



Fiscal Year 2024



Quarterly Financial Update (Unaudited) Period Ending June 30, 2024



Kevin Jackson
Village Manager

**“Without continual growth and progress, such words as improvement,
achievement, and success have no meaning”**

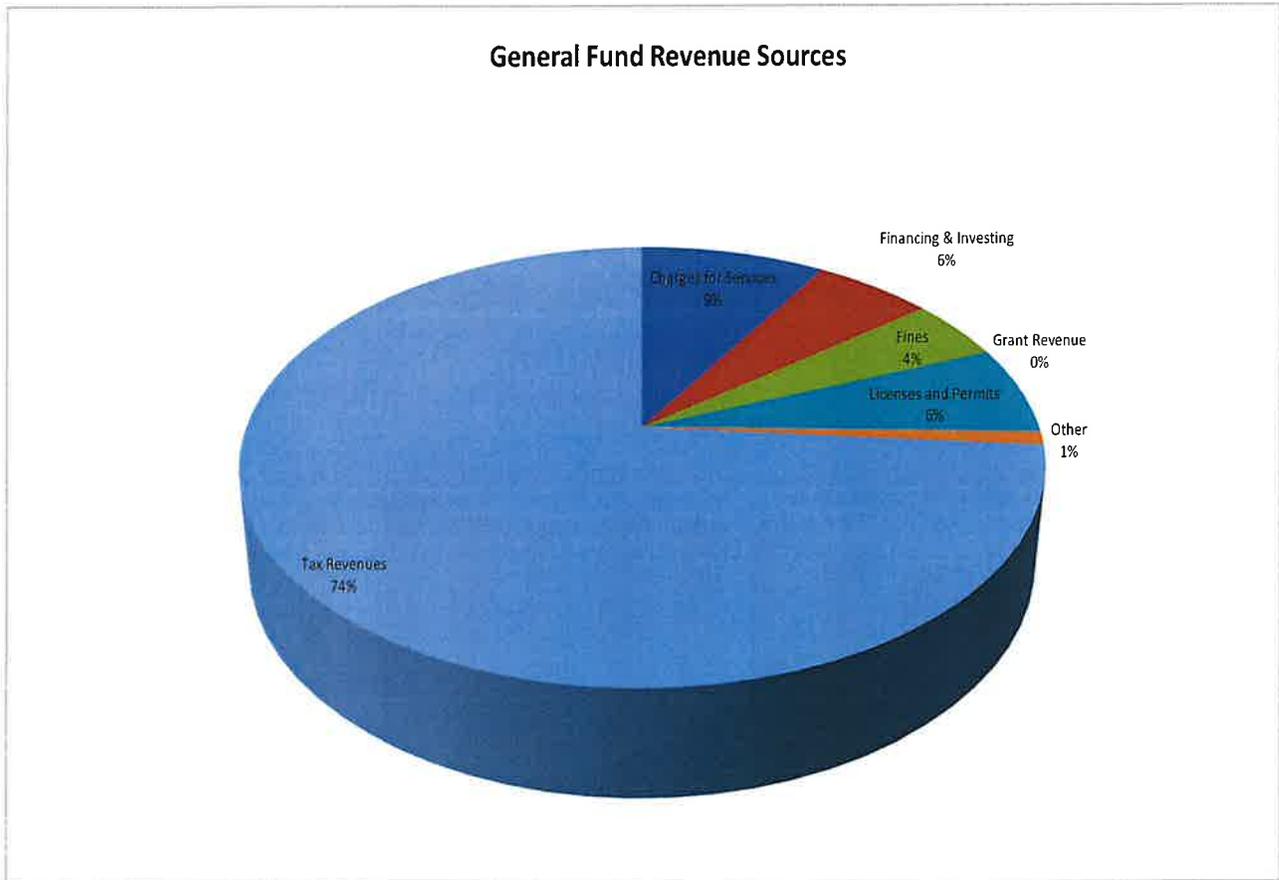
Benjamin Franklin

In an effort to better inform the Board, Village Employees and the public about current fiscal conditions. Working together the Chief Financial Officer’s office and the Village Manager’s office will produce a Quarterly Financial Report that is published on a recurring basis.

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. These revenues are managed within the Village's General Fund, and are comprised of 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)



Charges for Services	1,864,812	8.80%
Financing & Investing	1,198,770	5.65%
Fines	959,752	4.53%
Grant Revenue	-	0.00%
Licenses and Permits	1,369,397	6.46%
Other	198,814	0.94%
Tax Revenues	15,611,051	73.63%
	\$21,202,596	100.00%

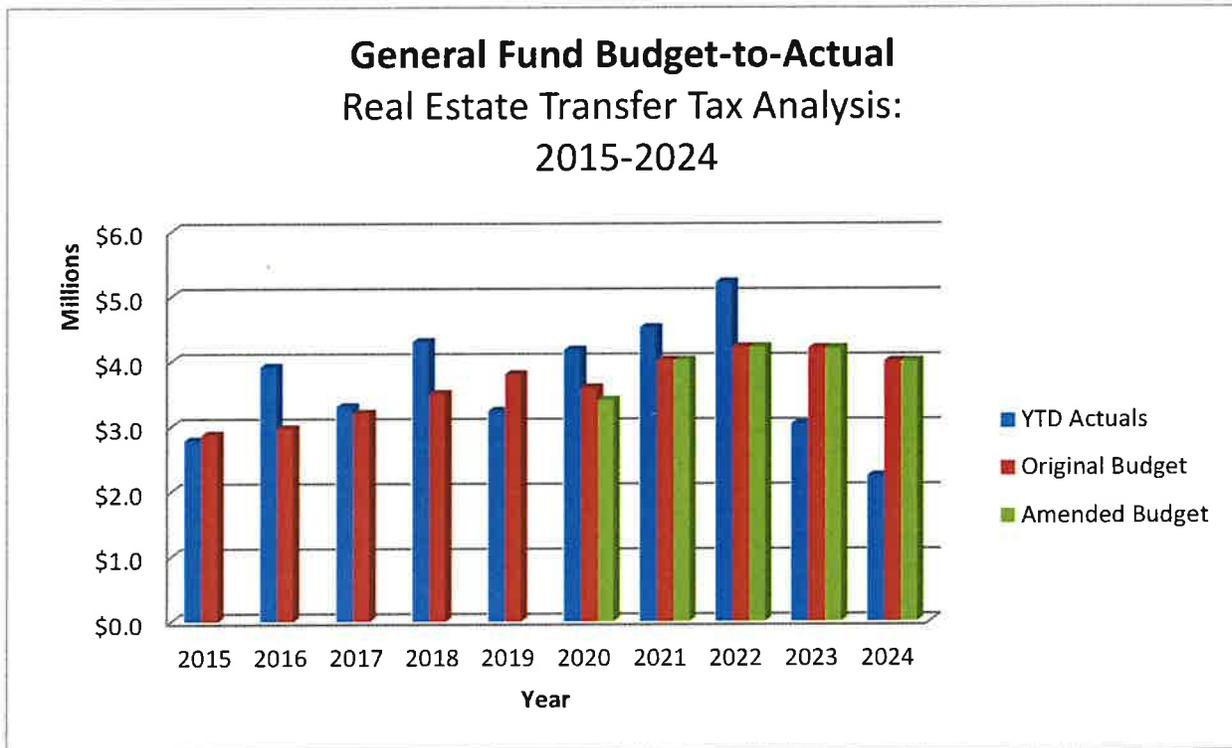
Real Estate Transfer Tax Revenues

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.



	YTD Actuals	Original Budget	Amended Budget
2015	2,782,164	2,870,500	
2016	3,913,740	2,965,000	
2017	3,300,696	3,200,000	
2018	4,298,368	3,500,000	
2019	3,237,156	3,800,000	
2020	4,175,529	3,594,008	3,400,000
2021	4,517,068	4,017,000	4,017,000
2022	5,214,313	4,217,000	4,217,000
2023	3,036,832	4,200,000	4,200,000
2024	2,234,972	4,000,000	4,000,000

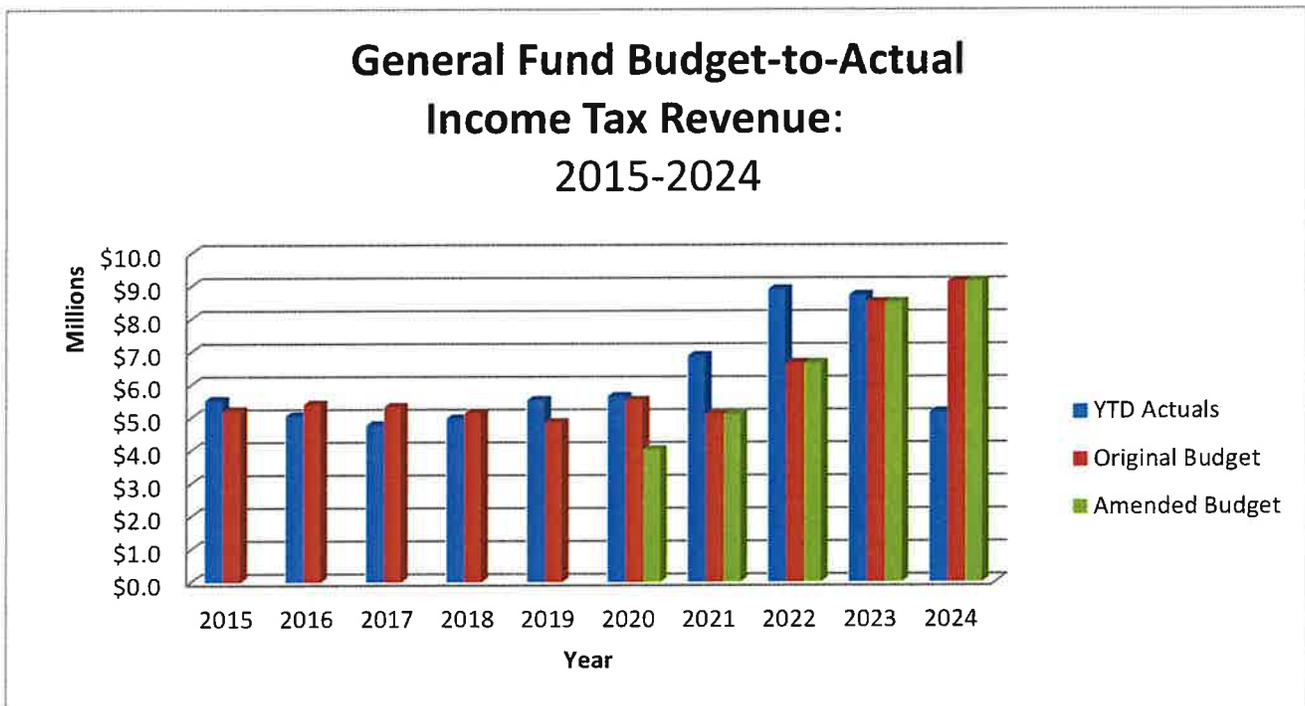
Income Tax Revenue

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:

- o Individual income and taxable corporate profits

Comments: Income tax revenue is not based on Oak Park resident income 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 personal and business income and State income tax paid to the Illinois Department of Revenue. Budget expectations are determined using estimates published by the Illinois Municipal League. This revenue appears to be on pace with budget in the current year.



	YTD Actuals	Original Budget	Amended Budget
2015	5,519,985	5,202,000	
2016	5,050,013	5,400,000	
2017	4,764,951	5,325,000	
2018	4,968,152	5,136,144	
2019	5,521,845	4,850,000	
2020	5,637,526	5,515,000	4,015,000
2021	6,873,287	5,100,000	5,100,000
2022	8,894,152	6,650,000	6,650,000
2023	8,717,963	8,500,000	8,500,000
2024	5,161,769	9,130,000	9,130,000

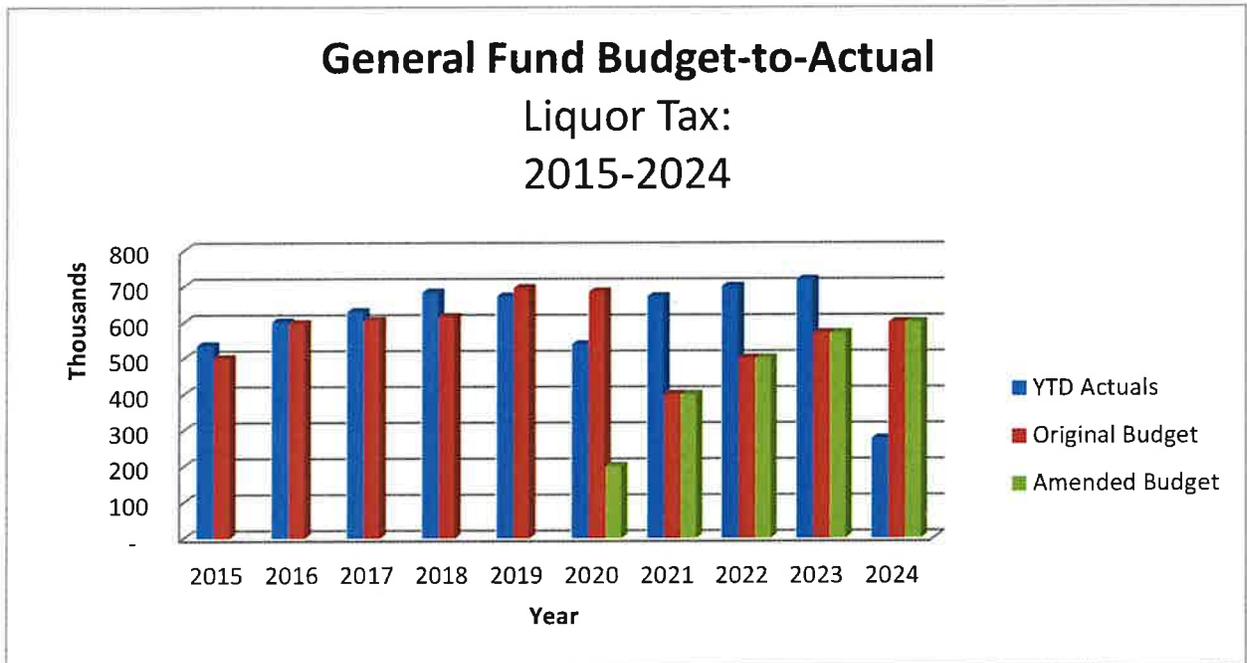
Liquor Tax Revenues

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 \$50,000 per month. This revenue appears to be below budget for the first two quarters, however this tax is in arrears by one month.



	YTD Actuals	Original Budget	Amended Budget
2015	535,801	500,000	
2016	601,333	596,667	
2017	629,564	605,000	
2018	683,088	615,000	
2019	671,836	695,000	
2020	538,340	685,000	200,000
2021	671,330	400,000	400,000
2022	699,698	500,000	500,000
2023	718,385	570,000	570,000
2024	276,241	600,000	600,000

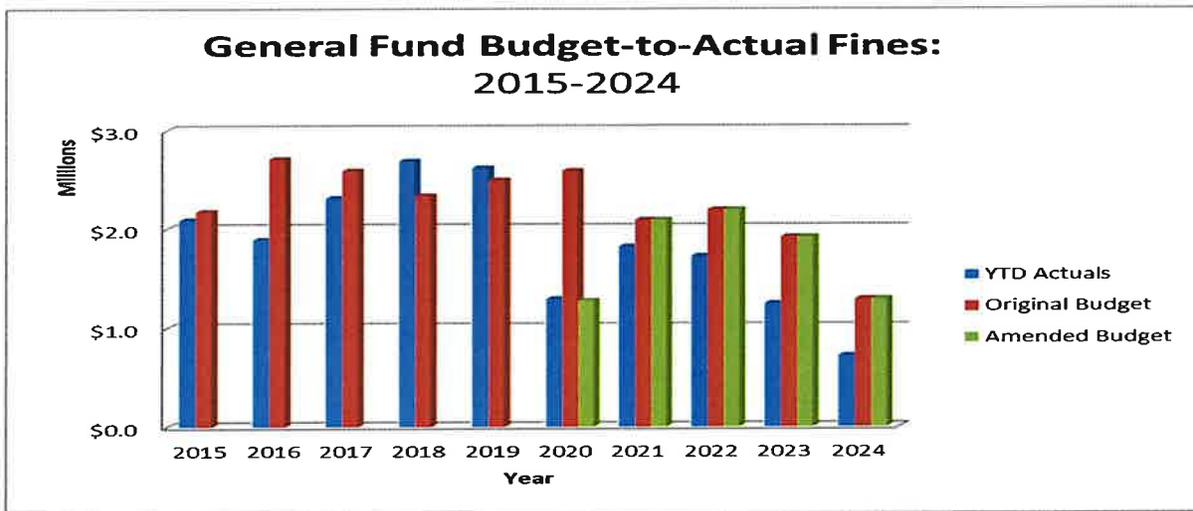
Fines

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: This revenue stream is the result of enforcement activities, primarily related to the issuance of parking tickets, but other non-compliance fines are included, as well. 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 deter people from visiting, eating, and shopping within the downtown business district.



	YTD Actuals	Original Budget	Amended Budget
2015	2,088,735	2,173,000	
2016	1,889,054	2,710,913	
2017	2,311,996	2,590,000	
2018	2,688,770	2,335,000	
2019	2,619,010	2,495,000	
2020	1,292,572	2,590,000	1,275,000
2021	1,819,999	2,090,000	2,090,000
2022	1,722,723	2,192,000	2,192,000
2023	1,245,551	1,917,000	1,917,000
2024	718,442	1,292,000	1,292,000

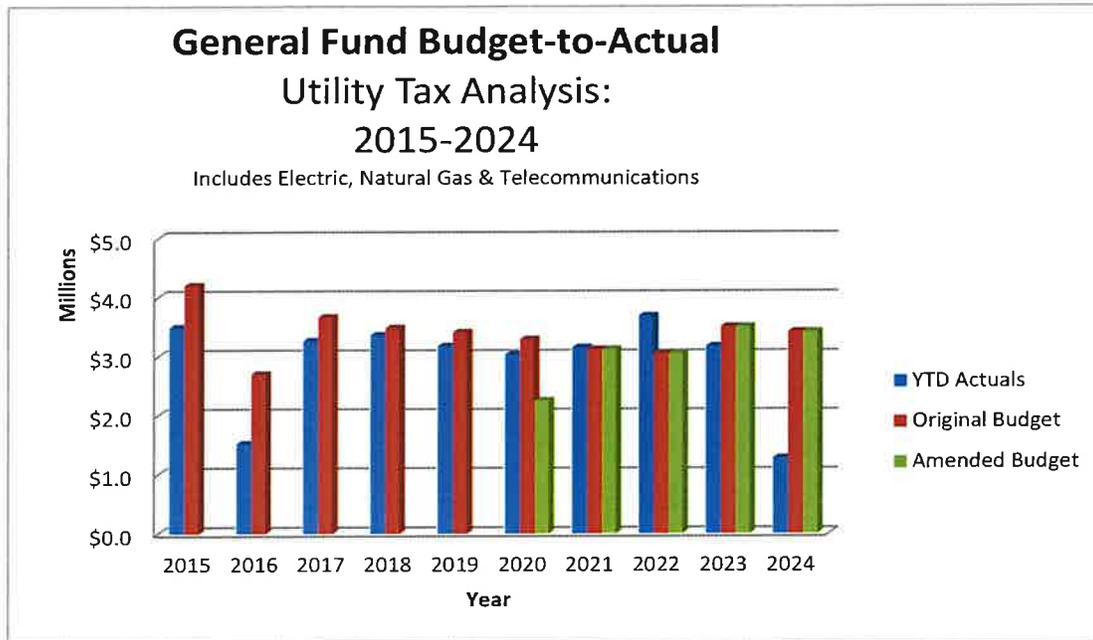
Utility Tax Revenues

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.



	YTD Actuals	Original Budget	Amended Budget
2015	3,486,567	4,200,000	
2016	1,517,086	2,700,000	
2017	3,264,811	3,660,000	
2018	3,361,434	3,480,000	
2019	3,176,241	3,410,000	
2020	3,032,452	3,290,000	2,250,000
2021	3,151,402	3,120,000	3,120,000
2022	3,681,773	3,050,000	3,050,000
2023	3,172,215	3,500,000	3,500,000
2024	1,273,083	3,420,000	3,420,000

Capital Outlay Expenditures

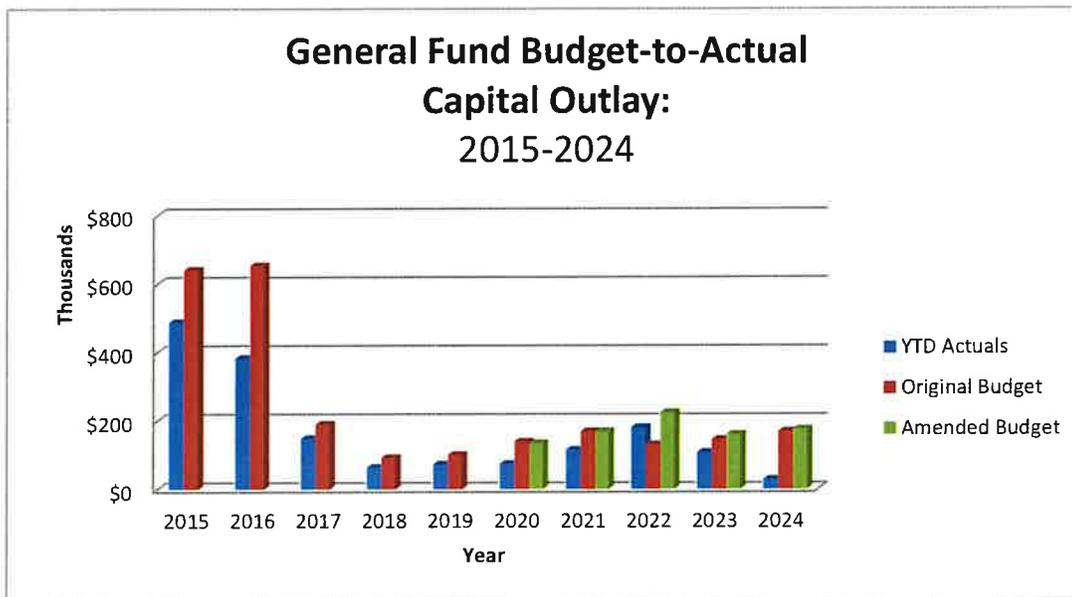
Brief Description: Capital Outlay expenditures within the operating budget are typically for smaller ticket office/computer equipment and software purchases which do not meet the capital dollar or useful life thresholds for inclusion in the Capital Improvement Fund budget. These smaller purchases are 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:

- o 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).

Expenditures in this category are below budget. Historically, expenses in this category accelerate in the third and fourth quarters.



	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	179,953	129,600	223,495
2023	106,765	144,744	159,844
2024	27,736	168,269	174,707

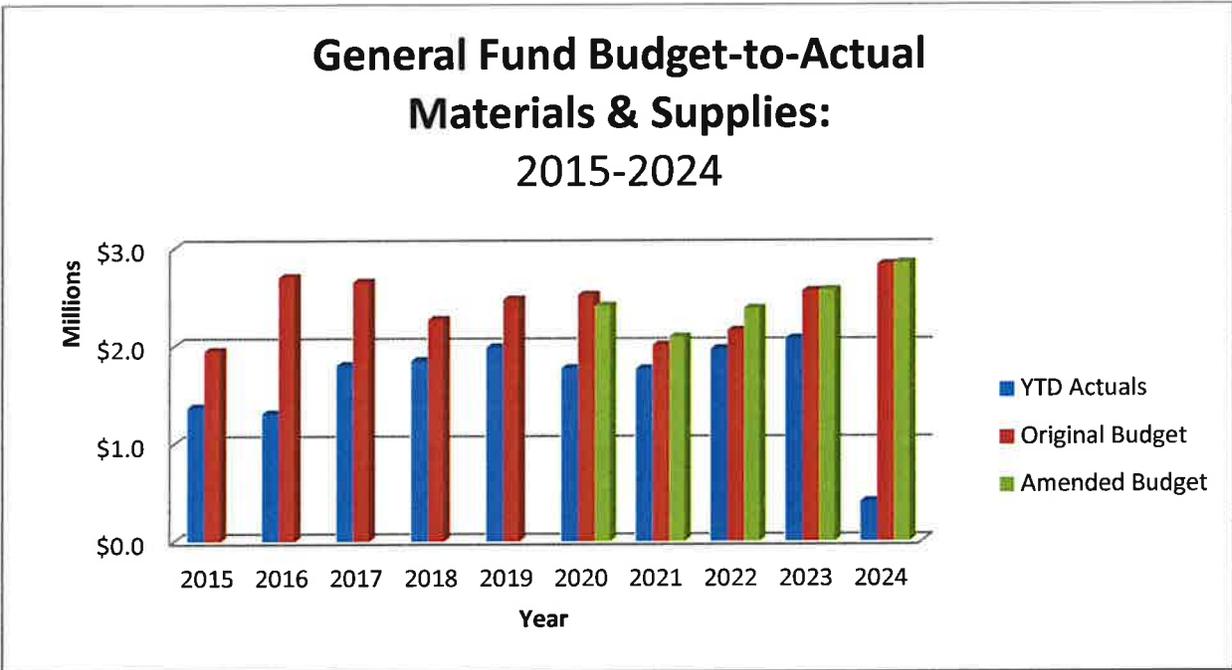
Materials & Supplies Expenditures

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: Materials & Supplies expenditures will be reviewed in the third quarter to project an accurate year-end projection.



	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	1,967,573	2,156,178	2,379,848
2023	2,073,229	2,560,431	2,569,153
2024	405,659	2,830,748	2,845,862

Enterprise Funds

Brief Description: This section provides summaries for the following Enterprise Funds:

- **Water and Sewer Fund**
- **Parking Fund**
- **Environmental Services Fund**

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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. Water and Sewer Fund expenditures are slightly below budget for the third quarter. This is primarily due to budgeted capital improvement projects that have not started as well as normal delays in receiving water bills from the City of Chicago.

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Parking Fund

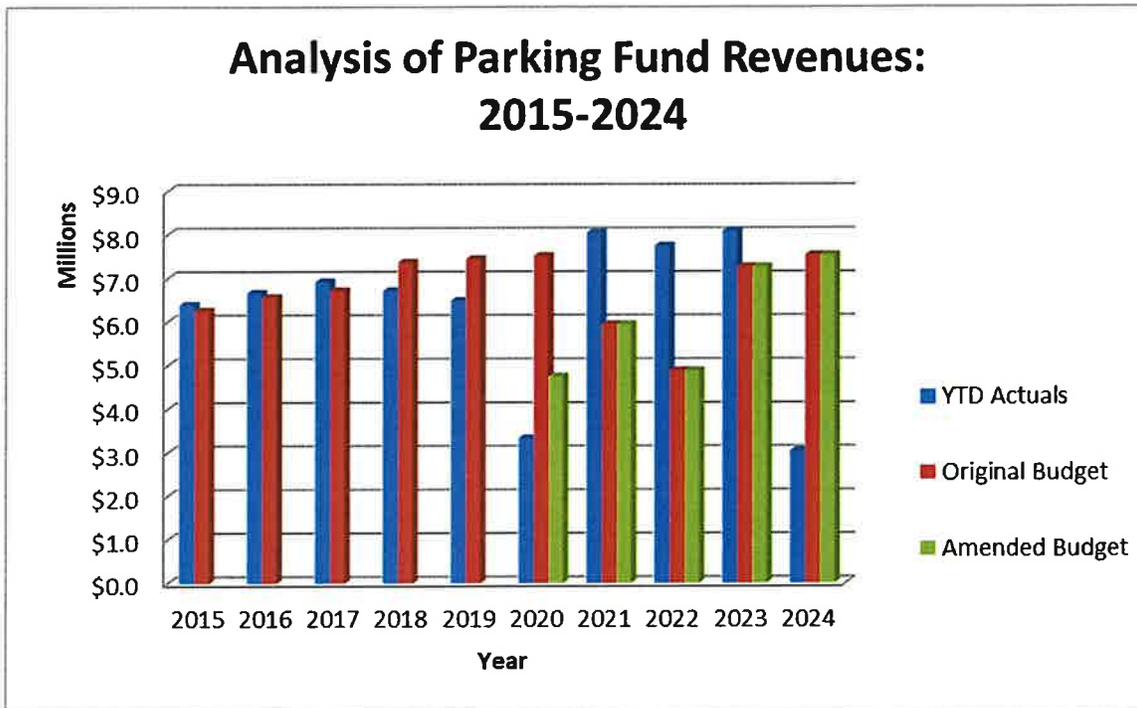
Parking Fund Revenues

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: Revenues budgeted for the Parking Fund reflect the adopted fee increases in 2024. Parking revenue for the first quarter to be slightly lower than expected however it is expected to come in at or near budget by year-end.



	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	7,739,130	4,890,000	4,890,000
2023	8,080,340	7,260,000	7,260,000
2024	3,038,002	7,531,320	7,531,320

Environmental Services Fund

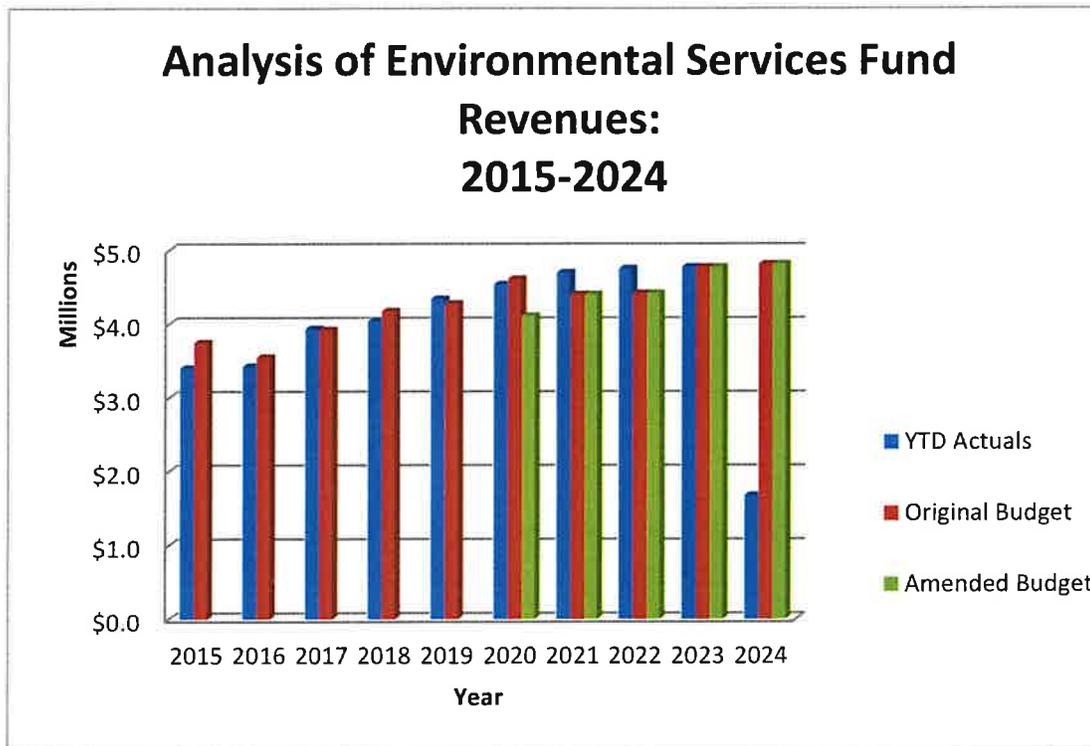
Environmental Services Fund Revenues

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: Environmental Services Fund revenue for the first quarter are lower than anticipated however, it is expected to come in at or near budget by year-end.



	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	4,749,173	4,415,000	4,415,000
2023	4,771,856	4,770,000	4,770,000
2024	1,672,499	4,810,000	4,810,000

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

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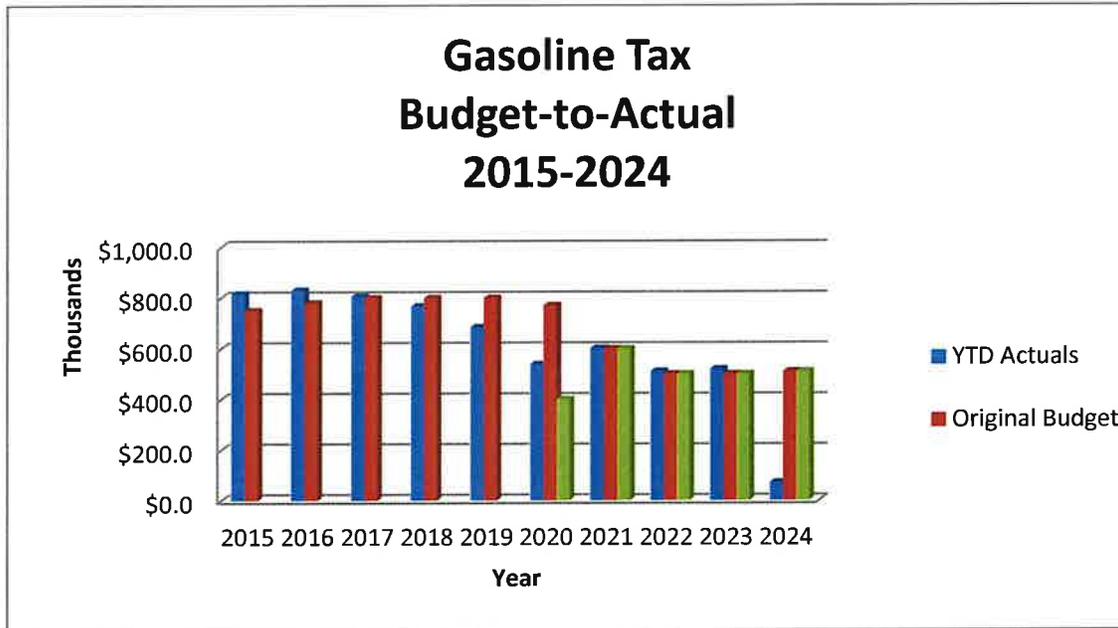
Gasoline Tax Revenue

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: This revenue is reported one month in arrears and therefore only four months of revenue are reported thus far. Based on previous years, this revenue should come close to meeting budget by year-end.



	YTD Actuals	Original Budget	Amended Budget
2015	815,783	750,000	
2016	830,483	780,000	
2017	806,400	800,000	
2018	768,065	800,000	
2019	684,943	800,000	
2020	537,943	770,000	400,000
2021	601,767	600,000	600,000
2022	510,370	500,000	500,000
2023	519,544	500,000	500,000
2024	71,820	510,000	510,000

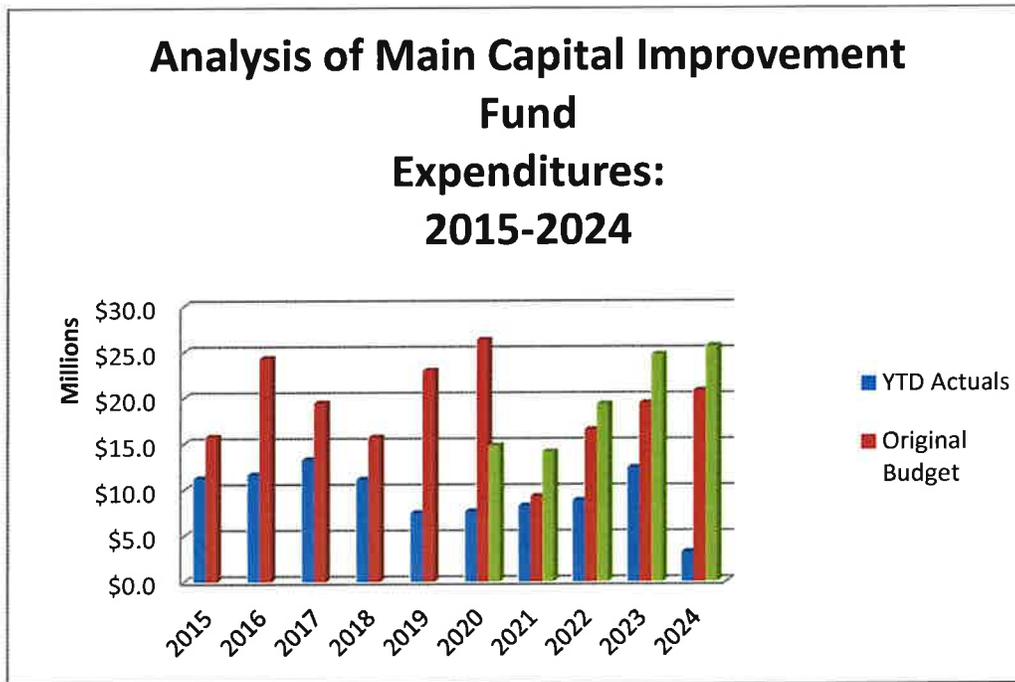
Main Capital Improvement Fund Expenditures

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 \$4.8M was carried over from 2022, hence, the budget was amended from about \$20.8M to \$25.6M.

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.



	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	8,817,281	16,524,883	19,309,213
2023	12,382,383	19,423,623	24,706,632
2024	3,192,155	20,777,188	25,645,393