



VILLAGE OF MOUNT PROSPECT
MONTHLY FINANCIAL REPORT

December 31, 2024

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: FEBRUARY 11, 2025

SUBJECT: MONTHLY FINANCIAL REPORT FOR THE MONTH OF DECEMBER 2024

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 December 1, 2024, the beginning Cash and Cash Equivalents totaled \$98.2 million. During the month, the Village collected cash receipts totaling \$8.5 million. The investment income for the month totaled \$357,212. The monthly payroll cost was \$2.2 million, and accounts payable were paid in the amount of \$6.7 million. The inter-fund activity increased the cash position by \$2,347, while other disbursements totaled \$16,494. During the month under review, investments totaling \$2.8 million matured. As of December 31, 2024, the Village's Cash and Cash Equivalents totaled \$100.9 million.

GOVERNMENTAL AND ENTERPRISE FUNDS

	Cash and Cash Equivalents	Investments	Total Cash and Investments
Balance at December 1, 2024	\$ 98,205,348	\$ 32,664,093	\$ 130,869,441
Cash receipts	8,527,111	-	8,527,111
Investment income	357,212	38,874	396,086
Transfers from investments to cash	2,817,350	(2,817,350)	-
Transfers to investments from cash	-	-	-
Interfund activity	2,347	-	2,347
Disbursements:			
Accounts payable	(6,703,335)	-	(6,703,335)
Payroll	(2,248,063)	-	(2,248,063)
Other	(16,494)	-	(16,494)
Balance at December 31, 2024	\$ 100,941,477	\$ 29,885,617	\$ 130,827,093

As of December 31, 2024, the Village has \$29.9 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 \$130.8 million as of December 31, 2024.

Village of Mount Prospect
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The table below summarizes the cash, cash equivalents, and investments by fund type as of December 31, 2024.

Fund Details	Amount
General Fund	\$ 45,656,738
Special Revenue Funds	28,128,992
Debt Service Funds	1,435,266
Capital Projects Funds	18,454,569
Enterprise Funds	19,498,962
Internal Service Funds	17,652,567
Total Cash and Cash Equivalents	\$ 130,827,093

In addition to the funds summarized above, the Village of Mount Prospect has \$1,191,417 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 December 2024.

Revenue Category	Budget 2024	Actual YTD December 2024	% of Annual Budget	Actual YTD December 2023	Actual 2024 Vs. Actual 2023	% Change
Property Taxes	22,022,359	24,393,144	110.8%	25,928,456	(1,535,312)	-5.9%
Other Taxes	14,689,000	14,476,945	98.6%	15,017,323	(540,378)	-3.6%
Intergovernmental Revenue	57,179,236	54,244,347	94.9%	52,904,534	1,339,813	2.5%
Licenses, Permits & Fees	2,037,000	2,029,196	99.6%	2,100,734	(71,538)	-3.4%
Charges For Services	42,255,770	41,770,274	98.9%	42,316,803	(546,529)	-1.3%
Fines & Forfeits	470,955	604,800	128.4%	572,018	32,781	5.7%
Investment Income	1,818,245	6,529,106	359.1%	5,612,876	916,230	16.3%
Other Financing Sources	21,279,000	20,874,842	98.1%	14,317,914	6,556,928	45.8%
Other Revenue	2,854,944	4,129,691	144.7%	2,627,257	1,502,434	57.2%
Reimbursements	337,000	921,131	273.3%	783,280	137,851	17.6%
Total Revenues	164,943,509	169,973,475	103.0%	162,181,195	7,792,280	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 January 2024 and later. Additionally, during December 2024, the Village received the following revenues from the State, which relate to a period prior to December 2024. These amounts are distributed after the State administrative fee deductions of \$10,724.

Revenues	Original Revenue Month	Revenue Recognition Month	Received by the Village	Amounts
State Sales Tax	Sep-24	Dec-24	Dec-24	3,055,141
Home Rule Sales Tax	Sep-24	Dec-24	Dec-24	646,475
Business District Tax	Sep-24	Dec-24	Dec-24	23,043
Auto Rental Tax	Sep-24	Dec-24	Dec-24	2,223
Telecom Tax	Sep-24	Dec-24	Dec-24	84,324
Total Revenues				\$ 3,811,207

The actual revenue recognized by the Village totaled \$169.9 million through December 2024, representing 103.0 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 \$19,469,004. The total property tax budget, including TIF increments, is \$22.0 million. The Village collected \$24.4 million in property taxes through December 2024. The property taxes are due in two installments, one in March and one in August. This year, the Village received its second installment on time from Cook County Treasurer's Office. Last year, the County significantly delayed the second installment. The collected property taxes include higher-than-expected TIF increments for the Prospect & Main TIF district. Also, the 2023 amount is after all the yearend adjustments including deferred revenue adjustments, while the same is still pending for the year 2024. Overall, reduction in the levy by 4.8 percent is the main reason for a decrease in property taxes.

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 December are reported in January or later. The YTD tax collection under this category totals \$14.5 million. Currently, the unadjusted amount shows a decrease of \$540,378 or 3.6 percent compared to last year's collection. With yearend adjustments and accruals, the amount to be reported under this category is expected to surpass last year's collection by 6% or more. The Village collected \$1,736,309 in Food & Beverage Taxes and \$1,016,083 in Real Estate Transfer Taxes through December 2024. The same was \$1,605,888 and \$956,954 last year, respectively. The Food & Beverage Tax reflects an increase of 8.1 percent over last year's collection, while the Real Estate Transfer Tax reflects an increase of 6.2 percent over last year's collection.

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 \$54.2 million in intergovernmental revenues through December 2024. The amount does not represent the total revenues to be recognized during the month, as significant revenues will be reported and collected after December 2024. The overall recognized revenues are trending higher by \$1.3 million, or 2.5 percent, compared to the amount recognized last year for the same period. The 2023 amount reflects the final audited amount while 2024 amount is unadjusted and subject to accruals and yearend adjustments. The State income tax revenue is recognized on a cash basis in the month of receipt and represents a 6.3 percent growth compared to the 2023 collections. The sales tax amount for 2024 represents sales tax from January to November 2024. The December sales tax revenue and data will be available in March 2025 and the yearend adjustments will be performed once received.

Major State Taxes	FY 2024	FY 2023	2024 vs. 2023	% Change
State Sales Tax	34,224,947	34,882,458	(657,511)	-1.9%
State Income Tax	9,654,627	9,080,365	574,262	6.3%
State Motor Fuel Tax	2,527,080	2,453,817	73,264	3.0%
State Use Tax	2,040,366	2,250,111	(209,746)	-9.3%
Video Gaming Tax	345,021	293,513	51,508	17.5%
Cannabis Education Fund	91,597	86,048	5,549	6.4%
Municipal Cannabis Tax	82,678	80,937	1,741	2.2%
Total	48,966,316	49,127,249	(160,933)	-0.3%

Licenses & Permits: The Village collected \$2.0 million in license and permit fees through December 2024. This amount is trending lower by \$71,538, or 3.4 percent, compared to last year's

collection. The overall collection represents 99.6 percent of the annual budget for the category.

Business Licenses & Permits	FY 2024	FY 2023	2024 vs. 2023	% Change
Liquor Licenses	194,500	182,519	11,981	6.6%
Business Licenses	162,263	152,824	9,439	6.2%
Contractor Licenses	135,200	119,400	15,800	13.2%
Gaming Terminal Fees	112,000	98,000	14,000	14.3%
Alarm Licenses	42,438	44,206	(1,769)	-4.0%
Elevator Licenses	26,555	26,410	145	0.5%
Utility Permit Fee	4,200	6,400	(2,200)	-34.4%
Gaming Applications	600	900	(300)	-33.3%
Total Business Licenses & Permits	677,756	630,660	47,096	7.5%
Nonbusiness Licenses & Permits				
Building Permit	1,009,009	1,021,541	(12,532)	-1.2%
Landlord/Rental Permit	322,301	312,103	10,198	3.3%
Village Impact Fees	20,130	136,160	(116,030)	-85.2%
Total Nonbusiness Licenses & Permits	1,351,440	1,469,804	(118,365)	-8.1%
Total Licenses & Permit Fees	2,029,196	2,100,464	(71,268)	-3.4%

Charges for Services: The Village collected \$41.8 million in charges for services through December 2024. The amount represents 98.9 percent of the annual budget for the category, and it is trending lower by \$546,529, or 1.3 percent, compared to last year's collection. The expected collection for the category was initially higher. However, due to timing issues with the ambulance billing fees, especially for the GEMT (Ground Emergency Medical Transport), the amount reported is significantly lower compared to the 2023 collection. This timing issue is expected to be resolved in the near future.

Investment Income: The Village earned \$6.5 million in investment income through December 2024, which represents 359.1 percent of the category's annual budget. The recognized revenue is trending higher by \$916,230 or 16.3 percent, compared to last year's amount.

Other Categories: All other revenue categories have collectively generated \$26.5 million through December 2024. The amount mainly includes \$604,800 in fines and forfeitures, \$4.1 million in other revenues, \$921,131 in reimbursements, and \$20.9 million in Other Finance Sources (inter-fund transfers and other misc. items). The Village executed various budgeted inter-fund transfers through December 2024 as below.

From	Transfer to	Amount
General Fund	Pension Stabilization Fund	2,000,000
General Fund	Economic Emergency Fund	6,500,000
General Fund	Debt Service Fund	2,140,000
General Fund	Debt Service Fund	31,000
General Fund	Capital Improvement Fund	2,868,000
General Fund	Flood Control Fund	265,000
General Fund	Street Construction Fund	2,000,000
General Fund	Water-Sewer Fund (Gravity Sewer)	900,000
General Fund	Water-Sewer Fund (Northwest Interconnect)	3,940,417
General Fund	Village Parking System	175,000
Total Transfers		\$ 20,819,417

c) Expenditures

The data below recaps the expenditures incurred through December 2024.

Departments	Amended Budget 2024	Actual Expenditure		Actual Expenditure YTD December 2023	Actual 2024 Vs. Actual 2023	
		YTD December 2024	% of Total Budget Used		% Change	
10 Public Representation	708,940	654,474	92.3%	561,712	92,762	16.5%
20 Village Administration	6,306,145	5,204,955	82.5%	4,978,390	226,566	4.6%
30 Finance	3,095,094	2,874,559	92.9%	3,481,118	(606,559)	-17.4%
40 Community Development	5,803,453	4,265,046	73.5%	5,180,817	(915,771)	-17.7%
50 Human Services	1,916,802	1,494,671	78.0%	1,397,171	97,501	7.0%
60 Police	25,168,755	24,044,570	95.5%	22,394,548	1,650,022	7.4%
70 Fire	25,949,331	22,285,062	85.9%	21,364,522	920,540	4.3%
80 Public Works	79,218,309	61,222,750	77.3%	44,370,783	16,851,967	38.0%
00 Non-Departmental	42,177,797	41,079,461	97.4%	33,726,318	7,353,143	21.8%
Total Expenditures	190,344,626	163,125,548	85.7%	137,455,379	25,670,169	18.7%

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.

Category	Amended Budget 2024	Actual Expenditure		Actual Expenditure YTD December 2023	Actual 2024 Vs. Actual 2023	
		YTD December 2024	% of Total Budget Used		% Change	
Personnel	61,997,706	59,320,453	95.7%	56,519,960	2,800,493	5.0%
Contractual Services	40,586,044	37,947,578	93.5%	37,664,407	283,171	0.8%
Commodities & Supplies	2,692,178	2,182,293	81.1%	2,100,835	81,457	3.9%
Capital Improvements	49,980,008	30,949,219	61.9%	12,451,184	18,498,035	148.6%
Debt Service	9,392,309	8,620,210	91.8%	8,694,849	(74,639)	-0.9%
Other Expenditures	25,696,381	24,105,796	93.8%	20,024,144	4,081,652	20.4%
Total Expenditures	190,344,626	163,125,548	85.7%	137,455,379	25,670,169	18.7%

Personnel Costs: The year-to-date expenditures for Personnel Costs, including benefits, are \$59.3 million, or 95.7 percent of the annual budget for the category. The amount is trending higher by \$2.8 million or 5 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 December 2024 totaled \$3.5 million, while at the same time last year, it totaled \$2.7 million. The Village is staffing the Fire Station 11 engine on an overtime basis. Additionally, an increased number of worker's compensation claims has resulted in higher overtime for the year. The above amount is before the yearend and audit adjustments. The yearend accruals and adjustments will increase the reported amount and will bring it close to 98% of the budget.

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 \$37.9 million in contractual services, equating to 93.5 percent of the annual budgeted amount for the category. The expenditure amount is trending higher by \$283,171 or 0.8 percent, mainly due to inflationary and timing issues.

Supplies: Through December 2024, the Village spent \$2.2 million on supplies, which totaled 81.1 percent of the annual budget. The commodities and supplies are on track as expected and marginally trending higher by \$81,457 or 3.9 percent, mainly due to inflationary adjustments.

Capital Improvements: The Village initially had \$36.0 million in approved capital improvement projects for

2024. In March 2024, the Village Board approved a budget amendment to carry over \$13.8 million in unfinished projects from 2023 to 2024. The Village has spent \$30.9 million on capital improvement projects through December 2024. The remaining budget amount is expected to be carried over to 2025 for unfinished projects and projects with timing issues.

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. The Village has paid \$8.6 million in debt service expenditures through December 2024.

Other Expenditure: The Other Expenditure category includes expenditures not categorized above. The budget for this category includes \$21.3 million in inter-fund transfers and \$4.4 million in other expenditures. The Village has incurred \$24.1 million in expenditures under this category through December 2024. The expenditures include \$20.8 million in inter-fund transfers and \$3.3 million in other expenditures.

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. The fund balance data is unaudited.

Items/Details	FY 2023	Q1-2024	Q2-2024	Q3-2024	Q4-2024*	Total 2024
Revenues - Unaudited	82,613,435	15,388,050	16,837,235	23,829,967	27,136,428	83,191,680
Expenses - Unaudited	(78,299,452)	(17,405,144)	(14,280,967)	(27,818,540)	(27,606,060)	(87,110,712)
Net Monthly Surplus/(Deficit)	4,313,983	(2,017,095)	2,556,268	(3,988,574)	(469,632)	(3,919,032)
Ending Unrestricted Reserves	43,700,864	41,683,769	44,240,037	40,251,463	39,781,832	39,781,832
As % of General Fund Budget	48%	45%	48%	44%	43%	43%
Unencumbered Cash Balance	32,347,539	41,683,769	44,240,037	40,251,463	33,623,569	33,623,569
As % of General Fund Budget	35%	45%	48%	44%	37%	37%

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

The above fund balance analysis is not audited and is subject to change. As of December 31, 2024, the unrestricted fund balance is estimated at \$39.7 million, which equates to 43 percent of the annual budget. Not all revenues and expenditures for the fiscal period are recognized, and the above amount will change as and when yearend accruals and adjustments are added. The yearend accruals and adjustments will further improve the ending unrestricted fund balance. The year-to-date financial activities have resulted in a deficit of \$3.9 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.

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

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interest income of \$51,513 during December 2024. As of December 31, 2024, the Economic Emergency Fund reported an ending fund balance of \$13.7 million, which comprises \$13.0 million in Village Contributions from the General Fund and \$691,635 in interest income.

Economic Emergency Fund	Q2-2023	Q3-2023	Q4-2023	Q1-2024	Q2-2024	Q3-2024	Q4-2024	Total (Since Inception)
Funding from the General Fund	6,500,000	-	-	-	-	6,500,000	-	13,000,000
Interest Income	21,524	85,792	88,374	87,879	88,401	159,128	160,536	691,635
	6,521,524	85,792	88,374	87,879	88,401	6,659,128	160,536	13,691,635
Expenditures	-	-	-	-	-	-	-	-
Net Monthly Surplus/Deficit	6,521,524	85,792	88,374	87,879	88,401	6,659,128	160,536	13,691,635
Beginning Fund Balance	-	6,521,524	6,607,316	6,695,690	6,783,570	6,871,970	13,531,098	-
Ending Fund Balance	6,521,524	6,607,316	6,695,690	6,783,570	6,871,970	13,531,098	13,691,635	13,691,635

e) Other Items:

- a. During December 2024, the Village issued 70 real estate transfer tax stamps, of which 36 were exempt and 34 were non-exempt. During the month under review, the Village collected \$48,639 in real estate transfer taxes. The average selling price for real estate was \$476,802. At the same time last year (December 2023), the Village sold 85 transfer tax stamps, of which 40 were exempt and 45 were non-exempt. In the same month last year, the Village collected real estate transfer tax totaling \$67,512, and the average selling price was \$500,024.

Respectfully Submitted,
Amit Thakkar
Director of Finance