



Village of Oak Park, IL  
Department of Finance

# Quarterly Finance and Performance Report 2016, 3rd Quarter

October, 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 Third Quarter (Jul-Sep 2016) Financial Report Summary



## Section 2: 3rd Quarter Financial Report Summary

The Quarterly Financial Report Summary presents key revenue and expenditure activity in relation to the Village’s approved budget. The report covers revenue and expenditure activity through the third quarter of FY 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 3Q revenues versus projected, when adjusting for revenue phasing and holding property taxes constant, are ~1% in arrears of budgeted projections.
Property Taxes		<b>Green</b> - Property tax revenue yield is on par with expected receipts.
Liquor Taxes		<b>Green</b> - Taxes are only slightly behind 3Q budget projections.
Natural Gas Use Taxes		<b>Green</b> – Taxes, considering two months of phasing, are at 3Q budget projections.
Sales Taxes		<b>Yellow</b> – When adjusted for revenue phasing, revenues are yet ~20% behind 3Q estimates.
Real Estate Transfer Tax		<b>Green</b> - Taxes are a robust 47% in excess of budgeted expectations for the year.
Utility Taxes		<b>Red</b> - Tax revenues are significantly below projections through 3Q.
Licenses and Permits		<b>Yellow</b> - Revenue proceeds, driven by low Building Permit revenues, are significantly below budgeted estimates.
Intergovernmental Revenues		<b>Green</b> - Revenue is currently near budgeted projections.
Charges for Services		<b>Green</b> – Revenues, accounting for Cable TV Franchise Fees to be received, are at projected revenue estimates.
Fines		<b>Red</b> - Revenues are significantly below budgeted projections, all attributable to Parking Fines Fees.
<u>General Fund Expenditures</u>		<b>Green</b> - Year-end expenditures are 11% below budgeted estimates when normalized for police and fire pension contributions.
Personnel and Benefits		<b>Green</b> – Personnel and benefit expenses are marginally (4%) below budgeted estimates.
Professional and Technical Services		<b>Green</b> - Expenditures are currently 26% below projected expenditures.

Purchased Property Services		<b>Green</b> - Expenditures are well below projected expenditures.
Other Purchased Services		<b>Green</b> - Expenditures are significantly below projected expenditures.
Supplies and Materials		<b>Green</b> - Expenditures are significantly (36%) below projected expenditures.
Real Property, CDBG and Other		<b>Green</b> - 3Q expenditures are relatively small and within a reasonable threshold of performance.

### Water and Sewer Fund

Water and Sewer Fund Revenues		<b>Green</b> - 3Q revenues are estimated to be at budget when accounting for the phasing of revenue receipts.
Water and Sewer Fund Expenditures		<b>Green</b> - 3Q expenditures are ~12% below budget, when accounting for capital project expenses not yet realized.

### Parking Fund

Parking Fund Revenues		<b>Green</b> - Revenues are marginally (6%) higher than budgeted projections for 3Q.
Parking Fund Expenditures		<b>Green</b> - 3Q budgeted expenditures (adjusted for Building Improvements) are running 13% below budgeted expenditures.





### Environmental Services Fund

Environmental Services Revenue		<b>Yellow</b> - 3Q revenues are about 9% below budgeted projections when considering phasing of receipts.
Environmental Services Expenditures		<b>Green</b> - 3Q expenditures are running true to budget, when considering the increase in fund transfers.

**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
	There is not enough current year information to assess a performance rating at this time

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

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

## Section 2.1: General Fund Revenue Analysis

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

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

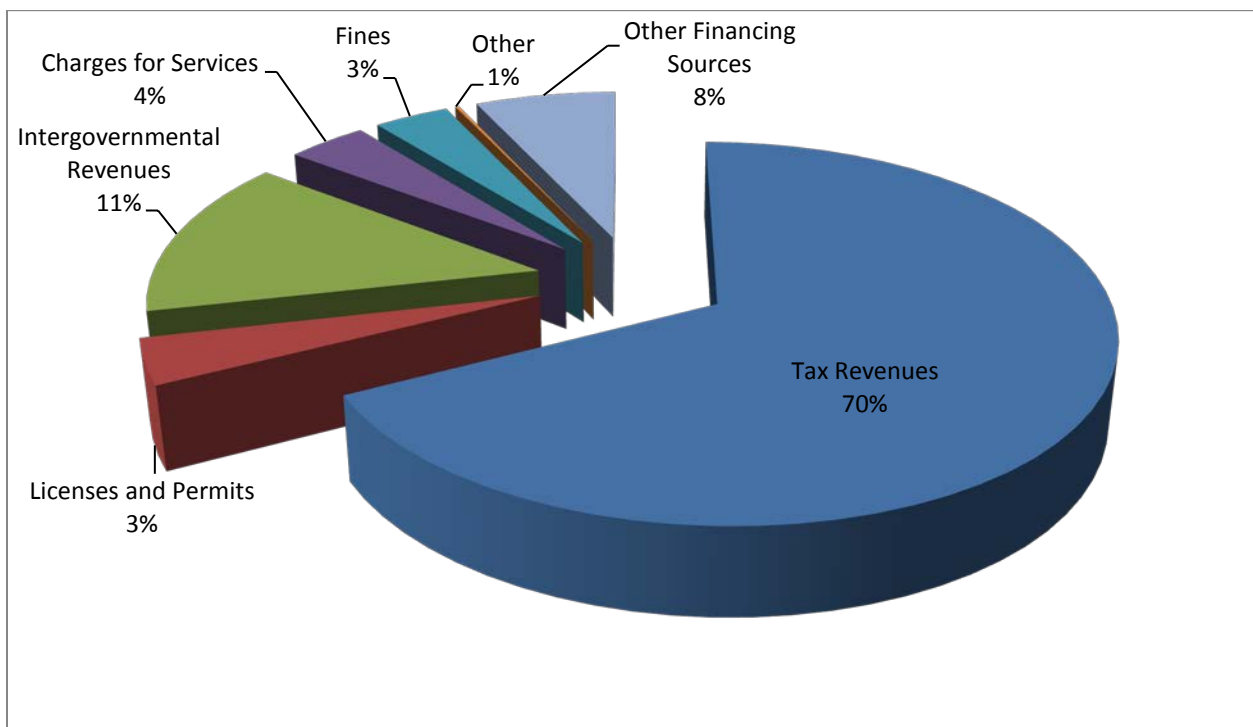


Figure 2-1: Proportion of General Fund Revenue Sources (3Q YTD)

2016 Third Quarter Rating: Yellow



**General Comments:** Third quarter General Fund revenues for 2016 are performing nearly at budgeted projections, when accounting for revenues known to be due the Village but not yet received. Tax proceeds, which make up more than two-thirds of the Village's General Fund revenue proceeds, are currently performing at the planned yield for the quarter and the current major surplus is due to revenue receipt phasing and will not continue to year-end. The Village, to date, has

experienced slightly lower than expected proceeds within the Sales tax, Utility tax, and Fines line items, while exceeding expectations for Real Estate Transfer and Natural Gas Use taxes. Also, the Village has experienced lagging results in Licenses and Permits, which continue to run lower than budget and deserve close scrutiny based upon 3Q year-to-date results.

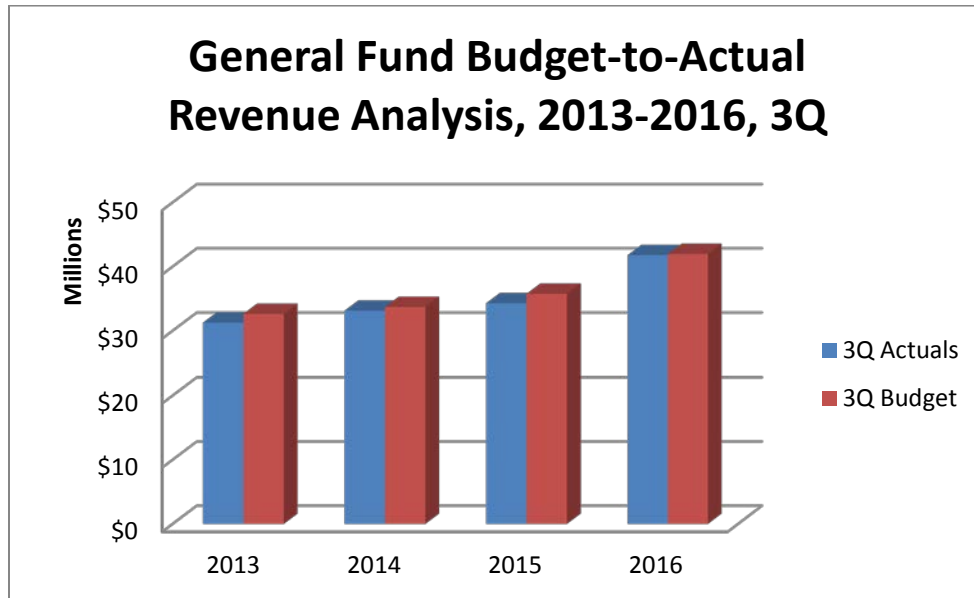


Figure 2-2: General Fund Budget-to-Actual Revenue Analysis

Description	YTD Income	Percentage
Tax Revenues	\$32,083,301	70.1%
Licenses and Permits	\$1,269,094	2.8%
Intergovernmental Revenues	\$4,949,720	10.8%
Charges for Services	\$2,118,533	4.6%
Fines	\$1,351,449	3.0%
Other Local Government	\$467,193	1.0%
Other Financing Sources	\$3,512,503	7.7%

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

**2016 Third Quarter Rating:** Green 

**Comments:** As illustrated below in Figure 2-4, property tax yields for the third quarter at a rate in accordance with the year-end projection of \$13.662MM. Given the variability of this revenue stream the Finance Department believes that the amount recognized through the 3Q (\$14.2MM), though slightly higher than year-end estimates, falls within a reasonable performance threshold due to the manner in which tax revenues are realized by the Village.

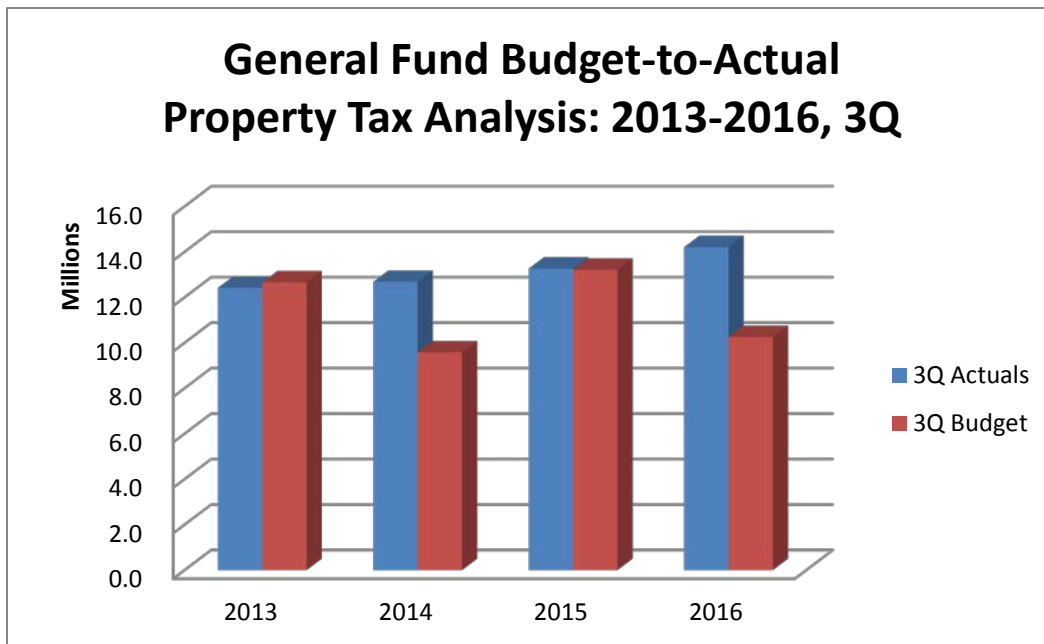


Figure 2-4: General Fund Budget-to-Actual Property Tax Analysis

# 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 Third Quarter Rating: Green** 

**Comments:** As indicated below in Figure 2-5, Liquor Tax revenue yields for the third quarter are moderately below (18%) projections, although as a gross amount only represents a total of 81k. If we factor in the one-month lag of posted revenues, however, we are only slightly behind anticipated results.

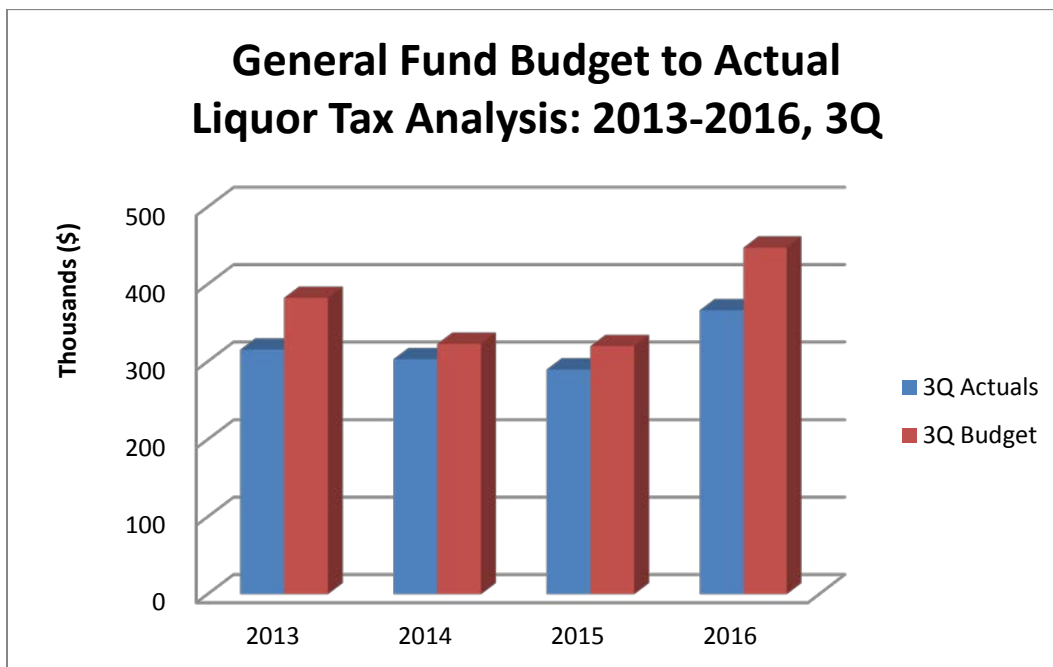


Figure 2-5: General Fund Budget-to-Actual Liquor Tax Analysis

# Natural Gas Use Tax Revenues

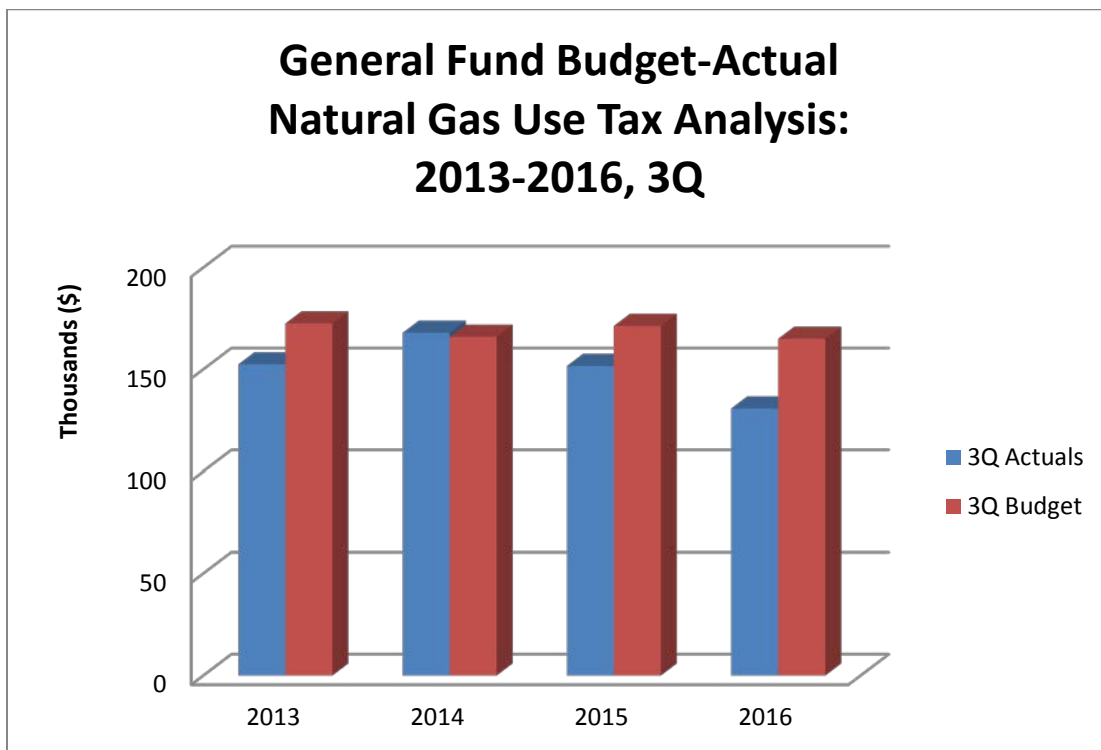
**Brief Description:** The Natural Gas Use Tax is a tax that the Village charges to users based upon the purchase of natural gas. The current Use Tax rate is 2.2 cents per therm.

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

- Number of Therms consumed
- Weather conditions

**2016 Third Quarter Rating: Green** 

**Comments:** As illustrated below in Figure 2-6, the revenue yield for the Natural Gas Use Tax is 21% below projected through the third quarter. Given the current almost two-month lag in posting revenues, however, the real difference is virtually non-existent.



**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

**2016 Third Quarter Rating:** Yellow 

**Comments:** As mentioned in previous reports, there is a quarterly lag in Sales Tax yields, where current quarter actuals typically reflect the sales tax yield from the previous quarter. This is to say that current revenues actuals would reflect revenue performance from the second quarter of 2016. Given a full recognition of the phased revenues for July through September, Sales Tax revenues are nonetheless ~20% less than budgeted revenues.

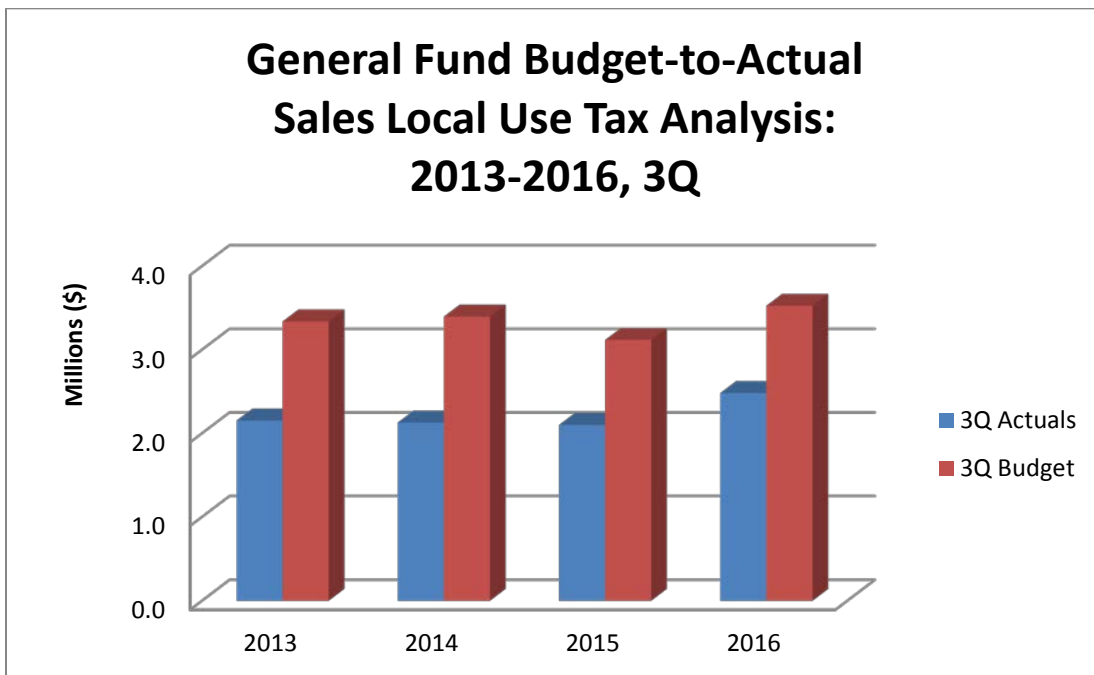


Figure 2-7: General Fund Budget-to-Actual Sales-Local Use Tax Analysis

# 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

**2016 Third Quarter Rating:** Green 

**Comments:** As illustrated below in Figure 2-8, third quarter Real Estate Transfer tax proceeds are performing well above budgeted expectations through the third quarter. The 47% in excess of budget amount represents a total of a little over \$1,000,000 through 3Q.

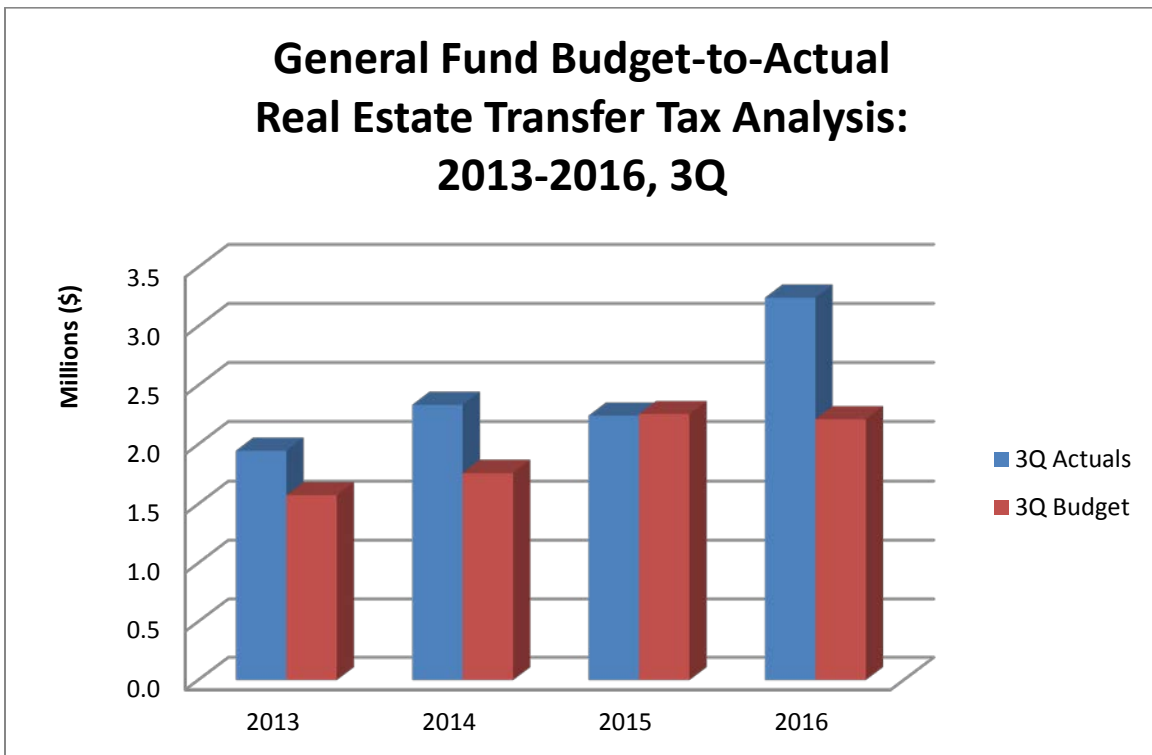


Figure 2-8: General Fund Budget-to-Actual Real Estate Transfer Tax Analysis

# 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

**2016 Third Quarter Rating:** Red 

**Comments:** As mentioned above, Utility Tax (Electric and Natural Gas) revenues are at only 65% of budgeted projections, although there may yet be a minor amount of phased revenues that have not yet been posted.

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. As such changes become long-term in nature; the Village may ultimately adjust its Utility Tax revenue estimates accordingly.

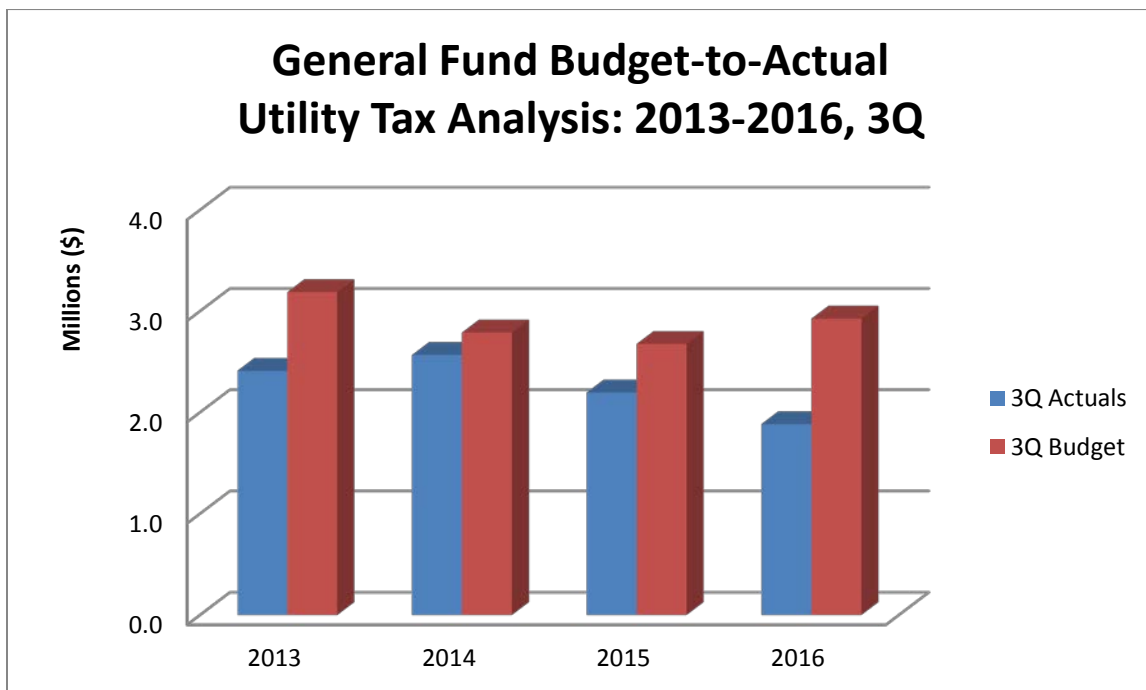


Figure 2-9: General Fund Budget-to-Actual Utility Tax Analysis

# 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.

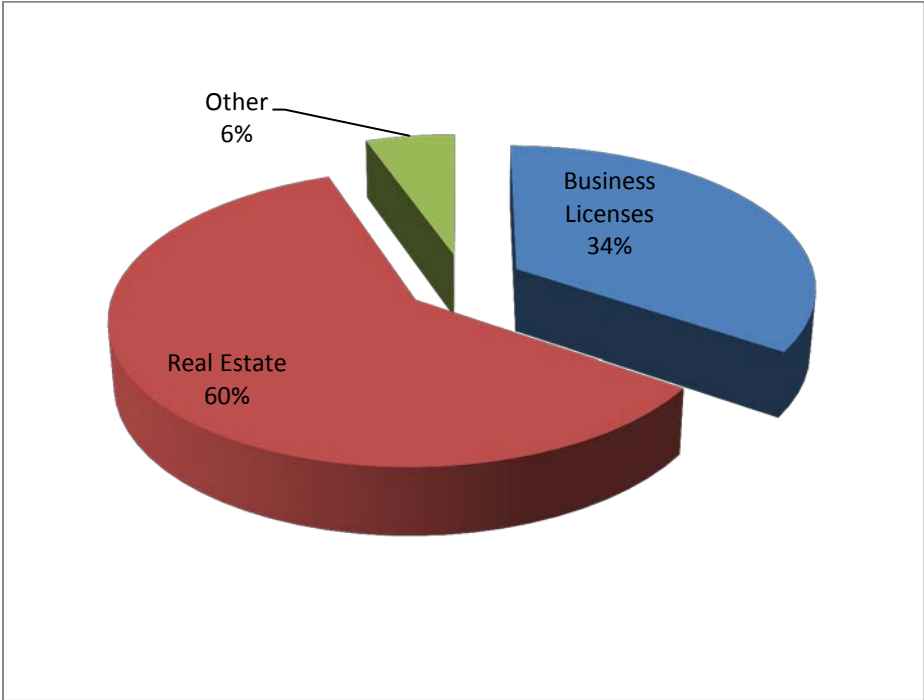


Figure 2-10: Proportion of Licenses and Permits

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

- Economic conditions in real estate and retail markets

2016 Third Quarter Rating: Yellow 

**Comments:** As illustrated in Figure 2-11 below, third quarter proceeds from licenses and permits are ~816K below (39%) budgeted estimates. The entire deficit can be attributed to the poor performance of Building Permits, which is at less than half of anticipated revenues year-to-date. Business License proceeds, however, have exceeded budget expectations by 45K.

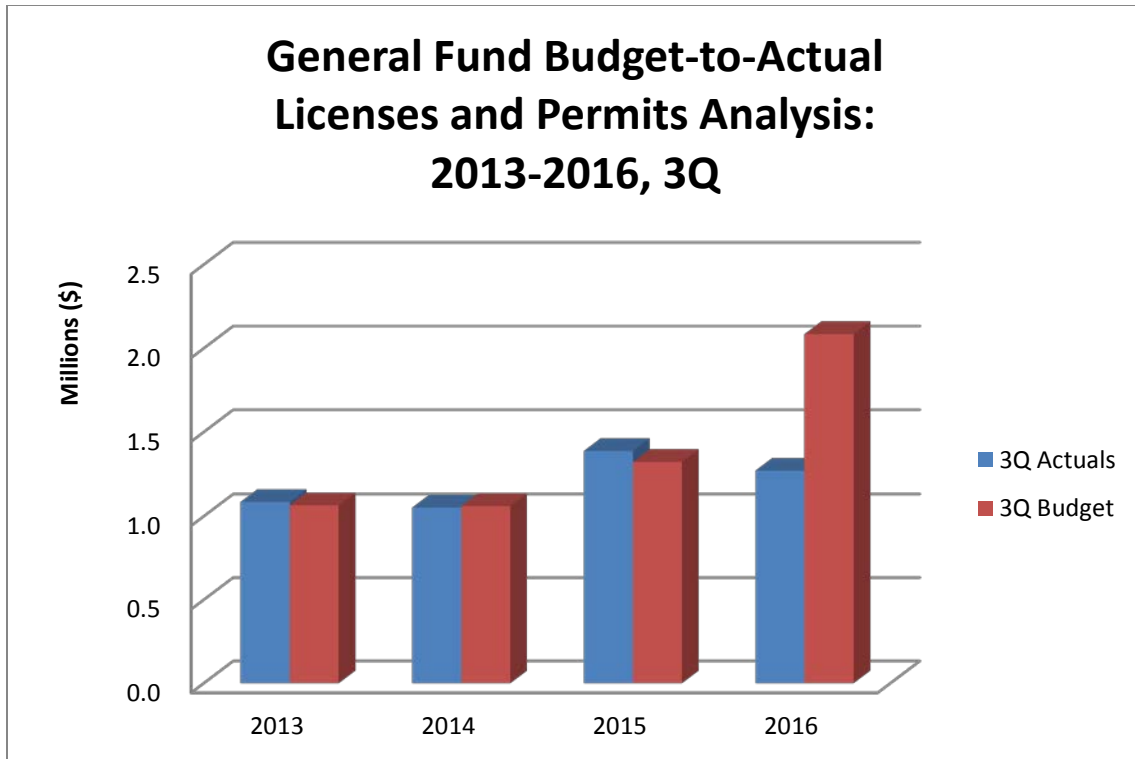


Figure 2-11: General Fund Budget-to-Actual Analysis of Licenses and Permits

## 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 Third 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 the entire portfolio. As illustrated below in Figure 2-12, intergovernmental revenues ended the third quarter in lock step with our budgeted projections. Currently, State Income taxes have been getting posted closer to on-time versus the two-month lag of earlier in the year.



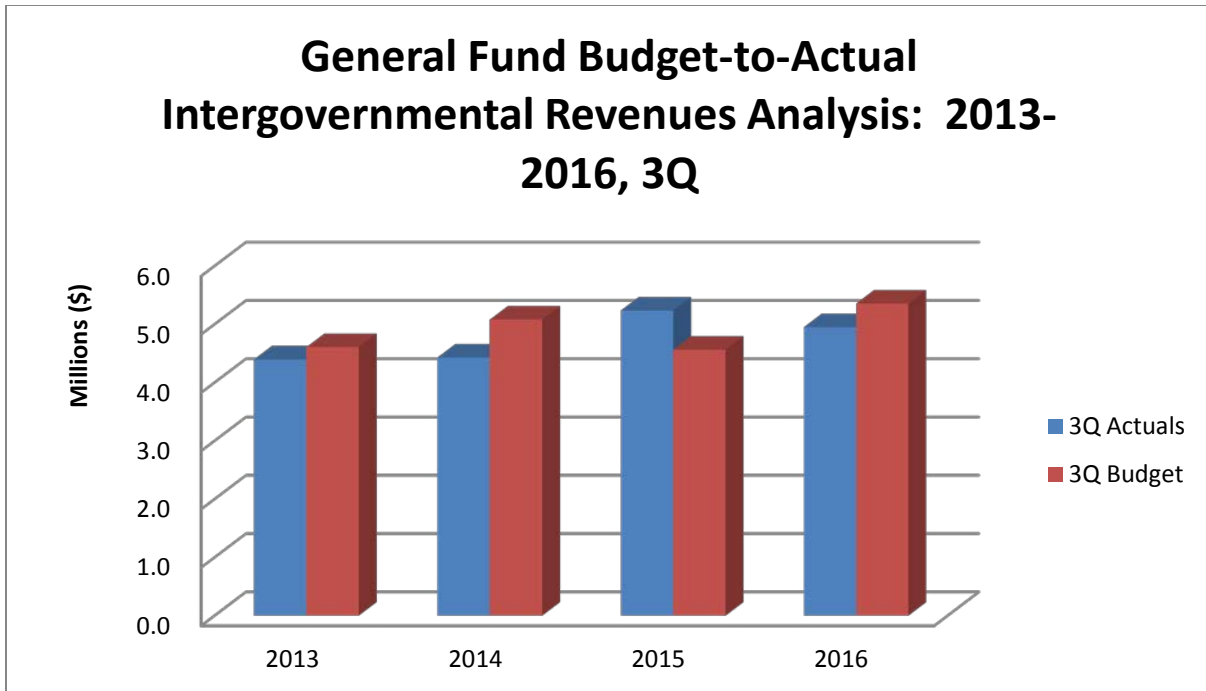


Figure 2-12: General Fund Budget-to-Actual Intergovernmental Revenues Analysis

## 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.

**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 Third Quarter Rating: ● Green

**Comments:** Given a one-quarter lag in posting of revenues for Cable TV Franchise Fees, YTD revenue were accrued for this line item the Village would actually be realizing revenues approximately 5% above budgeted.

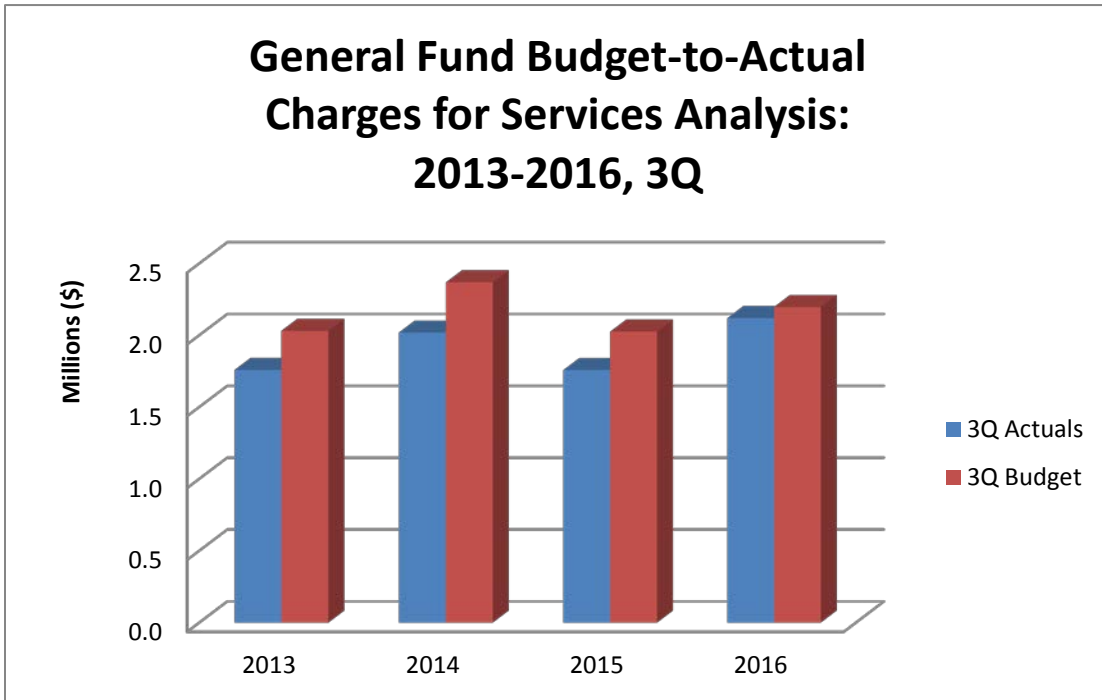


Figure 2-13: General Fund Budget-to-Actual Charges for Services Analysis

# Fines

**Brief Description:** The Village charges fines and penalties to individuals and businesses when 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

**2016 Third Quarter Rating: Red** 

**Comments:** As illustrated in the figure below, Third quarter yields from fines are 33% below projected estimates, mostly impacted by Parking Fine revenues that are currently 623K (34%) behind budget. Although parking fine proceeds had seemingly rebounded from the slump of recent years in 2015, this revenue stream will almost definitely finish with a poor 2016 year-end result.

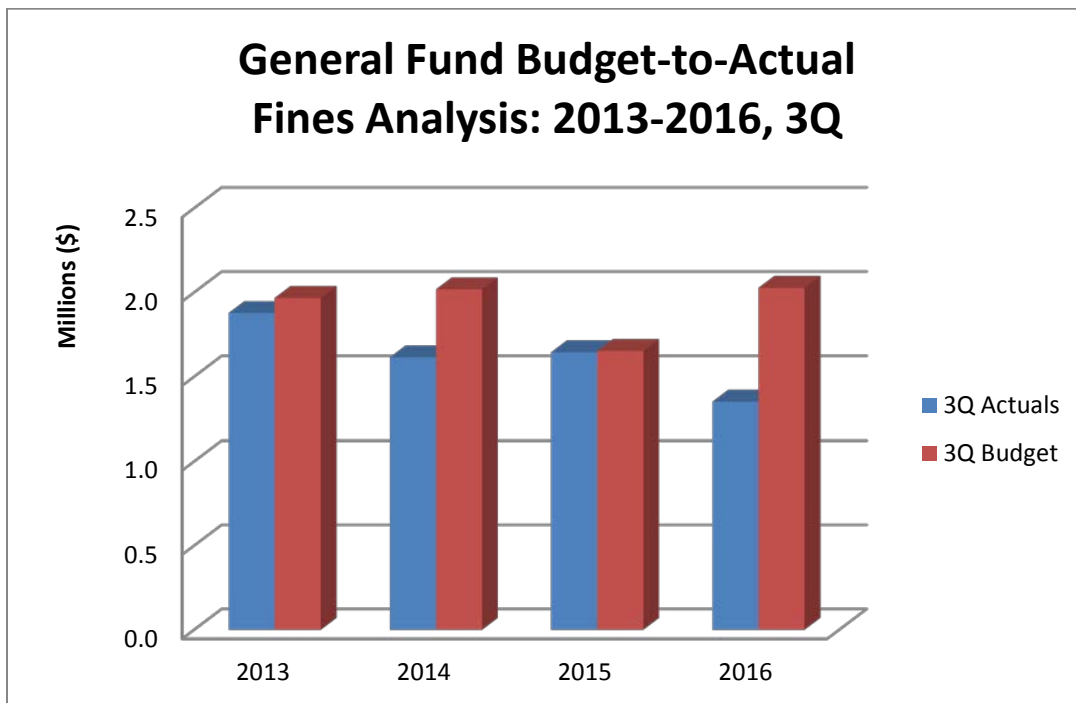


Figure 2-14: General Fund Budget-to-Actual Fines Analysis

## 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 Third Quarter Rating: Green 

**General Comments:** At the end of the third quarter, general fund expenditures (as adjusted for Police and Fire pension contributions) are ~11% below planned estimates. As mentioned previously, while on its face, under-expenditures may appear to be a positive thing, it may also reflect delays and challenges in performing planned services. At this time, however, there is nothing to suggest that General Fund expenditures won't finish calendar 2016 under budget.

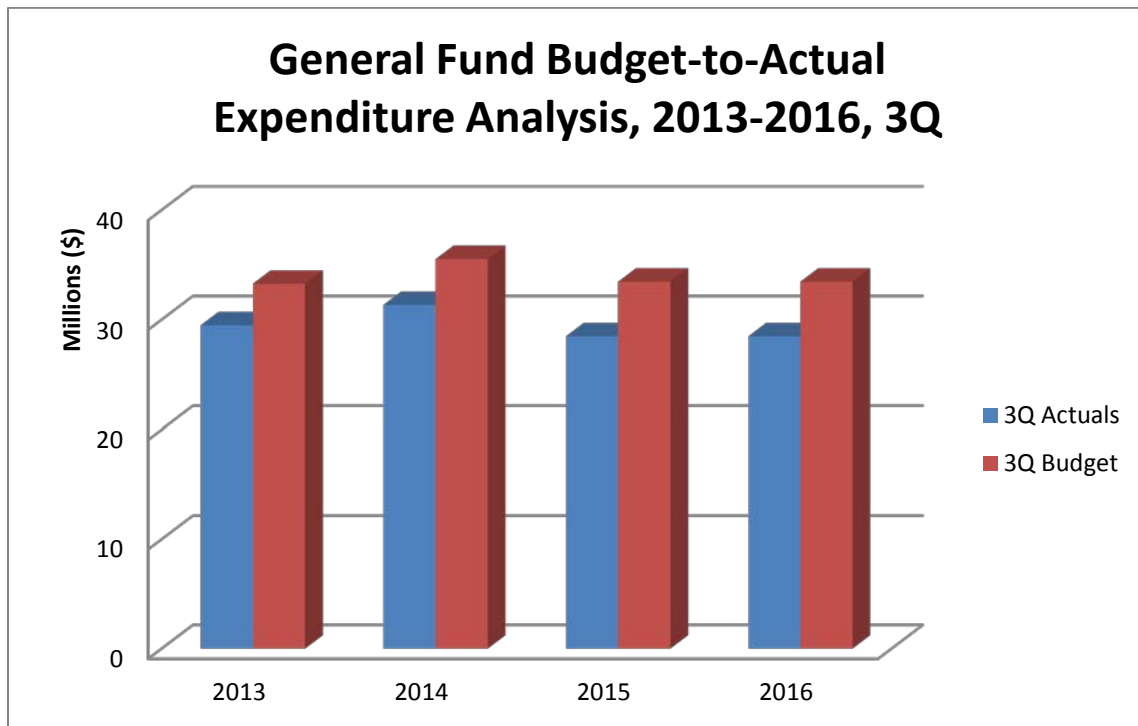


Figure 3-1: General Fund Budget-to-Actual Expenditure Analysis

<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	\$24,164,278	\$25,225,656	\$1,061,378	4.21%
Professional and Technical	\$3,745,636	\$5,056,305	\$1,310,669	25.92%
Purchased Property Services	\$316,849	\$539,961	\$223,112	41.32%
Other Purchased Services	\$283,847	\$489,024	\$205,177	41.96%
Supplies and Materials	\$932,366	\$1,466,890	\$534,524	36.44%
Real Prop., CDBG & Other	\$1,512,480	\$1,530,258	\$17,778	1.16%

**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 Third Quarter Rating: Green** 

**Comments:** The Village's expenditures for combined wages and benefits for the third quarter are ~4% below budgeted projections, with Compensation running 5% below projected and Benefits running exactly to budget.

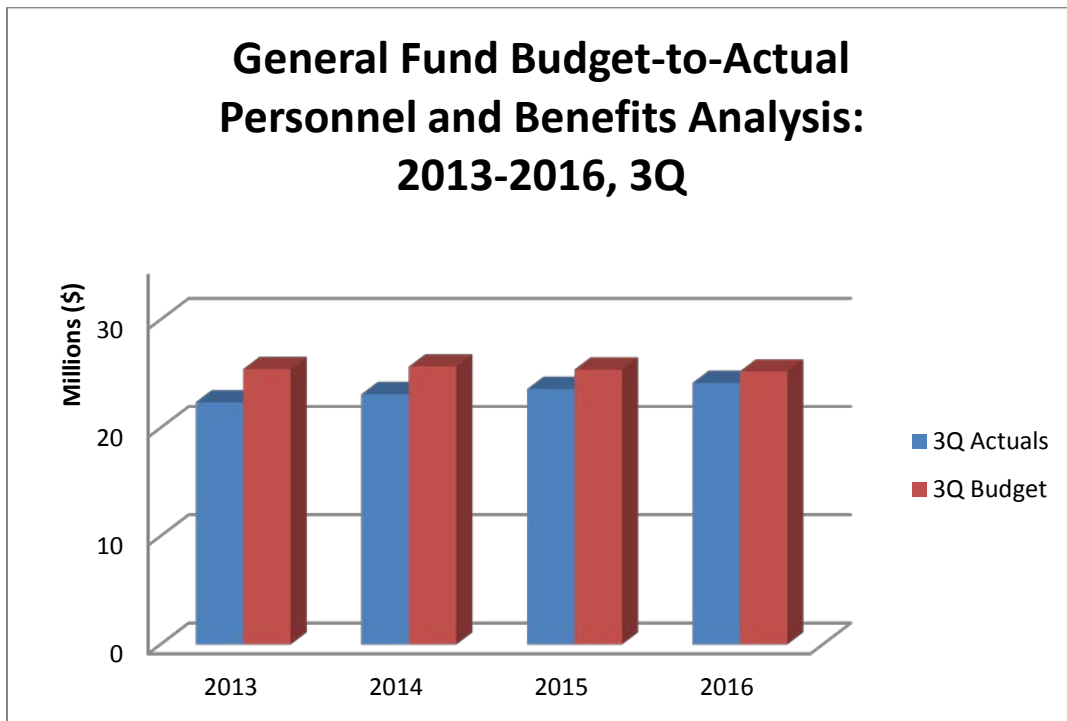


Figure 3-3: General Fund Budget-to-Actual Personnel and Benefits Analysis

## Professional and Technical Services Expenditures

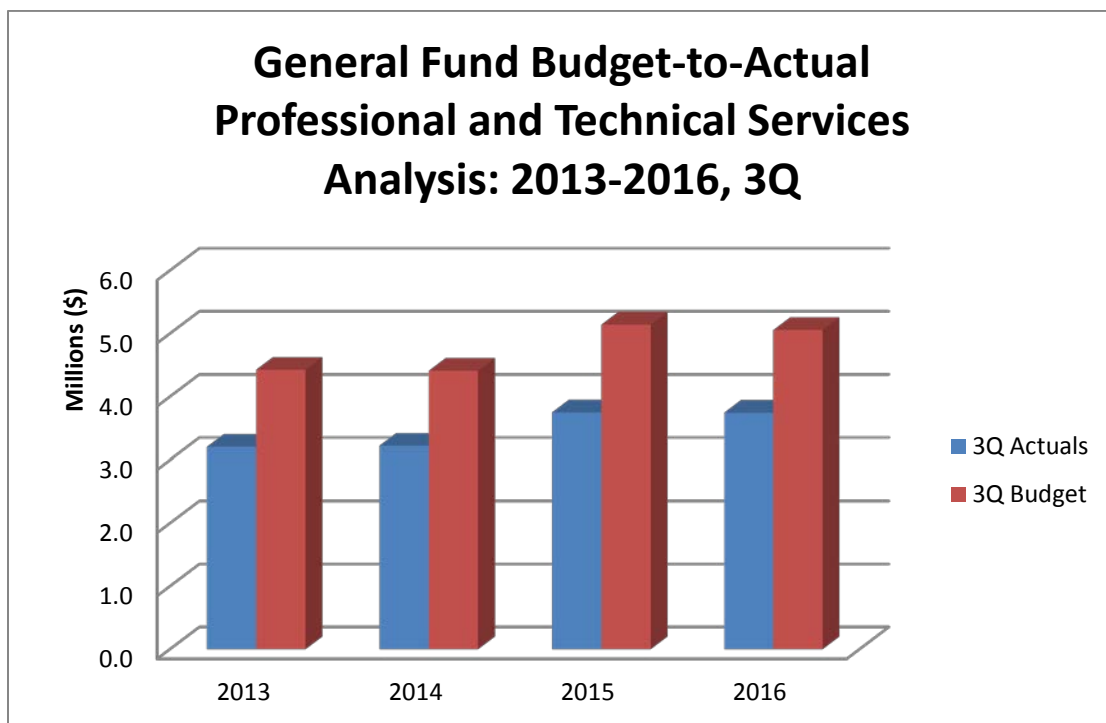
**Brief Description:** Professional and technical expenditures are for infrequent or unique services that are provided to the Village by independent contractors or by consultants. These expenditures are tracked separately from the Village’s salary and benefits resources.

**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 Third Quarter Rating: Green** 

**Comments:** Professional and Technical Services net expenditures for the third quarter are 26% below projected expenditures, most often due to over-anticipated costs for External Support. Although this line item expense normally “catches-up” as the fiscal year proceeds there appears to be some year-end savings to be expected in this category.



**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:

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

**2016 Third Quarter Rating:** Green 

**Comments:** Third quarter expenditures within the Purchased Property Services expenditure area are still 41% (223K) below budgeted estimates. Lower Telecommunications Charges and Electricity costs have mostly driven this 3rd quarter result.

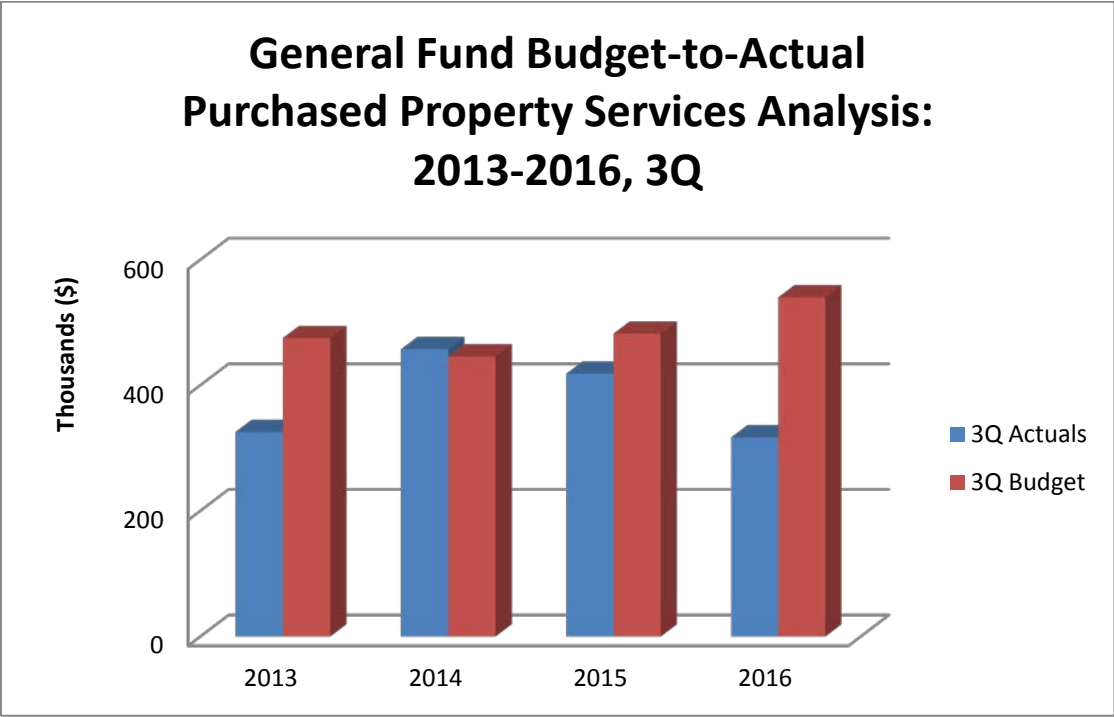


Figure 3-5: General Fund Budget-to-Actual Purchased Property Services Analysis



# Other Purchased Services

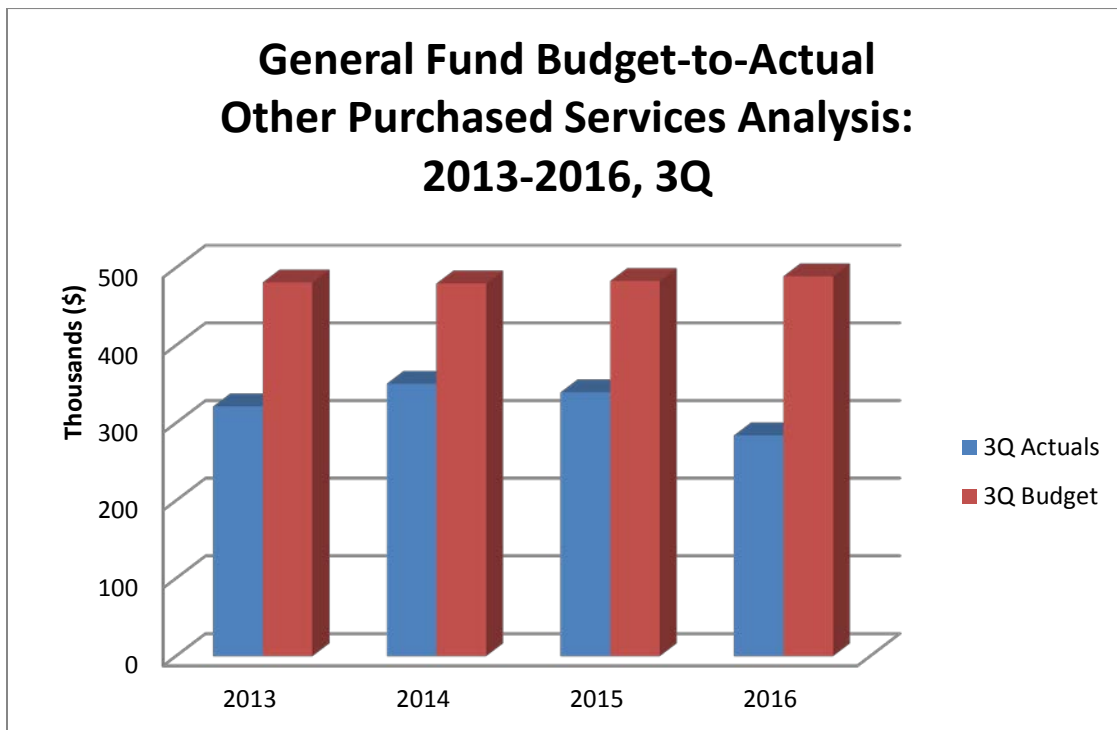
**Brief Description:** Other Purchased Service expenditures are expenditures related to maintaining administrative operations within Village departments. These expenditures include costs such as printing costs, general maintenance and upkeep, telephones services and software support.

**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 Third Quarter Rating: Green** 

**Comments:** Third quarter expenditures within Other Purchased Services are at 41% (205K) below projected expenditures, more 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 Third Quarter Rating: Green** 

**Comments:** Total expenditures for the 3<sup>rd</sup> quarter within the Supplies and Materials expenditure area are 36% (535K) under budget, with 84% of those savings as a result of two different expenses – Fuel and Roadway Maintenance.

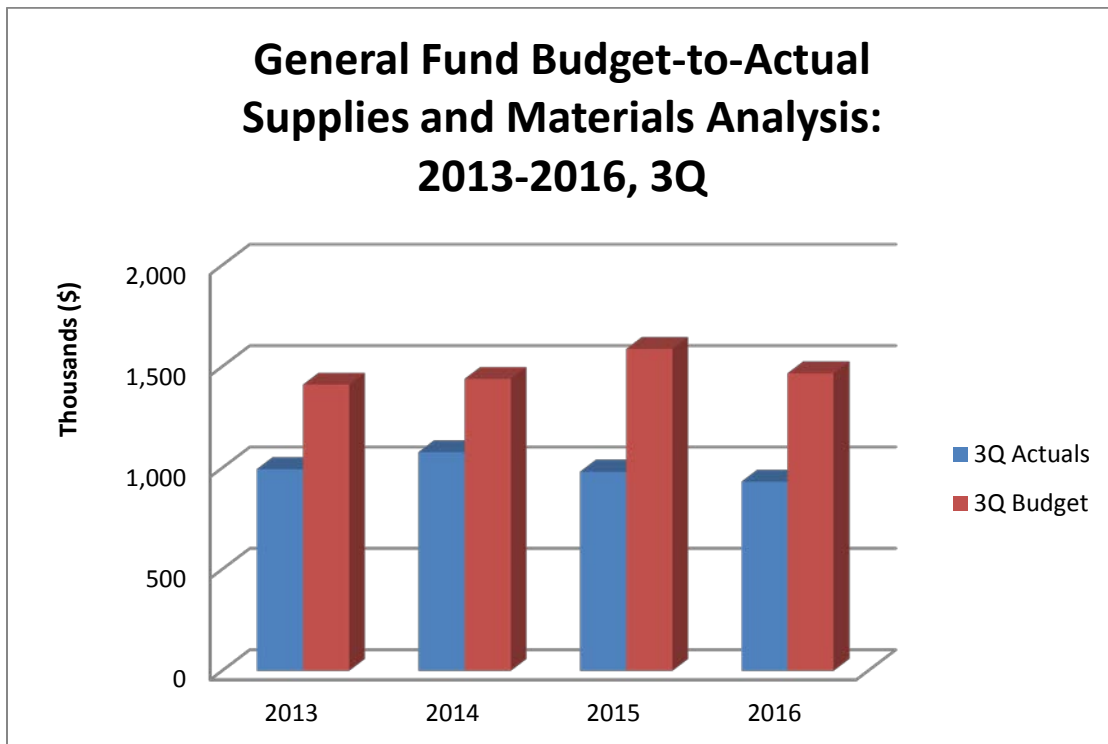


Figure 3-6: General Fund Budget-to-Actual Supplies and Materials Analysis

# 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 Third Quarter Rating: Green** 

**Comments:** For the third quarter, the expenditures in this area are slightly below budget, but are not significant within the overall budget. Expenditures in this area are primarily driven by Real Property items and do not consider Debt Service Transfers.

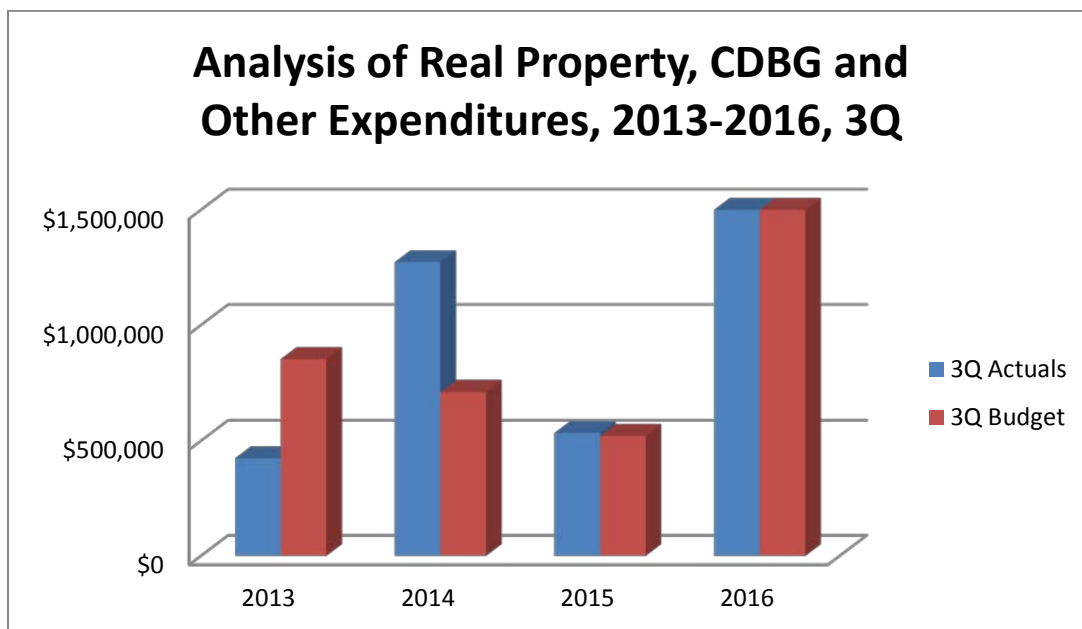


Figure 3-7: Analysis of Real Property, CDBG and Other Expenditures

## Section 2.3: Enterprise Funds

**Brief Description:** This section provides the 2016 3rd 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.

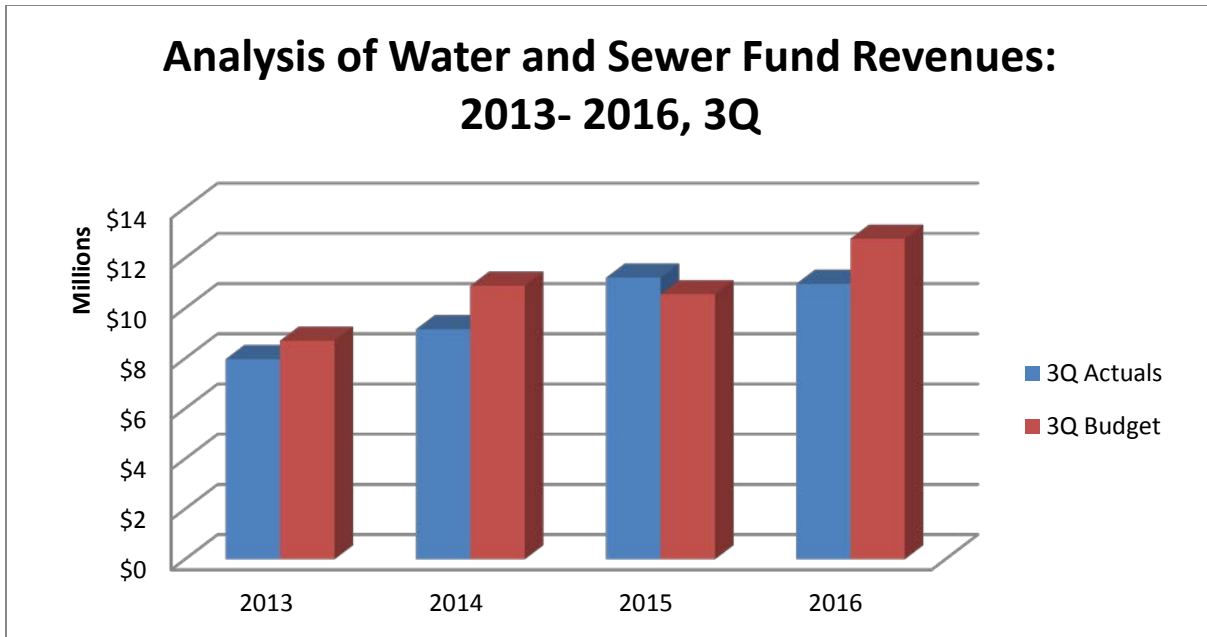
**Sewer Description:** The Village maintains the system that carries sewage to the Metropolitan Water Reclamation District's system. The Sewer Fund is the enterprise fund that accounts for the revenues and expenditures of operating the system, inclusive of capital costs. The sewer charge is derived from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

**Comments:** During the third quarter of 2016, Water and Sewer revenues are running at budgeted estimates, when considering the one-month phasing of revenue receipts. Since almost the entire year-to-date deficit is due to phasing of receipts, we can safely assume that our previous concern regarding a lessening of demand is not warranted.



**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 Third Quarter Rating: Green 

**Comments:** Total expenditures for the Water and Sewer Fund for the third quarter are currently at 51% below budget, although approximately 71% of that difference is due to Capital Improvement projects not yet hitting the expense ledger. It is anticipated that although the expenditures within this fund will gradually catch up to budget throughout the year, fund expenditures will nonetheless end up comfortably within their budgeted levels.

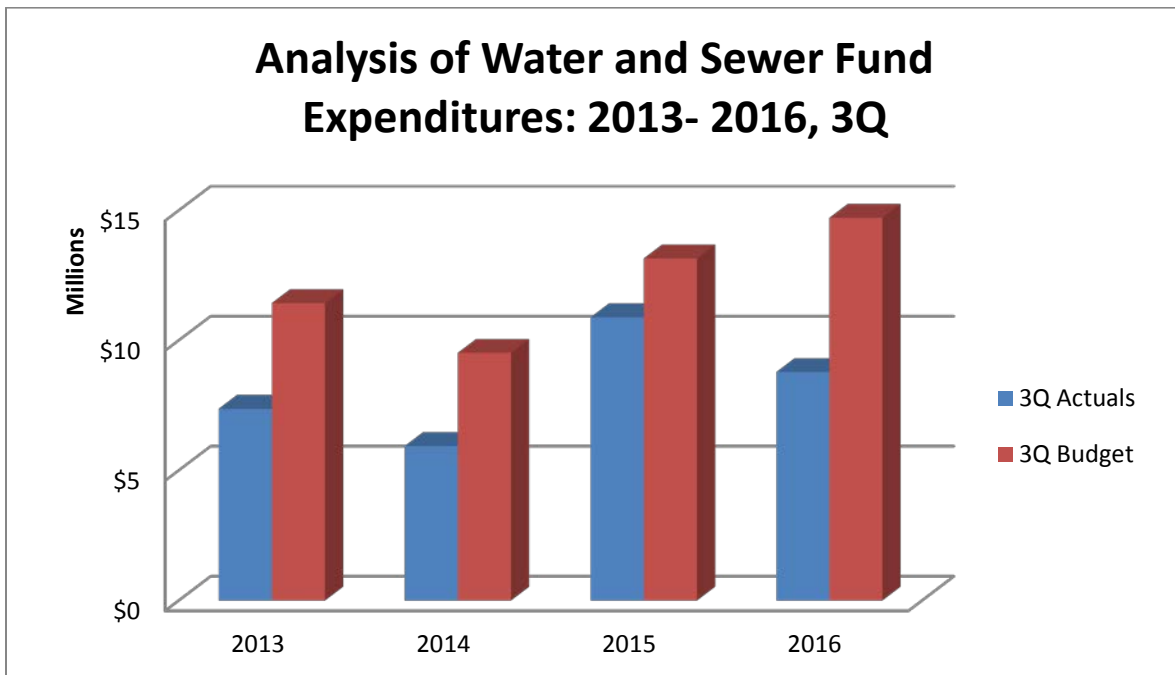


Figure 4-2: Analysis of Water and Sewer Fund Expenditures

# 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 Third Quarter Rating: Green** 

**Comments:** Parking fund revenues for the third quarter are moderately (6%) above budgeted projections for the year, wholly attributable to the Licenses & Permits-related line items. Currently, both On-street and Parking Permit revenues are contributing equally to the surplus.

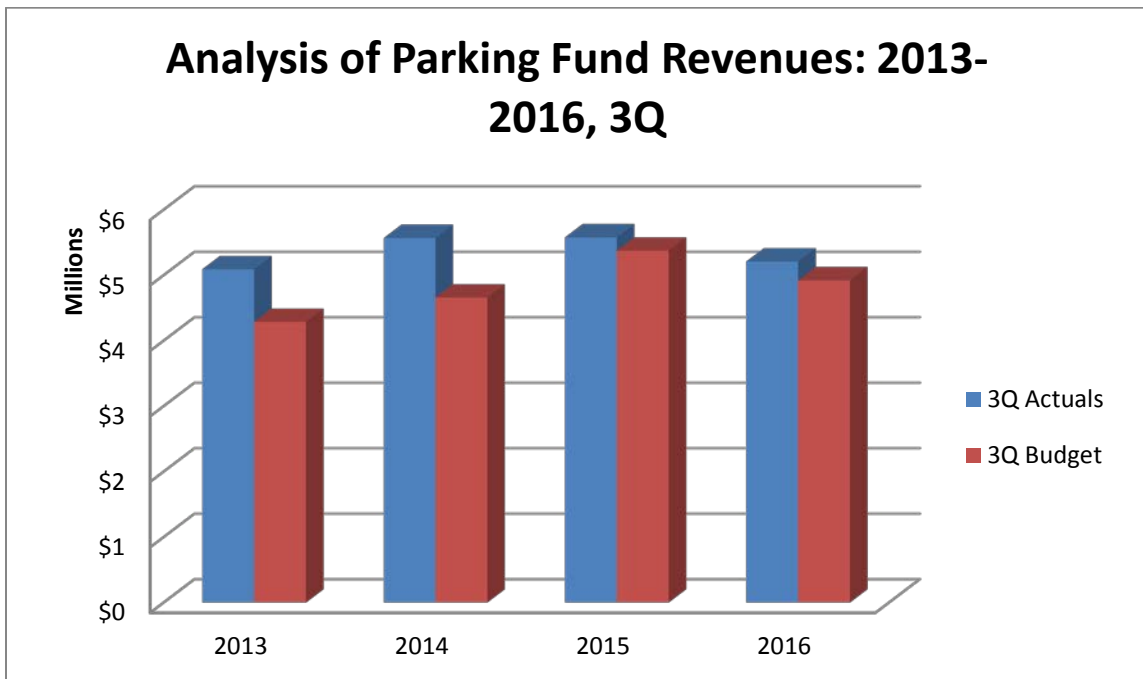


Figure 4-5: Analysis of Parking Fund Revenues

**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.

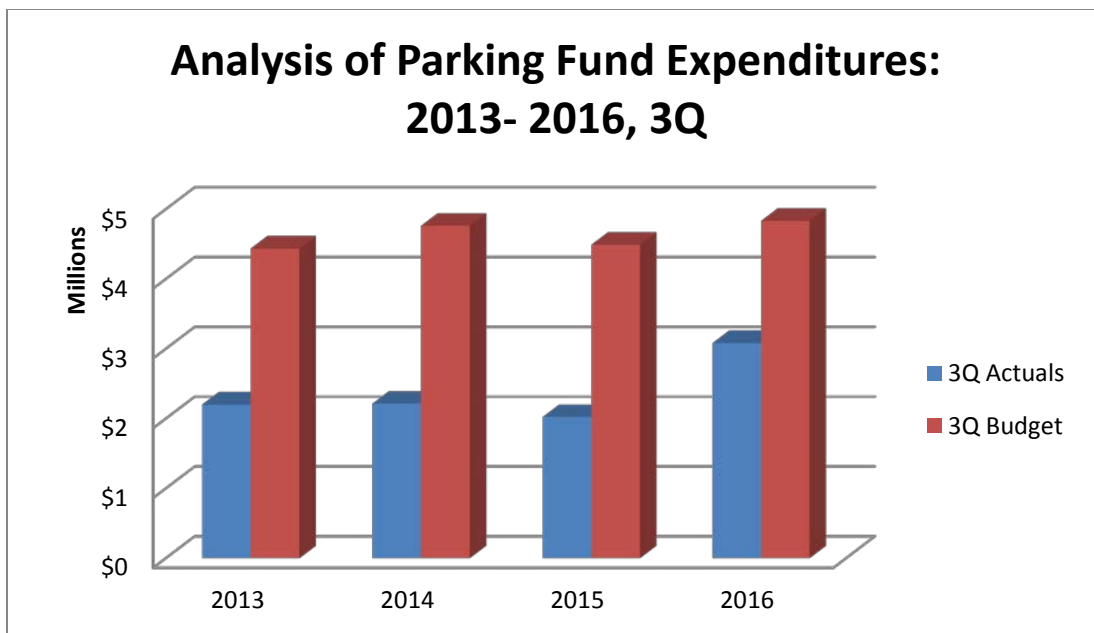
The Village provides for staff to directly service the public to comply with the overnight parking ban and other relevant restrictions. Further, this Fund accounts for the maintenance and repair of parking meters, lots and garages.

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

- Personnel costs
- Capital costs

**2016 Third Quarter Rating: Green** 

**Comments:** Total third quarter expenditures for the Fund, holding unspent Building Improvement funds constant (70% of YTD Parking Expenditure budget), are yet 13% below budgeted expenditures. These savings are seen fairly consistently across-the-board.



**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 Third Quarter Rating:** Yellow 

**Comments:** Revenues for this fund, when adjusting for the phasing of Refuse Collection Fees, are still 9% below budgeted projections and ~2.2% behind last year’s revenue through nine months. Although the majority of the deficit is anticipated to dissipate by year’s end, Finance will continue to monitor this area closely for signs of improvement.

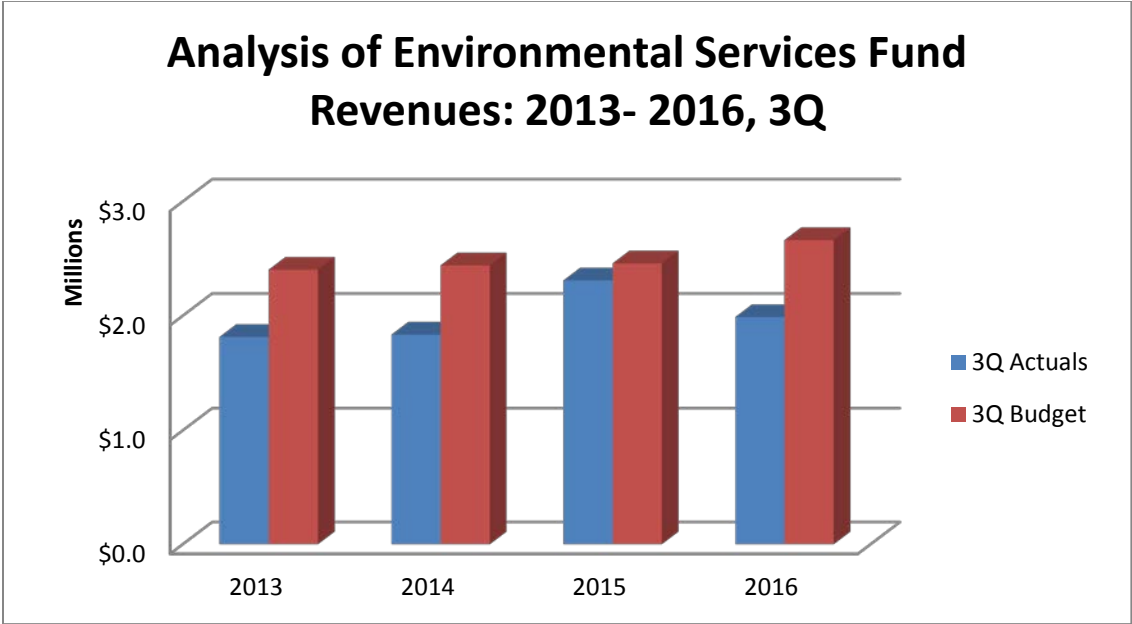


Figure 4-7: Analysis of Environmental Services Fund Revenues

**Environmental Services Fund Expenditures:**

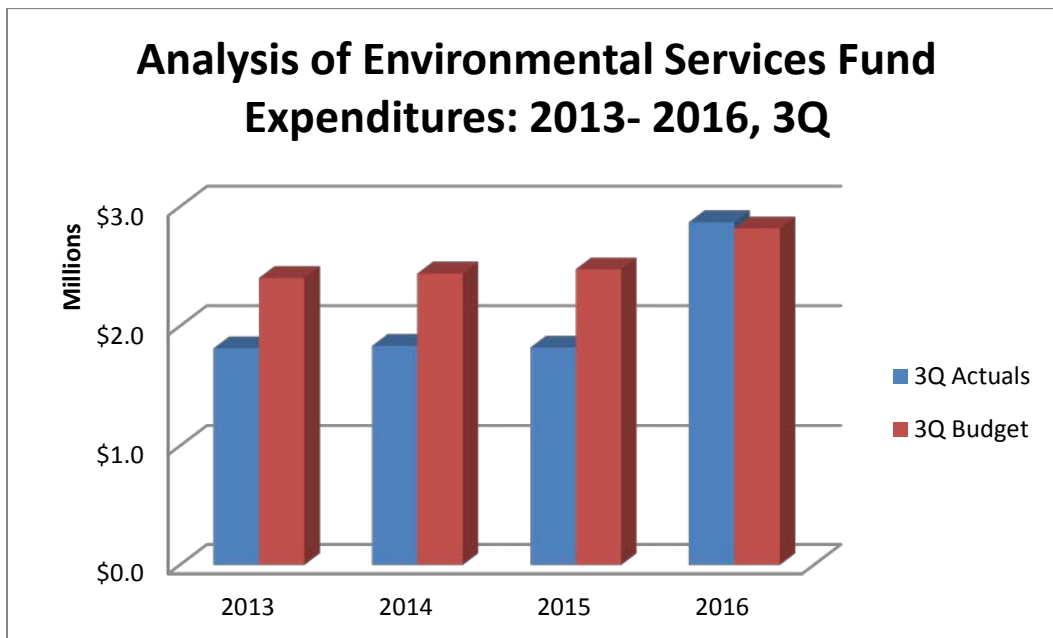
**Brief Description:** The Environmental Services Fund accounts for the Village’s solid waste removal and recycling programs. An enterprise fund, the costs are charged to users of the system via charges on their utility bill.

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

- Personnel costs
- Contractual costs of waste disposal

**2016 Third Quarter Rating: Green** 

**Comments:** Total expenditures for the Fund for the third quarter are currently running at expenditure estimates when considering the increase in Transfers to the General Fund. It is believed that our expenditures will run very close to budget at year’s end.



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

