VILLAGE OF MOUNT PROSPECT

MONTHLY FINANCIAL REPORT

April 30, 2025

Prepared By

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Director of Finance

TO: VILLAGE PRESIDENT, BOARD OF TRUSTEES, AND FINANCE COMMISSION

FROM: AMIT THAKKAR, DIRECTOR OF FINANCE

DATE: MAY 19, 2025

SUBJECT: MONTHLY FINANCIAL REPORT FOR THE MONTH OF APRIL 2025

In an effort to provide the most transparent and relevant financial information in a timely manner, we are submitting this report herewith. The report contains relevant data and analytical information for the Village's financial affairs. The report is prepared based on the most recent available financial information (internal and external). The report is divided into five sections, including a) Cash and Investments, b) Revenues, c) Expenses, d) Fund Balance Analysis, and e) Other Items that may contain relevant new issues and items representing and impacting the Village's financial interest and well-being.

a) Cash and Investments

The Village of Mount Prospect maintains a sufficient liquid cash balance at various banking and investment institutions for the smooth operation of the Village's day-to-day activities. The remainder of the cash assets are invested in multiple interest-earning accounts and investment options in accordance with the Village's Investment Policy. As of April 1, 2025, the beginning Cash and Cash Equivalents totaled $115.3 million. During the month, the Village collected cash receipts totaling $9.4 million. The investment income for the month totaled $381,335. The monthly payroll cost was $1.85 million, and accounts payable were paid in the amount of $8.1 million. The inter-fund activity increased the cash position by $3,252, while other disbursements totaled $20,539. As of April 30, 2025, the Village's Cash and Cash Equivalents totaled $115.1 million.

GOVERNMENTAL AND ENTERPRISE FUNDS

	Cash and Cash Equivalents	Investments	Total Cash and Investments
Balance at April 1, 2025	$ 115,272,991	$ 26,919,680	$ 142,192,670
Cash receipts	9,421,478	-	9,421,478
Investment income	381,335	55,116	436,451
Transfers from investments to cash	-	-	-
Transfers to investments from cash	-	-	-
Interfund activity	3,252	-	3,252
Disbursements:			
Accounts payable	(8,089,270)	-	(8,089,270)
Payroll	(1,848,902)	-	(1,848,902)
Other	(20,539)	-	(20,539)
Balance at April 30, 2025	$ 115,120,345	$ 26,974,796	$ 142,095,140

As of April 30, 2025, the Village has $27.0 million invested in long-term investments, including U.S. Treasury, AAA+ rated money-market funds, and FDIC-insured CDs. The Cash, Cash Equivalents, and Investments totaled $142.1 million as of April 30, 2025.

The table below summarizes the cash, cash equivalents, and investments by fund type as of April 30, 2025.

Fund Details		Amount
General Fund	$	52,047,752
Special Revenue Funds		30,679,560
Debt Service Funds		1,926,575
Capital Projects Funds		19,231,784
Enterprise Funds		21,285,630
Internal Service Funds		16,923,839
Total Cash and Cash Equivalents	$	142,095,140

In addition to the funds summarized above, the Village of Mount Prospect has $1,142,827 in escrow accounts under the umbrella of Other Trust and Agency Funds.

b) Revenues

The data below summarizes the revenue recognized by the Village through April 2025.

Revenue Category	Budget 2025	Actual YTD April 2025	% of Annual Budget	Actual YTD April 2024	Actual YTD 2025 vs.Actual YTD 2024	% Change
Property Taxes	24,813,627	13,027,494	52.5%	12,390,315	637,179	5.1%
Other Taxes	15,554,350	2,440,017	15.7%	2,420,731	19,286	0.8%
Intergovernmental Revenue	54,857,954	7,985,550	14.6%	7,871,012	114,538	1.5%
Licenses, Permits & Fees	1,912,000	734,988	38.4%	772,825	(37,838)	-4.9%
Charges For Services	47,342,301	14,925,962	31.5%	13,347,577	1,578,385	11.8%
Fines & Forfeits	608,500	185,340	30.5%	175,085	10,255	5.9%
Investment Income	3,933,700	1,729,884	44.0%	2,158,617	(428,733)	-19.9%
Other Financing Sources	7,749,433	52,502	0.7%	-	52,502	++
Other Revenue	3,085,500	931,494	30.2%	914,544	16,949	1.9%
Reimbursements	1,086,500	484,046	44.6%	486,107	(2,061)	-0.4%
Total Revenues	**160,943,865**	**42,497,277**	**26.4%**	**40,536,813**	**1,960,464**	**4.8%**

The above amounts do not represent all the revenues to be recognized for the period under review. Certain state taxes, such as sales tax, home rule sales tax, and a few other taxes, will be received by the Village in May 2025 and later. Additionally, during April 2025, the Village received the following revenues from the State, which relate to a period prior to April 2025. These amounts are distributed after the State administrative fee deduction of $10,148.

Revenues	Original Revenue Month	Revenue Recognition Month	Received by the Village	Amounts
State Sales Tax	Jan-25	Apr-25	Apr-25	3,152,469
Home Rule Sales Tax	Jan-25	Apr-25	Apr-25	608,847
Business District Tax	Jan-25	Apr-25	Apr-25	23,453
Auto Rental Tax	Jan-25	Apr-25	Apr-25	2,161
Telecom Tax	Jan-25	Apr-25	Apr-25	80,603
Total Revenues				**$ 3,867,532**

The actual revenue recognized by the Village totaled $42.5 million through April 2025, representing 26.4 percent of the annual budget. The overall recognized revenues are trending higher compared to the 2024 collection for the same period, except for a few categories as discussed below.

Property Taxes: The Village's total levy for the year is $18,235,179. The total property tax budget, including TIF increments, is $24.8 million. The Village collected $13.0 million in property taxes through April 2025. The property taxes are due in two installments: one in March and one in August. The Village has received the first installment of the property taxes during March 2025. The Village is expected to receive the remaining portion of the property taxes around August or September of 2025. The second installment of property tax is expected to be delayed by 30 days.

Other Taxes: The category of Other Taxes includes all the taxes enacted per local ordinances, including Home Rule Sales Tax, Hotel/Motel, Food and Beverage, Municipal Motor Fuel Tax, Utility Taxes, etc. As the State collects some of these taxes, there is a three-month lag between the actual sales and the tax remittance. In addition, all the local economic activities for April are reported in May or later. The YTD tax collection under this category totals $2,440,017 and it represents 15.7 percent of the annual budget. The reported collection is higher by $19,286 or 0.8 percent compared to the previous year's collection. The reported amount for 2025 mainly includes $608,847 in home-rule sales tax, $428,253 in real estate transfer tax, $436,564 in food & beverage tax, $179,307 in municipal motor fuel tax, and $70,698 in hotel/motel tax.

Intergovernmental Revenue: This category includes all the State shared taxes, including State Sales Tax, Income Tax, Use Tax, Motor Fuel Tax, and Grants. The Village is vigilantly tracking all intergovernmental revenues. As most of these taxes are collected by the State, there is a three-month lag between the actual sales and the tax remittance. The Village recognized $7,985,550 in intergovernmental revenues through April 2025. The amount does not represent the total revenues to be recognized during the month, as significant revenues will be reported and collected after April 2025. The overall recognized revenues are trending higher by $114,538, or 1.5 percent, compared to the amount recognized last year for the same period. The State income tax revenue is recognized on a cash basis in the month of receipt and represents a 7.1 percent growth compared to the 2024 collections. The sales tax amount for 2025 represents sales tax from January 2025. The sales tax from February to April will be received in May 2025 and beyond.

Major State Taxes	Actual YTD April 2025	Actual YTD April 2024	Actual YTD 2025 vs.Actual YTD 2024	% Change
002 - State Income Tax	3,429,361	3,202,861	226,500	7.1%
003 - State Motor Fuel Tax	619,027	577,485	41,542	7.2%
004 - State Sales Tax	3,152,469	3,076,500	75,969	2.5%
005 - State Use Tax	441,794	579,887	(138,093)	-23.8%
006 - Video Gaming Tax	91,125	78,226	12,900	16.5%
007 - Cannabis Education Fund	22,265	24,524	(2,259)	-9.2%
008 - Municipal Cannabis Tax	7,057	7,531	(475)	-6.3%
Total State Taxes	**7,763,098**	**7,547,014**	**216,085**	**2.9%**

Due to recent changes in the law, a few items previously reported under use tax are now being reported under sales tax and this shift is responsible for the lower use tax and higher sales tax amounts.

Licenses & Permits: The Village collected $734,988 in license and permit fees through April 2025. This amount is trending lower by $37,838, or 4.9 percent, compared to last year's collection. The overall collection represents 38.4 percent of the annual budget for the category.

Business Licenses & Permits	Actual YTD April 2025	Actual YTD April 2024	Actual YTD 2025 vs.Actual YTD 2024	% Change
409 - Business Licenses & Permits	572,350	511,763	60,588	11.8%
410 - Nonbusiness Licenses & Perr	162,637	261,063	(98,425)	-37.7%
Total Business Licenses & Permits	**734,988**	**772,825**	**(37,838)**	**-4.9%**

Charges for Services: The Village collected $14.9 million in charges for services through April 2025. The amount represents 31.5 percent of the annual budget for the category, and it is trending higher by $1,578,385, or 11.8 percent, compared to last year's collection. An increase in the water, sewer and refuse rates, along with an increase in the ambulance billing fee has resulted in a higher collection compared to last year's amount.

Investment Income: The Village earned $1.7 million in investment income through April 2025, which represents 44.0 percent of the category's annual budget. The recognized revenue is trending lower by $428,733 or 19.9 percent, compared to last year's amount, mainly due to rate reduction and timing issues (due to different maturity dates beyond April 2025).

Other Categories: All other revenue categories collectively generated $1,653,382 through April 2025. The amount mainly includes $185,340 in fines and forfeitures, $931,494 in other revenues, $52,502 in other financing sources, and $484,046 in reimbursements.

c) <u>Expenditure</u>

The data below recaps the expenditures incurred through April 2025.

Departments	Budget 2025	Actual YTD April 2025	% of Annual Budget	Actual YTD April 2024	Actual YTD 2025 vs.Actual YTD 2024	% Change
10 Public Representation	779,620	116,797	15.0%	166,834	(50,038)	-30.0%
20 Village Administration	6,679,309	1,738,450	26.0%	1,630,030	108,420	6.7%
30 Finance	3,287,072	654,269	19.9%	718,124	(63,855)	-8.9%
40 Community Development	6,861,291	1,467,564	21.4%	1,651,330	(183,767)	-11.1%
50 Human Services	1,783,765	547,837	30.7%	474,239	73,597	15.5%
60 Police	28,215,092	9,021,592	32.0%	8,083,889	937,703	11.6%
70 Fire	27,335,738	7,796,418	28.5%	7,078,828	717,589	10.1%
80 Public Works	73,947,437	11,816,738	16.0%	11,023,091	793,647	7.2%
00 ND	28,941,104	4,666,906	16.1%	4,504,170	162,736	3.6%
Total Expenditures	**177,830,427**	**37,826,570**	**21.3%**	**35,330,536**	**2,496,034**	**7.1%**

The above amounts do not include the expenditures for the Pension Funds, as they are separate entities. The above amounts are unaudited and subject to change with accrual/audit adjustments.

Departments	Budget 2025	Actual YTD April 2025	% of Annual Budget	Actual YTD April 2024	Actual YTD 2025 vs.Actual YTD 2024	% Change
Personnel	64,691,024	20,004,540	30.9%	19,618,550	385,991	2.0%
Contractual Services	44,151,335	13,221,062	29.9%	11,855,112	1,365,949	11.5%
Commodities & Supplies	2,831,710	766,347	27.1%	848,682	(82,335)	-9.7%
Capital Improvements	43,934,508	3,381,393	7.7%	2,129,129	1,252,263	58.8%
Debt Service	9,735,249	111,688	1.1%	299,088	(187,400)	-62.7%
Other Expenditures	4,737,168	341,541	7.2%	579,974	(238,433)	-41.1%
Interfund Transfers	7,749,433	-	0.0%	-	-	++
Total Expenditures	**177,830,427**	**37,826,570**	**21.3%**	**35,330,536**	**2,496,034**	**7.1%**

Personnel Costs: The year-to-date expenditure for Personnel Costs, including benefits, is $20.0 million, or 30.9 percent of the annual budget for the category. The amount is trending higher by $385,991 or 2 percent compared to last year's amount, mainly due to higher pension contributions for the year and cost-of-living adjustments for wages. The overtime expense through April 2025 totaled $834,069, while at the same time last year, it totaled $730,411.

Contractual Services: This category covers most contractual services, including some large line items, such as JAWA water purchases, budgeted and grant-funded engineering studies, and other contracts. The Village incurred $13.2 million in contractual services, equating to 29.9 percent of the annual budgeted amount for the category. The expenditure amount is trending higher by $1,365,949 or 11.5 percent, mainly due to inflationary and timing issues.

Supplies: Through April 2025, the Village spent $766,347 on supplies, which totaled 27.1 percent of the annual budget. The commodities and supplies items are trending lower by $82,335 or 9.7 percent, mainly due to a mild winter (lower consumption of salt and reduced snow plowing operations).

Capital Improvements: The Village initially had $32.9 million in approved capital improvement projects for 2025. In March 2025, the Village Board approved a budget amendment to carry over $11.0 million in unfinished projects from 2024 to 2025. The Village has spent $3.4 million for capital improvement projects through April 2025. The Village initiates many projects in Spring and concludes them in late fall and early winter. The major expenditure under this category will be reported in the later part of the year.

Debt Service: Per the established debt service schedules, the Village's bond payments are due on June 1 and December 1. The Village processes these debt service payments a few days before due dates and keeps sufficient funds to execute them. So far, the Village has not incurred any major debt service expenditure for the year. The reported amount of $111,688 represents a few accrued expenditure items for the Business District Fund.

Other Expenditure: This category includes a budget of $4,737,168, and includes various risk management items as well as the TIF incentive amounts to be shared per the redevelopment agreements. Through April, the Village has incurred $341,541, 7.2 percent of the annual budget.

Interfund Transfers: The amount represents various interfund transfers budgeted from the General Fund ($6,749,433) and from the Elk Grove Rural Special Service Area Fund ($1,000,000). The Village has not executed any interfund transfers; they are expected to be executed after June 2025.

d) Fund Balance Analysis:

The fund balance is an essential tool to check the fiscal health of any governmental organization. The data below summarizes the Village's monthly unassigned/unrestricted general fund reserves.

Items/Details	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	YTD 2025
Revenues - Unaudited	90,530,186	1,903,070	4,692,858	8,636,190	5,914,774	21,146,893
Expenses - Unaudited	(87,415,083)	(4,155,381)	(6,072,599)	(8,109,871)	(5,134,298)	(23,472,150)
Net Monthly Surplus/(Deficit)	**3,115,103**	**(2,252,311)**	**(1,379,741)**	**526,319**	**780,476**	**(2,325,257)**
Ending Unrestricted Reserves	**46,815,967**	**44,563,656**	**43,183,915**	**43,710,234**	**44,490,710**	**44,490,710**
As % of General Fund Budget	54.6%	52.0%	50.4%	51.0%	51.9%	51.9%
Unencumbered Cash Balance	**34,239,750**	**34,737,448**	**37,460,357**	**41,704,897**	**42,495,063**	**42,495,063**
As % of General Fund Budget	39.9%	40.5%	43.7%	48.6%	49.6%	49.6%

* Fund Balance is unaudited, and subject to adjustments and other changes. The above analysis Includes only unrestricted fund balance for the General Fund.

As of April 30, 2025, the unrestricted fund balance is estimated at $44.5 million, which equates to 51.9 percent of the annual budget. Not all revenues and expenditures for the fiscal period are recognized. The year-to-date financial activities have resulted in a deficit of $2.3 million. In 2023, the Village revised its Fund Balance Policy, and the new target is set to maintain the fund balance between 30 and 50 percent. Besides that, an Economic Emergency Fund was established in 2023, and a transfer of $6.5 million was executed as initial funding from the General Fund reserves. The Village funded the second installment of $6.5 million for the Economic Emergency Fund in July 2024 from the 2023 audited surplus (General Fund), reducing the overall fund balance starting in July 2024. The unencumbered cash balance as of April 30, 2025, is $42.5 million, and it represents 49.6 percent of the annual budget.

Economic Emergency Fund

The Village Board authorized the creation of a new Economic Emergency Fund in May 2023 and approved a budget amendment funding $6.5 million from the General Fund reserves as an initial funding amount. This transfer was executed in May 2023 and invested in June 2023 in a AAA-rated I-prime account. The table below summarizes the Economic Emergency Fund activities for the month. During July 2024, the Village funded the second installment of $6.5 million. Also, the Economic Emergency Fund earned an interest income of $75,917 during April 2025. As of April 30, 2025, the Economic Emergency Fund reported an ending fund balance of $13,885,686, which comprises $13.0 million in Village Contributions from the General Fund and $885,686 in interest income.

Economic Emergency Fund	FY 2023	FY 2024	Jan-25	Feb-25	Mar-25	Apr-25	2025 YTD	Since Inception
Village Contribution	6,500,000	6,500,000	-	-	-	-	-	13,000,000
Investment Income	195,690	495,944	50,788	18,337	49,009	75,917	194,052	885,686
Net Monthly Surplus/Deficit	**6,695,690**	**6,995,944**	**50,788**	**18,337**	**49,009**	**75,917**	**194,052**	**13,885,686**
Beginning Fund Balance	**-**	**6,695,690**	**13,691,634**	**13,742,422**	**13,760,759**	**13,809,768**	**13,691,634**	**-**
Ending Fund Balance	**6,695,690**	**13,691,634**	**13,742,422**	**13,760,759**	**13,809,768**	**13,885,686**	**13,885,686**	**13,885,686**

e) **Other Items:**

a. During April 2025, the Village issued 115 real estate transfer tax stamps, of which 51 were exempt and 64 were non-exempt. During the month under review, the Village collected $255,270 in real estate transfer taxes. The average real estate selling price was $396,591 (excluding a large real estate transaction of $60 million). At the same time last year (April 2024), the Village sold 97 transfer tax stamps, of which 42 were exempt and 55 were non-exempt. In the same month last year, the Village collected real estate transfer tax totaling $66,108, and the average selling price was $400,601.
b. The Village is expected to have an Audit Committee meeting in June 2025. The Audit

Committee is expected to review audited financials in June and present their report in July 2025.

Respectfully Submitted,
Amit Thakkar
Director of Finance