



Presented to the Board of Trustees
May 14, 2019

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Village of Oak Lawn, Illinois

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Village of Oak Lawn, Illinois

Quarterly Financial Report For the Period Ended March 31, 2019 Overview

Overview

- Covers the Villages operating period from January 1, 2019 thru March 31, 2019
- Report is presented in accordance with the budget
 - Cash basis
 - Unadjusted for previous year accruals
 - Unaudited
- The annual budget is allocated evenly for the quarter with some seasonality on certain accounts
 - Seasonality is not adjusted
 - Timing of receipts is not considered
- Report will be posted on the Village website

Village of Oak Lawn, Illinois

Quarterly Financial Report
For the Period Ended March 31, 2019
Schedule of General Fund Revenues - Budget and Actual

	2019 Year to Date					2018 Annual Budget				
	Actual	Budget Allocated thru December	Variance to Allocated Budget	% of Allocated Budget	2019 Adopted Annual Budget	Actual	Allocated thru December	Variance to Allocated budget	Year to Date as a % of Adopted Budget	2018 Adopted Annual Budget
Revenue:										
Property Taxes	\$ 5,217,290	\$ 5,224,639	\$ (7,349)	0%	\$ 13,278,780	\$ 6,752,473	\$ 6,820,050	\$ (67,576)	-1%	\$ 12,400,090
Other Taxes:										
Utility tax	159,052	164,100	(5,048)	-3%	656,400	145,213	149,000	(3,787)	-3%	596,000
Gas use tax	25,246	25,250	(4)	0%	101,000	22,393	25,250	(2,857)	-11%	101,000
Motel tax	116,511	136,700	(20,189)	-15%	546,800	126,270	127,625	(1,355)	-1%	510,500
Storage Facility Tax	-	10,000	(10,000)	-100%	40,000	-	-	0	0%	-
Real estate transfer tax	172,295	194,610	(22,315)	-11%	1,297,400	207,695	237,550	(29,855)	-13%	950,200
Total other taxes	473,105	530,660	(57,555)	-11%	2,641,600	501,570	539,425	(37,855)	-7%	2,157,700
Intergovernmental:										
Sales taxes	3,993,798	4,091,938	(98,140)	-2%	16,367,750	3,954,396	3,921,850	32,546	1%	15,687,400
State income taxes	1,376,943	1,496,875	(119,932)	-8%	5,987,500	1,367,853	1,892,970	(525,117)	-28%	7,571,880
Telecommunication tax	139,497	158,175	(18,678)	-12%	632,700	159,245	186,300	(27,055)	-15%	745,200
Use tax	527,419	379,975	147,444	39%	1,519,900	448,652	360,750	87,902	24%	1,443,000
Personal property replacement taxes (PPRT)	60,088	91,425	(31,337)	-34%	365,700	75,669	110,500	(34,831)	-32%	442,000
Video gaming tax	176,235	181,250	(5,015)	-3%	725,000	167,488	175,750	(8,262)	-5%	703,000
Charitable games tax	-	1,625	(1,625)	-100%	6,500	-	1,700	(1,700)	N/A	6,800
Road and bridge PPRT	748	1,675	(927)	-55%	6,700	696	1,625	(929)	-57%	6,500
Auto rental tax	15,161	21,725	(6,564)	-30%	86,900	21,691	19,125	2,566	13%	76,500
Total intergovernmental	6,289,889	6,424,663	(134,774)	-2%	25,698,650	6,195,689	6,670,570	(474,881)	-7%	26,682,280
Licenses, permits and fees:										
Motor vehicle licenses	-	-	0	N/A	-	13,046	301,879	(288,833)	-96%	1,207,514
Motorbike licenses	-	-	0	N/A	-	10	-	10	#DIV/0!	-
Dog licenses	1,260	1,000	260	26%	4,000	1,350	950	400	42%	3,800
Building permits	117,168	217,080	(99,912)	-46%	1,085,400	226,829	218,750	8,079	4%	875,000
Electrical permits	16,263	8,700	7,563	87%	34,800	6,489	9,775	(3,286)	-34%	39,100
Plumbing permits	5,505	4,325	1,180	27%	17,300	4,470	5,175	(705)	-14%	20,700
Alarm permits	15,663	5,850	9,813	168%	23,400	13,688	4,825	8,863	184%	19,300
Cable TV franchise fees	381,100	263,750	117,350	44%	1,055,000	395,248	293,750	101,498	35%	1,175,000
PEG fees	13,587	16,000	(2,413)	-15%	64,000	14,073	17,175	(3,102)	-18%	68,700
Towing franchise fees (Technicraft)	4,350	6,250	(1,900)	-30%	25,000	9,200	5,500	3,700	67%	22,000
Towing franchise fees (Walsh's)	6,150	8,750	(2,600)	-30%	35,000	7,850	5,500	2,350	N/A	22,000
Miscellaneous permit and fees	325	550	(225)	-41%	2,200	293	538	(245)	-46%	2,150
Business license	11,090	-	11,090	N/A	404,500	11,161	93,750	(82,589)	-88%	375,000
Hospital service fee	-	-	0	N/A	600,000	-	256,250	(256,250)	-100%	1,025,000
Rental property registration	251,325	228,560	22,765	10%	313,600	165,925	71,425	94,500	132%	285,700
Alcoholic beverage license	1,500	-	1,500	N/A	184,500	12,250	31,250	(19,000)	-61%	125,000
Tobacco licenses	-	950	(950)	-100%	3,800	94	875	(781)	-89%	3,500
Total licenses, permits and fees	825,285	761,765	63,520	8%	3,852,500	881,974	1,317,366	(435,392)	-33%	5,269,464

Village of Oak Lawn, Illinois

Quarterly Financial Report
For the Period Ended March 31, 2019
Schedule of General Fund Revenues - Budget and Actual (Continued)

	2019					2018				
	Year to Date Actual	Annual Budget Allocated thru December	Variance to Allocated Budget	Year to Date as a % of Allocated Budget	2019 Adopted Annual Budget	Year to Date Actual	Annual Budget Allocated thru December	Variance to Allocated budget	Year to Date as a % of Adopted Budget	2018 Adopted Annual Budget
Charges for services:										
Police services	\$ 17,281	\$ 48,875	\$ (31,594)	-65%	\$ 195,500	\$ 28,761	\$ 46,200	\$ (17,439)	-38%	\$ 184,800
Fire services	10,699	3,750	6,949	N/A	15,000	15,520	3,750	11,770	N/A	15,000
State highway maintenance	54,346	52,500	1,846	4%	210,000	52,330	50,000	2,330	5%	200,000
Subdivision fees	-	38	(38)	N/A	150	-	38	(38.00)	N/A	150
Refuse service charges	903,832	869,160	34,672	4%	3,476,640	893,867	858,875	34,992	4%	3,435,500
Development board fees	1,326	1,375	(49)	-4%	5,500	1,550	2,000	(450)	-23%	8,000
Elevator inspection fees	-	6,675	(6,675)	-100%	26,700	-	6,400	(6,400)	-100%	25,600
Employee testing fees	1,125	325	800	246%	1,300	-	700	(700)	-100%	2,800
Paramedic ambulance fees	630,286	576,458	53,828	9%	2,305,833	388,811	556,250	(167,440)	-30%	2,225,000
Rentals	75,536	57,350	18,186	32%	229,400	67,659	52,350	15,309	29%	209,400
Plans and specifications	-	300	(300)	-100%	1,200	-	175	(175)	-100%	700
Fire training rental	-	1,850	(1,850)	-100%	7,400	-	3,600	(3,600)	-100%	14,400
Police training reimbursement	-	-	-	N/A	-	-	-	0	#DIV/0!	-
Other Service Charges	3,505	-	3,505	#DIV/0!	-	-	-	-	N/A	-
Total charges for services	1,697,936	1,618,656	79,280	5%	6,474,623	1,448,497	1,580,338	(131,841)	-8%	6,321,350
Fines and forfeits:										
Traffic fines	69,019	42,863	26,156	61%	171,450	23,066	26,750	(3,684)	-14%	107,000
Traffic fines - camera program (Redflex)	62,981	123,600	(60,619)	-49%	494,400	102,467	111,475	(9,008)	-8%	445,900
Traffic fines - camera program (Safespeed)	68,155	81,525	(13,370)	-16%	326,100	51,927	77,800	(25,873)	N/A	311,200
Parking fines	95,273	91,825	3,448	4%	367,300	105,265	67,200	38,065	57%	268,800
Supervision fees	5,310	4,675	635	14%	18,700	2,678	4,950	(2,272)	-46%	19,800
Other fines and penalties	61,738	76,750	(15,012)	-20%	307,000	75,077	88,825	(13,748)	-15%	355,300
Housing adjudication and non-compliance	120,040	85,100	34,940	41%	340,400	100,079	68,750	31,329	46%	275,000
Total fines and forfeits	482,516	506,338	(23,822)	-5%	2,025,350	460,559	445,750	14,809	3%	1,783,000
Contributions and donations										
Farmer's market fees	300	1,575	(1,275)	-81%	6,300	-	1,500	(1,500)	-100%	6,000
Sponsorships	400	33,750	(33,350)	-99%	135,000	-	31,250	(31,250)	-100%	125,000
Food vendor fees	-	2,050	(2,050)	-100%	8,200	-	1,750	(1,750)	-100%	7,000
Ticket sales	-	625	(625)	-100%	2,500	-	500	(500)	-100%	2,000
Business booth fees	-	875	(875)	-100%	3,500	-	750	(750)	-100%	3,000
Arts & crafts vendor fees	-	1,875	(1,875)	-100%	7,500	-	1,250	(1,250)	-100%	5,000
Beverage sales	-	22,500	(22,500)	-100%	90,000	-	18,750	(18,750)	-100%	75,000
Total contributions and donations	700	63,250	(62,550)	-99%	253,000	-	55,750	(55,750)	-100%	223,000

Village of Oak Lawn, Illinois

Quarterly Financial Report
For the Period Ended March 31, 2019
Schedule of General Fund Revenues - Budget and Actual (Continued)

	2019 Actual					2018 Actual				
	2019 Year to Date Actual	2019 Annual Budget Allocated thru December	Variance to Allocated Budget	Year to Date as a % of Allocated Budget	2019 Adopted Annual Budget	2018 Year to Date Actual	2018 Annual Budget Allocated thru December	Variance to Allocated budget	Year to Date as a % of Adopted Budget	2018 Adopted Annual Budget
Grants and reimbursements										
Grant revenue	\$ 18,501	\$ 25,000	\$ (6,499)	-26%	\$ 100,000	\$ 13,069	\$ 25,000	\$ (11,931)	-48%	\$ 100,000
Collection agency reimbursement	9,222	2,500	6,722	269%	10,000	2,488	2,500	(12)	0%	10,000
Other reimbursements	20,139	43,325	(23,186)	-54%	173,300	54,951	21,250	33,701	159%	85,000
Total grants and reimbursements	47,863	70,825	(22,962)	-32%	283,300	70,508	48,750	21,758	45%	195,000
Interest	32,901	22,250	10,651	48%	89,000	13,025	8,750	4,275	49%	35,000
Other	79,428	68,980	10,448	15%	1,219,900	76,065	56,550	19,515	35%	226,200
Total Revenues	15,146,913	15,292,026	(145,113)	-1%	55,816,703	16,400,361	13,823,271	2,577,090	19%	55,293,084
Other financing sources:										
Sale of capital assets	3,951	10,000	(6,049)	-60%	675,000	1,975	543,750	(541,775)	-100%	2,175,000
Issuance of loan	-	-	0	N/A	-	-	-	0	N/A	-
Transfer in	-	-	0	#DIV/0!	2,107,514	1,748,010	225,000	1,523,010	677%	900,000
Total other financing sources	3,951	10,000	(6,049)	-60%	2,782,514	1,749,985	768,750	981,235	128%	3,075,000
Total revenues and other financing sources	\$ 15,150,864	\$ 15,302,026	\$ (151,162)	-1%	\$ 58,599,217	\$ 18,150,346	\$ 14,592,021	\$ 3,558,325	24%	\$ 58,368,084

Village of Oak Lawn, Illinois

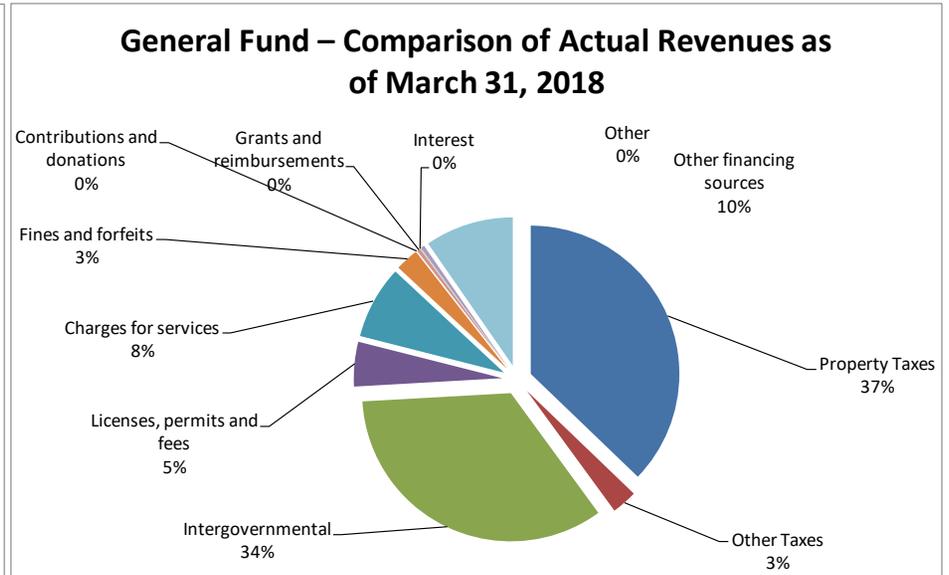
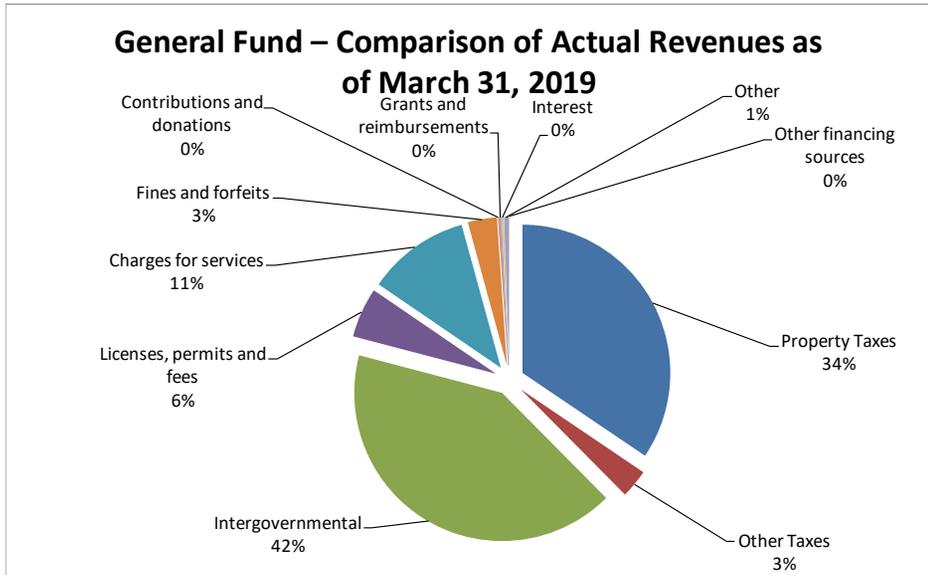
Quarterly Financial Report
For the Period Ended March 31, 2019
General Fund – Revenue Highlights

General Fund – Revenue Highlights

- Overall actual revenues are below budgeted revenues by approximately \$151,000 or 1%. The items specifically related to this shortfall are:
 - State income taxes – Village management has significantly reduced the amount expected to be received between budget years 2019 and 2018. The reduction was due to an increase in the proportional share to the State of Illinois (Public Act 100-23 passed by the State of Illinois reduces the distributions by 10% for administrative purposes). In FY19, the actual receipts are approximately \$120k below budget. Management is expecting this to be a timing issue with the receipt of the State Income taxes and will continue to monitor this account in future quarters.
 - Cable TV Franchise Fees – Consumer trends have shown resident lifestyles have dictated a drop in landlines and cable TV. Residents have taken to such alternatives such as cellular lines, internet-based telephone communications, live streaming services, on-demand services and free internet TV. All of which these taxes/fees do not apply. Village management has been monitoring this tax and adjusted FY19 budgeted amounts based on this declining trend. The surplus is due to the timing of the receipts, we expect the 2nd quarter to be more in line with the budget.
 - Paramedic ambulance fees are above budget by approximately \$54,000. It appears the Village is now receiving the full benefit from the increased fees and is recouping some of these fees that carry over from FY18.
- The real estate transfer tax and building permits are both linked to trends in the housing market. In the prior year, there was an increase in the Equalized Assessed Valuation (“EAV”) indicating an active housing market and increase in discretionary home improvements. The 1st quarter of 2019 has shown a slowdown in the housing market as noted by industry news articles. The Village’s real estate transfer taxes and building permits fall in line with the nation-wide trends and are below expectations.

Village of Oak Lawn, Illinois

Quarterly Financial Report
 For the Period Ended March 31, 2019
 General Fund – Comparison of Actual Revenues



- See “General Fund – Revenue highlights” for further discussion.

Village of Oak Lawn, Illinois

Quarterly Financial Report
For the Period Ended March 31, 2019
Schedule of General Fund Expenditures - Budget and Actual

	2019 Annual					2018 Annual Budget				
	2019 Year to Date Actual	Budget Allocated thru December	Variance to Allocated Budget	Year to Date as a % of Allocated Budget	2019 Adopted Annual Budget	2018 Year to Date Actual	Allocated thru December	Variance to Allocated budget	Year to Date as a % of Adopted Budget	2018 Adopted Annual Budget
Expenditures										
General Government:										
President and trustees	\$ 76,899	\$ 93,226	\$ 16,327	18%	\$ 372,905	\$ 87,918	\$ 70,395	\$ (17,523)	-25%	\$ 281,580
Legal	120,090	191,500	71,410	37%	766,000	90,010	192,000	101,990	53%	768,000
P&DC Commission	223	1,763	1,540	87%	7,050	(130)	1,763	1,893	107%	7,050
Board of Appeals Commission	-	1,000	1,000	100%	4,000	200	1,000	800	80%	4,000
Fire & Police Commission	2,987	15,899	12,912	81%	63,596	2,541	9,917	7,376	74%	39,666
Electrical Commission	-	38	38	100%	150	-	38	38	100%	150
Traffic Review Commission	100	1,025	925	90%	4,100	100	1,025	925	90%	4,100
Business Development	-	-	0	N/A	-	300	-	(300)	#DIV/0!	-
Fair housing commission	-	500	500	100%	2,000	-	500	500	100%	2,000
Human Resources	58,096	64,260	6,164	10%	257,038	61,999	62,959	960	2%	251,834
Village Manager's Office	86,158	95,876	9,718	10%	383,503	92,310	112,920	20,610	18%	451,679
Finance & Administration Department	602,848	589,477	(13,371)	-2%	2,357,908	648,777	628,135	(20,642)	-3%	2,512,538
IT Administration	75,359	227,325	151,966	67%	909,299	102,438	213,155	110,717	52%	852,618
Community Development & Growth										
Management Administration	66,086	79,595	13,509	17%	318,379	76,800	81,828	5,028	6%	327,311
Building, planning & Zoning	62,190	86,200	24,010	28%	344,801	71,459	104,515	33,056	32%	418,058
Property Management	97,596	144,887	47,291	33%	579,549	110,835	89,261	(21,574)	-24%	357,045
Other - non department	1,606,251	1,019,772	(586,479)	-58%	4,079,088	1,265,917	1,170,675	(95,242)	-8%	4,682,700
Total general government	2,854,885	2,612,342	(242,543)	-9%	10,449,366	2,611,474	2,740,082	128,608	5%	10,960,329
Public Safety:										
Police Department:										
Police Administration	1,128,874	1,881,106	752,232	40%	7,524,424	2,027,099	1,712,348	(314,751)	-18%	6,849,390
Uniform Patrol	2,168,634	2,613,285	444,651	17%	10,453,138	2,431,240	2,632,515	201,275	8%	10,530,058
Detectives	688,203	848,902	160,699	19%	3,395,607	777,652	759,120	(18,532)	-2%	3,036,481
Animal Control	17,264	21,058	3,794	18%	84,230	18,723	19,478	755	4%	77,913
Special Operations	11,579	40,160	28,581	71%	160,640	20,439	26,717	6,278	23%	106,869
Emergency Operations Center	72,261	43,585	(28,676)	-66%	174,339	39,916	43,481	3,565	8%	173,925
Total police department	4,086,815	5,448,096	1,361,281	25%	21,792,378	5,315,069	5,193,659	(121,410)	-2%	20,774,636
Fire Department:										
Fire Administration	727,364	1,278,101	550,737	43%	5,112,405	1,428,778	1,143,096	(285,682)	-25%	4,572,385
Ambulance Services	607,848	736,841	128,993	18%	2,947,364	741,245	760,996	19,751	3%	3,043,982
Fire suppression	1,772,886	1,786,903	14,017	1%	7,147,611	1,666,448	1,830,913	164,465	9%	7,323,650
Training	9,288	13,250	3,962	30%	53,000	2,184	10,750	8,566	80%	43,000
Support Services	45,568	54,336	8,768	16%	217,344	45,092	43,554	(1,538)	-4%	174,217
Total fire department	3,162,954	3,869,431	706,477	18%	15,477,724	3,883,748	3,789,309	(94,439)	-2%	15,157,234
Total public safety	7,249,769	9,317,527	2,067,758	22%	37,270,102	9,198,816	8,982,968	(215,848)	-2%	35,931,870

Village of Oak Lawn, Illinois

Quarterly Financial Report
For the Period Ended March 31, 2019
Schedule of General Fund Expenditures - Budget and Actual

	2019 Annual					2018 Annual Budget				
	2019 Year to Date Actual	Budget Allocated thru December	Variance to Allocated Budget	% of Allocated Budget	2019 Adopted Annual Budget	2018 Year to Date Actual	Allocated thru December	Variance to Allocated budget	% of Adopted Budget	2018 Adopted Annual Budget
Streets and equipment maintenance:										
Street Department:										
Street Administration	\$ 94,165	\$ 200,678	\$ 106,513	53%	\$ 802,712	\$ 103,977	\$ 124,282	\$ 20,305	16%	\$ 497,128
Street Cleaning & Maintenance	431,012	405,297	(25,715)	-6%	1,621,188	488,542	451,632	(36,910)	-8%	1,806,529
Street Resurfacing & Repair	116,957	142,288	25,331	18%	569,152	129,262	158,870	29,608	19%	635,478
Public Property Maintenance	127,127	161,020	33,893	21%	644,081	135,479	148,212	12,733	9%	592,846
Forestry	50,260	122,503	72,243	59%	490,012	55,081	124,397	69,316	56%	497,586
Total street department	819,522	1,031,786	212,264	21%	4,127,145	912,340	1,007,392	95,052	9%	4,029,567
Equipment Maintenance Department:										
Street Administration	22,521	33,042	10,521	32%	132,167	25,544	55,998	30,454	54%	223,992
Street Cleaning & Maintenance	232,956	242,182	9,226	4%	968,726	255,552	244,236	(11,316)	-5%	976,942
Forestry	169,659	215,273	45,614	21%	861,092	176,075	209,392	33,317	16%	837,568
Total equipment maintenance department	425,137	490,496	65,359	13%	1,961,985	457,171	509,626	52,455	10%	2,038,502
Buildings & Grounds Department	109,615	167,644	58,029	35%	670,574	82,155	128,234	46,079	36%	512,936
Total Streets and equipment maintenance	1,354,273	1,689,926	335,653	20%	6,759,704	1,451,665	1,645,252	193,587	12%	6,581,005
Refuse disposal	610,536	873,765	263,229	30%	3,495,060	871,923	858,875	(13,048)	-2%	3,435,500
Health and welfare										
Family Services	16,500	17,175	675	4%	68,700	5,500	17,175	11,675	68%	68,700
Culture and recreation:										
Senior Services & Activities	48,386	57,464	9,078	16%	229,855	59,664	56,750	(2,914)	-5%	227,000
Historic Preservation Commission	100	1,050	950	90%	4,200	100	1,050	950	90%	4,200
Architectual Design Review Committee	500	738	238	32%	2,950	600	738	138	19%	2,950
Special Events Administration	-	1,000	1,000	100%	4,000	-	1,000	1,000	100%	4,000
Farmers Market	-	270	270	N/A	1,080	-	-	0	N/A	-
Easter Egg Hunt	932	300	(632)	-211%	1,200	935	250	(685)	-274%	1,000
4th of July Parade	-	5,313	5,313	100%	21,250	-	5,313	5,313	100%	21,250
Summer Concerts & Movies	-	4,000	4,000	100%	16,000	696	4,000	3,304	83%	16,000
Fall on the Green	3,226	65,338	62,112	95%	261,350	5,553	52,938	47,385	90%	211,750
Santa on the Green	500	3,600	3,100	86%	14,400	1,400	3,600	2,200	61%	14,400
Total culture and recreation	53,643	139,071	85,428	61%	556,285	68,948	125,638	56,690	45%	502,550
Capital Equipment Reserve Administration	-	-	0	N/A	-	-	-	0	N/A	-
Total Expenditures	12,139,606	14,649,806	2,510,200	17%	58,599,217	14,208,326	14,369,990	161,664	1%	57,479,954
Other financing uses:										
Transfer out	-	-	0	#DIV/0!	-	-	221,507	221,507	100%	886,028
Total expenditures and other financing sources	\$ 12,139,606	\$ 14,649,806	\$ 2,510,200	17%	\$ 58,599,217	\$ 14,208,326	\$ 14,591,497	\$ 383,171	3%	\$ 58,365,982

Village of Oak Lawn, Illinois

Quarterly Financial Report
For the Period Ended March 31, 2019
General Fund – Expenditure Highlights

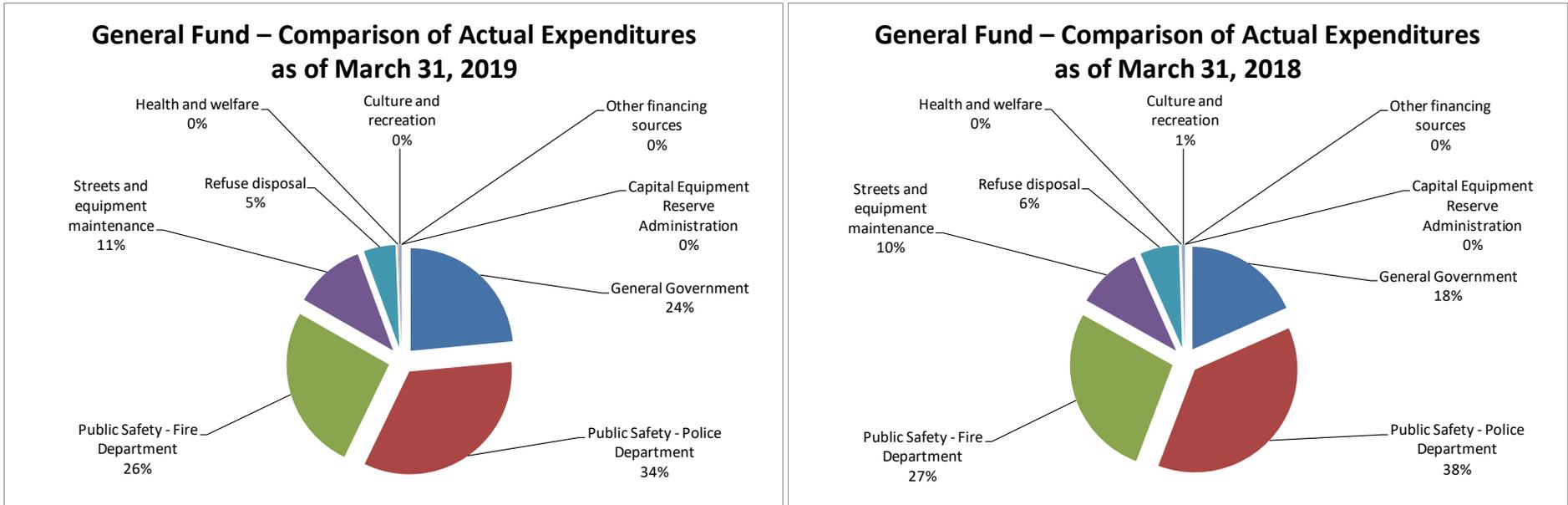
General Fund – Expenditure Highlights

- Overall actual expenditures are below budgeted expenditures by approximately \$2.5 million or 17%. The items specifically related to the decrease in expenditures are:
- The village’s Police Department, Fire department, and Streets & Equipment Maintenance Division are all currently operating lower than their 2019 budget. Management expects to see an increase in all these departments during the 2nd and 3rd quarters. As the weather becomes warmer, there is increased operational activity and vacation in these departments resulting in increased overtime.
- Overtime through the 1st quarter is as follows:

	2019 1st Quarter Actual	2019 Annual Budget
Finance & Admin	\$ 720	\$ 4,000
Police	77,805	505,500
Fire	772,271	2,622,638
Public Works	124,638	144,000
Special Events	-	3,000
Water and Sewer	94,103	233,000
	<u>\$ 1,069,537</u>	<u>\$ 3,512,138</u>

Village of Oak Lawn, Illinois

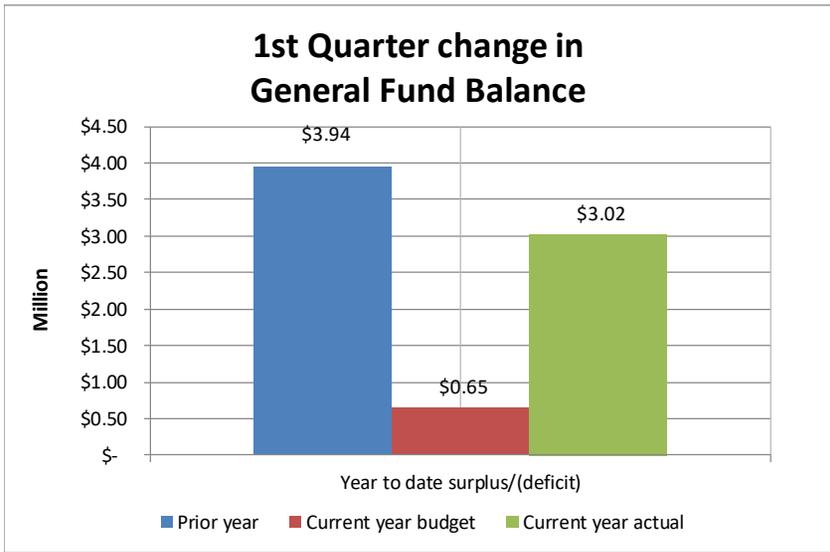
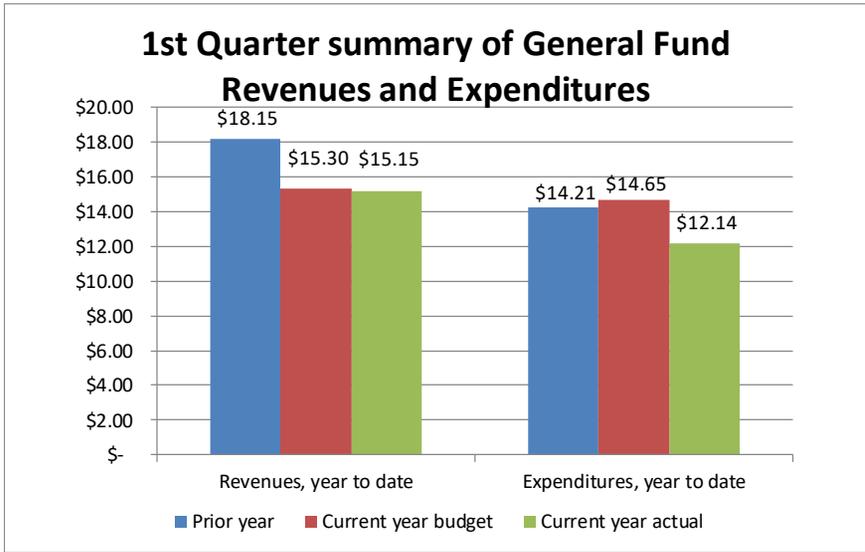
Quarterly Financial Report
For the Period Ended March 31, 2019
General Fund – Comparison of Actual Expenditures



- See “General Fund – Expenditure highlights” for further discussion.

Village of Oak Lawn, Illinois

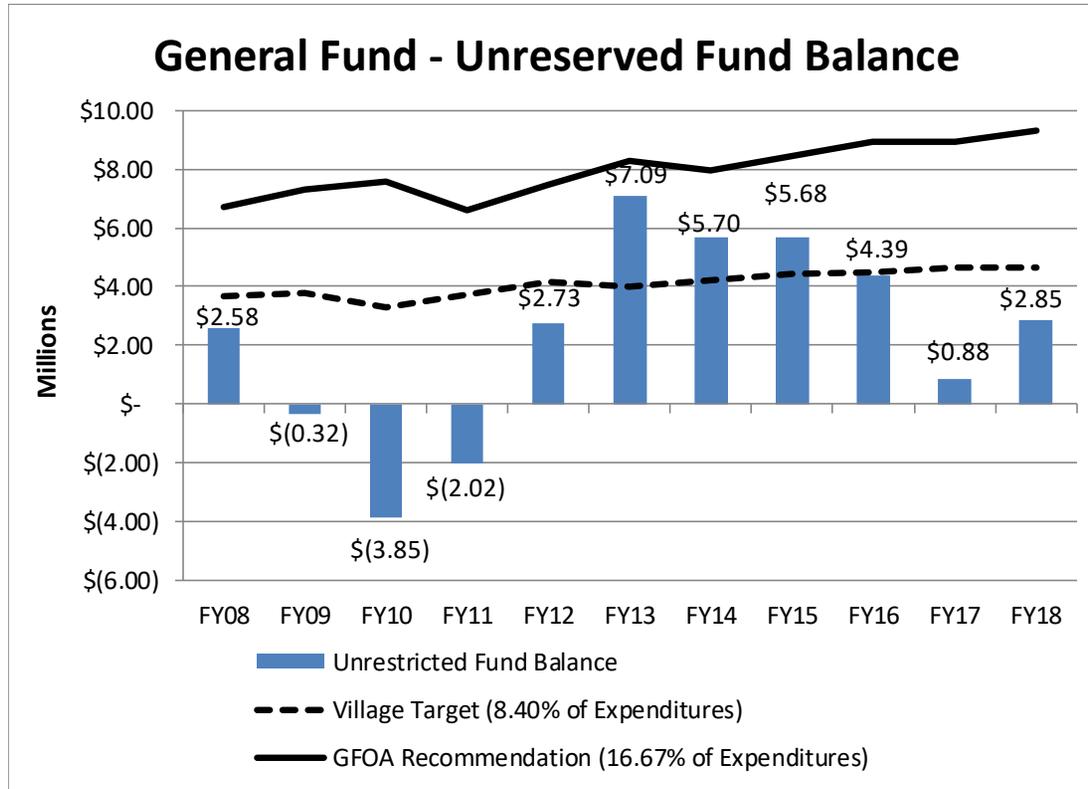
Quarterly Financial Report
 For the Period Ended March 31, 2019
 General Fund – Summary of 1th Quarter Results



- The General Fund Revenues and Expenditures are presented above on the cash basis method of accounting to be in line with how revenues and expenditures are budgeted annually. At year-end, the Village uses the full-accrual method of accounting in order to present the financial statements in accordance with accounting principles generally accepted in the United States.

Village of Oak Lawn, Illinois

Quarterly Financial Report
 For the Period Ended March 31, 2019
 General Fund – Unreserved Fund Balance



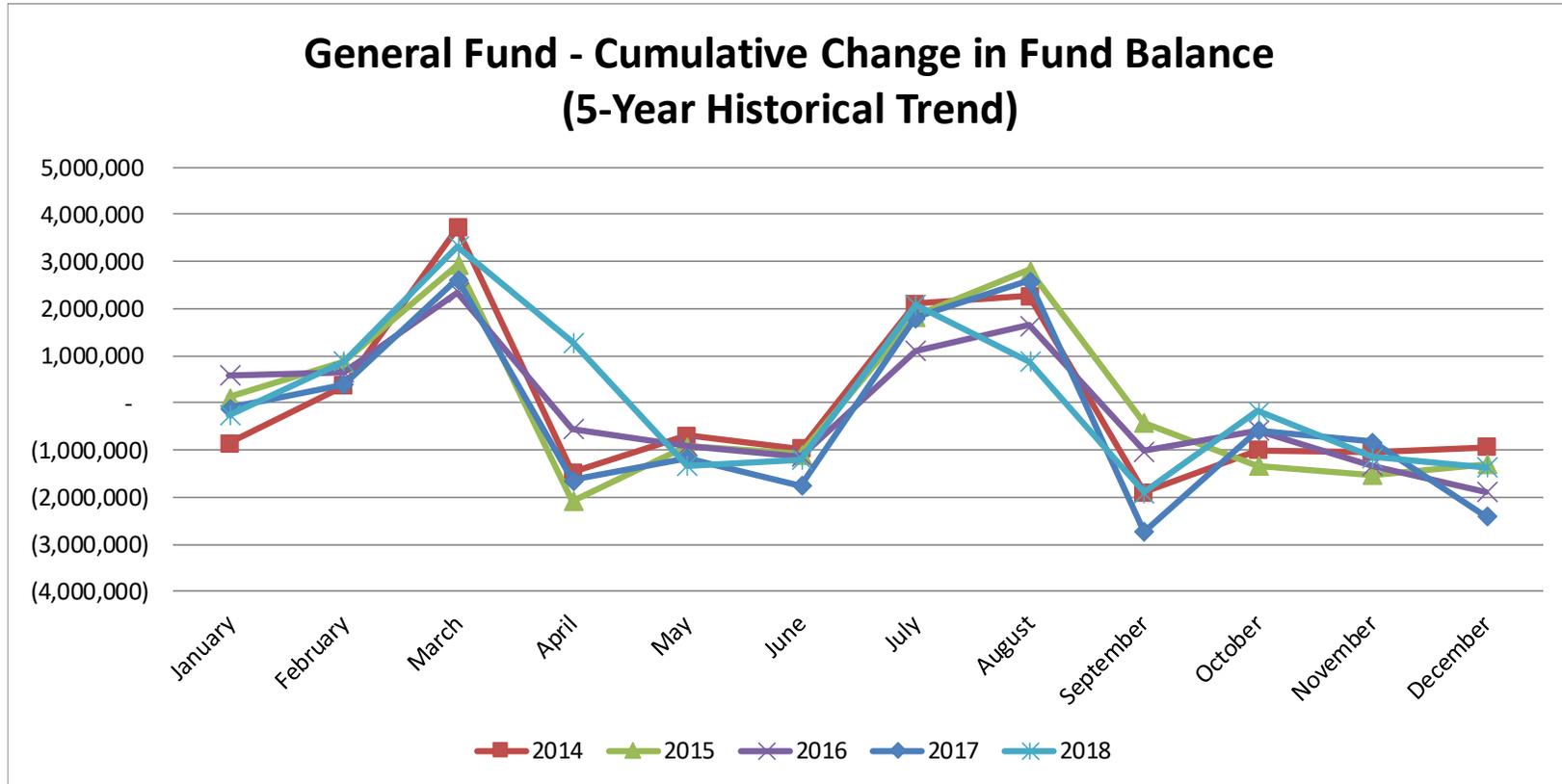
- One of the most important measures of the Village’s financial health is its fund balance. Having a healthy fund balance gives the Village financial flexibility and makes it better able to meet cash flow needs, mitigate current and future risks, and ensure predictability of services. The Village’s fund balance has historically been well below levels recommended by government experts.
- The Government Finance Officers Association (GFOA) recommends that governments maintain a fund balance equivalent to two months’ worth of budgeted expenditures or revenues (approximately 17 percent). Recognizing the importance of maintaining adequate fund balances, Village management is in the processes of developing a target fund balance by incorporating a five-year plan to increase fund balances. Historically the Village’s fund balance has been well below levels recommended by the GFOA and is projected to remain low for the next few years as the Village increases its pension contributions while meeting future debt services obligations.
- During fiscal year 2018, the Village has received a credit rating from both Standard & Poor’s and Moody’s. The Moody’s rating is the most recent rating (see exhibit I) and was a downgrade from their previous rating. Moody’s summary report identified part of their reason for the downgrade was in relation to the Village’s “Narrow fund balance and liquidity”. As noted above, Village management is in the processes of developing a target fund balance by incorporating a five-year plan to increase fund balances.

Village of Oak Lawn, Illinois

Quarterly Financial Report

For the Period Ended March 31, 2019

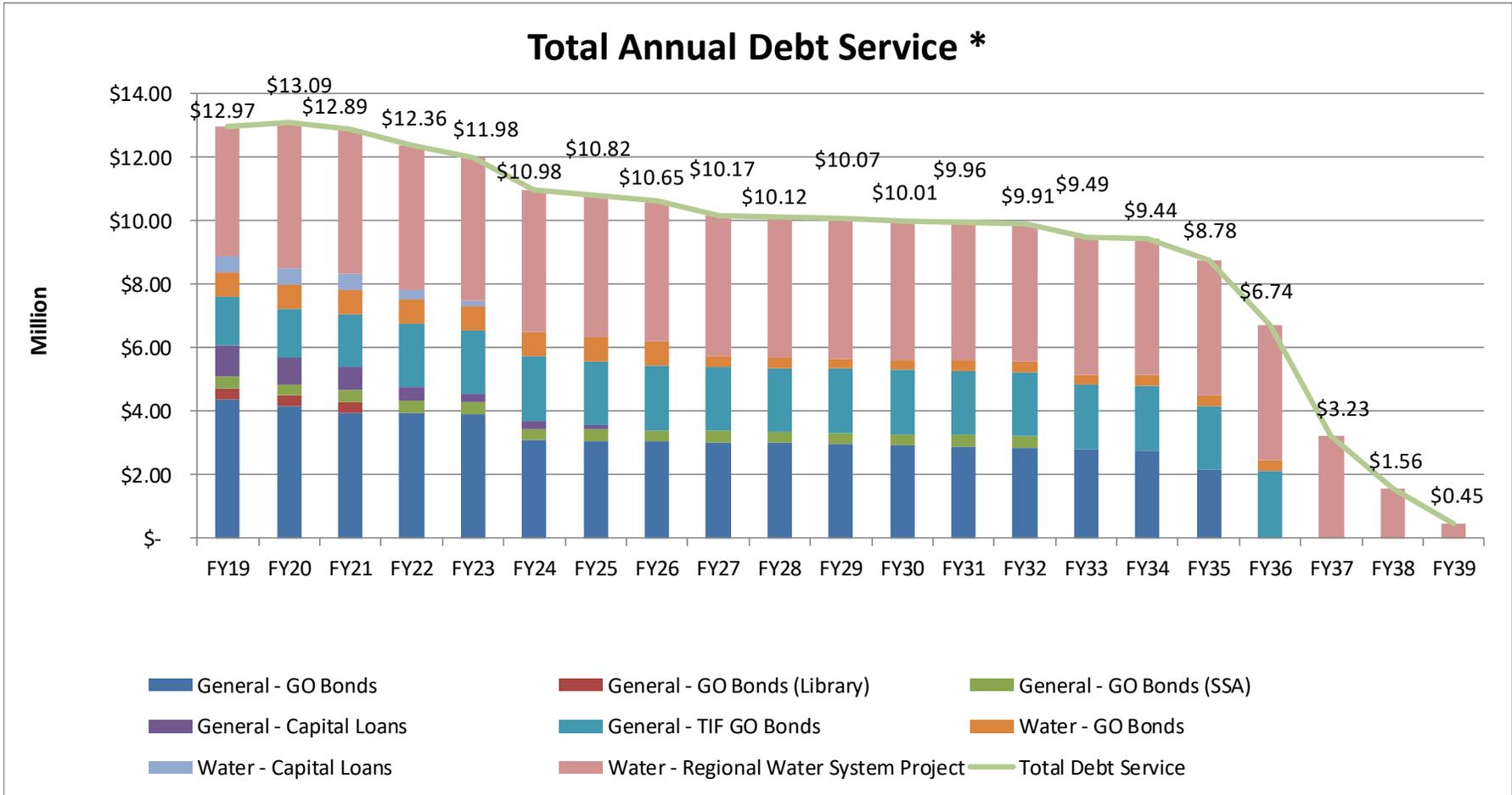
General Fund – Cumulative Change in Fund Balance (5-Year Historical Trend)



- While not directly correlated with the amount of cash on hand, a healthy fund balance means that the Village has more resources available to meet the normal monthly mismatch between revenues and expenditures. Maintaining an adequate fund balance also saves the Village money by reducing the need for higher interest capital loans when determining the sources to fund annual capital equipment needs. Additionally, rating agencies heavily emphasize stronger fund balances when determining credit ratings, which directly influences the interest rate paid by the Village on its long-term debt.

Village of Oak Lawn, Illinois

Quarterly Financial Report
 For the Period Ended March 31, 2019
 Governmental General Obligation and Capital Loans – Annual Debt Service

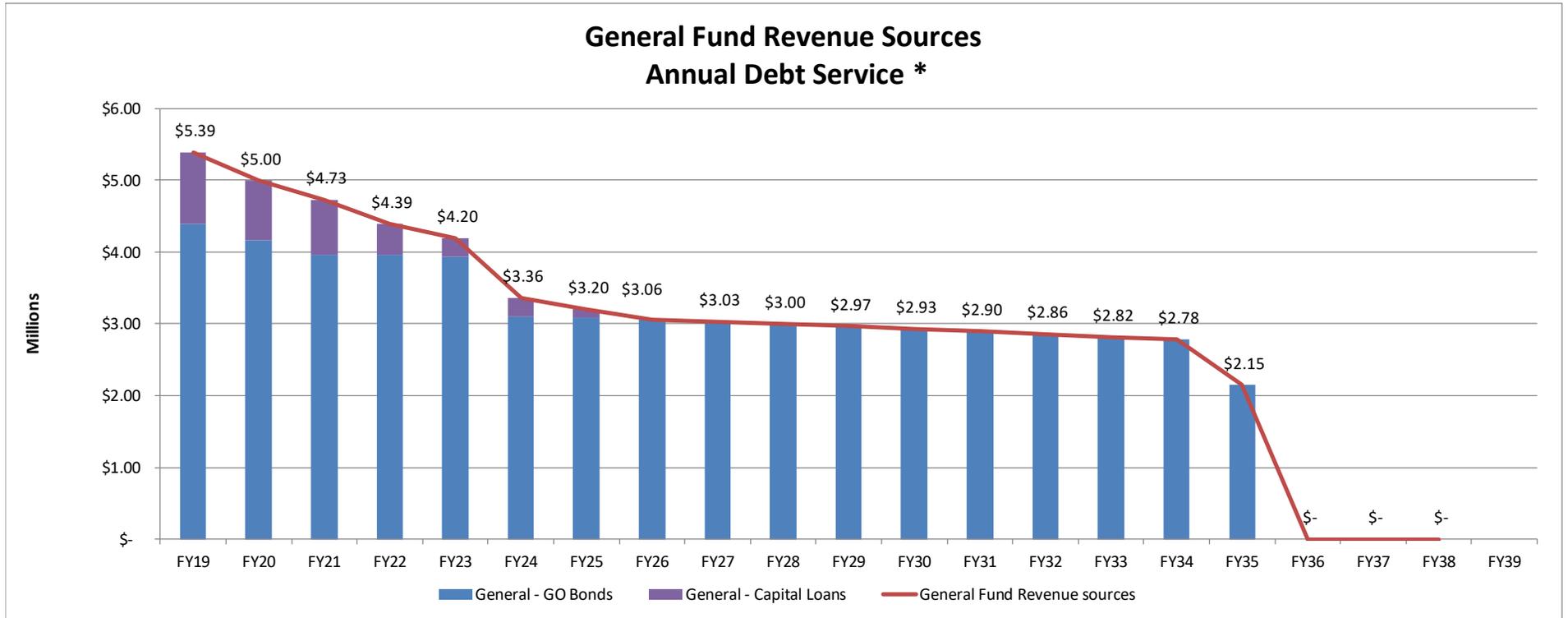


*Annual debt service due each year includes principal and interest payments.

- The above table shows a summary of all governmental and business type debt due by year for General Obligation Bonds and Capital Loans. This debt service does include certain principal and interest payments that will be reimbursed or paid by another taxing agency (ie Oak Lawn Public Library, Special Service Area (SSA), Regional Water System, etc.)

Village of Oak Lawn, Illinois

Quarterly Financial Report
 For the Period Ended March 31, 2019
 General Fund Revenue Sources Annual Debt Service *



*Annual debt services due each year includes principal and interest payments.

Village of Oak Lawn, Illinois

Quarterly Financial Report

For the Period Ended March 31, 2019

Schedule of Water & Sewer Fund Revenues - Budget and Actual

	2019 Annual					2018 Annual				
	2019 Year to Date Actual	Budget Allocated thru December	Variance to Allocated Budget	Year to Date as a % of Allocated Budget	2019 Adopted Annual Budget	2018 Year to Date Actual	Budget Allocated thru December	Variance to Allocated budget	Year to Date as a % of Adopted Budget	2018 Adopted Annual Budget
Revenue:										
Charges for services:										
Water sales - Oak Lawn residents	\$ 2,390,211	\$ 2,361,299	\$28,913	1%	\$ 11,806,493	\$ 2,505,452	\$ 2,082,022	\$423,430	20%	\$ 10,410,109
Water Tap-in Fee's	10,585	11,250	(665)	-6%	45,000	8,919	11,250	(2,331)	-21%	45,000
Water for construction	2,300	2,000	300	15%	8,000	950	1,250	(300)	-24%	5,000
Fire hydrant user fees	26,574	6,250	20,324	325%	25,000	1,331	2,000	(669)	-33%	8,000
Total water sales - Oak Lawn residents	2,429,670	2,380,799	48,871	2%	11,884,493	2,516,651	2,096,522	420,129	20%	10,468,109
Water sales - outside communities	8,141,741	7,763,149	378,592	5%	38,815,744	8,033,435	7,769,408	264,027	3%	38,847,040
Sewer charges	593,021	580,000	13,021	2%	2,320,000	558,783	590,150	(31,367)	-5%	2,360,600
Sewer tap-in fees	1,600	1,250	350	28%	5,000	800	1,250	(450)	-36%	5,000
Sewer rehab fees	188,025	228,750	(40,725)	-18%	915,000	225,978	219,000	6,978	3%	876,000
Total sewer charges	782,646	810,000	(27,354)	-3%	3,240,000	785,561	810,400	(24,839)	-3%	3,241,600
Total charges for services	11,354,057	10,953,947	400,110	4%	53,940,237	11,335,647	10,676,330	659,317	6%	52,556,749
Charges for debt payments	671,956	810,779	(138,823)	-17%	3,243,114	428,757	192,473	236,284	123%	769,893
Other reimbursement	11,576	104,250	(92,674)	N/A	417,000	112,459	76,875	35,584	N/A	307,500
Miscellaneous revenue	201	625	(424)	N/A	2,500	398	625	(227)	N/A	2,500
Rentals	4,500	15,000	(10,500)	N/A	60,000	350	15,000	(14,650)	N/A	60,000
Total other revenue	16,277	119,875	(103,598)	N/A	479,500	113,207	92,500	20,707	N/A	370,000
Interest	31,890	34,325	(2,435)	-7%	137,300	26,491	6,025	20,466	340%	24,100
Total Revenues	12,074,180	11,918,926	155,254	1%	57,800,151	11,904,102	10,967,328	936,774	9%	53,720,742
Other financing sources:										
Sale of capital assets	-	-	0		-	-	-	0		-
Loan proceeds	-	-	0		300,000	-	-	0		-
Amortization Prem/Disc	-	-	0		-	-	-	0		-
Transfer in	-	-	0	N/A	625,000	-	-	0	N/A	904,019
Total other financing sources	-	-	0	#DIV/0!	925,000	-	-	0	#DIV/0!	904,019
Total revenues and other financing sources	\$ 12,074,180	\$ 11,918,926	\$155,254	1%	\$ 58,725,151	\$ 11,904,102	\$ 10,967,328	\$936,774	9%	\$ 54,624,761

Village of Oak Lawn, Illinois

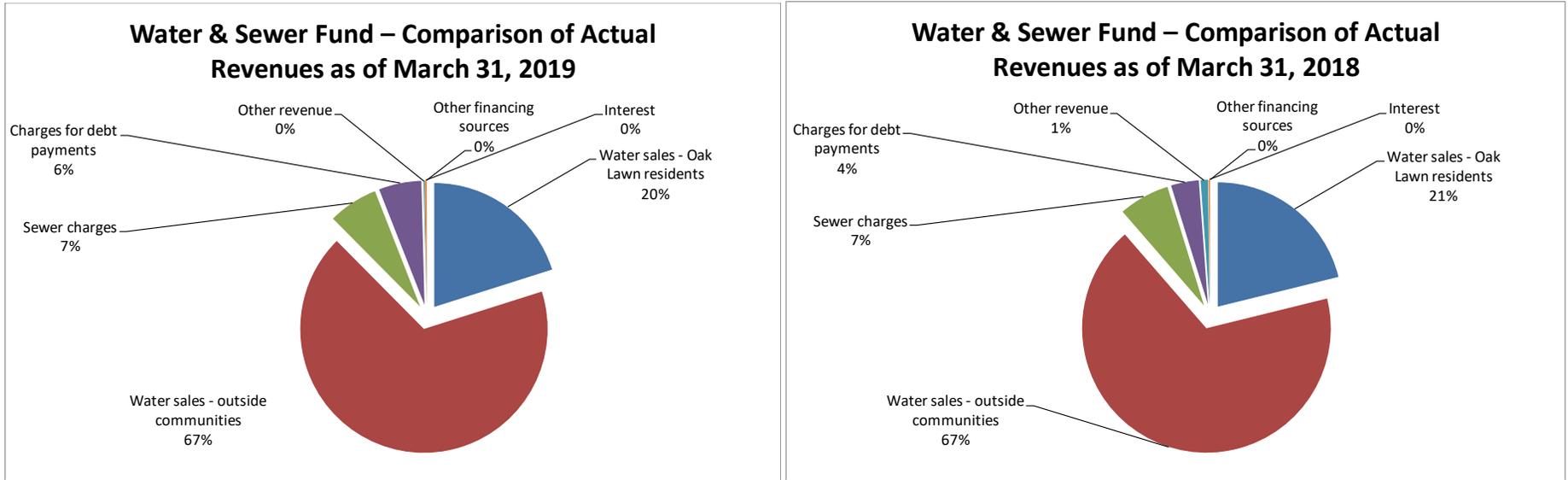
Quarterly Financial Report
For the Period Ended March 31, 2019
Water & Sewer Fund – Revenue Highlights

Water & Sewer Fund – Revenue Highlights

- Village management eliminated duplicated revenues from actual and budget amounts for the Village of Oak Lawn’s portion of water purchases from the line item “Water sales – outside communities” in the amount \$1,791,700
- Overall actual revenues are well in-line with budgeted revenues by \$155k or 1%. The items specifically related to this surplus are:
 - Water sales – outside communities are exceeding budget by approximately \$378k. Village management noted users of water fluctuate on the usage of water during the various season in our climate. Village management will continue to monitor water usage in the 2nd and 3rd quarters.
 - Charges for debt payments are billed twice per year after the Village has paid the principal and interest payments based on the amortization. The 1st billing is interest only and is done in May and the 2nd billing is for both principal and interest and is done in November.

Village of Oak Lawn, Illinois

Quarterly Financial Report
For the Period Ended March 31, 2019
Water & Sewer Fund – Comparison of Actual Revenues



- *See “Water & Sewer Fund – Revenue highlights” for further discussion.

Village of Oak Lawn, Illinois

Quarterly Financial Report

For the Period Ended March 31, 2019

Schedule of Water & Sewer Fund Expenditures - Budget and Actual

	2019 Year to Date Actual	2019 Annual Budget Allocated thru December	Variance to Allocated Budget	Year to Date as a % of Allocated Budget	2019 Adopted Annual Budget	2018 Year to Date Actual	2018 Annual Budget Allocated thru December	Variance to Allocated budget	Year to Date as a % of Adopted Budget	2018 Adopted Annual Budget
Expenditures										
Water division:										
Water retail:										
Commodities	\$ 1,791,733	\$ 1,988,199	\$196,466	10%	\$ 7,952,795	\$ 2,256,382	\$ 1,607,503	(\$648,879)	-40%	\$ 6,430,010
Energy (Electric & Gas)	-	1,250	1,250	100%	5,000	-	1,250	1,250	100%	5,000
Administration	199,081	574,645	375,564	65%	2,298,578	175,557	432,634	257,077	59%	1,730,536
Public property maintenance	4,495	15,563	11,068	71%	62,250	3,938	11,488	7,550	66%	45,950
Pump equipment maintenance	17,338	30,984	13,646	44%	123,934	17,047	28,234	11,187	40%	112,934
Water main maintenance	299,220	460,486	161,266	35%	1,841,944	382,739	409,919	27,180	7%	1,639,674
Water meter operations	103,146	110,425	7,279	7%	441,701	109,455	172,695	63,240	37%	690,781
Fixed asset construction	245	-	(245)	N/A	-	-	-	0	N/A	-
Total water retail	2,415,258	3,181,552	766,294	24%	12,726,202	2,945,118	2,663,723	(281,395)	-11%	10,654,885
Water regional:										
Commodities	7,035,774	8,063,928	1,028,155	13%	40,319,641	7,694,958	8,075,861	380,903	5%	40,379,304
Energy (Electric & Gas)	78,794	208,750	129,956	62%	835,000	132,316	213,625	81,309	38%	854,500
Administration	3,788,905	1,559,284	(2,229,621)	-143%	6,237,135	4,875,468	996,522	(3,878,946)	-389%	3,986,088
Pump equipment maintenance	79,893	173,628	93,735	54%	694,512	79,020	167,636	88,616	53%	670,545
Water main maintenance	40,250	70,148	29,898	43%	280,592	38,926	51,931	13,005	25%	207,725
Water meter operations	508	-	(508)	N/A	12,500	162	-	(162)	N/A	12,000
Fixed asset construction	4,481,451	-	(4,481,451)	N/A	-	2,751,112	-	(2,751,112)	N/A	-
Total water regional	15,505,574	10,075,738	(5,429,836)	-54%	48,379,380	15,571,962	9,505,575	(6,066,388)	-64%	46,110,162
Total water division	17,920,832	13,257,290	(4,663,542)	-35%	61,105,582	18,517,081	12,169,298	(6,347,783)	-52%	56,765,047
Sewer division										
Sewer department administration	18,296	19,705	1,409	7%	78,818	17,809	39,858	22,049	55%	159,430
Ice & snow removal	21,513	25,750	4,237	16%	103,000	36,039	37,000	961	3%	148,000
Sanitary sewers	387,168	563,222	176,054	31%	2,252,889	172,018	577,575	405,557	70%	2,310,299
Storm sewers	136,049	192,254	56,205	29%	769,017	154,064	205,369	51,305	25%	821,477
Total sewer division	563,026	800,931	237,905	30%	3,203,724	379,929	859,802	479,873	56%	3,439,206
Capital outlay	-	-	0	N/A	-	-	-	0	N/A	-
Total Expenditures & Operating transfers	\$ 18,483,858	\$ 14,058,221	(\$4,425,637)	-31%	\$ 64,309,306	\$ 18,897,009	\$ 13,029,100	(\$5,867,910)	-45%	\$ 60,204,253

Village of Oak Lawn, Illinois

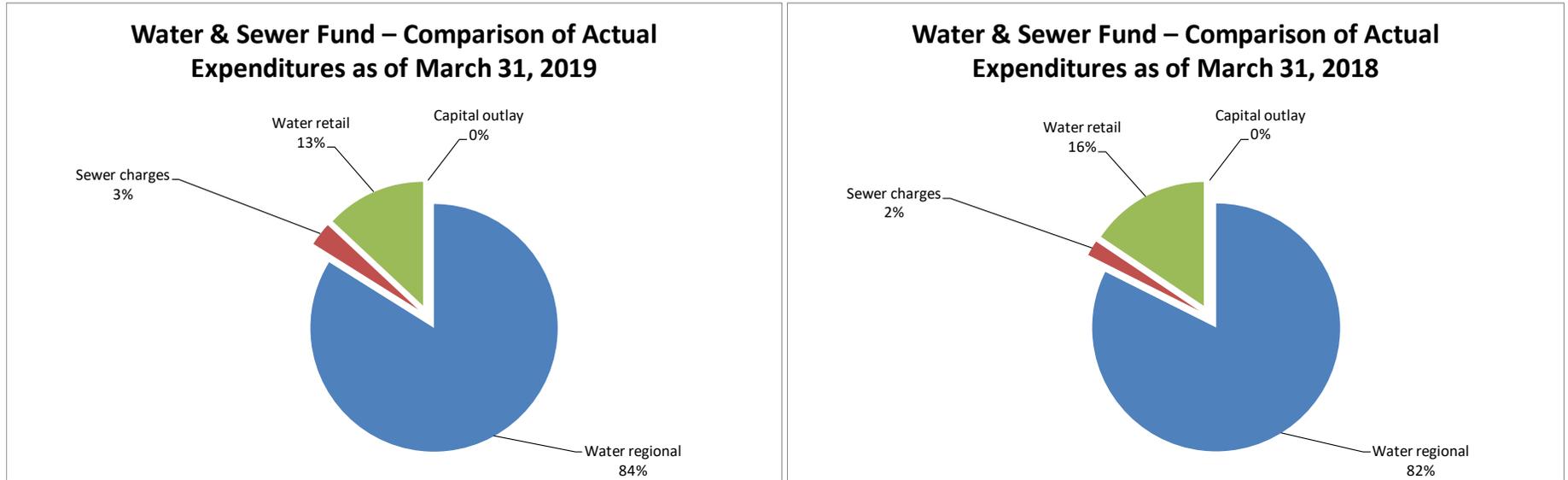
Quarterly Financial Report
For the Period Ended March 31, 2019
Water & Sewer Fund – Expenditure Highlights

Water & Sewer Fund – Expenditure Highlights

- Village management eliminated duplicated expenditures from actual and budget amounts for the Village of Oak Lawn’s portion of water purchases from the line item “Water regional – commodities” in the amount \$1,791,700
- The Water & Sewer expenditures are presented above on the cash-basis method of accounting to be in-line with how revenues and expenditures are budgeted. At year-end the Village will change to the full-accrual method of accounting as required by Generally Accepted Accounting Principles (GAAP) for the annual CAFR (Comprehensive Annual Financial Report).

Village of Oak Lawn, Illinois

Quarterly Financial Report
For the Period Ended March 31, 2019
Water & Sewer Fund – Comparison of Actual Expenditures



- See “Water & Sewer Fund – Expenditure highlights” for further discussion.

Village of Oak Lawn, Illinois

Quarterly Financial Report
 For the Period Ended March 31, 2019
 Water & Sewer Fund – Summary of 1st Quarter results



- The Water & Sewer revenue and expenditures are presented above on the cash basis method of accounting to be in-line with how revenues and expenditures are budgeted. At year-end the Village will change to the full-accrual method of accounting.
 - Village management noted the IEPA Note Payable (Harker Project) has been completed and is currently being repaid in accordance with the amortization schedule. At year-end, the principal payments made during the year will be reclassified to reduce the liability on the balance sheet in the Water & Sewer fund.

Questions