



VILLAGE OF MOUNT PROSPECT
MONTHLY FINANCIAL REPORT

May 31, 2026

Prepared By

Amit Thakkar, CPA
Director of Finance

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

FROM: AMIT THAKKAR, DIRECTOR OF FINANCE

DATE: JULY 15, 2026

SUBJECT: YEAR TO DATE FINANCIAL REPORT – MAY 2026

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. Normally, this report is prepared for each month. Normally, this report is prepared monthly. However, due to delayed data from Cook County, the monthly reports were delayed, and this report summarizes activities from January 2026 to April 2026 (where possible).

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 May 1, 2026, the beginning cash and cash equivalents totaled \$126.5 million. During the month under review, the Village collected cash receipts totaling \$11.2 million. The investment income for the month totaled \$365,443. The payroll cost for the month was \$1.9 million, and accounts payable were paid in the amount of \$8.2 million. The inter-fund activity increased the cash position by \$1,943, while other disbursements totaled \$22,692. As of May 31, 2026, the Village's Cash and Cash Equivalents totaled \$127.9 million.

GOVERNMENTAL AND ENTERPRISE FUNDS

	Cash and Cash Equivalents	Investments	Total Cash and Investments
Balance at May 1, 2026	\$ 126,468,314	\$ 20,314,605	\$ 146,782,919
Cash receipts	\$ 11,244,211	\$ -	11,244,211
Investment income	\$ 365,443	\$ 28,456	393,899
Transfers from investments to cash	\$ -	\$ -	-
Transfers to investments from cash	\$ -	\$ -	-
Interfund activity	\$ 1,943	\$ -	1,943
Disbursements:			
Accounts payable	\$ (8,165,792)	\$ -	(8,165,792)
Payroll	\$ (1,946,227)	\$ -	(1,946,227)
Other	\$ (22,692)	\$ -	(22,692)
Balance at May 31, 2026	<u>\$ 127,945,201</u>	<u>\$ 20,343,061</u>	<u>\$ 148,288,262</u>

As of May 31, 2026, the Village had \$20.3 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 \$148.3 million as of May 31, 2026.

The table below summarizes the cash, cash equivalents, and investments by fund type as of May 31, 2026.

Fund Details	Amount
General Fund	\$ 55,382,872
Special Revenue Funds	33,508,377
Debt Service Funds	1,281,936
Capital Projects Funds	21,752,828
Enterprise Funds	18,246,621
Internal Service Funds	18,115,628
Total Cash and Cash Equivalents	\$ 148,288,262

In addition to the funds summarized above, the Village of Mount Prospect has \$1,344,996 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 May 2026.

Revenue Category	Budget 2026	Actual YTD May 2026	% of Annual Budget	Actual YTD		
				Actual YTD May 2025	2026 vs. Actual YTD 2025	% Change
Property Taxes	25,537,577	6,639,038	26.0%	12,894,729	(6,255,691)	-48.5%
Other Taxes	17,194,500	4,651,622	27.1%	3,858,609	793,013	20.6%
Intergovernmental Revenue	76,740,509	14,865,890	19.4%	14,405,205	460,685	3.2%
Licenses, Permits & Fees	2,059,752	1,134,796	55.1%	821,041	313,755	38.2%
Charges For Services	49,996,827	20,308,668	40.6%	20,477,945	(169,277)	-0.8%
Fines & Forfeits	541,250	265,926	49.1%	240,747	25,179	10.5%
Investment Income	3,257,800	2,158,620	66.3%	2,170,390	(11,770)	-0.5%
Other Financing Sources	8,751,000	30,700	0.4%	62,652	(31,952)	-51.0%
Other Revenue	2,947,168	1,345,330	45.6%	1,165,395	179,934	15.4%
Reimbursements	730,800	242,361	33.2%	1,450,678	(1,208,316)	-83.3%
Total Revenues	187,757,183	51,642,952	27.5%	57,547,392	(5,904,440)	-10.3%

The above amounts do not represent all 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 June 2026 and later. Additionally, during May 2026, the Village received the following revenues from the State, which relate to a period prior to April 2026. These amounts are distributed after the State administrative fee deduction of \$12,112.

Revenues	Original Revenue Month	Revenue Recognition Month	Received by the Village	Amounts
State Sales Tax	Feb-26	May-26	May-26	3,800,488
Home Rule Sales Tax	Feb-26	May-26	May-26	734,106
Business District Tax	Feb-26	May-26	May-26	23,137
Auto Rental Tax	Feb-26	May-26	May-26	4,004
Telecom Tax	Feb-26	May-26	May-26	78,632
Total Revenues				\$4,640,367

The actual revenue recognized by the Village totaled \$51.6 million through May 2026, representing 27.5 percent of the annual budget. The overall recognized revenues are trending lower compared to the 2025 collection for the same period, due to timing issues with property taxes.

Property Taxes: The Village's total levy for the year is \$18,235,179. The total property tax budget, including TIF increments, is \$25.5 million. The Village collected \$6.6 million in property taxes through May 2026. Normally, the property taxes are due in two installments: one in March and one in August. Due to technological delays from Cook County, the first installment due date was pushed from March 1, 2026, to April 1, 2026. This delay has resulted in a lower recognition of the property tax revenues for the Village. The Village is hopeful of collecting its budgeted levy for the year.

Other Taxes: The category of Other Taxes includes all 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 local economic activities for May 2026 are reported in June 2026 or later. The YTD tax collection under this category totals \$4.65 million and it represents 27.1 percent of the annual budget. The reported collection is higher by \$793,013, or 20.6 percent compared to the previous year's collection. The reported amount for 2026 mainly includes \$1.4 million in home-rule sales tax, \$849,263 in utility taxes, \$2.2 million in use taxes, and \$176,748 in other misc. items. The use tax includes \$596,234 in food & beverage tax, \$915,483 in real estate transfer tax, \$242,699 in municipal motor-fuel tax, \$353,568 in grocery taxes, and \$105,539 in other local taxes. The grocery tax collection has outperformed the initial estimates by 100%. The home-rule sales tax reflects a 12.5 percent increase over the 2025 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 \$13.7 million in intergovernmental revenues through May 2026. This amount does not represent the total revenues to be recognized during the month, as significant revenues will be reported and collected after May 2026. The overall recognized revenues are trending higher by \$460,685, or 3.2 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 2.9 percent growth compared to the 2025 collections. The sales tax amount for 2026 represents a 14.9 percent growth. 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	Actual YTD	Actual YTD	
	May 2026	May 2025	2026 vs. Actual	
			YTD 2025	% Change
002 - State Income Tax	5,359,502	5,208,424	151,079	2.9%
003 - State Motor Fuel Tax	836,799	824,509	12,290	1.5%
004 - State Sales Tax	7,201,026	6,269,092	931,934	14.9%
005 - State Use Tax	158,197	469,773	(311,577)	-66.3%
006 - Video Gaming Tax	131,230	126,089	5,141	4.1%
007 - Cannabis Education Fund	30,438	29,271	1,167	4.0%
008 - Municipal Cannabis Tax	6,448	13,851	(7,403)	-53.4%
Total State Taxes	13,723,640	12,941,009	782,632	6.0%

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. This change has resulted in a reduction of \$611,577 in the use tax collections.

Licenses & Permits: The Village collected \$1,134,796 in license and permit fees through May 2026. This amount is trending higher by \$313,755, or 38.2 percent, compared to last year's collection. The overall collection represents 55.1 percent of the annual budget for the category.

Business Licenses & Permits	Actual YTD May 2026	Actual YTD May 2025	Actual YTD 2026 vs. Actual	
			YTD 2025	% Change
409 - Business Licenses & Permits	613,161	594,532	18,629	3.1%
410 - Nonbusiness Licenses & Permits	521,636	226,509	295,126	130.3%
Total Business Licenses & Permits	1,134,796	821,041	313,755	38.2%

Charges for Services: The Village collected \$20.3 million in charges for services through May 2026. The amount represents 40.6 percent of the annual budget for the category, and it is trailing behind by \$169,277, or 0.8 percent, compared to last year's collection.

Investment Income: The Village earned \$2.2 million in investment income through May 2026, which represents 66.3 percent of the category's annual budget. The recognized amount is lower by \$11,770 or 0.5 percent compared to last year's recognition.

Other Categories: All other revenue categories collectively generated \$1.9 million through May 2026. The amount mainly includes \$265,926 in fines and forfeitures, \$1.3 million in other revenues, \$30,700 in other financing sources, and \$242,361 in reimbursements.

c) **Expenditure**

The data below recaps the expenditures incurred through May 2026

Departments	Budget 2026	Actual YTD May 2026	% of Annual Budget	Actual YTD 2026 vs. Actual		
				Actual YTD May 2025	YTD 2025	% Change
10 Public Representation	799,407	243,072	30.4%	187,560	55,512	29.6%
20 Village Administration	6,419,190	2,073,489	32.3%	2,276,444	(202,955)	-8.9%
30 Finance	3,351,906	1,173,774	35.0%	813,509	360,265	44.3%
40 Community Development	10,057,070	1,710,089	17.0%	6,778,868	(5,068,779)	-74.8%
50 Human Services	1,741,760	633,357	36.4%	675,288	(41,931)	-6.2%
60 Police	29,388,096	8,281,065	28.2%	10,549,319	(2,268,254)	-21.5%
70 Fire	28,252,534	9,117,523	32.3%	9,053,056	64,467	0.7%
80 Public Works	96,651,267	20,556,788	21.3%	15,156,545	5,400,243	35.6%
00 ND	32,412,464	7,666,985	23.7%	7,228,857	438,128	6.1%
Total Expenditures	209,073,695	51,456,143	24.6%	52,719,446	(1,263,303)	-2.4%

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 2026	Actual YTD May 2026	% of Annual Budget	Actual YTD		
				Actual YTD May 2025	2026 vs. Actual YTD 2025	% Change
Personnel	68,532,427	20,215,811	29.5%	23,828,959	(3,613,148)	-15.2%
Contractual Services	45,942,554	17,112,484	37.2%	16,857,782	254,701	1.5%
Commodities & Supplies	2,966,760	1,139,711	38.4%	924,802	214,909	23.2%
Capital Improvements	62,164,468	8,425,505	13.6%	4,020,218	4,405,287	109.6%
Debt Service	9,825,819	1,779,073	18.1%	1,862,249	(83,175)	-4.5%
Other Expenditures	10,890,667	2,783,559	25.6%	5,225,436	(2,441,876)	-46.7%
Interfund Transfers	8,751,000	-	0.0%	-	-	++
Total Expenditures	209,073,695	51,456,143	24.6%	52,719,446	(1,263,303)	-2.4%

Personnel Costs: The year-to-date expenditure on Personnel Costs, including benefits, is \$20.2 million, or 29.5 percent of the annual budget for the category. The amount is trailing lower by \$3.6 million, or 15.2 percent compared to last year's amount, mainly due to lower pension contributions resulted from delayed pension levy (property taxes) collections. The overtime expense through May 2026 totaled \$1,051,961, an increase of \$26,175 compared to last year's overtime expense of \$1,025,787.

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 \$17.1 million in contractual services, equating to 37.2 percent of the annual budgeted amount for the category. The expenditure amount is trending higher by \$254,701 or 1.5 percent, mainly due to inflationary and timing issues.

Supplies: Through May 2026, the Village spent \$1.1 million on supplies, which totaled 38.4 percent of the annual budget. The commodities and supplies are trending higher by \$214,909 or 23.2 percent, mainly due to increased gas and salt prices.

Capital Improvements: The Village initially had \$51.1 million in approved capital improvement projects for 2026. In March 2026, the Village Board approved a budget amendment to carry over \$11.8 million in unfinished projects from 2025 to 2026. With a few other amendments, the total budget for the category is set at \$62.2 million for the year. The Village has spent \$8.4 million for capital improvement projects through May 2026. Many projects starts in spring and are concluded over the summer and fall.

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 paid interest due on bonds totaling \$1.8 million in May 2026, and the remaining debt service payments are due on December 1.

Other Expenditure: This category includes a budget of \$10.9 million and includes various risk management items as well as the TIF incentive amounts to be shared per the redevelopment agreements. To date, the Village has spent \$2.8 million under this category, representing 25.6 percent of the annual budget.

Interfund Transfers: The amount represents various interfund transfers budgeted from the General Fund (\$7,701,000) and from the Elk Grove Rural Special Service Area Fund (\$1,050,000). These transfers are expected to be carried out during Q3-2026.

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-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Total
Revenues - Unaudited	92,637,923	2,543,651	1,649,824	2,202,278	9,239,465	7,338,399	22,973,616
Expenses - Unaudited	(79,224,128)	(4,748,755)	(4,859,572)	(5,883,416)	(4,803,764)	(5,122,266)	(25,417,772)
Net Monthly Surplus/(Deficit)	13,413,795	(2,205,104)	(3,209,748)	(3,681,138)	4,435,701	2,216,132	(2,444,156)
Ending Unrestricted Reserves	54,762,593	52,557,489	49,347,741	45,666,603	50,102,305	52,318,437	52,318,437
As % of General Fund Budget	60.3%	57.9%	54.3%	50.3%	55.2%	57.6%	57.6%
Unencumbered Cash Balance	33,572,719	42,766,908	46,582,517	45,666,603	50,102,305	50,063,949	50,063,949
As % of General Fund Budget	37.0%	47.1%	51.3%	50.3%	55.2%	55.1%	55.1%

* 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 May 2026, the unrestricted fund balance is estimated at \$52.3 million, which equates to 57.6 percent of the annual budget. Not all revenues and expenditure for the fiscal period are recognized. The year-to-date financial activities have resulted in a net deficit of \$2.4 million. The unencumbered cash balance as of May 31, 2026, is \$50.1 million, and it represents 55.1 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. The above deficit of \$2.4 million represents timing issues with the property tax payments. Should the Village have received the property tax payments on time from Cook County, the above deficit would not have happened, and the fund balance would have been higher than mentioned above.

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. The initial 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 \$43,209 during May 2026. As of May 31, 2026, the Economic Emergency Fund reported an ending fund balance of \$14,481,455, which comprises \$13.0 million in Village Contributions from the General Fund and \$1,481,455 in Investment Income.

Economic Emergency Fund	FY 2023	FY 2024	FY 2025	Q1-2026	Apr-26	May-26	Total
Village Contribution	6,500,000	6,500,000	-	-	-	-	13,000,000
Investment Income	195,690	495,944	579,805	195,337	(28,530)	43,209	1,481,455
Net Monthly Surplus/Deficit	6,695,690	6,995,944	579,805	195,337	(28,530)	43,209	14,481,455
Beginning Fund Balance	-	6,695,690	13,691,634	14,271,439	14,466,776	14,438,246	-
Ending Fund Balance	6,695,690	13,691,634	14,271,439	14,466,776	14,438,246	14,481,455	14,481,455

e) **Other Items:**

Month	2026					2025				
	Exempt Stamp	Non-exempt Stamp	Total Transactions	Tax Collected	Average Selling Price	Exempt Stamp	Non-exempt Stamp	Total Transactions	Tax Collected	Average Selling Price
January	43	38	81	\$ 283,329	\$ 2,485,268	48	39	87	\$ 53,532	\$ 457,422
February	43	40	83	\$ 198,678	\$ 1,655,605	40	44	84	\$ 55,158	\$ 417,826
March	50	39	89	\$ 54,747	\$ 467,900	47	53	100	\$ 62,217	\$ 391,225
April	55	58	113	\$ 72,966	\$ 419,264	51	64	115	\$ 255,270	\$ 1,329,457
May	45	70	115	\$ 306,669	\$ 1,460,287	92	138	230	\$ 212,313	\$ 512,801
Total				\$ 916,389	\$ 1,297,665				\$ 638,490	\$ 621,746

During May 2026, the Village issued 115 real estate transfer tax stamps, of which 45 were exempt and 70 were non-exempt. During the month under review, the Village collected \$306,669 in real estate transfer taxes. The average real estate selling price was \$1,460,287 (which is inflated due to certain high-value commercial and multi-family property transactions). At the same time last year (May 2025), the Village sold 230 transfer tax stamps, of which 92 were exempt and 138 were non-exempt. In the same month last year, the Village collected real estate transfer tax totaling \$212,313, and the average selling price was \$512,801.

Respectfully Submitted,
Amit Thakkar
Director of Finance