

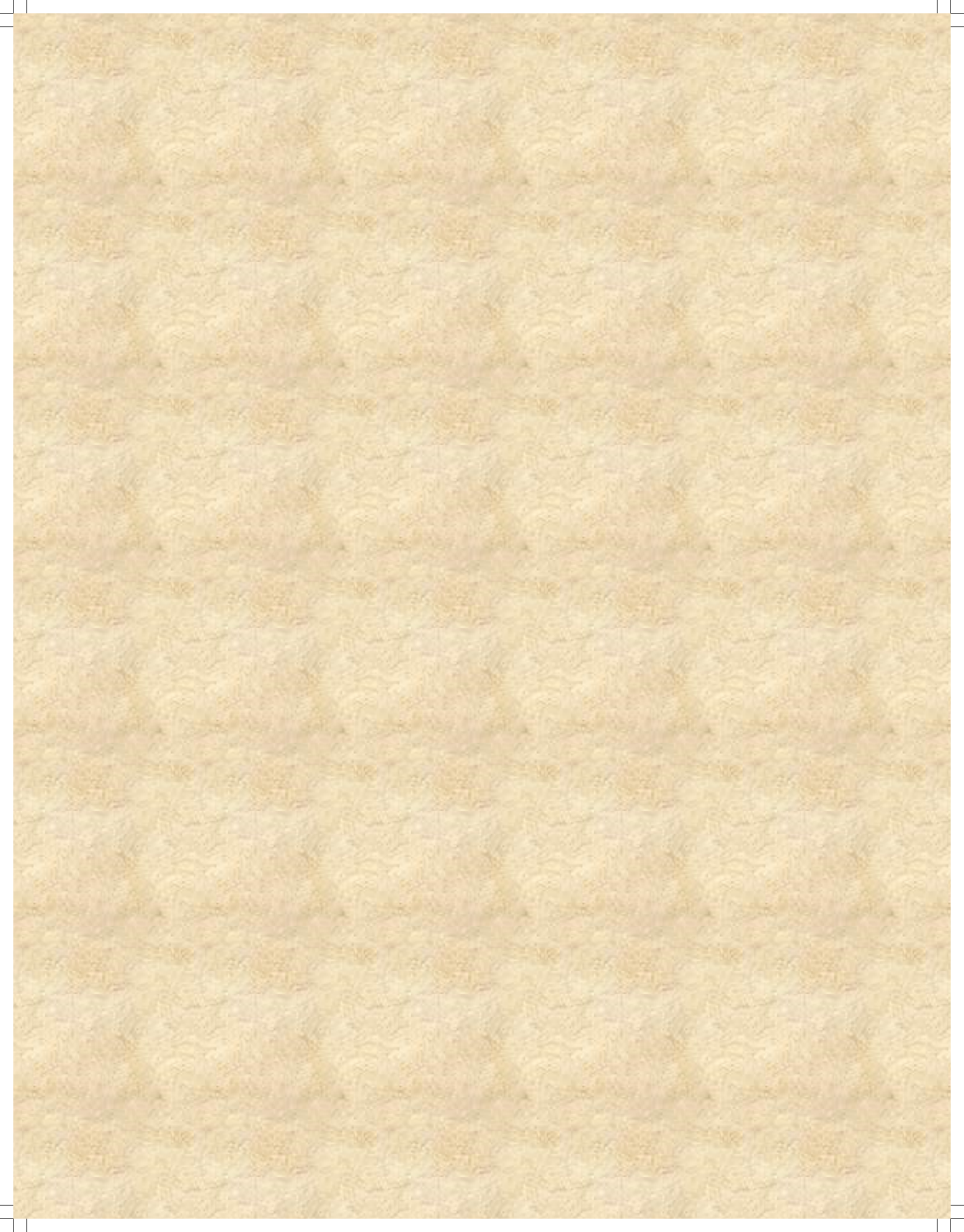
2019

VILLAGE OF
MOUNT PROSPECT, ILLINOIS



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2019



VILLAGE OF MOUNT PROSPECT, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
December 31, 2019

Prepared by: Finance Department

Amit Thakkar
Director of Finance
Jennifer Fitzgerald
Accounting Supervisor

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VILLAGE OF MOUNT PROSPECT, ILLINOIS

PRINCIPAL OFFICIALS

DECEMBER 31, 2019

MAYOR

Arlene A. Juracek

TRUSTEES

William A. Grossi

Richard F. Rogers

Eleni Hatzis

Colleen E. Saccotelli

Paul Wm. Hoefert

Michael A. Zadel

ADMINISTRATION

Michael J. Cassidy

Village Manager

Nellie S. Beckner

Assistant Village Manager

Karen Agoranos

Village Clerk

Amit Thakkar

Director of Finance/Treasurer

William J. Cooney, Jr.

Director of Community Development

William M. Schroeder

Director of Building and Inspection Services

Julie K. Kane

Director of Human Services

John A. Koziol

Police Chief

Brian Lambel

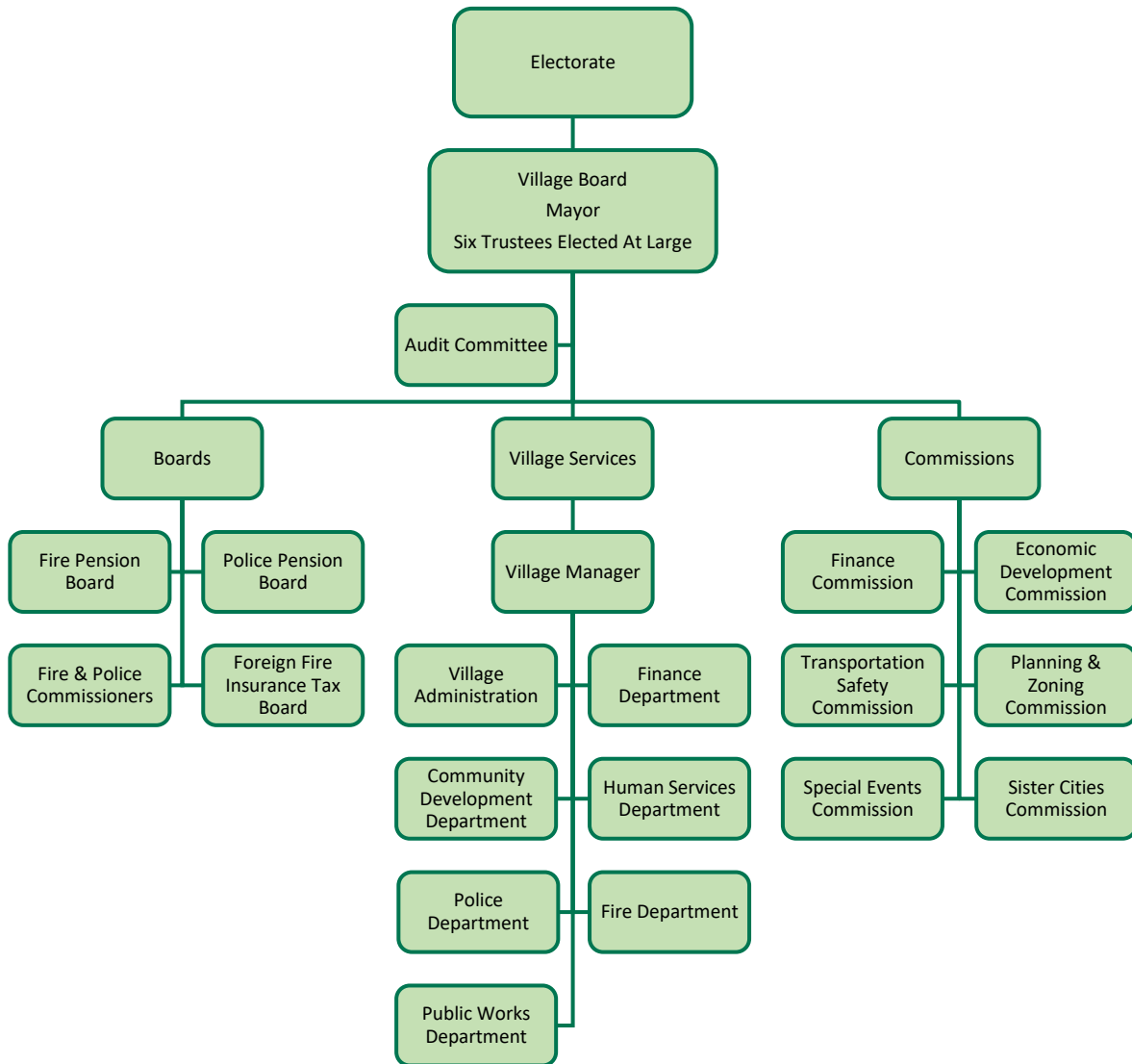
Fire Chief

Sean P. Dorsey

Director of Public Works

VILLAGE OF MOUNT PROSPECT, ILLINOIS

ORGANIZATIONAL STRUCTURE



The mission of Mount Prospect Village Government is to advance our community's collective quality of life and potential through adaptive leadership and leading-edge service delivery.

MAYOR

Arlene A. Juracek

TRUSTEES

William A. Grossi
Eleni Hatzis
Paul Wm. Hoefert
Richard F. Rogers
Colleen E. Saccotelli
Michael A. Zadel

VILLAGE MANAGER

Michael J. Cassidy

VILLAGE CLERK

Karen Agoranos

Phone: 847/392-6000

Fax: 847/392-6022

www.mountprospect.org



Village of Mount Prospect

50 South Emerson Street, Mount Prospect, Illinois 60056

June 26, 2020

The Honorable Arlene A. Juracek, Village President
Members of the Board of Trustees
Village Manager Michael J. Cassidy, and
Citizens of the Village of Mount Prospect, Illinois

The Comprehensive Annual Financial Report of the Village of Mount Prospect, Illinois for the fiscal year ended December 31, 2019 is submitted herewith. The report consists of management's representations concerning the finances of the Village of Mount Prospect. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Village.

To provide a reasonable basis for making these representations, management of the Village has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Village of Mount Prospect's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the Village's comprehensive framework on internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. The Village has implemented GASB Statement No. 34, Basic Financial Statements – and Management Discussion and Analysis - for state and local governments, including infrastructure reporting. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Village's financial statements have been audited by Sikich LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Village of Mount Prospect for the year ended December 31, 2019, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon their audit that there was a reasonable basis for rendering an unmodified opinion that the Village's financial statements for the fiscal year ended December 31, 2019 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Village's MD&A can be found immediately following the report of the independent auditors.

Profile of the Village of Mount Prospect

The Village of Mount Prospect, a home rule community as defined by the Illinois Constitution, was incorporated February 3, 1917 and is located 22 miles northwest from downtown Chicago in Cook County. The Village currently has land area of 10.8 square miles and a population of 54,167 (2010 Census).

The Village operates under the Council/Manager form of government. Policymaking and legislative authority are vested in the Village Board, which consists of a Mayor and six-member Board of Trustees. The Village Board is responsible for, among other things, passing ordinances, adopting the budget, appointing committee members and hiring the Village Manager. The Village Manager is responsible for carrying out the policies and ordinances of the Village Board, for overseeing the day-to-day operations of the Village, and for appointing the heads of the Village's departments. The Board is elected on a non-partisan basis. Board members are elected to four-year staggered terms with three Board members elected every two years. The Mayor is elected to a four-year term. The Mayor and Village Trustees are elected at large. The Village provides a full range of services including police, fire, public works (including water and sewer), human services, finance, community development and communication (television) services.

The annual budget serves as the foundation for the Village's financial planning and control. All departments of the Village are required to submit their budget requests to the Finance Director by mid-July each year. Revenue estimates are completed by the Finance Department in preparation for departmental budget reviews with the Village Manager and Finance Director in early August. Initial budget requests are compiled by the end of August. A proposed budget is prepared and delivered to the Village Board and Finance Commission at the end of September. The proposed budget is also made available for public inspection in the Village Clerk's Office, on the Village website and at the Mount Prospect Public Library. A series of workshops are held with members of the Village Board and Finance Commission in October and November. The Finance Commission also meets separately with staff in October. The Village Board is required to hold a public hearing on the proposed budget and to adopt a final budget no later than December 31st of each year, the close of the Village's previous budget year. The budget is prepared by fund and by department. Expense cost centers are created within departments giving a true picture of the cost of providing a particular service (e.g., Police Department Investigations). Budget amendments require approval of the Village Board. Budget-to-actual comparisons are provided for each individual governmental fund for which an appropriated annual budget has been adopted.

For the General Corporate Fund and major special revenue funds, this comparison is presented in the required supplementary information. For governmental funds, other than the General Corporate Fund and major special revenue funds, with appropriated annual budgets, this comparison is presented in the combining and individual fund finance statements and schedules subsection of this report.

Major Initiatives

The Village staff, following directives of the Village Board and the Village Manager, has been involved in a variety of projects throughout the year; projects which reflect initiatives found in the Village's Strategic Plan and commitment to ensuring its citizens are able to live and work in an enviable environment. Below is a list of the more significant accomplishments that address various goals identified for 2019.

- **Public Safety Building** – The construction of the new Police Headquarter at 799 Biermann Ct. and Fire Headquarter at 111 E. Rand Road was significantly completed during the year 2019. Both the facilities will be operating in early to mid-2020.
- **Levee 37 Plan** – The Village successfully secured \$1,300,000 in grant funding for the construction of storm water detention and associated storm mainline pipe upsizing in the Newton subdivision tributary to the Des Plaines River. The project has been approved in FY 2019 and is expected to be completed in FY 2020.
- **Maple Street Parking Deck** – The Village issued \$8.0 million bonds in 2019 for the development projects within the Prospect & Main TIF. \$7.0 million from the bond will be spent on the construction of Maple Street Parking Deck. The Parking deck will provide 268 spaces in the downtown area for commuters and retail use.
- **Sidewalk Policy & Program** – The Village successfully implemented various strategies to repair the sidewalks and have mitigated over 2,000 vertical offsets in the Village’s sidewalk network.
- **Street Lights Program** – The Village completed the conversion of 80 streetlights to LED fixture reducing energy usage on Central Road.
- **Busse Triangle Property Development & 10 N Main Development** –The development of 20 West and Park Terrace will bring 85 additional residential units in the downtown. The construction for 97 apartment units also began at 10 N Main in 2019. The Village is also about to acquire the properties for Phase II development of the Busse Triangle. The new acquisition will provide additional parking for increased retail activities.
- **Traffic Control on Major Corridors** – The Village completed the Phase I engineering for Rand Road/Central Road/Mount Prospect Road intersection. The Village also started the Phase I engineering for Rand Road/Kensington Road/Route 83 intersection.
- **Block 56** – The Village worked towards developing Block 56 including the old Police and Fire Headquarters. A preferred developer is identified and the relocation of the Chase Bank from Block 56 is in process. If developed, the project will be the largest project in the downtown in the recent times, with more than 220 residential units and some retail.
- **Business Attraction Strategy** – The Village implemented various business attraction strategies. To attract new restaurants, the Village approved a Gaming Ordinance in support of restaurateurs. As a part of the Village’s branding strategy, the branding and marketing plan is being implemented.

Refer to the Strategic Plan tab of the 2020 Annual Budget document for a complete listing of major initiatives and accomplishments.

All Departments continue to perform extremely well in delivering high quality services to our residents and business community. Initiatives included in the Village’s strategic plan have provided a focus for these services. The Village’s Annual Budget and Audit Documents were again recognized for their clarity and usability and Mount Prospect was recognized as Tree City U.S.A. for the 35th consecutive year.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Village operates.

Local economy. The Village continues to benefit from growth in the local economy. There are a number of factors that influence the economy of a specific community, and various measures are used to gauge the economic outlook. Perhaps four of the most objective measures are the level of retail sales, the employment level of the community, income levels in the community and building activity. In Illinois, sales taxes are allocated based upon

the point-of-sale, and accordingly represent the sales in the community. Total state sales tax receipts received during the calendar year ended December 31, 2019 were \$22,930,474 compared to \$22,294,944 for the previous year, an increase of 2.85 percent. The increase from the prior year is normal and inflationary in nature. The Village has seen an extraordinary growth in the sales tax revenue in the recent years and has retained all the growth in 2019. Since the Village's portion of sales tax receipts is based on a 1% tax rate, these receipts represent total retail sales of approximately \$2.30 billion for 2019. Due to the outbreak of the COVID-19, the Village is expected to see a marginal revenue loss in the Sales Tax revenues. The segment generating the most sales tax contains products with inelastic demand, which protects the Village's sales tax revenue. The Village will continue its efforts in the area of economic development and is optimistic to recover from the economic losses in the fiscal year 2020 and 2021.

The fiscal year 2019 was also the year for the triennial assessment. The Village is divided mainly between Elk Grove Township and Wheeling Township, and there is a small portion of the Village is within the jurisdiction of the Maine Township. The triennial assessment in the Elk Grove Township has increased on an average by 53 percent, while the same has increased by 31 percent in the Wheeling Township. The increases in the assessed value will restore the equalized assessed value of the Village back to its 2008-2009 level and is expected to be more than \$2.0 billion (subject to equalization factor issued by the Cook County).

Mount Prospect's average unemployment during 2019 was 2.7%. This was a decrease from the prior year of 20 basis points (2.9% in 2018). The average unemployment rate for the State of Illinois for 2019 was decreased 30 basis points from the prior year coming in at 4.0%. The rate for the U.S. decreased 6 basis points from 3.93% to 3.87%. Mount Prospect's median family income, \$73,652 as of July 1, 2019 (per the census.gov data), was 19% higher than the median for Cook County (\$62,088) and 16% higher than the median for the State of Illinois (\$63,575).

In a suburban setting where it is often difficult to distinguish the boundaries of one community from a neighboring community, the economic activity of the "region" is a major influence on the economies of the individual communities. The Village of Mount Prospect is located on the eastern edge of the "Golden Corridor" which extends along Interstate 90 from O'Hare Airport to Elgin, a stretch of approximately 25 miles. Along this corridor can be found the corporate headquarters of such corporations as United Airlines, Siemens Medical Solutions, Omron, Mazak and Zurich North America. The corridor is also home to regional headquarters for such corporations as AT&T and Siemens. The Corridor will continue to grow, as thousands of acres remain available for development on its far western edge.

Long-term financial planning. In 2003, the Village conducted its first long-range financial planning workshop. The workshop was held in response to the slowing economy and its impact to the Village's financial condition. The goal of the workshop was to put the Village's financial condition back on firm ground in such a manner as to not overburden residents and businesses from a tax standpoint or reduce the scope and quality of municipal services that would jeopardize the livability and curb appeal of the community. The goal of the workshop was accomplished through a series of revenue enhancements, budget cuts and the planned drawdown of fund balance. Subsequent workshops continued into 2019. During the 2019 workshop, financial status reports were provided for end-of-year results for 2018, updated projections for 2019 and a revised forecast for 2020.

Two additional tools have been developed in managing the long-range finances of the Village. The first is a Five-Year Community Investment Program that outlines the major capital expenditure/project initiatives of the Village over the next five years and identifies funding sources. Over the next five years (2020-2024), the Village has identified \$134.5 million in water and sewer, flood control, street, public building, equipment and other miscellaneous capital projects. The second is the Village Strategic Plan for 2020 completed in early 2019. The

strategic plan provides the mission, vision, and goals for vision attainment along with the strategic action plan of the organization. An implementation guide was developed in October 2019 using the goals identified in the Strategic Plan. This implementation guide provides the objectives, short-term challenges and opportunities, and action items to be taken for accomplishing the goals of the Village. Action items were prioritized as top or high priority by the Village Board and fall into three categories; Policy Agenda, Management Agenda and Management in Progress. The implementation guide is updated annually reflecting work completed and changing priorities. Funding of initiatives identified in the strategic plan will receive a higher priority during the budget process.

Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Mount Prospect for its comprehensive annual financial report for the year ended December 31, 2018. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR) whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The Village of Mount Prospect has received a Certificate of Achievement since 1983. It is believed that the current report continues to conform to the Certificate of Achievement program requirements, and will be submitted to GFOA for evaluation.

In addition, the Village of Mount Prospect also received the Government Finance Officers Association's Award for Distinguished Budget Presentation for its annual budget for the fiscal year beginning on January 1, 2019 and ending December 31, 2019. In order to qualify for the Distinguished Budget Presentation Award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. The Village of Mount Prospect has received this award each year since 1994. The Village is awaiting word as to whether it received the Budget Award for its 2020 Budget document.

Acknowledgements

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. I would like to express special appreciation to Jennifer Fitzgerald, Asst. to the Finance Director, Accountants Nancy Warnock, Rumiana Nihtianova and Terri Atenza, and our AP and Risk Coordinator Mike Grochocki who contributed greatly to its preparation. Additionally, I would like to acknowledge the Mayor, the Board of Trustees, the Finance Commission and Village Manager for their leadership and support in planning and conducting the financial affairs of the Village in a responsible and progressive manner.

Respectfully submitted,

Amit R. Thakkar
Amit Thakkar
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Village of Mount Prospect
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morrill

Executive Director/CEO

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor
Members of the Board of Trustees
Village of Mount Prospect, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Mount Prospect, Illinois (the Village) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Mount Prospect, Illinois, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

The Village adopted GASB Statement No. 83, *Certain Asset Retirement Obligations*, which established standards for measuring and recognizing liabilities, deferred outflows of resources, and expenses for asset retirement obligations; and modified certain disclosures in the notes to financial statements. The Village also adopted GASB Statement No. 84, *Fiduciary Activities*, which established standards for reporting fiduciary funds and modified certain disclosures in the notes to the financial statements. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, supplemental data, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section, supplemental data, and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2020, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Sikich LLP

Naperville, Illinois
June 22, 2020

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

The Honorable Mayor
Members of the Board of Trustees
Village of Mount Prospect, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Mount Prospect, Illinois (the Village), as of and for the year ended December 31, 2019, and the related notes to financial statements, which collectively comprise the Village's basic financial statements and have issued our report thereon dated June 22, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Village's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sikich LLP

Naperville, Illinois
June 22, 2020

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

VILLAGE OF MOUNT PROSPECT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS

For Fiscal Year Ended December 31, 2019

The Village of Mount Prospect (the "Village") Management's Discussion and Analysis is designed to (1) assist the reader in focusing on significant issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Transmittal Letter (beginning on page iii), and the Village's financial statements (beginning on page 6).

USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT

The primary focus of local governmental financial statements had been to summarize fund type information on a current financial resource basis. This approach was modified by Governmental Accounting Standards Board (GASB) Statement No. 34. As a result, these financial statements now present two kinds of statements, each with a different snapshot of the Village's finances. The financial statement's focus under GASB Statement No. 34 is on both the Village as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year to year or government to government) and enhance the Village's accountability.

Government-Wide Financial Statements

The government-wide financial statements (see pages 6-9) are designed to be corporate-like in that all of the governmental and business-type activities are consolidated into columns that add to a total for the Primary Government. The focus of the Statement of Net Position (the "Unrestricted Net Position") found on pages 6-7 is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates the governmental fund's current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities (see pages 8-9) is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

The governmental activities reflect the Village's basic services, including police, fire, public works, and administration. Property taxes, sales and income taxes and local utility taxes finance the majority of these services. The business-type activities reflect private sector type operations (water, sewer, and parking operations), where the fee for service typically covers all or most of the cost of operation, including depreciation.

Fund Financial Statements

Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is on major funds rather than (the previous model's) fund types.

The Governmental Major Fund (see pages 10-14) presentation is organized on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Funds are established for various purposes and the Fund Financial Statement allows the demonstration of sources and uses and/or budgeting compliance associated therewith.

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

The Fund Financial Statements also allow the government to address its Fiduciary Funds (Pension Trust). While these funds represent trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the Government-Wide Financial Statements.

While the Business-type Activities column on the Proprietary Fund Financial Statements (see pages 15-19) is the same as the Business-type column on the Government-Wide Financial Statement, the Governmental Funds total column requires a reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement (see pages 12 and 14). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financial sources or uses, as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligation (bonds and others) into the Governmental Activities column (in the government-wide statements).

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure – i.e. roads, bridges, storm sewers, etc.) have not been reported nor depreciated in governmental financial statements. GASB Statement No. 34 requires that these assets be valued and reported within the Governmental Activities column of the Government-wide Statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful life or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach), which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The Village of Mount Prospect has chosen to depreciate assets over their useful life. If a road project is considered maintenance - a recurring cost that does not extend the road's original useful life or expand its capacity - the cost of the project will be expensed. An "overlay" of a road will be considered maintenance whereas a "rebuild" of a road will be capitalized.

GOVERNMENT-WIDE STATEMENTS

Statement of Net Position

The Village's combined net position for the primary government increased from a negative \$29.6 million to a negative \$28.3 million. The net increase of \$1.3 million is mainly attributable to outperforming intergovernmental revenues including sales tax, income tax, and use tax. The net position for governmental activities is negative \$67.4 million, while the net position for the business-type activities is \$39.1 million.

Table 1 reflects the condensed Statement of Net Position. For more detailed information see the Statement of Net Position found on pages 6-7.

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(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Table 1
Statement of Net Position
As of December 31, 2019 (in millions)

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 114.1	\$ 114.0	\$ 23.3	\$ 15.7	\$ 137.4	\$ 129.7
Capital assets	<u>88.1</u>	<u>68.4</u>	<u>38.4</u>	<u>37.6</u>	<u>126.5</u>	<u>106.0</u>
Total assets	\$ 202.2	\$ 182.4	\$ 61.7	\$ 53.3	\$ 263.9	\$ 235.7
Deferred outflows of resources	<u>13.1</u>	<u>17.3</u>	<u>2.6</u>	<u>0.4</u>	<u>15.7</u>	<u>17.7</u>
Total assets/deferred outflows	<u>\$ 215.3</u>	<u>\$ 199.7</u>	<u>\$ 64.3</u>	<u>\$ 53.7</u>	<u>\$ 279.6</u>	<u>\$ 253.4</u>
Current liabilities	\$ 12.5	\$ 5.3	\$ 1.8	\$ 1.4	\$ 14.3	\$ 6.7
Noncurrent liabilities	<u>234.8</u>	<u>232.4</u>	<u>23.1</u>	<u>10.3</u>	<u>257.9</u>	<u>242.7</u>
Total liabilities	\$ 247.3	\$ 237.7	\$ 24.9	\$ 11.7	\$ 272.2	\$ 249.4
Deferred inflows of resources	<u>35.4</u>	<u>32.5</u>	<u>0.3</u>	<u>1.1</u>	<u>35.7</u>	<u>33.6</u>
Total liabilities/deferred inflows	<u>\$ 282.7</u>	<u>\$ 270.2</u>	<u>\$ 25.2</u>	<u>\$ 12.8</u>	<u>\$ 307.9</u>	<u>\$ 283.0</u>
Net Position						
Net investment in capital assets	\$ 31.6	\$ 30.2	\$ 33.2	\$ 32.5	\$ 64.8	\$ 62.7
Restricted net position	8.7	7.1	-	-	8.7	7.1
Unrestricted net position	<u>(107.7)</u>	<u>(107.8)</u>	<u>5.9</u>	<u>8.4</u>	<u>(101.8)</u>	<u>(99.4)</u>
Total net position	<u>\$ (67.4)</u>	<u>\$ (70.5)</u>	<u>\$ 39.1</u>	<u>\$ 40.9</u>	<u>\$ (28.3)</u>	<u>\$ (29.6)</u>

Normal Impacts

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation.

Net results of activities - which will impact (increase/decrease) current assets and unrestricted net position.

Borrowing for capital - which will increase current assets and long-term debt.

Spending borrowed proceeds on new capital - which will reduce current assets and increase capital assets. There is a second impact, an increase in invested in capital assets and an increase in related net debt which will not change the invested in capital assets, net of debt.

Spending of non-borrowed current assets on new capital - which will (a) reduce current assets and increase capital assets and (b) will reduce unrestricted net position and increase invested in capital assets, net of debt.

Principal payment on debt - which will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net position and increase invested in capital assets, net of debt.

Reduction of capital assets through depreciation - which will reduce capital assets and invested in capital assets, net of debt.

(See independent auditor's report.)

Current Year Impacts

Governmental activities net position increased by \$3.8 million while the business-type activities net position decreased by \$1.8 million. The net position is also restated by negative \$0.7 million due to changes in the accrued interest of notes payable. The governmental activities total assets/deferred outflows increased by \$15.6 million and the governmental activities total liabilities/deferred inflows increased by \$12.5 million, of which \$7.2 million of increases are attributable to the increases in the current liabilities. The total assets increased by \$19.8 million in governmental activities, mainly attributable to an increase of \$19.7 million in capital assets. The current assets in governmental increased by \$0.1 million. Amounts due from the Mount Prospect Public Library related to their outstanding debt accounted for the decrease in due from other governments. The decrease in deferred outflows of \$4.2 million for the governmental activities was due to a decrease in pension-related items for IMRF, Police and Fire, and other changes in the in the timing related to the normal course of operations.

The net position of the business-type activities decreased by \$1.8 million. The decrease in total net position is mainly attributable to the current deficit of revenues over expenditures. The business-type activities total assets/deferred outflows increased by \$10.6 million and the business-type activities total liabilities/deferred inflows increased by \$12.4 million. The current assets increased by \$7.6 million, mainly attributable to the increase in cash balances due to the unspent bond proceeds. The business-type capital assets increased by \$0.8 million. During the fiscal year 2019, the Village has implemented GASB 83 – Certain Asset Retirement Obligations. The implementation resulted in a recognition of deferred outflow of resources of \$0.7 million, as well as an increase in the non-current liabilities by the same amount. The liabilities for business-type activities increased from \$11.7 million to \$24.9 million. This was due to an increase in non-current liabilities of \$12.8 million and an increase in current liabilities of \$0.4 million. The non-current liabilities increased mainly due to the series 2019A bond issuance for water and sewer capital projects as well as the recognition of liabilities due to the implementation of GASB 83 – Certain Asset Retirement Obligations.

Changes in Net Position

The Village's combined change in net position for the primary government in 2019 was an increase of 2.0 million versus a decrease of \$3.7 million in 2018. Activities for the governmental activities saw an increase in net position of \$3.8 million from 2018, while activities for the business-type funds saw a decrease in net position of \$1.8 million from 2018. The following chart lists the revenues and expenses for the current and prior fiscal years. Table 2 focuses on the changes in net position of the governmental and business-type activities.

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(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Table 2
Changes in Net Position
For the year ended on December 31, 2019 (in millions)

	Governmental		Business-type		Total	
	<u>Activities</u>		<u>Activities</u>			
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Revenues						
Program revenues						
Charges for service	\$ 11.4	\$ 11.0	\$ 15.3	\$ 14.6	\$ 26.7	\$ 25.6
Operating grants	2.1	2.0	-	-	2.1	2.0
Capital grants/contrib.	0.1	0.5	-	-	0.1	0.5
General revenues						
Property taxes	19.1	19.2	-	-	19.1	19.2
Business district taxes	0.3	0.3	-	-	0.3	0.3
Sales/Use taxes	30.6	29.8	-	-	30.6	29.8
Income taxes	5.8	5.2	-	-	5.8	5.2
Utility taxes	3.3	3.5	-	-	3.3	3.5
Other taxes	4.5	4.3	-	-	4.5	4.3
Investment income	1.4	0.7	0.3	-	1.7	0.7
Contributions	-	-	-	-	-	-
Other	<u>2.5</u>	<u>1.2</u>	<u>1.4</u>	<u>0.3</u>	<u>3.9</u>	<u>1.5</u>
Total revenue	\$ 81.1	\$ 77.7	\$ 17.0	\$ 14.9	\$ 98.1	\$ 92.6
Expenses						
General government	\$ 11.6	\$ 11.9	\$ -	\$ -	\$ 11.6	\$ 11.9
Public safety	38.8	42.7	-	-	38.8	42.7
Highways and streets	15.6	15.6	-	-	15.6	15.6
Health	4.9	4.8	-	-	4.9	4.8
Welfare	1.5	1.6	-	-	1.5	1.6
Culture and recreation	0.4	0.6	-	-	0.4	0.6
Interest	4.5	3.4	-	-	4.5	3.4
Water and sewer	-	-	16.9	15.4	16.9	15.4
Parking	-	-	<u>1.9</u>	<u>0.3</u>	<u>1.9</u>	<u>0.3</u>
Total expenses	\$ <u>77.3</u>	\$ <u>80.6</u>	\$ <u>18.8</u>	\$ <u>15.7</u>	\$ <u>96.1</u>	\$ <u>96.3</u>
Change in net position	\$ 3.8	\$ (2.9)	\$ (1.8)	\$ (0.8)	\$ 2.0	\$ (3.7)
Net Position, January 1	\$ (70.5)	\$ (56.9)	\$ 40.9	\$ 42.0	\$ (29.6)	\$ (14.9)
Change in accounting principal	-	(10.7)	-	(0.3)	-	(11.0)
Prior Period Adjustment	(0.7)	-	-	-	(0.7)	-
Net Position (Deficit), January 1, Restated	\$ (71.2)	\$ (67.6)	\$ 40.9	\$ 41.7	\$ (30.3)	\$ (25.9)
Net Position (Deficit), December 31	\$ (67.4)	\$ (70.5)	\$ 39.1	\$ 40.9	\$ (28.3)	\$ (29.6)

(Note: There may be some slight differences in totals due to rounding).

Normal Impacts

There are eight basic impacts on revenues and expenses and are reflected below.

Revenues:

Economic condition - This can reflect a declining, stable or growing economic environment and has a substantial impact on state income, sales and utility tax revenue as well as public spending habits for building permits, elective user fees and volumes of consumption.

Increase/decrease in Village approved rates - While certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase/decrease rates (water, sewer, licenses and fees, home rule sales tax, utility taxes, etc.).

Changing patterns in intergovernmental and grant revenue (both recurring and non-recurring) - Certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year-to-year comparisons.

Market impacts on investment income - The Village's investment portfolio is managed using a short-term average maturity and the market condition may cause investment income to fluctuate less than alternative longer-term options.

Expenses:

Introduction of new programs - Within the functional expense categories (Public Safety, Highways and Streets, General Government, etc.) individual programs may be added or deleted to meet changing community needs or unfunded mandates from other governmental levels.

Increase/Decrease in authorized personnel - Changes in service demand may cause the Village Board to increase/decrease authorized staffing levels. Staffing costs (salary and related benefits) represent approximately 73% of the Village's General Fund operating costs.

Salary increases (annual adjustments and merit) - The ability to attract and retain human and intellectual resources requires the Village to strive for a competitive salary range position in the marketplace. In addition, the Village has 4 separate bargaining units representing various segments of the employee population.

Inflation - While overall inflation appears to be reasonably low, the Village is a major consumer of certain commodities such as supplies, fuels and parts. Some specific areas may experience unusually high price increases.

CURRENT YEAR IMPACTS

Governmental Activities

Revenue:

Total revenues for the Village's Governmental Activities for 2019 were \$81.0 million.

The year 2019 is one of the strongest years for revenues in recent times. Good and thriving economy as well as increased interest rates have resulted in higher investment earnings and outperformed revenues. Sales/Use taxes are the largest revenue source for governmental activities accounting for \$30.6 million or an increase of \$0.8 million from the prior year. The increase was due primarily to the steadily improving local economy and additional new retail coming on-line. The sales tax consists of a 1.0% state portion and 1.0% local home-rule portion. Property taxes are the second highest revenue source with \$19.1 million in revenue. This revenue has historically been the most stable source for the Village. The income tax revenue was recognized at \$5.8 million, an increase of \$0.6 million from the prior year. There was an increase of \$0.3 million in charges for service. The investment income for the year is \$1.4 million or an increase of \$0.7 million from the prior year. Other taxes and revenue sources did not show any significant changes compared to prior year.

(See independent auditor's report.)

Governmental Activities (cont.)

Expenses:

Total expenses for the Village's Governmental Activities for 2019 were \$77.2 million.

Public Safety, which includes Police and Fire, accounts for the largest portion of governmental expenses. Total Public Safety expenses in 2019 were \$38.8 million, a decrease of \$3.9 million from 2018. The decrease in the expenditures are mainly attributable to the pension related adjustments. Expenses for Highways and Streets, which are made up of the Public Works divisions (excluding water and sewer) is the second largest category of governmental expenses totaling \$15.6 million. The General Government expenditures totaled \$11.6 million, a decrease of \$0.3 million from the prior year. This decrease of \$0.3 million is mainly attributable to the operating efficiencies and timing of certain expenditures.

Business-Type Activities

Revenues:

Total revenues for the Village's Business-Type Activities for 2019 were \$17.1 million.

Business-type activities in the Village consist of Water and Sewer Operations and Parking Operations. Charges for service annually account for the largest share of revenue for business-type activities. Of the \$17.1 million generated in 2019, \$15.0 million is from water sales and sewer fees and charges, \$0.3 million is from parking operations. For 2018, the total business-type activities revenues were \$14.6 million. Other Revenues include the sale of the assets totaling \$1.3 million and other revenues of \$0.2 million.

Expenses:

Total expenses for the Village's Business-Type Activities for 2019 were \$18.8 million.

Of the total expenses for business-type activities, \$16.9 million is attributable to Water and Sewer while \$1.9 million is attributable to parking including a transfer out of sale proceeds from the Parking Fund to the Prospect & Main TIF Fund. \$6.6 million in Water and Sewer Fund expenses were for the acquisition of water through the Northwest Suburban Municipal Joint Action Water Agency (JAWA).

FINANCIAL ANALYSIS OF THE VILLAGE'S GENERAL FUND

The General Fund is the Village's primary operating fund. It supports a majority of the day-to-day services delivered to its residences and businesses. The fund balance of the General Fund saw an increase of \$3.6 million in 2019 from \$23.0 million to \$26.6 million. In 2019, General Fund revenues came in above the final budget by \$0.7 million while expenditures and net transfers came in \$0.9 million under budget. The final Village budget had anticipated an increase in the General Fund - fund balance of \$2.0 million. Out of the total fund balance of \$26.6 million, \$3.4 million is considered committed fund balance for the Levee 37 Flood Control Construction Project.

During the year 2019, the income tax revenue outperformed by \$0.5 million, while the use tax outperformed by \$0.3 million. The sales tax outperformed by \$2.3 million compared to the original budget. The revised budget was adjusted to reflect the outperforming revenues. The largest revenue source for the General Fund for the fiscal year 2019 was the Intergovernmental revenues totaling \$31.0 million, while the property taxes totaled \$16.2 million. The other locally collected taxes were recognized at \$7.3 million. The building permit fees also outperformed by \$0.3 million and totaled \$0.9 million.

(See independent auditor's report.)

General Fund Budgeting Highlights

During 2019, the Village amended the budget three (3) times. Table 3 below reflects the original and revised budget and the actual revenues and expenditures for the General Fund. More information can be found in the Schedule of Revenues, Expenditures and Changes in fund balance beginning on page 79.

Table 3
General Fund Budgetary Changes
Calendar Year 2019 (in millions)

	Original <u>Budget</u>	Revised <u>Budget</u>	<u>Actual</u>
Revenues and Other Financing Sources			
Taxes	\$ 23.8	\$ 23.8	\$ 23.5
Intergovernmental	27.7	30.8	31.0
Other	<u>4.6</u>	<u>4.9</u>	<u>5.7</u>
Total Revenues	\$ 56.1	\$ 59.5	\$ 60.2
Expenditures and Transfers			
Expenditures	\$ 55.9	\$ 55.4	\$ 54.5
Net Transfers	<u>1.5</u>	<u>2.1</u>	<u>2.1</u>
Total Expenditures and Transfers	<u>\$ 57.4</u>	<u>\$ 57.5</u>	<u>\$ 56.6</u>
Change in Fund Balance	<u>\$ (1.3)</u>	<u>\$ 2.0</u>	<u>\$ 3.6</u>

Other Major Funds

There are three (3) other Major Funds for Fiscal Year ended December 31, 2019. These three Funds are 1) Debt Service Fund, 2) Prospect/Main TIF Fund, 3) Police and Fire Building Construction.

Debt Service Fund – This Fund is used to accumulate monies for the payment of principal and interest on general obligation bonds and other borrowings. Total revenues for 2019 were \$5.2 million, an increase of \$0.2 million from the prior year. Of this total revenue amount, \$2.4 million was from property taxes, \$1.6 million was from an intergovernmental transfer from the Mount Prospect Public Library to pay for library related debt, and \$1.1 million was from other taxes. Total expenditures for 2019 were \$6.7 million, an increase of \$1.7 from the prior year. There was also an interfund transfer of \$0.8 million received by the debt service fund. Ending fund balance decreased by \$0.7 million to \$3.5 million.

Prospect/Main TIF – This special revenue type TIF Fund is used to account for the resources to acquire property and construct certain improvements in the Prospect/Main Tax Incremental Financing District. Financing is being provided by incremental property taxes, general obligation bond proceeds, and investment income. The Village issued General Obligation Bonds, Series 2019B in the amount of \$8.1 million including a premium of \$0.4 million. The bond was primarily issued for the construction of Maple Street Parking Deck and a few other projects. Total revenues for 2019 were \$0.5 million, while the total revenues for 2018 were \$0.7 million. The total expenses for 2019 were \$3.6 million, of which \$2.8 million was used for capital outlay items. The Prospect & Main TIF also received \$0.6 million for the sale of assets, \$2.2 million in transfers in from General Fund and Parking Fund combined.

Police and Fire Building Construction – This capital project type fund is used to account for the resources to construct the police and fire headquarters. Financing is provided primarily by general obligation bond proceeds. Total revenues for the year 2019 are \$0.7 million. The total construction expenses for 2019 is \$18.3 million. The ending fund balance is \$14.1 million is to be used for the construction of new Fire and Police headquarters.

(See independent auditor’s report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Capital Assets

At the end of 2019, the Village had a combined total of \$126.5 million invested in a broad range of capital assets including Village facilities, roads, bridges, water/sewer lines and machinery and equipment (see Table 4 below).

Table 4
Capital Assets at Year End
Net of Depreciation (in millions)

	<u>Governmental</u>		<u>Business-type</u>		<u>Total Primary</u>	
	<u>Activities</u>		<u>Activities</u>		<u>Government</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Land (including right-of-ways)	\$ 14.3	\$ 13.1	\$ 17.3	\$ 17.6	\$ 31.6	\$ 30.7
Construction in Progress	23.9	7.0	2.2	1.6	26.1	8.6
Buildings & Improvements	26.9	27.2	1.4	1.5	28.3	28.7
Vehicles	5.3	4.0	-	-	5.3	4.0
Machinery & Equipment	2.4	1.5	1.4	1.5	3.8	3.0
Infrastructure	<u>15.3</u>	<u>15.6</u>	<u>16.1</u>	<u>15.4</u>	<u>31.4</u>	<u>31.0</u>
Total Capital Assets	<u>\$ 88.1</u>	<u>\$ 68.4</u>	<u>\$ 38.4</u>	<u>\$ 37.6</u>	<u>\$ 126.5</u>	<u>\$ 106.0</u>

This amount represents a net increase (including additions and deletions) of \$20.5 million from 2018. The following reconciliation in Table 5 summarizes the changes in Capital Assets.

Table 5
Change in Capital Assets (in millions)

	<u>Governmental</u>	<u>Business-type</u>	<u>Total</u>
	<u>Activities</u>	<u>Activities</u>	
Beginning Balance	\$ 68.4	\$ 37.6	\$ 106.0
Additions			
Depreciable	5.7	1.2	6.9
Non-Depreciable	20.9	1.3	22.2
Retirements			
Depreciable	(0.9)	(0.1)	(1.0)
Non-Depreciable	(2.8)	(1.0)	(3.8)
Depreciation	(4.0)	(0.7)	(4.7)
Retirement	<u>0.8</u>	<u>0.1</u>	<u>0.9</u>
Ending Balance	<u>\$ 88.1</u>	<u>\$ 38.4</u>	<u>\$ 126.5</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Table 5 above shows the change in capital assets during 2019. This year's major additions to the capital assets include the following (in millions):

Governmental Activities

Land acquisitions - \$0.3
Buildings - \$0.3
Improvements other than buildings – \$0.4
Vehicles for Public Safety, Public Works and Village Fleet - \$2.1
Various construction projects in-progress - \$20.6
Purchases of various machinery & equipment - \$1.0
Infrastructure Improvements – \$1.9

Business-Type Activities

Various construction projects in-progress - \$1.3
Infrastructure Improvements - \$1.2

More detailed information on capital asset activity can be found in Note 4 of the notes to the financial statements.

Debt Outstanding

The Village of Mount Prospect had total long-term debt and loans payable of \$257.9 million as of December 31, 2019. Long-term debt is comprised of general obligation debt, compensated absences to employees, other post-employment benefits (OPEB), loans payable, claims and judgements, and pension liability for IMRF, Police and Fire. During the year, \$17.3 million of general obligation debt and notes payable were issued while pension liability for police and fire decreased by \$14.1 million. The net pension liability of IMRF increased by \$11.0 million. The compensated absences had a net decrease of \$0.3 million, while the total OPEB (Other Post Employment Benefit) liability increased by \$1.3 million. Decreases in long term debt include the retirement of \$3.4 million in general obligation debt and \$0.6 million in notes and loan contracts.

The Village of Mount Prospect maintains an AA+ rating from Standard and Poor's. As a home rule authority, the Village of Mount Prospect does not have a legal debt limit.

More detailed information on long-term debt activity can be found in Note 6 of the notes to the financial statements.

Economic Factors and Next Year's Budget

The General Fund, the Village's main operating fund, ended with a solid surplus for calendar year 2019. The Village has pledged \$3.4 million from the unassigned fund balance for a Levee 37 Flood Control Construction Project. To reflect the pledged fund balance for the project, \$3.4 million is classified as a committed fund balance. The unassigned fund balance as of December 31, 2019 is \$22.9 million. The amount of fund balance as of December 31, 2019 represents 36.6 percent of the 2020 General Fund Budget. The Village Board has set as its benchmark a level of reserves equal to 25% of subsequent year expenditures. Total Village revenues for 2019 continued to see positive increases from the prior year. Conservative approaches to estimating revenue and strong expenditure management by the various departments have allowed the Village to maintain a strong financial condition through several lean years following the significant downturn in the economy that started at the end of 2008. Continuing challenges in 2019 and years to come include, reductions in revenue due to state budgetary issues, rising personnel related costs (wages, insurance, etc.) and the funding of the public safety pensions. Approximately 73% of the operating budget is made up of these personnel and related costs.

The Village's average unemployment for 2019 was 2.7 percent. This is below the state and national unemployment rates of 3.5% and 2.9%, respectively. The Village's unemployment rate decreased 20 basis points from the prior year. The Village is mainly divided between Elk Grove Township and Wheeling Township, and a small portion of the Village is within Maine Township. The year 2019 was a year of the triennial assessment. The Elk Grove Township has increased the assessed value of all the properties on an average by 53 percent, while the Wheeling Township increased the average assessed value by 31.0 percent. The increase in the assessed value is expected to increase the total equalized assessed value of the Village to \$2.0 billion or more. The equalized assessed value also depends up on the equalization factor to be issued by the Cook County Clerk's Office.

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

The 2020 Budget represents an 8.9 percent decrease from the amended 2019 Budget and totals \$147.9 million. The decrease in the budget is attributable to significant completion of the major capital projects in 2019 and the Village is reverting back to a more normal capital improvement plan. The General Fund increased \$4.7 million, or 8.2% from the prior year. The increase is attributable to the budgeted transfer out from the General Fund to Flood Control Construction Fund and other capital project funds. Of the total budget of \$147.9 million, the operating budget totals \$76.9 million and Community Investment Program (capital improvement plan) totals \$30.8 million. The total budget also includes Police and Fire Pension fund budget totaling \$12.9 million.

Beginning around March 2020, the COVID-19 virus has been declared a global pandemic as it continues to spread rapidly. The pandemic has caused certain concerns about the safety, economy, unemployment, and the State shared revenues. The Village has implemented a contingency plan as defined in the Annual Budget and has acted accordingly to reduce/postpone certain expenditures in anticipation of reductions in the State shared revenues. The Village's financial health and cash position is strong, and we do not anticipate any short-term concerns, but the Village Administration is vigilant and committed to maintaining the long term fiscal health of the Village.

Request for Information

This financial report is designed to provide a general overview of the Village of Mount Prospect's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Amit Thakkar, Finance Director/Treasurer, Village of Mount Prospect, 50 South Emerson, Mount Prospect, Illinois 60056.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

STATEMENT OF NET POSITION

December 31, 2019

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
ASSETS			
Cash and investments	\$ 75,339,292	\$ 20,112,820	\$ 95,452,112
Receivables (net of allowance, where applicable)			
Property taxes	19,093,972	-	19,093,972
Other taxes	9,176,821	-	9,176,821
Accrued interest	63,832	138	63,970
Utility customers	-	1,639,208	1,639,208
Miscellaneous	979,924	39,403	1,019,327
Prepaid items	552,574	106,469	659,043
Inventory	332,532	268,781	601,313
Due from other governments	5,080,925	342	5,081,267
Deposits - insurance	3,494,577	-	3,494,577
Deposits with joint venture	-	1,117,447	1,117,447
Capital assets not being depreciated	38,215,710	19,482,316	57,698,026
Capital assets being depreciated (net of accumulated depreciation)	49,840,484	18,969,008	68,809,492
Total assets	202,170,643	61,735,932	263,906,575
DEFERRED OUTFLOWS OF RESOURCES			
Asset retirement obligation item	-	742,500	742,500
OPEB items	1,146,442	32,736	1,179,178
Pension items - IMRF	7,588,287	1,776,120	9,364,407
Pension items - Police Pension	1,227,625	-	1,227,625
Pension items - Firefighters' Pension	2,778,668	-	2,778,668
Unamortized loss on refunding	400,689	-	400,689
Total deferred outflows of resources	13,141,711	2,551,356	15,693,067
Total assets and deferred outflows of resources	215,312,354	64,287,288	279,599,642
LIABILITIES			
Accounts payable	5,030,145	1,372,092	6,402,237
Accrued payroll	1,112,026	76,979	1,189,005
Accrued interest payable	1,996,152	84,072	2,080,224
Retainage payable	1,870,321	174,941	2,045,262
Other payables	1,320,832	13,020	1,333,852
Unearned revenue	750,479	36,195	786,674
Due to fiduciary funds	3,377	-	3,377
Due to other governments	419,035	2,188	421,223
Noncurrent liabilities			
Due within one year	5,420,784	378,974	5,799,758
Due in more than one year	229,434,091	22,711,954	252,146,045
Total liabilities	247,357,242	24,850,415	272,207,657
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue - property taxes	19,087,259	-	19,087,259
OPEB items	2,619,422	74,796	2,694,218
Pension items - IMRF	1,027,204	240,428	1,267,632
Pension items - Police Pension	6,759,719	-	6,759,719
Pension items - Firefighters' Pension	5,909,904	-	5,909,904
Total deferred inflows of resources	35,403,508	315,224	35,718,732
Total liabilities and deferred inflows of resources	282,760,750	25,165,639	307,926,389

(This statement is continued on the following page.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

STATEMENT OF NET POSITION (Continued)

December 31, 2019

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
NET POSITION			
Net investment in capital assets	\$ 31,568,036	\$ 33,196,889	\$ 64,764,925
Restricted for			
Highways and streets	4,984,802	-	4,984,802
Public safety - police	329,082	-	329,082
Public safety - fire	438,344	-	438,344
Debt service	1,850,968	-	1,850,968
Refuse disposal	1,088,159	-	1,088,159
Unrestricted (deficit)	(107,707,787)	5,924,760	(101,783,027)
TOTAL NET POSITION (DEFICIT)	\$ (67,448,396)	\$ 39,121,649	\$ (28,326,747)

See accompanying notes to financial statements.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2019

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 11,583,734	\$ 4,562,357	\$ 19,396	\$ -
Public safety	38,771,199	2,042,165	21,810	47,560
Highways and streets	15,664,513	137,694	1,788,382	-
Health	4,852,981	4,391,740	-	-
Welfare	1,478,616	32,494	304,596	-
Culture and recreation	381,641	41,898	8,274	-
Interest	4,501,317	148,600	-	-
Total governmental activities	77,234,001	11,356,948	2,142,458	47,560
Business-Type Activities				
Water and sewer	16,940,503	14,972,198	-	-
Parking	279,093	327,977	-	-
Total business-type activities	17,219,596	15,300,175	-	-
TOTAL PRIMARY GOVERNMENT	\$ 94,453,597	\$ 26,657,123	\$ 2,142,458	\$ 47,560

	Net (Expense) Revenue and Change in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	\$ (7,001,981)	\$ -	\$ (7,001,981)
	(36,659,664)	-	(36,659,664)
	(13,738,437)	-	(13,738,437)
	(461,241)	-	(461,241)
	(1,141,526)	-	(1,141,526)
	(331,469)	-	(331,469)
	(4,352,717)	-	(4,352,717)
	(63,687,035)	-	(63,687,035)
	-	(1,968,305)	(1,968,305)
	-	48,884	48,884
	-	(1,919,421)	(1,919,421)
	(63,687,035)	(1,919,421)	(65,606,456)
General Revenues			
Taxes			
Property	19,073,749	-	19,073,749
Utility	3,292,346	-	3,292,346
Business district	287,207	-	287,207
Home rule sales	5,428,737	-	5,428,737
Food and beverage	1,307,618	-	1,307,618
Real estate transfer	1,434,580	-	1,434,580
Municipal motor fuel	702,694	-	702,694
Hotel/motel	497,406	-	497,406
Charitable games	4,309	-	4,309
Other	245,083	-	245,083
Intergovernmental - unrestricted			
State sales and use tax	25,178,104	-	25,178,104
Income tax	5,765,484	-	5,765,484
Replacement tax	460,546	-	460,546
Investment income	1,375,199	303,252	1,678,451
Miscellaneous	175,270	86,810	262,080
Sale of capital assets	646,600	1,370,265	2,016,865
Transfers	1,602,619	(1,602,619)	-
Total	67,477,551	157,708	67,635,259
CHANGE IN NET POSITION	3,790,516	(1,761,713)	2,028,803
NET POSITION (DEFICIT), JANUARY 1	(70,522,445)	40,883,362	(29,639,083)
Prior period adjustment	(716,467)	-	(716,467)
NET POSITION (DEFICIT), JANUARY 1, RESTATED	(71,238,912)	40,883,362	(30,355,550)
NET POSITION (DEFICIT), DECEMBER 31	\$ (67,448,396)	\$ 39,121,649	\$ (28,326,747)

See accompanying notes to financial statements.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

December 31, 2019

	General	Prospect/Main TIF	Police and Fire Building Construction	Debt Service	Nonmajor	Total
ASSETS						
Cash and investments	\$ 20,838,531	\$ 9,716,685	\$ 17,938,945	\$ 3,448,379	\$ 11,689,452	\$ 63,631,992
Receivables (net, where applicable, of allowances for uncollectibles)						
Property taxes	16,545,722	-	-	2,548,250	-	19,093,972
Other taxes	8,518,372	-	-	-	658,449	9,176,821
Accrued interest	-	-	61,289	-	-	61,289
Other	359,574	-	-	-	618,410	977,984
Due from other governments	48,570	3,159	-	4,541,980	477,933	5,071,642
Inventories	1,877	-	-	-	-	1,877
Prepaid items	368,285	600	-	-	99,688	468,573
TOTAL ASSETS	\$ 46,680,931	\$ 9,720,444	\$ 18,000,234	\$ 10,538,609	\$ 13,543,932	\$ 98,484,150

(This statement is continued on the following page.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS (Continued)

December 31, 2019

	General	Prospect/Main TIF	Police and Fire Building Construction	Debt Service	Nonmajor	Total
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 517,940	\$ 1,106,010	\$ 2,200,634	\$ -	\$ 949,343	\$ 4,773,927
Accrued payroll	1,068,896	-	-	-	10,202	1,079,098
Retainage payable	16,554	82,390	1,657,630	-	113,747	1,870,321
Other payables	1,286,689	-	-	-	-	1,286,689
Accrued interest payable	-	-	-	-	1,724,930	1,724,930
Compensated absences	84,077	-	-	-	-	84,077
Unearned revenue	220,203	-	-	-	530,276	750,479
Due to other governments	266,038	-	-	-	152,997	419,035
Due to fiduciary funds	3,377	-	-	-	-	3,377
Total liabilities	3,463,774	1,188,400	3,858,264	-	3,481,495	11,991,933
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	16,539,009	-	-	2,548,250	-	19,087,259
Unavailable revenue - other	-	-	-	4,535,000	-	4,535,000
Total deferred inflows of resources	16,539,009	-	-	7,083,250	-	23,622,259
Total liabilities and deferred inflows of resources	20,002,783	1,188,400	3,858,264	7,083,250	3,481,495	35,614,192
FUND BALANCES						
Nonspendable						
Inventory	1,877	-	-	-	-	1,877
Prepaid items	368,285	600	-	-	99,688	468,573
Restricted						
Highways and streets	-	8,531,444	-	-	2,465,613	10,997,057
Public safety - police	-	-	-	-	329,082	329,082
Public safety - fire	-	-	-	-	438,344	438,344
Capital projects	-	-	14,141,970	-	-	14,141,970
Debt service	-	-	-	1,850,968	-	1,850,968
Refuse disposal	-	-	-	-	1,088,159	1,088,159
Unrestricted						
Committed						
Capital projects	3,393,000	-	-	-	-	3,393,000
Assigned						
Capital projects	-	-	-	-	5,641,551	5,641,551
Debt service	-	-	-	1,604,391	-	1,604,391
Unassigned	22,914,986	-	-	-	-	22,914,986
Total fund balances	26,678,148	8,532,044	14,141,970	3,455,359	10,062,437	62,869,958
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 46,680,931	\$ 9,720,444	\$ 18,000,234	\$ 10,538,609	\$ 13,543,932	\$ 98,484,150

See accompanying notes to financial statements.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

December 31, 2019

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 62,869,958
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	88,056,194
Less internal service funds included below	(7,697,004)
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings, and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	7,588,287
Deferred inflows of resources	(1,027,204)
Differences between expected and actual experiences, assumption changes, and net differences between projected and actual earnings for the Police Pension Plan are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	1,227,625
Deferred inflows of resources	(6,759,719)
Differences between expected and actual experiences, assumption changes, and net differences between projected and actual earnings for the Firefighters' Pension Plan are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	2,778,668
Deferred inflows of resources	(5,909,904)
Differences between expected and actual experiences, assumption changes, and net differences between projected and actual earnings for the Postemployment Benefit Plan are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	1,123,588
Deferred inflows of resources	(2,567,203)
Long-term intergovernmental receivables are not available to pay for current period expenditures and, therefore, are deferred inflows of resources in the governmental funds	4,535,000
Interest payable is not due and payable in the current period and, therefore, not reported in the governmental funds	(271,222)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
General obligation bonds payable	(87,470,000)
Business district limited tax note payable	(35,329,187)
Compensated absences payable	(3,658,656)
Net pension liability - Illinois Municipal Retirement Fund	(9,504,098)
Net pension liability - Police Pension Plan	(44,990,138)
Net pension liability - Firefighters Pension Plan	(38,460,088)
Unamortized bond premiums	(3,006,575)
Unamortized loss on refunding	400,689
Total OPEB liability	(11,604,196)
The net position of the internal service funds are included in the governmental activities in the statement of net position	<u>22,226,789</u>
NET POSITION (DEFICIT) OF GOVERNMENTAL ACTIVITIES	<u>\$ (67,448,396)</u>

See accompanying notes to financial statements.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2019

	General	Prospect/Main TIF	Police and Fire Building Construction	Debt Service	Nonmajor	Total
REVENUES						
Property taxes	\$ 16,214,208	\$ 425,541	\$ -	\$ 2,434,000	\$ -	\$ 19,073,749
Other taxes	7,264,852	-	-	1,067,901	5,312,060	13,644,813
Licenses, permits, and fees	2,733,317	-	-	-	1,516,296	4,249,613
Intergovernmental	31,019,802	-	-	1,573,600	2,056,816	34,650,218
Charges for services	1,875,941	-	-	-	4,391,739	6,267,680
Fines and forfeits	286,328	-	-	-	-	286,328
Investment income	430,397	27,744	692,103	84,169	140,786	1,375,199
Other reimbursements	-	-	-	-	31,204	31,204
Miscellaneous	353,718	32,228	-	-	235,548	621,494
Total revenues	60,178,563	485,513	692,103	5,159,670	13,684,449	80,200,298
EXPENDITURES						
Current						
General government	7,692,799	232,825	-	-	1,458,547	9,384,171
Public safety	36,126,940	-	577,900	-	78,775	36,783,615
Highways and streets	8,674,121	-	-	-	1,782,416	10,456,537
Health	195,532	-	-	-	4,654,081	4,849,613
Welfare	1,372,853	-	-	-	303,870	1,676,723
Culture and recreation	388,375	-	-	-	-	388,375
Capital outlay	-	2,803,318	17,692,413	-	6,121,140	26,616,871
Debt service						
Principal retirement	-	-	-	3,787,500	-	3,787,500
Interest and fiscal charges	-	551,912	-	2,857,317	-	3,409,229
Total expenditures	54,450,620	3,588,055	18,270,313	6,644,817	14,398,829	97,352,634
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	5,727,943	(3,102,542)	(17,578,210)	(1,485,147)	(714,380)	(17,152,336)
OTHER FINANCING SOURCES (USES)						
Issuance of debt	-	7,725,000	-	-	-	7,725,000
Premium on issuance of debt	-	394,075	-	-	-	394,075
Proceeds from sale of capital assets	-	646,600	-	-	-	646,600
Transfers in	-	2,169,981	-	790,000	750,000	3,709,981
Transfers (out)	(2,107,362)	-	-	-	-	(2,107,362)
Total other financing sources (uses)	(2,107,362)	10,935,656	-	790,000	750,000	10,368,294
NET CHANGE IN FUND BALANCES	3,620,581	7,833,114	(17,578,210)	(695,147)	35,620	(6,784,042)
FUND BALANCES, JANUARY 1	23,057,567	698,930	31,720,180	4,150,506	10,026,817	69,654,000
FUND BALANCES, DECEMBER 31	\$ 26,678,148	\$ 8,532,044	\$ 14,141,970	\$ 3,455,359	\$ 10,062,437	\$ 62,869,958

See accompanying notes to financial statements.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2019

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (6,784,042)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	22,390,624
Depreciation in the statement of activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds	(3,986,459)
Less internal service funds included below	868,176
The issuance of long-term debt and related costs are shown on the fund financial statements as other financing sources (uses) and current expenditures but are recorded as long-term liabilities and deferred outflows and inflows of resources on the government-wide statements	
Issuance of bonds	(7,725,000)
Premium on issuance of bonds	(394,075)
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	
General obligation bonds payable	3,140,000
Loan contracts payable	57,500
Installment notes payable	590,000
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Accreted interest on business district limited tax note payable	(1,420,357)
Amortization of premium	240,498
Amortization of gains and losses on refundings	(61,853)
Increase in compensated absences	(232,210)
Change in accrued interest	149,624
The change in the Illinois Municipal Retirement Fund net pension liability and deferred outflows and inflows of resources is not a source or use of a financial resource	201,086
The change in the Police Pension Plan net pension liability and deferred outflow/inflows of resources is not a source or use of a financial resource	(1,132,246)
The change in the Firefighters' Pension Plan net pension liability and deferred outflow/inflows of resources is not a source or use of a financial resource	(1,545,324)
The change in the total OPEB liability and deferred outflow/inflows of resources is not a source or use of a financial resource	(251,603)
Revenues in the statement of activities that are not available in governmental funds are not reported as a revenue in governmental funds until received	(1,425,000)
The change in net position of the internal service funds is reported with governmental activities	1,111,177
CHANGE IN NET POSITION (DEFICIT) OF GOVERNMENTAL ACTIVITIES	\$ 3,790,516

See accompanying notes to financial statements.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

December 31, 2019

	Business-Type Activities			Governmental
	Water and Sewer	Nonmajor Enterprise	Total	Internal Service
CURRENT ASSETS				
Cash and investments	\$ 19,536,350	\$ 576,470	\$ 20,112,820	\$ 11,707,300
Receivables				
Accounts - billed	744,102	-	744,102	-
Accounts - unbilled	895,106	-	895,106	-
Accrued interest	138	-	138	2,543
Other	39,403	-	39,403	1,940
Inventories	268,781	-	268,781	330,655
Prepaid items	45,358	61,111	106,469	84,001
Deposits - insurance	-	-	-	2,524,777
Due from other funds	-	-	-	153,385
Due from other governments	342	-	342	9,283
Total current assets	21,529,580	637,581	22,167,161	14,813,884
NONCURRENT ASSETS				
Deposits - insurance	-	-	-	969,800
Deposit with joint venture	1,117,447	-	1,117,447	-
Subtotal noncurrent assets	1,117,447	-	1,117,447	969,800
Capital assets				
Capital assets not being depreciated	19,482,316	-	19,482,316	825,855
Capital assets being depreciated, cost	40,791,587	364,800	41,156,387	15,354,724
Accumulated depreciation	(21,822,579)	(364,800)	(22,187,379)	(8,483,575)
Net capital assets	38,451,324	-	38,451,324	7,697,004
Total noncurrent assets	39,568,771	-	39,568,771	8,666,804
Total assets	61,098,351	637,581	61,735,932	23,480,688
DEFERRED OUTFLOWS OF RESOURCES				
Asset retirement obligation item	742,500	-	742,500	-
OPEB items	31,048	1,688	32,736	22,854
Pension items - IMRF	1,776,120	-	1,776,120	-
Total deferred outflows of resources	2,549,668	1,688	2,551,356	22,854
Total assets and deferred outflows of resources	63,648,019	639,269	64,287,288	23,503,542
CURRENT LIABILITIES				
Accounts payable	1,350,446	21,646	1,372,092	256,218
Accrued payroll	75,775	1,204	76,979	32,928
Retainage payable	174,941	-	174,941	-
Claims payable	-	-	-	243,822
Unearned revenue	-	36,195	36,195	-
Due to other funds	-	-	-	153,385
Due to other governments	-	2,188	2,188	-
Accrued interest payable	84,072	-	84,072	-
Other payables	13,020	-	13,020	34,143
Bonds payable, current	325,000	-	325,000	-
Compensated absences payable	40,724	1,518	42,242	19,383
Total OPEB liability	11,127	605	11,732	8,190
Total current liabilities	2,075,105	63,356	2,138,461	748,069

(This statement is continued on the following page.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

STATEMENT OF NET POSITION (Continued)
 PROPRIETARY FUNDS

December 31, 2019

	Business-Type Activities			Governmental
	Water and Sewer	Nonmajor Enterprise	Total	Internal Service
LONG-TERM LIABILITIES				
Compensated absences payable	\$ 162,895	\$ 6,070	\$ 168,965	\$ 77,531
Claims payable	-	-	-	171,087
Bonds payable, noncurrent	19,242,083	-	19,242,083	-
Asset retirement obligation	750,000	-	750,000	-
Total OPEB liability	309,528	16,830	326,358	227,847
Net pension liability - IMRF	2,224,548	-	2,224,548	-
Total long-term liabilities	22,689,054	22,900	22,711,954	476,465
Total liabilities	24,764,159	86,256	24,850,415	1,224,534
DEFERRED INFLOWS OF RESOURCES				
OPEB items	70,939	3,857	74,796	52,219
Pension items - IMRF	240,428	-	240,428	-
Total deferred inflows of resources	311,367	3,857	315,224	52,219
Total liabilities and deferred inflows of resources	25,075,526	90,113	25,165,639	1,276,753
NET POSITION				
Investment in capital assets	33,196,889	-	33,196,889	7,697,004
Unrestricted	5,375,604	549,156	5,924,760	14,529,785
TOTAL NET POSITION	\$ 38,572,493	\$ 549,156	\$ 39,121,649	\$ 22,226,789

See accompanying notes to financial statements.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS

For the Year Ended December 31, 2019

	Business-Type Activities			Governmental
	Water and Sewer	Nonmajor Enterprise	Total	Internal Service
OPERATING REVENUES				
Charges for services	\$ 14,972,198	\$ 327,977	\$ 15,300,175	\$ 11,634,626
Contributions	-	-	-	1,685,810
Miscellaneous	-	-	-	90,801
Total operating revenues	14,972,198	327,977	15,300,175	13,411,237
OPERATING EXPENSES				
Administration and maintenance	15,637,005	279,093	15,916,098	2,635,175
Insurance and claims	-	-	-	9,076,522
Depreciation and amortization	707,162	-	707,162	868,176
Total operating expenses	16,344,167	279,093	16,623,260	12,579,873
OPERATING INCOME (LOSS)	(1,371,969)	48,884	(1,323,085)	831,364
NON-OPERATING REVENUES (EXPENSES)				
Property taxes	(19,419)	-	(19,419)	-
Investment income	296,579	6,673	303,252	201,344
Interest and fiscal charges	(573,902)	-	(573,902)	-
Other income	86,810	-	86,810	198,281
Gain (loss) on the sale of capital assets	(3,015)	1,370,265	1,367,250	(119,812)
Total non-operating revenues (expenses)	(212,947)	1,376,938	1,163,991	279,813
NET INCOME BEFORE TRANSFERS	(1,584,916)	1,425,822	(159,094)	1,111,177
Transfers (out)	-	(1,602,619)	(1,602,619)	-
CHANGE IN NET POSITION	(1,584,916)	(176,797)	(1,761,713)	1,111,177
NET POSITION, JANUARY 1	40,157,409	725,953	40,883,362	21,115,612
NET POSITION, DECEMBER 31	\$ 38,572,493	\$ 549,156	\$ 39,121,649	\$ 22,226,789

See accompanying notes to financial statements.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended December 31, 2019

	Business-Type Activities			Governmental
	Water and Sewer	Nonmajor Enterprise	Total	Internal Service
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 14,824,559	\$ 323,997	\$ 15,148,556	\$ 2,660,274
Receipts from interfund services	-	-	-	10,647,165
Receipts from miscellaneous revenues	51,592	4,360	55,952	313,848
Payments to suppliers	(12,087,333)	(288,058)	(12,375,391)	(11,063,101)
Payments to employees	(3,377,544)	(48,869)	(3,426,413)	(1,500,658)
Net cash from operating activities	(588,726)	(8,570)	(597,296)	1,057,528
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Property taxes	(19,419)	-	(19,419)	-
Interfund activity	52	(1,602,619)	(1,602,567)	-
Net cash from noncapital financing activities	(19,367)	(1,602,619)	(1,621,986)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Issuance of bonds	9,923,666	-	9,923,666	-
Interest paid on bonds	(518,421)	-	(518,421)	-
Principal paid on bonds	(240,000)	-	(240,000)	-
Proceeds from sale of capital assets	-	1,602,619	1,602,619	498
Acquisition of capital assets	(1,798,328)	-	(1,798,328)	(1,323,275)
Net cash from capital and related financing activities	7,366,917	1,602,619	8,969,536	(1,322,777)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	351,922	6,673	358,595	203,162
Net cash from investing activities	351,922	6,673	358,595	203,162
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	7,110,746	(1,897)	7,108,849	(62,087)
CASH AND CASH EQUIVALENTS, JANUARY 1	12,425,604	578,367	13,003,971	11,769,387
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 19,536,350	\$ 576,470	\$ 20,112,820	\$ 11,707,300

(This statement is continued on the following page.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
 PROPRIETARY FUNDS

For the Year Ended December 31, 2019

	Business-Type Activities			Governmental
	Water and Sewer	Nonmajor Enterprise	Total	Internal Service
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ (1,371,969)	\$ 48,884	\$ (1,323,085)	\$ 831,364
Adjustments to reconcile operating income (loss) to net cash from operating activities				
Depreciation and amortization	707,162	-	707,162	868,176
Other income	86,810	-	86,810	198,281
Changes in assets and liabilities				
Receivables	(182,857)	-	(182,857)	12,271
Inventories	3,356	-	3,356	(6,396)
Prepaid items	(34,732)	(61,111)	(95,843)	38,311
Deposits	(140,897)	-	(140,897)	(830,652)
Accounts payable and retainage payable	352,645	(1,197)	351,448	122,402
Due to other governments	-	2,188	2,188	-
Accrued payroll and compensated absences	31,868	1,908	33,776	(738)
OPEB items	6,952	378	7,330	5,119
Pension items - IMRF	(47,064)	-	(47,064)	-
Unearned revenues	-	380	380	-
Claims payable	-	-	-	(180,610)
NET CASH FROM OPERATING ACTIVITIES	\$ (588,726)	\$ (8,570)	\$ (597,296)	\$ 1,057,528

See accompanying notes to financial statements.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS

December 31, 2019

	Pension Trust Funds
	<u> </u>
ASSETS	
Cash and cash equivalents	\$ 5,472,014
Investments	
State and local obligations	2,023,555
U.S. Government and U. S. agency obligations	27,167,933
Corporate bonds and obligations	18,833,684
Real estate	6,440,988
Mutual funds	89,407,531
Accrued interest receivable	280,116
Due from village	3,377
Prepays	<u>3,415</u>
 Total assets	 <u>149,632,613</u>
 LIABILITIES	
Accounts payable	<u>71,128</u>
 Total liabilities	 <u>71,128</u>
 NET POSITION RESTRICTED FOR PENSIONS	 <u><u>\$ 149,561,485</u></u>

See accompanying notes to financial statements.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS**

For the Year Ended December 31, 2019

ADDITIONS

Contributions	
Employer	\$ 6,945,889
Plan members	1,641,949
Other	<u>11,353</u>
Total contributions	<u>8,599,191</u>
Investment income	
Interest earned	1,523,744
Net change in fair value	23,100,019
Less investment expenses	<u>(235,633)</u>
Net investment income	<u>24,388,130</u>
Total additions	<u>32,987,321</u>

DEDUCTIONS

Administration	75,955
Benefits and refunds	<u>12,122,519</u>
Total deductions	<u>12,198,474</u>

NET INCREASE 20,788,847

**NET POSITION RESTRICTED
FOR PENSIONS**

January 1	<u>128,772,638</u>
December 31	<u><u>\$ 149,561,485</u></u>

See accompanying notes to financial statements.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Mount Prospect, Illinois (the Village) was incorporated in 1917. The Village operates under the Council/Manager form of government. The Village's major operations include public works, finance, police, fire, community development, human services, and communications.

The financial statements of the Village have been prepared in conformity with accounting principles generally accepted in the United States of America (hereinafter referred to as generally accepted accounting principles (GAAP)), as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

a. Reporting Entity

The Village is a municipal corporation governed by an elected mayor and a six-member board of trustees. As required by GAAP, these financial statements present the Village (the primary government) and its component units. In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was based upon the significance of its operational or financial relationship with the primary government. A blended component unit, although legally separate, is, in substance, part of the Village's operations and so data from this unit is combined with the data of the primary government. A discretely presented component unit, on the other hand, is reported in a separate column on the government-wide financial statements to emphasize it is legally separate from the Village. The Village has no discretely presented component units.

The Village's financial statements include two pension trust funds.

Police Pension Employees Retirement System

The Village's financial statements include the Police Pension Employees Retirement System (PPERS) as a fiduciary component unit reported as a pension trust fund. The Village's sworn police employees participate in the PPERS. PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's President, one elected pension beneficiary, and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of the Village's contribution levels. Accordingly, the PPERS is fiscally dependent on the Village.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting Entity (Continued)

Firefighters' Pension Employees Retirement System

The Village's financial statements include the Firefighters' Pension System (the FPERS) as a fiduciary component unit reported as a Pension Trust Fund. The Village's sworn full-time firefighters participate in the FPERS. FPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's President, one elected pension beneficiary, and two elected from active participants of the Firefighters' Pension Fund constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Accordingly, the FPERS is fiscally dependent on the Village.

b. Fund Accounting

The Village uses funds to report on its financial position, changes in its financial position, and cash flows. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. The minimum number of funds are maintained consistent with legal and managerial requirements.

Funds are classified into the following categories: governmental, proprietary, and fiduciary.

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds committed, restricted, or assigned for the acquisition or construction of capital assets (capital projects funds), and the funds committed, restricted, or assigned for the servicing of long-term debt (debt service funds). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the Village (internal service funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments. The Village utilizes pension trust funds which are generally used to account for assets that the Village holds in a fiduciary capacity.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated from these statements. Interfund services provided and used are not eliminated on these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment, or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Village reports the following major governmental funds:

The General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

The Prospect/Main TIF Fund is used to account for the resources to acquire property and construct certain improvements in the Prospect/Main Tax Incremental Financing District. Financing is being provided by incremental property taxes, general obligation bond proceeds, and investment income.

The Police and Fire Building Construction Fund is used to account for the resources to construct the police and fire building. Financing is provided primarily by general obligation bond proceeds.

The Debt Service Fund is used to account for the servicing of general long-term debt not being financed by proprietary funds.

The Village reports the following major proprietary fund:

The Water and Sewer Fund accounts for the activities of the water and sewer operations. The Village operates sewerage pumping stations and collection systems, and the water distribution system.

The Village reports the following internal service funds:

Internal Service Funds account for operations that provide services to other departments or agencies of the Village, or to other governments, on a cost-reimbursement basis.

The Computer Replacement Fund accounts for the acquisition of village computer hardware. Financing is being provided by charges to various village funds.

The Risk Management Fund accounts for the servicing and payment of claims for liability, property/casualty coverage, workers' compensation, and medical benefits. Financing is being provided by charges to the various village funds.

The Vehicle Replacement Fund accounts for the acquisition and depreciation of village vehicles. Financing is being provided by charges to the General, Water and Sewer, Parking System Revenue, and Village Parking System Funds.

The Vehicle Maintenance Fund accounts for the maintenance and repair of all village vehicles. Financing is being provided by charges to various village funds.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

The Village reports the following fiduciary funds:

The Pension Trust Funds account for the Police Pension Fund and Firefighters' Pension Fund.

d. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues and expenses are directly attributable to the operation of the proprietary funds. Non-operating revenue/expenses are incidental to the operations of these funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, generally 60 days except for sales taxes and telecommunication taxes which use 90 days. The Village recognizes property taxes when they become both measurable and available in the year for which they are levied (i.e., intended to finance). Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due.

Sales taxes owed from the state at year end, franchise taxes, licenses, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as liabilities or revenues of the current fiscal period. Income and motor fuel taxes and fines collected and held by the state or county at year end on behalf of the Village also are recognized as revenue. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)

In applying the susceptible to accrual concept to intergovernmental revenues (e.g., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidelines. There are, however, essentially two types of revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Village; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are generally revocable only for failure to comply with prescribed eligibility requirements, such as equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

The Village reports unavailable/deferred and unearned revenue on its financial statements. Unavailable/deferred revenues arise when a potential revenue does not meet both the measurable and available or year intended to finance criteria for recognition in the current period. Unearned revenues arise when resources are received by the government before it has a legal claim to them such as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both the revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability or deferred inflow of resources for unearned and unavailable/deferred revenue is removed from the financial statements and revenue is recognized.

e. Cash and Investments

For purposes of the statement of cash flows, the Village's proprietary funds consider all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

f. Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit, and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust funds are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

Advances are offset by nonspendable fund balance in applicable governmental funds.

Interfund service transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

h. Inventories

Inventories are valued at cost, which approximates market, using the average cost method. The costs of governmental fund inventories are recorded as expenditures when consumed rather than when purchased.

i. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items. Prepaid items are recorded as expenditures/expenses when consumed rather than when purchased.

j. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, stormsewers, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets, other than infrastructure, buildings and improvements, purchased or acquired with an original cost of over \$20,000 and infrastructure, buildings and improvements with an original cost of over \$50,000 are reported at historical cost, or estimated historical cost. Donated capital assets are recorded at acquisition value at the date of donation. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Capital Assets (Continued)

The costs of normal maintenance and repairs, including street overlays, that do not add to the value or service capacity of the asset or materially extend asset lives, are not capitalized.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are recorded at acquisition value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant, and equipment are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and improvements	20-50
Machinery and equipment	2-20
Vehicles	2-20
Infrastructure	15-50

k. Compensated Absences

Vested or accumulated vacation and sick leave are reported as an expenditure and a fund liability of the governmental fund that will pay it once retirement or separation has occurred. Vested or accumulated vacation and sick leave of proprietary funds and governmental activities are recorded as an expense and liability of those funds as the benefits accrue to employees.

l. Rebtable Arbitrage

The Village reports rebtable arbitrage as a reduction of revenue. Where applicable, any liability for rebtable arbitrage is reported in the fund in which the excess investment income was recorded.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt, and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund financial statements. Bond premiums and discounts, as well as gains (losses) on refundings, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

In the fund financial statements, governmental funds recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

n. Property Taxes

Property taxes for 2019 attached as an enforceable lien on January 1, 2019 on property values assessed as of the same date. Taxes are levied by December of the fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about February 1, 2020 and August 1, 2020 and are payable in two installments, on or about March 1, 2020 and September 1, 2020. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 2% of the tax levy, to reflect actual collection experience. Since the 2019 levy is intended to fund the 2020 fiscal year, the levy has been recorded as a receivable and deferred inflow of resources.

o. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

p. Fund Balances/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or that are legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for a specific purpose, or externally imposed by outside entities. None of the restricted fund balance resulted from enabling legislation adopted by the Village. Committed fund balance is constrained by formal actions of the Village's Board of Trustees, which is considered the Village's highest level of decision-making authority. Formal actions include ordinances approved by the Board of Trustees. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Village Manager through the fund balance policy adopted by the Village Board of Trustees. Any residual fund balance of the General Fund and any deficit in other governmental funds is reported as unassigned.

The Village's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the Village considers committed funds to be expended first followed by assigned and then unassigned funds.

The Village's policy states that the General Fund should maintain an unrestricted fund balance level between 20% and 30% of the subsequent fiscal year's annual budgeted expenditures, the special revenue funds (except the CDBG Fund) should maintain a fund balance level between 10% and 25% of the subsequent fiscal year's annual budgeted expenditures, not including capital, debt service and transfers, the Debt Service Fund should maintain a fund balance level at a maximum of the amount of the next principal and interest payment due, and the Capital Projects Fund should maintain a fund balance level between 25% and 50% of the five-year average for capital expenditures by the fund to a maximum of \$1 million.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any outstanding long-term debt issued to acquire or construct the capital assets.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

q. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

2. DEPOSITS AND INVESTMENTS

The Village and pension funds categorize fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. Refer to Note 12 for relevant information related to the Police Pension Plan and Firefighters' Pension Plan.

The Village maintains a cash and investment pool that is available for use by all funds, except the pension trust funds. Each fund's portion of this pool is displayed on the financial statements as "cash and investments." In addition, investments are separately held by several of the Village's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

Village Deposits and Investments

The Village's investment policy authorizes the Village to invest in all investments allowed by Illinois Compiled Statutes (ILCS). These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, The Illinois Funds, and Illinois Metropolitan Investment Fund (IMET). The Village's investment policy does limit its deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

Village Deposits and Investments (Continued)

It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the “prudent person” standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity, and rate of return.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village’s deposits may not be returned to it. The Village’s investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, at an amount not less than 105% of the fair market value of the funds secured, with the collateral witnessed by a written collateral agreement and held by an independent third party in the Village’s name.

Investments

The following table presents the investments and maturities of the Village’s debt securities as of December 31, 2019:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury	\$ 2,100,978	\$ 2,100,978	\$ -	\$ -	\$ -
U.S. agencies	2,503,874	2,503,874	-	-	-
TOTAL	\$ 4,604,852	\$ 4,604,852	\$ -	\$ -	\$ -

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market. Unless matched to a specific cash flow, maturities should not exceed two years from the date of purchase.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Village limits its exposure to credit risk by permitting investments in only those securities allowed under law and by specifically prohibiting investments in leveraged or derivative securities. The U.S. agency securities, The Illinois Funds, and IMET are rated AAA.

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than fair value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

IMET is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by an independent third-party custodian and evidenced by safekeeping receipts and a written custodial agreement. The Illinois Funds, money market mutual funds, and IMET are not subject to custodial credit risk.

Concentration of credit risk is the risk that the Village has too high a percentage of their investments invested in one type of investment. The Village's investment policy requires diversification of investment to avoid unreasonable risk. The Village's investment policy states the Village's portfolio shall be diversified in order to limit the investment holdings of a specific issuer or business sector to avoid over concentration in any one institution or area excluding investments in U.S. Treasury securities and authorized investment pools.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. RECEIVABLES

The following receivables are included in due from other governments on the statement of net position:

GOVERNMENTAL ACTIVITIES	
Court fines	\$ 14,407
Mount Prospect Public Library	4,542,611
Grants	478,568
Miscellaneous	<u>45,339</u>
TOTAL	<u><u>\$ 5,080,925</u></u>

The Series 2006 General Obligation Library Refunding Bonds, the Series 2011A General Obligation Refunding Bonds, and the Series 2016 General Obligation Refunding Bonds were issued to provide financing to the Mount Prospect Public Library (the Library). The Library is repaying these bonds issued by the Village. The Series 2006 General Obligation Library Refunding Bonds were refunded by the Series 2016 General Obligation Refunding Bonds during fiscal year 2016. The future principal and interest payments owed from the Library are as follows with the principal portion recorded as an intergovernmental receivable in the debt service fund/governmental activities.

The annual debt service requirements are as follows:

Year Ending <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 1,470,000	\$ 105,400
2020	1,515,000	61,300
2022	<u>1,550,000</u>	<u>31,000</u>
TOTAL	<u><u>\$ 4,535,000</u></u>	<u><u>\$ 197,700</u></u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS

Capital asset activity for the Village for the year ended December 31, 2019 was as follows:

	Balances January 1, Restated	Additions	Retirements	Balances December 31
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land (including right-of-ways)	\$ 13,986,595	\$ 327,184	\$ -	\$ 14,313,779
Construction in progress	6,170,459	20,574,207	2,842,735	23,901,931
Total capital assets not being depreciated	20,157,054	20,901,391	2,842,735	38,215,710
Capital assets being depreciated				
Buildings	38,778,498	258,430	-	39,036,928
Improvements other than buildings	436,273	454,966	-	891,239
Vehicles	10,717,954	2,123,171	554,451	12,286,674
Machinery and equipment	4,199,180	996,372	388,171	4,807,381
Infrastructure	87,154,912	1,891,278	9,304	89,036,886
Total capital assets being depreciated	141,286,817	5,724,217	951,926	146,059,108
Less accumulated depreciation for				
Buildings	11,835,010	772,822	-	12,607,832
Improvements other than buildings	393,149	7,163	-	400,312
Vehicles	6,870,328	696,484	540,451	7,026,361
Machinery and equipment	2,392,935	247,371	245,016	2,395,290
Infrastructure	71,535,515	2,262,618	9,304	73,788,829
Total accumulated depreciation	93,026,937	3,986,458	794,771	96,218,624
Total capital assets being depreciated, net	48,259,880	1,737,759	157,155	49,840,484
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 68,416,934	\$ 22,639,150	\$ 2,999,890	\$ 88,056,194

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

	Balances January 1	Additions	Retirements	Balances December 31
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 17,551,172	\$ -	\$ 232,354	\$ 17,318,818
Construction in progress	1,582,725	1,323,886	743,113	2,163,498
Total capital assets not being depreciated	19,133,897	1,323,886	975,467	19,482,316
Capital assets being depreciated				
Buildings and improvements	4,499,808	-	-	4,499,808
Machinery and equipment	5,017,968	-	-	5,017,968
Infrastructure	30,471,983	1,217,555	50,927	31,638,611
Total capital assets being depreciated	39,989,759	1,217,555	50,927	41,156,387
Less accumulated depreciation for				
Buildings and improvements	2,999,263	64,922	-	3,064,185
Machinery and equipment	3,486,358	126,382	-	3,612,740
Infrastructure	15,050,008	508,358	47,912	15,510,454
Total accumulated depreciation	21,535,629	699,662	47,912	22,187,379
Total capital assets being depreciated, net	18,454,130	517,893	3,015	18,969,008
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	\$ 37,588,027	\$ 1,841,779	\$ 978,482	\$ 38,451,324

Depreciation expense was charged to functions/programs of the governmental activities as follows:

GOVERNMENTAL ACTIVITIES	
General government	\$ 347,575
Public safety	387,933
Highways and streets	2,371,308
Health and welfare	2,349
Culture and recreation	7,240
Internal service funds	868,177
Welfare	1,876
TOTAL	\$ 3,986,458

5. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and injuries to the Village's employees. These risks along with medical claims for employees and retirees were provided for through a limited self-insurance program through December 31, 2019.

Effective January 1, 2018, The Village participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of Illinois municipalities and special districts in Northeastern Illinois which have formed an association under the Illinois Intergovernmental Cooperation Statute to pool its risk management needs. IRMA administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration and litigation management services; unemployment claim administration; extensive risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

Each member appoints one delegate along with an alternate delegate, to represent the member on the Board of Directors. The Village does not exercise any control over the activities of IRMA beyond its representation on the Board of Directors.

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the by-laws of IRMA and experience modification factors based on past member loss experience. Each member assumes the first \$10,000 (higher optional deductibles available) of each occurrence, and IRMA has self-insurance retentions at various amounts above that level. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits. The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in the appropriate funds. The coverages provided by IRMA are generally consistent with the coverages in the prior year.

The Village has chosen an optional higher deductible of \$100,000. A related reserve deposit of \$919,551 is being held at IRMA at December 31, 2019.

The Village's insurance activities are reported in the Risk Management Fund which is an internal service fund. Premiums are paid into the Risk Management Fund by the departments of the General Fund and other funds based upon historical cost estimates.

The total claims liability remaining as of December 31, 2019 was \$414,909.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. RISK MANAGEMENT (Continued)

A reconciliation of claims liability for the current year and that of the preceding year follows:

	Auto	Workers' Compensation	General Liability	Total
UNPAID CLAIMS, DECEMBER 31, 2017	\$ 15,698	\$ 1,454,929	\$ 69,043	\$ 1,539,670
Claims incurred - 2018	-	191,886	59,573	251,459
Claims payments - 2018	15,657	1,160,872	19,081	1,195,610
UNPAID CLAIMS, DECEMBER 31, 2018	41	485,943	109,535	595,519
Claims incurred - 2019	157,471	681,263	26,429	865,163
Claims payments - 2019	157,512	776,382	111,879	1,045,773
UNPAID CLAIMS, DECEMBER 31, 2019	\$ -	\$ 390,824	\$ 24,085	\$ 414,909

a. Intergovernmental Personnel Benefit Cooperative

The Village participates in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC is a public entity risk pool established by certain units of local government in Illinois to administer some or all of the personnel benefit programs (primarily medical, dental, and life insurance coverage) offered by these members to their officers and employees and to the officers and employees of certain other governmental, quasi governmental, and nonprofit public service entities. Management consists of a Board of Directors comprised of one appointed representative from each member. The officers of IPBC are chosen by the Board of Directors from among their membership. The Village does not exercise any control over the activities of IPBC beyond its representation on the Board of Directors.

IPBC acts as an administrative agency to receive, process, and pay such claims as may come within the benefit program of each member. IPBC maintains specific reinsurance coverage for claims in excess of \$75,000 per individual employee participant. The Village pays premiums to IPBC based upon current employee participation and its prior experience factor with the pool. Current year overages and underages for the participation in the pool are adjusted into subsequent years experience factor for premiums. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

A reserve deposit of \$2,524,777 is being held at IPBC at December 31, 2019.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT

a. General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. Any general obligation bonds issued for proprietary funds are reported in the proprietary funds if they are expected to be repaid from proprietary revenues. General obligation bonds have been issued for general governmental activities and for the Library. In addition, general obligation bonds have been issued to refund general obligation bonds.

On June 3, 2019, the Village issued General Obligation Bonds, Series 2019A in the amount of \$9,600,000. The proceeds are to be used in the Water and Sewer Fund on implementation of proposed capital plans, including renewal and replacement of the water distribution system and sewer collections system.

On November 25, 2019, the Village issued \$7,725,000 General Obligation Bonds, Series 2019B. The proceeds are to be used on TIF redevelopment projects in the Prospect Main TIF.

b. Installment Notes Payable

The Village enters into installment notes payable (direct borrowing) to provide funds for acquisition of capital assets. Installment notes payable have been issued for the governmental activities. Installment notes payable are direct obligations and pledge the full faith and credit of the Village.

c. Business District Limited Tax Note Payable

The Village has issued a note payable (direct borrowing) related to a developer agreement. The limited tax note payable has been issued for the governmental activities and is a limited obligation of the Village, payable solely from certain tax revenues as set forth in the developer agreement. The developer agreement term will expire upon the earlier to occur of (a) the expiration of the term of any bonds issued by the Village which yield developer proceeds equal to the maximum reimbursement amount, (b) the date which all obligations under this agreement have been discharged, including, but not limited to, payments on any bonds issued by the Village and on the note payable, or (c) 35 years following the issuance of the note payable. After a final accounting is completed and any remaining amounts are paid to the developer, the note payable shall be marked “cancelled” and returned to the Village.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

d. Changes in Long-Term Liabilities

The following is a summary of changes in long-term debt for the year ended December 31, 2019:

	Debt Retired by	Balances January 1	Additions	Reductions	Balances at December 31	Current Portion at December 31
GOVERNMENTAL ACTIVITIES						
\$5,160,000 General Obligation Bonds, Series 2011B, due in annual installments from \$40,000 to \$775,000, plus interest at 2.52% through December 1, 2020.	Debt Service	\$ 1,530,000	\$ -	\$ 755,000	\$ 775,000	\$ 775,000
\$2,975,000 General Obligation Bonds, Series 2012, due in annual installments from \$610,000 to \$885,000, plus interest at 3.10% through December 1, 2022.	Debt Service	1,745,000	-	-	1,745,000	-
\$9,800,000 General Obligation Bonds, Series 2013, due in annual installments of \$555,000 to \$885,000, plus interest at 3.000% to 4.125% through December 1, 2033.	Debt Service	9,800,000	-	-	9,800,000	555,000
\$6,290,000 General Obligation Bonds, Series 2014, due in annual installments of \$290,000 to \$1,265,000, plus interest at 3% through December 1, 2023.	Debt Service	4,675,000	-	560,000	4,115,000	760,000
\$8,735,000 General Obligation Bonds, Series 2016, due in annual installments of \$1,375,000 to \$1,550,000, plus interest at 2% to 3% through December 1, 2022.	Debt Service	5,960,000	-	1,425,000	4,535,000	1,470,000
\$9,100,000 General Obligation Bonds, Series 2016A, due in annual installments of \$120,000 to \$1,905,000, plus interest at 3% through December 1, 2028.	Debt Service	8,860,000	-	-	8,860,000	-
\$4,815,000 General Obligation Bonds, Series 2017, due in annual installments of \$140,000 to \$460,000, plus interest at 2.50% to 4.00%, through December 1, 2037.	Debt Service	4,815,000	-	-	4,815,000	-
\$7,060,000 General Obligation Bonds, Series 2018A, due in annual installments of \$180,000 to \$700,000, plus interest at 3.25% to 5.00% through December 1, 2037.	Debt Service	7,060,000	-	-	7,060,000	-

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

d. Changes in Long-Term Liabilities (Continued)

	Debt Retired by	Balances January 1	Additions	Reductions	Balances December 31	Current Portion at December 31
GOVERNMENTAL ACTIVITIES						
(Continued)						
\$38,440,000 General Obligation Bonds, Series 2018B, due in annual installments of \$155,000 to \$3,110,000, plus interest at 3.625% to 5.000% through December 1, 2043.	Debt Service	\$ 38,440,000	\$ -	\$ 400,000	\$ 38,040,000	\$ 455,000
\$7,725,000 General Obligation Bonds, Series 2019B, due in annual installments of \$210,000 to \$740,000, plus interest at 3.00% to 5.00% through December 1, 2039.	Debt Service	-	7,725,000	-	7,725,000	-
Total bonds		82,885,000	7,725,000	3,140,000	87,470,000	4,015,000
\$1,760,422 IEPA Flood Loan Contract Payable of 1999 (L17-1087), due in semiannual installments of \$57,498 to \$112,771, plus interest at 2.625% through June 3, 2019.	Debt Service	57,500	-	57,500	-	-
Total IEPA flood loan installment notes payable		57,500	-	57,500	-	-
\$2,500,000 installment note payable of 2012, due in annual installments of \$25,000 to \$590,000, plus interest at 0.91% through December 1, 2019.	Debt Service	590,000	-	590,000	-	-
Total installment notes payable		590,000	-	590,000	-	-
\$25,000,000 Business District limited tax note payable of 2010, interest at 6.71% due in semiannual installments contingent upon sufficient pledged revenues.	Business District	33,908,830	2,241,649	821,292	35,329,187	-
Total Business District limited tax note payable		33,909,830	2,241,649	821,292	35,329,187	-
TOTAL GOVERNMENTAL ACTIVITIES		\$ 117,441,330	\$ 9,966,649	\$ 4,608,792	\$ 122,799,187	\$ 4,015,000

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

d. Changes in Long-Term Liabilities (Continued)

	Debt Retired by	Balances January 1, Restated	Additions	Reductions	Balances December 31	Current Portion at December 31
BUSINESS-TYPE ACTIVITIES						
\$4,925,000 General Obligation Bonds, Series 2017, due in annual installments of \$125,000 to \$405,000, plus interest at 2.50% to 4.00% through December 1, 2037.	Water	\$ 4,800,000	\$ -	\$ 125,000	\$ 4,675,000	\$ 140,000
\$4,890,000 General Obligation Bonds, Series 2018A, due in annual installments of \$115,000 to \$410,000, plus interest at 3.25% to 5.00% through December 1, 2037.	Water	4,710,000	-	115,000	4,595,000	125,000
\$9,600,000 General Obligation Bonds, Series 2019A, due in annual installments of \$60,000 to \$800,000, plus interest at 2% to 5% through December 1, 2039.	Water	-	9,600,000	-	9,600,000	60,000
TOTAL BUSINESS-TYPE ACTIVITIES		<u>\$ 9,510,000</u>	<u>\$ 9,600,000</u>	<u>\$ 240,000</u>	<u>\$ 18,870,000</u>	<u>\$ 325,000</u>

The following is a summary of changes in long-term liabilities during 2019:

	Debt Retired by	Balances January 1, Restated	Additions	Reductions	Balances December 31	Current Portion at December 31
GOVERNMENTAL ACTIVITIES						
Compensated absences	General	\$ 3,557,150	\$ 1,072,433	\$ 789,936	\$ 3,839,647	\$ 751,114
	Internal					
Claims and judgments	Service	595,519	865,163	1,045,773	414,909	243,822
Total OPEB liability	General	10,586,832	1,253,401	-	11,840,233	410,848
General obligation bonds	Debt Service	82,885,000	7,725,000	3,140,000	87,470,000	4,015,000
Unamortized bond premium		2,852,998	394,075	240,498	3,006,575	-
Loan contracts payable	Debt Service	57,500	-	57,500	-	-
Installment notes payable	Debt Service	590,000	-	590,000	-	-
Net pension liability - IMRF	General	555,045	8,949,053	-	9,504,098	-
Net pension liability -						
Police Pension	General	53,267,003	-	8,276,865	44,990,138	-
Net pension liability -						
Firefighters' Pension	General	44,305,742	-	5,845,654	38,460,088	-
Business District limited tax	Business District	33,908,830	2,241,649	821,292	35,329,187	-
Total governmental activities		<u>233,161,619</u>	<u>22,500,774</u>	<u>20,807,518</u>	<u>234,854,875</u>	<u>5,420,784</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

d. Changes in Long-Term Liabilities (Continued)

	Debt Retired by	Balances January 1, Restated	Additions	Reductions	Balances December 31	Current Portion at December 31
BUSINESS-TYPE ACTIVITIES						
General obligation bonds	Water	\$ 9,510,000	\$ 9,600,000	\$ 240,000	\$ 18,870,000	\$ 325,000
Unamortized bond premium		317,936	416,716	37,569	697,083	-
Asset retirement obligation		750,000	-	-	750,000	-
Compensated absences*		184,845	63,331	36,969	211,207	42,242
Net pension liability - IMRF**		129,915	2,094,633	-	2,224,548	-
Total OPEB liability*		302,300	35,790	-	338,090	11,732
Total business-type activities		11,194,996	12,210,470	314,538	23,090,928	378,974
TOTAL		<u>\$ 244,356,615</u>	<u>\$ 34,711,244</u>	<u>\$ 21,122,056</u>	<u>\$ 257,945,803</u>	<u>\$ 5,799,758</u>

*Compensated absences and the total OPEB liability of business-type activities are retired by the Water and Sewer, Parking System Revenue, and Village Parking System Funds.

**The IMRF net pension liability is retired by the Water and Sewer Fund.

e. Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Year Ending December 31,	Governmental Activities	
	Principal	Interest
2020	\$ 4,015,000	\$ 3,250,243
2021	4,590,000	3,119,990
2022	4,505,000	2,984,380
2023	2,990,000	2,858,194
2024	3,125,000	2,758,094
2025	3,285,000	2,631,144
2026	3,450,000	2,510,194
2027	3,605,000	2,384,744
2028	3,785,000	2,257,669
2029	3,455,000	2,127,075
2030	3,750,000	1,975,800
2031	3,955,000	1,815,013
2032	4,170,000	1,645,688
2033	4,400,000	1,467,375
2034	3,715,000	1,280,168
2035	3,900,000	1,151,550

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

e. Debt Service Requirements to Maturity (Continued)

Year Ending December 31,	Governmental Activities	
	General Obligation Bonds	
	Principal	Interest
2036	\$ 4,090,000	\$ 1,014,519
2037	4,285,000	870,125
2038	3,260,000	718,400
2039	3,400,000	598,200
2040	2,765,000	469,600
2041	2,875,000	359,000
2042	2,990,000	244,000
2043	3,110,000	124,400
TOTAL	\$ 87,470,000	\$ 40,615,565

The repayment of the business district limited tax note payable is based on incremental tax revenue received. As such, there is no debt service to maturity schedule.

Year Ending December 31,	Business-Type Activities	
	General Obligation Bonds	
	Principal	Interest
2020	\$ 325,000	\$ 841,248
2021	525,000	663,081
2022	575,000	638,331
2023	625,000	611,182
2024	680,000	581,681
2025	740,000	549,581
2026	805,000	514,631
2027	860,000	478,782
2028	920,000	447,831
2029	980,000	414,400
2030	1,045,000	378,450
2031	1,110,000	344,694
2032	1,170,000	307,757
2033	1,245,000	268,832
2034	1,315,000	229,419
2035	1,390,000	187,788
2036	1,460,000	144,244
2037	1,540,000	98,013
2038	760,000	48,750
2039	800,000	25,000
TOTAL	\$ 18,870,000	\$ 7,773,695

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

f. Asset Retirement Obligation

The Village has recognized an asset retirement obligation (ARO) and related deferred outflow of resources in connection with its obligation to seal and abandon various water wells at the end of their estimated useful lives in accordance with the Illinois Administrative Code Title 77. The ARO was measured using actual historical costs for similar abandonments, adjusted for inflation through the end of the year. The estimated remaining useful lives of the water wells are 100 years.

g. Legal Debt Margin

The Village is a home rule municipality. Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of the legal debt margin.

“The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property . . . (2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: . . . indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum . . . shall not be included in the foregoing percentage amounts.”

To date the General Assembly has set no limits for home rule municipalities.

7. CONTRACTUAL COMMITMENTS

Solid Waste Agency of Northern Cook County

Annual payments to Solid Waste Agency of Northern Cook County (SWANCC) are based on estimated tonnage of waste transported to SWANCC. It is assumed that there will be no material changes in deliveries to SWANCC. For 2020, the Village estimates it will pay SWANCC \$993,726, with annual increases ranging from 0% to 3% through 2022.

8. INTERFUND ACTIVITY

Due From/To Other Funds

Receivable Fund	Payable Fund	Amount
Police Pension	General	\$ 1,390
Firefighters' Pension	General	1,987
TOTAL		\$ 3,377

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. INTERFUND ACTIVITY (Continued)

The purpose of the significant interfund receivables/payables are as follows:

- \$3,377 due from the General Fund to the Police and Firefighters' Pension Funds for property tax refunds issued by the county.

Transfers

The purpose of significant transfers from/to between funds are as follows:

- \$750,000 transferred to the Capital Improvement Fund from the General Fund for capital projects.
- \$790,000 transferred to the Debt Service Fund from the General Fund for debt service payments.
- \$2,169,981 transferred to the Prospect/Main TIF fund for capital projects. \$1,602,619 was transferred from the Village Parking System Fund and \$567,362 was transferred from the General Fund.

9. CONTINGENT LIABILITIES

a. Litigation

The Village is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Village's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

b. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

10. JOINT VENTURES

a. Solid Waste Agency of Northern Cook County

The Village is a member of SWANCC which consists of 23 municipalities. SWANCC is a municipal corporation and public body politic and corporate established pursuant to the Intergovernmental Cooperation Act of the State of Illinois. SWANCC is empowered to plan, construct, finance, operate, and maintain a solid waste disposal system to serve its members.

SWANCC is governed by a board of directors which consists of the mayor or president from each member municipality. Each director has an equal vote. The officers of SWANCC are appointed by the Board of Directors. The Board of Directors determines the general policy of SWANCC, makes all appropriations, approves contracts, provides for the issuance of debt, adopts by-laws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the agency agreement or the by-laws.

Complete financial statements can be obtained from the Solid Waste Agency of Northern Cook County administrative office at 77 West Hintz Road, Suite 200, Wheeling, Illinois 60090 or online at www.swancc.org.

SWANCC's outstanding bonds are revenue obligations. They are limited obligations of SWANCC with a claim for payment solely from and secured by a pledge of the revenues of the system and amounts in various funds and accounts established by SWANCC resolutions. The bonds are not the debt of any member. SWANCC has no power to levy taxes.

Revenues of the system consist of (1) all receipts derived from solid waste disposal contracts or any other contracts for the disposal of waste; (2) all income derived from the investment of monies; and (3) all income, fees, service charges, and all grants, rents, and receipts derived by SWANCC from the ownership and operation of the system. SWANCC covenants to establish fees and charges sufficient to provide revenues to meet all its requirements.

SWANCC has entered into solid waste disposal contracts with the member municipalities. The contracts are irrevocable and may not be terminated or amended except as provided for in the contract. Each member is obligated, on a "take or pay" basis, to deliver a minimum amount of solid waste to the system. The obligation of the Village to make all payments as required by this contract is unconditional and irrevocable, without regard to performance or nonperformance by SWANCC of its obligations under the contract. The contract does not constitute an indebtedness of the Village within the meaning of any statutory or constitutional limitation.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. JOINT VENTURES (Continued)

a. Solid Waste Agency of Northern Cook County (Continued)

In accordance with the contract, the Village made payments totaling \$955,403 to SWANCC in 2019. The payments have been recorded in the Refuse Disposal Fund. The Village does not have an equity interest in SWANCC at December 31, 2019.

b. Northwest Suburban Municipal Joint Action Water Agency

Description of Joint Venture

The Village is a member of Northwest Suburban Municipal Joint Action Water Agency (JAWA) which consists of seven municipalities. JAWA is a municipal corporation and public body politic and corporate established pursuant to the Intergovernmental Cooperation Act of the State of Illinois. JAWA is empowered to plan, construct, improve, extend, acquire, finance, operate, and maintain a water supply system to serve its members and other potential water purchasers.

The seven members of JAWA and their percentage shares as of April 30, 2019 are as follows:

	Percent Share
	<hr/>
Village of Elk Grove Village	18.47%
Village of Hanover Park	8.70%
Village of Hoffman Estates	15.67%
Village of Mount Prospect	12.05%
City of Rolling Meadows	6.98%
Village of Schaumburg	27.49%
Village of Streamwood	<hr/> 10.64%
 TOTAL	 <hr/> <hr/> 100.00%

These percentage shares are based upon formulae contained in the water supply agreement and are subject to change in future years based upon consumption by the municipalities.

The members form a contiguous geographic service area which is located 15 to 30 miles northwest of downtown Chicago. Under the Agency Agreement, additional members may join JAWA upon the approval of each member.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. JOINT VENTURES (Continued)

b. Northwest Suburban Municipal Joint Action Water Agency (Continued)

Description of Joint Venture (Continued)

JAWA is governed by a Board of Directors which consist of one elected official from each member municipality. Each director has an equal vote. The officers of JAWA are appointed by the Board of Directors. The Board of Directors determines the general policy of JAWA, makes all appropriations, approves contracts for sale or purchase of water, provides for the issuance of debt, adopts by-laws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the agency agreement or the by-laws.

Complete financial statements can be obtained from the Northwest Suburban Municipal Joint Action Water Agency, 901 Wellington Avenue, Elk Grove Village, Illinois 60007.

Revenues of the system consist of: (a) all receipts derived from Water Supply Agreements or any other contract for the supply of water; (b) all income derived from the investment of monies; and (c) all income, fees, water service charges, and all rates, rents, and receipts derived by JAWA from the ownership and operation of the system and the sale of water. JAWA covenants to establish fees and charges sufficient to provide revenues to meet all its requirements.

JAWA has entered into water supply agreements with the seven-member municipalities for a term of 40 years, extending to 2022. The agreements are irrevocable and may not be terminated or amended except as provided for in the General Resolution. Each member is obligated, on a “take or pay” basis, to purchase or in any event to pay for a minimum annual quantity of water.

JAWA has entered into an agreement with the City of Chicago (the City) under which the City has agreed to sell quantities of Lake Michigan water sufficient to meet the projected water needs of the members through the year 2020.

The obligation of the Village to make all payments as required by this agreement is unconditional and irrevocable, without regard to performance or nonperformance by JAWA of its obligations under this agreement.

The payments required to be made by the Village under this agreement shall be required to be made solely from revenues to be derived by the Village from the operation of the Water and Sewer System. Members are not prohibited by the agreement; however, from using other available funds to make payments under the agreement. This agreement shall not constitute an indebtedness of the Village within the meaning of any statutory or constitutional limitation.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. JOINT VENTURES (Continued)

- b. Northwest Suburban Municipal Joint Action Water Agency (Continued)

Description of Joint Venture (Continued)

The obligation of the Village to make payments required by this agreement is payable from the Village's Water and Sewer Fund.

In accordance with the joint venture agreement, the Village remitted \$6,715,449 to JAWA for 2019. Deposits with JAWA in the amount of \$1,117,447 represent amounts held for security for debt service.

11. OTHER POSTEMPLOYMENT BENEFITS

- a. Plan Description

In addition to providing the pension benefits described, the Village provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan (the Plan). The benefits, benefit levels, employee contributions, and employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. Certain benefits are controlled by state laws and can only be changed by the Illinois Legislature. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The Plan does not issue a separate report. The activity of the Plan is reported in the Village's governmental and business-type activities.

- b. Benefits Provided

The Village provides pre and post-Medicare postretirement health insurance to retirees, their spouses, and dependents (enrolled at time of employee's retirement).

To be eligible for benefits, the employee must qualify for retirement under one of the Village's three retirement plans. The retirees pay the blended premium. Upon a retiree becoming eligible for Medicare, the amount payable under the Village's health plan will be reduced by the amount payable under Medicare for those expenses that are covered under both. All healthcare benefits are provided through the Village's health insurance plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; and prescriptions. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the Village's plan becomes secondary. All retirees contribute 100% of the actuarially determined premium to the Plan. For the fiscal year ended December 31, 2019, retirees contributed \$858,090. For any disabled employees who qualify for health insurance benefits under the Public Safety Employee Benefits Act (PSEBA), the Village is required to pay 100% of the cost of basic health insurance for the employee and their dependents for their lifetime.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

c. Membership

At December 31, 2019 membership consisted of:

Inactive employees currently receiving benefit payments	82
Inactive employees entitled to but not yet receiving benefits	-
Active employees	<u>296</u>
 TOTAL	 <u><u>378</u></u>
 Participating employers	 <u><u>1</u></u>

d. Actuarial Assumptions and Other Inputs

The total OPEB liability was determined by an actuarial valuation performed as of January 1, 2019 using the following actuarial methods and assumptions.

Actuarial valuation date	January 1, 2019
Measurement date	December 31, 2019
Actuarial cost method	Entry-age normal
Inflation	2.50%
Discount rate	3.26%
Healthcare cost trend rates	8.00% to an ultimate trend rate of 4.50%
Asset valuation method	N/A
Mortality rates	RPH - 2018 fully generational using scale MP-2018

e. Discount Rate

The discount rate was based on the S&P Municipal Bond 20 year high-grade rate index rate for tax exempt general obligation municipal bonds rated AA or better at December 31, 2019.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

f. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT JANUARY 1, 2019	\$ 10,889,132
Changes for the period	
Service cost	457,933
Interest	457,768
Changes in assumptions	1,326,575
Differences between expected and actual experience	(530,505)
Benefit payments	<u>(422,580)</u>
Net changes	<u>1,289,191</u>
BALANCES AT DECEMBER 31, 2019	<u>\$ 12,178,323</u>

There was a change in assumptions related to the discount rate, inflation rate, and healthcare trend rates in 2019.

g. Rate Sensitivity

The following is a sensitive analysis of total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the Village calculated using the discount rate of 3.26% as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.26%) or 1 percentage point higher (4.26%) than the current rate:

	1% Decrease (2.26%)	Current Discount Rate (3.26%)	1% Increase (4.26%)
Total OPEB liability	\$ 14,091,306	\$ 12,178,323	\$ 10,641,341

The table below presents the total OPEB liability of the Village calculated using the healthcare rate of 8.00% to 4.50% as well as what the Village's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (7.00% to 3.50%) or 1 percentage point higher (9.00% to 5.50%) than the current rate:

	1% Decrease (7.00% to 3.50%)	Current Healthcare Rate (8.00% to 4.50%)	1% Increase (9.00% to 5.50%)
Total OPEB liability	\$ 10,278,162	\$ 12,178,323	\$ 14,638,247

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

- h. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2019, the Village recognized OPEB expense of \$686,631. At December 31, 2019, the Village reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 1,368,106
Changes in assumption	1,179,178	1,326,112
TOTAL	\$ 1,179,178	\$ 2,694,218

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending December 31,	
2020	\$ (229,070)
2021	(229,070)
2022	(229,070)
2023	(229,070)
2024	(229,070)
Thereafter	(369,690)
TOTAL	\$ (1,515,040)

12. EMPLOYEE RETIREMENT SYSTEMS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and the Firefighters' Pension Plan which is also a single-employer pension plan. The benefits, benefit levels, employee contributions, and employer contributions for all three plans are governed by ILCS and can only be amended by the Illinois General Assembly. The Police and Firefighters' Pension Plans issue separate reports that can be obtained from the Village at 50 South Emerson Street, Mt. Prospect, Illinois 60056. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or at imrf.org.

The aggregate total expense for all pension plans was \$10,604,568 at December 31, 2019.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions

Illinois Municipal Retirement Fund

All employees (other than those covered by the Police Pension Plan or Firefighters' Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. For financial reporting purposes, the Village and Library participate in IMRF as a cost-sharing multiple-employer pension plan. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for calendar year 2019 was 9.60%.

Plan Membership

At December 31, 2018 (most recent information available), IMRF membership consisted of:

Inactive plan members currently receiving benefits	265
Inactive plan members entitled to but not yet receiving benefits	165
Active plan members	253
 TOTAL	 683

The IMRF data included in the table above includes membership of both the Village and the Library.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2018 using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2018
Actuarial cost method	Entry-age normal
Asset valuation method	Fair value of assets
Assumptions	
Price inflation	2.50%
Salary increases	3.39% to 14.25%
Investment rate of return	7.25%
Cost of living adjustments - Tier 1	3.00%
Cost of living adjustments - Tier 2	3.00% or ½ of the increase in the Consumer Price Index, whichever is less

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate

The discount rate used to measure the IMRF total pension liability was 7.25% (7.50% in 2017). The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2018	\$ 97,883,280	\$ 96,946,646	\$ 936,634
Changes for the period			
Service cost	1,690,492	-	1,690,492
Interest	7,223,810	-	7,223,810
Difference between expected and actual experience	3,043,104	-	3,043,104
Changes in assumptions	3,019,891	-	3,019,891
Employer contributions	-	2,032,727	(2,032,727)
Employee contributions	-	1,104,133	(1,104,133)
Net investment income	-	(5,230,039)	5,230,039
Benefit payments and refunds	(4,822,107)	(4,822,107)	-
Other (net transfer)	-	1,969,030	(1,969,030)
Net changes	10,155,190	(4,946,256)	15,101,446
BALANCES AT DECEMBER 31, 2018	\$108,038,470	\$ 92,000,390	\$ 16,038,080

There was a change with respect to actuarial assumptions related to the discount rate.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability (Continued)

The table presented on the previous page includes amounts for both the Village and the Library. The Village's collective shares of the net pension liability at January 1, 2018, the employer contributions, and the net pension liability at December 31, 2018 were \$684,960, \$1,486,533, and \$11,728,646, respectively. The Library's collective shares of the net pension liability at January 1, 2018, the employer contributions, and the net pension liability at December 31, 2018 were \$251,674, \$546,194, and \$4,309,434, respectively.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2019, the Village recognized pension expense of \$981,109.

At December 31, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,847,816	\$ 123,968
Changes in assumptions	1,627,337	1,143,664
Employer contributions after the measurement date	1,332,718	-
Net difference between projected and actual earnings on pension plan investments	4,556,536	-
TOTAL	\$ 9,364,407	\$ 1,267,632

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

\$1,332,718 reported as deferred outflows of resources related to pensions resulting from the Village contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ending December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized as pension expense by the Village as follows:

<u>Year Ending December 31,</u>	
2020	\$ 2,033,157
2021	1,377,602
2022	1,523,342
2023	1,829,956
2024	<u>-</u>
 TOTAL	 <u>\$ 6,764,057</u>

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 7.25% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (village)	\$ 21,716,395	\$ 11,728,646	\$ 3,478,032
Net pension liability (library)	<u>7,979,209</u>	<u>4,309,434</u>	<u>1,277,926</u>
Net pension liability (total)	<u>\$ 29,695,604</u>	<u>\$ 16,038,080</u>	<u>\$ 4,755,958</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan

Plan Administration

Police sworn personnel are covered by the Police Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contributions levels are governed by Illinois Compiled Statutes (Chapter 40 - Article 5/3) and may be amended only by the Illinois legislature. The Village accounts for the Police Pension Plan as a pension trust fund.

The plan is governed by a five-member pension board. Two members are appointed by the Village's President, one member is elected by pension beneficiaries, and two members are elected by active police employees.

Plan Membership

At December 31, 2019, the Police Pension Plan membership consisted of:

Inactive plan members currently receiving benefits	82
Inactive plan members entitled to but not yet receiving benefits	9
Active plan members	<u>82</u>
TOTAL	<u><u>173</u></u>

Benefits Provided

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided (Continued)

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the greater of the average monthly salary obtaining by dividing the total salary during the 48 consecutive months of service within the last of 60 months in which the total salary was the highest by the number of months in that period; or the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the preceding calendar year.

Contributions

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. However, the Village has decided to fund 100% of the past service cost by 2040. For the year ended December 31, 2019, the Village's contribution was 42.12% of covered payroll. The Village utilizes the entry-age normal actuarial cost method to fund the plan.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Policy

The Police Pension Fund’s (the Fund) investment policy authorizes the Fund to invest in all investments allowed by ILCS. These include deposits/investments in insured commercial banks, savings and loan institutions, interest-bearing obligations of the U.S. Treasury and U.S. agencies, interest-bearing bonds of the State of Illinois or any county, township, or municipal corporation of the State of Illinois, direct obligations of the State of Israel, corporate bonds managed through an investment advisor and rated as investment grade by one of the two largest rating services at the time of purchase, money market mutual funds whose investments consist of obligations of the U.S. Treasury or U.S. agencies, separate accounts managed by life insurance companies, mutual funds, common and preferred stock, The Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller), and IMET, a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. The Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the state to pool their funds for investment purposes.

It is the policy of the Fund to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the cash flow demands of the Fund and conforming to all state and local statutes governing the investment of public funds, using the “prudent person” standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, risk aversion, rate of return, and liquidity.

The Fund’s investment policy in accordance with ILCS establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	45.00%	1.40%
Large Cap Domestic Equities	38.50%	6.20%
Small Cap Domestic Equities	11.00%	8.00%
International Equities	5.50%	6.90%

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Policy (Continued)

Asset class returns and risk premium data are from Morningstar Analyst Research Center - SBBI Data for the period December 31, 1925 through December 31, 2018. The International Equity equals the MSCI EAFE Index for the period December 31, 1969 through December 31, 2019. The long-term expected real rates of return are net of inflation and investment expense. Long-term returns for the asset classes are calculated on a geometric mean basis.

Investment Valuations

All investments are stated at fair value at December 31, 2019. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Investment Concentrations

Concentration of credit risk is the risk that the Fund has a high percentage of its investments invested in one type of investment. The Fund's investment policy requires diversification of investment to avoid unreasonable risk. No financial institution, except any securities custodians of the Fund, shall hold more than 10% of the Fund's portfolio at any time. Neither shall The Illinois Funds hold more than 10% of the Fund's portfolio at any time. In addition, the following allocations are desired: depository accounts and money market mutual funds at 1% to 5%, fixed income securities at 40% to 44%, and equity securities at 55%.

At December 31, 2019, there were no significant investments (other than United States Government guaranteed obligations or mutual funds) in any one organization that represent 5% or more of the Fund's investments.

Investment Rate of Return

For the year ended December 31, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 20.29%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Interest Rate Risk

The following table presents the investments and maturities of the Fund's debt securities as of December 31, 2019:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury	\$ 3,896,293	\$ 799,432	\$ 983,141	\$ 2,113,720	\$ -
U.S. agencies	7,571,206	176,269	531,206	1,071,432	5,792,299
State, local, and municipal bonds	1,463,899	247,357	211,167	520,428	484,947
Corporate bonds	10,141,808	645,029	6,097,678	3,103,879	295,222
TOTAL	\$ 23,073,206	\$ 1,868,087	\$ 7,823,192	\$ 6,809,459	\$ 6,572,468

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market with a minimum return of 7% desired during a market cycle. In addition, no investment in a fixed income security shall have a maturity of greater than 30 years from the time of purchase.

The Fund has the following recurring fair value measurements as of December 31, 2019: the U.S. Treasury obligations and mutual funds were valued using quoted prices in active markets for identical assets (Level 1 inputs) and U.S. agency obligations; state, local, and municipal obligations, and corporate bond obligations were valued using quoted matrix pricing models (Level 2 inputs).

Credit Risk

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Fund's investment policy does not address the management of credit risk other than to limit investments to those allowed by state statutes. The U.S. Treasury and U.S. agencies, money market mutual funds, and The Illinois Funds are rated AAA. The state, local, and municipal bonds are rated AAA. The corporate bonds are rated BAA3 to AAA.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Custodial Credit Risk - Investments

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Fund's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third-party custodian and evidenced by safekeeping receipts. The Illinois Funds and money market mutual funds are not subject to custodial credit risk.

Net Pension Liability

The components of the net pension liability of the Police Pension Plan as of December 31, 2019 were as follows:

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2019	\$ 119,641,111	\$ 66,374,108	\$ 53,267,003
Changes for the period			
Service cost	1,576,407	-	1,576,407
Interest	8,574,834	-	8,574,834
Changes of benefit terms	202,152	-	202,152
Difference between expected and actual experience	(439,430)	-	(439,430)
Changes in assumptions	(343,513)	-	(343,513)
Employer contributions	-	3,582,499	(3,582,499)
Employee contributions	-	860,265	(860,265)
Net investment income	-	13,440,246	(13,440,246)
Benefit payments and refunds	(5,887,879)	(5,887,879)	-
Administrative expense	-	(35,695)	35,695
Net changes	3,682,571	11,959,436	(8,276,865)
BALANCES AT DECEMBER 31, 2019	\$ 123,323,682	\$ 78,333,544	\$ 44,990,138

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Net Pension Liability (Continued)

There was also a change in assumption made since the prior measurement date to reflect revised expectations with respect to mortality rates.

See the schedule of changes in the employer's net pension liability and related ratios in the required supplementary information for additional information related to the funded status of the Fund.

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2019 using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2019
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	4.00%
Discount rate	7.25%
Cost of living adjustments - Tier 1	3.00%
Cost of living adjustments - Tier 2	1.25%
Asset valuation method	Fair value of assets

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions (Continued)

Mortality rates for healthy individuals were based on the RP-2014 Mortality Table with a blue collar adjustment, with improvement scale MP-2019 applied generally from 2013. Mortality rates for disabled individuals were 115% of the health mortality table with improvement scale MP-2019 applied generally from 2013. The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated October 5, 2017.

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Interest Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 7.25% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability	\$ 62,681,538	\$ 44,990,138	\$ 30,641,164

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2019, the Village recognized police pension expense of \$4,714,745.

At December 31, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,875	\$ 3,063,940
Changes in assumptions	1,225,750	286,261
Net difference between projected and actual earnings on pension plan investments	-	3,409,518
TOTAL	<u>\$ 1,227,625</u>	<u>\$ 6,759,719</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the police pension will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	
2020	\$ (1,701,934)
2021	(1,886,352)
2022	(130,676)
2023	(1,682,639)
2024	(130,493)
TOTAL	<u>\$ (5,532,094)</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan

Plan Administration

Fire sworn personnel are covered by the Firefighters' Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contributions levels are mandated by Illinois Compiled Statutes (Chapter 40 - Article 5/4) and may be amended only by the Illinois legislature. The Village accounts for the Firefighters' Pension Plan as a pension trust fund.

The plan is governed by a five-member pension board. Two members are appointed by the Village's President, one member is elected by pension beneficiaries, and two members are elected by active firefighter employees.

Plan Membership

At December 31, 2019, the Firefighters' Pension Plan membership consisted of:

Inactive plan members currently receiving benefits	90
Inactive plan members entitled to but not yet receiving benefits	2
Active plan members	<u>73</u>
TOTAL	<u><u>165</u></u>

Benefits Provided

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held at the date of retirement. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a covered employee who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Benefits Provided (Continued)

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the greater of (1) the average monthly salary obtained by dividing the total salary of the firefighter during the 48 consecutive months of service within the last of 60 months in which the total salary was the highest by the number of months in that period; or (2) the average monthly salary obtained during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded annually. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the preceding calendar year.

Contributions

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to finance the Firefighters' Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fully fund the past service costs for the Firefighters' Pension Plan. However, the Village has decided to fund 100% of the past service cost by 2040. For the year ended December 31, 2019, the Village's contribution was 42.82% of covered payroll. The Village utilizes the entry-age normal actuarial cost method to fund the plan.

Investment Policy

The Firefighters' Pension Fund's (the Fund) investment policy authorizes the Fund to invest in all investments allowed by ILCS. These include deposits/investments in insured commercial banks, savings and loan institutions, interest-bearing obligations of the U.S. Treasury and U.S. agencies, interest-bearing bonds of the State of Illinois

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Investment Policy (Continued)

or any county, township, or municipal corporation of the State of Illinois, direct obligations of the State of Israel, corporate bonds managed through an investment advisor and rated as investment grade by one of the two largest rating services at the time of purchase, money market mutual funds whose investments consist of obligations of the U.S. Treasury or U.S. agencies, separate accounts managed by life insurance companies, mutual funds, common and preferred stock, The Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller), and IMET, a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. The Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the state to pool their funds for investment purposes.

It is the policy of the Fund to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Fund and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, risk aversion, liquidity, and return on investment.

The Fund's investment policy in accordance with ILCS establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
U.S. Fixed Income	35%	2.50%
U.S. Equities	40%	7.50%
International Equities	16%	8.50%
Real Estate	9%	4.50%

The long-term expected real rate of return is based on an arithmetic calculation that uses the GASB building block method. The arithmetic calculation was developed through an evaluation process overseen by the Andco Consulting Investment Policy Committee.

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Investment Valuations

All investments are stated at fair value at December 31, 2019. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Concentrations

Concentration of credit risk is the risk that the Fund has a high percentage of its investments invested in one type of investment. The Fund's investment policy requires diversification of investment to avoid unreasonable risk. No financial institution, except any securities custodians and fixed income investment managers of the Fund, shall hold more than 10% of the Fund's portfolio at any time. Neither shall The Illinois Funds hold more than 10% of the Fund's portfolio at any time. In addition, the following allocations are desired: depository accounts and money market mutual funds at 1% to 5%, fixed income securities at 50% to 54%, and 55% in equity securities.

At December 31, 2019, there were no significant investments (other than United States Government guaranteed obligations) in any one organization that represent 5% or more of the Fund's investments.

Rate of Return

For the year ended December 31, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 16.52%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Custodial Credit Risk - Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Fund's deposits may not be returned to it. The Fund's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, at an amount not less than 110% of the fair market value of the funds secured, with the collateral held by an independent third party or the Federal Reserve Bank, and evidenced by safekeeping receipts.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Interest Rate Risk

The following table presents the investments and maturities of the Fund's debt securities as of December 31, 2019:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury	\$ 4,839,489	\$ 577,688	\$ 2,122,784	\$ 2,139,017	\$ -
U.S. agencies	10,860,945	131,322	1,254,954	1,955,374	7,519,295
State, local and municipal bonds	559,656	206,300	300,216	53,140	-
Corporate bonds	8,691,876	715,218	5,251,061	2,618,655	106,942
TOTAL	\$ 24,951,966	\$ 1,630,528	\$ 8,929,015	\$ 6,766,186	\$ 7,626,237

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market with a minimum return of 7% desired during a market cycle. In addition, no investment in a fixed income security shall have a maturity of greater than 30 years from the time of purchase.

The Fund has the following recurring fair value measurements as of December 31, 2019: the U.S. Treasury obligations and mutual funds were valued using quoted prices in active markets for identical assets (Level 1 inputs); and U.S. agency obligations, state, local, and municipal obligations, corporate bond obligations, and investments in real estate pools were valued using quoted matrix pricing models (Level 2 inputs).

Credit Risk

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Fund's investment policy does not address the management of credit risk other than to limit investments to those allowed by state statutes. The U.S. Treasury and U.S. agencies, money market mutual funds, and The Illinois Funds are rated AAA. The state, local, and municipal bonds are rated AA2 to AAA. The corporate bonds are rated Ba1 to AAA.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Custodial Credit Risk - Investments

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Fund's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third-party custodian and evidenced by safekeeping receipts. The Illinois Funds and money market mutual funds are not subject to custodial credit risk.

Net Pension Liability

The components of the net pension liability of the Firefighters' Pension Plan as of December 31, 2019 were as follows:

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2019	\$ 106,704,272	\$ 62,398,530	\$ 44,305,742
Changes for the period			
Service cost	1,479,272	-	1,479,272
Interest	7,617,301	-	7,617,301
Changes in benefit terms	403,544	-	403,544
Difference between expected and actual experience	64,710	-	64,710
Changes in assumptions	(346,430)	-	(346,430)
Employer contributions	-	3,363,390	(3,363,390)
Employee contributions	-	793,037	(793,037)
Net investment income	-	10,947,884	(10,947,884)
Benefit payments and refunds	(6,234,640)	(6,234,640)	-
Administrative expense	-	(40,260)	40,260
Net changes	2,983,757	8,829,411	(5,845,654)
BALANCES AT DECEMBER 31, 2019	\$ 109,688,029	\$ 71,227,941	\$ 38,460,088

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Net Pension Liability (Continued)

See the schedule of changes in the employer's net pension liability and related ratios in the required supplementary information for additional information related to the funded status of the Fund.

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2019 using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2019
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	4.00%
Discount rate	7.25%
Cost of living adjustments - Tier 1	3.00%
Cost of living adjustments - Tier 2	1.25%
Asset valuation method	Fair value of assets

Mortality rates for healthy individuals were based on the RP-2014 Mortality Table with a blue collar adjustment, with improvement scale MP-2019 applied generationally from 2013. Mortality rates for disabled individuals were based on the RP-2004 Disabled Mortality Table, with improvement scale MP-2019 applied generationally from 2013. An actuarial experience study was provided October 5, 2017 to the Department of Insurance reflecting experience for the years 2011 - 2016 from numerous Funds valued by the Department of Insurance, including the Village.

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Interest Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 7.25% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability	\$ 52,667,305	\$ 38,460,088	\$ 26,785,115

VILLAGE OF MOUNT PROSPECT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2019, the Village recognized firefighter's pension expense of \$4,908,714.

At December 31, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to the firefighter's pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 1,090,851	\$ 2,250,434
Changes in assumptions	1,687,817	615,991
Net difference between projected and actual earnings on pension plan investments	-	3,043,479
TOTAL	<u>\$ 2,778,668</u>	<u>\$ 5,909,904</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the firefighter's pension will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	
2020	\$ 85,014
2021	(1,282,406)
2022	(253,555)
2023	(1,426,737)
2024	(253,552)
Thereafter	<u>-</u>
TOTAL	<u>\$ (3,131,236)</u>

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

b. Defined Contribution Pension Plans

The Village provides a voluntary retirement benefit for all of its full-time employees through a defined contribution plan, which is administered by the Plan Administrator. Benefits depend solely on amounts contributed to the Plan plus investment earnings. All the Village employees are eligible to participate from the date of employment and the Village provides a platform for employees to participate and invest. Employees are fully vested immediately and there are no forfeitures executed by the Village. The Village does not contribute any amounts to the defined contribution plans except for two employees. For one of the two employees, the Village contributes 5% of the salary to the defined contribution plan and for the other employee, the Village contributes 9.91% of the Gross Salary to a 401(a) plan. Employees can voluntarily contribute any dollar amount up to the IRS respective annual limit. The Board of Trustees amended the by-laws of the Plan effective January 1, 2011. The Village contributed \$11,179 to the Deferred Compensation Plan 457(b) and \$16,472 to the 401(a) Plan during the year ended December 31, 2019.

13. SUBSEQUENT EVENTS

Beginning around March 2020, the Covid-19 virus has been declared a global pandemic as it continues to spread rapidly. As a result, equity investments of the Police Pension Plan and Firefighters Pension Plan have experienced significant declines in quoted prices on active markets. Management of both plans are carefully monitoring the situation and evaluating its options during this time. No adjustments have been made to these financial statements as a result of this uncertainty.

14. PRIOR PERIOD ADJUSTMENT

The beginning net position of governmental activities was restated by \$(716,467) to properly reflect the balance of the business district limited tax note payable.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
REVENUES			
Property taxes	\$ 16,498,000	\$ 16,498,000	\$ 16,214,208
Other taxes	7,263,000	7,263,000	7,264,852
Licenses, permits, and fees	2,184,000	2,499,000	2,733,317
Intergovernmental	27,722,000	30,822,000	31,019,802
Charges for services	1,520,200	1,520,200	1,875,941
Fines and forfeits	422,000	422,000	286,328
Investment income	266,100	266,100	430,397
Miscellaneous	243,600	243,600	353,718
Total revenues	<u>56,118,900</u>	<u>59,533,900</u>	<u>60,178,563</u>
EXPENDITURES			
General government	7,843,593	7,954,593	7,692,799
Public safety	36,246,200	36,204,090	36,126,940
Highways and streets	9,530,457	9,037,813	8,674,121
Health	232,104	232,104	195,532
Welfare	1,506,690	1,487,690	1,372,853
Culture and recreation	509,675	509,675	388,375
Total expenditures	<u>55,868,719</u>	<u>55,425,965</u>	<u>54,450,620</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(1,540,000)</u>	<u>(2,107,400)</u>	<u>(2,107,362)</u>
Total other financing sources (uses)	<u>(1,540,000)</u>	<u>(2,107,400)</u>	<u>(2,107,362)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,289,819)</u>	<u>\$ 2,000,535</u>	3,620,581
FUND BALANCE, JANUARY 1			<u>23,057,567</u>
FUND BALANCE, DECEMBER 31			<u><u>\$ 26,678,148</u></u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PROSPECT/MAIN TIF FUND**

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
REVENUES			
Taxes			
Property	\$ 474,000	\$ 474,000	\$ 425,541
Investment income	10,000	10,000	27,744
Miscellaneous	-	-	32,228
	<hr/>		
Total revenues	484,000	484,000	485,513
	<hr/>		
EXPENDITURES			
General government			
Contractual services	286,000	286,000	232,825
Commodities and supplies	1,500	1,500	-
Capital outlay			
Infrastructure	810,000	705,500	70,260
Building improvements	6,000,000	852,918	852,918
Land improvements	-	395,404	395,404
Land acquisition	1,200,000	1,200,000	327,184
Other	1,499,000	1,379,000	1,157,552
Debt service			
Interest and fiscal charges	432,738	552,738	551,912
	<hr/>		
Total expenditures	10,229,238	5,373,060	3,588,055
	<hr/>		
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(9,745,238)	(4,889,060)	(3,102,542)
	<hr/>		
OTHER FINANCING SOURCES (USES)			
Bonds issued	9,000,000	9,000,000	7,725,000
Premium on bonds issued	-	-	394,075
Proceeds from sale of capital assets	1,000,000	1,000,000	646,600
Transfers in	-	2,170,100	2,169,981
	<hr/>		
Total other financing sources (uses)	10,000,000	12,170,100	10,935,656
	<hr/>		
NET CHANGE IN FUND BALANCE	<u>\$ 254,762</u>	<u>\$ 7,281,040</u>	7,833,114
FUND BALANCE, JANUARY 1			<u>698,930</u>
FUND BALANCE, DECEMBER 31			<u>\$ 8,532,044</u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF CHANGES IN THE EMPLOYER'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POSTRETIREMENT BENEFIT PLAN**

Last Two Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2018	2019
TOTAL OPEB LIABILITY		
Service cost	\$ 523,084	\$ 457,933
Interest	463,660	457,768
Changes in assumptions	(1,704,999)	1,326,575
Differences between expected and actual experience	(1,152,702)	(530,505)
Implicit benefit payments	(387,384)	(422,580)
Net change in total OPEB liability	(2,258,341)	1,289,191
Total OPEB liability - beginning	13,147,473	10,889,132
TOTAL OPEB LIABILITY - ENDING	\$ 10,889,132	\$ 12,178,323
Covered-employee payroll	\$ 26,110,072	\$ 26,958,649
Employer's total OPEB liability as a percentage of covered-employee payroll	41.70%	45.17%

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement

There was a change in assumptions related to the discount rate, inflation rate, and healthcare trend rates in 2019.

There was a change in assumptions related to the mortality tables, discount rate, payroll growth rate, healthcare trend rates, and disability, termination, and retirement rates in 2018.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Five Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2015	2016	2017	2018	2019
Actuarially determined contribution	\$ 1,362,420	\$ 1,453,487	\$ 1,432,869	\$ 1,589,987	\$ 1,332,718
Contributions in relation to the actuarially determined contribution	1,362,420	1,453,487	1,432,869	1,589,987	1,332,718
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 11,888,898	\$ 12,115,732	\$ 12,407,217	\$ 13,119,766	\$ 13,882,088
Contributions as a percentage of covered payroll	11.46%	12.00%	11.55%	12.12%	9.60%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 25 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.75% to 14.50% compounded annually and postretirement benefit increases of 3.00% compounded

Ultimately, this schedule should present return information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Actuarially determined contribution	\$ 2,208,174	\$ 2,467,527	\$ 2,484,859	\$ 2,631,811	\$ 2,922,979	\$ 2,909,868	\$ 3,204,363	\$ 3,817,579	\$ 3,601,216	\$ 3,607,934
Contributions in relation to the actuarially determined contribution	2,210,670	2,504,701	2,511,349	2,631,038	2,924,226	2,918,395	3,232,887	3,747,825	3,608,602	3,582,499
CONTRIBUTION DEFICIENCY (Excess)	\$ (2,496)	\$ (37,174)	\$ (26,490)	\$ 773	\$ (1,247)	\$ (8,527)	\$ (28,524)	\$ 69,754	\$ (7,386)	\$ 25,435
Covered payroll	\$ 7,183,594	\$ 7,591,498	\$ 7,871,917	\$ 8,121,622	\$ 7,848,795	\$ 8,049,995	\$ 8,276,985	\$ 8,354,290	\$ 8,526,976	\$ 8,505,172
Contributions as a percentage of covered payroll	30.77%	32.99%	31.90%	32.40%	37.26%	36.25%	39.06%	44.86%	42.32%	42.12%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was closed level percentage of pay; the amortization period was 22 years; the asset valuation method was five-year smoothing of asset gains and losses; and the significant actuarial assumptions were an interest rate of 7.25%, annually, net of investment and administrative expenses; inflation of 2.50% annually; projected salary increases of 4.00% annually; and annual postretirement benefit increases of 3.00% for Tier 1 members and 1.25% for Tier 2 members.

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Actuarially determined contribution	\$ 1,925,375	\$ 2,140,664	\$ 2,224,122	\$ 2,323,609	\$ 2,468,554	\$ 2,526,101	\$ 2,589,599	\$ 3,206,186	\$ 3,320,940	\$ 3,375,839
Contributions in relation to the actuarially determined contribution	1,928,807	2,155,975	2,260,834	2,371,347	2,466,165	2,532,316	2,806,983	3,396,834	3,332,773	3,363,390
CONTRIBUTION DEFICIENCY (Excess)	\$ (3,432)	\$ (15,311)	\$ (36,712)	\$ (47,738)	\$ 2,389	\$ (6,215)	\$ (217,384)	\$ (190,648)	\$ (11,833)	\$ 12,449
Covered payroll	\$ 5,896,317	\$ 6,201,120	\$ 6,150,974	\$ 6,436,911	\$ 6,495,510	\$ 6,441,588	\$ 6,981,704	\$ 7,284,199	\$ 7,519,070	\$ 7,854,176
Contributions as a percentage of covered payroll	32.71%	34.77%	36.76%	36.84%	37.97%	39.31%	40.20%	46.63%	44.32%	42.82%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was closed level percentage of pay; the amortization period was 22 years; the asset valuation method was five-year smoothing of asset gains and losses; and the significant actuarial assumptions were an interest rate of 7.25%, annually, net of investment and administrative expenses; inflation of 2.50% annually; projected salary increases of 3.75% annually; and annual postretirement benefit increases of 3.00% for Tier 1 members and 1.25% for Tier 2 members.

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF THE VILLAGE'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Five Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017	2018
Employer's proportion of net pension liability	73.13%	73.13%	73.13%	73.13%	73.13%
Employer's proportionate share of net pension liability	\$ 5,212,280	\$ 8,590,918	\$ 7,761,683	\$ 684,961	\$ 11,728,646
Employer's covered payroll	11,890,055	11,888,898	12,115,732	12,407,217	13,119,766
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	43.84%	72.26%	64.06%	5.52%	89.40%
Plan fiduciary net position as a percentage of the total pension liability	91.93%	87.23%	88.91%	99.04%	85.16%

Ultimately, this schedule should present return information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION FUND

Last Six Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016
TOTAL PENSION LIABILITY			
Service cost	\$ 1,890,407	\$ 1,777,310	\$ 1,732,924
Investment income	6,479,504	7,210,826	8,221,483
Changes of benefit terms	-	-	-
Differences between expected and actual experience	860,183	95,650	(5,201,074)
Changes of assumptions	4,844,398	7,268,193	29,971
Benefit payments, including refunds of member contributions	(4,117,120)	(4,529,962)	(4,688,978)
Net change in total pension liability	9,957,372	11,822,017	94,326
Total pension liability - beginning	88,451,950	98,409,322	110,231,339
TOTAL PENSION LIABILITY - ENDING	\$ 98,409,322	\$ 110,231,339	\$ 110,325,665
PLAN FIDUCIARY NET POSITION			
Contributions - employer	\$ 2,924,226	\$ 2,918,395	\$ 3,232,887
Contributions - member and other	851,363	795,827	815,684
Net investment income	3,845,862	545,802	4,161,658
Benefit payments, including refunds of member contributions	(4,117,120)	(4,529,962)	(4,688,978)
Administrative expense	(60,382)	(49,947)	(44,605)
Net change in plan fiduciary net position	3,443,949	(319,885)	3,476,646
Plan fiduciary net position - beginning	55,375,976	58,819,925	58,500,040
PLAN FIDUCIARY NET POSITION - ENDING	\$ 58,819,925	\$ 58,500,040	\$ 61,976,686
EMPLOYER'S NET PENSION LIABILITY	\$ 39,589,397	\$ 51,731,299	\$ 48,348,979
Plan fiduciary net position as a percentage of the total pension liability	59.77%	53.07%	56.18%
Covered payroll	\$ 7,848,795	\$ 8,049,995	\$ 8,276,985
Employer's net pension liability as a percentage of covered payroll	504.40%	642.60%	584.10%
Notes to Required Supplementary Information			

Year Ended December 31, 2019 - There were changes in assumptions related to the mortality rates from December 31, 2018. In addition, there were changes in plan benefits required under PA-101-0610 (SB 1300).

Year Ended December 31, 2018 - There were changes in assumptions related to the mortality rates from December 31, 2017.

Year Ended December 31, 2017 - There were changes in assumptions related to the mortality rates from December 31, 2016.

Year Ended December 31, 2016 - There was a change in assumption related to the discount rate made since the prior measurement date. The discount rate used in the current actuarial valuation, dated December 31, 2016, is 7.25%. The discount rate used in the prior actuarial valuation, dated December 31, 2015, was 7.50%. There was also a change in assumption related to the projected rate for annual pay increases made since the prior measurement date. The projected rate for annual pay increases used in the current actuarial valuation, dated December 31, 2016, is 4.00%. The projected rate for annual pay increases used in the prior actuarial valuation, dated December 31, 2015, was 5.00%. There was also a change in assumption made since the prior measurement date to reflect revised expectations with respect to mortality rates.

Year Ended December 31, 2015 - There was a change with respect to the actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates, turnover rates, and retirement rates.

Year Ended December 31, 2014 - There was a change with respect to the actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates, turnover rates, and retirement rates.

Ultimately, this schedule should present return information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

2017	2018	2019
\$ 1,557,284	\$ 1,575,461	\$ 1,576,407
7,951,856	8,195,228	8,574,834
-	-	202,152
(1,650,048)	(208,550)	(439,430)
385,618	1,320,658	(343,513)
(4,404,364)	(5,407,697)	(5,887,879)
3,840,346	5,475,100	3,682,571
110,325,665	114,166,011	119,641,111
<u>\$ 114,166,011</u>	<u>\$ 119,641,111</u>	<u>\$ 123,323,682</u>
\$ 3,747,825	\$ 3,608,602	\$ 3,582,499
830,240	838,893	860,265
8,967,014	(3,697,156)	13,440,246
(4,404,364)	(5,407,697)	(5,887,879)
(48,339)	(37,596)	(35,695)
9,092,376	(4,694,954)	11,959,436
61,976,686	71,069,062	66,374,108
<u>\$ 71,069,062</u>	<u>\$ 66,374,108</u>	<u>\$ 78,333,544</u>
<u>\$ 43,096,949</u>	<u>\$ 53,267,003</u>	<u>\$ 44,990,138</u>
62.25%	55.48%	63.52%
\$ 8,354,290	\$ 8,526,976	\$ 8,505,172
515.90%	624.70%	529.00%

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
FIREFIGHTERS' PENSION FUND

Last Six Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016
TOTAL PENSION LIABILITY			
Service cost	\$ 1,673,836	\$ 1,515,101	\$ 1,429,810
Investment income	5,780,241	6,270,507	7,296,444
Changes of benefit terms	-	-	-
Differences between expected and actual experience	225,575	1,603,162	(1,491,027)
Changes of assumptions	3,234,155	7,648,623	396,832
Benefit payments, including refunds of member contributions	(4,158,988)	(4,594,876)	(4,981,207)
Net change in total pension liability	6,754,819	12,442,517	2,650,852
Total pension liability - beginning	79,149,378	85,904,197	98,346,714
TOTAL PENSION LIABILITY - ENDING	\$ 85,904,197	\$ 98,346,714	\$ 100,997,566
PLAN FIDUCIARY NET POSITION			
Contributions - employer	\$ 2,466,165	\$ 2,532,317	\$ 2,806,983
Contributions - member and other	644,384	606,932	668,070
Net investment income	3,963,252	1,806,126	3,049,538
Benefit payments, including refunds of member contributions	(4,158,988)	(4,594,876)	(4,981,207)
Administrative expense	(62,889)	(62,136)	(55,257)
Net change in plan fiduciary net position	2,851,924	288,363	1,488,127
Plan fiduciary net position - beginning	53,716,415	56,568,339	56,856,702
PLAN FIDUCIARY NET POSITION - ENDING	\$ 56,568,339	\$ 56,856,702	\$ 58,344,829
EMPLOYER'S NET PENSION LIABILITY	\$ 29,335,858	\$ 41,490,012	\$ 42,652,737
Plan fiduciary net position as a percentage of the total pension liability	65.85%	57.81%	57.77%
Covered payroll	\$ 6,495,510	\$ 6,441,588	\$ 6,981,704
Employer's net pension liability as a percentage of covered payroll	451.60%	644.10%	610.90%
Notes to Required Supplementary Information			

Year Ended December 31, 2019 - There were changes in assumptions related to the mortality rates from December 31, 2018. In addition, there were changes in plan benefits required under PA-101-0610 (SB 1300).

Year Ended December 31, 2018 - There were changes in assumptions related to the mortality rates from December 31, 2017.

Year Ended December 31, 2017 - There were changes in assumptions related to the mortality rates from December 31, 2016.

Year Ended December 31, 2016 - There was a change in assumption related to the discount rate made since the prior measurement date. The discount rate used in the current actuarial valuation, dated December 31, 2016, is 7.25%. The discount rate used in the prior actuarial valuation, dated December 31, 2015, was 7.50%. There was also a change in assumption related to the projected rate for annual pay increases made since the prior measurement date. The projected rate for annual pay increases used in the current actuarial valuation, dated December 31, 2016, is 4.00%. The projected rate for annual pay increases used in the prior actuarial valuation, dated December 31, 2015, was 5.00%. There was also a change in assumption made since the prior measurement date to reflect revised expectations with respect to mortality rates.

Year Ended December 31, 2015 - There was a change with respect to the actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates, turnover rates, and retirement rates.

Year Ended December 31, 2014 - There was a change with respect to the actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates, turnover rates, and retirement rates.

Ultimately, this schedule should present return information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

	2017	2018	2019
\$	1,426,033	\$ 1,427,248	\$ 1,479,272
	7,228,968	7,510,621	7,617,301
	-	-	403,544
	1,470,077	(2,255,993)	64,710
	(572,774)	809,820	(346,430)
	(5,427,385)	(5,909,909)	(6,234,640)
	4,124,919	1,581,787	2,983,757
	100,997,566	105,122,485	106,704,272
\$	105,122,485	\$ 106,704,272	\$ 109,688,029
\$	3,396,834	\$ 3,332,773	\$ 3,363,390
	678,476	688,000	793,037
	9,323,369	(1,914,014)	10,947,884
	(5,427,385)	(5,909,909)	(6,234,640)
	(50,783)	(63,660)	(40,260)
	7,920,511	(3,866,810)	8,829,411
	58,344,829	66,265,340	62,398,530
\$	66,265,340	\$ 62,398,530	\$ 71,227,941
\$	38,857,145	\$ 44,305,742	\$ 38,460,088
	63.04%	58.48%	64.94%
\$	7,284,199	\$ 7,519,070	\$ 7,854,176
	533.40%	589.20%	489.70%

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND**

Last Six Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2014	2015	2016	2017	2018	2019
Annual money-weighted rate of return, net of investment expense	6.92%	0.92%	7.15%	14.29%	(5.21%)	20.29%

Ultimately, this schedule should present return information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS
FIREFIGHTERS' PENSION FUND

Last Six Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2014	2015	2016	2017	2018	2019
Annual money-weighted rate of return, net of investment expense	7.60%	3.38%	5.58%	16.49%	(2.80%)	16.52%

Ultimately, this schedule should present return information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2019

BUDGETS

All departments of the Village submit requests for appropriation to the Village Manager so that a budget may be prepared. The budget is prepared by fund and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year. Budgets are adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted for the General, Special Revenue, Debt Service, Capital Projects, Enterprise, Internal Service, and Pension Trust Funds. All annual appropriations lapse at fiscal year end.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget.

The Village Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the governing body. Expenditures may not legally exceed budgeted appropriations at the fund level. During the year, budget amendments were approved by the Village Board of Trustees. The budget figures included in this report reflect all budget amendments made during the year.

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

General Fund - to account for all financial resources of the general government, except those accounted for in another fund.

SPECIAL REVENUE FUND

The Prospect/Main TIF Fund - to account for the resources to acquire property and construct certain improvements in the Prospect/Main Tax Incremental Financing District. Financing is being provided by incremental property taxes, general obligation bond proceeds, and investment income.

DEBT SERVICE FUND

Debt Service Fund - to accumulate monies for payment of principal and interest on general obligation bonds, IEPA loans, and installment notes.

CAPITAL PROJECTS FUND

Police and Fire Building Construction Fund - to account for the resources to construct the police and fire building.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
TAXES			
Property taxes - general	\$ 9,773,000	\$ 9,773,000	\$ 9,601,519
Property taxes - police pension	3,429,000	3,429,000	3,368,999
Property taxes - firefighters' pension	3,166,000	3,166,000	3,114,090
Road and bridge property taxes	130,000	130,000	129,600
Auto rental tax	20,000	20,000	25,929
Food and beverage tax	893,000	893,000	928,940
Real estate transfer tax	1,250,000	1,250,000	1,434,580
Hotel/motel tax	270,000	270,000	264,319
Telecommunications tax	1,800,000	1,800,000	1,639,217
Home rule sales tax	1,370,000	1,370,000	1,318,737
Gas utility tax	510,000	510,000	552,672
Electric utility tax	1,150,000	1,150,000	1,100,458
Total taxes	23,761,000	23,761,000	23,479,060
LICENSES, PERMITS, AND FEES			
Liquor licenses	180,000	180,000	207,920
Business licenses	150,000	150,000	147,195
Contractor licenses	80,000	80,000	124,000
Alarm licenses	50,000	50,000	48,720
Elevator licenses	30,000	30,000	26,420
Building permit fees	550,000	865,000	880,693
Electrical permit fees	-	-	(100)
Plumbing permit penalties	-	-	(250)
Reinspection fees	25,000	25,000	17,775
Gaming license fees	-	-	47,332
Vacant structure registration fees	5,000	5,000	4,000
Truck rental fees	2,000	2,000	6,460
Utility permit fees	5,000	5,000	7,100
ZBA hearing fees	10,000	10,000	13,450
Public improvement inspections	15,000	15,000	-
Village impact fees	2,000	2,000	94,699
False alarm fees	10,000	10,000	10,295
Landlord/tenant fees	300,000	300,000	340,975
Cable TV franchise	770,000	770,000	756,633
Total licenses, permits, and fees	2,184,000	2,499,000	2,733,317
INTERGOVERNMENTAL			
State sales tax	20,646,000	22,931,000	22,930,474
State income tax	5,250,000	5,765,000	5,765,484
State use tax	1,448,000	1,748,000	1,798,489
Charitable games tax	5,000	5,000	4,309

(This schedule is continued on the following pages.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
INTERGOVERNMENTAL (Continued)			
Replacement taxes	\$ 363,000	\$ 363,000	\$ 452,036
Replacement taxes - road and bridge	7,000	7,000	8,510
Grant - body armor	3,000	3,000	4,440
Grant - other	-	-	56,060
Total intergovernmental	27,722,000	30,822,000	31,019,802
CHARGES FOR SERVICES			
Maintenance of state highways	100,000	100,000	79,301
Ambulance transport fees	1,100,000	1,100,000	1,426,990
Forest River Rural FPD	50,000	50,000	44,250
Cable programming fees	27,000	27,000	26,792
Other programs	35,000	35,000	45,197
Special detail revenue	40,000	40,000	73,695
Police training revenue	5,000	5,000	-
Fire training revenue	20,000	20,000	23,462
Lease payments - cell tower	124,000	124,000	127,958
Nuisance abatement fee	-	-	9,395
General store lease	19,200	19,200	18,901
Total charges for services	1,520,200	1,520,200	1,875,941
FINES AND FORFEITS			
Fines - parking	260,000	260,000	156,195
Fines - local ordinances	1,000	1,000	15,940
Fines - code enforcement	20,000	20,000	7,200
Fines - circuit court	100,000	100,000	73,493
Fines - parental responsibility	1,000	1,000	300
Forfeited escrow funds	40,000	40,000	33,200
Total fines and forfeits	422,000	422,000	286,328
INVESTMENT INCOME			
Investment income	261,100	261,100	416,620
Interest - escrow funds	5,000	5,000	13,777
Total investment income	266,100	266,100	430,397
MISCELLANEOUS			
Reimburse - high school youth officer	97,500	97,500	112,021
Reimburse - library	28,000	28,000	28,678
Shared cost - sidewalk	10,000	10,000	7,799
Shared cost - tree replacement	5,000	5,000	7,136
Reimburse - village property	10,000	10,000	-

(This schedule is continued on the following page.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
MISCELLANEOUS (Continued)			
Other reimbursements	\$ 25,000	\$ 25,000	\$ 123,869
Human services revenue	12,000	12,000	3,816
Fire and police reports	5,000	5,000	6,720
Animal release fees	500	500	100
Subpoena fees	500	500	245
Other revenue	50,100	50,100	63,334
Total miscellaneous	243,600	243,600	353,718
TOTAL REVENUES	<u>\$ 56,118,900</u>	<u>\$ 59,533,900</u>	<u>\$ 60,178,563</u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
GENERAL GOVERNMENT			
Public representation - administration	\$ 159,707	\$ 159,707	\$ 113,322
Village administration	3,978,704	3,814,704	3,662,546
Finance department	2,514,327	2,789,327	2,781,155
Community development - administration	1,185,036	1,185,036	1,129,783
Benefit payments	5,819	5,819	5,993
Total general government	<u>7,843,593</u>	<u>7,954,593</u>	<u>7,692,799</u>
PUBLIC SAFETY			
Community development - code enforcement	1,019,526	944,526	962,938
Police department	18,970,936	18,976,336	18,975,187
Fire department	16,255,738	16,283,228	16,188,815
Total public safety	<u>36,246,200</u>	<u>36,204,090</u>	<u>36,126,940</u>
HIGHWAYS AND STREETS			
Public works department	<u>9,530,457</u>	<u>9,037,813</u>	<u>8,674,121</u>
Total highways and streets	<u>9,530,457</u>	<u>9,037,813</u>	<u>8,674,121</u>
HEALTH			
Community development - health	<u>232,104</u>	<u>232,104</u>	<u>195,532</u>
WELFARE			
Human services department	1,168,936	1,169,936	1,089,949
Community development - housing	337,754	317,754	282,904
Total welfare	<u>1,506,690</u>	<u>1,487,690</u>	<u>1,372,853</u>
CULTURE AND RECREATION			
Public representation - community and civic services	<u>509,675</u>	<u>509,675</u>	<u>388,375</u>
TOTAL EXPENDITURES	<u>\$ 55,868,719</u>	<u>\$ 55,425,965</u>	<u>\$ 54,450,620</u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
GENERAL GOVERNMENT			
Public representation - administration			
Mayor and Board of Trustees			
Personal services	\$ 25,006	\$ 25,006	\$ 25,000
Employee benefits	1,917	1,917	2,009
Other employee costs	8,000	8,000	6,088
Contractual services	119,101	119,101	76,292
Utilities	458	458	237
Commodities and supplies	5,225	5,225	3,696
Total public representation - administration	159,707	159,707	113,322
Village administration			
Village Manager's office			
Personal services	517,603	517,603	527,592
Employee benefits	213,195	213,195	210,434
Other employee costs	27,442	27,442	20,144
Contractual services	70,991	75,991	69,109
Utilities	3,697	3,697	4,703
Commodities and supplies	6,730	6,730	5,913
Office and other equipment	230	230	-
Insurance	20,050	20,050	20,050
Total Village manager's office	859,938	864,938	857,945
Legal services			
Contractual services	634,500	594,500	577,452
Human resources			
Personal services	187,633	187,633	193,913
Employee benefits	169,024	169,024	227,116
Other employee costs	55,000	55,000	38,108
Contractual services	8,650	8,650	6,233
Commodities and supplies	1,200	1,200	619
Total human resources	421,507	421,507	465,989
Information technology			
Personal services	482,032	482,032	474,773
Employee benefits	187,137	187,137	162,316
Other employee costs	14,220	14,220	6,162
Contractual services	642,077	513,077	454,926
Utilities	5,740	5,740	4,380
Commodities and supplies	1,000	1,000	1,035
Office and other equipment	16,000	16,000	14,597
Total information technology	1,348,206	1,219,206	1,118,189

(This schedule is continued on the following pages.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
GENERAL GOVERNMENT (Continued)			
Village administration (Continued)			
Communication division			
Communications			
Personal services	\$ 87,157	\$ 87,157	\$ 88,327
Employee benefits	43,820	43,820	44,703
Other employee costs	2,900	2,900	75
Contractual services	83,372	83,372	74,660
Utilities	300	300	-
Commodities and supplies	1,800	1,800	1,223
Total communications	219,349	219,349	208,988
Television services			
Personal services	67,549	67,549	67,503
Employee benefits	33,669	33,669	28,150
Contractual services	34,324	34,324	32,945
Utilities	1,678	1,678	789
Commodities and supplies	4,500	4,500	2,087
Office and other equipment	25,000	25,000	5,887
Total television services	166,720	166,720	137,361
Community engagement			
Other employee costs	7,600	7,600	910
Contractual services	143,000	143,000	139,085
Utilities	920	920	1,193
Commodities and supplies	1,381	1,381	66
Total communication engagement	152,901	152,901	141,254
Total communication division	538,970	538,970	487,603
Village Clerk's office			
Administration and support			
Personal services	91,514	91,514	98,246
Employee benefits	46,548	46,548	43,133
Other employee costs	1,800	1,800	310
Contractual services	34,221	34,221	12,560
Utilities	500	500	394
Commodities and supplies	1,000	1,000	725
Total Village Clerk's office	175,583	175,583	155,368
Total Village administration	3,978,704	3,814,704	3,662,546

(This schedule is continued on the following pages.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
GENERAL GOVERNMENT (Continued)			
Finance department			
Administration and support			
Personal services	\$ 198,106	\$ 198,106	\$ 187,759
Employee benefits	71,488	71,488	92,450
Other employee costs	29,400	28,294	21,014
Contractual services	254,640	254,640	196,743
Utilities	5,400	5,400	3,961
Commodities and supplies	18,500	21,000	13,658
Office and other equipment	928,411	1,198,411	1,295,487
Insurance	13,231	13,231	13,231
Total administration and support	1,519,176	1,790,570	1,824,303
Accounting			
Personal services	380,459	380,459	366,977
Employee benefits	132,484	132,484	147,288
Other employee costs	2,177	3,283	3,283
Contractual services	3,162	3,162	1,300
Commodities and supplies	11,679	14,179	5,527
Total accounting	529,961	533,567	524,375
Insurance			
Insurance	22,494	22,494	22,470
Total insurance	22,494	22,494	22,470
Customer service			
Personal services	273,348	273,348	276,530
Employee benefits	85,911	85,911	73,848
Contractual services	68,632	68,632	48,449
Other employee costs	2,295	2,295	1,617
Commodities and supplies	12,510	12,510	9,563
Total customer service	442,696	442,696	410,007
Total finance department	2,514,327	2,789,327	2,781,155
Community development - administration			
Administration and support - economic development planning and zoning			
Personal services	129,969	129,969	131,622
Employee benefits	41,358	41,358	44,191
Other employee costs	5,042	5,042	4,211
Contractual services	27,540	27,540	27,450
Utilities	2,326	2,326	2,734
Insurance	5,880	5,880	5,880
Commodities and supplies	1,126	1,126	333
Total administration and support - economic development planning and zoning	213,241	213,241	216,421

(This schedule is continued on the following pages.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
GENERAL GOVERNMENT (Continued)			
Community development - administration (Continued)			
Planning and zoning			
Personal services	\$ 211,529	\$ 211,529	\$ 219,771
Employee benefits	43,127	43,127	53,165
Other employee costs	8,062	8,062	7,872
Contractual services	30,259	30,259	15,238
Utilities	1,350	1,350	592
Commodities and supplies	16,322	16,322	2,777
Total planning and zoning	310,649	310,649	299,415
Economic development			
Personal services	127,850	127,850	118,813
Employee benefits	29,152	29,152	36,362
Other employee costs	1,689	1,689	1,015
Contractual services	91,800	91,800	56,942
Total economic development	250,491	250,491	213,132
Community development - administration			
Administration and support - building and inspections			
Personal services	248,904	248,904	251,310
Employee benefits	98,297	98,297	96,991
Other employee costs	3,037	3,037	2,119
Contractual services	29,000	29,000	28,469
Utilities	9,841	9,841	-
Insurance	18,517	18,517	18,517
Commodities and supplies	3,059	3,059	3,409
Total administration and support - building and inspections	410,655	410,655	400,815
Total community development - administration	1,185,036	1,185,036	1,129,783
Benefit payments			
Contractual services	5,819	5,819	5,993
Total benefit payments	5,819	5,819	5,993
Total general government	7,843,593	7,954,593	7,692,799
PUBLIC SAFETY			
Community development - code enforcement			
Building inspections			
Personal services	594,878	594,878	606,307
Employee benefits	282,193	282,193	278,742
Other employee costs	4,872	4,872	1,884
Contractual services	119,067	44,067	61,843
Utilities	9,861	9,861	9,341
Commodities and supplies	8,655	8,655	4,821
Total community development - code enforcement	1,019,526	944,526	962,938

(This schedule is continued on the following pages.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
PUBLIC SAFETY (Continued)			
Police department			
Administration and support			
Personal services	\$ 840,649	\$ 840,649	\$ 827,032
Employee benefits	4,012,635	4,012,635	3,968,064
Other employee costs	177,380	177,380	151,925
Contractual services	131,511	140,011	85,522
Utilities	34,943	34,943	32,582
Commodities and supplies	27,417	27,417	16,327
Office and other equipment	18,120	13,120	7,344
Insurance	148,902	148,902	148,902
Total administration and support	5,391,557	5,395,057	5,237,698
Records			
Personal services	359,052	359,052	358,256
Employee benefits	165,170	165,170	165,806
Contractual services	17,002	17,002	12,610
Commodities and supplies	4,925	4,925	4,545
Office and other equipment	510	510	-
Total records	546,659	546,659	541,217
Patrol and traffic enforcement			
Personal services	7,780,768	7,840,768	7,786,952
Employee benefits	1,421,811	1,421,811	1,649,929
Contractual services	759,400	699,400	569,510
Commodities and supplies	108,240	85,140	77,662
Office and other equipment	10,420	10,420	6,795
Total patrol and traffic enforcement	10,080,639	10,057,539	10,090,848
K-9 unit			
Personal services	118,624	118,624	130,797
Employee benefits	25,935	25,935	28,380
Contractual services	7,060	7,060	1,028
Commodities and supplies	2,020	2,020	4,391
Total K-9 unit	153,639	153,639	164,596
Crime prevention and public services			
Personal services	137,340	137,340	138,929
Employee benefits	34,134	34,134	37,551
Other employee costs	4,080	4,080	3,710
Contractual services	4,423	4,423	1,215
Commodities and supplies	16,270	16,270	26,900
Total crime prevention and public services	196,247	196,247	208,305
Civic events			
Personal services	-	-	50,039
Employee benefits	-	-	1,029
Total civic events	-	-	51,068

(This schedule is continued on the following pages.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
PUBLIC SAFETY (Continued)			
Police department (Continued)			
Investigative			
Personal services	\$ 1,330,488	\$ 1,350,488	\$ 1,440,176
Employee benefits	217,731	217,731	248,832
Contractual services	43,230	43,230	25,398
Utilities	14,200	14,200	11,438
Commodities and supplies	4,365	4,365	1,142
Office and other equipment	820	820	597
Total investigative	1,610,834	1,630,834	1,727,583
Equipment maintenance			
Contractual services	954,176	954,176	918,655
Commodities and supplies	28,405	33,405	27,112
Office and other equipment	8,780	8,780	8,105
Total equipment maintenance	991,361	996,361	953,872
Total police department	18,970,936	18,976,336	18,975,187
Fire department			
Administration and support			
Personal services	680,828	680,828	681,805
Employee benefits	3,764,794	3,764,794	3,743,101
Other employee costs	51,440	50,940	44,289
Contractual services	65,817	75,817	55,866
Commodities and supplies	14,250	15,350	9,828
Office and other equipment	1,500	1,500	800
Insurance	184,787	184,787	184,787
Total administration and support	4,763,416	4,774,016	4,720,476
Fire department operations			
Personal services	7,869,698	7,869,698	7,940,630
Employee benefits	1,450,727	1,450,727	1,440,131
Other employee costs	95,830	94,730	79,275
Contractual services	213,203	192,038	188,381
Commodities and supplies	20,000	20,000	16,983
Office and other equipment	114,550	180,705	180,737
Total fire department operations	9,764,008	9,807,898	9,846,137
Fire prevention			
Personal services	281,829	281,829	233,112
Employee benefits	120,463	120,463	110,278
Other employee costs	6,005	6,005	4,675
Contractual services	8,730	8,730	4,803
Commodities and supplies	14,330	14,330	11,469
Total fire prevention	431,357	431,357	364,337

(This schedule is continued on the following pages.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
PUBLIC SAFETY (Continued)			
Fire department (Continued)			
Communications			
Contractual services	\$ 3,800	\$ 3,800	\$ 1,004
Utilities	67,858	42,858	37,279
Commodities and supplies	1,600	1,600	1,174
Office and other equipment	18,400	18,400	16,340
Total communications	91,658	66,658	55,797
Equipment maintenance			
Contractual services	944,189	944,189	944,189
Total equipment maintenance	944,189	944,189	944,189
Emergency preparedness			
Personal services	142,736	142,736	147,521
Employee benefits	36,673	36,673	44,598
Other employee costs	3,200	3,200	3,040
Contractual services	4,200	4,200	5,707
Commodities and supplies	34,440	34,440	29,486
Total emergency preparedness	221,249	221,249	230,352
Paid on call			
Personal services	26,252	26,252	16,399
Employee benefits	1,522	1,522	1,258
Other employee costs	10,353	8,353	8,166
Office and other equipment	1,734	1,734	1,704
Total paid on call	39,861	37,861	27,527
Total fire department	16,255,738	16,283,228	16,188,815
Total public safety	36,246,200	36,204,090	36,126,940
HIGHWAYS AND STREETS			
Public works department			
Administration and support			
Personal services	279,654	279,654	281,136
Employee benefits	211,622	211,622	224,752
Other employee costs	31,786	32,286	32,274
Contractual services	1,208,169	1,207,669	1,207,897
Utilities	15,340	15,340	9,320
Commodities and supplies	16,444	16,444	17,512
Office and other equipment	1,637	1,637	1,083
Insurance	123,977	123,977	123,977
Total administration and support	1,888,629	1,888,629	1,897,951

(This schedule is continued on the following pages.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
HIGHWAYS AND STREETS (Continued)			
Public works department (Continued)			
Street and buildings division			
Administration			
Personal services	\$ 111,942	\$ 111,942	\$ 115,010
Employee benefits	40,440	40,440	40,827
Utilities	4,162	4,162	4,120
Commodities and supplies	270	270	-
Total administration	156,814	156,814	159,957
Maintenance - public buildings			
Personal services	387,959	387,959	392,301
Employee benefits	147,288	147,288	148,964
Contractual services	401,202	351,060	311,876
Utilities	43,763	43,763	34,505
Commodities and supplies	140,717	139,517	126,684
Other expenditures	4,330	65,672	61,260
Total maintenance - public buildings	1,125,259	1,135,259	1,075,590
Street maintenance			
Personal services	285,765	285,765	297,703
Employee benefits	107,502	107,502	112,411
Contractual services	893,557	243,913	223,983
Commodities and supplies	39,136	49,136	46,392
Total street maintenance	1,325,960	686,316	680,489
Snow removal			
Personal services	378,025	378,025	371,818
Employee benefits	136,101	136,101	133,468
Contractual services	129,911	129,911	133,404
Commodities and supplies	14,549	14,549	13,801
Office and other equipment	16,560	16,560	12,840
Total snow removal	675,146	675,146	665,331
Storm sewer/basin maintenance			
Personal services	81,350	81,350	82,006
Employee benefits	30,327	30,327	29,646
Contractual services	13,088	13,088	3,574
Commodities and supplies	10,052	10,052	5,979
Total storm sewer/basin maintenance	134,817	134,817	121,205
Maintenance of state highways			
Personal services	38,114	38,114	38,272
Employee benefits	14,785	14,785	14,473
Contractual services	19,980	19,980	18,704
Commodities and supplies	32,303	32,303	22,619
Total maintenance of state highways	105,182	105,182	94,068

(This schedule is continued on the following pages.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
HIGHWAYS AND STREETS (Continued)			
Public works department (Continued)			
Street and buildings division (Continued)			
Traffic sign maintenance			
Personal services	\$ 89,379	\$ 89,379	\$ 79,541
Employee benefits	27,197	27,197	20,761
Commodities and supplies	26,009	26,009	25,912
Total traffic sign maintenance	142,585	142,585	126,214
Civic events			
Personal services	39,104	39,104	38,644
Employee benefits	5,363	5,363	7,150
Commodities and supplies	15	15	-
Total civic events	44,482	44,482	45,794
Total street and buildings division	3,710,245	3,080,601	2,968,648
Forestry division			
Administration and support			
Personal services	114,748	114,748	110,326
Employee benefits	37,545	37,545	35,582
Commodities and supplies	450	450	149
Total administration and support	152,743	152,743	146,057
Maintenance of grounds			
Personal services	172,927	172,927	174,289
Employee benefits	59,428	59,428	58,808
Contractual services	205,642	205,642	170,904
Commodities and supplies	9,747	9,747	9,507
Office and other equipment	50,064	50,064	25,796
Total maintenance of grounds	497,808	497,808	439,304
Forestry program			
Personal services	456,515	456,515	468,853
Employee benefits	168,079	168,079	169,076
Other employee costs	6,591	6,591	6,486
Contractual services	473,817	463,817	391,792
Utilities	3,900	3,900	6,129
Commodities and supplies	12,050	12,050	10,754
Total forestry program	1,120,952	1,110,952	1,053,090
Public grounds beautification			
Personal services	89,223	89,223	101,868
Employee benefits	35,548	35,548	37,609
Contractual services	2,650	2,650	2,498
Commodities and supplies	36,252	36,252	34,341
Total public grounds beautification	163,673	163,673	176,316

(This schedule is continued on the following pages.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
HIGHWAYS AND STREETS (Continued)			
Public works department (Continued)			
Forestry division (Continued)			
Civic events			
Personal services	\$ 46,517	\$ 46,517	\$ 43,968
Employee benefits	9,799	9,799	9,066
Total civic events	<u>56,316</u>	<u>56,316</u>	<u>53,034</u>
Holiday			
Personal services	9,093	9,093	9,346
Employee benefits	3,200	3,200	2,360
Total holiday	<u>12,293</u>	<u>12,293</u>	<u>11,706</u>
Total forestry division	<u>2,003,785</u>	<u>1,993,785</u>	<u>1,879,507</u>
Engineering division			
Engineering services			
Personal services	798,608	798,608	790,035
Employee benefits	264,732	264,732	251,875
Other employee costs	5,562	9,262	6,439
Contractual services	124,430	120,730	104,066
Utilities	5,410	5,410	5,885
Commodities and supplies	6,143	6,143	5,117
Office and other equipment	2,456	2,456	1,431
Total engineering services	<u>1,207,341</u>	<u>1,207,341</u>	<u>1,164,848</u>
Traffic control and street lighting			
Personal services	58,714	58,714	51,589
Employee benefits	22,131	22,131	19,452
Contractual services	16,951	13,551	10,941
Utilities	74,909	74,909	116,713
Commodities and supplies	27,952	31,352	22,523
Total traffic control and street lighting	<u>200,657</u>	<u>200,657</u>	<u>221,218</u>
Total engineering division	<u>1,407,998</u>	<u>1,407,998</u>	<u>1,386,066</u>
Capital expenditures			
Infrastructure			
Resurfacing/curbs	303,800	450,800	344,359
Miscellaneous - forestry	216,000	216,000	197,590
Total capital expenditures	<u>519,800</u>	<u>666,800</u>	<u>541,949</u>
Total highways and streets	<u>9,530,457</u>	<u>9,037,813</u>	<u>8,674,121</u>

(This schedule is continued on the following pages.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
HEALTH			
Community development - health			
Health inspections			
Personal services	\$ 153,097	\$ 153,097	\$ 137,937
Employee benefits	62,686	62,686	48,843
Other employee costs	1,423	1,423	612
Contractual services	10,115	10,115	6,230
Utilities	1,935	1,935	315
Commodities and supplies	2,848	2,848	1,595
Total health	232,104	232,104	195,532
WELFARE			
Human services department			
Administration and support			
Personal services	150,142	150,142	151,858
Employee benefits	70,911	70,911	67,980
Other employee costs	2,153	2,153	635
Contractual services	34,261	35,261	29,171
Utilities	7,314	7,314	5,198
Commodities and supplies	3,614	3,614	2,914
Office and other equipment	1,036	1,036	440
Insurance	11,280	11,280	11,280
Total administration and support	280,711	281,711	269,476
Social services			
Personal services	244,803	244,803	243,957
Employee benefits	93,159	93,159	80,814
Other employee costs	4,216	4,216	2,253
Commodities and supplies	542	542	375
Total social services	342,720	342,720	327,399
Nursing/health services			
Personal services	120,544	120,544	116,197
Employee benefits	50,721	50,721	45,421
Other employee costs	1,088	1,088	383
Contractual services	250	250	-
Commodities and supplies	5,801	5,801	1,996
Office and other equipment	500	500	-
Total nursing/health services	178,904	178,904	163,997
Community Connections Center			
Personal services	198,262	198,262	188,967
Employee benefits	52,333	52,333	46,978
Other employee costs	3,038	3,038	1,943
Contractual services	103,422	103,422	84,472
Utilities	5,621	5,621	4,144
Commodities and supplies	3,925	3,925	2,573
Total Community Connections Center	366,601	366,601	329,077
Total human services department	1,168,936	1,169,936	1,089,949

(This schedule is continued on the following page.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
WELFARE (Continued)			
Community development - housing			
Housing inspections			
Personal services	\$ 164,900	\$ 164,900	\$ 163,942
Employee benefits	87,361	67,361	58,909
Other employee costs	5,295	5,295	2,006
Contractual services	69,528	69,528	54,613
Utilities	5,298	5,298	315
Commodities and supplies	5,372	5,372	3,119
Total community development - housing	337,754	317,754	282,904
Total welfare	1,506,690	1,487,690	1,372,853
CULTURE AND RECREATION			
Community groups and miscellaneous			
Contractual services	181,200	191,200	244,709
Other expenditures	106,000	106,000	3,343
Total community groups and miscellaneous	287,200	297,200	248,052
Public relations - community and civic services			
4th of July and civic events			
Employee benefits	15,499	15,499	14,970
Contractual services	61,047	51,047	27,793
Commodities and supplies	42,052	42,052	17,515
Total 4th of July and civic events	118,598	108,598	60,278
Holiday decorations			
Employee benefits	-	-	10
Contractual services	76,178	73,978	56,732
Commodities and supplies	24,213	26,413	20,220
Total holiday decorations	100,391	100,391	76,962
Blood drive program			
Personal services	1,844	1,844	1,843
Employee benefits	142	142	141
Commodities and supplies	1,500	1,500	1,099
Total blood drive program	3,486	3,486	3,083
Total culture and recreation	509,675	509,675	388,375
TOTAL EXPENDITURES	\$ 55,868,719	\$ 55,425,965	\$ 54,450,620

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
POLICE AND FIRE BUILDING CONSTRUCTION FUND**

CAPITAL PROJECTS FUND

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
REVENUES			
Investment income	\$ 88,000	\$ 88,000	\$ 692,103
Total revenues	88,000	88,000	692,103
EXPENDITURES			
Public safety			
Contractual services	2,316,174	1,461,765	577,900
Capital outlay			
Facility construction	22,620,808	18,978,287	17,692,413
Total expenditures	24,936,982	20,440,052	18,270,313
NET CHANGE IN FUND BALANCE	\$ (24,848,982)	\$ (20,352,052)	(17,578,210)
FUND BALANCE, JANUARY 1			31,720,180
FUND BALANCE, DECEMBER 31			\$ 14,141,970

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

DEBT SERVICE FUND

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
REVENUES			
Taxes			
Property - levy	\$ 2,434,000	\$ 2,434,000	\$ 2,434,000
Other taxes			
Home rule sales tax	1,024,578	1,024,578	1,024,578
Video gaming tax	-	-	43,323
Investment income	5,000	5,000	84,169
Intergovernmental revenue	1,573,650	1,573,650	1,573,600
Total revenues	5,037,228	5,037,228	5,159,670
EXPENDITURES			
Debt service			
Principal retirement	3,812,499	3,812,499	3,787,500
Interest and fiscal charges	2,913,908	2,913,908	2,857,317
Total expenditures	6,726,407	6,726,407	6,644,817
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,689,179)	(1,689,179)	(1,485,147)
OTHER FINANCING SOURCES (USES)			
Transfers in	790,000	790,000	790,000
Total other financing sources (uses)	790,000	790,000	790,000
NET CHANGE IN FUND BALANCE	\$ (899,179)	\$ (899,179)	(695,147)
FUND BALANCE, JANUARY 1			4,150,506
FUND BALANCE, DECEMBER 31			\$ 3,455,359

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR SPECIAL REVENUE FUNDS

Motor Fuel Tax Fund - to account for the activities involved with street maintenance and construction. Financing is provided by the Village's share of state gasoline taxes. State law requires these gasoline taxes to be used to maintain streets.

The Refuse Disposal Fund - to account for the revenues and expenditures associated with providing solid waste collection services. Financing provided by restricted user fees and recycling income.

Community Development Block Grant (CDBG) Fund - to account for the revenue and expenditures associated with the CDBG. The grant is provided by the U.S. Department of Housing and Urban Development to develop urban communities by expanding economic opportunities and providing decent housing and a suitable living environment. The beneficiaries of CDBG must be individuals with low and/or moderate incomes.

Asset Seizure Fund - to account for the revenues and expenditures associated with the asset seizure program in which the Village participates. Funds received are restricted for use in the fight against drugs.

Federal Equitable Share Fund - to account for the revenues and expenditures associated with the Federal Shared Funds Program. The use of funds is restricted for use in the fight against drugs.

DUI Fines Fund - to account for revenues and expenditures associated with the Cook County DUI fine program. Use of the funds is restricted to the fight against drunk driving.

Foreign Fire Insurance Fund - to account for revenues derived from the Foreign Fire Insurance Tax and disbursement of these funds for the benefit, use, and maintenance related to the Fire Department.

Business District Fund - to account for the revenues and expenditures associated with the Business Districts within the Village. The Village currently has one Business District, the Randhurst Village Business District Area.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

NONMAJOR CAPITAL PROJECTS FUNDS

Capital Improvement Fund - to account for the resources to provide for certain capital improvements and the replacement of village equipment. Financing is being provided by home rule sales tax, developer contributions, transfers from other funds, and investment income.

Flood Control Construction Fund - to account for the resources to implement flood control projects throughout the Village. Financing is provided by home rule sales taxes, service charges, and investment income.

Street Improvement Construction Fund - to account for the resources to reconstruct the Village's streets. Financing is provided by various taxes, licenses, permits, fees, and investment income.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS**

December 31, 2019

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
ASSETS			
Cash and investments	\$ 5,427,444	\$ 6,262,008	\$ 11,689,452
Receivables			
Other taxes	417,315	241,134	658,449
Other	618,410	-	618,410
Due from other governments	477,933	-	477,933
Prepaid items	79,188	20,500	99,688
TOTAL ASSETS	<u>\$ 7,020,290</u>	<u>\$ 6,523,642</u>	<u>\$ 13,543,932</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 325,810	\$ 623,533	\$ 949,343
Accrued payroll	10,202	\$ -	10,202
Retainage payable	-	113,747	113,747
Accrued interest payable	1,724,930	-	1,724,930
Due to other governments	28,686	124,311	152,997
Unearned revenue	530,276	-	530,276
Total liabilities	<u>2,619,904</u>	<u>861,591</u>	<u>3,481,495</u>
FUND BALANCES			
Nonspendable			
Prepaid items	79,188	20,500	99,688
Restricted			
Highways and streets	2,465,613	-	2,465,613
Public safety - police	329,082	-	329,082
Public safety - fire	438,344	-	438,344
Refuse disposal	1,088,159	-	1,088,159
Assigned			
Capital projects	-	5,641,551	5,641,551
Total fund balances	<u>4,400,386</u>	<u>5,662,051</u>	<u>10,062,437</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 7,020,290</u>	<u>\$ 6,523,642</u>	<u>\$ 13,543,932</u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended December 31, 2019

	Special Revenue	Capital Projects	Total
REVENUES			
Other taxes	\$ 1,523,944	\$ 3,788,116	\$ 5,312,060
Licenses, permits, and fees	-	1,516,296	1,516,296
Intergovernmental	2,056,816	-	2,056,816
Charges for services	4,391,739	-	4,391,739
Investment income	61,021	79,765	140,786
Other reimbursements	-	31,204	31,204
Miscellaneous	195,499	40,049	235,548
Total revenues	8,229,019	5,455,430	13,684,449
EXPENDITURES			
Current			
General government	1,458,547	-	1,458,547
Public safety	78,775	-	78,775
Highways and streets	1,782,416	-	1,782,416
Health	4,654,081	-	4,654,081
Welfare	303,870	-	303,870
Capital outlay	-	6,121,140	6,121,140
Total expenditures	8,277,689	6,121,140	14,398,829
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	(48,670)	(665,710)	(714,380)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	750,000	750,000
Total other financing sources (uses)	-	750,000	750,000
NET CHANGE IN FUND BALANCES			
	(48,670)	84,290	35,620
FUND BALANCES, JANUARY 1			
	4,449,056	5,577,761	10,026,817
FUND BALANCES, DECEMBER 31			
	\$ 4,400,386	\$ 5,662,051	\$ 10,062,437

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2019

	Motor Fuel Tax	Refuse Disposal	Community Development Block Grant	Asset Seizure
ASSETS				
Cash and investments	\$ 2,257,122	\$ 835,797	\$ 85,195	\$ 135,102
Receivables				
Other taxes	237,776	-	-	-
Other	1,367	552,880	-	-
Due from other governments	1,709	-	476,224	-
Prepaid items	-	78,980	-	-
TOTAL ASSETS	\$ 2,497,974	\$ 1,467,657	\$ 561,419	\$ 135,102
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 21,589	\$ 290,316	\$ 13,229	\$ -
Accrued payroll	-	10,202	-	-
Accrued interest payable	-	-	-	-
Due to other governments	10,772	-	17,914	-
Unearned revenue	-	-	530,276	-
Total liabilities	32,361	300,518	561,419	-
FUND BALANCES				
Nonspendable				
Prepaid items	-	78,980	-	-
Restricted				
Highways and streets	2,465,613	-	-	-
Public safety - police	-	-	-	135,102
Public safety - fire	-	-	-	-
Refuse disposal	-	1,088,159	-	-
Total fund balances	2,465,613	1,167,139	-	135,102
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,497,974	\$ 1,467,657	\$ 561,419	\$ 135,102

Federal Equitable Share	DUI Fines	Foreign Fire Insurance	Business District	Total
\$ 50,545	\$ 140,454	\$ 438,344	\$ 1,484,885	\$ 5,427,444
-	-	-	179,539	417,315
-	3,657	-	60,506	618,410
-	-	-	-	477,933
-	-	208	-	79,188
<u>\$ 50,545</u>	<u>\$ 144,111</u>	<u>\$ 438,552</u>	<u>\$ 1,724,930</u>	<u>\$ 7,020,290</u>
\$ -	\$ 676	\$ -	-	\$ 325,810
-	-	-	-	10,202
-	-	-	\$ 1,724,930	1,724,930
-	-	-	-	28,686
-	-	-	-	530,276
-	676	-	1,724,930	2,619,904
-	-	208	-	79,188
-	-	-	-	2,465,613
50,545	143,435	-	-	329,082
-	-	438,344	-	438,344
				1,088,159
<u>50,545</u>	<u>143,435</u>	<u>438,552</u>	<u>-</u>	<u>4,400,386</u>
<u>\$ 50,545</u>	<u>\$ 144,111</u>	<u>\$ 438,552</u>	<u>\$ 1,724,930</u>	<u>\$ 7,020,290</u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended December 31, 2019

	Motor Fuel Tax	Refuse Disposal	Community Development Block Grant	Asset Seizure
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,776,997	-	214,034	15,632
Charges for services	-	4,391,739	-	-
Investment income	30,212	12,749	-	1,772
Miscellaneous	9,685	95,978	89,836	-
Total revenues	1,816,894	4,500,466	303,870	17,404
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	23,557
Highways and streets	1,782,416	-	-	-
Health	-	4,654,081	-	-
Welfare	-	-	303,870	-
Total expenditures	1,782,416	4,654,081	303,870	23,557
NET CHANGE IN FUND BALANCES	34,478	(153,615)	-	(6,153)
FUND BALANCES, JANUARY 1	2,431,135	1,320,754	-	141,255
FUND BALANCES, DECEMBER 31	\$ 2,465,613	\$ 1,167,139	\$ -	\$ 135,102

Federal Equitable Share	DUI Fines	Foreign Fire Insurance	Business District	Total
\$ -	\$ -	\$ 76,446	\$ 1,447,498	\$ 1,523,944
30,112	20,041	-	-	2,056,816
-	-	-	-	4,391,739
125	316	4,798	11,049	61,021
-	-	-	-	195,499
30,237	20,357	81,244	1,458,547	8,229,019
-	-	-	1,458,547	1,458,547
-	14,295	40,923	-	78,775
-	-	-	-	1,782,416
-	-	-	-	4,654,081
-	-	-	-	303,870
-	14,295	40,923	1,458,547	8,277,689
30,237	6,062	40,321	-	(48,670)
20,308	137,373	398,231	-	4,449,056
\$ 50,545	\$ 143,435	\$ 438,552	\$ -	\$ 4,400,386

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MOTOR FUEL TAX FUND**

NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
REVENUES			
Intergovernmental			
Motor fuel tax allotments	\$ 1,400,000	\$ 1,400,000	\$ 1,776,997
Investment income	20,000	20,000	30,212
Miscellaneous	15,000	15,000	9,685
Total revenues	<u>1,435,000</u>	<u>1,435,000</u>	<u>1,816,894</u>
EXPENDITURES			
Highways and streets			
Street division	<u>1,867,173</u>	<u>2,085,173</u>	<u>1,782,416</u>
Total expenditures	<u>1,867,173</u>	<u>2,085,173</u>	<u>1,782,416</u>
NET CHANGE IN FUND BALANCE	<u>\$ (432,173)</u>	<u>\$ (650,173)</u>	34,478
FUND BALANCE, JANUARY 1			<u>2,431,135</u>
FUND BALANCE, DECEMBER 31			<u>\$ 2,465,613</u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
MOTOR FUEL TAX FUND**

NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
HIGHWAYS AND STREETS			
Public works department			
Street division			
Street maintenance			
Contractual services	\$ 179,536	\$ 179,536	\$ 175,124
Total street division	179,536	179,536	175,124
Snow removal			
Contractual services	82,807	47,807	44,469
Commodities and supplies	357,000	392,000	381,622
Total snow removal	439,807	439,807	426,091
Traffic control/street lighting			
Contractual services	97,830	97,830	77,328
Utilities	200,000	200,000	101,101
Total traffic control/street lighting	297,830	297,830	178,429
Street improvement projects			
Infrastructure	950,000	1,168,000	1,002,772
Total street improvement projects	950,000	1,168,000	1,002,772
TOTAL EXPENDITURES	\$ 1,867,173	\$ 2,085,173	\$ 1,782,416

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
REFUSE DISPOSAL FUND**

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
REVENUES			
Charges for services	\$ 4,355,720	\$ 4,355,720	\$ 4,391,739
Investment income	5,000	5,000	12,749
Miscellaneous	11,000	11,000	95,978
Total revenues	4,371,720	4,371,720	4,500,466
EXPENDITURES			
Health			
Refuse disposal division			
Personal services	254,632	301,632	303,563
Employee benefits	112,676	127,076	127,994
Other employee costs	1,350	1,350	1,573
Contractual services	4,084,523	4,184,923	4,172,531
Utilities	483	483	158
Insurance	6,942	6,942	6,942
Commodities and supplies	41,579	41,579	41,320
Total expenditures	4,502,185	4,663,985	4,654,081
NET CHANGE IN FUND BALANCE	\$ (130,465)	\$ (292,265)	(153,615)
FUND BALANCE, JANUARY 1			1,320,754
FUND BALANCE, DECEMBER 31			\$ 1,167,139

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF OPERATING REVENUES - BUDGET AND ACTUAL
REFUSE DISPOSAL FUND**

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
CHARGES FOR SERVICES			
Single-family service charges	\$ 3,200,000	\$ 3,200,000	\$ 3,204,591
Multi-family service charges	994,500	994,500	1,032,331
Single-family penalties	32,000	32,000	30,300
Multi-family penalties	5,000	5,000	1,797
Contract administrative fees	100,000	100,000	100,000
Yard waste cart rental	23,220	23,220	21,895
Recycling bins	1,000	1,000	825
Total charges for services	<u>4,355,720</u>	<u>4,355,720</u>	<u>4,391,739</u>
INVESTMENT INCOME	<u>5,000</u>	<u>5,000</u>	<u>12,749</u>
MISCELLANEOUS	<u>11,000</u>	<u>11,000</u>	<u>95,978</u>
TOTAL OPERATING REVENUES	<u>\$ 4,371,720</u>	<u>\$ 4,371,720</u>	<u>\$ 4,500,466</u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
REVENUES			
Intergovernmental			
Grant - CDBG	\$ 275,649	\$ 342,745	\$ 214,034
Miscellaneous			
Program income	90,000	124,226	89,836
	<hr/>	<hr/>	<hr/>
Total revenues	365,649	466,971	303,870
EXPENDITURES			
Welfare			
Administration	51,430	1,066	505
Community programs	42,219	75,169	36,383
Residential rehabilitation	272,000	390,736	266,982
	<hr/>	<hr/>	<hr/>
Total expenditures	365,649	466,971	303,870
NET CHANGE IN FUND BALANCE	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	\$ -	\$ -	-
FUND BALANCE, JANUARY 1			<hr/>
			-
FUND BALANCE, DECEMBER 31			<hr/> <hr/>
			\$ -

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
WELFARE			
Administration and support			
Personal services	\$ 37,492	\$ -	\$ -
Employee benefits	6,157	-	-
Other employee costs	1,126	636	72
Contractual services	6,094	430	433
Commodities and supplies	561	-	-
	<hr/>	<hr/>	<hr/>
Total administration and support	51,430	1,066	505
	<hr/>	<hr/>	<hr/>
Community programs			
Contractual services	42,219	75,169	36,383
	<hr/>	<hr/>	<hr/>
Total community programs	42,219	75,169	36,383
	<hr/>	<hr/>	<hr/>
Residential rehabilitation			
Contractual services	272,000	390,736	266,982
	<hr/>	<hr/>	<hr/>
Total residential rehabilitation	272,000	390,736	266,982
	<hr/>	<hr/>	<hr/>
TOTAL EXPENDITURES	\$ 365,649	\$ 466,971	\$ 303,870

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ASSET SEIZURE FUND**

NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
REVENUES			
Intergovernmental			
Seized assets	\$ 10,000	\$ 10,000	\$ 15,632
Investment income	2,000	2,000	1,772
	<hr/>		
Total revenues	12,000	12,000	17,404
	<hr/>		
EXPENDITURES			
Public safety			
Other employee costs	1,000	1,000	-
Contractual services	3,000	3,000	2,500
Equipment	3,000	30,000	21,057
	<hr/>		
Total expenditures	7,000	34,000	23,557
	<hr/>		
NET CHANGE IN FUND BALANCE	<u>\$ 5,000</u>	<u>\$ (22,000)</u>	(6,153)
FUND BALANCE, JANUARY 1			<u>141,255</u>
FUND BALANCE, DECEMBER 31			<u>\$ 135,102</u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FEDERAL EQUITABLE SHARE FUND**

NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
REVENUES			
Intergovernmental			
Federal equitable shared funds	\$ 2,000	\$ 2,000	\$ 30,112
Investment income	200	200	125
	<hr/>		
Total revenues	2,200	2,200	30,237
	<hr/>		
EXPENDITURES			
Public safety			
Contractual services	1,000	1,000	-
Equipment	1,000	1,000	-
	<hr/>		
Total expenditures	2,000	2,000	-
	<hr/>		
NET CHANGE IN FUND BALANCE	<u>\$ 200</u>	<u>\$ 200</u>	30,237
FUND BALANCE, JANUARY 1			<u>20,308</u>
FUND BALANCE, DECEMBER 31			<u><u>\$ 50,545</u></u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DUI FINES FUND**

NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
REVENUES			
Intergovernmental			
DUI fines	\$ 25,000	\$ 25,000	\$ 20,041
Investment income	500	500	316
Total revenues	<u>25,500</u>	<u>25,500</u>	<u>20,357</u>
EXPENDITURES			
Public safety			
Patrol and traffic enforcement			
Other employee costs	1,000	3,000	2,949
Contractual services	1,000	1,000	-
Equipment	3,000	17,500	11,346
Total expenditures	<u>5,000</u>	<u>21,500</u>	<u>14,295</u>
NET CHANGE IN FUND BALANCE	<u>\$ 20,500</u>	<u>\$ 4,000</u>	6,062
FUND BALANCE, JANUARY 1			<u>137,373</u>
FUND BALANCE, DECEMBER 31			<u><u>\$ 143,435</u></u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOREIGN FIRE INSURANCE FUND**

NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
REVENUES			
Other taxes			
Foreign fire insurance tax	\$ 90,000	\$ 90,000	\$ 76,446
Investment income	4,000	4,000	4,798
	<hr/>		
Total revenues	94,000	94,000	81,244
	<hr/>		
EXPENDITURES			
Public safety			
Insurance	500	500	-
Other employee costs	15,000	12,000	4,223
Contractual services	10,500	10,500	4,972
Commodities and supplies	13,000	13,000	5,722
Building improvements	5,000	-	-
Equipment	24,000	32,000	26,006
	<hr/>		
Total expenditures	68,000	68,000	40,923
	<hr/>		
NET CHANGE IN FUND BALANCE	<u>\$ 26,000</u>	<u>\$ 26,000</u>	40,321
FUND BALANCE, JANUARY 1			<u>398,231</u>
FUND BALANCE, DECEMBER 31			<u><u>\$ 438,552</u></u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
BUSINESS DISTRICT FUND**

NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
REVENUES			
Other taxes			
Food and beverage tax	\$ 400,000	\$ 400,000	\$ 378,678
Hotel/motel tax	230,000	230,000	233,087
Movie theatre tax	115,000	115,000	99,385
Business district tax	325,000	325,000	287,207
State sales tax	440,000	440,000	449,141
Investment income	15,000	15,000	11,049
Total revenues	<u>1,525,000</u>	<u>1,525,000</u>	<u>1,458,547</u>
EXPENDITURES			
General government	<u>1,525,000</u>	<u>1,525,000</u>	<u>1,458,547</u>
Total expenditures	<u>1,525,000</u>	<u>1,525,000</u>	<u>1,458,547</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	-
FUND BALANCE, JANUARY 1			<u>-</u>
FUND BALANCE, DECEMBER 31			<u><u>\$ -</u></u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS

December 31, 2019

	Capital Improvement	Flood Control Construction	Street Improvement Construction	Total
ASSETS				
Cash and investments	\$ 3,389,932	\$ 548,335	\$ 2,323,741	\$ 6,262,008
Receivables				
Other taxes	177,694	-	63,440	241,134
Prepaid items	-	20,500	-	20,500
TOTAL ASSETS	\$ 3,567,626	\$ 568,835	\$ 2,387,181	\$ 6,523,642
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 227,994	\$ 56,257	\$ 339,282	\$ 623,533
Retainage payable	13,138	100,609	-	113,747
Due to other governments	-	124,311	-	124,311
Total liabilities	241,132	281,177	339,282	861,591
FUND BALANCES				
Nonspendable				
Prepaid items	-	20,500	-	20,500
Unrestricted				
Assigned				
Capital projects	3,326,494	267,158	2,047,899	5,641,551
Total fund balances	3,326,494	287,658	2,047,899	5,662,051
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,567,626	\$ 568,835	\$ 2,387,181	\$ 6,523,642

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES

NONMAJOR CAPITAL PROJECTS FUNDS

For the Year Ended December 31, 2019

	Capital Improvement	Flood Control Construction	Street Improvement Construction	Total
REVENUES				
Taxes				
Other	\$ 1,370,000	\$ 345,422	\$ 2,072,694	\$ 3,788,116
Licenses, permits, and fees	-	-	1,516,296	1,516,296
Investment income	32,020	18,517	29,228	79,765
Other reimbursements	-	24,907	6,297	31,204
Miscellaneous	-	27,796	12,253	40,049
 Total revenues	 1,402,020	 416,642	 3,636,768	 5,455,430
EXPENDITURES				
Capital outlay	1,240,320	1,870,342	3,010,478	6,121,140
 Total expenditures	 1,240,320	 1,870,342	 3,010,478	 6,121,140
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	 161,700	 (1,453,700)	 626,290	 (665,710)
OTHER FINANCING SOURCES (USES)				
Transfers in	750,000	-	-	750,000
 NET CHANGE IN FUND BALANCES	 911,700	 (1,453,700)	 626,290	 84,290
 FUND BALANCES, JANUARY 1	 2,414,794	 1,741,358	 1,421,609	 5,577,761
 FUND BALANCES, DECEMBER 31	 \$ 3,326,494	 \$ 287,658	 \$ 2,047,899	 \$ 5,662,051

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL IMPROVEMENT FUND

NONMAJOR CAPITAL PROJECTS FUNDS

For the Year Ended December 31, 2019

	<u>Budget</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
REVENUES			
Other taxes			
Home rule sales tax	\$ 1,370,000	\$ 1,370,000	\$ 1,370,000
Investment income	20,000	20,000	32,020
Miscellaneous			
Donations	2,000	2,000	-
	<hr/>		
Total revenues	1,392,000	1,392,000	1,402,020
	<hr/>		
EXPENDITURES			
Capital outlay			
Equipment	684,100	718,600	555,458
Building improvements	236,000	410,150	115,774
Infrastructure	1,683,340	1,482,805	569,088
	<hr/>		
Total expenditures	2,603,440	2,611,555	1,240,320
	<hr/>		
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,211,440)	(1,219,555)	161,700
OTHER FINANCING SOURCES (USES)			
Transfers in	750,000	750,000	750,000
	<hr/>		
NET CHANGE IN FUND BALANCE	<u>\$ (461,440)</u>	<u>\$ (469,555)</u>	911,700
FUND BALANCE, JANUARY 1			<hr/> 2,414,794
FUND BALANCE, DECEMBER 31			<hr/> \$ 3,326,494 <hr/>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
CAPITAL IMPROVEMENT FUND

NONMAJOR CAPITAL PROJECTS FUNDS

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
EXPENDITURES			
Equipment			
Village hall AV equipment	\$ 60,000	\$ 60,000	\$ -
Police department software	-	15,000	9,205
Fire safety trailer	82,000	-	-
Thermal imaging cameras	54,000	54,000	53,795
Fire notification system	55,000	55,000	8,900
Car lift	155,000	256,500	207,888
Salt brine system	225,000	225,000	222,650
Radio equipment - police/fire/public works	53,100	53,100	53,020
Total equipment	684,100	718,600	555,458
Building improvements			
Emergency generators	30,000	5,650	5,651
Public works facility improvements	45,000	140,000	29,171
HVAC replacements	25,000	102,000	17,328
Other public building improvements	136,000	162,500	63,624
Total building improvements	236,000	410,150	115,774
Infrastructure			
D/T pedestrian improvements	200,000	200,000	-
D/T Streetscape Program	-	68,500	86,367
Residential street lights	128,750	163,750	71,952
Residential street light improvements	230,000	196,533	196,533
Contractual services - brick sidewalks	79,590	79,590	-
Corridor improvements	400,000	400,000	20,000
Corridor street lights	-	11,107	11,107
Jogging path	-	-	(23,131)
Kensington road improvement	-	22,500	-
Kensington road bike path	50,000	145,000	46,958
Brick sidewalks	30,000	30,000	23,523
Detention pond improvements	-	-	-
Bridge rehab	55,000	55,000	54,954
Pedestrian bridge	160,000	30,000	-
Parking deck maintenance	55,000	23,746	23,746
Central road pedestrian crossing	295,000	57,079	57,079
Total infrastructure	1,683,340	1,482,805	569,088
TOTAL EXPENDITURES	\$ 2,603,440	\$ 2,611,555	\$ 1,240,320

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FLOOD CONTROL CONSTRUCTION FUND**

NONMAJOR CAPITAL PROJECTS FUND

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
REVENUES			
Taxes			
Other taxes			
Home rule sales tax	\$ 345,422	\$ 345,422	\$ 345,422
Intergovernmental	2,000,000	-	-
Miscellaneous			
Fees	40,000	40,000	27,796
Other reimbursements	20,000	20,000	24,907
Investment income	12,000	12,000	18,517
	<hr/>		
Total revenues	2,417,422	417,422	416,642
	<hr/>		
EXPENDITURES			
Capital outlay			
Public improvements			
Infrastructure	3,705,000	1,789,901	1,824,909
Other	55,500	55,500	45,433
	<hr/>		
Total expenditures	3,760,500	1,845,401	1,870,342
	<hr/>		
NET CHANGE IN FUND BALANCE	<u>\$ (1,343,078)</u>	<u>\$ (1,427,979)</u>	(1,453,700)
FUND BALANCE, JANUARY 1			<u>1,741,358</u>
FUND BALANCE, DECEMBER 31			<u><u>\$ 287,658</u></u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FLOOD CONTROL CONSTRUCTION FUND**

NONMAJOR CAPITAL PROJECTS FUND

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
CAPITAL OUTLAY			
Public improvements			
Infrastructure			
Levee repairs	\$ 40,000	\$ 40,000	\$ 33,555
Culvert and ditch	30,000	30,000	-
Levee supplies	5,000	5,000	2,459
Creek bank stabilization	25,000	25,000	7,916
Creek tree trimming	25,000	25,000	20,121
Private property drainage	240,000	161,604	161,603
Weller Creek improvements	-	47,000	68,683
Storm sewer inspection program	80,000	80,000	20,833
Levee 37	2,600,000	623,797	792,970
Storm sewer improvements	660,000	752,500	716,769
Total infrastructure	<u>3,705,000</u>	<u>1,789,901</u>	<u>1,824,909</u>
Other			
Electricity	3,500	3,500	3,271
Residential reimbursements	2,000	2,000	1,000
Contractual services	50,000	50,000	41,162
Total other	<u>55,500</u>	<u>55,500</u>	<u>45,433</u>
TOTAL EXPENDITURES	<u><u>\$ 3,760,500</u></u>	<u><u>\$ 1,845,401</u></u>	<u><u>\$ 1,870,342</u></u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STREET IMPROVEMENT CONSTRUCTION FUND**

NONMAJOR CAPITAL PROJECTS FUND

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
REVENUES			
Other taxes			
Home rule sales tax	\$ 1,370,000	\$ 1,370,000	\$ 1,370,000
Municipal motor fuel tax	715,000	715,000	702,694
License fees	1,650,000	1,650,000	1,516,296
Investment income	6,000	6,000	29,228
Other reimbursements	-	-	6,297
Miscellaneous income	30,000	30,000	12,253
Total revenues	<u>3,771,000</u>	<u>3,771,000</u>	<u>3,636,768</u>
EXPENDITURES			
Capital outlay			
Contractual services	40,000	40,000	32,175
Infrastructure			
Street resurfacing	<u>3,732,000</u>	<u>4,337,000</u>	<u>2,978,303</u>
Total expenditures	<u>3,772,000</u>	<u>4,377,000</u>	<u>3,010,478</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,000)</u>	<u>\$ (606,000)</u>	626,290
FUND BALANCE, JANUARY 1			<u>1,421,609</u>
FUND BALANCE, DECEMBER 31			<u><u>\$ 2,047,899</u></u>

(See independent auditor's report.)

MAJOR ENTERPRISE FUND

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION - BUDGET AND ACTUAL
WATER AND SEWER FUND

MAJOR ENTERPRISE FUND

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
OPERATING REVENUES			
Charges for services	\$ 15,609,600	\$ 15,609,600	\$ 14,972,198
Total operating revenues	15,609,600	15,609,600	14,972,198
OPERATING EXPENSES			
Administration and maintenance	18,866,491	19,122,590	17,435,333
Total operating expenses	18,866,491	19,122,590	17,435,333
OPERATING INCOME (LOSS)	(3,256,891)	(3,512,990)	(2,463,135)
NON-OPERATING REVENUES (EXPENSES)			
Property taxes	-	-	(19,419)
Loss on the sale of capital assets	-	-	(3,015)
Interest and fiscal charges	(443,081)	(443,081)	(573,902)
Investment income	51,100	51,100	296,579
Proceeds from issuance of debt	10,200,000	10,200,000	9,917,936
Principal payments	(240,000)	(240,000)	(240,000)
Other income	80,000	80,000	86,810
Total non-operating revenues (expenses)	9,648,019	9,648,019	9,464,989
CHANGE IN NET POSITION - BUDGETARY BASIS	\$ 6,391,128	\$ 6,135,029	7,001,854
ADJUSTMENTS TO GAAP BASIS			
Depreciation			(699,662)
Capital assets capitalized			1,798,328
Amortization of asset retirement obligation item			(7,500)
Proceeds from issuance of debt			(9,917,936)
Principal payments			240,000
Total adjustments to GAAP basis			(8,586,770)
CHANGE IN NET POSITION - GAAP BASIS			(1,584,916)
NET POSITION, JANUARY 1			40,157,409
NET POSITION, DECEMBER 31			\$ 38,572,493

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF OPERATING REVENUES - BUDGET AND ACTUAL
WATER AND SEWER FUND**

MAJOR ENTERPRISE FUND

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
CHARGES FOR SERVICES			
Water sales	\$ 12,413,600	\$ 12,413,600	\$ 11,912,186
Sewer fees	3,056,000	3,056,000	2,939,080
Sewer construction charge	-	-	(39)
Water penalties	80,000	80,000	74,999
Water meter fees	20,000	20,000	25,635
Water and sewer taps	20,000	20,000	780
Sewer penalties	20,000	20,000	19,557
TOTAL OPERATING REVENUES	\$ 15,609,600	\$ 15,609,600	\$ 14,972,198

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL
WATER AND SEWER FUND

MAJOR ENTERPRISE FUND

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
ADMINISTRATION AND MAINTENANCE			
Administration and support			
Personal services	\$ 490,319	\$ 490,319	\$ 491,603
Employee benefits	285,031	285,031	317,417
Other employee costs	44,464	50,289	49,239
Contractual services	216,595	212,895	188,432
Utilities	51,679	51,679	20,277
Insurance	117,789	117,789	117,789
Commodities and supplies	15,348	15,348	10,654
Capital expenditures	2,429	52,429	50,000
Total administration and support	1,223,654	1,275,779	1,245,411
Maintenance of buildings			
Personal services	166,320	166,320	173,709
Employee benefits	65,350	65,350	67,780
Contractual services	18,215	18,215	1,655
Utilities	6,624	6,624	6,208
Commodities and supplies	1,655	1,655	582
Total maintenance of buildings	258,164	258,164	249,934
Maintenance of grounds			
Personal services	48,884	48,884	44,755
Employee benefits	13,319	13,319	11,436
Contractual services	52,659	52,659	50,026
Commodities and supplies	6,529	6,529	5,953
Total maintenance of grounds	121,391	121,391	112,170
Water supply maintenance and repair			
Personal services	360,649	360,649	366,010
Employee benefits	128,807	128,807	126,295
Contractual services	132,379	132,379	78,762
Utilities	80,000	80,000	62,377
Commodities and supplies	86,284	86,284	49,524
Distribution system	51,000	51,000	32,955
Total water supply maintenance and repair	839,119	839,119	715,923

(This schedule is continued on the following pages.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL (Continued)
WATER AND SEWER FUND

MAJOR ENTERPRISE FUND

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
ADMINISTRATION AND MAINTENANCE			
(Continued)			
Water distribution maintenance and repair			
Personal services	\$ 506,921	\$ 496,921	\$ 559,612
Employee benefits	172,911	172,911	187,196
Contractual services	289,843	294,449	176,542
Commodities and supplies	82,078	87,578	67,485
Distribution systems	37,142	24,911	5,335
Capital expenditures	1,081	1,081	-
Total water distribution maintenance and repair	1,089,976	1,077,851	996,170
Water valve and hydrant maintenance			
Personal services	216,600	202,600	200,403
Employee benefits	59,108	59,108	53,355
Contractual services	59,645	59,645	60,296
Commodities and supplies	111,126	111,126	90,622
Total water valve and hydrant maintenance	446,479	432,479	404,676
Water meter installation, repair, and replacement			
Personal services	85,046	61,046	56,299
Employee benefits	19,272	19,272	10,970
Contractual services	117,936	117,936	98,317
Commodities and supplies	3,435	3,435	1,665
Capital expenditures	65,000	65,000	69,522
Total water meter installation, repair, and replacement	290,689	266,689	236,773
Equipment maintenance			
Contractual services	1,078,033	1,078,033	1,078,033
Total equipment maintenance	1,078,033	1,078,033	1,078,033
Sanitary sewer maintenance and repair			
Personal services	325,096	325,096	361,831
Employee benefits	127,442	127,442	129,907
Contractual services	224,451	224,451	138,953
Utilities	24,407	24,407	21,622
Commodities and supplies	29,590	29,590	21,361
Total sanitary sewer maintenance and repair	730,986	730,986	673,674

(This schedule is continued on the following page.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL (Continued)
WATER AND SEWER FUND

MAJOR ENTERPRISE FUND

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
ADMINISTRATION AND MAINTENANCE			
(Continued)			
Water system improvements			
Capital expenditures	\$ 2,993,000	\$ 3,458,337	\$ 3,130,384
Total water system improvements	2,993,000	3,458,337	3,130,384
Sanitary system improvements			
Capital expenditures	1,825,000	1,733,762	1,424,082
Total sanitary system improvements	1,825,000	1,733,762	1,424,082
Storm sewer improvements			
Capital expenditures	800,000	800,000	575,194
Total storm sewer improvements	800,000	800,000	575,194
Improvements to public buildings			
Capital expenditures	285,000	165,000	7,354
Total improvements to public buildings	285,000	165,000	7,354
Lake Michigan water acquisition			
Contractual services	6,885,000	6,885,000	6,585,555
Total Lake Michigan water acquisition	6,885,000	6,885,000	6,585,555
Total administration and maintenance	18,866,491	19,122,590	17,435,333
TOTAL OPERATING EXPENSES	\$ 18,866,491	\$ 19,122,590	\$ 17,435,333

(See independent auditor's report.)

NONMAJOR ENTERPRISE FUNDS

Parking System Revenue Fund - to account for the provision of public parking services with fees shared with the commuter railroad. All activities are accounted for including administration, operations, maintenance, and collection.

Village Parking System - to account for the provision of village-owned public parking services including the Village Hall parking deck and leased commuter spaces. All activities are accounted for including administration, operations, maintenance, financing, related debt service, and billing and collection.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

COMBINING STATEMENT OF NET POSITION

NONMAJOR ENTERPRISE FUNDS

December 31, 2019

	Parking System Revenue	Village Parking System	Total
CURRENT ASSETS			
Cash and investments	\$ 197,388	\$ 379,082	\$ 576,470
Prepaid items	-	61,111	61,111
Total current assets	197,388	440,193	637,581
CAPITAL ASSETS			
Capital assets being depreciated, cost	364,800	-	364,800
Accumulated depreciation	(364,800)	-	(364,800)
Net capital assets	-	-	-
Total assets	197,388	440,193	637,581
DEFERRED OUTFLOWS OF RESOURCES			
OPEB items	212	1,476	1,688
Total assets and deferred outflows of resources	197,600	441,669	639,269
CURRENT LIABILITIES			
Accounts payable	11,060	10,586	21,646
Accrued payroll	602	602	1,204
Unearned revenues	17,960	18,235	36,195
Due to other governments	-	2,188	2,188
Compensated absences payable	742	776	1,518
Total OPEB liability	76	529	605
Total current liabilities	30,440	32,916	63,356
LONG-TERM LIABILITIES			
Compensated absences payable	2,966	3,104	6,070
Total OPEB liability	2,114	14,716	16,830
Total long-term liabilities	5,080	17,820	22,900
Total liabilities	35,520	50,736	86,256
DEFERRED INFLOWS OF RESOURCES			
OPEB items	484	3,373	3,857
Total liabilities and deferred inflows of resources	36,004	54,109	90,113
NET POSITION			
Investment in capital assets	-	-	-
Unrestricted	161,596	387,560	549,156
TOTAL NET POSITION	\$ 161,596	\$ 387,560	\$ 549,156

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION**

NONMAJOR ENTERPRISE FUNDS

For the Year Ended December 31, 2019

	Parking System Revenue	Village Parking System	Total
OPERATING REVENUES			
Charges for services			
Parking fees	\$ 157,903	\$ 159,114	\$ 317,017
Rental fees	-	6,600	6,600
Convenience fees	1,395	2,965	4,360
	<hr/>		
Total operating revenues	159,298	168,679	327,977
	<hr/>		
OPERATING EXPENSES			
Administration, maintenance, and improvements	125,300	153,793	279,093
	<hr/>		
Total operating expenses	125,300	153,793	279,093
	<hr/>		
OPERATING INCOME	33,998	14,886	48,884
	<hr/>		
NON-OPERATING REVENUES (EXPENSES)			
Investment income	1,982	4,691	6,673
Gain (loss) from sale of capital assets	-	1,370,265	1,370,265
	<hr/>		
Total non-operating revenues (expenses)	1,982	1,374,956	1,376,938
	<hr/>		
INCOME (LOSS) BEFORE TRANSFERS	35,980	1,389,842	1,425,822
	<hr/>		
Transfers (out)	-	(1,602,619)	(1,602,619)
	<hr/>		
CHANGE IN NET POSITION	35,980	(212,777)	(176,797)
	<hr/>		
NET POSITION, JANUARY 1	125,616	600,337	725,953
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NET POSITION, DECEMBER 31	\$ 161,596	\$ 387,560	\$ 549,156
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(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS

NONMAJOR ENTERPRISE FUNDS

For the Year Ended December 31, 2019

	Parking System Revenue	Village Parking System	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 158,023	\$ 165,974	\$ 323,997
Receipts from miscellaneous revenues	1,395	2,965	4,360
Payments to suppliers	(109,467)	(178,591)	(288,058)
Payments to employees	(24,330)	(24,539)	(48,869)
Net cash from operating activities	25,621	(34,191)	(8,570)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfer out	-	(1,602,619)	(1,602,619)
Net cash from noncapital financing activities	-	(1,602,619)	(1,602,619)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from sale of capital assets	-	1,602,619	1,602,619
Net cash from capital and related financing activities	-	1,602,619	1,602,619
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income	1,982	4,691	6,673
Net cash from investing activities	1,982	4,691	6,673
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	27,603	(29,500)	(1,897)
CASH AND CASH EQUIVALENTS, JANUARY 1	169,785	408,582	578,367
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 197,388	\$ 379,082	\$ 576,470

(This statement is continued on the following page.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS (Continued)

NONMAJOR ENTERPRISE FUNDS

For the Year Ended December 31, 2019

	Parking System Revenue	Village Parking System	Total
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income	\$ 33,998	\$ 14,886	\$ 48,884
Adjustments to reconcile operating income to net cash from operating activities			
Changes in assets and liabilities			
Prepaid items	-	(61,111)	(61,111)
Accounts payable	(9,901)	8,704	(1,197)
Due to other governments	-	2,188	2,188
Accrued payroll and compensated absences	1,357	551	1,908
OPEB items	47	331	378
Unearned revenues	120	260	380
NET CASH FROM OPERATING ACTIVITIES	\$ 25,621	\$ (34,191)	\$ (8,570)

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION - BUDGET AND ACTUAL
PARKING SYSTEM REVENUE FUND

NONMAJOR ENTERPRISE FUNDS

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
OPERATING REVENUES			
Charges for services			
Parking fees	\$ 156,000	\$ 156,000	\$ 157,903
Convenience fees	1,200	1,200	1,395
Total operating revenues	157,200	157,200	159,298
OPERATING EXPENSES			
Administration, maintenance, and improvements	155,108	155,108	125,300
Total operating expenses	155,108	155,108	125,300
OPERATING INCOME	2,092	2,092	33,998
NON-OPERATING REVENUES (EXPENSES)			
Investment income	1,000	1,000	1,982
Total non-operating revenues (expenses)	1,000	1,000	1,982
CHANGE IN NET POSITION	\$ 3,092	\$ 3,092	35,980
NET POSITION, JANUARY 1			125,616
NET POSITION, DECEMBER 31			\$ 161,596

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL
PARKING SYSTEM REVENUE FUND**

NONMAJOR ENTERPRISE FUNDS

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
ADMINISTRATION, MAINTENANCE, AND IMPROVEMENTS			
Personal services	\$ 15,576	\$ 15,576	\$ 17,180
Employee benefits	6,562	6,562	8,554
Contractual services	112,083	112,083	88,360
Utilities	9,799	9,799	3,264
Insurance	292	292	292
Commodities and supplies	10,796	10,796	7,650
TOTAL OPERATING EXPENSES	\$ 155,108	\$ 155,108	\$ 125,300

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION - BUDGET AND ACTUAL
VILLAGE PARKING SYSTEM FUND**

NONMAJOR ENTERPRISE FUNDS

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
OPERATING REVENUES			
Charges for services			
Parking fees	\$ 180,000	\$ 180,000	\$ 159,114
Rental fees	6,600	6,600	6,600
Convenience fees	3,000	3,000	2,965
Total operating revenues	<u>189,600</u>	<u>189,600</u>	<u>168,679</u>
OPERATING EXPENSES			
Administration, maintenance and improvements	<u>146,101</u>	<u>248,101</u>	<u>153,793</u>
Total operating expenses	<u>146,101</u>	<u>248,101</u>	<u>153,793</u>
OPERATING INCOME (LOSS)	<u>43,499</u>	<u>(58,501)</u>	<u>14,886</u>
NON-OPERATING REVENUES (EXPENSES)			
Investment income	3,000	3,000	4,691
Gain (loss) from sale of capital assets	-	1,370,300	1,370,265
Total non-operating revenues (expenses)	<u>3,000</u>	<u>1,373,300</u>	<u>1,374,956</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>46,499</u>	<u>1,314,799</u>	<u>1,389,842</u>
Transfers (out)	<u>-</u>	<u>(1,602,700)</u>	<u>(1,602,619)</u>
CHANGE IN NET POSITION	<u>\$ 46,499</u>	<u>\$ (287,901)</u>	<u>(212,777)</u>
NET POSITION, JANUARY 1			<u>600,337</u>
NET POSITION, DECEMBER 31			<u>\$ 387,560</u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL
VILLAGE PARKING SYSTEM FUND**

NONMAJOR ENTERPRISE FUNDS

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
ADMINISTRATION, MAINTENANCE, AND IMPROVEMENTS			
Personal services	\$ 16,916	\$ 16,916	\$ 17,079
Employee benefits	6,825	6,825	8,343
Contractual services	64,006	124,506	94,639
Insurance	285	285	285
Commodities and supplies	563	6,563	6,389
Capital expenses	57,506	93,006	27,058
TOTAL OPERATING EXPENSES	\$ 146,101	\$ 248,101	\$ 153,793

(See independent auditor's report.)

INTERNAL SERVICE FUNDS

Computer Replacement Fund - to account for the acquisition of village computer hardware. Financing is being provided by charges to various village funds.

Risk Management Fund - to account for the servicing and payment of claims for liability, property, casualty coverage, workers' compensation, and medical benefits. Financing is being provided by charges to the various village funds.

Vehicle Replacement Fund - to account for the acquisition and depreciation of village vehicles. Financing is being provided by charges to the various village funds.

Vehicle Maintenance Fund - to account for the maintenance and repair of all village vehicles. Financing is being provided by charges to various village funds.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

COMBINING STATEMENT OF NET POSITION

INTERNAL SERVICE FUNDS

December 31, 2019

	Computer Replacement	Risk Management	Vehicle Replacement	Vehicle Maintenance	Total
CURRENT ASSETS					
Cash and investments	\$ 729,798	\$ 494,743	\$ 10,073,099	\$ 409,660	\$ 11,707,300
Receivables					
Accrued interest	-	39	2,504	-	2,543
Other	-	-	-	1,940	1,940
Due from other funds	-	-	153,385	-	153,385
Due from other governments	-	-	420	8,863	9,283
Prepaid items	-	70,229	-	13,772	84,001
Deposits - insurance	-	2,524,777	-	-	2,524,777
Inventories	-	-	-	330,655	330,655
Total current assets	729,798	3,089,788	10,229,408	764,890	14,813,884
NONCURRENT ASSETS					
Deposits - insurance	-	969,800	-	-	969,800
CAPITAL ASSETS					
Capital assets not being depreciated	-	-	825,855	-	825,855
Capital assets being depreciated, cost	133,797	-	15,128,865	92,062	15,354,724
Accumulated depreciation	(113,233)	-	(8,278,280)	(92,062)	(8,483,575)
Net capital assets	20,564	-	7,676,440	-	7,697,004
Total assets	750,362	4,059,588	17,905,848	764,890	23,480,688
DEFERRED OUTFLOWS OF RESOURCES					
OPEB items	-	-	-	22,854	22,854
Total assets and deferred outflows of resources	750,362	4,059,588	17,905,848	787,744	23,503,542
CURRENT LIABILITIES					
Accounts payable	25,159	158,286	46,006	26,767	256,218
Accrued payroll	-	-	-	32,928	32,928
Due to other funds	-	153,385	-	-	153,385
Claims payable	-	243,822	-	-	243,822
Other payables	-	34,143	-	-	34,143
Compensated absences payable	-	-	-	19,383	19,383
Total OPEB liability	-	-	-	8,190	8,190
Total current liabilities	25,159	589,636	46,006	87,268	748,069
LONG-TERM LIABILITIES					
Compensated absences payable	-	-	-	77,531	77,531
Claims payable	-	171,087	-	-	171,087
Total OPEB liability	-	-	-	227,847	227,847
Total long-term liabilities	-	171,087	-	305,378	476,465
Total liabilities	25,159	760,723	46,006	392,646	1,224,534
DEFERRED INFLOWS OF RESOURCES					
OPEB items	-	-	-	52,219	52,219
Total liabilities and deferred inflows of resources	25,159	760,723	46,006	444,865	1,276,753
NET POSITION					
Investment in capital assets	20,564	-	7,676,440	-	7,697,004
Unrestricted	704,639	3,298,865	10,183,402	342,879	14,529,785
TOTAL NET POSITION	\$ 725,203	\$ 3,298,865	\$ 17,859,842	\$ 342,879	\$ 22,226,789

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION

INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2019

	Computer Replacement	Risk Management	Vehicle Replacement	Vehicle Maintenance	Total
OPERATING REVENUES					
Charges for services	\$ 162,897	\$ 7,280,300	\$ 2,145,071	\$ 2,046,358	\$ 11,634,626
Contributions	-	1,685,810	-	-	1,685,810
Miscellaneous	-	90,801	-	-	90,801
Total operating revenues	162,897	9,056,911	2,145,071	2,046,358	13,411,237
OPERATING EXPENSES					
Administration and maintenance	199,098	356,843	(26,459)	2,105,693	2,635,175
Insurance and claims	-	9,076,522	-	-	9,076,522
Depreciation	13,709	-	854,467	-	868,176
Total operating expenses	212,807	9,433,365	828,008	2,105,693	12,579,873
OPERATING INCOME (LOSS)	(49,910)	(376,454)	1,317,063	(59,335)	831,364
NON-OPERATING REVENUES (EXPENSES)					
Investment income	10,085	(2,813)	189,079	4,993	201,344
Other income	-	-	198,281	-	198,281
Gain (loss) on disposal of capital assets	-	-	(120,310)	498	(119,812)
Total non-operating revenues (expenses)	10,085	(2,813)	267,050	5,491	279,813
CHANGES IN NET POSITION	(39,825)	(379,267)	1,584,113	(53,844)	1,111,177
NET POSITION, JANUARY 1	765,028	3,678,132	16,275,729	396,723	21,115,612
NET POSITION, DECEMBER 31	\$ 725,203	\$ 3,298,865	\$ 17,859,842	\$ 342,879	\$ 22,226,789

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS

INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2019

	Computer Replacement	Risk Management	Vehicle Replacement	Vehicle Maintenance	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ -	\$ 2,660,274	\$ -	\$ -	\$ 2,660,274
Receipts from interfund services	162,897	6,305,836	2,132,100	2,046,332	10,647,165
Miscellaneous receipts	-	90,801	223,047	-	313,848
Payments to suppliers	(190,227)	(10,269,436)	26,459	(629,897)	(11,063,101)
Payments to employees	-	-	-	(1,500,658)	(1,500,658)
Net cash from operating activities	(27,330)	(1,212,525)	2,381,606	(84,223)	1,057,528
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Interfund activity	-	153,385	(153,385)	-	-
Net cash from noncapital financing activities	-	153,385	(153,385)	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from sale of capital assets	-	-	-	498	498
Acquisition of capital assets	-	-	(1,323,275)	-	(1,323,275)
Net cash from capital and related financing activities	-	-	(1,323,275)	498	(1,322,777)
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income	10,084	(2,852)	190,937	4,993	203,162
Net cash from investing activities	10,084	(2,852)	190,937	4,993	203,162
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(17,246)	(1,061,992)	1,095,883	(78,732)	(62,087)
CASH AND CASH EQUIVALENTS, JANUARY 1	747,044	1,556,735	8,977,216	488,392	11,769,387
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 729,798	\$ 494,743	\$ 10,073,099	\$ 409,660	\$ 11,707,300

(This statement is continued on the following page.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS (Continued)

INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2019

	<u>Computer Replacement</u>	<u>Risk Management</u>	<u>Vehicle Replacement</u>	<u>Vehicle Maintenance</u>	<u>Total</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES					
Operating income (loss)	\$ (49,910)	\$ (376,454)	\$ 1,317,063	\$ (59,335)	\$ 831,364
Adjustments to reconcile operating income (loss) to net cash from operating activities					
Depreciation	13,709	-	854,467	-	868,176
Other income	-	-	198,281	-	198,281
Changes in assets and liabilities					
Receivables	-	-	11,795	476	12,271
Inventories	-	-	-	(6,396)	(6,396)
Prepaid items	-	52,071	-	(13,760)	38,311
Deposits - insurance	-	(830,652)	-	-	(830,652)
Accounts and others payable	8,871	123,120	-	(9,589)	122,402
Accrued payroll and compensated absences	-	-	-	(738)	(738)
OPEB items	-	-	-	5,119	5,119
Claims payable	-	(180,610)	-	-	(180,610)
NET CASH FROM OPERATING ACTIVITIES	<u>\$ (27,330)</u>	<u>\$ (1,212,525)</u>	<u>\$ 2,381,606</u>	<u>\$ (84,223)</u>	<u>\$ 1,057,528</u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
COMPUTER REPLACEMENT FUND**

INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
OPERATING REVENUES			
Charges for services			
Refuse Disposal Fund	\$ 1,271	\$ 1,271	\$ 1,271
Water and Sewer Fund	3,558	3,558	3,558
General Fund	158,068	158,068	158,068
	<hr/>	<hr/>	<hr/>
Total operating revenues	162,897	162,897	162,897
	<hr/>	<hr/>	<hr/>
OPERATING EXPENSES			
Administration			
Capital outlay	412,900	207,900	199,098
Depreciation	-	-	13,709
	<hr/>	<hr/>	<hr/>
Total operating expenses	412,900	207,900	212,807
	<hr/>	<hr/>	<hr/>
OPERATING INCOME (LOSS)	(250,003)	(45,003)	(49,910)
	<hr/>	<hr/>	<hr/>
NON-OPERATING REVENUES (EXPENSES)			
Investment income	4,000	4,000	10,085
	<hr/>	<hr/>	<hr/>
CHANGE IN NET POSITION	<u>\$ (246,003)</u>	<u>\$ (41,003)</u>	(39,825)
	<hr/>	<hr/>	<hr/>
NET POSITION, JANUARY 1			<u>765,028</u>
			<hr/>
NET POSITION, DECEMBER 31			<u><u>\$ 725,203</u></u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL
COMPUTER REPLACEMENT FUND**

INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
ADMINISTRATION			
Capital outlay	\$ 412,900	\$ 207,900	\$ 199,098
Total administration	412,900	207,900	199,098
Depreciation	-	-	13,709
TOTAL OPERATING EXPENSES	\$ 412,900	\$ 207,900	\$ 212,807

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
RISK MANAGEMENT FUND**

INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
OPERATING REVENUES			
Charges for services	\$ 7,429,717	\$ 7,429,717	\$ 7,280,300
Contributions	1,803,000	1,803,000	1,685,810
Miscellaneous	2,500	2,500	90,801
Total operating revenues	<u>9,235,217</u>	<u>9,235,217</u>	<u>9,056,911</u>
OPERATING EXPENSES			
Administration	386,000	386,000	356,843
Insurance and claims	8,822,873	9,077,873	9,076,522
Total operating expenses	<u>9,208,873</u>	<u>9,463,873</u>	<u>9,433,365</u>
OPERATING INCOME (LOSS)	26,344	(228,656)	(376,454)
NON-OPERATING REVENUES (EXPENSES)			
Investment income	20,000	20,000	(2,813)
CHANGE IN NET POSITION	<u>\$ 46,344</u>	<u>\$ (208,656)</u>	<u>(379,267)</u>
NET POSITION, JANUARY 1			<u>3,678,132</u>
NET POSITION, DECEMBER 31			<u><u>\$ 3,298,865</u></u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF OPERATING REVENUES - BUDGET AND ACTUAL
RISK MANAGEMENT FUND**

INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
OPERATING REVENUES			
Charges for services			
General Fund	\$ 6,179,026	\$ 6,179,026	\$ 6,050,145
Refuse Disposal Fund	12,854	12,854	12,854
Water and Sewer Fund	220,095	220,095	220,095
Parking System Revenue Fund	541	541	541
Village Parking Fund	527	527	527
Vehicle Maintenance Fund	21,674	21,674	21,674
Library	995,000	995,000	974,464
Total charges for services	7,429,717	7,429,717	7,280,300
Contributions			
Employee			
Health insurance	635,000	635,000	628,160
Dental insurance	130,000	130,000	141,203
Additional life insurance	24,000	24,000	25,842
Retiree			
Health insurance	979,000	979,000	858,090
Dental insurance	35,000	35,000	32,515
Total contributions	1,803,000	1,803,000	1,685,810
Miscellaneous			
Other reimbursements	2,000	2,000	90,801
Miscellaneous income	500	500	-
Total miscellaneous	2,500	2,500	90,801
TOTAL OPERATING REVENUES	\$ 9,235,217	\$ 9,235,217	\$ 9,056,911

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL
RISK MANAGEMENT FUND

INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
ADMINISTRATION			
Casualty and property program			
Other equipment	\$ -	\$ -	\$ 52
Other contractual services	30,000	30,000	4,799
Total casualty and property program	30,000	30,000	4,851
Medical program			
Claims administration	356,000	356,000	351,992
Total administration	386,000	386,000	356,843
INSURANCE AND CLAIMS			
Casualty and property program			
Liability insurance	668,773	693,773	724,856
Other insurance	10,000	10,000	29,312
Property claims	100,000	100,000	68,146
Liability claims	100,000	115,000	456,852
Workers' compensation claims	250,000	465,000	718,415
Auto claims	50,000	50,000	(72,347)
Unemployment compensation claims	10,000	10,000	17,040
Tree hazard study	10,000	10,000	-
Other claims	10,000	10,000	65,405
Total casualty and property program	1,208,773	1,463,773	2,007,679
Medical program			
Medical expense - HMO plan	1,301,000	1,301,000	1,206,153
Medical expense - indemnity plan	5,976,600	5,976,600	5,522,932
Medical expense - dental	267,000	267,000	287,142
Health and wellness supplies	22,500	22,500	4,914
Life insurance	47,000	47,000	47,702
Total medical program	7,614,100	7,614,100	7,068,843
Total insurance and claims	8,822,873	9,077,873	9,076,522
TOTAL OPERATING EXPENSES	\$ 9,208,873	\$ 9,463,873	\$ 9,433,365

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
VEHICLE REPLACEMENT FUND**

INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
OPERATING REVENUES			
Charges for services	\$ 2,142,100	\$ 2,142,100	\$ 2,145,071
Total operating revenues	2,142,100	2,142,100	2,145,071
OPERATING EXPENSES			
Administration	-	-	(26,459)
Depreciation	-	-	854,467
Total operating expenses	-	-	828,008
OPERATING INCOME	2,142,100	2,142,100	1,317,063
NON-OPERATING REVENUES (EXPENSES)			
Investment income	120,000	120,000	189,079
Other income	-	-	198,281
Gain (loss) on sale of capital assets	75,000	75,000	(120,310)
Total non-operating revenues (expenses)	195,000	195,000	267,050
CHANGE IN NET POSITION	\$ 2,337,100	\$ 2,337,100	1,584,113
NET POSITION, JANUARY 1			16,275,729
NET POSITION, DECEMBER 31			\$ 17,859,842

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF OPERATING REVENUES - BUDGET AND ACTUAL
VEHICLE REPLACEMENT FUND**

INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
CHARGES FOR SERVICES			
General Fund			
Manager's office	\$ 3,830	\$ 3,830	\$ 3,830
Community development - planning	1,500	1,500	1,500
Community development - building	4,770	4,770	4,770
Community development - housing	9,520	9,520	9,520
Community development - health	1,500	1,500	1,500
Police department	343,880	343,880	343,880
Fire department	620,660	620,660	620,660
Public works department	533,490	533,490	533,490
Engineering division	23,320	23,320	23,320
Human services	1,700	1,700	1,700
Water and Sewer Fund	587,930	587,930	587,930
Other fee	10,000	10,000	12,971
TOTAL OPERATING REVENUE	\$ 2,142,100	\$ 2,142,100	\$ 2,145,071

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL
VEHICLE REPLACEMENT FUND**

INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
OPERATING EXPENSES			
Administration			
Capital outlay - T.V. service vehicles	\$ 30,000	\$ 30,000	\$ -
Capital outlay - human services vehicles	28,000	28,000	-
Capital outlay - police vehicles	138,000	56,157	56,157
Capital outlay - fire vehicles	136,000	771,000	627,238
Capital outlay - public works	741,000	687,453	686,756
Less capital assets capitalized	(1,073,000)	(1,572,610)	(1,396,610)
Total administration	-	-	(26,459)
Depreciation	-	-	854,467
TOTAL OPERATING EXPENSES	\$ -	\$ -	\$ 828,008

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
VEHICLE MAINTENANCE FUND**

INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2019

	<u>Budget</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
OPERATING REVENUES			
Charges for services	\$ 2,046,358	\$ 2,046,358	\$ 2,046,358
Total operating revenues	<u>2,046,358</u>	<u>2,046,358</u>	<u>2,046,358</u>
OPERATING EXPENSES			
Administration and maintenance	<u>2,034,247</u>	<u>2,123,747</u>	<u>2,105,693</u>
Total operating expenses	<u>2,034,247</u>	<u>2,123,747</u>	<u>2,105,693</u>
OPERATING INCOME (LOSS)	<u>12,111</u>	<u>(77,389)</u>	<u>(59,335)</u>
NON-OPERATING REVENUES (EXPENSES)			
Proceeds from sale of capital assets	-	-	498
Investment income	<u>6,000</u>	<u>6,000</u>	<u>4,993</u>
Total non-operating revenues (expenses)	<u>6,000</u>	<u>6,000</u>	<u>5,491</u>
CHANGE IN NET POSITION	<u>\$ 18,111</u>	<u>\$ (71,389)</u>	<u>(53,844)</u>
NET POSITION, JANUARY 1			<u>396,723</u>
NET POSITION, DECEMBER 31			<u>\$ 342,879</u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF OPERATING REVENUES - BUDGET AND ACTUAL
VEHICLE MAINTENANCE FUND**

INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
CHARGES FOR SERVICES			
General Fund			
Manager's office	\$ 3,070	\$ 3,070	\$ 3,070
Television services division	3,274	3,274	3,274
Community development - planning	3,070	3,070	3,070
Community development - building	4,297	4,297	4,297
Community development - housing	21,487	21,487	21,487
Community development - health	3,070	3,070	3,070
Police department	521,206	521,206	521,206
Fire department	323,529	323,529	323,529
Public works department	636,826	636,826	636,826
Engineering division	33,356	33,356	33,356
Human service charges	3,070	3,070	3,070
Water and Sewer Fund	490,103	490,103	490,103
TOTAL OPERATING REVENUES	\$ 2,046,358	\$ 2,046,358	\$ 2,046,358

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL
VEHICLE MAINTENANCE FUND**

INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
ADMINISTRATION AND MAINTENANCE			
Vehicle division administration			
Personal services	\$ 121,623	\$ 121,623	\$ 121,738
Employee benefits	54,860	54,860	63,038
Other employee costs	4,167	4,667	4,396
Contractual services	23,830	23,330	19,999
Utilities	3,392	3,392	4,454
Commodities and supplies	2,071	2,071	1,833
Office equipment	614	614	70
	<hr/>		
Total vehicle division administration	210,557	210,557	215,528
	<hr/>		
Vehicle maintenance program			
Personal services	825,964	905,064	898,145
Employee benefits	302,689	313,089	323,331
Contractual services	99,759	99,759	93,563
Commodities and supplies	591,337	594,411	574,338
Other equipment	3,941	867	788
	<hr/>		
Total vehicle maintenance program	1,823,690	1,913,190	1,890,165
	<hr/>		
Total administration and maintenance	2,034,247	2,123,747	2,105,693
	<hr/>		
TOTAL OPERATING EXPENSES	\$ 2,034,247	\$ 2,123,747	\$ 2,105,693
	<hr/>		

(See independent auditor's report.)

FIDUCIARY FUNDS

PENSION TRUST FUNDS

Police Pension Fund - to account for the resources necessary to provide retirement and disability benefits to personnel of the Mount Prospect Police Department. Revenues are provided by the following: the Village contributions (made possible by a property tax levy), employee withholdings, and investment income.

Firefighters' Pension Fund - to account for the resources necessary to provide retirement and disability benefits to personnel of the Mount Prospect Fire Department. Revenues are provided by the following: the Village contributions (made possible by a property tax levy), employee withholdings, and investment income.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**COMBINING STATEMENT OF NET POSITION
PENSION TRUST FUNDS**

December 31, 2019

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash and cash equivalents	\$ 4,591,474	\$ 880,540	\$ 5,472,014
Investments			
State and local obligations	1,463,899	559,656	2,023,555
U.S. Government and U.S. agency obligations	11,467,499	15,700,434	27,167,933
Corporate bonds and obligations	10,141,808	8,691,876	18,833,684
Real estate	-	6,440,988	6,440,988
Mutual funds	50,558,146	38,849,385	89,407,531
Total cash and investments	78,222,826	71,122,879	149,345,705
Accrued interest receivable	143,149	136,967	280,116
Due from village	1,390	1,987	3,377
Prepays	1,545	1,870	3,415
Total assets	78,368,910	71,263,703	149,632,613
LIABILITIES			
Accounts payable	35,366	35,762	71,128
Total liabilities	35,366	35,762	71,128
NET POSITION RESTRICTED FOR PENSIONS	\$ 78,333,544	\$ 71,227,941	\$ 149,561,485

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**COMBINING STATEMENT OF CHANGES IN NET POSITION
PENSION TRUST FUNDS**

For the Year Ended December 31, 2019

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	\$ 3,582,499	\$ 3,363,390	\$ 6,945,889
Plan members	854,789	787,160	1,641,949
Other	5,476	5,877	11,353
Total contributions	4,442,764	4,156,427	8,599,191
Investment income			
Interest earned	754,562	769,182	1,523,744
Net change in fair value	12,817,772	10,282,247	23,100,019
Less investment expenses	(132,088)	(103,545)	(235,633)
Net investment income	13,440,246	10,947,884	24,388,130
Total additions	17,883,010	15,104,311	32,987,321
DEDUCTIONS			
Administration	35,695	40,260	75,955
Benefits and refunds	5,887,879	6,234,640	12,122,519
Total deductions	5,923,574	6,274,900	12,198,474
NET INCREASE	11,959,436	8,829,411	20,788,847
NET POSITION RESTRICTED FOR PENSIONS			
January 1	66,374,108	62,398,530	128,772,638
December 31	\$ 78,333,544	\$ 71,227,941	\$ 149,561,485

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF CHANGES IN NET POSITION - BUDGET AND ACTUAL
POLICE PENSION FUND**

For the Year Ended December 31, 2019

	Budget		Actual
	Original	Final	
ADDITIONS			
Contributions			
Employer	\$ 3,642,500	\$ 3,642,500	\$ 3,582,499
Plan members	843,000	843,000	854,789
Other	500	500	5,476
Total contributions	4,486,000	4,486,000	4,442,764
Investment income			
Interest earned	766,000	766,000	754,562
Net change in fair value	3,167,500	12,407,500	12,817,772
Less investment expenses	(134,000)	(134,000)	(132,088)
Net investment income	3,799,500	13,039,500	13,440,246
Total additions	8,285,500	17,525,500	17,883,010
DEDUCTIONS			
Administration	60,400	60,400	35,695
Benefits and refunds	5,790,809	5,931,209	5,887,879
Total deductions	5,851,209	5,991,609	5,923,574
NET INCREASE	\$ 2,434,291	\$ 11,533,891	11,959,436
NET POSITION RESTRICTED FOR PENSIONS			
January 1			66,374,108
December 31			\$ 78,333,544

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**SCHEDULE OF CHANGES IN NET POSITION - BUDGET AND ACTUAL
FIREFIGHTERS' PENSION FUND**

For the Year Ended December 31, 2019

	<u>Budget</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
ADDITIONS			
Contributions			
Employer	\$ 3,415,300	\$ 3,415,300	\$ 3,363,390
Plan members	680,000	730,000	787,160
Other	500	500	5,877
	<hr/>		
Total contributions	4,095,800	4,145,800	4,156,427
	<hr/>		
Investment income			
Interest earned	714,000	714,000	769,182
Net change in fair value	2,872,000	10,202,000	10,282,247
Less investment expenses	(101,000)	(104,200)	(103,545)
	<hr/>		
Net investment income	3,485,000	10,811,800	10,947,884
	<hr/>		
Total additions	7,580,800	14,957,600	15,104,311
	<hr/>		
DEDUCTIONS			
Administration	60,800	62,600	40,260
Benefits and refunds	6,032,036	6,236,636	6,234,640
	<hr/>		
Total deductions	6,092,836	6,299,236	6,274,900
	<hr/>		
NET INCREASE	<u>\$ 1,487,964</u>	<u>\$ 8,658,364</u>	8,829,411
 NET POSITION RESTRICTED FOR PENSIONS			
January 1			<u>62,398,530</u>
December 31			<u>\$ 71,227,941</u>

(See independent auditor's report.)

SUPPLEMENTAL DATA

LONG-TERM DEBT PAYABLE BY GOVERNMENTAL FUNDS

To account for the noncurrent portion of the Village's General Obligation Bond Issues, notes payable, net pension liabilities, compensated absences, and total OPEB liabilities.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF GENERAL LONG-TERM DEBT
LONG-TERM DEBT PAYABLE BY GOVERNMENTAL FUNDS

December 31, 2019

	General Obligation Bonds of 2011B	General Obligation Bonds of 2012	General Obligation Bonds of 2013	General Obligation Bonds of 2014	General Obligation Bonds of 2016	General Obligation Bonds of 2016A	General Obligation Bonds of 2017	General Obligation Bonds of 2018A	General Obligation Bonds of 2018B	General Obligation Bonds of 2019B
AMOUNT TO BE PROVIDED FOR THE RETIREMENT OF GENERAL LONG-TERM DEBT										
Amount to be provided for retirement of general long-term debt	\$ 775,000	\$ 1,745,000	\$ 9,800,000	\$ 4,115,000	\$ 4,535,000	\$ 8,860,000	\$ 4,815,000	\$ 7,060,000	\$ 38,040,000	\$ 7,725,000
TOTAL	\$ 775,000	\$ 1,745,000	\$ 9,800,000	\$ 4,115,000	\$ 4,535,000	\$ 8,860,000	\$ 4,815,000	\$ 7,060,000	\$ 38,040,000	\$ 7,725,000
GENERAL LONG-TERM DEBT PAYABLE										
General obligation bonds payable	\$ 775,000	\$ 1,745,000	\$ 9,800,000	\$ 4,115,000	\$ 4,535,000	\$ 8,860,000	\$ 4,815,000	\$ 7,060,000	\$ 38,040,000	\$ 7,725,000
Business district limited tax note payable	-	-	-	-	-	-	-	-	-	-
Compensated absences payable	-	-	-	-	-	-	-	-	-	-
Net pension liability - IMRF	-	-	-	-	-	-	-	-	-	-
Net pension liability - Police Pension	-	-	-	-	-	-	-	-	-	-
Net pension liability - Firefighters' Pension	-	-	-	-	-	-	-	-	-	-
Unamortized bond premiums	-	-	-	-	-	-	-	-	-	-
Total OPEB liability	-	-	-	-	-	-	-	-	-	-
TOTAL	\$ 775,000	\$ 1,745,000	\$ 9,800,000	\$ 4,115,000	\$ 4,535,000	\$ 8,860,000	\$ 4,815,000	\$ 7,060,000	\$ 38,040,000	\$ 7,725,000

(This schedule is continued on the following page.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF GENERAL LONG-TERM DEBT (Continued)
LONG-TERM DEBT PAYABLE BY GOVERNMENTAL FUNDS

December 31, 2019

	Business District Limited Tax Note	Compensated Absences	Net Pension Liability - IMRF	Net Pension Liability - Police	Net Pension Liability - Firefighters	Unamortized Bond Premiums	Total OPEB Liability	Total
AMOUNT TO BE PROVIDED FOR THE RETIREMENT OF GENERAL LONG-TERM DEBT								
Amount to be provided for retirement of general long-term debt	\$ 35,329,187	\$ 3,839,647	\$ 9,504,098	\$ 44,990,138	\$ 38,460,088	\$ 3,006,575	\$ 11,840,233	\$ 234,439,966
TOTAL	\$ 35,329,187	\$ 3,839,647	\$ 9,504,098	\$ 44,990,138	\$ 38,460,088	\$ 3,006,575	\$ 11,840,233	\$ 234,439,966
GENERAL LONG-TERM DEBT PAYABLE								
General obligation bonds payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 87,470,000
Business district limited tax note payable	35,329,187	-	-	-	-	-	-	35,329,187
Compensated absences payable	-	3,839,647	-	-	-	-	-	3,839,647
Net pension liability - IMRF	-	-	9,504,098	-	-	-	-	9,504,098
Net pension liability - Police Pension	-	-	-	44,990,138	-	-	-	44,990,138
Net pension liability - Firefighters' Pension	-	-	-	-	38,460,088	-	-	38,460,088
Unamortized bond premiums	-	-	-	-	-	3,006,575	-	3,006,575
Total OPEB liability	-	-	-	-	-	-	11,840,233	11,840,233
TOTAL	\$ 35,329,187	\$ 3,839,647	\$ 9,504,098	\$ 44,990,138	\$ 38,460,088	\$ 3,006,575	\$ 11,840,233	\$ 234,439,966

(See independent auditor's report.)

LONG-TERM DEBT REQUIREMENTS

VILLAGE OF MOUNT PROSPECT, ILLINOIS

LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BONDS OF 2011B

December 31, 2019

Date of Issue	July 29, 2011
Date of Maturity	December 1, 2020
Authorized Issue	\$5,160,000
Denomination of Bonds	\$5,000
Interest Rates	2.52%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	JP Morgan Chase

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Requirements			Interest Due on			
		Principal	Interest	Total	June 1	Amount	December 1	Amount
2019	878-1032	\$ 775,000	\$ 19,530	\$ 794,530	2020	\$ 9,765	2020	\$ 9,765
		<u>\$ 775,000</u>	<u>\$ 19,530</u>	<u>\$ 794,530</u>		<u>\$ 9,765</u>		<u>\$ 9,765</u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BONDS OF 2012

December 31, 2019

Date of Issue	January 3, 2012
Date of Maturity	December 1, 2022
Authorized Issue	\$2,975,000
Denomination of Bonds	\$5,000
Interest Rates	3.10%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	JP Morgan Chase

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Requirements			Interest Due on			
		Principal	Interest	Total	June 1	Amount	December 1	Amount
2019	-	\$ -	\$ 54,096	\$ 54,096	2020	\$ 27,048	2020	\$ 27,048
2020	247-418	860,000	54,096	914,096	2021	27,048	2021	27,048
2021	419-595	885,000	27,436	912,436	2022	13,718	2022	13,718
		<u>\$ 1,745,000</u>	<u>\$ 135,628</u>	<u>\$ 1,880,628</u>			<u>\$ 67,814</u>	<u>\$ 67,814</u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BONDS OF 2013

December 31, 2019

Date of Issue	September 10, 2013
Date of Maturity	December 1, 2033
Authorized Issue	\$9,800,000
Denomination of Bonds	\$5,000
Interest Rates	3.000% to 4.125%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	The Bank of New York Mellon Trust Company

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Requirements			Interest Due on			
		Principal	Interest	Total	June 1	Amount	December 1	Amount
2019	1-111	\$ 555,000	\$ 369,956	\$ 924,956	2020	\$ 184,978	2020	\$ 184,978
2020	112-225	570,000	353,306	923,306	2021	176,653	2021	176,653
2021	226-342	585,000	336,206	921,206	2022	168,103	2022	168,103
2022	343-463	605,000	318,656	923,656	2023	159,328	2023	159,328
2023	464-588	625,000	300,506	925,506	2024	150,253	2024	150,253
2024	589-718	650,000	275,506	925,506	2025	137,753	2025	137,753
2025	719-853	675,000	249,506	924,506	2026	124,753	2026	124,753
2026	854-993	700,000	222,506	922,506	2027	111,253	2027	111,253
2027	994-1139	730,000	194,506	924,506	2028	97,253	2028	97,253
2028	1140-1291	760,000	165,307	925,307	2029	82,653	2029	82,654
2029	1292-1449	790,000	134,907	924,907	2030	67,453	2030	67,454
2030	1450-1613	820,000	103,307	923,307	2031	51,653	2031	51,654
2031	1614-1783	850,000	70,507	920,507	2032	35,253	2032	35,254
2032	1784-1960	885,000	36,507	921,507	2033	18,253	2033	18,254
		<u>\$ 9,800,000</u>	<u>\$ 3,131,189</u>	<u>\$ 12,931,189</u>		<u>\$ 1,565,592</u>		<u>\$ 1,565,597</u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BONDS OF 2014

December 31, 2019

Date of Issue	February 4, 2014
Date of Maturity	December 1, 2023
Authorized Issue	\$6,290,000
Denomination of Bonds	\$5,000
Interest Rate	3%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	The Bank of New York Mellon Trust Company

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Requirements			Interest Due on			
		Principal	Interest	Total	June 1	Amount	December 1	Amount
2019	436-587	\$ 760,000	\$ 123,450	\$ 883,450	2020	\$ 61,725	2020	\$ 61,725
2020	588-780	965,000	100,650	1,065,650	2021	50,325	2021	50,325
2021	781-1005	1,125,000	71,700	1,196,700	2022	35,850	2022	35,850
2022	1006-1258	1,265,000	37,950	1,302,950	2023	18,975	2023	18,975
		<u>\$ 4,115,000</u>	<u>\$ 333,750</u>	<u>\$ 4,448,750</u>		<u>\$ 166,875</u>		<u>\$ 166,875</u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS OF 2016

December 31, 2019

Date of Issue	September 8, 2016
Date of Maturity	December 1, 2022
Authorized Issue	\$8,735,000
Denomination of Bonds	\$5,000
Interest Rate	2% to 3%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Zions Bancorporation

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Requirements			Interest Due on			
		Principal	Interest	Total	June 1	Amount	December 1	Amount
2019	0861-1156	\$ 1,470,000	\$ 105,400	\$ 1,575,400	2020	\$ 52,700	2020	\$ 52,700
2020	1157-1461	1,515,000	61,300	1,576,300	2021	30,650	2021	30,650
2021	1462-1776	1,550,000	31,000	1,581,000	2022	15,500	2022	15,500
		<u>\$ 4,535,000</u>	<u>\$ 197,700</u>	<u>\$ 4,732,700</u>		<u>\$ 98,850</u>		<u>\$ 98,850</u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS
LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS OF 2016A

December 31, 2019

Date of Issue	December 1, 2016
Date of Maturity	December 1, 2028
Authorized Issue	\$9,100,000
Denomination of Bonds	\$5,000
Interest Rates	3%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Zions Bancorporation

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Bond Numbers	Requirements			Interest Due on			
		Principal	Interest	Total	June 1	Amount	December 1	Amount
2019	-	\$ -	\$ 265,800	\$ 265,800	2020	\$ 132,900	2020	\$ 132,900
2020	-	-	265,800	265,800	2021	132,900	2021	132,900
2021	-	-	265,800	265,800	2022	132,900	2022	132,900
2022	0049-0151	515,000	265,800	780,800	2023	132,900	2023	132,900
2023	0152-0363	1,060,000	250,350	1,310,350	2024	125,175	2024	125,175
2024	0364-0711	1,740,000	218,550	1,958,550	2025	109,275	2025	109,275
2025	0712-1070	1,795,000	166,350	1,961,350	2026	83,175	2026	83,175
2026	1071-1439	1,845,000	112,500	1,957,500	2027	56,250	2027	56,250
2027	1440-1820	1,905,000	57,150	1,962,150	2028	28,575	2028	28,575
		<u>\$ 8,860,000</u>	<u>\$ 1,868,100</u>	<u>\$ 10,728,100</u>		<u>\$ 934,050</u>		<u>\$ 934,050</u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BONDS OF 2017**

December 31, 2019

Date of Issue	December 20, 2017
Date of Maturity	December 1, 2037
Authorized Issue	\$9,740,000
Denomination of Bonds	\$5,000
Interest Rates	2.50% to 4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Zions Bancorporation

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2019	\$ 140,000	\$ 315,500	\$ 455,500	2020	\$ 157,750	2020	\$ 157,750
2020	290,000	309,900	599,900	2021	154,950	2021	154,950
2021	315,000	298,300	613,300	2022	149,150	2022	149,150
2022	345,000	285,700	630,700	2023	142,850	2023	142,850
2023	375,000	271,900	646,900	2024	135,950	2024	135,950
2024	405,000	256,900	661,900	2025	128,450	2025	128,450
2025	440,000	240,700	680,700	2026	120,350	2026	120,350
2026	465,000	227,500	692,500	2027	113,750	2027	113,750
2027	500,000	215,875	715,875	2028	107,937	2028	107,938
2028	530,000	202,750	732,750	2029	101,375	2029	101,375
2029	565,000	188,176	753,176	2030	94,088	2030	94,088
2030	600,000	171,931	771,931	2031	85,966	2031	85,965
2031	640,000	147,931	787,931	2032	73,965	2032	73,966
2032	690,000	122,331	812,331	2033	61,166	2033	61,165
2033	730,000	100,769	830,769	2034	50,385	2034	50,384
2034	775,000	77,956	852,956	2035	38,978	2035	38,978
2035	820,000	53,738	873,738	2036	26,869	2036	26,869
2036	865,000	28,112	893,112	2037	14,056	2037	14,056
	<u>\$ 9,490,000</u>	<u>\$ 3,515,969</u>	<u>\$ 13,005,969</u>		<u>\$ 1,757,985</u>		<u>\$ 1,757,984</u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BONDS OF 2018A**

December 31, 2019

Date of Issue	May 1, 2018
Date of Maturity	December 1, 2037
Authorized Issue	\$11,950,000
Denomination of Bonds	\$5,000
Interest Rates	3.25% to 5.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Zions Bankcorporation

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			June 1	Interest Due on		
	Principal	Interest	Total		Amount	December 1	Amount
2019	\$ 125,000	\$ 451,869	\$ 576,869	2020	\$ 225,935	2020	\$ 225,934
2020	315,000	448,119	763,119	2021	224,060	2021	224,059
2021	355,000	432,369	787,369	2022	216,185	2022	216,184
2022	385,000	414,619	799,619	2023	207,310	2023	207,309
2023	425,000	395,369	820,369	2024	197,685	2024	197,684
2024	470,000	374,119	844,119	2025	187,060	2025	187,059
2025	520,000	350,619	870,619	2026	175,310	2026	175,309
2026	565,000	324,619	889,619	2027	162,310	2027	162,309
2027	610,000	302,019	912,019	2028	151,010	2028	151,009
2028	655,000	277,619	932,619	2029	138,810	2029	138,809
2029	710,000	251,419	961,419	2030	125,710	2030	125,709
2030	765,000	223,019	988,019	2031	111,510	2031	111,509
2031	815,000	198,157	1,013,157	2032	99,079	2032	99,078
2032	870,000	171,669	1,041,669	2033	85,835	2033	85,834
2033	925,000	141,219	1,066,219	2034	70,610	2034	70,609
2034	985,000	108,844	1,093,844	2035	54,422	2035	54,422
2035	1,050,000	75,600	1,125,600	2036	37,800	2036	37,800
2036	1,110,000	38,850	1,148,850	2037	19,425	2037	19,425
	<u>\$ 11,655,000</u>	<u>\$ 4,980,117</u>	<u>\$ 16,635,117</u>		<u>\$ 2,490,066</u>		<u>\$ 2,490,051</u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BONDS OF 2018B**

December 31, 2019

Date of Issue	October 16, 2018
Date of Maturity	December 1, 2043
Authorized Issue	\$38,440,000
Denomination of Bonds	\$5,000
Interest Rates	3.625% to 5.000%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Zions Bankcorporation

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			June 1	Interest Due on		
	Principal	Interest	Total		Amount	December 1	Amount
2019	\$ 455,000	\$ 1,609,500	\$ 2,064,500	2020	\$ 804,750	2020	\$ 804,750
2020	360,000	1,586,750	1,946,750	2021	793,375	2021	793,375
2021	-	1,568,750	1,568,750	2022	784,375	2022	784,375
2022	-	1,568,750	1,568,750	2023	784,375	2023	784,375
2023	770,000	1,568,750	2,338,750	2024	784,375	2024	784,375
2024	155,000	1,530,250	1,685,250	2025	765,125	2025	765,125
2025	160,000	1,522,500	1,682,500	2026	761,250	2026	761,250
2026	165,000	1,514,500	1,679,500	2027	757,250	2027	757,250
2027	175,000	1,506,250	1,681,250	2028	753,125	2028	753,125
2028	1,645,000	1,497,500	3,142,500	2029	748,750	2029	748,750
2029	1,820,000	1,415,250	3,235,250	2030	707,625	2030	707,625
2030	1,910,000	1,324,250	3,234,250	2031	662,125	2031	662,125
2031	2,005,000	1,228,750	3,233,750	2032	614,375	2032	614,375
2032	2,105,000	1,128,500	3,233,500	2033	564,250	2033	564,250
2033	2,210,000	1,023,250	3,233,250	2034	511,625	2034	511,625
2034	2,295,000	943,138	3,238,138	2035	471,569	2035	471,569
2035	2,380,000	857,075	3,237,075	2036	428,538	2036	428,537
2036	2,470,000	767,825	3,237,825	2037	383,913	2037	383,912
2037	2,560,000	675,200	3,235,200	2038	337,600	2038	337,600
2038	2,660,000	576,000	3,236,000	2039	288,000	2039	288,000
2039	2,765,000	469,600	3,234,600	2040	234,800	2040	234,800
2040	2,875,000	359,000	3,234,000	2041	179,500	2041	179,500
2041	2,990,000	244,000	3,234,000	2042	122,000	2042	122,000
2042	3,110,000	124,400	3,234,400	2043	62,200	2043	62,200
	<u>\$ 38,040,000</u>	<u>\$ 26,609,738</u>	<u>\$ 64,649,738</u>		<u>\$ 13,304,870</u>		<u>\$ 13,304,868</u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BONDS OF 2019A**

December 31, 2019

Date of Issue	June 3, 2019
Date of Maturity	December 1, 2039
Authorized Issue	\$9,600,000
Denomination of Bonds	\$5,000
Interest Rates	2% to 5%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Zions Bankcorporation

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2019	\$ 60,000	\$ 506,617	\$ 566,617	2020	\$ 337,117	2020	\$ 169,500
2020	240,000	337,800	577,800	2021	168,900	2021	168,900
2021	265,000	325,800	590,800	2022	162,900	2022	162,900
2022	290,000	312,550	602,550	2023	156,275	2023	156,275
2023	315,000	298,050	613,050	2024	149,025	2024	149,025
2024	345,000	282,300	627,300	2025	141,150	2025	141,150
2025	375,000	265,050	640,050	2026	132,525	2026	132,525
2026	405,000	246,300	651,300	2027	123,150	2027	123,150
2027	435,000	230,100	665,100	2028	115,050	2028	115,050
2028	465,000	212,700	677,700	2029	106,350	2029	106,350
2029	495,000	194,100	689,100	2030	97,050	2030	97,050
2030	525,000	179,250	704,250	2031	89,625	2031	89,625
2031	555,000	163,500	718,500	2032	81,750	2032	81,750
2032	585,000	146,850	731,850	2033	73,425	2033	73,425
2033	620,000	129,300	749,300	2034	64,650	2034	64,650
2034	655,000	110,700	765,700	2035	55,350	2035	55,350
2035	685,000	91,050	776,050	2036	45,525	2036	45,525
2036	725,000	70,500	795,500	2037	35,250	2037	35,250
2037	760,000	48,750	808,750	2038	24,375	2038	24,375
2038	800,000	25,000	825,000	2039	12,500	2039	12,500
	<u>\$ 9,600,000</u>	<u>\$ 4,176,267</u>	<u>\$ 13,776,267</u>		<u>\$ 2,171,942</u>		<u>\$ 2,004,325</u>

(See independent auditor's report.)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BONDS OF 2019B**

December 31, 2019

Date of Issue	November 25, 2019
Date of Maturity	December 1, 2039
Authorized Issue	\$7,725,000
Denomination of Bonds	\$5,000
Interest Rates	3% to 5%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Zions Bankcorporation

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2019	\$ -	\$ 269,773	\$ 269,773	2020	\$ 137,098	2020	\$ 132,675
2020	-	265,350	265,350	2021	132,675	2021	132,675
2021	-	265,350	265,350	2022	132,675	2022	132,675
2022	210,000	265,350	475,350	2023	132,675	2023	132,675
2023	235,000	254,850	489,850	2024	127,425	2024	127,425
2024	260,000	243,100	503,100	2025	121,550	2025	121,550
2025	290,000	230,100	520,100	2026	115,050	2026	115,050
2026	320,000	215,600	535,600	2027	107,800	2027	107,800
2027	350,000	199,600	549,600	2028	99,800	2028	99,800
2028	380,000	185,600	565,600	2029	92,800	2029	92,800
2029	415,000	170,400	585,400	2030	85,200	2030	85,200
2030	445,000	157,950	602,950	2031	78,975	2031	78,975
2031	475,000	144,600	619,600	2032	72,300	2032	72,300
2032	510,000	130,350	640,350	2033	65,175	2033	65,175
2033	545,000	115,050	660,050	2034	57,525	2034	57,525
2034	580,000	98,700	678,700	2035	49,350	2035	49,350
2035	615,000	81,300	696,300	2036	40,650	2036	40,650
2036	655,000	62,850	717,850	2037	31,425	2037	31,425
2037	700,000	43,200	743,200	2038	21,600	2038	21,600
2038	740,000	22,200	762,200	2039	11,100	2039	11,100
	<u>\$ 7,725,000</u>	<u>\$ 3,421,273</u>	<u>\$ 11,146,273</u>		<u>\$ 1,712,848</u>		<u>\$ 1,708,425</u>

(See independent auditor's report.)

STATISTICAL SECTION

This part of the Village of Mount Prospect, Illinois' comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Village's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	180-189
Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue source, the property tax.	190-198
Debt Capacity These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.	199-202
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	203-204
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.	205-209

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2010	2011	2012	2013
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 30,020,260	\$ 53,524,378	\$ 48,521,357	\$ 48,152,760
Restricted	4,891,298	2,828,903	3,547,328	3,045,922
Unrestricted	18,296,001	20,019,184	24,952,139	24,153,907
TOTAL GOVERNMENTAL ACTIVITIES	\$ 53,207,559	\$ 76,372,465	\$ 77,020,824	\$ 75,352,589
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	\$ 23,044,064	\$ 26,892,474	\$ 26,566,375	\$ 26,352,289
Unrestricted	5,927,430	5,167,986	6,820,901	8,057,996
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 28,971,494	\$ 32,060,460	\$ 33,387,276	\$ 34,410,285
PRIMARY GOVERNMENT				
Net investment in capital assets	\$ 53,064,324	\$ 80,416,852	\$ 75,087,732	\$ 74,505,049
Restricted	4,891,298	2,828,903	3,547,328	3,045,922
Unrestricted	24,223,431	25,187,170	31,773,040	32,211,903
TOTAL PRIMARY GOVERNMENT	\$ 82,179,053	\$ 108,432,925	\$ 110,408,100	\$ 109,762,874

*The unrestricted net position decreased in 2014 due to the recognition of the business district limited tax note payable.

**The Village implemented GASB Statement No. 68 in fiscal year 2015.

***The Village implemented GASB Statement No. 75 for fiscal year 2018.

Data Source

Audited Financial Statements

2014*	2015**	2016	2017	2018***	2019
\$ 46,326,047	\$ 43,755,661	\$ 33,224,875	\$ 34,171,129	\$ 30,192,091	\$ 31,568,036
4,186,505	5,319,794	4,557,424	4,104,560	7,065,413	8,691,355
(10,441,020)	(99,563,419)	(91,778,462)	(95,150,426)	(107,779,949)	(107,707,787)
<u>\$ 40,071,532</u>	<u>\$ (50,487,964)</u>	<u>\$ (53,996,163)</u>	<u>\$ (56,874,737)</u>	<u>\$ (70,522,445)</u>	<u>\$ (67,448,396)</u>
\$ 26,854,967	\$ 36,336,899	\$ 36,588,628	\$ 35,765,755	\$ 32,472,358	\$ 33,196,889
7,734,851	5,580,049	4,610,400	6,266,907	8,411,004	5,924,760
<u>\$ 34,589,818</u>	<u>\$ 41,916,948</u>	<u>\$ 41,199,028</u>	<u>\$ 42,032,662</u>	<u>\$ 40,883,362</u>	<u>\$ 39,121,649</u>
\$ 73,181,014	\$ 80,092,560	\$ 69,813,503	\$ 69,936,884	\$ 62,664,449	\$ 64,764,925
4,186,505	5,319,794	4,557,424	4,104,560	7,065,413	8,691,355
(2,706,169)	(93,983,370)	(87,168,062)	(88,883,519)	(99,368,945)	(101,783,027)
<u>\$ 74,661,350</u>	<u>\$ (8,571,016)</u>	<u>\$ (12,797,135)</u>	<u>\$ (14,842,075)</u>	<u>\$ (29,639,083)</u>	<u>\$ (28,326,747)</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2010	2011	2012	2013
EXPENSES				
Governmental Activities				
General government	\$ 6,541,405	\$ 6,992,107	\$ 6,233,324	\$ 7,356,433
Public safety	27,303,165	27,276,948	28,134,173	29,771,502
Highways and streets	12,924,872	18,141,803	15,853,017	18,570,593
Health	4,133,883	4,289,103	4,407,533	4,459,897
Welfare	2,039,805	1,902,841	1,909,062	1,868,952
Culture and recreation	322,553	353,308	406,606	443,171
Interest	1,146,789	1,329,499	1,033,923	1,016,337
Total governmental activities expenses	54,412,472	60,285,609	57,977,638	63,486,885
Business-Type Activities				
Water and sewer	9,950,591	10,444,247	11,129,942	12,078,221
Commuter parking	284,607	327,224	345,715	346,303
Total business-type activities expenses	10,235,198	10,771,471	11,475,657	12,424,524
TOTAL PRIMARY GOVERNMENTAL EXPENSES	\$ 64,647,670	\$ 71,057,080	\$ 69,453,295	\$ 75,911,409
PROGRAM REVENUES				
Governmental Activities				
Charges for services				
General government	\$ 6,271,966	\$ 6,343,828	\$ 7,068,010	\$ 6,908,188
Public safety	1,486,144	1,545,333	1,412,279	1,583,328
Highway and streets	135,641	108,865	126,660	269,066
Other activities	70,964	32,040	39,163	41,220
Operating grants and contributions	2,338,965	2,749,168	1,974,867	2,356,665
Capital grants and contributions	443,278	65,905	72,175	288,752
Total governmental activities program revenues	10,746,958	10,845,139	10,693,154	11,447,219
Business-Type Activities				
Charges for services				
Water and sewer	8,916,621	9,081,731	10,990,923	11,507,264
Commuter parking	210,324	219,040	225,214	234,458
Capital grants and contributions	-	-	-	-
Total business-type activities program revenues	9,126,945	9,300,771	11,216,137	11,741,722
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 19,873,903	\$ 20,145,910	\$ 21,909,291	\$ 23,188,941
NET REVENUE (EXPENSE)				
Governmental activities	\$ (43,665,514)	\$ (49,440,470)	\$ (47,284,484)	\$ (52,039,666)
Business-type activities	(1,108,253)	(1,470,700)	(259,520)	(682,802)
TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)	\$ (44,773,767)	\$ (50,911,170)	\$ (47,544,004)	\$ (52,722,468)

	2014	2015*	2016	2017	2018**	2019
\$	10,171,883	\$ 11,514,091	\$ 9,949,082	\$ 10,690,075	\$ 11,942,073	\$ 11,583,734
	30,812,251	38,535,612	38,328,609	37,351,039	42,702,313	38,771,199
	19,923,120	26,650,772	19,990,440	16,176,313	15,587,445	15,664,513
	4,591,946	4,538,800	4,620,982	4,557,211	4,811,335	4,852,981
	1,844,911	1,813,254	2,109,733	2,068,368	1,636,190	1,478,616
	425,217	453,534	515,555	611,653	573,403	381,641
	2,899,466	2,064,448	1,926,793	2,049,953	3,396,566	4,501,317
	70,668,794	85,570,511	77,441,194	73,504,612	80,649,325	77,234,001
	13,779,500	14,143,610	16,054,624	14,308,117	15,419,616	16,940,503
	329,988	269,619	390,118	229,873	311,736	279,093
	14,109,488	14,413,229	16,444,742	14,537,990	15,731,352	17,219,596
\$	84,778,282	\$ 99,983,740	\$ 93,885,936	\$ 88,042,602	\$ 96,380,677	\$ 94,453,597
\$	7,785,745	\$ 4,458,450	\$ 4,496,290	\$ 4,178,495	\$ 4,362,732	\$ 4,562,357
	1,712,860	1,796,729	1,795,838	1,761,708	1,678,492	2,042,165
	414,316	183,246	290,172	169,389	387,676	137,694
	515,095	4,467,864	4,799,080	4,616,263	4,617,215	4,614,732
	2,209,036	1,912,795	2,629,030	2,705,584	2,007,177	2,142,458
	140,181	47,274	-	159,682	488,470	47,560
	12,777,233	12,866,358	14,010,410	13,591,121	13,541,762	13,546,966
	11,970,681	12,434,405	12,931,867	13,395,619	14,224,032	14,972,198
	254,784	261,745	334,102	343,314	342,560	327,977
	373,498	8,889,998	244,423	-	-	-
	12,598,963	21,586,148	13,510,392	13,738,933	14,566,592	15,300,175
\$	25,376,196	\$ 34,452,506	\$ 27,520,802	\$ 27,330,054	\$ 28,108,354	\$ 28,847,141
\$	(57,891,561)	\$ (72,704,153)	\$ (63,430,784)	\$ (59,913,491)	\$ (67,107,563)	\$ (63,687,035)
	(1,510,525)	7,172,919	(2,934,350)	(799,057)	(1,164,760)	(1,919,421)
\$	(59,402,086)	\$ (65,531,234)	\$ (66,365,134)	\$ (60,712,548)	\$ (68,272,323)	\$ (65,606,456)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2010	2011	2012	2013
GENERAL REVENUES AND OTHER CHANGES				
IN NET POSITION				
Governmental Activities				
Taxes				
Property	\$ 17,165,849	\$ 17,942,394	\$ 18,385,422	\$ 18,890,542
Utility	4,589,221	4,624,678	4,658,265	3,891,713
Business district	-	-	283,706	317,527
Home rule sales	4,392,753	4,673,134	4,750,232	5,035,998
Other	1,598,056	1,976,997	2,408,064	2,952,665
Intergovernmental				
State sales and use	11,110,707	11,411,781	11,877,115	13,254,358
Income taxes	4,428,176	4,328,196	4,759,513	5,161,051
Replacement taxes	362,532	357,596	358,286	396,999
Property tax TIF rebate	-	-	-	-
Charitable games tax	-	3,986	4,090	4,090
Investment income	67,001	29,043	42,452	29,785
Miscellaneous	633,902	235,167	278,293	436,703
Transfers	8,370	-	-	-
Sale of capital assets	-	-	-	-
Total governmental activities	44,356,567	45,582,972	47,805,438	50,371,431
Business-Type Activities				
Property tax	1,513,114	1,526,828	1,515,605	1,507,661
Home rule sales tax	89,942	107,576	99,795	104,050
Investment income	1,653	836	517	3,387
Miscellaneous	75,267	73,858	(29,581)	90,713
Sale of capital assets	-	-	-	-
Transfers	(8,370)	-	-	-
Total business-type activities	1,671,606	1,709,098	1,586,336	1,705,811
TOTAL PRIMARY GOVERNMENT	\$ 46,028,173	\$ 47,292,070	\$ 49,391,774	\$ 52,077,242
CHANGE IN NET POSITION				
Governmental activities	\$ 691,053	\$ (3,857,498)	\$ 520,954	\$ (1,668,235)
Business-type activities	563,353	238,398	1,326,816	1,023,009
TOTAL PRIMARY GOVERNMENT	\$ 1,254,406	\$ (3,619,100)	\$ 1,847,770	\$ (645,226)

*The Village implemented GASB Statement No. 68 in fiscal year 2015.

**The Village implemented GASB Statement No. 75 in fiscal year 2018.

Data Source

Audited Financial Statements

	2014	2015*	2016	2017	2018**	2019
\$	19,745,699	\$ 19,884,986	\$ 20,463,758	\$ 18,396,040	\$ 19,228,572	\$ 19,073,749
	4,093,596	3,774,729	3,629,525	3,491,473	3,476,968	3,292,346
	331,933	342,040	341,340	322,936	315,425	287,207
	5,320,795	5,367,762	5,553,213	5,365,011	5,455,278	5,428,737
	3,421,604	3,940,993	3,645,424	3,804,231	4,072,906	4,187,381
	14,310,773	16,311,253	17,630,758	19,894,716	24,370,264	25,178,104
	5,186,155	5,763,542	5,272,834	4,975,194	5,187,361	5,765,484
	407,764	386,154	386,338	456,136	370,542	460,546
	-	365,634	380,758	-	-	-
	4,812	-	4,101	-	8,627	4,309
	(46,496)	24,784	76,594	196,995	675,703	1,375,199
	47,636	42,059	33,286	125,949	1,049,155	175,270
	-	(200,000)	-	-	-	1,602,619
	-	-	-	-	-	646,600
	52,824,271	56,003,936	57,417,929	57,028,681	64,210,801	67,477,551
	1,508,704	1,519,375	1,524,901	1,514,452	-	-
	100,697	101,595	-	-	-	-
	3,189	34,195	14,419	25,334	196,817	303,252
	77,468	94,424	90,810	92,905	83,369	86,810
	-	-	-	-	-	1,370,265
	-	200,000	-	-	-	(1,602,619)
	1,690,058	1,949,589	1,630,130	1,632,691	280,186	157,708
\$	54,514,329	\$ 57,953,525	\$ 59,048,059	\$ 58,661,372	\$ 64,490,987	\$ 67,635,259
\$	(5,067,290)	\$ (16,700,217)	\$ (6,012,855)	\$ (2,878,574)	\$ (2,896,762)	\$ 3,790,516
	179,533	9,122,508	(1,304,220)	833,634	(884,574)	(1,761,713)
\$	(4,887,757)	\$ (7,577,709)	\$ (7,317,075)	\$ (2,044,940)	\$ (3,781,336)	\$ 2,028,803

VILLAGE OF MOUNT PROSPECT, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2010	2011*	2012	2013
GENERAL FUND				
Reserved	\$ 53,536	\$ -	\$ -	\$ -
Unreserved	10,364,455	-	-	-
Nonspendable	-	100,590	98,150	297,762
Committed	-	-	-	-
Unassigned	-	10,704,282	11,466,179	11,580,820
TOTAL GENERAL FUND	\$ 10,417,991	\$ 10,804,872	\$ 11,564,329	\$ 11,878,582
ALL OTHER GOVERNMENTAL FUNDS				
Reserved	\$ 2,188,376	\$ -	\$ -	\$ -
Unreserved, reported in				
Special Revenue Funds	2,148,898	-	-	-
Debt Service Funds	(78,844)	-	-	-
Capital Project Funds	2,459,761	-	-	-
Nonspendable	-	147,130	144,114	132,464
Restricted	-	2,828,903	3,625,715	3,166,583
Assigned	-	3,564,914	7,525,930	15,705,506
Unassigned	-	(5,578)	(664)	(689)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 6,718,191	\$ 6,535,369	\$ 11,295,095	\$ 19,003,864

*The Village implemented GASB Statement No. 54 in fiscal year 2011.

Data Source

Audited Financial Statements

2014	2015	2016	2017	2018	2019
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
337,165	204,023	188,247	261,219	220,065	370,162
-	-	-	-	-	3,393,000
12,508,457	17,016,920	18,496,104	19,137,752	22,837,502	22,914,986
\$ 12,845,622	\$ 17,220,943	\$ 18,684,351	\$ 19,398,971	\$ 23,057,567	\$ 26,678,148
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
147,412	107,609	96,771	83,232	74,703	100,288
13,941,797	5,212,985	4,557,424	8,919,560	39,339,578	28,845,580
7,371,630	3,679,129	3,224,446	3,579,214	7,182,152	7,245,942
(789)	(448,034)	(688,716)	-	-	-
\$ 21,460,050	\$ 8,551,689	\$ 7,189,925	\$ 12,582,006	\$ 46,596,433	\$ 36,191,810

VILLAGE OF MOUNT PROSPECT, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2010	2011	2012	2013
REVENUES				
Taxes	\$ 27,740,802	\$ 29,217,203	\$ 30,485,689	\$ 31,088,445
Licenses, permits, and fees	3,394,211	3,356,816	3,657,586	3,589,368
Intergovernmental	18,719,087	18,895,261	18,862,827	21,103,909
Charges for services	3,789,976	3,974,677	4,417,110	4,408,987
Fines and forfeits	556,178	548,993	403,036	430,960
Investment income	55,457	23,103	36,491	16,751
Other reimbursements	-	-	-	-
Miscellaneous	781,149	406,118	629,892	1,167,196
Total revenues	55,036,860	56,422,171	58,492,631	61,805,616
EXPENDITURES				
General government	5,240,716	5,284,168	5,827,275	7,452,147
Public safety	26,935,085	26,992,535	28,022,943	29,233,562
Highways and streets	7,450,823	7,681,534	7,734,185	9,094,846
Health	4,128,010	4,286,754	4,405,184	4,457,548
Welfare	2,039,805	1,902,841	1,909,062	1,868,952
Culture and recreation	313,125	346,068	399,366	435,931
Capital outlay	7,739,590	7,274,213	4,761,739	8,588,414
Debt service				
Principal retirement	1,046,203	1,377,700	1,479,732	1,537,312
Interest and fiscal charges	1,124,236	1,057,464	959,812	913,882
Total expenditures	56,017,593	56,203,277	55,499,298	63,582,594
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(980,733)	218,894	2,993,333	(1,776,978)
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	5,160,000	5,475,000	9,800,000
Premium on bonds issued	-	-	-	-
Payment to escrow agent	-	(5,139,582)	(2,949,150)	-
Transfers in	450,000	80,089	-	239,977
Transfers (out)	(450,000)	(115,342)	-	(239,977)
Sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	(14,835.00)	2,525,850	9,800,000
NET CHANGE IN FUND BALANCES	\$ (980,733)	\$ 204,059	\$ 5,519,183	\$ 8,023,022
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES				
	4.12%	4.35%	4.40%	4.01%

Data Source

Audited Financial Statements

	2014	2015	2016	2017	2018	2019
\$	32,564,624	\$ 33,433,891	\$ 34,113,260	\$ 31,784,137	\$ 33,080,547	\$ 32,718,562
	3,516,082	3,915,635	4,001,458	3,982,497	4,085,141	4,249,613
	23,914,974	26,018,173	27,434,551	29,199,312	32,811,854	34,650,218
	5,220,730	5,664,398	6,347,775	5,810,731	5,834,187	6,267,680
	587,966	511,536	414,885	415,189	403,842	286,328
	(46,495)	24,784	76,594	196,995	675,700	1,375,199
	-	-	35,000	19,824	112,429	31,204
	983,623	656,877	549,816	592,352	1,660,393	621,494
	66,741,504	70,225,294	72,973,339	72,001,037	78,664,093	80,200,298
	7,050,018	7,598,649	9,435,601	10,060,904	9,566,297	9,384,171
	30,706,685	30,350,270	32,512,612	34,279,062	36,287,527	36,783,615
	8,291,698	7,744,122	8,148,696	8,762,136	9,658,459	10,456,537
	4,590,027	4,589,156	4,585,572	4,500,280	4,835,310	4,849,613
	1,865,265	1,961,516	1,994,918	1,953,055	1,798,458	1,676,723
	421,517	467,611	499,208	585,907	572,169	388,375
	12,075,460	20,998,508	10,718,553	5,786,667	15,245,784	26,616,871
	2,987,587	3,048,912	3,243,840	3,518,904	3,671,871	3,787,500
	1,914,718	1,799,590	2,017,192	1,378,256	2,484,885	3,409,229
	69,902,975	78,558,334	73,156,192	70,825,171	84,120,760	97,352,634
	(3,161,471)	(8,333,040)	(182,853)	1,175,866	(5,456,667)	(17,152,336)
	6,290,000	-	17,835,000	4,815,000	45,500,000	7,725,000
	294,697	-	1,022,839	115,835	1,783,506	394,075
	-	-	(18,573,342)	-	(4,153,816)	-
	-	81,599	1,637,926	600,000	2,354,391	3,709,981
	-	(281,599)	(1,637,926)	(600,000)	(2,354,391)	(2,107,362)
	-	-	-	-	-	646,600
	6,584,697	(200,000)	284,497	4,930,835	43,129,690	10,368,294
\$	3,423,226	\$ (8,533,040)	\$ 101,644	\$ 6,106,701	\$ 37,673,023	\$ (6,784,042)
	7.02%	6.20%	7.32%	6.99%	8.00%	9.60%

VILLAGE OF MOUNT PROSPECT, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Industrial Property	Railroad Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value as a Percentage of Actual Value
2009	\$ 1,452,220,540	\$ 387,256,513	\$ 177,285,176	\$ 649,124	\$ 2,017,411,353	\$ 0.754	\$ 6,052,234,059	33.333%
2010	1,330,339,716	332,297,825	171,115,770	927,196	1,834,680,507	0.829	5,504,041,521	33.333%
2011	1,242,549,785	298,578,904	152,864,606	959,506	1,694,952,801	0.936	5,084,858,403	33.333%
2012	1,141,783,464	281,197,939	145,136,294	656,385	1,568,774,082	1.051	4,706,322,246	33.333%
2013	948,371,026	272,696,503	135,438,749	787,806	1,357,294,084	1.275	4,071,882,252	33.333%
2014	989,619,882	285,736,126	114,184,895	836,775	1,390,377,678	1.276	4,171,133,034	33.333%
2015	962,934,812	279,463,359	111,147,033	1,005,644	1,354,550,848	1.352	4,063,652,544	33.333%
2016	1,191,992,297	304,999,806	121,128,843	1,037,906	1,619,158,852	1.157	4,857,476,556	33.333%
2017	1,185,479,107	321,277,244	162,946,209	1,022,879	1,670,725,439	1.143	5,012,176,317	33.333%
2018	1,717,019,649	326,069,226	171,888,945	1,095,851	1,670,073,671	0.732	5,010,221,013	33.333%

Note: Property in the Village is reassessed every three years. Property is assessed at 33% of actual value.

Data Source

Office of the Cook County Clerk

VILLAGE OF MOUNT PROSPECT, ILLINOIS

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

Tax Levy Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
VILLAGE DIRECT RATES										
Corporate	0.399	0.377	0.444	0.501	0.688	0.724	-	-	-	-
Bonds and interest	0.076	0.098	0.105	0.113	0.167	0.165	0.170	0.143	0.146	0.148
Garbage	0.089	0.098	0.109	0.121	0.026	-	-	-	-	-
Police Pension	0.102	0.137	0.147	0.167	0.214	0.208	0.236	0.211	0.202	0.209
Firefighters' Pension	0.088	0.119	0.131	0.149	0.180	0.179	0.190	0.170	0.182	0.192
Fire Protection	-	-	-	-	-	-	0.385	0.322	0.312	0.302
Police Protection	-	-	-	-	-	-	0.371	0.311	0.301	0.292
TOTAL DIRECT RATES	0.754	0.829	0.936	1.051	1.275	1.276	1.352	1.157	1.143	1.143
OVERLAPPING RATES										
Mount Prospect Library	0.450	0.519	0.582	0.646	0.761	0.758	0.801	0.687	0.681	0.696
County of Cook	0.394	0.423	0.462	0.531	0.560	0.568	0.552	0.533	0.496	0.489
Consolidated Elections	0.021	-	0.025	-	0.031	-	0.034	-	0.031	-
Forest Preserve District	0.049	0.051	0.058	0.063	0.069	0.069	0.069	0.063	0.062	0.060
Metropolitan Water Reclamation District	0.261	0.274	0.320	0.370	0.417	0.430	0.426	0.406	0.402	0.396
Township of Elk Grove	0.044	0.049	0.056	0.064	0.077	0.076	0.078	0.066	0.065	0.066
Township of Maine	0.067	0.075	0.085	0.096	0.120	0.119	0.124	0.108	0.105	0.092
Township of Wheeling	0.039	0.043	0.048	0.052	0.056	0.052	0.055	0.041	0.043	0.043
General Assistance Elk Grove	0.010	0.011	0.012	0.014	0.017	0.017	0.017	0.013	0.013	0.013
General Assistance Maine	0.016	0.018	0.021	0.023	0.029	0.029	0.031	0.027	0.021	-
General Assistance Wheeling	0.009	0.005	0.009	0.009	0.010	0.010	0.010	0.008	0.009	0.009
Road and Bridge Elk Grove	0.010	0.011	0.013	0.014	0.017	0.018	0.018	0.016	0.016	0.016
Road and Bridge Maine	0.034	0.038	0.043	0.049	0.061	0.062	0.065	0.056	0.057	0.060
Road and Bridge Wheeling	0.012	0.014	0.015	0.016	0.019	0.019	0.020	0.014	0.015	0.016
Northwest Mosquito Abatement District	0.008	0.009	0.010	0.011	0.013	0.013	0.011	0.010	0.010	0.011
Arlington Heights High School #214	1.636	1.839	2.067	2.324	2.768	2.776	2.881	2.527	2.563	2.669
Community College District #512	0.258	0.295	0.334	0.373	0.444	0.451	0.466	0.416	0.425	0.443
Arlington Heights Park District	0.392	0.450	0.496	0.545	0.633	0.636	0.626	0.488	0.494	0.514
Village of Mount Prospect										
Special Service Area #5	0.095	0.105	0.114	0.122	0.140	0.138	0.142	0.119	0.118	-
School District #59	1.945	2.129	2.422	2.673	3.172	3.176	3.291	2.998	3.031	3.173
Mount Prospect Park District	0.411	0.453	0.502	0.557	0.657	0.654	0.681	0.594	0.609	0.633

Tax Levy Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
OVERLAPPING RATES (Continued)										
School District #57	2.195	2.521	2.748	3.041	3.478	3.241	3.364	2.870	3.720	3.875
School District #25	2.510	2.813	3.101	3.416	3.659	3.678	3.990	3.424	3.488	3.617
River Trails Park District	0.433	0.510	0.553	0.632	0.747	0.748	0.769	0.665	0.681	0.708
School District #26	2.703	3.131	3.458	3.873	4.563	4.572	4.742	4.140	4.198	4.365
Prospect Heights Park District	0.523	0.595	0.661	0.746	0.856	0.884	0.912	0.770	0.784	0.817
School District #23	2.253	2.571	2.869	3.273	3.932	3.922	4.062	3.404	3.479	3.595
School District #21	3.209	3.658	4.164	4.556	4.841	5.430	5.642	4.966	5.022	5.276
Des Plaines Park District	0.317	0.338	0.379	0.425	0.531	0.529	0.556	0.485	0.493	0.515
Prospect Heights Old Town Sanitary	0.015	0.017	0.020	0.023	0.028	0.028	-	-	-	-
Elk Grove Rural Fire Protection District	1.032	1.055	1.121	1.096	1.296	1.329	1.410	1.305	1.305	1.680
Prospect Heights Fire Protection District	0.652	0.755	0.845	0.934	1.091	1.102	1.148	0.979	1.018	1.057
High School District #207	1.617	1.782	1.995	2.215	2.722	2.739	2.901	2.507	2.529	2.652
Community College District #535	0.140	0.160	0.196	0.219	0.256	0.258	0.271	0.231	0.232	0.246
School District #62	2.492	2.741	3.107	3.490	4.255	4.293	4.487	3.921	3.940	4.121
TOTAL TAX RATE FOR PROPERTY LOCATED IN THE VILLAGE OF MOUNT PROSPECT, ELK GROVE TOWNSHIP, AND SCHOOL DISTRICT #59										
	6.346	6.997	7.913	8.813	10.418	10.420	10.819	9.605	9.665	9.952
SHARE OF TOTAL TAX RATE LEVIED BY THE VILLAGE OF MOUNT PROSPECT FOR VILLAGE PURPOSES										
	11.88%	11.85%	11.83%	11.93%	12.24%	12.25%	12.50%	12.05%	11.83%	11.49%
TOTAL TAX RATE FOR PROPERTY LOCATED IN THE VILLAGE OF MOUNT PROSPECT, WHEELING TOWNSHIP, SCHOOL DISTRICT #26, AND MOUNT PROSPECT PARK DISTRICT										
	7.100	7.990	8.940	9.998	11.783	11.786	12.242	10.715	10.805	11.487
SHARE OF TOTAL TAX RATE LEVIED BY THE VILLAGE OF MOUNT PROSPECT FOR VILLAGE PURPOSES										
	10.62%	10.38%	10.47%	10.51%	10.82%	10.83%	11.04%	10.80%	10.58%	9.95%

Note: Property tax rates are per \$100 of assessed valuation.

Data Source

Office of the Cook County Clerk

VILLAGE OF MOUNT PROSPECT, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

2019*					2010				
Taxpayer	Type of Business	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation	Taxpayer	Type of Business	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation
United Airlines Inc.	Operations Center	25,901,590	1	1.55%	Randhurst	Shopping Center	\$ 32,755,202	1	1.62%
DLC Management Corp.	Management Corporation, Shopping Plaza	\$ 24,422,367	2	1.46%	CRP Holdings	Real Estate	25,180,511	2	1.25%
Home Properties Colony	Apartments	19,692,495	3	1.18%	Mount Prospect Plaza	Shopping Center	22,601,808	3	1.12%
Mount Prospect Plaza	Shopping Center	18,044,846	4	1.08%	Home Properties Colony	Colony Square Apartments	22,593,120	4	1.12%
Golf Plaza I & II	Shopping Center	14,128,457	5	0.85%	Golf Plaza I & II	Shopping Center	19,757,198	5	0.98%
CRP 3 West Central LLC	Industrial	13,382,854	6	0.80%	Cummins Alison Corp.	Manufacturing	13,068,500	6	0.65%
1450 Owner LLC	Industrial Real Estate	10,924,283	7	0.65%	McRIL, LLC	Retail	12,834,736	7	0.64%
Cummins Alison Corp.	Manufacturing	7,708,106	8	0.46%	Huntington Square	Apartments	11,761,137	8	0.58%
Costco Properties	Commercial Sales Store	7,588,026	9	0.45%	Costco Property Tax	Commercial Sales Store	9,152,652	9	0.45%
LIT Industrial Limited	Industrial	7,437,384	10	0.45%	Rand Development LLC	N/A	8,747,159	10	0.43%
		<u>\$ 149,230,408</u>		<u>8.93%</u>			<u>\$ 178,452,023</u>		<u>8.84%</u>
Total 2018 Equalized Assessed Valuation		<u>\$ 1,670,073,671</u>		<u>100.00%</u>	Total 2009 Equalized Assessed Valuation		<u>\$ 20,186,688,043</u>		<u>100.00%</u>

Note: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels and it is possible that some parcels and their valuations were overlooked.

*Collections received in 2019 for 2018 Tax Year

Data Source

Office of the County Clerk

VILLAGE OF MOUNT PROSPECT, ILLINOIS

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Fiscal Year	Levy Year	Tax Levied	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2010	2009	\$ 15,194,636	\$ 14,856,084	97.77%	\$ (129,378)	\$ 14,726,706	96.92%
2011	2010	15,194,635	14,961,411	98.47%	(68,753)	14,892,658	98.01%
2012	2011	15,852,352	15,614,490	98.50%	(32,370)	15,582,120	98.30%
2013	2012	16,477,871	16,278,228	98.79%	(76,827)	16,201,401	98.32%
2014	2013	17,301,436	17,064,355	98.63%	(43,495)	17,020,860	98.38%
2015	2014	17,730,922	17,521,845	98.82%	(90,084)	17,431,761	98.31%
2016	2015	18,312,756	18,130,372	99.00%	(163,824)	17,966,548	98.11%
2017	2016	18,727,305	18,534,114	98.97%	(60,386)	18,473,728	98.65%
2018	2017	19,087,264	18,865,586	98.84%	36,616	18,902,202	99.03%
2019	2018	19,087,266	18,710,515	98.03%	-	18,710,515	98.03%

Note: Property in the Village is reassessed each year. Property is assessed at 33% of actual value.

Other Information from Statement:

The Statement requires that the information in this schedule be shown for each period for which levied and should be consistent with the periods shown in the schedule of direct and overlapping revenue rates and schedule of direct and overlapping property tax rates. Therefore, most Illinois governments should disclose this by the tax levy year, not the fiscal year.

Data Source

Office of the County Clerk

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SALES TAXES BY CATEGORY

Last Ten Fiscal Years

Fiscal Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General merchandise	\$ 1,054,791	\$ 946,021	\$ 1,186,217	\$ 1,171,771	\$ 1,135,237	\$ 1,112,640	\$ 1,114,511	\$ 1,082,424	\$ 1,086,859	\$ 992,680
Food	944,631	895,984	862,501	876,288	891,855	949,277	951,863	877,665	856,379	884,898
Drinking and eating places	544,118	596,008	661,285	764,653	778,314	825,994	884,477	879,654	937,398	997,318
Apparel	37,444	216,301	118,034	149,317	163,857	162,116	163,438	157,353	140,366	172,171
Furniture, H.H., and radio	224,221	237,392	255,967	240,289	221,977	220,663	209,712	202,302	210,670	197,569
Lumber, building hardware	668,852	683,905	670,057	750,191	756,113	791,285	821,872	846,377	913,446	965,237
Automobile and filling stations	1,358,572	1,585,870	1,681,146	1,508,700	1,578,004	1,540,910	1,492,452	1,676,338	1,816,029	1,942,864
Drugs and miscellaneous retail	3,699,398	3,393,072	3,422,047	4,081,740	4,574,353	5,460,292	6,594,754	8,965,486	13,018,288	13,336,938
Agriculture and all others	1,726,693	1,924,871	2,073,142	2,616,771	2,802,361	3,629,675	3,611,295	3,649,578	3,751,156	3,788,000
Manufacturers	129,476	135,019	110,009	182,433	383,370	433,798	500,199	184,759	95,752	101,939
TOTAL	\$ 10,388,196	\$ 10,614,443	\$ 11,040,405	\$ 12,342,153	\$ 13,285,441	\$ 15,126,650	\$ 16,344,573	\$ 18,521,934	\$ 22,826,343	\$ 23,379,614
VILLAGE DIRECT SALES TAX RATE	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
NUMBER OF TAXPAYERS	800	839	861	883	899	997	987	1,102	1,078	1,040

Data available for calendar year only. The fiscal year of the Village is the same as the calendar year. Excludes Home Rule Sales Tax portion.

Data Source

Illinois Department of Revenue

VILLAGE OF MOUNT PROSPECT, ILLINOIS

BUSINESS DISTRICT SALES TAXES BY CATEGORY

Last Ten Fiscal Years

Fiscal Year	2010	2011	2012*	2013*	2014*	2015*	2016*	2017*	2018*	2019*
General merchandise	\$ -	\$ -	\$ 89,393	\$ 88,289	\$ 85,937	\$ 84,364	\$ 82,142	\$ 76,426	\$ 62,848	\$ 28,214
Food	-	-	18,898	19,146	20,989	20,747	21,846	20,186	20,417	18,525
Drinking and eating places	-	-	29,413	40,954	48,185	51,419	54,393	51,629	50,063	53,476
Apparel	-	-	16,341	15,594	19,302	19,963	21,716	20,126	18,060	22,600
Furniture, H.H., and radio	-	-	16,287	17,106	16,461	16,088	15,551	14,438	12,976	12,336
Lumber, building hardware	-	-	90,668	101,338	104,434	107,339	108,479	109,058	112,957	115,524
Automobile and filling stations	-	-	-	-	-	-	-	-	-	-
Drugs and miscellaneous retail	-	-	17,747	29,896	32,071	37,063	31,889	25,843	31,732	29,430
Agriculture and all others	-	-	4,959	5,203	4,554	5,057	5,323	5,230	6,372	7,101
Manufacturers	-	-	-	-	-	-	-	-	-	-
TOTAL	\$ -	\$ -	\$ 283,706	\$ 317,526	\$ 331,933	\$ 342,040	\$ 341,339	\$ 322,936	\$ 315,425	\$ 287,206
VILLAGE DIRECT SALES TAX RATE	0.00%	0.00%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%

Data available for calendar year only. The fiscal year of the Village is the same as the calendar year.

*Amount reported net of IDOR 2% compliance administration and enforcement charge.

Data Source

Illinois Department of Revenue

VILLAGE OF MOUNT PROSPECT, ILLINOIS

HOME RULE SALES TAX BY CATEGORY

Last Ten Fiscal Years

	2010	2011	2012*	2013*	2014*	2015*	2016*	** 2017*	** 2018*	** 2019*
General merchandise	\$ 811,120	\$ 749,509	\$ 900,240	\$ 885,410	\$ 864,254	\$ 861,799	\$ 858,739	\$ 822,252	\$ 806,891	\$ 675,585
Food	266,766	254,207	238,050	240,013	234,082	249,683	246,759	231,474	238,527	249,420
Drinking and eating places	539,414	592,596	656,376	754,898	766,264	808,304	862,052	831,312	852,731	913,754
Apparel	37,442	153,487	117,928	148,991	163,487	161,630	162,986	154,603	137,624	169,062
Furniture, H.H., and radio	220,694	232,711	251,253	235,936	218,184	217,031	206,542	196,588	204,642	192,308
Lumber, building hardware	665,409	680,356	665,891	743,492	752,301	787,000	817,396	828,391	891,206	942,053
Automobile and filling stations	697,383	891,042	922,948	948,339	956,255	893,301	831,269	937,688	1,029,522	1,031,563
Drugs and miscellaneous retail	484,085	432,639	454,001	509,608	508,772	488,963	439,702	473,116	517,588	533,057
Agriculture and all others	632,050	659,611	514,937	492,238	550,929	548,380	623,624	702,386	667,655	611,861
Manufacturers	126,598	131,640	107,183	179,710	380,685	431,129	497,623	179,655	91,683	97,836
TOTALS	\$ 4,480,961	\$ 4,777,798	\$ 4,828,807	\$ 5,138,635	\$ 5,395,213	\$ 5,447,220	\$ 5,546,692	\$ 5,357,465	\$ 5,438,069	\$ 5,416,499
NUMBER OF TAXPAPERS	800	839	861	883	899	997	987	1,102	1,078	1,040
VILLAGE HOME RULE SALES TAX RATE	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

Data available for calendar year only. The fiscal year of the Village is the same as the calendar year.

Interest income included in warrants is not reflected in this schedule.

*Excluding additional allocations received (excluded from IDOR online report)

**Amount reported net of IDOR 2% compliance Administration and enforcement charge.

Data Source

Illinois Department of Revenue

VILLAGE OF MOUNT PROSPECT, ILLINOIS

DIRECT AND OVERLAPPING SALES TAX RATES

Last Ten Fiscal Years

Fiscal Year	State Rate	County Rate	Regional Transportation Authority	Village Direct Rate	Home Rule Sales Tax Rate	Total
2010	5.00%	1.50%	1.00%	1.00%	1.00%	9.50%
2011	5.00%	1.50%	1.00%	1.00%	1.00%	9.50%
2012*	5.00%	1.25%	1.00%	1.00%	1.00%	9.25%
2013*	5.00%	1.00%	1.00%	1.00%	1.00%	9.00%
2014*	5.00%	1.00%	1.00%	1.00%	1.00%	9.00%
2015*	5.00%	1.00%	1.00%	1.00%	1.00%	9.00%
2016*	5.00%	2.00%	1.00%	1.00%	1.00%	10.00%
2017*	5.00%	2.00%	1.00%	1.00%	1.00%	10.00%
2018*	5.00%	2.00%	1.00%	1.00%	1.00%	10.00%
2019*	5.00%	2.00%	1.00%	1.00%	1.00%	10.00%

*Business district is assessed additional 0.25% sales tax.

Data Source

State of Illinois

VILLAGE OF MOUNT PROSPECT, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities				Business-Type Activities		Total Primary Government	Percentage of Personal Income*	Per Capita*
	General Obligation Bonds	IEPA Loan Payable (1)	Installment Note (2)	Business District Limited Tax Note Payable	General Obligation Bonds				
2010	\$ 24,240,000	\$ 2,789,256	\$ -	\$ -	\$ -	\$ 27,029,256	1.82%	\$ 480	
2011	23,630,000	2,256,556	-	-	-	25,886,556	1.44%	478	
2012	22,790,000	1,706,824	2,500,000	-	-	26,996,824	1.50%	498	
2013	31,645,000	1,139,512	2,475,000	30,451,305	-	65,710,817	3.65%	1,213	
2014	48,433,628	721,927	2,340,000	31,514,427	-	83,009,982	4.61%	1,532	
2015	45,927,931	543,015	1,940,000	31,790,140	-	80,201,086	4.46%	1,481	
2016	43,905,073	359,175	1,525,000	31,767,253	-	77,556,501	4.31%	1,432	
2017	45,784,843	170,271	1,105,000	32,525,273	5,063,964	84,649,351	4.71%	1,563	
2018	85,737,998	57,500	590,000	33,908,830	9,827,936	130,122,264	7.23%	2,402	
2019	90,476,575	-	-	35,329,187	19,567,083	145,372,845	8.08%	\$ 2,684	

*See the schedule of Demographic and Economic Information for personal income and population data.

(1) The Village entered into five installment contracts with the Illinois Environmental Protection Agency to provide funds for the construction of flood control projects. The contracts are for a 20-year period with equal semiannual installments. Only one of the five original loans remain outstanding.

(2) The Village entered into an installment note to provide funding for the construction of certain flood control projects. The loan is payable in annual installments over a seven-year period.

Note: Details of the Village's outstanding debt can be found in the notes to financial statements.

Data Source

Audited Financial Statements

VILLAGE OF MOUNT PROSPECT, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less Amounts Available In Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property*	Per Capita
2010	\$ 24,240,000	\$ -	\$ 24,240,000	0.40%	\$ 430.82
2011	23,630,000	131,372	23,498,628	0.43%	433.82
2012	22,790,000	135,817	22,654,183	0.45%	418.23
2013	31,645,000	121,491	31,523,509	0.67%	581.97
2014	48,433,628	131,635	48,301,993	1.19%	891.72
2015	45,927,931	154,206	45,773,725	1.10%	845.05
2016	43,905,073	168,152	43,736,921	1.08%	807.45
2017	50,848,807	184,195	50,664,612	1.04%	935.34
2018	95,565,934	2,546,115	93,019,819	1.86%	1,717.28
2019	110,043,658	1,850,968	108,192,690	2.16%	1,997.39

*See the schedule of Assessed Value and Actual Value of Taxable Property for property value data.

Note: Details of the Village's outstanding debt can be found in the notes to financial statements.

Data Sources

Audited financial statements
Office of the County Clerk

VILLAGE OF MOUNT PROSPECT, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

December 31, 2019

Governmental unit	(1) Gross Debt	(2) Percentage Debt Applicable to the Village of Mount Prospect	(3) Village of Mount Prospect Share of Debt
Village of Mount Prospect	\$ 125,805,762	100.000%	\$ 125,805,762
County of Cook	2,950,121,750	1.053%	31,064,782
Forest Preserve District of Cook County	94,055,000	1.053%	990,399
Metropolitan Water Reclamation District	2,455,376,000	1.072%	26,321,631
Community College District #535	32,130,000	1.500%	4,820
Community College District #512	117,785,000	8.827%	10,396,882
School District #214	35,285,000	19.466%	6,868,578
School District #207	51,385,000	0.059%	30,317
School District #57	6,920,000	94.951%	6,570,609
School District #26	7,930,000	77.618%	6,155,107
School District #25	45,075,000	2.622%	1,181,867
School District #23	9,540,000	6.333%	604,168
School District #21	69,085,000	3.158%	2,181,704
School District #59	9,435,000	17.556%	1,656,409
Arlington Heights Park District	14,320,000	1.577%	225,826
Des Plaines Park District	7,470,000	1.740%	129,978
Mount Prospect Park District	5,879,788	69.135%	4,064,991
	<u>5,911,792,538</u>		<u>98,448,068</u>
	<u>\$ 6,037,598,300</u>		<u>\$ 224,253,830</u>

(1) Gross bonded debt excluding outstanding general obligation (alternate revenue bonds) which are expected to be paid from sources other than general taxation.

(2) Determined by ratio of 2018 assessed value of property subject to taxation in overlapping unit to value of property subject to taxation in the Village.

(3) Amount in column (2) multiplied by amount in column (1).

Data Source

Governmental units and the percentage of overlapping debt from the County Clerk's office. Gross debt of the overlapping governmental units obtained from CAFR's on file with the Cook County Treasurer's Office.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

SCHEDULE OF LEGAL DEBT MARGIN

December 31, 2019

The Village is a home rule municipality.

Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of the legal debt

The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property. . . (2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: . . . indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum....shall not be included in the foregoing percentage amounts.

To date the General Assembly has set no limits for home rule municipalities. The government is a home rule municipality.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	(1) Population	(2) Equalized Assessed Value	Personal Income	(1) Per Capita Personal Income	(3) Unemployment Rate
2010	56,265	\$ 1,834,680,507	\$ 1,488,996,960	\$ 26,464	7.80%
2011	54,167	1,694,952,801	1,798,831,903	33,209	7.40%
2012	54,167	1,568,774,082	1,798,831,903	33,209	6.60%
2013	54,167	1,357,294,084	1,798,831,903	33,209	6.70%
2014	54,167	1,390,377,678	1,798,831,903	33,209	5.50%
2015	54,167	1,354,550,848	1,798,831,903	33,209	4.30%
2016	54,167	1,304,972,506	1,798,831,903	33,209	4.60%
2017	54,167	1,670,725,439	1,798,831,903	33,209	3.70%
2018	54,167	1,670,073,671	1,798,831,903	33,209	2.90%
2019	54,167	N/A	1,798,831,903	33,209	2.70%

Note: 2019 Equalized Assessed Valuation is not available until 2020.

Data Sources

- (1) U.S. Department of Commerce, Bureau of the Census
- (2) Office of the Cook County Clerk
- (3) IDES Local Area Unemployment Statistics

VILLAGE OF MOUNT PROSPECT, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

2019				2010			
Employer	Rank	Employees	% of Total Village Population	Employer	Rank	Employees	% of Total Village Population
CVS Caremark	1	1,000	1.85%	Caremark, Inc.	1	800	1.48%
Robert Bosch Tool Corporation	2	650	1.20%	Bosch Tools	2	576	1.06%
CVS Caremark - 1780 Wall	3	400	0.74%	Metlife	3	445	0.82%
J&J Ventures	4	400	0.74%	Cummins Allison	4	435	0.80%
Mount Prospect School District 57	5	323	0.60%	Wal-Mart Stores, Inc	5	330	0.61%
Township High School District 214	6	300	0.55%	Village of Mount Prospect Illinois	6	306	0.01%
Rauland-Borg Corporation	7	300	0.55%	Rauland Borg	7	300	0.55%
Wal-Mart Supercenter #1681	8	269	0.50%	Mount Prospect School District 57	8	298	0.55%
Jewel Food Store #3476	9	240	0.44%	Township High School District 214	9	250	0.46%
Cummins-Allison - 891 Feehanville	10	200	0.37%	Siemens Building Technologies Inc	10	235	0.43%

Data Source

Village Records

VILLAGE OF MOUNT PROSPECT, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2010	2011	2012	2013
PUBLIC REPRESENTATION/COMMUNITY AND CIVIC SERVICES				
Total	1.05	2.10	2.10	2.10
GENERAL GOVERNMENT				
Village administration				
Administration	14.95	14.95	15.45	15.45
Finance	13.00	13.00	13.00	13.00
Total	27.95	27.95	28.45	28.45
Community development				
Community development	20.48	20.48	17.75	18.50
Community development/CDBG	1.25	1.25	1.25	1.00
Total	21.73	21.73	19.00	19.50
Human services department	9.50	9.50	9.50	9.50
Total	9.50	9.50	9.50	9.50
PUBLIC SAFETY AND PROTECTION				
Police Department	97.83	97.83	99.50	100.50
Fire Department	74.75	74.75	74.50	74.50
Total	172.58	172.58	174.00	175.00
PUBLIC WORKS DEPARTMENT				
Administration	2.85	2.85	2.85	2.85
Streets/buildings/parking	11.35	11.85	11.85	12.45
Forestry	10.70	9.75	9.75	9.25
Engineering	8.00	8.00	8.00	8.00
Water/sewer	26.50	25.00	25.00	24.75
Refuse disposal	2.90	2.90	2.90	2.90
Parking	-	0.90	0.90	0.90
Vehicle maintenance	10.90	10.90	10.90	10.75
Total	73.20	72.15	72.15	71.85
VILLAGE TOTAL	306.01	306.01	305.20	306.40

Data Source

Village budget

2014	2015	2016	2017	2018	2019
2.05	2.15	2.20	2.10	2.05	0.80
2.05	2.15	2.20	2.10	2.05	0.80
15.45	16.85	16.75	17.35	15.85	15.50
13.00	13.00	13.00	13.00	13.50	13.50
28.45	29.85	29.75	30.35	29.35	29.00
18.50	18.50	18.75	18.75	21.00	21.25
1.00	1.00	0.75	0.75	-	-
19.50	19.50	19.50	19.50	21.00	21.25
9.50	9.50	9.50	9.55	10.55	9.55
9.50	9.50	9.50	9.55	10.55	9.55
100.50	99.50	101.50	102.50	103.00	104.00
74.50	75.00	81.00	81.00	81.00	80.75
175.00	174.50	182.50	183.50	184.00	184.75
2.85	2.85	3.85	3.35	4.75	5.10
12.40	12.40	12.35	12.35	14.20	16.05
9.35	9.25	8.35	8.35	8.35	9.55
8.00	8.00	8.00	8.00	7.90	8.40
24.75	24.75	2.90	25.25	25.75	23.30
2.90	2.90	24.75	2.90	-	-
0.90	0.90	0.90	0.90	-	-
10.75	10.75	10.75	10.75	10.75	9.60
71.90	71.80	71.85	71.85	71.70	72.00
306.40	307.30	315.30	316.85	318.65	317.35

VILLAGE OF MOUNT PROSPECT, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

Function/Program	2010	2011	2012	2013
FINANCE DEPARTMENT				
Vehicle stickers issued	40,018	39,834	43,092	43,490
Utility bills	86,057	86,701	90,147	152,312
Real estate transfer tax stamps sold	1,086	1,022	1,282	1,451
COMMUNITY DEVELOPMENT				
Building Division				
Permits issued	2,922	2,821	2,244	2,383
Plan reviews	505	515	595	524
Building code inspections	8,783	8,508	8,939	7,824
Environmental Health Division				
Inspections				
Food service	400	394	405	393
Multi-family buildings	664	664	565	568
PUBLIC SAFETY				
Police				
Number of crimes	3,696	3,359	3,178	2,809
Number of service calls	22,028	19,943	19,184	19,206
Number of arrests	1,898	1,845	1,602	1,509
Moving violations	10,139	7,026	5,979	6,152
Parking citations	11,317	9,363	7,640	7,314
Fire				
Fire calls	1,888	2,350	1,892	1,967
EMS calls	3,465	3,590	3,885	3,912
Fire prevention inspections	3,790	3,418	3,308	3,144
Training hours	24,313	23,578	21,340	21,149
PUBLIC WORKS				
Streets				
Street resurfacing (miles)	5.00	4.70	5.20	7.50
Crack filling (lbs)	46,846	40,871	51,885	49,153
Leaves removed (tons)	2,190	2,108	1,785	2,070
Water				
Water mains installed (lineal feet)	5,475	-	-	-
Water billed (1,000 gallons)	1,296,556	1,287,525	1,341,268	1,284,779
Sanitary sewers cleaned (ft)	55,150	54,236	58,922	65,000
Refuse (single/multi-family)				
Solid waste collected (tons)	31,963	32,264	31,385	29,494
Recycling (tons)	6,117	6,644	6,028	5,692

*2019 are estimated amounts. Final figures are not available at time of printing report.

Data Source

Various village departments

2014	2015	2016	2017	2018	2019*
42,789	41,964	41,323	40,638	39,214	38,344
152,649	152,703	152,872	152,689	152,669	152,701
1,426	1,433	1,541	1,472	1,473	1,434
2,653	2,490	2,500	2,375	2,562	2,600
471	536	513	425	465	540
10,952	10,590	9,535	9,640	9,320	9,500
434	409	405	400	359	400
1,068	1,043	1,000	1,000	1,025	1,000
2,480	2,399	2,235	2,387	2,335	2,350
18,594	18,906	18,232	18,393	18,339	18,500
1,307	1,178	1,083	1,102	1,019	965
4,928	4,839	4,137	3,842	3,409	3,600
7,671	7,166	5,637	8,179	5,564	7,250
1,926	1,883	1,889	1,816	1,884	1,950
3,985	4,061	4,032	4,105	4,195	4,250
3,047	2,700	3,800	2,075	2,600	2,500
24,033	25,990	29,024	31,626	31,651	31,600
18.80	9.80	6.30	7.00	7.00	7.00
59,568	51,412	53,623	51,412	54,000	54,000
2,081	1,988	1,676	1,848	1,856	1,850
-	1,990	600	1,990	3,900	4,500
1,301,528	1,204,478	1,224,661	1,208,079	1,179,096	1,183,694
90,000	120,000	75,000	100,000	95,000	75,000
30,320	30,605	26,574	29,613	28,235	28,740
5,498	5,369	5,355	5,492	5,086	5,187

VILLAGE OF MOUNT PROSPECT, ILLINOIS

CAPITAL ASSET STATISTICS BY FUNCTION

Last Ten Fiscal Years

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrols vehicles	34	34	33	33	32	32	30	31	31	30
Fire										
Fire stations	3	3	3	3	3	3	3	3	3	3
Fire engines/vehicles	22	22	20	23	23	22	21	21	21	22
PUBLIC WORKS										
Residential streets (miles)	134	134	134	135	134	134	135	135	135	135
WATER										
Water mains (miles)	162	162	162	161	160	160	160	160	160	160
Fire hydrants	2,295	2,291	2,295	2,274	2,242	2,240	2,243	2,246	2,246	2,246
Storage capacity (gallons)	8.8M	8.8M	8.8M	8.8M	8.8M	8.8M	8.8M	8.8M	8.8M	8.8M
WASTEWATER										
Sanitary sewers (miles)	71	71	71	71	71	71	72	72	72	72
Storm sewers (miles)	128	128	128	135	135	108	108	110	110	110
Combined sewers (miles)	54	54	54	54	54	54	55	55	55	55

Data Source

Various village departments

ADDITIONAL DISCLOSURES REQUIRED BY SEC RULE 15c2-12

**VILLAGE OF MOUNT PROSPECT, COOK COUNTY, ILLINOIS
FINANCIAL INFORMATION**

STATEMENT OF INDEBTEDNESS

	Amount Applicable as of December 31, 2019	As Percent of		Per Capita 2010 Census 54,167
		Assessed Value	Estimated True Value	
Assessed Valuation of Taxable Real Property, 2018	\$ 1,670,073,671	100.00%	33.33%	\$ 30,831.94
Estimated True Value of Taxable Real Property, 2018	5,010,221,013	300.00%	100.00%	92,495.82
Direct Bonded Debt payable from Property Taxes (1)				
Payable From Property taxes	\$ 58,070,000	3.48%	1.16%	\$ 1,072.05
Self-Supporting Debt	86,605,762	5.19%	1.73%	1,598.87
Total Direct Bonded Debt	<u>\$ 144,675,762</u>	<u>8.66%</u>	<u>2.89%</u>	<u>\$ 2,670.92</u>
Overlapping Bonded Debt Payable from Property Taxes (2)				
Schools	\$ 35,650,461	2.13%	0.71%	\$ 658.16
Other Than Schools	62,797,607	3.76%	1.25%	1,159.33
Total Overlapping Bonded Debt	<u>\$ 98,448,068</u>	<u>5.89%</u>	<u>1.96%</u>	<u>\$ 1,817.49</u>
Total Direct and Overlapping Bonded Debt	<u>\$ 243,123,830</u>	<u>14.56%</u>	<u>4.85%</u>	<u>\$ 4,488.41</u>
Total Direct and Overlapping Bonded Debt Excl. Self-Supporting	\$ 156,518,068	9.37%	3.12%	\$ 2,889.55

- Notes: 1. The Village is a home-rule unit under the Illinois constitution and, therefore, has no debt limit nor is it required to seek referendum approval for the issuance of general obligation debt.
2. See "Detailed Overlapping Bonded Indebtedness Payable From Property Taxes at December 31, 2019".

**RETIREMENT SCHEDULE OF OUTSTANDING VILLAGE GENERAL OBLIGATION BONDED DEBT (Note 1)
(As of December, 31, 2019)**

Due Calendar Date	Principal Maturities			Debt Service Tax Levies	
	Source of Payments Property Taxes	Total Maturities Annual Amount	Cumul. Percent	Levy Year	Property Taxes
2020	4,340,000	4,340,000	4.1%	2019	5,637,776
2021	5,115,000	5,115,000	8.9%	2020	5,768,596
2022	5,080,000	5,080,000	13.7%	2021	5,524,686
2023	3,615,000	3,615,000	17.1%	2022	3,652,500
2024	3,805,000	3,805,000	20.6%	2023	3,649,100
2025	4,025,000	4,025,000	24.4%	2024	3,643,800
2026	4,255,000	4,255,000	28.4%	2025	3,643,850
2027	4,465,000	4,465,000	32.6%	2026	3,637,000
2028	4,705,000	4,705,000	37.1%	2027	3,643,400
2029	4,435,000	4,435,000	41.2%	2028	3,142,500
2030	4,795,000	4,795,000	45.7%	2029	3,235,250
2031	5,065,000	5,065,000	50.5%	2030	3,234,250
2032	5,340,000	5,340,000	55.5%	2031	3,233,750
2033	5,645,000	5,645,000	60.8%	2030	3,233,500
2034	5,030,000	5,030,000	65.6%	2031	3,233,250
2035	5,290,000	5,290,000	70.5%	2034	3,238,138
2036	5,550,000	5,550,000	75.8%	2035	3,237,075
2037	5,825,000	5,825,000	81.2%	2036	3,237,825
2038	4,020,000	4,020,000	85.0%	2037	3,235,200
2039	4,200,000	4,200,000	89.0%	2038	3,236,000
2040	2,765,000	2,765,000	91.6%	2039	3,234,600
2041	2,875,000	2,875,000	94.3%	2040	3,234,000
2042	2,990,000	2,990,000	97.1%	2041	3,234,000
2043	<u>3,110,000</u>	<u>3,110,000</u>	100.0%	2042	3,234,400
	<u>\$106,340,000</u>	<u>\$106,340,000</u>			

Notes: 1. The Village is a home rule unit under the 1970 Illinois Constitution and as such has no debt limit, nor is it required to seek referendum approval for the issuance of general obligation debt. The Village has used alternative revenue sources including Home-rule sales tax, water/sewer charges etc. to perform the debt service for certain bonds. The Village abates the property taxes for the bonds paid with the alternative revenue sources.

DEBT RATIOS AND PER CAPITAL DEBT—LAST TEN GENERAL OBLIGATION BOND SALES (Note 1)

Village Issue		Ratio to Equalized Assessed Value				Per Capita (3)	
		Direct Debt		Direct & Overlapping Debt		Direct & Overlapping Debt	
		Including Self-Supporting	Excluding Self-Supporting (2)	Including Self-Supporting	Excluding Self-Supporting (2)	Including Self-Supporting	Excluding Self-Supporting (2)
Sale Date	Amount						
January 21, 2003	12,235,000	1.39%	1.05%	3.77%	3.43%	2,544.05	2,316.16
December 15, 2006	10,000,000	0.78%	0.69%	2.72%	2.63%	2,362.39	2,287.21
February 17, 2009	10,000,000	0.72%	0.72%	2.45%	2.45%	2,445.85	2,445.85
December 1, 2009	3,430,000	0.70%	0.70%	2.47%	2.47%	2,749.42	2,749.42
December 1, 2009	2,650,000	0.70%	0.70%	2.47%	2.47%	2,749.42	2,749.42
July 29, 2011	4,100,000	0.60%	0.60%	2.80%	2.80%	2,921.82	2,921.82
July 29, 2011	5,160,000	0.60%	0.60%	2.80%	2.80%	2,921.82	2,921.82
January 3, 2012	2,975,000	0.60%	0.60%	2.80%	2.80%	2,921.82	2,921.82
September 10, 2013	9,800,000	0.92%	0.92%	3.42%	3.42%	3,042.80	3,043.80
February 4, 2014	6,279,000	1.13%	1.09%	3.74%	3.71%	3,253.40	3,223.59
September 8, 2016	8,735,000	2.00%	1.16%	5.29%	4.45%	3,356.50	3,309.47
December 1, 2016	9,100,000	1.90%	1.09%	5.25%	4.43%	3,356.50	3,296.96
December 20, 2017	9,740,000	1.64%	1.04%	3.78%	3.19%	3,385.89	2,829.19
May 1, 2018	7,060,000	1.62%	0.62%	3.79%	2.75%	4,214.20	2,450.93
October 16, 2018	38,440,000	2.39%	1.28%	4.55%	3.41%	4,214.20	3,135.48
June 3, 2019	9,600,000	3.66%	2.20%	9.75%	5.85%	2,990.13	1,533.88
November 25, 2019	7,725,000	3.67%	2.20%	9.76%	5.86%	2,990.13	1,533.88

Notes: 1. Information in table pulled from applicable Official Statements.
 2. Excludes the Village's general obligation bonds which are payable from non-property taxes.
 3. Village population estimates used in these calculations were 56,265 in 2001-2009, and 54,167 beginning in 2010.

EQUALIZED ASSESSED VALUATION FOR TAXING PURPOSES (Note 1)

Tax Levy Year (2)	Real Property			
	Net For General Taxing Purposes (3)	Plus Incremental Valuation	Total For All Taxing Purposes (4)	Increase Over Prior Year
2011	1,694,952,801	42,659,295	1,737,612,096	(7.7%)
2012	1,568,774,082	38,247,882	1,607,021,964	(7.5%)
2013	1,357,294,084	32,976,484	1,390,270,568	(13.5%)
2014	1,390,377,678	33,230,688	1,423,608,366	2.4%
2015	1,354,550,848	32,251,850	1,386,802,698	(2.6%)
2016	1,619,158,852	47,669,419	1,666,828,271	20.2%
2017	1,670,725,439	-	1,670,725,439	0.2%
2018	1,670,073,671	32,842,983	1,702,916,654	1.9%

Notes: 1. Property in Cook County is separated into two primary classifications for assessment purposes (10% for residential and 25% for commercial property). After the assessor establishes the fair market value of a parcel of land, the value is multiplied by one of the classification percentages to arrive at the assessed valuation for that parcel. The Illinois Department of Revenue furnishes each county with an adjustment factor (the equalization factor) to equalize the level of assessment between counties. After the equalization factor is applied, the valuation of the property for taxing purposes has been established—tax rates are applied to the equalized valuation.
 2. Under the current triennial reassessment system in Cook County, the Village was most recently reassessed in 2019. The new equalized assessed values are expected to be available during mid-2020. The EAV is expected to go up by 15 percent or more.

3. Excludes four categories of exemptions: the Senior Citizens' Homestead Exemption; the General Homestead Exemption; the Senior Citizens' Tax Freeze Homestead Exemption and the Long-Term Homeowner Exemption.
4. The Village's tax rate is calculated based on the village's Net Equalized Assessed Valuation (shown in this table as "Net for General Taxing Purposes") and is extended against its entire Equalized Assessed Valuation (shown in this table as "Total for all Taxing Purposes") excluding only the statutory exemptions. Of the taxes collected, that portion applicable to incremental valuation (valuation of tax increment districts) is remitted to the Village by the County Collector for deposit in the applicable tax allocation fund. The Equalized Assessed Valuation for which the Village receives its portion of the total tax rate for all non-TIF purposes is shown in this table as "Net for General Taxing Purposes".

**DETAILED OVERLAPPING BONDED INDEBTEDNESS PAYABLE FROM PROPERTY TAXES AT
DECEMBER 31, 2019**

SCHOOL DISTRICTS:	Percent of Village's 2018 Real Property in Taxing Body	Gross Bonded Debt	Village's Applicable Share of Gross Debt to be Paid From Property Taxes (1)	
			Percent	Amount
Elementary Districts:				
Mount Prospect No. 57	37.7%	6,920,000	94.951%	6,570,609
Community Consolidated No. 59	26.7%	9,435,000	17.556%	1,656,409
River Trails No. 26	26.4%	7,930,000	77.618%	6,155,107
Wheeling Community Consolidated No. 21	3.4%	69,085,000	3.158%	2,181,704
Arlington Heights No. 25	3.2%	45,075,000	2.622%	1,181,867
Prospect Heights No. 23	2.5%	9,540,000	6.333%	604,168
High School Districts:				
Wheeling/Elk Grove No. 214	99.8%	35,285,000	19.466%	6,868,578
Maine Township No. 207	0.2%	51,385,000	0.059%	30,317
Community Colleges:				
Oakton No. 535	0.2%	32,130,000	0.015%	4,820
Harper No. 512	99.8%	117,785,000	8.827%	10,396,882
Total Schools				35,650,461
OTHER THAN SCHOOL DISTRICTS:				
Cook County, Including Forest Preserve District	100.0%	3,044,176,750	1.053%	32,055,181
Metropolitan Water Reclamation District	100.0%	2,455,376,000	1.072%	26,321,631
Park Districts:				
Mount Prospect	66.8%	5,879,788	69.135%	4,064,991
Arlington Heights	2.8%	14,320,000	1.577%	225,826
Des Plaines	1.8%	7,470,000	1.740%	129,978
Total Other Than Schools				62,797,607

Notes: 1. Village's share based upon 2018 Real Property valuations.

TAX RATES PER \$100 EQUALIZED ASSESSED VALUATION (Note 1)

Village of Mount Prospect:	Levy Years				
	2014	2015	2016	2017	2018
Bonds and Interest	\$ 0.165	\$ 0.170	\$ 0.143	\$ 0.146	\$ 0.148
Pensions (Police, Fire)	0.387	0.426	0.381	0.384	0.401
Police Protection	-	0.372	0.311	0.301	0.292
Fire Protection	-	0.384	0.322	0.312	0.302
Corporate	0.724	-	-	-	-
Total Village	\$ 1.276	\$ 1.352	\$ 1.157	\$ 1.143	\$ 1.143
Cook County, Including Forest Preserve District	0.637	0.621	0.596	0.558	0.549
Metropolitan Water Reclamation District	0.430	0.426	0.406	0.402	0.396
Mount Prospect Park District	0.654	0.681	0.594	0.609	0.633
Mount Prospect Public Library	0.758	0.801	0.687	0.681	0.696
Special Service Area No. 5	0.138	0.142	0.119	0.118	-
Community Consolidated School District No. 59	3.176	3.291	2.998	3.031	3.173
Township High School District No. 214	2.776	2.881	2.527	2.563	2.669
Harper College No. 512	0.451	0.466	0.416	0.425	0.443
All Other	0.124	0.158	0.105	0.135	0.106
Total (2)	\$ 10.420	\$ 10.819	\$ 9.605	\$ 9.665	\$ 9.808
Village as a Percent of Total	12.2%	12.5%	12.0%	11.8%	11.7%

- Notes 1. As a home rule unit under the 1970 Illinois Constitution, the Village has no statutory tax rate or levy limitations.
 2. Tax rate applicable to the largest tax code in the Village and most recent available from Cook County.

**TAX EXTENSIONS AND COLLECTIONS
(Village Purposes Only)**

Levy Year	Collection Year	Total Taxes Extended	Total Taxes Collected as of December 31, 2019 (Note 1)	
			Amount	Percent (2)
2012	2013	16,477,871	16,278,228	98.79%
2013	2014	17,301,436	17,064,355	98.63%
2014	2015	17,741,219	17,521,845	98.76%
2015	2016	18,313,527	18,130,372	99.00%
2016	2017	18,733,668	18,534,114	98.93%
2017	2018	19,096,392	18,865,589	98.79%
2018	2019	19,088,801	18,710,515	98.02%

- Notes: 1. Source: Cook County Treasurer's Office. Tax payments, including late payments and proceeds from tax sales, are shown as collections in the year when due. The "Amount Collected" is not the same as distributions to the Village because tax refunds (pursuant to court orders, first time homestead exemptions other exemptions, etc.) are deducted from "Amount Collected" and interest earnings are added to "Amount Collected" in calculating the distributions.
 2. Cook County property taxes are payable in two installments: the first on March 1, and the second on the latter of August 1 or 30 days after the mailing of the tax bills. The first installment is an estimated bill and is 55% of the prior year's bill. The second installment is based on the current levy, assessment and equalization and reflects any changes from the prior year in those factors.

TEN LARGEST TAXPAYERS

Rank	Taxpayer	Business/Properties	Equalized Assessed Valuation (1)	Percent of Village (2)
1	United Airlines Inc.	Operations Center	25,901,590	1.55%
2	DLC Management Corporation	Shopping Center	24,422,367	1.46%
3	Home Properties Colony	Apartments	19,692,495	1.18%
4	Mount Prospect Plaza	Shopping Center	18,044,846	1.08%
5	Golf Plaza I and II	Shopping Center	14,128,457	0.85%
6	CRP 3 West Center LLC	Industrial	13,382,854	0.80%
7	1450 Owner LLC	Industrial Real Estate	10,924,283	0.65%
8	Cmmins Alliso Corp	Coin, Currency and Check Processing and ATMs	7,708,106	0.46%
9	Costco	Membership Warehouse Club	7,588,026	0.45%
10	LIT Industrial Limited	Industrial	7,437,384	0.45%
			\$ 149,230,408	8.94%

- Notes: 1. Valuations as of January 1, 2018 for 2019 tax purposes.
 2. Total 2016 Village valuation is \$1,670,073,671.

2011 AND 2018 TAX BASE DISTRIBUTION BY PROPERTY CLASSIFICATION*

Classification	Village of Mount Prospect				
	Taxable Valuation			Percent of Total	
	2011	2018	% Increase	2011	2018
Residential	1,242,549,785	1,171,019,649	-5.76%	73.31%	70.12%
Commercial	298,578,904	326,069,226	9.21%	17.62%	19.52%
Industrial	152,864,606	171,888,945	12.45%	9.02%	10.29%
Railroad	959,506	1,095,851	14.21%	0.06%	0.07%
Total	1,694,952,801	1,670,073,671	-1.47%	100.00%	100.00%

* A breakdown by property classification of the Village's levy year 2019 valuation is not available as of the date of this report.

GENERAL FUND (Note 1)

**Summary Statement of Revenues, Expenditures and Changes in Fund Balance
(Fiscal Years Ending December 31)**

	Actual				2019	
	2015	2016	2017	2018	Budget	Actual
Revenues:						
Property Taxes	15,317,183	15,917,480	16,112,039	16,112,039	16,368,000	16,081,608
Sales Taxes	16,370,735	17,202,418	19,458,742	23,658,634	24,301,000	24,249,211
State Income Taxes	5,763,542	5,272,834	4,975,194	5,187,361	5,765,000	5,765,484
Licenses, Permits & Fees	2,428,969	2,350,787	2,334,232	2,484,451	2,499,000	2,733,317
Utility Taxes	3,774,729	3,629,525	3,491,473	3,476,969	3,460,000	3,292,347
Charges for Service	1,699,217	1,782,869	1,527,168	1,475,149	1,520,200	1,875,941
Fines & Forfeits	511,536	414,885	415,189	403,842	422,000	286,328
Investment Income	8,612	49,202	132,925	318,490	266,100	430,397
Food & Beverage Tax	759,073	805,172	839,472	884,637	815,000	884,637
Real Estate Transfer Tax	1,371,699	1,049,770	1,190,331	1,426,037	1,250,000	1,434,580
All Other Revenues	2,315,618	3,076,582	3,325,198	3,539,116	2,867,600	3,144,713
Total Revenues	\$ 50,320,913	\$ 51,551,524	\$ 53,801,963	\$ 58,966,725	\$ 59,533,900	\$ 60,178,563
Expenditures:						
General Government						
Public Representation Division	137,716	141,249	134,039	159,710	159,707	113,322
Village Manager's Office	3,529,065	4,031,450	4,730,808	3,733,109	3,854,704	3,662,546
Finance Department	1,945,587	1,972,523	2,466,917	2,735,100	2,789,327	2,781,155
Community Development - Administration	662,596	734,282	933,069	1,109,904	1,185,036	1,129,783
Benefit Payments	46,455	46,615	46,780	5,819	5,819	5,993
Total General Government	\$ 6,321,419	\$ 6,926,119	\$ 8,311,613	\$ 7,743,642	\$ 7,994,593	\$ 7,692,799
Public Safety:						
Code Enforcement	812,292	877,060	820,925	854,780	944,277	962,937
Police Department	16,277,671	17,067,883	17,823,169	18,564,213	18,976,336	18,975,187
Fire & Emergency Protection Department	13,171,002	14,473,302	15,522,366	15,586,449	16,283,228	16,188,816
Total Public Safety	\$ 30,260,965	\$ 32,418,245	\$ 34,166,460	\$ 35,005,442	\$ 36,203,841	\$ 36,126,940
Highways & Streets	6,935,457	7,282,165	7,613,341	7,915,559	9,037,813	8,674,121
Health	148,731	160,555	261,533	306,314	212,353	195,532
Welfare	1,529,810	1,561,199	1,548,489	1,410,612	1,507,690	1,372,853
Culture & Recreation	467,611	499,208	585,907	572,169	509,675	388,375
Net Transfers (In)/Out	281,599	1,240,625	600,000	2,354,391	2,107,400	2,107,362
Total Expenditures	\$ 45,945,592	\$ 50,088,116	\$ 53,087,343	\$ 55,308,129	\$ 57,573,365	\$ 56,557,982
Revenues Over (Under) Expenditures	\$ 4,375,321	\$ 1,463,408	\$ 714,620	\$ 3,658,596	\$ 1,960,535	\$ 3,620,581
Ending Fund Balance	\$ 17,220,943	\$ 18,684,351	\$ 19,398,971	\$ 23,057,567	\$ 21,359,506	\$ 26,678,148

Balance Sheet – December 31

Assets:	2015	2016	2017	2018	2019
Cash & Investments	\$ 11,009,774	\$ 11,892,092	\$ 14,814,727	\$ 16,672,691	\$ 20,838,531
Receivables					
Property Taxes	15,733,573	16,087,246	16,333,702	16,290,898	16,545,722
Other Taxes	6,344,148	6,772,937	6,220,011	7,994,192	8,518,372
All Other	471,824	435,700	417,856	371,481	359,574
Due From Other Funds	473,348	735,763	92,845	22,254	-
Due From Other Governments	159,403	653,254	186,629	49,471	48,570
All Other Assets	204,023	188,247	261,219	220,065	370,162
Total Assets	\$ 34,396,093	\$ 36,765,239	\$ 38,326,989	\$ 41,621,052	\$ 46,680,931
Liabilities & Fund Balance					
Accounts Payable	\$ 578,648	\$ 833,274	\$ 1,463,624	\$ 957,709	\$ 517,940
Deferred Revenues					
Property Taxes	15,691,708	16,087,246	16,333,702	16,290,898	16,539,009
All Other Liabilities	904,794	1,160,368	1,130,692	1,314,878	2,945,834
Fund Balance:					
Nonspendable	204,023	188,247	261,219	220,065	370,162
Restricted	-	-	-	-	-
Committed	-	-	-	-	3,393,000
Unassigned	17,016,920	18,496,104	19,137,752	22,837,502	22,914,986
Total Fund Balance	\$ 17,220,943	\$ 18,684,351	\$ 19,398,971	\$ 23,057,567	\$ 26,678,148
Total Liabilities & Fund Balance	\$ 34,396,093	\$ 36,765,239	\$ 38,326,989	\$ 41,621,052	\$ 46,680,931

Notes: 1. This condensed financial information for the years ending December 31, 2015-2019 has been excerpted from the full Comprehensive Annual Financial Reports of the Village. The accounting policies of the Village conform to GAAP and are disclosed in the audited financial statements. A summary of some of the policies are: The General Fund is accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized when the related fund liability is incurred.

COMBINED STATEMENT—ALL FUNDS (Note 1)

**Fund Balances 2015-2018 and Summary 2019 Revenues, Excess Revenues and Fund Balance
(Fiscal Years Ended December 31)**

	Fiscal Year Ended December 31, 2019								
	2015	2016	2017	2018	Revenue Incl. Transfers		Revenue Over (Under) Expenditures	Fund Balance	
					Property Tax	Total			
Governmental Fund Types (2):									
General Fund *	\$ 17,220,943	\$ 18,684,351	19,398,971	23,057,567	\$ 16,214,208	\$ 60,178,563	\$ 3,620,581	\$ 26,678,148	
Special Revenue Funds:									
Motor Fuel Tax	\$ 1,927,676	\$ 2,465,482	2,744,472	2,431,135	\$ -	\$ 1,816,894	\$ 34,478	\$ 2,465,613	
Community Development Block Grant	-	-	-	-	-	303,870	-	-	
Refuse Disposal	1,191,201	1,363,621	1,442,645	1,320,754	-	4,500,466	(153,615)	1,167,139	
Asset Seizure	92,655	173,079	172,908	141,255	-	30,237	(6,153)	135,102	
DEA shared Funds	19,951	20,013	20,194	20,308	-	30,237	30,237	50,545	
DUI Fines	124,735	121,449	140,928	137,373	-	20,357	6,062	143,435	
Foreign Fire Tax Fund	302,729	341,678	352,423	398,231	-	81,244	40,321	438,552	
Business District Fund	-	-	-	-	-	1,458,547	-	-	
Police & Fire Building Construction*	-	-	-	31,720,180	-	692,103	(17,578,210)	14,141,970	
Prospect/Main TIF*	-	(687,995)	3,945,027	698,930	425,541	11,421,169	7,833,114	8,532,044	
Total Special Revenue	3,658,947	3,797,327	8,818,597	36,868,166	\$ 425,541	\$ 20,355,124	(9,793,766)	27,074,400	
Debt Service *	154,206	168,152	184,195	4,150,506	2,434,000	3,515,670	(695,147)	3,455,359	
Capital Projects (3)	4,738,536	3,224,446	3,579,214	5,577,761	-	6,205,430	84,290	5,662,051	
Total Governmental	\$ 25,772,632	\$ 25,874,276	31,980,977	69,654,000	\$ 19,073,749	\$ 90,254,787	\$ (6,784,042)	\$ 62,869,958	
Proprietary & Fiduciary Fund Types									
Enterprise Funds (4):									
Water and Sewer *	41,273,710	40,610,650	41,327,962	40,157,409	\$ -	\$ 15,355,587	\$ (1,584,916)	38,572,493	
Village Parking System	643,238	588,378	704,700	725,953	-	1,704,915	(176,797)	549,156	
Internal Service Funds (5)	17,537,531	19,174,062	19,736,825	21,115,612	-	13,810,862	1,111,177	22,226,789	
Pension Trust Funds:									
Police Pension	58,500,040	61,976,686	71,069,062	66,374,108	-	17,883,010	11,959,436	78,333,544	
Firefighter's Pension	56,856,702	58,344,829	66,265,340	62,398,530	-	15,104,311	8,829,411	71,227,941	
Total Proprietary & Fiduciary	\$ 174,811,221	\$ 180,694,605	\$ 199,141,779	\$ 190,771,612	\$ -	\$ 63,858,685	\$ 20,138,311	\$ 210,909,923	
Total All Funds (Memo Only)	\$ 200,583,853	\$ 206,568,881	\$ 231,122,756	\$ 260,425,612	\$ 19,073,749	\$ 154,113,472	\$ 13,354,269	\$ 273,779,881	

* Designated as major funds.

ash & Investments at 12/31 (6):	2015	2016	2017	2018	2019
General Fund	\$ 11,009,774	\$ 11,892,092	\$ 14,814,727	\$ 16,672,691	\$ 20,838,531
Internal Service Funds	11,551,998	13,177,384	12,210,417	11,769,387	11,707,300
Police & Fire Building Construction	-	-	-	31,708,378	17,938,945
Prospect & Main TIF	-	-	-	712,311	9,716,685
Other Special Revenue Funds	4,385,798	5,360,368	9,803,081	4,792,342	5,427,444
Debt Service Funds	138,721	167,652	162,895	4,100,470	3,448,379
Subtotal	\$ 27,086,291	\$ 30,597,496	\$ 36,991,120	\$ 69,755,579	\$ 69,077,284
Capital Project Funds	5,442,661	2,794,596	3,209,472	5,949,833	6,262,008
Water & Sewer	3,185,314	3,179,625	7,577,274	12,425,604	19,536,350
Other Enterprise Funds	488,612	428,260	531,623	578,367	576,470
Pension Trust Funds	115,116,154	119,963,475	137,068,690	128,571,320	149,345,705
Other Fiduciary Funds+	1,136,998	1,368,315	1,126,624	1,115,737	-
Total	\$ 152,456,030	\$ 158,331,767	\$ 186,504,803	\$ 218,396,440	\$ 244,797,817

+ Starting year 2019 Other Fiduciary Funds are merged with General Fund

Notes: 1. This condensed financial information for the years ending December 31, 2015-2019 has been excerpted from the full Comprehensive Annual Financial Reports of the Village. The accounting policies of the village conform to GAAP and are disclosed in the audited financial statements. A summary of some of the policies are: All Governmental Funds are accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets; expenditures are recognized when the related fund liability is incurred. All Proprietary Funds and Pension Trust Funds are accounted for using the accrual basis of accounting. The Village's Comprehensive Annual Financial Report for the year ended December 31, 2019 included an unmodified "Independent Auditor's Report". Similar unqualified/unmodified opinions were included in the Village's Comprehensive Annual Financial Reports for the years ending December 31, 2015-2018. The "Independent Auditor's Report" included in the latest audit states, in part:

"In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Mount Prospect, Illinois, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America."

- The Village's property tax revenue recognition policy conforms to the provisions of "NCGA Interpretation 3, Revenue Recognition Property Taxes." The current net tax levy receivable is recognized in the balance sheet along with a corresponding amount of deferred revenue. In addition, the debt service payments and liabilities related to the current net tax levy are not reflected in the Debt Service Funds; the un-matured principal is reflected in the General Long-Term Debt Account Group.
- Includes the Capital Improvement Fund, which accounts for the resources used to provide for mid-sized capital projects. Financing is provided by one-quarter cent home rule sales tax, developer contributions, interfund transfers, investment income, and bond proceeds.
- Fund balances shown for the Enterprise Funds are total fund equity, including contributed capital and retained earnings, and the column "Revenue Over Expenditures" represents the change in that amount.
- The Village has created a new Police and Fire Building Construction fund during the year 2018. This fund is created to account for bond proceeds and construction cost associated with new Police and Fire buildings.

6. The Village created a Risk Management Fund in 1984 to account for the servicing and payment of claims for liability, property, casualty coverage and Workers' Compensation. Financing is provided by charges to the various Village funds. The Village created a Vehicle Replacement Fund in fiscal year 1991 to account for the acquisition and depreciation of Village vehicles. Financing is provided by charges to the General, Water and Sewer, and Parking Funds. The Village created a Vehicle Maintenance Fund in 1996 to account for maintenance and repair of all Village vehicles except Fire Department vehicles. In 1997, the Village created a Computer Replacement Fund to account for the acquisition and depreciation of Village computer hardware.
7. Excludes agency funds.

CAPITAL ASSETS (Note)
(December 31, 2019)

	Governmental Activities		Business Type Activities
Capital Assets Not Being Depreciated		Capital Assets Not Being Depreciated	
Land	\$ 14,313,779	Land	\$ 17,318,818
Construction in Progress	\$ 23,901,931	Construction in Progress	\$ 2,163,498
Total Assets Not Being Depreciated	\$ 38,215,710	Total Assets Not Being Depreciated	\$ 19,482,316
Capital Assets Being Depreciated		Capital Assets Being Depreciated	
Buildings	\$ 39,036,928	Buildings and Improvements	\$ 4,499,808
Improvements Other Than Buildings	891,239	Equipment	5,017,968
Infrastructure and All Other	106,130,941	Infrastructure	31,638,611
Total Capital Assets Being Depreciated	\$ 146,059,108	Total Capital Assets Being Depreciated	\$ 41,156,387
Less Accumulated Depreciation	\$ 96,218,624	Less Accumulated Depreciation	\$ 22,187,379
Total Capital Assets Being Depreciated, Net	\$ 49,840,484	Total Capital Assets Being Depreciated, Net	\$ 18,969,008
Net Assets	\$ 88,056,194	Net Assets	\$ 38,451,324

Note: Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, storm sewers, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$20,000, except for infrastructure for which the cost is \$50,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.