



Quarterly Financial Report 2013, & X Quarter

Finance Department
April 2013

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Section 1: 2nd Quarter Financial Report Summary

The Quarterly Financial Report provides a summary analysis of the Village of Oak Park’s key revenue and expenditure activity in relation to the Village’s approved budget. This report covers revenue and expenditure activity through the second quarter of FY 2013. 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>
General Fund		
<u>General Fund Revenues</u>		Green- Second quarter revenues are performing significantly above budgeted projections.
Property Taxes		Green- Property tax revenues are 15% above budgeted projections.
Liquor Taxes		Green- Taxes are 11% above second quarter projections.
Natural Gas Use Taxes		Green- Taxes are 10% above second quarter projections.
Sales Taxes		Yellow- Second quarter sales taxes are slightly below budget projections.
Real Estate Transfer Tax		Green- Taxes are performing significantly above budgeted expectations for the quarter
Utility Taxes		Green- Tax revenues are within a reasonable margin of satisfactory performance.
Licenses and Permits		Green- Revenue proceeds are moderately above budgeted estimates.
Intergovernmental Revenues		Green- Revenue is currently 23% above budgeted projections.
Charges for Services		Yellow- Proceeds are 5% below budgeted projections.
Fines		Red- Revenues remain below budgeted projections.
<u>General Fund Expenditures</u>		Green- Second quarter expenditures are 16% below budgeted estimates.
Personnel and Benefits		Green- Personnel and benefit costs are 10.5% below budgeted estimates.

Professional and Technical Services		Green- Expenditures are 37% below projected expenditures.
Purchased Property Services		Green- Expenditures are 29% below projected expenditures.
Other Purchased Services		Green- Expenditures are 39% below projected expenditures.
Supplies and Materials		Green- Expenditures are 28% below projected expenditures.
Real Property, CDBG and Other		Green- Expenditures are 86% below projected expenditures.

Water and Sewer Fund

Water and Sewer Fund Revenues		Green- Controlling for the \$30.3 Million accounting adjustment discussed, fund revenues are within a reasonable range of revenue performance.
Water and Sewer Fund Expenditures		Yellow- Second quarter expenditures are 35% below budget. However, there are a number of capital projects that may come in higher than expected.

Parking Fund

Parking Fund Revenues		Green- Revenues are 6% above budgeted projections for the second quarter.
Parking Fund Expenditures		Green- Controlling for annualized capital expenditures within the fund, second quarter expenditures are 49% below budgeted estimates.

Environmental Services Fund

Environmental Services Revenue		Green- Second quarter revenues are within a reasonable margin of anticipated performance.
Environmental Services Expenditures		Green- Second quarter expenditures are 35% 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: 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)

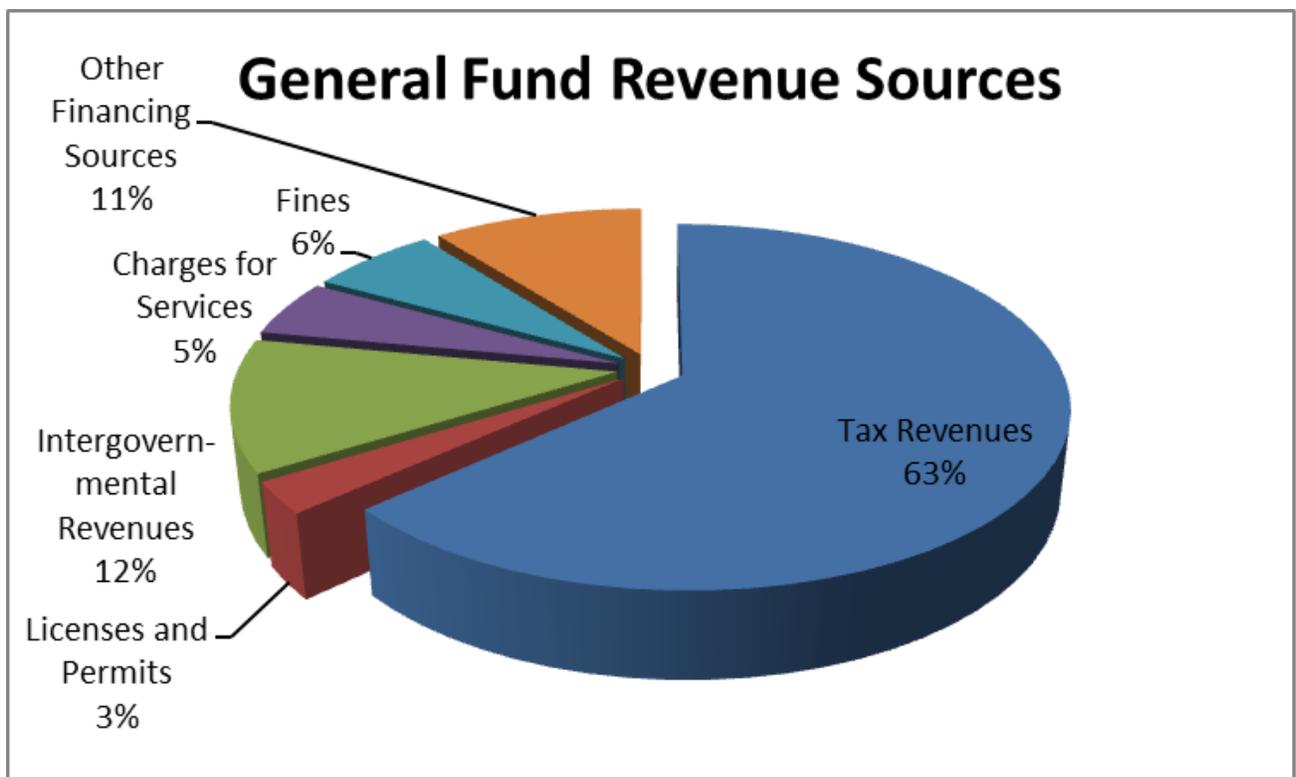


Figure 2-1: Proportion of General Fund Revenue Sources

2013 Second Quarter Rating: Green 

General Comments: Second quarter General Fund revenues for 2013 are performing significantly above budgeted yields for the mid-year. As of June 30th, General Fund Revenues are performing 26% above budgeted projections. The performance of second quarter revenues is largely driven by Tax proceeds, which are performing 34.18% higher than projected for the current period. Particularly, higher yields in Property Tax Levy, Police and Fire Pension Levies, and the Real Estate Transfer Taxes account for the much of the positive variance. However, it should be noted that the tax levy is not

expected to be higher than budget on an annual basis, only collections came sooner than expected. While overall performance is currently high, fees and service charges appear to be slightly down from budgeted projections, while fines remain consistently below expectations. While we remain optimistic that overall actual-to-budget revenue performance will remain strong throughout the remainder of the year, we will continue to actively observe revenue performance to identify any trend changes.

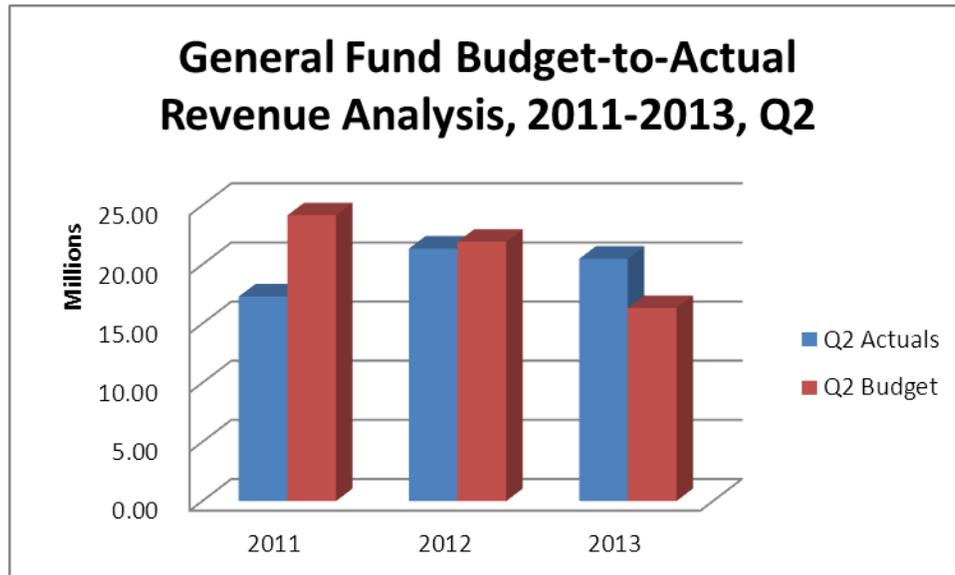


Figure 2-2: General Fund Budget-to-Actual Revenue Analysis

General Fund Revenues				
Description	YTD Actuals	YTD Budget	Variance Good/(Bad)	Variance %
Tax Revenues	\$15,075,876	\$11,235,227	\$3,840,649	34.18%
Licenses and Permits	\$741,647	\$611,024	\$130,624	21.38%
Intergovernmental Revenues	\$2,466,487	\$2,008,490	\$457,997	22.80%
Charges for Services	\$881,983	\$927,539	(\$45,556)	-4.91%
Fines	\$1,263,340	\$1,505,484	(\$242,144)	-16.08%
Other Local Government	\$50,545	\$25,086	\$25,459	101.48%
Other Financing Sources	\$0	\$0	\$0	0.00%

Table 2-3: Summary of General Fund Revenue Streams

Property Tax Revenues

Brief Description: Property tax revenues are the proceeds that the Village receives from assessing taxes on residential and commercial properties within the Village. Each year, the Village Board sets a levy by fixing an exact dollar amount that is used to fund operations, debt service, and the Police and Fire Pension funds. In order to collect the necessary amount, the County extends the levy by a set percentage beyond the Village's request to account for any potential loss in collections.

Property Tax Revenue Drivers: The following are the drivers that impact property taxes:

- Equalized Assessed Valuation (EAV)
- Local tax rates
- Timing of the assessment and collections process

2013 Second Quarter Rating: Green 

Comments: As illustrated below in Figure 2-4, property tax yields for the second quarter have performed 15% above budgeted projections. As discussed previously, increased accuracy and timeliness of Cook County's tax collection processes has contributed to the consistency and accuracy of our internal projections for this revenue stream. Staff does not expect annual collections to be significantly higher than the 2013 Budget.

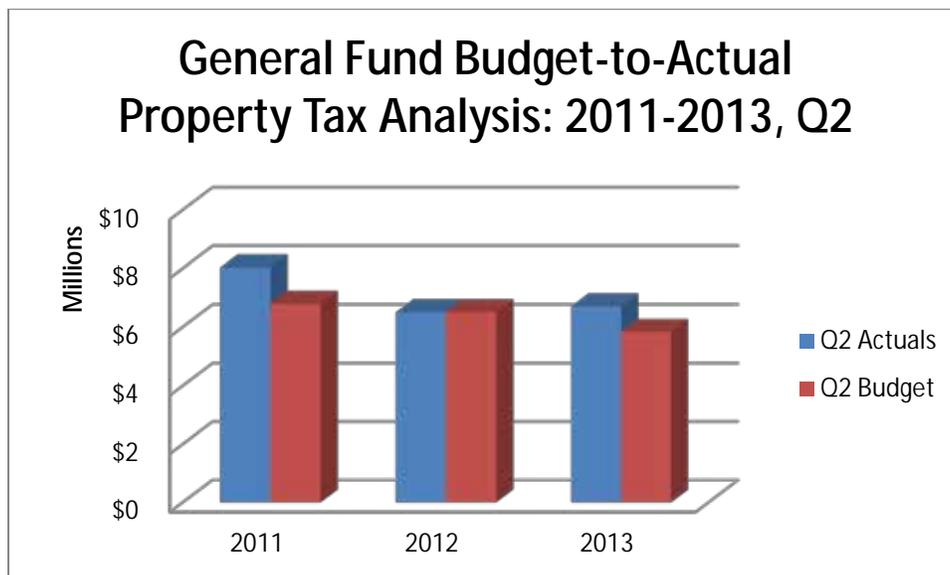


Figure 2-4: General Fund Budget-to-Actual Property Tax Analysis

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

2013 Second Quarter Rating: Green 

Comments: As illustrated below in Figure 2-5, Liquor Tax revenue yields for the second quarter are moderately above (11 %) first quarter projections.

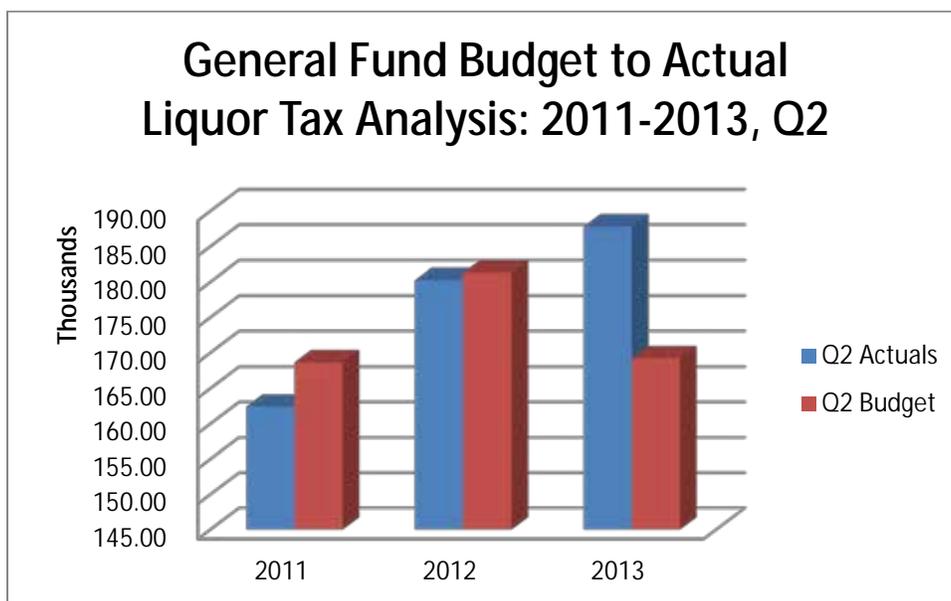


Figure 2-5: General Fund Budget-to-Actual Liquor Tax Analysis

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

2013 Second Quarter Rating: Green 

Comments: As illustrated below in Figure 2-6, the revenue yield for the Natural Gas Use Tax is moderately above (10%) second quarter projections. As discussed in previous reports, the performance of this revenue stream is significantly impacted by weather conditions. As such, it is likely that our recent warm weather has contributed to natural gas consumption among Village residents.

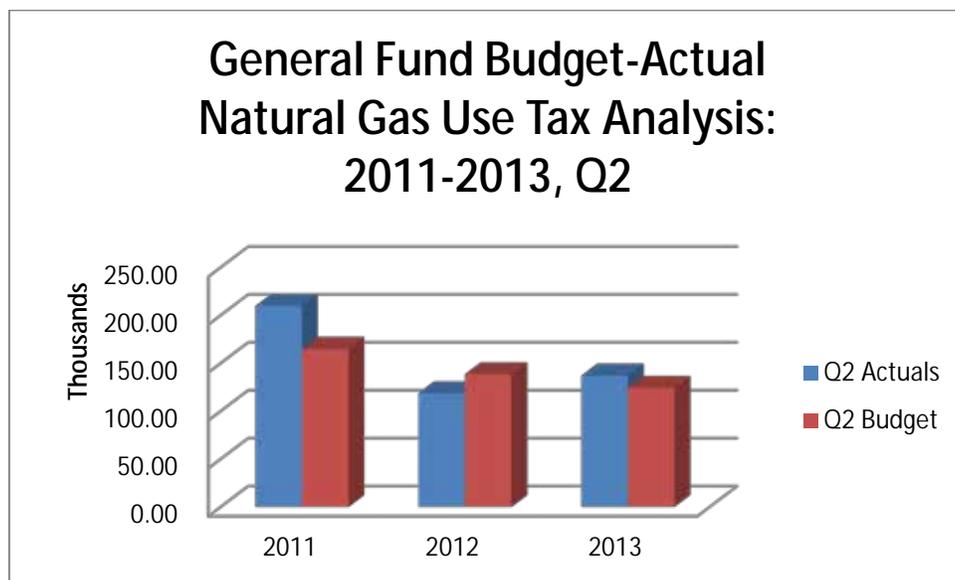


Figure 2-6: General Fund Budget-to-Actual Natural Gas Use Tax Analysis

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

2013 Second 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 revenue actuals would reflect revenue performance from the first quarter of 2013. Current Sales and Use Tax activity indicates that performance was down slightly (7%) from projections for the same period. We will continue to actively monitor Sales Tax revenues throughout the remainder of the year.

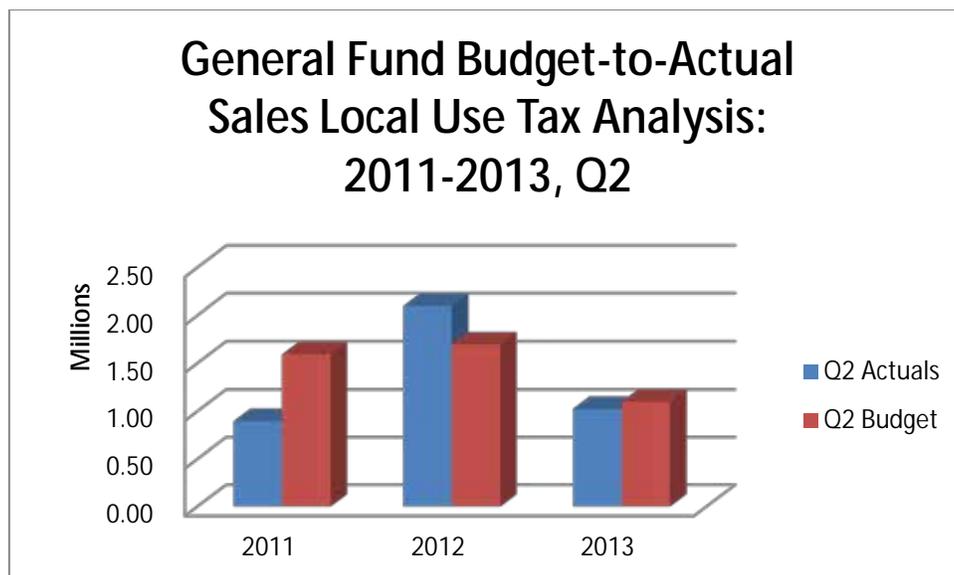


Figure 2-7: General Fund Budget-to-Actual Sales-Local Use Tax Analysis

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

2013 Second Quarter Rating: Green 

Comments: As discussed previously in the Budget-to-Actual Revenue Analysis overview, second quarter Real Estate Transfer tax proceeds are performing significantly above (92%) budgeted expectations for the quarter, as illustrated below in Figure 2-8.

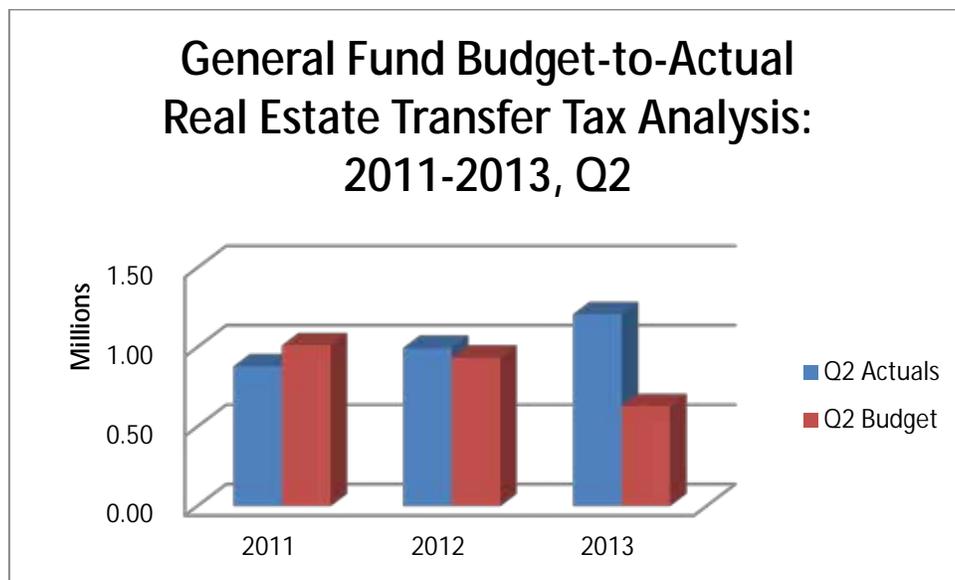


Figure 2-8: General Fund Budget-to-Actual Real Estate Transfer Tax Analysis

Utility Tax Revenues

Brief Description: The Utility Tax is composed of two taxes: the Electricity Tax and the Natural Gas Tax. Both taxes are assessed based upon user consumption within the Village. The Electricity Tax is based on the number of kilowatt hours (kwh) consumed. The actual rate varies from a low of \$0.00202/kwh to a high of \$0.0033/kwh, based on usage. The Natural Gas Tax is also assessed on a unit charge, called the "Therm". The tax rate is \$0.024/therm.

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

- Energy consumption
- Weather conditions

2013 Second Quarter Rating: Green 

Comments: Utility Tax revenues are slightly above (1%) budgeted projections, which is to say that the revenue yield is on track with projected performance for the year. It is noteworthy to mention that both budgeted and actual yields for the current year remain significantly below prior year budgeted and actual yields.

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, limiting their use of air conditioning devices) 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.

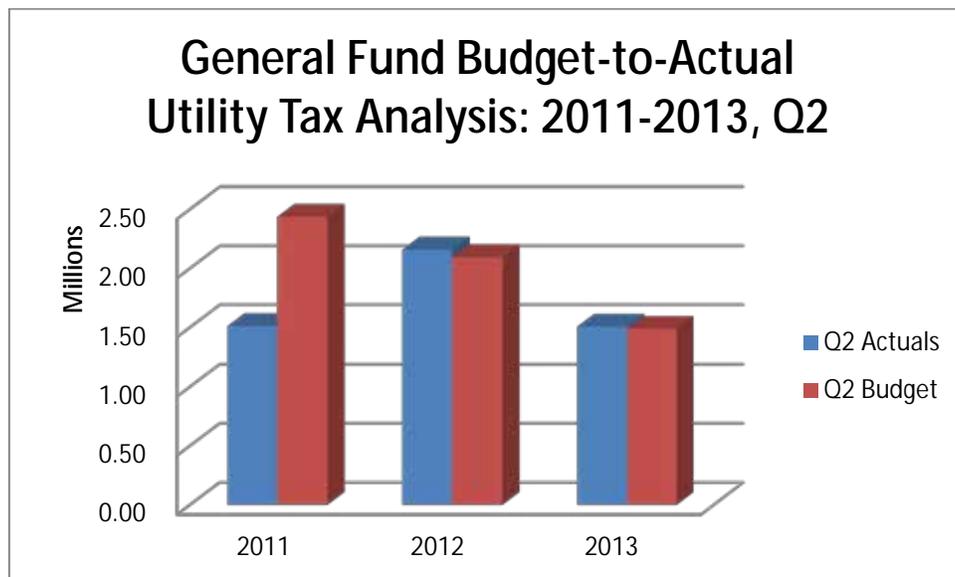


Figure 2-9: General Fund Budget-to-Actual Utility Tax Analysis

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.

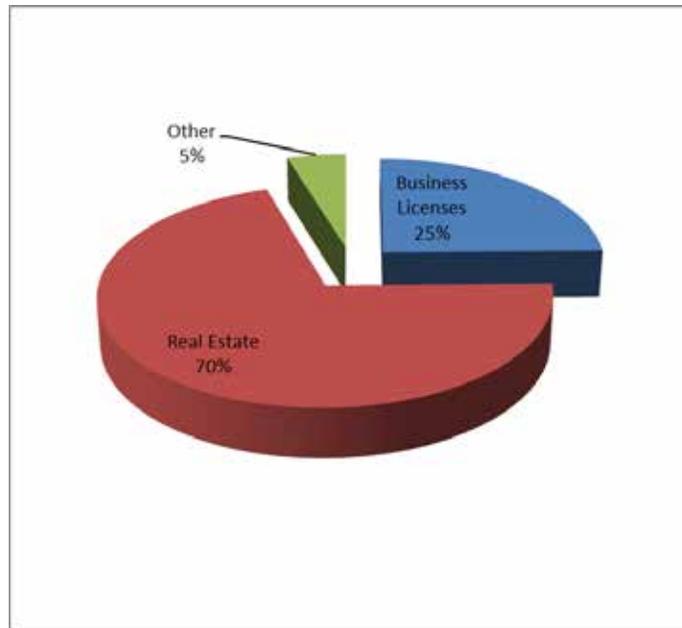


Figure 2-10: Proportion of Licenses and Permits

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

- Economic conditions in real estate and retail markets

2013 Second Quarter Rating: Green 

Comments: As illustrated in Figure 2-11 below, overall second quarter proceeds from licenses and permits are moderately above (21%) budgeted estimates. Business license proceeds are 41% above budgeted projections for the year. As Village business establishments have become more timely in acquiring their annual business licenses, business license proceeds have experienced a significant increase during the mid-year. Building Permit proceeds have also performed well, yielding 21% above budgeted projections.

General Fund Budget-to-Actual Licenses and Permits Analysis: 2011-2013, Q2

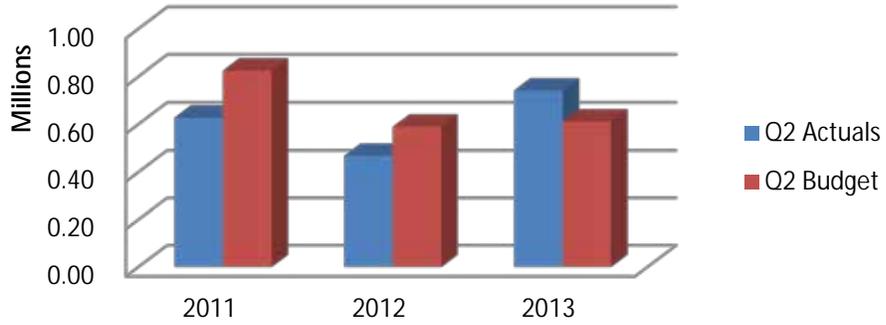


Figure 2-11: General Fund Budget-to-Actual Analysis of Licenses and Permits

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

2013 Second Quarter Rating: Green



Comments: As illustrated below in Figure 2-12, intergovernmental revenues ended the second quarter 23% above our budgeted projections. This increase is primarily driven by state tax proceeds, which have yielded 53% above budgeted projections for the year. However, Personal Property Replacement Tax (PPRT) continues to perform sluggishly, with a yield of 15% below budgeted estimates. The Finance Department will continue to actively review this revenue stream to observe any changes in trends.

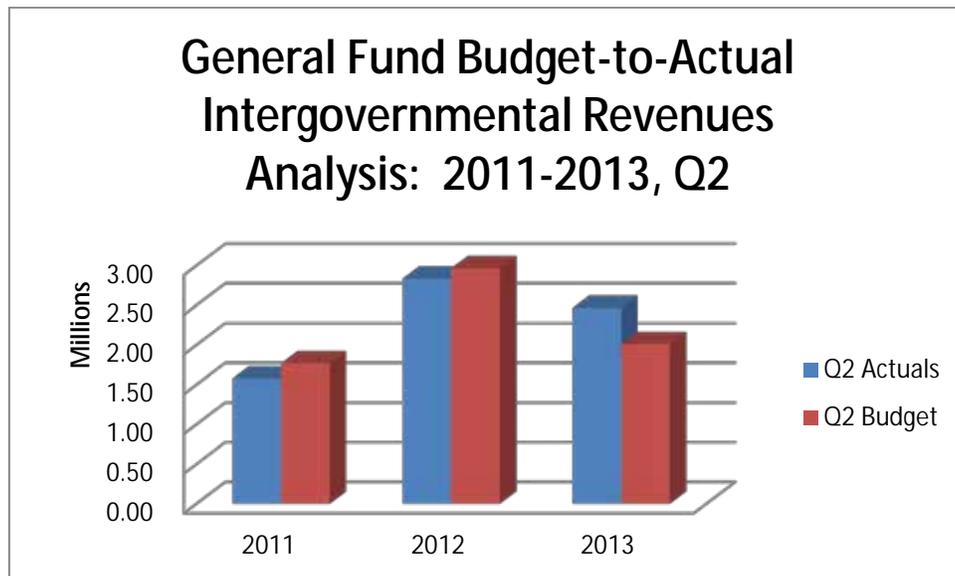


Figure 2-12: General Fund Budget-to-Actual Intergovernmental Revenues Analysis

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.

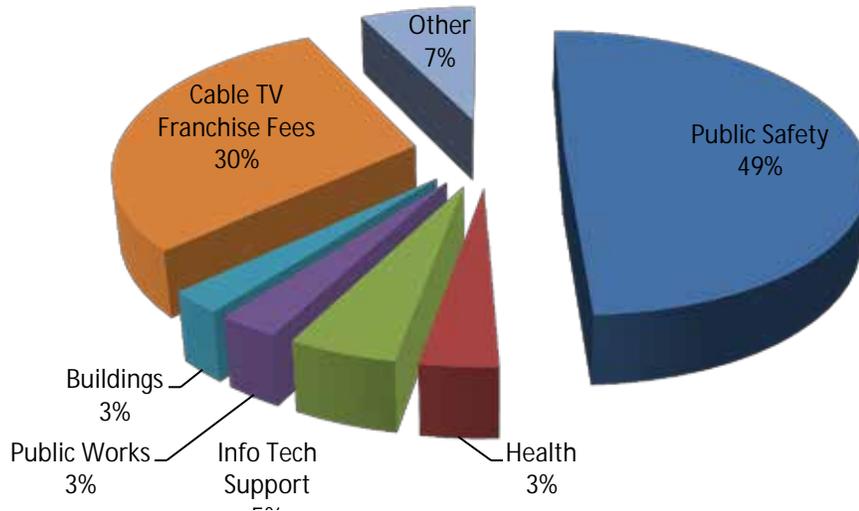


Figure 2-13: Types and Proportion of Licenses and Permits

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

2013 Second Quarter Rating: Yellow 

Comments: The charges for Services portfolio of revenue streams have ended the second quarter slightly below (5%) projected revenue estimates. This percentage reflects a significant improvement from first quarter performance, and remains within a reasonable threshold of adequate performance. The Finance Department will continue to actively review performance for this portfolio of service charges.

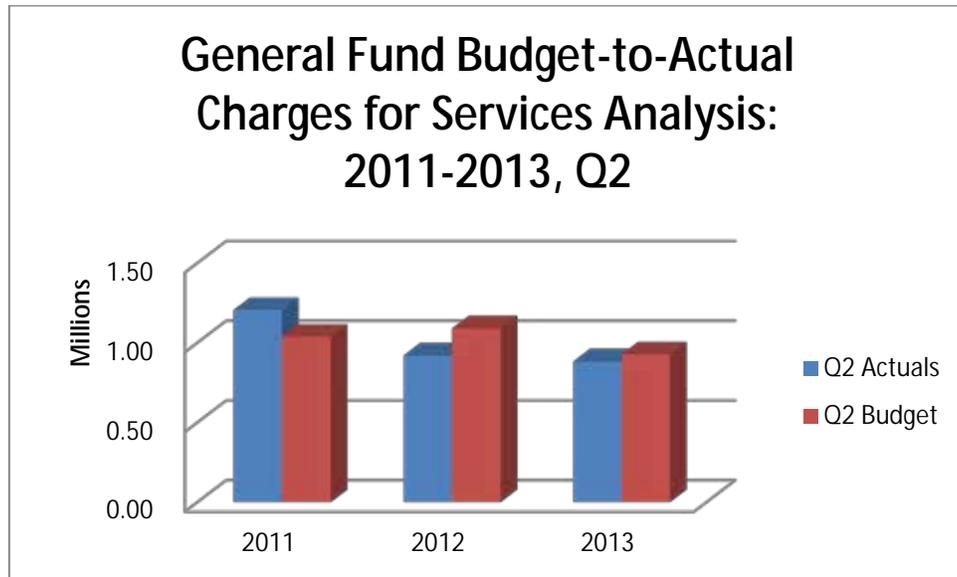


Figure 2-14: General Fund Budget-to-Actual Charges for Services Analysis

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

2013 Second Quarter Rating: Red ●

Comments: As illustrated in the figure below, second quarter yields from fines were 16% below projected estimates. As indicated in previous reports, parking fine proceeds remains a significant challenge for this revenue stream. Ticket yields remain below historical averages. The Finance Department will continue to work with Police and Parking department staff to conduct more analysis to better understand the reason for this ongoing dip in revenues.

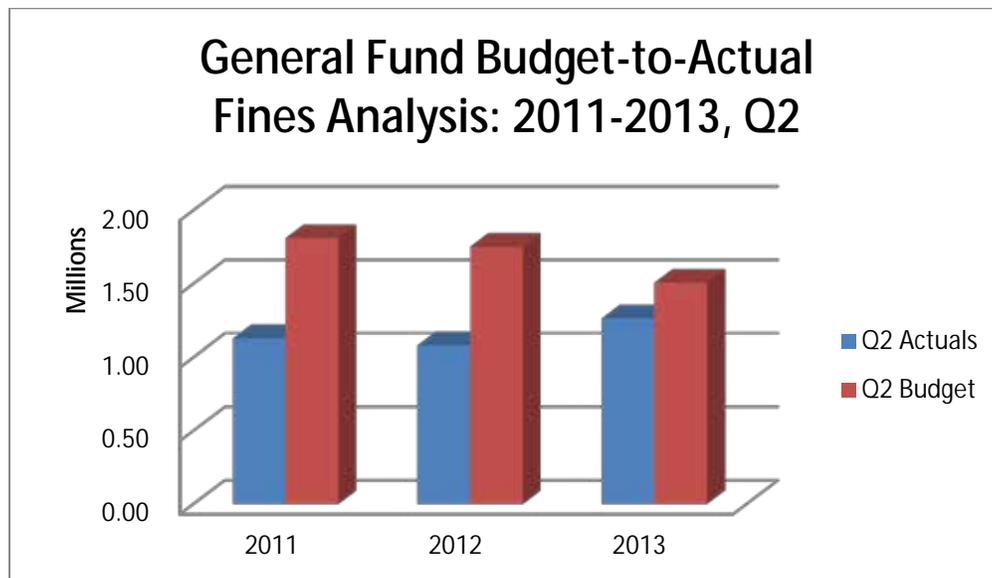


Figure 2-15: General Fund Budget-to-Actual Fines Analysis

Section 3: General Fund Expenditure Analysis

General Fund Expenditures

Brief Description: General Fund Expenditures are the expenditures related to the performance of direct Village services, such as police, fire, public works and housing services. General fund expenditures also relate to the performance of back-office services, such as finance, human resources, and information technology.

2013 Second Quarter Rating: Green 

General Comments: At the end of the second quarter, general fund expenditures are at 16% below planned estimates. As mentioned previously, while on its face, under-expenditures may appear to be a good thing, it may also reflect delays and challenges in performing planned services.

As indicated previously, because the Quarterly Report is focused primarily on assessing the Village's financial position, we continue to rate areas of under-expenditure as "Green". However, it is important for the reader to understand that there remain other factors to consider in evaluating overall performance of Village services such as the impact on community services, accomplishment of organizational objectives, etc.

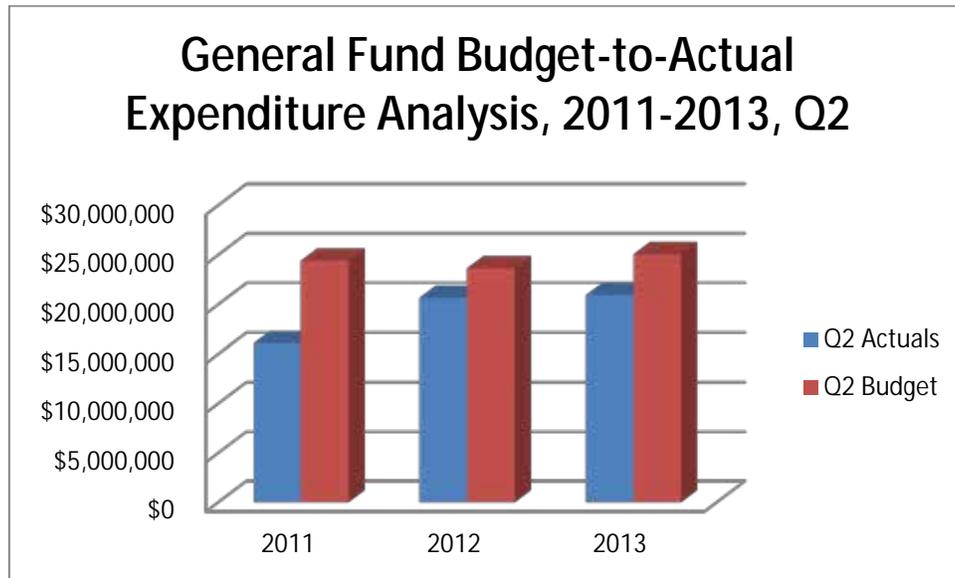


Figure 3-1: General Fund Budget-to-Actual Expenditure Analysis

General Fund Expenditures				
Description	YTD Actuals	YTD Budget	Variance Good/(Bad)	Variance %
Personnel and Benefits	\$17,775,199	\$19,853,020	\$2,077,821	10.47%
Professional and Technical	\$1,833,961	\$2,906,070	\$1,072,109	36.89%
Purchased Property Services	\$226,471	\$316,750	\$90,280	28.50%
Other Purchased Services	\$196,803	\$319,705	\$122,902	38.44%
Supplies and Materials	\$678,738	\$940,525	\$261,787	27.83%
Real Property, CDBG & Other	\$1,804	\$12,800	\$10,996	85.90%

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

2013 Second Quarter Rating: Green 

Comments: The Village's expenditures for combined wages and benefits for the second quarter are 11% below budgeted projections. There are a number of positions budgeted in the FY 2013 Budget that have yet to be filled. The salvage gained from this is short-lived and is not expected to carry forward as vacancies are filled.

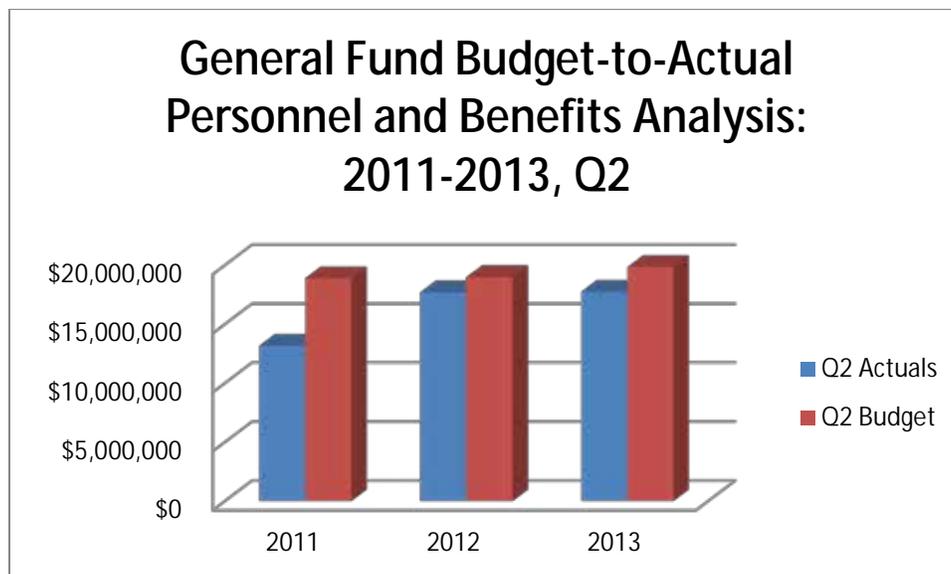


Figure 3-3: General Fund Budget-to-Actual Personnel and Benefits Analysis

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

2013 Second Quarter Rating: Green 

Comments: Professional and Technical Services net expenditures for the second quarter are 37% below projected expenditures.

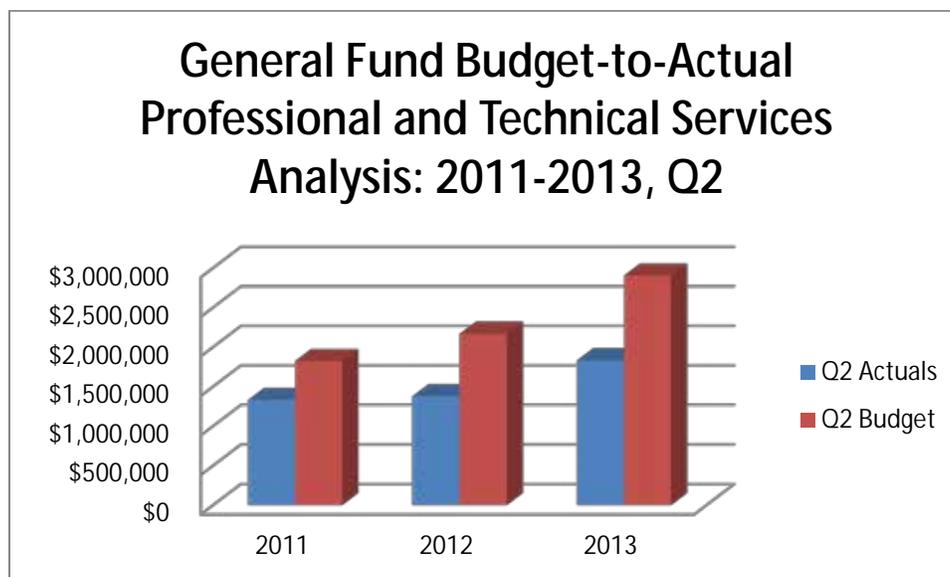


Figure 3-4: General Fund Budget-to-Actual Professional and Technical Services Analysis

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

2013 Second Quarter Rating: Green 

Comments: Second quarter expenditures within the Purchased Property Services expenditure area are at 29% below budgeted estimates.

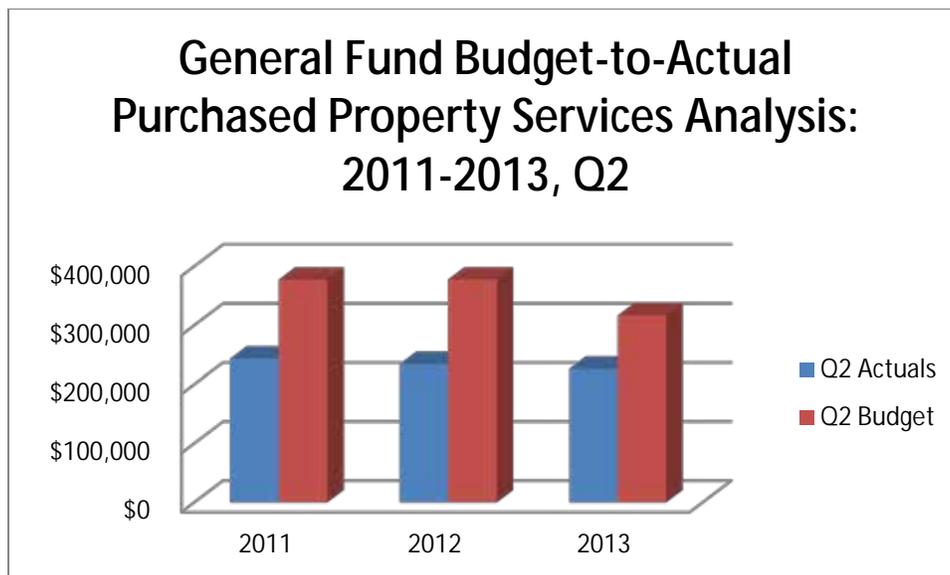


Figure 3-5: General Fund Budget-to-Actual Purchased Property Services Analysis

Other Purchased Services

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

Other Purchased Services Drivers: The following are the drivers that impact other purchased services expenditures:

- The need for special and complex printing jobs
- Volume of laundry services
- Other back-office operational issues

2013 Second Quarter Rating: Green 

Comments: Second quarter expenditures within Other Purchased Services are at 39% below projected expenditures.

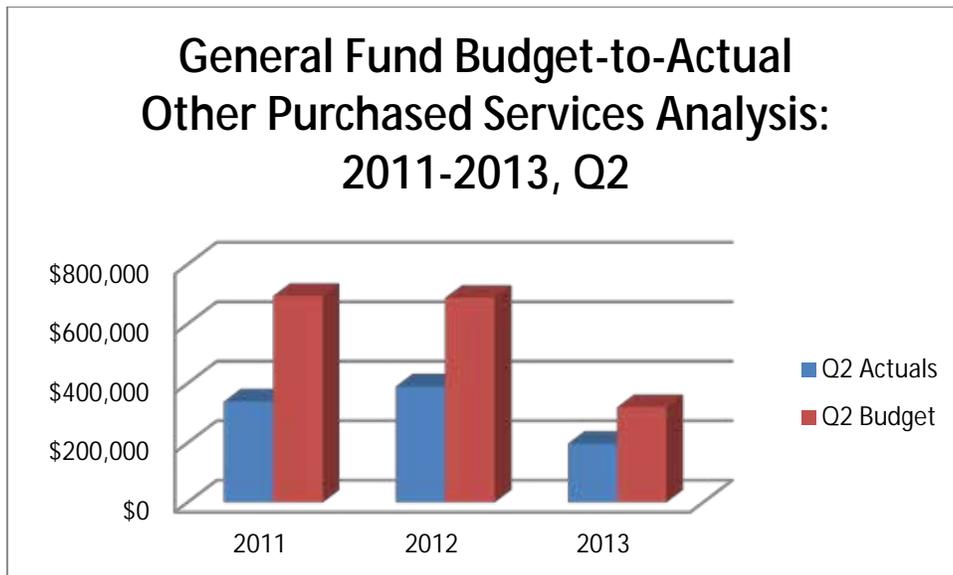


Figure 3-6: General Fund Budget-to-Actual Other Purchased Services Analysis

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

2013 Second Quarter Rating: Green 

Comments: Total expenditures for the 2nd quarter within the Supplies and Materials expenditure area are 28% under budget.

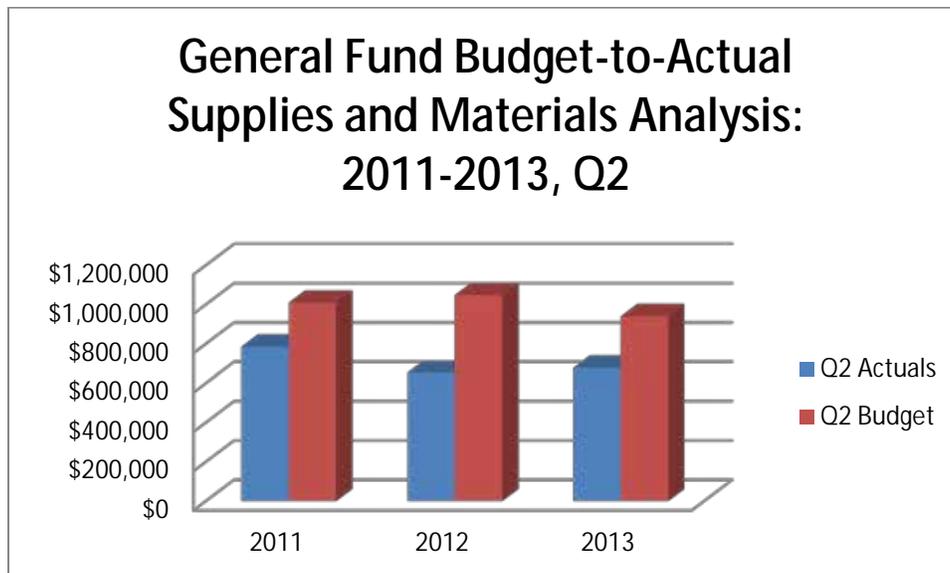


Figure 3-6: General Fund Budget-to-Actual Supplies and Materials Analysis

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

2013 Second Quarter Rating: Green 

Comments: Total expenditures for the 2nd quarter within the Real Property, CDBG and Other expenditures are 86% under budget.

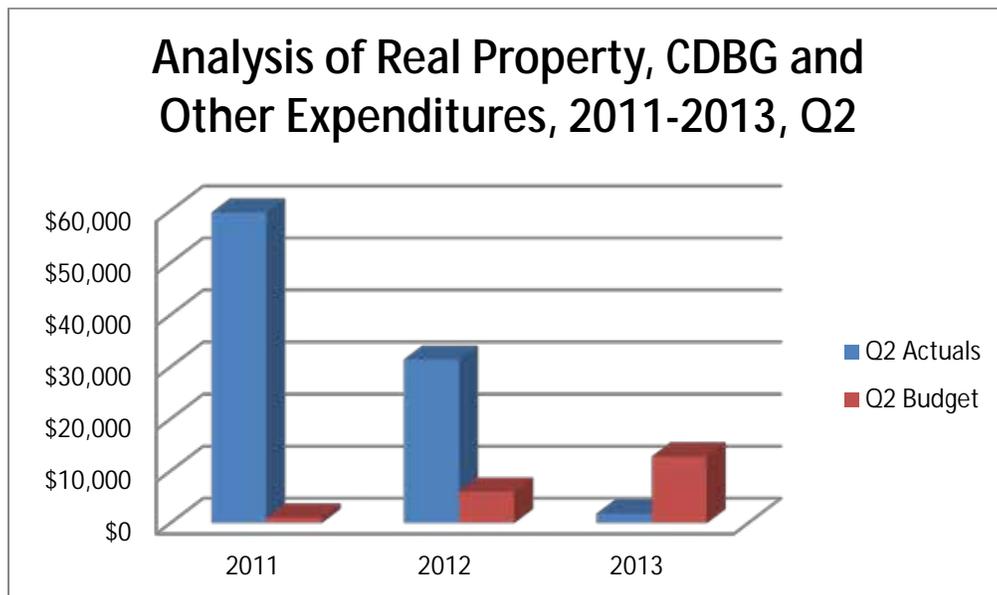


Figure 3-7: Analysis of Real Property, CDBG and Other Expenditures

Section 4: Enterprise Funds

Brief Description: This section provides 2nd 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

2013 Second Quarter Rating: Green 

Comments: As indicated during the first quarter of 2013, the Village finalized the consolidation of the Water and Sewer Funds, as directed through the 2013 Budget. As a result, the Water and Sewer Fund end the first quarter \$30.6 Million above the budgeted target for the year. As the Water and Sewer Fund have recently been consolidated, an asset credit of \$30.3 Million has been credited to the Water fund to reflect the transfer of assets from the Sewer Fund to the Water and Sewer Fund. As observed below in Figure 4-1, this transaction distorts the view of historical fund performance for the second quarter. As discussed previously, it is important to note that this transfer is an accounting transaction, which does not in any way reflect fund performance.

Controlling for the \$30.3 Million transfer, revenues within the fund are only 1% below estimated projections for the second quarter, which is within a reasonable range.

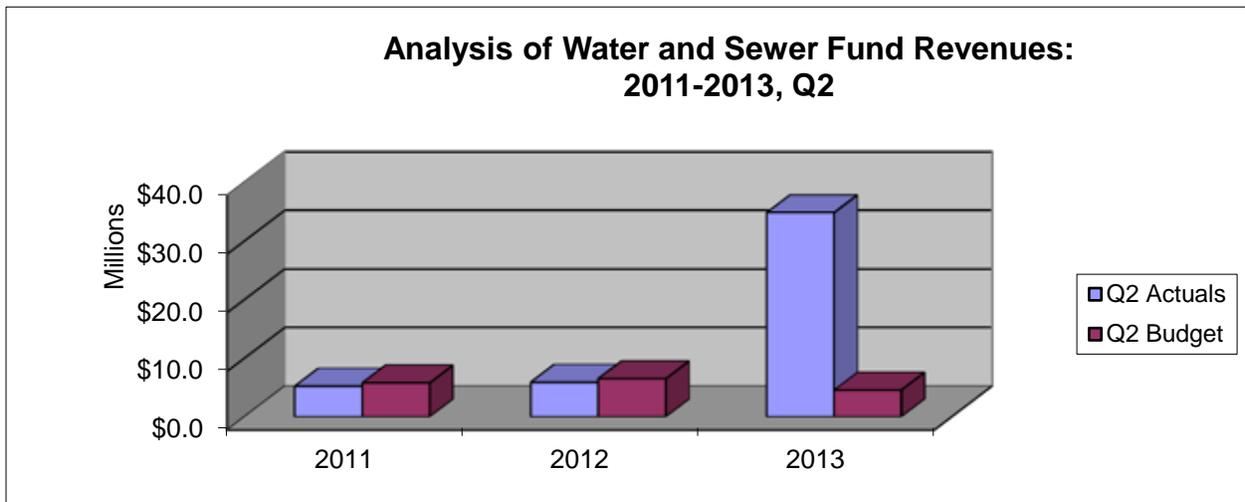


Figure 4-1: Analysis of Water and Sewer Fund Revenues

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

2013 Second Quarter Rating: Yellow 

Comments: Total expenditures for the Water and Sewer Fund for the second quarter are at 35% below budget. However, the capital plan for this fund is catching up on some projects that have carry forward from previous fiscal years. Finance staff is working with the Department of Public Works on an update of projects in this fund.

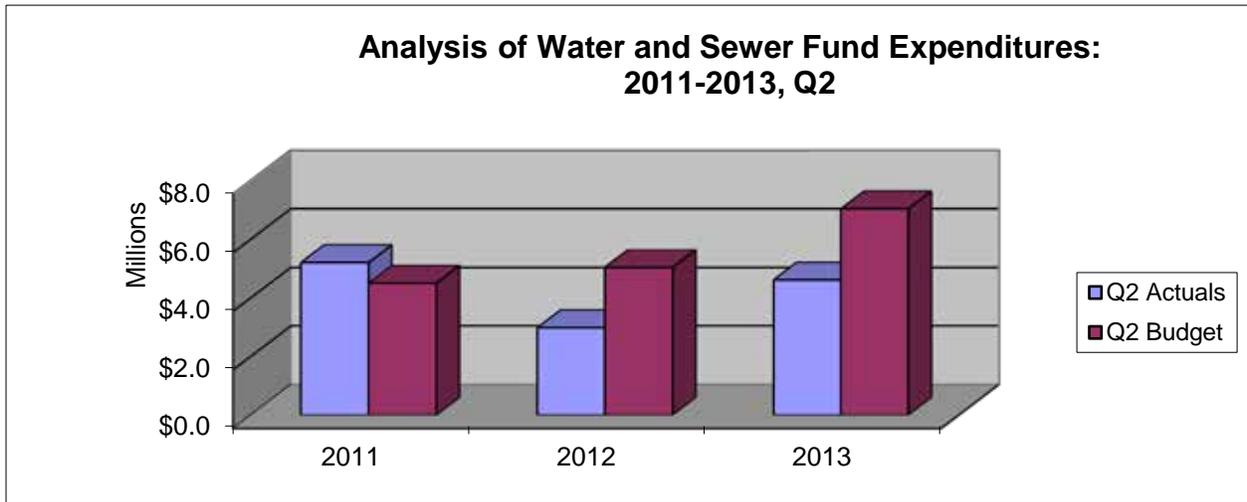


Figure 4-2: Analysis of Water Fund Expenditures

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

2013 Second Quarter Rating: Green 

Comments: Parking fund revenues for the second quarter are slightly above (6%) budgeted projections.

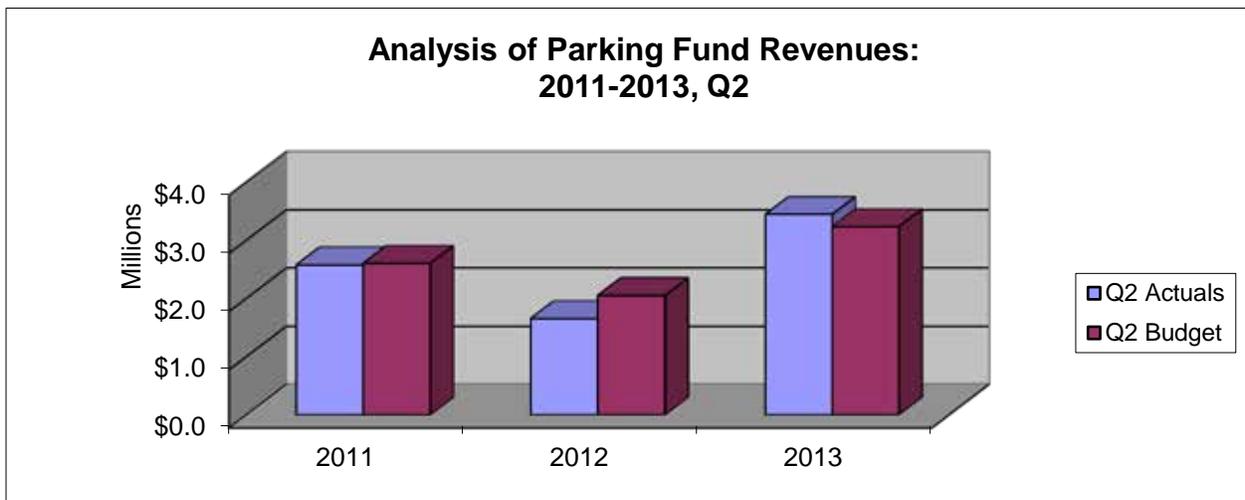


Figure 4-5: Analysis of Parking Fund Revenues

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

2013 Second Quarter Rating: Green 

Comments: Total second quarter expenditures for the Fund are currently 80% below budgeted expenditures. As discussed previously, it is important to note that the 2013 Parking Fund expenditure budget includes annualized expenditures for a major Building Improvement initiative that will occur throughout the year. As the initiative develops, it is expected that actual expenditures will quickly attain pace with budgeted expenditures, and that the actual performance for the year will be consistent with budgeted projections. It is important to note that, controlling for the anticipated capital expenditure, the fund is still \$49% below its budgeted projections for the second quarter.

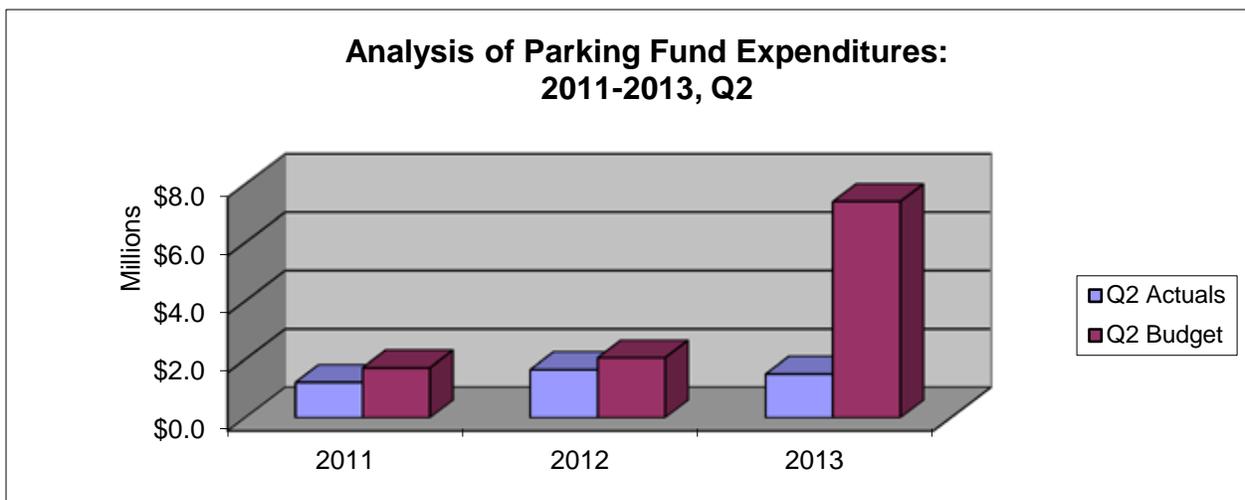


Figure 4-6: Analysis of Parking Fund Expenditures

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

2013 Second Quarter Rating: Green ●

Comments: Revenues for this fund remain 5% below budgeted projections for the second quarter, which is to say that revenues are performing within a reasonable margin of anticipated performance. However, as indicated in previous reports, the Environmental Services fund has experienced 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.

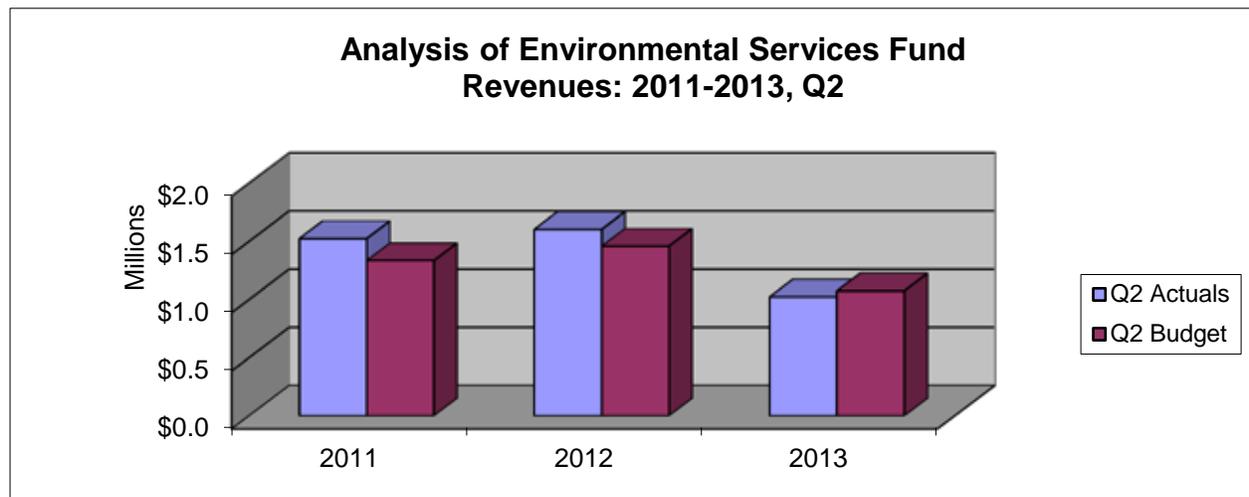


Figure 4-7: Analysis of Environmental Services Fund Revenues

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

2013 Second Quarter Rating: Green 

Comments: Total expenditures for the Fund for the first quarter are currently 35% below second quarter expenditure estimates.

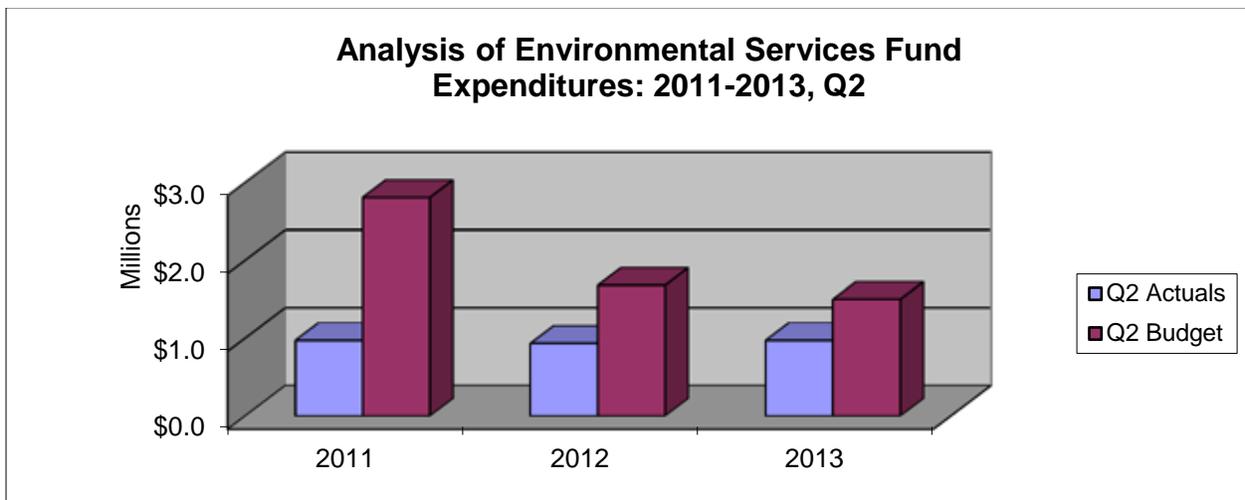


Figure 4-8: Analysis of Environmental Services Fund Expenditures