
I N T E R

O F F I C E

MEMO

To: Mayor and Village Board
From: Randy Recklaus, Village Manager
Tom Kuehne, Finance Director/Treasurer
Date: October 21, 2016
Subject: **PROPOSED 2017 BUDGET MATERIALS**

Attached are the proposed 2017 Budget materials for the Village Board's review. These materials include:

- Proposed 2017 Budget
- 2017 Budget Variance Report
- 2017 Boards & Commissions Budget Packet

Budget Meeting Schedule: Monday November 14th, Wednesday November 16th, and Thursday November 17th If Needed. (See Budget Calendar on page 19 of the budget book for a more detailed agenda for each night.)

Budget Questions?

For budget questions that are not addressed through a review of the Village Manager's Budget Message and the Financial Summary sections of the proposed budget, as well as through the budget variance memo, please email your questions to:

budget@vah.com

The proposed 2017 budget document and a copy of this budget variance memo will be posted on the Village's website under the "Budget & Financials" tab by Thursday October 27th. A link to the email address noted above will also be included at this location on the website.

Questions from the Village Board and the public that are received by November 6, 2016 will be included on a list of formal responses to these questions which staff will post by November 11, 2016. This process will not only result in a more efficient Budget Review meeting, but will enhance the quality of the responses Staff is able to provide.

2017 Budget Variance Report

Village of Arlington Heights

October 21, 2016

Budget Variance Explanations
Current Budget vs. Proposed Budget

Board of Trustees Budget Variances 2017

General Fund – Board of Trustees

101-0101-501.

- 21-02 **Equipment Maintenance** – decrease reflects proposed elimination of funding in this account as the equipment is no longer being used.
- 22-02 **Dues** – Reflects increase in due payments as passed along from organizations
- 22-05 **Postage**– The reduction is more in line with prior year actuals.

Integrated Services Budget Variances 2017

General Fund – Integrated Services

101-0201-502.

- 19-05 **Medical Insurance** – The increase included an employee who changed insurance coverage.
- 21-65 **Other Services** – The reduction reflects the cost for the community wide survey which will not be conducted in 2017
- 22-02 **Dues** – The increase reflects new membership dues including Rotary
- 22-05 **Postage** – The reduction is more in line with prior year actuals
- 22-10 **Printing** – The reduction is more in line with prior year actuals
- 22-15 **Photocopying** – The reduction is more in line with prior year actuals
- 30-05 **Office Supplies** – The reduction is more in line with prior year actuals

Information Technology/GIS Division Budget Variances 2017

Technology Fund

625-0601-553.

- 20-39 **Data Processing Services** – End of “Enhance Village Website” program at \$75,000.
- 21-02 **Equipment Maintenance** – GIS prior year encumbrance carryover of \$5,350.
- 22-37 **Vehicle/Equipment Lease Charge** - The 2017 Budget charge is computed by the Public Works Department based on prior year maintenance charges allocated to all departments and current year depreciation charges based on the specific department’s vehicles. Increased from higher maintenance costs in the overall automobile classification from prior substantial necessary repairs.

Budget Variance Explanations

Current Budget vs. Proposed Budget

Human Resource Department Budget Variances 2017

General Fund – Human Resource

101-0301-503.

- 20-05 **Professional Services** - Decrease for one time Classification and Compensation consultant fees.
- 22-01 **Advertising**-Increase due to recruitment fees for anticipated vacancies, job postings.
- 20-75 **Examinations** - Decrease due to cost of a promotional examination that was conducted in 2016 but not anticipated in 2017.

Health Insurance Fund – Human Resource

605-0301-552.

- 10-01 **Salaries** – Increase was due to the employee receiving the annual salary increase combined with a step increase.
- 19-05 **Medical Insurance**- decrease included an employee who changed insurance coverage.
- 19-06 **Med Ins – P&F duty Disability** – Accounts for the cost of the State mandated duty-disability health insurance costs, under the Public Safety Employee Benefits Act (PSEBA) being allocated to the Police and Fire Departments. The decrease reflects a more accurate budget amount for current costs.
- 20-05 **Professional Services**- This line item is for actuarial charges for RDS and ACA reporting and has been adjusted accordingly.
- 20-50 **Loss Prevention Program** - Original budget for 2016 was \$132,500 reduced for 1 time only recruitment purposes of \$8900, adjusted back for 2017.
- 20-65 **Life Insurance Employer** - Includes rate increase in life insurance premiums for existing employees. Equal to annual salary rounded up to nearest thousand. No cost to employee. Maximum \$50,000.
- 20-66 **Supplemental Life Employee**- This includes rate increase and an increase in enrollment of new and existing employees. Employees pay the full cost.
- 22-05 **Postage**- Increase due to required mailings.
- 22-26 **ACA Fees**- Decrease due to the expiration of the health insurance transitional fee
- 42-75 **Claims Medical Loss** – reflects actual PPO paid claims increased by 110% for maximum claims for self-funded (PPO) insurance decreased from 125% in the prior year.

Budget Variance Explanations

Current Budget vs. Proposed Budget

Human Resources (continued)

Workers Compensation Insurance Fund – Human Resource

615-0301-552.

- 10-01 **Salaries** – Increase was due to the employee receiving the annual salary increase combined with a two-step increase.
- 20-45 **Claims Administration** -Increase due to estimation of Workers Compensation TPA renewal fees. Current 3 year contract expires 4/30/17.
- 20-50 **Loss Prevention Program** – Increase for loss prevention training programs in conjunction with Buffalo Grove, Wheeling and Palatine.
- 20-70 **Insurance Premiums** – The prior year reflected the cost associated with an 18-month workers compensation insurance policy due to changing the fiscal year.

Legal Department Budget Variances 2017

General Fund – Legal

101-0401-503.

- 22-03 **Training** – Increase to cover costs of attendance at seminars
- 30-05 **Office Supplies & Equipment** – Increase needed to ensure enough money to purchase needed supplies as the budget year nears its end, as we have run out of money before the end of the budget year
- 40-74 **Real Estate Tax** – Decrease as the Village no longer owns the property on which we were paying real estate taxes

Budget Variance Explanations

Current Budget vs. Proposed Budget

Finance Department Budget Variances 2017

General Fund – Finance

101-0501-503.

- 10-01 **Salaries** – There are a number of newer employees in the Department that were hired over the past two years whom will receive step increases in addition to the annual merit increase.
- 19-11 **Social Security** – The cost of Social Security equals 6.2% of the salary line item up to the applicable IRS limit.
- 19-12 **Medicare** – The cost of Medicare equals 1.45% percent of the salary line item.
- 20-40 **General Insurance** - Reflects the department’s proportional share of payments to the General Liability Insurance Fund. The budgeted transfer to this fund was increased by 5%.
- 22-05 **Postage** – A small decrease based on actual year to date results.
- 22-15 **Photocopying** – The decrease is due to additional paperwork being scanned versus keeping hard copies.
- 22-25 **IT/GIS Service Charge** – The GIS charge was adjusted this year and is based on the estimated usage by each department.
- 22-30 **Claims & Refunds** – Budget for miscellaneous refunds that may be required.

General Fund – Non-Operating - Finance

101-9901-591.

- 90-05 **Operating Transfer-Out** – the transfer to the Health Insurance Fund was reduced to \$0 from \$175,000. This transfer has been budgeted in case health costs come in higher than the worst case scenario. However, the Village has not utilized this transfer in many years and has sufficient reserves in the Health Insurance Fund to weather a short-term spike in costs.

Water & Sewer Fund – Finance

505-0501-503.

- 19-05 **Medical Insurance** – When the Finance Department reduced a vacant Front Desk position from full-time to part-time, the new part-time employee’s hours were kept below the 30 hour threshold required for health insurance benefits, resulting in a decrease in costs.

Budget Variance Explanations Current Budget vs. Proposed Budget

Finance (continued)

Arts, Entertainment & Events Fund – Finance

515-2005-525.

- 40-81 **Operating Contribution** – \$255,000 was requested by the Performing Arts at Metropolis (PAM) for 2017, which reflects a planned two percent annual increase.
- 40-82 **Restricted Contribution** – \$51,000 is budgeted for the annual restricted contribution held by the Village, which reflects a planned 2% increase each year.

General Liability Fund – Finance

611-0501-552.

- 20-05 **Professional Services** – The large percentage increase is due to a needed Village-wide property valuation update which will be performed by an outside appraisal company.

Budget Variance Explanations

Current Budget vs. Proposed Budget

Police Department Budget Variances 2017

General Fund – Police

101-3001-511.

- 11-70 **Police Officer** – Increased due to 16 new hires who will be receiving salary increases at six month intervals per union contract.
- 19-05 **Medical Insurance** – Large increase due to reflecting the cost of State mandated duty-disability health insurance costs, under the Public Safety Employee Benefits Act (PSEBA). The Village is currently providing permanent health insurance coverage for 6 Police Department retirees who were “catastrophically” injured while on the job.
- 19-09 **Public Safety Pension** – There was a large decrease in the Village’s actuarial required contribution (ARC) for the Police Pension Fund in 2017 due to the Village levying a full year Police Pension payment during the 8-month transition year. This resulted in a decrease in the fund’s unfunded liability. However, due to very modest investment returns over the last couple of years it is expected that the Village’s ARC to the Police Pension Fund will likely increase in 2018 and beyond.
- 22-02 **Dues** – Increased from Northern IL Police Alarm System (NIPAS) dues.
- 22-25 **IT/GIS Service Charge** – The IT charge is based on the number of computers and GIS users in each department. Increase is due to new computers in vehicles and the increase in GIS support needed for the computers.
- 22-37 **Vehicle/Equipment Lease Charge** – The 2017 Budget charge is computed by the Public Works Department based on prior year maintenance charges allocated to all departments and current year depreciation charges based on the specific department’s vehicles. Increased from new pursuit vehicle policing equipment setups, combined with higher maintenance costs for the overall automobile classification and police pursuit classification.
- 30-05 **Office Supplies** – The decrease is due to utilizing vendors with more competitive pricing, thereby resulting in a reduction in printer toner costs.
- 40-67 **Canine Program** - Substantial increase due to the acquisition of a replacement canine to the program.

Budget Variance Explanations Current Budget vs. Proposed Budget

Police (continued)

Criminal Investigation Fund – Police

231-3003-511.

- 18-07 **Overtime Sworn** – Substantial increase due to Crisis Intervention Team (CIT) 20% match funding requirement if grant is awarded.
- 22-02 **Dues** – Reflects the annual \$103,000 cost to join the Northern Illinois Police Crime Lab (NIRCL) which provides a much more desirous turnaround time for submitted evidence compared to the Illinois State Police Lab.
- 40-11 **Justice** – The decrease is due to a combination of prior year encumbrance carryover of the Automated License Recognition Program and Citizen Observer, which is paid every other year, for a total of a two year contract.

Budget Variance Explanations

Current Budget vs. Proposed Budget

Fire Department Budget Variances 2017

General Fund – Fire

101-3501-512.

- 10-01 **Salaries** – Decreased due to the elimination of the ESDA Coordinator position.
- 19-05 **Medical Insurance** - Large increase due to reflecting the cost of State mandated duty-disability health insurance costs, under the Public Safety Employee Benefits Act (PSEBA). The Village is currently providing permanent health insurance coverage for 7 Fire Department retirees who were “catastrophically” injured while on the job.
- 19-09 **Public Safety Pension** - There was a large decrease in the Village’s actuarial required contribution (ARC) for the Fire Pension Fund in 2017 due to the Village levying a full year Fire Pension payment during the 8-month transition year. This resulted in a decrease in the fund’s unfunded liability. However, due to very modest investment returns over the last couple of years it is expected that the Village’s ARC to the Fire Pension Fund will likely increase in 2018 and beyond.
- 21-02 **Equipment Maintenance** – Decrease of 15.7% is due to a \$10,000 prior year encumbrance. The \$48,200 budgeted for 2017 is only a 2.1% increase from the \$47,200 budgeted in 2016.
- 22-03 **Training** – The 8% increase in training is due mainly to an increase in the cost of paramedic continuing education classes.
- 22-37 **Vehicle/Equipment Lease Charge** – The 2017 Budget charge is computed by the Public Works Department based on prior year maintenance charges allocated to all departments and current year depreciation charges based on the specific department’s vehicles. Increased due to repairs to specialty equipment combined with higher maintenance costs on older vehicles as well as absorbing new depreciation charges from the four new vehicles entering service mid-year.
- 30-50 **Petroleum Products** – gasoline prices decreased from prior year.
- 31-85 **Small Tools and Equipment** – Decrease of 10.2% is due to a \$8300 prior year encumbrance. The \$68,500 budgeted for 2017 is only a .7% increase from the \$68,000 budgeted in 2016.

Foreign Fire Insurance Tax Fund - Fire

227-3701-512.

- 22-03 **Training** – The Foreign Fire Tax Board has expanded the tuition reimbursement program to cover more classes and they have also increased the maximum reimbursable amount to \$1,500 per year.
- 30-35 **Clothing** – The Foreign Fire Insurance Tax Board has expanded the amount of clothing and accessories provided to the firefighters such as: work out clothing, duty boots, garment bags for department class A uniforms, etc.

Budget Variance Explanations

Current Budget vs. Proposed Budget

Planning Department Budget Variances 2017

General Fund – Planning

101-4001-521.

- 10-01 **Salaries** – Increased due to a proposed new Assistant Planner position.
- 19-05 **Medical Insurance** – Increased due to Health Insurance coverage for the new proposed Assistant Planner position.
- 20-05 **Professional Services** – Last year included funds budgeted for the Hickory/Kensington TIF consultant. This year \$34,000 is budgeted for outsourcing some planning tasks during the transition time before the proposed Assistant Planner is hired.
- 22-02 **Dues** – \$200 reduction for estimated dues.
- 22-05 **Postage** - \$200 reduction due to use of electronic communication.
- 22-10 **Printing** – Reduction due to prior year carry over for Comprehensive Plan printing completed in 2016.
- 22-25 **IT/GIS Service Charge** - The IT charge is based on the number of computers and GIS users in each department. Decreased due to the reduction of GIS services utilized by the department.
- 22-37 **Vehicle/Equipment Lease Charge** – The 2017 Budget charge is computed by the Public Works Department based on prior year maintenance charges allocated to all departments and current year depreciation charges based on the specific department’s vehicles. Maintenance Charges were increased due to an overall increase in automobile classification maintenance charges in the prior year.
- 30-05 **Office Supplies** – Reduction based upon projected need.
- 30-50 **Petroleum Products** – Reduction due to less vehicles – car pool program.
- 33-05 **Other Supplies** – The prior year included encumbrance carryover for community-wide and Downtown banners.
- 40-41 **Discover Arlington** – The prior year included encumbrance carryover.

Budget Variance Explanations

Current Budget vs. Proposed Budget

Department of Building Services Budget Variances 2017

General Fund – Building Services

101-4501-523.

- 19-05 **Medical Insurance** – Decreased due to an employee opting out of the Village’s Health Insurance coverage.
- 20-05 **Professional Services** - Decreased due to a filled vacant position.
- 20-35 **Plan Reviews** – Decreased from a prior year one-time project. Reflects a normal 12-month budget amount.
- 21-65 **Other Services** – Reflects an increase to allow for digital scanning of large documents and blue prints outsourced to a private vendor. This is due to the volume of documents remaining in storage, which includes additional volumes of files created by the increase of permit activity.
- 22-25 **IT/GIS Service Charge** – The IT charge is based on the number of computers and GIS users in each department. Increased due to a rise in utilization of GIS services.
- 22-37 **Vehicle/Equipment Lease Charge** - The 2017 Budget charge is computed by the Public Works Department based on prior year maintenance charges allocated to all departments and current year depreciation charges based on the specific department’s vehicles. Increased due to combined higher maintenance costs on older vehicles as well as absorbing new depreciation charges from four new vehicles entering service mid-year.
- 30-01 **Publications and Periodicals** – Increased from the replacement of Code books for the department.
- 30-50 **Petroleum Products** – Gasoline prices decreased from prior year.
- 33-05 **Other Supplies** - Reflects a normal 12-month budget amount.

Budget Variance Explanations

Current Budget vs. Proposed Budget

Department of Health and Human Services Budget Variances 2017

General Fund – Health & Human Services Department

101-4502-523.

- 10-01 **Salaries** – Increased due to the Director position no longer being split with the Building Department.
- 21-65 **Other Services** – Increased from iPad service charges.
- 22-03 **Training** – Reflects an increase to allow three employees to attend the annual Illinois Department of Public Health (IDPH) Preparedness Summit.
- 22-37 **Vehicle/Equipment Lease Charge** – The 2017 Budget charge is computed by the Public Works Department based on prior year maintenance charges allocated to all departments and current year depreciation charges based on the specific department's vehicles. Increased due to higher maintenance costs on older vehicles combined with increased depreciation charges from three new vehicles entering service.
- 33-05 **Other Supplies** – Increased from software development fees that will enable Health Officers to provide onsite Inspection reports with photographs.
- 33-10 **Wellness Program Supplies** – Reduced because Nursing Services is ordering less influenza vaccine.
- 40-60 **Rental Housing Assistance Program** – Increased from the transfer of the Housing Grant Program from the Housing Commission.
- 40-61 **MRC Capacity Building Award** - Reflects an increase to purchase additional supplies. This is funded through a grant award.

Solid Waste Fund

511-7401-562.

- 21-54 **Solid Waste Disposal SWANCC** – Solid waste disposal cost at SWANCC is anticipated to be reduced from \$49.17/ton to \$47.05/ton.

Budget Variance Explanations

Current Budget vs. Proposed Budget

Department of Health - Senior Services Budget Variances 2017

General Fund – Senior Center

101-4503-523.

- 10-01 **Salaries** – Increased hours to assist with Front desk to better serve Senior Citizens.
- 18-01 **Temporary Help** - Increased to assist staff to better serve Senior Citizens.
- 19-05 **Medical Insurance** – Increased due to an employee now eligible to receive Health Insurance coverage through the Village.
- 21-02 **Equipment Maintenance** – Less breakdowns last year, readjusted budget.
- 22-03 **Training** - Staff have been participating in more training. We will help co-present at the Illinois Parks and Recreation Conference in January 2017, along with Senior Center staff from the Park District and the Library, and anticipate continuing more joint presentations and related training.
- 22-05 **Postage** - Postage expenses appear to be slightly lower than anticipated, line item adjusted by \$100 accordingly. Newsletter postage reimbursements did not fall into same year.
- 22-15 **Photocopying** – Lower cost due to purchasing a new copier for the Senior Center eliminating lease costs.
- 22-40 **Taxi Service Subsidy** – Decrease line item to reflect actual taxi use.
- 31-65 **Other Equipment & Supplies** - \$1000 added to reflect dance program that was added to last year's budget.

Budget Variance Explanations

Current Budget vs. Proposed Budget

Engineering Department Budget Variances 2017

General Fund – Engineering

101-5001-524.

- 20-05 **Professional Services** – Includes a prior year encumbrance of \$9,972, offset by a \$75,000 increase in contract assistance with reconstruction plans, and \$35,000 to convert the Cartegraph System data to a new work-order system software.
- 22-25 **IT/GIS Service Charge** – The IT charge is based on the number of computers and GIS users in each department. Reduced from the decrease in GIS services utilized by the Department.
- 30-50 **Petroleum Products**– gasoline prices decreased from prior year.

Motor Fuel Tax Fund – Engineering

211-5001-571.

Contractual Services – Survey work for the 2016 street rehabilitation program was higher due to an increase in the capital program.

Capital Items – The 2016 MFT program was much higher for one year due to a FY2015 \$2 million transfer-in from the General Fund.

Budget Variance Explanations

Current Budget vs. Proposed Budget

Public Works Department Budget Variances 2017

General Fund – Public Works

101-7101-531.

- 19-05 **Medical Insurance** – Decreased from a change in Employees’ selection of Insurance coverage.
- 20-05 **Professional Services** - Decrease due to prior year encumbrances.
- 2101 **Traffic Signal Maintenance** - Decrease resulted from prior year encumbrance.
- 21-15 **Street/Sidewalk Maintenance** - Decrease resulted from shifting contractual landscape work to 21-55. The Street & Sidewalk account is now exclusive to roadways and sidewalk contractual work.
- 21-55 **Forestry & Grounds Services** - This account was formerly known as Tree Services. In addition to contractual tree work, Public Works staff moved all contractual landscape costs to this account. This account is now exclusive to Forestry and Grounds contractual work.
- 21-62 **Disposal Services** - Decreased disposal costs due to a new waste contract with Groot. Public Works eliminated two dumpsters that were not covered by the previous contract.
- 22-03 **Training** - Increased funding covers an annual training conference for the Management Analyst.
- 22-10 **Printing** - Additional funding needed for resident notifications associated with roadways, sidewalk, and forestry and grounds work.
- 22-15 **Photocopying** - Additional funding needed as Public Works Staff continues to centralize printing to the front office copy machine.
- 22-70 **Telephone Services** - Additional funding needed to cover rising costs for telephone services.
- 22-75 **Telephone Equipment Charge** - Moved funding to 31-65 for future purchasing of telephone equipment and accessories.
- 30-05 **Office Supplies & Equip.** - Decrease in funding due to centralizing printing to front office copy machine.
- 30-50 **Petroleum Products** -
- 31-40 **Agricultural Supplies** - Decrease due to increasing reliance on contractual forestry and grounds maintenance.
- 31-65 **Other Equipment** - Added funding from 22-75 since purchasing is commodity focused and not contractual. Moving forward, this account will be used to purchase phone equipment and accessories.
- 31.75 **Street Light Supplies** - Decrease resulted from prior year encumbrance for street light pole order.
- 31-80 **Street Sign Supplies** - Decrease resulted from prior year encumbrance for street sign material order.

Budget Variance Explanations

Current Budget vs. Proposed Budget

General Fund – Public Works (continued)

- 31-85 **Small Tools & Equipment** - Decrease resulted from prior year encumbrance for large small tool order.
- 31-90 **Street & Sidewalk Supplies** - Decrease resulted from reduction in winter maintenance material needs. Due to the mild 2015-2016 winter, PW is fully stocked on liquid and salt for the start of the 2016-2017 winter season.

Water Utility Operations

505-7201-561.

- 20-05 **Professional Services** - Increased funding for design work that will support contractual services including water sample testing.
- 21-02 **Equipment Maintenance** - Decrease resulted from prior year encumbrance for generator maintenance.
- 21-11 **Building Maintenance** - This increase will cover needed repairs to the well houses and pump stations entry doors.
- 21-20 **Pump Station Maintenance** - Additional funding is required to perform pump repairs.
- 21-25 **Sewer Collection System** - Increase resulted from shifting contractual landscape work from 21-65. These contractual landscape repairs are exclusively the result of sewer maintenance.
- 21-65 **Other Services** - Decrease resulted from shifting contractual landscape work to 21-25.
- 22-03 **Training** - Funding increase for Sewer Unit staff so they can receive training for rating sewer pipe conditions.
- 22-05 **Postage** - Decrease due to reduction in shipping costs. Shipping is no longer required for water sample processing and was eliminated.
- 22-10 **Printing** - Additional funding needed for resident notifications associated with capital improvement projects and roadway maintenance.
- 22-20 **Annual Consumer Report** - Decrease resulted from the elimination of postage. This report is now distributed through the Village's website.
- 22-70 **Telephone Services** - Additional funding needed to cover rising costs for telephone services.
- 30-30 **Data System Supplies** - Additional funding for supplies that support Water Production operations.
- 30-50 **Petroleum Products** - Gasoline prices decreased from prior year.
- 31-02 **Meters Backflow Services** - Decrease resulted from prior year encumbrance for water meter supplies.
- 31-05 **Pumping and Storage Supplies** - Decrease resulted from prior year encumbrance for pump station supplies.

Budget Variance Explanations

Current Budget vs. Proposed Budget

Water Utility Operations – Public Works (continued)

- 31-07 **Sewer Collection Supplies** - Decrease resulted from prior year encumbrance for sewer maintenance supplies.
- 31-55 **Building Supplies** - Additional funding required for retrofitting the well houses and pumping stations with LED fixtures.
- 31-65 **Other Equipment & Supplies** - Additional funding required to replace uninterruptible power supplies (UPS) for computer terminals.

Fleet Operations

621-7501-551.

- 21-02 **Equipment Maintenance** - Additional funding required for maintenance costs associated with the Village's fuel pumps. Originally, maintenance costs were paid out of the General Fund - Public Works budget and were not spread to other Departments who use the fuel pumps.
- 21-07 **Vehicle Equipment Maintenance** - Reduction due to new equipment purchases that eliminates the need for outside repairs.
- 21-62 **Disposal Services** - Increased funding for waste oil disposal. Staff is currently projecting that this cost will rise during 2017.
- 22-03 **Training** - Increased funding required for training related to specialized fire equipment.
- 22-25 **IT/GIS Service Charge** – The IT charge is based on the number of computers and GIS users in each department. Reduction is due to one less computer in the department.
- 22-37 **Vehicle/Equipment Lease Charge** – The 2017 Budget charge is computed by the Public Works Department based on prior year maintenance charges allocated to all departments and current year depreciation charges based on the specific department's vehicles. This reduction is due to a decrease in actual in-house and contractual maintenance costs required for the Department.
- 30-50 **Petroleum Products** – Gasoline prices decreased from prior year but there was an increase of usage of vehicles in the Department.
- 30-55 **Non-Village Fuel Resale** - Gasoline prices decreased from prior year.
- 40-95 **Wheeling Bus Maintenance** – Maintenance is calculated using the prior year's costs as a baseline to project the budget. The decrease was due to Wheeling Bus Maintenance costs decreasing in the prior year.

Budget Variance Explanations

Current Budget vs. Proposed Budget

Municipal Parking:

Parking Operations

235-7301-532.

- 21-65 **Other Services** - This funding was moved to 21-11 and will support contractual building maintenance.

Vail Garage Operations

235-7302-532.

- 22-10 **Printing** - Decrease resulted from prior year encumbrance for printing parking permits.

North Garage Operations

235-7303-532.

- 21-02 **Equipment Maintenance** - Decreased funding for 2017 because contractual equipment repairs have been tracking lower in the current year.
- 22-10 **Printing** - Decrease resulted from prior year encumbrance for printing parking permits.

Evergreen Garage Operations

235-7304-532.

- 21-02 **Equipment Maintenance** - Decreased funding for 2017 because contractual equipment repairs have been tracking lower in the current fiscal year.
- 22-10 **Printing** - Decrease resulted from prior year encumbrance for printing parking permits.

Arts, Entertainment, & Events – Public Works

515-7101-525.

- 18-05 **OT Civilian** - Overtime reporting accuracy improved in 2016 and resulted in an increase.
- 33-05 **Other Supplies** - All stage rental costs have been moved to the Public Works Arts, Entertainment & Event Fund for 2017. This change simplifies invoice processing.