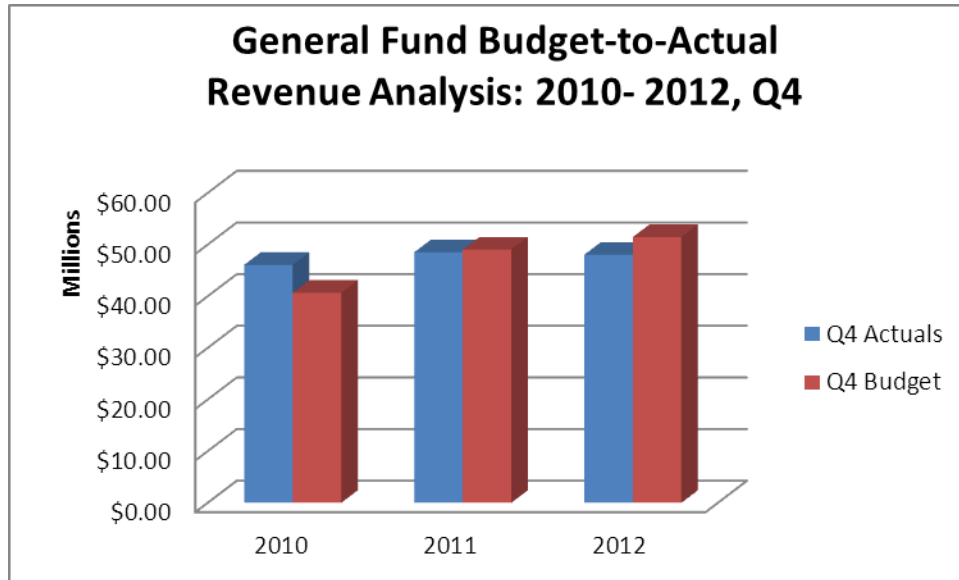


Figure 2-2: General Fund Budget-to-Actual Revenue Analysis

General Fund Revenues				
Description	YTD Actuals	YTD Budget	Variance	Variance %
			Good/(Bad)	
Tax Revenues	\$32,617,249	\$31,496,368	\$1,120,882	3.56%
Licenses and Permits	\$1,451,198	\$1,469,000	(\$17,802)	-1.21%
Intergovernmental Revenues	\$5,928,859	\$6,228,000	(\$299,141)	-4.80%
Charges for Services	\$3,080,308	\$2,442,000	\$638,308	26.14%
Fines	\$2,466,338	\$3,200,000	(\$733,662)	-22.93%
Other Local Government	\$336,480	\$65,000	\$271,480	417.66%
Other Financing Sources	\$2,150,000	\$6,566,314	(\$4,416,314)	0.00%

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

2012 Fourth Quarter Rating: Green 

Comments: As illustrated below in Figure 2-4, at the close of the Fourth quarter, our property tax yield performed above estimated projections. As Cook County continues to collect tax revenues in a timely manner, we are moderately confident that current revenue trends will remain consistent throughout 2013.

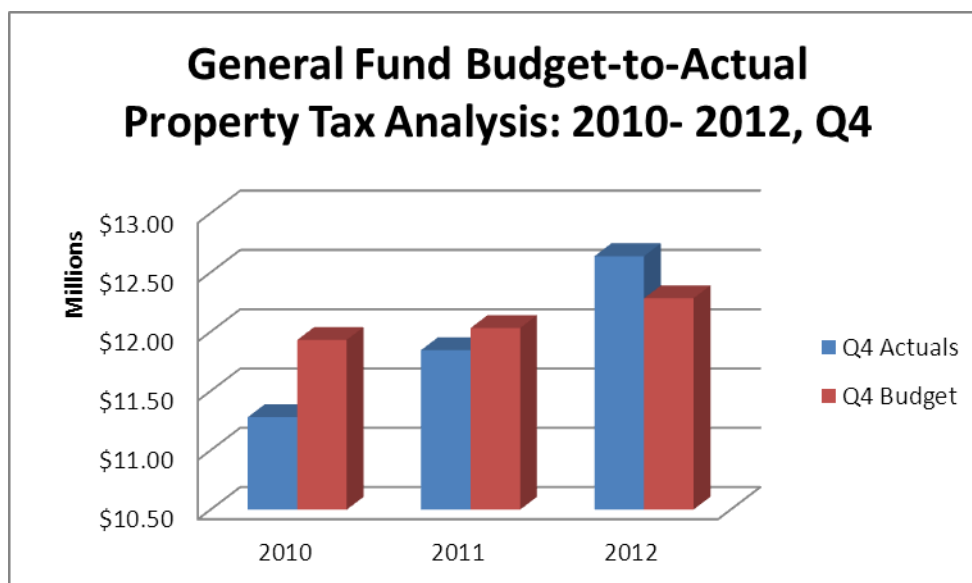


Figure 2-4: General Fund Budget-to-Actual Property Tax Analysis

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

2012 Fourth Quarter Rating: Green 

Comments: As indicated below, Liquor Tax revenue performance ended the year consistent with year-end projections. As discussed in the 3rd Quarter report, the Village has begun to audit liquor-selling establishments within the Village. The Village has completed one of the two audits that we are currently conducting. We will seek to maintain a 3-5 year audit cycle for all Village liquor establishments.

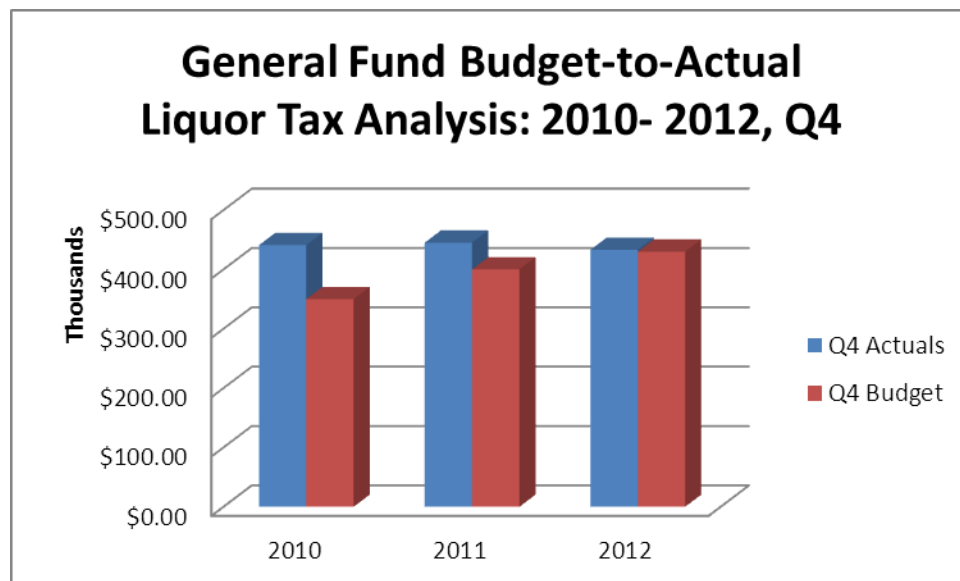


Figure 2-5: General Fund Budget-to-Actual Liquor Tax Analysis

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

2012 Fourth Quarter Rating: Yellow 

Comments: As illustrated below in Figure 2-6, the revenue yield for the Natural Gas Use Tax ended the year \$20,000 below budgeted projections. The performance of this revenue stream is significantly impacted by weather conditions. As such, the relatively mild winter has contributed to a significant variance between actual and predicted gas usage. We will continue to actively review this revenue stream. As the region continues to experience changes in its weather patterns, we may be required to adjust our revenue projections in accordance with such changes.

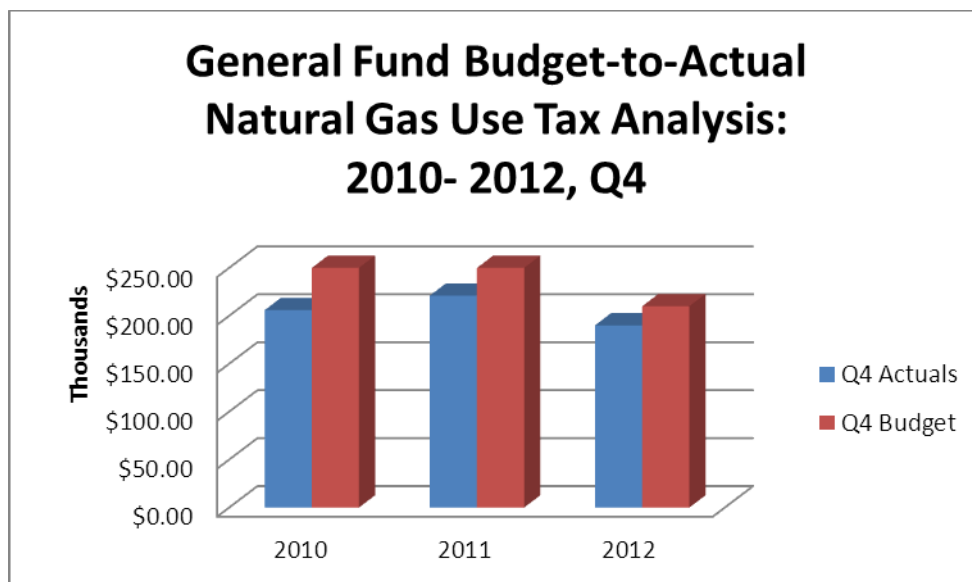


Figure 2-6: General Fund Budget-to-Actual Natural Gas Use Tax Analysis


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

2012 Fourth Quarter Rating: Green 

Comments: As indicated in previous reports, there remains a lag in Sales Tax yields, where current quarter actuals typically reflect the sales tax yield from the previous quarter. This is to say that, for the 2012 4th Quarter Report, the actual sales tax yield reflects tax proceeds from the 3rd Quarter of the year.

As illustrated below in Figure 2-7, Sales tax revenues for the 3rd Quarter of 2012 have performed on par with our budgeted revenue estimate for 3rd Quarter of 2012.

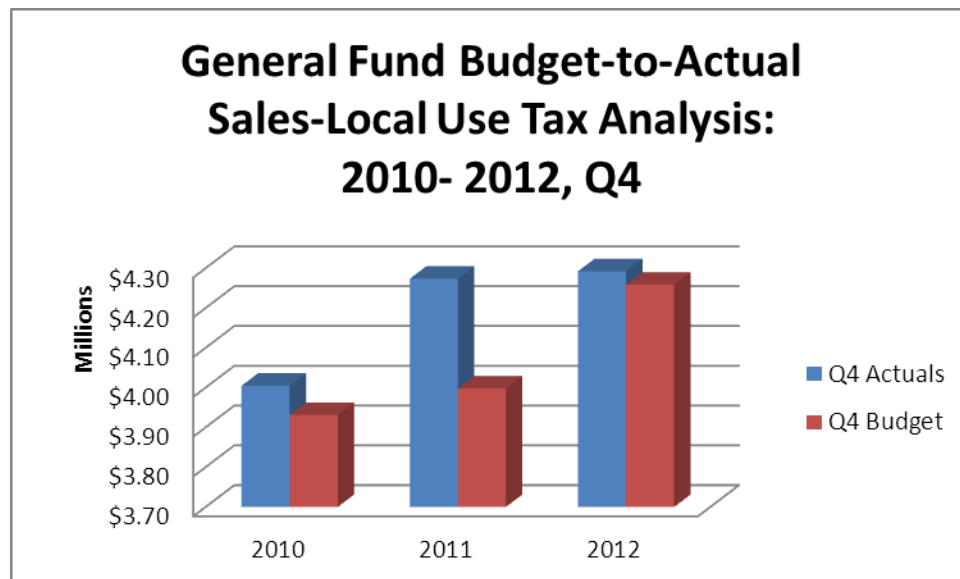


Figure 2-7: General Fund Budget-to-Actual Sales-Local Use Tax Analysis

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

2012 Fourth Quarter Rating: Green 

Comments: As indicated previously, in 2012 the Village received significant one-time transfer tax receipts, primarily from transfer transactions from the Whiteco development and from West Suburban Hospital. As a result, Real Estate Transfer Tax revenues have ended the year at 72% above budgeted 4th Quarter projections, as illustrated below in Figure 2-8.

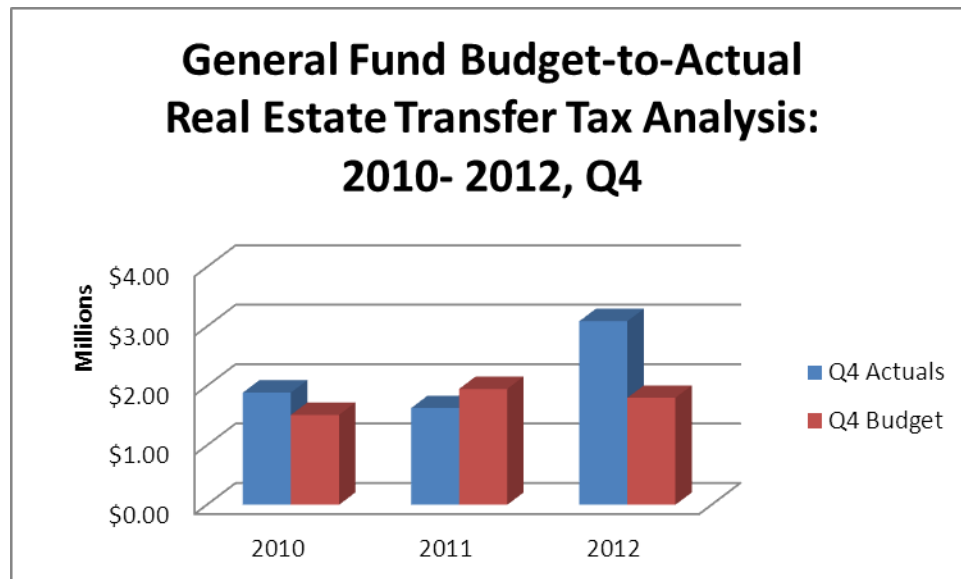



Figure 2-8: General Fund Budget-to-Actual Real Estate Transfer Tax Analysis

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

2012 Fourth Quarter Rating: Yellow 

Comments: At year-end, Utility Tax revenues performed 9% below our budgeted projections. This underperformance may be due to a number of issues: mild weather conditions have reduced the need for 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 lower 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.

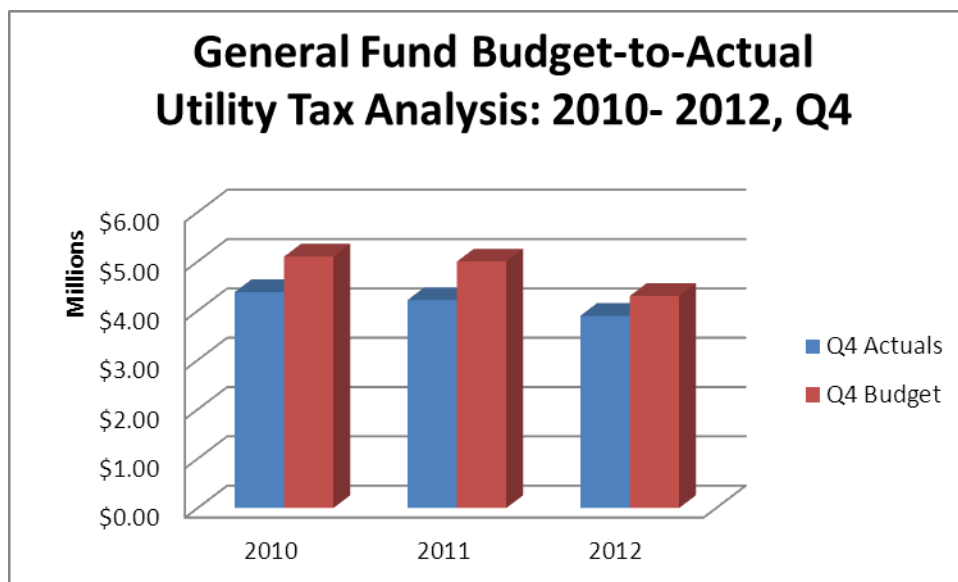


Figure 2-9: General Fund Budget-to-Actual Utility Tax Analysis

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.

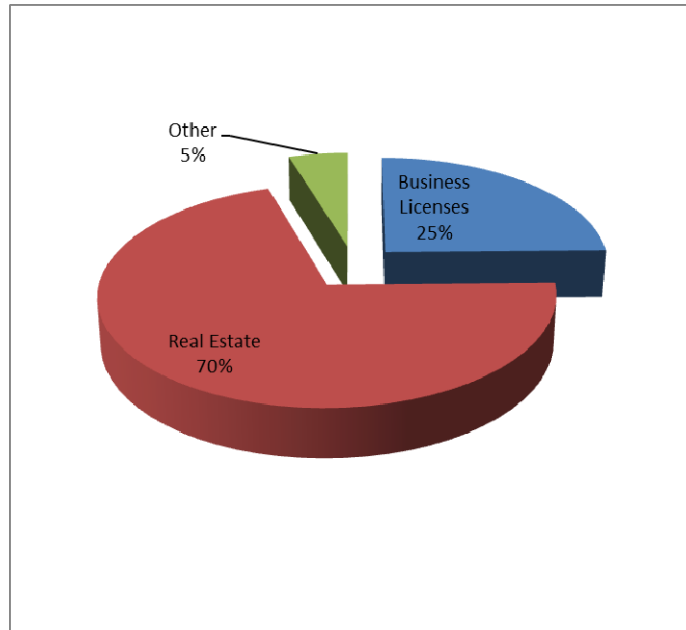



Figure 2-10: Proportion of Licenses and Permits

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

- Economic conditions in real estate and retail markets

2012 Fourth Quarter Rating: Green 

Comments: As illustrated in Figure 2-11 below, proceeds from licenses and permits have ended the year consistent with year-end estimates. Building permit revenues have experienced an increase, while the timely payment of business license fees also contributed to healthy performance.

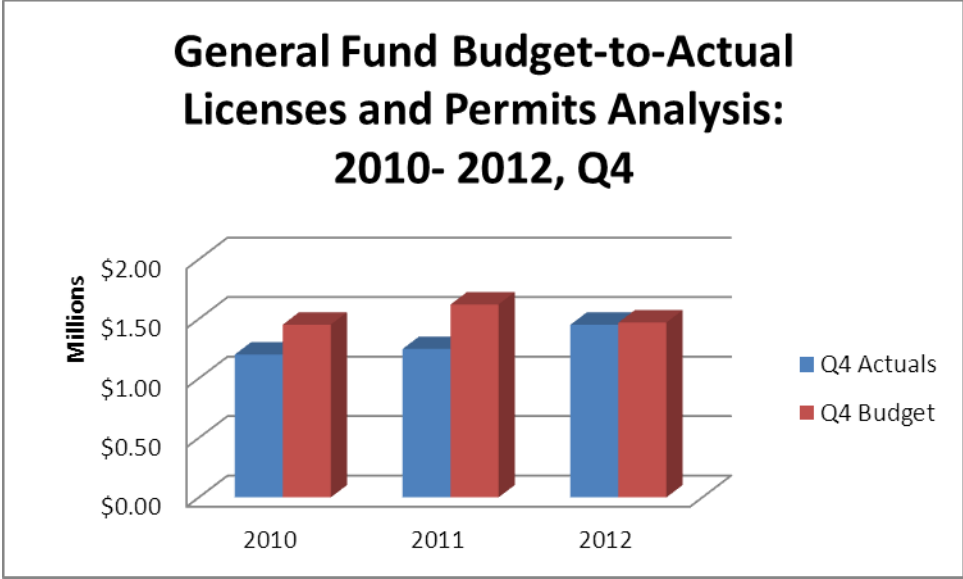


Figure 2-11: General Fund Budget-to-Actual Analysis of Licenses and Permits

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 Fourth Quarter Rating: Yellow 

Comments: As illustrated below in Figure 2-12, intergovernmental revenues ended the year 5% below our budgeted projections. While an increase in State Income taxes had a positive impact on this revenue stream, Personal Property Replacement Tax proceeds performed below expectations. This stream has also experienced a reduction in Grant Revenues due to a change in how Grant Revenues are tracked. Historically, all Village Grant revenues were centrally tracked within the General fund. However, the Village has begun to track grant revenues in accordance with the fund to which they are associated (e.g.-Capital Fund, Special Revenue Fund). This has the impact of distributing grant revenues among the Village’s various departments, while generally reducing the grant revenues that are reflected within the General Fund.

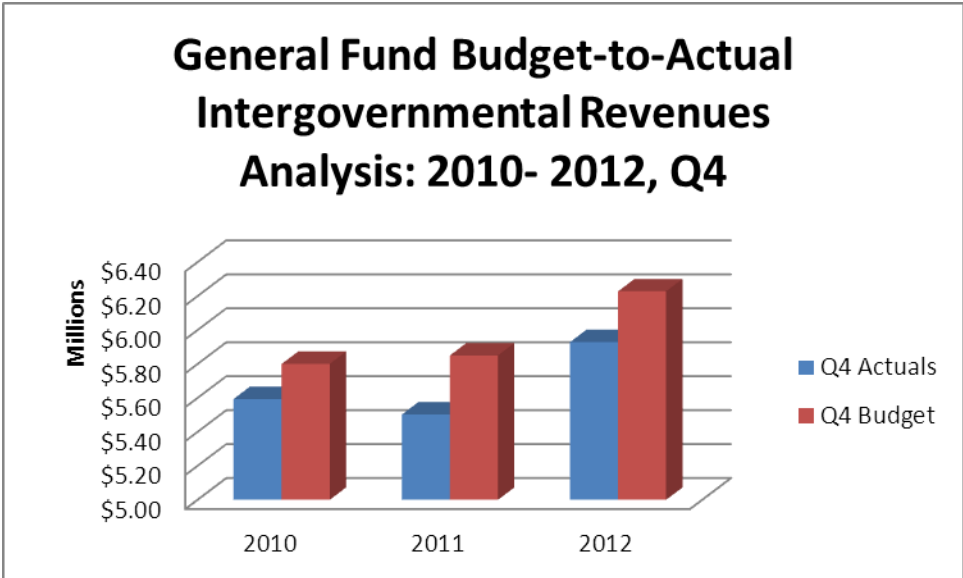


Figure 2-12: General Fund Budget-to-Actual Intergovernmental Revenues Analysis

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.

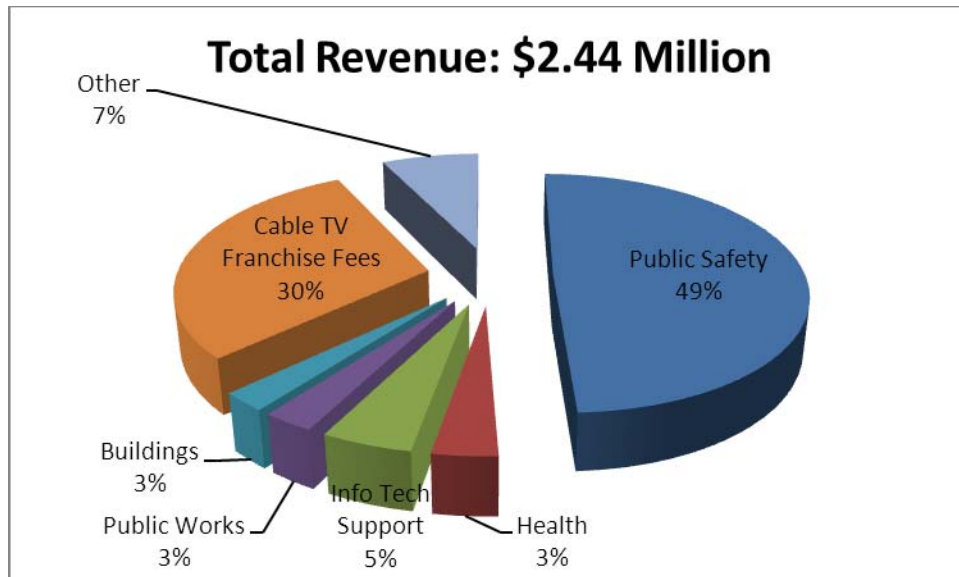


Figure 2-13: Types and Proportion of Licenses and Permits

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 Fourth Quarter Rating: Green 

Comments: The charges for Services portfolio of revenue streams ended the year 26% above projected revenue estimates. An increase in Ambulance charges and the recovery of CTA Reimbursement and Crossing Guard revenue has contributed to this increase. Also, outstanding Cable Franchise fees were retrieved.

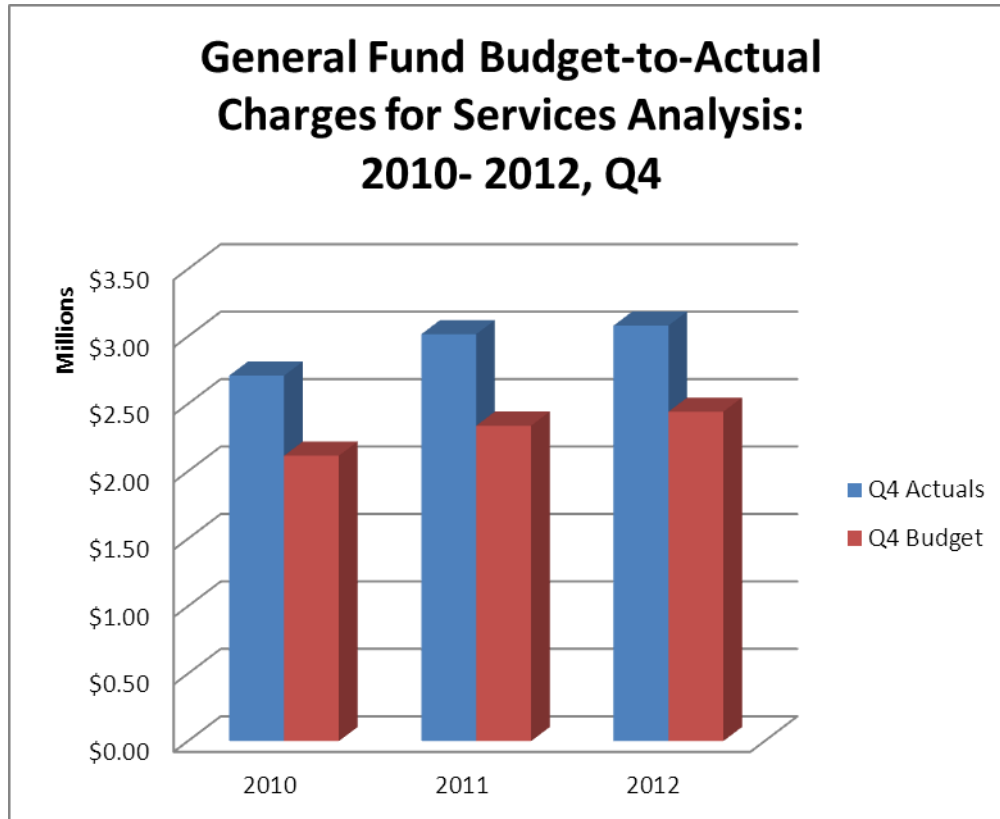


Figure 2-14: General Fund Budget-to-Actual Charges for Services Analysis

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 Fourth Quarter Rating: Red ●

Comments: As illustrated in the figure below, year-end yields from fines were 23% below projected estimates. As indicated in previous reports, parking fine proceeds remained a significant challenge for this revenue stream. In the Fall of 2012, the Village began to actively recruit Parking Enforcement Officers. However, as indicated previously, it is likely that the impact of these Parking Enforcement Officers may not be observed until 2013.

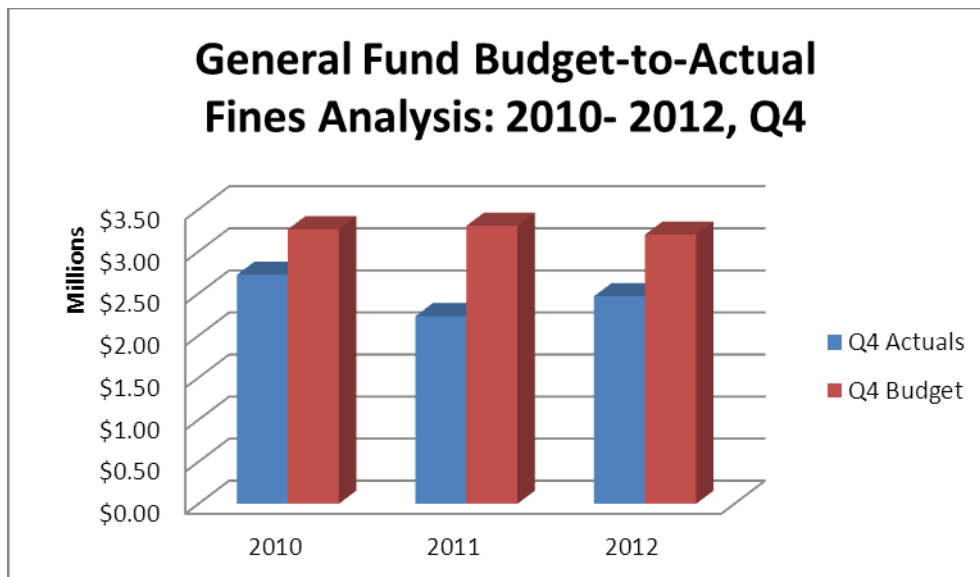


Figure 2-15: General Fund Budget-to-Actual Fines Analysis

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.

2012 Fourth Quarter Rating: Green 

General Comments: At year-end, general fund expenditures were at 6% below planned estimates. As mentioned previously, while on its face, under-expenditures may appear to be a good thing, it may also reflect delays and challenges in performing planned services.

As indicated previously, because 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.

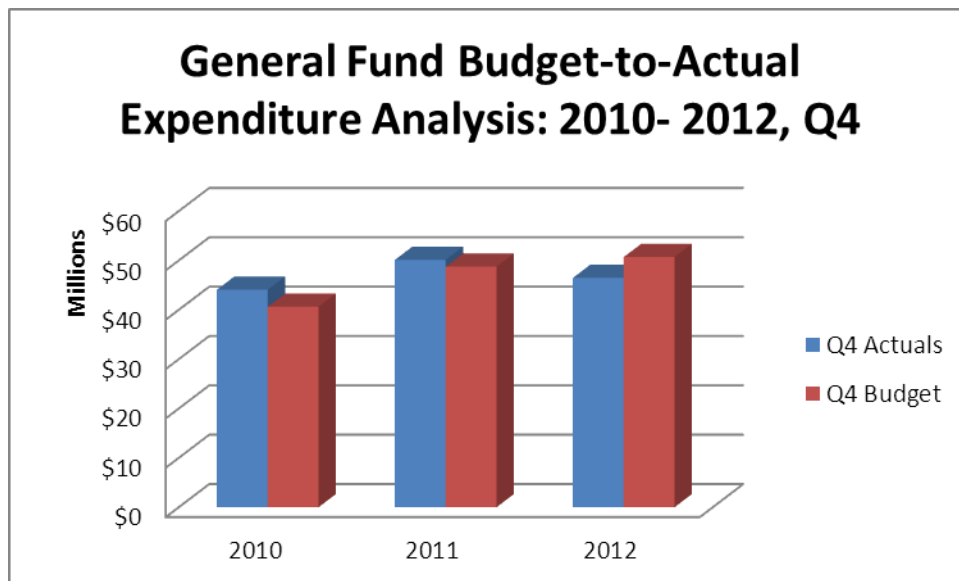


Figure 3-1: General Fund Budget-to-Actual Expenditure Analysis

General Fund Expenditures				
Description	YTD Actuals	YTD Budget	Variance	Variance %
			Good/(Bad)	
Personnel and Benefits	\$37,699,689	\$38,206,049	\$506,360	1.33%
Professional and Technical	\$3,660,321	\$5,127,622	\$1,467,301	28.62%
Purchased Property Services	\$490,125	\$778,030	\$287,905	37.00%
Other Purchased Services	\$827,516	\$1,079,684	\$252,168	23.36%
Supplies and Materials	\$1,324,763	\$1,978,028	\$653,265	33.03%
Real Property, CDBG & Other	\$203,201	\$165,323	(37,878.00)	-22.91%

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 Fourth Quarter Rating: Green



Comments: The Village's expenditures for combined wages and benefits ended the year slightly below (1%) budgeted projections.

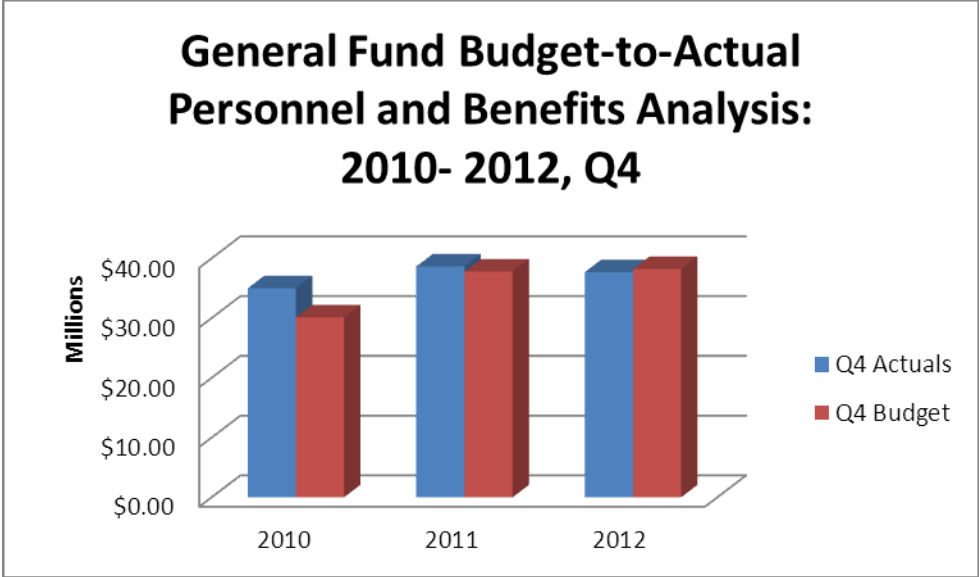


Figure 3-3: General Fund Budget-to-Actual Personnel and Benefits Analysis

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 Fourth Quarter Rating: Green 

Comments: Professional and Technical Services net expenditures for the year were at 28.62% below projected expenditures.

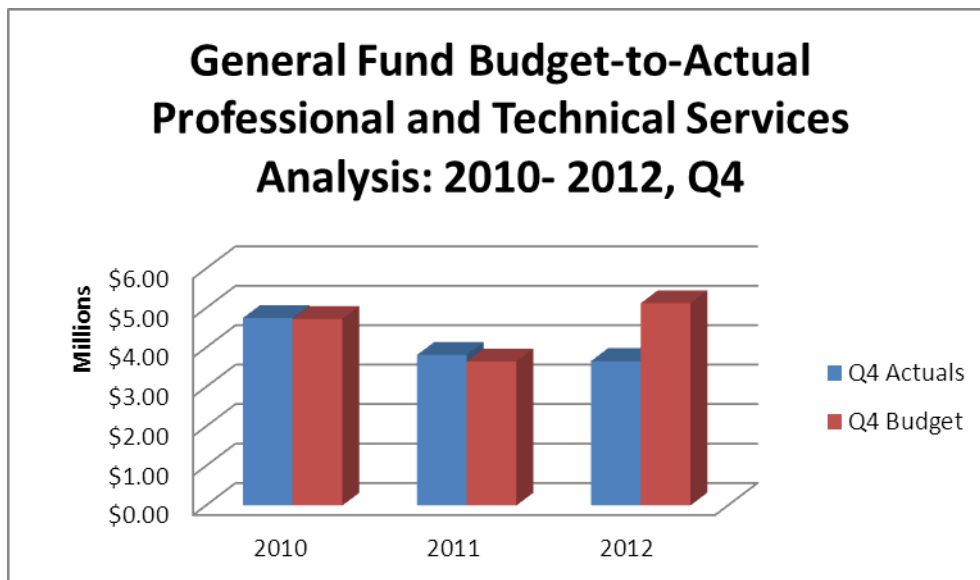


Figure 3-4: General Fund Budget-to-Actual Professional and Technical Services Analysis

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 Fourth Quarter Rating: Green 

Comments: Year-end expenditures within the Purchased Property Services expenditure area remain at 37% below budgeted estimates.

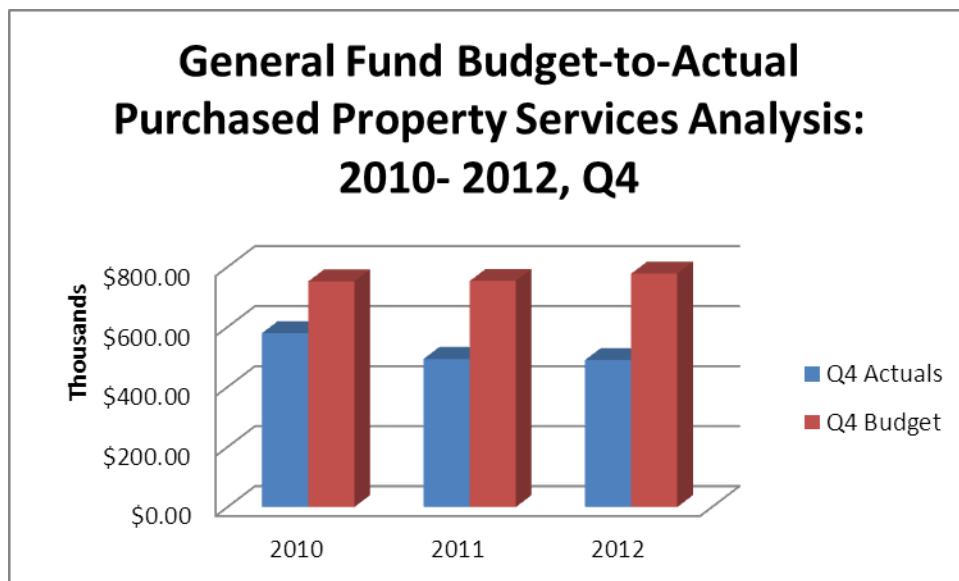


Figure 3-5: General Fund Budget-to-Actual Purchased Property Services Analysis

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 Fourth Quarter Rating: Green 

Comments: Year-end expenditures within Other Purchased Services were at 23% below projected expenditures.

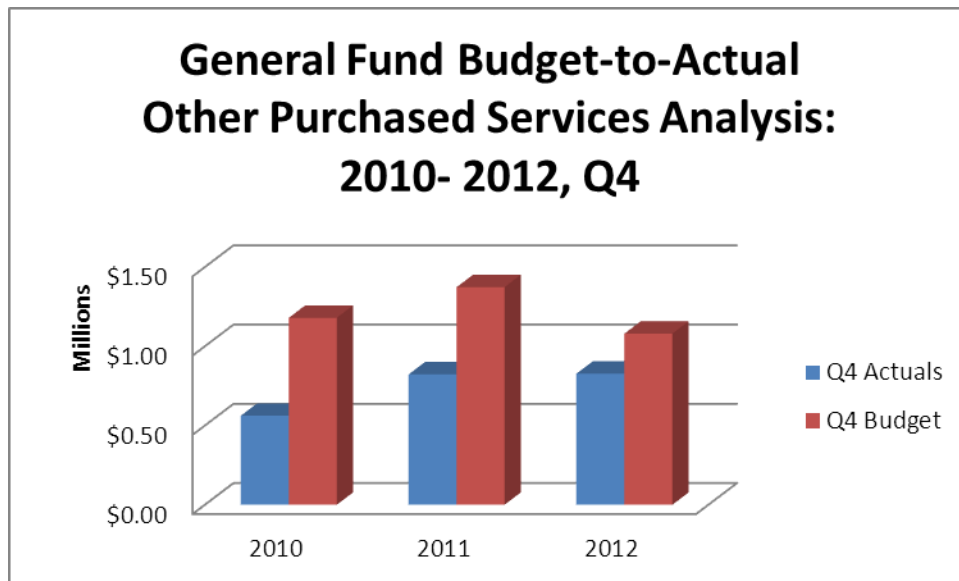


Figure 3-6: General Fund Budget-to-Actual Other Purchased Services Analysis

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 Fourth Quarter Rating: Green 

Comments: Total expenditures for the 4th quarter within the Supplies and Materials expenditure area ended the year at about 33% under budget.

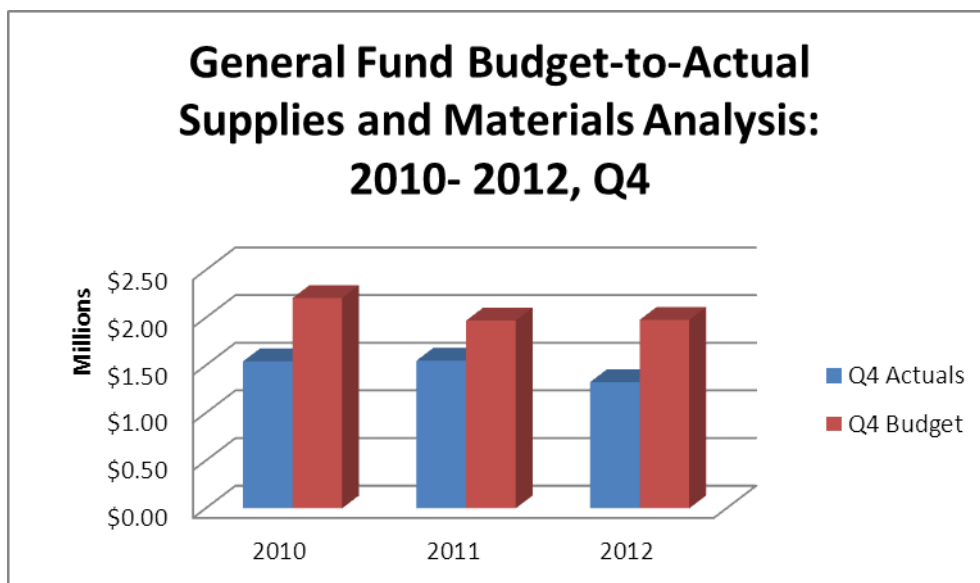


Figure 3-6: General Fund Budget-to-Actual Supplies and Materials Analysis


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

2012 Fourth Quarter Rating: Green 

Comments: No comments at this time

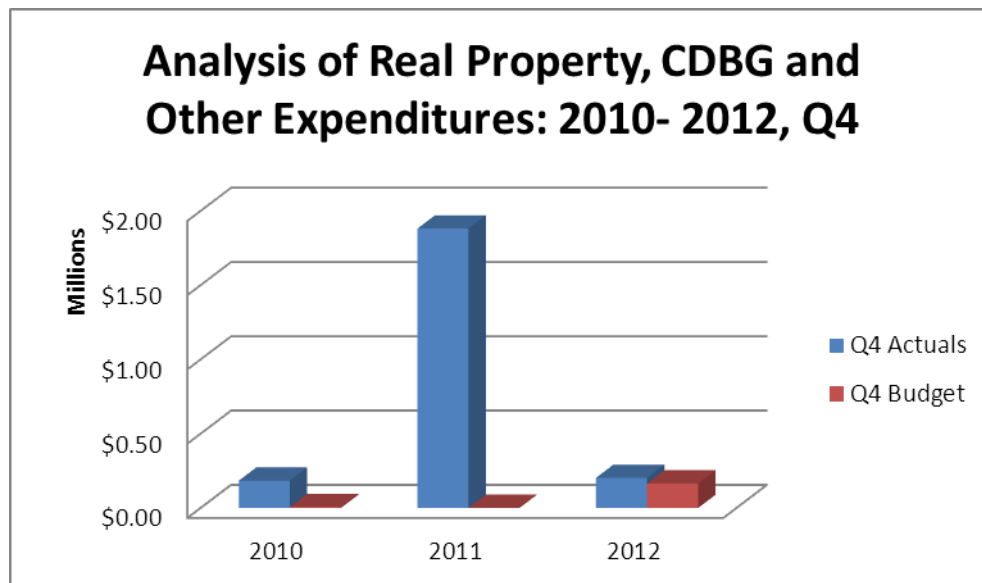


Figure 3-7: Analysis of Real Property, CDBG and Other Expenditures

Section 4: Enterprise Funds

Brief Description: This section provides 3rd 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 Fourth Quarter Rating: Green 

Comments: Water Fund ended the year 39% above the budgeted target for the year. Due to the consolidation of the Water and Sewer Fund, this report reflects the last time that the Water and Sewer Funds will be reported in a separate manner. Future Quarterly Reports will present the funds in a consolidated manner.

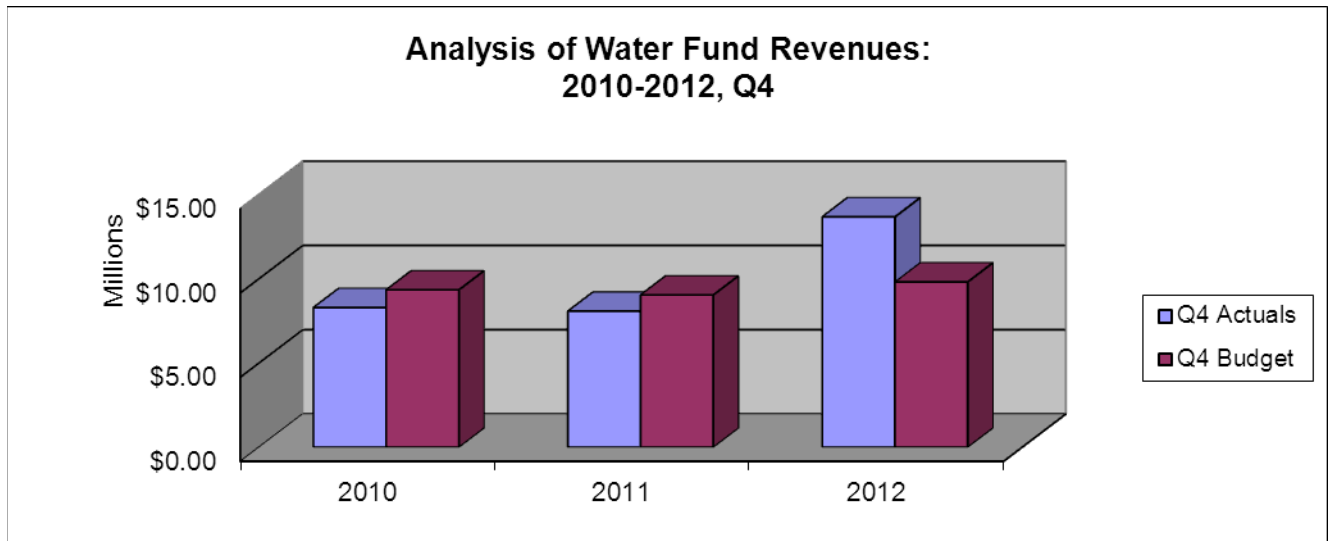


Figure 4-1: Analysis of Water Fund Revenues

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 Fourth Quarter Rating: Green 

Comments: Total expenditures for the Water Fund ended the year at 6% below budget. It is anticipated that the expenditures related to a number of 2012 unfinished Water Fund projects will be reflected within 2013 expenditures.

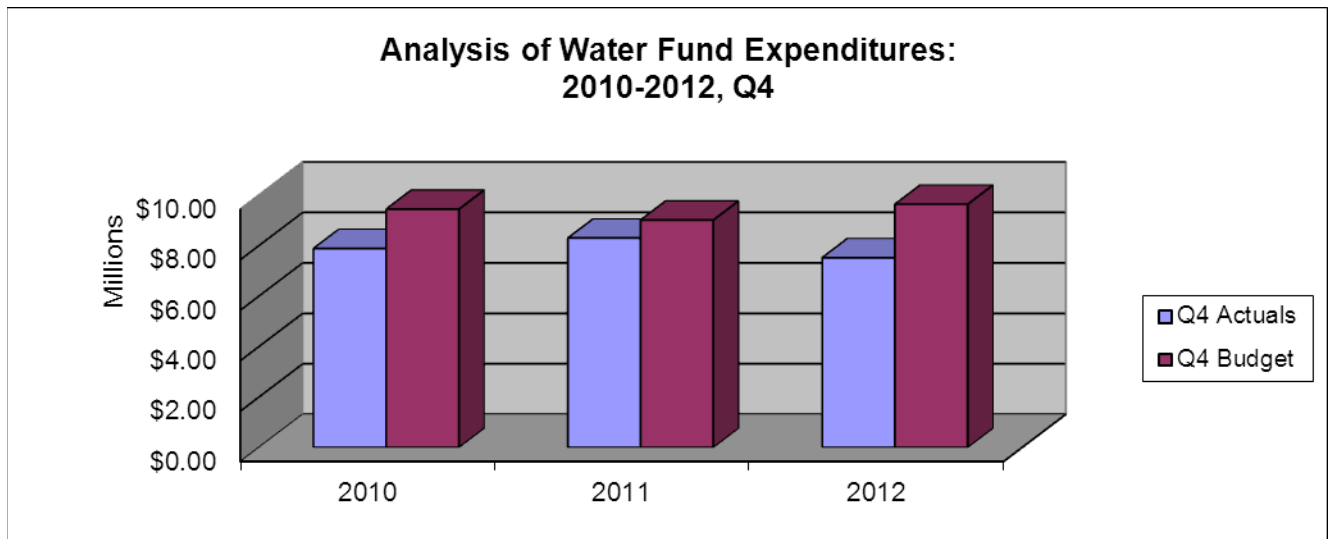


Figure 4-2: Analysis of Water Fund Expenditures


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 Fourth Quarter Rating: Yellow 

Comments: At year-end, Sewer Fund revenues performed 2% below budgeted targets. While it is expected that Sewer Fund revenues would be aligned with Water fund proceeds, our experience with the funds indicates that performance within one fund may not necessarily correlate with the performance within the other.

Due to the consolidation of the Water and Sewer Fund, this report reflects the last time that the Water and Sewer Funds will be reported in a separate manner. Future Quarterly Reports will present the funds in a consolidated manner.

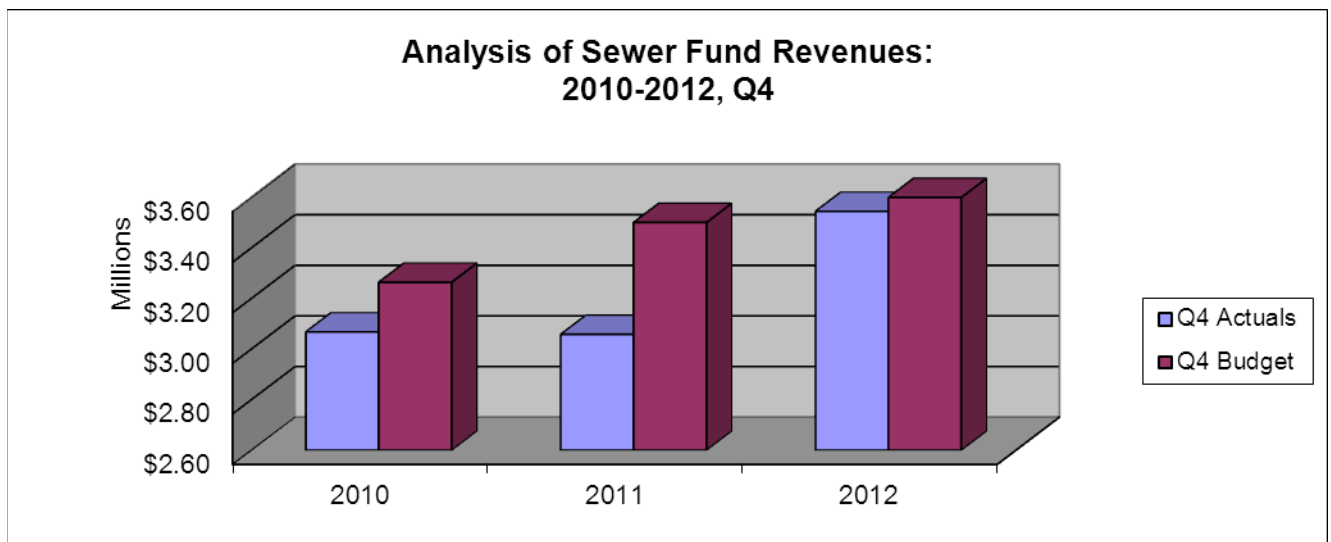


Figure 4-3: Analysis of Sewer Fund Revenues

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 Fourth Quarter Rating: Yellow 

Comments: Total expenditures for the Sewer Fund ended the year at 10-percent below the year-end budget. Under-expenditures in areas such as Roadway Maintenance (e.g.-salt purchases) and External Support have contributed to this year-end surplus. However, it is important to note that the fund has ended the year with a \$164,00 deficit in the capital improvements line-item. Finance staff will work with the Department of Public Works to understand the reason for this over-expenditure.

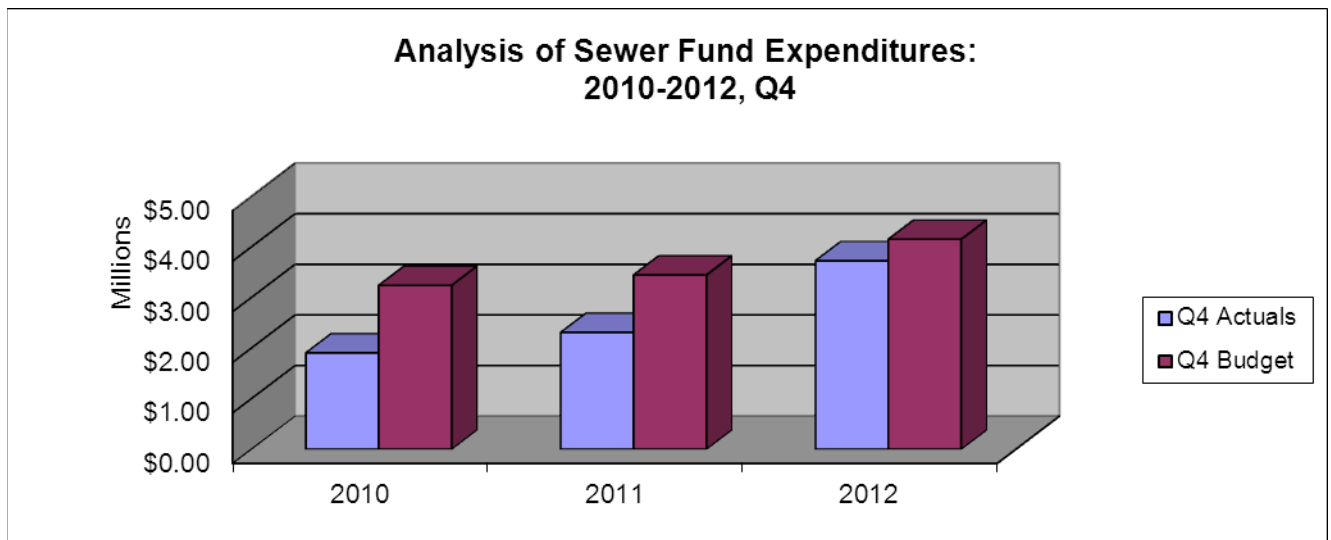


Figure 4-4: Analysis of Sewer Fund Expenditures

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 “fuel” Parking Fund revenues:

- Parking rates
- Volume of parkers

2012 Fourth Quarter Rating: Green 

Comments: Parking fund revenues have ended the year 11% above budgeted projections. It is important to note that the fund reflects \$248,000 in one-time unbudgeted grant revenues, which has contributed to the fund’s positive revenue performance. As discussed previously, grant revenues, which were historically reflected in the General Fund, are now being reflected in the funds to which they are associated, thereby resulting in an unbudgeted increase in revenues.

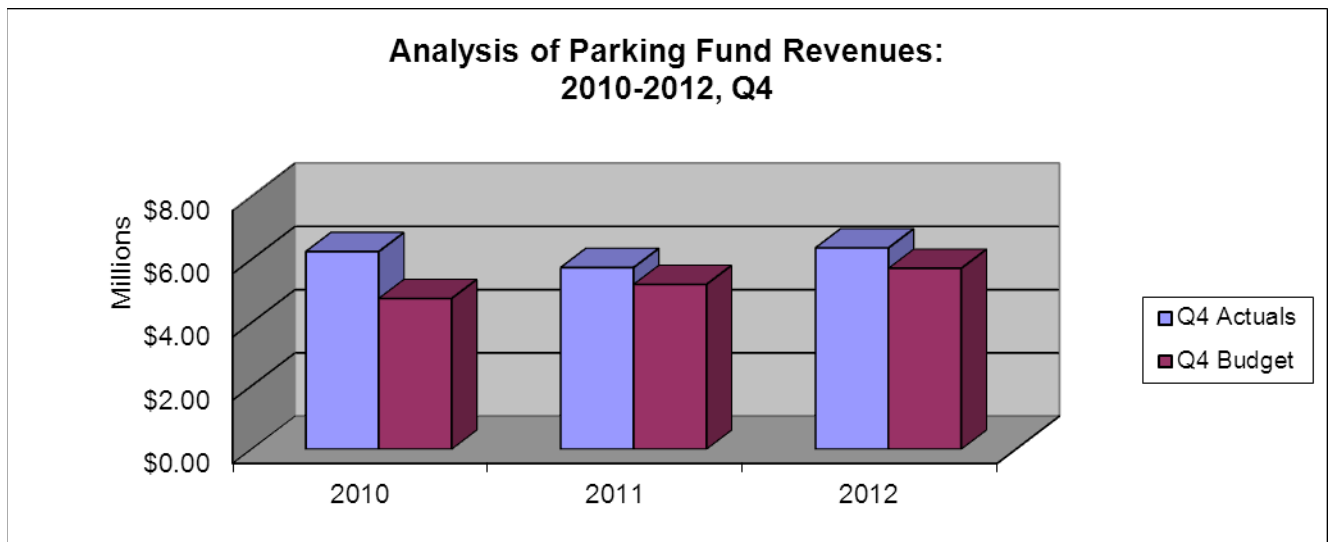


Figure 4-5: Analysis of Parking Fund Revenues

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 Fourth Quarter Rating: Green 

Comments: Total expenditures for the Fund ended the year at 6-percent below budget. It is important to note that this under-expenditure includes a \$1 Million debt-reduction transfer to the General Fund.

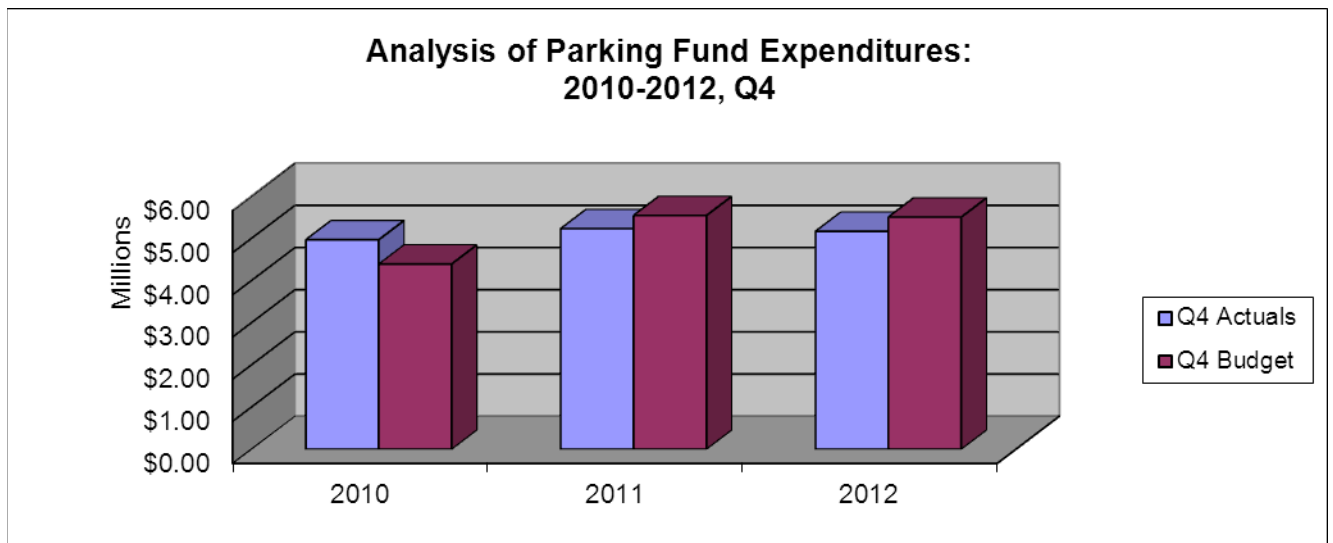


Figure 4-6: Analysis of Parking Fund Expenditures

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



2012 Fourth Quarter Rating: Yellow

Comments: Revenues for this fund ended the year 6% below budgeted projections. Particularly, the fund has experienced significant reductions (6%) in Refuse Collection Fees. This reduction may be due to Village-initiated waste diversion programs, such as recycling and composting programs. As such, as these programs expand and become successful, the Village may experience structural reductions in revenue yields.

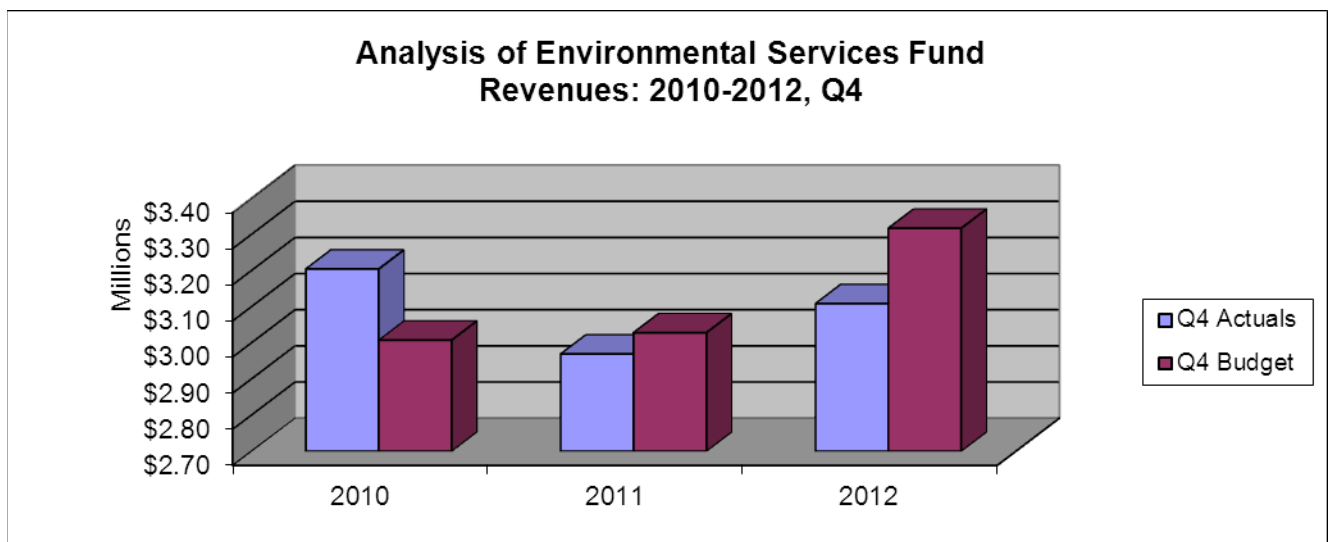


Figure 4-7: Analysis of Environmental Services Fund Revenues

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

2012 Fourth Quarter Rating: Green 

Comments: Total expenditures for the Fund ended the year at 11-percent below the year-end budget.

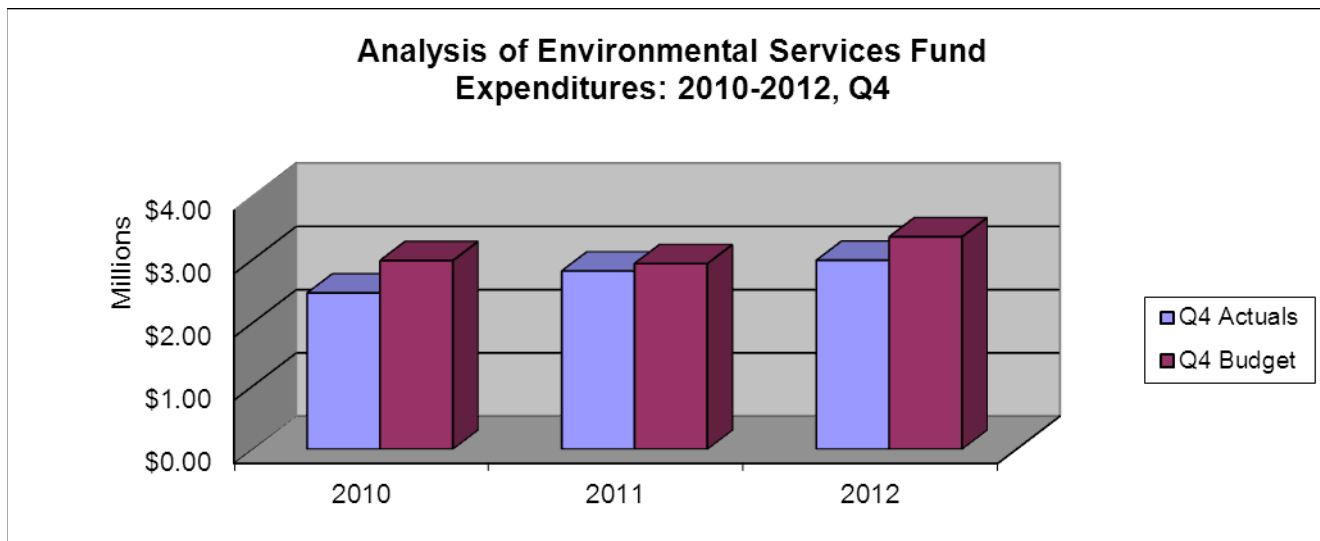


Figure 4-8: Analysis of Environmental Services Fund Expenditures