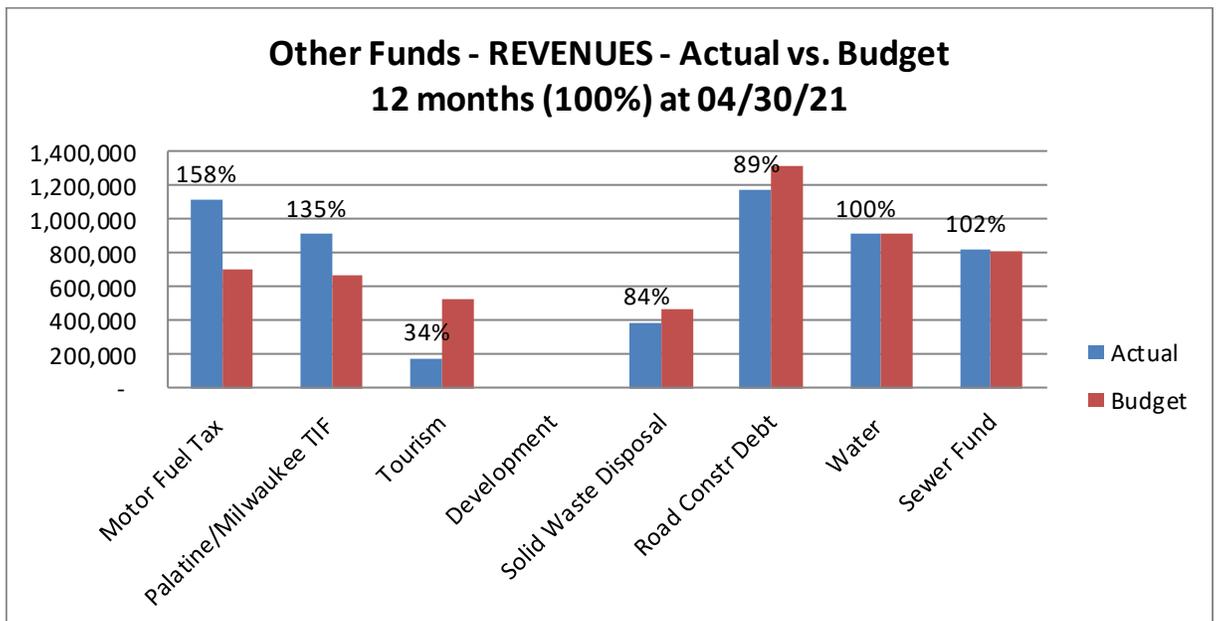
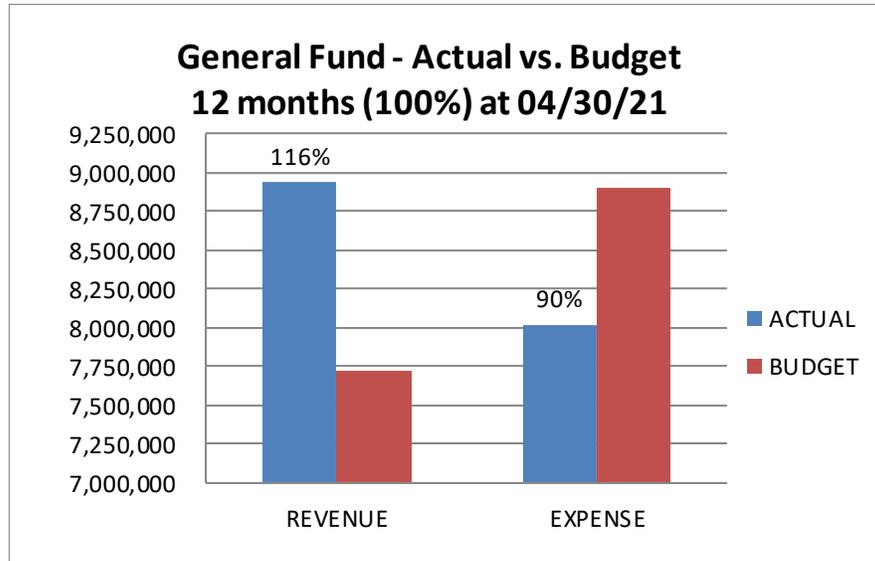
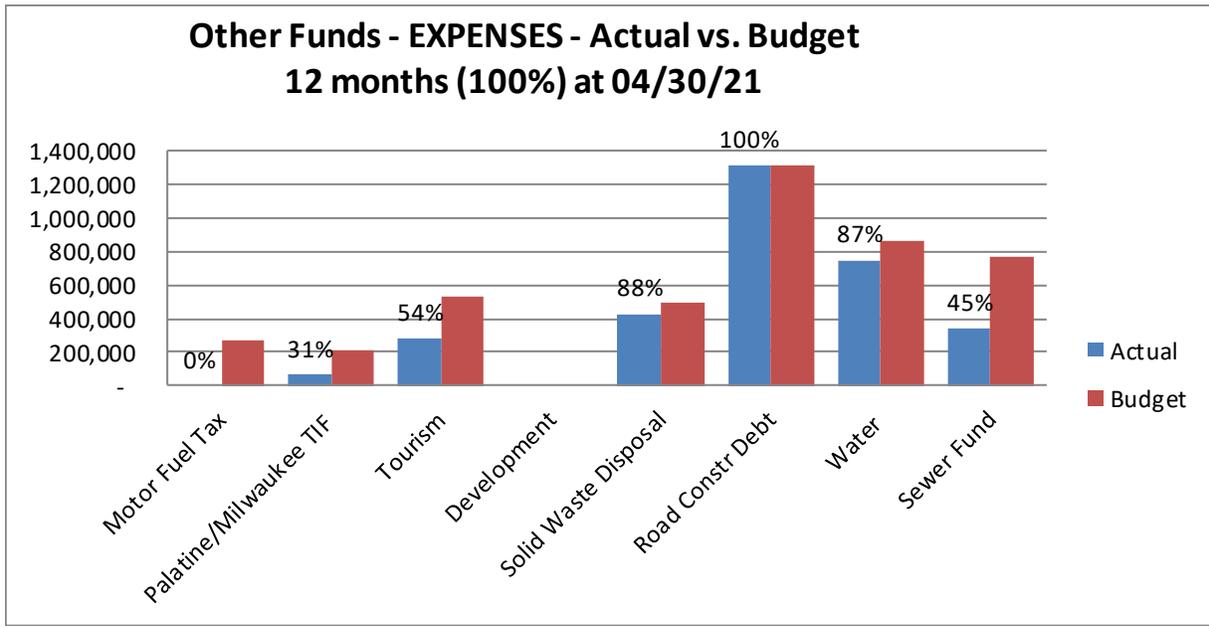


City of Prospect Heights Financial Report – FY20-21 For the 12 Months Ending April 30, 2021

The following report highlights the financial position of the City of Prospect Heights for the period beginning May 1, 2020 through April 30, 2021 (**12 months ~ 100% of year**) with an analysis on actual revenues and expenditures compared to fiscal year 2020/2021 budget.

Overall Fund Summary - The following charts highlight each of the City’s major funds and how the YTD revenues and expenditures compare to budget:

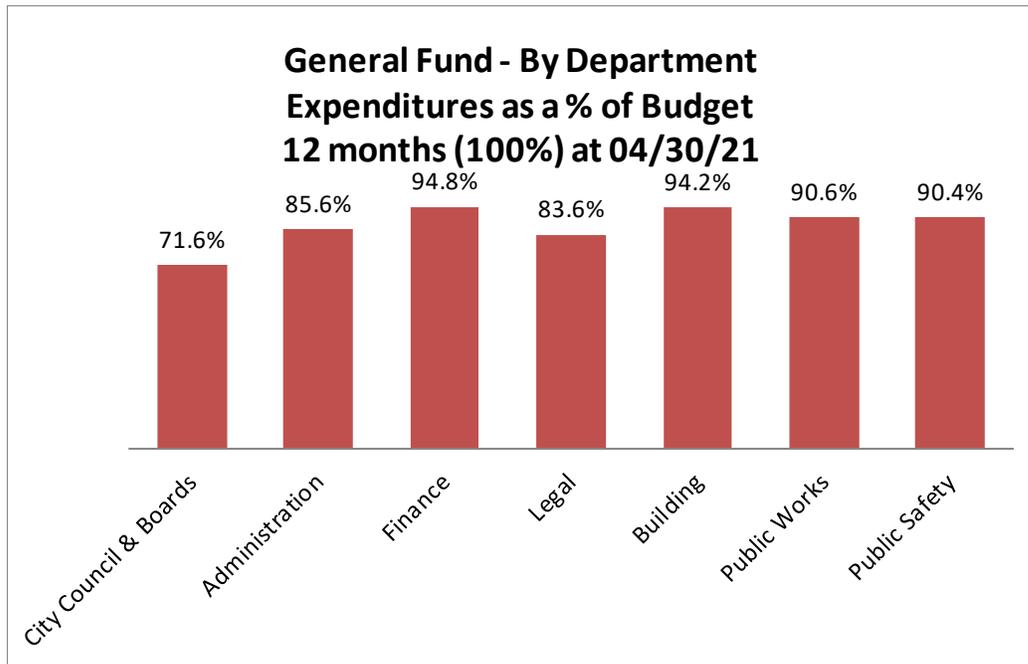




Revenue and Expenditures – By Fund

As detailed in the following table on pg. 6-7, the City’s overall YTD revenue is currently 109% of budget and the YTD expenses are coming in favorably at 80% of budget (100% of the year has elapsed). The following budget variances are worth noting:

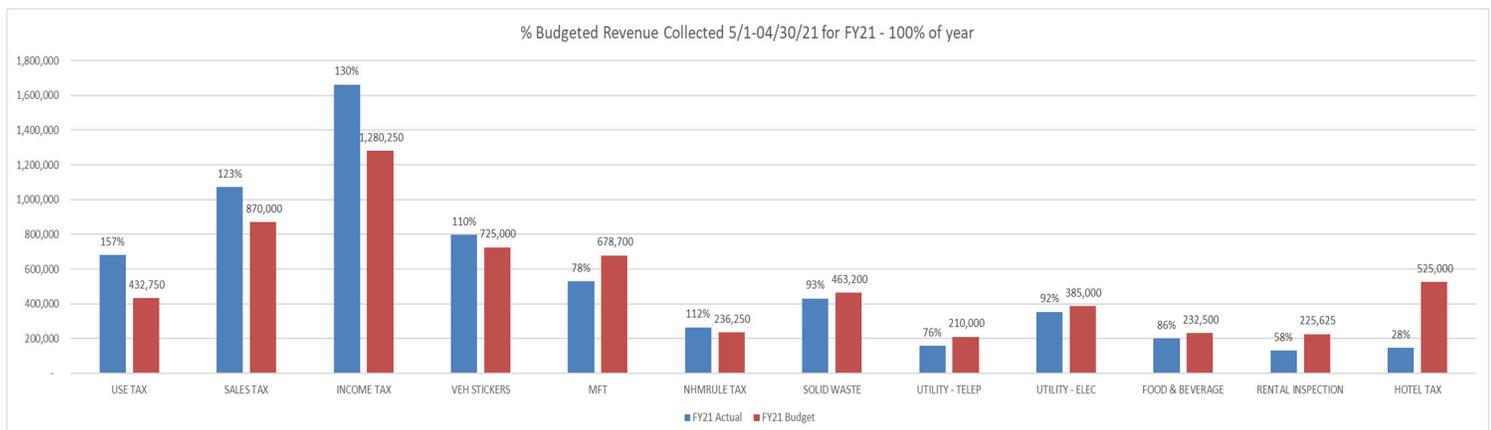
- General Fund Departmental Expenses – Expenses across all departments have been monitored closely to capitalize on lower costs and efficiencies where possible. The chart below shows departmental expenses as a % of current budget.



General Fund Revenue – Below is a comparison graph showing revenue collected for the 12 months of fiscal year 2021 compared to budget.

Of special note:

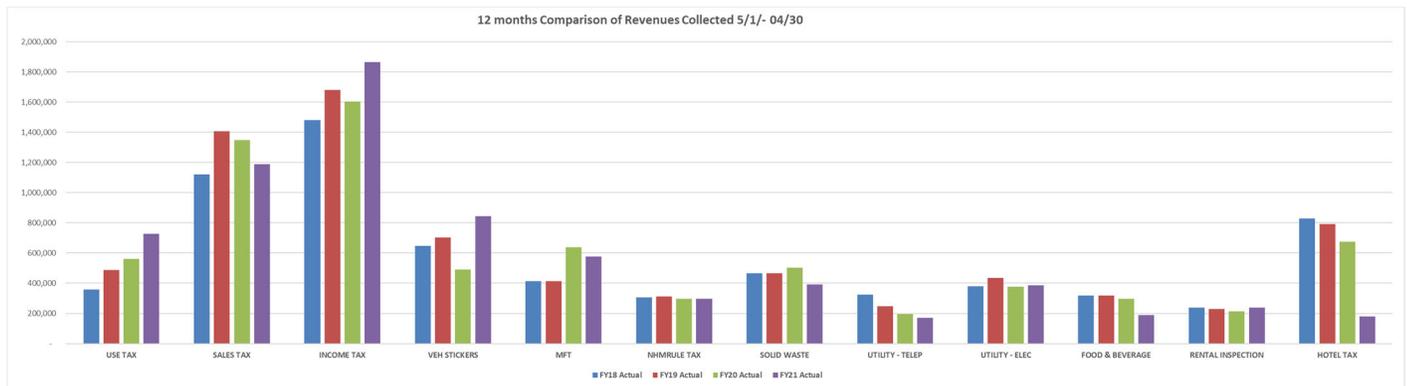
- Income, Sales and Use tax receipts continue strong thru the end of April due to our conservative budgeting for COVID impacts in FY21.
- Vehicle stickers - Staff has worked hard over the last several months on identification and collection for revenue from 20-21 vehicle sticker sales. Revenue collected includes late fees and past due sales for 19-20 stickers of over \$100k. March sales of vehicle stickers were strong and continued into early April 2021.
- Received 4th Qtr and 1st Qtr Cable Franchise Fee \$69,742 in May 2021.
- Video Gaming Tax two months behind, received in May, \$62,365.
- Utility tax receipts are in line with expectations and consistent with prior year.
- Food & Beverage tax and hotel tax collections are still significantly below expectations. The COVID restrictions resulted in lost revenue for the City. Budgeted revenue for FY21 included a 20% reduction from historical performance.
- Rental inspections Fees increased in April 2021 as more inspections were conducted.
- Hotel tax revenue continues significantly underbudget though we are starting to receive payments against past due amounts.



The graph below represents historical comparison of the City’s major revenue sources. Of special note:

- Income, Sales and Use tax receipts are up for FY21 compared to previous years.
- Vehicle sticker revenue is up due to the deferred deadline for purchasing FY20-21 stickers crossing fiscal years, collection efforts from staff and current purchases of the FY 21-22 stickers.
- MFT revenue is up in FY21 due to the additional allocation from the State which began in Sept 2019 and Rebuild Illinois Grant
- Solid Waste revenue is consistent with prior years and represents a predetermined monthly franchise fee received from our current vendor

- Food & Beverage and Hotel tax collections, as mentioned earlier, have decreased significantly as expected due to the impacts of COVID-19 restrictions on occupancy levels. It is estimated that recovery for the industry could take several years before we reach pre-pandemic levels.



	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY21 Budget	FY21 % Budget
USE TAX	357,865	488,058	562,074	726,797	432,750	167.9%
SALES TAX	1,121,542	1,405,228	1,348,178	1,187,995	870,000	136.6%
INCOME TAX	1,479,199	1,681,769	1,602,006	1,863,544	1,280,250	145.6%
VEH STICKERS	646,490	703,997	490,754	843,516	725,000	116.3%
MFT	415,065	412,652	638,048	576,692	678,700	85.0%
NHMRULE TAX	307,332	312,709	295,752	297,482	236,250	125.9%
SOLID WASTE	467,470	466,069	503,905	391,749	463,200	84.6%
UTILITY - TELEP	325,744	246,652	196,915	171,478	210,000	81.7%
UTILITY - ELEC	378,405	436,508	375,645	385,598	385,000	100.2%
FOOD & BEVERAGE	318,595	318,705	296,949	188,959	232,500	81.3%
RENTAL INSPECTION	238,000	228,575	213,425	237,000	225,625	105.0%
HOTEL TAX	827,607	791,836	675,388	178,715	525,000	34.0%

- Motor Fuel Tax Fund – Revenue is currently at 116% of total revenue budgeted. This includes the 3rd installment of the Rebuild Illinois Grant that was not budgeted. No MFT approved expenses have been incurred to date.
- Milwaukee/Palatine Rd TIF – Property tax receipts for the TIF have exceeded the budget in FY21. This is the final year of collections as the TIF was terminated last fall. The City is in process of preparing a final accounting of the net revenue in this District for redistribution by the State of any remaining funds.
- Tourism Fund – Past due amounts of approx \$66.5k are planned to be received over the next 8 months, with current month amounts paid timely. At this time, only third party vendor beautification costs and professional services have been paid from cash balances on hand while amounts due to General Fund for Police Services continue to accrue.
- DEA Seizure – The City has not received equitable sharing distributions from the State since last year. Staff has followed up with our representative noting that the State is significantly behind in the process though we can expect some revenue in the coming months.
- Solid Waste – Outstanding franchise fee revenue is currently 1 month behind and collection efforts continue. Two more payments were received in April 2021 on past due amounts.

- SSA2, SSA3 and SSA4 – The City plans to utilize remaining fund balance to support capital improvements within the boundaries of these districts.
- Water Fund – Revenue is in line with budget at 100% while expenses are 87% of budget.
- Parking Fund – Currently, due to the impact of COVID-19, commuter volume has decreased significantly and there has been minimal revenue earned to date as many residents are working from home. The majority of expenses incurred during this time are fixed costs.
- Sewer Fund – Revenue is in line with budget at 101% . Expenses have been monitored closely and are at 45% of budget. Final billing in FY21 has been sent ou. Collection efforts by Staff are in progress for past due amounts.

REVENUE & EXPENDITURES - BY FUND

PERIOD ENDING April 30, 2021

PERCENTAGE OF YEAR COMPLETED: 100%

	ACTUAL	FY 2021	% OF	ACTUAL	BUDGET
	YTD	BUDGET	BUDGET	INCR (DECR)	INCR (DECR)
TOTALS - ALL FUNDS					
Revenues	14,959,726	13,721,950	109.02%		
Expenses	(11,951,818)	(14,929,690)	80.05%		
	3,007,909	(1,207,740)		3,007,909	(1,207,740)
General Fund					
Revenues	8,936,076	7,725,350	115.67%	917,766	(1,180,600)
Expenses	(8,018,309)	(8,905,950)	90.03%		
Motor Fuel Tax Fund					
Revenues	1,116,999	706,700	158.06%	1,116,999	438,700
Expenses	-	(268,000)	0.00%		
Palatine/Milwaukee TIF Fund					
Revenues	910,552	673,000	135.30%	843,805	457,825
Expenses	(66,748)	(215,175)	31.02%		
Tourism Fund					
Revenues	178,722	526,500	33.95%	(105,032)	2,250
Expenses	(283,754)	(524,250)	54.13%		
DEA Seizure Fund					
Revenues	131	-	NA	(107,232)	(135,500)
Expenses	(107,362)	(135,500)	79.23%		
Development Fund					
Revenues	-	-	#DIV/0!	-	-
Expenses	-	-	#DIV/0!		
Solid Waste Disposal Fund					
Revenues	391,762	465,200	84.21%	(37,275)	(24,800)
Expenses	(429,036)	(490,000)	87.56%		
Palatine Road TIF Fund					
Revenues	108,935	100,200	108.72%	96,778	86,025
Expenses	(12,157)	(14,175)	85.76%		
SSA 1 Fund					
Revenues	2	-	#DIV/0!	2	-
Expenses	-	-	#DIV/0!		
SSA 2 Fund					
Revenues	10	-	#DIV/0!	10	(29,000)
Expenses	-	(29,000)	0.00%		
SSA 3 Fund					
Revenues	68	-	#DIV/0!	68	(320,000)
Expenses	-	(320,000)	0.00%		
SSA 4 Fund					
Revenues	9	-	#DIV/0!	9	(29,000)
Expenses	-	(29,000)	0.00%		
SSA 5 Fund					
Revenues	24,427	25,500	95.79%	2,795	8,500
Expenses	(21,632)	(17,000)	127.25%		
SSA 6 Debt Fund					
Revenues	198,246	212,500	93.29%	(14,794)	10
Expenses	(213,040)	(212,490)	100.26%		

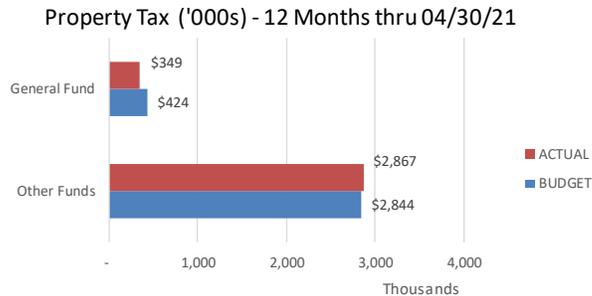
REVENUE & EXPENDITURES - BY FUND						
PERIOD ENDING April 30, 2021						
PERCENTAGE OF YEAR COMPLETED: 100%						
		ACTUAL	FY 2018	% OF	ACTUAL	BUDGET
		YTD	BUDGET	BUDGET	INCR (DECR)	INCR (DECR)
SSA 8 Fund						
	Revenues	129,893	133,000	97.66%	118,890	117,850
	Expenses	(11,003)	(15,150)	72.62%		
Capital Improvement						
	Revenues	-	-	#DIV/0!	(267,408)	(697,000)
	Expenses	(267,408)	(697,000)	38.37%		
Road Construction Debt Fund						
	Revenues	1,172,930	1,314,000	89.26%	(138,169)	2,140
	Expenses	(1,311,099)	(1,311,860)	99.94%		
Water Fund						
	Revenues	912,601	912,500	100.01%	165,175	49,710
	Expenses	(747,426)	(862,790)	86.63%		
Parking Fund						
	Revenues	55,266	120,000	46.06%	(64,583)	250
	Expenses	(119,850)	(119,750)	100.08%		
Sewer Fund						
	Revenues	823,098	807,500	101.93%	480,104	44,900
	Expenses	(342,994)	(762,600)	44.98%		
TOTALS - ALL FUNDS					3,007,909	(1,207,740)
	Revenues	14,959,726	13,721,950			
	Expenses	(11,951,818)	(14,929,690)			
		3,007,909	(1,207,740)			

General Fund Summary

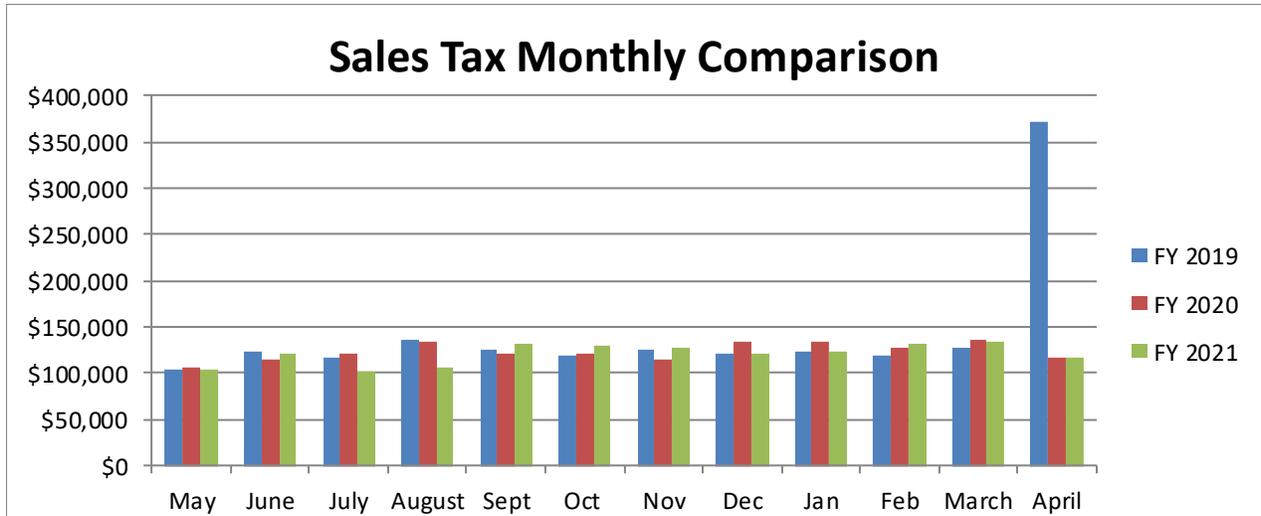
At April 30, 2021, the City's General Fund actual revenue of \$8.9 MM is \$200k lower than revenue in the prior year. Expenses for FY21 totaling \$7.7MM were \$600k lower compared to prior year. Net revenue in the General Fund is \$917k compared to \$799k in the prior year. Additional revenue sources for CARES Act funding and Rebuild Illinois grant contributed to the increase.

Major Revenues

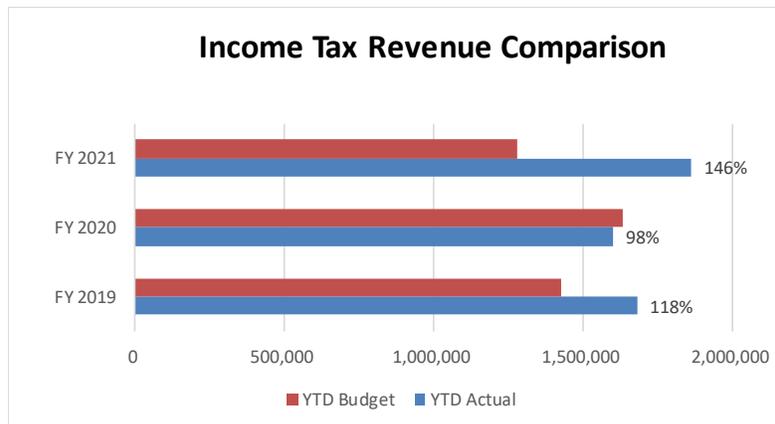
Property Taxes – For all funds, the City has collected a total of \$3.2MM or 101% of budgeted property taxes. Tax receipts came in March, 2021 (due date for first installments in Cook County).



Sales Taxes – Year to date sales tax revenue of \$1.3k is approximately 2% less than the same months last year. We are 12% over budget at this point in the year.



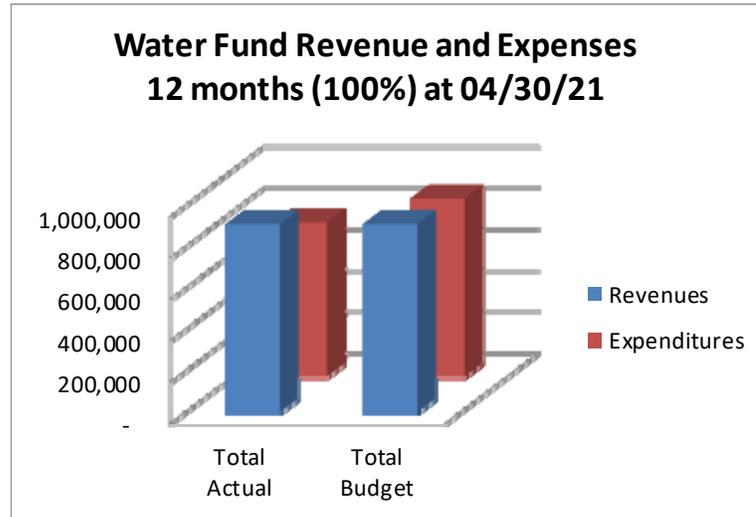
Income Taxes – As of April 30, 2021, income tax revenue of \$1.86MM represents 146% of budget. At the same time last year, income tax revenue was \$1.6MM or 98% of budget. This year’s performance against budget appears better due to planned reduction in the budgeted revenue for anticipated impact of COVID-19. On a dollar comparison, receipts have increased by \$260k over the prior year.



Enterprise Funds

Water Fund

Water fund revenue is budgeted at \$912k for the entire fiscal year. Through April 2021, actual revenues are \$912k or 100% of budget compared to \$921k or 102% of budget for the same period last year. Water fund actual expenditures through April 2021 total \$747k or 87% of budget compared to \$749k or 88% of the budget for the same period last year.



Sewer Fund

Sewer fund revenue is budgeted at \$807k for the entire fiscal year. Through April 2021, the actual revenues are \$823k or 102% of budget compared to \$829k or 102% of budget for the same period last year. Sewer fund actual expenditures through April total \$342k or 45% of budget compared to \$349k or 47% of the budget for the same period last year. System improvement costs are budgeted at \$483k, of which \$111k has been incurred.

