

To: Village of Dolton-Finance Committee
From: Cristiano Miroballi, John Kasperek Co., Inc.
Date: July 25, 2020
Subject: June Financial Report Notes

After reviewing June's financial statements, there are some items that we want to make the Committee aware of:

- Revenues
 - Real estate taxes collection for June general operations are \$40 thousand lower.
 - Video gaming revenue is reflecting a negative \$254 thousand for the current month. We identified that there was an incorrect posting through the Payment Center. The Village received from Illinois a Capital Bond for specific capital improvements. Those monies have been recorded in the Motor Fuel Tax Fund.
 - The Village has lost over \$610 thousand between sales, income, video gaming, real estate taxes, personal property replacement taxes compared to last year.
 - Vehicle license revenue is \$70 thousand lower compared to last year. The extension on payment could explain the decrease in revenue, but the Village needs to maximize collection of all its revenues.
 - Utility charges for refuse, water, and sewer are over \$80, \$300, and \$45 thousand lower, respectively. The reason for the lower billing in part is because District 1 billing wasn't issued until July. Continual late billing will create a cash flow concern because the Village won't receive those payments until the following month.
 - The Melanie Fitness Center has spent \$11 thousand compared to the prior year \$35 thousand. The Village has saved over \$20 thousand.
- Expenditures
 - The Village allocates liability insurance semiannually to Water and Sewer Fund. Liability insurance cumulatively is \$50 thousand lower compared to the prior year.
 - Overtime for Police and Fire are \$50 thousand lower and \$4 thousand higher, respectively. Fire Department overtime has increased due to recent retirements, but the Village will see cost savings from lower overall salaries and benefit costs.
 - Due to the staffing levels and union contract within Public Works, we haven't processed any invoices for tree maintenance or lawn care.
 - The payment for the eligibility study for the TIF IV 300 W. Sibley has been processed. We will review the prior years to determine any other expenditures that have been paid by the General Fund that need to be charged to the TIF.
 - Expense for the Water Fund overall have decreased due to cost savings measures implemented by the Village, but the City of Chicago has increase by \$16 thousand due to a rate increase of 2.45%

- Other Considerations
 - Overall General Fund revenue and expenditures are \$837 thousand and \$90 thousand below prior year, respectively.
 - The Village has made its June interest payment for its debt obligation. Each bond series debt payment was made in part from cash balances from the prior year. Last year's interest payment was \$26 thousand more with six outstanding debt issuances and \$300 thousand of the payment was with prior year cash balances. The Village real estate taxes are \$113 thousand less due to the deferral of distributions. Also, the Village debt payment in December is \$709 thousand higher.
 - Due to the unpredictability of cash flow and the possible resurgence of the virus, the Village needs to maximize collection of its outstanding revenues and minimize as many expenditures/expenses as possible to ensure the Village will have reserves to operate effectively.