



2022

VILLAGE OF MOUNT PROSPECT *ILLINOIS*

For the fiscal
year ending
December 31, 2022

Annual Comprehensive
Financial Report

VILLAGE OF MOUNT PROSPECT, ILLINOIS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

Prepared by: Finance Department

Amit R. Thakkar
Director of Finance

Jennifer Fitzgerald
Deputy Director of Finance

VILLAGE OF MOUNT PROSPECT, ILLINOIS

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INTRODUCTORY SECTION

This section includes miscellaneous data regarding the Village including:

- List of Principal Officials
- Organizational Chart
- Letter of Transmittal
- Certificate of Achievement for Excellence in Financial Reporting

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Principal Officials

December 31, 2022

LEGISLATIVE

Mayor

Paul Wm. Hoefert

Trustees

Agostino S. Filippone

Terri Gens

Richard F. Rogers

John J. Matuszak

Colleen E. Saccotelli

Michael Zadel

ADMINISTRATION

Michael J. Cassady, Village Manager

Nellie S. Beckner, Assistant Village Manager

Karen Agoranos, Village Clerk

Amit R. 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

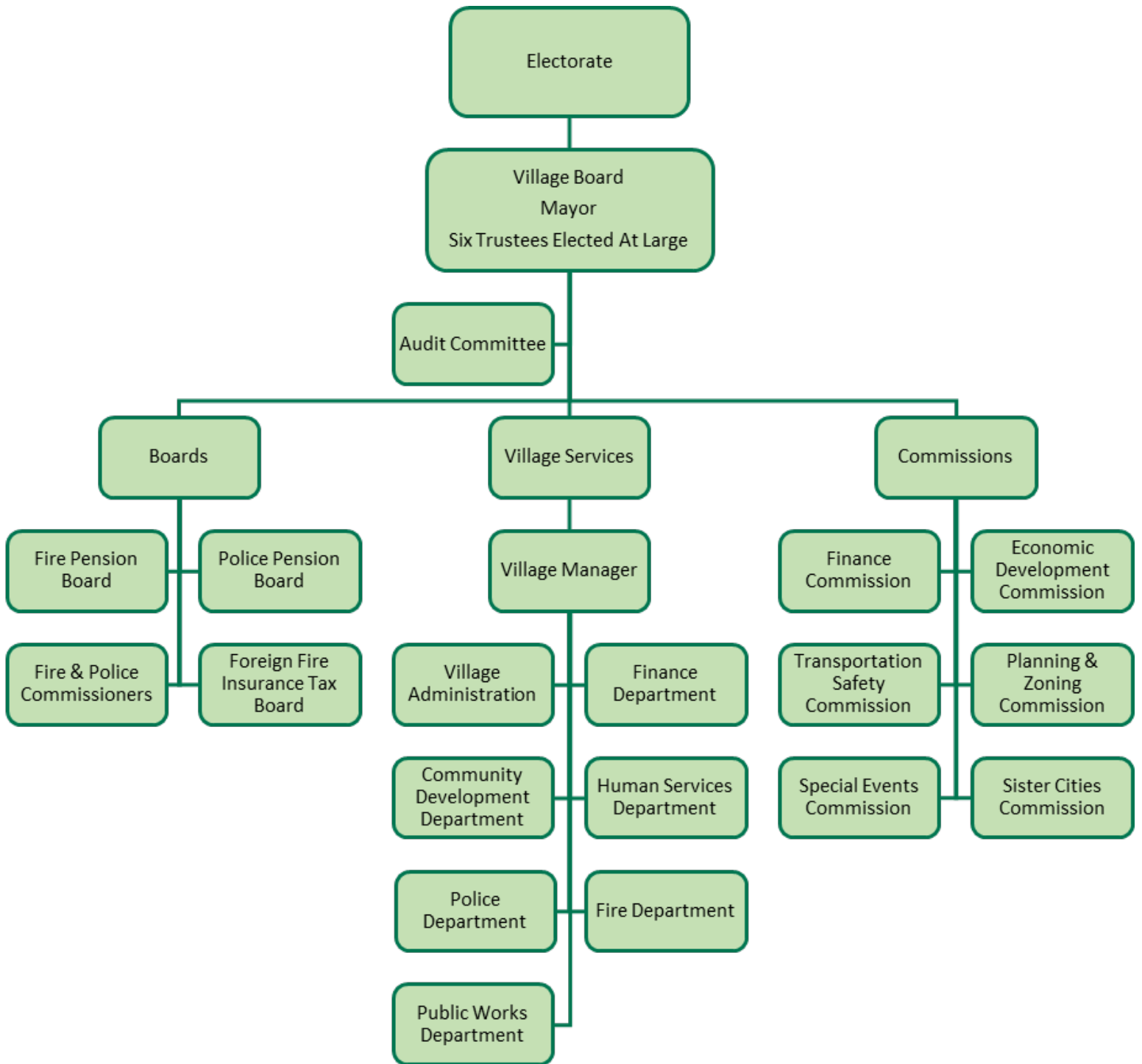
Michael Eterno, Chief of Police

John Dolan, Fire Chief

Sean P. Dorsey, Director of Public Works

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Organizational Structure



MAYOR
Paul Wm. Hoefert

TRUSTEES
Vincent J. Dante
Agostino S. Filippone
Terri Gens
William A. Grossi
John J. Matuszak
Colleen E. Saccotelli

VILLAGE MANAGER
Michael J. Cassady

VILLAGE CLERK
Karen Aqoranos



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www.mountprospect.org

Village of Mount Prospect

50 S. Emerson Street, Mount Prospect, Illinois 60056

June 1, 2023

The Honorable Paul W. Hoefert, Village President
Members of the Board of Trustees
Village Manager Michael J. Cassady, and
Citizens of the Village of Mount Prospect, Illinois

The Annual Comprehensive Financial Report of the Village of Mount Prospect, Illinois for the fiscal year ended December 31, 2022 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 Lauterbach & Amen, 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, 2022, 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, 2022, 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 requires 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 on February 3, 1917, and is located 23 miles northwest from downtown Chicago in Cook County. The Village currently has land area of 10.8 square miles and a population of 56,852 (2020 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, overseeing the day-to-day operations of the Village, and 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 non-major governmental fund 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 a commitment to ensuring its citizens are able to live and work in an enviable environment. Below is a list of the more significant accomplishments and initiatives that address various goals identified for 2022.

- **COVID-19 Pandemic** – COVID-19, a global pandemic started in February 2020, impacted the Village operations starting in March 2020, and continued for most of the year 2021. The Village felt its residue impact in early 2022 and the remaining portion of the year was a great recovery from the pandemic. Despite the pandemic, the Village did not experience any revenue losses.
- **HQ Residence Project:** The Village entered into a TIF redevelopment agreement with T2 Capital Management, LLC to demolish and redevelop its old Police and Fire HQ building. The redevelopment is named HQ Residence and will have 6-storey 88 luxury rental units and 3,500 sq. ft. of retail space. The project is expected to be completed in 2025. The Village received \$2.0 million from the sale of old Police and Fire HQ buildings in 2022.
- **Cloud HQ:** The old United Airline HQ campus in the Village of Mount Prospect was bought by a well-known cloud/data center construction and management company called Cloud HQ. Cloud HQ will be building a 1.8 million sq. ft. data center and will be investing \$2.5 billion in the Village of Mount Prospect. The project is expected to bring over 1,000 construction jobs and upon completion, the job site will employ more than 450 full-time engineers, security, and maintenance personnel. The project is very crucial for the Village and is expected to bring in significant revenues from property and utility taxes. A groundbreaking ceremony was hosted by Cloud HQ in 2022 and the first building of data centers is expected to open in 2025-2026.
- **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.
- **Streetlights Program** – The Village completed the conversion of 80 streetlights to LED fixtures, reducing energy usage on Central Road.
- **Traffic Control on Major Corridors** – The Village completed Phase II engineering for the Rand Road/Central Road/Mount Prospect Road intersection. The Village also started Phase I engineering for the Rand Road/Kensington Road/Route 83 intersection.
- **Interconnect:** The Village will be deploying \$5.5 million from the American Rescue Plan toward an interconnect project with the Northwest Water Commission. The project will provide a backup source for the water supply and will allow the Village to discontinue some of its deep wells, which may be contaminated and may not provide drinking water in the long run. An intergovernmental agreement was approved by the Village Board in 2022 and the project is expected to be completed by December 2024.
- **South Mount Prospect TIF:** The Village successfully established its South Mount Prospect Tax Increment Financing District in 2022. The Tax Increment Financing District is expected to generate significant increment supporting infrastructure needs of the Village within the TIF district in coming years. The Cloud HQ data center project will be one of the main projects creating incremental value for the TIF district.
- **Citizen Summit** – The Village hosted its first Citizens’ Summit in 2022 and received feedback from its residents for its strategic planning. It was a successful exercise conducted by the Village and will provide a guideline for coming years’ strategic planning process.
- **Triple Crown Winner** - GFOA's Triple Crown recognizes governments who have received GFOA's Certificate of Achievement for Excellence in Financial Reporting, Popular Annual Financial Reporting Award, and the Distinguished Budget Presentation Award. The Village of Mount Prospect received such a prestigious status by winning all three awards. There are 317 towns that received this status throughout the nation and the Village is proud to be on that list.
- **Bond Issuance** – The Village issued a water/sewer capital project bonds series 2022 in February 2022. The Village also refunded series 2013 bonds in 2022 and captured savings in the future interest costs totaling \$450,000. While executing these bond issuances, the Village has obtained an affirmation on its current bond ratings, which stands at AA+ with stable outlook. The Village is hopeful to receive an upgrade on its next credit rating in 2025/2026.
- **Revenue Outperformance** – The Village’s General Fund revenues have outperformed significantly. The Village has seen significant increase in its intergovernmental revenues received from the State of Illinois. This item is discussed in detail in the Management Discussion and Analysis section.

- **Suspension of Vehicle Stickers** – The Village approved a one-year suspension (for the year 2023) of the Vehicle Sticker program, while evaluating the long-term options for this program. The program generated \$1.3 million in revenue and was earmarked for the Street Construction Projects. Recent increases in the intergovernmental revenues have allowed the Village to allocate some of the outperforming revenue sources as a replacement for the vehicle sticker revenues. This program will further be evaluated during the budget season for the year 2024.

Please refer to the Strategic Plan tab of the 2023 Annual Budget document for a complete listing of major initiatives and accomplishments. All Departments continue to perform exceptionally well by 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 by the GFOA and Mount Prospect was recognized as a Tree City U.S.A. for the 38th 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 several 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 tax is 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, 2022, were \$31.1 million compared to \$29.3 million for the previous year, an increase of 6.1 percent. The Village of Mount Prospect represents the fifth largest center of economic development in the State of Illinois. The economic segment generating the most sales tax contains products with inelastic demand, which protects the Village’s sales tax revenue. Besides that, the 2020 Census data reflected an increase of 2,685 in the Village’s population. The newly added population counts will result in additional per capita allocation from the State of Illinois (income tax, motor fuel tax and use tax).

The global economy experienced a very high inflationary environment in 2022. The inflation index CPI-U recorded a 40-year high mark in June 2022 at 9.1 percent. The current rate of inflation, labor shortage, supply chain issues, global uncertainties, market conditions and certain other external factors are affecting the regional economy and the Village is not an exception to these impacts. The Village is in a strong financial position and has no immediate concern about any short-term impacts of these factors. However, staff is evaluating long-term impacts of these factors and working to create an improvised financial plan that can provide sustainable and long-term support for the Village’s operations. The Village Administration proposed starting an Economic Emergency Fund in FY 2023. The Finance Commission and the Village Board supported the initiative and the Board approved creation of an Economic Emergency Fund with \$6.5 million initial investment. Conservative budget practices, robust internal controls, strong fiscal policies, and measures have led the Village in creating a strong financial position and strengthening.

The Village is divided mainly between Elk Grove Township and Wheeling Township, and there is a small portion of the Village within the jurisdiction of Maine Township. Due to the last triennial assessment in 2019, the Elk Grove Township assessed values increased on average by 53 percent, while the same increased by 31 percent in Wheeling Township. The increases in assessed values have restored the equalized assessed value of the Village back to its 2008 - 2009 level. The total equalized assessed value for the tax year 2022 (after exemptions) was \$1,846,400,810. With new development in downtown Mount Prospect, the equalized assessed value for the Village and its Prospect & Main Tax Increment Financing District is expected to improve further for the tax year 2022 (tax payable in 2023). The Village is also expecting an increase in the assessment levels due to a regular triennial assessment cycle in 2022 (tax payable in 2023).

Mount Prospect's average unemployment rate during 2022 was 3.1%. This is a slight increase from the prior year (2.8% in 2021). The average unemployment rate for Cook County for 2022 was 4.4%, while the same for the State of Illinois was 4.6%. Mount Prospect's median family income of \$92,477 as of July 1, 2022 (per the census.gov data) was 28% higher than the median for Cook County (\$72,121) and 27% higher than the median for the State of Illinois (\$72,563).

The Village is strategically located in the middle of a thriving economic activity center for the Midwest region of our country. It is close to major interstate highways including I-90 and I-294, while its proximity to O'Hare International Airport makes the Village's location a prime spot. The Village's commercial and industrial real estate has a very low vacancy rate, and, despite the pandemic, the Village revenues have performed consistently due to a strong and diversified tax base. The United Airline HQ Campus was bought by Cloud HQ in December 2021. Cloud HQ is building a 1.8 million sq. ft. data center and is investing \$2.5 billion in the Village of Mount Prospect. Recently, the Chicago Bears (NFL team) has announced the possibility of making Arlington Heights Racecourse as their new home, the Village of Mount Prospect Village Hall is approximately 5 miles away. The Bears will possibly be building an NFL stadium along with mix-used space. This project is expected to generate significant opportunities for all the surrounding towns including the Village of Mount Prospect.

Long-term financial planning. In 2003, the Village conducted its first long-range financial planning workshop. 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 Village has continued this process since 2003 and have conducted annual financial planning and budgeting workshops regularly. During FY 2022, the Village also conducted its first Citizens' Summit and the Village received feedback on its current strategic planning and explored various ideas. During workshops in 2022, the Village staff discussed prior year's unaudited and audited results, quarterly financial performances, and major items of interests.

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 (2023-2027), the Village has identified \$150.9 million in water and sewer, flood control, street, public building, equipment, and other miscellaneous capital projects. The second is the Village Strategic Plan for 2023 completed around mid-2022. 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 August 2022 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 ending December 31, 2021. 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 whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of only one year. The Village of Mount Prospect has received Certificates 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 January 1, 2022, and ending December 31, 2022. 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 2023 Budget document.

Acknowledgments

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 - Deputy Finance Director, Accountants Rumiana Nihtianova and Terri Atienza, 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, the Audit Committee 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 R. Thakkar
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Village of Mount Prospect
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

This section includes:

Independent Auditors' Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information

Supplemental Schedules

INDEPENDENT AUDITORS' REPORT

This section includes the opinion of the Village's independent auditing firm.



INDEPENDENT AUDITORS' REPORT

June 1, 2023

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

Report on the Audit of the Financial Statements

Opinion

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, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Village, as of December 31, 2022, 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.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules, and required pension and other post-employment benefit (OPEB) schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Mount Prospect, Illinois' basic financial statements. The other supplementary information and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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, other supplementary information and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 1, 2023, 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 the effectiveness of the Village's 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.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF MOUNT PROSPECT, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Fiscal Year Ended December 31, 2022

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, and the Village's financial statements.

USING THE FINANCIAL SECTION OF THIS ANNUAL COMPREHENSIVE 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 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") 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 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 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 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. 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 positive \$15.7 million, as restated, to a positive \$39.1 million. The net increase of \$23.4 million is mainly attributable to intergovernmental revenues including state sales tax, income tax, use tax, ambulance billing fees and government grants, as well as under budget performance by all the Village Departments. The net position for governmental activities is negative \$11.1 million, while the net position for the business-type activities is a positive \$50.1 million.

Table 1 reflects the condensed Statement of Net Position. For more detailed information see the Statement of Net Position in the basic financial statements.

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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, 2022 (in millions)

	Governmental		Business-Type		Totals	
	Activities		Activities			
	2022	2021	2022	2021	2022	2021
Current and Other Assets	\$ 133.1	103.3	31.0	19.8	164.1	123.1
Capital Assets	118.7	119.3	51.8	48.3	170.5	167.6
Total Assets	251.8	222.6	82.8	68.1	334.6	290.7
Deferred Outflows of Resources	42.7	26.5	1.4	1.5	44.1	28.0
Total Assets and Deferred Outflows of Resources	294.5	249.1	84.2	69.6	378.7	318.7
Current Liabilities	19.4	12.1	2.3	2.2	21.7	14.3
Noncurrent Liabilities	249.4	214.4	28.9	20.3	278.3	234.7
Total Liabilities	268.8	226.5	31.2	22.5	300.0	249.0
Deferred Inflows of Resources	37.0	52.4	2.7	1.7	39.7	54.1
Total Liabilities and Deferred Inflows of Resources	305.8	278.9	33.9	24.2	339.7	303.1
Net Position						
Net Investment in Capital Assets	42.4	38.3	29.0	29.7	71.4	68.0
Restricted	8.8	7.2	—	—	8.8	7.2
Unrestricted (Deficit)	(62.4)	(75.3)	21.2	15.8	(41.2)	(59.5)
Total Net Position	(11.2)	(29.8)	50.2	45.5	39.0	15.7

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

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 \$18.7 million and the business-type activities net position increased by \$4.7 million. The governmental activities total assets and deferred outflows increased by \$45.5 million and the governmental activities total liabilities and deferred inflows increased by \$26.8 million, of which \$34.9 million of increases are attributable to the increases in the noncurrent liabilities and \$15.4 million of decreases in the deferred inflows of resources, mainly due to changes in Police Pension and Fire Pension related items. Increases in the net pension liability for Police and Fire Pension Funds are the main reason for the increase in the noncurrent liabilities. The total assets increased by \$29.2 million in governmental activities. Of this amount, \$29.8 million is due to an increase in the current and other assets and \$0.6 million in attributable to a decrease in the capital assets. The increase in deferred outflows of \$16.2 million for the governmental activities was due to increases in the pension-related items for Police, Fire and IMRF pension funds.

The net position of the business-type activities increased by \$4.7 million. The increase in total net position is mainly attributable to the current surplus of revenues over expenditures. The business-type activities total assets and deferred outflows increased by \$14.5 million and the business-type activities total liabilities and deferred inflows increased by \$9.8 million. The current assets increased by \$11.2 million, mainly attributable to the use of unspent bond proceeds in 2021 for the appropriate projects. The business-type capital assets increased by \$3.5 million. The liabilities for business-type activities increased from \$22.5 million to \$31.3 million. The noncurrent liabilities increased by \$8.7 million, mainly due to repayment of certain long-term debt obligations per the established debt service schedules.

Changes in Net Position

The Village's combined change in net position for the primary government in 2022 was an increase of \$23.4 million versus an increase of \$30.8 million in 2021. Activities for the governmental activities saw an increase in net position of \$18.7 million from 2021, while activities for the business-type funds saw an increase in net position of \$4.7 million from 2021. 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
Change in Net Position
For the Year Ended on December 31, 2022 (in millions)

	Governmental		Business-Type		Totals	
	2022	2021	2022	2021	2022	2021
Revenues						
Program Revenues						
Charges for Services	\$ 13.1	12.3	19.0	17.9	32.2	30.2
Operating Grants/Contributions	3.5	3.1	—	—	3.5	3.1
Capital Grants/Contributions	—	2.8	—	—	—	2.8
General Revenues						
Property Taxes	20.4	20.5	—	—	20.4	20.5
Utility Taxes	3.2	3.1	—	—	3.2	3.1
Business District Taxes	0.3	0.3	—	—	0.3	0.3
Sales/Use Taxes	40.9	38.3	—	—	40.9	38.3
Income Taxes	9.3	7.2	—	—	9.3	7.2
Other Taxes	6.1	5.0	—	—	6.1	5.0
Investment Income (Loss)	0.6	(0.1)	0.4	—	0.9	(0.1)
Other	(0.2)	1.8	0.1	—	(0.1)	1.8
	<u>97.2</u>	<u>94.3</u>	<u>19.5</u>	<u>17.9</u>	<u>116.7</u>	<u>112.2</u>
Expenses						
General Government	7.3	5.9	—	—	7.3	5.9
Public Safety	44.9	34.7	—	—	44.9	34.7
Highways and Streets	14.1	14.0	—	—	14.1	14.0
Health	5.0	5.0	—	—	5.0	5.0
Welfare	1.7	2.0	—	—	1.7	2.0
Culture and Recreation	0.3	0.3	—	—	0.3	0.3
Interest on Long-Term Debt	5.2	3.7	—	—	5.2	3.7
Water and Sewer	—	—	14.6	15.6	14.6	15.6
Parking	—	—	0.2	0.2	0.2	0.2
	<u>78.5</u>	<u>65.6</u>	<u>14.8</u>	<u>15.8</u>	<u>93.3</u>	<u>81.4</u>
Change in Net Position	18.7	28.7	4.7	2.1	23.4	30.8
Net Position - Beginning as Restated	<u>(29.8)</u>	<u>(58.4)</u>	<u>45.5</u>	<u>43.4</u>	<u>15.7</u>	<u>(15.0)</u>
Net Position - Ending	<u>(11.1)</u>	<u>(29.7)</u>	<u>50.2</u>	<u>45.5</u>	<u>39.1</u>	<u>15.8</u>

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

(See independent auditor's report)

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 42.0% of the Village's total budget.

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 four separate bargaining units representing various segments of the employee population.

Inflation - There is a rising rate environment and the inflation is at thirty-year high mark. The Village's budget and financial plan is flexible to accommodate any short-term impacts on inflation. The Village is a major consumer of certain commodities, supplies, fuels and parts and the cost of these commodities and supplies has increased due to high inflation.

CURRENT YEAR IMPACTS

Governmental Activities

Revenue:

Total revenues for the Village's Governmental Activities for 2022 were \$97.2 million.

The year 2022 was a challenging year due to the pandemic, but the Village revenues, especially intergovernmental revenues were stronger than usual. The Village collected an all time high state sales tax and income tax. The sales and use tax revenue totaled \$40.9 million, an increase of \$2.6 million compared to 2021 revenues totaling \$38.3 million. The income tax collection totaled \$9.3 million, an increase of \$2.1 million compared to the 2021 collection of \$7.2 million. Other taxes totaled \$6.1 million for the year while the Village collected property taxes totaling \$20.4 million. Overall, the Village recognized revenues totaling \$97.2 million, an increase of \$2.9 million compared to 2021 revenues totaling \$94.3 million.

(See independent auditor's report)

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

Governmental Activities (cont.)

Expenses:

Total expenses for the Village's Governmental Activities for 2022 were \$78.5 million.

Public Safety, which includes Police and Fire, accounts for the largest portion of governmental expenses. Total Public Safety expenses in 2022 were \$44.9 million, an increase of \$10.2 million from 2021. The increase in the expenditures are mainly attributable to the personnel, pension costs and the depreciation expenditures for the new Police and Fire Headquarters. 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 \$14.1 million. The General Government expenditures totaled \$7.3 million, an increase of \$1.4 million from the prior year. This increase of \$1.4 million is mainly attributable to the decreased operating expenditures in prior year due to the cancellation of various Village sponsored events due to COVID-19, an overall reduction in the operating expenditure for the General Governmental operations. A few of the budgeted projects and line items were not completed due to the supply chain issues during the year 2022 and are expected to be completed in the year 2023.

Business-Type Activities

Revenues:

Total revenues for the Village's Business-Type Activities for 2022 were \$19.4 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 \$19.4 million generated in 2022, \$18.9 million is from water sales and sewer fees and charges, \$0.1 million is from parking operations. The investments are marked to market and due to rising rate environment, the investment income is reporting a loss, which is an accounting adjustments. Upon maturity, the recognized unrealized loss will be reversed and the investment income will be recognized. The Village has intention and capacity to hold its investment through their maturities.

Expenses:

Total expenses for the Village's Business-Type Activities for 2022 were \$14.8 million.

Of the total expenses for business-type activities, \$14.6 million is attributable to Water and Sewer while \$0.2 million is attributable to parking operations. \$7.5 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 \$13.4 million in 2022 from \$34.8 million to \$48.2 million. In 2022, the General Fund revenues came in under the approved 2022 budget. The Village earned \$75.8 in General Fund revenues against the approved budget of \$77.3. The final Village budget had anticipated an increase in the General Fund's fund balance of \$8.1 million; however, due to reduced operating expenditures and outperforming revenues, the increase in the fund balance was \$13.4 million. Out of the total fund balance of \$48.2 million, \$3.7 million is considered assigned fund balance for TIF redevelopment projects per the approved redevelopment agreement.

During the year 2022, the income tax revenue outperformed by \$3.0 million, and the use tax outperformed by \$0.3 million. The sales tax also outperformed by \$6.8 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 2022 was the intergovernmental revenues totaling \$43.8 million, while the property taxes totaled \$16.2 million.

(See independent auditor's report)

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

The licenses and permit fees outperformed by \$0.3 million and totaled \$2.6 million. Charges for services also outperformed by \$0.6 million, mainly due to additional ambulance billing fees revenue collected from the Ground Emergency Medical Transport program. The Village also collected \$3.5 million in the American Rescue Plan. The amount is classified as deferred revenue for the year 2022 and will be recognized as revenue over the period of two years from 2023 to 2024.

General Fund Budgeting Highlights

During 2022, the Village amended the general fund budget three times. Table 3 below reflects the original and revised budget and the actual revenues and expenditures for the General Fund.

Table 3
 General Fund Budgetary Changes
 For the Fiscal Year Ended December 31, 2022 (in millions)

	Original Budget	Final Budget	Actual
Revenues and Other Financing Sources			
Taxes	\$ 23.3	23.3	24.3
Intergovernmental	37.4	47.1	43.8
Other	5.2	6.9	7.7
Total Revenues and Other Financing Sources	65.9	77.3	75.8
Expenditures and Other Financing Uses			
Expenditures	61.4	60.7	57.7
Transfers Out	7.8	8.5	4.7
Total Expenditures and Other Financing Uses	69.2	69.2	62.4
Change in Fund Balance	(3.3)	8.1	13.4

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

Other Major Funds

There are two (2) other Major Funds for Fiscal Year ended December 31, 2022. These two Funds are 1) Prospect and Main TIF Fund and 2) Debt Service Fund.

Prospect and 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. Total revenues for 2022 were \$1.3 million, while the total revenues for 2021 were \$1.5 million. The total expenses for 2022 were \$1.5 million, of which \$0.4 million was used for capital outlay items and \$1.0 million was used for the debt service payments. The TIF district also received \$2.0 million from the disposal of capital assets.

(See independent auditor's report)

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

Other Major Funds - Continued

Debt Service - This Fund is used to accumulate monies for the payment of principal and interest on general obligation bonds and other borrowings. Total revenues for 2022 were \$5.6 million, an increase of \$0.3 million from the prior year. Of this total revenue amount, \$2.8 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 \$1.2 million was from other taxes. Total expenditures for 2022 were \$6.4 million, an increase of \$(0.3) from the prior year, mainly due to a refunding of the 2013 series general obligation bonds. Ending fund balance decreased by \$0.7 million to \$1.1 million.

Capital Assets

At the end of 2022, the Village had a combined total of \$170.5 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)

	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Land	\$ 15.3	15.6	17.3	17.3	32.6	32.9
Construction in Progress	2.5	9.6	3.6	2.0	6.1	11.6
Buildings	60.6	64.7	1.2	1.3	61.8	66.0
Improvements Other than Buildings	1.0	1.0	—	—	1.0	1.0
Vehicles	4.2	4.6	—	—	4.2	4.6
Machinery and Equipment	4.1	3.5	1.1	1.2	5.2	4.7
Infrastructure	31.0	20.3	28.6	26.5	59.6	46.8
	<u>118.7</u>	<u>119.3</u>	<u>51.8</u>	<u>48.3</u>	<u>170.5</u>	<u>167.6</u>

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

This amount represents a net increase (including additions and deletions) of \$2.9 million from 2021. The following reconciliation in Table 5 summarizes the changes in Capital Assets.

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(See independent auditor's report)

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

Table 5
Change in Capital Assets (in millions)

	Governmental Activities	Business-Type Activities	Totals
Beginning Balance	\$ 119.3	48.3	167.6
Additions			
Depreciable	6.8	0.9	7.7
Nondepreciable	0.6	3.5	4.1
Retirements			
Depreciable	(6.7)	(0.2)	(6.9)
Depreciation	(5.1)	(0.9)	(6.0)
Retirement	4.0	0.1	4.1
Ending Balance	<u>118.9</u>	<u>51.7</u>	<u>170.6</u>

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

Table 5 above shows the change in capital assets during 2022. This year's major additions to the capital assets include the following (in millions):

Governmental Activities

- Various construction projects in-progress - \$0.6
- Vehicles for Public Safety, Public Works and Village Fleet - \$0.2
- Purchases of various machinery & equipment - \$0.4
- Infrastructure Improvements - \$6.2

Business-Type Activities

- Various construction projects in-progress - \$3.5
- Infrastructure Improvements - \$0.9

More detailed information on capital asset activity can be found in Note 3 of the notes to the financial statements.

(See independent auditor's report)

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

Debt Outstanding

The Village of Mount Prospect had total long-term debt and loans payable of \$284.7 million as of December 31, 2022. Of this amount, \$254.9 is governmental activities and \$29.8 is business-type activities. Long-term debt is comprised of general obligation debt, compensated absences to employees, other post-employment benefits (OPEB), notes payable, claims and judgements, and net pension liabilities for Police and Fire. Pension liability for police and fire increased by \$41.3 million. The compensated absences had a net increase of \$0.1 million, while the total OPEB (Other Post Employment Benefit) liability decreased by \$4.1 million. Decreases in long term debt include the retirement of \$3.7 million (net of retirement of \$13.4 million) in general obligation debt.

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 3 of the notes to the financial statements.

Economic Factors and Next Year's Budget

The General Fund, the Village's main operating fund, holds a strong cash and fund balance position as of December 31, 2022. Total Village revenues for 2022 continued to see positive increases from the prior year. Despite COVID-19 and other factors, the Village did not experience a shortfall in the total General Fund revenues, instead, some of the revenue sources, including the state sales tax, home rule sales tax and income tax revenues, recorded an all-time high revenue amount. The Village has pledged \$7.3 million from the unassigned fund balance for various items specified under Fund Balance Classification (Note 3). The assignment of fund balance is done for debt services, pension stabilization, TIF redevelopment and for capital projects. The unassigned fund balance as of December 31, 2022, is \$40.6 million. The Village Board had set as its benchmark a level of reserves equal to 25% of subsequent year expenditures. This benchmark is revised in early 2023 and the new fund balance requirements are set between 30 to 50 percent. The amount of fund balance as of December 31, 2022, represents 52.9 percent of the 2023 General Fund Budget.

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 2008/2009. Continuing challenges in 2022 and years to come include reductions in revenue due to state budgetary issues, inflation, supply-chain issues, rising personnel related costs (wages, insurance, etc.) and the funding of the public safety pensions. Approximately 42% of the operating budget is made up of these personnel and related costs. The Village's population is on rise. Per the release 2020 Census data, the Village gained 2,685 more residents and now the population totals at 56,852. The added population is expected to bring additional per capita taxes (use tax, income tax and motor fuel tax) from the State of Illinois. Additionally, the Village also initiated an Economic Emergency Fund in early 2023, and have deposited \$6.5 million in the fund, which will serve the Village well in coming years in dealing with various economic uncertainties and emergencies. The initial funding for the Economic Emergency Fund is executed using the \$13.4 million surplus from General Fund for the year 2022.

Due to negative market returns, both of the Village's public safety pension funds have experienced higher amounts of unrealized losses in their investment values. Downward pressure in the market as well as decrease in the interest rate assumption have caused an increase in the annual pension costs to be funded. The Village is committed to funding its pension fund to 100% by 2040 and have started a pension stabilization fund in 2022, which will allow the Village to deploy alternative revenue sources towards the future pension costs.

The Village also approved a new Tax Increment Financing District in the southern part of the Village. The revenue generated by the TIF district will allow the Village to conduct various infrastructure improvement projects in the area. The TIF district includes under construction data centers by Cloud HQ, which represents a \$2.5 billion investments from the private sector. The TIF is expected to generate increment starting year 2024/2025.

(See independent auditor's report)

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

The Village's average unemployment for 2022 was 3.1 percent. This is below the state and national unemployment rates of 4.6 percent and 3.5 percent, respectively. The Village is mainly divided between Elk Grove Township and Wheeling Township, and a small portion of the Village is within Maine Township. 2022 is the year of triennial assessments and the data is expected to be released in mid to late 2023. The Village is expected to increase its equalized assessed value base due to new constructions in the downtown area.

The 2023 (amended) budget represents a marginal decrease of 0.2% from the amended 2022 Budget and totals \$160.2 million. The General Fund increased \$8.7 million, or 12.5% from the prior year due to projects funded from the American Rescue Plan, as well as cost of living adjustments and increased public safety pension costs. Of the total budget of \$160.5 million, the operating budget totals \$97.2 million and Community Investment Program (capital improvement plan) totals \$40.4 million.

During May 2022, the Village received \$3.5 million as the second installment of the American Rescue Plan. The amount is classified as deferred revenue for the year 2022. The amount is expected to fund various important and (eligible) projects and programs for the Village. The Village will be conducting a critical water interconnect project using the American Rescue Plan grant. The Village's financial health and cash position is strong. The Village does not anticipate any short-term concerns and 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, Director of Finance/Treasurer, Village of Mount Prospect, 50 South Emerson Street, Mount Prospect, Illinois 60056.

(See independent auditor's report)

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

Proprietary Funds

Fiduciary Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Statement of Net Position

December 31, 2022

See Following Page

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Statement of Net Position
December 31, 2022**

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 82,139,493	26,269,674	108,409,167
Receivables - Net of Allowances	33,795,714	2,106,598	35,902,312
Due from Other Governments	1,735,253	397	1,735,650
Deposits - Insurance	3,281,866	—	3,281,866
Prepays/Inventories	1,051,185	301,231	1,352,416
Total Current Assets	122,003,511	28,677,900	150,681,411
Noncurrent Assets			
Capital Assets			
Nondepreciable	17,833,741	20,927,531	38,761,272
Depreciable	205,813,727	54,838,676	260,652,403
Accumulated Depreciation	(104,897,677)	(23,985,544)	(128,883,221)
Total Capital Assets	118,749,791	51,780,663	170,530,454
Other Assets			
Deposits - Insurance	1,419,870	—	1,419,870
Equity Interest in Joint Venture	—	464,034	464,034
Net Pension Asset - IMRF	9,721,745	1,870,244	11,591,989
Total Other Assets	11,141,615	2,334,278	13,475,893
Total Noncurrent Assets	129,891,406	54,114,941	184,006,347
Total Assets	251,894,917	82,792,841	334,687,758
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Items - IMRF	2,071,441	398,498	2,469,939
Deferred Items - Police Pension	20,669,846	—	20,669,846
Deferred Items - Firefighters' Pension	17,055,417	—	17,055,417
Deferred Items - RBP	2,632,632	249,124	2,881,756
Unamortized Asset Retirement Obligation	—	720,000	720,000
Loss on Refunding	312,096	—	312,096
Total Deferred Outflows of Resources	42,741,432	1,367,622	44,109,054
Total Assets and Deferred Outflows of Resources	294,636,349	84,160,463	378,796,812

The notes to the financial statements are an integral part of this statement.

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 2,746,860	1,031,250	3,778,110
Accrued Payroll	1,529,994	122,163	1,652,157
Retainage Payable	4,501	191,539	196,040
Due to Other Governments	382,066	—	382,066
Accrued Interest Payable	230,832	77,311	308,143
Other Payables	8,937,675	7,483	8,945,158
Current Portion of Long-Term Liabilities			
Compensated Absences Payable	979,429	59,625	1,039,054
Claims Payable	176,253	—	176,253
General Obligation Bonds Payable - Net	3,241,335	840,000	4,081,335
Business District Limited Tax Note Payable	1,126,604	—	1,126,604
Total Current Liabilities	19,355,549	2,329,371	21,684,920
Noncurrent Liabilities			
Compensated Absences Payable	3,191,764	238,501	3,430,265
Claims Payable	365,455	—	365,455
Net Pension Liability - Police Pension	68,040,859	—	68,040,859
Net Pension Liability - Firefighters' Pension	58,499,973	—	58,499,973
Total OPEB Liability - RBP	9,420,116	891,417	10,311,533
Asset Retirement Obligation	—	750,000	750,000
General Obligation Bonds Payable - Net	73,403,031	27,041,659	100,444,690
Business District Limited Tax Note Payable	36,473,984	—	36,473,984
Total Noncurrent Liabilities	249,395,182	28,921,577	278,316,759
Total Liabilities	268,750,731	31,250,948	300,001,679
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	16,372,661	—	16,372,661
Deferred Items - Leases	147,988	—	147,988
Deferred Items - IMRF	10,614,526	2,041,995	12,656,521
Deferred Items - Police Pension	1,805,447	—	1,805,447
Deferred Items - Firefighters' Pension	1,101,137	—	1,101,137
Deferred Items - RBP	6,968,946	659,465	7,628,411
Total Deferred Inflows of Resources	37,010,705	2,701,460	39,712,165
Total Liabilities and Deferred Inflows of Resources	305,761,436	33,952,408	339,713,844
NET POSITION			
Net Investment in Capital Assets	42,417,521	28,959,971	71,377,492
Restricted			
Public Safety - Police	701,853	—	701,853
Public Safety - Fire	543,266	—	543,266
Highways and Streets	5,982,863	—	5,982,863
Pension Stabilization	750,000	—	750,000
Debt Service	864,746	—	864,746
Unrestricted (Deficit)	(62,385,336)	21,248,084	(41,137,252)
Total Net Position	(11,125,087)	50,208,055	39,082,968

The notes to the financial statements are an integral part of this statement.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Statement of Activities

For the Fiscal Year Ended December 31, 2022

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Governmental Activities				
General Government	\$ 7,310,783	7,758,489	—	—
Public Safety	44,926,770	3,938,414	781,884	—
Highways and Streets	14,135,705	1,435,828	2,218,973	—
Health	4,941,948	—	—	—
Welfare	1,716,275	—	418,646	—
Culture and Recreation	272,844	—	—	—
Interest on Long-Term Debt	5,176,985	—	31,000	—
Total Governmental Activities	78,481,310	13,132,731	3,450,503	—
Business-Type Activities				
Water and Sewer	14,576,309	18,904,331	—	—
Parking	180,252	115,000	—	—
Total Business-Type Activities	14,756,561	19,019,331	—	—
Total Primary Government	93,237,871	32,152,062	3,450,503	—

The notes to the financial statements are an integral part of this statement.

	Net (Expenses)/Revenues		
	Governmental Activities	Business-Type Activities	Totals
	447,706	—	447,706
	(40,206,472)	—	(40,206,472)
	(10,480,904)	—	(10,480,904)
	(4,941,948)	—	(4,941,948)
	(1,297,629)	—	(1,297,629)
	(272,844)	—	(272,844)
	(5,145,985)	—	(5,145,985)
	(61,898,076)	—	(61,898,076)
	—	4,328,022	4,328,022
	—	(65,252)	(65,252)
	—	4,262,770	4,262,770
	(61,898,076)	4,262,770	(57,635,306)
General Revenues			
Taxes			
Property	20,423,578	—	20,423,578
Utility	3,215,723	—	3,215,723
Business District	307,733	—	307,733
Home Rule Sales	7,349,436	—	7,349,436
Food and Beverage	1,596,735	—	1,596,735
Real Estate Transfer	1,555,691	—	1,555,691
Municipal Motor Fuel	739,334	—	739,334
Hotel/Motel	339,183	—	339,183
Other Taxes	440,448	—	440,448
Intergovernmental - Unrestricted			
Income Taxes	9,263,878	—	9,263,878
State Sales and Local Use Tax	33,516,982	—	33,516,982
Replacement Taxes	1,461,578	—	1,461,578
Charitable Games	2,955	—	2,955
Investment Income	575,013	359,014	934,027
Miscellaneous	(159,582)	53,427	(106,155)
Transfers - Internal Activity	(75,000)	75,000	—
Total General Revenues	80,553,685	487,441	81,041,126
Change in Net Position	18,655,609	4,750,211	23,405,820
Net Position - Beginning as Restated	(29,780,696)	45,457,844	15,677,148
Net Position - Ending	(11,125,087)	50,208,055	39,082,968

The notes to the financial statements are an integral part of this statement.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Balance Sheet - Governmental Funds

December 31, 2022

	<u>General</u>
ASSETS	
Cash and Investments	\$ 46,145,782
Receivables - Net of Allowances	
Property Taxes	17,863,091
Other Taxes	9,727,019
Leases	176,591
Other	296,513
Due from Other Governments	296,195
Due from Other Funds	10,000
Inventories	1,137
Prepays	<u>406,518</u>
 Total Assets	 <u><u>74,922,846</u></u>
LIABILITIES	
Accounts Payable	552,803
Accrued Payroll	1,473,874
Retainage Payable	4,501
Due to Other Governments	378,246
Due to Other Funds	1,543,107
Other Payables	<u>8,412,596</u>
Total Liabilities	<u><u>12,365,127</u></u>
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	14,164,411
Deferred Items - Leases	<u>147,988</u>
Total Deferred Inflows of Resources	<u>14,312,399</u>
Total Liabilities and Deferred Inflows of Resources	<u><u>26,677,526</u></u>
FUND BALANCES	
Nonspendable	407,655
Restricted	—
Committed	—
Assigned	7,250,000
Unassigned	<u>40,587,665</u>
Total Fund Balances	<u><u>48,245,320</u></u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 <u><u>74,922,846</u></u>

The notes to the financial statements are an integral part of this statement.

Prospect and Main TIF District	Debt Service	Nonmajor	Totals
1,927,204	448,161	19,708,413	68,229,560
252,753	2,833,753	—	20,949,597
—	—	1,981,325	11,708,344
—	—	—	176,591
—	—	651,152	947,665
—	21,914	1,407,779	1,725,888
—	—	—	10,000
—	—	—	1,137
—	—	100,675	507,193
2,179,957	3,303,828	23,849,344	104,255,975
2,400	—	531,804	1,087,007
—	—	13,001	1,486,875
—	—	—	4,501
—	—	3,820	382,066
—	—	10,000	1,553,107
—	—	1,630,681	10,043,277
2,400	—	2,189,306	14,556,833
—	2,208,250	—	16,372,661
—	—	—	147,988
—	2,208,250	—	16,520,649
2,400	2,208,250	2,189,306	31,077,482
—	—	100,675	508,330
2,177,557	1,095,578	5,800,425	9,073,560
—	—	1,289,792	1,289,792
—	—	14,469,146	21,719,146
—	—	—	40,587,665
2,177,557	1,095,578	21,660,038	73,178,493
2,179,957	3,303,828	23,849,344	104,255,975

The notes to the financial statements are an integral part of this statement.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Reconciliation of the Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities

December 31, 2022

Total Governmental Fund Balances	\$ 73,178,493
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 funds.	118,749,791
Less: Internal Service Capital Assets	(7,345,950)
A net pension asset is not considered to represent a financial resource and therefore is not reported in the funds.	
Net Pension Asset - IMRF	9,721,745
Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Deferred Items - IMRF	(8,543,085)
Deferred Items - Police Pension	18,864,399
Deferred Items - Firefighters' Pension	15,954,280
Deferred Items - RBP	(4,164,218)
Internal Service Funds are used by the Village to charge the costs of vehicle and equipment management and employee compensated absences to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position.	25,202,939
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(4,119,306)
Net Pension Liability - Police Pension	(68,040,859)
Net Pension Liability - Firefighters' Pension	(58,499,973)
Total OPEB Liability - RBP	(9,046,257)
General Obligation Bonds Payable - Net	(76,644,366)
Unamortized Loss on Refunding	312,096
Business District Limited Tax Note Payable	(37,600,588)
Plus: Amounts Recorded in the Governmental Funds Balance Sheet	1,126,604
Accrued Interest Payable	(230,832)
Net Position of Governmental Activities	<u>(11,125,087)</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended December 31, 2022**

See Following Page

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended December 31, 2022**

	<u>General</u>
Revenues	
Taxes	\$ 24,280,375
Intergovernmental	43,843,735
Licenses and Permits	2,568,330
Charges for Services	3,938,175
Fines and Forfeitures	313,457
Investment Income	606,334
Miscellaneous	291,728
Total Revenues	<u>75,842,134</u>
Expenditures	
General Government	7,121,399
Public Safety	39,820,193
Highways and Streets	8,807,969
Health	128,135
Welfare	1,562,184
Culture and Recreation	303,830
Capital Outlay	—
Debt Service	
Principal Retirement	—
Interest and Fiscal Charges	—
Total Expenditures	<u>57,743,710</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>18,098,424</u>
Other Financing Sources (Uses)	
Disposal of Capital Assets	508
Debt Issuance	—
Payment to Escrow Agent	—
Transfers In	—
Transfers Out	(4,688,401)
	<u>(4,687,893)</u>
Net Change in Fund Balances	13,410,531
Fund Balances - Beginning as Restated	<u>34,834,789</u>
Fund Balances - Ending	<u><u>48,245,320</u></u>

The notes to the financial statements are an integral part of this statement.

Prospect and Main TIF District	Debt Service	Nonmajor	Totals
1,307,969	3,986,589	6,392,928	35,967,861
—	1,581,000	3,821,161	49,245,896
—	—	1,320,592	3,888,922
—	—	4,992,177	8,930,352
—	—	—	313,457
1,701	27,805	205,177	841,017
—	—	2,463,468	2,755,196
1,309,670	5,595,394	19,195,503	101,942,701
69,119	—	—	7,190,518
—	—	88,663	39,908,856
—	—	4,151,138	12,959,107
—	—	4,909,730	5,037,865
—	—	468,022	2,030,206
—	—	—	303,830
404,696	—	5,177,249	5,581,945
360,000	4,145,000	1,549,521	6,054,521
684,388	2,281,374	168,604	3,134,366
1,518,203	6,426,374	16,512,927	82,201,214
(208,533)	(830,980)	2,682,576	19,741,487
1,990,309	—	—	1,990,817
—	8,230,000	—	8,230,000
—	(8,249,328)	—	(8,249,328)
—	163,401	4,450,000	4,613,401
—	—	—	(4,688,401)
1,990,309	144,073	4,450,000	1,896,489
1,781,776	(686,907)	7,132,576	21,637,976
395,781	1,782,485	14,527,462	51,540,517
2,177,557	1,095,578	21,660,038	73,178,493

The notes to the financial statements are an integral part of this statement.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the
Governmental Funds to the Statement of Activities - Governmental Activities
For the Fiscal Year Ended December 31, 2022**

Net Change in Fund Balances - Total Governmental Funds	\$ 21,637,976
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital Outlays	7,431,107
Depreciation Expense	(5,086,933)
Disposals - Cost	(6,984,498)
Disposals - Accumulated Depreciation	4,048,094
Less: Internal Service Funds	539,284
Changes in certain revenues recognized as revenue only in the governmental activities.	(1,550,000)
An addition to a net pension asset is not considered to be an increase in a financial asset in the governmental funds.	
Change in Net Pension Asset - IMRF	7,043,430
The net effect of deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Change in Deferred Items - IMRF	(3,922,405)
Change in Deferred Items - Police Pension	18,517,274
Change in Deferred Items - Firefighters' Pension	14,896,408
Change in Deferred Items - RBP	(3,722,649)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.	
Change in Compensated Absences Payable	(60,908)
Change in Net Pension Liability - Police Pension	(22,804,494)
Change in Net Pension Liability - Firefighters' Pension	(18,489,561)
Change in Total OPEB Liability - RBP	3,681,919
Debt Issuance	(8,230,000)
Loss on Refunding on Debt Issuance	159,328
Retirement of Debt	12,595,000
Amortization of Bond Premium	273,802
Amortization of Loss of Refunding	(83,311)
Accreted Interest on Business District Limited Tax Note Payable	(701,463)
Change in Accrued Interest Payable	17,874
Internal service funds are used by the Village to charge the costs of vehicle and equipment management and employee compensated absences to individual funds.	
The net revenue of certain activities of internal service funds is reported with governmental activities.	(549,665)
Changes in Net Position of Governmental Activities	<u>18,655,609</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Statement of Net Position - Proprietary Funds

December 31, 2022

See Following Page

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Statement of Net Position - Proprietary Funds

December 31, 2022

	Business-Type Activities - Enterprise			Governmental
	Water and Sewer	Nonmajor	Totals	Internal Service
ASSETS				
Current Assets				
Cash and Investments	\$ 25,934,241	335,433	26,269,674	13,909,933
Receivables - Net of Allowances				
Accounts - Billed	883,648	—	883,648	—
Accounts - Unbilled	1,216,145	—	1,216,145	—
Accrued Interest	—	—	—	11,846
Other	6,676	129	6,805	1,671
Due from Other Governments	397	—	397	9,365
Deposits - Insurance	—	—	—	3,281,866
Inventories	172,232	—	172,232	383,014
Prepays	128,999	—	128,999	159,841
Total Current Assets	<u>28,342,338</u>	<u>335,562</u>	<u>28,677,900</u>	<u>17,757,536</u>
Noncurrent Assets				
Capital Assets				
Nondepreciable	20,927,531	—	20,927,531	833,205
Depreciable	54,473,876	364,800	54,838,676	16,942,302
Accumulated Depreciation	(23,620,744)	(364,800)	(23,985,544)	(10,429,557)
Total Capital Assets	<u>51,780,663</u>	<u>—</u>	<u>51,780,663</u>	<u>7,345,950</u>
Other Assets				
Deposits - Insurance	—	—	—	1,419,870
Equity Interest in Joint Venture	464,034	—	464,034	—
Net Pension Asset - IMRF	1,870,244	—	1,870,244	—
Total Other Assets	<u>2,334,278</u>	<u>—</u>	<u>2,334,278</u>	<u>1,419,870</u>
Total Noncurrent Assets	<u>54,114,941</u>	<u>—</u>	<u>54,114,941</u>	<u>8,765,820</u>
Total Assets	<u>82,457,279</u>	<u>335,562</u>	<u>82,792,841</u>	<u>26,523,356</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Items - IMRF	398,498	—	398,498	—
Deferred Items - RBP	249,124	—	249,124	104,482
Unamortized Asset Retirement Obligation	720,000	—	720,000	—
Total Deferred Outflows of Resources	<u>1,367,622</u>	<u>—</u>	<u>1,367,622</u>	<u>104,482</u>
Total Assets and Deferred Outflows of Resources	<u>83,824,901</u>	<u>335,562</u>	<u>84,160,463</u>	<u>26,627,838</u>

The notes to the financial statements are an integral part of this statement.

	Business-Type Activities - Enterprise			Governmental
	Water and Sewer	Nonmajor	Totals	Internal Service
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 1,019,664	11,586	1,031,250	116,746
Accrued Payroll	122,163	—	122,163	43,119
Retainage Payable	191,539	—	191,539	—
Claims Payable	—	—	—	176,253
Accrued Interest Payable	77,311	—	77,311	—
Other Payables	6,473	1,010	7,483	21,002
Compensated Absences Payable	59,625	—	59,625	10,377
General Obligation Bonds Payable	840,000	—	840,000	—
Total Current Liabilities	2,316,775	12,596	2,329,371	367,497
Noncurrent Liabilities				
Compensated Absences Payable	238,501	—	238,501	41,510
Claims Payable	—	—	—	365,455
Total OPEB Liability - RBP	891,417	—	891,417	373,859
Asset Retirement Obligation	750,000	—	750,000	—
General Obligation Bonds Payable	27,041,659	—	27,041,659	—
Total Noncurrent Liabilities	28,921,577	—	28,921,577	780,824
Total Liabilities	31,238,352	12,596	31,250,948	1,148,321
DEFERRED INFLOWS OF RESOURCES				
Deferred Items - IMRF	2,041,995	—	2,041,995	—
Deferred Items - RBP	659,465	—	659,465	276,578
Total Deferred Inflows of Resources	2,701,460	—	2,701,460	276,578
Total Liabilities and Deferred Inflows of Resources	33,939,812	12,596	33,952,408	1,424,899
NET POSITION				
Net Investment in Capital Assets	28,959,971	—	28,959,971	7,345,950
Unrestricted	20,925,118	322,966	21,248,084	17,856,989
Total Net Position	49,885,089	322,966	50,208,055	25,202,939

The notes to the financial statements are an integral part of this statement.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds
For the Fiscal Year Ended December 31, 2022**

	Business-Type Activities - Enterprise			Governmental
	Water and Sewer	Nonmajor	Totals	Internal Service
Operating Revenues				
Charges for Services	\$ 18,904,331	115,000	19,019,331	11,725,323
Contributions	—	—	—	1,791,584
Miscellaneous	—	—	—	(86,944)
Total Operating Revenues	18,904,331	115,000	19,019,331	13,429,963
Operating Expenses				
Administration	12,636,872	180,252	12,817,124	3,074,835
Insurance and Claims	—	—	—	9,464,809
Depreciation and Amortization	840,404	—	840,404	1,226,486
Total Operating Expenses	13,477,276	180,252	13,657,528	13,766,130
Operating Income (Loss)	5,427,055	(65,252)	5,361,803	(336,167)
Nonoperating Revenues (Expenses)				
Disposal of Capital Assets	(8,933)	—	(8,933)	52,506
Interest Income	356,342	2,672	359,014	(266,004)
Other Income	62,360	—	62,360	—
Property Taxes	(10,899)	—	(10,899)	—
Interest Expense	(1,088,134)	—	(1,088,134)	—
	(689,264)	2,672	(686,592)	(213,498)
Income (Loss) Before Transfers	4,737,791	(62,580)	4,675,211	(549,665)
Transfers In	—	75,000	75,000	—
Change in Net Position	4,737,791	12,420	4,750,211	(549,665)
Net Position - Beginning	45,147,298	310,546	45,457,844	25,752,604
Net Position - Ending	49,885,089	322,966	50,208,055	25,202,939

The notes to the financial statements are an integral part of this statement.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Statement of Cash Flows - Proprietary Funds
For the Fiscal Year Ended December 31, 2022**

	Business-Type Activities - Enterprise			Governmental
	Water and Sewer	Nonmajor	Totals	Internal Service
Cash Flows from Operating Activities				
Receipts from Customers and Users	\$ 17,460,808	114,920	17,575,728	2,755,219
Interfund Services Provided	—	—	—	10,732,468
Payments to Suppliers	(9,668,959)	(167,117)	(9,836,076)	(11,705,341)
Payments to Employees	(2,363,027)	(17,154)	(2,380,181)	(980,642)
	<u>5,428,822</u>	<u>(69,351)</u>	<u>5,359,471</u>	<u>801,704</u>
Cash Flows from Noncapital Financing Activities				
Property Taxes	(10,899)	—	(10,899)	—
Transfers In	—	75,000	75,000	—
	<u>(10,899)</u>	<u>75,000</u>	<u>64,101</u>	<u>—</u>
Cash Flows from Capital and Related Financing Activities				
Disposal of Capital Assets	—	—	—	74,132
Purchase of Capital Assets	(4,398,395)	—	(4,398,395)	(708,828)
Debt Issuance - Net	10,159,542	—	10,159,542	—
Principal Paid on Debt	(825,000)	—	(825,000)	—
Interest Paid on Debt	(1,088,134)	—	(1,088,134)	—
	<u>3,848,013</u>	<u>—</u>	<u>3,848,013</u>	<u>(634,696)</u>
Cash Flows from Investing Activities				
Interest Received	356,342	2,672	359,014	(266,004)
Net Change in Cash and Cash Equivalents	9,622,278	8,321	9,630,599	(98,996)
Cash and Cash Equivalents - Beginning	16,311,963	327,112	16,639,075	14,008,929
Cash and Cash Equivalents - Ending	<u>25,934,241</u>	<u>335,433</u>	<u>26,269,674</u>	<u>13,909,933</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	5,427,055	(65,252)	5,361,803	(336,167)
Adjustments to Reconcile Operating Income Income to Net Cash Provided by (Used in) Operating Activities:				
Depreciation and Amortization	840,404	—	840,404	1,226,486
Other Income (Expense)	62,360	—	62,360	—
(Increase) Decrease in Current Assets	(1,443,523)	(80)	(1,443,603)	57,724
Increase (Decrease) in Current Liabilities	542,526	(4,019)	538,507	(146,339)
Net Cash Provided by Operating Activities	<u>5,428,822</u>	<u>(69,351)</u>	<u>5,359,471</u>	<u>801,704</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Statement of Fiduciary Net Position

December 31, 2022

	<u>Pension Trust</u>
ASSETS	
Cash and Cash Equivalents	\$ 3,751,702
Investments	
Illinois Police Officer's Pension Investment Fund	77,792,601
Illinois Firefighters' Pension Investment Fund	67,998,655
Due from Other Funds	1,543,107
Prepays	<u>18,863</u>
Total Assets	151,104,928
LIABILITIES	
Accounts Payable	<u>31,558</u>
NET POSITION	
Net Position Restricted for Pensions	<u><u>151,073,370</u></u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Statement of Changes in Fiduciary Net Position For the Fiscal Year Ended December 31, 2022

	<u>Pension Trust</u>
Additions	
Contributions - Employer	\$ 7,499,463
Contributions - Plan Members	<u>1,832,622</u>
Total Contributions	<u>9,332,085</u>
Investment Income (Loss)	
Interest Earned	350,992
Net Change in Fair Value	<u>(26,039,760)</u>
	(25,688,768)
Less Investment Expenses	<u>(119,249)</u>
Net Investment (Loss)	<u>(25,808,017)</u>
Total Additions	<u>(16,475,932)</u>
Deductions	
Administration	137,542
Benefits and Refunds	<u>13,804,716</u>
Total Deductions	<u>13,942,258</u>
Change in Fiduciary Net Position	(30,418,190)
Net Position Restricted for Pensions	
Beginning	<u>181,491,560</u>
Ending	<u><u>151,073,370</u></u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Mount Prospect (Village), Illinois, was incorporated in 1917. The Village operates under the Council/Manager form of government. The appointed manager administers daily operations with the community while the elected Village Mayor and six-member Board of Trustees determine Village policy. The Village's major operations include public works, finance, police, fire, community development, human services and communications.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Village's accounting policies established in GAAP and used by the Village are described below.

REPORTING ENTITY

The Village's financial reporting entity comprises the following:

Primary Government:	Village of Mount Prospect
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In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus - an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the Village. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

Police Pension Employees Retirement System

The Village's sworn police employees participate in the Police Pension Employees Retirement System (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 Mayor, 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 contribution levels. Although it is legally separate from the Village, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's police employees. The PPERS is reported as a fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the PPERS.

Firefighters' Pension Employees Retirement System

The Village's sworn firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of these employees and is governed by a five-member pension board, with two members appointed by the Village's Mayor, two elected from active participants of the Fund, and one elected pension beneficiary of the Fund. 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. Although it is legally separate from the Village, the FPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's sworn firefighters. The FPERS is reported as a fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the FPERS.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION

Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Village's police and fire safety, highways and street maintenance and reconstruction, building code enforcement, public improvements, economic development, planning and zoning, and general administrative services are classified as governmental activities. The Village's waterworks and sewerage, and commuter parking activities are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations.

The Village's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Village utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (administration and finance, public safety, public works, development services, etc.). The functions are supported by administration and finance revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which 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.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, intergovernmental revenues, fines, permits and charges, etc.).

This government-wide focus is more on the sustainability of the Village as an entity and the change in the Village's net position resulting from the current year's activities.

Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements - Continued

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Village electively added funds, as major funds, which either had debt outstanding or specific community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is a primary operating fund of the Village or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the Village:

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Village:

General Fund is the general operating fund of the Village. It accounts for all revenues and expenditures of the Village which are not accounted for in other funds. The General Fund is a major fund.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains one major special revenue fund, the Prospect and Main TIF Fund, which is used to account for the resources to acquire property and construct certain improvements in the Prospect and Main Tax Incremental Financing District. Financing is being provided by incremental property taxes, general obligation bond proceeds, and investment income. The Village also maintains nine nonmajor special revenue funds.

Debt Service Funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Village maintains one major debt service fund, the Debt Service Fund. The Debt Service Fund is used to account for the payment of interest and principal on the Village's general long-term debt obligations for the governmental activities.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements - Continued

Governmental Funds - Continued

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Village maintains three nonmajor capital projects funds.

Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector.

Enterprise Funds account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains one major enterprise fund, the Water and Sewer, which is used to account for the activities of the water and sewer operations. The Village operates sewerage lift and relief stations and waste water collection systems and the water distribution system. The Village maintains two nonmajor enterprise funds.

Internal Service Funds are used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the Village on a cost-reimbursement basis. The Village maintains four internal services funds. The Computer Replacement Fund is used to account for the acquisition of Village computer hardware. Financing is being provided by charges to various Village funds. The Risk Management Fund is used 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 in the various Village funds. The Vehicle Replacement Fund is used to account 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 Funds. The Vehicle Maintenance Fund is used to account for the maintenance and repair of all Village vehicles. Financing is being provided by charges to various Village funds.

The Village's internal service funds are presented in the proprietary funds financial statements. Because the principal users of the internal services are the Village's governmental activities, the financial statements of the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity (general government, public safety, highways and streets, etc.).

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements - Continued

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or custodial capacity for others and therefore are not available to support Village programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

Pension Trust Funds are used to account for assets held in a trustee capacity for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the Village's police force. The Firefighters' Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the Village's Fire Department.

The Village's pension trust funds are presented in the fiduciary fund financial statements. Since by definition these assets are being held for the benefit of a third party (pension participants) and cannot be used to address activities or obligations of the Village, these funds are not incorporated into the government-wide statements.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

All proprietary and pension trust funds utilize an "economic resources" measurement focus. The accounting objectives of the "economic resources" measurement focus is the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows, liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year end. The Village recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales and use taxes, income taxes, use taxes, telecommunications taxes, local and state motor fuel taxes, food and beverages taxes, replacement taxes, franchise taxes, utility taxes, hotel/motel taxes, fines, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

All proprietary funds and pension trust funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the Village’s enterprise funds and of the Village’s internal service funds are charges to customers for sales and services. The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

Cash and cash equivalents on the Statement of Net Position are considered to be cash on hand, demand deposits, cash with fiscal agent. For the purpose of the proprietary funds "Statement of Cash Flows," cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. 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; Level 3 inputs are significant unobservable inputs.

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes, sales and use taxes, income taxes, utility taxes, and grants. Business-type activities report charges for services as their major receivables.

Prepays/Inventories

Prepays/inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The cost of governmental fund-type prepaids/inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements.

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents a consumption/acquisition of net assets that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

Capital Assets

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, 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. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. Infrastructure such as streets and storm sewers are capitalized. In the case of the initial capitalization of general infrastructure assets (i.e., those reported by the governmental activities) the government chose to include all such items regardless of their acquisition date. The valuation basis for general capital assets is historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

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 capitalized at acquisition value on the date donated.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Buildings and Improvements	20 - 50 Years
Vehicles	2 - 20 Years
Machinery and Equipment	2 - 20 Years
Infrastructure	15 - 50 Years

Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types 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 type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. 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 fund types recognize bond premiums and discounts, as well as bond issuance costs, 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 debt service expenditures.

Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net Investment in Capital Assets - Consists of capital assets, including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted - All other net position balances that do not meet the definition of "restricted" or "net investment in capital assets."

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

All departments of the Village submit requests for appropriations 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 generally accepted accounting principles. 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.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - Continued

BUDGETARY INFORMATION - Continued

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. The final budget figures included in this report reflect all budget amendments made during the year.

EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUND

The following fund had an excess of actual expenditures over budget as of the date of this report:

Fund	Excess
Asset Seizure	\$ 5,569

NOTE 3 - DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The Village maintains a cash and investment pool that is available for use by all funds except the pension trust funds. Each fund type'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.

Permitted Deposits and Investments - Illinois Statutes authorizes the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds and the Illinois Public Reserves Investment Management Trust.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

The deposits and investments of the Pension Funds are held separately from those of other Village funds. Illinois Statutes authorizes the Pension Fund to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; credit unions, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois bonds; pooled accounts managed by the Illinois Funds Market Fund (Formerly known as IPTIP, Illinois Public Treasurer's Investment Pool), or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the Federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies; and separate accounts of life insurance companies and mutual funds, the mutual funds must meet specific restrictions, provided the investment in separate accounts and mutual funds does not exceed ten percent of the Pension Fund's plan net position; and corporate bonds managed through an investment advisor, rated as investment grade by one of the two largest rating services at the time of purchase. Pension Funds with plan net position of \$2.5 million or more may invest up to forty-five percent of plan net position in separate accounts of life insurance companies and mutual funds. Pension Funds with plan net position of at least \$5 million that have appointed an investment advisor, may through that investment advisor invest up to forty-five percent of the plan net position in common and preferred stocks that meet specific restrictions. In addition, Pension Funds with plan net position of at least \$10 million that have appointed an investment advisor, may invest up to fifty percent of its net position in common and preferred stocks and mutual funds that meet specific restrictions effective July 1, 2011 and up to fifty-five percent effective July 1, 2012.

The Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

The Illinois Public Reserves Investment Management Trust (IPRIME) is an investment opportunity and cash management service for Illinois Municipal Treasurers acting on behalf of counties, townships, cities, towns, villages, special road districts, public water supply districts, fire protection districts, drainage districts, levee districts, sewer districts, housing authorities, and all other political corporations or subdivisions of the State of Illinois. Participation in IPRIME is voluntary. IPRIME is not registered with the SEC as an Investment Company. Investments in IPRIME are valued at the share price, the price for which the investment could be sold.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Village

Deposits. At year-end, the carrying amount of the Village's deposits for governmental and business-type totaled \$27,654,107 and the bank balances totaled \$28,773,504. In addition, the Village has \$40,247,006 invested in IPRIME, and \$40,508,054 invested in the Illinois Funds at year-end, which have an average maturity of less than one year.

Interest Rate Risk. 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.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. 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 Illinois Funds and the IPRIME were rated AAAM by Standard & Poor's.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a 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. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the 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, and money market mutual funds are not subject to custodial credit risk.

Concentration Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. 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. At year-end, the Village does not have any investments over 5 percent of the cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Police Pension Fund

The Illinois Police Officers Pension Investment Fund (IPOPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate police pension funds. IPOPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in IPOPIF by Illinois suburban and downstate police pension funds is mandatory. Investments of the Fund are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual report. For additional information on IPOPIF's investments, please refer to their annual report, which can be obtained from IPOPIF at 456 Fulton Street, Suite 402 Peoria, Illinois 61602 or at www.ipopif.org. The Fund transferred all eligible assets to the Investment Fund on August 1, 2022.

Deposits. The Fund retains all its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the Fund. The excess of available cash is required to be transferred to IPOPIF for purposes of the long-term investment for the Fund. At year-end, the carrying amount of the Fund's cash on hand totaled \$2,087,298 and the bank balances totaled \$2,087,298.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Fund's deposits may not be returned to it. The Fund's investment policy does not address custodial credit risk for deposits. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance.

For investments, the Fund's investment policy limits its exposure by requiring 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, in the name of the respective Fund, and evidences by safekeeping receipts.

Investments. At year-end the Fund has \$77,792,601 invested in IPOPIF, which is measured at the Net Asset Value (NAV) per share as determined by the pool. The pooled investments consist of the investments as noted in the target allocation table available at www.ipopif.org.

Investment Policy. IPOPIF's current investment policy was adopted by the Board of Trustees on December 17, 2021. IPOPIF is authorized to invest in all investments allowed by Illinois Compiled Statutes (ILCS). The IPOPIF shall not be subject to any of the limitations applicable to investments of pension fund assets currently held by the transferor pension funds under Sections 1-113.1 through 1-113.12 or Article 3 of the Illinois Pension Code.

Rate of Return

For the year ended December 31, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (14.40%). 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 the Financial Statements

December 31, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Firefighters' Pension Fund

The Illinois Firefighters' Pension Investment Fund (IFPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate firefighter pension funds. IFPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in IFPIF by Illinois suburban and downstate firefighter pension funds is mandatory. Investments of the Fund are combined in a commingled external investment pool and held by IFPIF. A schedule of investment expenses is included in IFPIF's annual report. For additional information on IFPIF's investments, please refer to their annual report, which can be obtained from IFPIF at 1919 South Highland Avenue, Building A, Suite 237, Lombard, IL 60148 or at www.ifpif.org. The Fund transferred all eligible assets to the IFPIF on January 4, 2022.

Deposits. The Fund retains all its available cash with two financial institutions. Available cash is determined to be that amount which is required for the current expenditures of the Fund. The excess of available cash is required to be transferred to IFPIF for purposes of the long-term investment for the Fund. At year-end, the carrying amount of the Fund's cash on hand totaled \$1,664,404 and the bank balances totaled \$1,664,404.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a 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. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance.

For investments, 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.

Investments. At year-end the Fund has \$67,998,655 invested in IFPIF, which is measured at the Net Asset Value (NAV) per share as determined by the pool. The pooled investments consist of the investments as noted in the target allocation table available at www.ifpif.org.

Investment Policy. IFPIF's current investment policy was adopted by the Board of Trustees on June 17, 2022. IFPIF is authorized to invest in all investments allowed by Illinois Compiled Statutes (ILCS). The IFPIF shall not be subject to any of the limitations applicable to investments of pension fund assets currently held by the transferor pension funds under Sections 1-113.1 through 1-113.12 or Article 4 of the Illinois Pension Code.

Rate of Return

For the year ended December 31, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (14.43%). 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 the Financial Statements

December 31, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

PROPERTY TAXES

Property taxes for 2021 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by Cook County and are payable in two installments, on or about March 1 and September 1 during the following year. 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.

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 15,612,320	—	284,544	15,327,776
Construction in Progress	9,632,988	641,506	7,768,529	2,505,965
	<u>25,245,308</u>	<u>641,506</u>	<u>8,053,073</u>	<u>17,833,741</u>
Depreciable Capital Assets				
Buildings	79,648,759	—	6,141,326	73,507,433
Improvements Other than Buildings	1,516,920	—	—	1,516,920
Vehicles	12,521,523	638,752	214,495	12,945,780
Machinery and Equipment	6,035,415	1,084,286	341,101	6,778,600
Infrastructure	98,232,934	12,835,092	3,032	111,064,994
	<u>197,955,551</u>	<u>14,558,130</u>	<u>6,699,954</u>	<u>205,813,727</u>
Less Accumulated Depreciation				
Buildings	14,899,512	1,524,450	3,511,092	12,912,870
Improvements Other than Buildings	470,664	42,996	—	513,660
Vehicles	7,936,180	981,800	202,196	8,715,784
Machinery and Equipment	2,573,657	451,944	331,774	2,693,827
Infrastructure	77,978,825	2,085,743	3,032	80,061,536
	<u>103,858,838</u>	<u>5,086,933</u>	<u>4,048,094</u>	<u>104,897,677</u>
Total Net Depreciable Capital Assets	<u>94,096,713</u>	<u>9,471,197</u>	<u>2,651,860</u>	<u>100,916,050</u>
Total Net Capital Assets	<u>119,342,021</u>	<u>10,112,703</u>	<u>10,704,933</u>	<u>118,749,791</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS - Continued

Governmental Activities - Continued

Depreciation expense was charged to governmental activities as follows:

General Government	\$	538,669
Public Safety		1,097,051
Highways and Streets		2,211,386
Health		2,349
Welfare		3,752
Culture and Recreation		7,240
Internal Service		<u>1,226,486</u>
		<u><u>5,086,933</u></u>

Business-Type Activities

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 17,318,818	—	—	17,318,818
Construction in Progress	2,025,897	3,537,692	1,954,876	3,608,713
	<u>19,344,715</u>	<u>3,537,692</u>	<u>1,954,876</u>	<u>20,927,531</u>
Depreciable Capital Assets				
Building and Improvements	4,499,808	—	—	4,499,808
Machinery and Equipment	5,017,968	—	157,000	4,860,968
Infrastructure	42,662,321	2,815,579	—	45,477,900
	<u>52,180,097</u>	<u>2,815,579</u>	<u>157,000</u>	<u>54,838,676</u>
Less Accumulated Depreciation				
Building and Improvements	3,194,029	64,922	—	3,258,951
Machinery and Equipment	3,843,592	109,914	148,067	3,805,439
Infrastructure	16,165,282	755,872	—	16,921,154
	<u>23,202,903</u>	<u>930,708</u>	<u>148,067</u>	<u>23,985,544</u>
Total Other Capital Assets	<u>28,977,194</u>	<u>1,884,871</u>	<u>8,933</u>	<u>30,853,132</u>
Total Capital Assets	<u><u>48,321,909</u></u>	<u><u>5,422,563</u></u>	<u><u>1,963,809</u></u>	<u><u>51,780,663</u></u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS - Continued

Business-Type Activities - Continued

Depreciation expense was charged to business-type activities as follows:

Water and Sewer	<u>\$ 930,708</u>
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INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
Debt Service	General	\$ 163,401
Nonmajor Governmental	General	4,450,000
Nonmajor Business-Type	General	<u>75,000</u>
		<u>4,688,401</u>

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

- \$163,401 transferred from the General Fund to the Debt Service Fund to bring the fund balance to a level that is in compliance with the Village's fund balance policy.
- \$4,450,000 transferred from the General Fund to the Pension Stabilization Fund (\$750,000) to provide an alternative revenue source supporting the annual pension costs generally funded from the annual property tax levy, to the Capital Improvement Fund (\$2,700,000) to support small to midsize capital projects for the Village, and to the Flood Control Fund (\$1,000,000) to support various flood control capital and maintenance projects for the year.
- \$75,000 transferred to the Parking System Revenue Fund, a nonmajor business-type fund, from the General Fund to cover the operating expenditure deficit.

INTERFUND BALANCES

Interfund balances are advances in anticipation of receipts. The composition of interfund balances as of the date of this report, is as follows:

Receivable Fund	Payable Fund	Amount
General	Nonmajor Governmental	\$ 10,000
Police Pension	General	785,623
Fire Pension	General	<u>757,484</u>
		<u>1,553,107</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

INTERGOVERNMENTAL RECEIVABLES

The following receivables are included in due from other governments on the Statement of Net Position::

	Governmental Activities	Business-Type Activities	Totals
Grants	\$ 1,416,153	—	1,416,153
Miscellaneous	319,100	397	319,497
	<u>1,735,253</u>	<u>397</u>	<u>1,735,650</u>

LONG-TERM DEBT

General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental and business-type activities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$2,975,000 General Obligation Bonds of 2012, due in annual installments of \$610,000 to \$885,000 plus interest at 3.10% through December 1, 2022.	Debt Service	\$ 885,000	—	885,000	—
\$9,800,000 General Obligation Bonds of 2013, due in annual installments of \$555,000 to \$885,000 plus interest at 3.00% to 4.125% through December 1, 2033.	Debt Service	8,675,000	—	8,090,000 * 585,000	—
\$6,290,000 General Obligation Bonds of 2014, due in annual installments of \$290,000 to \$1,265,000 plus interest at 3.00% through December 1, 2023.	Debt Service	2,390,000	—	1,125,000	1,265,000

*Refunded

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

General Obligation Bonds - Continued

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$8,735,000 General Obligation Refunding Bonds of 2016, due in annual installments of \$1,375,000 to \$1,550,000 plus interest at 2.00% to 3.00% through December 1, 2022.	Debt Service	\$ 1,550,000	—	1,550,000	—
\$9,100,000 General Obligation Refunding Bonds of 2016A, due in annual installments of \$120,000 to \$1,905,000 plus interest at 3.00% through December 1, 2028.	Debt Service	8,860,000	—	—	8,860,000
\$9,740,000 General Obligation Bonds of 2017, due in annual installments of \$125,000 to \$460,000 plus interest at 2.50% to 4.00% through December 1, 2037.	Prospect and Main TIF	4,675,000	—	155,000	4,520,000
	Water and Sewer	4,385,000	—	160,000	4,225,000
\$11,950,000 General Obligation Bonds of 2018A, due in annual installments of \$115,000 to \$700,000 plus interest at 3.25% to 5.00% through December 1, 2037.	Prospect and Main TIF	6,880,000	—	205,000	6,675,000
	Water and Sewer	4,335,000	—	150,000	4,185,000
\$38,440,000 General Obligation Bonds of 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	37,225,000	—	—	37,225,000
\$9,600,000 General Obligation Bonds of 2019A, due in annual installments of \$60,000 to \$800,000 plus interest at 2.00% to 5.00% through December 1, 2039.	Water and Sewer	9,300,000	—	265,000	9,035,000

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

General Obligation Bonds - Continued

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$7,725,000 General Obligation Bonds of 2019B, due in annual installments of \$210,000 to \$740,000 plus interest at 3.00% to 5.00% through December 1, 2039.	Prospect and Main TIF	\$ 7,725,000	—	—	7,725,000
\$8,935,000 General Obligation Bonds of 2022A, due in annual installments of \$215,000 to \$735,000 plus interest at 3.00% to 5.00% through December 1, 2041.	Water and Sewer	—	8,935,000	250,000	8,685,000
\$8,230,000 General Obligation Refunding Bonds of 2022B, due in annual installments of \$650,000 to \$855,000 plus interest at 2.80% through December 1, 2033.	Debt Service	—	8,230,000	—	8,230,000
		<u>96,885,000</u>	<u>17,165,00</u>	<u>13,420,000</u>	<u>100,630,000</u>

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. Notes payable currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances/ Accretion	Retirements	Ending Balances
\$25,000,000 Business District Limited Tax Note Payable of 2010, due in semiannual installments plus interest at 6.710% contingent upon sufficient pledged revenues.	Business District	\$ 36,730,522	2,419,587	1,549,521	37,600,588

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

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 99 years.

Long-Term Liabilities Activity

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions/ Accretion	Deductions	Ending Balances	Amounts within One Year
Governmental Activities					
Compensated Absences					
General	\$ 4,058,398	121,816	60,908	4,119,306	969,052
Internal Services	69,288	17,401	34,802	51,887	10,377
Claims Payable	549,509	327,112	334,913	541,708	176,253
Net Pension Liability					
Police Pension	45,236,365	22,804,494	—	68,040,859	—
Firefighters' Pension	40,010,412	18,489,561	—	58,499,973	—
Total OPEB Liability - RBP					
General	12,728,176	—	3,681,919	9,046,257	—
Internal Services	474,267	—	100,408	373,859	—
General Obligation Bonds	78,865,000	8,230,000	12,595,000	74,500,000	3,035,000
Unamortized Premium	2,418,168	—	273,802	2,144,366	206,335
Business District Limited Tax Note Payable	36,730,522	2,419,587	1,549,521	37,600,588	1,126,604
	<u>221,140,105</u>	<u>52,409,971</u>	<u>18,631,273</u>	<u>254,918,803</u>	<u>5,523,621</u>
Business-Type Activities					
Compensated Absences					
General	291,355	13,542	6,771	298,126	59,625
Total OPEB Liability - RBP	1,212,224	—	320,807	891,417	—
Asset Retirement Obligation	750,000	—	—	750,000	—
General Obligation Bonds	18,020,000	8,935,000	825,000	26,130,000	840,000
Unamortized Premium	624,921	1,224,542	97,804	1,751,659	—
	<u>20,898,500</u>	<u>10,173,084</u>	<u>1,250,382</u>	<u>29,821,202</u>	<u>899,625</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Long-Term Liabilities Activity - Continued

For the governmental activities, payments on the compensated absences, the net pension liabilities, and the total OPEB liability are made by the General Fund. Payments on general obligation bonds are being liquidated by the Debt Service Fund and the Prospect and Main TIF Fund, and the Business District Limited Tax Note Payable is being liquidated by the Business District Fund. Claims payable are being liquidated by the Risk Management Fund. Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities.

Additionally, for business-type activities, compensated absences are liquidated by the Water and Sewer Fund. The net pension liability, the total OPEB liability, the asset retirement obligation, and the general obligation bonds are being liquidated by the Water and Sewer Fund.

Debt Service Requirements to Maturity

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year	Governmental Activities		Business-Type Activities	
	General Obligation Bonds		General Obligation Bonds	
	Principal	Interest	Principal	Interest
2023	\$ 3,035,000	2,769,976	840,000	927,732
2024	3,170,000	2,669,826	915,000	887,482
2025	3,320,000	2,549,116	995,000	843,632
2026	3,480,000	2,434,986	1,085,000	795,932
2027	3,630,000	2,316,796	1,165,000	746,082
2028	3,800,000	2,197,422	1,255,000	699,882
2029	3,460,000	2,075,168	1,340,000	649,700
2030	3,750,000	1,932,872	1,435,000	595,750
2031	3,945,000	1,781,566	1,535,000	542,494
2032	4,150,000	1,622,362	1,625,000	484,306
2033	4,370,000	1,454,808	1,725,000	431,732
2034	3,715,000	1,280,170	1,825,000	377,920
2035	3,900,000	1,151,550	1,930,000	320,988
2036	4,090,000	1,014,519	2,030,000	261,244
2037	4,285,000	870,125	2,140,000	197,912
2038	3,260,000	718,400	1,390,000	130,650
2039	3,400,000	598,200	1,465,000	88,000
2040	2,765,000	469,600	700,000	43,050
2041	2,875,000	359,000	735,000	22,050
2042	2,990,000	244,000	—	—
2043	3,110,000	124,400	—	—
Totals	74,500,000	30,634,862	26,130,000	9,046,538

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Defeased Debt

On May 10, 2005, the Village issued \$8,230,000 par value General Obligation Refunding Bond, Series of 2022B to refund \$8,090,000 of the General Obligation Bonds, Series of 2013. The Village defeased bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payment of the old bonds. Since the requirements that normally satisfy defeasance have been met, the financial statements reflect satisfaction of the original liability through the irrevocable transfer to an escrow agent of an amount computed to be adequate to meet the future debt service requirements of the issue. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the government's basic financial statements. Through this refunding, the Village reduced its total debt service by \$486,079 and obtained an economic gain of \$412,109.

Legal Debt Margin

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

“The General Assembly may limit by law the amount and require referendum approval of debt to the 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 Illinois General Assembly has set no limits for home rule municipalities. The Village is a home rule municipality.

NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of December 31, 2022:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 118,749,791
Plus:	
Unamortized Refunding Loss	312,096
Less Capital Related Debt:	
General Obligation Bonds of 2014	(1,265,000)
General Obligation Refunding Bonds of 2016A	(8,860,000)
General Obligation Bonds of 2017	(4,520,000)
General Obligation Bonds of 2018A	(6,675,000)
General Obligation Bonds of 2018B	(37,225,000)
General Obligation Bonds of 2019B	(7,725,000)
General Obligation Refunding Bonds of 2022B	(8,230,000)
Premium on Debt Issuance	(2,144,366)
Net Investment in Capital Assets	<u>42,417,521</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

NET POSITION CLASSIFICATIONS - Continued

Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 51,780,663
Plus:	
Unspent Bond Proceeds	5,060,967
Less Capital Related Debt:	
General Obligation Bonds of 2017	(4,225,000)
General Obligation Bonds of 2018A	(4,185,000)
General Obligation Bonds of 2019A	(9,035,000)
General Obligation Bonds of 2022A	(8,685,000)
Premium on Debt Issuance	<u>(1,751,659)</u>
Net Investment in Capital Assets	<u>28,959,971</u>

FUND BALANCE CLASSIFICATIONS

In the governmental funds financial statements, the Village considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The Village first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

Nonspendable Fund Balance. Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

Restricted Fund Balance. Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance. Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Trustees; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

Assigned Fund Balance. Consists of amounts that are constrained by the Board of Trustees's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Trustees itself or b) a body or official to which the Board of Trustees has delegated the authority to assign amounts to be used for specific purposes. The Village's highest level of decision-making authority is the Board of Trustees, who is authorized to assign amounts to a specific purpose.

Unassigned Fund Balance. Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

Minimum Fund Balance Policy. The Village’s policy manual states that the General Fund should maintain an unrestricted fund balance level between 20% to 30% of the subsequent fiscal year’s expenditures, the special revenue funds (except the CDBG Fund) should maintain a fund balance level between 10% and 25% of the 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 supported by the fund to a maximum of \$1 million.

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	General	Special Revenue Prospect/ Main TIF	Debt Service	Nonmajor	Totals
Fund Balances					
Nonspendable					
Inventories	\$ 1,137	—	—	—	1,137
Prepays	406,518	—	—	100,675	507,193
	<u>407,655</u>	<u>—</u>	<u>—</u>	<u>100,675</u>	<u>508,330</u>
Restricted					
Public Safety					
Police	—	—	—	701,853	701,853
Fire	—	—	—	543,266	543,266
Highways and Streets	—	2,177,557	—	3,805,306	5,982,863
Pension Stabilization	—	—	—	750,000	750,000
Debt Service	—	—	1,095,578	—	1,095,578
	<u>—</u>	<u>2,177,557</u>	<u>1,095,578</u>	<u>5,800,425</u>	<u>9,073,560</u>
Committed					
Refuse Disposal	—	—	—	1,289,792	1,289,792
Assigned					
Debt Service	1,400,000	—	—	—	1,400,000
TIF Redevelopment	3,700,000	—	—	—	3,700,000
Pension Stabilization	750,000	—	—	—	750,000
Capital Projects	1,400,000	—	—	14,469,146	15,869,146
	<u>7,250,000</u>	<u>—</u>	<u>—</u>	<u>14,469,146</u>	<u>21,719,146</u>
Unassigned	<u>40,587,665</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>40,587,665</u>
Total Fund Balances	<u>48,245,320</u>	<u>2,177,557</u>	<u>1,095,578</u>	<u>21,660,038</u>	<u>73,178,493</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

NET POSITION/FUND BALANCE RESTATEMENT

Beginning net position/fund balance was restated due to the implementation of GASB No. 87. The following is a summary of the net position/fund balance as originally reported and as restated:

Net Position/Fund Balance	As Reported	As Restated	Increase
Governmental Activities	\$ (29,820,173)	(29,780,696)	39,477
General Fund	34,795,312	34,834,789	39,477

LEASES RECEIVABLE

The Village is a lessor on the following leases at year end:

Lease	Term Length	Start Date	Payments	Interest Rate
Sprint Cell Tower	307 Months	May 19, 1998	\$2,000 per month	3.35%
T-Mobile Cell Tower	30 Years	October 16, 2000	\$25,200 per year	3.35%

During the fiscal year, the Village has recognized \$42,218 of lease revenue.

The future minimum lease assets and the net present value of these minimum lease receipts as of year-end, are as follows:

Fiscal Year	Principal	Interest
2023	\$ 41,646	5,556
2024	20,679	4,521
2025	21,372	3,828
2026	22,088	3,112
2027	22,828	2,372
2028	23,593	1,607
2029	24,385	817
	176,591	21,813

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION

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, are provided for through the Village's participation in the Intergovernmental Risk Management Agency (IRMA) and the Intergovernmental Personnel Benefit Cooperative (IPBC). There have been no significant reductions in coverage from the prior year and settled claims have not exceeded coverage for any of the past three years.

Intergovernmental Risk Management Agency (IRMA)

The Village participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in Northeastern Illinois which have formed an association under the Illinois Intergovernmental Cooperations Statute to pool its risk management needs. The agency administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration/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 the Agency 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.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

RISK MANAGEMENT - Continued

Intergovernmental Risk Management Agency (IRMA) - Continued

The Village has chosen an optional higher deductible of \$50,000. A related reserve deposit of \$1,419,870 is being held at IRMA at December 31, 2022.

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, 2022 was \$541,708.

Changes in the balances of claims liabilities during the fiscal year are as follows:

	Auto	Workers' Compensation	General Liability	Totals
Claims Payable - December 31, 2020	\$ 394	580,367	118,437	699,198
Incurred Claims	17,718	84,884	105,940	208,542
Claims Paid	(18,112)	(221,387)	(118,732)	(358,231)
Claims Payable - December 31, 2021	—	443,864	105,645	549,509
Incurred Claims	18,112	174,708	134,292	327,112
Claims Paid	(18,112)	(220,953)	(95,848)	(334,913)
Claims Payable - December 31, 2022	—	397,619	144,089	541,708

Intergovernmental Personnel Benefit Cooperative (IPBC)

Risks for medical and death benefits for employees and retirees are provided for through the Village's participation in the Intergovernmental Personnel Benefit Cooperative (IPBC). 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 or underages for 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 \$3,281,866 is being held at IPBC at December 31, 2022.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

CONTINGENT LIABILITIES

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 attorneys, the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

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.

COMMITMENTS

Solid Waste Agency of Northern Cook County (SWANCC)

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 2023, the Village estimates it will pay SWANCC \$1,086,398, with annual increases ranging from 0% to 3% through 2023.

Northwest Suburban Municipal Joint Action Water Agency (JAWA)

The Village has committed to purchase water from the Northwest Suburban Municipal Joint Action Water Agency (JAWA). A new agreement, negotiated by the Member Communities and JAWA was approved on March 13, 2018. This Revised Water Supply Agreement will expire in FY 2032. The obligation to pay minimum annual amounts was removed from the new agreement.

JOINT VENTURES

Northwest Suburban Municipal Joint Action Water Agency (JAWA)

The Village is a member of the 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 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 the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

JOINT VENTURES - Continued

Northwest Suburban Municipal Joint Action Water Agency (JAWA) - Continued

JAWA is governed by a Board of Directors which consists 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 bylaws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the Agency Agreement or the bylaws.

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 December 31, 2032. The Agreements are irrevocable and may not be terminated or amended except as provided in the General Resolution.

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 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.

The obligation of the Village to make payments required by this Agreement from revenues of the Water System shall be payable from the operation and maintenance account of the Water and Sewer Fund.

In accordance with the joint venture agreement, the Village remitted \$7,406,664 to JAWA for the year ended December 31, 2022. All payments were paid from the Water and Sewer Fund. Deposits with JAWA in the amount of \$464,034 represent amounts held for security of debt service.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

JOINT VENTURES - Continued

Solid Waste Agency of Northern Cook County (SWANCC)

The Village is a member of the Solid Waste Agency of Northern Cook County (SWANCC) which consists of twenty-three municipalities. SWANCC is a municipal corporation and public body politic, established pursuant to the Constitution of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended (the Act). SWANCC is empowered under the Act to plan, construct, finance, operate, and maintain a solid waste disposal system to serve its members. SWANCC is reported as a nonequity proprietary joint venture.

SWANCC is governed by a Board of Directors which consists of one appointed representative 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, adopts resolutions providing for the issuance of bonds or notes by SWANCC, adopts by-laws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the SWANCC agreement or by-laws. Separate audited financial statements are available from SWANCC's administrative office at 77 W Hintz Road, Suite 200, Wheeling, Illinois 60090.

The Village's contract with SWANCC provides that each member is liable for its proportionate share of annual operating and fixed costs. The Village's share of these costs is expected to be funded through tipping fees paid by refuse haulers. In addition, the Village is obligated for any costs arising from defaults in payment obligations by other members.

In accordance with the joint venture agreement, the Village remitted \$1,016,028 to SWANCC for the year ended December 31, 2022, which is recorded in the Village's Refuse Disposal Fund.

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit 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. IMRF does issue a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The Police and Firefighters' Pension Plans also issue separate reports that may be obtained by writing the Village at 50 South Emerson, Mount Prospect, Illinois 60056. The benefits, benefit levels, employee contributions and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

The aggregate amounts recognized for the pension plans are:

	Expenses/ (Revenues)	Net Pension Liabilities/ (Assets)	Deferred Outflows	Deferred Inflows
IMRF				
Village	\$ (2,549,553)	(11,591,989)	2,469,939	12,656,521
Library	(915,920)	(3,960,545)	843,885	4,324,255
Police Pension	8,108,324	68,040,859	20,669,846	1,805,447
Firefighters' Pension	7,271,512	58,499,973	17,055,417	1,101,137
	<u>11,914,363</u>	<u>110,988,298</u>	<u>41,039,087</u>	<u>19,887,360</u>

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

Plan Administration. All employees (other than those covered by the Police and Firefighters' Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Benefits Provided. IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

IMRF provides two tiers of pension benefits. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Benefits Provided - Continued. 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 employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Plan Membership. As of December 31, 2021, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	283
Inactive Plan Members Entitled to but not yet Receiving Benefits	185
Active Plan Members	<u>254</u>
Total	<u><u>722</u></u>

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

Contributions. As set by statute, the Village's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended December 31, 2022, the Village's and the Library's contribution was 8.44% of covered payroll.

Net Pension (Asset). The Village's net pension (asset) was measured as of December 31, 2021. The total pension liability used to calculate the net pension (asset) was determined by an actuarial valuation as of that date.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2021, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	2.85% to 13.75%
Cost of Living Adjustments	3.25%
Inflation	2.25%

For nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions - Continued.

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	25.00%	(0.60%)
Domestic Equities	39.00%	1.90%
International Equities	15.00%	3.15%
Real Estate	10.00%	3.30%
Blended	10.00%	1.70% - 5.50%
Cash and Cash Equivalents	1.00%	(0.90%)

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, the same as the prior valuation. 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 Village contributions will be made at rates equal to the difference between the 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 project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Village	\$ (1,278,525)	(11,591,989)	(19,734,894)
Library	(436,824)	(3,960,545)	(6,742,668)
Net Pension (Asset)	(1,715,349)	(15,552,534)	(26,477,562)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Changes in the Net Pension (Asset)

	Village	Library	Totals
Total Pension Liability			
Service Cost	\$ 1,289,125	440,445	1,729,570
Interest	6,044,697	2,127,066	8,171,763
Differences Between Expected and Actual Experience	1,500,097	512,526	2,012,623
Change of Assumptions	—	—	—
Benefit Payments, Including Refunds of Member Contributions	(4,434,809)	(1,515,206)	(5,950,015)
Net Change in Total Pension Liability	4,399,110	1,564,831	5,963,941
Total Pension Liability - Beginning	84,191,342	30,632,857	114,824,199
Total Pension Liability - Ending	<u>88,590,452</u>	<u>32,197,688</u>	<u>120,788,140</u>
Plan Fiduciary Net Position			
Contributions - Employer	1,550,977	529,910	2,080,887
Contributions - Members	686,233	234,460	920,693
Net Investment Income	14,923,769	5,098,888	20,022,657
Benefit Payments, Including Refunds of Member Contributions	(4,434,809)	(1,515,206)	(5,950,015)
Other (Net Transfer)	58,977	20,150	79,127
Position	12,785,147	4,368,202	17,153,349
Plan Net Position - Beginning	87,397,294	31,790,031	119,187,325
Plan Net Position - Ending	<u>100,182,441</u>	<u>36,158,233</u>	<u>136,340,674</u>
Employer's Net Pension (Asset)	<u>(11,591,989)</u>	<u>(3,960,545)</u>	<u>(15,552,534)</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2022, the Village recognized pension revenue of \$2,549,553 and the Library recognized pension revenue of \$915,920. At December 31, 2022, the Village and the Library reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Village		Library		Totals
	Deferred Outflows of Resources	Deferred (Inflows) of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	
Difference Between Expected and Actual Experience	\$ 1,284,785	(752,600)	438,963	(257,135)	714,013
Change in Assumptions	—	(265,154)	—	(90,593)	(355,747)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	—	(11,638,767)	—	(3,976,527)	(15,615,294)
Total Expense to be Recognized in Future Periods	1,284,785	(12,656,521)	438,963	(4,324,255)	(15,257,028)
Contributions Sub to Measurement Date	1,185,154	—	404,922	—	1,590,076
Total Deferred Amounts Related to IMRF	2,469,939	(12,656,521)	843,885	(4,324,255)	(13,666,952)

\$1,185,154 for the Village and \$404,922 for the Library reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended December 31, 2023. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Deferred (Inflows) of Resources		
	Village	Library	Totals
2023	\$ (2,595,373)	(886,741)	(3,482,114)
2024	(4,422,279)	(1,510,925)	(5,933,204)
2025	(2,641,942)	(902,652)	(3,544,594)
2026	(1,712,142)	(584,974)	(2,297,116)
2027	—	—	—
Thereafter	—	—	—
Totals	(11,371,736)	(3,885,292)	(15,257,028)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Police Pension Plan

Plan Descriptions

Plan Administration. The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active police employees.

Plan Membership. At December 31, 2022, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	83
Inactive Plan Members Entitled to but not yet Receiving Benefits	10
Active Plan Members	<u>85</u>
Total	<u><u>178</u></u>

Benefits Provided. The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ 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 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent 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 percent of the original pension and 3 percent compounded annually thereafter.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Plan Descriptions - Continued

Benefits Provided - Continued. Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 48 consecutive months of service within the last 60 months of service in which the total salary was the highest by the number of months of service in that period. Police officer salary for the pension purposes is capped at \$106,800, plus the lesser of $\frac{1}{2}$ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., $\frac{1}{2}$ percent 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 percent or $\frac{1}{2}$ of the change in the Consumer Price Index for the preceding calendar year.

Contributions. Covered employees are required 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. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended December 31, 2022, the Village's contribution was 39.38% of covered payroll.

Concentrations. At year end, the Pension Plan does not have any investments over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of December 31, 2022, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	6.80%
Salary Increases	4.00%
Adjustments	Tier 1: 3.00%, Tier 2: 1.25%
Inflation	2.50%

Mortality rates for healthy individuals were based on the Pub-2010 Public Safety Mortality Table with with generational improvement scale MP-2021 applied from 2010. Mortality rates for disabled individuals were based the Pub-2010 Disabled Retiree Mortality Table with generational improvement scale MP-2021 applied from 2010.

Discount Rate

The discount rate used to measure the total pension liability was 6.80%, while the prior valuation was 7.00%. 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 Village contributions will be made at rates equal to the difference between the 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 period of projected benefit payments to determine the total pension liability.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Discount Rate Sensitivity

The following is a sensitive 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 as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (5.80%)	Current Discount Rate (6.80%)	1% Increase (7.80%)
Net Pension Liability	\$ 89,458,689	68,040,859	50,621,974

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2021	\$ 141,710,697	96,474,332	45,236,365
Changes for the Year:			
Service Cost	1,825,295	—	1,825,295
Interest on the Total Pension Liability	9,808,132	—	9,808,132
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	1,372,725	—	1,372,725
Changes of Assumptions	834,969	—	834,969
Contributions - Employer	—	3,821,104	(3,821,104)
Contributions - Employees	—	1,020,818	(1,020,818)
Net Investment Income	—	(13,736,952)	13,736,952
Benefit Payments, Including Refunds of Employee Contributions	(6,839,629)	(6,839,629)	—
Other (Net Transfer)	—	(68,343)	68,343
Net Changes	7,001,492	(15,803,002)	22,804,494
Balances at December 31, 2022	148,712,189	80,671,330	68,040,859

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2022, the Village recognized pension expense of \$8,108,324. At December 31, 2022, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 2,012,805	(1,448,047)	564,758
Change in Assumptions	8,927,624	(357,400)	8,570,224
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	9,729,417	—	9,729,417
Total Deferred Amounts Related to Police Pension	<u>20,669,846</u>	<u>(1,805,447)</u>	<u>18,864,399</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows of Resources
2023	\$ 2,556,300
2024	4,108,445
2025	5,160,051
2026	6,671,659
2027	367,944
Thereafter	—
Total	<u>18,864,399</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Firefighters' Pension Plan

Plan Descriptions

Plan Administration. The Firefighters' Pension Plan is a single-employer defined benefit pension plan that covers all sworn firefighter personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The Village accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active fire employees.

Plan Membership. At December 31, 2022, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	90
Inactive Plan Members Entitled to but not yet Receiving Benefits	3
Active Plan Members	<u>72</u>
Total	<u><u>165</u></u>

Benefits Provided. The following is a summary of the Firefighters' Pension Plan as provided for in Illinois State Statutes.

The Firefighters' Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ 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 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent 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 firefighter 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 percent of the original pension and 3 percent compounded annually thereafter.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Firefighters' Pension Plan - Continued

Plan Descriptions - Continued

Benefits Provided - Continued. Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 48 consecutive months of service within the last 60 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for the pension purposes is capped at \$106,800, plus the lesser of $\frac{1}{2}$ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., $\frac{1}{2}$ percent 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 percent of $\frac{1}{2}$ 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 contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended December 31, 2022, the Village's contribution was 42.94% of covered payroll.

Concentrations. At year end, the Fund does not have any investments over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Firefighters' Pension Plan - Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of December 31, 2022, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.13%
Salary Increases	4.00%
Cost of Living Adjustments	Tier 1: 3.00%, Tier 2: 1.25%
Inflation	2.25%

Mortality rates for healthy individuals were based on the Pub-2010 Public Safety Mortality Table with with generational improvement scale MP-2021 applied from 2010. Mortality rates for disabled individuals were based the Pub-2010 Disabled Retiree Mortality Table with generational improvement scale MP-2021 applied from 2010.

Discount Rate

The discount rate used to measure the total pension liability was 7.125%, while the prior valuation was 7.125%. 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 Village contributions will be made at rates equal to the difference between the 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 period of projected benefit payments to determine the total pension liability.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Firefighters' Pension Plan - Continued

Discount Rate Sensitivity

The following is a sensitive 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 as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.125%)	Current Discount Rate (7.125%)	1% Increase (8.125%)
Net Pension Liability	\$ 75,633,505	58,499,973	44,452,265

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2021	\$ 125,027,640	85,017,228	40,010,412
Changes for the Year:			
Service Cost	1,746,912	—	1,746,912
Interest on the Total Pension Liability	8,784,556	—	8,784,556
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	80,779	—	80,779
Changes of Assumptions	227,213	—	227,213
Contributions - Employer	—	3,678,359	(3,678,359)
Contributions - Employees	—	811,804	(811,804)
Net Investment Income	—	(12,071,065)	12,071,065
Benefit Payments, Including Refunds of Employee Contributions	(6,965,087)	(6,965,087)	—
Other (Net Transfer)	—	(69,199)	69,199
Net Changes	3,874,373	(14,615,188)	18,489,561
Balances at December 31, 2022	128,902,013	70,402,040	58,499,973

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Firefighters' Pension Plan - Continued

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2022, the Village recognized pension expense of \$7,271,512. At December 31, 2022, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 1,669,587	(644,568)	1,025,019
Change in Assumptions	5,614,378	(456,569)	5,157,809
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	9,771,452	—	9,771,452
Total Deferred Amounts Related to Firefighters' Pension	<u>17,055,417</u>	<u>(1,101,137)</u>	<u>15,954,280</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows of Resources
2023	\$ 2,276,310
2024	3,449,495
2025	4,998,443
2026	5,178,700
2027	51,332
Thereafter	<u>—</u>
Total	<u>15,954,280</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

Plan Description. The Village’s defined benefit OPEB plan, Village of Mount Prospect Retiree Benefit Plan (RBP), provides OPEB for all permanent full-time general and public safety employees of the Village. RBP is a single-employer defined benefit OPEB plan administered by the Village. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Village Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided. RBP provides pre and post-Medicare postretirement health insurance to retirees, their spouses, and dependents (enrolled at time of employee’s retirement).

Plan Membership. As of December 31, 2022, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	74
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	<u>300</u>
Total	<u><u>374</u></u>

The plan membership as noted above includes both the Village and the Library members.

Total OPEB Liability

The Village’s total OPEB liability was measured as of December 31, 2022, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Total OPEB Liability - Continued

Actuarial Assumptions and Other Inputs - Continued.

Inflation	2.50%
Salary Increases	3.25%
Discount Rate	4.31%
Healthcare Cost Trend Rates	7.50% decreasing to an ultimate rate of 4.50%
Retirees' Share of Benefit-Related Costs	100% of projected health insurance premiums for retirees

The discount rate was based on the S&P Municipal Bond 20 Year High-Grade Rate Index for tax exempt general obligation municipal bonds rated AA or better as of December 31, 2022.

Mortality rates were based on the SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2021.

Change in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at December 31, 2021	<u>\$ 14,414,667</u>
Changes for the Year:	
Service Cost	836,978
Interest on the Total OPEB Liability	338,311
Changes of Benefit Terms	—
Difference Between Expected and Actual Experience	(1,745,478)
Changes of Assumptions or Other Inputs	(3,099,372)
Benefit Payments	<u>(433,573)</u>
Net Changes	<u>(4,103,134)</u>
Balance at December 31, 2022	<u><u>10,311,533</u></u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The discount rate used to measure the total pension liability was 4.31%, while the prior valuation used 2.25%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

	1% Decrease (3.31%)	Current Discount Rate (4.31%)	1% Increase (5.31%)
Total OPEB Liability	\$ 11,756,375	10,311,533	9,123,079

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability, calculated using a variable Healthcare Trend Rate, as well as what the total OPEB liability would be if it were calculated using a Healthcare Trend Rate that is one percentage point lower or one percentage point higher:

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 8,872,977	10,311,533	12,143,606

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Notes to the Financial Statements

December 31, 2022

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2022, the Village recognized OPEB expense of \$577,017. At December 31, 2022, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ —	(3,854,036)	(3,854,036)
Change in Assumptions	2,881,756	(3,774,375)	(892,619)
Net Difference Between Projected and Actual Earnings	—	—	—
Total Deferred Amounts Related to OPEB	<u>2,881,756</u>	<u>(7,628,411)</u>	<u>(4,746,655)</u>

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	Net Deferred (Inflows) of Resources
2023	\$ (598,272)
2024	(598,272)
2025	(598,272)
2026	(598,275)
2027	(280,748)
Thereafter	<u>(2,072,816)</u>
Totals	<u>(4,746,655)</u>

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule Employer Contributions
 - Illinois Municipal Retirement Fund
 - Police Pension Fund
 - Firefighters' Pension Fund

- Schedule of Changes in the Employer's Net Pension Liability/(Asset)
 - Illinois Municipal Retirement Fund
 - Police Pension Fund
 - Firefighters' Pension Fund

- Schedule of Investment Returns
 - Police Pension Fund
 - Firefighters' Pension Fund

- Schedule of Changes in the Employer's Total OPEB Liability
 - Retiree Benefit Plan

- Budgetary Comparison Schedules
 - General Fund
 - Prospect/Main TIF - Special Revenue Fund

Notes to the Required Supplementary Information

Budgetary information - Budgets are adopted on a basis consistent with generally accepted accounting principles.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Illinois Municipal Retirement Fund
Schedule of Employer Contributions
December 31, 2022**

Fiscal Year		Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	Totals	\$ 1,863,012	\$ 1,863,012	\$ —	\$ 16,256,645	11.46%
2016	Totals	1,968,206	2,031,571	63,365	16,567,389	12.26%
2017	Totals	1,900,189	1,941,668	41,479	16,965,974	11.44%
2018	Totals	1,930,380	2,032,727	102,347	17,940,334	11.33%
2019	Totals	1,600,357	1,677,888	77,531	18,248,083	9.19%
2020	Totals	2,006,703	2,006,703	—	17,965,116	11.17%
2021	Totals	2,064,998	2,080,887	15,889	18,910,982	11.00%
2022	Village	1,180,871	1,180,871	—	13,992,127	8.44%
	Library	403,459	403,459	—	4,780,581	8.44%
	Totals	<u>1,584,330</u>	<u>1,584,330</u>	<u>—</u>	<u>18,772,708</u>	<u>8.44%</u>

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	22 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.50%
Salary Increases	3.35% - 14.25%
Investment Rate of Return	7.25%
Retirement Age	See the Notes to the Financial Statements
Mortality	IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015).

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Police Pension Fund

Schedule of Employer Contributions

December 31, 2022

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2013	\$ 2,631,811	\$ 2,631,038	\$ (773)	\$ 8,121,622	32.40%
2014	2,922,979	2,924,226	1,247	7,848,795	37.26%
2015	2,909,868	2,918,395	8,527	8,049,995	36.25%
2016	3,204,363	3,232,887	28,524	8,276,985	39.06%
2017	3,817,579	3,747,825	(69,754)	8,354,290	44.86%
2018	3,601,216	3,608,602	7,386	8,526,976	42.32%
2019	3,607,934	3,582,409	(25,525)	8,505,172	42.12%
2020	3,864,556	3,855,754	(8,802)	8,791,984	43.86%
2021	3,985,302	3,977,102	(8,200)	9,034,880	44.02%
2022	3,820,016	3,821,104	1,088	9,702,264	39.38%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	19 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.50%
Salary Increases	4.00%
Investment Rate of Return	7.25%
Retirement Age	See the Notes to the Financial Statements
Mortality	RP-2014 Mortality Table with a Blue Collar Adjustment, with improvement Scale MP-2020 applied generationally from 2013.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Firefighters' Pension Fund
Schedule of Employer Contributions
December 31, 2022**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2013	\$ 2,323,609	\$ 2,371,347	\$ 47,738	\$ 6,436,911	36.84%
2014	2,468,554	2,466,165	(2,389)	6,495,510	37.97%
2015	2,526,101	2,532,316	6,215	6,441,588	39.31%
2016	2,589,599	2,806,983	217,384	6,981,704	40.20%
2017	3,206,186	3,396,834	190,648	7,284,199	46.63%
2018	3,320,940	3,332,773	11,833	7,519,070	44.32%
2019	3,375,839	3,363,390	(12,449)	7,854,176	42.82%
2020	3,488,379	3,494,838	6,459	8,024,566	43.55%
2021	3,649,130	3,651,864	2,734	8,353,578	43.72%
2022	3,667,817	3,678,359	10,542	8,566,519	42.94%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	19 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.50%
Salary Increases	4.00%
Investment Rate of Return	7.25%
Retirement Age	See the Notes to the Financial Statements
Mortality	RP-2014 Mortality Table with a blue collar adjustment, with improvement scale MP-2020 applied generationally from 2013.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Illinois Municipal Retirement Fund

Schedule of Changes in the Employer's Net Pension Liability/(Asset)

December 31, 2022

	12/31/2014	12/31/2015	12/31/2016
	Total	Total	Total
Total Pension Liability			
Service Cost	\$ 1,830,586	1,810,785	1,768,746
Interest	5,880,604	6,548,331	6,803,558
Changes in Benefit Terms	—	—	—
Differences Between Expected and Actual Experience	1,583,453	(1,203,005)	(756,505)
Change of Assumptions	3,126,293	113,021	(232,520)
Benefit Payments, Including Refunds of Member Contributions	(3,179,063)	(3,603,793)	(3,834,437)
Net Change in Total Pension Liability	9,241,873	3,665,339	3,748,842
Total Pension Liability - Beginning	79,082,287	88,324,160	91,989,499
Total Pension Liability - Ending	88,324,160	91,989,499	95,738,341
Plan Fiduciary Net Position			
Contributions - Employer	\$ 1,908,296	1,863,011	2,031,571
Contributions - Members	757,565	731,552	745,535
Net Investment Income	4,666,652	403,461	5,536,369
Benefit Payments, Including Refunds of Member Contributions	(3,179,063)	(3,603,793)	(3,834,437)
Other (Net Transfer)	284,199	(348,936)	403,724
Net Change in Plan Fiduciary Net Position	4,437,649	(954,705)	4,882,762
Plan Net Position - Beginning	76,759,094	81,196,743	80,242,038
Plan Net Position - Ending	81,196,743	80,242,038	85,124,800
Employer's Net Pension Liability/(Asset)	\$ 7,127,417	11,747,461	10,613,541
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	91.93%	87.23%	88.91%
Covered Payroll	\$ 16,258,793	16,256,645	16,567,389
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	43.84%	72.26%	64.06%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2014 through 2020. Changes in assumptions related to the demographics were made in 2014 and 2017.

12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021		
Total	Total	Total	Total	Village	Library	Totals
1,811,298	1,690,492	1,858,283	1,889,347	1,289,125	440,445	1,729,570
7,087,425	7,223,810	7,700,258	8,093,842	6,044,697	2,127,066	8,171,763
—	—	—	—	—	—	—
570,864	3,043,104	1,402,150	(2,265,155)	1,500,097	512,526	2,012,623
(3,034,659)	3,019,891	—	(798,053)	—	—	—
(4,289,989)	(4,822,107)	(5,514,317)	(5,580,626)	(4,434,809)	(1,515,206)	(5,950,015)
2,144,939	10,155,190	5,446,374	1,339,355	4,399,110	1,564,831	5,963,941
95,738,341	97,883,280	108,038,470	113,484,844	84,191,342	30,632,857	114,824,199
97,883,280	108,038,470	113,484,844	114,824,199	88,590,452	32,197,688	120,788,140
1,941,668	2,032,727	1,677,888	2,006,704	1,550,977	529,910	2,080,887
766,547	1,104,133	879,607	828,036	686,233	234,460	920,693
14,755,335	(5,230,039)	17,276,295	15,388,334	14,923,769	5,098,888	20,022,657
(4,289,989)	(4,822,107)	(5,514,317)	(5,580,626)	(4,434,809)	(1,515,206)	(5,950,015)
(1,351,715)	1,969,030	527,892	(302,878)	58,977	20,150	79,127
11,821,846	(4,946,256)	14,847,365	12,339,570	12,785,147	4,368,202	17,153,349
85,124,800	96,946,646	92,000,390	106,847,755	87,397,294	31,790,031	119,187,325
96,946,646	92,000,390	106,847,755	119,187,325	100,182,441	36,158,233	136,340,674
936,634	16,038,080	6,637,089	(4,363,126)	(11,591,989)	(3,960,545)	(15,552,534)
99.04%	85.16%	94.15%	103.80%	113.08%	112.30%	112.88%
16,965,974	17,940,334	18,248,083	17,965,116	13,992,127	4,780,581	18,772,708
5.52%	89.40%	36.37%	(24.29%)	(82.85%)	(82.85%)	(82.85%)

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Police Pension Fund

Schedule of Changes in the Employer's Net Pension Liability

December 31, 2022

	12/31/2014	12/31/2015	12/31/2016
Total Pension Liability			
Service Cost	\$ 1,890,407	1,777,310	1,732,924
Interest	6,479,504	7,210,826	8,221,483
Changes in Benefit Terms	—	—	—
Differences Between Expected and Actual Experience	860,183	95,650	(5,201,074)
Change 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 - Members	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 Expenses	(60,382)	(49,947)	(44,605)
Net Change in Plan Fiduciary Net Position	3,443,949	(319,885)	3,476,646
Plan Net Position - Beginning	55,375,976	58,819,925	58,500,040
Plan 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%	642.63%	584.14%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022
1,557,284	1,575,461	1,576,407	1,571,647	1,613,165	1,825,295
7,951,856	8,195,228	8,574,834	8,826,306	8,899,357	9,808,132
—	—	202,152	—	—	—
(1,650,048)	(208,550)	(439,430)	(2,533,619)	1,303,302	1,372,725
385,618	1,320,658	(343,513)	(485,790)	12,017,565	834,969
(4,404,364)	(5,407,697)	(5,887,879)	(6,306,360)	(6,518,558)	(6,839,629)
3,840,346	5,475,100	3,682,571	1,072,184	17,314,831	7,001,492
110,325,665	114,166,011	119,641,111	123,323,682	124,395,866	141,710,697
114,166,011	119,641,111	123,323,682	124,395,866	141,710,697	148,712,189
3,747,825	3,608,602	3,582,499	3,855,754	3,977,102	3,821,104
830,240	838,893	860,265	860,062	887,126	1,020,818
8,967,014	(3,697,156)	13,440,246	10,224,907	11,280,599	(13,736,952)
(4,404,364)	(5,407,697)	(5,887,879)	(6,306,360)	(6,518,558)	(6,839,629)
(48,339)	(37,596)	(35,695)	(59,676)	(60,168)	(68,343)
9,092,376	(4,694,954)	11,959,436	8,574,687	9,566,101	(15,803,002)
61,976,686	71,069,062	66,374,108	78,333,544	86,908,231	96,474,332
71,069,062	66,374,108	78,333,544	86,908,231	96,474,332	80,671,330
43,096,949	53,267,003	44,990,138	37,487,635	45,236,365	68,040,859
62.25%	55.48%	63.52%	69.86%	68.08%	54.25%
8,354,290	8,526,976	8,505,172	8,791,984	9,034,880	9,702,264
515.87%	624.69%	528.97%	426.38%	500.69%	701.29%

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Firefighters' Pension Fund
Schedule of Changes in the Employer's Net Pension Liability
December 31, 2022**

	12/31/2014	12/31/2015	12/31/2016
Total Pension Liability			
Service Cost	\$ 1,673,836	1,515,101	1,429,810
Interest	5,780,241	6,270,507	7,296,444
Changes in Benefit Terms	—	—	—
Differences Between Expected and Actual Experience	225,575	1,603,162	(1,491,027)
Change 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 - Members	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 Expenses	(62,889)	(62,136)	(55,257)
Net Change in Plan Fiduciary Net Position	2,851,924	288,363	1,488,127
Plan Net Position - Beginning	53,716,415	56,568,339	56,856,702
Plan 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	451.63%	644.10%	610.92%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022
1,426,033	1,427,248	1,479,272	1,581,259	1,623,510	1,746,912
7,228,968	7,510,621	7,617,301	7,829,880	8,064,784	8,784,556
—	—	403,544	—	—	—
1,470,077	(2,255,993)	64,710	970,396	1,328,239	80,779
(572,774)	809,820	(346,430)	(518,533)	7,790,489	227,213
(5,427,385)	(5,909,909)	(6,234,640)	(6,541,877)	(6,788,536)	(6,965,087)
4,124,919	1,581,787	2,983,757	3,321,125	12,018,486	3,874,373
100,997,566	105,122,485	106,704,272	109,688,029	113,009,154	125,027,640
105,122,485	106,704,272	109,688,029	113,009,154	125,027,640	128,902,013
3,396,834	3,332,773	3,363,390	3,494,838	3,651,864	3,678,359
678,476	688,000	793,037	758,838	782,338	811,804
9,323,369	(1,914,014)	10,947,884	11,556,727	7,021,828	(12,071,065)
(5,427,385)	(5,909,909)	(6,234,640)	(6,541,877)	(6,788,536)	(6,965,087)
(50,783)	(63,660)	(40,260)	(36,998)	(109,735)	(69,199)
7,920,511	(3,866,810)	8,829,411	9,231,528	4,557,759	(14,615,188)
58,344,829	66,265,340	62,398,530	71,227,941	80,459,469	85,017,228
66,265,340	62,398,530	71,227,941	80,459,469	85,017,228	70,402,040
38,857,145	44,305,742	38,460,088	32,549,685	40,010,412	58,499,973
63.04%	58.48%	64.94%	71.20%	68.00%	54.62%
7,284,199	7,519,070	7,854,176	8,024,566	8,353,578	8,566,519
533.44%	589.24%	489.68%	405.63%	478.96%	682.89%

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Police Pension Fund
Schedule of Investment Returns
December 31, 2022**

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2014	6.92%
2015	0.92%
2016	7.15%
2017	14.29%
2018	(5.21%)
2019	20.29%
2020	13.20%
2021	15.66%
2022	(14.40%)

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Firefighters' Pension Fund
Schedule of Investment Returns
December 31, 2022**

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2014	7.60%
2015	3.38%
2016	5.58%
2017	16.49%
2018	(2.80%)
2019	16.52%
2020	16.49%
2021	8.87%
2022	(14.43%)

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Retiree Benefit Plan

Schedule of Changes in the Employer's Total OPEB Liability

December 31, 2022

	<u>12/31/2018</u>
Total OPEB Liability	
Service Cost	\$ 523,084
Interest	463,660
Changes in Benefit Terms	—
Differences Between Expected and Actual Experience	(1,152,702)
Change of Assumptions or Other Inputs	(1,704,999)
Benefit Payments	<u>(387,384)</u>
Net Change in Total OPEB Liability	(2,258,341)
Total OPEB Liability - Beginning	<u>13,147,473</u>
Total OPEB Liability - Ending	<u><u>10,889,132</u></u>
Covered-Employee Payroll	\$ 26,110,072
Total OPEB Liability as a Percentage of Covered-Employee Payroll	41.70%

Notes:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2018 through 2022.

12/31/2019	12/31/2020	12/31/2021	12/31/2022
457,933	560,011	882,943	836,978
457,768	407,957	329,431	338,311
—	—	—	—
(530,505)	(1,053,887)	(966,849)	(1,745,478)
1,326,575	3,217,155	(283,951)	(3,099,372)
(422,580)	(452,279)	(404,187)	(433,573)
1,289,191	2,678,957	(442,613)	(4,103,134)
10,889,132	12,178,323	14,857,280	14,414,667
12,178,323	14,857,280	14,414,667	10,311,533
26,958,649	27,836,531	28,741,218	29,641,953
45.17%	53.37%	50.15%	34.79%

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2022**

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 23,250,073	23,250,073	24,280,375
Licenses and Permits	2,306,000	2,306,000	2,568,330
Intergovernmental	37,353,435	47,138,435	43,843,735
Charges for Services	2,257,000	3,372,000	3,938,175
Fines and Forfeitures	351,000	351,000	313,457
Interest	12,350	584,350	606,334
Miscellaneous	249,350	249,350	291,728
Total Revenues	<u>65,779,208</u>	<u>77,251,208</u>	<u>75,842,134</u>
Expenditures			
General Government	7,847,371	8,155,699	7,121,399
Public Safety	39,842,767	40,048,961	39,820,193
Highways and Streets	11,040,864	9,820,987	8,807,969
Health	170,437	170,437	128,135
Welfare	2,143,016	2,142,018	1,562,184
Culture and Recreation	392,384	392,384	303,830
Total Expenditures	<u>61,436,839</u>	<u>60,730,486</u>	<u>57,743,710</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4,342,369</u>	<u>16,520,722</u>	<u>18,098,424</u>
Other Financing Sources (Uses)			
Disposal of Capital Assets	—	—	508
Transfers Out	(7,775,000)	(8,525,000)	(4,688,401)
	<u>(7,775,000)</u>	<u>(8,525,000)</u>	<u>(4,687,893)</u>
Net Change in Fund Balance	<u>(3,432,631)</u>	<u>7,995,722</u>	13,410,531
Fund Balance - Beginning as Restated			<u>34,834,789</u>
Fund Balance - Ending			<u><u>48,245,320</u></u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Prospect and Main TIF - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 1,650,000	1,650,000	1,307,969
Interest	—	—	1,701
Miscellaneous	5,000	5,000	—
Total Revenues	<u>1,655,000</u>	<u>1,655,000</u>	<u>1,309,670</u>
Expenditures			
General Government			
Other Employee Costs	1,500	1,500	1,200
Contractual Services	80,000	80,000	67,919
Commodities and Supplies	1,500	1,500	—
Capital Outlay			
Other	904,000	904,000	404,696
Debt Service			
Principal Retirement	360,000	360,000	360,000
Interest and Fiscal Charges	684,488	684,488	684,388
Total Expenditures	<u>2,031,488</u>	<u>2,031,488</u>	<u>1,518,203</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(376,488)	(376,488)	(208,533)
Other Financing Sources			
Disposal of Capital Assets	<u>2,800,000</u>	<u>2,800,000</u>	<u>1,990,309</u>
Net Change in Fund Balance	<u>2,423,512</u>	<u>2,423,512</u>	1,781,776
Fund Balance - Beginning			<u>395,781</u>
Fund Balance - Ending			<u><u>2,177,557</u></u>

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules - Major Governmental Funds
- Combining Statements - Nonmajor Governmental Funds
- Budgetary Comparison Schedules - Nonmajor Governmental Funds
- Budgetary Comparison Schedules - Enterprise Funds
- Combining Statements - Internal Service Funds
- Budgetary Comparison Schedules - Internal Service Funds
- Combining Statements - Pension Trust Funds
- Consolidated Year-End Financial Report

GOVERNMENTAL FUNDS

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

General Fund: The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUND

Prospect and Main TIF Fund: 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. See the Schedule of Revenues, Expenditures and Changes in Fund Balance in the Required Supplementary Information section of this report.

DEBT SERVICE FUND

Debt Service Fund: The Debt Service Fund is used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Taxes			
Property Taxes - General	\$ 9,396,074	9,396,074	9,329,500
Property Taxes - Police Pension	3,495,016	3,495,016	3,477,603
Property Taxes - Firefighters' Pension	3,367,483	3,367,483	3,353,725
Road and Bridge Property Tax	136,000	136,000	126,095
Auto Rental Tax	23,500	23,500	32,066
Food and Beverage Tax	1,002,000	1,002,000	1,246,766
Real Estate Transfer Tax	1,125,000	1,125,000	1,555,691
Hotel/Motel Tax	175,000	175,000	105,847
Telecommunications Tax	1,435,000	1,435,000	1,152,397
Home Rule Sales Tax	1,400,000	1,400,000	1,837,359
Gas Utility Tax	510,000	510,000	937,534
Electric Utility Tax	1,185,000	1,185,000	1,125,792
Total Taxes	23,250,073	23,250,073	24,280,375
Licenses and Permits			
Liquor Licenses	175,000	175,000	181,369
Business Licenses	150,000	150,000	155,321
Contractor Licenses	110,000	110,000	132,600
Alarm Licenses	47,000	47,000	45,380
Elevator Licenses	25,000	25,000	20,360
Building Permit Fees	650,000	650,000	806,407
Reinspection Fees	5,000	5,000	2,550
Gaming License Fees	76,000	76,000	91,300
Vacant Structure Registration Fees	6,000	6,000	2,000
Truck Rental Fees	6,000	6,000	3,405
Utility Permit Fees	5,000	5,000	5,500
ZBA Hearing Fees	5,000	5,000	12,400
Village Impact Fees	25,000	25,000	85,326
False Alarm Fees	7,000	7,000	6,675
Landlord/Tenant Fees	290,000	290,000	316,371
Cable TV Franchise Fees	724,000	724,000	701,366
Total Licenses and Permits	2,306,000	2,306,000	2,568,330

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Intergovernmental			
State Sales Tax	\$ 23,500,000	30,320,000	30,307,782
State Income Tax	6,300,000	9,265,000	9,263,878
State Use Tax	2,000,000	2,000,000	2,290,747
Charitable Games Tax	3,500	3,500	2,955
Cannabis Education Fund	50,000	50,000	92,168
Municipal Cannabis Tax	600,000	600,000	58,278
Replacement Taxes	475,000	475,000	1,434,999
Replacement Taxes - Road and Bridge	6,000	6,000	26,579
Grant - Body Armor	5,000	5,000	10,891
Grant - Other	4,413,935	4,413,935	355,458
Total Intergovernmental	37,353,435	47,138,435	43,843,735
Charges for Services			
Maintenance of State Highways	80,000	80,000	115,236
Ambulance Transport Fees	1,900,000	3,015,000	3,542,152
Forest River Rural FPD	45,000	45,000	35,223
Cable Programming Fees	10,000	10,000	—
Other Programs	28,000	28,000	4,169
Special Detail Revenue	50,000	50,000	28,145
Police Training Revenue	1,000	1,000	5,830
Fire Training Revenue	6,000	6,000	13,607
Lease Payments - Cell Towers	125,000	125,000	125,930
General Store Lease	12,000	12,000	67,883
Total Charges for Services	2,257,000	3,372,000	3,938,175
Fines and Forfeitures			
Fines - Parking	175,000	175,000	132,788
Fines - Local Ordinances	5,000	5,000	—
Fines - Code Enforcement	50,000	50,000	17,191
Fines - Circuit Court	85,000	85,000	110,928
Fines - Parental Responsibility	1,000	1,000	600
Forfeited Escrow Funds	35,000	35,000	51,950
Total Fines and Forfeitures	351,000	351,000	313,457

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Interest			
Investment Income	\$ 12,100	584,100	596,947
Interest - Escrow Funds	250	250	9,387
Total Interest	12,350	584,350	606,334
Miscellaneous			
Reimburse - H/S Youth Officer	105,000	105,000	104,536
Reimburse - Mount Prospect Library	25,000	25,000	31,658
Shared Cost - Sidewalk	20,000	20,000	10,621
Shared Cost - Tree Replacement	5,000	5,000	—
Other Reimbursements	67,000	67,000	63,675
Human Services Revenue	2,000	2,000	1,135
Fire and Police Reports	5,000	5,000	6,460
Animal Release Fees	250	250	275
Subpoena Fees	100	100	330
Other Revenue	20,000	20,000	73,038
Total Miscellaneous	249,350	249,350	291,728
Total Revenues	65,779,208	77,251,208	75,842,134

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
General Government			
Public Representation - Administration	\$ 221,273	221,273	152,110
Village Administration	4,516,816	4,825,144	4,252,225
Finance Department	1,736,056	1,736,056	1,624,954
Community Development - Administration	1,366,677	1,366,677	1,085,561
Benefit Payments	6,549	6,549	6,549
Total General Government	7,847,371	8,155,699	7,121,399
Public Safety			
Community Development - Code Enforcement	1,244,855	1,244,855	1,126,233
Police Department	20,131,162	20,332,237	19,942,165
Fire Department	18,466,750	18,471,869	18,751,795
Total Public Safety	39,842,767	40,048,961	39,820,193
Highways and Streets			
Public Works Department	11,040,864	9,820,987	8,807,969
Health			
Community Development - Health	170,437	170,437	128,135
Welfare			
Human Services Department	1,859,888	1,858,890	1,301,917
Community Development - Housing	283,128	283,128	260,267
Total Welfare	2,143,016	2,142,018	1,562,184
Culture and Recreation			
Public Representation - Community and Civic Services	392,384	392,384	303,830
Total Expenditures	61,436,839	60,730,486	57,743,710

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
General Government			
Public Representation - Administration			
Mayor and Board of Trustees			
Personal Services	\$ 25,006	25,006	24,851
Employee Benefits	1,917	1,917	1,901
Other Employee Costs	6,000	6,000	2,974
Contractual Services	183,050	183,050	118,472
Commodities and Supplies	5,300	5,300	3,912
Total Mayor and Board of Trustees	221,273	221,273	152,110
Village Administration			
Village Manager's Office			
Personal Services	645,293	645,293	614,605
Employee Benefits	228,442	228,442	231,052
Other Employee Costs	25,400	25,400	20,706
Contractual Services	66,294	66,294	95,038
Utilities	4,400	4,400	3,932
Commodities and Supplies	7,776	7,776	6,175
Office and Other Equipment	240	240	—
Insurance	24,893	24,893	24,893
Other Expenditures	143,697	143,697	—
Total Village Manager's Office	1,146,435	1,146,435	996,401
Legal Services			
Contractual Services	618,300	618,300	492,370
Human Resources			
Personal Services	247,717	247,717	281,412
Employee Benefits	243,406	514,528	584,654
Other Employee Costs	59,960	59,960	32,161
Contractual Services	44,050	44,050	45,310
Commodities and Supplies	1,000	1,000	1,504
Total Human Resources	596,133	867,255	945,041

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
General Government - Continued			
Village Administration - Continued			
Information Technology			
Personal Services	\$ 467,188	467,188	424,795
Employee Benefits	163,069	163,069	158,139
Other Employee Costs	7,000	7,000	670
Contractual Services	598,935	598,935	471,232
Utilities	33,500	33,500	31,964
Commodities and Supplies	500	500	445
Office and Other Equipment	15,000	15,000	15,914
Total Information Technology	1,285,192	1,285,192	1,103,159
Communications			
Personal Services	96,017	96,017	96,015
Employee Benefits	41,003	41,003	40,202
Other Employee Costs	2,200	2,200	—
Contractual Services	96,050	96,050	116,303
Total Communications	235,270	235,270	252,520
Television Services			
Personal Services	76,597	104,097	72,977
Employee Benefits	31,821	41,527	31,093
Contractual Services	36,352	36,352	14,382
Commodities and Supplies	4,500	4,500	4,089
Office and Other Equipment	145,500	145,500	33,876
Total Television Services	294,770	331,976	156,417
Community Engagement			
Other Employee Costs	4,800	4,800	480
Contractual Services	145,000	145,000	120,756
Utilities	1,250	1,250	1,273
Commodities and Supplies	700	700	—
Total Community Engagement	151,750	151,750	122,509

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
General Government - Continued			
Village Administration - Continued			
Village Clerk's Office			
Administration and Support			
Personal Services	\$ 110,937	110,937	116,780
Employee Benefits	49,119	49,119	48,630
Other Employee Costs	1,825	1,825	353
Contractual Services	26,085	26,085	17,275
Commodities and Supplies	1,000	1,000	770
Total Village Clerk's Office	188,966	188,966	183,808
Total Village Administration	4,516,816	4,825,144	4,252,225
Finance Department			
Administration and Support			
Personal Services	230,017	230,017	241,559
Employee Benefits	80,663	80,663	82,280
Other Employee Costs	30,000	30,000	6,732
Contractual Services	276,390	276,390	203,410
Utilities	2,500	2,500	2,548
Commodities and Supplies	12,800	12,800	6,609
Office and Other Equipment	80,000	80,000	122,592
Insurance	15,570	15,570	15,570
Total Administration and Support	727,940	727,940	681,300
Accounting			
Personal Services	382,950	382,950	347,993
Employee Benefits	125,689	125,689	109,640
Other Employee Costs	4,000	4,000	1,404
Contractual Services	2,000	2,000	648
Commodities and Supplies	6,500	6,500	2,693
Total Accounting	521,139	521,139	462,378
Insurance	40,989	40,989	42,186

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
General Government - Continued			
Finance Department - Continued			
Customer Service			
Personal Services	\$ 261,082	261,082	269,867
Employee Benefits	80,126	80,126	85,863
Other Employee Costs	2,400	2,400	980
Contractual Services	85,505	85,505	70,792
Commodities and Supplies	16,875	16,875	11,588
Total Customer Service	445,988	445,988	439,090
Total Finance Department	1,736,056	1,736,056	1,624,954
Community Development - Administration			
Administration and Support			
Personal Services	132,106	132,106	132,105
Employee Benefits	46,001	46,001	43,901
Other Employee Costs	4,945	4,945	2,593
Contractual Services	28,091	28,091	27,211
Utilities	3,000	3,000	1,488
Commodities and Supplies	1,150	1,150	1,005
Insurance	12,833	12,833	12,833
Total Administration and Support	228,126	228,126	221,136
Planning and Zoning			
Personal Services	211,452	211,452	204,948
Employee Benefits	79,432	79,432	73,013
Other Employee Costs	6,056	6,056	5,880
Contractual Services	26,767	26,767	24,788
Commodities and Supplies	5,590	5,590	3,354
Total Planning and Zoning	329,297	329,297	311,983

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
General Government - Continued			
Community Development - Economic Development			
Personal Services	\$ 98,372	98,372	74,606
Employee Benefits	27,721	27,721	22,615
Other Employee Costs	3,000	3,000	1,895
Contractual Services	250,000	250,000	29,504
Total Community Development - Economic Development	379,093	379,093	128,620
Administration and Support - Building and Inspections			
Personal Services	277,150	277,150	277,027
Employee Benefits	116,256	116,256	108,346
Contractual Services	—	—	12,971
Utilities	17,345	17,345	6,298
Commodities and Supplies	230	230	—
Insurance	19,180	19,180	19,180
Total Administration and Support - Building and Inspections	430,161	430,161	423,822
Total Community Development - Administration	1,366,677	1,366,677	1,085,561
Benefit Payments			
Contractual Services	6,549	6,549	6,549
Total General Government	7,847,371	8,155,699	7,121,399
Public Safety			
Community Development - Code Enforcement			
Building Inspection			
Personal Services	732,660	732,660	704,479
Employee Benefits	340,404	340,404	332,107
Other Employee Costs	13,100	13,100	9,222
Contractual Services	135,891	135,891	63,724
Commodities and Supplies	22,800	22,800	16,701
Total Community Development - Code Enforcement	1,244,855	1,244,855	1,126,233

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police Department			
Administration and Support			
Personal Services	\$ 916,779	951,613	924,223
Employee Benefits	4,222,817	4,237,675	4,181,514
Other Employee Costs	171,770	171,770	161,362
Contractual Services	300,403	300,403	222,543
Utilities	10,000	10,000	6,893
Commodities and Supplies	29,965	29,965	25,510
Office and Other Equipment	23,180	31,180	9,589
Insurance	241,437	241,437	241,437
Total Administration and Support	5,916,351	5,974,043	5,773,071
Records			
Personal Services	406,401	406,401	434,978
Employee Benefits	198,809	198,809	233,036
Contractual Services	5,188	5,188	2,914
Commodities and Supplies	5,420	5,420	4,100
Office and Other Equipment	525	525	—
Total Records	616,343	616,343	675,028
Patrol and Traffic Enforcement			
Personal Services	8,475,925	8,545,592	8,762,395
Employee Benefits	1,514,174	1,543,890	1,600,572
Contractual Services	547,308	547,308	492,887
Commodities and Supplies	119,170	146,170	90,780
Office and Other Equipment	6,700	6,700	3,584
Total Patrol and Traffic Enforcement	10,663,277	10,789,660	10,950,218
K-9 Unit			
Personal Services	150,895	150,895	—
Employee Benefits	21,313	21,313	—
Contractual Services	5,620	5,620	—
Commodities and Supplies	5,040	5,040	442
Total K-9 Unit	182,868	182,868	442

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police Department - Continued			
Crime Prevention and Public Services			
Personal Services	\$ 147,221	147,221	220,285
Employee Benefits	36,957	36,957	51,099
Other Employee Costs	4,590	4,590	6,518
Contractual Services	1,755	1,755	1,769
Commodities and Supplies	17,890	17,890	26,942
Total Crime Prevention and Public Services	208,413	208,413	306,613
Civic Events			
Personal Services	—	—	45,340
Employee Benefits	—	—	923
Total Civic Events	—	—	46,263
Investigative			
Personal Services	1,560,237	1,560,237	1,283,192
Employee Benefits	236,336	236,336	194,835
Contractual Services	28,322	28,322	20,898
Utilities	3,500	3,500	1,004
Commodities and Supplies	4,670	4,670	2,017
Office and Other Equipment	850	850	—
Total Investigative	1,833,915	1,833,915	1,501,946
Equipment Maintenance			
Contractual Services	666,210	683,210	651,894
Commodities and Supplies	34,130	34,130	32,711
Office and Other Equipment	9,655	9,655	3,979
Total Equipment Maintenance	709,995	726,995	688,584
Total Police Department	20,131,162	20,332,237	19,942,165

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Fire Department			
Administration and Support			
Personal Services	\$ 750,239	750,239	745,981
Employee Benefits	3,990,552	3,990,552	4,081,730
Other Employee Costs	59,300	59,300	45,135
Contractual Services	284,930	279,930	742,941
Commodities and Supplies	14,310	14,310	12,292
Office and Other Equipment	3,500	3,500	1,986
Insurance	234,722	234,722	234,722
Total Administration and Support	5,337,553	5,332,553	5,864,787
Fire Department Operations			
Personal Services	9,175,850	9,175,850	9,070,896
Employee Benefits	1,751,743	1,751,743	1,678,883
Other Employee Costs	88,327	83,327	60,276
Contractual Services	150,973	150,973	152,698
Commodities and Supplies	31,735	36,735	28,833
Office and Other Equipment	184,147	189,517	168,075
Total Fire Department Operations	11,382,775	11,388,145	11,159,661
Fire Prevention			
Personal Services	284,543	284,543	275,781
Employee Benefits	102,910	102,910	99,835
Other Employee Costs	5,980	5,980	3,005
Contractual Services	2,500	2,500	1,285
Commodities and Supplies	18,500	18,500	16,156
Total Fire Prevention	414,433	414,433	396,062
Communications			
Contractual Services	3,600	3,600	2,204
Utilities	16,000	16,000	12,524
Commodities and Supplies	1,500	1,500	—
Office and Other Equipment	13,500	16,850	7,785
Total Communications	34,600	37,950	22,513

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Fire Department - Continued			
Equipment Maintenance			
Contractual Services	\$ 1,014,461	1,014,461	1,014,461
Commodities and Supplies	—	—	8
	<u>1,014,461</u>	<u>1,014,461</u>	<u>1,014,469</u>
Emergency Preparedness			
Personal Services	167,234	167,234	172,807
Employee Benefits	42,904	42,904	64,456
Other Employee Costs	1,500	1,500	1,075
Contractual Services	3,000	3,000	3,177
Commodities and Supplies	18,250	18,250	23,074
	<u>232,888</u>	<u>232,888</u>	<u>264,589</u>
Paid on Call			
Personal Services	35,715	35,715	16,152
Employee Benefits	2,125	2,125	1,235
Other Employee Costs	8,600	7,400	4,779
Office and Other Equipment	3,600	6,199	7,548
	<u>50,040</u>	<u>51,439</u>	<u>29,714</u>
Total Fire Department	<u>18,466,750</u>	<u>18,471,869</u>	<u>18,751,795</u>
Total Public Safety	<u>39,842,767</u>	<u>40,048,961</u>	<u>39,820,193</u>
Highways and Streets			
Public Works Department			
Administration and Support			
Personal Services	298,536	298,536	296,120
Employee Benefits	168,449	168,449	172,741
Other Employee Costs	33,070	33,070	39,457
Contractual Services	1,020,436	1,020,436	1,009,285
Utilities	4,330	4,330	3,459
Commodities and Supplies	17,013	17,013	16,184
Office and Other Equipment	1,609	1,609	1,405
Insurance	228,243	228,243	228,243
	<u>1,771,686</u>	<u>1,771,686</u>	<u>1,766,894</u>
Total Administration and Support	<u>1,771,686</u>	<u>1,771,686</u>	<u>1,766,894</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Highways and Streets - Continued			
Public Works Department - Continued			
Street and Buildings Division			
Administration			
Personal Services	\$ 128,121	128,121	121,831
Employee Benefits	46,579	46,579	42,298
Utilities	4,330	4,330	5,689
Commodities and Supplies	270	270	—
Total Administration	179,300	179,300	169,818
Maintenance - Public Buildings			
Personal Services	440,046	440,046	424,563
Employee Benefits	171,142	171,142	178,696
Contractual Services	476,657	472,943	427,169
Utilities	42,640	46,640	61,157
Commodities and Supplies	158,917	154,917	140,010
Office and Other Equipment	—	3,714	3,714
Other Expenditures	4,505	4,505	—
Total Maintenance - Public Buildings	1,293,907	1,293,907	1,235,309
Street Maintenance			
Personal Services	316,536	316,536	288,919
Employee Benefits	123,022	123,022	107,474
Contractual Services	1,670,463	450,586	240,644
Commodities and Supplies	49,345	49,345	36,615
Office and Other Equipment	12,000	4,370	—
Total Street Maintenance	2,171,366	943,859	673,652
Snow Removal			
Personal Services	411,061	411,061	413,553
Employee Benefits	158,848	158,848	146,568
Contractual Services	111,161	111,161	66,390
Commodities and Supplies	15,095	22,725	17,582
Total Snow Removal	696,165	703,795	644,093

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Highways and Streets - Continued			
Public Works Department - Continued			
Street and Buildings Division - Continued			
Storm Sewer/Basin Maintenance			
Personal Services	\$ 89,996	89,996	86,617
Employee Benefits	32,506	32,506	29,312
Contractual Services	11,408	11,408	6,253
Commodities and Supplies	10,458	10,458	3,288
Total Storm Sewer/Basin Maintenance	144,368	144,368	125,470
Maintenance of State Highways			
Personal Services	42,497	42,497	40,338
Employee Benefits	16,577	16,577	14,825
Contractual Services	20,787	20,787	19,427
Commodities and Supplies	33,609	33,609	8,967
Total Maintenance of State Highways	113,470	113,470	83,557
Traffic Sign Maintenance			
Personal Services	76,072	76,072	69,416
Employee Benefits	38,281	38,281	24,591
Commodities and Supplies	34,599	34,599	33,918
Total Traffic Sign Maintenance	148,952	148,952	127,925
Civic Events			
Personal Services	41,952	41,952	39,455
Employee Benefits	15,583	15,583	15,060
Commodities and Supplies	15	15	—
Total Civic Events	57,550	57,550	54,515
Total Street and Buildings Division	4,805,078	3,585,201	3,114,339

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Highways and Streets - Continued			
Public Works Department - Continued			
Forestry Division			
Administration and Support			
Personal Services	\$ 123,411	123,411	121,521
Employee Benefits	44,103	44,103	43,837
Commodities and Supplies	2,525	2,525	2,282
Total Administration and Support	170,039	170,039	167,640
Maintenance of Grounds			
Personal Services	212,724	212,724	152,086
Employee Benefits	70,570	70,570	93,146
Contractual Services	305,336	305,336	281,971
Commodities and Supplies	10,142	25,642	24,146
Office and Other Equipment	52,088	36,588	31,310
Total Maintenance of Grounds	650,860	650,860	582,659
Forestry Program			
Personal Services	511,063	511,063	458,545
Employee Benefits	196,735	196,735	175,505
Other Employee Costs	6,723	6,723	6,747
Contractual Services	435,723	435,723	419,214
Utilities	7,800	7,800	6,722
Commodities and Supplies	12,536	12,536	10,762
Total Forestry Program	1,170,580	1,170,580	1,077,495
Public Grounds Beautification			
Personal Services	111,574	111,574	94,790
Employee Benefits	43,596	43,596	43,105
Contractual Services	2,757	2,757	2,687
Commodities and Supplies	37,717	37,717	34,039
Total Public Grounds Beautification	195,644	195,644	174,621

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Highways and Streets - Continued			
Public Works Department - Continued			
Forestry Division			
Civic Events			
Personal Services	\$ 48,812	48,812	42,638
Employee Benefits	18,836	18,836	17,729
Total Civic Events	67,648	67,648	60,367
Holiday			
Personal Services	10,156	10,156	8,807
Employee Benefits	4,429	4,429	4,334
Total Holiday	14,585	14,585	13,141
Total Forestry Division	2,269,356	2,269,356	2,075,923
Engineering Division			
Engineering Services			
Personal Services	967,954	967,954	811,607
Employee Benefits	334,374	334,374	314,268
Other Employee Costs	5,786	5,786	6,170
Contractual Services	119,815	119,815	95,423
Utilities	6,120	6,120	5,511
Commodities and Supplies	6,530	6,530	5,928
Office and Other Equipment	2,555	2,555	1,063
Total Engineering Services	1,443,134	1,443,134	1,239,970
Traffic Control and Street Lighting			
Personal Services	57,113	57,113	24,407
Employee Benefits	23,662	23,662	6,905
Contractual Services	17,636	17,636	4,685
Utilities	25,500	25,500	1,405
Commodities and Supplies	29,078	29,078	28,096
Total Traffic Control and Street Lighting	152,989	152,989	65,498
Total Engineering Division	1,596,123	1,596,123	1,305,468

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Highways and Streets - Continued			
Public Works Department - Continued			
Capital Expenditures			
Infrastructure			
Resurfacing/Curbs	\$ 369,400	369,400	339,990
Miscellaneous - Forestry	229,221	229,221	205,355
Total Capital Expenditures	598,621	598,621	545,345
Total Highways and Streets	11,040,864	9,820,987	8,807,969
Health			
Community Development - Health			
Health Inspections			
Personal Services	118,492	118,492	94,959
Employee Benefits	46,387	46,387	26,959
Other Employee Costs	—	—	231
Contractual Services	5,408	5,408	5,696
Commodities and Supplies	150	150	290
Total Health	170,437	170,437	128,135
Welfare			
Human Services Department			
Administration and Support			
Personal Services	169,180	169,180	160,755
Employee Benefits	73,497	73,497	137,582
Other Employee Costs	2,816	2,816	1,813
Contractual Services	33,166	32,804	26,779
Utilities	5,050	5,050	4,469
Commodities and Supplies	3,884	3,884	4,753
Office and Other Equipment	558	558	3,366
Insurance	11,556	11,556	11,556
Total Administration and Support	299,707	299,345	351,073

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Welfare - Continued			
Human Services Department - Continued			
Social Services			
Personal Services	\$ 370,313	370,313	313,476
Employee Benefits	137,724	137,724	103,628
Other Employee Costs	4,680	4,725	2,080
Contractual Services	420,000	420,000	32,802
Commodities and Supplies	765	765	287
Total Social Services	933,482	933,527	452,273
Nursing/Health Services			
Personal Services	132,061	132,061	80,037
Employee Benefits	49,473	49,473	42,933
Other Employee Costs	758	758	—
Contractual Services	200	200	—
Commodities and Supplies	4,024	4,324	1,467
Office and Other Equipment	700	(236)	220
Total Nursing/Health Services	187,216	186,580	124,657
Community Connections Center			
Personal Services	241,771	241,771	209,073
Employee Benefits	84,225	84,225	61,030
Other Employee Costs	1,960	1,915	720
Contractual Services	102,576	102,576	96,091
Utilities	4,841	4,841	4,673
Commodities and Supplies	4,110	4,110	2,327
Total Community Connections Center	439,483	439,438	373,914
Total Human Services Department	1,859,888	1,858,890	1,301,917

VILLAGE OF MOUNT PROSPECT, ILLINOIS

General Fund

Schedule of Detailed Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Welfare - Continued			
Community Development - Housing			
Housing Inspections			
Personal Services	\$ 172,909	172,909	171,839
Employee Benefits	79,256	79,256	55,896
Other Employee Costs	—	—	55
Contractual Services	30,663	30,663	32,190
Commodities and Supplies	300	300	287
Total Community Development - Housing	283,128	283,128	260,267
Total Welfare	2,143,016	2,142,018	1,562,184
Culture and Recreation			
Public Representation - Community and Civic Services			
Community Groups and Miscellaneous			
Contractual Services	213,528	214,870	167,859
Other Expenditures	6,120	6,120	2,332
Total Community Groups and Miscellaneous	219,648	220,990	170,191
4th of July and Civic Events			
Contractual Services	29,941	29,941	27,867
Commodities and Supplies	43,621	42,279	24,690
Total 4th of July and Civic Events	73,562	72,220	52,557
Holiday Decorations			
Contractual Services	73,983	71,483	54,322
Commodities and Supplies	25,191	27,691	26,760
Total Holiday Decorations	99,174	99,174	81,082
Total Culture and Recreation	392,384	392,384	303,830
Total Expenditures	61,436,839	60,730,486	57,743,710

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property - Levy	\$ 2,828,686	2,828,686	2,828,686
Other Taxes			
Home Rule Sales Tax	922,000	922,000	922,000
Video Gaming Tax	75,000	75,000	235,903
Intergovernmental			
Mount Prospect Public Library Bonds	1,581,000	1,581,000	1,581,000
Interest	1,000	1,000	27,805
Total Revenues	<u>5,407,686</u>	<u>5,407,686</u>	<u>5,595,394</u>
Expenditures			
Debt Service			
Principal Retirement	4,145,000	4,304,327	4,145,000
Interest and Fiscal Charges	2,303,292	2,387,128	2,281,374
Total Expenditures	<u>6,448,292</u>	<u>6,691,455</u>	<u>6,426,374</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,040,606)</u>	<u>(1,283,769)</u>	<u>(830,980)</u>
Other Financing Sources (Uses)			
Debt Issuance	—	8,230,000	8,230,000
Payment to Escrow Agent	—	(8,090,000)	(8,249,328)
Transfers In	—	—	163,401
	<u>—</u>	<u>140,000</u>	<u>144,073</u>
Net Change in Fund Balance	<u>(1,040,606)</u>	<u>(1,143,769)</u>	(686,907)
Fund Balance - Beginning			<u>1,782,485</u>
Fund Balance - Ending			<u><u>1,095,578</u></u>

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Motor Fuel Tax Fund: The Motor Fuel Tax Fund is used 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: - The Refuse Disposal Fund is used 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: The Community Development Block Grant Fund is used 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: The Asset Seizure Fund is used 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: The Federal Equitable Share Fund is used 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: The DUI Fines Fund is used to account for the revenues and expenditures associated with the Cook County DUI fine program. Use of funds is restricted to fight against drunk driving.

Foreign Fire Insurance Fund: The Foreign Fire Insurance Fund is used to account for the 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: The Business District Fund is used 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.

Pension Stabilization Fund: The Pension Stabilization Fund is used to account for amounts set aside for future pension levy abatements. A pension stabilization fund is a financial reserve or pool of assets established to provide stability and support for a pension system. It is primarily designed to address funding shortfalls or unfunded liabilities within a pension plan.

NONMAJOR GOVERNMENTAL FUNDS - Continued

CAPITAL PROJECTS FUNDS

Capital Improvement Fund: The Capital Improvement Fund is used 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: The Flood Control Construction fund is used 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: The Street Improvement Construction Fund is used to account for the resources to reconstruct Village streets. Financing is being provided by various taxes, licenses, permits, fees and interest income.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2022**

	Special Revenue	Capital Projects	Totals
ASSETS			
Cash and Investments	\$ 7,404,244	12,304,169	19,708,413
Receivables - Net of Allowances			
Other Taxes	607,082	1,374,243	1,981,325
Other	651,152	—	651,152
Due from Other Governments	515,109	892,670	1,407,779
Prepays	90,757	9,918	100,675
Total Assets	<u>9,268,344</u>	<u>14,581,000</u>	<u>23,849,344</u>
LIABILITIES			
Accounts Payable	429,868	101,936	531,804
Accrued Payroll	13,001	—	13,001
Due to Other Governments	3,820	—	3,820
Due to Other Funds	10,000	—	10,000
Other Payables	1,630,681	—	1,630,681
Total Liabilities	<u>2,087,370</u>	<u>101,936</u>	<u>2,189,306</u>
FUND BALANCES			
Nonspendable	90,757	9,918	100,675
Restricted	5,800,425	—	5,800,425
Committed	1,289,792	—	1,289,792
Assigned	—	14,469,146	14,469,146
Total Fund Balances	<u>7,180,974</u>	<u>14,479,064</u>	<u>21,660,038</u>
Total Liabilities and Fund Balances	<u>9,268,344</u>	<u>14,581,000</u>	<u>23,849,344</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended December 31, 2022

	Special Revenue	Capital Projects	Totals
Revenues			
Taxes	\$ 1,063,517	5,329,411	6,392,928
Intergovernmental	3,821,161	—	3,821,161
Licenses and Permits	—	1,320,592	1,320,592
Charges for Services	4,992,177	—	4,992,177
Investment Income	57,961	147,216	205,177
Miscellaneous	1,469,638	993,830	2,463,468
Total Revenues	<u>11,404,454</u>	<u>7,791,049</u>	<u>19,195,503</u>
Expenditures			
Public Safety	88,663	—	88,663
Highways and Streets	4,151,138	—	4,151,138
Health	4,909,730	—	4,909,730
Welfare	468,022	—	468,022
Capital Outlay	—	5,177,249	5,177,249
Debt Service			
Principal Retirement	1,549,521	—	1,549,521
Interest and Fiscal Charges	168,604	—	168,604
Total Expenditures	<u>11,335,678</u>	<u>5,177,249</u>	<u>16,512,927</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	68,776	2,613,800	2,682,576
Other Financing Sources			
Transfers In	<u>750,000</u>	<u>3,700,000</u>	<u>4,450,000</u>
Net Change in Fund Balances	818,776	6,313,800	7,132,576
Fund Balances - Beginning	<u>6,362,198</u>	<u>8,165,264</u>	<u>14,527,462</u>
Fund Balances - Ending	<u><u>7,180,974</u></u>	<u><u>14,479,064</u></u>	<u><u>21,660,038</u></u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Balance Sheet

December 31, 2022

See Following Page

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Nonmajor Governmental - Special Revenue Funds
Combining Balance Sheet
December 31, 2022**

	Motor Fuel Tax	Refuse Disposal	Community Development Block Grant
ASSETS			
Cash and Investments	\$ 3,659,513	1,048,165	2,929
Receivables - Net of Allowances			
Other Taxes	221,896	—	—
Other	—	599,540	—
Due from Other Governments	3,961	—	511,148
Prepays	—	90,757	—
Total Assets	<u>3,885,370</u>	<u>1,738,462</u>	<u>514,077</u>
LIABILITIES			
Accounts Payable	76,244	344,912	—
Accrued Payroll	—	13,001	—
Due to Other Governments	3,820	—	—
Due to Other Funds	—	—	10,000
Other Payables	—	—	504,077
Total Liabilities	<u>80,064</u>	<u>357,913</u>	<u>514,077</u>
FUND BALANCES			
Nonspendable	—	90,757	—
Restricted	3,805,306	—	—
Committed	—	1,289,792	—
Total Fund Balances	<u>3,805,306</u>	<u>1,380,549</u>	<u>—</u>
Total Liabilities and Fund Balances	<u>3,885,370</u>	<u>1,738,462</u>	<u>514,077</u>

Asset Seizure	Federal Equitable Share	DUI Fines	Foreign Fire Insurance	Business District	Pension Stabilization	Totals
90,381	472,562	138,882	551,978	689,834	750,000	7,404,244
—	—	28	—	385,158	—	607,082
—	—	—	—	51,612	—	651,152
—	—	—	—	—	—	515,109
—	—	—	—	—	—	90,757
90,381	472,562	138,910	551,978	1,126,604	750,000	9,268,344
—	—	—	8,712	—	—	429,868
—	—	—	—	—	—	13,001
—	—	—	—	—	—	3,820
—	—	—	—	—	—	10,000
—	—	—	—	1,126,604	—	1,630,681
—	—	—	8,712	1,126,604	—	2,087,370
—	—	—	—	—	—	90,757
90,381	472,562	138,910	543,266	—	750,000	5,800,425
—	—	—	—	—	—	1,289,792
90,381	472,562	138,910	543,266	—	750,000	7,180,974
90,381	472,562	138,910	551,978	1,126,604	750,000	9,268,344

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended December 31, 2022

	Motor Fuel Tax	Refuse Disposal	Community Development Block Grant
Revenues			
Taxes	\$ —	—	—
Intergovernmental	2,218,973	—	418,646
Charges for Services	—	4,992,177	—
Investment Income	36,049	7,932	—
Miscellaneous	1,221,142	199,120	49,376
Total Revenues	<u>3,476,164</u>	<u>5,199,229</u>	<u>468,022</u>
Expenditures			
Public Safety	—	—	—
Highways and Streets	4,151,138	—	—
Health	—	4,909,730	—
Welfare	—	—	468,022
Debt Service			
Principal Retirement	—	—	—
Interest and Fiscal Charges	—	—	—
Total Expenditures	<u>4,151,138</u>	<u>4,909,730</u>	<u>468,022</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(674,974)	289,499	—
Other Financing Sources			
Transfers In	—	—	—
Net Change in Fund Balances	(674,974)	289,499	—
Fund Balances - Beginning	<u>4,480,280</u>	<u>1,091,050</u>	<u>—</u>
Fund Balances - Ending	<u><u>3,805,306</u></u>	<u><u>1,380,549</u></u>	<u><u>—</u></u>

Asset Seizure	Federal Equitable Share	DUI Fines	Foreign Fire Insurance	Business District	Pension Stabilization	Totals
—	—	—	120,484	943,033	—	1,063,517
2,100	413,407	28	—	768,007	—	3,821,161
—	—	—	—	—	—	4,992,177
953	1,283	259	4,400	7,085	—	57,961
—	—	—	—	—	—	1,469,638
3,053	414,690	287	124,884	1,718,125	—	11,404,454
18,177	—	10,054	60,432	—	—	88,663
—	—	—	—	—	—	4,151,138
—	—	—	—	—	—	4,909,730
—	—	—	—	—	—	468,022
—	—	—	—	1,549,521	—	1,549,521
—	—	—	—	168,604	—	168,604
18,177	—	10,054	60,432	1,718,125	—	11,335,678
(15,124)	414,690	(9,767)	64,452	—	—	68,776
—	—	—	—	—	750,000	750,000
(15,124)	414,690	(9,767)	64,452	—	750,000	818,776
105,505	57,872	148,677	478,814	—	—	6,362,198
90,381	472,562	138,910	543,266	—	750,000	7,180,974

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Motor Fuel Tax Allotments	\$ 1,900,000	1,900,000	2,218,973
Investment Income	1,500	1,500	36,049
Miscellaneous	1,199,940	1,199,940	1,221,142
Total Revenues	<u>3,101,440</u>	<u>3,101,440</u>	<u>3,476,164</u>
Expenditures			
Highway and Streets			
Street Maintenance	<u>4,056,322</u>	<u>4,374,549</u>	<u>4,151,138</u>
Net Change in Fund Balance	<u>(954,882)</u>	<u>(1,273,109)</u>	(674,974)
Fund Balance - Beginning			<u>4,480,280</u>
Fund Balance - Ending			<u><u>3,805,306</u></u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Motor Fuel Tax - Special Revenue Fund
 Schedule of Expenditures - Budget and Actual
 For the Fiscal Year Ended December 31, 2022**

	Budget		Actual
	Original	Final	
Highway and Streets			
Street Division			
Street Maintenance			
Contractual Services	\$ 186,787	186,787	186,367
Snow Removal			
Contractual Services	86,152	86,152	91,827
Commodities and Supplies	387,600	387,600	308,653
Total Snow Removal	473,752	473,752	400,480
Traffic Control/Street Lighting			
Contractual Services	101,783	101,783	69,150
Utilities	254,000	254,000	196,697
Total Traffic Control/Street Lighting	355,783	355,783	265,847
Street Improvement Projects			
Infrastructure	3,040,000	3,358,227	3,298,444
Total Expenditures	4,056,322	4,374,549	4,151,138

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Refuse Disposal - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Revenues			
Charges for Services	\$ 4,932,000	4,932,000	4,992,177
Investment Income	200	200	7,932
Miscellaneous	10,000	10,000	199,120
Total Revenues	4,942,200	4,942,200	5,199,229
Expenditures			
Health			
Refuse Disposal Division			
Personal Services	327,033	327,033	313,899
Employee Benefits	130,431	130,431	131,977
Other Employee Costs	1,405	1,405	645
Contractual Services	4,397,956	4,397,956	4,381,109
Commodities and Supplies	42,771	42,771	65,716
Insurance	16,384	16,384	16,384
Total Expenditures	4,915,980	4,915,980	4,909,730
Net Change in Fund Balance	26,220	26,220	289,499
Fund Balance - Beginning			1,091,050
Fund Balance - Ending			1,380,549

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Refuse Disposal - Special Revenue Fund
Schedule of Revenues - Budget and Actual
For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Charges for Services			
Single-Family Service Charges	\$ 3,622,500	3,622,500	3,600,868
Multi-Family Service Charges	1,138,500	1,138,500	1,219,226
Single-Family Penalties	30,000	30,000	31,507
Multi-Family Penalties	5,000	5,000	13,112
Contract Administrative Fees	110,000	110,000	100,000
Recycling Bins	2,000	2,000	1,000
Yard Waste Cart Rental	24,000	24,000	26,464
Total Charges for Services	4,932,000	4,932,000	4,992,177
Investment Income	200	200	7,932
Miscellaneous			
Reimbursements	5,000	5,000	191,669
Other	5,000	5,000	7,451
Total Miscellaneous	10,000	10,000	199,120
Total Revenues	4,942,200	4,942,200	5,199,229

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Community Development Block Grant - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Grant - CDBG	\$ 427,770	427,770	418,646
Miscellaneous			
Program Income	80,000	80,000	49,376
Total Revenues	<u>507,770</u>	<u>507,770</u>	<u>468,022</u>
Expenditures			
Welfare			
Community Programs	42,770	42,770	140,843
Residential Rehabilitation	465,000	465,000	327,179
Total Expenditures	<u>507,770</u>	<u>507,770</u>	<u>468,022</u>
Net Change in Fund Balance	<u>—</u>	<u>—</u>	<u>—</u>
Fund Balance - Beginning			<u>—</u>
Fund Balance - Ending			<u><u>—</u></u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Asset Seizure - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Seized Assets	\$ 6,000	6,000	2,100
Investment Income	100	100	953
Total Revenues	<u>6,100</u>	<u>6,100</u>	<u>3,053</u>
Expenditures			
Public Safety			
Other Employee Costs	1,000	1,000	—
Contractual Services	3,000	3,000	—
Equipment	3,000	8,608	18,177
Total Expenditures	<u>7,000</u>	<u>12,608</u>	<u>18,177</u>
Net Change in Fund Balance	<u>(900)</u>	<u>(6,508)</u>	(15,124)
Fund Balance - Beginning			<u>105,505</u>
Fund Balance - Ending			<u><u>90,381</u></u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Federal Equitable Share - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Federal Equitable Shared Funds	\$ 8,000	420,000	413,407
Investment Income	220	220	1,283
Total Revenues	8,220	420,220	414,690
Expenditures			
Public Safety			
Contractual Services	1,000	1,000	—
Net Change in Fund Balance	7,220	419,220	414,690
Fund Balance - Beginning			57,872
Fund Balance - Ending			472,562

VILLAGE OF MOUNT PROSPECT, ILLINOIS

DUI Fines - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
DUI Fines	\$ 8,000	8,000	28
Investment Income	20	20	259
Total Revenues	<u>8,020</u>	<u>8,020</u>	<u>287</u>
Expenditures			
Public Safety			
Other Employee Costs	1,000	1,000	—
Contractual Services	1,000	1,000	—
Equipment	—	45,000	10,054
Total Expenditures	<u>2,000</u>	<u>47,000</u>	<u>10,054</u>
Net Change in Fund Balance	<u>6,020</u>	<u>(38,980)</u>	<u>(9,767)</u>
Fund Balance - Beginning			<u>148,677</u>
Fund Balance - Ending			<u><u>138,910</u></u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Foreign Fire Insurance - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Other Taxes			
Foreign Fire Insurance Tax	\$ 90,000	90,000	120,484
Investment Income	150	150	4,400
Total Revenues	<u>90,150</u>	<u>90,150</u>	<u>124,884</u>
Expenditures			
Public Safety			
Insurance	500	500	—
Other Employee Costs	1,200	1,200	3,405
Contractual Services	11,000	11,000	8,142
Commodities and Supplies	10,600	10,600	2,901
Equipment	40,000	68,712	45,984
Total Expenditures	<u>63,300</u>	<u>92,012</u>	<u>60,432</u>
Net Change in Fund Balance	<u>26,850</u>	<u>(1,862)</u>	64,452
Fund Balance - Beginning			<u>478,814</u>
Fund Balance - Ending			<u><u>543,266</u></u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Business District - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Other Taxes			
Food and Beverage Tax	\$ 325,000	325,000	349,969
Hotel/Motel Tax	175,000	175,000	233,336
Movie Theater Tax	60,000	60,000	51,995
Business District Tax	275,000	275,000	307,733
Intergovernmental			
State Sales Tax	450,000	900,000	768,007
Investment Income	500	500	7,085
Total Revenues	<u>1,285,500</u>	<u>1,735,500</u>	<u>1,718,125</u>
Expenditures			
Debt Service			
Principal Retirement	1,285,500	1,549,521	1,549,521
Interest and Fiscal Charges	—	185,979	168,604
Total Expenditures	<u>1,285,500</u>	<u>1,735,500</u>	<u>1,718,125</u>
Net Change in Fund Balance	<u>—</u>	<u>—</u>	<u>—</u>
Fund Balance - Beginning			<u>—</u>
Fund Balance - Ending			<u><u>—</u></u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Pension Stabilization - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Revenues			
Investment Income	\$ —	—	—
Expenditures			
General Government			
Contractual Services	—	—	—
Excess (Deficiency) of Revenues Over (Under) Expenditures	—	—	—
Other Financing Sources			
Transfers In	—	750,000	750,000
Net Change in Fund Balance	—	<u>750,000</u>	750,000
Fund Balance - Beginning			<u>—</u>
Fund Balance - Ending			<u><u>750,000</u></u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Nonmajor Governmental - Capital Projects Funds

Combining Balance Sheet

December 31, 2022

	Capital Improvement	Flood Control Construction	Street Improvement Construction	Totals
ASSETS				
Cash and Investments	\$ 7,550,000	1,037,209	3,716,960	12,304,169
Receivables - Net of Allowances				
Other Taxes	437,359	437,359	499,525	1,374,243
Due from Other Governments	—	—	892,670	892,670
Prepays	—	9,918	—	9,918
Total Assets	<u>7,987,359</u>	<u>1,484,486</u>	<u>5,109,155</u>	<u>14,581,000</u>
LIABILITIES				
Accounts Payable	47,162	3,856	50,918	101,936
FUND BALANCES				
Assigned	<u>7,940,197</u>	<u>1,470,712</u>	<u>5,058,237</u>	<u>14,469,146</u>
Total Liabilities and Fund Balances	<u>7,987,359</u>	<u>1,484,486</u>	<u>5,109,155</u>	<u>14,581,000</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Nonmajor Governmental - Capital Projects Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended December 31, 2022

	Capital Improvement	Flood Control Construction	Street Improvement Construction	Totals
Revenues				
Taxes				
Other	\$ 1,837,359	915,359	2,576,693	5,329,411
Licenses, Permits and Fees	—	—	1,320,592	1,320,592
Investment Income	53,259	52,815	41,142	147,216
Miscellaneous	—	38,621	955,209	993,830
Total Revenues	1,890,618	1,006,795	4,893,636	7,791,049
Expenditures				
Capital Outlay	1,602,204	534,285	3,040,760	5,177,249
Excess (Deficiency) of Revenues Over (Under) Expenditures	288,414	472,510	1,852,876	2,613,800
Other Financing Sources				
Transfers In	2,700,000	1,000,000	—	3,700,000
Net Change in Fund Balances	2,988,414	1,472,510	1,852,876	6,313,800
Fund Balances - Beginning	4,951,783	8,120	3,205,361	8,165,264
Fund Balances - Ending	7,940,197	1,480,630	5,058,237	14,479,064

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Capital Improvement - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Other Taxes			
Home Rules Sales Tax	\$ 1,400,000	1,400,000	1,837,359
Investment Income	1,000	1,000	53,259
Total Revenues	<u>1,401,000</u>	<u>1,401,000</u>	<u>1,890,618</u>
Expenditures			
Capital Outlay			
Equipment	135,000	273,000	135,980
Building Improvements	7,560,000	6,644,862	583,913
Infrastructure	1,518,560	1,658,681	882,311
Total Expenditures	<u>9,213,560</u>	<u>8,576,543</u>	<u>1,602,204</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,812,560)	(7,175,543)	288,414
Other Financing Sources			
Transfers In	<u>7,700,000</u>	<u>2,700,000</u>	<u>2,700,000</u>
Net Change in Fund Balance	<u>(112,560)</u>	<u>(4,475,543)</u>	2,988,414
Fund Balance - Beginning			<u>4,951,783</u>
Fund Balance - Ending			<u><u>7,940,197</u></u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Capital Improvement - Capital Projects Fund
Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended December 31, 2022**

	Budget		Actual
	Original	Final	
Capital Outlay			
Equipment			
Finance Department Software	\$ 10,000	10,000	—
Furniture and Equipment	95,000	95,000	—
Village Warning Sirens	—	138,000	126,300
Other Equipment	30,000	30,000	9,680
Total Equipment	135,000	273,000	135,980
Building Improvements			
Public Works Facility Improvements	5,250,000	5,213,531	199,432
HVAC Replacements	1,650,000	233,014	143,237
Parking Lot Improvements	55,000	55,000	36,883
Village Hall Facility Improvements	340,000	7,289	6,536
Train Station Platform Extension	—	900,000	—
Fire Station Improvements	100,000	71,028	68,230
Other Public Building Improvements	165,000	165,000	129,595
Total Building Improvements	7,560,000	6,644,862	583,913
Infrastructure			
Residential Street Lights	138,560	138,560	49,265
Residential Street Light Improvements	225,000	146,701	136,125
Facade Program	100,000	100,000	9,750
Flood Control Improvement	100,000	79,487	24,267
Kensington Road Bike Path	200,000	200,000	7,686
Brick Sidewalks	125,000	125,000	113,524
Pedestrian Bridge	—	22,533	22,533
Other Services	120,000	120,000	25,397
Central Road Pedestrian Crossing	510,000	726,400	493,764
Total Infrastructure	1,518,560	1,658,681	882,311
Total Expenditures	9,213,560	8,576,543	1,602,204

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Flood Control Construction - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Other Taxes			
Home Rule Sales Tax	\$ 478,000	478,000	915,359
Investment Income	1,000	1,000	52,815
Miscellaneous			
Fees	1,010,000	10,000	8,902
Reimbursements	25,000	25,000	29,719
Total Revenues	<u>1,514,000</u>	<u>514,000</u>	<u>1,006,795</u>
Expenditures			
Capital Outlay			
Public Improvements			
Infrastructure	1,698,030	1,961,462	467,915
Other	60,661	77,795	66,370
Total Expenditures	<u>1,758,691</u>	<u>2,039,257</u>	<u>534,285</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(244,691)	(1,525,257)	472,510
Other Financing Sources			
Transfers In	—	1,000,000	1,000,000
Net Change in Fund Balance	<u>(244,691)</u>	<u>(525,257)</u>	1,472,510
Fund Balance - Beginning			<u>8,120</u>
Fund Balance - Ending			<u><u>1,480,630</u></u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Flood Control Construction - Capital Projects Fund
 Schedule of Expenditures - Budget and Actual
 For the Fiscal Year Ended December 31, 2022**

	Budget		Actual
	Original	Final	
Capital Outlay			
Public Improvements			
Infrastructure			
Levee Repairs	\$ 41,616	60,940	36,100
Culvert and Ditch	31,212	11,888	7,959
Levee Supplies	5,202	5,202	406
Creek Bank Stabilization	1,475,000	1,457,866	64,262
Creek Tree Trimming	25,000	25,000	24,990
Private Property Drainage	120,000	120,000	100,992
Levee 37	—	280,566	233,206
Total Infrastructure	1,698,030	1,961,462	467,915
Other			
Electricity	3,641	3,641	—
Residential Reimbursements	5,000	5,000	—
Contractual Services	52,020	69,154	66,370
Total Other	60,661	77,795	66,370
Total Expenditures	1,758,691	2,039,257	534,285

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Street Improvement Construction - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Other Taxes			
Home Rule Sales Tax	\$ 1,400,000	1,400,000	1,837,359
Municipal Motor Fuel Tax	600,000	600,000	739,334
Licenses, Permits and Fees	1,450,000	1,450,000	1,320,592
Investment Income	600	600	41,142
Miscellaneous			
Reimbursements	1,000	1,000	—
Other	5,579,000	5,579,000	955,209
Total Revenues	<u>9,030,600</u>	<u>9,030,600</u>	<u>4,893,636</u>
Expenditures			
Capital Outlay			
Contractual Services	40,000	40,000	38,467
Infrastructure			
Street Resurfacing	8,786,000	6,444,996	2,999,596
Other Expenditures	—	47,073	2,697
Total Expenditures	<u>8,826,000</u>	<u>6,532,069</u>	<u>3,040,760</u>
Net Change in Fund Balance	<u>204,600</u>	<u>2,498,531</u>	1,852,876
Fund Balance - Beginning			<u>3,205,361</u>
Fund Balance - Ending			<u><u>5,058,237</u></u>

PROPRIETARY FUNDS

ENTERPRISE FUNDS

The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose.

Water and Sewer Fund: The Water and Sewer Fund is a major fund and is used to account for the activities of the water and sewer operations. The Village operates sewerage lift and relief stations and waste water collection systems and the water distribution system.

Parking System Revenue Fund: The Parking System Revenue Fund is a nonmajor fund and is used 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 Fund: The Village Parking System Fund is a nonmajor fund and is used 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

Water and Sewer - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 24,678,900	19,178,900	18,904,331
Operating Expenses			
Administration and Maintenance	29,848,921	26,418,959	17,035,267
Operating Income (Loss)	(5,170,021)	(7,240,059)	1,869,064
Nonoperating Revenues (Expenses)			
Debt Issuance	10,000,000	10,000,000	—
Investment Income	21,125	21,125	356,342
Other Income	32,500	32,500	62,360
Principal Payment	(575,000)	(575,000)	—
Property Taxes	—	—	(10,899)
Disposal of Capital Assets	—	—	(8,933)
Interest Expense	(639,331)	(639,331)	(1,088,134)
	8,839,294	8,839,294	(689,264)
Change in Net Position - Budgetary Basis	3,669,273	1,599,235	1,179,800
Adjustments to GAAP Basis			
Depreciation			(930,708)
Amortization of Unamortized Bond Premium			97,804
Amortization of Asset Retirement Obligation			(7,500)
Capital Assets Capitalized			4,398,395
Total Adjustments to GAAP Basis			3,557,991
Change in Net Position - GAAP Basis			4,737,791
Net Position - Beginning			45,147,298
Net Position - Ending			49,885,089

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Water and Sewer - Enterprise Fund

Schedule of Operating Revenues - Budget and Actual

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Charges for Services			
Water Sales	\$ 14,921,500	14,921,500	15,025,258
Sewer Fees	3,569,400	3,569,400	3,725,700
Water Penalties	100,000	100,000	111,293
Water Meter Fees	27,000	27,000	13,880
Water and Sewer Taps	1,000	1,000	875
Sewer Penalties	25,000	25,000	27,325
	6,035,000	535,000	—
Total Operating Revenues	24,678,900	19,178,900	18,904,331

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Water and Sewer - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Administration and Maintenance			
Administration and Support			
Personal Services	\$ 535,091	535,091	533,082
Employee Benefits	246,307	246,307	(291,206)
Other Employee Costs	46,248	46,248	42,647
Contractual Services	294,905	294,905	336,612
Utilities	11,200	11,200	10,957
Insurance	170,631	170,631	170,631
Commodities and Supplies	14,537	14,537	8,506
Capital Expenses	1,530	1,530	—
Total Administration and Support	1,320,449	1,320,449	811,229
Maintenance of Buildings			
Personal Services	188,431	188,431	163,115
Employee Benefits	78,804	78,804	69,887
Contractual Services	10,000	10,000	4,737
Utilities	6,891	6,891	7,173
Commodities and Supplies	1,722	1,722	1,722
Total Maintenance of Buildings	285,848	285,848	246,634
Maintenance of Grounds			
Personal Services	54,343	54,343	31,484
Employee Benefits	15,204	15,204	14,925
Contractual Services	54,115	54,115	54,115
Commodities and Supplies	6,791	6,791	6,189
Total Maintenance of Grounds	130,453	130,453	106,713
Water Supply Maintenance and Repair			
Personal Services	381,001	381,001	380,122
Employee Benefits	166,867	166,867	175,109
Contractual Services	98,000	89,755	78,635
Utilities	83,232	83,232	73,849
Commodities and Supplies	55,973	55,973	44,139
Distribution System	40,000	40,000	11,568
Total Water Supply Maintenance and Repair	825,073	816,828	763,422

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Water and Sewer - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Administration and Maintenance - Continued			
Water Distribution Maintenance and Repair			
Personal Services	\$ 620,669	620,669	559,908
Employee Benefits	216,779	216,779	207,963
Contractual Services	240,731	240,731	230,058
Commodities and Supplies	85,400	93,645	150,699
Distribution System	10,000	10,000	8,911
Capital Expenses	1,125	1,125	1,124
Total Water Distribution Maintenance and Repair	1,174,704	1,182,949	1,158,663
Water Valve and Hydrant Maintenance			
Personal Services	223,728	223,728	205,201
Employee Benefits	69,999	69,999	61,957
Contractual Services	62,055	62,055	61,996
Commodities and Supplies	105,497	105,497	84,944
Total Water Valve and Hydrant Maintenance	461,279	461,279	414,098
Water Meter Installation, Repair and Replacement			
Personal Services	56,539	56,539	48,469
Employee Benefits	16,885	16,885	14,614
Contractual Services	129,730	129,730	87,114
Commodities and Supplies	3,574	3,574	3,240
Capital Expenses	67,626	67,626	67,045
Total Water Meter Installation, Repair and Replacement	274,354	274,354	220,482
Equipment Maintenance			
Contractual Services	740,927	740,927	740,927
Sanitary Sewer Maintenance and Repair			
Personal Services	396,436	396,436	368,201
Employee Benefits	156,907	156,907	143,415
Contractual Services	179,174	192,332	155,640
Utilities	25,393	12,235	6,692
Commodities and Supplies	25,944	25,944	20,467
Total Sanitary Sewer Maintenance and Repair	783,854	783,854	694,415

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Water and Sewer - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Administration and Maintenance - Continued			
Water System Improvements			
Capital Expenses	\$ 6,935,000	6,989,575	698,713
Sanitary System Improvements			
Capital Expenses	3,570,000	668,276	144,515
Storm Sewer Improvements			
Capital Expenses	800,000	67,966	74,440
Improvements to Public Buildings			
Capital Expenses	5,500,000	5,649,221	3,554,352
Lake Michigan Water Acquisition			
Contractual Services	7,046,980	7,046,980	7,406,664
Total Lake Michigan Water Acquisition	7,046,980	7,046,980	7,406,664
Total Operating Expenses	29,848,921	26,418,959	17,035,267

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Nonmajor Enterprise Funds
Combining Statement of Net Position
December 31, 2022**

	Parking System Revenue	Village Parking System	Totals
ASSETS			
Current Assets			
Cash and Investments	\$ 188,007	147,426	335,433
Receivables - Net of Allowances			
Other	—	129	129
Total Current Assets	188,007	147,555	335,562
Noncurrent Assets			
Capital Assets			
Depreciable	364,800	—	364,800
Accumulated Depreciation	(364,800)	—	(364,800)
Total Noncurrent Assets	—	—	—
Total Assets	188,007	147,555	335,562
LIABILITIES			
Accounts Payable	10,017	1,569	11,586
Other Payables	560	450	1,010
Total Liabilities	10,577	2,019	12,596
NET POSITION			
Unrestricted	177,430	145,536	322,966

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Nonmajor Enterprise Funds

Combining Statement of Revenues, Expenses and Changes in Net Position

For the Fiscal Year Ended December 31, 2022

	Parking System Revenue	Village Parking System	Totals
Operating Revenues			
Charges for Services			
Parking Fees	\$ 90,414	13,272	103,686
Rental Fees	—	7,552	7,552
Convenience Fees	3,348	414	3,762
Total Operating Revenues	<u>93,762</u>	<u>21,238</u>	<u>115,000</u>
Operating Expenses			
Administration, Maintenance and Improvements	<u>87,366</u>	<u>92,886</u>	<u>180,252</u>
Operating Income (Loss)	6,396	(71,648)	(65,252)
Nonoperating Revenues			
Investment Income	<u>1,044</u>	<u>1,628</u>	<u>2,672</u>
Income (Loss) Before Transfers	7,440	(70,020)	(62,580)
Transfers In	<u>75,000</u>	<u>—</u>	<u>75,000</u>
Change in Net Position	82,440	(70,020)	12,420
Net Position - Beginning	<u>94,990</u>	<u>215,556</u>	<u>310,546</u>
Net Position - Ending	<u><u>177,430</u></u>	<u><u>145,536</u></u>	<u><u>322,966</u></u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Nonmajor Enterprise Funds

Combining Statement of Cash Flows

For the Fiscal Year Ended December 31, 2022

	Parking System Revenue	Village Parking System	Totals
Cash Flows from Operating Activities			
Receipts from Customers and Users	\$ 93,762	21,158	114,920
Payments to Suppliers	(79,315)	(87,802)	(167,117)
Payments to Employees	(8,577)	(8,577)	(17,154)
	<u>5,870</u>	<u>(75,221)</u>	<u>(69,351)</u>
Cash Flows from Noncapital Financing Activities			
Transfers In	<u>75,000</u>	—	<u>75,000</u>
Cash Flows from Investing Activities			
Interest Received	<u>1,044</u>	1,628	2,672
Net Change in Cash and Cash Equivalents	81,914	(73,593)	8,321
Cash and Cash Equivalents - Beginning	<u>106,093</u>	221,019	<u>327,112</u>
Cash and Cash Equivalents - Ending	<u>188,007</u>	<u>147,426</u>	<u>335,433</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	6,396	(71,648)	(65,252)
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities:			
(Increase) Decrease in Current Assets	—	(80)	(80)
Increase (Decrease) in Current Liabilities	(526)	(3,493)	(4,019)
Net Cash Provided by Operating Activities	<u>5,870</u>	<u>(75,221)</u>	<u>(69,351)</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Parking System Revenue - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Parking Fees	\$ 100,000	100,000	90,414
Convenience Fees	1,500	1,500	3,348
Total Operating Revenues	101,500	101,500	93,762
Operating Expenses			
Administration, Maintenance and Improvements	159,806	159,806	87,366
Operating Income (Loss)	(58,306)	(58,306)	6,396
Nonoperating Revenues			
Interest Income	100	100	1,044
Income (Loss) before Transfers	(58,206)	(58,206)	7,440
Transfers In	75,000	75,000	75,000
Change in Net Position	16,794	16,794	82,440
Net Position - Beginning			94,990
Net Position - Ending			177,430

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Parking System Revenue - Enterprise Fund
Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended December 31, 2022**

	Budget		Actual
	Original	Final	
Administration, Maintenance and Improvements			
Personal Services	\$ 18,847	18,847	10,796
Employee Benefits	10,955	10,955	5,419
Contractual Services	106,725	106,725	58,533
Utilities	10,173	10,173	3,075
Insurance	1,875	1,875	1,875
Commodities and Supplies	11,231	11,231	7,668
Total Operating Expenses	159,806	159,806	87,366

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Village Parking System - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Parking Fees	\$ 87,000	87,000	13,272
Rental Fees	6,000	6,000	7,552
Convenience Fees	3,060	3,060	414
Total Operating Revenues	<u>96,060</u>	<u>96,060</u>	<u>21,238</u>
Operating Expenses			
Administration, Maintenance and Improvements	<u>149,038</u>	<u>149,038</u>	<u>92,886</u>
Operating (Loss)	(52,978)	(52,978)	(71,648)
Nonoperating Revenues			
Interest Income	<u>150</u>	<u>150</u>	<u>1,628</u>
Change in Net Position	<u>(52,828)</u>	<u>(52,828)</u>	(70,020)
Net Position - Beginning			<u>215,556</u>
Net Position - Ending			<u>145,536</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Village Parking System - Enterprise Fund
Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended December 31, 2022**

	Budget		Actual
	Original	Final	
Administration, Maintenance and Improvements			
Personal Services	\$ 18,884	18,884	10,796
Employee Benefits	11,009	11,009	5,420
Contractual Services	58,234	58,234	43,406
Insurance	326	326	326
Commodities and Supplies	585	585	585
Capital Expenses	60,000	60,000	32,353
Total Operating Expenses	149,038	149,038	92,886

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies other governmental unit, or to other governmental units, on a cost-reimbursement basis.

Computer Replacement Fund: The Computer Replacement Fund is used to account for the acquisition of Village computer hardware. Financing is being provided by charges to various Village funds.

Risk Management Fund: The Risk Management Fund is used 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 in the various Village funds.

Vehicle Replacement Fund: The Vehicle Replacement Fund is used to account for the acquisition and depreciation of Village vehicles. Financing is being provided by charges to the General, and Water and Sewer Funds.

Vehicle Maintenance Fund: The Vehicle Maintenance Fund is used 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

Internal Service Funds

Combining Statement of Net Position

December 31, 2022

See Following Page

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Internal Service Funds
Combining Statement of Net Position
December 31, 2022**

		<u>Computer Replacement</u>
ASSETS		
Current Assets		
Cash and Investments		\$ 396,800
Receivables - Net of Allowances - Accounts		
Accrued Interest		—
Other		—
Due from Other Governments		—
Deposits - Insurance		—
Inventories		—
Prepays		—
Total Current Assets		<u>396,800</u>
Noncurrent Assets		
Capital Assets		
Nondepreciable		—
Depreciable		250,988
Accumulated Depreciation		<u>(20,170)</u>
		230,818
Other Assets		
Deposits - Insurance		—
Total Noncurrent Assets		<u>230,818</u>
Total Assets		<u>627,618</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Items - RBP		—
Total Assets and Deferred Outflows of Resources		<u>627,618</u>
LIABILITIES		
Current Liabilities		
Accounts Payable		—
Accrued Payroll		—
Claims Payable		—
Other Payables		—
Compensated Absences Payable		—
Total Current Liabilities		<u>—</u>
Noncurrent Liabilities		
Compensated Absences Payable		—
Claims Payable		—
Total OPEB Liability - RBP		—
Total Noncurrent Liabilities		<u>—</u>
Total Liabilities		—
DEFERRED INFLOWS OF RESOURCES		
Deferred Items - RBP		—
Total Liabilities and Deferred Inflows of Resources		<u>—</u>
NET POSITION		
Investment in Capital Assets		230,818
Unrestricted		<u>396,800</u>
Total Net Position		<u><u>627,618</u></u>

Risk Management	Vehicle Replacement	Vehicle Maintenance	Totals
398,420	12,025,704	1,089,009	13,909,933
—	11,846	—	11,846
1,671	—	—	1,671
—	—	9,365	9,365
3,281,866	—	—	3,281,866
—	—	383,014	383,014
146,100	—	13,741	159,841
3,828,057	12,037,550	1,495,129	17,757,536
—	833,205	—	833,205
—	16,599,252	92,062	16,942,302
—	(10,317,325)	(92,062)	(10,429,557)
—	7,115,132	—	7,345,950
1,419,870	—	—	1,419,870
1,419,870	7,115,132	—	8,765,820
5,247,927	19,152,682	1,495,129	26,523,356
—	—	104,482	104,482
5,247,927	19,152,682	1,599,611	26,627,838
54,644	8,190	53,912	116,746
—	—	43,119	43,119
176,253	—	—	176,253
21,002	—	—	21,002
—	—	10,377	10,377
251,899	8,190	107,408	367,497
—	—	41,510	41,510
365,455	—	—	365,455
—	—	373,859	373,859
365,455	—	415,369	780,824
617,354	8,190	522,777	1,148,321
—	—	276,578	276,578
617,354	8,190	799,355	1,424,899
—	7,115,132	—	7,345,950
4,630,573	12,029,360	800,256	17,856,989
4,630,573	19,144,492	800,256	25,202,939

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Internal Service Funds

Combining Statement of Revenues, Expenses and Changes in Net Position

For the Fiscal Year Ended December 31, 2022

	<u>Computer Replacement</u>
Operating Revenues	
Charges for Services	\$ 210,100
Contributions	—
Miscellaneous	—
Total Operating Revenues	<u>210,100</u>
Operating Expenses	
Administration and Maintenance	134,644
Insurance and Claims	—
Depreciation	13,947
Total Operating Expenses	<u>148,591</u>
Operating Income (Loss)	<u>61,509</u>
Nonoperating Revenues (Expenses)	
Disposal of Capital Assets	—
Interest Income	2,307
	<u>2,307</u>
Change in Net Position	63,816
Net Position - Beginning	<u>563,802</u>
Net Position - Ending	<u><u>627,618</u></u>

Risk Management	Vehicle Replacement	Vehicle Maintenance	Totals
8,126,301	1,356,531	2,032,391	11,725,323
1,791,584	—	—	1,791,584
(86,767)	—	(177)	(86,944)
9,831,118	1,356,531	2,032,214	13,429,963
375,355	273,233	2,291,603	3,074,835
9,464,809	—	—	9,464,809
—	1,212,539	—	1,226,486
9,840,164	1,485,772	2,291,603	13,766,130
(9,046)	(129,241)	(259,389)	(336,167)
—	52,506	—	52,506
2,524	(280,570)	9,735	(266,004)
2,524	(228,064)	9,735	(213,498)
(6,522)	(357,305)	(249,654)	(549,665)
4,637,095	19,501,797	1,049,910	25,752,604
4,630,573	19,144,492	800,256	25,202,939

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Internal Service Funds

Combining Statement of Cash Flows

For the Fiscal Year Ended December 31, 2022

	<u>Computer Replacement</u>
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ —
Interfund Services Provided	210,100
Payments to Suppliers	(134,644)
Payments to Employees	—
	<u>75,456</u>
Cash Flows from Capital and Related Financing Activities	
Disposal of Capital Assets	—
Purchase of Capital Assets	—
	<u>—</u>
Cash Flows from Investing Activities	
Interest Received	2,307
	<u>2,307</u>
Net Change in Cash and Cash Equivalents	77,763
Cash and Cash Equivalents - Beginning	<u>319,037</u>
Cash and Cash Equivalents - Ending	<u><u>396,800</u></u>
Reconciliation of Operating Income to Net Cash	
Provided (Used) by Operating Activities	
Operating Income (Loss)	61,509
Adjustments to Reconcile Operating Income	
to Net Cash Provided by (Used in)	
Operating Activities	
Depreciation	13,947
(Increase) Decrease in Current Assets	—
Increase (Decrease) in Current Liabilities	—
	<u>—</u>
Net Cash Provided by Operating Activities	<u><u>75,456</u></u>

Risk Management	Vehicle Replacement	Vehicle Maintenance	Totals
2,755,396	—	(177)	2,755,219
7,137,855	1,370,599	2,013,914	10,732,468
(9,970,549)	(312,397)	(1,287,751)	(11,705,341)
—	—	(980,642)	(980,642)
(77,298)	1,058,202	(254,656)	801,704
—	74,132	—	74,132
—	(708,828)	—	(708,828)
—	(634,696)	—	(634,696)
2,524	(280,570)	9,735	(266,004)
(74,774)	142,936	(244,921)	(98,996)
473,194	11,882,768	1,333,930	14,008,929
398,420	12,025,704	1,089,009	13,909,933
(9,046)	(129,241)	(259,389)	(336,167)
—	1,212,539	—	1,226,486
62,133	14,068	(18,477)	57,724
(130,385)	(39,164)	23,210	(146,339)
(77,298)	1,058,202	(254,656)	801,704

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Computer Replacement - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Water and Sewer Fund	\$ 12,600	12,600	12,600
General Fund	197,500	197,500	197,500
Total Operating Revenues	<u>210,100</u>	<u>210,100</u>	<u>210,100</u>
Operating Expenses			
Administration			
Capital Outlay	194,000	194,000	134,644
Depreciation	—	—	13,947
Total Operating Expenses	<u>194,000</u>	<u>194,000</u>	<u>148,591</u>
Operating Income	16,100	16,100	61,509
Nonoperating Revenues			
Investment Income	<u>75</u>	<u>75</u>	<u>2,307</u>
Change in Net Position	<u><u>16,175</u></u>	<u><u>16,175</u></u>	63,816
Net Position - Beginning			<u>563,802</u>
Net Position - Ending			<u><u>627,618</u></u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Computer Replacement - Internal Service Fund
Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended December 31, 2022**

	Budget		Actual
	Original	Final	
Administration			
Capital Outlay	\$ 194,000	194,000	134,644
Depreciation	—	—	13,947
Total Operating Expenses	194,000	194,000	148,591

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Risk Management - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 8,269,417	8,269,417	8,126,301
Contributions	1,795,450	1,795,450	1,791,584
Miscellaneous	135,000	135,000	(86,767)
Total Operating Revenues	<u>10,199,867</u>	<u>10,199,867</u>	<u>9,831,118</u>
Operating Expenses			
Administration	500,000	500,000	375,355
Insurance and Claims	9,186,800	9,396,413	9,464,809
Total Operating Expenses	<u>9,686,800</u>	<u>9,896,413</u>	<u>9,840,164</u>
Operating Income (Loss)	513,067	303,454	(9,046)
Nonoperating Revenues			
Investment Income	180	180	2,524
Change in Net Position	<u>513,247</u>	<u>303,634</u>	<u>(6,522)</u>
Net Position - Beginning			<u>4,637,095</u>
Net Position - Ending			<u><u>4,630,573</u></u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Risk Management - Internal Service Fund
 Schedule of Operating Revenues - Budget and Actual
 For the Fiscal Year Ended December 31, 2022**

	Budget		Actual
	Original	Final	
Charges for Services			
General Fund	\$ 6,924,008	6,924,008	6,805,313
Refuse Disposal Fund	18,884	18,884	18,884
Water and Sewer Fund	208,331	208,331	208,331
Parking System Revenue Fund	5,475	5,475	5,475
Village Parking System Fund	3,926	3,926	3,926
Vehicle Maintenance Fund	33,793	33,793	33,793
Library	1,075,000	1,075,000	1,050,579
Total Charges for Services	<u>8,269,417</u>	<u>8,269,417</u>	<u>8,126,301</u>
Contributions			
Employee			
Health Insurance	687,000	687,000	688,777
Dental Insurance	132,000	132,000	129,297
Additional Life Insurance	25,500	25,500	26,579
Vision Insurance	15,500	15,500	17,073
Retiree			
Health Insurance	900,000	900,000	893,370
Dental Insurance	35,000	35,000	35,816
Vision Insurance	450	450	672
Total Contributions	<u>1,795,450</u>	<u>1,795,450</u>	<u>1,791,584</u>
Miscellaneous			
Other Reimbursements	135,000	135,000	(86,145)
Miscellaneous Income	—	—	(622)
Total Miscellaneous	<u>135,000</u>	<u>135,000</u>	<u>(86,767)</u>
 Total Operating Revenues	 <u>10,199,867</u>	 <u>10,199,867</u>	 <u>9,831,118</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Risk Management - Internal Service Fund
 Schedule of Operating Expenses - Budget and Actual
 For the Fiscal Year Ended December 31, 2022**

	Budget		Actual
	Original	Final	
Administration			
Casualty and Property Program			
Other Equipment	\$ 100,000	100,000	—
Other Contractual Services	30,000	30,000	22,336
	130,000	130,000	22,336
Medical Program			
Claims Administration	370,000	370,000	353,019
Total Administration	500,000	500,000	375,355
Insurance and Claims			
Casualty and Property Program			
Liability Insurance	600,000	809,613	809,613
Other Insurance	25,000	25,000	11,409
Property Claims	100,000	100,000	—
Liability Claims	150,000	150,000	156,641
Workers' Compensation Claims	400,000	400,000	260,303
Unemployment Compensation Claims	10,000	10,000	—
Tree Hazard Study	10,000	10,000	9,000
Other Claims	10,000	10,000	30,417
Total Casualty and Property Program	1,305,000	1,514,613	1,277,383
Medical Program			
Medical Expense - HMO Plan	1,300,000	1,300,000	1,188,611
Medical Expense - Indemnity Plan	6,210,000	6,210,000	6,587,784
Medical Expense - Dental	300,000	300,000	308,300
Medical Expense - Vision	—	—	20,432
Health and Wellness Supplies	22,500	22,500	13,613
Life Insurance	49,300	49,300	68,686
Total Medical Program	7,881,800	7,881,800	8,187,426
Total Insurance and Claims	9,186,800	9,396,413	9,464,809
Total Operating Expenses	9,686,800	9,896,413	9,840,164

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Vehicle Replacement - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 1,357,450	1,357,450	1,356,531
Operating Expenses			
Administration	3,223,000	2,709,466	273,233
Depreciation	—	—	1,212,539
Total Operating Expenses	3,223,000	2,709,466	1,485,772
Operating (Loss)	(1,865,550)	(1,352,016)	(129,241)
Nonoperating Revenues (Expenses)			
Disposal of Capital Assets	5,000	5,000	52,506
Investment Income (Loss)	77,500	77,500	(280,570)
Other Income	5,000	5,000	—
	87,500	87,500	(228,064)
Change in Net Position	<u>(1,778,050)</u>	<u>(1,264,516)</u>	(357,305)
Net Position - Beginning			<u>19,501,797</u>
Net Position - Ending			<u><u>19,144,492</u></u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Vehicle Replacement - Internal Service Fund
Schedule of Operating Revenues - Budget and Actual
For the Fiscal Year Ended December 31, 2022**

	Budget		Actual
	Original	Final	
Charges for Services			
General Fund			
Manager's Office	\$ 4,500	4,500	4,500
Community Development - Planning	1,500	1,500	1,500
Community Development - Building	3,670	3,670	3,670
Community Development - Housing	7,670	7,670	7,670
Community Development - Health	1,500	1,500	1,500
Police Department	76,680	76,680	76,680
Fire Department	693,140	693,140	693,140
Public Works Department	300,290	300,290	300,290
Engineering Division	13,330	13,330	13,330
Water and Sewer Fund	254,170	254,170	254,170
Other Fees	1,000	1,000	81
Total Operating Revenues	<u>1,357,450</u>	<u>1,357,450</u>	<u>1,356,531</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Vehicle Replacement - Internal Service Fund
Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Administration			
Capital Outlay			
Police Vehicles	\$ 399,000	463,222	1,757
Fire Vehicles	1,036,000	852,244	275,028
Public Works	1,788,000	1,394,000	705,276
Total Capital Outlay	3,223,000	2,709,466	982,061
Less Capital Assets Capitalized	—	—	(708,828)
Total Administration	3,223,000	2,709,466	273,233
Depreciation	—	—	1,212,539
Total Operating Expenses	3,223,000	2,709,466	1,485,772

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Vehicle Maintenance - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual

For the Fiscal Year Ended December 31, 2022

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 2,032,391	2,032,391	2,032,214
Operating Expenses			
Administration and Maintenance	2,392,295	2,492,295	2,291,603
Operating (Loss)	(359,904)	(459,904)	(259,389)
Nonoperating Revenues			
Interest Income	300	300	9,735
Change in Net Position	<u>(359,604)</u>	<u>(459,604)</u>	(249,654)
Net Position - Beginning			<u>1,049,910</u>
Net Position - Ending			<u>800,256</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Vehicle Maintenance - Internal Service Fund
 Schedule of Operating Revenues - Budget and Actual
 For the Fiscal Year Ended December 31, 2022**

	Budget		Actual
	Original	Final	
Charges for Services			
General Fund			
Manager's Office	\$ 3,049	3,049	3,049
Television Services Division	3,252	3,252	3,252
Community Development - Planning	3,049	3,049	3,049
Community Development - Building	4,268	4,268	4,268
Community Development - Housing	21,340	21,340	21,340
Community Development - Health	3,049	3,049	3,049
Police Department	517,650	517,650	517,650
Fire Department	321,321	321,321	321,321
Public Works Department	632,479	632,479	632,479
Engineering Division	33,128	33,128	33,128
Human Service Charges	3,049	3,049	3,049
Water and Sewer Fund	486,757	486,757	486,757
	2,032,391	2,032,391	2,032,391
Miscellaneous	—	—	(177)
Total Operating Revenues	2,032,391	2,032,391	2,032,214

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Vehicle Maintenance - Internal Service Fund
 Schedule of Operating Expenses - Budget and Actual
 For the Fiscal Year Ended December 31, 2022**

	Budget		Actual
	Original	Final	
Administration and Maintenance			
Vehicle Division Administration			
Personal Services	\$ 124,523	124,523	121,590
Employee Benefits	75,777	75,777	101,591
Other Employee Costs	7,395	7,395	4,519
Contractual Services	64,173	64,173	61,839
Utilities	4,590	4,590	3,152
Commodities and Supplies	2,142	2,142	1,387
Office Equipment	639	639	159
Insurance	14,093	14,093	14,093
Total Vehicle Division Administration	293,332	293,332	308,330
Vehicle Maintenance Program			
Personal Services	946,203	946,203	837,767
Employee Benefits	377,689	377,689	348,676
Contractual Services	103,508	73,508	40,112
Commodities and Supplies	669,132	799,132	755,393
Other Equipment	2,431	2,431	1,325
Total Vehicle Maintenance Program	2,098,963	2,198,963	1,983,273
Total Operating Expenses	2,392,295	2,492,295	2,291,603

PENSION TRUST FUNDS

Police Pension Fund: The Police Pension Fund is used 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: Village contributions (made possible by a property tax levy), employee withholdings and investment income.

Firefighters' Pension Fund: The Firefighters' Pension Fund is used 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: Village contributions (made possible by a property tax levy), employee withholdings and investment income.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Pension Trust Funds

Combining Statement of Fiduciary Net Position

December 31, 2022

	Police Pension	Firefighters' Pension	Totals
ASSETS			
Cash and Cash Equivalents	\$ 2,087,298	1,664,404	3,751,702
Investments			
Illinois Police Officer's Pension Investment Fund	77,792,601	—	77,792,601
Illinois Firefighters' Pension Investment Fund	—	67,998,655	67,998,655
Due from Other Funds	785,623	757,484	1,543,107
Prepays	11,358	7,505	18,863
Total Assets	80,676,880	70,428,048	151,104,928
LIABILITIES			
Accounts Payable	5,550	26,008	31,558
NET POSITION			
Net Position Restricted for Pensions	80,671,330	70,402,040	151,073,370

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Pension Trust Funds

Combining Statement of Changes in Fiduciary Net Position

For the Fiscal Year Ended December 31, 2022

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions - Employer	\$ 3,821,104	3,678,359	7,499,463
Contributions - Plan Members	1,020,818	811,804	1,832,622
Total Contributions	<u>4,841,922</u>	<u>4,490,163</u>	<u>9,332,085</u>
Investment Income (Loss)			
Interest Earned	228,594	122,398	350,992
Net Change in Fair Value	(13,888,335)	(12,151,425)	(26,039,760)
	<u>(13,659,741)</u>	<u>(12,029,027)</u>	<u>(25,688,768)</u>
Less Investment Expenses	(77,211)	(42,038)	(119,249)
Net Investment (Loss)	<u>(13,736,952)</u>	<u>(12,071,065)</u>	<u>(25,808,017)</u>
Total Additions	<u>(8,895,030)</u>	<u>(7,580,902)</u>	<u>(16,475,932)</u>
Deductions			
Administration	68,343	69,199	137,542
Benefits and Refunds	6,839,629	6,965,087	13,804,716
Total Deductions	<u>6,907,972</u>	<u>7,034,286</u>	<u>13,942,258</u>
Change in Fiduciary Net Position	(15,803,002)	(14,615,188)	(30,418,190)
Net Position Restricted for Pensions			
Beginning	<u>96,474,332</u>	<u>85,017,228</u>	<u>181,491,560</u>
Ending	<u>80,671,330</u>	<u>70,402,040</u>	<u>151,073,370</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Consolidated Year-End Financial Report
December 31, 2022**

CSFA #	Program Name	State	Federal	Other	Total
420-00-1992	Purchase and Installation of a Back-up Generator for a Levee	\$ 223,856	—	—	223,856
494-00-2356	Rebuild Illinois Local Bond Program	1,429,641	—	—	1,429,641
	Other Grant Programs and Activities	—	1,317,322	357,950	1,675,272
	All Other Costs Not Allocated	—	—	89,909,102	89,909,102
		<u>1,653,497</u>	<u>1,317,322</u>	<u>90,267,052</u>	<u>93,237,871</u>



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENTAL AUDITING STANDARDS**

June 1, 2023

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, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated June 1, 2023.

Report on 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) as a basis for designing 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 or significant deficiencies may exist that were not identified.

Report on 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 financial statements. 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*.

Village of Mount Prospect, Illinois
June 1, 2023

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.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

SUPPLEMENTAL SCHEDULES

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Schedule of General Long-Term Debt
Long-Term Debt Payable by Governmental Funds
December 31, 2022**

See Following Page

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Schedule of General Long-Term Debt
Long-Term Debt Payable by Governmental Funds
December 31, 2022**

	General Obligation Bonds of 2014	General Obligation Bonds of 2016A	General Obligation Bonds of 2017	General Obligation Bonds of 2018A
AMOUNTS TO BE PROVIDED FOR THE RETIREMENT OF GENERAL LONG- TERM DEBT	\$ 1,265,000	8,860,000	4,520,000	6,675,000
GENERAL LONG-TERM DEBT PAYABLE				
General Obligation Bonds Payable	\$ 1,265,000	8,860,000	4,520,000	6,675,000
Business District Limited Tax Note Payable	—	—	—	—
Compensated Absences Payable	—	—	—	—
Net Pension Liability - Police Pension	—	—	—	—
Net Pension Liability - Firefighters' Pension	—	—	—	—
Total OPEB Liability - RBP	—	—	—	—
Unamortized Bond Premium	—	—	—	—
Totals	1,265,000	8,860,000	4,520,000	6,675,000

General Obligation Bonds of 2018B	General Obligation Bonds of 2019B	General Obligation Bonds of 2022B	Business District Limited Tax Note	Compensated Absences	Net Pension Liability Police	Net Pension Liability Firefighters	Total OPEB Liability	Unamortized Bond Premiums	Totals
37,225,000	7,725,000	8,230,000	37,600,588	4,171,193	68,040,859	58,499,973	9,420,116	2,144,366	254,377,095
37,225,000	7,725,000	8,230,000	—	—	—	—	—	—	74,500,000
—	—	—	37,600,588	—	—	—	—	—	37,600,588
—	—	—	—	4,171,193	—	—	—	—	4,171,193
—	—	—	—	—	68,040,859	—	—	—	68,040,859
—	—	—	—	—	—	58,499,973	—	—	58,499,973
—	—	—	—	—	—	—	9,420,116	—	9,420,116
—	—	—	—	—	—	—	—	2,144,366	2,144,366
37,225,000	7,725,000	8,230,000	37,600,588	4,171,193	68,040,859	58,499,973	9,420,116	2,144,366	254,377,095

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Long-Term Debt Requirements
General Obligation Bonds of 2014
December 31, 2022**

Date of Issue	February 4, 2014
Date of Maturity	December 1, 2023
Authorized Issue	\$6,290,000
Denomination of Bonds	\$5,000
Interest Rate	3.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	The Bank of New York Mellon Trust Company

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due On			
	Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2023	\$ 1,265,000	37,950	1,302,950	2023	18,975	2023	18,975

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Long-Term Debt Requirements
General Obligation Refunding Bonds of 2016A
December 31, 2022**

Date of Issue	December 1, 2016
Date of Maturity	December 1, 2028
Authorized Issue	\$9,100,000
Denomination of Bonds	\$5,000
Interest Rate	3.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Zions Bancorporation

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due On			
	Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2023	\$ 515,000	265,800	780,800	2023	132,900	2023	132,900
2024	1,060,000	250,350	1,310,350	2024	125,175	2024	125,175
2025	1,740,000	218,550	1,958,550	2025	109,275	2025	109,275
2026	1,795,000	166,350	1,961,350	2026	83,175	2026	83,175
2027	1,845,000	112,500	1,957,500	2027	56,250	2027	56,250
2028	1,905,000	57,150	1,962,150	2028	28,575	2028	28,575
	<u>8,860,000</u>	<u>1,070,700</u>	<u>9,930,700</u>		<u>535,350</u>		<u>535,350</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Long-Term Debt Requirements
General Obligation Bonds of 2017
December 31, 2022**

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 LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due On			
	Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2023	\$ 345,000	285,700	630,700	2023	142,850	2023	142,850
2024	375,000	271,900	646,900	2024	135,950	2024	135,950
2025	405,000	256,900	661,900	2025	128,450	2025	128,450
2026	440,000	240,700	680,700	2026	120,350	2026	120,350
2027	465,000	227,500	692,500	2027	113,750	2027	113,750
2028	500,000	215,876	715,876	2028	107,938	2028	107,938
2029	530,000	202,750	732,750	2029	101,375	2029	101,375
2030	565,000	188,174	753,174	2030	94,087	2030	94,087
2031	600,000	171,932	771,932	2031	85,966	2031	85,966
2032	640,000	147,932	787,932	2032	73,966	2032	73,966
2033	690,000	122,332	812,332	2033	61,166	2033	61,166
2034	730,000	100,770	830,770	2034	50,385	2034	50,385
2035	775,000	77,956	852,956	2035	38,978	2035	38,978
2036	820,000	53,738	873,738	2036	26,869	2036	26,869
2037	865,000	28,112	893,112	2037	14,056	2037	14,056
	<u>8,745,000</u>	<u>2,592,272</u>	<u>11,337,272</u>		<u>1,296,136</u>		<u>1,296,136</u>
	4,520,000	Governmental Activities					
	<u>4,225,000</u>	Business-Type Activities					
	<u><u>8,745,000</u></u>						

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Long-Term Debt Requirements
General Obligation Bonds of 2018A
December 31, 2022**

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 Bancorporation

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due On			
	Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2023	\$ 385,000	414,618	799,618	2023	207,309	2023	207,309
2024	425,000	395,368	820,368	2024	197,684	2024	197,684
2025	470,000	374,118	844,118	2025	187,059	2025	187,059
2026	520,000	350,618	870,618	2026	175,309	2026	175,309
2027	565,000	324,618	889,618	2027	162,309	2027	162,309
2028	610,000	302,018	912,018	2028	151,009	2028	151,009
2029	655,000	277,618	932,618	2029	138,809	2029	138,809
2030	710,000	251,418	961,418	2030	125,709	2030	125,709
2031	765,000	223,018	988,018	2031	111,509	2031	111,509
2032	815,000	198,156	1,013,156	2032	99,078	2032	99,078
2033	870,000	171,668	1,041,668	2033	85,834	2033	85,834
2034	925,000	141,220	1,066,220	2034	70,610	2034	70,610
2035	985,000	108,844	1,093,844	2035	54,422	2035	54,422
2036	1,050,000	75,600	1,125,600	2036	37,800	2036	37,800
2037	1,110,000	38,850	1,148,850	2037	19,425	2037	19,425
	<u>10,860,000</u>	<u>3,647,750</u>	<u>14,507,750</u>		<u>1,823,875</u>		<u>1,823,875</u>
	6,675,000	Governmental Activities					
	<u>4,185,000</u>	Business-Type Activities					
	<u>10,860,000</u>						

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Long-Term Debt Requirements
General Obligation Bonds of 2018B
December 31, 2022**

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 Bancorporation

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due On			
	Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2023	\$ —	1,568,750	1,568,750	2023	784,375	2023	784,375
2024	770,000	1,568,750	2,338,750	2024	784,375	2024	784,375
2025	155,000	1,530,250	1,685,250	2025	765,125	2025	765,125
2026	160,000	1,522,500	1,682,500	2026	761,250	2026	761,250
2027	165,000	1,514,500	1,679,500	2027	757,250	2027	757,250
2028	175,000	1,506,250	1,681,250	2028	753,125	2028	753,125
2029	1,645,000	1,497,500	3,142,500	2029	748,750	2029	748,750
2030	1,820,000	1,415,250	3,235,250	2030	707,625	2030	707,625
2031	1,910,000	1,324,250	3,234,250	2031	662,125	2031	662,125
2032	2,005,000	1,228,750	3,233,750	2032	614,375	2032	614,375
2033	2,105,000	1,128,500	3,233,500	2033	564,250	2033	564,250
2034	2,210,000	1,023,250	3,233,250	2034	511,625	2034	511,625
2035	2,295,000	943,138	3,238,138	2035	471,569	2035	471,569
2036	2,380,000	857,075	3,237,075	2036	428,538	2036	428,537
2037	2,470,000	767,825	3,237,825	2037	383,913	2037	383,912
2038	2,560,000	675,200	3,235,200	2038	337,600	2038	337,600
2039	2,660,000	576,000	3,236,000	2039	288,000	2039	288,000
2040	2,765,000	469,600	3,234,600	2040	234,800	2040	234,800
2041	2,875,000	359,000	3,234,000	2041	179,500	2041	179,500
2042	2,990,000	244,000	3,234,000	2042	122,000	2042	122,000
2043	3,110,000	124,400	3,234,400	2043	62,200	2043	62,200
	<u>37,225,000</u>	<u>21,844,738</u>	<u>59,069,738</u>		<u>10,922,370</u>		<u>10,922,368</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Long-Term Debt Requirements
General Obligation Bonds of 2019A
December 31, 2022**

Date of Issue	June 3, 2019
Date of Maturity	December 1, 2039
Authorized Issue	\$9,600,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% to 5.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Zions Bancorporation

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due On			
	Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2023	\$ 290,000	312,550	602,550	2023	156,275	2023	156,275
2024	315,000	298,050	613,050	2024	149,025	2024	149,025
2025	345,000	282,300	627,300	2025	141,150	2025	141,150
2026	375,000	265,050	640,050	2026	132,525	2026	132,525
2027	405,000	246,300	651,300	2027	123,150	2027	123,150
2028	435,000	230,100	665,100	2028	115,050	2028	115,050
2029	465,000	212,700	677,700	2029	106,350	2029	106,350
2030	495,000	194,100	689,100	2030	97,050	2030	97,050
2031	525,000	179,250	704,250	2031	89,625	2031	89,625
2032	555,000	163,500	718,500	2032	81,750	2032	81,750
2033	585,000	146,850	731,850	2033	73,425	2033	73,425
2034	620,000	129,300	749,300	2034	64,650	2034	64,650
2035	655,000	110,700	765,700	2035	55,350	2035	55,350
2036	685,000	91,050	776,050	2036	45,525	2036	45,525
2037	725,000	70,500	795,500	2037	35,250	2037	35,250
2038	760,000	48,750	808,750	2038	24,375	2038	24,375
2039	800,000	25,000	825,000	2039	12,500	2039	12,500
	<u>9,035,000</u>	<u>3,006,050</u>	<u>12,041,050</u>		<u>1,503,025</u>		<u>1,503,025</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Long-Term Debt Requirements
General Obligation Bonds of 2019B
December 31, 2022**

Date of Issue	November 25, 2019
Date of Maturity	December 1, 2039
Authorized Issue	\$7,725,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 5.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Zions Bancorporation

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due On			
	Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2023	\$ 210,000	265,350	475,350	2023	132,675	2023	132,675
2024	235,000	254,850	489,850	2024	127,425	2024	127,425
2025	260,000	243,100	503,100	2025	121,550	2025	121,550
2026	290,000	230,100	520,100	2026	115,050	2026	115,050
2027	320,000	215,600	535,600	2027	107,800	2027	107,800
2028	350,000	199,600	549,600	2028	99,800	2028	99,800
2029	380,000	185,600	565,600	2029	92,800	2029	92,800
2030	415,000	170,400	585,400	2030	85,200	2030	85,200
2031	445,000	157,950	602,950	2031	78,975	2031	78,975
2032	475,000	144,600	619,600	2032	72,300	2032	72,300
2033	510,000	130,350	640,350	2033	65,175	2033	65,175
2034	545,000	115,050	660,050	2034	57,525	2034	57,525
2035	580,000	98,700	678,700	2035	49,350	2035	49,350
2036	615,000	81,300	696,300	2036	40,650	2036	40,650
2037	655,000	62,850	717,850	2037	31,425	2037	31,425
2038	700,000	43,200	743,200	2038	21,600	2038	21,600
2039	740,000	22,200	762,200	2039	11,100	2039	11,100
	<u>7,725,000</u>	<u>2,620,800</u>	<u>10,345,800</u>		<u>1,310,400</u>		<u>1,310,400</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Long-Term Debt Requirements
General Obligation Bonds of 2022A
December 31, 2022**

Date of Issue	February 8, 2022
Date of Maturity	December 1, 2041
Authorized Issue	\$8,935,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 5.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Zions Bancorporation

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due On			
	Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2023	\$ 215,000	316,550	531,550	2023	158,275	2023	158,275
2024	235,000	305,800	540,800	2024	152,900	2024	152,900
2025	255,000	294,050	549,050	2025	147,025	2025	147,025
2026	280,000	281,300	561,300	2026	140,650	2026	140,650
2027	305,000	267,300	572,300	2027	133,650	2027	133,650
2028	335,000	252,050	587,050	2028	126,025	2028	126,025
2029	360,000	235,300	595,300	2029	117,650	2029	117,650
2030	390,000	217,300	607,300	2030	108,650	2030	108,650
2031	425,000	197,800	622,800	2031	98,900	2031	98,900
2032	455,000	176,550	631,550	2032	88,275	2032	88,275
2033	480,000	162,900	642,900	2033	81,450	2033	81,450
2034	510,000	148,500	658,500	2034	74,250	2034	74,250
2035	540,000	133,200	673,200	2035	66,600	2035	66,600
2036	570,000	117,000	687,000	2036	58,500	2036	58,500
2037	600,000	99,900	699,900	2037	49,950	2037	49,950
2038	630,000	81,900	711,900	2038	40,950	2038	40,950
2039	665,000	63,000	728,000	2039	31,500	2039	31,500
2040	700,000	43,050	743,050	2040	21,525	2040	21,525
2041	735,000	22,050	757,050	2041	11,025	2041	11,025
	<u>8,685,000</u>	<u>3,415,500</u>	<u>12,100,500</u>		<u>1,707,750</u>		<u>1,707,750</u>

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Long-Term Debt Requirements
General Obligation Refunding Bonds of 2022B
December 31, 2022**

Date of Issue	September 7, 2022
Date of Maturity	December 1, 2033
Authorized Issue	\$8,230,000
Denomination of Bonds	\$5,000
Interest Rate	2.80%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	PNC Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due On			
	Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2023	\$ 650,000	230,440	880,440	2023	115,220	2023	115,220
2024	670,000	212,240	882,240	2024	106,120	2024	106,120
2025	685,000	193,480	878,480	2025	96,740	2025	96,740
2026	705,000	174,300	879,300	2026	87,150	2026	87,150
2027	725,000	154,560	879,560	2027	77,280	2027	77,280
2028	745,000	134,260	879,260	2028	67,130	2028	67,130
2029	765,000	113,400	878,400	2029	56,700	2029	56,700
2030	790,000	91,980	881,980	2030	45,990	2030	45,990
2031	810,000	69,860	879,860	2031	34,930	2031	34,930
2032	830,000	47,180	877,180	2032	23,590	2032	23,590
2033	855,000	23,940	878,940	2033	11,970	2033	11,970
	<u>8,230,000</u>	<u>1,445,640</u>	<u>9,675,640</u>		<u>722,820</u>		<u>722,820</u>

STATISTICAL SECTION (Unaudited)

This part of the annual comprehensive 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.

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.

Revenue Capacity

These schedules contain information to help the reader assess the Village's most significant local revenue sources.

Debt Capacity

These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the government's ability to issue additional debt in the future.

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.

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.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Net Position by Component - Last Ten Fiscal Years*

December 31, 2022 (Unaudited)

See Following Page

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Net Position by Component - Last Ten Fiscal Years*
December 31, 2022 (Unaudited)

	2013	2014 (1)	2015 (2)
Governmental Activities			
Net Investment in Capital Assets	\$ 48,152,760	46,326,047	43,755,661
Restricted	3,045,922	4,186,505	5,319,794
Unrestricted	24,153,907	(10,441,020)	(99,563,419)
Total Governmental Activities Net Position	75,352,589	40,071,532	(50,487,964)
Business-Type Activities			
Net Investment in Capital Assets	26,352,289	26,854,967	36,336,899
Unrestricted	8,057,996	7,734,851	5,580,049
Total Business-Type Activities Net Position	34,410,285	34,589,818	41,916,948
Primary Government			
Net Investment in Capital Assets	74,505,049	73,181,014	80,092,560
Restricted	3,045,922	4,186,505	5,319,794
Unrestricted	32,211,903	(2,706,169)	(93,983,370)
Total Primary Government Net Position	109,762,874	74,661,350	(8,571,016)

Data Source: Audited Financial Statements

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

(2) The Village implemented GASB Statement No. 68 in fiscal year 2015.

(3) The Village implemented GASB Statement No. 75 for fiscal year 2018.

* Accrual Basis of Accounting

2016	2017	2018 (3)	2019	2020	2021	2022
33,224,875	34,171,129	30,192,091	31,568,036	26,448,689	38,294,932	42,417,521
4,557,424	4,104,560	7,065,413	8,691,355	5,811,511	7,199,628	8,842,728
(91,778,462)	(95,150,426)	(107,779,949)	(107,707,787)	(90,600,371)	(75,314,733)	(62,385,336)
(53,996,163)	(56,874,737)	(70,522,445)	(67,448,396)	(58,340,171)	(29,820,173)	(11,125,087)
36,588,628	35,765,755	32,472,358	33,196,889	20,547,932	29,676,988	28,959,971
4,610,400	6,266,907	8,411,004	5,924,760	17,346,891	15,780,856	21,248,084
41,199,028	42,032,662	40,883,362	39,121,649	37,894,823	45,457,844	50,208,055
69,813,503	69,936,884	62,664,449	64,764,925	46,996,621	67,971,920	71,377,492
4,557,424	4,104,560	7,065,413	8,691,355	5,811,511	7,199,628	8,842,728
(87,168,062)	(88,883,519)	(99,368,945)	(101,783,027)	(73,253,480)	(59,533,877)	(41,137,252)
(12,797,135)	(14,842,075)	(29,639,083)	(28,326,747)	(20,445,348)	15,637,671	39,082,968

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Changes in Net Position - Last Ten Fiscal Years* December 31, 2022 (Unaudited)

	2013	2014	2015 (1)	2016	2017	2018 (2)	2019	2020	2021	2022
Expenses										
Governmental Activities										
General Government	\$ 7,356,433	10,171,883	11,514,091	9,949,082	10,690,075	11,942,073	11,583,734	7,778,670	5,947,477	7,310,783
Public Safety	29,771,502	30,812,251	38,535,612	38,328,609	37,351,039	42,702,313	38,771,199	40,594,163	34,743,839	44,926,770
Highways and Streets	18,570,593	19,923,120	26,650,772	19,990,440	16,176,313	15,587,445	15,664,513	12,769,508	14,011,139	14,135,705
Health	4,459,897	4,591,946	4,538,800	4,620,982	4,557,211	4,811,335	4,852,981	4,785,802	4,962,123	4,941,948
Welfare	1,868,952	1,844,911	1,813,254	2,109,733	2,068,368	1,636,190	1,478,616	1,884,331	1,969,068	1,716,275
Culture and Recreation	443,171	425,217	453,534	515,555	611,653	573,403	381,641	181,061	294,457	272,844
Interest on Long-Term Debt	1,016,337	2,899,466	2,064,448	1,926,793	2,049,953	3,396,566	4,501,317	4,271,762	3,733,579	5,176,985
Total Governmental Activities Expenses	63,486,885	70,668,794	85,570,511	77,441,194	73,504,612	80,649,325	77,234,001	72,265,297	65,661,682	78,481,310
Business-Type Activities										
Water and Sewer	12,078,221	13,779,500	14,143,610	16,054,624	14,308,117	15,419,616	16,940,503	18,033,170	15,584,057	14,576,309
Parking	346,303	329,988	269,619	390,118	229,873	311,736	279,093	225,412	176,825	180,252
Total Business-Type Activities Expenses	12,424,524	14,109,488	14,413,229	16,444,742	14,537,990	15,731,352	17,219,596	18,258,582	15,760,882	14,756,561
Total Primary Government Expenses	75,911,409	84,778,282	99,983,740	93,885,936	88,042,602	96,380,677	94,453,597	90,523,879	81,422,564	93,237,871
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	6,908,188	7,785,745	4,458,450	4,496,290	4,178,495	4,362,732	4,562,357	7,052,725	7,449,945	7,758,489
Public Safety	1,583,328	1,712,860	1,796,729	1,795,838	1,761,708	1,678,492	2,042,165	2,322,390	3,258,363	3,938,414
Highways and Streets	269,066	414,316	183,246	290,172	169,389	387,676	137,694	1,468,859	1,618,479	1,435,828
Other Activities	41,220	515,095	4,467,864	4,799,080	4,616,263	4,617,215	4,614,732	—	—	—
Operating Grants and Contributions	2,356,665	2,209,036	1,912,795	2,629,030	2,705,584	2,007,177	2,142,458	2,962,935	3,116,222	3,450,503
Capital Grants and Contributions	288,752	140,181	47,274	—	159,682	488,470	47,560	1,348,000	2,848,071	—
Total Governmental Activities Program Revenues	11,447,219	12,777,233	12,866,358	14,010,410	13,591,121	13,541,762	13,546,966	15,154,909	18,291,080	16,583,234
Business-Type Activities										
Charges for Services										
Water and Sewer	11,507,264	11,970,681	12,434,405	12,931,867	13,395,619	14,224,032	14,972,198	16,732,889	17,735,543	18,904,331
Commuter Parking	234,458	254,784	261,745	334,102	343,314	342,560	327,977	104,016	56,289	115,000
Capital Grants/Contributions	—	373,498	8,889,998	244,423	—	—	—	—	—	—
Total Business-Type Activities Program Revenues	11,741,722	12,598,963	21,586,148	13,510,392	13,738,933	14,566,592	15,300,175	16,836,905	17,791,832	19,019,331
Total Primary Government Program Revenues	23,188,941	25,376,196	34,452,506	27,520,802	27,330,054	28,108,354	28,847,141	31,991,814	36,082,912	35,602,565

	2013	2014	2015 (1)	2016	2017	2018 (2)	2019	2020	2021	2022
Net (Expense) Revenue										
Governmental Activities	\$ (52,039,666)	(57,891,561)	(72,704,153)	(63,430,784)	(59,913,491)	(67,107,563)	(63,687,035)	(57,110,388)	(47,370,602)	(61,898,076)
Business-Type Activities	(682,802)	(1,510,525)	7,172,919	(2,934,350)	(799,057)	(1,164,760)	(1,919,421)	(1,421,677)	2,030,950	4,262,770
Total Primary Government Net Revenue (Expense)	<u>(52,722,468)</u>	<u>(59,402,086)</u>	<u>(65,531,234)</u>	<u>(66,365,134)</u>	<u>(60,712,548)</u>	<u>(68,272,323)</u>	<u>(65,606,456)</u>	<u>(58,532,065)</u>	<u>(45,339,652)</u>	<u>(57,635,306)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property	18,890,452	19,745,699	19,884,986	20,463,758	18,396,040	19,228,572	19,073,749	19,994,090	20,516,214	20,423,578
Utility	3,891,713	4,093,596	3,774,729	3,629,525	3,491,473	3,476,968	3,292,346	3,025,210	3,053,871	3,215,723
Business District	317,527	331,933	342,040	341,340	322,936	315,425	287,207	250,056	290,877	307,733
Home Rules Sales	5,035,998	5,320,795	5,367,762	5,553,213	5,365,011	5,455,278	5,428,737	5,334,399	6,689,468	7,349,436
Other	2,952,665	3,421,604	3,940,993	3,645,424	3,804,231	4,072,906	4,187,381	2,997,190	4,230,731	4,671,391
Intergovernmental										
State Sales and Local Use	13,254,358	14,310,773	16,311,253	17,630,758	19,894,716	24,370,264	25,178,104	24,214,948	31,590,604	9,263,878
Income Taxes	5,161,051	5,186,155	5,763,542	5,272,834	4,975,194	5,187,361	5,765,484	5,886,270	7,175,489	33,516,982
Replacement Taxes	396,999	407,764	386,154	386,338	456,136	370,542	460,546	411,866	723,067	1,461,578
Property Tax TIF Rebate	—	—	365,634	380,758	—	—	—	—	—	—
Charitable Games Tax	4,090	4,812	—	4,101	—	8,627	4,309	3,340	1,315	2,955
Investment Income (Loss)	29,785	(46,496)	24,784	76,594	196,995	675,703	1,375,199	286,627	(82,122)	575,013
Miscellaneous	436,703	47,636	42,059	33,286	125,949	1,049,155	175,270	2,089,687	1,794,339	(159,582)
Transfers	—	—	(200,000)	—	—	—	1,602,619	—	—	(75,000)
Sale of Capital Assets	—	—	—	—	—	—	646,600	—	—	—
Total Governmental Activities	<u>50,371,341</u>	<u>52,824,271</u>	<u>56,003,936</u>	<u>57,417,929</u>	<u>57,028,681</u>	<u>64,210,801</u>	<u>67,477,551</u>	<u>64,493,683</u>	<u>75,983,853</u>	<u>80,553,685</u>
Business-Type Activities										
Property Tax	1,507,661	1,508,704	1,519,375	1,524,901	1,514,452	—	—	—	—	—
Home Rule Sales Tax	104,050	100,697	101,595	—	—	—	—	—	—	—
Investment Income (Loss)	3,387	3,189	34,195	14,419	25,334	196,817	303,252	160,643	(19,053)	359,014
Miscellaneous	90,713	77,468	94,424	90,810	92,905	83,369	86,810	34,208	32,814	53,427
Sale of Capital Assets	—	—	—	—	—	—	1,370,265	—	—	—
Transfers	—	—	200,000	—	—	—	(1,602,619)	—	—	75,000
Total Business-Type Activities	<u>1,705,811</u>	<u>1,690,058</u>	<u>1,949,589</u>	<u>1,630,130</u>	<u>1,632,691</u>	<u>280,186</u>	<u>157,708</u>	<u>194,851</u>	<u>13,761</u>	<u>487,441</u>
Total Primary Government	<u>52,077,152</u>	<u>54,514,329</u>	<u>57,953,525</u>	<u>59,048,059</u>	<u>58,661,372</u>	<u>64,490,987</u>	<u>67,635,259</u>	<u>64,688,534</u>	<u>75,997,614</u>	<u>81,041,126</u>
Changes in Net Position										
Governmental Activities	(1,668,325)	(5,067,290)	(16,700,217)	(6,012,855)	(2,884,810)	(2,896,762)	3,790,516	7,383,295	28,613,251	18,655,609
Business-Type Activities	1,023,009	179,533	9,122,508	(1,304,220)	833,634	(884,574)	(1,761,713)	(1,226,826)	2,044,711	4,750,211
Total Primary Government Change in Net Position	<u>(645,316)</u>	<u>(4,887,757)</u>	<u>(7,577,709)</u>	<u>(7,317,075)</u>	<u>(2,051,176)</u>	<u>(3,781,336)</u>	<u>2,028,803</u>	<u>6,156,469</u>	<u>30,657,962</u>	<u>23,405,820</u>

Data Source: Audited Financial Statements

(1) The Village implemented GASB Statement No. 68 on fiscal year 2015.

(2) The Village implemented GASB Statement No. 75 in fiscal year 2018.

* Accrual Basis of Accounting

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Fund Balances of Governmental Funds - Last Ten Fiscal Years*
December 31, 2022 (Unaudited)

	2013	2014	2015
General Fund			
Nonspendable	\$ 297,762	337,165	204,023
Committed	—	—	—
Assigned	—	—	—
Unassigned	11,580,820	12,508,457	17,016,920
Total General Fund	11,878,582	12,845,622	17,220,943
All Other Governmental Funds			
Nonspendable	132,464	147,412	107,609
Restricted	3,166,583	13,941,797	5,212,985
Committed	—	—	—
Assigned	15,705,506	7,371,630	3,679,129
Unassigned	(689)	(789)	(448,034)
Total All Other Governmental Funds	19,003,864	21,460,050	8,551,689
Total Fund Balances	30,882,446	34,305,672	25,772,632

Data Source: Audited Financial Statements

*Modified Accrual Basis of Accounting

2016	2017	2018	2019	2020	2021	2022
188,247	261,219	220,065	370,162	381,902	342,372	407,655
—	—	—	3,393,000	2,300,000	—	—
—	—	—	—	—	3,700,000	7,250,000
18,496,104	19,137,752	22,837,502	22,914,986	23,492,469	30,752,940	40,587,665
18,684,351	19,398,971	23,057,567	26,678,148	26,174,371	34,795,312	48,245,320
96,771	83,232	74,703	100,288	108,495	79,781	100,675
4,557,424	8,919,560	39,339,578	28,845,580	6,071,511	7,448,334	9,073,560
—	—	—	—	934,034	1,012,349	1,289,792
3,224,446	3,579,214	7,182,152	7,245,942	7,150,936	8,157,144	14,469,146
(688,716)	—	—	—	—	8,120	—
7,189,925	12,582,006	46,596,433	36,191,810	14,264,976	16,705,728	24,933,173
25,874,276	31,980,977	69,654,000	62,869,958	40,439,347	51,501,040	73,178,493

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years*
December 31, 2022 (Unaudited)

	2013	2014	2015
Revenues			
Taxes	\$ 31,088,445	32,564,624	33,433,891
Intergovernmental	21,103,909	23,914,974	26,018,173
Licenses, Permits, and Fees	3,589,368	3,516,082	3,915,635
Charges for Services	4,408,987	5,220,730	5,664,398
Fines and Forfeitures	430,960	587,966	511,536
Investment Income (Loss)	16,751	(46,495)	24,784
Other Reimbursements	—	—	—
Miscellaneous	1,167,196	983,623	656,877
Total Revenues	61,805,616	66,741,504	70,225,294
Expenditures			
General Government	7,452,147	7,050,018	7,598,649
Public Safety	29,233,562	30,706,685	30,350,270
Highways and Streets	9,094,846	8,291,698	7,744,122
Health	4,457,548	4,590,027	4,589,156
Welfare	1,868,952	1,865,265	1,961,516
Culture and Recreation	435,931	421,517	467,611
Capital Outlay	8,588,414	12,075,460	20,998,508
Debt Service			
Principal Retirement	1,537,312	2,987,587	3,048,912
Interest and Fiscal Charges	913,882	1,914,718	1,799,590
Total Expenditures	63,582,594	69,902,975	78,558,334
Excess (Deficiency) of Revenues Over Expenditures	(1,776,978)	(3,161,471)	(8,333,040)
Other Financing Sources (Uses)			
Disposal of Capital Assets	—	—	—
Debt Issuance	9,800,000	6,290,000	—
Premium on Debt Issuance	—	294,697	—
Payment to Escrow Agent	—	—	—
Transfers In	239,977	—	81,599
Transfers Out	(239,977)	—	(281,599)
	9,800,000	6,584,697	(200,000)
Net Change in Fund Balances	8,023,022	3,423,226	(8,533,040)
Debt Service as a Percentage of Noncapital Expenditures	4.01%	7.02%	6.20%

Data Source: Audited Financial Statements

*Modified Accrual Basis of Accounting

2016	2017	2018	2019	2020	2021	2022
34,113,260	31,784,137	33,080,547	32,718,562	31,600,945	34,781,161	35,967,861
27,434,551	29,199,312	32,811,854	34,650,218	36,297,359	46,969,768	49,245,896
4,001,458	3,982,497	4,085,141	4,249,613	3,816,507	3,913,269	3,888,922
6,347,775	5,810,731	5,834,187	6,267,680	6,785,463	7,967,914	8,930,352
414,884	415,189	403,842	286,328	242,004	445,604	313,457
76,594	196,995	675,700	1,375,199	234,783	986	841,017
35,000	19,824	112,429	31,204	—	—	—
549,816	592,352	1,660,393	621,494	2,089,687	1,798,702	2,755,196
72,973,338	72,001,037	78,664,093	80,200,298	81,066,748	95,877,404	101,942,701
9,435,601	10,060,904	9,566,297	9,384,171	8,044,415	8,079,371	7,190,518
32,512,612	34,279,062	36,287,527	36,783,615	37,584,244	38,791,777	39,908,856
8,148,696	8,762,136	9,658,459	10,456,537	10,576,961	12,006,572	12,959,107
4,585,572	4,500,280	4,835,310	4,849,613	4,793,171	4,985,328	5,037,865
1,994,918	1,953,055	1,798,458	1,676,723	1,824,289	2,126,344	2,030,206
499,208	585,907	572,169	388,375	166,740	306,890	303,830
10,718,553	5,786,667	15,245,784	26,616,871	33,239,574	11,101,659	5,581,945
3,243,840	3,518,904	3,671,871	3,787,500	4,015,000	4,590,000	6,054,521
2,017,192	1,378,256	2,484,885	3,409,229	3,253,348	3,123,295	3,134,366
73,156,192	70,825,171	84,120,760	97,352,634	103,497,742	85,111,236	82,201,214
(182,854)	1,175,866	(5,456,667)	(17,152,336)	(22,430,994)	10,766,168	19,741,487
—	—	—	646,600	383	295,525	1,990,817
17,835,000	4,815,000	45,500,000	7,725,000	—	—	8,230,000
1,022,839	115,835	1,783,506	394,075	—	—	—
(18,573,342)	—	(4,153,816)	—	—	—	(8,249,328)
1,637,926	600,000	2,354,391	3,709,981	5,188,000	4,544,819	4,613,401
(1,637,926)	(600,000)	(2,354,391)	(2,170,362)	(5,188,000)	(4,544,819)	(4,688,401)
284,497	4,930,835	43,129,690	10,305,294	383	295,525	1,896,489
101,643	6,106,701	37,673,023	(6,847,042)	(22,430,611)	11,061,693	21,637,976
7.32%	6.99%	8.00%	9.60%	9.46%	10.72%	12.29%

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years
December 31, 2022 (Unaudited)**

Tax Levy Year	Residential Property	Commercial Property	Industrial Property	Railroad Property
2012	\$ 1,141,783,464	\$ 281,197,939	\$ 145,136,294	\$ 656,385
2013	948,371,026	272,696,503	135,438,749	787,806
2014	989,619,882	285,736,126	114,184,895	836,775
2015	962,934,812	279,463,359	111,147,033	1,005,644
2016	1,191,992,297	304,999,806	121,128,843	1,037,906
2017	1,185,479,107	321,277,244	162,946,209	1,022,879
2018	1,171,019,649	326,069,226	171,888,945	1,095,851
2019	1,352,621,864	405,952,345	211,550,243	1,182,888
2020	1,341,377,216	418,382,455	230,358,924	1,224,387
2021	1,230,475,305	399,062,987	215,638,131	1,224,387

Data Source: Office of the Cook County Clerk

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

Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value as a Percentage of Actual Value
\$ 1,568,774,082	1.051	\$ 4,706,322,246	33.333%
1,357,294,084	1.275	4,071,882,252	33.333%
1,390,377,678	1.276	4,171,133,034	33.333%
1,354,550,848	1.352	4,063,652,544	33.333%
1,619,158,852	1.157	4,857,476,556	33.333%
1,670,725,439	1.143	5,012,176,317	33.333%
1,670,073,671	1.142	5,010,221,013	33.333%
1,971,307,340	0.988	5,913,922,020	33.333%
1,991,342,982	0.978	5,974,028,946	33.333%
1,846,400,810	1.055	5,539,202,430	33.333%

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years
December 31, 2022 (Unaudited)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Village Direct Rates										
Corporate	0.501	0.688	0.724	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Bonds and Interest	0.113	0.167	0.165	0.170	0.143	0.146	0.148	0.132	0.138	0.157
Garbage	0.121	0.026	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Police Pension	0.167	0.214	0.208	0.236	0.211	0.202	0.208	0.195	0.193	0.193
Firefighters' Pension	0.149	0.180	0.179	0.190	0.170	0.182	0.192	0.175	0.173	0.186
Fire Protection	0.000	0.000	0.000	0.385	0.322	0.312	0.302	0.261	0.251	0.279
Police Protection	0.000	0.000	0.000	0.371	0.311	0.301	0.292	0.225	0.223	0.240
Total Direct Rates	1.051	1.275	1.276	1.352	1.157	1.143	1.142	0.988	0.978	1.055
Overlapping Rates										
Mount Prospect Library	0.646	0.761	0.758	0.801	0.687	0.681	0.696	0.599	0.593	0.647
County of Cook	0.531	0.560	0.568	0.552	0.533	0.496	0.489	0.454	0.453	0.446
Consolidated Elections	0.000	0.031	0.000	0.034	0.000	0.031	0.000	0.030	0.000	0.019
Forest Preserve District	0.063	0.069	0.069	0.069	0.063	0.062	0.060	0.059	0.058	0.058
Metropolitan Water Reclamation District	0.370	0.417	0.430	0.426	0.406	0.402	0.396	0.389	0.378	0.382
Township of Elk Grove	0.064	0.077	0.076	0.078	0.066	0.065	0.066	0.055	0.053	0.058
Township of Maine	0.096	0.120	0.119	0.124	0.108	0.105	0.092	0.033	0.022	0.075
Township of Wheeling	0.052	0.056	0.052	0.055	0.041	0.043	0.043	0.038	0.037	0.041
General Assistance Elk Grove	0.014	0.017	0.017	0.017	0.013	0.013	0.013	0.011	0.011	0.012
General Assistance Maine	0.023	0.029	0.029	0.031	0.027	0.021	0.000	0.000	0.000	0.015
General Assistance Wheeling	0.009	0.010	0.010	0.010	0.008	0.009	0.009	0.008	0.008	0.008
Road and Bridge Elk Grove	0.014	0.017	0.018	0.018	0.016	0.016	0.016	0.014	0.013	0.014
Road and Bridge Maine	0.049	0.061	0.062	0.065	0.056	0.057	0.060	0.053	0.054	0.058
Road and Bridge Wheeling	0.016	0.019	0.019	0.020	0.014	0.015	0.016	0.014	0.013	0.015
Northwest Mosquito Abatement District	0.011	0.013	0.013	0.011	0.010	0.010	0.011	0.010	0.010	0.011
Arlington Heights High School District #214	2.324	2.768	2.776	2.881	2.527	2.563	2.669	2.356	2.382	2.664
Community College District #512	0.373	0.444	0.451	0.466	0.416	0.425	0.443	0.403	0.409	0.457
Arlington Heights Park District	0.545	0.633	0.636	0.626	0.488	0.494	0.514	0.457	0.469	0.521
Village of Mount Prospect										
Special Service Area #5	0.122	0.140	0.138	0.142	0.119	0.118	0.000	0.000	0.000	0.000
School District #59	2.673	3.172	3.176	3.291	2.998	3.031	3.173	2.751	2.735	3.076
Mount Prospect Park District	0.557	0.657	0.654	0.681	0.594	0.609	0.633	0.547	0.554	0.617

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
School District #57	3.041	3.478	3.241	3.364	2.870	3.720	3.875	3.490	3.574	3.937
School District #25	3.416	3.659	3.678	3.990	3.424	3.488	3.617	3.246	3.334	3.709
River Trails Park District	0.632	0.747	0.748	0.769	0.665	0.681	0.708	0.626	0.637	0.721
School District #26	3.873	4.563	4.572	4.742	4.140	4.198	4.365	3.916	3.991	4.527
Prospect Heights Park District	0.746	0.856	0.884	0.912	0.770	0.784	0.817	0.751	0.777	0.865
School District #23	3.273	3.932	3.922	4.062	3.404	3.479	3.595	3.312	3.416	3.807
School District #21	4.556	4.841	5.430	5.642	4.966	5.022	5.276	4.691	4.683	5.205
Des Plaines Park District	0.425	0.531	0.529	0.556	0.485	0.493	0.515	0.453	0.463	0.518
Prospect Heights Old Town Sanitary	0.023	0.028	0.028	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Elk Grove Rural Fire Protection District	1.096	1.296	1.329	1.410	1.305	1.305	1.680	1.382	1.309	1.478
Prospect Heights Fire Protection District	0.934	1.091	1.102	1.148	0.979	1.018	1.057	0.969	1.004	1.134
High School District #207	2.215	2.722	2.739	2.901	2.507	2.529	2.652	2.553	2.639	2.901
Community College District #535	0.219	0.256	0.258	0.271	0.231	0.232	0.246	0.221	0.227	0.252
School District #62	3.490	4.255	4.293	4.487	3.921	3.940	4.121	3.575	3.696	4.063
Total Tax Rate for Property Located in the Village of Mount Prospect, Elk Grove Township, and School District #59	8.813	10.418	10.420	10.819	9.605	9.665	9.808	8.745	8.694	9.655
Share of Total Tax Rate Levied by the Village of Mount Prospect for Village Purposes	11.93%	12.24%	12.25%	12.50%	12.05%	11.83%	11.64%	11.30%	11.25%	10.93%
Total Tax Rate for Property Located in the Village of Mount Prospect, Wheeling Township, School District #26, and Mount Prospect Park District	9.998	11.783	11.786	12.242	10.715	10.805	10.973	10.268	10.333	11.468
Share of Total Tax Rate Levied by for Village Purposes	10.51%	10.82%	10.83%	11.04%	10.80%	10.58%	10.41%	9.62%	9.46%	9.20%

Data Source: Office of the Cook County Clerk

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Principal Property Tax Payers - Current Fiscal Year and Nine Fiscal Years Ago
December 31, 2022 (Unaudited)**

Taxpayer	2022*			2013		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
United Airlines, Inc.	\$ 36,271,916	1	1.96 %			
Randhurst Casto Conger	36,211,484	2	1.96 %	\$ 21,120,282	2	1.56 %
Home Properties Colony	31,824,683	3	1.72 %	10,287,164	4	0.76 %
CRP 3 West Central LLC	24,683,161	4	1.34 %	9,899,919	5	0.73 %
1450 Owner LLC	19,893,404	5	1.08 %			
Mount Prospect Plaza	17,108,409	6	0.93 %			
LIT Industrial Limited	9,770,839	7	0.53 %	7,501,215	6	0.55 %
Golf Plaza II	9,758,775	8	0.53 %			
Menards - Properties	9,275,572	9	0.50 %			
Costco	9,174,629	10	0.50 %	7,117,196	8	0.52 %
Ramco Gershenson Prop				21,401,661	1	1.58 %
Golf Plaza I & II				13,485,708	3	0.99 %
First Industrial				7,474,259	7	0.55 %
Cummings Allison Corp				7,044,662	9	0.52 %
Kensington Business Center Holdings-1, LLC				7,022,165	10	0.52 %
Totals	<u>203,972,872</u>		<u>11.05 %</u>	<u>112,354,231</u>		<u>8.28 %</u>

Data Source: Office of the Cook County Clerk

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 2022 for 2021 Tax Year.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Property Tax Levies and Collections - Last Ten Fiscal Years
December 31, 2022 (Unaudited)**

Fiscal Year	Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2013	2012	\$ 16,477,871	\$ 16,278,228	98.79%	\$ (122,544)	\$ 16,155,684	98.04%
2014	2013	17,301,436	17,064,355	98.63%	(83,312)	16,981,043	98.15%
2015	2014	17,730,922	17,521,845	98.82%	(132,047)	17,389,798	98.08%
2016	2015	18,312,756	18,130,372	99.00%	(225,057)	17,905,315	97.78%
2017	2016	18,727,305	18,534,114	98.97%	(241,785)	18,292,329	97.68%
2018	2017	19,087,264	18,865,586	98.84%	(234,333)	18,631,253	97.61%
2019	2018	19,087,266	18,710,515	98.03%	(187,176)	18,523,339	97.05%
2020	2019	19,469,004	19,187,932	98.56%	55,340	19,243,272	98.84%
2021	2020	19,469,002	19,207,967	98.66%	77,564	19,285,531	99.06%
2022	2021	19,469,003	19,181,887	98.53%	—	19,181,887	98.53%

Data Source: Office of the County

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

Other Information: 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.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Sales Taxes by Category - Last Ten Fiscal Years
December 31, 2022 (Unaudited)**

	2013	2014	2015
General Merchandise	\$ 1,171,771	1,135,237	1,112,640
Food	876,288	891,855	949,277
Drinking and Eating Places	764,653	778,314	825,994
Apparel	149,317	163,857	162,116
Furniture and H.H., and Radio	240,289	221,977	220,663
Lumber, Building Hardware	750,191	756,113	791,285
Automobile and Filling Stations	1,508,700	1,578,004	1,540,910
Drugs and Miscellaneous Retail	4,081,740	4,574,353	5,460,292
Agriculture and All Others	2,616,771	2,802,361	3,629,675
Manufacturers	182,433	383,370	433,798
Totals	12,342,153	13,285,441	15,126,650
Village Direct Sales Tax Rate	1.00%	1.00%	1.00%
Number of Taxpayers	883	899	997

Data Source: Illinois Department of Revenue

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

2016	2017	2018	2019	2020	2021	2022
1,114,510	1,082,424	1,086,859	992,680	863,330	955,318	992,430
951,863	877,665	856,379	884,898	985,767	985,071	1,142,947
884,477	879,654	937,398	997,318	870,374	1,035,832	1,182,293
163,438	157,352	140,366	172,171	145,070	220,190	207,198
209,712	202,302	210,670	197,569	160,490	193,957	296,442
821,872	846,376	913,446	965,237	1,095,425	1,151,396	1,185,052
1,492,452	1,676,338	1,816,029	1,942,864	1,951,579	2,276,879	2,509,920
6,594,754	8,965,486	13,018,288	13,336,938	14,089,151	18,596,444	19,688,632
3,611,295	3,649,578	3,751,156	3,788,000	1,629,707	3,653,554	3,715,106
500,200	184,759	95,752	101,939	131,654	200,527	155,768
16,344,573	18,521,934	22,826,343	23,379,614	21,922,547	29,269,168	31,075,788
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
987	1,102	1,078	1,040	987	3,616	4,914

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Business District Sales Taxes by Category - Last Ten Fiscal Years
December 31, 2022 (Unaudited)**

	2013	2014	2015
General Merchandise	\$ 88,289	85,937	84,364
Food	19,146	20,989	20,747
Drinking and Eating Places	40,954	48,185	51,419
Apparel	15,594	19,302	19,963
Furniture, H.H., and Radio	17,106	16,461	16,088
Lumber, Building Hardware	101,338	104,434	107,339
Automobile and Filling Stations	—	—	—
Drugs and Miscellaneous Retail	29,896	32,071	37,063
Agriculture and All Others	5,203	4,554	5,057
Manufacturers	—	—	—
Total	317,526	331,933	342,040
Village Direct Sales Tax Rate	0.25%	0.25%	0.25%

Data Source: Illinois Department of Revenue

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

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

2016	2017	2018	2019	2020	2021	2022
82,142	76,426	62,848	28,214	19,626	23,759	24,910
21,846	20,186	20,417	18,526	21,501	25,736	23,049
54,393	51,629	50,063	53,476	36,543	40,161	42,631
21,716	20,126	18,060	22,600	12,802	16,484	16,453
15,551	14,438	12,976	12,336	3,661	2,308	14,906
108,480	109,058	112,957	115,524	126,618	139,161	137,256
—	—	—	—	—	16	53
31,889	25,843	31,732	29,430	26,739	38,231	42,507
5,323	5,230	6,372	7,101	2,566	4,941	5,849
—	—	—	—	—	80	119
341,340	322,936	315,425	287,207	250,056	290,877	307,733
0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Home Rule Sales Taxes by Category - Last Ten Fiscal Years
December 31, 2022 (Unaudited)**

	2013*	2014*	2015*
General Merchandise	\$ 885,410	864,254	861,799
Food	240,013	234,082	249,683
Drinking and Eating Places	754,898	766,264	808,304
Apparel	148,991	163,487	161,630
Furniture and H.H. and Radio	235,936	218,184	217,031
Lumber, Building Hardware	743,492	752,301	787,000
Automobile and Filling Stations	948,339	956,255	893,301
Drugs and Miscellaneous Retail	509,608	508,772	488,963
Agriculture and All Others	492,238	550,929	548,380
Manufacturers	179,710	380,685	431,129
Total	5,138,635	5,395,213	5,447,220
Number of Taxpayers	883	889	997
Village Home Rule Sales Tax Rate	1.00%	1.00%	1.00%

Data Source: Illinois Department of Revenue

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 compliance administration and enforcement charge.

2016*	2017**	2018**	2019**	2020**	2021**	2022**
858,739	822,252	806,891	675,585	577,971	678,058	669,247
246,759	231,474	238,527	249,420	268,755	306,796	331,838
862,052	831,312	852,731	913,754	764,116	932,604	1,058,134
162,986	154,603	137,624	169,062	142,434	216,205	203,245
206,542	196,588	204,642	192,307	157,506	190,925	290,069
817,396	828,391	891,206	942,053	1,068,094	1,125,051	1,155,838
831,269	937,688	1,029,522	1,031,563	924,782	1,172,730	1,346,105
439,702	473,116	517,588	533,057	754,906	1,148,222	1,223,910
623,624	702,386	667,655	611,860	528,437	722,886	803,621
497,623	179,655	91,683	97,836	126,659	194,381	150,434
5,546,692	5,357,465	5,438,069	5,416,497	5,313,660	6,687,858	7,232,441
987	1,102	1,078	1,040	987	3,616	4,914
1.00 %	1.00 %	1.00 %	1.00 %	1.00 %	1.00 %	1.00 %

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Direct and Overlapping Sales Tax Rates - Last Ten Fiscal Years
December 31, 2022 (Unaudited)**

Fiscal Year	State Tax	County Rate	Regional Transportation Authority	Village Direct Rate	Total
2013	5.00%	1.00%	1.00%	1.00%	9.00%
2014	5.00%	1.00%	1.00%	1.00%	9.00%
2015	5.00%	1.00%	1.00%	1.00%	9.00%
2016	5.00%	2.00%	1.00%	1.00%	10.00%
2017	5.00%	2.00%	1.00%	1.00%	10.00%
2018	5.00%	2.00%	1.00%	1.00%	10.00%
2019	5.00%	2.00%	1.00%	1.00%	10.00%
2020	5.00%	2.00%	1.00%	1.00%	10.00%
2021	5.00%	2.00%	1.00%	1.00%	10.00%
2022	5.00%	2.00%	1.00%	1.00%	10.00%

Data Source: State of Illinois

Note: Business district is assessed additional 0.25% sales tax.

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Ratios of Outstanding Debt by Type - Last Ten Fiscal Years
December 31, 2022 (Unaudited)**

Fiscal Year Ended	Governmental Activities				Business-Type Activities		Percentage of Personal Income (3)	Per Capita (3)
	General Obligation Bonds	IEPA Loan Payable (1)	Installment Note (2)	Business District Limited Tax Note Payable	General Obligation Bonds	Total Primary Government		
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	33,192,363	9,827,936	129,405,797	7.19%	2,389
2019	90,476,575	—	—	35,329,187	19,567,083	145,372,845	8.08%	2,684
2020	86,146,970	—	—	35,905,176	19,206,498	141,258,644	6.50%	2,587
2021	81,283,168	—	—	36,730,522	18,644,921	136,658,611	5.94%	2,404
2022	76,644,366	—	—	37,600,588	27,881,659	142,126,613	5.76%	2,500

Data Source: Audited Financial

(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.

(3) See the schedule of Demographic and Economic Information for personal income and population data.

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years
December 31, 2022 (Unaudited)**

Fiscal Year	General Obligation Bonds	Less Amounts Available in Debt Service Fund	Total	Percentage of Total Taxable Assessed Value of Property (1)	Per Capita (2)
2013	\$ 31,645,000	\$ 121,491	\$ 31,523,509	0.67%	\$ 582
2014	48,433,628	131,635	48,301,993	1.19%	892
2015	45,927,931	154,206	45,773,725	1.10%	845
2016	43,905,073	168,152	43,736,921	1.08%	807
2017	50,848,807	184,195	50,664,612	1.04%	935
2018	95,565,934	2,546,115	93,019,819	1.86%	1,717
2019	110,043,658	1,850,968	108,192,690	2.16%	1,997
2020	105,353,468	1,261,124	104,092,344	1.76%	1,906
2021	99,928,089	1,533,779	98,394,310	1.65%	1,731
2022	104,526,025	864,746	103,661,279	1.87%	1,823

Data Sources: Audited financial statements and Office of the County Clerk

(1) See the schedule of Assessed Value and Actual Value of Taxable Property for property value data.

(2) See the schedule of Demographic and Economic Information for personal income and population data.

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

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Schedule of Direct and Overlapping Governmental Activities Debt
December 31, 2022 (Unaudited)**

Governmental Unit	(1) Gross Debt	(2) Percentage Debt Applicable to the Village of Mount Prospect	(3) Village Share of Debt
Village of Mount Prospect	\$ 114,244,954	100.00%	\$ 114,244,954
County of Cook	2,425,146,750	1.05%	25,561,047
Forest Preserve District of Cook County	119,775,000	1.05%	1,262,429
Metropolitan Water Reclamation District	1,813,330,000	1.07%	19,420,764
Community College District #535	45,110,000	0.02%	7,669
Community College District #512	243,530,000	9.83%	23,934,128
School District #214	25,000,000	19.48%	4,870,250
School District #207	167,610,000	0.08%	137,440
School District #57	5,470,000	94.23%	5,154,436
School District #26	11,765,000	78.70%	9,258,467
School District #25	37,700,000	2.55%	961,727
School District #23	10,500,000	7.82%	820,575
School District #21	84,350,000	2.84%	2,393,853
School District #59	25,185,000	18.35%	4,620,188
Arlington Heights Park District	10,369,000	1.93%	200,536
Des Plaines Park District	7,439,605	1.61%	119,778
Mount Prospect Park District	17,081,090	68.92%	11,772,116
Total Overlapping Debt	5,049,361,445		110,495,403
Total Direct and Overlapping Debt	5,163,606,399		224,740,357

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 ACFR's on file with the Cook County Treasurer's Office.

(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 2020 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).

VILLAGE OF MOUNT PROSPECT, ILLINOIS

Schedule of Legal Debt Margin December 31, 2022 (Unaudited)

The Village is a home rule municipality.

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

The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by some 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 Statistics - Last Ten Fiscal Years
December 31, 2022 (Unaudited)**

Fiscal Year	(1) Population	(2) Equalized Assessed Value	Personal Income	(1) Per Capita Personal Income	(3) Unemployment Rate
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	1,619,158,852	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	1,971,307,340	1,798,831,903	33,209	2.70%
2020	54,604	1,991,342,982	2,174,658,904	39,826	6.60%
2021	56,852	1,846,400,810	2,299,777,104	40,452	5.00%
2022	56,852	N/A	2,466,751,428	43,389	3.50%

Data source:

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

N/A - Not Available

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago
December 31, 2022 (Unaudited)**

Employer	2022			2013		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
CVS Caremark	1,475	1	2.59%	1,240	1	2.29%
Robert Bosch Tool Corporation	650	2	1.14%	650	2	1.20%
Cummins-Allison	391	3	0.69%	475	3	0.88%
Mount Prospect School District 57	323	4	0.57%	271	6	0.50%
Village of Mount Prospect	308	5	0.54%	306	4	0.56%
Township High School District 214	300	6	0.53%	225	10	0.42%
Rauland Borg	300	7	0.53%	300	5	0.55%
Home Depot #1913	287	8	0.50%			
Wal-Mart Supercenter #1681	269	9	0.47%			
Costco	245	10	0.43%			
Comcast				250	7	0.46%
Carson Pirie Scott				246	8	0.45%
Jewel Food Stores Inc.				240	9	0.44%
	<u>4,548</u>		<u>7.99%</u>	<u>4,203</u>		<u>7.75%</u>

Data Sources: Village Records

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Full-Time and Part-Time Employees by Function/Program - Last Ten Fiscal Years
December 31, 2022 (Unaudited)**

See Following Page

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Full-Time Equivalent Employees by Function/Program - Last Ten Fiscal Years
December 31, 2022 (Unaudited)**

Function/Program	2013	2014	2015
Public Representation/Community and Civic Services	2.10	2.05	2.15
General Government			
Village Administration			
Administration	15.45	15.45	16.85
Finance	13.00	13.00	13.00
Total	28.45	28.45	29.85
Community Development			
Community Development	18.50	18.50	18.50
Community Development/CDBG	1.00	1.00	1.00
Total	19.50	19.50	19.50
Human Services Department	9.50	9.50	9.50
Public Safety and Protection			
Police Department	100.50	100.50	99.50
Fire Department	74.50	74.50	75.00
Total	175.00	175.00	174.50
Public Works Department			
Administration	2.85	2.85	2.85
Streets/Buildings/Parking	12.45	12.40	12.40
Forestry	9.25	9.35	9.25
Engineering	8.00	8.00	8.00
Water/Sewer	24.75	24.75	24.75
Refuse Disposal	2.90	2.90	2.90
Parking	0.90	0.90	0.90
Vehicle Maintenance	10.75	10.75	10.75
Total	71.85	71.90	71.80
Village Total	306.40	306.40	307.30

Data Source: Village Budget

2016	2017	2018	2019	2020	2021	2022
2.20	2.10	2.05	0.80	0.80	0.70	0.70
16.75	17.35	15.85	15.50	16.00	16.00	15.50
13.00	13.00	13.50	13.50	14.00	13.00	13.00
29.75	30.35	29.35	29.00	30.00	29.00	28.50
18.75	18.75	21.00	21.25	21.25	20.75	20.75
0.75	0.75	—	—	—	—	—
19.50	19.50	21.00	21.25	21.25	20.75	20.75
9.50	9.55	10.55	9.55	9.55	9.55	11.05
101.50	102.50	103.00	104.00	105.50	105.50	104.50
81.00	81.00	81.00	80.75	80.75	80.75	86.79
182.50	183.50	184.00	184.75	186.25	186.25	191.29
3.85	3.35	4.75	5.10	5.10	5.10	5.10
12.35	12.35	14.20	16.05	16.30	16.00	16.00
8.35	8.35	8.35	9.55	9.55	9.55	9.55
8.00	8.00	7.90	8.40	8.40	8.40	8.40
2.90	25.25	25.75	23.30	23.30	23.30	23.85
24.75	2.90	—	—	—	—	—
0.90	0.90	—	—	—	—	—
10.75	10.75	10.75	9.60	10.10	9.65	9.65
71.85	71.85	71.70	72.00	72.75	72.00	72.55
315.30	316.85	318.65	317.35	320.60	318.25	324.84

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Operating Indicators by Function/Program - Last Ten Fiscal Years
December 31, 2022 (Unaudited)**

Function/Program	2013	2014	2015
Finance Department			
Vehicle Stickers Issued	43,490	42,789	41,964
Utility Bills	152,312	152,649	152,703
Real Estate Transfer Tax Stamps Sold	1,451	1,426	1,433
Community Development			
Building Division			
Permits Issued	2,383	2,653	2,490
Plan Reviews	524	471	536
Building Code Inspections	7,824	10,952	10,590
Environmental Health Division			
Inspections			
Food Service	393	434	409
Multi-family Buildings	568	1,068	1,043
Public Safety			
Police			
Number of Crimes	2,809	2,480	2,399
Number of Service Calls	19,206	18,594	18,906
Number of Arrests	1,509	1,307	1,178
Moving Violations	6,152	4,928	4,839
Parking Citations	7,314	7,671	7,166
Fire			
Fire Calls	1,967	1,926	1,883
EMS Calls	3,912	3,985	4,061
Fire Prevention Inspections	3,144	3,047	2,700
Training Hours	21,149	24,033	25,990
Public Works			
Streets			
Street Resurfacing (Miles)	7.50	18.80	9.80
Crack Filling (Lbs)	49,153	59,568	51,412
Leaves Removed (Tons)	2,070	2,081	1,988
Water			
Water Mains Installed (Lineal Feet)	—	—	1,990
Water Billed (1,000 Gallons)	1,284,779	1,301,528	1,204,478
Sanitary Sewers Cleaned (Ft)	65,000	90,000	120,000
Refuse (Single/Multi-Family)			
Solid Waste Collected (Tons)	29,494	30,320	30,605
Recycling (Tons)	5,692	5,498	5,369

Data Source: Various Village Departments

* Numbers affected by COVID-19.

2016	2017	2018	2019	2020	2021	2022
41,323	40,638	39,214	37,945	35,337	35,687	33,000
152,872	152,689	152,689	149,186	149,305	152,408	153,437
1,541	1,472	1,473	1,455	1,485	1,596	1,477
2,500	2,375	2,562	2,502	2,500	2,935	2,454
513	425	465	575	600	636	992
9,535	9,640	9,320	9,100	9,000	10,480	7,336
405	400	359	406	432	1,216	447
1,000	1,000	1,025	1,015	1,000	902	1,303
2,235	2,387	2,335	2,392	2,102	1,645	1,694
18,232	18,393	18,339	18,483	15,650	22,138	16,186
1,083	1,102	1,019	1,113	919	628	785
4,137	3,842	3,440	3,404	2,501	2,087	2,958
5,637	8,179	5,564	4,366	3,692	6,691	4,289
1,889	1,816	1,884	1,855	1,793	1,767	2,037
4,032	4,105	4,195	4,598	4,069	4,734	4,986
3,800	2,075	2,600	3,000	1,500 *	1,956	2,530
29,024	31,626	31,651	31,258	24,221 *	29,587	31,440
6.30	7.00	7.00	6.80	7.10	7.73	8.55
53,623	51,412	54,000	54,000	54,000	55,371	52,251
1,676	1,848	1,856	1,853	1,889	1,100	1,941
600	1,990	3,900	4,510	5,326	6,513	6,785
1,224,661	1,208,079	1,179,096	1,183,694	1,219,545	1,259,250	1,259,369
75,000	100,000	75,000	60,000	60,000	52,000	48,000
26,574	29,613	28,235	28,854	28,776	28,704	20,488
5,355	5,492	5,086	4,672	4,859	4,486	4,398

VILLAGE OF MOUNT PROSPECT, ILLINOIS

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
December 31, 2022 (Unaudited)**

Function/Program	2013	2014	2015
Public Safety			
Police			
Stations	1	1	1
Patrol Units	33	32	32
Fire			
Fire Stations	3	3	3
Fire Engines/Vehicles	23	23	22
Public Works			
Residential Streets (Miles)	135	134	134
Water			
Water Mains (Miles)	161	160	160
Fire Hydrants	2,274	2,242	2,240
Storage Capacity (Gallons)	8.8M	8.8M	8.8M
Wastewater			
Sanitary Sewer (Miles)	71	71	71
Storm Sewers (Miles)	135	135	108
Combined Sewers (Miles)	54	54	54

Data Source: Various Village departments

2016	2017	2018	2019	2020	2021	2022
1	1	1	1	1	1	1
30	31	31	30	30	30	32
3	3	3	3	3	3	3
21	21	21	22	22	22	24
135	135	135	135	135	136	136
160	160	160	160	160	160	160
2,243	2,246	2,246	2,246	2,246	2,246	2,246
8.8M	8.8M	8.8M	8.8M	8.8M	8.8M	8.8M
72	72	72	72	72	72	72
108	110	110	110	110	110	110
55	55	55	55	55	55	55

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, 2022	As Percent of		Per Capita 2020 Census 56,852
		Assessed Value	Estimated True Value	
Assessed Valuation of Taxable Real Property, 2021	1,846,400,810	100.00%	33.33%	32,477.32
Estimated True Value of Taxable Real Property,	5,539,202,430	300.00%	100.00%	97,431.97
Direct Bonded Debt payable from Property Taxes (1)				
Payable From Property taxes	\$47,350,000	2.56%	0.85%	\$ 832.86
Self-Supporting Debt	94,776,613	5.13%	1.71%	1,667.08
Total Direct Bonded Debt	\$142,126,613	7.70%	2.57%	\$ 2,499.94
Overlapping Bonded Debt Payable from Property Taxes (2)				
Schools	\$52,158,733	2.82%	0.94%	\$ 917.45
Other Than Schools	58,336,670	3.16%	1.05%	1,026.11
Total Overlapping Bonded Debt	\$110,495,403	5.98%	1.99%	\$ 1,943.56
Total Direct and Overlapping Bonded Debt	\$252,622,016	13.68%	4.56%	\$ 4,443.50
Total Direct and Overlapping Bonded Debt Excl. Self-Supporting	\$157,845,403	8.55%	2.85%	\$ 2,776.43

- 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, 2022".

**RETIREMENT SCHEDULE OF OUTSTANDING VILLAGE GENERAL OBLIGATION BONDED
DEBT (Note 1)
(As of December 31, 2022)**

Due Calendar Date	Principal Maturities			Debt Service Tax Levies	
	Source of Payments Property Taxes	Total Maturities Annual Amount	Cumulative Percent	Levy Year	Property Taxes
2023	3,875,000	3,875,000	3.9%	2022	3,652,500
2024	4,085,000	4,085,000	7.9%	2023	3,649,100
2025	4,315,000	4,315,000	12.2%	2024	3,643,800
2026	4,565,000	4,565,000	16.7%	2025	3,643,850
2027	4,795,000	4,795,000	21.5%	2026	3,637,000
2028	5,055,000	5,055,000	26.5%	2027	3,643,400
2029	4,800,000	4,800,000	31.3%	2028	3,142,500
2030	5,185,000	5,185,000	36.4%	2029	3,235,250
2031	5,480,000	5,480,000	41.9%	2030	3,234,250
2032	5,775,000	5,775,000	47.6%	2031	3,233,750
2033	6,095,000	6,095,000	53.7%	2030	3,233,500
2034	5,540,000	5,540,000	59.2%	2031	3,233,250
2035	5,830,000	5,830,000	65.0%	2034	3,238,138
2036	6,120,000	6,120,000	71.1%	2035	3,237,075
2037	6,425,000	6,425,000	77.5%	2036	3,237,825
2038	4,650,000	4,650,000	82.1%	2037	3,235,200
2039	4,865,000	4,865,000	86.9%	2038	3,236,000
2040	3,465,000	3,465,000	90.4%	2039	3,234,600
2041	3,610,000	3,610,000	93.9%	2040	3,234,000
2042	2,990,000	2,990,000	96.9%	2041	3,234,000
2043	3,110,000	3,110,000	100.0%	2042	3,234,400
	<u>\$100,630,000</u>	<u>\$100,630,000</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—GENERAL OBLIGATION BOND SALES 2006-2022 (Note 1)

Village Issue		Ratio to Equalized Assessed Value				Per Capita (3)	
		Direct Debt		Direct & Overlapping		Direct & Overlapping	
Sale Date	Amount	Including Self-Supporting	Excluding Self-Supporting	Including Self-Supporting	Excluding Self-Supporting	Including Self-Supporting	Excluding Self-Supporting
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	6.87%	2.56%	12.69%	8.38%	4,444.69	2,935.89
November 25, 2019	7,725,000	6.87%	2.56%	12.69%	8.38%	4,444.69	2,935.89
February 8, 2022	8,935,000	7.70%	2.56%	13.68%	8.55%	4,443.50	2,776.43
September 7, 2022	8,230,000	7.70%	2.56%	13.68%	8.55%	4,443.50	2,776.43

- 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 in 2010-2019 and 56,852 beginning in 2020.

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	2,279,575	1,672,353,246	0.1%
2019	1,962,779,503	8,527,837	1,971,307,340	17.9%
2020	1,977,147,038	14,195,944	1,991,342,982	1.0%
2021	1,834,713,374	11,687,436	1,846,400,810	(7.3%)

- 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 and the Village equalized assessed value increased by 17.9 percent compared to the prior year. Due to changes in the equalization factor for the tax year 2021, the Equalized Assessed Value decreased by 7.3 percent. The equalization factor decreased by 15.32 percent, from 3.2234 to 3.0027.
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, 2022**

SCHOOL DISTRICTS:	Percent of Village's 2020 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%	5,470,000	94.231%	5,154,436
Community Consolidated No. 59	26.7%	25,185,000	18.345%	4,620,188
River Trails No. 26	26.4%	11,765,000	78.695%	9,258,467
Wheeling Community Consolidated No. 21	3.4%	84,350,000	2.838%	2,393,853
Arlington Heights No. 25	3.2%	37,700,000	2.551%	961,727
Prospect Heights No. 23	2.5%	10,500,000	7.815%	820,575
High School Districts:				
Wheeling/Elk Grove No. 214	99.8%	25,000,000	19.481%	4,870,250
Maine Township No. 207	0.2%	167,610,000	0.082%	137,440
Community Colleges:				
Oakton No. 535	0.2%	45,110,000	0.017%	7,669
Harper No. 512	99.8%	243,530,000	9.828%	23,934,128
Total Schools				52,158,733
OTHER THAN SCHOOL DISTRICTS:				
Cook County, Including Forest Preserve District	100.0%	2,544,921,750	1.054%	26,823,476
Metropolitan Water Reclamation District	100.0%	1,813,330,000	1.071%	19,420,764
Park Districts:				
Mount Prospect	66.8%	17,081,090	68.919%	11,772,116
Arlington Heights	2.8%	10,369,000	1.934%	200,536
Des Plaines	1.8%	7,439,605	1.610%	119,778
Total Other Than Schools				58,336,670

Notes: 1. Village's share based upon 2021 Real Property valuations.

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

	Levy Years				
	2017	2018	2019	2020	2021
Village of Mount Prospect:					
Bonds and Interest	\$ 0.146	\$ 0.148	\$ 0.132	\$ 0.138	\$0.157
Pensions (Police, Fire)	0.384	0.401	0.370	0.366	0.379
Police Protection	0.301	0.292	0.261	0.223	0.240
Fire Protection	0.312	0.302	0.225	0.251	0.279
Total Village	\$ 1.143	\$ 1.143	\$ 0.988	\$ 0.978	\$1.055
Cook County, Including Forest Preserve	0.558	0.549	0.543	0.511	0.523
Metropolitan Water Reclamation District	0.402	0.396	0.389	0.378	0.382
Mount Prospect Park District	0.609	0.633	0.547	0.554	0.617
Mount Prospect Public Library	0.681	0.696	0.599	0.593	0.647
Special Service Area No. 5	0.118	-	-	-	0.000
Community Consolidated School District	3.031	3.173	2.751	2.735	3.076
Township High School District No. 214	2.563	2.669	2.356	2.382	2.664
Harper College No. 512	0.425	0.443	0.403	0.409	0.457
All Other	0.135	0.106	0.090	0.087	0.095
Total (2)	\$ 9.665	\$ 9.808	\$ 8.666	\$ 8.627	\$9.516
 Village as a Percent of Total	 11.8%	 11.7%	 11.4%	 11.3%	 11.1%

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, 2022 (Note 1)	
			Amount	Percent (2)
2012	2013	16,487,816	16,188,175	98.18%
2013	2014	17,305,500	17,017,128	98.33%
2014	2015	17,741,219	17,421,947	98.20%
2015	2016	18,313,527	17,948,393	98.01%
2016	2017	18,733,668	18,385,014	98.14%
2017	2018	19,096,392	18,804,998	98.47%
2018	2019	19,088,942	18,708,934	98.01%
2019	2020	19,469,004	19,187,932	98.56%
2020	2021	19,469,002	19,207,967	98.66%
2021	2022	19,469,002	19,181,887	98.53%

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	36,271,916	1.96%
2	DLC Management Corp	Shopping Center	36,211,484	1.96%
3	Home Properties Colony	Apartments	31,824,683	1.72%
4	CRP 3 West Center LLC	Industrial	24,683,161	1.34%
5	1450 Owner LLC	Industrial Real Estate	19,893,404	1.08%
6	LBX Mount Prospect LLC	Shopping Center	17,108,409	0.93%
7	LIT Industrial Limited	Industrial	9,770,839	0.53%
8	CR Golf Plaza II LLC	Shopping Center	9,758,775	0.53%
9	Menards - Properties	Hardware and Home Building Store	9,275,572	0.50%
10	Costco	Membership Warehouse Club	9,174,629	0.50%
			\$203,972,872	11.05%

- Notes: 1. Valuations as of January 1, 2021 for 2021 tax purposes.
 2. Total 2021 Village valuation is \$ 1,846,400,810

2014 AND 2021 TAX BASE DISTRIBUTION BY PROPERTY CLASSIFICATION*

Classification	Village of Mount Prospect				
	Taxable Valuation			Percent of Total	
	2014	2021	%	2014	2021
Residential	951,752,882	1,173,683,410	23.32%	65.82%	64.01%
Commercial	274,990,264	365,556,045	32.93%	19.02%	19.94%
Industrial	218,579,604	293,242,038	34.16%	15.12%	15.99%
Railroad	764,086	1,165,307	52.51%	0.05%	0.06%
Total	1,446,086,836	1,833,646,800	26.80%	100.00%	100.00%

* A breakdown by property classification of the Village's levy year 2021 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				2022	
	2018	2019	2020	2021	Budget	Actual
Revenues:						
Property Taxes	\$ 16,112,039	16,081,608	16,367,630	16,226,617	16,394,573	16,286,923
Sales Taxes	23,658,634	24,249,211	22,693,522	30,100,672	30,320,000	30,307,782
State Income Taxes	5,187,361	5,765,484	5,886,270	7,175,489	9,265,000	9,263,878
Licenses, Permits & Fees	2,484,451	2,733,317	2,402,150	3,462,218	2,306,000	2,568,330
Utility Taxes	3,476,969	3,292,347	3,025,210	3,053,871	3,229,000	3,215,723
Charges for Service	1,475,149	1,875,941	2,320,837	3,153,582	3,372,000	3,938,175
Fines & Forfeits	403,842	286,328	242,004	445,604	351,000	313,457
Investment Income	318,490	430,397	99,325	(3,025)	584,350	606,334
Food & Beverage Tax	884,637	884,637	818,911	1,080,890	1,002,000	1,246,766
Real Estate Transfer Tax	1,426,037	1,434,580	962,687	1,471,917	1,125,000	1,555,691
All Other Revenues	3,539,116	3,144,713	3,870,492	2,934,693	9,438,285	6,539,583
Total Revenues	\$ 58,966,725	60,178,563	58,689,038	69,102,528	77,387,208	75,842,642
Expenditures:						
General Government						
Public Representation Division	159,710	113,322	120,925	166,216	221,273	152,110
Village Manager's Office	3,733,109	3,662,546	3,498,838	3,689,825	4,825,144	4,252,225
Finance Department	2,735,100	2,781,155	1,548,016	1,515,447	1,736,056	1,624,954
Community Development-Administration	1,109,904	1,129,783	1,723,458	1,063,237	1,366,677	1,085,561
Benefit Payments	5,819	5,993	6,173	6,358	6,549	6,549
Total General Government	7,743,642	7,692,799	6,897,410	6,441,083	8,155,699	7,121,399
Public Safety:						
Code Enforcement	854,780	962,937	1,062,597	1,094,230	1,244,855	1,126,233
Police Department	18,564,213	18,975,187	19,085,680	20,023,450	20,332,237	19,942,165
Fire & Emergency Protection Department	15,586,449	16,188,816	17,096,913	17,616,782	18,471,869	18,751,795
Total Public Safety	35,005,442	36,126,940	37,245,190	38,734,462	40,048,961	39,820,193
Highways & Streets	7,915,559	8,674,121	8,705,967	9,370,338	9,820,987	8,807,969
Health	306,314	195,532	132,833	166,502	170,437	128,135
Welfare	1,410,612	1,372,853	1,446,675	1,422,835	2,142,018	1,562,184
Culture & Recreation	572,169	388,375	166,740	306,890	392,384	303,830
Net Transfers (In)/Out	2,354,391	2,107,362	4,598,000	4,000,000	7,775,000	4,688,401
Total Expenditures	55,308,129	56,557,982	59,192,815	60,442,110	68,505,486	62,432,111
Revenues Over (Under) Expenditures	3,658,596	3,620,581	(503,777)	8,660,418	8,881,722	13,410,531
Ending Fund Balance	\$ 23,057,567	26,678,148	26,174,371	34,834,789	43,716,511	48,245,320

Balance Sheet - December 31

Assets:	2018	2019	2020	2021	2022
Cash & Investments	\$ 16,672,691	20,838,531	20,649,384	29,375,181	46,145,782
Receivables					
Property Taxes	16,290,898	16,545,722	16,397,406	16,259,186	17,863,091
Other Taxes	7,994,192	8,518,372	7,968,423	9,859,038	9,727,019
All Other	371,481	359,574	305,811	312,830	473,104
Due From Other Funds	22,254	—	—	—	10,000
Due From Other	49,471	48,570	48,244	92,748	296,195
All Other Assets	220,065	370,162	906,902	2,143,866	407,655
Total Assets	<u>\$ 41,621,052</u>	<u>46,680,931</u>	<u>46,276,170</u>	<u>58,042,849</u>	<u>74,922,846</u>
Liabilities & Fund Balance					
Accounts Payable	\$ 957,709	517,940	606,869	773,678	552,803
Deferred Revenues					
Property Taxes	16,290,898	16,539,009	16,354,772	16,156,364	14,164,411
All Other Liabilities	1,314,878	2,945,834	3,140,158	6,317,495	11,960,312
Fund Balance:					
Nonspendable	220,065	370,162	381,902	342,372	407,655
Restricted	—	—	—	—	—
Committed	—	3,393,000	2,300,000	—	—
Assigned	—	—	—	3,700,000	7,250,000
Unassigned	22,837,502	22,914,986	23,492,469	30,752,940	40,587,665
Total Fund Balance	<u>\$ 23,057,567</u>	<u>26,678,148</u>	<u>26,174,371</u>	<u>34,795,312</u>	<u>48,245,320</u>
Total Liabilities & Fund	<u>\$ 41,621,052</u>	<u>46,680,931</u>	<u>46,276,170</u>	<u>58,042,849</u>	<u>74,922,846</u>

Notes: 1. This condensed financial information for the years ending December 31, 2018-2022 has been excerpted from the full Annual Comprehensive 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 2018-2022 and Summary 2022 Revenues, Excess Revenues and Fund Balance
(Fiscal Years Ended December 31)

	Fiscal Year Ended December 31, 2022									
	2018	2019	2020	2021	Revenue Incl. Transfers		Revenue		Fund Balance	
					Property	Tax	Total	Over (Under)		Expenditures
Governmental Fund Types (2):										
General Fund *	\$ 23,057,567	26,678,148	26,174,371	34,834,789	16,160,828	75,842,134	13,410,531	48,245,320		
Special Revenue Funds:										
Motor Fuel Tax	\$ 2,431,135	2,465,613	3,789,560	4,480,280	—	3,476,164	(674,974)	3,805,306		
Community Development Block Grant	—	—	—	—	—	468,022	—	—		
Refuse Disposal	1,320,754	1,167,139	1,020,102	1,091,050	—	5,199,229	289,499	1,380,549		
Asset Seizure	141,255	135,102	120,643	105,505	—	3,053	(15,124)	90,381		
DEA shared Funds	20,308	50,545	51,989	57,872	—	414,690	414,690	472,562		
DUI Fines	137,373	143,435	149,962	148,677	—	287	(9,767)	138,910		
Foreign Fire Tax Fund	398,231	438,552	413,755	478,814	—	120,884	64,452	543,261		
Business District Fund	—	—	—	—	—	1,718,125	—	—		
Police & Fire Building Construction*	31,720,180	14,141,970	44,134	—	—	—	—	—		
Pension Stabilization Fund	—	—	—	—	750,000	—	750,000	750,000		
Prospect/Main TIF*	698,930	8,532,044	25,991	395,781	1,307,969	3,299,979	1,781,776	2,177,557		
Total Special Revenue	36,868,166	27,074,400	5,616,136	6,757,979	2,057,969	14,700,433	2,600,552	9,358,526		
Debt Service *	4,150,506	3,455,359	3,126,865	1,782,485	2,828,686	13,825,394	(686,907)	1,095,578		
Capital Projects (3)	5,577,761	5,662,051	5,521,975	8,165,264	—	11,491,049	6,313,800	14,479,064		
Total Governmental	\$ 69,654,000	62,869,958	40,439,347	51,540,517	21,047,483	115,859,010	21,637,976	73,178,488		
Proprietary & Fiduciary Fund Types										
Enterprise Funds (4):										
Water and Sewer *	40,157,409	38,572,493	42,982,296	45,147,298	—	18,904,331	4,737,791	49,885,089		
Village Parking System	725,953	549,156	430,837	310,546	—	190,000	12,420	322,966		
Internal Service Funds (5)	21,115,612	22,226,789	23,618,874	25,752,604	—	13,429,963	(549,665)	25,202,939		
Pension Trust Funds:										
Police Pension	66,374,108	78,333,544	86,908,231	96,474,332	—	4,841,922	(15,803,002)	80,671,330		
Firefighter's Pension	62,398,530	71,227,941	80,459,469	85,017,228	—	4,490,163	(14,615,188)	70,402,040		
Total Proprietary & Fiduciary	\$ 190,771,612	210,909,923	234,399,707	252,702,008	—	41,856,379	(26,217,644)	226,484,364		
Total All Funds (Memo Only)	\$ 260,425,612	273,779,881	274,839,054	304,242,525	21,047,483	157,715,389	(4,579,668)	299,662,852		
* Designated as major funds.										
Cash & Investments at 12/31 (6):	2018	2019	2020	2021	2022					
General Fund	\$ 16,672,691	20,838,531	20,649,384	29,375,181	46,145,782					
Internal Service Funds	11,769,387	11,707,300	13,783,192	14,008,929	13,909,933					
Police & Fire Building Construction	31,708,378	17,938,945	153,863	—	—					
Prospect & Main TIF	712,311	9,716,685	10,018	341,682	1,927,204					
Other Special Revenue Funds	4,792,342	5,427,444	5,825,227	6,378,108	7,404,244					
Debt Service Funds	4,100,470	3,448,379	3,119,837	1,767,712	448,161					
Subtotal	\$ 69,755,579	69,077,284	43,541,521	51,871,612	69,835,324					
Capital Project Funds	5,949,833	6,262,008	5,325,291	7,948,358	12,304,169					
Water & Sewer	12,425,604	19,536,350	17,631,177	16,311,963	25,934,241					
Other Enterprise Funds	578,367	576,470	446,638	327,112	335,433					
Pension Trust Funds	128,571,320	149,345,705	167,194,366	181,536,181	150,542,958					
Other Fiduciary Funds+	1,115,737	—	—	—	—					
Total	\$ 218,396,440	244,797,817	234,138,993	257,995,226	258,952,125					

+ Starting year 2019 Other Fiduciary Funds are merged with General Fund

Notes: 1. This condensed financial information for the years ending December 31, 2018-2022 has been excerpted from the full Annual Comprehensive 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 Annual Comprehensive Financial Report for the year ended December 31, 2022 included an unmodified "Independent Auditor's Report". Similar unqualified/unmodified opinions were included in the Village's Annual Comprehensive Financial Reports for the years ending December 31, 2018-2022. 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, 2022, 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."

2. 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.
3. 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.
4. 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.
5. 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. The Village created Pension Stabilization Fund in 2022. The fund will provide alternative revenue sources (other than property taxes) for the annual pension costs funding and will allow the Village to abate a portion of the real estate taxes to be levied for the public safety pensions.
8. Excludes agency funds.

CAPITAL ASSETS (Note)
(December 31, 2022)

	Governmental Activities		Business Type Activities
Capital Assets Not Being Depreciated		Capital Assets Not Being Depreciated	
Land	\$ 15,327,776	Land	\$ 17,318,818
Construction in Progress	<u>2,505,965</u>	Construction in Progress	<u>3,608,713</u>
Total Assets Not Being Depreciated	\$ 17,833,741	Total Assets Not Being Depreciated	\$ 20,927,531
 Capital Assets Being Depreciated		 Capital Assets Being Depreciated	
Buildings	\$ 73,507,433	Buildings and Improvements	\$ 4,499,808
Improvements Other Than Buildings	1,516,920	Equipment	4,860,968
Infrastructure and All Other	<u>130,789,374</u>	Infrastructure	<u>45,477,900</u>
Total Capital Assets Being Depreciated	\$ 205,813,727	Total Capital Assets Being Depreciated	\$ 54,838,676
 Less Accumulated Depreciation	 <u>\$ 104,897,677</u>	 Less Accumulated Depreciation	 <u>\$ 23,985,544</u>
 Total Capital Assets Being Depreciated, Net	 \$ 100,916,050	 Total Capital Assets Being Depreciated, Net	 \$ 30,853,132
Net Assets	\$ 118,749,791	Net Assets	\$ 51,780,663

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.