VILLAGE OF MOUNT PROSPECT

MONTHLY FINANCIAL REPORT

October 31, 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: DECEMBER 8, 2025

SUBJECT: MONTHLY FINANCIAL REPORT FOR THE MONTH OF OCTOBER 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 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 October 1, 2025, the beginning cash and cash equivalents totaled $112.1 million. During the month, the Village collected cash receipts totaling $10.4 million. The investment income for the month totaled $580,338. The monthly payroll cost was $2.0 million, and accounts payable were paid in the amount of $11.3 million. The inter-fund activity decreased the cash position by $24,762, while other disbursements totaled $26,903. During the month, investments totaling $5.0 million matured and the Village invested $11.3 million in the new investments. As of October 31, 2025, the Village's Cash and Cash Equivalents totaled $103.4 million.

GOVERNMENTAL AND ENTERPRISE FUNDS

	Cash and Cash Equivalents	Investments	Total Cash and Investments
Balance at Ocotober 1, 2025	$ 112,067,537	$ 26,343,527	$ 138,411,063
Cash receipts	$ 10,418,045	$ -	10,418,045
Investment income	$ 580,338	$ 47,150	627,488
Transfers from investments to cash	$ 5,000,000	$ (5,000,000)	-
Transfers to investments from cash	$ (11,276,011)	$ 11,276,011	-
Interfund activity	$ (24,762)	$ -	(24,762)
Disbursements:			
Accounts payable	$ (11,318,116)	$ -	(11,318,116)
Payroll	$ (1,979,668)	$ -	(1,979,668)
Other	$ (26,903)	$ -	(26,903)
Balance at October 31, 2025	$ 103,440,458	$ 32,666,688	$ 136,107,147

As of October 31, 2025, the Village has $32.7 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 $136.1 million as of October 31 2025.

The table below summarizes the cash, cash equivalents, and investments by fund type as of October 31, 2025.

Fund Details		Amount
General Fund	$	55,772,853
Special Revenue Funds		21,648,413
Debt Service Funds		1,872,705
Capital Projects Funds		19,125,286
Enterprise Funds		18,663,876
Internal Service Funds		19,024,014
Total Cash and Cash Equivalents	$	136,107,147

In addition to the funds summarized above, the Village of Mount Prospect has $1,382,834 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 October 2025.

Revenue Category	Budget 2025	Actual YTD Oct 2025	% of Annual Budget	Actual YTD Oct 2024	Actual YTD 2025 vs.Actual YTD 2024	% Change
Property Taxes	24,813,627	13,246,783	53.4%	24,314,774	(11,067,991)	-45.5%
Other Taxes	15,554,350	11,020,445	70.9%	10,076,348	944,096	9.4%
Intergovernmental Revenue	54,857,954	38,197,590	69.6%	34,408,814	3,788,775	11.0%
Licenses, Permits & Fees	1,912,000	1,518,437	79.4%	1,965,463	(447,026)	-22.7%
Charges For Services	47,342,301	40,722,470	86.0%	34,958,337	5,764,132	16.5%
Fines & Forfeits	608,500	504,830	83.0%	469,633	35,198	7.5%
Investment Income	3,933,700	4,629,196	117.7%	5,617,654	(988,458)	-17.6%
Other Financing Sources	16,449,433	2,139,177	13.0%	8,509,559	(6,370,382)	-74.9%
Other Revenue	3,085,500	2,325,311	75.4%	3,472,188	(1,146,877)	-33.0%
Reimbursements	1,086,500	1,798,187	165.5%	760,717	1,037,469	136.4%
Total Revenues	**169,643,865**	**116,102,426**	**68.4%**	**124,553,489**	**(8,451,063)**	**-6.8%**

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 November 2025 and later. Additionally, during October 2025, the Village received the following revenues from the State, which relate to a period prior to October 2025. These amounts are distributed after the State administrative fee deduction of $12,745.

Revenues	Original Revenue Month	Revenue Recognition Month	Received by the Village	Amounts
State Sales Tax	Jul-25	Oct-25	Oct-25	3,835,423
Home Rule Sales Tax	Jul-25	Oct-25	Oct-25	772,099
Business District Tax	Jul-25	Oct-25	Oct-25	31,350
Auto Rental Tax	Jul-25	Oct-25	Oct-25	2,293
Telecom Tax	Jul-25	Oct-25	Oct-25	72,871
Total Revenues				**$4,714,037**

The actual revenue recognized by the Village totaled $116.1 million through October 2025, representing 68.4 percent of the annual budget. The overall recognized revenues are trending lower compared to the 2024 collection for the same period, due to timing issues with property taxes and interfund transfers.

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 $13.2 million in property taxes through October 2025. The property taxes are due in two installments: one in March and one in August. The Village received the first installment of the property taxes during March 2025. Due to the implementation of a new property tax ERP system, the second installment of property taxes is delayed significantly and the same has resulted in an overall reduced collection of property taxes by $11.1 million compared to 2024. The Village is expected to collect its full levy before the end of the current fiscal year.

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 October are reported in November or later. The YTD tax collection under this category totals $11.0 million and it represents 70.9 percent of the annual budget. The reported collection is higher by $944,096 or 9.4 percent compared to the previous year's collection. The reported amount for 2025 mainly includes $5.0 million in home-rule sales tax, $2.0 million in utility taxes, $3.5 million in use taxes, and $470,715 in other misc. taxes. The use tax includes $1.4 million in food & beverage tax, $1.0 million in real estate transfer tax, $559,981 in municipal motor-fuel tax, and $521,722 in other local taxes. The home-rule sales tax reflects a 18.0 percent increase over the 2024 collection for the same period. Due to recent changes in the law, out-of-state businesses selling items in the State of Illinois are now required to pay destination-based sales tax and the same has resulted in a higher amount of home-rule sales tax collections.

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 $38.2 million in intergovernmental revenues through October 2025. The amount does not represent the total revenues to be recognized during the month, as significant revenues will be reported and collected after October 2025. The overall recognized revenues are trending higher by $3.8 million, or 11.0 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 6.3 percent growth compared to the 2024 collections. The sales tax amount for 2025 represents sales tax from January to July 2025, collected through October 2025 (with a three-month lag). The data in the table below represents major intergovernmental revenue line items. Please note that the table reports only selected major items under the category of intergovernmental revenues.

Major State Taxes	Actual YTD Oct 2025	Actual YTD Oct 2024	Actual YTD 2025 vs. Actual YTD 2024	% Change
002 - State Income Tax	9,051,396	8,518,888	532,508	6.3%
003 - State Motor Fuel Tax	1,927,188	1,865,708	61,479	3.3%
004 - State Sales Tax	24,047,814	21,049,418	2,998,396	14.2%
005 - State Use Tax	701,987	1,591,259	(889,272)	-55.9%
006 - Video Gaming Tax	293,799	252,209	41,590	16.5%
007 - Cannabis Education Fund	65,791	69,474	(3,683)	-5.3%
008 - Municipal Cannabis Tax	45,824	52,380	(6,556)	-12.5%
Total State Taxes	**36,133,797**	**33,399,335**	**2,734,462**	**8.2%**

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 $1,518,437 in license and permit fees through October 2025. This amount is trending lower by $447,026, or 22.7 percent, compared to last year's collection. The overall collection represents 79.4 percent of the annual budget for the category.

Business Licenses & Permits	Actual YTD Oct 2025	Actual YTD Oct 2024	Actual YTD 2025 vs. Actual YTD 2024	% Change
409 - Business Licenses & Permits	679,384	676,331	3,053	0.5%
410 - Nonbusiness Licenses & Permits	839,053	1,289,132	(450,079)	-34.9%
Total Business Licenses & Permits	**1,518,437**	**1,965,463**	**(447,026)**	**-22.7%**

Charges for Services: The Village collected $40.7 million in charges for services through October 2025. The amount represents 86.0 percent of the annual budget for the category, and it is trending higher by $5.7 million, or 16.5 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 $4.6 million in investment income through October 2025, which represents 117.7 percent of the category's annual budget. The recognized revenue is trending lower by $988,458 or 17.6 percent, compared to last year's amount, mainly due to several rate reductions and timing issues (i.e. different maturity dates beyond October 2025).

Other Categories: All other revenue categories collectively generated $6.8 million through October 2025. The amount mainly includes $504,830 in fines and forfeitures, $2.3 million in other revenues, $2.1 million in other financing sources, and $1.8 million in reimbursements.

c) **Expenditure**

The data below recaps the expenditures incurred through October 2025.

Departments	Budget 2025	Actual YTD Oct 2025	% of Annual Budget	Actual YTD Oct 2024	Actual YTD 2025 vs. Actual YTD 2024	% Change
10 Public Representation	779,620	619,689	79.5%	554,004	65,685	11.9%
20 Village Administration	6,687,309	4,561,562	68.2%	4,148,344	413,219	10.0%
30 Finance	3,299,072	1,814,135	55.0%	2,395,893	(581,758)	-24.3%
40 Community Development	15,553,291	11,873,076	76.3%	3,394,250	8,478,826	249.8%
50 Human Services	1,785,465	1,440,610	80.7%	1,227,287	213,322	17.4%
60 Police	28,215,092	21,075,380	74.7%	20,703,754	371,626	1.8%
70 Fire	27,373,238	18,441,762	67.4%	19,227,626	(785,864)	-4.1%
80 Public Works	75,412,437	47,201,241	62.6%	50,392,372	(3,191,131)	-6.3%
00 ND	37,641,104	14,201,245	37.7%	21,031,029	(6,829,784)	-32.5%
Total Expenditures	**196,746,627**	**121,228,700**	**61.6%**	**123,074,559**	**(1,845,859)**	**-1.5%**

The above amounts do not include the expenditure 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 Oct 2025	% of Annual Budget	Actual YTD Oct 2024	Actual YTD 2025 vs.Actual YTD 2024	% Change
Personnel	64,699,724	47,994,481	74.2%	50,625,310	(2,630,829)	-5.2%
Contractual Services	44,256,215	33,871,489	76.5%	31,539,757	2,331,731	7.4%
Commodities & Supplies	2,825,230	1,884,568	66.7%	1,811,671	72,897	4.0%
Capital Improvements	45,343,608	23,643,395	52.1%	25,246,000	(1,602,605)	-6.3%
Debt Service	9,735,249	2,819,398	29.0%	2,557,610	261,788	10.2%
Other Expenditures	13,437,168	9,015,369	67.1%	2,794,211	6,221,158	222.6%
Interfund Transfers	16,449,433	2,000,000	12.2%	8,500,000	(6,500,000)	-76.5%
Total Expenditures	**196,746,627**	**121,228,700**	**61.6%**	**123,074,559**	**(1,845,859)**	**-1.5%**

Personnel Costs: The year-to-date expenditure for Personnel Costs, including benefits, is $48.0 million, or 74.2 percent of the annual budget for the category. The amount is trending lower by $2.6 million, or 5.2 percent compared to last year's amount, mainly due to delayed pension contributions resulting from delayed second installment of property taxes. The overtime expense through October 2025 totaled $2.6 million, marginally trending lower compared to the last year's amount of $2.7 million.

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 $33.9 million in contractual services, equating to 76.5 percent of the annual budgeted amount for the category. The expenditure amount is trending higher by $2.3 million or 7.4 percent, mainly due to the inflationary and timing issues.

Supplies: Through October 2025, the Village spent $1.9 million on supplies, which totaled 66.7 percent of the annual budget. The commodities and supplies are trending marginally higher by $72,897 or 4.0 percent.

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 budget was further amended and the total budget for the category is currently at $45.3 million. The Village has spent $23.6 million for capital improvement projects through October 2025. The Village is concluding many yearly projects at this time and will be reporting those projects in November and December.

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 paid its debt service payments in May 2025 (due on June 1, 2025) totaling $2.2 million. Besides that, the developer's note (Randhurst Mall) has an accrued interest of $0.6 million through October 2025.

Other Expenditure: This category includes a budget of $13.4 million and includes various risk management items as well as the TIF incentive amounts to be shared per the redevelopment agreements. The Village recently approved a budget amendment (in July 2025) for acquiring the 111 E Busse property. This budget amendment is reflected in the above numbers. The Village has spent $5.0 million for the 111 E Busse acquisition and $4.0 in other expenditures.

Interfund Transfers: The amount represents various interfund transfers budgeted from the General Fund ($15,749,433) and from the Elk Grove Rural Special Service Area Fund ($1,000,000). The Village executed interfund transfers totaling $2.0 million in July. These transfers were made from the General Fund to the Pension Stabilization Fund, to support the public safety pension abatements. The remaining transfers are expected to be executed in December 2025.

d) Fund Balance Analysis:

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	Q1-2025	Q2-2025	Q3-2025	Oct-25	YTD 2025
Revenues - Unaudited	90,532,896	15,232,119	18,588,508	16,499,457	6,419,237	6,419,237
Expenses - Unaudited	(87,415,097)	(18,337,275)	(15,119,549)	(18,663,990)	(4,866,755)	(4,866,755)
Net Monthly Surplus/(Deficit)	**3,117,799**	**(3,105,156)**	**3,468,959**	**(2,164,532)**	**1,552,482**	**1,552,482**
Ending Unrestricted Reserves	**46,348,799**	**43,243,643**	**46,712,602**	**44,548,070**	**46,100,552**	**46,100,552**
As % of General Fund Budget	54.0%	50.4%	54.5%	51.9%	53.8%	53.8%
Unencumbered Cash Balance	**(8,498,623)**	**41,705,474**	**46,623,754**	**44,548,070**	**46,100,552**	**46,100,552**
As % of General Fund Budget	-9.9%	48.6%	54.4%	51.9%	53.8%	53.8%

* 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 October 31, 2025, the unrestricted fund balance is estimated at $46.1 million, which equates to 53.8 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 net surplus of $1.5 million. The unencumbered cash balance as of October 31, 2025, is $46.1 million, and it also represents 53.8 percent of the annual budget. The Village fund balance policy recommends maintaining a fund balance between 30 to 50 percent of the annual budget. The current fund balance is in compliance with the fund balance policy.

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 $49,568 during October 2025. As of October 31, 2025, the Economic Emergency Fund reported an ending fund balance of $14,181,815, which comprises $13.0 million in Village Contributions from the General Fund and $1,181,815 in Investment Income.

Economic Emergency Fund	FY 2023	FY 2024	Q1-2025	Q2-2025	Q3-2025	Oct-25	Total Since Inception
Village Contribution	6,500,000	6,500,000	-	-	-	-	13,000,000
Investment Income	195,690	495,944	118,134	172,874	149,604	49,568	1,181,815
Net Monthly Surplus/Deficit	**6,695,690**	**6,995,944**	**118,134**	**172,874**	**149,604**	**49,568**	**14,181,815**
Beginning Fund Balance	**-**	**6,695,690**	**13,691,634**	**13,809,768**	**13,982,643**	**14,132,246**	**-**
Ending Fund Balance	**6,695,690**	**13,691,634**	**13,809,768**	**13,982,643**	**14,132,246**	**14,181,815**	**14,181,815**

e) **Other Items:**

a. During October 2025, the Village issued 99 real estate transfer tax stamps, of which 48 were exempt and 51 were non-exempt. During the month under review, the Village collected $61,728 in real estate transfer taxes. The average real estate selling price was $403,414. At the same time last year (October 2024), the Village sold 89 transfer tax stamps, of which 39 were exempt and 50 were non-exempt. In the same month last year, the Village collected real estate transfer tax totaling $62,436, and the average selling price was $416,191.

Respectfully Submitted,
Amit Thakkar
Director of Finance