



Village of Oak Park, IL
Finance Department

**Unaudited Quarterly
Financial and Performance
Report
September 30, 2022**

Completed in November 2022

QUARTERLY REPORT RATING LEGEND

No significant concerns. Revenues should meet or exceed budget while expenditures fall at or below budget.



Minor (immaterial) variations to budget can be expected.



Major (material) variations are expected. Revenue will either come in well below budget or expenditures will far exceed budget.



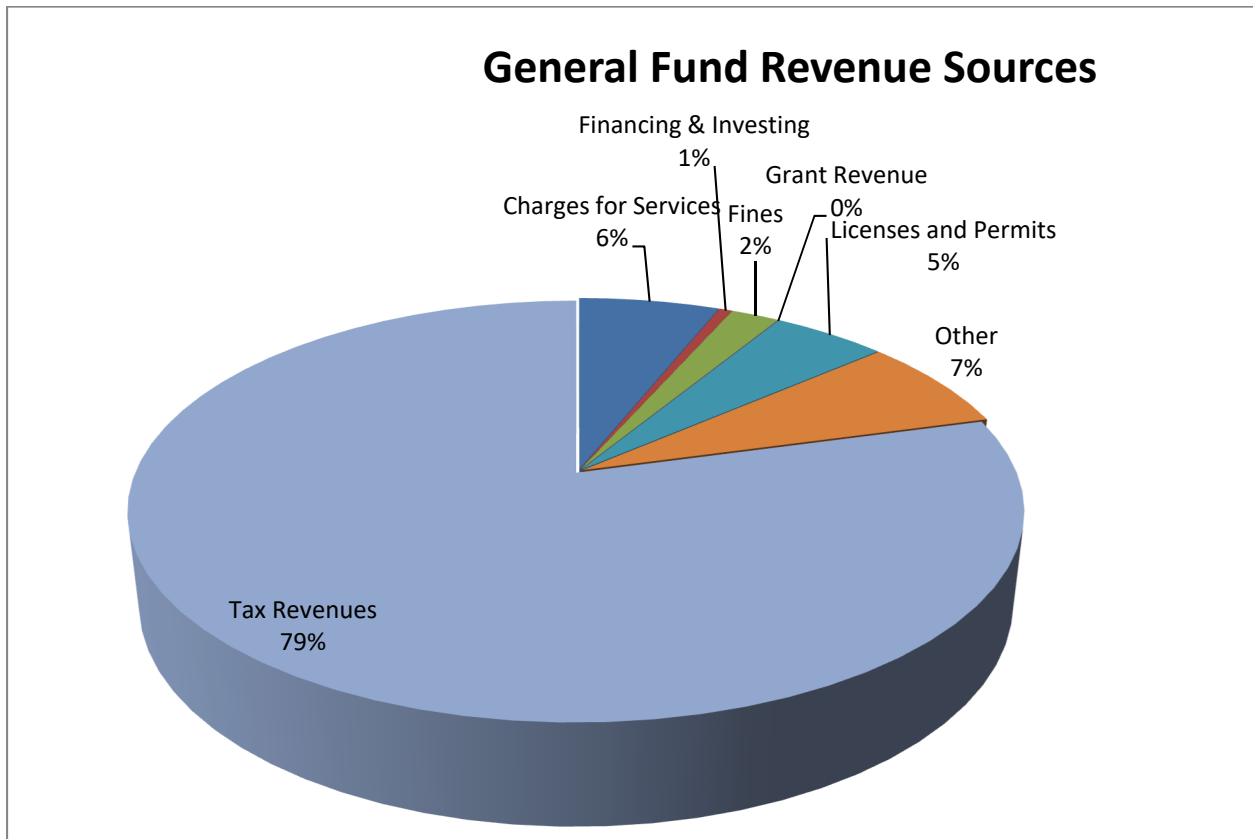
Undetermined (typically used in 1st and 2nd quarters)

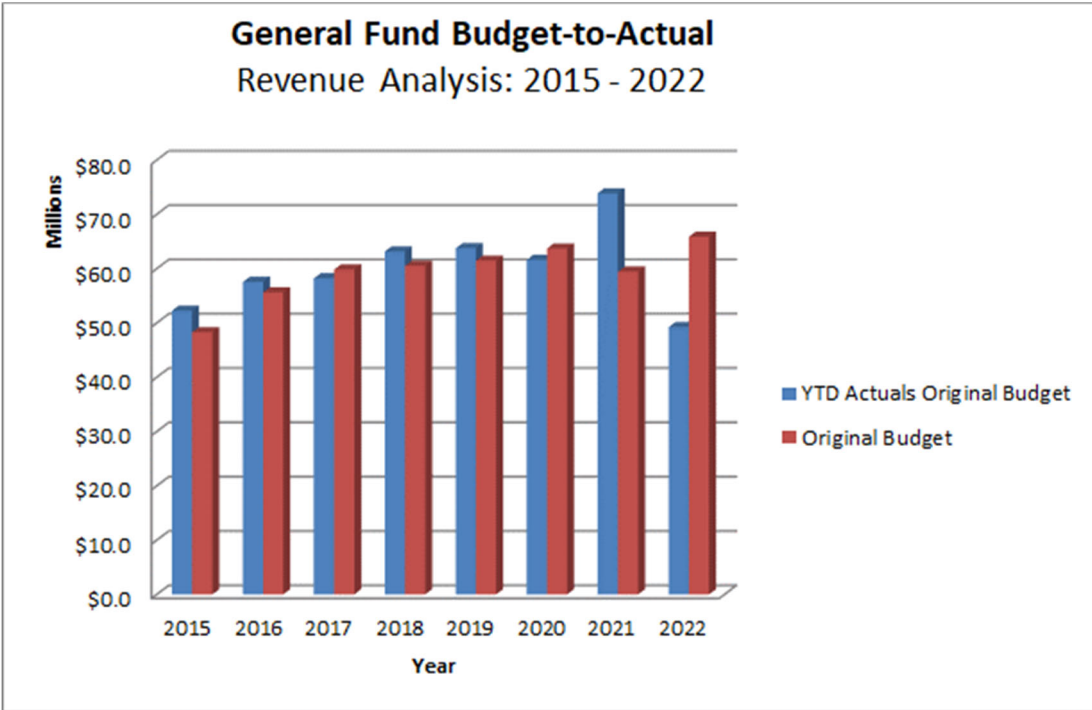


General Fund Revenue Analysis

Brief Description: General Fund Revenues are the taxes, fees, and charges that the Village assesses to provide the majority of 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)





General Fund Revenues by Category

<u>Description</u>	<u>9/30/22</u> <u>YTD Actuals</u>	<u>Amended</u> <u>Annual Budget</u>	<u>Original</u> <u>Annual Budget</u>	<u>Amended</u> <u>Remaining</u> <u>Goal</u>
Charges for Services	2,986,111	2,224,694	2,224,694	(761,417)
Financing & Investing	276,558	50,150	50,150	(226,408)
Fines	1,032,230	2,192,000	2,192,000	1,159,770
Grant Revenue	5,453	525	525	(4,928)
Licenses and Permits	2,425,180	2,626,800	2,626,800	201,620
Other	3,494,043	941,206	941,206	(2,552,837)
Tax Revenues	<u>38,994,548</u>	<u>57,815,309</u>	<u>57,815,309</u>	<u>18,820,761</u>
	<u><u>49,214,123</u></u>	<u><u>65,850,684</u></u>	<u><u>65,850,684</u></u>	<u><u>16,636,561</u></u>

Property Tax Revenues

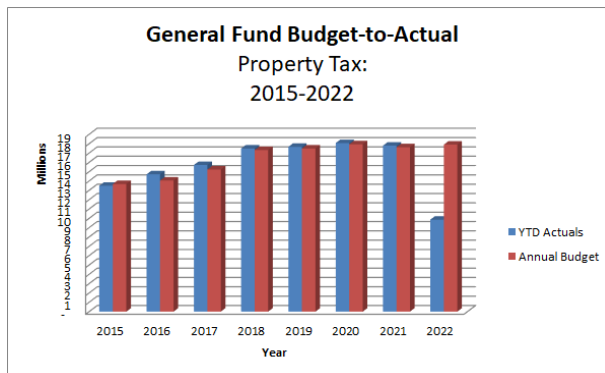
Brief Description: Property tax revenues are proceeds that the Village levies or assesses on real estate. Each year, the Village Board adopts an exact amount for the County to assess on real estate and this levy is used for general operations, debt service payments, and contributions into the police 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 collects between 98-100% of the amount levied.

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

Comments: As illustrated below, property tax revenue usually comes in at the amount budgeted. Some years there may be a variance of approximately 1 to 2% due to appeals but if the appeal is ultimately rejected, the Village would receive that revenue subsequent to the appeals decision. Please note, the bar chart below reflects only the general operating levy. Details on the other Village levies are shown in the table below.

The first installment every year is always an estimate calculated at 55% of the prior year's levy. The tax year 2020 levy (collected in fiscal year 2021), excluding debt service, was \$31,658,688. Therefore, 55% of this amount, or \$17,412,278, is the amount billed by Cook County as the first installment for tax year 2021, payable in 2022. As seen below, about \$17.2M has been collected by the end of September. The second installment of Cook County property tax bills are delayed this year. It is expected they will be mailed at the end of November, with a due date of January 1st, 2023. Therefore, the full levy will not be collected by year end.



	FY22 Budget	YTD Actual
GF Levy Allocation		
General Operating Levy	17,900,604	9,854,618
Police Pension Levy	7,319,950	3,899,320
Fire Pension Levy	6,512,755	3,435,838
Total	31,733,309	17,189,776

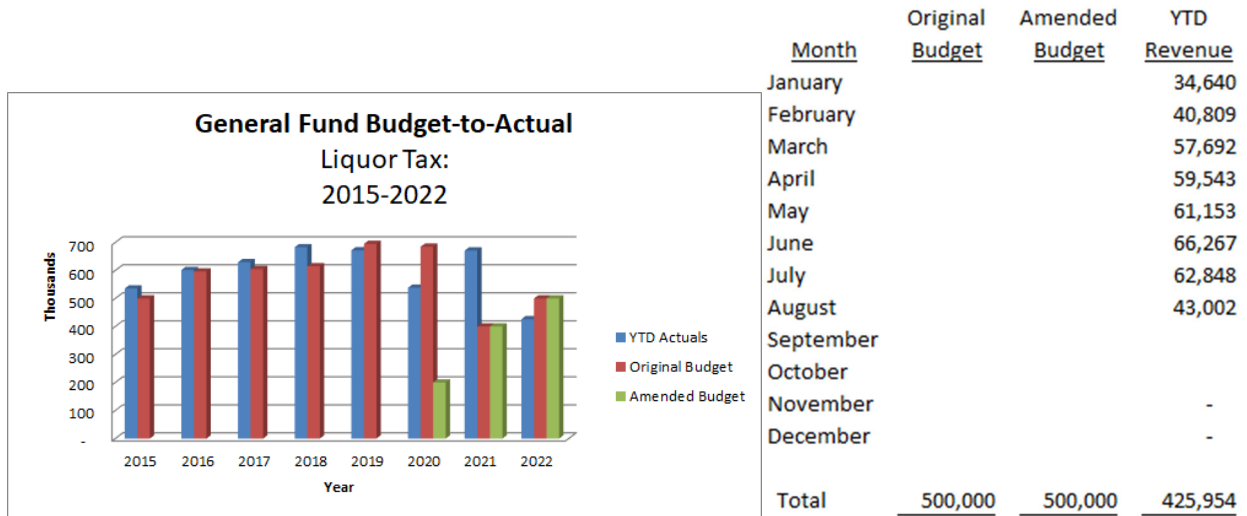
Liquor Tax Revenues

Brief Description: Liquor Tax Revenues are the revenues that the Village collects from vendors who sell liquor within the Village. The current liquor tax rate is 3% of the liquor purchase price and is a pass thru to the customer.

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

Comments: Liquor tax is remitted to the Village for the liability period of the prior month and is therefore reported in arrears by one month throughout the course of the fiscal year. This tax has been budgeted assuming a monthly average revenue of approximately \$42K per month due to the pandemic. This revenue is at \$426,000, through August, and is on track to exceed the budget by at least \$100,000.



Month	Original Budget	Amended Budget	YTD Revenue
January			34,640
February			40,809
March			57,692
April			59,543
May			61,153
June			66,267
July			62,848
August			43,002
September			
October			
November			-
December			-
Total	500,000	500,000	425,954

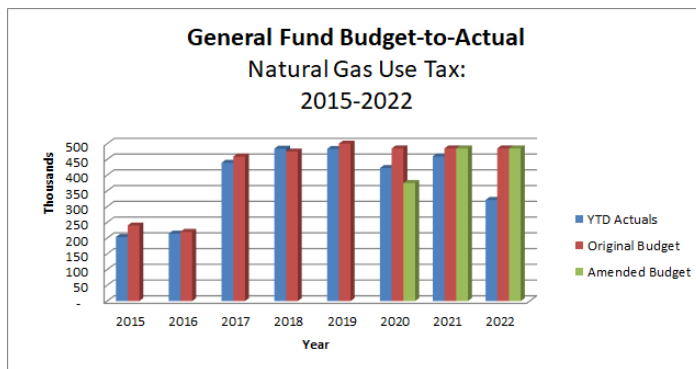
Natural Gas Use Tax Revenues

Brief Description: The natural gas use tax is a tax that the Village charges to users based upon the purchase of natural gas from out-of-State suppliers. This should not be confused with the natural gas tax which is a percent rather than a fixed dollar amount charged on the purchase of natural gas from in-State suppliers.

Natural Gas Use Tax Revenue Drivers: The following are the drivers that impact natural gas use taxes:

- Number of therms consumed
- Weather conditions

Comments: Natural gas use tax is remitted to the Village for the liability period of the prior month and is therefore reported in arrears by one month throughout the course of the fiscal year. Collections from this tax vary throughout the year based on the season, with the larger amounts coming in during the colder months. This revenue appears to be on track to come in right at budget, however, this will largely depend on weather through end of year.



<u>Month</u>	<u>Original Budget</u>	<u>Amended Budget</u>	<u>YTD Revenue</u>
January			77,522
February			70,915
March			61,684
April			42,989
May			30,497
June			14,951
July			5,958
August			16,664
September			
October			
November			
December			
Total	<u>485,000</u>	<u>485,000</u>	<u>321,180</u>

Sales and Use Tax Revenues

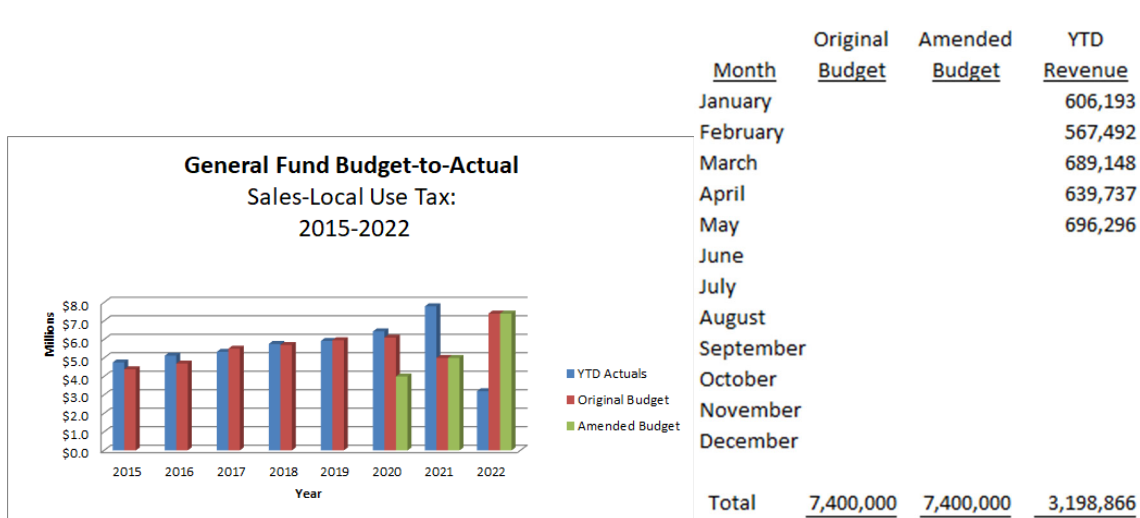
Brief Description: In Illinois, there is a base 6.25 % sales tax on general merchandise. It is administered and collected by the Illinois Department of Revenue. One percent (1%) of this Sales Tax is distributed to the municipality where the sale occurred. This tax, formally referred to as the Retailer’s 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 still administered and collected at the state level. This tax is dedicated for Village capital projects and is accounted for separately 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

Comments: Sales tax revenue is remitted to the Village three months in arrears. For example, the tax for April 2022 was not be received by the Village until July 2022, and so on. Five months of tax has been collected through the end of September, and barring any unforeseen events, total revenue should exceed budget by over \$200,000.



Month	Original Budget	Amended Budget	YTD Revenue
January			606,193
February			567,492
March			689,148
April			639,737
May			696,296
June			
July			
August			
September			
October			
November			
December			
Total	<u>7,400,000</u>	<u>7,400,000</u>	<u>3,198,866</u>

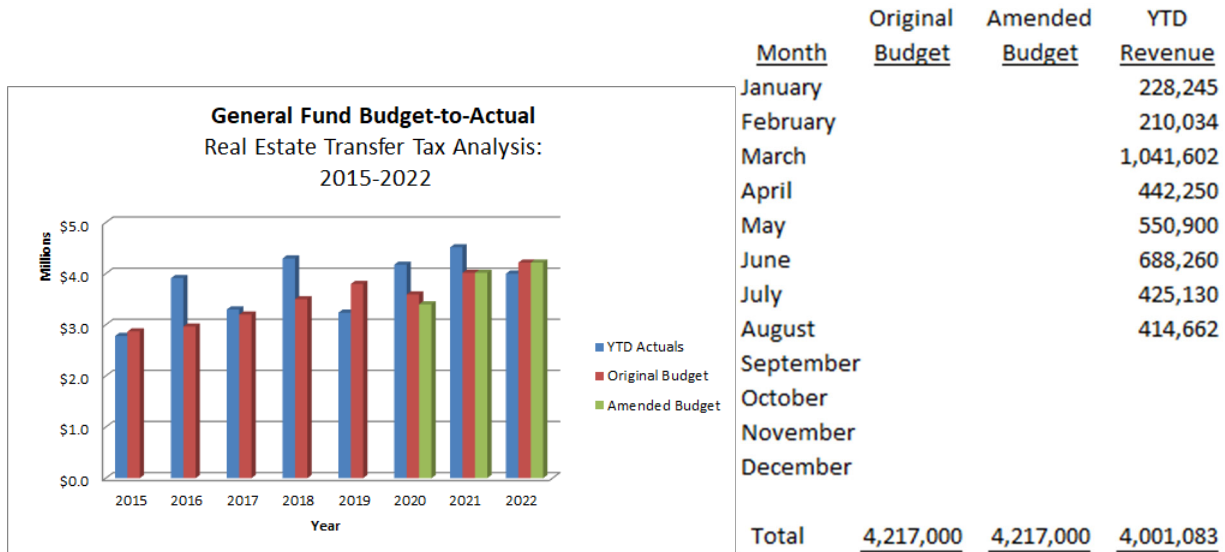
Real Estate Transfer Tax Revenues

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 for every \$1,000 (or .8%) of the sale or “transfer” price. In addition, there is a flat fee for exempt real estate transfers when no consideration changes hands.

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

- Number of transactions
- Selling price of property

Comments: Real Estate Transfer Tax is a fixed percentage based on the value of every non-exempt property sale within the Village. Collections from this tax are a result of both volume (number of transactions) as well as average home sales price. The higher amount of tax collected in March was due to the sale of three large properties. As expected home sales increased during the spring and summer months. Sales typically slow down during the fall and winter. This revenue may exceed budget for the year by an estimated \$1M.



Month	Original Budget	Amended Budget	YTD Revenue
January			228,245
February			210,034
March			1,041,602
April			442,250
May			550,900
June			688,260
July			425,130
August			414,662
September			
October			
November			
December			
Total	<u>4,217,000</u>	<u>4,217,000</u>	<u>4,001,083</u>

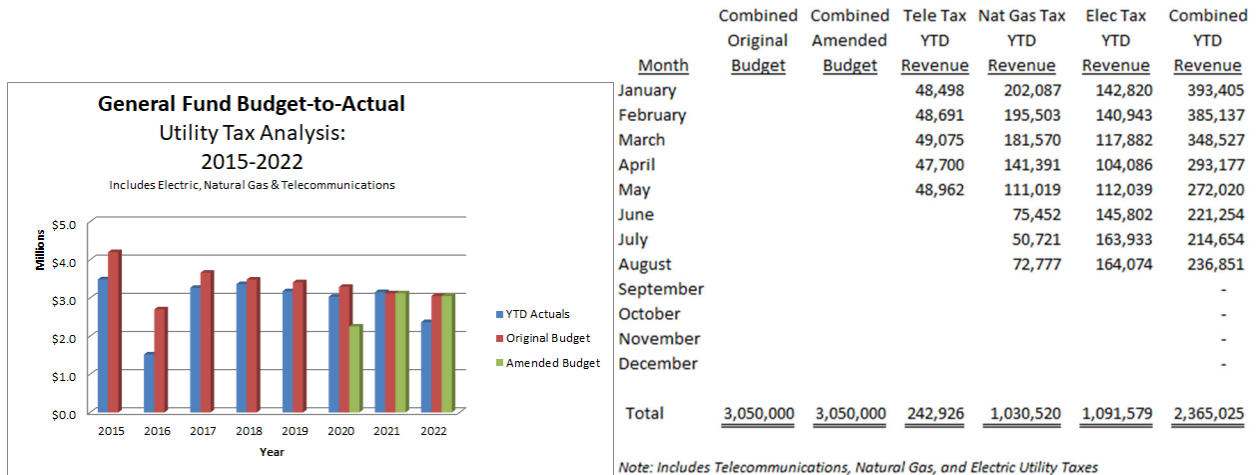
Utility Tax Revenues

Brief Description: The Utility Tax is composed of three taxes: the Electricity Tax, the Natural Gas Tax and the Telecommunication Tax. These taxes are assessed based upon user consumption within the Village. The Electricity Tax is calculated on a sliding scale, based upon usage, of the number of kilowatt hours (kWh) consumed and runs between \$0.0030 and \$0.0061 per kWh. The Natural Gas Tax is assessed at 5.15% on the gross amount of natural gas billed by NICOR, less a 0.15% Nicor administrative fee. The municipal portion of the telecommunication tax is 6% of the bill.

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

- Energy consumption
- Weather conditions
- Landline use

Comments: Telecommunications tax revenue has been trending downward every year, as consumers continue to cancel landlines and solely rely on cell phones or internet phone connections. The Natural Gas and Electric utility taxes are largely dependent on the weather in any given year, and therefore can be challenging to forecast. As of the end of August, it appears that these combined utility tax revenues are currently on track to exceed budget by \$400,000 to \$500,000.



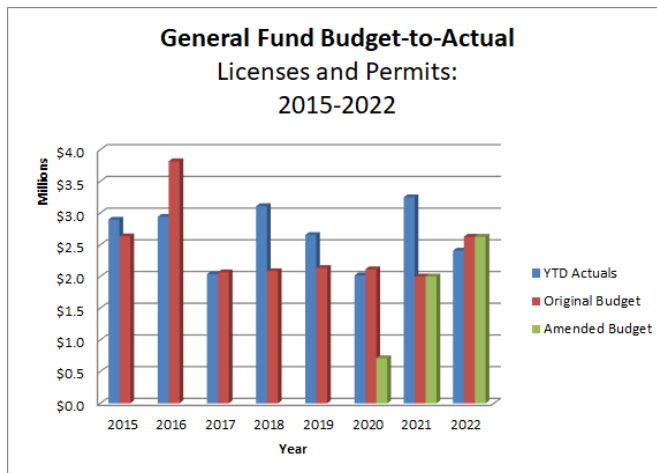
Licenses and Permits

Brief Description: The Village charges fees to individuals, businesses and other entities to conduct certain activities within the Village. Such fees include business/liquor licenses, vehicle stickers, elevator inspection fees, zoning applications, etc.

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

- Economic conditions in real estate and retail markets

Comments: Revenues for licenses and permits have exceeded third quarter 2022 budgeted expectations. This revenue category is already at 92% of the annual budget, due to the sale of two large permits totaling \$851,000 for multi-unit residential buildings at 835 Lake Street and 1105 Pleasant Street early in the year. Residential and commercial permitting activity continues to be steady. This revenue is on track to exceed budget by \$400,000 to \$500,000.



<u>Month</u>	<u>Original Budget</u>	<u>Amended Budget</u>	<u>YTD Revenue</u>
January			179,739
February			519,133
March			368,958
April			660,911
May			174,289
June			179,361
July			164,101
August			160,854
September			
October			
November			
December			
Total	<u>2,626,800</u>	<u>2,626,800</u>	<u>2,407,346</u>

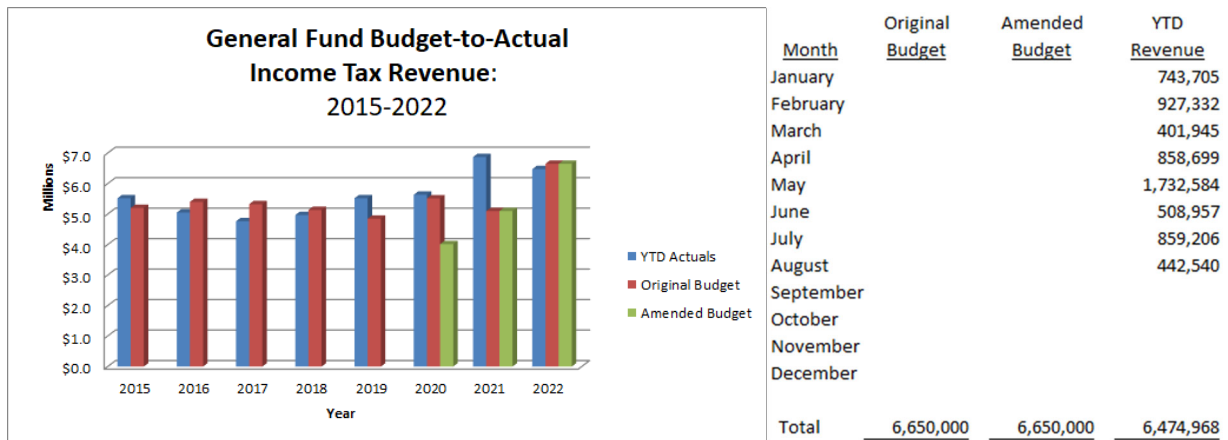
Income Tax Revenue

Brief Description: This particular tax is a share of individual and corporate income taxes paid to the Illinois Department of Revenue with a portion of it redistributed to municipalities on a per capita basis pursuant to the most recent census figures.

Intergovernmental Revenue Drivers: The following are the drivers that impact income tax revenues:

- Individual income and taxable corporate profits

Comments: Income tax revenue is not based on Oak Park residents but rather, it is averaged over the entire State and distributed on a per capita basis to each municipality. This revenue is a good metric for determining the overall strength of the economy since there is a direct correlation between household and business income and State income tax paid to the Illinois Department of Revenue. As of the third quarter, this tax appears to be exceeding expectations. This revenue is expected to exceed the budgeted amount, which was determined using estimates published by the Illinois Municipal League. This revenue is expected to exceed budget by about \$1.6M.

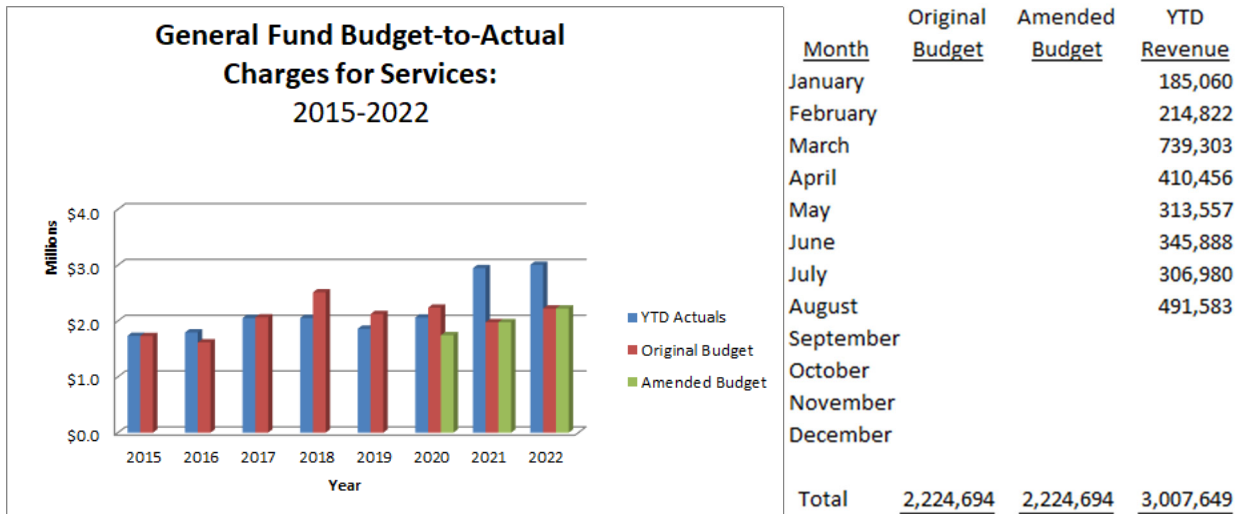


Charges for Services

Brief Description: The Village provides a number of services for which it charges fees directly to customers. Below are some examples of specific revenue types that fall under this broader category:

- Ambulance user fees
- Crossing guard reimbursement
- Police reports
- Alarm service fees
- Charges for repair parts
- Special event fees
- Resale of gasoline to other taxing districts

Comments: This revenue category is estimated to exceed budget by at least \$500,000, primarily due to stronger than forecasted ambulance fee collections.



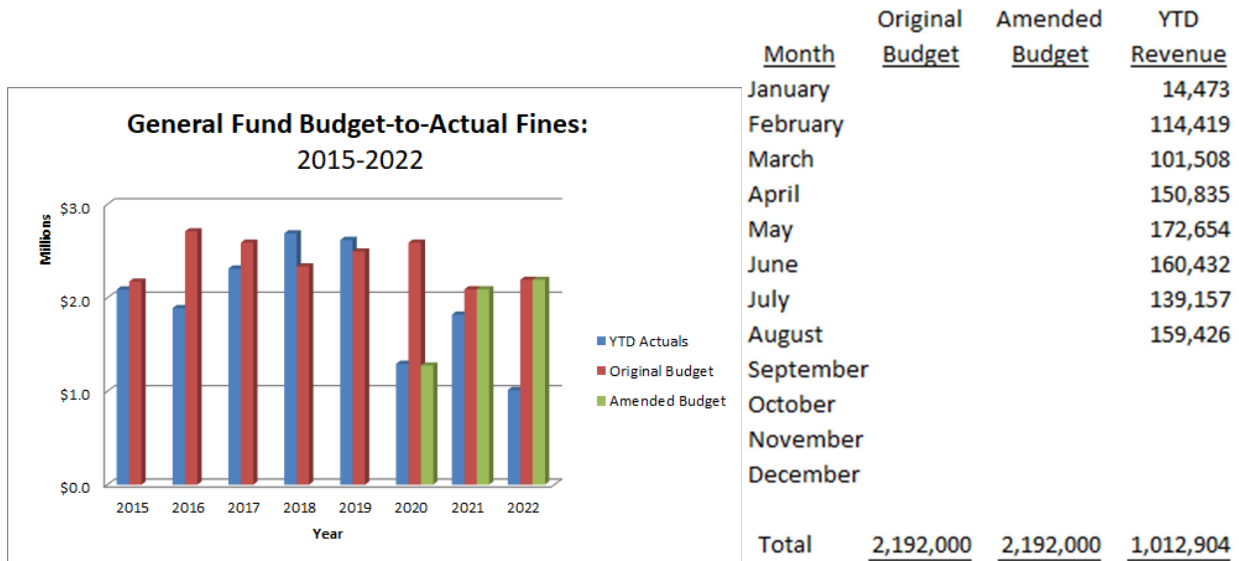
Fines

Brief Description: The Village assesses fines and penalties to individuals and businesses when there is non-compliance with Village rules and regulations. A parking citation 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
- Adjudication findings
- Resident bankruptcies
- Reductions in vehicles
- Collection rates

Comments: Fine revenue is primarily related to the issuance of parking tickets. While it is necessary for the village to issue citations to encourage compliance, it is also important to keep in mind that overly aggressive enforcement could dissuade people from visiting, eating, and shopping within the downtown business district. With eight months of fines collected, projections indicate that this revenue may fall short by approximately \$500,000 to \$650,000.



Month	Original Budget	Amended Budget	YTD Revenue
January			14,473
February			114,419
March			101,508
April			150,835
May			172,654
June			160,432
July			139,157
August			159,426
September			
October			
November			
December			
Total	<u>2,192,000</u>	<u>2,192,000</u>	<u>1,012,904</u>

General Fund Expenditure Analysis

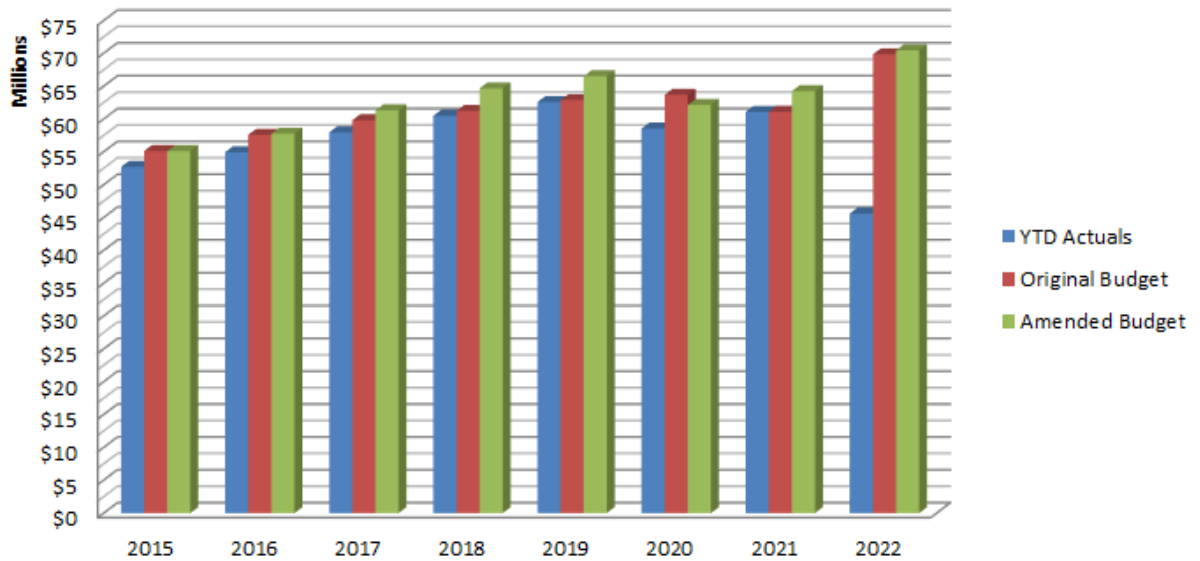
General Fund Expenditures

Brief Description: General Fund Expenditures are related to the performance of direct Village services, such as police, fire, public works and administrative services. These expenditures are allocated among four broad categories:

- Personnel & Benefits
- Materials & Supplies
- Contractual Services
- Capital Outlay

Personnel and benefits comprise the majority of the expense within the General Fund and include salaries (regular pay, contractual payouts, overtime, allowances, etc.) and benefits (health/life insurance, FICA, Medicare, pensions (IMRF, police/fire), etc.).

General Fund Budget-to-Actual Expenditure Analysis: 2015 - 2022



2022

General Fund Expenditures				
Description	YTD Actuals	Original Budget	Amended Budget	Variance
Capital Outlay	138,555	129,600	223,495	84,940
Contractual Services	5,890,685	9,723,294	9,989,242	4,098,557
Other	-	-	-	-
Grants & Incentives	1,040,881	1,493,500	1,538,500	497,619
Interfund Transfers Out	3,930,000	5,240,000	5,240,000	1,310,000
Materials & Supplies	1,427,550	2,156,178	2,192,678	765,128
Personnel and Benefits	33,182,024	51,108,112	51,267,233	18,085,209
	45,609,695	69,850,684	70,451,148	24,841,453

Personnel and Benefits Expenditures

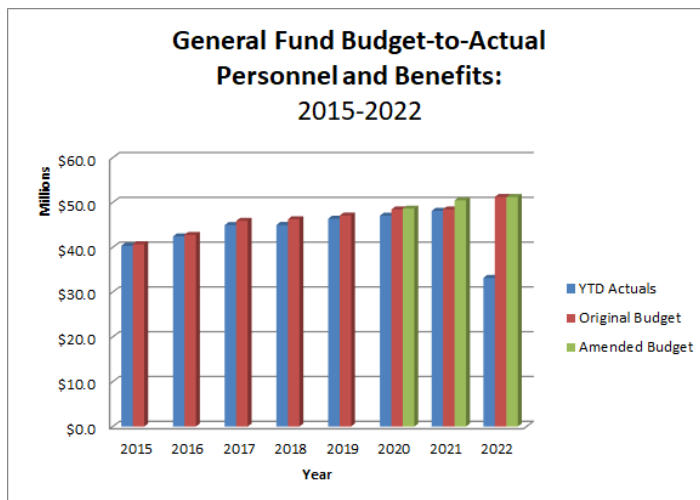
Brief Description: Personnel and Benefit expenditures cover compensation to Village staff. Given the labor-intensive nature of government services, personnel and benefit expenditures typically make up the largest portion of the general fund budget.

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

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

Comments: It is important to know that staff builds into the budget a “contra” expense entitled “turnover savings”. For the current year, this amount was budgeted at \$1,500,000. In any given year, there is a certain amount of employee turnover from the Village for any number of reasons. Finance staff builds into the budget a “contra” expense entitled “turnover savings”.

Between the time of separation/retirement and the time of hiring a replacement, there is realized savings from the temporary vacancy. If the aggregated savings exceed the budgeted \$1,500,000, this results in a positive for the budget while the opposite is true as well. Savings is determined by both the number of vacancies and the duration of each vacancy. Conversely, accrued vacation and other eligible or contractual payouts for any employee upon separation of service would reduce the turnover savings. We project that actual General Fund salaries/benefits should come in below budget by \$800,000 to \$1M.



	YTD Actuals	Original Budget	Amended Budget
2015	40,358,967	40,712,489	
2016	42,456,188	42,789,943	
2017	44,973,368	45,924,460	
2018	45,011,203	46,274,806	
2019	46,405,201	47,119,303	
2020	47,081,828	48,475,248	48,651,833
2021	48,153,763	48,481,526	50,495,717
2022	33,181,574	51,267,233	51,242,233

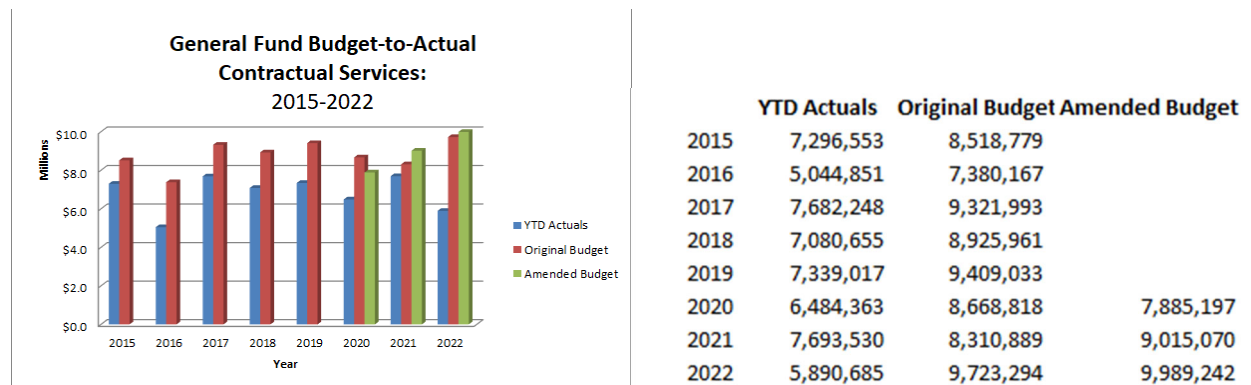
Contractual Services Expenditures

Brief Description: Contractual service expenditures are for independent contractors who have specific expertise or for those contracted as a supplemental to Village staff.

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
- Skillset of Village staff

Comments: Contractual service expenditures are on target with budget. Please note that there can be anywhere from a one to three month timing delay between the time when a contractual service is provided and when the invoice is submitted to the village for payment, hence the reason that actual YTD expenditures currently appear well below the annual budget.



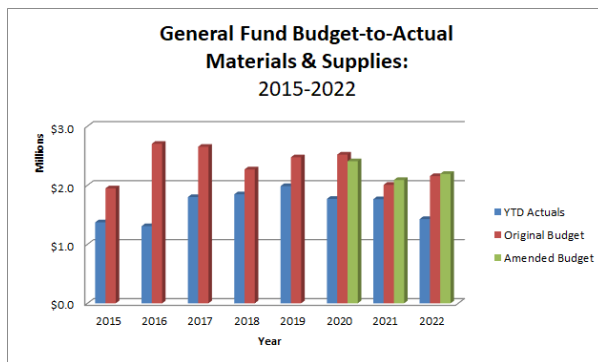
Materials & Supplies

Brief Description: Material and supply expenditures are related to such items as commodities, cleaning supplies, clothing, subscriptions, office supplies, equipment rentals, fuel, routine utility expense, equipment maintenance, etc.

Materials & Supplies Drivers: The following are the drivers that impact material and supply expenditures:

- Usage of village-owned properties
- Maintenance of village-owned facilities and infrastructure

Comments: This expenditure category is expected to come in at or below budget for the year, as shown.



	YTD Actuals	Original Budget	Amended Budget
2015	1,371,758	1,947,936	
2016	1,306,983	2,703,050	
2017	1,800,391	2,652,564	
2018	1,846,987	2,269,041	
2019	1,985,661	2,474,431	
2020	1,769,779	2,519,602	2,407,732
2021	1,764,139	2,008,505	2,088,940
2022	1,427,550	2,156,178	2,192,678

Capital Outlay

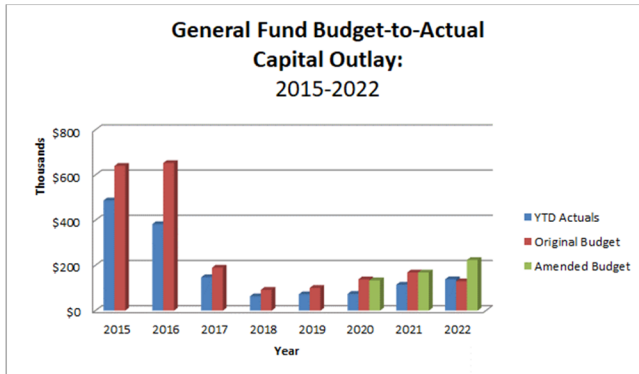
Brief Description: Capital Outlay expenditures within the operating budget are typically for smaller ticket office/computer equipment and software purchases which do not meet the capital dollar or useful life thresholds for inclusion in the Capital Improvement Fund budget. These smaller purchases are therefore funded by general operating revenues rather than bond or other debt issuances.

Capital Outlay Drivers: The following are the drivers that impact capital outlay expenditures:

- Routine replacement of computer and office equipment

Comments: This category should not be confused with capital expenditures budgeted in the capital improvement funds which are completely separate and independent from the General Fund. This category is used for relatively small purchases that are not typically considered “materials or supplies” but which also do not qualify pursuant to capitalization thresholds for inclusion in the CIP budget. An example of this might be the purchase of relatively inexpensive computer peripherals or replacement office equipment (i.e. local printers).

Historically, expenses in this category accelerate in the third and fourth quarters. In April, LUCAS CPR devices and service agreements were purchased for the Fire Department. This resulted in increased expenses during the second quarter. As of the third quarter, it is expected this expense should end the year within budget.



	YTD Actuals	Original Budget	Amended Budget
2015	487,304	640,117	
2016	382,460	652,849	
2017	147,460	189,700	
2018	63,252	91,500	
2019	72,046	100,267	
2020	73,471	138,190	133,755
2021	114,497	168,300	168,300
2022	138,555	129,600	223,495

Enterprise Funds

Brief Description: This section provides 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 re-sells it to customers throughout the Village using its own infrastructure. The Water Fund accounts for the revenues and expenses of operating the water system, including capital costs.

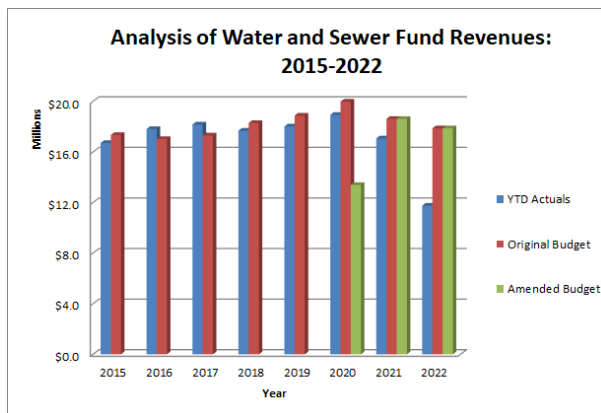
Sewer Description: The Village maintains the system that carries sewage to the Metropolitan Water Reclamation District's system. The sewer charge is based on the amount of water consumed per account.

Water and Sewer Fund Revenue Drivers: The following are 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

Comments: Due to the normal billing cycles, especially for residential accounts, there is typically a two to three month delay between water usage and billing/collections. This revenue is on track to meet budget.



	Revenues		
	YTD Actuals	Original Budget	Amended Budget
2015	16,711,300	17,347,721	
2016	17,818,708	17,026,149	
2017	18,173,069	17,311,375	
2018	17,687,386	18,293,000	
2019	18,017,095	18,880,000	
2020	18,936,707	19,986,000	13,390,620
2021	17,069,392	18,617,720	18,617,720
2022	11,759,200	17,869,000	17,869,000

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 labor and equipment that are required to operate the pumping stations and to repair broken water mains.

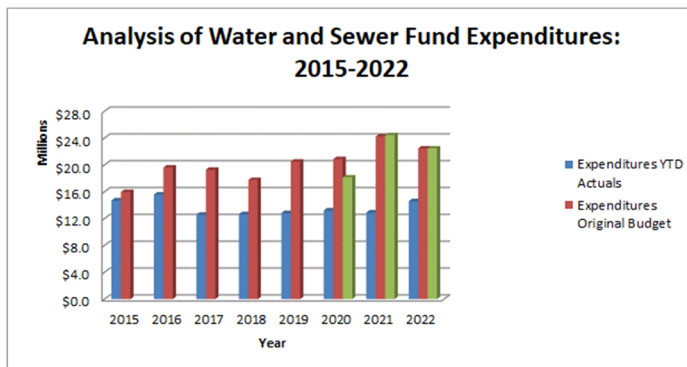
Sewer: The Sewer Fund maintains the infrastructure required to transport sewage from residences and businesses to treatment plants. Sewer Fund expenditures reflect the labor and equipment necessary to repair broken sewer lines.

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

Comments: Water/sewer expenditures typically come in at or below budget unless there are a number of costly emergency expenses such as broken water mains. This expense category is projected to come in at or below budget for the year.



	Expenditures		
	YTD Actuals	Original Budget	Amended Budget
2015	14,717,489	15,982,633	
2016	15,586,815	19,620,257	
2017	12,585,494	19,287,111	
2018	12,654,199	17,755,171	
2019	12,824,964	20,495,992	
2020	13,223,337	20,879,995	18,152,487
2021	12,905,216	24,238,387	24,434,241
2022	14,593,539	22,458,887	22,458,887

Parking Fund

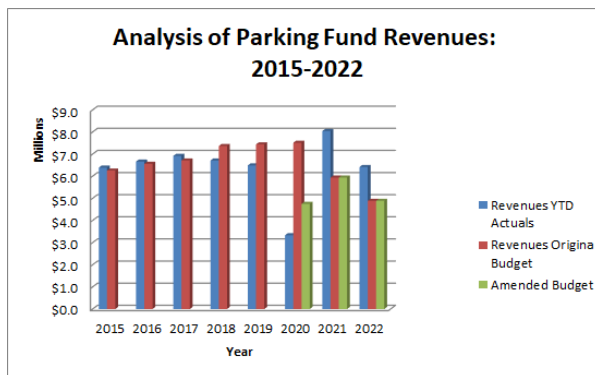
Parking Fund Revenues

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

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

- Parking rates
- Volume of parkers

Comments: A reduction to budgeted parking revenues was made for 2022 to reflect reduced expectations based on revenue collected in the prior year. Parking revenue thus far appears to be on track to slightly exceed these reduced expectations by year end. In addition, this Fund received ARPA lost revenue related to FY21 in FY22, totaling \$2.6M.



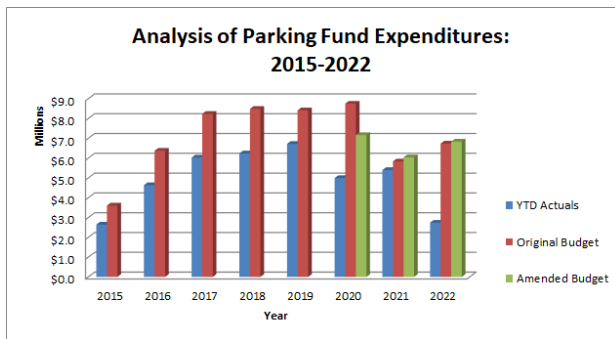
	Revenues		
	YTD Actuals	Original Budget	Amended Budget
2015	6,389,430	6,257,167	
2016	6,662,090	6,563,000	
2017	6,918,626	6,714,000	
2018	6,711,206	7,367,350	
2019	6,488,492	7,439,990	
2020	3,332,533	7,510,990	4,749,070
2021	8,041,294	5,940,000	5,940,000
2022	6,417,708	4,890,000	4,890,000

Parking Fund Expenditures

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

- Personnel costs
- Capital costs

Comments: Parking Fund expenditures for the third quarter are well below projections, however this is due to normal delays in vendor invoicing. There are no areas of concern at this point and absent any unforeseen expenses, parking expenditures are expected to come in at or below budget.



Expenditures			
	YTD Actuals	Original Budget	Amended Budget
2015	2,639,472	3,602,863	
2016	4,631,300	6,371,564	
2017	6,027,018	8,232,878	
2018	6,235,277	8,484,190	
2019	6,715,695	8,413,071	
2020	4,992,848	8,747,983	7,161,198
2021	5,398,087	5,830,987	6,038,786
2022	2,734,932	6,734,514	6,834,514

Environmental Services Fund

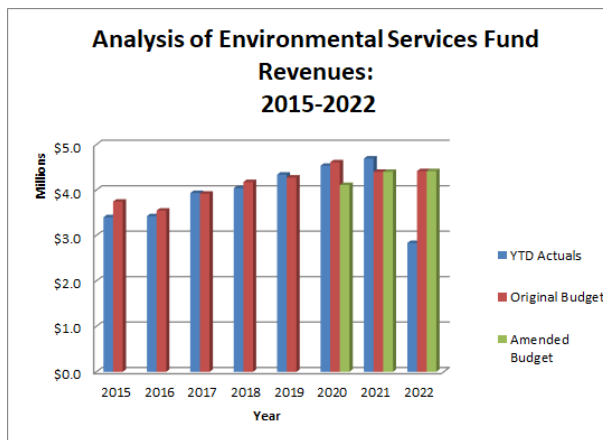
Environmental Services Fund Revenues

Brief Description: The Environmental Services Fund accounts for the Village’s trash removal and recycling programs. As an enterprise fund, the costs are charged to users of the system via charges on utility bills.

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

- Garbage collection rates
- Sale of yard waste stickers

Comments: Similar to the Water and Sewer Fund, Environmental Services revenues appear, on the surface, to be below budget due to the lag between the billing and receiving of utility payments. This is consistent with previous years. As of the end of third quarter, seven months of revenue have been recorded. This revenue category is on track to come in at or slightly over budget for the year.



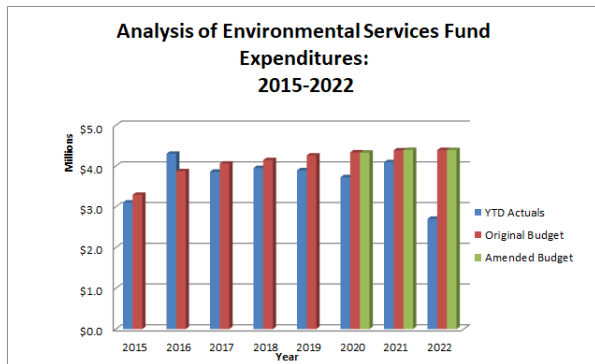
	Revenues		
	YTD Actuals	Original Budget	Amended Budget
2015	3,401,319	3,745,500	
2016	3,423,769	3,547,545	
2017	3,934,568	3,920,000	
2018	4,039,827	4,175,525	
2019	4,338,247	4,275,000	
2020	4,534,861	4,610,000	4,110,000
2021	4,694,300	4,400,000	4,400,000
2022	2,835,665	4,415,000	4,415,000

Environmental Services Fund Expenditures

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

- Personnel costs
- Contractual costs of waste disposal

Comments: Expenditures in this Fund are on track to come in at or below annual budgeted expenses.



	Expenditures		
	YTD Actuals	Original Budget	Amended Budget
2015	3,106,241	3,296,995	
2016	4,304,540	3,875,976	
2017	3,863,407	4,062,623	
2018	3,953,734	4,148,081	
2019	3,898,002	4,261,832	
2020	3,728,290	4,339,342	4,331,822
2021	4,097,013	4,387,758	4,396,958
2022	2,706,905	4,394,809	4,394,809

Main Capital Improvement Fund Revenue Analysis

Brief Description: The Main Capital Improvement Fund generates revenue through a dedicated 1% home rule sales tax, a six cent per gallon gasoline tax, a 3% local cannabis tax, an allocated 1% telecommunications tax, as well as grants and bond proceeds. This section will analyze the performance of the following key revenue sources:

- 1% home rule sales tax
- Six cent per gallon gasoline tax
- 3% local cannabis tax

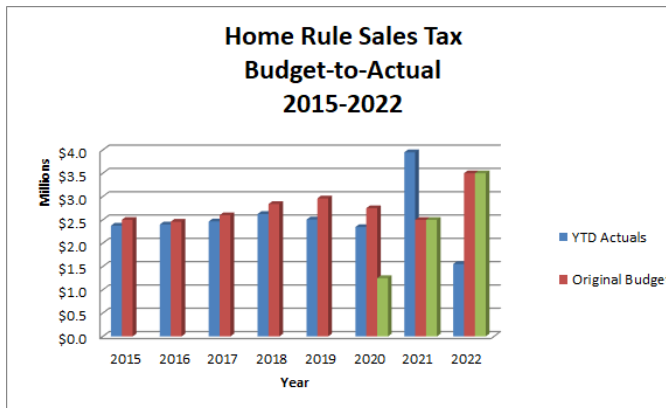
Home Rule Sales Tax Revenue

Brief Description: The Village 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 separately in the Capital Improvement Project (CIP) Fund.

Home Rule Sales Tax Revenue Drivers: The following are drivers that impact Home Rule Sales Tax revenue performance:

- Retail sales
- Retail establishments

Comments: With a three month delay in collecting monthly sales tax, the first month of this tax was received in April. Based on collections thus far, this revenue is expected to exceed budget by approximately \$200,000, absent any unforeseen negative events.



Month	Original Budget	Amended Budget	YTD Revenue
January			282,605
February			261,501
March			333,714
April			321,248
May			353,837
June			
July			
August			
September			
October			
November			
December			
Total	3,500,000	3,500,000	1,552,905

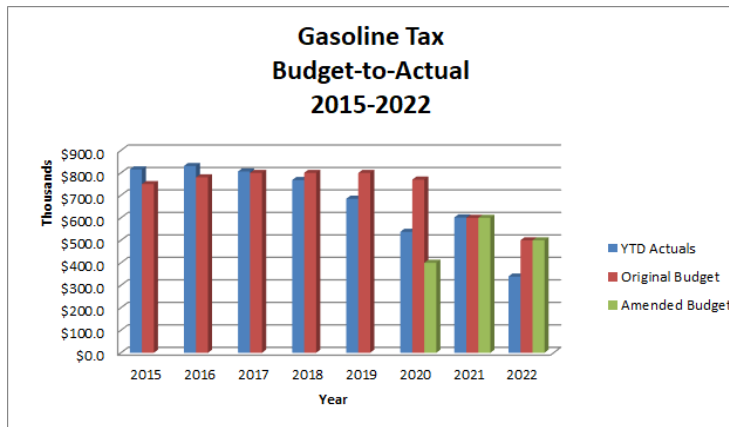
Gasoline Tax Revenue

Brief Description: The Village imposes a tax upon the retail purchase of motor fuel at the rate of six cents (\$0.06) per gallon. This tax is dedicated for Village capital projects and is accounted for separately in the Capital Improvement Project (CIP) Fund.

Gasoline Tax Revenue Drivers: The following are the drivers that impact Gasoline Tax revenue performance:

- Gasoline sales

Comments: Expectations for this revenue were lowered somewhat for 2022. This revenue is reported one month in arrears and therefore only eight months of revenue are reported thus far in 2022. The first eight months came in around budget, (\$500,000 per year averages to \$41,700 per month).



Month	Original Budget	Amended Budget	YTD Revenue
January			40,836
February			41,314
March			43,966
April			43,578
May			50,900
June			33,799
July			43,387
August			41,220
September			
October			
November			
December			
Total	500,000	500,000	339,000

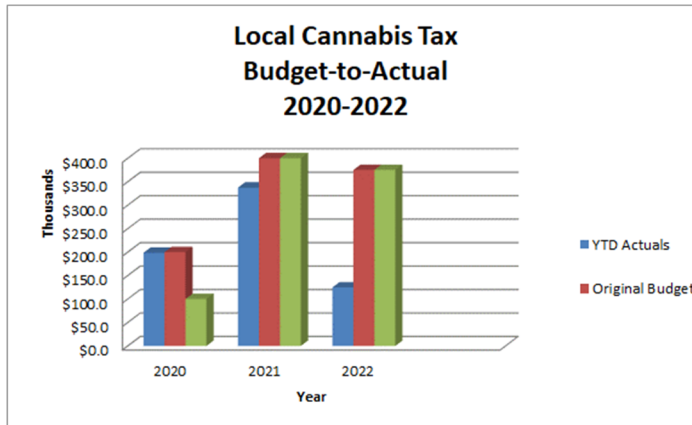
Cannabis Tax Revenue

Brief Description: The Village imposes a 3% tax upon the retail purchase of cannabis. 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 separately in the Capital Improvement Project (CIP) Fund.

Cannabis Tax Revenue Drivers: The following are the drivers that impact Cannabis Tax revenue performance:

- Retail cannabis sales

Comments: There is a three month delay in collecting monthly cannabis tax. Based on collections thus far, this revenue should come in below budget by an estimated \$75,000.



Month	Original Budget	Amended Budget	YTD Revenue
January			24,264
February			23,898
March			26,153
April			25,842
May			24,449
June			
July			
August			
September			
October			
November			
December			
Total	375,000	375,000	124,606

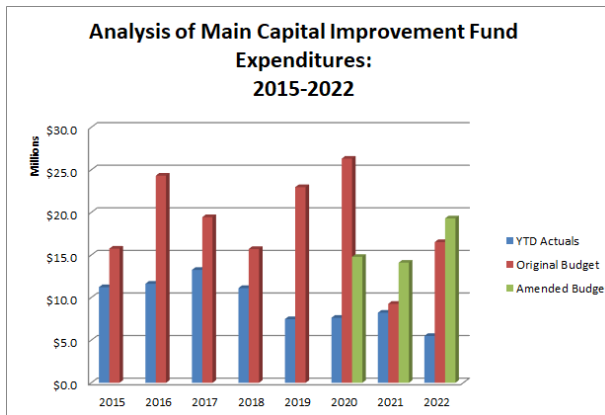
Main Capital Improvement Fund Expenditures

Main Capital Improvement Fund Expenditure Drivers: The following are drivers that impact Capital Improvement Fund expenditures:

- Contract costs
- Large equipment bids

Comments: Most of these large capital and infrastructure projects are overseen by the public works engineering division. Typically, in the first quarter, budget amendments are brought to the Board for approval to carry over prior year unspent funds on these large projects which often span over multiple years. Approximately \$2.8M was carried over from 2021, hence, the budget was amended from about \$16.5M to \$19.3M.

As depicted in the graph below, actual expenditures usually come in well below budget and the unused amounts are typically carried forward to subsequent years utilizing carryover budget amendments. There are two factors that result in these carryovers: 1) delays in contractors performing the work for a number of different reasons, 2) routine contractor billing delays for completed work. Large projects are usually billed in installments based on the percentage of completion method. Capital project expenditures are expected to come in at or below the amended budget for the year.



	YTD Actuals	Original Budget	Amended Budget
2015	11,228,142	15,752,794	
2016	11,635,970	24,327,307	
2017	13,253,862	19,449,876	
2018	11,127,240	15,713,219	
2019	7,475,191	22,975,484	
2020	7,633,142	26,317,493	14,787,143
2021	8,230,906	9,268,978	14,104,669
2022	5,498,892	16,524,883	19,309,213