



Village of Oak Park, IL  
Department of Finance

# Quarterly Finance and Performance Report 2014, 4th Quarter

February, 2015

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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, and provides a summary report of monthly performance for Village departments that currently participate with the MAP Program, the Village's performance Management Program. This report is segmented into two sections:

- Section 2 of the report presents the Fourth Quarter Financial Report Summary
- Section 3 of the report presents a summary for MAP Program

## Section 2: 4<sup>th</sup> Quarter Financial Report Summary

The Quarterly Financial Report Summary presents key revenue and expenditure activity in relation to the Village's approved budget. The report covers revenue and expenditure activity through the fourth quarter of FY 2014. 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> - Fourth quarter overall revenues are in accordance with budgeted projections.
Property Taxes		<b>Green</b> - Property tax revenue yield is on par with budgeted projections.
Liquor Taxes		<b>Yellow</b> - Taxes are 4% below year-end projections.
Natural Gas Use Taxes		<b>Green</b> - Taxes are 4% above year-end projections..
Sales Taxes		<b>Yellow</b> - Collections are slightly below projections.
Real Estate Transfer Tax		<b>Green</b> - Taxes are performing significantly above budgeted expectations for the year.
Utility Taxes		<b>Yellow</b> - Tax revenues are down 6% below projections.
Licenses and Permits		<b>Green</b> - Revenue proceeds are significantly above budgeted estimates.
Intergovernmental Revenues		<b>Yellow</b> - Revenue is currently 2% below budgeted projections.
Charges for Services		<b>Yellow</b> - Revenues began the year 3% below projected revenue estimates.
Fines		<b>Red</b> - Revenues remain below budgeted projections.
<u>General Fund Expenditures</u>		<b>Green</b> - Year-end expenditures 6% below budgeted estimates.
Personnel and Benefits		<b>Green</b> - Personnel and benefit costs are 5% below budgeted estimates.
Professional and Technical Services		<b>Green</b> - Expenditures are 12% below projected expenditures.

Purchased Property Services		<b>Green</b> - Expenditures are 1% above projections.
Other Purchased Services		<b>Green</b> - Expenditures are 27% below projections.
Supplies and Materials		<b>Green</b> - Expenditures are 8% below projections.
Real Property, CDBG and Other		<b>Green</b> - Fourth quarter expenditures are small and within a reasonable threshold of performance.

### Water and Sewer Fund

Water and Sewer Fund Revenues		<b>Green</b> - Fourth Quarter revenues are on par with year-end estimates.
Water and Sewer Fund Expenditures		<b>Green</b> - Fourth Quarter expenditures are 7% below budget.

### Parking Fund

Parking Fund Revenues		<b>Green</b> -Revenues are above year-end estimates.
Parking Fund Expenditures		<b>Green</b> - Fourth quarter budgeted expenditures are 23% below budgeted expenditures.





### Environmental Services Fund

Environmental Services Revenue		<b>Green</b> - Revenues are on par with year-end estimates.
Environmental Services Expenditures		<b>Green</b> - Fourth Quarter expenditures are 5% 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
	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)

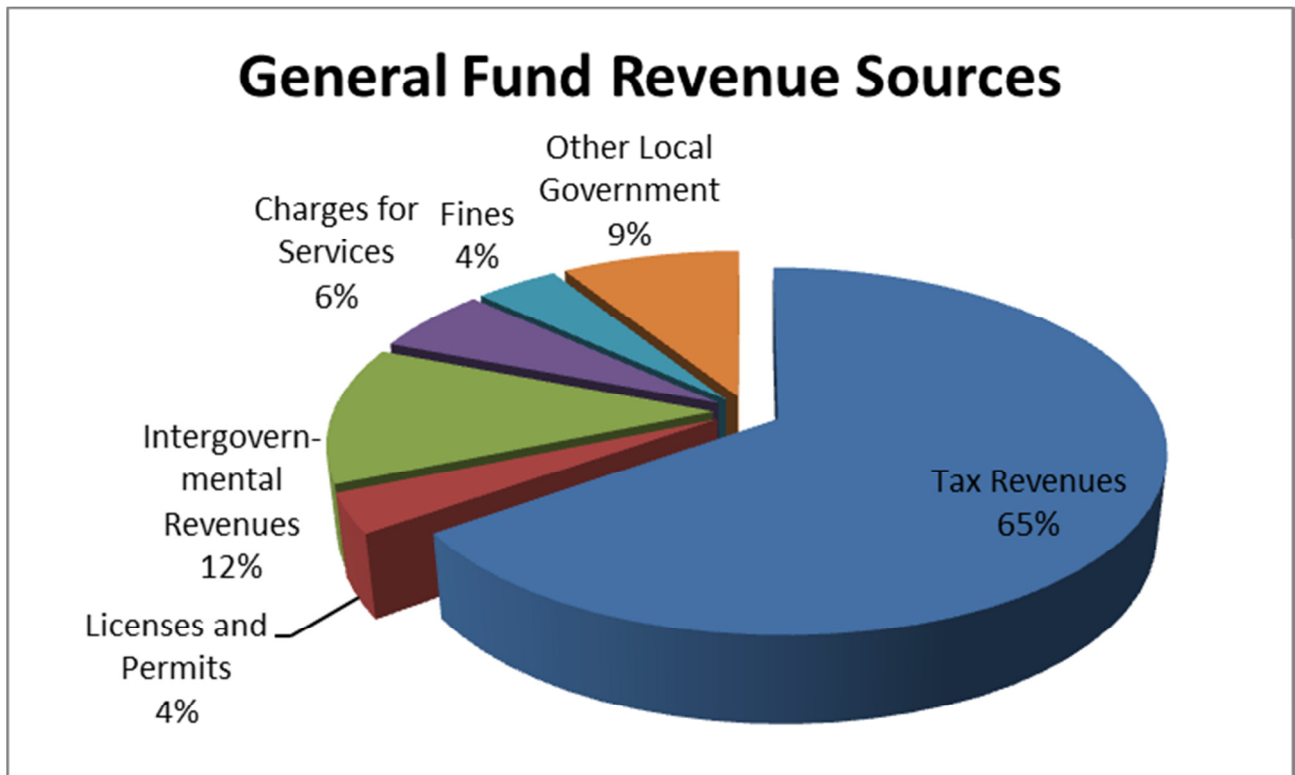


Figure 2-1: Proportion of General Fund Revenue Sources

2014 Fourth Quarter Rating: Green 

**General Comments:** First quarter General Fund revenues for 2014 are performing in accordance with budgeted projections. Tax proceeds, which make up about 65% of the Village's General Fund revenue proceeds, are currently performing at about slight below the planned yield for the year. The Village has seen higher than expected proceeds within its portfolio of License and Permitting proceeds, which are at 28% above estimated yield for FY 2014.



However, the Village has experienced sluggish yields in other areas, most notably in fines. We will discuss these issues more specifically later in the report.

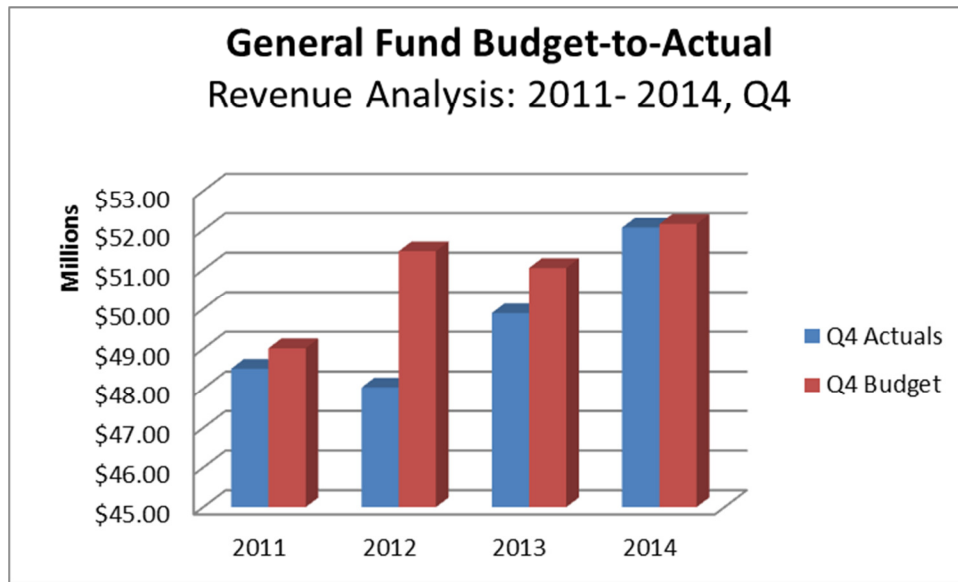


Figure 2-2: General Fund Budget-to-Actual Revenue Analysis

General Fund Revenues				
<u>Description</u>	<u>YTD Actuals</u>	<u>YTD Budget</u>	<u>Variance</u> <u>Good/(Bad)</u>	<u>Variance %</u>
Tax Revenues	\$33,969,805	\$34,036,734	(\$66,929)	-0.20%
Licenses and Permits	\$1,804,505	\$1,412,105	\$392,400	27.79%
Intergovernmental Revenues	\$6,383,488	\$6,537,275	(\$153,787)	-2.35%
Charges for Services	\$3,070,744	\$3,156,884	(\$86,140)	-2.73%
Fines	\$2,178,924	\$2,691,071	(\$512,147)	-19.03%
Other Local Government	\$170,850	\$133,139	\$37,711	28.32%
Other Financing Sources	\$4,485,665	\$4,185,665	\$300,000	7.17%

Table 2-3: Summary of General Fund Revenue Streams

## Property Tax Revenues

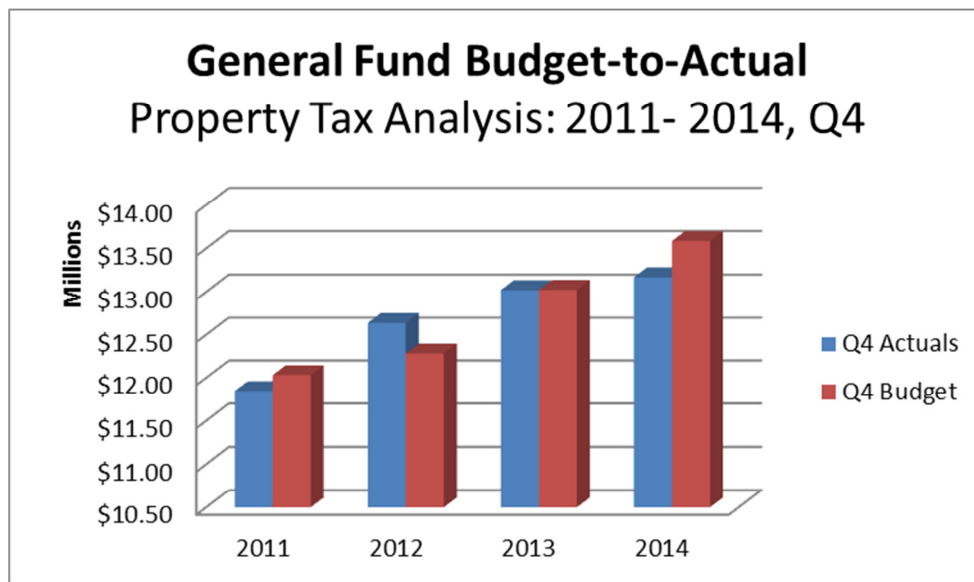
**Brief Description:** Property tax revenues are the proceeds that the Village receives from assessing taxes on residential and commercial properties within the Village. Each year, the Village Board sets a levy by fixing an exact dollar amount that is used to fund operations, debt service, and the Police 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

**2014 Fourth Quarter Rating: Green** 

**Comments:** As illustrated below in Figure 2-4, property tax yields for the first quarter are on par with budgeted estimates for the quarter. Currently The Village has received property taxes at slightly below (3%) budgeted projections. Given the magnitude of this revenue stream and the relatively small variance, the Finance Department believes that this variance falls within a reasonable performance threshold.



**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.

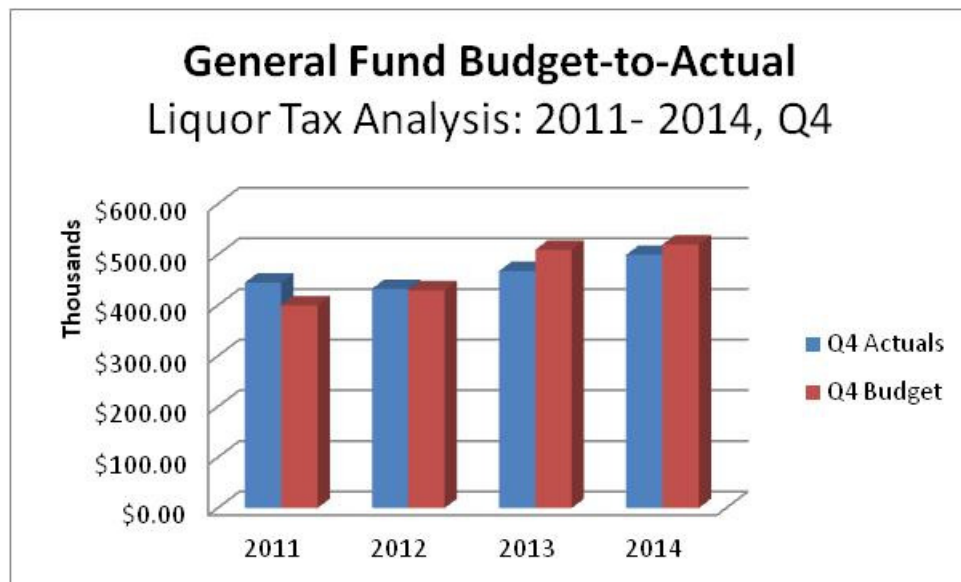
**Liquor Tax Revenue Drivers:** The following are the drivers that impact Liquor Taxes:

- Number of liquor-selling establishments within the Village
- Customer volume
- Price of liquor at retail

**2014 Fourth Quarter Rating:** Yellow 

**Comments:** As indicated below in Figure 2-5, Liquor Tax revenue yields for the fourth quarter are moderately below (4%) year end projections.

**Note:** As previously reported, the Village has experienced the closings of Dominicks' Grocery, which generated significant liquor sales. While other establishments, such as Lou Malnati's, have opened since this closing, they have not completely offset the net loss in liquor tax proceeds that the Village had received prior to Dominick's closing.



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

## Natural Gas Use Tax Revenues

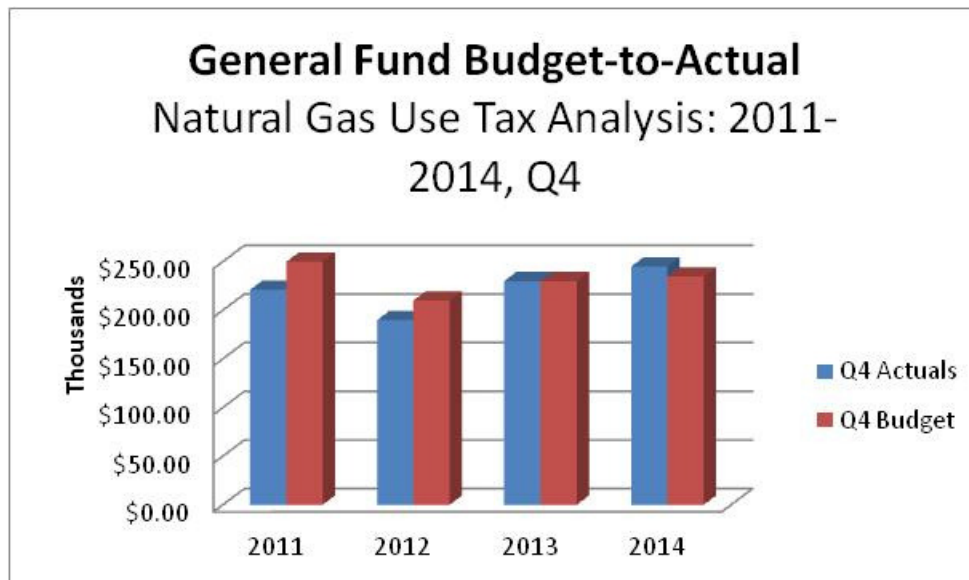
**Brief Description:** The Natural Gas Use Tax is a tax that the Village charges to users based upon the purchase of natural gas. The current Use Tax rate is 2.2 cents per therm.

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

- Number of Therms consumed
- Weather conditions

**2014 Fourth Quarter Rating:** Green 

**Comments:** As illustrated below in Figure 2-6, the revenue yield for the Natural Gas Use Tax is 4% more than projected for the first quarter. As discussed in previous reports, the performance of this revenue stream is significantly impacted by weather conditions. As such, the protracted winter temperatures have likely increased natural gas consumption beyond initial projections.



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

## Sales and Use Tax Revenues

**Brief Description:** In the State of Illinois, there is a base 6.25 % Sales Tax on general merchandise. It is administered and collected by the Illinois Department of Revenue. One percent (1%) of this Sales Tax is distributed to the municipality where the sale occurred. This tax, officially referred to as the Retailer's Occupation Tax (ROT) is captured in the Village's General Fund and is used for basic Village operations.

The Village also imposes a 1% Home Rule Occupation Tax (HROT). While approved locally, this tax is also administered and collected at the state level. This tax is dedicated for Village capital projects and is accounted for in the Capital Improvement Project (CIP) Fund.

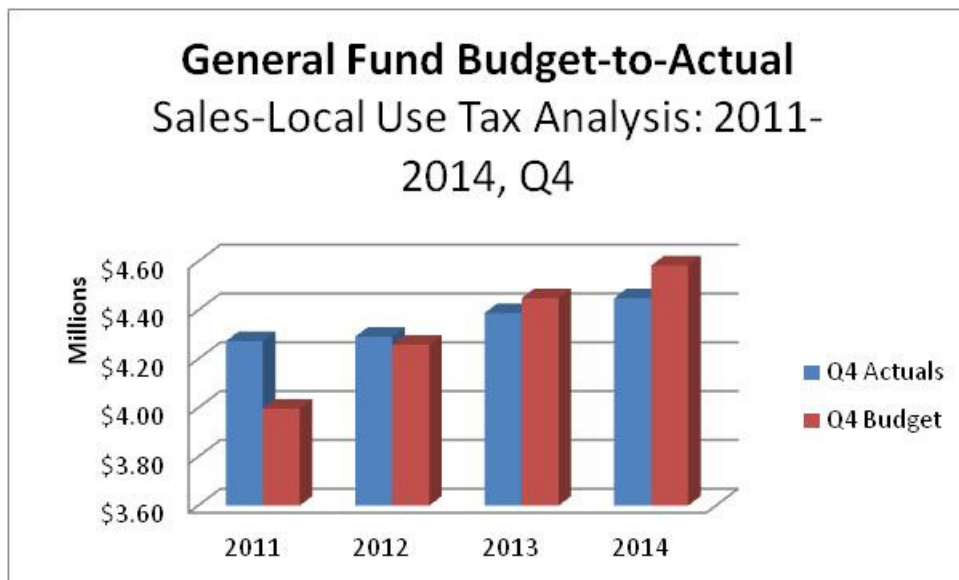
**Sales and Use Tax Revenue Drivers:** The following are the drivers that impact Sales and Use Tax revenue performance:

- Retail sales
- Retail establishments

**2014 Fourth Quarter Rating:** Yellow 

**Comments:** As mentioned in previous reports, there is a quarterly lag in Sales Tax yields, where current quarter actual typically reflect the sales tax yield from the previous quarter. This is to say that current revenues actual would reflect revenue performance from the fourth quarter of the previous year.

While the final two months remain projections at this time, collections are trending 3% below initial estimates.



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

## Real Estate Transfer Tax Revenues

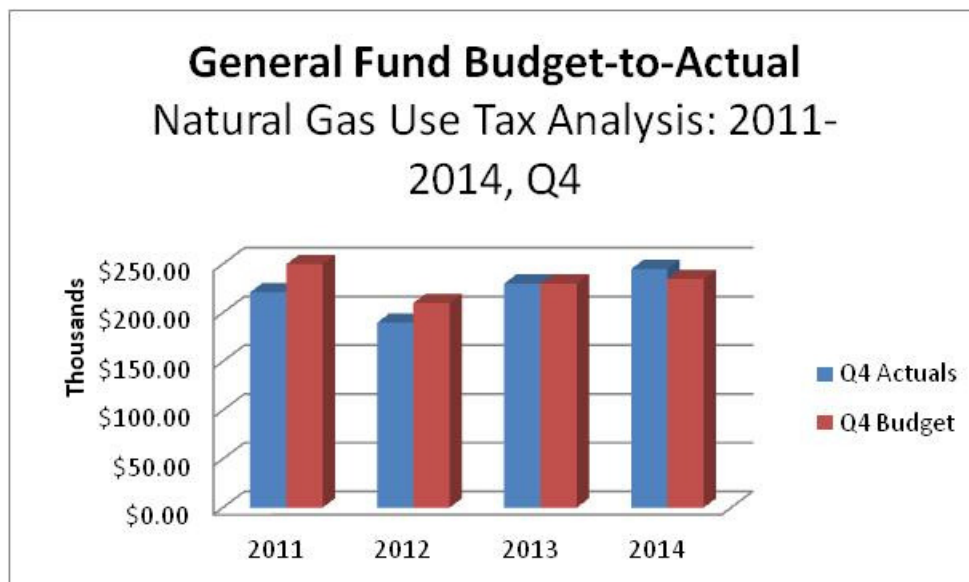
**Brief Description:** The Real Estate Transfer Tax (RETT) is a tax on the seller of property within the Village. The tax is assessed at \$8.00 for every \$1,000.00 of the sale or “transfer” price. For example, when a \$500,000.00 house is sold, the seller would pay a RETT of \$4,000.00 ( $\$500,000/\$1,000 = 500 \times \$8.00 = \$4,000.00$ ).

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

- Number of transactions
- Price of transactions

**2014 Fourth Quarter Rating: Green** 

**Comments:** As illustrated below in Figure 2-8, fourth quarter Real Estate Transfer tax proceeds are performing significantly above (32%) budgeted expectations for the quarter. This reflects a consistent growth from previous years and continues to signal a rebound from the slowdown of prior years.



**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.

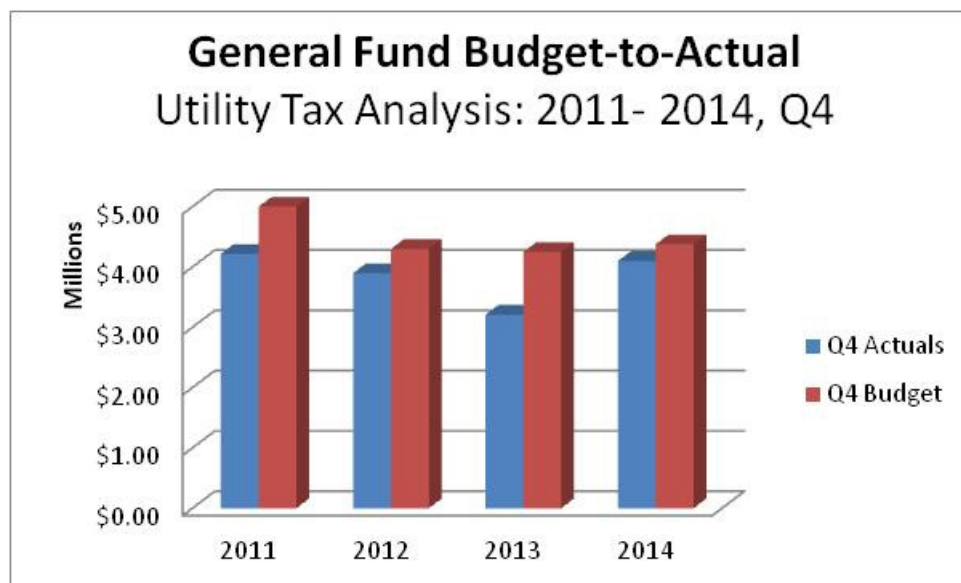
**Utility Tax Revenue Drivers:** The following are the drivers that impact Utility Taxes:

- Energy consumption
- Weather conditions

**2014 Fourth Quarter Rating:** Yellow 

**Comments:** At the end of the fourth quarter, Utility Tax revenues are 6% below budgeted projections.

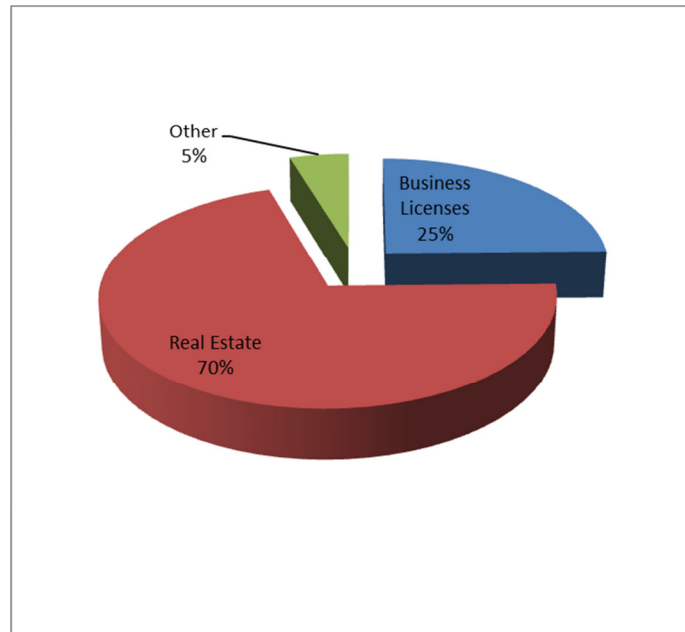
As reported previously, performance within this revenue may be due to a number of issues: weather conditions impacting utility consumption; as Village residents implement energy-saving programs within their homes and business, this may contribute to reduced consumption; as residents adopt more economical 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 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

**2014 Fourth Quarter Rating: Green** 

**Comments:** As illustrated in Figure 2-11 below, fourth quarter proceeds from licenses and permits are significantly above (28%) budgeted estimates. Business License proceeds have begun exceptionally strong, yielding 32% above budgeted estimates. However, much of this increase is due to a change in issuance timing. This trend is not expected to extend into 2015.

Building permit revenues have also increased throughout the year strongly, contributing significantly to Licensing and Permits performance.



### General Fund Budget-to-Actual Licenses and Permits Analysis: 2011- 2014, Q4

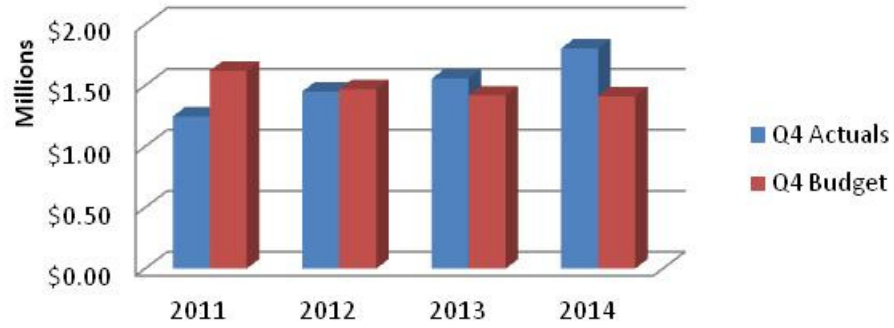


Figure 2-11: General Fund Budget-to-Actual Analysis of Licenses and Permits

## 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:

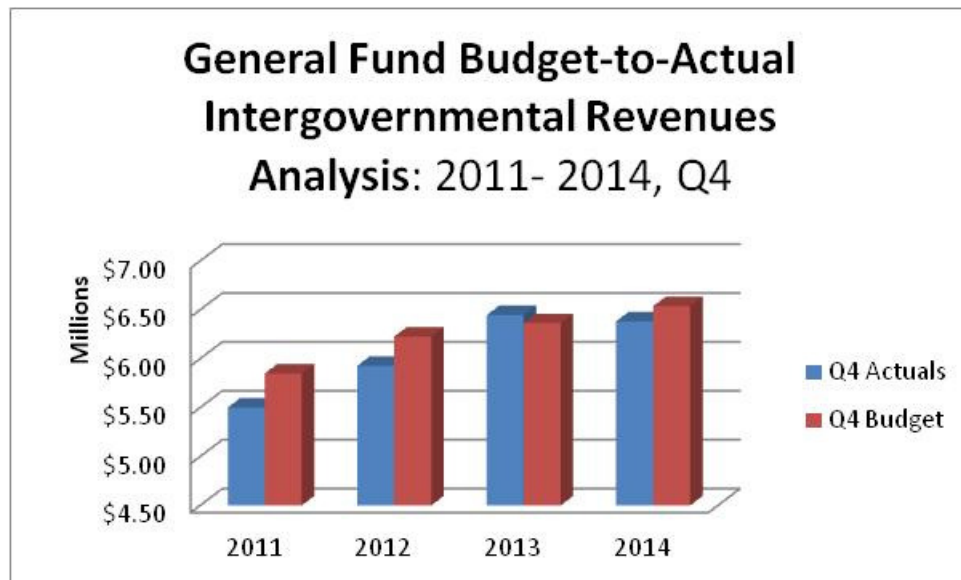
- State of Illinois Income Tax collections

**2014 Fourth Quarter Rating: Yellow**



**Comments:** As illustrated below in Figure 2-12, intergovernmental revenues ended the fourth quarter 2% below our budgeted projections. The majority of revenues that comprise the Intergovernmental Revenues portfolio include State Income Taxes, which make up 76% of the portfolio, and Personal Property Replacement Tax (PPRT), which make up 21% of the portfolio.

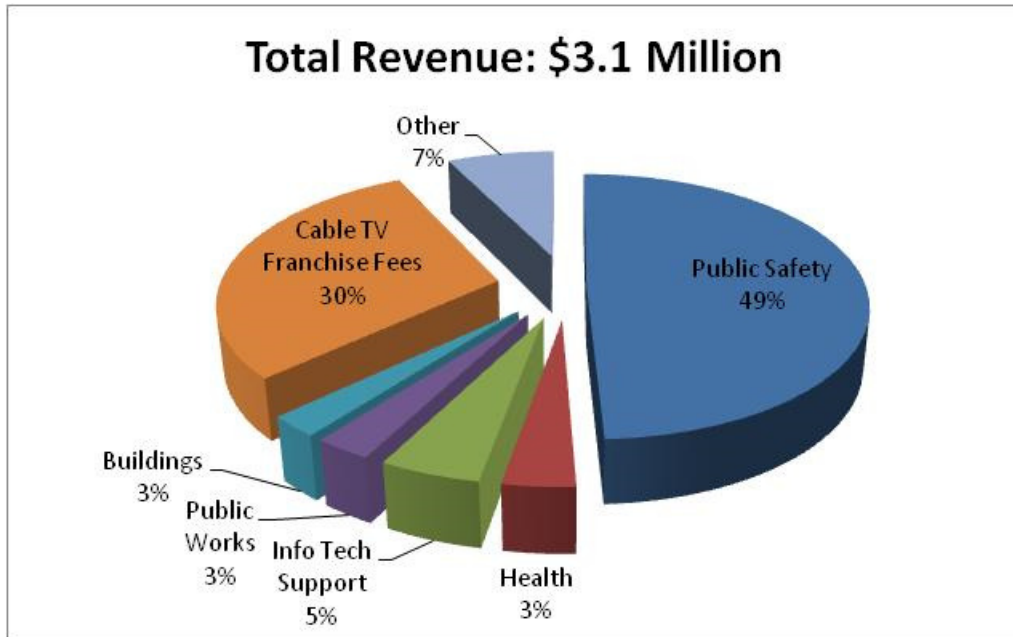
Currently, State Income taxes reflect a 1% increase from anticipated revenues for the year, while the PPRT reflects a decrease of 6% from the anticipated yield.



**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:

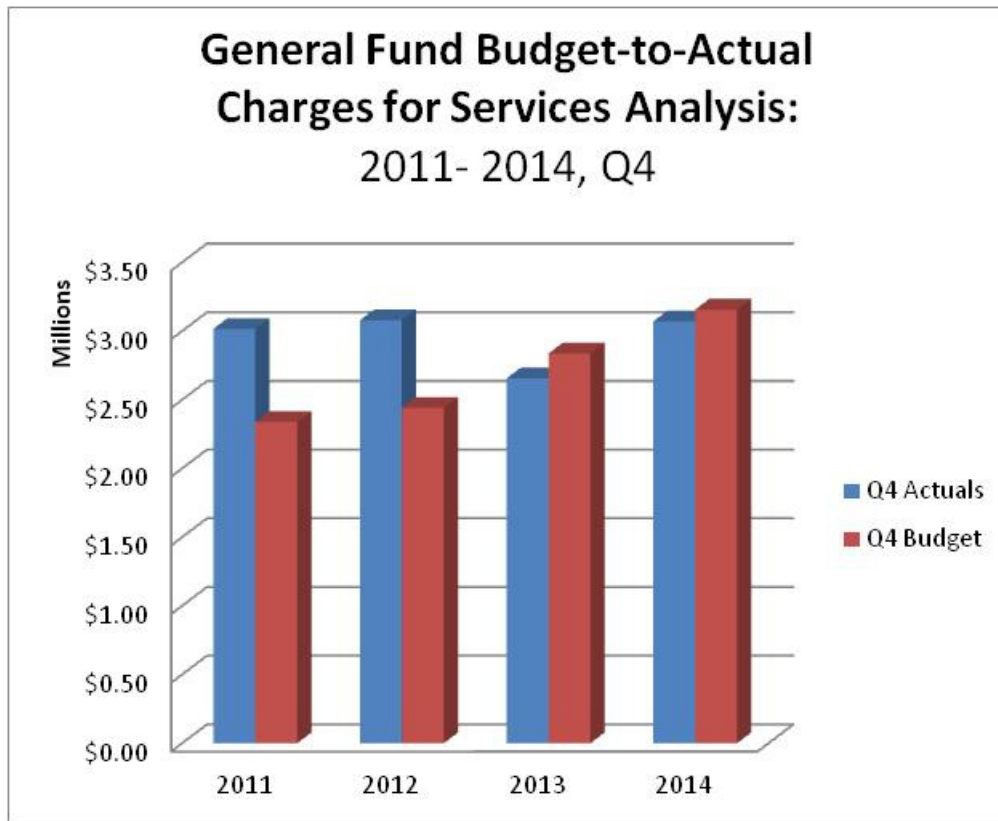
- **Public Safety:**
  - Vehicular accidents
  - Traffic and other insurance-related claims
- **Health**
  - Number of health-related inspections
- **Info Tech support:**
  - Reimbursement for services provided to other taxing bodies
- **Public works**
  - Services volume and maintenance service related to the public way
- **Buildings**
  - Condo inspection fees
- **Cable TV**
  - Number of cable subscribers
  - Cost of cable service
- **Other**
  - Miscellaneous demands for services

2014 Fourth Quarter Rating: **Yellow**



**Comments:** The charges for Services portfolio of revenue streams have ended the year 3% below projected revenue estimates.

The singular largest contributor to the decrease is the recent amendment to the business licensing process whereby environmental health fees are not a component of the license fee.



**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.

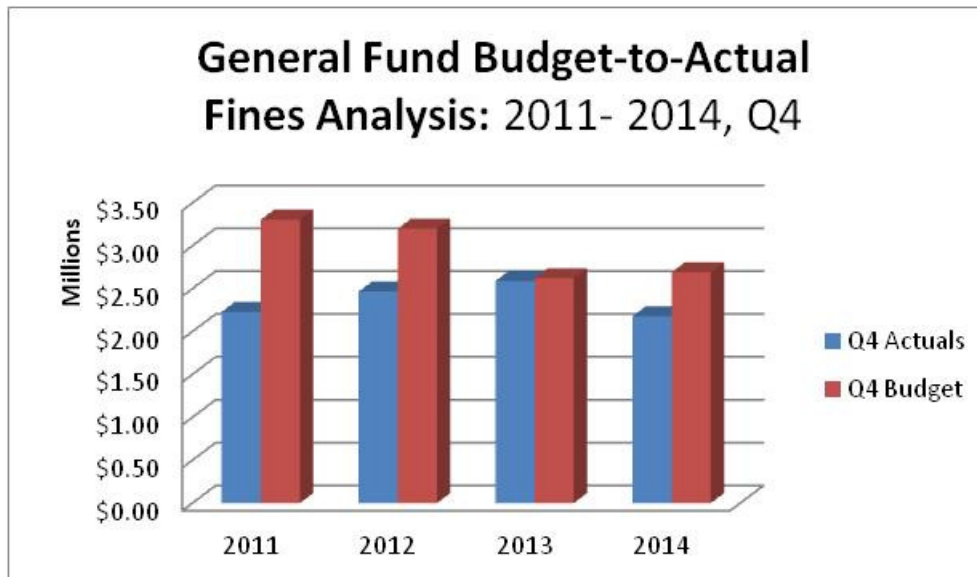
**Drivers of Fines:** The following are the drivers that impact fine proceeds:

- 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

**2014 Fourth Quarter Rating: Red**



**Comments:** As illustrated in the figure below, fourth quarter yields from fines were 19% below projected estimates. As indicated in previous reports, parking fine proceeds remains a significant challenge for this revenue stream. As indicated in prior reports, the Village has actively recruited and acquired Parking Enforcement Officers. However, ticket yields remain below long-term historical averages even accounting for changes in policy.



**Figure 2-15: 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.

**2014 Fourth Quarter Rating: Green** 

**General Comments:** General fund expenditures are 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.

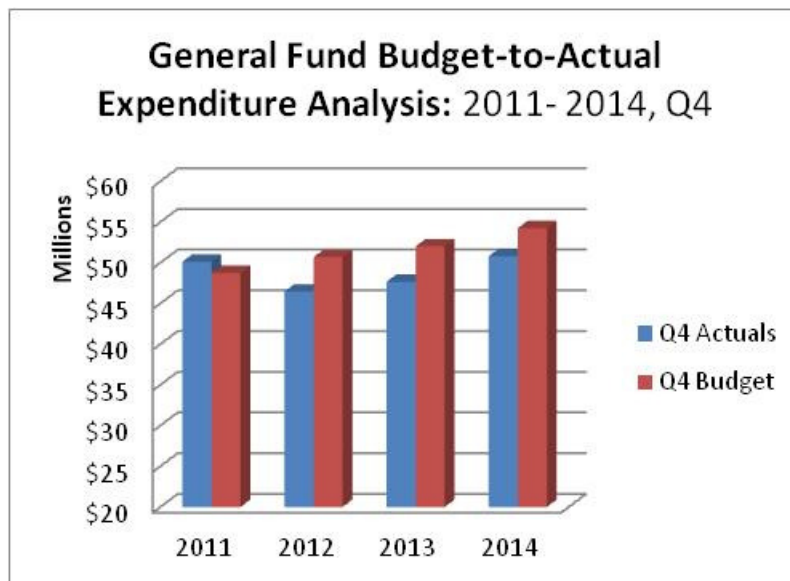


Figure 3-1: General Fund Budget-to-Actual Expenditure Analysis

### General Fund Expenditures

<u>Description</u>	<u>YTD Actuals</u>	<u>YTD Budget</u>	<u>Variance Good/(Bad)</u>	<u>Variance %</u>
Personnel and Benefits	\$39,393,208	\$41,410,399	\$2,017,191	4.87%
Professional and Technical	\$4,880,503	\$5,566,072	\$685,569	12.32%
Purchased Property Services	\$601,580	\$594,400	(7,179.57)	-1.21%
Other Purchased Services	\$464,163	\$639,506	\$175,343	27.42%
Supplies and Materials	\$1,784,230	\$1,929,946	\$145,716	7.55%
Real Property, CDBG & Other	\$20,476	\$9,000	(11,476.23)	-127.51%

**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

**2014 Fourth Quarter Rating:** Green ●

**Comments:** The Village's expenditures for combined wages and benefits for the first quarter are 5% below budgeted projections.

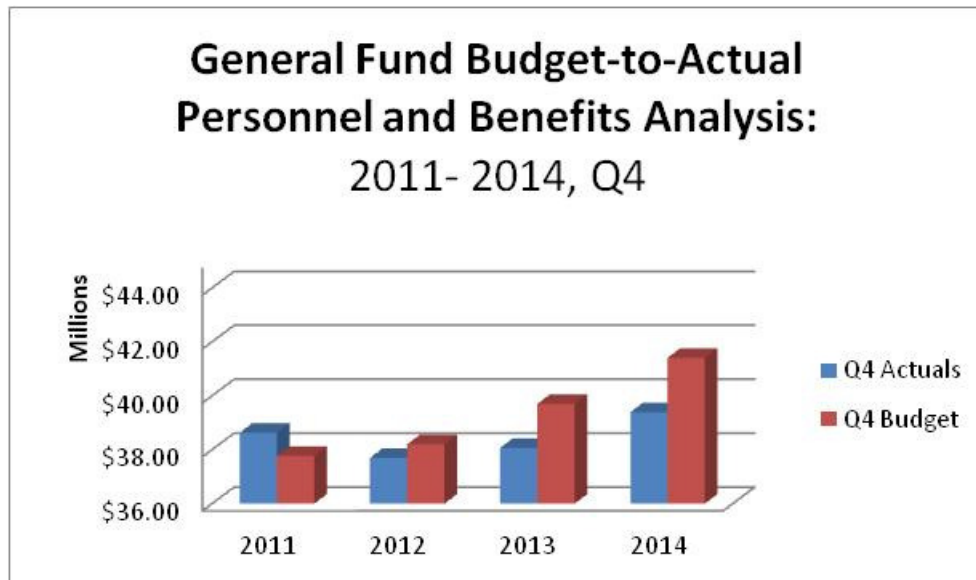


Figure 3-3: General Fund Budget-to-Actual Personnel and Benefits Analysis



## 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

**2014 Fourth Quarter Rating: Green** ●

**Comments:** Professional and Technical Services net expenditures for the year are 12% below projected expenditures.

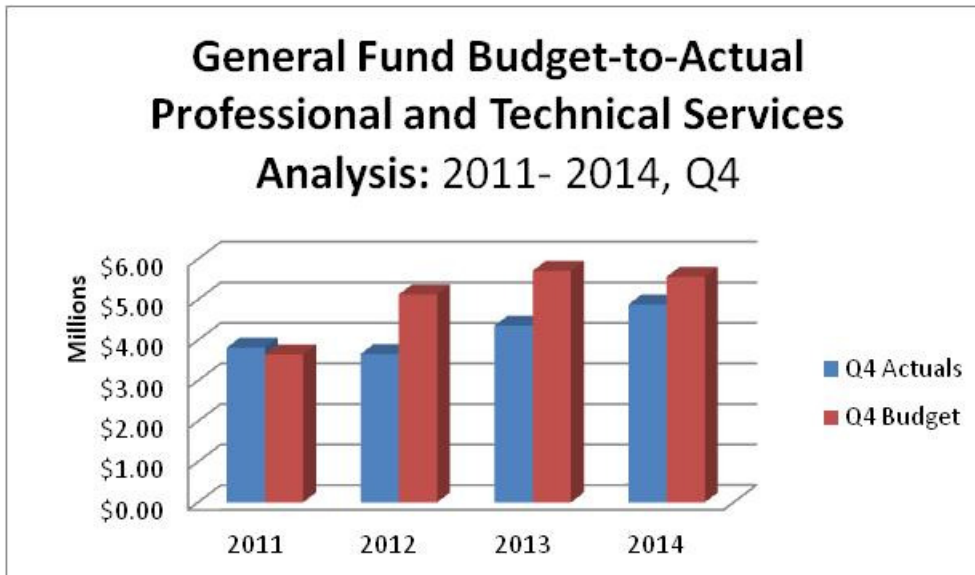


Figure 3-4:

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

**2014 Fourth Quarter Rating:** Green 

**Comments:** Fourth quarter expenditures within the Purchased Property Services expenditure area are at 1% above budgeted estimates. Essentially, this category is on target.

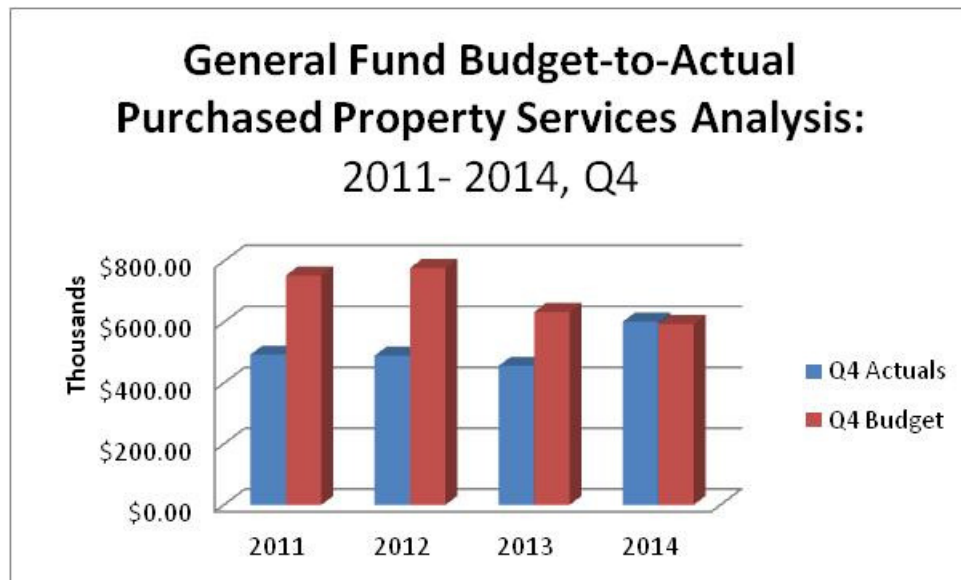


Figure 3-5: General Fund Budget-to-Actual Purchased Property Services Analysis

## Other Purchased Services

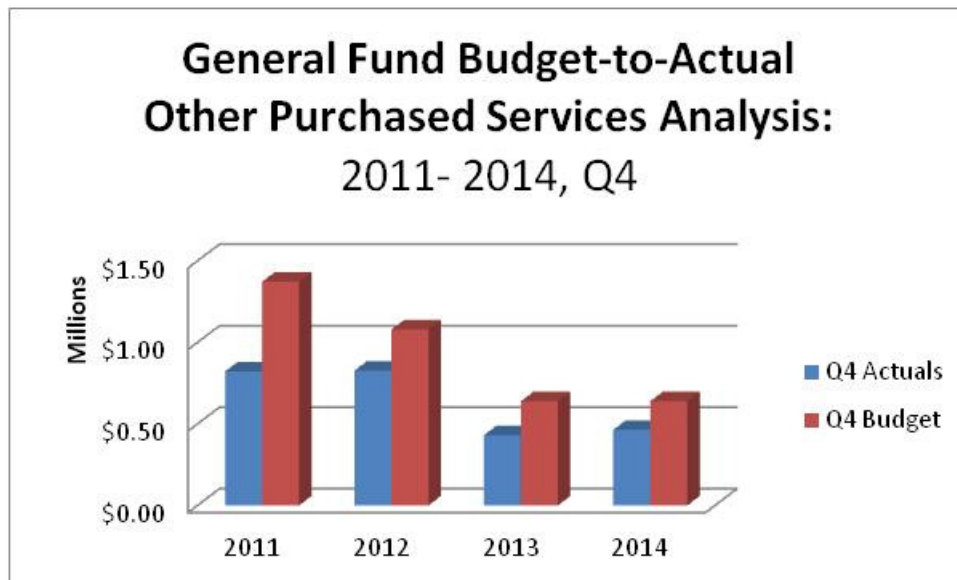
**Brief Description:** Other Purchased Service expenditures are expenditures related to maintaining administrative operations within Village departments. These expenditures include costs such as printing costs, general maintenance and upkeep, telephones services and software support.

**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

**2014 Fourth Quarter Rating: Green** 

**Comments:** Fourth quarter expenditures within Other Purchased Services are at 27% 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

**2014 Fourth Quarter Rating:** Green 

**Comments:** Total expenditures for the year within the Supplies and Materials expenditure area are 8% under budget.

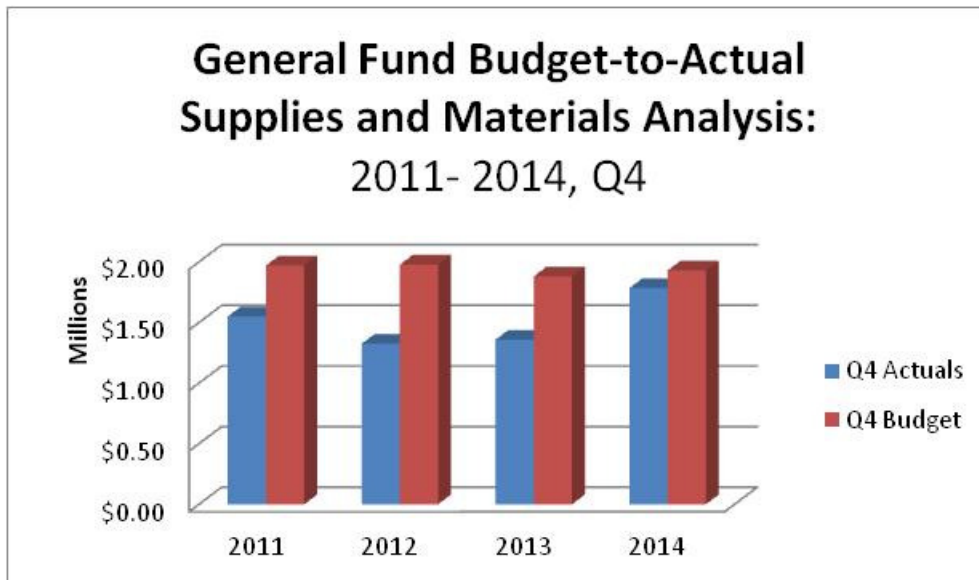


Figure 3-6: General Fund Budget-to-Actual Supplies and Materials Analysis

## 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.

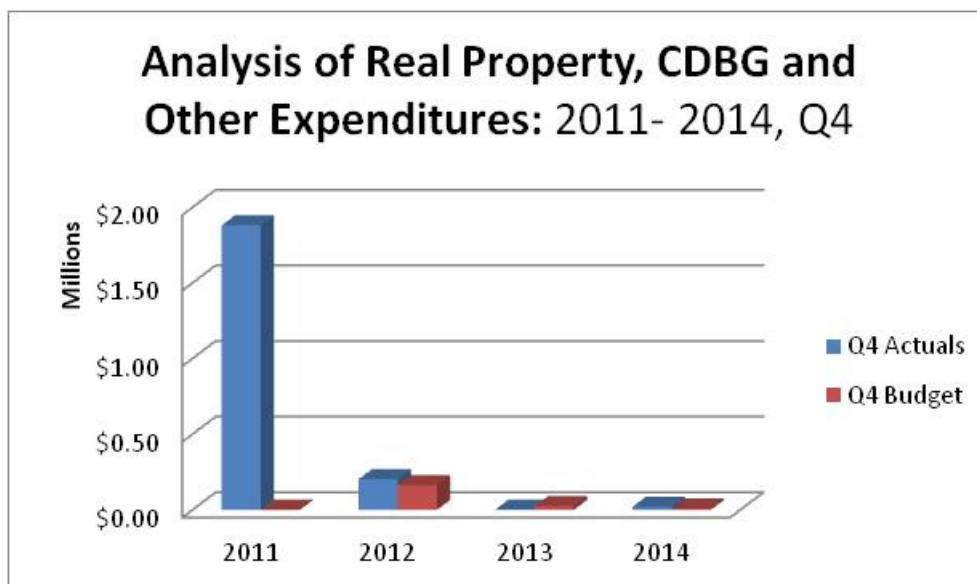
**Drivers for Real Property, CDBG, and Other Services:** The following are the drivers that impact expenditures within Real Property, CDBG and Other services:

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

**2014 Fourth Quarter Rating: Green** ●

**Comments:** For the fourth quarter, the expenditures in this area are above budget. However, the overall dollar impact is very small.

Expenditures in this area are primarily driven by Community Development Block Grant (CDBG) program. Because expenditures in this area are relatively small and are typically offset by CDBG revenues later in the year.



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

## Section 2.3: Enterprise Funds

**Brief Description:** This section provides 3<sup>rd</sup> 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.

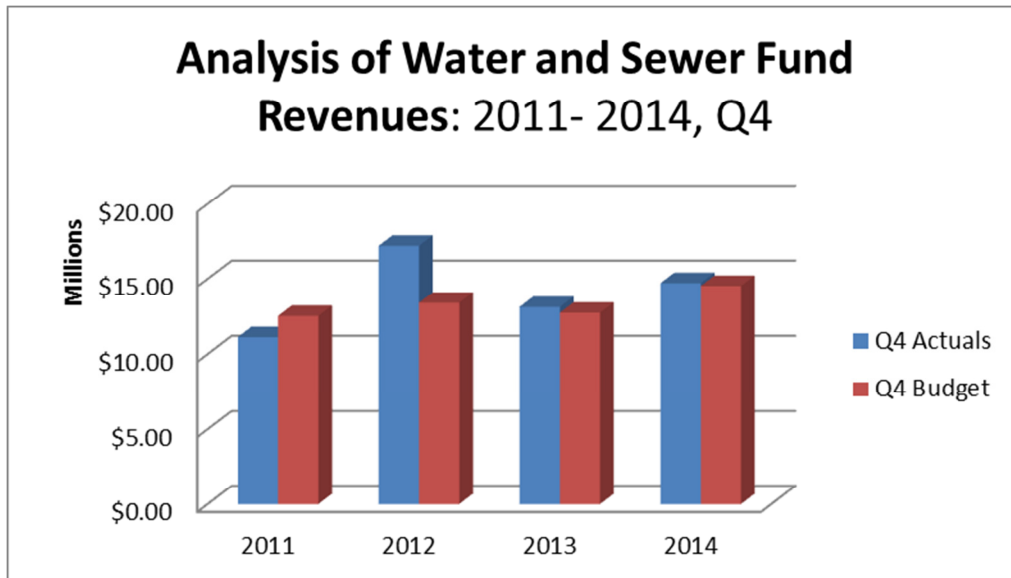
**Sewer Description:** The Village maintains the system that carries sewage to the Metropolitan Water Reclamation District's system. The Sewer Fund is the enterprise fund that accounts for the revenues and expenditures of operating the system, inclusive of capital costs. The sewer charge is derived from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

**2014 Fourth Quarter Rating: Green** 

**Comments:** Water and Sewer revenues are consistent with budgeted estimates.



**Figure 4-1: Analysis of Water and Sewer Fund Revenues**

#### **Water and Sewer Fund Expenditures:**

##### **Brief Description:**

The Water functional group 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.

The Sewer functional group 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



2014 Fourth Quarter Rating: Green 

**Comments:** Total expenditures for the Water and Sewer Fund for the first quarter are at 7% below budget.

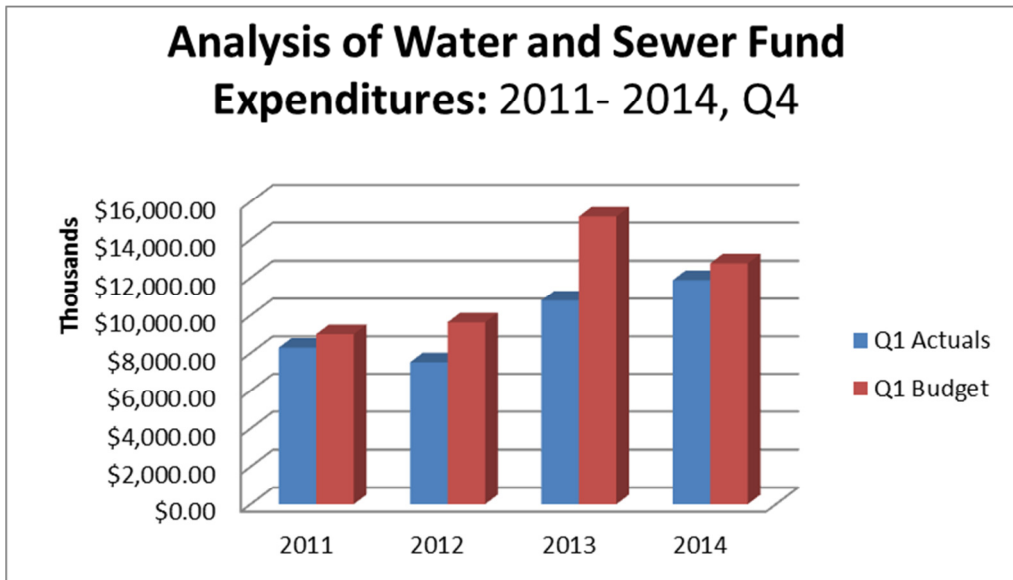


Figure 4-2: Analysis of Water and Sewer Fund Expenditures

# 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

**2014 Fourth Quarter Rating: Green** ●

**Comments:** Parking fund revenues for the fourth quarter are higher (19%) budgeted projections for the year.

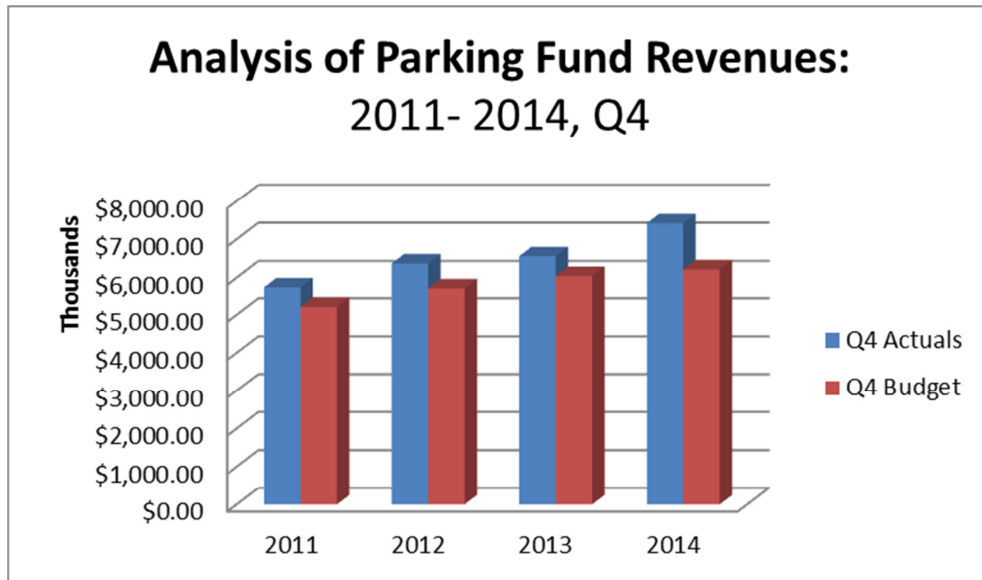


Figure 4-5: Analysis of Parking Fund Revenues

## 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.

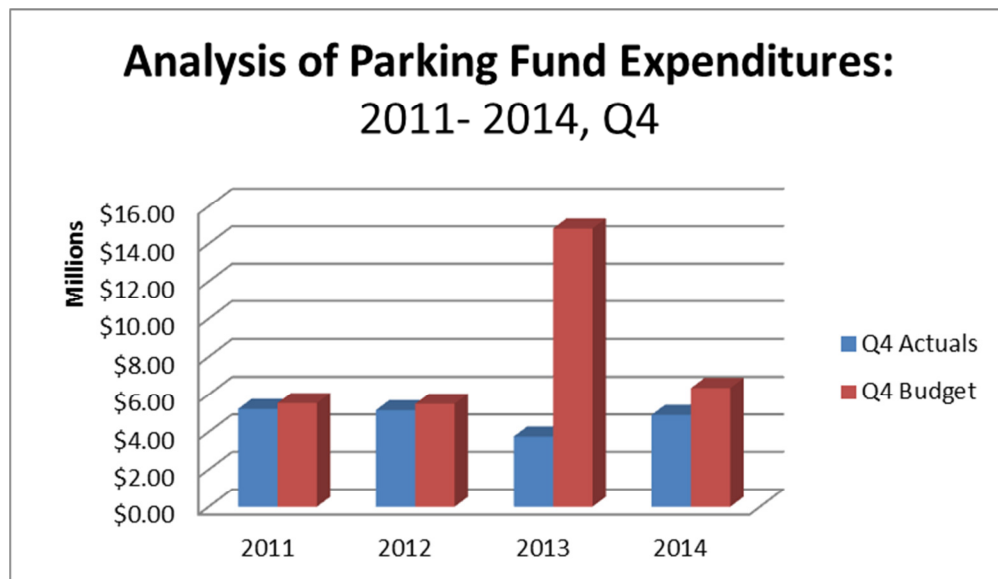
The Village provides for staff to directly service the public to comply with the overnight parking ban and other relevant restrictions. Further, this Fund accounts for the maintenance and repair of parking meters, lots and garages.

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

- Personnel costs
- Capital costs

**2014 Fourth Quarter Rating: Green** 

**Comments:** Total fourth quarter expenditures for the Fund are currently 23% below budgeted expenditures, although much of this is capital-related work that is expected to be carried over into FY 2015.



**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

**2014 Fourth Quarter Rating: Green** 

**Comments:** Revenues for this fund are currently 1% below budgeted projections. This is essentially on target.

However, as indicated in previous reports, the Environmental Services fund continues to experience stress 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.

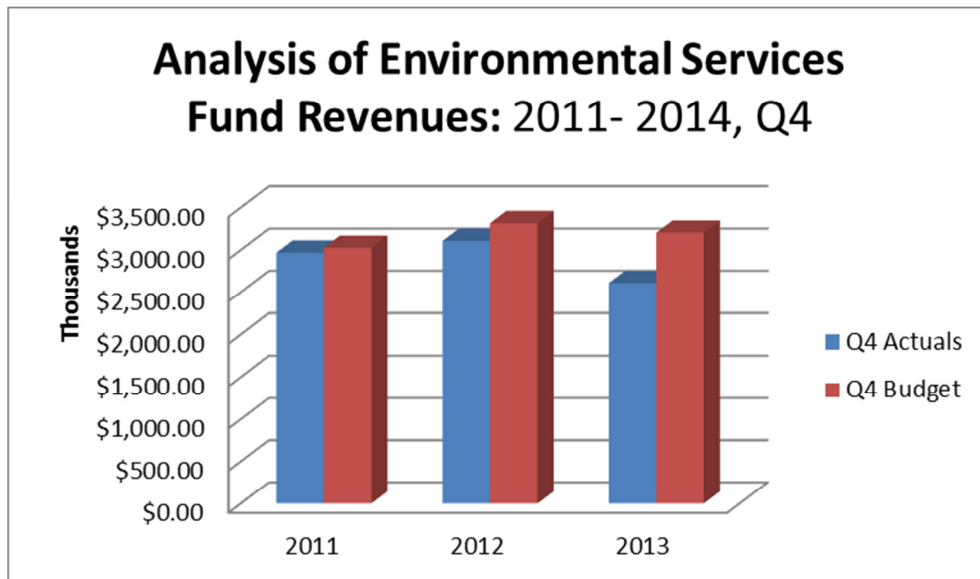


Figure 4-7: Analysis of Environmental Services Fund Revenues

## Environmental Services Fund Expenditures

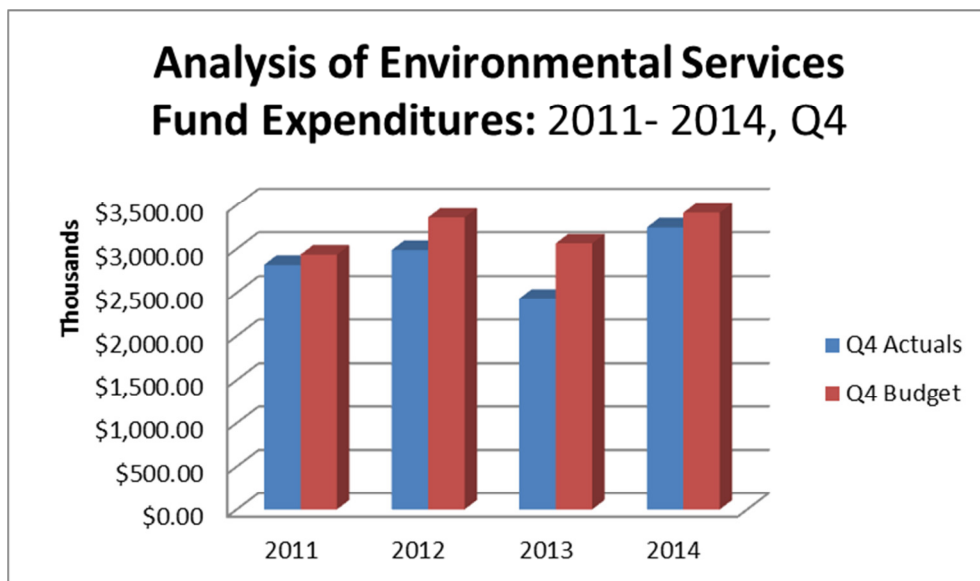
**Brief Description:** The Environmental Services Fund accounts for the Village's solid waste removal and recycling programs. An enterprise fund, the costs are charged to users of the system via charges on their utility bill.

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

- Personnel costs
- Contractual costs of waste disposal

**2014 Fourth Quarter Rating: Green** 

**Comments:** Total expenditures for the Fund for the first quarter are currently 5% below year end expenditure estimates.



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

## Section 3 MAP Program Performance Reporting

The Quarterly Report has been updated to incorporate quarterly performance information in accordance with the MAP Program, the Village's performance management Program. This information is presented in accordance with the MAP program's commitment to present quarterly performance information to the Village Board for review and discussion.

**M.A.P- Manage. Analyze. Perform.** The Village of Oak Park has established the MAP Program in 2013 to create and maintain a structured manner to improve Village services and to utilize Village resources (money, work effort and time) more efficiently and effectively. More than just a performance measurement system, the MAP program seeks to: a) identify and measure the business activities and processes that matter most to service performance; b) analyze and understand the root causes of underperformance; and c) make strategic investments in the improvement of service performance.

**Program Deployment Approach.** The Village is deploying the MAP program throughout the Village organization, so that all Village departments and service providers are a part of the program. The MAP Program is being deployed to Village Departments in a "phased" deployment approach. In 2013 the following Departments were the first phase – or pilot participants in the MAP program:

- **Development Customer Services**
- **Fire Department**
- **Police Department**
- **Public Works Department**

Since 2012, pilot program participants worked extensively with the Village Manager's Office and with Village Board members to develop Governance Priorities, which reflect the department business functions that key stakeholders believe are most instrumental to service and performance effectiveness. During the March 14, 2013 Village Board meeting, the Board adopted the MAP Governance Priorities and the related performance visions.

With these Governance Priorities in mind, pilot departments then worked corporately to develop performance measures that would reflect effectiveness in priority areas. Since then, pilot departments have developed performance measures for their respective business areas, which are now being used for performance reporting and evaluation activities.

The MAP Program is currently within its second deployment phase, where initial program participants are now reporting on departmental performance, while a new wave of departments are being integrated into the program.

These metrics are being prepared to present within future quarterly reports.